

BAYSHORE SANITARY DISTRICT
MINUTES
Meeting of October 27, 2016

Roll Call:

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

Present: Gallagher, Quinteros, Rizzi, Tonna
Absent: Swanbeck
Also: Counsel Quint, Maintenance Director Landi, 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
Engineer Yeager recently received information regarding a remodel at 309 Rio Verde Street. The existing 3 bedroom, 1 garage, 2 kitchen home will be converted into an 8 bedroom, 1 kitchen home. Daly City has approved the plans and the SFPUC has been provided with information to calculate the capacity fee. There will be no District fee required for this project.

The Clerk reported that we have received notice from CSRMA that a Nominating Committee has been formed to recommend a slate of candidates for the 2017 Executive Board elections.

(3) Acknowledgment of recent correspondence to the District
Acknowledged receipt of the annual notice from San Mateo County advising of the property tax for FY 2016-17.

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 September 22, 2016
- (5) Payment authorization for bills and compensation
- (6) Accept September 30, 2016 report on District's current financial status
- (7) Accept September, 2016 checking account reconciliation
- (8) Accept Fiscal Year 2015-16 Audit

A motion was made by Director Quinteros seconded by Director Rizzi and passed approving consent items 4-8.

Board Reports – consideration of matters relating to:

- (9) President Gallagher
- (a) LAFCo: There was no meeting this month.
 - (b) CSDA – Local Chapter: No one attended the October 25 meeting. The Maintenance Director spoke to Josh Cosgrove and learned that 8 special district reps were present. We received minutes of the meeting on October 26 which indicated that there was discussion of grand jury reports. Mr. Cosgrove advised that he spoke briefly on the discussion of grand jury reports at a recent LAFCo meeting. Daly City discussed the grand jury report and approved a response to Recommendation #1.
 - (c) Redevelopment Oversight Board: No report.
- (10) Daly City: No report.
- (11) Brisbane: President Gallagher watched the televised meeting where the draft Baylands EIR was discussed. There were a number of people in attendance protesting the fact that the City of Brisbane doesn't want any housing in the development.

Staff Reports:

- (12) Maintenance Director – consideration of matters relating to:
- (a) Monthly report on District operations and maintenance: Inspections at the Bayshore Elementary School site are complete unless there are revisions. The inspections were to make sure that abandoning of two laterals was done properly.
The work done (without permit) at 236 Rio Verde Street was televised to make sure the connection to the cleanout was to District standards; it was.
The Midway Village line was televised and subsequently rodded to remove roots.
A service request was received from 312 Rio Verde Street reported as an overflowing cleanout. The current owner purchased the home about 6 years and it was determined that the lateral was replaced prior to his ownership, without a permit and the line is damaged. The property owner will be contacted, provided an explanation of the problem and advised that he needs to correct the deficiency and obtain a Class 4 permit. When that work is completed satisfactorily, the District will then maintain the line from the cleanout to the main.
 - (b) Discussion of recent unpermitted activity: There have been several instances of work being done without permit, i.e. 312 Rio Verde Street, 236 Rio Verde Street and 294 Industrial Way. The Maintenance Director noticed a trench at 294 Industrial Way leading to the District's sewer. This property is located beyond the cul-de-sac on the other side of the diesel company. The building has been subleased and the new tenants will be cooking at the location for a catering business. They put in a grease trap and got permits from Brisbane. They were told by Brisbane that they didn't need any other permits. However, this work does require a Class 4 permit from the District. The main was televised once it was noted that there was a patch in the pavement. They replaced the lateral and connected to the existing wye. In this area of Industrial Way there are no cleanouts. Mr. Landi said that there are two water meters and the building has been split into two units, #294A and #294B.
396 Rio Verde Street is another example of work being done with without a permit. We received a USA notification that work was being done behind the property line. Upon

inspection it turned out that the lateral was being lined and connected to the cleanout. Discount Plumbing was notified; they obtained a Class 4 permit and paid a deposit. An inspection was done, the connection is proper and the unused portion of the deposit will be refunded.

A permit was issued in 2014 for 148 Oriente Street for the installation of a new lateral. A partial inspection was done in 2014 and they are now ready to install the cleanout. We need to determine if the original deposit is adequate to cover an additional inspection

The Engineer and Maintenance Director will discuss this rash of unpermitted work, define the problem and work with Counsel on possible consequences for unpermitted activity within the District.

Mr. Landi suggested that we follow up with the new Daly City Engineer since it appears that the protocol worked out with the interim Engineer isn't being followed. He also mentioned that in Daly City, the penalty for doing work without a permit is double the cost of the permit.

In addition to all of the above instances, PG&E has done/is doing projects within the District without obtaining permit(s).

On October 7 about midnight, we had generator problems. The Maintenance Director believes it was a power failure; PG&E says it was not. We recently had a microwave oven in the control room burn out. We believe there have been power surges or unbalanced phasing.

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

(a) September meter reading data: The flow for September was 256,133 gpd which is typical for dry weather flow. There were two construction dewatering discharges by PG&E. That discharge is complete; the permit expires October 31 and they will be billed. They plan to apply for another permit in early 2017.

(b) Carlyle Pump Station upgrades: The impeller is still being fabricated. There was a meeting with Bayside Equipment to discuss the new generator. The Engineer and Maintenance Director will develop specs We need to work with Brisbane re the electrical work and the Clerk will, at the appropriate time, contact the Bay Area Air Quality Board.

(c) SFPUC water quality sampling: The Engineer will ask the SFPUC to continue to sample.

(d) Update CIP/Master Plan: The Engineer has begun work and found that there have been only two comprehensive Master Plans, one in 1968 and another in 1985. There have been CIPs in the interim. He will put together a master plan that sets out the condition of the District as it is now.

(e) Development of GIS map: The maps will be loaded on the District's computer.

(f) Sewer Service Charges: Property tax bills have been mailed so it's that time of year when we receive inquiries.

(g) Point Martin II and I: The Engineer and Maintenance Director reviewed the tentative map for #II, submitted comments and requested a preliminary geotech report. Our comments must be noted in the final plans. As mentioned, they want to begin grading this winter. Mr. Yeager has been advised that they want to go ahead with Point Martin I. There are two different owners and two different projects but they want to bring them along through the process at the same time. They will need to obtain a Class 3 permit and submit a deposit.

(h) 209 MacDonald Avenue: The fees have been paid. We have asked for a schedule of when the new lateral will be installed and the existing will be capped.

(l) 55 Calgary: This proposed 7 lot subdivision is next to a 75 unit apartment building. They will be submitting a tentative plan along with a permit application and plan review/inspection fees.

(j) 236 Rio Verde Street: As has been previously reported, the District received a USA alert for a cleanout installation behind the front property line. A site visit was made and the lateral had been dug up and the installation was not up to our District Specs. The contractor was told to stop. That raised the question, who is doing the work. The USA alert came from NorCal Pipelines. The Engineer spoke to them and they said the work was done as a result of a contractor coming upon a blockage during a video inspection. NorCal didn't know who did the TV work but advised that the contractor was hired by PG&E. Engineer Yeager contacted a PG&E employee he had previous interaction with and she said she didn't know anything about the project. She did say that on October 7 a Daly City employee threw a TV contractor off a job in that City; Daly City staff didn't know what she was talking about. We have learned that PG&E's video contractors have been doing work in Daly City and they have been interfering with the Daly City crews. When PG&E has a major project involving a gas line they are televising the laterals before and after construction. The problem for us is that they are using more than one contractor and it's getting very confusing. Engineer Yeager has emailed his contacts at PG&E and advised them that we have an issue and that they would be contacted after the Board meeting. He received a response that they are trying to coordinate the projects. Today, the Maintenance Director discovered a company doing video inspection of our lines. This is after the Engineer told them just one day ago that we have a problem with unauthorized people entering District facilities. Gary Webber, City of Daly City, said PG&E will be replacing a gas line on Martin Street; they asked for plans and have gotten no response. The District has not received any information about the Martin Street project. There is another project in the works--PG&E is doing big and small projects and we don't know who is doing what--multiple people in charge and multiple contractors. Daly City's concern is limited to traffic control and permitting when PG&E plans to cut open a road.

The Engineer recommends that we get a blanket permit with conditions from PG&E; we shouldn't have to deal with multiple contractors. They also need to reimburse the District for the inspection and time related to 236 Rio Verde Street. He has been dealing with two contacts he has at PG&E who may not be very high up in the company. He thinks the larger projects are handled out of their San Ramon office. PG&E has been put on notice today via email that they may not enter any manhole or sewer line until permits are obtained. We need to find out who is directly in charge of these projects.

With regard to penalties or recourse, our Code has language that can be applied to the unauthorized access to our system. District Counsel will do a little research into the various legal options we have.

(k) 75 Pueblo: This property is under one APN with 1 residential and 3 commercial establishments and that is the way they have been billed. They are planning to convert the garage into a living area. In the plans, it appears that there is a living unit at the back of the garage. They probably do not need a permit from the District but they need one from San Francisco.

The Daly City Planning Department is being very good about keeping us informed of projects in the District. We need to be watchful because some of these projects may include upsizing the water meter triggering an SFPUC capacity fee.

(l) SFPUC Annual Sewer Service Charge: Engineer Yeager prepared a memo explaining where we are with regard to the FY 2016-17 sewer service charge (SSC). The SFPUC provides a table with all the computations for the charge. This year they sent a draft of the table with an Excel spreadsheet which he reviewed. He found and pointed out to them, a data entry error. Subsequent to that, they sent the final SSC spreadsheet plus all of the budget backup documentation. The draft didn't have the backup documentation. So all Mr. Yeager looked at originally was data entry. The draft billing total was \$776,432. When the data entry error was corrected the total was \$770,780. In response to a question, the Engineer said that the reason FY 2015-16 SSC was so high was because the District's flow as a percentage was higher and the suspended solids, COD, etc. were higher. That is the reason he wants to continue testing this year; we can't rely on past data because we have an outlier year.

The SFPUC gives the District credit for various items. This year they have used a different formula to compute the credit. This computation conflicts with the Contract language. They are not following their agreement and they are not following the attachment to the agreement. This information was sent to them; however, we have not received a response.

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

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

(a) Information re process for transitioning from odd to even year elections

The Clerk spoke to Glen Levy, Counsel to the Elections Department. She shared the information she received from Mr. Levy regarding California Elections Code Section 10404, etc. Should the Board decide to move to even numbered year elections, it would add one additional year to their term. On the other hand, if the Board opts to stay with the current odd numbered year elections, elections costs will increase since some special districts have moved to even numbered year elections. She also shared the information from Mr. Levy regarding Senate Bill 415. At the end of the discussion it was the consensus of the Board to proceed with changing to even numbered year elections; Counsel will prepare the necessary resolution.

(b) Grand Jury recommendation(s) implementation timeline

The first recommendation due is the website characteristics. The Engineer mentioned a number of points of information that would be appropriate and informative. He and the Clerk will work on a draft for consideration at the November meeting.

Old Business:

(16) Housing Authority claim – continued from September 22, 2016 meeting

After the September meeting the Clerk sent a follow up letter to the Housing Authority. It advised that the District would re-agendize this matter to its October meeting and again requested clarifying information. We have had no response, therefore, the item will be removed from the agenda.

New Business:

- (17) Consideration of amending District Code re requirements for non-District professionals entering District pipelines

This matter was discussed under the Maintenance Director and Engineer's reports above.

- (18) Reports on other matters: no action will be taken
None

Adjournment:

A motion was made by Director Rizzi, seconded by Director Quinteros and passed to adjourn the meeting at 8:55 P.M. The next Regular Meeting is November 17, 2016.

Submitted by Joann Landi