

BAYSHORE SANITARY DISTRICT

MINUTES

Regular Meeting of September 23, 2010

Opening of Meeting:

The meeting was called to order by President Gallagher at 7:04 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
A letter was received today from the SFPUC regarding the drawdown test. This was in response to our request for a 60 day extension. The SFPUC granted an extension of 30 days.

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 Regular Meeting of August 26, 2010

(5) Payment authorization for bills and compensation

(6) Accept 8/31/10 monthly reports on District's current financial status

(7) Accept August, 2010 checking account statement reconciliation

The Clerk explained that the \$50 contribution to CalWarn was returned. Since the organization is not a California Corporation, the East Valley Water District is collecting the contributions for them to update their website. Among the bills is a replacement check for \$50. 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 5064-5084.

Board Reports – consideration of matters relating to:

(8) President Gallagher

a. LAFCO: At their meeting on September 15th, they considered the preliminary Municipal Service Review for Redwood City. It is being circulated and will be considered at a future meeting. The reviews for San Carlos and Belmont have been postponed. There was an adjustment to the LAFCo budget and some other minor issues.

Joe Sheridan of the Broadmoor Police Protection District has been elected as the Alternate Special District Commissioner. Maureen Morton has been appointed as the Alternate Public Member.

b. CSDA: The next meeting is October 26th. The Maintenance Director will make a presentation about the District and Assemblyman Jerry Hill will be the guest speaker. The Chapter will notify the other special districts that they may participate in the SB 1234 Ethics Training to be held at the District on December 16, 2010.

(9) City of Daly City: No report.

(10) City of Brisbane: There was a CAG meeting Tuesday night; however, President Gallagher did not attend. There will be a forum on water and water recycling in the Baylands on September 28th at the Brisbane Shopping Center.

Staff Reports:

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

Monthly report on District operations and maintenance: The monthly report is self explanatory. A sprinkler system was installed to help with maintaining healthy landscaping. The problems could be the age of the ice plant or the abundance of pine needles dropping onto the landscape.

The drawn down test required by the SFPUC is scheduled for October 15th (Friday) at 2:30 A.M. The Engineer will notify the SFPUC.

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

a. Brisbane Landfill (Universal Paragon/Geosyntec): After approval of Item 13B, the Engineer asked for authorization to issue an industrial discharge permit which would expire on April 22, 2011. After that term, Ordinance No. 97 will be applied to the renewal of the permit. The Engineer will use the first full year's data, August 2009-August 2010. He will collaborate with District Counsel regarding the language of the permit. A motion was made by Director Swanbeck authorizing the Engineer to prepare and issue the permit. The motion was seconded by Director Tonna and unanimously passed by voice vote.

b. August meter reading data: The calculation compares the monthly volume from the meter with the monthly volume based on pump hours. We are tracking well.

c. Additional Entitlement Charges – City of Daly City: As instructed at the last meeting, a letter was sent to Patrick Sweetland acknowledging that the excessive flow was due to a leaking

toilet and the entitlement charge was rescinded. Mr. Sweetland was reminded that this is not the first time this has happened and he was provided with an August, 2008 letter to Victor Spano regarding the first incident.

d. Extra Capacity Charges: All have been paid.

e. SFPUC Agreement Renewal – Upcoming Negotiations: The question was raised “are the District, Daly City and Brisbane being billed the same.” The District is not billed on a per unit basis but rather on the total flow. By using the total flow and fees, the Engineer can arrive at a unit charge of \$4.32. Brisbane is charged based on a per unit basis. They report the volume of flow and the SFPUC computes the fee on a quarterly basis. Brisbane is charged \$4.32 per unit. The SFPUC charges Daly City the same rate as their San Francisco customers. It is a two tiered system. President Gallagher mentioned that the rates in Daly City were recently increased. The Engineer’s data for Daly City was for June and does not reflect this increase. The Engineer reviewed some of the average billings for both residential and commercial as they compare to the District’s rates. President Gallagher noted that the SFPUC’s rates have gone up about 25% in the last four years. The Engineer explained that it is because they are repaying their sewer bonds and that cost is being passed on to rate payers. The Engineer also pointed out that the down turn in the economy has resulted in people’s water usage decreasing.

f. Flows reported to SFPUC: The SFPUC was provided with the District’s water discharge records for the year. The total was 203,000 units; 20,000 units more than last year. Much of that increase is attributed to the Brisbane landfill leachate discharge.

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

a. Temporary discharge permit options and language: a. and b. will be discussed together since they are related items.

Counsel prepared an ordinance that would treat temporary dischargers as though the user were borrowing the amount of money that the connection would otherwise be for the time they are discharging. The Engineer and Counsel worked on the language. The ordinance limits discharges, gives a temporary discharger one year without charge, and sets the calculation method. Temporary discharges do not earn a capacity entitlement.

There was agreement that the last sentence in subsection 601.4.1.1 will read “not have a term in excess of 5 years.”

Counsel discussed the UPC discharge as an example of how the ordinance is set up and would be applied. The President pointed out that UPC is doing an environmental cleanup and their need for the permit to extend for five years is what started this entire discussion. It was suggested that if approved, the ordinance be applied when the UPC permit comes up for renewal in April, 2011. The Engineer said we have two types of situations—groundwater remediation and construction dewatering. Dewatering permits are typically complete in one year.

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: There was lengthy discussion regarding the ordinance after which a motion was made by Director Swanbeck to adopt Ordinance No. 97, An Ordinance Amending Ordinance No.

95, "An Ordinance Adopting the Bayshore Sanitary District Ordinance Code" Relating to Connection Fees For Temporary Connections, with the change as noted above. The motion was seconded by Director Rizzi and unanimously passed.

The Engineer recommended that going forward, for those customers who have four year permits from the SFPUC, that the District issue a permit for one year to collect 12 months of data and then issue a second permit. The first years' data will be used to compute the fee when the permit goes into the subsequent year(s). The Engineer said that we have, as a practice, used the same expiration date as the permits issued by the SFPUC.

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

No report.

Old Business:

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

After consideration it was decided to start the November 18, 2010 meeting at 6 P.M. to begin discussion of the contract. The December meeting will start at 3:30 P.M. with the two hour SB 1234 Ethics Training.

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

As directed at the August meeting, the Clerk called the Project Manager to ask when the Schwerin Street paving would be scheduled and to find out what method of paving would be done. The September 1st response was that the paving project was being changed and that the District would receive a letter of explanation. We have not heard anything so the Clerk was instructed to send a follow up letter indicating our willingness to abide by our commitment and that we are awaiting receipt of the updated information regarding the project.

(17) Fiscal Year 2009-2010 Audit

The Audit is ready to be finalized. Fechter & Co. is waiting to receive balance confirmation from First National Bank.

The District has received an addendum to its' agreement with First National Bank. Counsel recommends against signing the addendum.

New Business:

(18) Discussion of request for relief of late penalties – 904 Saddleback Drive

The Clerk explained that the delinquent charges for this property were written off at the July 22, 2010 meeting. On July 26, 2010 the former owner came to the District and paid all past due amounts. He asked if the Board would consider waiving the penalties and late fees. The Clerk advised that she would pass along his request to the Board. After discussing this situation, a motion was made by Director Rizzi to refund the penalties and late fees totaling \$113.60. The motion was seconded by Director Quinteros and passed by a majority vote. Director Tonna voted no and Director Swanbeck abstained.

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

None

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

There was no closed session.

Adjournment:

A motion was made, seconded and passed to adjourn the meeting at 8:38 P.M. The next meeting is October 28, 2010 at 7:00 P.M.