

BAYSHORE SANITARY DISTRICT
MINUTES
Meeting of June 26, 2025

Opening of Meeting and Roll Call:

The meeting was called to order at 6:07 P.M.

Present: Constantino, Gallagher, Rizzi, Sy, Tonna
Absent: None
Staff: District Clerk Landi, Counsel Mog, Maintenance Director Landi, Engineer Yeager and Asst. Clerk Landi
Also: Felix Oviawe, Murgreen Environmental

(1) Budget Workshop

Discussion of the FY 2025-26 budget began with revenue projections. The District Engineer provided information on the estimated Permit Fee, Sewer Service Charge and Connection/Capacity fees. As is the case for most years the amount of Property Taxes is uncertain and to a significant degree dependent on the sell down of assets in the former Brisbane and Daly City redevelopment districts.

Discussion moved on to expenditures for FY 2025-26 beginning with Contractual Services. There is little change compared to FY 2024-25. Most expenditure accounts will be relatively stable for the next fiscal year.

The FY 2025-26 budget will include 4 projects under Capital Improvements totaling \$100,000.00.

There could be some minor changes prior to adoption of the budget at the July 24th meeting but as of this workshop the total annual budget is \$2,265,000.00.

The meeting was recessed at 7:15 P.M. for a meal break and reconvened at 8:04 P.M.

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

(2) Communications from members of the public

None

(3) Communications from members of the District Board and Staff

None

(4) Acknowledgment of recent correspondence to the District

President Gallagher mentioned having received an election ballot from CASA. She will vote on behalf of the District.

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.)*

- (5) Minutes of the May 22, 2025 meeting
- (6) Payment authorization for bills and compensation
- (7) Accept May, 2025 report on District's current financial status
- (8) Accept May, 2025 checking account reconciliation

A motion was made by Director Constantino, seconded by Director Tonna and passed by voice vote to approve items 5 – 8.

Board Reports – consideration of matters relating to:

- (9) President Gallagher
 - (a) LAFCo: The next meeting is July 16th and remote participation is provided. An item of business is to approve the Municipal Services Review protocol.
 - (b) CSDA – Local Chapter: No report.
- (10) Daly City: No report
- (11) Brisbane: No report

Staff Reports:

- (12) Maintenance Director – consideration of matters relating to:
 - (a) Monthly report on District operations and maintenance: Telstar performed the annual calibration of the flow meter. There were a number of inspections at Midway Village Phase 2 as well as meetings with their contractor Preston Pipeline.
 - (b) SCADA system: Telstar has spent considerable time trying to correct the remote access malfunction. Their efforts failed and Tesco was called to make an onsite visit. They were here yesterday for about 6 hours but took a piece of equipment to their facility for further attempts at restoring remote access. They were able to do a “work around” and the Maintenance Director was able to access the system remotely. This problem started in late February and until recently Tesco had seemed uninterested in providing service.
- (13) District Engineer – consideration of matters relating to:
 - (a) May meter reading data: The average daily flow was 265,767 gallons.
 - (b) Various cabling projects: PG&E has not started their cabling project which will run from the Martin Service Center down Geneva, up Bayshore Boulevard to San Francisco. They have completed potholing.
 - (c) Midway Village Phase 2: They have submitted plans for the lift station; they have been accepted. They will be required to submit lab results for their groundwater discharge to San Francisco.
 - (d) Brisbane Landfill Industrial Discharge Permit: The permit expires June 30th. They have submitted an application to San Francisco and were supposed to received their permit yesterday. They have requested that the Board grant an extension. Engineer Yeager described the method used to calculate the connection fee which is \$30,094.07. They have been billed and we have asked for

payment by September 1. The Engineer requested that the Board grant an extension. A motion was made by Director Tonna, seconded by Director Sy and unanimously passed by voice vote to grant an extension to the existing industrial discharge permit.

(e) Brisbane Baylands EIR: Mr. Yeager has read through the EIR and picked out the items of interest to the District. He has been making comments for some time now and they aren't always incorporated in subsequent documents. In spite of having a meeting with the City of Brisbane some of our comments were omitted from the EIR. In one section of the draft it is indicated that the Carlyle Pump Station is located at the site of the old abandoned pump station. In another document the location is correct. One issue that has not been addressed is the flooding at Industrial and Bayshore Boulevard. With a proper study the flooding could be mitigated. In one place they mentioned Bayshore Sanitary District as the wastewater provider and in another they do not. They also do not acknowledge the force main nor do they show it on the plans.

(f) SFPUC billing of BSD customers: San Francisco is saying that they have assets within the District and if Bayshore Sanitary District discharges into those assets directly then San Francisco can bill the affected customers. We have asked for a list of the assets but it has not been provided. They are billing properties on Robinson Drive, Bayshore Boulevard and possibly Pueblo. The northern boundary and the boundary between Daly City hasn't changed since 1925. The Robinson Drive sewer was installed in 1948. From 1948 to 1998 there was never any billing controversy. This subject came to light when the Engineer requested water usage records. We found out they were billing 11 properties on Robinson Drive, Grocery Outlet and the San Francisco corporation yard. They have done field work and now understand that the San Francisco corporation facility is in the District. But they continue to believe they should bill Grocery Outlet, 11 of the 20 properties on Robinson Drive and one on Pueblo. The Engineer did a site visit and noted there are a number of manholes with San Francisco identification markings. He thinks that the area in question didn't develop until after WWII. The District has done maintenance on Robinson Drive and actually replaced a section of mainline in 2011. The SFPUC did some TV inspection and say there is an HDPE line that runs up to Sunnydale. All things considered the dollar amount is insignificant. Engineer Yeager is going to suggest that the SFPUC refund our customers that they have been double billing. He will work with Counsel to draft a letter about our understanding and explain how we are proceeding. This seems like an administrative error that's gone awry. In closing the Engineer said there is language in the term sheet which resolves this matter.

(g) SFPUC Term Sheet: A virtual meeting was held on May 30 with Brisbane, Daly City, the District and several SFPUC staff. The discussion didn't get into the financial aspects. They have not prepared a model that shows what the sewer service charge would be under the contract. Our comments will cover the double billing issue, points of connection, language re the District complying with all City ordinances, water quality testing costs being borne by the District. In the previous JPA San Francisco covered the cost of their water quality testing. There is significant language regarding industrial dischargers which appears they want to create more bureaucracy. There is also language about "other" expenses but they are not identified. San Francisco will be issuing a revised term sheet.

(h) Rate Increase : The Engineer has requested a \$5 per hour increase. The preliminary 2025-26 budget includes sufficient funds to cover the increase.

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

(15) District Clerk – consideration of matters relating to:

(a) Rate increase: The Board was provided an informational survey of comparable positions at various agencies in the Bay Area. The Assistant Clerk was asked to provide a proposal to the Board at the July meeting.

Old Business:

(17) District's 100th Anniversary – recap: The Assistant Clerk displayed a slide show of the event. In spite of a good faith effort the lack of attendance was disappointing. We will consider ways of dispensing some of the promotional items.

(16) Succession Planning: No report.

New Business:

(18) Resolution No. 2025-02 setting Appropriations Limit for FY 2025-26

The calculation was provided by Fechter & Co. CPAs. A motion was made by Director Tonna to adopt Resolution 2025-02. The motion was seconded by Director Constantino and passed by the following roll call vote:

Ayes: Constantino, Gallagher, Rizzi, Sy, Tonna

Noes: None

Absent: None

(19) Selection of auditor for FY 2024-25

Fechter & Co. CPAs have done a good job for the District in the past and has provided a letter of engagement for consideration. The fee for the audit services would be \$14,200

A motion was made by Director Sy authorizing the President to sign the letter of engagement. The motion was seconded by Director Tonna and unanimously passed by voice vote.

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

President Gallagher said she thought it would be a good idea for one or two of the Directors to attend the CSDA conference in August in Monterey. Not all of the Board received the booklet. The Clerk will provide them a copy of the break out sessions

Adjournment:

The meeting was adjourned 9:34 P.M. The next meeting is July 24th. Director Constantino said he would miss the July meeting.

Submitted by Joann Landi

/s/ Iris Gallagher, President

/s/Norman Rizzi, Secretary