



NORTH SAN MATEO COUNTY SANITATION DISTRICT

a subsidiary of the City of Daly City

333 – 90TH STREET, DALY CITY, CALIFORNIA 94015-1895

(650) 991-8127

Special Meeting - SANITATION DISTRICT

AGENDA

Monday, June 3, 2024 - 6:45 PM

There are two ways to submit public comments: (1) submit written comments by meeting day and (2) attend the meeting in person.

1. To submit written comments by meeting day, please email dwwr@dalycity.org and include "Public Comment" in the subject line. All written comments received by 4:00 pm on meeting day will be provided to the Board members prior to the meeting.

Please note: Any emailed comments received after 4:00 p.m. on the meeting date are not guaranteed to be received by the Board members prior to the meeting. Comments are not read aloud into the record.

2. To speak at the meeting in person, please complete a Speaker Card located at the entrance to the Council Chamber and submit it to a Staff Member as early in the meeting as possible.

Persons with disabilities who require auxiliary aids or services in attending or participating in this meeting should call the office of the Board Clerk at (650) 991-8200 as soon as possible.

AVAILABILITY OF PUBLIC RECORDS:

All public record 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 90th 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. Minutes of Regular Meeting February 26, 2024

Action Items:

2. Sewer Service Charge Appeals - Fiscal Year 2023-24/2024-25
3. Presentation of Fiscal Year 2023 Annual Comprehensive Financial Report
4. Resolution of Intent to Adopt Appropriations Limitation (Gann Limit)

END OF CONSENT AGENDA

PUBLIC APPEARANCES/ORAL COMMUNICATIONS

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

NEW BUSINESS

REPORTS:

5. Board of Directors
6. Staff

ADJOURNMENT:

REGULAR MEETING - BOARD OF DIRECTORS

MINUTES

February 26, 2024

The Board of Directors of the North San Mateo County Sanitation District convened in a Regular Meeting on February 26, 2024, in the City Council Chamber, City Hall, 333 - 90th Street, Daly City, California.

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

ROLL CALL:

Present: DiGiovanni, Sylvester, Daus-Magbual, Manalo

Absent: None

Staff Present: General Manager Thomas J. Piccolotti, District Counsel Rose Zimmerman, Director of Water and Wastewater Resources Joshua Cosgrove, Chief of Operations Greg Krauss, Senior Management Analyst Anthony Tofiga, Director of Finance and Administrative Services Tim Nevin, Assistant to the City Manager Leilani Ramos, Executive Administrative Assistant Angelica Zermeno, and Office Assistant II Ester Cabral as Recording Secretary.

APPROVAL OF AGENDA:

Motion was made, seconded (DiGiovanni/Daus-Magbual) and unanimously approved.

REORGANIZATION OF BOARD OF DIRECTORS

A. Election of Chair

Motion was made, seconded (Daus-Magbual/DiGiovanni) and unanimously carried on a roll call vote to elect Juslyn Manalo as Chair.

B. Election of Vice Chair

Motion was made, seconded (Manalo/DiGiovanni) and unanimously carried on a roll call vote to elect Dr. Rod Daus-Magbual as Vice Chair.

CONSENT AGENDA:

1. Minutes of Regular Meeting of November 27, 2023
2. Sewer Service Charge Appeals – Fiscal Year 2023-24
3. Purchase of Disinfection Chemical for Wastewater Treatment Facility (WWTF)

Motion was made, seconded (DiGiovanni/Daus-Magbual) and unanimously approved.

NEW BUSINESS:

4. Authorizing a Construction Loan Agreement with the Daly City Joint Powers Financing Authority, the City of Daly City and the California State Water Resources Control Board and a Financing Agreement with the Daly City Joint Powers Financing Authority in Connection with the Financing of the Vista Grande Drainage Basin Improvement Project, Establishing One or More Pledged Sources of Revenue for Repayment of Funding, and Taking Certain Other Actions Related Thereto

The Vista Grande Drainage Basin Improvement Project and the Environmental Impact Report were approved by City Council in 2017. Since then, staff had finalized the design and are in the process of securing all

necessary permits. A financing plan had also been developed which included the California Clean Water State Revolving Fund Loan.

Director of Water and Wastewater Resources Joshua Cosgrove recommended that the Board of Directors adopt a resolution approving the Loan from the State Water Board in the maximum principal amount of \$130,000,000, payments by the District under the District Financing Agreement in the maximum principal amount of \$65,300,000, and an interest rate not to exceed 4.50%; approving related documents; establishing one or more pledged revenue sources for repayment of the financing; and taking other related actions.

Bond counsel Christopher Lynch of Jones Hall, A Professional Corporation, was also present via zoom and answered questions from the Board.

Motion was made, seconded (Daus-Magbual/Manalo) and unanimously carried on a roll call vote to adopt Resolution 24-SD-02, "Authorizing a Construction Loan Agreement with the Daly City Joint Powers Financing Authority, the City of Daly City and the California State Water Resources Control Board and a Financing Agreement with the Daly City Joint Powers Financing Authority in Connection with the Financing of the Vista Grande Drainage Basin Improvement Project, Establishing One or More Pledged Sources of Revenue for Repayment of Funding, and Taking Certain Other Actions Relating Thereto."

REPORTS:

5. Board of Directors

None.

6. Staff

None.

ADJOURNMENT:

At 7:09 p.m., call of adjournment of Regular Meeting by Chair Juslyn Manalo.



North San Mateo County Sanitation District

a subsidiary of the City of Daly City

Meeting Date: June 3, 2024

Subject: SEWER SERVICE CHARGE APPEALS - FISCAL YEAR 2023-24/ 2024-25

Recommended Action

Based on staff review, I recommend that the sewer service charge be revised and based on annual water consumption or average yearly consumption excluding the base period.

Westborough Water District

Venkata, Pradeep Gopanapali
Account# SEI0003 (APN#091-623-110)

Cal Water

Brice, Edward
APN# 006-334-070

Daly City Water

Wong, Timothy Tingwei
APN# 004-322-390

Hou, Yong Xiang
APN# 008-335-060

Than, Naing & Htet Cho Cho
APN# 008-313-330

Jiang, Byron
APN# 002-322-020

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

Respectfully submitted,

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

Timothy Nevin
Director of Finance and Administrative Services

Attachment: Sewer Service Charge Appeals

cc: District General Manager
City Attorney
Department of Water and Wastewater Resources

NORTH SAN MATEO COUNTY SANITATION DISTRICT
SEWER SERVICE CHARGE APPEAL TY 2023-24
BOARD MEETING
WESTBOROUGH WATER DISTRICT

ACCOUNT NO. SEI0003 (APN091-623-110)
CUSTOMER NAME: Pradeep Gopanapalli Venkata
SERVICE ADDRESS: 138 Valleyview Way, So. San Francisco, CA 94080

WATER USAGE FOLLOWING BASE PERIOD		BASE PERIOD	79
2 MONTHS AFTER	188	2 MONTHS PRIOR	16
4 MONTHS AFTER	0	4 MONTHS PRIOR	15
		6 MONTHS PRIOR	14
		8 MONTHS PRIOR	13
		10 MONTHS PRIOR	31
ACTUAL ANNUAL USAGE			168
BASE PERIOD ANNUALIZED			474
ANNUAL CREDIT IN UNITS (MUST BE OVER 15 UNITS)			306
PERCENTAGE CHANGE (MUST BE OVER 10%)			182%
ANNUAL CREDIT IN DOLLARS			<u>\$ 3,629.16</u>

(Westborough rate \$ 11.86 per unit)

REASON FOR APPEAL

New homeowner purchased property on 10/12/2023. There was high usage during base period. Notes on appeal cover letter from Westborough Water District states that homeowner at that time was on hospice at the residence before she passed away and possibly left a feature running.

STAFF RECOMMENDATION TO BOARD

Grant adjustment - Based on actual annual consumption

NORTH SAN MATEO COUNTY SANITATION DISTRICT
SEWER SERVICE CHARGE APPEAL
BOARD MEETING DATE

PARCEL NO. 006-334-070 2023-24
CUSTOMER NAME Edward Brice
SERVICE ADDRESS 1531 Sweetwood Dr., Broadmoor, CA 94015

CREDIT BASED ON ACTUAL ANNUAL USAGE

WATER USAGE:

		BASE PERIOD	64
		2 MONTHS PRIOR	24
2 MONTHS AFTER	18	4 MONTHS PRIOR	15
4 MONTHS AFTER	18	6 MONTHS PRIOR	26
		8 MONTHS PRIOR	13
		10 MONTHS PRIOR	12
		ACTUAL ANNUAL USAGE	154
		BASE PERIOD ANNUALIZED	384
		ANNUAL CREDIT IN UNITS	
		(MUST BE OVER 15 UNITS)	230
		PERCENTAGE CHANGE	
		(MUST BE OVER 10%)	149%
		ANNUAL CREDIT IN DOLLARS	\$2,260.90
		(N.S.M.C.S.D. \$9.83 per unit)	

REASON FOR APPEAL

During the base period, customer found toilet leak in the house. After repairs were completed, usage decreased back to their normal average.

STAFF RECOMMENDATION TO BOARD

Grant Adjustment - Based on actual annual usage

NORTH SAN MATEO COUNTY SANITATION DISTRICT
SEWER SERVICE CHARGE APPEAL
BOARD MEETING DATE

PARCEL NO.	004-322-390	2024-25
CUSTOMER NAME	Timothy Tingwei Wong	
SERVICE ADDRESS	201 Frankfort St., Daly City, CA 94014	

CREDIT BASED ON ACTUAL ANNUAL USAGE

WATER USAGE:

		BASE PERIOD	50
		2 MONTHS PRIOR	29
2 MONTHS AFTER	24	4 MONTHS PRIOR	33
4 MONTHS AFTER	-	6 MONTHS PRIOR	30
		8 MONTHS PRIOR	31
		10 MONTHS PRIOR	22
ACTUAL ANNUAL USAGE			195
BASE PERIOD ANNUALIZED			300
ANNUAL CREDIT IN UNITS			
(MUST BE OVER 15 UNITS)			105
PERCENTAGE CHANGE			
(MUST BE OVER 10%)			54%
ANNUAL CREDIT IN DOLLARS			\$1,032.15
(N.S.M.C.S.D. \$9.83 per unit)			

REASON FOR APPEAL

During the base period, customer found a toilet leak. After repairs were completed by the plumber, usage decreased.

STAFF RECOMMENDATION TO BOARD

Grant Adjustment - Based on actual annual usage

NORTH SAN MATEO COUNTY SANITATION DISTRICT
SEWER SERVICE CHARGE APPEAL
BOARD MEETING DATE

PARCEL NO.	008-313-330	2024-25
CUSTOMER NAME	Naing Than & Cho Cho Htet	
SERVICE ADDRESS	247 Campana Ave., Daly City, CA 94015	

CREDIT BASED ON ACTUAL ANNUAL USAGE

WATER USAGE:

		BASE PERIOD	113
		2 MONTHS PRIOR	28
2 MONTHS AFTER	38	4 MONTHS PRIOR	29
4 MONTHS AFTER	-	6 MONTHS PRIOR	28
		8 MONTHS PRIOR	36
		10 MONTHS PRIOR	42
		ACTUAL ANNUAL USAGE	276
		BASE PERIOD ANNUALIZED	678
		ANNUAL CREDIT IN UNITS	
		(MUST BE OVER 15 UNITS)	402
		PERCENTAGE CHANGE	
		(MUST BE OVER 10%)	146%
		ANNUAL CREDIT IN DOLLARS	\$3,951.66
		(N.S.M.C.S.D. \$9.83 per unit)	

REASON FOR APPEAL

During the base period, customer found a toilet leak. After repairs were completed, usage decreased.

STAFF RECOMMENDATION TO BOARD

Grant Adjustment - Based on actual annual usage

NORTH SAN MATEO COUNTY SANITATION DISTRICT
SEWER SERVICE CHARGE APPEAL
BOARD MEETING DATE

PARCEL NO. 008-335-060 2024-25
CUSTOMER NAME Yong Xiang Hou
SERVICE ADDRESS 40 Santa Ana Ave., Daly City, CA 94015

CREDIT BASED ON ACTUAL ANNUAL USAGE

WATER USAGE:

		BASE PERIOD	96
		2 MONTHS PRIOR	39
2 MONTHS AFTER	40	4 MONTHS PRIOR	38
4 MONTHS AFTER	-	6 MONTHS PRIOR	30
		8 MONTHS PRIOR	29
		10 MONTHS PRIOR	28
ACTUAL ANNUAL USAGE			260
BASE PERIOD ANNUALIZED			576
ANNUAL CREDIT IN UNITS			
(MUST BE OVER 15 UNITS)			316
PERCENTAGE CHANGE			
(MUST BE OVER 10%)			122%
ANNUAL CREDIT IN DOLLARS			\$3,106.28
(N.S.M.C.S.D. \$9.83 per unit)			

REASON FOR APPEAL

During the base period, there was a toilet leak. Customer got a plumber to replace the toilet. After repairs were completed, usage decreased.

STAFF RECOMMENDATION TO BOARD

Grant Adjustment - Based on actual annual usage

NORTH SAN MATEO COUNTY SANITATION DISTRICT
SEWER SERVICE CHARGE APPEAL
BOARD MEETING DATE

PARCEL NO. 002-322-020 2024-25
CUSTOMER NAME Byron Jiang
SERVICE ADDRESS 369 Vista Grande Ave. #A & #B, Daly City, CA 94014

CREDIT BASED ON ACTUAL ANNUAL USAGE

WATER USAGE:

		BASE PERIOD	127
		2 MONTHS PRIOR	79
2 MONTHS AFTER	45	4 MONTHS PRIOR	39
4 MONTHS AFTER	-	6 MONTHS PRIOR	34
		8 MONTHS PRIOR	34
		10 MONTHS PRIOR	39
ACTUAL ANNUAL USAGE			352
BASE PERIOD ANNUALIZED			762
ANNUAL CREDIT IN UNITS			
(MUST BE OVER 15 UNITS)			410
PERCENTAGE CHANGE			
(MUST BE OVER 10%)			116%
ANNUAL CREDIT IN DOLLARS			\$4,030.30
(N.S.M.C.S.D. \$9.83 per unit)			

REASON FOR APPEAL

During the base period, there was a toilet leak. Customer has replaced the faulty parts to fix the leak. Usage decreased after repairs were completed.

STAFF RECOMMENDATION TO BOARD

Grant Adjustment - Based on actual annual usage



North San Mateo County Sanitation District

A subsidiary of the City of Daly City

Meeting Date: June 3, 2024

Subject: Presentation of Fiscal Year 2023 Annual Comprehensive Financial Report

Recommended Action

Acceptance, by motion, of the Fiscal Year 2023 Annual Financial Statements of the North San Mateo County Sanitation District.

Discussion

Attached is an excerpt from the City of Daly City's Annual Comprehensive Financial Report showing the financial position, results of operations, and cash flows for the District for the fiscal years ended June 30, 2022 and June 30, 2023.

The District is considered a component unit of the City, and complete footnote disclosure and other information is included in the City's Comprehensive Annual Financial Report.

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

Respectfully submitted,

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

Timothy J Nevin
Director of Finance and Administrative Services

Attachment: NSMCSD FY 2023 Annual Financial Statements

CITY OF DALY CITY
NORTH SAN MATEO COUNTY SANITATION DISTRICT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
JUNE 30, 2023 AND JUNE 30, 2022

	2023	2022
ASSETS		
Current Assets		
Cash and investments	\$34,059,854	\$30,295,663
Accounts receivable	\$1,647,263	\$1,325,358
Inventories	1,588,096	1,662,060
Prepaid expenses	550	5,580
Total Current Assets	<u>37,295,763</u>	<u>33,288,661</u>
Capital Assets		
Land	233,547	233,547
Buildings	893,519	893,519
Sewage facilities	59,413,041	59,413,041
Subsurface treatment lines	26,871,004	26,871,004
Equipment	10,091,431	9,849,124
Furniture and fixtures	114,174	114,174
Construction in progress	11,198,798	9,986,083
Total Capital Assets	108,815,514	107,360,492
Accumulated depreciation	<u>(67,803,716)</u>	<u>(65,478,857)</u>
Net Capital Assets	41,011,798	41,881,635
Advances to other funds	-	2,570,647
Total Noncurrent Assets	<u>41,011,798</u>	<u>44,452,282</u>
Gain (loss) from disposal of capital assets		
Total Assets	<u>78,307,561</u>	<u>77,740,943</u>
DEFERRED OUTFLOW OF RESOURCES		
Related to pension	2,982,800	1,258,165
Related to OPEB	625,619	477,174
Total Deferred Outflow of Resources	<u>3,608,419</u>	<u>1,735,339</u>
LIABILITIES		
Current Liabilities		
Accounts payable	\$1,667,612	\$1,736,512
Retentions payable		
Accrued payroll	131,264	107,877
Interest payable	8,120	12,030
Unearned Revenue		96,575
Compensated absences due within one year	608,208	585,764
Loans payable due within one year	274,959	268,252
Total Current Liabilities	<u>2,690,163</u>	<u>2,807,010</u>
Noncurrent Liabilities		
Compensated absences due in more than one year	1,442,250	1,680,574
Loans payable due in more than one year	281,832	556,793
Net Pension liability	8,836,525	4,134,905
Net OPEB liability	3,809,770	3,705,069
Total Noncurrent Liabilities	<u>14,370,377</u>	<u>10,077,341</u>
Total Liabilities	<u>17,060,540</u>	<u>12,884,351</u>
DEFERRED INFLOWS OF RESOURCES		
Related to pension		3,288,452
Related to OPEB	375,107	496,014
Total Deferred Inflows of Resources	<u>375,107</u>	<u>3,784,466</u>
NET POSITION		
Net investment in capital assets	40,455,007	41,056,590
Qualified Capital Outlay	2,431,413	1,875,638
Unrestricted	21,604,124	19,875,237
Total Net Position	<u>\$64,490,544</u>	<u>\$62,807,465</u>

CITY OF DALY CITY
NORTH SAN MATEO COUNTY SANITATION DISTRICT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Sewer service charges	\$25,544,359	\$23,153,073
Water sales	256,591	254,959
Connection charges	331,063	215,843
Other revenues	<u>103,841</u>	<u>141,384</u>
Total Operating Revenues	<u>26,235,854</u>	<u>23,765,259</u>
OPERATING EXPENSES		
Salaries and benefits	11,208,364	3,403,284
Services and supplies	12,350,645	11,321,967
Utilities	2,099,779	1,852,540
Insurance	1,073,769	700,824
Depreciation	2,324,857	2,433,940
Other charges	<u>1,558,574</u>	<u>937,193</u>
Total Operating Expenses	<u>30,615,988</u>	<u>20,649,748</u>
Operating Income (Loss)	<u>(4,380,134)</u>	<u>3,115,511</u>
NONOPERATING REVENUES (EXPENSES)		
Property taxes	2,620,296	2,415,701
Intergovernmental	1,921,579	1,538,496
Gain (loss) from disposal of capital assets	2,199	1,503
Interest and other income	565,197	(724,320)
Interest expense	<u>(16,714)</u>	<u>(23,352)</u>
Net Nonoperating Revenues	<u>5,092,557</u>	<u>3,208,028</u>
Income Before Operating Transfers	<u>(287,577)</u>	<u>6,323,539</u>
OPERATING TRANSFERS		
Operating transfers in	3,107,300	1,792,828
Operating transfers out	<u>(1,136,644)</u>	<u>(1,516,000)</u>
Net Transfers	<u>1,970,656</u>	<u>276,828</u>
Change in Net Position	1,683,079	6,600,367
Beginning Net Position, As restated for Pension adjustment	<u>62,807,465</u>	<u>56,207,098</u>
Total Net Position	<u><u>\$64,490,544</u></u>	<u><u>\$62,807,465</u></u>

CITY OF DALY CITY
NORTH SAN MATEO COUNTY SANITATION DISTRICT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$24,913,949	\$23,857,896
Payments to suppliers	(17,072,673)	(14,558,992)
Payments to employees	(11,887,186)	(11,559,156)
	<u>(4,045,910)</u>	<u>(2,260,252)</u>
Cash Flows from Operating Activities		
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes	2,620,296	2,415,701
Intergovernmental	1,825,004	1,635,071
Advances to other funds	2,570,647	2,526,873
Transfers in	3,107,300	1,792,828
Transfers out	(1,136,644)	(1,516,000)
	<u>8,986,603</u>	<u>6,854,473</u>
Cash Flows from Noncapital Financing Activities		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(1,455,020)	(2,065,941)
Proceeds from sales of assets	2,199	1,503
Principal paid on capital debt	(268,254)	(261,709)
Interest paid on capital debt	(20,624)	(27,170)
	<u>(1,741,699)</u>	<u>(2,353,317)</u>
Cash Flows from (Used for) Capital and Gain and Related Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and other income	565,197	(724,320)
NET CASH FLOWS	3,764,191	1,516,584
Cash and investments at beginning of year	<u>30,295,663</u>	<u>28,779,079</u>
CASH AND INVESTMENTS AT END OF YEAR	<u><u>\$34,059,854</u></u>	<u><u>\$30,295,663</u></u>

**NORTH SAN MATEO COUNTY SANITATION DISTRICT**

Meeting Date: June 3, 2024

Subject: Resolution of Intent to Adopt Appropriations Limitation (Gann Limit)**Recommended Action**

Approve Resolution of Intent to adopt the annual Appropriations Limitation (Gann Limit).

Background

As required by Article XIIIB of the State Constitution (Proposition 111, or the Gann Amendment), the Sanitation District Board of Directors is required to adopt an annual appropriations limitation. This resolution establishes the Agency's intent to adopt the Appropriations Limitation for Fiscal Year 2024-25.

Discussion

Adoption of the Appropriations Limitation will be requested at the Sanitation District meeting of June 24, 2024. At that time, the Department of Finance and Administrative Services will provide the calculations of proceeds of taxes and the appropriations limit based on our estimates for the upcoming FY. This information will be available for public inspection beginning Friday, June 7, 2024 on the City's website at www.dalycity.org.

Appropriate notice will be posted by the Department of Finance and Administrative Services regarding the availability of the documentation.

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

Respectfully submitted,

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

Timothy J. Nevin
Director of Finance and Administrative Services