

BAYSHORE SANITARY DISTRICT MINUTES

Regular Meeting of November 29, 2012

Opening of Meeting: The meeting was called to order at 7:00 P.M.

Roll Call:

Present: Gallagher, Quinteros, Rizzi, Swanbeck, Tonna
Absent: None
Also: Maintenance Director Landi, Jen Faught for District Counsel, District Engineer
Yeager and 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
The Maintenance Director distributed a brochure provided at the dedication of the Granada Sanitary District wet water storage facility.
- (3) Acknowledgment of recent correspondence to the District
President Gallagher reported on a letter received from the Housing Leadership Council of San Mateo County. They are asking if the District would be willing to commit a percentage of their RDA funds for affordable housing. Per Counsel, this would not be allowed since it has no relationship to the District's mission.

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.)*

- (4) Minutes of the Regular Meeting of October 25, 2012
- (5) Payment authorization for bills and compensation
- (6) Accept 10/31/12 report on District's current financial status
- (7) Accept October, 2012 checking account reconciliation

A motion was made by Director Quinteros, seconded by Director Swanbeck and passed by voice vote approving the consent items which include payment by check numbers 5526-5544.

Board Reports – consideration of matters relating to:

- (8) President Gallagher

- (a) LAFCo: There was no meeting in November. The next meeting is December 19.
 - (b) CSDA – Local Chapter: The meeting was held on October 30; no District representative attended.
 - (c) Redevelopment Oversight Board: The next meeting is December 10th.
- (9) Daly City: There have been meetings regarding combining the Brisbane School District with the Daly City district.
Director Tonna reported that at the Bull's first game, Leland Yee dropped the first puck and make welcoming remarks.
- (10) Brisbane: There was a CAG meeting October 20th; President Gallagher did not attend. Director Swanbeck read the draft maintenance plan for the Schlage Lock property. The CAG is being kept up-to-date on the water issue by Peter Drucker. Also, it was mentioned that the loss of redevelopment funding has caused a slowdown relative to development activity.

Staff Reports:

- (11) Maintenance Director – consideration of matters relating to:
- (a) Monthly report on District operations and maintenance: •The Carlyle Station is operating properly and there has not yet been much rain. •The SFPUC sampler is still installed. •The Tunnel Avenue bus yard is complete and a final inspection conducted.
During hydro testing, PG&E damaged approximately 200 feet of water main on Schwerin Street and a lateral. The repairs have been made and Daly City inspected.
 - (b) Main Street, SFPUC 60" line replacement project: No report.
 - (c) Review of District's SSMP: Deferred to discussion of 12i.
 - (d) 365 Accacia Street: The homeowner at 365 Accacia Street rehabbed his lateral using a pipe burst method. It was inspected during the installation process and was also televised.
- (12) District Engineer – consideration of matters relating to:
- (a) October meter reading data: The computed vs. measured flow is fine.
 - (b) Capacity entitlements: There is one outstanding billing for capacity. They have not submitted any documentation indicating that they should not be billed for additional capacity. The Engineer will rebill.
 - (c) Correspondence to customers: There has been various correspondence typically regarding charges.
 - (d) 365 Accacia Street: The sewer lateral repair was made using trenchless technology. This method is becoming more commom; however, the District does not have any

specifications for this type of construction. The Engineer and Maintenance Director will work on a Spec for the District's Code.

(e) 575 Tunnel Avenue: Discussed under 11a.

(f) Brisbane landfill (UPC): They have had problems with their meter and are replacing with a mag meter; probably won't be operational until January. UPC is tracking the pump operation and running hours.

(g) Daly City General Plan DEIR: A consultant prepared their draft and was not aware that the Bayshore planning area wastewater goes to San Francisco. The Engineer correspondence with the Daly City Senior Planner and also followed up with the planning consultant. They were advised that there are no capacity issues for small projects.

(h) City of Brisbane –Baylands EIR, Revised Notice of Preparation: There are some factual errors in the document which have been brought to their attention. The EIR mentions a 30-year construction period of the Baylands which seems to indicate that development will be piecemeal. The City has been advised that the District should be added to their list of cooperating agencies.

(i) Sewer System Management Plan (SSMP) update: The SSMP was adopted in 2008 and needs to be reviewed in 2012. The Regional Water Quality Control Board requires a review in 2013. It does not appear that much updating is necessary with the possible exception of reporting contacts. The Engineer and Maintenance Director will confer and bring this item back at the next meeting. The Engineer suggested that it would be a good idea to have the Maintenance Director prepare a yearend summary of any work done to the system, i.e. lateral replacement, rehab of sewer lines, pump station projects, etc. There was agreement that the report be done on a fiscal year basis.

(j) Proposed capacity charge calculations: Deferred to discussion of 13a.

(k) SFPUC sampling program and initial results: The SFPUC began the sampling program on October 15th and they have not yet removed their equipment. We have received some preliminary results and those show that the annual sewer service charge potentially could be less than the SFPUC projected using standard parameters. Engineer Yeager feels that the numbers that they selected were a little high since he believes the District's wastewater strength is weaker because the District is mostly residential.

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

(a) Review draft - C&C of San Francisco and District Joint Powers Agreement renewal (District Counsel Bakker participated via wireless communication): At the last meeting, staff was directed to work with the SFPUC to work out the connection fee issue with regard to the portion of the District within the City of Brisbane. The goal was that the Brisbane portion of the District would not be subject to the fee until such time as the City of Brisbane was also paying the fee. The SFPUC agreed and the updated draft was provided to the Board. The language regarding capacity has been revised in Version 25 dated November 21st. Today we received another version with changes; some administrative and some substantive. In particular, Appendix C originally calculated the capacity charge based on a 4/4/07 report. The way they do it is similar to the method the District uses to make its calculation. That number is increased annually based on a construction cost index from the engineering news record. The

SFPUC has removed 20.6% of the value of their assets which represents the portion of their collection system that is 36" or less. The Engineer believes that is an appropriate method. The SFPUC states that the cost per equivalent dwelling unit (EDU) on January 1, 2013 is \$2,717.00. They have now changed the procedure for calculating the EDU per SFPUC Resolution 07-100 which was included in the document received today. Engineer Yeager thinks they did it this way because the resolution is their legal document for establishing a capacity charge. The District's customers will be subject to the same fee that the City's customers are subject to except the District's fee will have a reduction for lines less than 36". An item that the Engineer takes issue with is how they compute the EDU for commercial and residential. They have a complicated formula with a sliding scale of the value of a single family residence. And there is another formula for commercial establishments. The SFPUC wants the District to go with their formula for computing EDUs. We want a simple system and have let them know that we do not want to use the SFPUC system. During further discussion it was pointed out that there is nothing in the SFPUC calculation that recognizes the historical capacity rights granted. In the District, every non-residential account has a capacity associated with it. A new user is asked to estimate their discharge and our entitlement is based on that number. Water usage is checked annually and if a new account has used more than their estimate, they would be billed accordingly. In other words, we charge for actual use and update annual. The SFPUC document addresses the issue of changing of use, increasing use, etc. District Counsel thinks our system is actually more precise. The President suggested that we simply use a dual system. The Engineer and Counsel have some minor language clarifications to negotiate. A motion was made by Director Swanbeck authorizing Staff to work on minor, non substantive changes and once that has been done, the President is authorized to execute the contract. The motion was seconded by Director Tonna and unanimously passed by voice vote.

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

Old Business:

New Business:

- (15) CSDA Board Member training: No one will be attending the training. Director Swanbeck would like to participate in two webcasts; one of which has a fee. A motion was made by Director Quinteros, seconded by Director Rizzi and passed approving reimbursement to Director Swanbeck for the webcast.

- (16) CASA January, 2013 Conference: No Director is interested in attending the Conference.

- (17) Reports on other matters: no action will be taken
The President and Clerk will plan the December 20th meal.

Adjournment:

A motion was made by Director Quinteros, seconded by Director Tonna and passed to adjourn the meeting at 8:44 P.M. The next meeting is December 20, 2012.

Submitted by Joann Landi