



# NORTH SAN MATEO COUNTY SANITATION DISTRICT

a subsidiary of the City of Daly City

333 – 90<sup>TH</sup> STREET, DALY CITY, CALIFORNIA 94015-1895

(650) 991-8127



## REGULAR MEETING – BOARD OF DIRECTORS

Monday, June 28, 2021 - 6:45 PM  
City Hall Council Chambers – 2<sup>nd</sup> Floor  
333 – 90<sup>th</sup> Street, Daly City, CA 94015

### AGENDA

[View the agenda and supporting documents in our website](#)

#### **COVID-19 ANNOUNCEMENT - PUBLIC MEETINGS**

Pursuant to Governor Newsom's Executive Order N-25-20, members of the Daly City Board and staff will participate in this meeting via a teleconference. Members of the public are encouraged to watch the meeting via Livestream at <http://bit.ly/dalycityjun28> and to register to speak at the zoom meeting and/or submit public comments via email to [cityclerk@dalycity.org](mailto:cityclerk@dalycity.org) prior to the public meeting.

#### **Public Participation:**

There are two ways to submit public comment: (1) send written comments by 4:00 pm on meeting day and (2) register to speak at the meeting via Zoom.

To submit a comment in writing, please email [cityclerk@dalycity.org](mailto:cityclerk@dalycity.org) and write "Public Comment" in the subject line. In the body of the email, include the item number and/or title of the item as well as your comments. All comments received by 4:00 pm will be emailed to the City Council members and included as an "Add to Packet" on the City's website prior to the meeting. Those comments received after 4:00 pm will be added to the record and shared with the City Council members for the public meeting. Comments are not read aloud into the record.

To speak at the meeting, you must register to join via Zoom. The City requests that you complete your registration by 5:00 pm on the meeting date. After registering, you will receive a confirmation email containing instructions on how to join the meeting, including a unique link. Your address and email will not be disclosed to the public. Public comment is limited to two minutes maximum.

To register to speak at the meeting via Zoom, visit <http://bit.ly/jun28zoomreg>. You must familiarize yourself with Zoom prior to joining the meeting. When you would like to speak on an item during the public comment portion of the meeting, you will need to use the "raise hand" feature in Zoom. The City will not be providing technical support.

If you do not wish to speak, the City requests that you watch the livestream of the meeting on the City's virtual meeting website at <http://bit.ly/dalycityjun28>.

Persons with disabilities who require auxiliary aids or services in attending or participating in this meeting should call the office of the City Clerk at 991-8078. *We will need **FIVE (5) WORKING DAYS BEFORE ANY FUTURE MEETINGS** to make any necessary accommodations.*

***"AVAILABILITY OF PUBLIC RECORDS. All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the City Clerk's Office, City Hall located at 333 90<sup>th</sup> Street, Daly City, CA during normal business hours, at the same time that the public records are distributed or made available to the legislative body."***

CALL TO ORDER:

ROLL CALL:

APPROVAL OF AGENDA:

CONSENT AGENDA

All items listed on the Consent Agenda are considered to be routine and may be approved by one roll call vote of the Board of Directors. There shall be no separate discussion of the matters on the Consent Agenda unless requested by a member of the Board. If discussion is required, that item will be removed from the Consent Agenda and will be considered separately at the end of the Agenda.

Minutes:

1. Regular Meeting of June 14, 2021

Action Items:

2. Adoption of Appropriations Limitation

END OF CONSENT AGENDA

PUBLIC APPEARANCES/ORAL COMMUNICATIONS:

NOTE: Speakers are limited to two minutes, unless modified by the Chair. The District cannot take action on any matter raised under this item.

Public Hearing

3. Sewer Service Charges for FYs 2021/22, 2022/23 and 2023/24
  - A. Resolution Providing for Collection on Property Tax Roll
  - B. Resolution Making Findings and Determination for Execution Pursuant to California Environmental Quality Act (CEQA) and Determination for Services
  - C. Resolution Overruling Protests and Confirming Report on Sewer Service Charges FYs 2021/22, 2022/23 and 2023/24
  - D. First Reading (by Title Only) of Ordinance No. 96 amending Ordinance No. 33 of the North San Mateo County Sanitation District Re: Prescribing Rates and Charges for Sewage Disposal Services

**Staff:**

Nevin/Piccolotti

**Recommended Action:**

Open Hearing (Motion to Close Hearing), Adopt Resolutions, Introduce Ordinance  
Motion to Read (by Title Only)

REPORTS:

4. Board of Directors
5. Staff

ADJOURNMENT:

## **REGULAR MEETING - BOARD OF DIRECTORS**

### **MINUTES**

**June 14, 2021**

The Board of Directors of the North San Mateo County Sanitation District convened in a virtual Regular Meeting on June 14, 2021.

The meeting was called to order by Chairman Juslyn Manalo at 6:48 p.m.

#### **ROLL CALL:**

Present: DiGiovanni, Buenaventura, Sylvester, Daus-Magbual, Manalo

Absent: None.

Staff Present: General Manager Shawna Maltbie, Assistant to the City Manager Leilani Ramos, District Counsel Rose Zimmerman, Director of Water and Wastewater Resources Thomas Piccolotti, Plant and Equipment Maintenance Manager Joshua Cosgrove, Senior Management Analyst Anthony Tofiga, and Office Assistant II Gillian Chow as Recording Secretary.

#### **APPROVAL OF AGENDA:**

Motion was made, seconded (Buenaventura/DiGiovanni) and unanimously approved.

#### **CONSENT AGENDA:**

1. **Minutes of Regular Meeting of May 24, 2021**
2. **Resolution Adopting Operating and Capital Budget for FY 2022 for the North San Mateo County Sanitation District**

Motion was made, seconded (Buenaventura/Daus-Magbual) and unanimously carried to adopt the Consent Agenda.

#### **NEW BUSINESS:**

None.

#### **REPORTS:**

3. **Board of Directors**

None.

4. **Staff**

Plant and Equipment Maintenance Manager Joshua Cosgrove made an oral report on the Citizens' Advisory Committee FY 2021/22 meeting that took place on June 8, 2021 via Zoom. It was attended by Department of Water and Wastewater Resources' staff, HF&H, Town of Colma, Westborough, and Broadmoor Village.

#### **ADJOURNMENT:**

At 6:55 p.m., call of adjournment of Regular Meeting by Chairman Juslyn Manalo.



**North San Mateo County Sanitation District**  
*a subsidiary of the City of Daly City*

**Meeting Date: June 28, 2021**

**Subject: Adoption of Appropriations Limitation**

**Recommended Action**

Adopt a resolution establishing Appropriations Limitation for Fiscal Year 2022.

**Discussion**

As required by Article XIII B of the State Constitution, the Agency must adopt an appropriations limit for the following fiscal year. By resolution of April 26, 2021, the Board of Directors established its intent to adopt the appropriations limitation for FY 2022.

The attached calculations establishing the proceeds of taxes and appropriations limit for FY 2022 have been on file in the Finance Department since Friday, June 4, 2021, for public inspection and appropriate notice has been posted by the City Clerk.

**Summary/Conclusion**

Staff recommends that the Board of Directors adopt a Resolution establishing the Agency's Appropriations Limitation for Fiscal Year 2022.

Staff is available to provide any additional information desired by the Board members.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Timothy J. Nevin".

Timothy J Nevin  
Director of Finance & Administrative Services

Attachment: Summary of Calculations

North San Mateo County Sanitation District  
Summary of Calculations  
Gann Appropriation Limit for 2021-2022

|                                                          |                     |
|----------------------------------------------------------|---------------------|
| Change in California Per Capita Personal Income          | 1.0573              |
| Change in Population                                     | 0.9985              |
| Change Factor (1.0573 x .9985)                           | 1.0557              |
| 1978-79 Base Year Appropriation Limit                    | \$ 251,694          |
| Multiplied by Cumulative Change Factor (7.4941 x 1.0557) | <u>7.9116</u>       |
| 2021-2022 Appropriation Limit                            | <u>\$ 1,991,304</u> |

Application of Gann Appropriation Limit  
To Fiscal Year 2021-2022

|                                            |                  |
|--------------------------------------------|------------------|
| Total Gann Appropriation Limit             | \$ 1,991,304     |
| Estimated Proceeds of Taxes                | <u>2,409,116</u> |
| Estimated Proceeds of Taxes Over Limit by  | (417,812)        |
| Amount to be used for Capital Expenditures | <u>417,812</u>   |
| Net Amount                                 | <u>\$ -</u>      |



## **North San Mateo County Sanitation District**

*a subsidiary of the City of Daly City*

**Meeting Date: June 28, 2021**

**Subject: Sewer Service Charges for FYs 2021/22, 2022/23, and 2023/24**

### **Recommended Action**

Upon conclusion of the Public Hearing, it is recommended that the Board of Directors:

- A. Adopt Resolution for the Collection of Sewer Service Charges for Fiscal Years 2021/22, 2022/23, and 2023/24 on the County Tax Roll,
- B. Adopt Resolution Making Findings and Determination for Execution pursuant to California Environmental Quality Act (CEQA) and Determination for Services,
- C. Adopt Resolution Overruling Protests and Confirming Report on Sewer Service Charges for FYs 2021/22, 2022/23, and 2023/24,
- D. First Reading (Title Only) of Ordinance No. 96 amending Ordinance No. 33 of the North San Mateo County Sanitation District Prescribing Rates and Charges for Sewage Disposal Services

### **Background**

Sewer Service Charges for the North San Mateo County Sanitation District (NSMCSD) are calculated on the basis of water consumption during the winter months (January/February) billing cycle, and a rate is determined that provides sufficient revenues to operate, maintain, and improve the sanitary sewer collection system and wastewater treatment plant during the coming year. The water consumption data is used as a method to determine each individual sewer user's proportionate share of the total charges, and the charges themselves are collected as part of the annual property tax roll.

On March 31, 2021 staff and consultants presented the proposed rate increases to the Water Issues Council Committee. At the May 10, 2021 NSMCSD Board meeting, time and place was set for the public hearing on June 28, 2021 and the June 8, 2021 Citizens' Advisory Committee (CAC) meeting, staff and consultants reviewed the recommended three-year program that sewer service charges be increased by 5% on July 1, 2021, 9% on July 1, 2022, and 9% on July 1, 2023.

### **Discussion**

The recommendation for a scheduled series of rate increases is due to both anticipated new capital projects and current operating cost increases of the wastewater system. The proposed rate structure would allow the District to fully fund its Capital Program while prudently balancing its reserves from just over \$15.3 million in FY 2021/22 to a projected balance of \$16.1 million in FY 2022/23. The reserves include \$8.5 million of Operating Capital Reserve.

The current sewer service minimum charge of \$87.44 was imposed in FY 2018/19. The recommended 5% increase raises the minimum charge \$4.37 to \$91.81. The recommended 9% increase in FY 2022/23 raises the minimum charge \$8.27 to \$100.08. The recommended 9% increase in FY 2023/24 raises the minimum charge \$9.00 to \$109.08.

In compliance with Proposition 218, a Notice of Public Hearing for Proposed Increase to Sewer Service Charges was mailed to property owners and utility customers on May 11, 2021. The notice included the detailed instructions that written protests must be received by the Office of the City Clerk prior to the close of the public hearing on June 28, 2021. As of June 23, 2021, the City Clerk has received 185 written protest letters.

**Fiscal Impact**

The rate impact would be a \$0.39 increase per unit in FY 2021/22, a \$0.75 increase per unit in FY 2022/23, and a \$0.81 increase per unit in FY 2023/24 - for a total \$1.95 increase per unit over the three-year program.

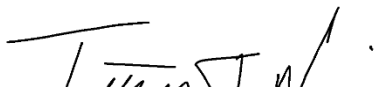
For comparison purposes, if the proposed rate increases are enacted, the NSMCSD will maintain its current ranking of 3<sup>rd</sup> lowest amongst 14 neighboring cities and districts regarding average single-family annual sewer charges.

**Summary/Conclusion**

The Board's action conforms with necessary procedural requirements associated with the sewer service charge. Under state statute, the District must provide its electronic roll to the County no later than August 1<sup>st</sup> for inclusion in the upcoming tax roll.

Staff is available to provide any additional information desired by the Chair or Members of the Board of Directors.

Respectfully submitted,



Timothy J Nevin  
Director of Finance & Administrative Services



Thomas J. Piccolotti  
Director of Water and Wastewater Resources

AN ORDINANCE OF THE NORTH SAN MATEO COUNTY SANITATION DISTRICT  
AMENDING ORDINANCE NO. 33 PRESCRIBING RATES AND CHARGES  
FOR SEWAGE DISPOSAL SERVICE

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BE IT ORDAINED by the Board of Directors of the North San Mateo County Sanitation District, San Mateo County, as follows:

Section 1: Section 10 of Article II of that certain ordinance entitled "Ordinance No. 33, An Ordinance Prescribing Rates and Charges for Sewage Disposal Service and Providing Procedures and Penalties for Its Enforcement," passed by the Board of Directors of the North San Mateo County Sanitation District on April 15, 1974, as heretofore amended, is hereby amended to read as follows:

"10. Rate Schedule. Sewer service charges are hereby prescribed for all premises connected to the sanitation or sewerage system of District. The rates for the 2021/2022 Tax Roll shall be computed at the rate of Eight Dollars and Twenty-seven Cents (\$8.27), per one hundred (100) cubic feet of water consumption calculated on the basis of two months' average winter water consumption annualized, with a minimum of Ninety One Dollars and Eighty-one Cents (\$91.81) per annum.

The rates for the 2022/2023 Tax Roll shall be computed at the rate of Nine Dollars and two Cents (\$9.02), per one hundred (100) cubic feet of water consumption calculated on the basis of two months' average winter water consumption annualized, with a minimum of One Hundred Dollars and eight Cents (\$100.08) per annum."

The rates for the 2023/2024 Tax Roll shall be computed at the rate of Nine Dollars and Eighty-three (\$9.83), per one hundred (100) cubic feet of water consumption calculated on the basis of two months' average winter water consumption annualized, with a minimum of One Hundred Nine Dollars and eight Cents (\$109.08) per annum."

Section 2: In accordance with the California Environmental Quality Act ("CEQA"), Public Resources Code §21000 et seq. and the regulations promulgated pursuant to CEQA ("the State Guidelines") the District Board finds that this Ordinance establishes and modifies rates and charges for the purposes of meeting operating expenses of the District, meeting financial reserve needs and requirements of the District and/or obtaining funds for capital projects which are necessary to maintain services within existing service areas in the District (State Guidelines §15273).

Section 3: Severability.

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining

portions of this Ordinance. The Board of Directors of the North San Mateo County Sanitation District declares that it would have adopted each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, clauses, phrases or portions be declared invalid or unconstitutional.

Section 4:      Publication

Upon adoption by the Board of Directors of the North San Mateo County Sanitation District, this ordinance shall be posted in three public places, and shall be published once in a newspaper of general circulation, within 15 days following its passage and adoption.

Introduced this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

Passed and adopted as an Ordinance of the North San Mateo County Sanitation District at a regular meeting of the Board of Directors of the North San Mateo County Sanitation District held on the \_\_\_\_\_ day of \_\_\_\_\_, 2021, by the following vote:

AYES, Director: \_\_\_\_\_  
\_\_\_\_\_

NOES, Director: \_\_\_\_\_  
\_\_\_\_\_

Absent, Director: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
GENERAL MANAGER OF THE NORTH SAN  
MATEO COUNTY SANITATION DISTRICT

APPROVED:

\_\_\_\_\_  
CHAIR