

BAYSHORE SANITARY DISTRICT
MINUTES
Special Meeting of October 20, 2022

Opening of Meeting and Roll Call:

The meeting was called to order at 7:15 P.M.

Present: Constantino, Gallagher, Rizzi, Sy, Tonna

Absent: None

Staff: Maintenance Director Landi, Engineer Yeager and District Clerk Landi

Administer Oath of Office to Newly Appointed Director:

President Gallagher administered the oath of office to newly appointed Director Linda Sy.

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
President Gallagher has been in contact with Xenia Gutowski and reported that she is leaving California on October 25. The issue of former Director Swanbeck's life insurance has not yet been resolved. Dooley Insurance has advised that NY Life is investigating the issue of establishing a category for elected officials. She has advised them that they will be required to refund all premiums if they do not reach a favorable solution.

The Clerk mentioned having to reach out to North San Mateo County Sanitation District with regard to scheduling cleaning. She will remind them of the terms agreed to in Amendment #4.

(3) Acknowledgment of recent correspondence to the District
There are two communications from San Mateo County regarding RDA funds to be allocated in January and the anticipated amount of property taxes for FY 2022-23.

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 September 22 and October 6, 2022 meeting
- (5) Payment authorization for bills and compensation
- (6) Accept September, 2022 report on District's current financial status
- (7) Accept September, 2022 checking account reconciliation

A motion was made by Director Tonna, seconded by Director Constantino and unanimously passed 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: The next meeting is October 26. President Gallagher will reach out to Kati Martin regarding the bank’s request that they be formally advised the names of the authorized signers on the Chapter checking account. The Maintenance Director plans to attend the virtual meeting and will remind Kati.
- (9) Daly City: Director Rizzi told the Board that Lawson Hall is being closed and the seniors will meet at the community center. The City plans to rent the building.
- (10) Brisbane: no report

Staff Reports:

- (11) Maintenance Director – consideration of matters relating to:
 - (a) Monthly report on District operations and maintenance: The control room floor was prepped and repainted and the garage door required some repair work. There were no service requests during the reporting period. As indicated in the monthly report there were a significant number of USA marking requests.
 - Inspected the oil and sand filter exiting the garage at Midway Village. Since it discharges into the sewer they may need an industrial discharge permit from the SFPUC; Engineer Yeager will follow up.
 - We need to remind Toll Bros. that they are required to have the lines cleaned and also to provide the District with as-built drawings. Once that is done acceptance of the project can be brought back to the Board for their consideration.
 - There was recently a fire in the former statue factory building. Upon entering officials and the property owner found that it was being used as a marijuana grow facility. There were police and fire personnel at the site yesterday possibly continuing their investigation.
- (12) District Engineer – consideration of matters relating to:
 - (a) September meter reading data: The average daily flow was 253,400 gallons per day typical for dry weather.
 - (b) Entitlements - 2022-23: Prior to the meeting Engineer Yeager provided a memo to Director Sy explaining capacity entitlements. This year there were 4 accounts that exceeded their capacity. Two were likely due to leakage problems and the Engineer will monitor their water usage for the next few months. One account has paid for the additional capacity and there is an outstanding invoice for TransDev, the bus storage facility on Tunnel Road. That property is owned by Brisbane Baylands but they have deferred the charges to the leaseholder. Mr. Yeager explained that property owners are advised of exceeding their capacity prior to an invoice being issued.
 - (c) Entitlements - Long-term: The Clerk and Engineer both keep track of the entitlements going back to 1998. There are some differences but they are close to being reconciled.
 - (d) Point Martin, Phase 1: This is the subdivision off of Carter Street. Phase 1 plans were submitted last fall and have recently been resubmitted. We had some additional comments as did Daly City. Those plans have been sent to the developer along with the updated comments. In response to a question from the Maintenance Director, Engineer Yeager said we have seen their

plans on how they plan to connect to the mainline sewer. There is currently grading going on including grading for home pads.

(e) Intermountain Infrastructure Group (IIG): This is a unique situation. In February we were notified of a potential project in Bayshore Boulevard for the installation of cabling for the smart corridor project. It is a County project to monitor and divert when necessary, traffic on Highway 101 and Bayshore Boulevard. The Engineer provided comments on the preliminary plans. Subsequent to that he has received revised plans from IIG. They are proposing to install a conduit system on Bayshore Boulevard which would impact the District from the Carlyle Pump Station to the sewer at Sunnydale Avenue. There is another proposal to install another bank of conduits down Carter Street. IIG is a developer of underground conduits that they lease or sell to users. They do the planning and financing but not the construction. The construction proposed on Carter Street doesn't impact the District too much. The one on Bayshore Boulevard will be crossing the force main. We were actually made aware of this work by Daly City. They have been very good about notifying us whenever they issue an encroachment permit. IIG will need a Class 4 permit and will have to pay fees before we grant approval of their plan. We also want to review the project in the field with the contractor after the USA marking is done. On Bayshore Boulevard we don't know exactly where the parallel force main is since there are no physical features that you can use to locate – it's not a metallic pipeline. That line will be crossed in one location. We will require extensive potholing. Engineer Yeager isn't sure if IIG is aware of the ground situation, i.e. fill material, ground water, etc. He will require a geotechnical investigation and they will be required to make repairs immediately if damage is done. They will also be responsible for any fines and will need to secure a performance bond. All of these comments/requirements need to be included in the contract documents.

(f) PG&E construction activities: All of the information we have has been provided by Daly City. They send us their permits and ask for our comments. One project is a simple gas line replacement on Pueblo Street. The other project involves PG&E probing their line on Bayshore Boulevard to assess the condition. Yet another is a PG&E permit to run the gas and electric into the Pt. Martin subdivision. Currently the drawings indicate the electric line will be over the sewer.

PG&E took out a "blanket" permit about 2 years ago for various, miscellaneous work. It has taken some time to try to track down the person for permits. We need to be kept better informed by PG&E.

(g) SFPUC annual sewer service charge: The FY 2022-23 charge is \$1,407,968; we budgeted \$1,460,000. In FY 2021-22 the charge was \$1,383,709. The SFPUC's total cost has increased 4%. The Board was provided a memo explaining the calculations. The Engineer tracks those calculations so he can find any anomalies. He reviewed the increases over the last 3 fiscal years. The SFPUC took \$25,000,000 out of their reserves to offset their costs. Last fiscal year they took \$9,000,000 from their reserves. The SFPUC made a commitment that they were not going to increase rates significantly. The O&M costs are down but the total debt service went up 16%. Mr. Yeager reviewed the various components and how they affect the total cost. The oil & grease component increased substantially and it turns out that they did not sample at their plants in FY 21-22 and used the prior year data. The Engineer believes they should have used a 5-year average. That would have reduced our charge about \$15,000. They have not sampled at the Carlyle Pump Station for several years and we previously agreed to use the average for the 6 years that they did sampling. There was discussion about the current contract which ends in 2025 and the need to advise the SFPUC we disagree with the method of calculating the oil & grease component as well as charges related to Treasure Island.

(h) SFPUC Cumulative Discount Rate: Two methods have been used to calculate the discount which is a credit for debt funds that go to repair that portion of the SFPUC system that is less than 36" in diameter. The original method of computing the discount was referred to as the annual method and then in FY 2020-21 they switched to the cumulative method which resulted in an increase of \$116,000. The District did not receive any advance notice of this change and we continue to believe that it is a change in the contract that should have been negotiated or at least documented in an MOU.

(13) District Counsel – consideration of matters relating to:
None

(14) District Clerk – consideration of matters relating to:
(a) FY 2021-22 audit update: The last information we have is that the audit is undergoing an internal review and should be issued soon.

Old Business:

(15) Community outreach – newsletter
The Clerk contacted our webmaster and he said he could be available to help create the newsletter and it would take approximately 4 hours. The Clerk said she needs to have further discussion with him about our intent to educate and increase awareness vs. a marketing. Given the proximity to the holiday season there was agreement that this project be delayed until early spring.

New Business:

(16) Reports on other matters: no action will be taken
None

Closed Session:

(17) Significant exposure to litigation pursuant to §54956.9(b): one case
There was no closed session.

Adjournment:

The meeting was adjourned at 8:52 P.M. The November 17, 2022 meeting will be via Zoom and the December 22, 2022 meeting will be in person.

Submitted by, Joann Landi

Iris Gallagher
President

Norman Rizzi
Secretary