

Catharine Benediktsson, President
William Teiser, Vice President
Roy Fedotoff, Secretary

Michael Lasky, Director
Richard Snyder, Director

Item #1

**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 19, 2012, 7:00 p.m.**

CALL TO ORDER by Pres. Benediktsson at 7:06 p.m.

ROLL CALL:

Directors present:	Catharine Benediktsson, President William Teiser, Vice President Roy Fedotoff, Secretary Richard Snyder Michael Lasky
Staff present:	Samantha Miller, District Manager Tony Rubio, Assistant District Manager Lynn Henriksen, Administrative Assistant
Consultants present:	Riley Hurd, District Legal Counsel Doug Wing, Carollo Engineers
Others present:	Deirdre McCrohan, <i>The Ark Newspaper</i>

PUBLIC OPEN TIME: No public comments were made.

CLOSED SESSION at 7:07 p.m.

CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Richard Snyder and Michael Lasky

Unrepresented employees: District Manager and Assistant District Manager/Chief Plant Operator/Project Coordinator

OPEN SESSION at 8:10 p.m.

Pres. Benediktsson announced that no reportable action was taken during Closed Session.

DIRECTORS' COMMENTS AND/OR AGENDA REQUESTS

No comments or agenda requests were made by the Board.

Pres. Benediktsson moved Item No. 5, as described in the agenda, to this time.

MANAGEMENT REPORTS

5. Main Plant Rehabilitation Project Progress Report (Rubio)

Mr. Doug Wing, Carollo Engineers, provided the Board with an update on the progress of the Main Plant Rehabilitation (MPR) Project. The kick-off meeting with Carollo Engineers, District staff, and the construction contractor, Auburn Constructors Inc. (ACI), shows ACI to be well organized, and their mobilization onsite was unobtrusive. Each Friday, ACI's project manager, Mr. Rich White, supplies a three-week construction schedule detailing estimated progress. The MPR Project is on schedule to date. Mr. Wing was pleased that 43, out of approximately 200, submittals have already come in from ACI, and he anticipates a number of value-engineering proposals to also come in soon.

CONSENT CALENDAR

1. Approval of May 10, 2012, Regular Board Meeting Minutes (Henriksen) (attached)
2. Approval of May 14, 2012, Special Board Meeting Minutes (Henriksen) (attached)
3. Approval of Warrants for May 2012, #5335 through 5378, in the amount of \$95,093.22 (Miller) (attached)
4. Receipt of Financial Reports for May 2012 (Miller) (attached)

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

MANAGEMENT REPORTS

6. District Management Summary Report (Miller/Rubio) (attached)

Mgr. Miller noted that she has modified the summary report format so that from here forward the report will primarily pertain to the past 30 days. Whereas, the report presented at the May 14, 2012, Board meeting was an inclusive overview of events and status updates of multiple aspects of the District's administration covering the past couple months.

Mgr. Miller reviewed the significant events of the past 30 days with the Board, including the selection process for two new Maintenance Interns, the constructive, highly effective one-on-one meetings she held with District staff, and the establishment of monthly staff meetings (scheduled for the day after each regular Board meeting) as a mechanism not only to inform and include, but to engage, staff more fully in the overall function of a variety of aspects for which the District is occupied. Mgr. Miller also updated the Board on financial and budgetary items, notably the FY 2012-2013 budget, as well as the receipt of the first payment from the Sewerage Agency of Southern Marin (SASM) for their share of

construction costs for the MPR Project. She thanked Pres. Benediktsson for her valuable role in securing this payment. Mgr. Rubio reviewed the treatment plant operations and maintenance system performance and activities for the month, capital improvement projects, and safety training, noting that the District is now enrolled in CSRMA's "My Safety Officer" program, as well as District staff's role in pollution prevention activities in southern Marin. He included a comprehensive glossary of terms and acronyms used in the wastewater industry in his report. Dir. Snyder restated the Board's third request, since the sanitary sewer overflow on November 12, 2011, directing Mgr. Rubio to look into the matter of the Tiburon Lodge grease trap, as he had not yet provided the Board with a satisfactory report regarding the status of the grease backup and resulting insurance claim: Research legality of emulsifiers with our regulations; determine if there is an ongoing problem and find a resolution for sewer backup from the Tiburon Lodge grease traps, to include identifying how they dispose of grease and whether they employ a contractor to remove it.

Sec. Fedotoff updated the Board on the "Wrench Turning" event, proposed as good public relations for the Main Plant Rehabilitation (MPR) Project. After recently discussing the timing and details of the event with Carollo Engineers and Auburn Constructors, each of whom will be active participants, it was agreed that it would be best to wait until sometime this fall to schedule the event.

NEW BUSINESS

7. Consideration of Adoption of Resolution No. 2012-03: A Resolution Repealing Resolution No. 2011-02 and Establishing Updated Financial Reserve/Fund Policies for Both the Tiburon/Paradise Cove Zone and the Belvedere Zone of Sanitary District No. 5 of Marin County (Miller) – Action (see attached Notes of Explanation)

Mgr. Miller explained that implementing the proposed updated reserve/fund policy would provide a more accurate representation of the financial status of the District, as well as simplify accounting procedures. She has worked closely with the Finance Committee and has the approval of District legal counsel, Mr. Riley Hurd, and the District's independent auditor, Mr. Terry Krieg, regarding the proposed policy. The FY 2012-2013 Preliminary Budget is based upon incorporating this updated policy. V.P. Teiser and Mr. Hurd both congratulated Mgr. Miller for her excellent work.

Motion (Teiser/Snyder) to adopt Resolution No. 2012-03: A Resolution Repealing Resolution No. 2011-02 and Establishing Updated Financial Reserve/Fund Policies for Both the Tiburon/Paradise Cove Zone and the Belvedere Zone of Sanitary District No. 5 of Marin County. Passed, all present.

8. Consideration of Adoption of Resolution No. 2012-04: A Resolution Providing for the Collection by the County of Marin of a Sewer Service Charge in the Amount of \$825.00 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 2012-2013 (Miller) – Action (attached)

Pres. Benediktsson asked the Board to consider voting on Agenda Items No. 8 and 9 at the same time. Mr. Riley Hurd, District legal counsel, said that adoption of resolutions require separate votes. Pres Benediktsson directed the Board to proceed first with a vote on Item No. 8, the sewer service charge establishment for the Tiburon zone, followed by a Board vote on Item No. 9, the sewer service charge establishment for the Belvedere zone. The Board inquired as to whether \$825.00 was the amount approved during the Prop 218 process of 2010 as the allowable increase in the sewer service charge for the Tiburon zone for FY 2012-2013. Mgr. Miller answered that \$825.00 per EDU (Equivalent Dwelling Unit) is the maximum sewer service charge allowed, making reference to Ordinance No. 2010-03 adopted on July, 13, 2010, whereby the maximum annual charges were approved for the Tiburon zone for the subsequent five years. The adopted resolutions having to do with the sewer service charges will be sent to the County of Marin so the property tax roll will properly reflect the current adopted charges. There were no public comments.

Motion (Teiser/Snyder) to adopt Resolution No. 2012-04: A Resolution Providing for the Collection by the County of Marin of a Sewer Service Charge in the Amount of \$825.00 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 2012-2013. Passed, all present.

9. Consideration of Adoption of Resolution No. 2012-05: A Resolution Providing for the Collection by the County of Marin of a Sewer Service Charge in the Amount of \$1,836.00 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 2012-2013 (Miller) – Action (attached)

The Board inquired as to whether \$1,836.00 was the amount approved during the Prop 218 process of 2010 as the allowable increase in the sewer service charge for the Belvedere zone for FY 2012-2013. Mgr. Miller answered that \$1,836.00 per EDU is the maximum sewer service charge allowed, making reference to Ordinance No. 2010-04 adopted on July, 13, 2010, whereby the maximum annual charges were approved for the Belvedere zone for the subsequent five years. The adopted resolutions having to do with the sewer service charges will be sent to the County of Marin so the property tax roll will properly reflect the current adopted charges. There were no public comments.

Motion (Snyder/Lasky) to adopt Resolution No. 2012-05: A Resolution Providing for the Collection by the County of Marin of a Sewer Service Charge in the Amount of \$1,836.00 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 2012-2013. Passed, all present.

10. Consideration of Adoption of FY 2012-2013 Preliminary Budget (Miller) – Action (attached)

Pres. Benediktsson reiterated that at the May 10, 2012, Board Budget Workshop the Board carefully reviewed each line item of the Draft Budget, noting that no changes or adjustments were made by the Board and a thorough Finance Committee review had been previously

completed. Mgr. Miller said the Final Budget will be on the agenda for consideration of adoption at the July 17, 2012, Board meeting, after the notice of public hearing appears in *The Ark Newspaper* July 4 and July 11, 2012. There were no public comments.

Motion (Snyder/Fedotoff) to adopt the FY 2012-2013 Preliminary Budget. Passed, all present.

11. Consideration of Adoption of Resolution No. 2012-06: Determination of Appropriations Limit for Fiscal Year 2012-2013 (Miller) – Action (attached)

Mgr. Miller explained that Resolution No. 2012-06 is a standard resolution that must be adopted annually by the Board of Directors. The absence of an appropriations limit calculation for the Belvedere zone is due to the fact that Sanitary District No. 5 does not receive property tax money from the property owners in the Belvedere zone, as it does from the property owners in the Tiburon zone.

Motion (Snyder/Fedotoff) to adopt Resolution No. 2012-06: Determination of Appropriations Limit for Fiscal Year 2012-2013. Passed, all present.

12. Consideration of Authorization and Approval for District Manager to Engage Mr. Terry Krieg, CPA for FY 2011-2012 Audit (Miller) – Action (attached)

Pres. Benediktsson commented on how pleased the Board is by the professionalism shown by Mr. Terry Krieg and the high quality work he produces, but asked the Board when they want to consider employing fresh eyes. Mgr. Miller said it would be prudent for the District to wait until after the Main Plant Rehabilitation Project to consider a change of auditor. She added that Mr. Krieg's fee has not changed from last year's audit, and she is grateful for his availability throughout the year to answer questions in depth at no additional charge to the District. V.P. Teiser suggested continuing to employ Mr. Krieg, since the District appreciates his excellent work, but could also obtain an audit of the auditor. The Board noted that seldom does a CPA compliment staff during an annual audit; however, Mr. Krieg has praised Mgr. Miller's thorough financial management for the District each of the past three years.

Motion (Snyder/Lasky) to authorize and approve the District Manager to engage Mr. Terry Krieg, CPA for the FY 2011-2012 Audit. Passed, all present.

13. Consideration of Adoption of Updated District Manager Position Description (Benediktsson) – Action (attached)

Mr. Riley Hurd, District legal counsel, reviewed the updated, very detailed District Manager job description. He said the District was wise in looking for an administrative focus for this position, with experience and education mirroring essential duties, job functions, and responsibilities.

Minutes

Regular Meeting of the Board of Directors

June 19, 2012

Page 6 of 8

Motion (Teiser/Fedotoff) to adopt the updated District Manager position description changing the word “required” to “highly desirable” in reference to a bachelor’s degree. Passed, all present.

14. Consideration of Adoption of Updated Assistant District Manager/Chief Plant Operator/Project Coordinator Position Description and Salary Step Range (Benediktsson) – Action (attached)

Mr. Riley Hurd, District legal counsel, explained that this job description is for an operations focused position within the District, to include the Chief Plant Operator designation, as required by the State of California. Mr. Hurd recommended increasing the top salary step for this position from step 25 to step 28.

Motion (Snyder/Fedotoff) to adopt the updated Assistant District Manager/Chief Plant Operator/Project Coordinator position description with it understood that Mr. Hurd, upon consultation with outside human resources legal counsel, will strike the sentence regarding “at-will” and replace it entirely with another sentence pertaining to the level of management (i.e., confidential, management position) and change any other language necessary throughout the position description. The motion also encompassed adopting a salary step range from step 21 to step 28 for this position. Passed, all present.

15. Consideration of Adoption of Updated Main Plant Rehabilitation Project Special Consultant Position Description (Benediktsson) – Action (attached)

Mr. Riley Hurd, District legal counsel, reviewed the updated Main Plant Rehabilitation Project Special Consultant position description, which was a condition of the Board’s acceptance of the rescission of Mr. Robert Lynch’s resignation from the position.

Motion (Snyder/Fedotoff) to adopt the updated Main Plant Rehabilitation Project Special Consultant position description. Passed, all present.

UNFINISHED BUSINESS: None

COMMITTEE REPORTS

16. Capital Improvement Program Committee (Fedotoff/Lasky)
17. Governance Committee (Benediktsson/Snyder)
18. Main Plant Rehabilitation Oversight Committee (Teiser/Fedotoff) (attached)
19. Finance & Fiscal Oversight Committee (Benediktsson/Teiser) – Minutes of the June 12, 2012, Meeting (attached)
20. Communication Committee (Lasky/Snyder)
21. Personnel Committee (Snyder/Lasky)
22. Ad Hoc Point Tiburon Committee (Benediktsson/Snyder)

23. Ad Hoc Labor Advisory Committee (Snyder/Lasky)

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

The Main Plant Rehabilitation Oversight (MPR) Committee reviewed the meeting log of June 15, 2012. It was also noted that each of the committee members recently completed tours of the main plant. The next MPR Committee meeting is scheduled for June 29, 2012.

The Finance Committee reviewed the minutes of the June 12, 2012, meeting.

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

OTHER BUSINESS: None

ENVIRONMENTAL: None

CORRESPONDENCE: None

INFORMATIONAL ITEMS

24. FY 2012-13 Budget for Marin Local Agency Formation Commission Apportionment of Net Operating Expenses (attached)

This item was included for informational purposes.

ADJOURNMENT

Motion (Benediktsson/Lasky) to adjourn at 9:16 p.m. to a Regular Board Meeting on July 17, 2012, at the Tiburon Fire Protection District Meeting Room at 1679 Tiburon, Blvd., Tiburon, California. Passed, all present.

Minutes
Regular Meeting of the Board of Directors
June 19, 2012
Page 8 of 8

Approved:

Attest:

Catharine Benediktsson
President, Board of Directors

Roy Fedotoff
Secretary, Board of Directors