

BAYSHORE SANITARY DISTRICT MINUTES

Regular Meeting of July 24, 2014

Opening of Meeting: The meeting was called to order at 7:05 P.M.

Roll Call:

Present: Gallagher, Quinteros, Rizzi, Swanbeck, Tonna

Absent: Maintenance Director Landi

Also: District Counsel Quint, District Engineer Yeager and Clerk Landi

Public Hearing:

The Public Hearing was opened at 7:06 P.M.

(1) Approval of Sewer Service Charge Report for FY 2014-15; Resolution No. 2014-03
A motion was made by Director Swanbeck, seconded by Director Quinteros and unanimously passed by voice vote to approve Resolution No. 2014-03.

(2) Approval of Collection of Delinquent Accounts on County Property Tax Roll
There are none.

(3) Adoption of FY 2014-15 Annual Budget; Resolution No. 2014-04
A motion was made by Director Quinteros, seconded by Director Swanbeck and unanimously passed by voice vote to approve Resolution No. 2014-04.

The Public Hearing was closed at 7:13 P.M. There were no members of the public present.

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
The Clerk advised the Board that the audit will start on August 4.

(6) Acknowledgment of recent correspondence to the District
Correspondence was distributed in meeting packets.

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 Regular Meeting of June 26, 2014
- (8) Accept 6/30/14 report on District's current financial status
- (9) Accept June, 2014 checking account reconciliation

A motion was made by Director Quinteros, seconded by Director Swanbeck and passed approving consent items 7-9.

Board Reports – consideration of matters relating to:

- (10) President Gallagher
 - (a) LAFCo: The Clerk advised the Board that the Municipal Service Review questionnaire was submitted to Martha Poyatos. Ms. Poyatos subsequently requested information on director compensation and benefits which was also provided electronically.
 - (b) CSDA – Local Chapter: The next meeting should be in early August.
 - (c) Redevelopment Oversight Board: There will be a meeting in September to approve payments.
- (11) Daly City: Hours at the Bayshore Library have been increased.
- (12) Brisbane: No report.

Staff Reports:

- (13) Maintenance Director – consideration of matters relating to:
 - (a) Monthly report on District operations and maintenance: The Carlyle Station is operating properly. Additional main line sewers were televised to see if there were any additional projects to be included in this year's CIP; there are none.
 - (b) 7 Mile House: The line serving the 7 Mile House required extensive cleaning to remove heavy grease deposits. The Maintenance Director met with the owner/manager. She advised that their grease trap was serviced every 45-60 days. Mr. Landi requested that the schedule be changed so that service occurred every 7-10 days. If more frequent cleaning alleviates the grease problem they will not have to upsize their grease trap. He was advised that plans for installing a debris box area were scrapped due to the prohibitive costs it would incur to satisfy the City of Brisbane requirements.
- (14) District Engineer – consideration of matters relating to:
 - (a) June meter reading data: The meter readings and calculated flow continue to be close. There has been a gradual dropping off for pump #1. Engineer Yeager will speak to the Maintenance Director and the pump will be monitored closely.
 - (b) CPS Emergency Overflow Response Plan: The Engineer and Maintenance Director met with the surveyors and showed them the project area. What we are determining is if there is an overflow, where will it occur and what storm drain would it likely enter. There is a storm drain system on the west side of Geneva in the public right of way that is owned by

PG&E. We do not know where it discharges and PG&E has not yet provided plans. It is a box culvert that goes from Geneva/Bayshore to Industrial and there is a catch basin on the east side of Bayshore that ties it all together.

(c) Sewer Service Charge Report: The total shown on the Sewer Service Charge Report is the total that was noted in Resolution No. 2014-03. There are three individuals who check the totals--Engineer Yeager, Fred Webber (EDS) and the County. The County imports the information into their property tax system and then send the Engineer a report which he compares to his own calculations on a spreadsheet. Mr. Yeager is confident that the totals are correct. We are using a new program this year and did have some bugs. It did, however, allow us to discover that there are three parcels that have not previously been billed. We learned about the Saddleback Condominium Clubhouse from San Francisco when they asked if we were going to do the billing. There is no APN but there is a water meter.

The summary table compares last year's water usage and charges to this year. There was more water used this year than last year which is why the sewer service charge is \$22,000 greater. That is even taking into consideration that we are not billing the 27 Saddleback units as we have done in previous years. There was a significant increase at the Cow Palace. The Cow Palace pays 80% of the total flow. There is an allowance for making ice, irrigation, etc. The restaurants and hotels had increased usage as well as the residential parcels. There are very few parcels that are bank owned now that the economy is in recovery. The I/I was 15% last year and is 9% this year, likely a result of the lack of rainfall.

(d) Sewer Service Charge invoices: We will no longer direct bill the 27 Saddleback units. There are only three accounts that we bill directly - the PG&E groundwater remediation, the Cow Palace and the Saddleback Clubhouse.

(e) SFPUC reporting: We have always reported pumped flow and non-pumped flow. We now also report water quality parameters based on a calculation made by the Engineer. San Francisco provides the daily water quality numbers and the Maintenance Director provides the daily flow. From that, Engineer Yeager makes a calculation for the average COD, oil & grease, etc. In September we will receive the billing from the SFPUC and it will be thoroughly reviewed by the Engineer.

(f) SFPUC water quality sampling: The sampling station was set up on July 14. It will continue until September 1 to gather the dry weather data which will be used for next year's calculations.

(g) FY 2014-15 Entitlement Charges: A number of establishments exceeded their capacity entitlement. The Royal Palace Inn paid \$3,715 and Geneva Coin Laundry paid \$290. Geneva Coin Laundry was sent a revised billing because one of the accounts we used for billing was actually an apartment which does not count toward the capacity entitlement. The Alpine Inn contacted Engineer Yeager and said they have had some leaks. They provided an invoice for the repairs. They indicated that they have had a problem with leaking showers. The Engineer advised them that we would hold the invoice in abeyance for 6 months and at that time they must provide proof that they have taken corrective action and the water usage must have returned to their previous, average usage. He did point out that all the other motels and hotels in the District have had increased usage this year. Bayshore Elementary School had a very unusual reading and the Engineer sent them a letter. In June they used 210 units of water, 60 in August, and 84 in October. The previous June they used 83 units. They advised that there

had been a series of toilets that overflowed for a weekend. They have provided documentation for the problem. The other large user is the 7 Mile House. They received notice that an invoice would be sent unless they could provide information which would explain the spike in usage. We have not received any response so an invoice was issued today.

(h) FY Procedures Manual: The Engineer continues to work on the procedures manual.

(i) Additional end of fiscal year activities: Engineer Yeager must calculate a new depreciated value of the assets. The sewer service charge could be raised based on the depreciated value. It has been that way for a number of years but the Board has opted not to initiate an increase.

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

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

(a) 321 Oriente Street: In a follow up conversation with Val Mandapat, City of Daly City, the Clerk advised that the property owner had not submitted the permit application or inspection fees to the District with regard to the construction taking place. The owner was contacted by Daly City and we have received the application and fees. The owner was instructed that he must make the cleanout at the property line accessible for inspection.

Old Business:

(17) Consideration of response to the FY 2013-14 Grand Jury

The Board was provided with and reviewed the draft response to the Grand Jury report regarding website requirements and training. As to Recommendation 4, we may not have a Policy & Procedure manual per se, but our practices are covered in numerous resolutions and ordinances. Director Swanbeck shared her opinion that recommendations like this are in response to situations like the City of Bell. The responses were reviewed and edits made. The Clerk will make the changes discussed and circulate the amended draft. Subsequent to that, the response will be submitted.

New Business:

(18) August 20-22 CASA Conference in Monterey

No Director is interested in attending the Conference. The agenda doesn't appear to have anything of importance to the District.

(19) September 29-October 2 CSDA Conference in Palm Springs

The President said there is some value in what is offered at CSDA conferences. Director Swanbeck said that she participates in email and webinars of the Legislative Committee.

There is funding in the budget if a Director finds there are topics of interest.

(20) Resolution No. 2014-05 allocating funds to District Reserve, Contingency and Cash Flow Accounts for FY 2014-15

The President explained the reasoning for redesignating contingency funds each year. A motion was made by Director Swanbeck, seconded by Director Quinteros and unanimously passed by voice vote to adopt Resolution No. 2014-05.

(21) Consider contract staff compensation increase(s):

District Counsel compensation will increase at the CPI rate of 2.5%, the Clerk has requested a \$1.00 per hour increase and CSMS requested a 3% increase to the O&M base contract. A motion was made by Director Quinteros, seconded by Director Swanbeck and unanimously passed by voice vote approving the compensation increase requests.

(22) Payment authorization for bills and compensation

A motion was made by Director Rizzi, seconded by Director Swanbeck and passed unanimously to approve payment of bills by check numbers 686-700 and Director payroll.

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

Director Swanbeck reported that she was unable to attend the meeting of County officials concerning rising tides. We have received notification of ongoing activities. Director Swanbeck will respond that she can participate with some limitations.

Adjournment:

The meeting was adjourned at 8:37 P.M. The next meeting is August 28, 2014 at 7:00 P.M.

Submitted by Joann Landi