

BAYSHORE SANITARY DISTRICT
MINUTES
Meeting of September 23, 2021

Opening of Meeting and Roll Call:

The meeting was called to order at 7:05 P.M. As permitted per State of California Executive Orders N-29-20 and N-08-21 the meeting of the Bayshore Sanitary District was conducted via Zoom. Members of the public were invited to join the meeting. The information on how to join the meeting was included in the posted agendas.

Present: Constantino, Gallagher, Rizzi, Swanbeck, Tonna
Absent: None
Staff: Maintenance Director Landi, Engineer Yeager, Counsel Hundley and District Clerk Landi

Oral and Written Communications: (Concerning matters not on the Agenda; no action will be taken nor will extended discussion be permitted.)

- (1) Communications from members of the public
None
- (2) Communications from members of the District Board and Staff
None
- (3) Acknowledgment of recent correspondence to the District

We received an email from San Mateo County regarding funding available for losses suffered by special districts due to Covid. The District has been impacted including a significant drop in revenue from the Cow Palace. CSDA has a one hour seminar scheduled on September 27 explaining how special districts can apply for a grant under the program. Applications are due October 15, 2021. The Engineer and Clerk will coordinate work on this.

AB 361 which allows agencies to continue to meet remotely during a proclaimed state of emergency when social distancing is recommended, requires passage of a resolution by the Board. Counsel Hundley will draft a resolution for consideration at the October meeting. Upon passage of the resolution a standard notation can be placed on the agenda reiterating that we continue to meet remotely.

Consent Agenda: *(Any member of the Board or the public can request that an item be removed from the Consent Agenda. If there are no objections all items are voted upon by one motion.)*

- (4) Minutes of the Regular Meeting August 26, 2021
- (5) Payment authorization for bills and compensation
- (6) Accept August, 2021 report on District's current financial status
- (7) Accept August, 2021 checking account reconciliation

A motion was made by Director Swanbeck, seconded by Director Rizzi and passed unanimously by voice vote to approve consent items 4 – 7.

Board Reports – consideration of matters relating to:

- (8) President Gallagher
 - (a) LAFCo: No report.
 - (b) CSDA – Local Chapter: President Gallagher met with Colleen Haley, CSDA, and a few other members of the Chapter to discuss how to generate interest in the quarterly meetings.
- (9) Daly City: Director Rizzi reported that Lawson Hall may begin allowing public use this fall.
- (10) Brisbane: It was reported that the City is offering funds on a first come basis to businesses whose income dropped at least 25% due to Covid.

Staff Reports:

- (11) Maintenance Director – consideration of matters relating to:
 - (a) Monthly report on District operations and maintenance: The station is working fairly well. (1) Packing was replaced on Pump #1. (2) A Tesco tech visited the station on Monday to trouble shoot the alarm system issues and the pressure gauge. The alarm notifications do not adequately indicate what the problem is. The tech performed some work but the problem was not solved; needs more work. With regard to the pressure gauge Tesco thinks that it isn't the proper gauge. The tech was to follow up but the Maintenance Director has not heard from him. (3) There was a field meeting re Midway Village. They are beginning to start the project. Preston Pipeline is working on the water system. (4) There were no service requests during the reporting period. (5) North San Mateo County Sanitation District performed the quarterly maintenance of the trouble spots.
 - (b) Flowmeter replacement: This was budgeted at \$10,000 to replace the flow tube and flow meter. Secured an estimate from Telstar which provided 3 options. Mr. Landi recommends the option recommended by Telstar to go with the Siemens meter. The cost is \$4,941 for the meter and \$3,050 for labor and Telstar states that this is not a prevailing wage job. We need to get clarification of some of the details, i.e. is labor for one person. A motion was made by Director Swanbeck, seconded by Director Constantino and passed unanimously by voice vote to approve up to \$10,000 to replace the flow meter.
- (12) District Engineer – consideration of matters relating to:
 - (a) August meter reading data: There was no rainfall in August. The average daily flow was 239,970 gallons.
 - (b) 2019-20 CIP: Discussed under (11) (a) (2) above.
 - (c) Midway Village: There was a preconstruction meeting on September 14. Demolition of the building is scheduled for September 28 and sewer construction will begin October 4. It is anticipated that the sewer line crossing the play field will be removed on October 16. That removal will involve executing a legal document upon abandonment. Counsel Hundley advised that she is sure they will let us know when the document is required. The connection fees have been paid.

- (d) 494 Oriente Street: The owner has paid the prorated connection fee for the ADU.
- (e) 55 Calgary Street: This is a 7 unit subdivision which was part of the El Rancho Market property. The Engineer has been working with the owner this month providing permit information, invoices, SFPUC capacity worksheets, etc. The owner was unable to find the District office to drop off the payments and will send the checks via overnight mail. As of today's mail delivery, no payment has been received. Once payment is submitted Engineer Yeager will advise Daly City that they can issue permits.
- (f) Miscellaneous Daly City projects: The City has referred a number of project applicants to the District; most require Class 4 permits. Daly City personnel have been really good about referring applicants to the District.
- (g) PG&E groundwater discharge permit: PG&E has submitted a permit application and has obtained a permit from the SFPUC. This permit will be a bit unusual because they don't have a project in mind. It is a blanket permit for 5 years. They will advise the District when there is a discharge.
- (h) Daly City/NSMCSD O&M contract: We sent amendment #3 after the last meeting and have not heard back. Kevin Mc advised that they hadn't gotten around to it yet.
- (i) Overlook sewer service charges: These fees were for last year's discharge. Since there was no meter reading Toll Bros. paid the charges.
- (j) Sewer System Management Plan (SSMP): No report.
- (k) Jurisdictional boundaries: A map was provided to San Mateo County.
- (l) Capacity Entitlements: As is done each year the discharges of the nonresidential customers was compared to their entitlements. Two businesses significantly exceeded their entitlement. One was 10 Industrial Way which exceeded the entitlement by 832 units resulting in a charge of \$14,202.24. In a conversation with the property owner he didn't know why there would have been that much water usage since there is no activity at the property. The owner was given 30 days to investigate. The second property is at 200 Industrial Way. This property is owned by Sunquest. A letter was sent to Howard Pearce advising that the entitlement had been exceeded by 356 units resulting in a charge of \$6,076.22. A response was received from Sunquest who advised that there is a machine shop at the property and they have added a hydrostatic metal cutting machine. Sunquest will look into this and the Engineer and/or Maintenance Director may make an inspection. We need to make sure that there is no metal being discharged.
- (m) Connection fee increase – continued from August meeting: The balances in the reserve accounts have been updated to reflect the connection fees received from Midway Village. The dedicated Capital Reserve Fund now has a positive balance of about \$420,000. At the last meeting the Engineer was asked to obtain connection fees for adjacent communities. Our connection fee is \$3,414 + \$4,773 for the SFPUC capacity fee. The SFPUC charges its customers \$7,602; we receive a discount. Daly City's connection fee is \$2,600 for up to 33 fixture units. There is a \$94 per unit charge when 33 fixture units are exceeded. The Brisbane connection charge is \$2,522. Once Brisbane's contract with the SFPUC is renegotiated (2025) they too will be subject to a capacity fee. There are a number of projects, current and projected, which would increase the total in the Capital Reserve Fund. They are the apartment complex on Geneva Avenue, Midway Village, Point Martin, 55 Calgary Street and the Baylands. There was consensus to keep the connection fee at the current rate.

(n) SFPUC FY 2021-22 Sewer Service Charge: Last week the Engineer received a pdf of the calculations. This week he received the excel spreadsheets which he needs to analyze the calculation. The 2021-22 sewer service charge is \$1,383,709 and \$1,300,000 was budgeted. Engineer Yeager has been reviewing some historical data to understand what is happening. He has spreadsheets with line items going back to 2013 which include flow data and component charges as well as the SFPUC and BSD charges. Those numbers help him in reviewing the charges and to understand what has happened over time. One thing that he found surprising was the impact of Covid vs. the impact of the drought. In his opinion the Covid affect is less than he anticipated. The drought is having a greater impact. In wet years our ratio of flow vs. San Francisco is lower because they have a combined system. The Engineer indicated that he needs to review the budget line items in the SFPUC documents. The first payment is due at the end of October. He will have completed his review by the October meeting. This phenomenon will continue until we experience a normal wet season. Engineer Yeager will check with Brisbane with regard to their 2021-22 charges and will attempt to find out what Daly City's charges are.

(13) District Counsel – consideration of matters relating to:
No report.

(14) District Clerk – consideration of matters relating to:
An email was send to Sara Watson at Tri Counties Bank inquiring about products that might generate a better rate of return for the District. No response was received; she will follow up.

Old Business:

(15) FY 2020-2021 audit
President Gallagher has not spoken to Fechter & Co. about depreciation. The Clerk emailed after the last meeting advising that they could issue the final audit. This has not been done; Clerk will follow up.

New Business:

(16) Reports on other matters: no action will be taken
President Gallagher said that she would like to discuss the Special District Leadership Foundation program at a future meeting.

Closed Session:

The Closed Session began at 8:20 P.M.

(17) Significant exposure to litigation pursuant to §54956.9(b): one case

The closed session ended at 8:47. There is no reportable action.

Adjournment:

The meeting was adjourned at 8:48 P.M. The next regular meeting is October 28, 2021 at 7:00 P.M.

Submitted by, Joann Landi

/s/ Iris Gallagher
President

/s/ Norman Rizzi
Secretary