

**MINUTES OF THE REGULAR MEETING  
OF THE  
BOARD OF DIRECTORS**

**Friday, July 12, 2024**

**Location: Alice Bulos Community Center  
2380 Galway Drive  
South San Francisco, CA 94080**

The meeting was called to order at 6:01 p.m.

**1. ROLL CALL:**

Directors Present: Don Amuzie  
Perry Bautista  
Janet Medina  
Julie Richards  
Tom Chambers

Staff Present: Michael Conneran, Attorney  
Johnny Kennedy, Field Supervisor  
Wendy Bellinger, Office Supervisor  
Martha Mendoza, Operations Assistant  
Carlos Arias, Senior Field Technician  
Tyler Armstrong, Field Technician  
Patricia Mairena, General Manager

Visitors Present: Catherine Tseng - L&T Consultants  
Brandon Laurie – Pakpour Engineering  
Mercedes and Bob Richardson – Customers of WWD

**2. PLEDGE OF ALLEGIANCE:** Led by Director Bautista.

**3. CONSENT CALENDAR:**

President Chambers asked the Board if there were any questions or comments with the Consent Calendar; otherwise, he asked if there was a motion to approve.

Director Richards moved to approve the Consent Calendar as written, seconded by Director Medina. The motion was carried unanimously.

4. **PUBLIC COMMENT:** None

5. **BUSINESS (OLD):** None

6. **BUSINESS (NEW):**

President Chambers reviewed background information on the District and the San Francisco Regional Water System (SFRWS), which is the sole provider of water to the District. President Chambers stated that 65% of the water rate charged to customers, the District had no control over, as it was paid directly to San Francisco. President Chambers explained how the State had required San Francisco to do major seismic improvements to the system which had caused rates to increase during the past few years.

President Chambers also explained that 93% of the sewer rate went straight to the City of Daly City, who processed the wastewater for the District. President Chambers provided background information on the collection and processing of the wastewater by Daly City. President Chambers pointed out that the rate charged to the District by Daly City was the same as to their other customers, except the District had to maintain the system, including pipelines and pump stations.

President Chambers introduced Brandon Laurie, with Pakpour Engineering who provided an overview of the District's operations. Mr. Laurie reviewed more detailed information on the District's water and sewer systems and the status of its infrastructure. Mr. Laurie also reviewed the District's water and sewer capital needs and mentioned that the District had engaged the services of a consultant to complete a Rate Study in order to be able to fund its capital needs. Mr. Laurie introduced the District's Rate Consultant, Catherine Tseng from L&T Consultants.

Ms. Tseng proceeded to display a PowerPoint presentation and provided an overview of the Rate Study which covered a 5-year period. Ms. Tseng reviewed the Prop. 218 process. Ms. Tseng reviewed the District's water and sewer capital needs and explained why the proposed water rate increases were needed. Ms. Tseng also reviewed: the water rate components (fixed and variable), the District's water consumption, the wholesale SFPUC water rates and their trend, the District water operating expenses, the projected total water expenses, water cashflow projections, and a chart with the proposed water rates. Ms. Tseng also displayed sample water bill impacts and a survey which compared the average District's current and proposed bills to those of other agencies' single family residential bimonthly water bills.

Ms. Tseng proceeded to review the District's current sewer rates and how the sewer

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bills are calculated. Ms. Tseng also reviewed: the District's sewer flow, the sewer operating expenses, the North San Mateo County District sewer treatment rates and their trend, the projected total sewer expenses, sewer cashflow projections, and a chart with the proposed sewer rates. Ms. Tseng also displayed sample sewer bill impacts and a survey which compared the average District's current and proposed bills to those of other agencies' single family residential bimonthly sewer bills (for comparison only, as the District billed sewer charges through the County's property taxes).

Ms. Tseng mentioned that if the rates were to be approved tonight:

- Rates will be increased on July 1 of each year, beginning July 1, 2024, through July 1, 2028
- First increase will be reflected on bills issued in September 2024
- District will review the financial standing of each fund annually prior to implementing any future rate increases.

Ms. Tseng concluded her presentation by asking if there were any questions. Customer Richardson asked if the rates presented on the Prop. 218 notice were the ones that the District intended to keep for the next five years or if the District was going to change them every year. Ms. Tseng replied that the District would keep those rates.

President Chambers asked if there were any other questions on the presentation. Ms. Richardson inquired what would the District consider a single family, was it four people, as there were only two in her household. Ms. Tseng replied that it was not by person, but by parcel. President Chambers stated that it was by account or by connection.

Ms. Richardson mentioned that she had received notice that her meter would be replaced soon, and she asked if the meter was a smart meter. Field Supervisor Kennedy asked for her address, and Senior Field Technician Arias replied that her meter was scheduled to be replaced next week and mentioned that he did not think that it had anything to do with the increase.

President Chambers asked if there were any additional questions.

**A. PUBLIC HEARING: Consideration of Increases in Water Rates, Resolution No. 678.**

President Chambers opened the Public Hearing for Consideration of Increase in Water Rates and asked if there were any comments from the public.

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Ms. Richardson inquired if the District could seek any government assistance with the District's expenses. Ms. Tseng replied that there were grants available, but the District would not qualify as these were for low-income communities with systems that were falling apart. President Chambers mentioned that these communities were mostly in the Central Valley and had ground water or no water at all.

President Chambers stated that part of the rate increase from the SFPUC was due to their Alternative Water Supply Program and their investment on developing these alternative sources. President Chambers asked if there were any other issues or questions.

With no other comments from the public, President Chambers proceeded to close the Public Hearing and opened up the topic for discussion by the Board.

President Chambers commented that the Board did not like to raise rates, as they were also residents of the District, so any rate increase affected them as well.

Director Bautista moved to approve Resolution No. 678, Amending the Rate and Fee Schedule to Increase the Water Unit Rate and Water Meter Service Charges, as stated in the Rate Study, seconded by Director Amuzie.

Roll Call

Director Amuzie	Aye
Director Bautista	Aye
Director Medina	Aye
Director Richards	Aye
President Chambers	Aye

The motion was carried unanimously.

**B. PUBLIC HEARING: Consideration of Increases in Sewer Rates, Ordinance No. 76.**

President Chambers referred to what the Rate Study Consultant had previously presented and reiterated that most of the fees went to Daly City, plus the District had a need for capital improvement projects and maintenance, and the sewer pump stations operated 24 hours a day, as we do not want to see any sewer flowing down the street.

President Chambers opened the Public Hearing for Consideration of Increase in Sewer Rates and asked if there were any comments from the public.

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President Chambers mentioned that the District had received a total of six written protests: six were for water rates and five were for sewer rates.

With no other comments from the public, President Chambers closed the public hearing and opened up the topic for discussion by the Board.

Director Bautista moved to approve Ordinance No. 76, Amending the Rate and Fee Schedule to Increase the Sewer Service Charge, as stated on the Rate Study, seconded by Director Medina.

Roll Call

Director Amuzie	Aye
Director Bautista	Aye
Director Medina	Aye
Director Richards	Aye
President Chambers	Aye

The motion was carried unanimously.

**C. PUBLIC HEARING: Consideration of Adoption of Report of Sewer Service Charges to be Collected on Tax Rolls and Requesting Their Collection by the County of San Mateo, Resolution No. 679.**

President Chambers mentioned that this resolution would allow the District to collect the sewer charges through the tax rolls, just as many other agencies do, and that the calculation of these charges would remain the same, based on the January – February water consumption.

President Chambers opened the Public Hearing for Consideration of Adoption of the Report of Sewer Service Charges to be Collected on Tax Rolls and Requesting their Collection by the County of San Mateo and asked if there were any comments from the public.

With no comments from the public, President Chambers closed the Public Hearing and opened up the topic for discussion by the Board.

Director Medina moved to approve Resolution No. 679, Adoption of Report of Sewer Service Charges to be Collected on Tax Rolls and Requesting their collection by the County of San Mateo, seconded by Director Amuzie.

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Roll Call

Director Amuzie	Aye
Director Bautista	Aye
Director Medina	Aye
Director Richards	Aye
President Chambers	Aye

The motion was carried unanimously.

**7. WRITTEN COMMUNICATIONS: None**

**8. ATTORNEY'S REPORT:**

Attorney Conneran reported on the initiative measure called the Business Roundtable measure which he had brought up at the last meeting. Attorney Conneran stated that the initiative measure had been challenged in court and the Supreme Court took it off the ballot as they determined that it was an attempt to re-write the State Constitution and it was too broad-based and not appropriate for a citizen initiative. Attorney Conneran noted that the history of this initiative was that it was put as a threat to try to get the Legislature to pass some statutes, and luckily the Supreme Court had found that it was illegal. Attorney Conneran commented that we may see parts of this initiative in future years, but for now, it is dead.

**9. GENERAL MANAGER'S REPORT:**

**A. Report on District's Water Conservation for June 2024.**

General Manager Mairena displayed the comparison chart of water use and reported that water consumption for June 2024 had gone down in comparison to the base period SFPUC is using for comparison. General Manager Mairena stated that it is a little higher than last month's and it is probably due to the warmer weather.

President Chambers stated that after coming out of a drought, customers' conservation habits remain, and usage takes a while to rebound.

President Chambers asked if there were any questions.

**10. ITEMS FROM BOARD OF DIRECTORS:**


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President Chambers mentioned that the next BAWSCA Board of Directors meeting will take place next week. President Chambers commented that BAWSCA was the 26 member agencies, and the Board of Directors meet every two months.

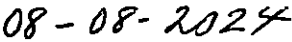
11. **CLOSED SESSION:** None

12. **ADJOURNMENT:**

Without objection, President Chambers adjourned the meeting.  
Time 6:59 p.m.

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Date