

Corinne W. Wiley, President
Catharine Benediktsson, Vice President
Roy Fedotoff, Secretary

Claire McAuliffe, Director
William Teiser, Director

**Sanitary District No. 5 of Marin County
Minutes of a Regular Board Meeting
at Sanitary District No. 5 of Marin County Meeting Room
2001 Paradise Drive, Tiburon, California
Tuesday, March 15, 2011, 7:00 p.m.**

CALL TO ORDER by Pres. Wiley at 7:00 p.m.

ROLL CALL: Directors present:

Corinne W. Wiley, President
Catharine Benediktsson, Vice President
Roy Fedotoff, Secretary
Claire McAuliffe
William Teiser

Staff present:

Robert L. Lynch, District Manager
Samantha Miller, Office/Finance Manager
Lynn Henriksen, Administrative Assistant

PUBLIC OPEN TIME: No public comments were made.

DIRECTORS' COMMENTS AND/OR AGENDA REQUESTS:

Sec. Fedotoff requested that, in the future when reports such as the Carollo Engineers Pre-Design Report, are distributed to the Main Plant Rehabilitation (MPR) Committee members, that he also receives a copy for his review and comment. He said, although he is not a member of that committee, he would like the opportunity to provide input on such matters. Dir. McAuliffe agreed, saying that Sec. Fedotoff's knowledge, expertise, and comments are critical to the rehabilitation project. The Board directed staff to forward to Sec. Fedotoff, in a timely manner so that his input can be received and considered in advance of MPR Committee meetings, all incoming, significant documents from contractors, consultants, and the like, regarding the Main Plant Rehabilitation Project.

Pres. Wiley questioned whether a contract was in place with Mr. Ken Marks for the money owed to the District for the property line adjustment, and what the extent of Marks' remaining indebtedness is to the District. Mgr. Lynch replied that the District's attorney, Paul Smith, will prepare an invoice to serve as a demand for payment prior to close of escrow on the sale of Mr. Marks' property to Mr. Grace as soon as all the bills pertaining to the property line adjustment have been received by the District. V.P. Benediktsson said she would like to see a lien placed on the Marks property, if necessary, to insure the District receives the remaining money due it.

The Board discussed the upcoming, day-long Board Budget Workshop and the need to set a date as soon as possible so that a secure meeting space can be arranged and Board members can calendar the date. Mgr. Lynch said it is will need to be scheduled for late May or early June.

CONSENT CALENDAR:

1. Approval of February 15, 2011, Regular Board Meeting Minutes (Miller) (attached)
2. Approval of Warrants for February 2011, #4380 through 4440, in the amount of \$124,458.82 (Miller) (attached)
3. Receipt of Financial Reports for February 2011 (Miller) (attached)

Motion (McAuliffe/Benediktsson) to approve the Consent Calendar. Passed, all present.

MANAGEMENT REPORT:

4. Operations Report (Rubio)
 - a. Tiburon/Belvedere Compliance Report & Public Complaint Report January 2011 (attached)

Mgr. Lynch reviewed the Operations Report for January 2011 with the Board. He reported the District met all NPDES permit requirements. There were no odor complaints and no sewer system overflows (SSOs) in the month of January. The annual servicing of the main plant generator occurred in January, per schedule. Outstanding work orders are being recorded more effectively, since Mgr. Rubio currently has more time available.

The Board requested that Mgr. Rubio provide his Operations Report for the month preceding the Board meeting, rather than reporting on data that is two months old, considering that Board meetings have now been pushed out to the third Tuesday of each month.

5. District Manager's Summary Report of February 2011 (Lynch) (attached)

Mgr. Lynch reviewed the District Manager's Summary Report of February 2011 with the Board. Marin County Environmental Health Services Division (MCEHSD) responded to Mgr. Lynch's request for information on septic systems within the District's boundaries stating that MCEHSD does not have the staff to comply with the District's request, although they believe they do have approximately 80% of the information Mgr. Lynch requested. The District could either submit a Public Records Act (PRA) request to force MCEHSD to fully respond to the request from Mgr. Lynch or enter into a service agreement with Stuber-Stroeh Engineering Group to research the existing records, collect the data, and put a summary together of the 30 properties in Paradise Cove. This matter will be further discussed under Item No. 6 of this agenda.

Minutes

Regular Meeting of the Board of Directors

March 15, 2011

Page 3

Mgr. Lynch stated that Roy's Sewer Service has completed cleaning and televising all of the sewer lines in Tiburon, and they are nearing completion on cleaning and televising the sewer lines in Belvedere. V.P. Benediktsson asked if all the data on the Tiburon sewer lines has been inputted into the District's computer system. Mgr. Lynch affirmed this to be true; furthermore, as soon as the District receives the data on the Belvedere lines from Roy's Sewer Service, that data will be immediately stored in the District's computer system.

Mgr. Lynch informed the Board that he was in contact with Tom Johnson of WECO Industries, who reported that there has been a slight delay in assembling the new rodder truck; in the meantime, the District has had to continue to rely on outside contractors to clean the sewer lines. The rodder truck will be delivered to the District by early May, at which time staff will begin a training period. Included in the purchase contract for the rodder truck, the vendor shall supply District staff with 16 hours of training consisting of: four hours of review of safety and operations, four hours of classroom instruction on maintenance and operations, and eight hours of hands-on use of the rodder truck.

Mgr. Lynch updated the Board on the Inflow and Infiltration Study, reporting that he extended the study for two weeks, or until approximately March 21st, due to storms coming into the Tiburon Peninsula so as to provide additional, critical wet-weather data. After the study is completed, it will take a minimum of two weeks to organize and analyze the data, at which time Jeff Blum will present his findings to the CIP Committee, followed by the Board.

Mgr. Lynch reviewed the upcoming schedule of events at the District for March through May.

NEW BUSINESS

6. Consideration of Authorization and Approval for District Manager to Execute Professional Services Agreement with CSW/Stuber-Stroeh Engineering Group, Inc. for Research of Marin County Environmental Health Services Records for an Amount Not to Exceed \$2,500.00 (Lynch) (see attached Notes of Explanation)

Mgr. Lynch noted that the not to exceed amount for this item should have read \$3,000.00, not \$2,500.00, as originally printed on this agenda.

Mgr. Lynch reiterated that the District has two options whereby the records of the septic systems for the 30 individual properties within District boundaries in Paradise Cove could be obtained. To begin with, Marin County Environmental Health Services Division (MCEHSD) responded to Mgr. Lynch's initial request for information on the septic systems within the District's boundaries by stating that MCEHSD does not have the staff to comply with the District's request, although they believe they do have approximately 80% of the data that Mgr. Lynch requested. Given this outcome, the District is in a position to submit a Public Records Act (PRA) request to force MCEHSD to fully respond to Mgr. Lynch's

request, or the District could opt to enter into a service agreement (as proposed under this agenda item) with Stuber-Stroeh Engineering Group to research the existing records of the 30 properties in Paradise Cove.

Pres. Wiley tabled this item to a, yet to be determined, future Board or Committee meeting to provide adequate time for the Board to more fully consider the appropriate action to be taken, in view of the fact that there are unbudgeted financial consequences amounting to \$3,000.00 that the Board would rather not authorize unless deemed absolutely necessary.

In the meantime, the Board directed Mgr. Lynch to submit a Public Records Act request for the information the District previously requested from the Marin County Environmental Health Services Division that they heretofore refused to provide due to an alleged staff shortage.

7. Consideration of Authorization and Approval for District Manager to Contribute towards the Future Health Benefit Costs for Retired Safety Director Elayne Haller for an Amount Not to Exceed \$3,132.00 (Lynch) (see attached Notes of Explanation)

Mgr. Lynch explained that Ms. Elayne Haller helped develop the Cooperative Safety Program formed by several sewer district managers in Marin County, and, through this program, Ms. Haller was the District's Safety Director from the early 1990s to 2005. Sanitary District No. 5's share of the program expenses amounted to 9.2%, which, upon Ms. Haller's recent retirement, Central Marin Sanitation Agency (CMSA) requested the District to pay a one-time cost to fund her future retiree health benefits in the total amount of \$3,132.00. The District's safety program is now being conducted internally, due to Ms. Haller's implementation of procedures and the training of the District's safety staff, which saves the District considerable money.

V.P. Benediktsson deemed it necessary to have periodic, external reviews of the District's in-house safety program. Mgr. Lynch replied that the District's liability insurance carrier, CSRMA, conducts timely reviews of the District's safety program. Mgr. Lynch said, coincidentally, a CSRMA representative happened to meet with District staff this morning to review the District's safety practices. The District scored in the top bracket for safety standards being met as prescribed by CAL-OSHA.

It was duly noted by the Board that the Finance Committee discussed the issue of this one-time contribution to Ms. Haller's retiree health benefit costs during the February 8, 2011, Finance Committee meeting, and the committee recommends the District pay the amount requested by CMSA.

Motion (McAuliffe/Benediktsson) to authorize and approve the District Manager to contribute towards the future health benefit costs for retired Safety Director Elayne Haller for an amount not to exceed \$3,132.00. Passed, all present.

Minutes

Regular Meeting of the Board of Directors

March 15, 2011

Page 5

8. Consideration of Setting Date, Time, and Location of Board Workshop with Mr. John Farnkopf Regarding Main Plant Rehabilitation Project Financing Options for April 22, 2011, at 10 a.m. at the Sanitary District No. 5 Meeting Room at 2001 Paradise Drive, Tiburon, California (Lynch)

Dir. Teiser wanted it clarified that, if the Board approves moving forward with the Main Plant Rehabilitation Project, the future capital budget for the main plant will be reduced accordingly. Mgr. Miller replied that this is true and has been accurately reflected in the financial model for the Main Plant Rehabilitation Project.

Motion (Benediktsson/McAuliffe) to set the date, time, and location of a Board Workshop with Mr. John Farnkopf regarding Main Plant Rehabilitation Project Financing Options for April 22, 2011, at 10 a.m. at the Sanitary District No. 5 Meeting Room at 2001 Paradise Drive, Tiburon, California. Passed, all present.

UNFINISHED BUSINESS: None

COMMITTEE REPORTS:

9. Capital Improvement Program Committee (Wiley/Fedotoff)
10. Governance Committee (Wiley/Teiser)
11. Main Plant Rehabilitation Oversight Committee (McAuliffe/Teiser)
12. Finance & Fiscal Oversight Committee (Benediktsson/McAuliffe)

The Capital Improvement Program Committee and Governance Committee did not meet.

The Main Plant Rehabilitation Oversight Committee reviewed the minutes of their March 7, 2011, meeting.

The Finance & Fiscal Oversight Committee reviewed the minutes of their March 8, 2011, meeting. V.P. Benediktsson asked for clarification that the members of the MPR Oversight Committee will have the role of reviewing the schedules that will be prepared by Mgr. Lynch and the various contractors. Dir. McAuliffe answered in the affirmative.

OTHER BUSINESS: None

ENVIRONMENTAL: None

CORRESPONDENCE: None

INFORMATIONAL ITEMS:

13. California Special Districts Association Board of Directors Call for Nominations Seat C

This item was included for informational purposes. No comments were made.

V.P. Benediktsson asked what the impact was to PG&E costs after doubling the capacity of the District's Paradise Cove plant. Mgr. Lynch replied that the effect of doubling the capacity amounted to a doubling of the District's PG&E costs for the Paradise Cove plant.

Sec. Fedotoff mentioned that Bank of Marin has expressed interest in financing the District's Main Plant Rehabilitation Project, and Union Bank is another good possibility that should be investigated.

ADJOURNMENT:

Motion (Benediktsson/Fedotoff) to adjourn at 8:10 p.m. to a Regular Board Meeting on April 19, 2011, at 7:00 p.m. at the Sanitary District No. 5 of Marin County Meeting Room at 2001 Paradise Drive, Tiburon, California. Passed, all present.

Approved:

Attest:

Corinne W. Wiley
President, Board of Directors

Roy Fedotoff
Secretary, Board of Directors