BAYSHORE SANITARY DISTRICT

MINUTES
Regular Meeting of July 16, 2026 at 7:00 P.M.
36 Industrial Way, Brisbane, CA 94005

Opening of Meeting and Roll Call:

The meeting was called to order by President Tonna at 7:04 P.M.

Present: Constantino, Gallagher, Rizzi, Sy, Tonna
Absent: None
Staff: District Clerk Landi, Counsel Mog, Engineer Yeager, and Maintenance Director Oviawe

Public Hearing: The Public hearing began at 7:05 P.M.

(1) Approval of Sewer Service Charge Report for FY 2025-26; Resolution No. 2026-02
A motion was made by Director Gallagher approving the Sewer Service Charge Report for FY 2025-26 in the amount of 1,886,778.60. The motion was seconded by Director Constantino and approved by a roll call vote.

AYES, and in favor thereof, Directors: Constantino, Gallagher, Rizzi, Sy, Tonna
NOES, Directors: None
ABSTAIN, Directors: None
ABSENT, Directors: None

(2) Approval of Collection of Delinquent Accounts on County Property Tax Roll – There are no delinquent accounts for FY 2025-26.

(3) Adoption of FY 2026-2027 Annual Budget; Resolution No. 2026-03
Director Gallagher raised concerns about the 2025-2026 revenue actuals and recommended that we adjust the 2026-2027 budget revenue projections down to reflect a more balanced budget. After making minor adjustments to revenue accounts 6013, 6015, 6104, and expense account 7003, a motion was made by Director Gallagher to approve the FY 2026-27 Budget. The motion was seconded by Director Constantino and approved by roll call vote.

AYES, and in favor thereof, Directors: Constantino, Gallagher, Rizzi, Sy, Tonna
NOES, Directors: None
ABSTAIN, Directors: None
ABSENT, Directors: None

The Public hearing ended at 8:41 P.M.

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

(4) Communications from members of the public: None
(5) Communications from members of the District Board and Staff: None
(6) Acknowledgment of recent communications to the District: None

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.)*

(7) Minutes of the June 25, 2026 meeting
(8) Payment authorization for bills and compensation
(9) Accept June, 2026 report on District's current financial status
(10) Accept June, 2026 checking and LAIF account reconciliations

Director Constatino made a motion to approve items 7 – 10 on the consent agenda. Director Sy seconded the motion with a voice vote approved by all.

Board Reports – consideration of matters relating to:

(11) President Tonna:
(a) LAFCO: No Report
(b) CSDA - Local Chapter: No Report

(12) Vice President Constantino: No report

(13) Secretary-Treasurer Sy
(a) CPS Emergency Alarm & Generator Notification Transition – From CSMS to Murgreen: Director Sy had some questions regarding the timing and transition of the pump and generator alarms, as they are still programmed to go to former Maintenance Director Rich Landi's phone number. Historically, the alarms were configured to go to the BSD line first, and then the Maintenance Director thereafter. Maintenance Director Oviawe previously requested Telstar to configure the alarms to go to his employee Benny and subsequently himself. This is not the usual and customary way the District had the alarms configured in the past, and they would like things to remain consistent. After discussion, the Board decided the alarms should first be routed to the BSD number that is monitored by the District Clerk, and then go to Maintenance Director Oviawe as a backup in the event that the District Clerk is not available to pick up the alarm call. Maintenance Director Oviawe will schedule the necessary service to ensure the alarms get updated with the correct telephone numbers.

(14) Director Gallagher
(a) Inspections – Items 14a and 14b were postponed until the end of the meeting as President Tonna felt it was going to be a passionate discussion. Initially, President Tonna requested that the paid staff step out of the meeting except for Counsel Mog. However, the full Board would need to vote in favor of doing so. Director Gallagher wanted to move forward with the discussion which was involving the Board and Board-related matters.
Director Gallagher saw former Maintenance Director Landi in Brisbane on June 30th. He was just coming from an inspection and expressed interest in wanting to continue performing

inspections for the District on a temporary basis, especially for the long-term projects he has been involved with, i.e. Midway Village, Point Martin, etc. Director Gallagher feels that it would be beneficial to have Mr. Landi stay with the District in some capacity because he has served the District for over 60 years and possesses institutional and historical knowledge about the District that no one else has. Continuing to work with Mr. Landi on a part-time basis would greatly benefit the District, honor his long-time commitment to BSD and provide a better transition to Maintenance Director Oviawe. President Tonna asked the remaining Board members and staff their opinion on Mr. Landi returning for a temporary period of time to assist the District. The consensus is to have Mr. Landi return. Maintenance Director Oviawe is okay with it as long as he and Mr. Landi have defined roles so as to not step on each other's toes. Director Constantino is in favor, but also reiterated the need to have duties documented in writing with a hard end date. The proposed scenario is to have Mr. Landi present at CPS on Tuesdays and Thursdays, and perform any inspections that fall on those days when Maintenance Director Oviawe is not available. The Board agrees that Mr. Landi will not be in charge of Maintenance Director Oviawe and his staff, but agrees they can greatly benefit from his guidance and expertise. Director Gallagher created a draft offer letter for Mr. Landi. She will make some edits and send it to Counsel Mog for review before reaching out to Mr. Landi.

Director Gallagher made a motion to offer Mr. Landi an appointment to come back to the District as an advisor on a part-time basis. The motion was seconded by Director Sy and approved by voice vote by Directors Constantino and Rizzi. President Tonna voted no.

(b) Special Meeting Requests: Director Gallagher informed the Board that she reached out to President Tonna to request a special meeting to discuss having Mr. Landi continue with the Board to perform inspections. She felt that the Board did not have an opportunity at the June 25 meeting to discuss the scope and salary for Mr. Landi's part-time role, which led to a tense breakdown in negotiations at the meeting. President Tonna stated that Mr. Landi might need a contractor's license to perform inspections, and that he didn't think it was a good idea and would get back to her about the meeting request. Director Gallagher did not hear back from President Tonna. She expressed her concern about the President's governance style and reminded all that this is a five-member board with equal rights and the duty to fully participate. She continued by mentioning the duties of the president, i.e. preside over all the Board meetings, ensure that the meetings follow the Brown Act, maintains order, manage discussion, and guide the Board through its agenda. The president represents the District publicly, acts as the Board spokesperson at official functions, intergovernmental meetings and public hearings, signs official documents, coordinates with District contract staff, aids in the preparation of meeting materials to ensure they are ready for Board Action. The president also oversees committee appointments and typically designates members or chairperson. The president may call special or emergency meetings when authorized by District policy. Director Gallagher reiterated that the president has one vote as does each director. In closing she expressed her belief that unilateral decisions are not in the best interest of the Board.

(c) CSDA Annual Conference: Director Gallagher requested that she, Director Sy and Clerk Landi attend the upcoming conference in Palm Desert. Clerk Landi declined as the conference is held during the same week as the next Board meeting. Directors Gallagher and Sy will attend the August 24-27 conference in Palm Desert. Clerk Landi will assist with coordinating registration, flights, and hotel accommodations. President Tonna made a motion to approve Directors Gallagher and Sy attending the CSDA conference in Palm Desert August 24–27. Director Constantino seconded the motion with a voice vote approved by all.

(15) Director Rizzi – No report
(16) Daly City: No Report
(17) Brisbane: No report

Staff Reports:

(18) Maintenance Director – consideration of matters relating to:

(a) CSMS - Final O&M report for June 19th – June 30th : Mr. Landi did not attend the Board meeting. He provided a final report that included routine operations at CPS, and an inspection at Midway Village. He also made a final dump run with landscape debris.

(b) Murgreen Environmental - Report on District operations and maintenance July 1st -9th: Maintenance Director Oviawe provided an extensive report on routine maintenance, some baseline assessment of infrastructure, and routine testing performed on the generator. He created Standard Operating Procedures (SOP's) for the pumps and generator, station, and will continue to build them out as he familiarizes himself with the facility. Pump #2 was found to be leaking. The pump was examined and the packing glands were cracked. Pump #2 was taken offline. Pump Repair ordered the parts needed to repair Pump #2. Maintenance Director Oviawe stated that he would like to do baseline analytic diagnostic testing on all four of the pumps over the next three to six months. This would entail pulling each pump. Director Sy and Director Gallagher expressed hesitation with performing these activities unless there is an actionable reason or specific problem with one of the pumps.

The wetwell was evaluated for sediment and debris to assess the need for cleaning. There's about two and a half feet of debris, sand, and sediment that's built up in the wet well over the past eight years. Right now, it's not that much of an issue, but when you get to the winter high flow, it's going to stir all that material up, and you're going to be trying to pump all that sand and grit which is not good on the pumps. Maintenance Director Oviawe will obtain quotes for the wet cleaning. He will reach out to Pipe & Plant who cleaned the wetwell in 2018. Engineer Yeager suggested that the Board increase 7003 - Repairs & Maintenance by $40,000 to account for the wet well cleaning and SCADA repair.

The SCADA system data froze as of May 28th: Data was lost on the system, but pump readings were still being taken on the manual logs. Maintenance Director Oviawe and Engineer Yeager propose a data migration where all the data collection; pump running time, volume, etc. would be digitized through the SCADA system. Director Gallagher emphasized the need for a live person to check the station despite pump reporting being available on SCADA. Director Sy would like manual logs to continue for a minimum of six months before any changes are implemented. Data collection changes would require some system upgrades through either Telstar or Tesco. Maintenance Director Oviawe will source quotes for the project. The Board would prefer to not use Tesco due to past service and billing issues. Director Sy also mentioned using vendors that are more local to the Bay Area for easier access to the vendor and less cost associated with travel time.

(19) District Engineer – consideration of matters relating to:

(a) July meter reading data - The average daily flow in June was 283,344 gallons. There was no rain in June.

(b) Brisbane Baylands: The Final EIR and the Baylands Specific Plan have been released and are available at: https://www.brisbaneca.gov/774/2026-Final-EIR. The public hearing has been extended until July 23rd and the public comment period will close on September 3rd. The most important points of this Final EIR are:

1. BSD is acknowledged as the providing of the wastewater collection system servicing the Baylands

2. The existing flooding at the intersection of Bayshore Boulevard and Industrial Way is acknowledged and a proposal is included to alleviate this problem

3. Existing BSD assets will be protected; this will require coordination with Brisbane and the developer during the design and construction process.

(c) 2026 DRAFT Sewer Service Charges - The total anticipated revenue is $1,941,637.38 compared to $1,643,886.37 last fiscal year. There are additional adjustments that need to be made after July 11th and the final report will be presented at the August Board meeting.

(d) Various Cabling Projects – The PG&E project along Bayshore Boulevard is the only active project.

(e) Cormorant Electric Transmission Line: Updated plans were submitted on July 10th; however, Engineer Yeager has not had a chance to review them. He will want to review them with Maintenance Director Oviawe and go over the project in the field. This will be extra work for Maintenance Director Oviawe and should be charged back to the Cormorant deposit account.

(f) Capacity Entitlement: Letters were sent to Abby Rents and the Mt. Vernon Baptist Church confirming the Board's decisions made at the June meeting.

(g) SFPUC Duplicate Billing – 84 Robinson Drive: Matt Frieberg continues to maintain that 84 Robinson Drive should be a SFPUC customer even though BSD has billed 84 Robinson for over 70 years. It is Engineer Yeager's opinion that the issue on Robinson Drive arose when a new accounting system was implemented by the SFPUC in the 2000s. The SFPUC bills the tenant for water and sewer and BSD bills the property owner. It appears that when someone changed the billing account for water service that sewer service was inadvertently added. This is a simple clerical error that the SFPUC must address

(h) SFPUC Contract Negotiations- Engineer Yeager asked Matt Frieberg for an update on the SFPUC schedule and the development of the updated rate model. His response was "the schedule is still the same. I am working with our GIS team, hydraulics team, and other WWE staff to get the information needed to implement the "Inclusion" methodology that you identified. This is a bit of a lift for those teams and we do have quite a few people out of office on vacation."

(i) SFPUC Capacity Charge - BSD received notice that their capacity charge would increase on July 1st. The Capacity Charge for a typical single-family home increased from $5,525 last year to $6,161 this year.

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

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

(a) Letter of Engagement and fee for Fechter & Co. for the 2025-26 FY Audit: Audit field work is commencing. Director Gallagher will show Clerk Landi how to do the adjusting journal entries and the other year-end close procedures before sending the trial balance and general ledger report to Fechter. The letter was signed by President Tonna and sent to Fechter along with the initial $2,000 payment.

(b) CSDA Director training - Sexual Harassment & Ethics AB 1234: Clerk Landi provided another reminder that some individuals are past due for their AB 1234 Ethics and Sexual Harassment Training. She re-sent the training links via email.

Old Business:

(22) Succession Planning - None

New Business:

(23) Engineer Yeager requested a $5 hourly increase effective August 1st: The hourly rate will increase from $170 to $175. Director Gallagher made a motion to approve the increase. Director Constantino seconded the motion with a voice vote approved by all.

(24) Resolution No. 2026-04 - Setting Appropriations Limit for FY 2026-27: The calculation was provided by Fechter & Co. CPAs. The appropriations limit applicable to this District for Fiscal Year 2026-2027 is established at $6,133,308. Director Gallagher made a motion to accept the appropriations limit for fiscal year 2026-27. Director Constantino seconded the motion and a roll call vote was taken.

AYES, and in favor thereof, Directors: Constantino, Gallagher, Rizzi, Sy, Tonna
NOES, Directors: None
ABSTAIN, Directors: None
ABSENT, Directors: None

(25) Resolution No. 2026-05 – Allocating funds to the District Reserve, Contingency, and Cash Flow Accounts for Fiscal Year 2026-2027: The total of $7,225,185 is allocated to the District's reserve, contingency and cash flow accounts for Fiscal Year 2026-2027. Of that sum, the funds are apportioned as follows:

General Cash Flow Account	500,000
CIP Account	2,000,000
CIP Reserve Account	668,250
Insurance Account	80,000
Master Plan Account	50,000
Facilities Damage Account	1,926,935
SFPUC Annual Sewer Service Charge Account	2,000,000
Total	$7,225,185

Director Gallagher made a motion to accept the District Reserve, Contingency, and Cash Flow Accounts for Fiscal Year 2026-27. Director Rizzi seconded the motion and a roll call vote was taken.

AYES, and in favor thereof, Directors: Constantino, Gallagher, Rizzi, Sy, Tonna
NOES, Directors: None
ABSTAIN, Directors: None
ABSENT, Directors: None

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

The meeting was adjourned by President Tonna at 9:57 P.M.

The next regular meeting is August 27, 2026.

Submitted by
Valerie Landi, District Clerk

President Kenneth Tonna

Secretary-Treasurer Linda Sy

Next Resolution #2026-06
Next Ordinance #111

The Board reserves the right to take action on or to conduct a closed session in connection with any item of business on its Agenda insofar as it is legally permitted to do so pursuant to the Ralph M. Brown Act.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans With Disabilities Act, those requiring auxiliary aids or services in attending or participating in this meeting should notify the District at least 48 hours prior to the meeting at (415) 467-1144 or BayshoreSanitary@aol.com.