

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, November 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
Tony Rubio, Wastewater Facilities Manager
Lynn Henriksen, Administrative Assistant

Others present:

Michael Lasky
Deirdre McCrohan, *The Ark Newspaper*
Paul Garbarini

PUBLIC OPEN TIME: No public comments were made.

DIRECTORS' COMMENTS AND/OR AGENDA REQUESTS

V. P. Benediktsson requested that District staff prepare the written procedures for the handling of the Main Plant Rehabilitation Project bond proceeds and project payments for the December 13, 2011, Board meeting.

Sec. Fedotoff requested a Closed Session at the December 13, 2011, Regular Board Meeting, at which time he would like Mgr. Lynch to present to the Board performance evaluations of all District employees for a better understanding of what each person's job responsibilities are at the District and for succession planning. Mgr. Lynch said he would check with Mr. Riley Hurd, District Legal Counsel, as to the legality of this requested Closed Session agenda item.

CONSENT CALENDAR

1. Approval of October 26, 2011, Regular Board Meeting Minutes (Henriksen) (attached)
2. Approval of Warrants for October 2011, #4895 through 4951, in the amount of \$432,915.82 (Miller) (attached)
3. Receipt of Financial Reports for October 2011 (Miller) (attached)

The Board discussed the details of several warrants. Dir. Teiser noted that payment of the final IPA, Inc. invoice remains on hold until such time as the details of Mr. Scott Hochstrasser's time spent on the Environmental Study for the Main Plant Rehabilitation (MPR) Project have been fully calculated; V.P. Benediktsson will review Mgr. Miller's assessment. V.P. Benediktsson inquired as to Mgr. Miller's progress regarding the annual audit. Mgr. Miller said that her top priority for the District is to complete the essential financial elements required for bond financing of the MPR Project, which will fund mid February 2012; after which time, preparing for the audit will be foremost on the financial agenda.

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

MANAGEMENT REPORT

4. Main Plant Rehabilitation Project Progress Report (Carollo Engineers)

Mr. Doug Wing of Carollo Engineers did not arrive for the meeting to update the Board on the progress of the Main Plant Rehabilitation (MPR) Project, as required by contract. Mgr. Lynch will contact Carollo Engineers tomorrow morning to ascertain the reason for their absence.

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

Mgr. Rubio reviewed the Operations Report for September 2011 with the Board. He reported the District met all NPDES permit requirements. There were no sanitary sewer overflows (SSOs) in the month of September. There was one odor complaint in September caused by a blower that tripped in the main plant; staff reset the VFD, solving the problem.

The Board discussed various collection system activities and operational items, including effluent monitoring, bio-block and chemical odor control measures, commercial Fats, Oils, and Grease (FOG) inspection protocol, and emergency generator diesel fuel testing. Regarding the percentage of monthly flow in the Tiburon and Belvedere zones, V. P. Benediktsson asked Mgr. Rubio if it could be generalized that during wet weather the Belvedere zone's percentage of flow to the Main Plant increases; to which, Mgr. Rubio answered in the affirmative.

The cleaning of the Tiburon zone sewer lines using the rodder has now been completed, and the maintenance crew has moved on to cleaning the lines in the Belvedere zone. Staff recently completed a CPR/AED refresher training by the Tiburon Fire Department.

6. District Manager's Summary Report of October 2011 (Lynch) (attached)

Mgr. Lynch reviewed the District Manager's Summary Report of October 2011 with the Board. Today was the deadline for applications for the Maintenance Internship Program, with 21 applications received. Staff will interview the top seven applicants the week of November 28; the person(s) then hired will begin work mid December 2011.

Mgr. Lynch updated the Board on the progress of the Main Plant Rehabilitation (MPR) Project and E2 Engineering's smoke testing of sewer lines. The report on the results of the smoke testing has not been received to date; however, he expects a report within the next few weeks. As to the progress of the MPR Project, the District has received a draft of the Construction Cost Estimate from Carollo Engineers. Mgr. Lynch is reviewing the estimate and discussing with Mr. Doug Wing, Carollo Engineers' project manager, the cost of many items he believes to have been listed in duplicate and/or deemed overly expensive.

While discussing the sanitary sewer overflow (SSO) of November 12, 2011, Mgr. Lynch passed among the Board a sewer pipe history map detailing the gravity line that runs in front of the Tiburon Lodge in the vicinity where the grease blockage occurred causing the overflow. The report clearly indicated that the source of the grease in the gravity line could only have come from the Tiburon Lodge's restaurant kitchen. The Tiburon Lodge uses micro-organisms to clean their grease trap; at the last District staff inspection, the grease trap appeared clean. Re-inspection by District staff will occur more frequently. In addition, the mandatory backflow check valve (i.e., contra costa valve), which prevents sewage from backing up, could not be located at Tiburon Cleaners. The District has asked the owners of Tiburon Cleaners to reinstall the contra costa valve according to District Ordinance No. 2010-01, and staff has placed the sewer line on a three month cleaning program. The SSO incident was professionally handled and resolved by staff in compliance with the District's procedural manual.

Dir. McAuliffe inquired as to whether additional homeowners of the Paradise Cove zone have connected to the sanitary sewer as mandated by District Ordinance 70-1 and Resolution No. 2011-01. Mgr. Lynch said there is some interest; however, only one homeowner has recently moved forward toward hooking up to the sewer. Pres. Wiley directed staff to mail out another letter in January 2012 urging Paradise Cove property owners to voluntarily comply with District Resolution No. 2011-01 prior to the enforcement date of December 1, 2013.

Mgr. Lynch updated the Board regarding the 2011 Sewer Rehabilitation Project. V.P. Benediktsson noted that the pipe bursting in the Owlswood subdivision looks to be behind schedule. Mgr. Lynch said this was due to the fact that a gas line was discovered in the

District's sewer easement running too close in proximity to the sewer line, thus precluding pipe bursting. Therefore, alternative and more time consuming measures had to be taken by the contractor, W. R. Forde.

Dir. Teiser reported on the Main Plant Rehabilitation (MPR) Project Action Item Log, distributed by Admin. Asst. Henriksen. The new action items pertained to Carollo Engineers' Reliability and Redundancy Evaluation, which was discussed during the MPR Committee meeting of November 8, 2011. V.P. Benediktsson and Sec. Fedotoff requested staff to email the Reliability and Redundancy Evaluation to them for further clarification and review.

Mgr. Lynch reviewed the upcoming schedule of District events for November through January 2012.

NEW BUSINESS

7. Discussion of Succession Planning for District Manager (Lynch) (see attached Notes of Explanation)

Sec. Fedotoff informed the Board that he has decided not to apply for the position of District Manager to replace Mgr. Lynch upon his retirement on April 15, 2012. Pres. Wiley asked Mgr. Miller and Mgr. Rubio to recuse themselves from the open session discussion of District Manager succession planning, since they have expressed interest in applying for the position. Deirdre McCrohan, *The Ark Newspaper*, stated emphatically that they need not recuse themselves; as members of the public they have every right to be present during this open session item.

Mgr. Lynch passed out a four-page draft of "Board Options for Recruitment of District Manager" that he reviewed with the Board. The options entail hiring an outside firm for the recruitment process; the Board performing recruitment itself; hiring from within; and/or a list of possible candidates provided by Mgr. Lynch. Mgr. Lynch stated that he would rather not provide a list of possible candidates to avoid being blamed in the future should the person he suggested not work out. He strongly advocates appointing a two-member ad hoc search committee to get started on finding his replacement immediately, since hiring managers is generally a very time consuming and lengthy process.

The Board thoroughly discussed the options. Hiring a recruitment firm to fill the position of District Manager is very costly and time consuming, and the Board does not have the time to do an expansive search on its own. Sec. Fedotoff suggested hiring an individual headhunter, not a firm, who specializes in finding managerial staff for wastewater facilities. Pres. Wiley said she would like the District to start with a less expensive recruitment option. Dir. Teiser said willing Board members could assist a consultant in the recruitment process, since SD5 is a rather unique District regarding the requirements sought for the position of District Manager in this relatively small treatment plant. Dir. McAuliffe said it is not so

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much about understanding the requirements for District Manager of SD5 as it is in finding recruitment agency personnel who have their fingers on the pulse of district managers in this industry and in our area. She recommends the District be less concerned about the cost of the recruitment process than the quality. Dir. Teiser encouraged the Board to evaluate the internal candidates. Dir. McAuliffe said she believes that as a public agency the District must take the recruitment of the new District Manager to the public at large, and all candidates may be included in that process.

Pres. Wiley appointed V.P. Benediktsson and Dir. Teiser to an Ad Hoc Search Committee to begin working on the recruitment of the District Manager to replace retiring Mgr. Lynch.

8. Consideration of Providing Direction Regarding Staff Preparation of Written Procedures for the Handling of the Main Plant Rehabilitation (MPR) Project Bond Proceeds and Project Payments (Miller) – Action (see attached Notes of Explanation)

Mgr. Miller asked whether the Board would like to wait until the recruitment is finished for Mgr. Lynch's replacement before completing the written procedures for handling the bond proceeds and payments for the Main Plant Rehabilitation (MPR) Project as concepts may change under a new District Manager's purview. V.P. Benediktsson does not feel comfortable putting this matter off; since many of the fundamentals are not person dependant, the written procedures will hold. She directed staff to present the draft written procedures to the Finance & Fiscal Oversight Committee in the near future. Staff can work through individual elements as things change and progress. Sec. Fedotoff would like to see a procedural flow-chart. Dir. Teiser would like to see a process flow diagram for all money flowing into and/or out of the Local Agency Investment Fund (LAIF) for the MPR Project. In principle, the process must include one member of the Board (the Board designated V.P. Benediktsson for this position some time ago) who will authorize all LAIF transactions. Mgr. Miller will pull the procedures together in written form.

Motion (Teiser/Fedotoff) to direct District staff to develop and prepare written procedures for the handling of the Main Plant Rehabilitation Project bond proceeds and payments.
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/Wiley) – Minutes of the November 8, 2011, Meeting (attached)

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

Dir. Teiser reviewed the Action Item Log that was updated at the Main Plant Rehabilitation Oversight Committee meeting of November 8, 2011, and discussed earlier this evening during Agenda Item No. 6, District Manager's Summary Report.

The Finance & Fiscal Oversight Committee reviewed the minutes of their November 8, 2011, meeting. The Committee directed a final assessment of the IPA, Inc. invoices of Mr. Scott Hochstrasser for the MPR Project Environmental Study prior to authorizing payment. V.P. Benediktsson and Mgr. Miller will further examine the IPA, Inc. invoices.

OTHER BUSINESS: None

ENVIRONMENTAL: None

CORRESPONDENCE: None

INFORMATIONAL ITEMS: None

ADJOURNMENT

Motion (McAuliffe/Benediktsson) to adjourn at 8:19 p.m. to a Regular Board Meeting on December 13, 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