

ITEM 10.a.

ROSS VALLEY SANITARY DISTRICT REGULAR BOARD MEETING MINUTES

Wednesday, May 15, 2019
5:00 PM

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

Directors Present: Michael Boorstein
Thomas Gaffney
Doug Kelly
Pamela 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
Katherine Hayden, Technical Services Manager
Stephen Miksis, Operations and Maintenance Manager
Melvin Garcia, Accounting and Financial Analyst
Joe McCallum, Newmark Knight Frank
Jim Gibbs, Sperry Capital
Martha Vujovich, Sperry Capital
Sean Tierney, Hawkins Delafield & Wood
Rob Larkins, Raymond James
Justin Seufert, Psomas
Todd Miller, Kennedy Jenks
Jill Barnes, Project Manager

Public Present: Stephen Keese
Laura Effel

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 5:01 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 5:02 p.m.

Item # 3 Closed Session

- a) CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Government Code section 54956.8)
 Property: 1111 Andersen Drive, San Rafael, CA 94901
 Agency negotiator: Steve Moore, Haden Ongaro
 Negotiating Parties: Ross Valley Sanitary District, Comcast Corporation
 Under negotiation: Lease – price and terms of payment

- b) Conference with Labor Negotiator (Government Code Section § 54957.6) Agency
 Designated Representative: Patrick Clark. Employee Organization: AFSCME

Item # 4 Reconvene to Open Session

The Board reconvened to Open Session at 6:14 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 Boorstein/Kelly to Approve the Agenda
Vote: Ayes: Gaffney, Boorstein, Kelly, Sylla Noes: None. Absent: Meigs
The motion passed.

President Gaffney suggested moving item #11 on the agenda to after item #7. The motion as stated above carried with a 4-0 vote. Director Meigs was not present for the vote.

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

Laura Effel, a resident of Larkspur and a representative of the Coalition of Sensible Taxpayers (CO\$T), said that she reviewed the District’s Proposition 218 process and found no issues with their actions. She also clarified that Director Kelly did not participate in deliberations since he is a member of both organizations.

Item # 11 – Consideration of Adopting Resolution No. 19-1557 Approving, Authorizing and Directing Execution of Certain Financing Documents and Directing Certain Related Actions in Connection with a Financing of Up to Thirty-Seven Million Dollars (\$37,000,000) to be Used to Finance Acquisitions and Improvements to the District’s Facilities

Motion: M/s Kelly/Boorstein to Adopt Resolution No. 19-1557 Approving, Authorizing and Directing Execution of Certain Financing Documents and Direct Certain Related Actions in Connection with a Financing of Up to Thirty-Seven Million Dollars (\$37,000,000) to be Used to Finance Acquisitions and Improvements to the District’s Facilities
Vote: Ayes: Gaffney, Meigs, Boorstein, Kelly, Sylla Noes: None. Absent: None
The motion passed.

GM Moore introduced this item and told the Board that these bond funds will be used for: the purchase of 1111 Andersen Dr., the Larkspur Landing Excavation and Remediation Project, and other needed capital projects.

AGM Newhouse introduced the present consultants who helped the District prepare for the upcoming bond sale. President Gaffney explained that the Ross Valley Public Financing Authority (RVPFA) was created to issue previous revenue bonds. Bond Counsel Sean Tierney said that this bond is almost identical from the previous series. The preliminary official statements (POS) took the most time to prepare, but they are near ready for the market. The Board and consultants discussed the likelihood of an increased credit rating, and they agreed that the approval of the new sewer service rates at the June meeting would aid the credit rating significantly. Director Kelly added that CMSA recently approved their five-year rate schedule. Jim Gibbs of Sperry Capital said that they plan to go to market as soon as possible after the next month's meeting.

The Board discussed different early call options for the bonds based on potential sources of revenue. Rob Larkins of Raymond James stressed that those funds should pay back bonds from this or previous series. Director Meigs asked a question about the interest rate. Director Sylla asked staff how much of the funds were going to each of the major projects, and staff provided specific figures. AGM Newhouse noted that some of the bond money will reimburse the cash reserve, per Resolution No. 19-1555.

Minutetaker's Note: The Board adjourned to convene a meeting of the Ross Valley Public Financing Authority (RVPFA) at 6:44 p.m.

Minutetaker's Note: The Board reconvened the Regular meeting at 6:55 p.m.

Rob Larkins discussed current market trends and confirmed that this is a good time for the District to enter a bond sale. President Gaffney requested that the sale is noticed to the community should they want to participate.

The motion as stated above carried unanimously.

Item # 8—Standing Committees Report Out

Finance Committee – President Gaffney and Director Boorstein reported that the Committee reviewed the bond documents, the budget, and the check register.

Central Marin Sanitation Agency (CMSA) – Director Boorstein discussed the needs of Marin Transit's parking needs and the Commission authorized staff to draw up a lease for parking up to 16 buses. He said that he hopes that Marin Transit will introduce electric buses. Director Kelly added that the RVSD's share of CMSA's operating expenses was reduced by approximately one percent.

North Bay Watershed Association (NBWA) – Director Meigs reported that the association finalized the new Strategic Plan. There was a guest speaker, and they are beginning preparation for a conference in 2020.

Ad Hoc Education and Outreach Committee – GM Moore discussed the five commercials being currently aired on Comcast and DIRECTV channels in Marin County. He also told the Board that, with the Committee's permission, he authorized four advertising spots for Warriors games in the Conference Finals for games two through 5.

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

Director Kelly said he ran into a ratepayer in San Anselmo. The homeowner found unanticipated pipes, and the resident said that staff was very responsive.

GM Moore expressed commendation for Inspector Aaron Dillingham, Sasha Amiri-Nair, and Katherine Hayden for above and beyond work related to the paving projects in Larkspur. The Board commented that home-sale ordinance language will likely be adopted by partner agencies in the area.

GM Moore invited the Board to a ribbon-cutting event on June 11th to celebrate the rehabilitation of Pump Stations 12 and 13. It is a pop-up style event, and there will be food provided by some businesses in Bon Air Center.

GM Moore told the Board about the Infrastructure Asset Management Plan (IAMP) kick-off meeting where there were representatives from all the staff divisions.

Director Boorstein thanked staff for helping a resident on Redwood Avenue in San Anselmo.

Item # 10 –Consent Calendar

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

Director Meigs requested to review item 10.b. Staff explained the need for a one-time rental generator for Pump Station 14. The Board asked staff for clarification on specific check register items.

The motion as stated above carried unanimously.

Minutetaker’s Note: The Board took a brief break from 7:36 p.m. to 7:43 p.m.

Item # 12 – Consideration of Approving and Authorizing the General Manager, Upon Review and Approval of Counsel, to Execute a Consultant Services Agreement with Psomas, in the Total Amount of \$618,500, for Construction Management Services for the FY 2016/17 Gravity Sewer Improvements Project – Butterfield/Meadowcroft-Arroyo (Project # 945)

Motion: M/s Boorstein/Sylla to Approve and Authorize the General Manager, Upon Review and Approval of Counsel, to Execute a Consultant Services Agreement with Psomas, in the Total Amount of \$618,500, for Construction Management Services for the FY 2016/17 Gravity Sewer Improvements Project – Butterfield/Meadowcroft-Arroyo (Project # 945)
Vote: Ayes: Gaffney, Boorstein, Kelly, Sylla, Meigs Noes: None. Absent: None. Abstain: None.
The motion passed.

GM Moore told the Board that the next two items are related. While this is one of the biggest construction management contracts, it is an appropriate 11% of the total project cost. The Board discussed specific constraints that the consultant will have to manage.

Director Boorstein told the Board that the Finance Committee learned that the company Psomas bought Covello. The Construction Manager for Psomas, Justin Seufert, has experience and a good rapport with people in the District. Director Meigs gave Mr. Seufert kudos for how he handled a situation on a project in Fairfax.

The motion as stated above carried unanimously.

Item # 13 – Consideration of Awarding and Authorizing the General Manager, Upon Review and Approval of Counsel, to Execute Construction Contract for the FY 2016/17 Gravity Sewer Improvements Project – Butterfield/Meadowcroft-Arroyo, with K.J. Woods Construction, Inc., in an Amount Not to Exceed \$5,338,000 (Project # 945)

Motion: M/s Sylla/Boorstein to Award and Authorize the General Manager, Upon Review and Approval of Counsel, to Execute Construction Contract for the FY 2016/17 Gravity Sewer Improvements Project – Butterfield/Meadowcroft-Arroyo, with K.J. Woods Construction, Inc., in an Amount Not to Exceed \$5,338,000 (Project # 945)
Vote: Ayes: Gaffney, Boorstein, Kelly, Sylla, Meigs Noes: None. Absent: None. Abstain: None.
The motion passed.

GM Moore told the Board that this project received four competitive bids. The lowest bid, offered by the firm KJ Woods, is slightly below the engineer’s estimate. Director Sylla asked a question to Technical Services Manager Katherine Hayden about the bid process. GM Moore told the Board that this project is being moved up to cooperate with the Town of San Anselmo.

The motion as stated above carried unanimously.

Item #14— Consideration of Authorizing the General Manager, Upon Review and Approval of Counsel, to Execute a Joint Construction and Hold Harmless Agreement with the Town of San Anselmo, for \$56,810, for Roadway Improvements Facilitating Construction of the FY 2016/17 Gravity Sewer Improvements Project – Butterfield/Meadowcroft-Arroyo in Coordination with the Town of San Anselmo 2019 Pavement Rehabilitation Project Phases 1A and 1B

Motion: M/s Kelly/Boorstein to Authorize the General Manager, Upon Review and Approval of Counsel, to Execute a Joint Construction and Hold Harmless Agreement with the Town of San Anselmo, for \$56,810, for Roadway Improvements Facilitating Construction of the FY 2016/17 Gravity Sewer Improvements Project – Butterfield/Meadowcroft-Arroyo in Coordination with the Town of San Anselmo 2019 Pavement Rehabilitation Project Phases 1A and 1B
Vote: Ayes: Gaffney, Boorstein, Kelly, Meigs, Noes: None. Absent: None. Abstain: None.
The motion passed.

Ms. Hayden told the Board that this was scheduled to be completed in one project, but it moved to two projects. She clarified the Board that the price of the pavement is fixed and not subject to the bidding process.

The motion as stated above carried unanimously.

Item #15— Consideration of Authorizing the General Manager, Upon Review and Approval of Counsel, to Execute Construction Contract for the Larkspur Excavation and Remediation Project, 2000 Larkspur Landing Circle, Larkspur, CA, with ERRG Inc., in an Amount Not to Exceed \$8,802,587, and to Approve the CEQA Addendum for the Larkspur Excavation and Remediation Project

Motion: M/s Kelly/Sylla to Authorize the General Manager, Upon Review and Approval of Counsel, to Execute Construction Contract for the Larkspur Excavation and Remediation Project, 2000 Larkspur Landing Circle, Larkspur, CA, with ERRG Inc., in an Amount Not to Exceed \$8,802,587, and to Approve the CEQA Addendum for the Larkspur Excavation and Remediation Project
Vote: Ayes: Gaffney, Boorstein, Kelly, Meigs, Sylla Noes: None. Absent: None.
The motion passed.

GM Moore reminded The Board that the District received EPA approval earlier this year to remove soil with contaminants from the Larkspur Landing site. The remediation is set to occur this summer. Kennedy Jenks, an engineering firm, is experienced in soil remediation and will offer consultation.

GM Moore told the Board that this project received six bids which were opened on May 3rd. The bids were widespread, and the process to attain a permit from the City of Larkspur is going well. Staff is set to go before the Planning Commission on May 28th. The RVSD Operations crews are expected to remain onsite. The EPA will be closely monitoring this process, and a small fraction of the removed soil will need dispatching to a hazardous waste landfill. GM Moore told the Board that Todd Miller of Kennedy Jenks worked on projects with the two lowest bidders and ERRG Inc. is accustomed to high-profile soil remediation projects.

The motion as stated above carried unanimously.

Item #16— Consideration of Accepting the Draft Fiscal Year (FY) 2019/20 Budget

Motion: M/s Kelly/Boorstein to Accept the Draft Fiscal Year (FY) 2019/20 Budget
Vote: Ayes: Gaffney, Boorstein, Kelly, Meigs, Sylla Noes: None. Absent: None.
The motion passed.

President Gaffney said that the Finance Committee reviewed this document with a number of small comments. GM Moore told the Board that AGM Newhouse facilitated department meetings to go line by line to find redundancies and improve the overall budget. AGM Newhouse expressed appreciation for Melvin Garcia and Katherine Hayden for their hard work on this draft. President Gaffney said he was impressed by the addition of the capital project sheets.


AGM Newhouse said that staff is available for specific questions before the June Board meeting. The motion as stated above carried unanimously. Director Sylla asked a question about the Comcast lease revenue and the Sewer Service Charge Assistance Program. Director Meigs asked for staff to redline the budget changes between the versions. Member of the Public, Stephen Keese, asked for clarification about the Outside Services budget. The Board decided to change the motion to reflect the Board received the draft budget.

The revised motion as stated above carried unanimously.


Item #17– Informational Items

The Board discussed the monthly performance metrics. Director Meigs asked for reporting information about lateral replacements and the grant program. GM Moore agreed that is an important metric to track.

Adjourn: The Board adjourned at 8:36 p.m.



Mary Sylla
Secretary of the Board

Submitted by: 
Clerk of the Board _____