

BAYSHORE SANITARY DISTRICT
MINUTES
Meeting of May 24, 2018

Roll Call:

The meeting was called to order at 7:08 P.M.

Present: Gallagher, Rizzi, Swanbeck, Tonna

Absent: None

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

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
None
- (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 Meeting of April 26, 2018
- (5) Payment authorization for bills and compensation
- (6) Accept April 30, 2018 report on District's current financial status
- (7) Accept April, 2018 checking account reconciliation

A motion was made by Director Rizzi, seconded by Director Swanbeck and passed by voice vote approving consent items 4-7.

Board Reports – consideration of matters relating to:

- (8) President Gallagher
 - (a) LAFCo: The meeting was May 16. No one from the District attended the meeting.
 - (b) CSDA – Local Chapter: The meeting was held on May 1 at the Mosquito & Vector Abatement facility in Burlingame. President Gallagher attended and reported that a representative from CSDA reviewed legislation relative to special districts.
 - (c) Redevelopment Oversight Board: This item can be removed from the agenda.
- (9) Daly City: President Gallagher attended a meeting on May 9 regarding long-term rentals in Daly City. These rentals are homes with several bedrooms with only one kitchen—they are not

considered single family residences. The City will compile the input from the participants at the meeting and submit to the City Council; however, it is unlikely the City can deter this trend.

Director Rizzi reported that City Manager Martell attended the seniors club last month and confirmed that she will retire in early June.

(10) Brisbane: President Gallagher attended the recent CAG meeting. There was a presentation by a representative from the Department of Toxics on the subject of the cleanup.

The following item was taken out of Agenda order.

(15) Succession Planning

- (a) Board vacancy: (i) Consideration and discuss the Board of Director vacancy – Candidate statements of interest, questions from the Board of Directors, vote on appointment, and swearing in of candidate if one is selected

The District received two applications to fill the unexpired term. Candidate Miguel Campos has lived in the District for 36 years, residing at 66 Oriente Street and is retired. Director Rizzi said that Mr. Campos is an active volunteer in the community. Candidate Campos was not present.

The second candidate is Richard Constantino who was present and provided the Board with information on his background. He has resided in the District for about 10 years and is an Exercise Physiologist for Sutter Health.

District Counsel explained that the Board can ask the candidate any questions they may have and then may choose to make an appointment. Counsel reviewed the requirements to serve as a Director, explained how the District functions, transparency while serving in public office and Form 700 requirements. The Board took turns mentioning topics such as industry conferences, LAFCo, meetings, compensation, etc. as well as asking questions of Mr. Constantino. After the Q&A session, a motion was made by Director Swanbeck, seconded by Director Rizzi and passed by a roll call vote appointing Richard Constantino to fill the Board vacancy.

Ayes: Gallagher, Rizzi, Swanbeck, Tonna

Noes: None

The Board congratulated Mr. Constantino and the Clerk administered the Oath of Office.

Staff Reports:

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

(a) Monthly report on District operations and maintenance: The Carlyle Station is operating properly. There was a service request at 600 Schwerin Street. The cleanout had overflowed the prior weekend and the cleanout cover was missing. Debris had been tossed into the opening. The area was cleaned and the line cleared as a courtesy. The Samoan Congregational Church was notified of the condition and the corrective action necessary on April 26. The property was reinspected on May 7 and found to still be out of compliance with District Ordinances. A second notice was delivered to a maintenance man on site. He was advised that the line needed to be thoroughly cleaned and the missing cleanout cover replaced. Another inspection will be done next week.

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

For the benefit of Director Constantino, the Engineer said this is a busy time of year for the District as we are approaching consideration of the FY 2018-19 budget.

(a) April meter reading data: Mr. Yeager explained how he reviewed the monthly readings looking for anything out of the ordinary. The average daily flow for April was 369,200 gallons; it was a wet month. The District has a problem with surface water entering the system.

(b) End of Year Procedures Manual: For historical and succession purposes, the Engineer is documenting the work he does. One of the big tasks is preparing the annual Sewer Service Report which is submitted to San Mateo County. The charges go on the property tax billing issued by the County. It is an involved process getting the water usage information from San Francisco, Daly City and Brisbane. The District uses a firm called EDS. The Engineer interfaces with EDS and EDS interfaces with the County. All of this is put together in May and June.

(c) SFPUC response – evaluation of alternative water quality testing methodology: Engineer Yeager explained that the District pumps its wastewater to the SFPUC for treatment and is billed based on volume and three components—suspended solids, fats-oil-grease and COD. The District signed a multiyear agreement that defines how the charge is determined. The SFPUC has been testing the District’s wastewater for about 6 years. The collection data is provided to Mr. Yeager who processes and issues a report in July. The contract states that if it agreeable to both parties, the historical data can be used and the testing can be halted. Several months ago we requested that six years of data be used and testing stopped. The SFPUC has finally responded that they agree with using the six year averages and will base the annual sewer service charges on those averages from July 1, 2018 through June 30, 2024. At that time the SFPUC will resume sampling to get an updated set of data. With some minor corrections, the Engineer recommends that the Board accept the proposal in the May 18, 2018 letter. The six years of data to be use include testing conducted through June 30, 2018. It was the consensus of the Board to authorize Engineer Yeager to close the loop.

(d) Point Martin 1 &2: These are the two subdivisions up the hill, west of Carter Street. These subdivisions have gone through the Daly City Planning and Engineering Divisions and detailed utility drawings have been submitted. Toll Brothers is the developer. The project has been delayed due to an environmental issue.

(e) Robertson School: This is also a Toll Brothers project and is being called The Overlook. This project has also gone through the Daly City Planning and Engineering Divisions. The District has reviewed and signed off on the plans. The project was reviewed at a May 16 preconstruction meeting. Toll Brothers anticipates having the wet utilities completed by the end of August and would like homes to be sold by the end of this year. We have requested and received an additional \$10,000 deposit to cover District costs associated with the project.

(f) Capacity Entitlements: Capacity Entitlement pertains to non-residential users. They are permitted to discharge a specific amount of wastewater annually and if they exceed that discharge they are required to purchase additional capacity. That capacity gives them the right to perpetually discharge the increased volume. The computations are reviewed and issued July 1 each year. There were 7 non-residential customers who exceeded their capacity last year. One was rescinded and two others will have the charges plus penalties placed on the tax rolls if they fail to make payment. Alpine Motel has not responded to the District’s correspondence and the Engineer will contact Recology one more time.

(g) Leaking manholes: The old connection from the Robertson School to the District's system has not been properly abandoned. The Engineer and Maintenance Director will work with them to resolve the issue.

(h) 361 Rio Verde Street: This property as well as 216 Accacia Street are being extensively remodeled. The Engineer explained that Daly City sends applicants to the District—we review their plans and determine what permits and/or fees might be required by the District and the SFPUC. When all fees have been paid and permits issued, the District notifies Daly City that the building permit can be issued. This property needs a video inspection of the lateral since they plan to pipe burst the line.

(i) 216 Accacia Street: All permits for this property have been issued.

(j) Midway Village redevelopment: The Engineer and Maintenance Director met with Matt Lewis, Mid Peninsula Housing, who has been retained by the San Mateo County Housing Authority to be the project manager for the redevelopment of Midway Village. Mid Peninsula has done a number of projects in the County. They are still putting the project together which is dependent upon financing. There likely won't be anything happening until 2020. The current proposal is for 150 units, more or less. The current park will be relocated to border on Schwerin Street. The project must go through the Daly City planning process. Mid Peninsula is starting community outreach; President Gallagher was contacted. She is meeting with Matt Lewis on May 30 at 6 P.M. along with a small group of District residents.

They will need a Class 3 permit for reconstruction of the sewer main and an additional Class 1B permit for each of the multi-unit buildings. Moving forward the District will seek reimbursement for costs.

(k) Sewer Service Charge report: This is an exercise in merging all the water usage data. The Engineer is in the process of putting it all together and will have a draft ready for the budget workshop. Some self-reporting for discharge permits will not be received until after July 1.

(l) Generator operating permit: The District has complied with a request from the Bay Area Air Quality Management District for six months of fuel consumption. We used about a gallon per month.

(m) Updated CIP/Master Plan: The District has been proactive in protecting their assets and making improvements on a pay-as-you-go basis. The Board was provided with Table 1-1, 2018-2023 capital improvement projects. This table will be used to make recommendations for the timeline for projects. They will be included in the District's Revised Master Plan. The big issue the District faces is inflow and infiltration (I/I). At various times over the years we have tried to identify problem areas but still continue to have infiltration. The Engineer is recommending a program of smoke testing basins followed with some CCTV inspection to attempt to identify problem areas. He recommends that one basin be smoke tested this August-September; perhaps followed with some CCTV inspection. Also, the District typically budgets to replace 2-3 laterals each year. In the older section of the District there are laterals that are clay dating back to the 1920's and 30's. They are replaced on an as needed basis.

The wetwell has three metal hatches which are in poor condition. New hatches have a safety grating, handles, hydraulics, etc. The recommendation is to replace the three hatches in the next fiscal year.

The Carlyle Station is currently a manned station that sends notification alarms to the Maintenance Director. A telemetry system could forward those alarms via computer so that

monitoring can be done remotely. The Engineer proposes we develop a telemetry plan to be implemented in the future.

In FY 2019-20 more smoke testing and CCTV inspection would be done along with the telemetry work. Everything, mechanically speaking, is running fine. Replacing the pumps would be about \$1,000,000. Our real problem is the I/I. Typically one pump runs and during heavy rain up to 3 pumps run. Even with the new developments proposed in the District the flow will not increase significantly. Pt. Martin flows directly to San Francisco. We have a single force main from the Station to San Francisco. When the Baylands is developed we would want to install a second force main. We can discuss further at the budget workshop.

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

No report.

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

The Clerk advised the Board that she sat in on a webinar presented by Dig Safe, a program established by the 2016 Dig Safe Act. This 9 member commission will educate, develop standards, investigate violations and provide enforcement. The impetus for this commission was prompted by fatal accidents like the San Bruno fire. Fees will be levied to members of Dig Alert and USA based on the number of tickets they receive. The first 2½ years the fee will be 55% of our USA fee so that the commission can repay a start-up loan. After that the fee will be 30% on top of what we currently pay to USA. Billing will start in January, 2019. The Clerk personally finds this disturbing since 15-20% of the alerts we receive are not in our service area. We have tried unsuccessfully to work with USA to correct the mapping.

Old Business:

(15) Succession Planning

(b) Collection system services: The Engineer researched the Half Moon Bay RFP for collection system service. They have accepted a blended version using Mark Thomas Co. and Sewer Authority Midcoast (SAM). Thomas will provide oversight and SAM will perform the maintenance. President Gallagher left a message for Tom Picolotti, Daly City Water & Wastewater, but has not received a call back. She would like to arrange a meeting with him to discuss and seek clarification of their draft proposal. The President, Engineer and Maintenance Director will get together prior to that meeting to develop questions.

(16) Director benefit policy

President Gallagher explained that when former Director Quinteros resigned his benefits stopped. She would like to develop a policy that might allow a former director to remain on the coverage or to pay for the coverage. She gave an example of the case of a Director or dependent being in the middle of dental treatment. Counsel said she will discuss this with her colleagues to determine if there is an option to do this.

New Business:

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

There was agreement that a Budget Workshop be scheduled for June 21, 2018 at 7:00 P.M.

Adjournment:

The meeting was adjourned in memory of former Director Walter Quinteros at 8:53 P.M.
The next Regular Meeting is June 28, 2018 at 7:00 P.M.

Submitted by Joann Landi, District Clerk