

BAYSHORE SANITARY DISTRICT

MINUTES

Regular Meeting of August 26, 2010

Opening of Meeting:

The meeting was called to order by President Gallagher at 7:02 P.M.

Roll Call:

Present: Gallagher, Quinteros, Rizzi, Swanbeck, Tonna

Absent: None

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

Oral and Written Communications:

- (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
Provided in meeting packet.

Consent Items: (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 Special Meeting of July 22, 2010
- (5) Payment authorization for bills and compensation
- (6) Accept /31/10 monthly reports on District's current financial status
- (7) Accept July, 2010 checking account statement reconciliation

A motion was made by Director Quinteros, seconded by Director Swanbeck and unanimously passed by voice vote to approve the Consent Items which include payment by check numbers 5043-5063.

Board Reports – consideration of matters relating to:

- (8) President Gallagher
 - a. LAFCO: There was no meeting in August

b. CSDA: The Chapter met in early August. There were presentations made by two of the special districts about how their districts operate. At the October meeting, the Maintenance Director will provide a presentation about the Bayshore Sanitary District. Assemblyman Jerry Hill will also speak at that meeting. It appears that unlike other entities, special districts have no debt.

c. CASA Conference: President Gallagher reported on some of the highlights of the Conference and mentioned topics discussed at various breakout sessions: strategic planning, public awareness, have policies in good order, tips on speaking to the media, etc. She thinks that the District should consider developing a five year strategic plan. Another interesting session was strategy for wastewater conveyance systems. She found that everything that they talked about are things that the District has done; smoke testing, TV inspection, checking manholes, flow monitoring, etc. There was also a session regarding developing regional solutions to damaged sewers. Reports regarding the State legislature were bleak. All in all, she thinks this was a good Conference.

(9) City of Daly City: Director Quinteros reported that the El Rancho property development was hit with graffiti and there is considerable trash around the property. The weekly farmers market seems to have lost some of its vendors.

(10) City of Brisbane: The CAG did not have a meeting last month.

A recent settlement will allow Brookfield Homes to proceed with building 71 additional homes; anticipated for January.

Staff Reports:

(11) **Maintenance Director** -- consideration of matters relating to:

Monthly report on District operations and maintenance: The monthly report is self explanatory. Number 2 pump is back in operation. It had a defective bearing. All the archive boxes were removed from the overhead shelving in the pump room and additional shelving constructed. The boxes will be put back and a schematic will be made making it easier to locate a specific fiscal year. Two service requests on the 900 block of Schwerin Street were due to the root problems. One of the laterals was televised and a very large root ball was rodded and removed.

Mr. Landi met with Mike Pacelli and UPC representatives at Tunnel Road. Water Quality is requiring them to mitigate all the property including the area where the District's abandoned pump station is located. UPC was requested to keep the District apprised of the Water Quality requirements for the mitigation. Shortly after that meeting, the Maintenance Director received a call from Mr. Powell of the Regional Water Quality Board regarding this matter. He was advised that the District had met with UPC and that we will work together to see what needs to be done. The old station property is 4181 square feet, north of the tank farm on Tunnel near an open channel. A portion of a letter provided by Mike Pacelli, from the Water Quality Board addressed to Whom it May Concern and dated 4/26/01, was read. The Maintenance Director provided some background information about the abandoned station. It was built in 1961 and then replaced in 1972 when the Carlyle Pump Station was built. Mr. Pacelli and UPC were advised to develop a plan and then present it to the Board. Mr. Pacelli indicated that the EIR should be ready in about one year and perhaps in about five years, some development may begin.

(12) **District Engineer** – consideration of matters relating to:

- a. Brisbane Landfill (Universal Paragon/Geosyntec): Deferred to District Counsel’s report.
- b. July meter reading data: Pump #2 was down for most of July. The pumping rate for June and July for all the pumps is almost the same. The pumps are operating at steady efficiency.
- c. Additional Entitlement Charges – City of Daly City: The charges for non residential customers was computed. There were four accounts that used above their entitlement. Patrick Sweetland, Daly City Water and Wastewater, said that the toilets in the community center were leaking. There was a spike in December, 2009 and then it returned to normal level. There were problems with the flush meters and repairs were made after the leaking occurred for 2 months and 250,000 gallons of water was lost. Two years ago they had a leak at the old library with the same problem. At that time the Board instructed the District Engineer to send a letter advising that if this occurred again the invoice would not be rescinded. They were charged sewer service charges for the water. A motion was made by Director Tonna to rescind the entitlement billing, to put the City on notice that a recurrence of this type may not result in cancellation of the billing and to include a copy of the 2008 letter. The motion was seconded by Director Quinteros and passed by voice vote.
- d. Extra Capacity Charges: All have been paid.
- e. SFPUC Agreement Renewal – Upcoming Negotiations: Counsel said that he and the Engineer and Maintenance Director met and reviewed the contracts. They have some items that should be key points in the discussions with the SFPUC. Counsel spoke to John Roddy, S.F. Assistant Attorney, and he will assist in getting their staff to begin work on negotiations. The way the current contract is drafted, there are items related to their collection system. Why are we paying for a share of their collection system? We should pay for transmission, treatment and disposal of the sewage. The Engineer said that their budget has gotten far too complicated to decipher since they switched to a new accounting system last year. Prior to that time, the report was about 15 pages, now it is 60-70 pages. We need to have them walk us through their budget. Engineer Yeager said another point is that we are being charged for the Oceanside plant and we do not impact that plant.

The Maintenance Director explained that from the top of the hill in Daly City down to the SF/SMC county line, is a combined system. Those approximate 8000 properties are billed in the same manner as San Francisco residents, and pay for metered water—not the ground water that gets into the system. The District pays based on our flow divided by the total flow at 3 SFPUC plants. The Engineer has requested the billings for Daly City and Brisbane. We need to have a mechanism to validate the SFPUC flow. Other issues are regarding enforcement; language is confusing and needs clarification. We need to clarify that the District is not responsible to service some specific areas of Saddleback. Staff will continue their review of the contracts.

(13) **District Counsel** – consideration of matters relating to:

a. Temporary discharge permit options and language: 13 a and b relate to the landfill permit. At the last meeting Counsel was instructed to make some changes. Changes have been made but need more work. This item will be brought back in September.

b. Consideration of an ordinance amending Ordinance No. 95, "An Ordinance Adopting the Bayshore Sanitary District Ordinance Code" Relating to Connection Fees for Temporary Connections: Will be brought back at a future meeting.

c. Biennial Review of Conflict of Interest Code: We are required to have a code and it must be reviewed every two years. The District's code does not need to be amended. The Clerk will complete and submit the form.

(14) **District Clerk** – consideration of matters relating to:

a. SB 90/State Mandated Cost Program, Brown Act Reform – update: Nothing to report.

The Clerk reported that the owner of 904 Saddleback paid all of the delinquent sewer service charges for FY 2008-09 and 2009-10. He asked if the Board would consider waiving the late penalties. This item will be placed on the September agenda for consideration.

Old Business:

(15) Set date for workshop for review/discussion of wastewater treatment contract

Will wait until September to set a date.

New Business:

(16) Meyers-Nave fee increase request

A motion was made by Director Quinteros to approve the increase. The motion was seconded by Director Swanbeck and passed by voice.

(17) City of Daly City trench pavement, 900 block of Schwerin Street

The District has received a request to contribute the \$4,000 committed in its' October 9, 2008 letter which was a compromise reached with City Engineer Ravi Gehani. The District offered this contribution based on "rehabilitation" of the pavement. The July 29, 2010 letter from John Arellano does not indicate what method will be used; repaving or slurry seal. Since the District's offer to slurry seal the area in question was denied by Daly City in 2008, the intent of the contribution was toward repaving. The Clerk was instructed to contact Mr. Arellano and determine the scope of the work and the anticipated completion date.

(18) CalWarn request for contribution

CalWarn has requested a voluntary contribution to help defray costs to update their website. This water/wastewater emergency response, mutual aid network is an asset and

provides a worthwhile service. A motion was made by Director Swanbeck to make a \$50 contribution. The motion was seconded by Director Rizzi and passed by voice vote.

(19) Consideration of draft 2009-2010 Fiscal Year Audit

The Board and Staff expressed no areas of concern or errors that needed correction. The Clerk will advise Fechter & Co. that they may proceed with finalizing the Audit.

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

The Engineer said that we need to include discussion of a parallel force main during the November discussion of connection fees and sewer service charges.

SB 1234 Ethics Training will be held in conjunction with the December 16, 2010 meeting. The President offered to advise other districts via the CSDA Local Chapter that they may participate in this training for a \$25 fee.

Closed Session:

- (21) Conference with Legal Counsel – existing litigation (Subdivision [a] of Section 54956.9)
Bayshore Sanitary District v. City & County of San Francisco, San Francisco
Public Utilities Commission: Case No. CGC 07-469434

The closed session began at 8:48 P.M. and concluded at 8:58 P.M. No reportable action.

Adjournment:

A motion was made by Director Swanbeck, seconded by Director Quinteros and passed to adjourn the meeting at 9:01 P.M. The next meeting is September 23, 2010.