

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

Wednesday, May 20, 2020
5:00 PM

Via GoToMeeting

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
Stephen Miksis, Operations and Maintenance Manager
Melvin Garcia, Finance Supervisor
Jill Barnes, Project Manager
Jasper Jacobs, CalPERS
Matt Goss, CalPERS

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 Boorstein at 5:02 p.m. The Clerk of the Board called roll. The Board recited the Pledge of Allegiance.

Item # 2 – Approval of Agenda

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

The Board agreed that the Board should discuss Item 10 after Item 3 to accommodate the present consultant, Jill Barnes.

The motion as stated above carried unanimously via a roll-call vote.

Item # 3 – Open Time for Public to Raise Items Not on Agenda or for Future Agendas

There was no public comment or requests for future agendas.

Item # 10 - Consideration of Authorizing the General Manager, Upon Review and Approval of Counsel, to Execute Task Orders 9 and 10 with Jill Barnes Consulting, in the Total Amount of \$173,863 for Project Management Support Services on the FY 2019/20 Force Main Appurtenances Project (Project No. 960), and Laurel Grove Sewer Rehabilitation Project (Project No. 949)

<p>Motion: M/s Kelly/Gaffney to Authorize the General Manager, Upon Review and Approval of Counsel, to Execute Task Orders 9 and 10 with Jill Barnes Consulting, in the Total Amount of \$173,863 for Project Management Support Services on the FY 2019/20 Force Main Appurtenances Project (Project No. 960), and Laurel Grove Sewer Rehabilitation Project (Project No. 949)</p>
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<p>Vote: Ayes: Gaffney, Boorstein, Kelly, Meigs, Sylla. Noes: None. Absent: None. Abstain: None</p>
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<p>The motion passed.</p>

GM Moore introduced this item to the Board and described the day to day capital project coordination being completed by Jill Barnes. She is assisting a short-staffed engineering department. The project is currently out to bid, and they will be opened on May 21. He also told the Board that Ms. Barnes was available to answer any questions from the Board. He told the Board that she has managed projects for the District since 2016, including two delicate projects that required communication with the County and residents.

Director Meigs asked if there was a way for the District to share costs with the County. GM Moore responded that, while the jurisdictions overlap, the District is required to pay for the infrastructure we are disrupting. Director Meigs clarified that she was asking specifically about the street paving.

President Boorstein told the Board that the Finance Committee also discussed this item. The motion as stated above carried unanimously via a roll-call vote.

Item # 4 – Committees Report Out

Finance Committee – Director Gaffney reported that the Committee reviewed the monthly financials, the CEPPT trust item, and the draft budget at great length.

Central Marin Sanitation Agency (CMSA) – Director Kelly reported that the Commission discussed the continued emergency, the final design for a system engine, and the response to the recent Marin County Civil Grand Jury report. President Boorstein added more detail about the engine providing energy for future PG&E PSPS shutoffs.

North Bay Watershed Association (NBWA) – Director Meigs reported that the association is currently hiring a new director, they briefly discussed the budget, and there was a presentation discussing a regional watershed plan. GM Moore gave a brief history of coordinated water management efforts to fund projects.

Item # 5 - Verbal Report by Board Members and Requests for Future Items

Director Meigs asked for a discussion of next steps regarding the Larkspur Landing property; she wanted clarification on the timeline and the benefits of selling and leasing.

Director Kelly asked if there were any updates from the 1111 Andersen building lease discussions. President Boorstein reported that the Facilities Committee met on May 19. He told the Board that staff has not been able to access the building, but hopefully there will be more to report by the June meeting. Director Gaffney added that the intent is to complete the architectural plans while seeking a lease with Comcast. Director Kelly clarified that the lease agreement would appear before the Board, and GM Moore confirmed.

Item # 6 - Verbal Report by General Manager

GM Moore reported that the City of Larkspur agreed to allow the resumption of the Larkspur Landing soil remediation project beginning June 1. It should be completed this summer.

He told the Board that the request for qualifications (RFQ) was submitted to Bay Area realty organizations and companies in Marin for real estate consulting services. This complies with an item in this year’s business plan. The submittals are due June 29, and they will assist the District in managing the project for the disposition of public land. The goal is to select the consultant at the August Board meeting.

GM Moore told the Board that he was approached by the Friends of the Corte Madera Creek about the safety of the creek for swimming. He asked the General Manager of CMSA to help coordinate a pilot sampling program which will eventually be handed to the County. Director Kelly added that, if the results are positive, it may be due to efforts from RVSD and its partners.

Item # 7 – Consent Calendar

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

Director Kelly asked to discuss Items 7.c. and 7.d. He expressed his support of the SmartCover purchase. GM Moore said that these SmartCovers reduce on-call staff hours. The Board then discussed the status of Item 7.d.

Director Meigs asked for clarification on Item 7.b. regarding the monthly cost of the phone and internet bill. AGM Newhouse said she would look into it.

The motion as stated above carried unanimously via a roll-call vote.

Item # 8 – Consideration and Approval of the Establishment of a California Employers’ Pension Prefunding Trust (CEPPT) Account with CalPERS for the Purpose of Prefunding the Ross Valley Sanitary District’s Required Pension Contributions and Authorize an Initial \$450,000 Payment to Open the Trust Account

<p>Motion: M/s Gaffney/Kelly to Approve the Establishment of a California Employers’ Pension Prefunding Trust (CEPPT) Account with CalPERS for the Purpose of Prefunding the Ross Valley Sanitary District’s Required Pension Contributions and Authorize an Initial \$450,000 Payment to Open the Trust Account</p>
<p>Vote: Ayes: Gaffney, Meigs, Boorstein, Sylla, Kelly Noes: None. Absent: None. Abstain: None</p>
<p>The motion passed.</p>

President Boorstein told the Board that the Finance Committee discussed the item at length, and there are consultants from CalPERS to give a presentation. AGM Newhouse told the Board that the District opened a CERPT trust in 2014, and the proposed CEPPT trust would act in a similar way. It is an investment account to park intended contributions toward the pension liability, where it could possibly gain interest.

AGM Newhouse introduced Jasper Jacobs and Matt Goss from CalPERS. They gave a short presentation to the Board detailing the performance of a CEPPT trust, its advantages, and the availability of support. AGM Newhouse added that the District can take out funds from this account unlike other CalPERS funds.

Director Gaffney said that, in the Finance Committee meeting, they discussed investment strategy and the likelihood of a reasonable rate of return. He also said that the trust allows the District to invest the set amount quarterly basis rather than an annual lump sum. President Boorstein added that there are more tools to maximize benefits. The Board asked the consultants questions related to potential fees.

The motion as stated above carried unanimously via a roll-call vote.

Item # 9 - Discussion and Possible Direction Regarding Request for Lateral Replacement Grant

GM Moore introduced the item and described the situation regarding Mollie Cummings’s lateral grant request from the April Board meeting. The Board discussed the program exemption for emergency work and the evolution of the program. GM Moore told the Board that the District issues twenty grants per month on average.

Director Gaffney said that he requested for this item to appear on the agenda to review the situations in which homeowners typically replace their laterals and therefore seek grant funding. He also wanted to confirm that there was appropriate leeway for emergency work. However, he does not see how the District could revise the program to include the parameters for this request. President Boorstein added that the current program works well for most people.

Director Sylla asked about the current program budget and whether Ms. Cummings has followed up with staff. GM Moore said that staff has not heard from her since last month. President Boorstein said there is not anything to consider based on the qualifications of the ordinance. Director Sylla responded that there is not anything to consider, but she would be open to an exception if Ms. Cummings submitted a complete application.

Director Meigs said that she received emails from Ms. Cummings, and her personal situation indicates that she needs these funds. She asked if there was a process to appeal based on the time frame. Director Kelly asked if Ms. Cummings knew this item was on the agenda, and Director Meigs said yes, but thought she may have given up. President Boorstein said that she brought it before the Board, so it is now a Board issue. He and Director Sylla discussed situation that may arise from granting this exception. Director Kelly asked Director Meigs to follow up with her since they already have a rapport.

There was no Board action taken on this item, it is for discussion and possible direction only.

Item # 11 - Consideration of Accepting the Draft Fiscal Year 2020-21 Fiscal Budget

Motion: M/s Sylla/Gaffney to Accept the Draft Fiscal Year 2020-21 Fiscal Budget
Vote: Ayes: Gaffney, Meigs, Boorstein, Sylla, Kelly Noes: None. Absent: None. Abstain: None
The motion passed.

GM Moore introduced this item and gave an overview of the draft budget. He assured the Board that this was only a draft, and there was no intention to approve the final until the next regular meeting. The Board discussed the operating and capital budget overviews, the five-year plan, the potential of a future pay-go capital program, and the budget planning process. GM Moore made note of last year’s classification and compensation study and its effect on the draft operating budget.

O&M Manager Stephen Miksis told the Board about the equipment requests in the budget. AGM Newhouse reviewed the application for SRF funding; it received the highest points possible. She also made note about the grant program budget and asked the Board to consider an increase due to the effective annexation of Murray Park in the upcoming fiscal year.

Director Gaffney gave his notes on specific budget items, and the Board discussed salary increases and projected COLA increases. AGM Newhouse said that the District may come in under budget due to staff vacancies.

Director Kelly asked about the equipment rental budget, and Mr. Miksis responded that it is based on the rental costs for generators during potential PG&E PSPS events. GM Moore said that the District plans to rent generators for cost efficiency, but two of them are also being replaced in key pump stations.

Director Meigs asked about the overtime costs. AGM Newhouse explained that the current year budget was underestimated, so the proposed figure looks especially high. However, she still plans to reduce it for the final budget. Director Gaffney asked why overtime costs were high, and Finance Supervisor Melvin Garcia said that it was mostly due to wet weather events and PSPS shutoffs.

Director Meigs asked whether the District intends to seek future bonds, and AGM Newhouse said no, the revenue gains in this draft relate to the potential SRF loan. She also clarified that the five-year plan does not include the disposition of the Larkspur Landing property. The motion as stated above carried unanimously via a roll-call vote.

Item # 12 - Consideration of Approving Response to Marin County Civil Grand Jury Report, Follow-up Report on Web Transparency of Agency Compensation Practices

Motion: M/s Kelly/Gaffney to Approve Response to Marin County Civil Grand Jury Report, <i>Follow-up Report on Web Transparency of Agency Compensation Practices</i>
Vote: Ayes: Gaffney, Meigs, Boorstein, Sylla, Kelly Noes: None. Absent: None. Abstain: None
The motion passed.

AGM Newhouse introduced this item and told the Board that the District received this report regarding Board compensation concluding that this information was not easy to find on our website. She said that GM Moore worked with NV5 to answer most of the issues immediately, and this response is due within 90 days, which would be July 28, 2020.

GM Moore said that he worked to make the website consistent with other agencies, and he appreciated the direction to standardize websites. He told the Board that the District quickly embedded these changes.

Director Kelly gave comments on the annual reporting request. Member of the public, Stephen Keese, agreed that the Grand Jury did not go far enough in their recommendation for reporting.

The motion as stated above carried unanimously via a roll-call vote.

Item # 13 - Review and Determine a Need to Continue the Emergency Action Adopted in Resolution No. 20-1581 Declaring a State of Emergency and Authorizing Expenditures Related to the Global Coronavirus Disease 2019 (COVID-19)

Motion: M/s Kelly/Sylla to Determine a Need to Continue the Emergency Action Adopted in Resolution No. 20-1581 Declaring a State of Emergency and Authorizing Expenditures Related to the Global Coronavirus Disease 2019 (COVID-19)
Vote: Ayes: Gaffney, Boorstein, Kelly, Meigs, Sylla. Noes: None. Absent: None. Abstain: None
The motion passed.

The Board acknowledged that this item needs to appear each month. Director Sylla asked if there has been capital work done with no public bids. GM Moore responded that there is an emergency situation that warrants that situation, but staff will bring it forth at an upcoming meeting.

AGM Newhouse detailed the efforts and expenditures that the District undertook because of COVID-19 including increased janitorial services protective equipment, and the shift to online permit requests.

President Gaffney said that we are still in the middle of a pandemic; there is no reason to close this emergency prematurely in case of something unforeseen. The Board discussed the latest health order and the volatility of the current environment.

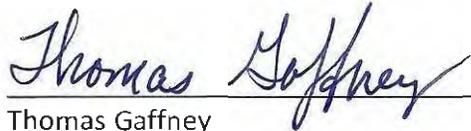
The motion as stated above carried unanimously via a roll-call vote.

Item # 14 — Informational Items

Director Sylla congratulated staff on a no spill month. Stephen Miksis said the is proud of Operations Supervisors and Collection System Workers; they went above and beyond. GM Moore told the Board how operations staff shifted to the most essential duties, line maintenance and pump station maintenance. The other operations departments will now resume with new signage and social distancing protocols.

Director Gaffney asked a clarifying question regarding the process after a lateral inspection fails.

Adjourn: The Board adjourned at 7:31 p.m.



Thomas Gaffney
Secretary of the Board

Submitted by: 

Clerk of the Board