



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

Regular Meeting - SANITATION DISTRICT

AGENDA

Monday, February 24, 2025 - 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 January 13, 2025

Action Items:

2. Sewer Service Charge Appeals - Fiscal Years 2024-25
3. Accept Fiscal Year 2024 Annual Financial Statements
4. Accept and Appropriate Fiscal Year 2025 Mid-Year Operating Budget Adjustment

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

January 13, 2025

The Board of Directors of the North San Mateo County Sanitation District convened in a Regular Meeting on January 13, 2025, in the City Council Chamber, City Hall, 333 - 90th Street, Daly City, California.

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

ROLL CALL:

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

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, Assistant to the Director of WWR Kaila DeFries, Water and Wastewater Maintenance Manager Michael Patolo, Director of Finance and Administrative Services Tim Nevin, Assistant to the City Manager Leilani Ramos, Office Assistant II Erika Luna, and Administrative Assistant III Gillian Chow as Recording Secretary.

APPROVAL OF AGENDA:

REORGANIZATION OF BOARD OF DIRECTORS

A. Election of Chair

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

B. Election of Vice Chair

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

CONSENT AGENDA:

1. **Minutes of Special Meeting of November 12, 2024**
2. **Sewer Service Charge Appeals – Fiscal Year 2023-24/25**
3. **Wastewater Treatment Plant Roof Replacement Phase II**

Motion was made, seconded (Sylvester/Manalo) and unanimously approved.

NEW BUSINESS:

None.

REPORTS:

4. Board of Directors

None.

5. Staff

None.

ADJOURNMENT:

At 6:50 p.m., call of adjournment of Regular Meeting by Chair Dr. Rod Daus-Magbual.



North San Mateo County Sanitation District
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Meeting Date: February 24, 2025

Subject: SEWER SERVICE CHARGE APPEALS - FISCAL YEARS 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.

Daly City Water

Lee, David
APN# 008-183-270

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 "Tim J. Nevin".

Tim Nevin
Director of Finance and Administrative Services
City of Daly City

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 2024-25
BOARD MEETING

PARCEL NO: 008-183-270
CUSTOMER NAME: David Lee
SERVICE ADDRESS: 84 Oceanside Dr., Daly City CA 94015

CREDIT BASED ON AVERAGE ANNUAL CONSUMPTION

ACTUAL BASE PERIOD USAGE	35	AVERAGE BIMONTHLY USAGE	
		2 MONTHS PRIOR	4
		4 MONTHS PRIOR	5
		6 MONTHS PRIOR	8
		8 MONTHS PRIOR	8
2 MONTHS AFTER	18	10 MONTHS PRIOR	<u>7</u>
4 MONTHS AFTER	11		
		AVERAGE ANNUAL USAGE	32
		ACTUAL BASE PERIOD ANNUALIZED	<u>210</u>
		ANNUAL CREDIT IN UNITS (Must be over 15 units)	178
		PERCENTAGE CHANGE (Must be over 10%)	85%
		ANNUAL CREDIT IN DOLLARS	<u><u>\$1,749.74</u></u>

SANITATION CHARGE IS \$ 9.83
PER UNIT

REASON FOR APPEAL

Customer had high usage during the base period due to a leak under the house. Usage decreased after leak is fixed by the plumber.

STAFF RECOMMENDATION TO BOARD

GRANT ADJUSTMENT - BASED ON AVERAGE ANNUAL CONSUMPTION.



North San Mateo County Sanitation District

A subsidiary of the City of Daly City

Meeting Date: February 24, 2025

Subject: Accept Fiscal Year 2024 Annual Financial Statements

Recommended Action

Acceptance, by motion, of the Fiscal Year 2024 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, 2023 and June 30, 2024.

The District is considered a component unit of the City, and complete footnote disclosure and other information is included in the City's Annual Comprehensive 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 2024 Annual Financial Statements

CITY OF DALY CITY
NORTH SAN MATEO COUNTY SANITATION DISTRICT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
JUNE 30, 2024 AND JUNE 30, 2023

	2024	2023
ASSETS		
Current Assets		
Cash and investments	\$34,146,040	\$34,059,854
Accounts receivable	\$1,191,815	\$1,647,263
Inventories	1,656,614	1,588,096
Prepaid expenses	41,271	550
Total Current Assets	<u>37,035,740</u>	<u>37,295,763</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	10,281,888	10,091,431
Furniture and fixtures	114,174	114,174
Construction in progress	13,664,605	11,198,798
Total Capital Assets	111,471,778	108,815,514
Accumulated depreciation	<u>(70,099,235)</u>	<u>(67,803,716)</u>
Net Capital Assets	41,372,543	41,011,798
Advances to other funds	-	-
Total Noncurrent Assets	<u>41,372,543</u>	<u>41,011,798</u>
Gain (loss) from disposal of capital assets		
Total Assets	<u>78,408,283</u>	<u>78,307,561</u>
DEFERRED OUTFLOW OF RESOURCES		
Related to pension	3,102,120	2,982,800
Related to OPEB	569,426	625,619
Total Deferred Outflow of Resources	<u>3,671,546</u>	<u>3,608,419</u>
LIABILITIES		
Current Liabilities		
Accounts payable	\$1,936,772	\$1,667,612
Retentions payable		
Accrued payroll	150,597	131,264
Interest payable		8,120
Unearned Revenue		
Compensated absences due within one year	663,861	608,208
Loans payable due within one year		274,959
Total Current Liabilities	<u>2,751,230</u>	<u>2,690,163</u>
Noncurrent Liabilities		
Compensated absences due in more than one year	1,389,659	1,442,250
Loans payable due in more than one year		281,832
Net Pension liability	3,014,793	8,836,525
Net OPEB liability	9,920,691	3,809,770
Total Noncurrent Liabilities	<u>14,325,143</u>	<u>14,370,377</u>
Total Liabilities	<u>17,076,373</u>	<u>17,060,540</u>
DEFERRED INFLOWS OF RESOURCES		
Related to pension	4,810	
Related to OPEB	653,386	375,107
Total Deferred Inflows of Resources	<u>658,196</u>	<u>375,107</u>
NET POSITION		
Net investment in capital assets	41,372,543	40,455,007
Qualified capital outlay	605,397	2,431,413
Unrestricted	<u>22,367,320</u>	<u>21,604,124</u>
Total Net Position	<u>\$64,345,260</u>	<u>\$64,490,544</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, 2024 AND JUNE 30, 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
Sewer service charges	\$25,374,760	\$25,544,359
Water sales	80,469	256,591
Connection charges	212,450	331,063
Other revenues	<u>99,044</u>	<u>103,841</u>
Total Operating Revenues	<u>25,766,723</u>	<u>26,235,854</u>
OPERATING EXPENSES		
Salaries and benefits	12,791,801	11,208,364
Services and supplies	13,196,570	12,350,645
Utilities	2,267,018	2,099,779
Insurance	1,116,721	1,073,769
Depreciation	2,295,520	2,324,857
Other charges	<u>2,171,383</u>	<u>1,558,574</u>
Total Operating Expenses	<u>33,839,013</u>	<u>30,615,988</u>
Operating Income (Loss)	<u>(8,072,290)</u>	<u>(4,380,134)</u>
NONOPERATING REVENUES (EXPENSES)		
Property taxes	2,725,057	2,620,296
Intergovernmental	461,116	1,921,579
Gain (loss) from disposal of capital assets	2,248	2,199
Interest and other income	2,582,011	565,197
Interest expense	<u>(6,955)</u>	<u>(16,714)</u>
Net Nonoperating Revenues	<u>5,763,477</u>	<u>5,092,557</u>
Income Before Operating Transfers	<u>(2,308,813)</u>	<u>(287,577)</u>
OPERATING TRANSFERS		
Operating transfers in	3,353,309	3,107,300
Operating transfers out	<u>(1,189,780)</u>	<u>(1,136,644)</u>
Net Transfers	<u>2,163,529</u>	<u>1,970,656</u>
Change in Net Position	(145,284)	1,683,079
Beginning Net Position	<u>64,490,544</u>	<u>62,807,465</u>
Total Net Position	<u><u>\$64,345,260</u></u>	<u><u>\$64,490,544</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, 2024 AND JUNE 30, 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$26,222,171	\$24,913,949
Payments to suppliers	(18,591,771)	(17,072,673)
Payments to employees	(12,250,044)	(11,887,186)
	<u>(4,619,644)</u>	<u>(4,045,910)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes	2,725,057	2,620,296
Intergovernmental	461,116	1,825,004
Advances to other funds		2,570,647
Transfers in	3,353,309	3,107,300
Transfers out	(1,189,780)	(1,136,644)
	<u>5,349,702</u>	<u>8,986,603</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(2,656,265)	(1,455,020)
Proceeds from sales of assets	2,248	2,199
Principal paid on capital debt	(556,791)	(268,254)
Interest paid on capital debt	(15,075)	(20,624)
	<u>(3,225,883)</u>	<u>(1,741,699)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and other income	2,582,011	565,197
NET CASH FLOWS	86,186	3,764,191
Cash and investments at beginning of year	<u>34,059,854</u>	<u>30,295,663</u>
CASH AND INVESTMENTS AT END OF YEAR	<u><u>\$34,146,040</u></u>	<u><u>\$34,059,854</u></u>



North San Mateo County Sanitation District

A subsidiary of the City of Daly City

Meeting Date: February 24, 2025

Subject: Accept and Appropriate Fiscal Year 2025 Mid-Year Operating Budget Adjustment

Recommended Action

It is recommended to accept and appropriate Fiscal Year 2025 operating mid-year budget adjustments.

Background

The Fiscal Year 2025 Operating budgets were adopted by the City Council on June 24, 2024. The FY 2025 mid-year budget review is an opportunity for staff to recommend budget adjustments to reflect changes in revenue and expenditure estimates based on performance through the first half of FY 2025.

Discussion

After a review of financial activity from July 1, 2024, through December 31, 2024, City staff identified some needs for budget adjustments as summarized in Attachment A. Staff is recommending an increase in expenditures by \$470k for services and supplies, capital outlay and interfund transfers.

Fiscal Impact

FY 2025 Sanitation fund budgeted expenditures will increase \$470k.

Summary/Conclusion

Staff recommends the adoption of resolution to approve and appropriate the recommended budget adjustments for FY 2025 as outlined in Attachment A. 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 "Amanda Halbur".

Amanda Halbur
Assistant Director of Finance and Administrative Services

Attachment A: FY 2025 Mid-Year Operating Budget Adjustments

Attachment A: FY 2025 Mid-Year Operating Budget Adjustments

Sanitation Fund Expenditures Budget Adjustments			
Fund	Type	Justification	Amount
87	Services and Supplies	Rate study, regulatory compliance permit fees	360,000
	Capital Outlay	Unanticipated emergency repairs to sewer system	50,000
	Interfund Transfer	Mussel Rock lease for equipment and vehicle storage	60,000
Total			\$ 470,000