

BAYSHORE SANITARY DISTRICT
MINUTES
Meeting of July 27, 2017

Roll Call:

The meeting was called to order at 7:02 P.M.

Present: Gallagher, Quinteros, Rizzi, Swanbeck, Tonna

Absent: None

Also: Counsel Quint, Maintenance Director Landi, Engineer Yeager and Clerk Landi

Public Hearing:

The Clerk advised the Board that as required by statute, notice of the Public Hearing was published twice in the San Mateo County Times.

(1) Approval of Sewer Service Charge Report for FY 2017-18; Resolution No. 2017-02

The Public Hearing was opened at 7:03 P.M. The total sewer service charge to be collected on the County tax rolls and the State Board of Equalization rolls is \$947,219.74. The Public Hearing was closed at 7:05 P.M. A motion was made by Director Quinteros, seconded by Director Tonna and passed unanimously to approve Resolution No. 2017-02.

(2) Approval of Collection of Delinquent Accounts on County Property Tax Roll

The Public Hearing was opened at 7:05 P.M. and closed at 7:06 P.M. There are no delinquent accounts.

(3) Adoption of FY 2017-2018 Annual Budget; Resolution No. 2017-03

The Public Hearing was opened at 7:06 P.M. Minor adjustments have been made to the budget since the June 8th Budget Workshop. The Public Hearing was closed at 7:07 P.M. A motion was made by Director Swanbeck, seconded by Director Tonna and unanimously passed to adopt Resolution No. 2017-03 approving the 2017-18 Budget totaling \$1,299,900.00.

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 reported that we have received the annual billing from USA. The new fee schedule is based on the volume of calls and the District receives a large number of alerts that are not in its service area. We probably need to further fine tune the map used by USA. The Engineer said the map is accurate. President Gallagher suggested that we forward any alerts out of our service area back to USA and keep track of them for purposes of a billing adjustment in 2018.

President Gallagher attended the Daly City Council meeting on July 24. The MOU between the District and the City was part of the consent agenda and was passed.

- (6) 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.)*

- (7) Minutes of the June 22, 2017 Meeting
- (8) Payment authorization for bills and compensation
- (9) Accept June 30, 2017 report on District's current financial status
- (10) Accept June, 2017 checking account reconciliation

A motion was made by Director Quinteros seconded by Director Swanbeck and passed by voice vote approving consent items 7-10.

Board Reports – consideration of matters relating to:

- (11) President Gallagher
 - (a) LAFCo: No one attended the July 19th meeting.
 - (b) CSDA – Local Chapter: The August meeting was cancelled. The next meeting will be October 3rd.
 - (c) Redevelopment Oversight Board: There was no meeting this month.

- (12) Daly City: ■Director Rizzi reported that it appears that the school will be complete at the end of August or early September. ■The Friends of the Library donated \$9,000 to the Bayshore branch of the library.

Director Swanbeck told the Board that at a recent meeting of the Daly City Neighborhood Association there was discussion regarding monitoring and reporting water usage to the State. There is a goal to reduce water usage by 20%.

- (13) Brisbane: No report.

Staff Reports:

- (14) Maintenance Director – consideration of matters relating to:
 - (a) Monthly report on District operations and maintenance: The Carlyle Station is running well. We have a temporary generator operating while the new generation installation is being completed. Today the outside housing on the old generator was removed. The remaining components will be removed next Tuesday. Following that removal the new generator will be delivered.

On July 7th Brisbane crews were seen opening District manholes. When approached they said they were checking because they were going to conduct a dye test. The next day we checked the manholes that had been opened and found that the rain guard in the manhole at Main and Bayshore had been knocked down into the manhole 15 feet below. Brisbane personnel said they did not disturb the rain guard. We were able to retrieve the guard which had obviously been damaged by a sharp object. Engineer Yeager said the superintendent advised they were doing this

in response to a PG&E USA notification and added that the crew was inexperienced. However, the District did not receive the alert and there were no white markings on the street.

The Maintenance Director met with a representative from the SMC Environmental Health Department for the periodic inspection of the facility with regard to hazardous materials handling. The diesel tank is considered to be a hazardous substance. It has been difficult working with the Department this year regarding the District's Business Plan. To date we have provided submissions on three occasions. District Counsel will review the regulations to determine if the District might be exempt.

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

(a) June meter reading data: The average daily flow for June was 259,967 gallons vs. the 2016 June flow of 262,874 gallons per day. The graph provided in the Engineers report tracks the daily flow and rain fall and substantiates that we have I/I issues.

(b) Carlyle Pump Station upgrades: Met with Rich Slade, Bayside Equipment, on July 11th to review the work to be done and the schedule for completion. The contract was written so that Bayside has 30 days after the arrival of the generator in their Redwood City facility to complete the installation. Engineer Yeager was out of town for a period of time and requests that the contract be extended to August 31st. A motion was made by Director Swanbeck, seconded by Director Quinteros and unanimously passed by voice vote to extend the contract.

(c) Update CIP/Master Plan: No update.

(d) Daly City/District Memorandum of Understanding (MOU): As reported above, the MOU was approved at the July 24th Council meeting.

(e) Daly City slurry seal: A pre-construction conference was held but no District representative was able to attend.

(f) Zayo Group: We believe this project has been completed.

(g) Accacia Street Subdivision: Mr. Yeager has submitted his final comments. There is still some video inspection to be done after they have finished the regrading. We have not yet accepted the line.

(h) SFPUC Connection Fee: We received notification of their new connection fee for the fiscal year. It has been sent to the developers with projects planned in the district. The fee for a ¾" line has been increased 3.3%. Last year it was \$4,562 will be increased to \$4,712.

(i) Bayshore customers – Allan and Talbert: The SFPUC is trying to straighten up their billing and had questions regarding businesses served by the District. The San Francisco list did not include 405 Allan Street. The Engineer also answered questions about how the District bills.

(j) 2017-18 Sewer Service Charge: The total including all manual billings is \$999,068. This is about \$6,000 more than discussed at the Budget Workshop. In May we get the current property tax list and then in July we receive a final list from the County. The 12 lots on Accacia Street weren't on the May list but were on the July list. The District's policy had been to issue manual billings based on an average 200 gpd usage. Since we have become aware of these parcels being placed on the property tax rolls we are able to put the sewer service charge on the rolls vs. issuing manual billings.

(k) 2017-18 Entitlement Charges: A list of those who exceeded their established capacity was provided in meeting packet. Alpine Inn has been billed \$5,600. They were given a heads-up notice by the Engineer that we would be billing and no response was received. V&A Auto was billed \$648. Golden State Lumber began tracking the truck loads of water used for dust

control. They are using more water in the facility than what is permitted. The manager is trying to figure out why they are using so much water within the building. We will delay the invoice while they pursue correcting any problems. Engineer Yeager is going to suggest they put a meter on their tank filling truck. We will look at their usage in 6 months. McCarty Storage at 250-290 Industrial was billed \$529.17. The invoice sent to Howard Pearce has been returned and will be resent. Office space at 200 Industrial Way had a leaking toilet and has provided documentation that the problem was corrected; they will not be billed.

(l) Recology: They have 3 active APNs and 4 meters. For a number of years San Francisco was reporting the wrong meter reading. So for several years we have gotten a report showing 0 usage. This year it was corrected and they exceeded their permitted usage by 302 units. They reported that they have had plumbing problems but had no documentation. The Engineer advised them that the District would defer billing for 6 months to give them time to remedy any plumbing problems.

(m) Total annual usage: The pumped and non-pumped flow for FY 2016-17 is 210,704 units compared to 186,113 for the 2015-16. Roughly 20,000 additional units are attributed to rainfall events.

(n) District Capacity Charge: For a number of years the District's connection fee has \$3,414 or \$17.07/GPD. The Engineer's calculation indicates that the connection fee for a single family home could be \$3,497 or \$17.48/GPD. The allowable and actual are so close (.025%) that it does not appear to be worth going through the Prop 218 process.

(16) District Counsel – consideration of matters relating to:
No report

(17) District Clerk – consideration of matters relating to:
Fechter & Co. Auditors were here on Monday. There will be some follow-up information exchange. However, we do not expect anything out of the ordinary.

Old Business:

(18) Draft response to Grand Jury Report re website
Board and Staff were asked to provide any comments or changes to the draft to the Clerk. Approval of the response will be on the August Agenda.

New Business:

(19) Contract staff compensation review for FY 2017-18
The Engineer and CSMS have requested increases. A motion was made by Director Quinteros approving the requested 3% increase for CSMS. The motion was seconded by Director Swanbeck and passed by voice vote. A motion was made by Director Quinteros approving the requested \$5 per hour increase for engineering services. The motion was seconded by Director Rizzi and passed by voice vote.

(20) Resolution #2017-04 setting appropriate limit for FY 2017-18

Fechter & Co. is provided with the price and population information issued by the State Finance Department to make the calculation. A motion was made by Director Swanbeck, seconded by Director Quinteros and unanimously passed to approve Resolution No. 2017-04.

- (21) Resolution #2017-05 allocating funds to District Reserve, Contingency and Cash Flow Accounts for FY 2017-18

It has been our practice since 2000 to review the contingency and reserve funds and to allocate monies for specific purposes. A motion was made by Director Swanbeck, seconded by Director Rizzi and passed unanimously to adopt Resolution No. 2017-05.

- (22) CASA August 22-24 Annual Conference
No Director will attend.

- (23) CSDA September 25-28 Annual Conference
It was the consensus of the Board that Director Rizzi may attend the Conference.

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

Adjournment:

A motion was made by Director Swanbeck, seconded by Director Tonna and passed to adjourn the meeting at 8:30 P.M. The next Regular Meeting is August 24, 2017 @7:00P.M.

Submitted by Joann Landi