

BAYSHORE SANITARY DISTRICT  
MINUTES  
Meeting of November 17, 2016

---

**Roll Call:**

The meeting was called to order at 7:03 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 received a call from Toll Bros., the firm in contract for development of the Robertson School site. He will be meeting with the new engineer for the project on Tuesday.
- (3) Acknowledgment of recent correspondence to the District  
None

**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 27, 2016
- (5) Payment authorization for bills and compensation
- (6) Accept October 31, 2016 report on District's current financial status
- (7) Accept October, 2016 checking account reconciliation

A motion was made by Director Quinteros seconded by Director Tonna and passed approving consent items 4-7.

**Board Reports** – consideration of matters relating to:

- (8) President Gallagher
  - (a) LAFCo: There was a meeting yesterday; however, no one from the District attended.
  - (b) CSDA – Local Chapter: The next meeting is February 7.
  - (c) Redevelopment Oversight Board: No report.

(9) Daly City: Director Rizzi reported that the Assistant City Manager is leaving in mid-December. Also, Measure V, a parcel tax for public safety, was defeated.

(10) Brisbane: No report.

**Staff Reports:**

(11) Maintenance Director – consideration of matters relating to:

(a) Monthly report on District operations and maintenance: A variety of inspections were conducted during this reporting period which finalized some Class 4 permit. The sump pump in the pump room was repaired. This pump kicks in if there is excess water on the pump room floor.

There was a service request at 3 Nancy Court. The cleanout at the property line is buried; however, the line was rodded from the cleanout back on private property as a courtesy. The property owner was advised that he needs to uncover the cleanout or in the future backup problems would be his responsibility. About 60% of the cleanouts on this street are buried under front landscape. The residences have two cleanouts, one at the property line and another near the garage doors.

With regard to cleanouts on Alexis Court, the Maintenance Director advised that there are none. The sewer serving those properties is located in the rear of the properties.

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

(a) October meter reading data: The average flow was 284,613 gpd. This is more than average; however, there were 4 rain events totaling 3.85". The PG&E construction groundwater dewatering is complete and they have been invoiced.

(b) Carlyle Pump Station upgrades: There is no word on when we can expect to receive the impeller. The Maintenance Director will check with Pump Repair Service.

The Engineer recently met with Rich Slade, Bayside Equipment, and reviewed the work to be done with regard to the generator replacement project. They had received a generator similar to the 200kW that we will order. It stands much taller than expected with the base tank adding about 2½ feet. That additional height may require using a step ladder to access the controls. There was a discussion regarding reusing the existing tank. Engineer Yeager said that the tank is double walled and has a sensor between the 2 walls that alerts if there is leakage. It is still solid and he will discuss this further with Rich Slade. The preference would be not to have the 2½ foot base tank. The Engineer will prepare a draft contract for review by Counsel. He anticipates having the contract ready for consideration at the December meeting. Delivery of the tank would take 10-12 weeks and an additional 2 weeks for installation. Generator start-up would be beyond the wet season.

(c) SFPUC water quality sampling: The September-October results are higher than last year but typical of previous years. Sampling will continue through the wet season

(d) Update CIP/Master Plan: No work was done but some text was extracted that can be used for updating the website.

(e) Sewer Service Charges: As is typical for this time of year, we received calls from people inquiring about allocation of their sewer service charges since they have multiple tenants on their parcel.

(f) Miscellaneous outstanding balances: A review of permit deposits with the Clerk resulted in a shortfall in a few permit deposits and refunds due some others. We feel that the issues have been adequately addressed.

(g) 209 MacDonald Avenue: The line was televised and we discovered that there is one connection serving both 209 and 205 MacDonald Avenue. The lateral for 205 crosses onto the property at 209 and then connects to the sewer. The current location where the laterals join is in the footprint of the new building at 209; they are installing a new lateral. In response to a question from the developer, the Engineer advised that the requirements are that each building must have a lateral. Our Ordinance begins at the front property line so they need to work with Daly City. While there needs to be a connection for each property, we cannot compel the owner of 205 to install a new line.

(h) 309 Rio Verde Street: A final inspection has not yet been conducted.

(i) PG&E unauthorized entry into District Assets: The Engineer and Maintenance Director met with PG&E representatives Haille Fitzsimmons and Denise Fink. They are working on a cross bore program in which PG&E will be replacing gas services and gas mains. When they cross storm or sanitary lines they are televising before and after construction. There are 2 types of work done by PG&E--#1 is an emergency repair or service replacement and #2 is when they do a block or two at once, both main and service lines. It seems that they don't develop plans but just go out into the field and do the work. That is what happened at 236 Rio Verde Street. The PG&E representatives acknowledged that there are jurisdictional issues. They were advised that we need to develop an annual permit for PG&E. They will provide one they have with the Town of Colma as a sample. They would like to get the permit in place as soon as possible. Engineer Yeager said it should be ready for Board consideration at the December meeting. In the interim, with 48 hours advance notice they can televise a line(s). They were also given an invoice for the charges incurred for 236 Rio Verde Street. They advised that they plan to televise the line at 88 Accacia Street. The Maintenance Director doesn't think they will cross the lateral but they may cross the main. The Engineer said if inspection is limited to a "drive by" look, there should be no charge. If there is construction or it has a plan review, or inspection, they would be billed. PG&E will provide the District with CCTV inspection results. We will then have a record of the lateral from the main to the house. Engineer Yeager added that whenever they are crossing a sewer line they will pothole and verify the depth of the line.

Concluding the discussion, the Engineer said that the representatives agreed that there needs to be an annual permit but are hesitant about having to pay fees. They were advised that extra services provided specifically for their program will be billed.

(j) SFPUC Annual Sewer Service Charge: At the last meeting there was discussion of the fact that the SFPUC appear to be charging the District more than they should. This was pointed out to them; however, their response was that they are charging correctly. The error has to do with how revenues are allocated and what revenues offset expenses. Appendix A of the Contract is a lengthy discussion about the formula. Appendix B is a spreadsheet example of how the formula is actually applied. During negotiations we thought it was very good that they included Appendix B because it is an example of what they were trying to say throughout the contract. The key to the debate is Appendix B which shows that the revenues are offset by the expenses. What they are doing, for this year for the first time, is claiming that the Contract allows them not to give us the full revenue deduction for the expenses. The method they are using this year does not make sense from a Contract standpoint or an accounting standpoint.

Counsel Bakker's advice is to withhold the disputed amount, not the entire amount. The Engineer said the correction would be -\$2,642 adjusting the quarterly payment to \$190,053. A letter will be drafted to accompany the check explaining our position and citing the cooperation clause in the Contract. It was pointed out that the staff we are dealing with now may lack complete understanding of the terms since none were involved in the Contract negotiations. A motion was made by Director Rizzi, seconded by Director Tonna and passed by voice vote to issue a check in the corrected amount and include the letter of explanation.

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

(a) Resolution No. 2016-06 re timing of Board of Director elections: At the last meeting, Counsel was directed to prepare a resolution changing the election cycle from odd years to even numbered years. If the Board approves the resolution it would move elections to even years and each Director would serve an additional year on their term. A motion was made by Director Quinteros and seconded by Director Tonna approving Resolution No. 2016-06. The motion was approved by the following roll call vote:

Ayes:	Gallagher, Quinteros, Rizzi, Tonna
Noes:	None
Abstained:	None
Absent:	Swanbeck

The Clerk was instructed to forward the Resolution to the San Mateo County Board of Supervisors.

(b) Legal options re unpermitted activities and unauthorized entry into District Facilities: This is currently a moot point in light of the meeting with PG&E as reported in 12(i) above.

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

(a) Grand Jury recommendation(2) implementation timeline

(i) Recommendation R-5 (website visibility): Prior to the meeting the Board was provided with a packet of proposed changes to content and language. During the discussion some minor corrections were made. Staff will continue its review of the material which should be ready for posting by the end of the year.

The Clerk told the Board that our webmaster is in the process of determining if he has the time to devote to continue to provide service for the District. There was agreement that when non-routine posting service is requested, the District is amenable to being billed for the additional time. The Clerk will keep the Board apprised. Counsel mentioned that she may be able to provide other sources for this service.

**Old Business:**

None

**New Business:**

(15) Reports on other matters: no action will be taken  
The December 15 meeting will begin at 6:00 P.M.

**Adjournment:**

A motion was made by Director Rizzi, seconded by Director Quinteros and passed to adjourn the meeting at 8:20 P.M. The next Regular Meeting is December 15, 2016.

Submitted by Joann Landi