

**ROSS VALLEY SANITARY DISTRICT
REGULAR BOARD MEETING MINUTES**

Wednesday, March 20, 2019
5:00 PM

Ross Valley Sanitary District
2960 Kerner Blvd., San Rafael, CA

Directors Present: Michael Boorstein
Thomas Gaffney
Doug Kelly
Pam Meigs
Mary Sylla

Directors Absent: None

Staff/Consultants Present: Steve Moore, General Manager
Felicia Newhouse, Assistant General Manager
Julia McEntee, Clerk of the Board
Andrea Clark, District Counsel
Stephen Miksis, Operations and Maintenance Manager
Katherine Hayden, Technical Services Manager
John Vogel, Condition Assessment Supervisor
Haden Ongaro, Newmark Knight Frank
Joe McCallum, Newmark Knight Frank
Mark Hildebrand, Hildebrand Consultant
Allan Scott, HDR Engineering, Inc.

Public Present: Stephen Keese

Note: These minutes do not represent a transcript of the meeting and are intended to be a summary of the most important points. For a complete record, please refer to the video recording of the meeting, which will be available on the District's website at www.rvsvd.org.

Item # 1 – Call Meeting to Order and Roll Call

The meeting was called to order by President Gaffney at 5:00 p.m. The Clerk of the Board called roll. The Board recited the Pledge of Allegiance.

Item # 2—Adjourn to Closed Session

The Board adjourned to Closed Session at 5:01 p.m.

Item # 3 Closed Session

- a) Conference with Real Property Negotiators (Govt. Code 54956.8)
Property: 1111 Andersen Drive, San Rafael, CA, 94901
Agency negotiator: Haden Ongaro, Steve Moore
Under negotiation: Price and terms of payment

Item # 4 Reconvene to Open Session

The Board reconvened to Open Session at 5:40 p.m.

Item # 5—Report on Action Taken by the Board During Closed Session, If Any, Pursuant to California Government Code Section 54957.1

There was nothing to report from Closed Session.

Item # 6—Approval of Agenda

Motion: M/s Sylla/Boorstein to Approve the Agenda
Vote: Ayes: Gaffney, Boorstein, Kelly, Meigs, Sylla Noes: None. Absent: None
The motion passed.

The motion as stated above carried unanimously.

Item # 7 – Open Time for Public to Raise Items Not on Agenda or for Future Agendas

There were no comments made in public time.

Item # 8—Standing Committees Report Out

Finance Committee – Director Kelly reported that the Finance Committee discussed the interim financial statements. The Committee updated their request to have Board reimbursements itemized by member on the monthly check register. Director Kelly said that they reviewed various items on the agenda. He also told the Board that the Committee met earlier in the month for a special meeting regarding the rate study findings.

Central Marin Sanitation Agency (CMSA) – Director Kelly reported that the CMSA Commission discussed a contract with Marin Clean Energy (MCE) and the specific terms. Director Boorstein said that they also reviewed the funding plan for post-employment benefits. He also said that the prison approved hiring three employees to clean the grates on the prison grounds previously serviced by inmates. Director Meigs asked for clarification regarding who will pay for the employees. Director Kelly clarified that a small change will be made to the budget and the State will fund the salaries.

North Bay Watershed Association (NBWA) – Director Meigs said there was no meeting.

Ad Hoc Education and Outreach Committee – Director Kelly said that one commercial is out on local cable television shows. Director Boorstein said that he has seen it several times. The Board discussed the potential opportunities for collaboration with other local agencies. GM Moore showed the Board different door flyers that Collection Systems Workers can leave with homeowners can leave which are specific to particular situations. The Committee commended Stephen Miksis for all his hard work and effort.

Ad Hoc Committee for Facility Search Activities – President Gaffney said that the Committee has met several times regarding particulars of the due diligence period, but all decisions and findings have come before the full Board in Closed Session.

Item # 9 – Verbal Report by Board Members and Staff, and Requests for Future Items

GM Moore reported that he received signed EPA approval for remediation of the Larkspur Landing site. He thanked the Board for their support and hard work to make this happen, and he hoped to bring the bid award to a meeting later this spring.

Director Kelly urged staff to send the bid announcement to a variety of sources. GM Moore said that he has received anecdotal interest from local contractors and discussed construction goals for the remediation. Director Boorstein asked if operational staff can stay onsite during the remediation and excavation. GM Moore confirmed that they can and said that he is open to Board direction about the future of the property.

Item # 10 –Consent Calendar

Motion: M/s Boorstein/Kelly to Accept Items in the Consent Calendar
Vote: Ayes: Gaffney, Meigs, Boorstein, Kelly, Sylla Noes: None. Absent: None
The motion passed.

Director Meigs asked to discuss Items 10.c., 10.e., and 10.g.

Director Meigs asked clarifying questions regarding specific items on the check register such as: interest from bond proceeds, the purchase of office supplies, and monthly software costs.

Director Meigs asked for contextual information about the costs pertaining to Item 10.e. President Gaffney recounted the discussion from the Finance Committee meeting and said that all the change orders equal four percent of the project cost. GM Moore added that the more expensive change order is due to a cooperation effort with the Towns of Ross and San Anselmo to move assets that are close to a stormwater drain.

AGM Newhouse told the Board that Bond Counsel recommended a slight edit to the reimbursement resolution in Item 10.g. Director Meigs wanted confirmation that this item is not approving the bond for the 1111 Andersen building. The Board discussed that the resolution anticipates the bond sale, but this does not authorize it. Director Meigs also confirmed with Counsel that the agenda, not the full Board packet, needs to be posted in advance to comply with the Brown Act.

The motion to accept the Consent Calendar carried unanimously.

Minutetaker’s Note: M/s Kelly/Boorstein to change the agenda and move Item 13 to begin General Discussion, so the consultant would not have to wait through the study session. The motion to change the agenda passed unanimously.

Item # 13 – Consideration of Authorizing the General Manager, Upon Review and Approval of Legal Counsel, to Execute a Master Services Agreement and Initial Task Orders 1 through 5 with HDR Engineering, Inc., in the Total Amount of \$638,192, for Infrastructure Asset Management Plan Update and Program Support Services

<p>Motion: M/s Boorstein/Kelly to Authorize the General Manager, Upon Review and Approval of Legal Counsel, to Execute a Master Services Agreement and Initial Task Orders 1 through 5 with HDR Engineering, Inc., in the Total Amount of \$638,192, for Infrastructure Asset Management Plan Update and Program Support Services</p>
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<p>Vote: Ayes: Gaffney, Meigs, Boorstein, Kelly, Sylla Noes: None. Absent: None</p>
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<p>The motion passed.</p>

GM Moore introduced this item by describing the proposal process and the two agencies submitted proposals. He said that this update to the Infrastructure Asset Management Plan (IAMP) seeks to be a data-driven, living document. This item before the Board represents a collaboration between HDR Engineering, Inc, and West Yost. He introduced the consultant Allan Scott for Board questions.

Technical Services Manager Katherine Hayden told the Board that this is a pivot point shifting from reaction to targeting critical infrastructure. Director Kelly asked for an explanation of what an IAMP is and its importance to the District. GM Moore and the Board discussed how this document marks the need for capital expenditures, technical infrastructure, and a detailed account in order to inform the next round of investments.

The consultant discussed the deliverables of the IAMP including the document, procedures, and a program for implementation. The Board discussed relevant past projects. Director Meigs asked questions about Mr. Scott’s technical experience and the scope of work for this document. Katherine Hayden said that this will add needed information about pump stations, manholes, and other needed pieces. The Board and the consultant discussed the bidding process for this project. GM Moore told the Board that staff intends to begin in April. Director Sylla said that many things that the Board is proud of are rooted in the IAMP, so the cannot undervalue this work. Director Meigs requested update reports and Katherine Hayden said that there are two budgeted presentations to discuss progress.

The motion as stated above carried unanimously.

Minutetaker’s Note: The Board took a Break from 6:57 p.m. to 7:06 p.m.

Item # 11 – Study Session: Sewer Rates

GM Moore introduced this discussion with a short PowerPoint presentation giving the purpose for the study session, outlining the previous trends of the District regarding sewer service rates, and offering next steps in order to adopt the new rate schedule. He then yielded the floor to Mark Hildebrand of Hildebrand Consulting who was hired to conduct the study.

Mr. Hildebrand outlined the types of users in the District, made observations about the projections from the 2014 study, and answered questions from the Board about projected spending levels. The consultant discussed the financial policies for reserves passed by the Board that affect the terms of the rate study assumptions. AGM Newhouse said that staff already plans to revise all financial policies at a future meeting.

Then, there was a live demonstration of rate scenarios and their effect on the District’s budget. The Board discussed the pros and cons of volumetric rates and reviewed the fixed costs of the system and

operations. The Board also discussed the rate differential between Larkspur residents and the rest of the District.

The Board discussed the strength factor used for commercial properties and agreed that they would like to keep it the same. President Gaffney said that Board members can tell staff directly about scenarios they would like to see mapped out for a future meeting.

This item was for discussion and education only. The Board took no action on this item.

Item # 12 – Consideration of Awarding a Professional Services Agreement to Hildebrand Consulting for a Cost Allocation Plan and User Fee Study in the Amount Not to Exceed Twenty-five Thousand and Four Hundred Dollars (\$25,400)

Motion: M/s Kelly/Boorstein to Award a Professional Services Agreement to Hildebrand Consulting for a Cost Allocation Plan and User Fee Study in the Amount Not to Exceed Twenty-Five Thousand and Four Hundred Dollars (\$25,400)

Vote: Ayes: Gaffney, Boorstein, Kelly, Meigs, Sylla Noes: None. Absent: None

The motion passed.

GM Moore introduced this item to the Board saying that this study would pertain to the sources of District revenues that come from items like permit and connection fees. The costs were updated five years ago and dovetailed with the sewer service charge rates. Therefore, staff recommends hiring Hildebrand Consulting to write a study explaining the true cost of administrative actions like issuing permits. This would promote clarity within the organization and beyond.

Director Kelly requested that this ordinance create a clear policy around discounting fees for low-income housing projects brought before the Board. Director Meigs disagreed and said she preferred the flexibility of making decisions on a case by case basis. President Gaffney agreed with Director Kelly and asked for a policy.

The motion as stated above carried unanimously.

Item #14—Consideration of Adopting Resolution No. 19-1554 Adopting a Mitigated Negative Declaration for, and Awarding and Authorizing the General Manager, Upon Review and Approval of Counsel, to Execute Construction Contract for the Large Diameter Gravity Sewer Project II-3B – Lower Shady Lane/Poplar Avenue, with Cratus Inc., in an Amount Not to Exceed \$4,959,215

Motion: M/s Boorstein/Sylla to Adopt Resolution No. 19-1554 Adopting a Mitigated Negative Declaration for, and Awarding and Authorizing the General Manager, Upon Review and Approval of Counsel, to Execute Construction Contract for the Large Diameter Gravity Sewer Project II-3B – Lower Shady Lane/Poplar Avenue, with Cratus Inc., in an Amount Not to Exceed \$4,959,215

Vote: Ayes: Gaffney, Boorstein, Kelly, Meigs, Sylla Noes: None. Absent: None

The motion passed.

GM Moore told the Board that, of the five bids submitted, one was under the engineer’s estimate. The Finance Committee revisited the bid of the project before it was repackaged into two separate projects. That choice saved the District 3.4 million dollars.

The project team has several members who previously worked for Ranger Pipelines which does many of the District’s capital projects. President Gaffney said he was pleased to see that the next highest bid was also close to the price offered by Cratus, Inc. The Board discussed several factors that affect construction costs in Northern California.

The motion as stated above carried unanimously.

Item #15– Informational Items

President Gaffney noted the high wet weather flows to Central Marin Sanitation Agency shown in Item 15.a. GM Moore noted wet weather events in this report where staff prevented two overflows. The Board discussed line repairs and the service call information.

The Board thanked Technical Services Manager, Katherine Hayden, for her hard work that was reflected in the monthly report.

GM Moore discussed Item 15.c. regarding the open seats for Marin LAFCo. He said that there are three candidates and three open seats. Two of those seats are for the position of Alternate.

Adjourn: The Board adjourned at 8:50 p.m.



Mary Sylla
Secretary of the Board

Submitted by: 

Clerk of the Board