

Catharine Benediktsson, President
Richard Snyder, Vice President
Roy Fedotoff, Secretary

Maureen Johnson, Director
Michael Lasky, Director

Item #2

**Sanitary District No. 5 of Marin County
Minutes of a Regular Board Meeting
at Tiburon Fire Protection District Meeting Room
1679 Tiburon Blvd., Tiburon, California
Tuesday, June 18, 2013, 6:30 p.m.**

CALL TO ORDER by Pres. Benediktsson at 6:30 p.m.

ROLL CALL:

Directors present:	Catharine Benediktsson, President Richard Snyder, Vice President Roy Fedotoff, Secretary Maureen Johnson Michael Lasky
Staff present:	Robert Simmons, Temp Asst District Manager Tony Rubio, Wastewater Facilities Manager Lynn Henriksen, Executive Assistant Robin Dohrmann, Adm/Finance Specialist
Consultants present:	Riley Hurd, District Legal Counsel
Others present:	Michelle Aschwald, <i>The Ark Newspaper</i>

PUBLIC OPEN TIME

No public comments were made.

CLOSED SESSION

PUBLIC EMPLOYMENT

PURSUANT TO GOVERNMENT CODE SECTION 54956.7: PUBLIC EMPLOYMENT

Title: Wastewater Facilities Manager

Title: Executive Assistant

PURSUANT TO GOVERNMENT CODE SECTION 54957(b): PUBLIC EMPLOYMENT

Title: Interim District Manager

Attorney Riley Hurd announced that closed session would not take place because the code sections did not cover what the Board wanted to discuss regarding Interim District Manager. Wastewater Facilities Manager and Executive Assistant matters can be discussed in tonight's open session.

DIRECTORS' COMMENTS AND/OR AGENDA REQUESTS

Sec. Fedotoff requested that Attorney Hurd speak to the Board about the Brown Act in the near future.

LEGAL COUNSEL SPECIAL REPORT

District Counsel Report Regarding Matters of Concern to Sanitary District No. 5 of Main County (Hurd)

Attorney Riley Hurd introduced this special new feature, which is to be integrated into future Board agendas at those meeting when he will be present. He reviewed the following five points to provide updates for the Board on matters pending:

- a) Letter to Sprint Nextel: Letter was mailed June 13, 2013, advising Sprint Nextel of their contractual obligations regarding the District's sewage spill of May 15, 2013, which was caused by negligence on the part Sprint subcontractors.
- b) Paradise Cove code enforcement: December 1, 2013, is the expiration of the grace period for Paradise Cove property owners to connect to the sanitary sewer. Attorney Hurd has contacted Matthew Visick of Burke, Williams, & Sorensen, LLP, a firm that can provide code enforcement representation on this matter. They will provide an engagement letter to the Board once they determine there is no apparent conflict of interest. Pres. Benediktsson asked what action the District should take prior to December. Attorney Hurd said the District has an impressive record sending semi-annual letters to the Paradise Cove property owners over the years. District staff will enforce the sewer connections when the grace period ends on 12-1-2013. Approximately 12 homes have connected to the sanitary sewer to date; 43 are still not connected.
- c) Easements and District property holdings: Historically easement records are inadequate. He has engaged Marin Land Title to do the work.
- d) Karol Denniston, SchiffHardin LLP, in regards to CalPERS: Letter has been sent to CalPERS regarding Mr. Robert Lynch's retirement payment shortfall. This District is in a holding pattern, since no response has been received from CalPERS. Attorneys Denniston and Hurd think the District should not advance the money to cover the shortfall in retirement payments at this time.
- e) Special meeting needed to cover the following matters: 1) Closed session regarding and responding to the status of Mgr. Miller's leave; 2) Write up regarding to private water meters; 3) Municipal fees issues. Attorney Hurd said he liked working with Matthew Nakano, Liebert, Cassidy, Whitmore, today.

CONSENT CALENDAR

1. Approval of May 21, 2013, Regular Board Meeting Minutes (Henriksen) (attached)

Minutes

Regular Meeting of the Board of Directors

June 18, 2013

Page 3 of 9

2. Approval of All Warrants for May 2013, #6160 through #6220, in the amount of \$1,061,186.17, and Main Plant Rehabilitation Project Warrants for June 1-11, 2013, #6237-6239, and #6248 in the amount of \$572,890.88 (Dohrmann) (attached)
3. Receipt of Financial Reports for June 2013 (Dohrmann) (attached)
4. Approval of Change Orders No. 22, 23, and 24 for Main Plant Rehabilitation Project (Simmons) (attached)

The Board discussed Change Orders No. 22, 23, and 24 with Mgr. Simmons.

Motion (Johnson/Snyder) to approve the Consent Calendar, with the exception of Item # 1, since the May 21, 2013, minutes were not attached as they had not been approved; they will be on the July 16, 2013, agenda. Passed, all present.

MANAGEMENT REPORTS

5. Main Plant Rehabilitation Project Progress Report (Carollo) (attached)

Mr. Doug Wing, Carollo Engineers, was not asked to attend tonight's meeting. The Board reviewed the May 2013 Main Plant Rehabilitation Progress Report included in the board packets prior to the meeting.

6. District Management Summary Report and Operations/Maintenance Report (Simmons/Rubio) (attached)

Dir. Johnson thanked Mgr. Rubio for providing a short summary report this month that the Board reviewed in their meeting packets. Sec. Fedotoff requested Mgr. Rubio include a brief 30-day look ahead in future reports.

The Board discussed Mgr. Simmons' verbal update on District matters. Mgr. Simmons noted that the District is presently holding the bids for Pump Stations #1-4, due to research that now needs to be done before proceeding. He will convene a Capital Improvement Program (CIP) Committee meeting soon to discuss pertinent issues. Nute Engineering is the construction manager on this job and has asked W. R. Forde Associates to increase their bid holding time from 60 days to 90 days. The CIP Committee may require this to go out to bid again. Dir. Lasky said the District may need a back-up system at pump station #1 and then at pump station #4 as well or consider getting rid of pump station #4 and never have to maintain it again. He would like a letter from the District sent to the six home owners served by pump station #4 regarding getting rid of the lateral sewer line located in the water on the beach bordering their properties. V.P. Snyder said the District needs advice of counsel before contacting home owners.

Mgr. Simmons reported that he has now heard from Mark Grushayev, City of Mill Valley, in regards to the SASM (Sewerage Agency of Southern Marin) contract issue with the RFP for the outfall pipe going from the main plant into San Francisco Bay. Mr. Grushayev is okay

Minutes

Regular Meeting of the Board of Directors

June 18, 2013

Page 4 of 9

with the RFP, but would like to talk with Nute Engineering. Good review comments were received from Carollo Engineers, and Mgr. Simmons will ask for a proposal to be reviewed by the CIP Committee prior to taking it to the Board. Mr. Grushayev wants Pres. Benediktsson to extend the present, expired SASM agreement. Attorney Hurd said, "No." Therefore, the entire matter is on hold. An engineer needs to be selected to start the ball rolling. V.P. Snyder said that this is a moot point – discussion closed. Mgr. Simmons provided Mr. Grushayev an estimate of operations and maintenance costs. Mr. Grushayev asked for a meeting with the District without the presence of legal counsel; Mgr. Simmons would like the advice of District counsel on this matter, as he does not feel it is appropriate to meet without legal counsel.

Mgr. Rubio reported on operations and maintenance; operations are at normal standards, with preventative maintenance tasks having been performed in all zones. The District successfully passed this month's 96-hour flow through bioassay. No sanitary sewer overflows (SSOs) occurred in April. Staff has been doing scheduled FOG (Fats, Oils, & Grease), and it was reported that the Tiburon Lodge is in compliance.

It was noted that the next big event for the Main Plant Rehabilitation (MPR) Project will be shutting down the main breaker in mid-July. Attorney Hurd asked if the District has a major back-up system. Mgr. Rubio replied confirming that the District does have a back-up generator. It was also noted that Mr. Mike de Luna, Carollo Engineers, who is very strong on electrical matters, was on site today when an issue occurred between the existing MCC-MP and the meter Main Board. The issue was resolved.

The Board agreed it would be fine for Sec. Fedotoff c observe main plant operations tomorrow morning at 9 a.m.

NEW BUSINESS

7. PUBLIC HEARING: Fiscal Year 2013-2014 Final Budget
 - a. Public Comment
 - b. Consideration of Adoption of FY 2013-2014 Final Budget by Resolution No. 2013-06: A Resolution Approving and Adopting the Fiscal Year 2013-2014 Final Budget and Fixing the District's Tax Allocation for the Fiscal Year 2013-2014 (Dohrmann) – Action (attached)

The Board of Directors reviewed the Fiscal Year 2013-2014 Final Budget.

Motion (Snyder/Johnson) to adopt the FY 2013-2014 Final Budget by Resolution No. 2013-06: A Resolution Approving the Adopting the Fiscal Year 2013-2014 Final Budget and Fixing the District's Tax Allocation for the Fiscal Year 2013-2014. Passed, all present.

8. Consideration of Adoption of Resolution No. 2013-07: A Resolution Providing for the Collection by the County of Marin of a Sewer Service Charge in the Amount of \$1,928.00 for

Each EDU plus a \$2.00 Collection Fee for the Belvedere Zone of Sanitary District No. 5 of Marin County for the Fiscal Year 2013-2014 (Simmons) – Action (attached)

Pres. Benediktsson reviewed the sewer service rate increases that were adopted by District Ordinance 2010-04 for the Belvedere Zone. She also explained, by showing budgetary graphs, if the sewer rates were not increased in accordance with Ordinance 2010-04, the Belvedere Zone's reserves would be severely impaired.

Motion (Snyder/Johnson) to adopt Resolution No. 2013-07: a Resolution Providing for the Collection by the County of Marin of a Sewer Service Charge in the Amount of \$1,928.00 for Each EDU plus a \$2.00 Collection Fee for the Belvedere Zone of Sanitary District No. 5 of Marin County for the Fiscal Year 2013-2014. Passed, all present.

9. Consideration of Adoption of Resolution No. 2013-08: A Resolution Providing for the Collection by the County of Marin of a Sewer Service Charge in the Amount of \$923.00 for Each EDU plus a \$2.00 Collection Fee for the Tiburon Zone of Sanitary District No. 5 of Marin County for the Fiscal Year 2013-2014 (Simmons) – Action (attached)

Pres. Benediktsson reviewed the sewer service rate increases that were adopted by District Ordinance 2010-03 for the Tiburon Zone. She also explained, by showing budgetary graphs, the need to keep the Tiburon Zone's reserves strong by increasing the rates in accordance with Ordinance 2010-03.

Motion (Lasky/Johnson) to adopt Resolution No. 2013-08: A Resolution Providing for the Collection by the County of Marin of a Sewer Service Charge in the Amount of \$923.00 for Each EDU plus a \$2.00 Collection Fee for the Tiburon Zone of Sanitary District No. 5 of Marin County for the Fiscal Year 2013-2014. Passed, all present.

10. Consideration of Adoption of Resolution No. 2013-09: Determination of Appropriations Limit for Fiscal Year 2013-2014 (Miller) – Action (attached)

The Board reviewed the memorandum and method used to calculate the appropriations limit for the District as provided by Mgr. Miller.

Motion (Snyder/Johnson) to adopt Resolution No. 2013-09: Determination of appropriations Limit for Fiscal Year 2013-2014. Passed, all present.

11. Consideration to Authorize and Approve Board President to Change the Notice for Mar East Power Improvement Project for Pump Stations Nos. 1-4 Inviting Bids to Increase the Required Bid Holding Time from 60 days to 90 days (Simmons) – Action (attached)

Mgr. Simmons explained to the Board that W. R. Forde Associates were amenable to increasing the bid hold time from 60 days to 90 days for the purpose of providing extra time for public comment.

Minutes

Regular Meeting of the Board of Directors

June 18, 2013

Page 6 of 9

Motion (Snyder/Johnson) to authorize and approve Board President to change the Notice for Mar East Power Improvement Project for Pump Stations Nos. 1-4 inviting bids to increase the required bid holding time from 60 days to 90 days. Passed, all present.

12. Consideration of Adoption of Resolution No. 2013-10: Mar East Power Improvement Project for Pump Stations Nos. 1-4 are Categorical Exempt from CEQA (California Environmental Quality Act) as a Class 1 Exemption and Direct Staff to File the Notice with the County Clerk (Simmons) – Action (attached)

The Board reviewed Resolution No. 2013-10: Mar East Power Improvement Project for Pump Stations Nos. 1-4 are Categorical Exempt from CEQA (California Environmental Quality Act) as a Class 1 Exemption and Direct Staff to File the Notice with the County Clerk.

Motion (Snyder/Johnson) to adopt Resolution No. 2013-10: Mar East Power Improvement Project for Pump Stations Nos. 1-4 are Categorical Exempt from CEQA (California Environmental Quality Act) as a Class 1 Exemption and Direct Staff to File the Notice with the County Clerk. Passed, all present.

13. Consideration of Authorizing Board President to Negotiate and Execute Legal Service Contract with Meyers, Nave, Riback, Silver, & Wilson or the Law Office of Terry Roemer (Benediktsson) – Action (attached)

Dir. Johnson noted that the District currently has too many law firms with which it does business, but Attorney Hurd's firm, Ragghianti | Freitas LLP, does not have a good human resources department; therefore, a legal services contract with another firm may be useful.

Motion (Fedotoff/Lasky) authorizing Board President to negotiate and execute Legal Service Contract with Meyers, Nave, Riback, Silver, & Wilson or the Law Office of Terry Roemer. Passed, all present.

14. Consideration of Authorizing Board President to Negotiate and Execute Financial Services Agreement for Bartle Wells Associates (Benediktsson) – Action (attached)

Attorney Hurd said a financial review to ensure the District is in line with industry standards could be beneficial.

Motion (Lasky/Johnson) authorizing Board President to negotiate and execute Financial Services Agreement for Bartle Wells Associates. Passed, all present.

15. Consideration of Approval of the Administration Office Floor Plan Modification and Entryway Addition at the Main Plant Located at 2001 Paradise, Tiburon, CA (Benediktsson) – Action (attached)

V.P. Snyder said Office Floor Plan option 3 provides optimum space and openness for the administrative office and Board room at the main treatment plant.

Minutes

Regular Meeting of the Board of Directors

June 18, 2013

Page 7 of 9

Motion (Snyder/Johnson) to approve option 3 for the Administration Office Floor Plan Modification and Entryway Addition to the Main Plant located at 2001 Paradise Drive, Tiburon, CA. Passed, all present.

16. Consideration of Authorizing Board President to Extend Temporary Administrative Office Lease at 1120 Mar West Street (Henriksen) – Action (attached)

The Board discussed the need to extend the temporary administrative office lease for a period of five months to make sure moving files and equipment back to the main plant, after the renovation is finished in December, can be completed in a manner that will minimize disruption of District business.

Motion (Snyder/Fedotoff) authorizing Board President to extend temporary Administrative Office lease at 1120 Mar West Street, Suite E. Passed, all present.

17. Consideration of Adopting Resolution No. 2013-11: Supporting Proposition That Any Bay Final Delta Conservation Plan Provide That There Shall Be No Diminution of Fresh Water Flow to the San Francisco Bay and Estuary (Snyder) – Action

The Board agreed that supporting the Delta Conservation Plan calling for no reduction in fresh water to the San Francisco Bay is a positive move.

Motion (Snyder/Lasky) to adopt Resolution No. 2013-11: Supporting Proposition That Any Bay Final Delta Conservation Plan Provide That There Shall Be No Diminution of Fresh Water Flow to the San Francisco Bay and Estuary. Passed, all present.

18. Consideration of Adopting Resolution No. 2013-12: Concerning the Board's Evaluation of Employee Job Performance and the Extension of the Employment Contract Expiration Dates of the Executive Assistant and Wastewater Facilities Manager (Snyder) – Action (attached)

The Board discussed updating the District's job performance evaluation forms, as well as the need to extend certain the employee contracts, which are about to expire, for 30 days so that the new evaluation forms could be produced by V.P. Snyder and Dir. Johnson. Mgr. Simmons will schedule a Personnel Committee meeting.

Motion (Snyder/Fedotoff) to adopt Resolution No. 2013-12: Concerning the Board's Evaluation of Employee Job Performance and the Extension of the Employment Contract Expiration Dates of the Executive Assistant and Wastewater Facilities Manager, with the exception of eliminating item "A. Job Performance Evaluation of Exempt Employees." This section was crossed off Resolution No. 2013-12 and initialed by President Benediktsson and Sec. Fedotoff. Passed, all present.

UNFINISHED BUSINESS: None

COMMITTEE REPORTS

Minutes

Regular Meeting of the Board of Directors

June 18, 2013

Page 8 of 9

19. Capital Improvement Program Committee (Fedotoff/Lasky)
20. Governance Committee (Benediktsson/Snyder)
21. Main Plant Rehabilitation Oversight Committee (Fedotoff/Lasky) (attached)
22. Finance & Fiscal Oversight Committee (Benediktsson/Snyder) (attached)
23. Communication Committee (Lasky/Snyder)
24. Personnel Committee (Snyder/Lasky)
25. Ad Hoc Point Tiburon Committee (Benediktsson/Snyder)

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

The reports of the Main Plant Rehabilitation (MPR) Committee meeting of May 14, 2013, were reviewed and discussed.

The Finance & Fiscal Oversight Committee meeting minutes of June 11, 2013, were reviewed. Prior Resolution No. 2004-09 regarding financial policy for bill paying was discussed. Pres. Benediktsson asked Exec. Asst. Henriksen to email this resolution to her and agendaize it for the July Finance & Fiscal Oversight Committee meeting.

The Communications Committee did not meet.

The Personnel Committee met on June 13, 2013, with no reportable action.

The Ad Hoc Point Tiburon Committee did not meet.

OTHER BUSINESS: None

ENVIRONMENTAL: None

CORRESPONDENCE: None

INFORMATIONAL ITEMS

26. FY 2013-14 Budget for Marin Local Agency Formation Commission / Apportionment of Net Operating Expenses.
27. Result of LAFCO Election by Ballot / Selection of Special District Member
28. Draft Policy on LAFCO Periodic Review of Spheres of Influence
29. IN THE FLOW: Spring 2013 Newsletter

The Board reviewed the Spring Newsletter draft. Dir. Lasky asked if it would have been a good idea to include the May 15, 2013, sewage spill in the newsletter. Pres. Benediktsson said the matter of the spill had been fully covered in the Ark Newspaper in May. Exec. Asst. Henriksen was asked to proceed with the publication and mailing of the spring issue.

ADJOURNMENT

The Board adjourned at 8:15 p.m. to a Regular Board Meeting at 6:30 p.m. on July 16, 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