

BAYSHORE SANITARY DISTRICT
MINUTES
Special Meeting of June 16, 2022

Opening of Meeting and Roll Call:

The meeting was called to order at 7:08 P.M. As permitted per State of California Executive Order N-29-20 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
Acknowledged recent budget planning information provided by the District Engineer.

Budget Workshop:

Engineer Yeager explained that it has been difficult getting information from San Francisco and Daly City this year. There were also APN changes in Midway Village that took some time to clarify. He went on to say that over the last several years we have been able to contribute to reserves.

Sewer service charges paid to the SFPUC represent approximately 75% of operating expenses. San Francisco budgets on a two year cycle and this will be the first year of that two year period. Their budget won't be finalized until the end of June. They have indicated they will not be raising the retail rates for the upcoming year but they are adjusting some of the line items which are not beneficial to the District. There will be a 5.25% wage increase and \$18,000,000 in bond payments. They are deferring expenditures to the collection system and trying to remove some non-sewer related costs in the budget. Those items are already excluded from our rate base so we won't see any savings. Engineer Yeager is estimating a 5.5% increase to our rates.

Property taxes for the current year were discussed. The most significant portion of those revenues are proceeds from the former Daly City and Brisbane redevelopment agencies.

We have been advised by the County that the payoff of obligations for Daly City is fiscal year 2038-39 and for Brisbane it is 2028-29. However, we have no idea what assets remain that would generate revenue for the District.

With regard to the outside cleaning service, the Engineer and Maintenance Director agree that cleaning of trouble spots can be reduced from 3 times per year to twice. Also, the most problematic line through Midway Village can be removed from the cleaning program. Engineer Yeager will negotiate a reduced contract with North San Mateo County Sanitation District to reflect these changes.

Prior to the meeting Board and Staff were provided a budget worksheet which included the amounts budgeted for Fiscal Year 2021-22, balances as of May 31, projected revenues and expenses through the end of the fiscal year and a column for Fiscal Year 2022-23 sums. The worksheet was shared on the screen.

Board and Staff began by discussing the anticipated revenues for fiscal year 2022-23. The most significant change going forward is the uncertainty of development this coming fiscal year so a conservative approach was taken. The total estimated revenue for Fiscal Year 2022-2023 is \$1,911,450 which included a \$137,950 contribution from contingency funds.

Operating expenditures were reviewed account by account, needs assessed and budgeted at \$1,871,450. There will be minor capital outlay for fiscal year 2022-23 in the amount of \$40,000. The total expenses for the new year are \$1,911,450.

New Business:

(4) Reports on other matters: no action will be taken

The Maintenance Director told the Board that he received a parking violation from the City of Daly City. At the time he was stopped at 135 Rio Verde Street conducting an inspection of a newly installed cleanout. He noticed a white truck behind him but the driver attempted no contact. Counsel Hundley said that per Daly City Municipal Code public utility vehicles are exempt from that type of violation. She will provide the code section to the Clerk. No action can be taken by the Board at this time.

Adjournment:

The meeting was adjourned at 8:21 P.M. The next regular meeting is June 30, 2022 at 7:00 P.M.

Submitted by, Joann Landi

/s/ Iris Gallagher
President

/s/ Norman Rizzi
Secretary