

DIRECTORS' COMMENTS AND/OR AGENDA REQUESTS

No comments or agenda requests were made by the Board.

CONSENT CALENDAR

2. Approval of December 18, 2012, Regular Board Meeting Minutes (Henriksen) (attached)
3. Approval of December 27, 2012, Special Board Meeting Minutes (Henriksen) (attached)
4. Approval of All Warrants for December 2012, #5775 through #5854, in the amount of \$555,523.84, and Main Plant Rehabilitation Project Warrants for January 1-13, 2013, #5864, 5865, 5880, 5882, 5888 through 5890, in the amount of \$776,409.28 (Miller) (attached)
5. Receipt of Financial Reports for December 2012 (Miller) (attached)
6. Approval of Change Order No. 10 for Main Plant Rehabilitation Project (Miller) (attached)

Motion (Fedotoff/Snyder) to approve the Consent Calendar. Passed, all present.

MANAGEMENT REPORTS

7. District Management Summary Report and Operations/Maintenance Report (Miller/Rubio) (attached)

Mgr. Miller reviewed the significant events of the past 30 days with the Board, including fiscal status, regulatory compliance, financial, personnel, and administration issues, continuing education and safety training, as well as updates on the collection system, treatment plant performance, and capital improvement projects.

There is currently a great deal of movement in the District's personnel department. Mgr. Miller noted that Randy Armbruster, Treatment Plant/Collection System Maintenance Worker, retired at the end of 2012, after 37 years of service. He was a storehouse of institutional knowledge, and he will be missed. She was pleased to announce that Rulon (Casey) Cottrell was promoted to Wastewater Treatment Plant Operator-in-Training/Maintenance Worker Trainee after proving his aptitude for both maintenance and operations, his desire to continue to learn more about wastewater collections and treatment and earn certifications, and his work ethic during his six months as Maintenance Intern for the District. Recruitment activities are in motion to hire a full-time Treatment Plant/Collection System Maintenance Worker (for the position left open by Mr. Armbruster's retirement) and a part-time Administrative/Finance Specialist, since Mgr. Miller has been singularly fulfilling the positions of Finance Manager and District Manager for the past ten months. Mgr. Miller is also exploring options for hiring a part-time, temporary Assistant District Manager to fill in while she is on maternity leave during the summer.

The District is in compliance with all regulatory requirements and permits. Mgr. Miller is working on year-end accounting, cash to accrual conversion, and reconciliations in preparation for the FY 2011-12 audit, which she intends to have completed and a report ready to present to the Board by April.

The terms of AB 340, the Public Employees Pension Reform Act of 2012 (PEPRA), went into effect January 1, 2013. The successor MOU that the District adopted on December 18, 2012, adhered to the terms of PEPRA, and CalPERS implemented the terms by releasing new contribution rates for “new members.” For the new 2% @ 62 retirement benefit formula required by PEPRA for new members, SD5’s employer contribution rate is 6.25% of reportable compensation (good until June 30, 2015). For the new 2% @ 60 formula for new “lateral” hires, which the District successfully negotiated to establish in the December 2012 successor MOU, SD5’s employer contribution rate is 7.846%. This compares to the current 29.98% employer contribution rate for the 2.7% @ 55 formula for existing employees. The two new retirement benefit formulas will result in a very significant cost savings for the District.

Mgr. Miller reported that the District’s attorney, Mr. Riley Hurd, has prepared the first draft of a new agreement for services with SASM to replace the expiring agreement. Pres. Benediktsson directed the draft SASM agreement be first routed to the next meeting of the Finance & Fiscal Oversight Committee for review. Mgr. Miller will place the item on the next Finance Committee agenda. The semi-annual reminder letter to Paradise Cove property owners regarding December 1, 2013, mandatory sewer connection deadline has been mailed.

While reporting on collection system performance in Mgr. Rubio’s absence, Mgr. Miller discussed options for recouping costs to repair the force main that ruptured on December 27, 2012, which runs down Mar West Street in the vicinity of the Tiburon Peninsula Club. Operations are at normal standards, with preventative maintenance tasks having been performed in all zones. The District successfully passed this period’s 96 hour flow through bioassay. Three sanitary sewer overflows (SSOs) occurred, due to roots, but no odor complaints were reported during this time period. She also noted staff performed confined space entry into the SASM vault for inspection of conduits for information necessary to the Main Plant Rehabilitation (MPR) Project.

8. Main Plant Rehabilitation Project Progress Report (Wing/Reported by Miller) (attached)

The Board did not request the attendance of Mr. Doug Wing, Carollo Engineers, at tonight’s meeting; therefore, Mgr. Miller reviewed the Main Plant Rehabilitation (MPR) Monthly Progress Report regarding jobs completed or underway by Auburn Constructors during December 2012. The chemical room has been transformed as new tank pads and containment curbs have been poured and the entire room as been painted. Plant water piping modification has continued, along with significant conduit installation, and the new Blower No. 1 was installed. Equipment procurement is ongoing, including submittal preparation, review, and approval, as is contract administration to include issuing work

change directives and finalizing change orders. Carollo Engineers provided on-site construction management/resident inspector services for 13 days in December.

NEW BUSINESS

9. Consideration of Nominations for Marin Local Agency Formation Commission Regular Special District Member (Miller) – Action (attached)

Pres. Benediktsson asked if any of the Board members were interested in being nominated for the Marin Local Agency Formation Commission. V.P. Snyder questioned if doing so might be a wise move.

Motion (Fedotoff/Benediktsson) to nominate V.P. Snyder for Marin Local Agency Formation Commission Regular Special District Member. Passed, all present.

10. Consideration of Adopting Resolution No. 2013-01: A Resolution of the Board of Directors of Sanitary District No. 5 of Marin County Fixing the Employer's Contribution under the Public Employees' Medical and Hospital Care Act (Miller) – Action (see attached Notes of Explanation)

Mgr. Miller explained the background, over the past 12 years, of the District's health coverage benefits for employees and annuitants through CalPERS, as was covered in her staff report (attached) for both Resolution No. 2013-01 and Resolution No. 2013-02, the next item on the agenda. As a contracting agency with CalPERS, the District is subject to the requirements of the California Public Employees Medical and Hospital Care Act (PEMHCA). By taking action to amend its prior PEMHCA resolutions, pursuant to the successor MOU adopted December 18, 2012, the District's costs for health benefits for employees and annuitants hired on or after December 18, 2012, will be greatly reduced. Mgr. Miller recommends the Board adopt the amended PEMHCA resolutions, Items No. 10 and 11, on tonight's agenda.

Motion (Snyder/Fedotoff) to adopt Resolution No. 2013-01: A Resolution of the Board of Directors of Sanitary District No. 5 of Marin County Fixing the Employer's Contribution under the Public Employees' Medical and Hospital Care Act. Passed, all present.

11. Consideration of Adopting Resolution No. 2013-02: A Resolution of the Board of Directors of Sanitary District No. 5 of Marin County Electing to Rescind Its Health Benefit Vesting Requirement for Future Annuitants Under Section 22893 of the Public Employees' Medical and Hospital Care Act (Miller) – Action (see attached Notes of Explanation)

Motion (Snyder/Johnson) to adopt Resolution No. 2013-02: A Resolution of the Board of Directors of Sanitary District No. 5 of Marin County Electing to Rescind Its Health Benefit Vesting Requirement for Future Annuitants Under Section 22893 of the Public Employees' Medical and Hospital Care Act. Passed, all present.

12. Consideration of Appointment of Committee Members (Board President) – Action

Pres. Benediktsson decided to leave current committee appointments in place at this time and tabled this item to the February 19, 2013, regular Board meeting agenda.

UNFINISHED BUSINESS: None

COMMITTEE REPORTS

13. Capital Improvement Program Committee (Fedotoff/Lasky)
14. Governance Committee (Benediktsson/Snyder)
15. Main Plant Rehabilitation Oversight Committee (Fedotoff/Lasky) (attached)
16. Finance & Fiscal Oversight Committee (Benediktsson/Snyder) – Minutes of the January 8, 2013, meeting (attached)
17. Communication Committee (Lasky/Snyder)
18. Personnel Committee (Snyder/Lasky)
19. Ad Hoc Point Tiburon Committee (Benediktsson/Snyder)
20. Ad Hoc Labor Advisory Committee (Snyder/Lasky)

The Capital Improvement Program (CIP) and the Governance Committees did not meet.

The Main Plant Rehabilitation (MPR) Committee reports were reviewed and discussed.

The minutes of the January 8, 2013, Finance & Fiscal Oversight Committee meeting were reviewed and discussed.

The Communications Committee, Personnel Committee, and Ad Hoc Labor Advisory Committee did not meet.

OTHER BUSINESS: None

ENVIRONMENTAL: None

CORRESPONDENCE: None

INFORMATIONAL ITEMS:

21. Letter to Paradise Cove Residents Dated January 15, 2013, Regarding Resolution No. 2011-01 (attached)

ADJOURNMENT

The Board adjourned at 8:20 p.m. to a Regular Board Meeting at 6:30 p.m. on February 19, 2013, at the Tiburon Fire Protection District Meeting Room at 1679 Tiburon, Blvd., Tiburon, California.

Approved:

Attest:

Catharine Benediktsson
President, Board of Directors

Roy Fedotoff
Secretary, Board of Directors