

**ROSS VALLEY SANITARY DISTRICT
FINANCE COMMITTEE SPECIAL MEETING
NOTES**

Tuesday, May 14, 2019
11:00 a.m.

2960 Kerner Blvd.
San Rafael, CA

Directors Present: Thomas Gaffney
Michael Boorstein
Doug Kelly (arrived 12:00 p.m.)

Directors Absent: None

Staff and Steve Moore, General Manager
Consultants Present: Felicia Newhouse, Assistant General Manager
Julia McEntee, Clerk of the Board
Melvin Garcia, Accounting and Financial Analyst
Martha Vujovich, Sperry Capital
Jim Gibbs, Sperry Capital
Sean Tierney, Hawkins Delafield & Wood
Emily Giles, Raymond James

Public Present: None

Item # 1 – Call Meeting to Order The meeting was called to order by President Gaffney at 11:08 a.m.

Item # 2 - Approval of Agenda The Committee approved an amended agenda to move item #7 to after item #2 in order to benefit the present consultants.

Item # 7 – Review of May 15, 2019, Agenda 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

President Gaffney asked the consultants and staff how they came to the total of \$37 million for the bond. Jim Gibbs said that the total is conservative. The Committee discussed early call dates, types of potential bonds, and the financial atmosphere for this bond sale. Emily Giles from Raymond James gave a short presentation about market updates, and the conditions are favorable for the District.

Item # 3 – Review of April 16, 2019, Finance Committee Meeting Notes

The Committee approved the Finance Committee notes from April 16, 2019.

Item # 4 – Review of May 15, 2019, Agenda Item 10.b.: Accept the Interim Financial Statements of March 2019

The Committee discussed the monthly check register and the projected tax revenue. The Committee discussed the Board compensation section and recent lateral replacement grants.

Item # 5 – Review of May 15, 2019, Agenda Item 10.d.: Authorize Staff to Reimburse the City of Larkspur, Town of San Anselmo, and County of Marin for Sewer Frame and Cover Adjustments on Paving Projects in a Total Amount Not to Exceed \$121,900

GM Moore told the Committee that this item is related to the imminent street paving in San Anselmo. The Committee discussed the scope of work and the condition assessment efforts completed ahead of the paving.

Item # 6 – Review of May 15, 2019, Agenda Item 10.e.: Approve Purchase of Manhole and Rod Hole Frame and Covers in the Total Amount Not to Exceed \$60,000

GM Moore and the Committee discussed the manhole covers and the options for the logo to be imprinted on them.

Item # 8 – Review of May 15, 2019, Agenda 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)

President Gaffney inquired if the District has previously worked with Psomas, and he responded that the company recently bought Covello, so there are many of the same people that the District has collaborated with on previous capital projects. The Committee discussed the number of bids, after hours construction assistance, and the construction manager, Justin Seufert.

Item # 9 – Review of May 15, 2019, Agenda 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)

GM Moore told the Committee that this item goes hand in hand with the construction management agreement. The Committee discussed the nine-week time window to complete this project while school is not in session.

Item #10 - Review of May 15, 2019, Agenda 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

The Committee discussed the needed capital projects in items #10 and #11 at the same time. They received several favorable bids. This is favorable news in this competitive bid climate.

Item # 11 – Review of May 15, 2019, Agenda 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

The Committee discussed this item at the same time as item #10.

Item # 12 – Review of the May 15, 2019, Agenda Item 16: Consideration of Accepting the Draft Fiscal Year (FY) 2019/20 Budget

The Committee confirmed that they are not approving the final budget; that will come before the Board next month. The Committee discussed the budget planning process and other details of the draft budget. AGM Newhouse made a point of information to the Committee that the cost-of-living increase is set at 4 percent.

Adjourn: The Committee adjourned the meeting at 12:28 p.m.