

**SANITARY DISTRICT NO. 1 OF MARIN COUNTY
REGULAR BOARD MEETING MINUTES**

Wednesday, April 20, 2010
6:45 p.m.

School District Board Meeting Room
750 College Avenue
Kentfield, CA

Members Present Patrick Guasco, President
Marcia Johnson, Secretary
Sue Brown
Steven Vanni
Peter Sullivan (6:53 p.m.)

Members Absent: None

Staff Present: Brett Richards, General Manager
Bridget Wilson, Business Manager
Wendy Miller, Accountant Manager
Michelle Kenyon, District Counsel
Randell Ishii, District Engineer
Dennis Gavallos, Program Coordinator
Kimberly Israel, Safety Coordinator
Eva Waskell, Recording Secretary
ADSI Security Guard

Public Present: The name reflected is the one who signed in on the attendance sheet: Bernie Del Santo. However, there were seven (7) additional members of the public present.

Item #1-ORDER The meeting was called to order by President Guasco at 6:45 p.m. President Guasco then led the Pledge of Allegiance. Roll call was taken and a quorum was present.

President Guasco read aloud Resolution No. 09-1339, the Board's policy on Board meeting decorum, which was posted at every Board meeting. This policy includes a maximum time of three minutes per comment from the public.

Item #2-APPROVAL OF AGENDA General Manager Richards requested that Informational Item A, the letter from Campus St. James attorneys, be moved to the beginning of the meeting.

M/S Brown/Johnson to approve the Agenda as amended. The motion carried unanimously.

Item #3-OPEN TIME FOR COMMENTS FROM THE PUBLIC Bruce Baum, 1165 Butterfield Road, San Anselmo, reported the closure of Ross Valley Sanitary District's sanitation-garbage contract with Sleepy Hollow and Oak Manor. Mr. Baum noted that a lowball contract bought the business for a hauler. The new contract approved by the County Board of Supervisors represented a 19.61% increase, and the franchise fees went from 5% to 15% without any of the voter's acknowledgement that this was happening. He pointed out that this contract was given to the county just prior to the 2006 election. Three days after the contract was given to the county, some of our Board members who were running for reelection

received over \$100,000 in campaign contributions from the hauler. But that period of RVSD was over, Mr. Baum said. There's one member left that fortunately will no longer be with us in July and we're not going to miss Mr. Vanni.

Item #4-CONSENT CALENDAR The Board reviewed the Consent Calendar:

- a) Approve the Regular Meeting Minutes of January 20, 2010
- b) Approve the Regular Meeting Minutes of February 17, 2010
- c) Accept Financial Statements – March 2010
- d) Approve Progress Billing No. 1 for 2960 Kerner Blvd., San Rafael Fence Project in the Amount of \$ 34,370.10

Director Johnson requested that Item 4b of the Consent Calendar be pulled.

Director Sullivan arrived at 6:53 p.m.

Director Johnson made minor changes in the fifth paragraph on page 11 of the February 17, 2010 minutes.

M/S Johnson/Brown to approve Items 4a, 4c and 4d of the Consent Calendar as submitted and Item 4b as amended. The motion carried unanimously.

General Manager Richards wanted it on the record that the Campus St James group chose to end the Option Agreement and Contract for Sale of the 2000 Larkspur Landing Circle property. This completely freed up the land and ended eleven years of what was a very cumbersome deal. Staff and the District were *eagerly* looking forward to moving on from whatever had happened before Mr. Richards arrived and whatever had happened during the last eleven years. We're happy to have our land back.

Bruce Baum, 1165 Butterfield Road, San Anselmo, noted that there have been newspaper reports that some contamination was found on the property. He wanted to be clear that RVSD was committed to cleaning up any hazardous waste that may be on the property.

Mr. Richards said that over the next six months to a year, staff was going to be bringing a number of options to the Board regarding what they would chose to do next. No hazardous waste was spilled or dumped on the property in any way. That's critical. There's a hazardous product that was *on* the property and placed there intentionally as part of a grading plan. So given the termination of the Campus St James agreements, it was clearly our obligation to make whatever decisions come next, including what would happen with that product that's on the land.

Mr. Baum asked if the District was committed to do whatever was right to make the property saleable. Mr. Richards said it wasn't his prerogative to say that. But anything staff offers to the Board will absolutely be in accordance with the law.

President Guasco asked what the product on the property was and how hazardous it was. Mr. Richards pointed out that there's a difference between a spill and a project. For example, suppose there was a PG&E yard that had been in the same location for decades and had housed things on the property that contained the different kind of oils and other materials they

use, like transformers. If that leaked out, it would be a hazardous spill. That's not at all what happened at 2000 Larkspur Landing Circle. In our case, there was paint from the 1940s on the buildings on the property. This paint used an elasticizer made by Monsanto. The District would demolish the buildings and use them as fill on the property as part of a grading plan. The EPA clearly considers this non-liquid building debris. It is *not* a spill. It is *not* a dumpsite. The product was used for a reason and it happened to have things in it that were fine 50-60 years ago and were not fine today.

Item #5-AUTHORIZE BOARD MEMBERS' AND STAFF'S ATTENDANCE AT THE SPECIAL DISTRICT & LOCAL GOVERNMENT INSTITUTE'S ADMINISTRATION SEMINAR IN SAN DIEGO, CA

General Manager Richards reviewed the staff report and said that this item represents a continuing step in our goal to attempt to reach the District of Distinction status offered to districts that meet certain criteria. His goal was to get as many Board members and key staff as possible to attend all three seminars (on administration, governance and finance) so they can receive a certificate.

After a short discussion, M/S Johnson/Sullivan to authorize Board Members' and Staff's Attendance at the Special District & Local Government Institute's Administration Seminar in San Diego, CA. The motion carried unanimously.

Item #6-CONSIDERATION OF RECALCULATION OF EDUS FOR HALF DAY CAFÉ

General Manager Richards reviewed the staff report and explained the background surrounding the need to recalculate EDUs because of the discrepancy between what the Half Day Café was actually using in terms of water and what they were paying for using. He commented that this case was similar to what the Board did with Marin General Hospital and the EAH senior housing project.

President Guasco remarked that in his experience in Sausalito it was not unusual to adjust usage due to leaks.

Directors Johnson and Sullivan and District Engineer Ishii briefly discussed details of the leak adjustment and the basis of the high strength factor. Director Johnson said she would go along with the adjustment but she wanted to be sure that we monitored this in the future so we got the right number.

After a short discussion, M/S Sullivan/Brown to approve staff recommendation to recalculate the EDUs for Half Day Café and direct staff to bring a revised sewer service charge invoice and settlement agreement and release to the next Board meeting. The motion carried unanimously.

Dan Ohlson, the property and business owner of the Half Day Café, said it was a real pleasure working with the District staff on this. They were very nice people.

Item #7- REQUEST FROM PROPERTY OWNERS OF 242 THE ALAMEDA, SAN ANSELMO, FOR RETROACTIVE LATERAL REPLACEMENT GRANT PROGRAM (LRGP) FUNDING

General Manager Richards reviewed the staff report and noted that although the property owners specifically asked that this item be on the agenda so they could plead their case in person before the Board, they were not in the audience tonight. Staff recommended

that the Board not approve the grant retroactively and the Board consensus was in agreement with this position.

Board gave direction to staff to communicate again with the property owners and let them know that this item will be discussed at the May Board meeting.

After a brief discussion, M/S Sullivan/Johnson to table this item and agendaize it for the next Board meeting. The motion carried unanimously.

Item #8-PRESENTATION OF DOCUWARE DATA MANAGEMENT SOFTWARE BY ECHOGLOBAL AND APPROVAL OF THE SUBSCRIPTION AND SET-UP COSTS OF DOCUWARE DATA MANAGEMENT SOFTWARE General Manager Richards reviewed the staff report and noted that the District has been looking at the DocuWare data management software for over a year and staff was really in support of this. He acknowledged that there were a number of programs that did the type of things that the DocuWare program does, but there were really only a couple of programs that were nearly as comprehensive and as competent, based on the demonstrations staff has seen.

Representatives from DocuWare gave a presentation/demonstration and answered numerous questions from Board members and the public for 30 minutes.

Bruce Baum, 1165 Butterfield Road, San Anselmo, had questions about how the DocuWare software scanned documents. He received confirmation that the software worked by looking at zones in the documents for keywords, as opposed to looking through the document for specific words. In addition, the software did not index the entire document; it only indexed zones in the documents, and each different type of document has a different identified zone. Mr. Baum was also told by one of the DocuWare representatives that the company's services included on-site scanning of RVSD's historical documents, that MicroSoft Windows was the platform being used, and that documents would be stored locally on RVSD servers. Mr. Baum clarified that it was the RVSD IT department that would be responsible for backup. A DocuWare representative stated that it was *their* responsibility to consult to make sure that happened and that it's set up properly. Mr. Baum concluded by clarifying that once all of the deliverables were there, DocuWare would turn over responsibility to RVSD's staff.

Bernie Del Santo said he was bothered by the word "certified" that he heard in the presentation; he wanted to know what "certified by the Department of Defense" meant. He noted that government agencies *license* software; they don't *certify* it. The DocuWare representative explained that the Department of Defense had a certificate that was offered to certain vendors who complied with certain rules and a set of standards that apply to security. It's all about security. That's the certificate. He said he would be happy to send a private email with the link to this information to Mr. Del Santo. Mr. Del Santo remarked that he had been in contact with the state on several issues and they said they don't certify anything; they license.

Mr. Del Santo wanted to know how long the monthly usage fee was in effect and if the fee contained an escalating, sliding rule factor. Director Sullivan noted that the District would be locked in for a year and then could renegotiate.

Mr. Baum said that we're really looking at a five-year commitment from the District that will cost roughly \$100,000. However, we're just looking at the services the vendor was going to supply without looking at the cost of the equipment and the hardware, the annual maintenance fees, and any other costs. And we're really talking about two applications, i.e.

work flow and document scanning. He also heard tonight that we would be limited to zone scanning. Mr. Baum recommended that the Board get three proposals and look at them because document management wasn't real sophisticated stuff. It's very basic and companies have been doing it for 20 years. There were a lot of other solutions out there that should be looked at.

In response to questions from Board members who indicated they would like to see a presentation/demonstration of other data management programs in order to make a comparison, Business Manager Wilson noted that last year staff looked at three other products but they didn't have all of the features they wanted. She could lay out all of this comparative information and present it to the Board.

Mr. Richards clarified for Director Johnson that the best time to do the transition to a new data management software would be in the fall. He also recommended that staff bring back the research, background data and information about the DocuWare competitors so the Board had a more thorough overview of what he and the accounting staff looked at over the past year. There was Board consensus to give direction to staff to do this.

The Board took a break from 8:00 p.m. to 8:07 p.m.

Item #9- CONSIDERATION OF FORMATION OF AD HOC 2010 BUDGET FINANCE COMMITTEE General Manager Richards reviewed the staff report and said this was a routine annual occurrence. The purpose of the ad hoc committee was to assist staff with efficiently providing budget information to the Board in the layout it desires.

After a short discussion, M/S Sullivan/Vanni to appoint Directors Guasco and Johnson to serve as an ad hoc 2010 Budget Finance Committee.

Item #10-CONTINUED ANALYSIS OF CAPITAL PIPE BURSTING FEASIBILITY WITH COSTS, SAVINGS AND OPTION FOR A CONSULTANT STUDY General Manager Richards reviewed the staff report and said that staff took another look at their proposal at the Board's request and now has three options for the Board to consider. He also wanted to clarify that one of the four outside consultants contacted regarding doing a study of this issue said that they were not qualified to do it. So staff did not rule out anyone. West Yost said they were unavailable. Brown and Caldwell said the cost of the study would be \$35,000.

Mr. Richards stated that staff felt very strongly about doing the new implementation. But a modified implementation would be taking the current construction crew and some of its equipment, capitalizing on what we already have, and making about a \$380,000 to \$390,000 annual investment into *that crew* for two seasons. He felt that was where we'd hopefully find efficiencies with the program. There will be times when we'll tell that crew that today they go to work on this very urgent matter we discovered with the CCTV work. And it may be two or three days of work. This wasn't a bad thing but it *will* reduce the amount of data we'll get for how effective this pipe crew will be.

Mr. Richards went through a 25-slide presentation entitled "RVSD Capital Pipe Bursting Crew: Different Thinking, Better Results. A copy of this PowerPoint presentation is attached to these minutes.

SLIDE 2 Part I is progress on our Capital Improvement Projects. Part II is just three or four slides describing pipe bursting. Part III is where you're going to see some interesting stuff.

SLIDE 4 This map of the RVSD shows some of the modeling the District has done. A good sewer district models its wastewater infrastructure. Modeling means that you find out where your strengths and weaknesses are, where your system deficiencies are, and what your hydraulic capacities are. He noted that the bright red line is the modeled gravity pipeline. The orange line is the modeled force main pipe. The blue line is the un-modeled gravity pipeline.

SLIDE 5 Your Board and the public has seen this page a number of times. It's going to be a running page that will be continually updated. Note that these are capital projects over the last few years. In the bottom rows you'll see total feet in mainline feet that is the sewer system the District is responsible for. Total feet in lateral feet is private lateral work we do when we do capital projects or work when laterals are in the way. From this year forward that number would also include our lateral grant work. Total pipeline feet is 46,773.

Mr. Richards called the Board's attention to Pump Station No. 10 Project, which has an asterisk beside it, and which represents in-lieu pipe. He wanted the record to reflect that *the 8.86 miles of pipe includes actual pipe put in the ground plus the in-lieu component that the Consent Decree gives the District credit for*. For example, if our average mile of pipe costs approximately \$1.4M to put a mile of pipe in the ground, which it does, if we rehab a sewer lift station and it costs \$1.4M, under the terms of the agreement of the Consent Decree we get credit for one mile of pipe. That's called in-lieu pipe. Mr. Richards wanted to be certain there was no misunderstanding about the fact that *the 8.86 miles represent actual pipe in the ground plus in-lieu pipe*. And then the total expenditures are about \$12.1M. He believes that none of this includes the *very extensive work* the District will be doing over the next two years. That \$12M is going to get real close to \$20M, and the 8.86 is going to get up into the 11 or 12 mile range. So in two seasons, the District is going to significantly add to its capital expenditures and putting pipe in the ground.

In response to questions from Director Sullivan, Mr. Richards said that we're going to keep a live record and also give the Board annual reports so we'll be able to track the work. The District has a 10-year plan right now that staff has modified over the past 15 months. But typically we're going to focus on either the 10-year or the 7-year plan and it will be a rolling plan.

SLIDE 6 Since 2006 the District has replaced a total of 8.86 miles of sewer pipe, including in-lieu footage equaling approximately 1.3 miles; and the District has spent over \$12.1M since 2006.

SLIDE 7 Sewer Mainline Replacement. The second bullet is 1980-2000 and that's 20 miles of pipe. It's there because we have fairly solid evidence that the District did more or less one mile of pipe a year under a pay-as-you-go system—give or take. From 2000-2009, and not counting in-lieu pipe, we've done 12 miles. Other pipelines that would need to be replaced by somebody *other than* a pipe bursting crew would be about seven miles of force main. We're doing a lot of that big work in the next couple of years. Large diameter pipe is typically found in more common right-of-ways and down the middle of roads and/or intersections. That's not our specialty zone. We don't want to be in the specialty pipe bursting business. We want to be in the mass production business, get out on the side street where the pipe is only six to eight inches and we can do 1,500 feet in a project, and get footage changed as quickly as possible.

So by subtracting what we have done and what we would not do, that leaves about 145 miles of District pipe that still needs to be replaced. Mr. Richards qualified this by saying that it's a continuum. Pipe that went in in 1980 is already 30 years old. So as a new year approaches and we're looking at how much pipe needs to be replaced, some pipe that was replaced is becoming eligible to be replaced again. So even though it keeps moving and keeps changing, we know we have about 145 miles of pipe to replace.

In response to a question from Director Sullivan about the life of a pipe, Mr. Richards stated that we err on the side of considering the life of a pipe to be 50 years, unless we have a reason to think otherwise. He also remarked that the HDP pipe being used for the Kentfield Force Main Project is a better quality than what we could have gotten a number of years ago.

Mr. Richards said he'd like the Board *not* to think about this as we're going to start a project, change all the pipe and then finish. That's not going to happen under ideal circumstances. What we're looking for is a program that will increase the amount of pipe we're putting in the ground significantly enough that we're tackling the issue *and* reducing the cost to the District to put the pipe in the ground at an aggressive enough rate that we can say we're doing as well as anybody and better than many. That's what we're shooting for.

SLIDE 8 The District has 145 miles of sewer mains that meet what we think is our criteria, i.e. ten inches in diameter or smaller and still needs to be replaced. At the current pace, the District will need over 70 years to "complete" the upgrading of the sewer system. Sewer districts nationwide need to think creatively to get more pipe in the ground, faster, and at a lower cost per mile to our ratepayers.

SLIDE 11 This animated slide describes the process of pipe bursting. What you're seeing here is mostly underground. There's a sending pit and a receiving pit. The head is being pulled through the pipe and on the backend is a bursting head that is bigger than the pipe. The bursting head breaks the pipe and pushes it out into the surrounding soil to create a tunnel basically. And it's pulling the new pipe right behind it through this tunnel. So with just two excavation pits, you're changing the whole line underground. This is not new. It's been around for some time.

SLIDE 13 Some of the benefits of pipe bursting are faster construction. We believe we can do 350 feet, including manholes and lower laterals, in under three weeks. Our goal is about a mile a year. There's minimal excavation and less traffic redirection or obstruction. And to some degree or other there's easier coordination with other towns and agencies.

SLIDE 14 Typical Direct Cut Construction. This is an example of just about what you'd see with a top cut open excavation. The road is clearly closed.

SLIDE 15 Typical Pipe Bursting Construction. What's missing from this picture is the sending and receiving pits. But other than that, this is what we deal with above ground, i.e. keeping people out of the work area and keeping them safe. Mr. Richards clarified for Director Johnson that there are always issues with sinking, but the pipe bursting process does not create a sinkhole problem.

SLIDE 16 Part III. Staff previously talked to the Board about a full implementation which would be \$700,000. The modified implementation would use our construction crew, add a little to it, and cost less than \$400,000 a year. The study option for \$35,000 is an option as well. In addition, the work that the crew would be doing if they weren't doing the pipe bursting will suffer. But the real question is, is it equitable suffering. Mr. Richards thought that it was since the pipe bursting work does a lot more. But there are repairs that the construction crew makes that this would be a solution for. We're doing the highest and best use.

Staff would prefer a full implementation even if our guestimates are 20% to 30% off, and that's including an \$80,000 contingency. But we're still so far ahead, it's really a fantastic opportunity. And keep in mind that the crew will always be ready for emergencies.

SLIDE 17 Last month staff brought a proposal to your Board to initiate a District pipe bursting crew. Staff left with direction to investigate a study option and bring back the itemized costs.

SLIDE 18 The full implementation, and that's *not* altering what we currently have in the District but starting afresh, is going to be approximately \$700,000 plus or minus, which is very close to *half* of what we spend on average to put a mile of pipe in the ground. This option requires complete start-up costs and we would need to have the Chief of Operations and an Assistant Engineer in-house to be effective with this.

SLIDE 19 The new option that staff came up with is the modified implementation where we would take the District's construction crew and add what we feel was necessary to turn it into a pipe bursting crew. We think we can do that for under \$400,000 annually. This option requires partial start-up costs because we have a bunch of the equipment and it would use most of the existing District construction crew. But we would still need the Chief of Operations and the Assistant Engineer. Regarding the study, we could get one done for about \$35,000 or we could RFP it and maybe see some savings.

SLIDE 21 Mr. Richards said he would like to reinforce that the way business is done nationwide has to change. America has sat on our water and wastewater infrastructure for 50 years telling themselves that some day they need to deal with it. It's here. We don't *have* another generation to wait. He was confident that some jurisdictions will continue to wait but that doesn't mean it's the right decision. Staff's highest recommendation to the Board is that we get a hold of it now and start making aggressive forward progress because it is happening. This is not unique to the Ross Valley; it's everywhere in America.

Director Johnson noted that the permit for CMSA's treatment plant, the plant that the District sends its collected sewage to, was coming up in a year and a half and CMSA has been talking about this at its last several meetings. They already anticipate that one of the things that will be of great interest is blending. So we need to demonstrate to them and have in progress a program that shows we are making aggressive efforts to control I/I in our collection area. Otherwise, bad things could be put on us by an outside agency that won't be something we necessarily want to live with. There will be a better outcome if we act now to take aggressive corrective measures.

Director Sullivan remarked that regardless of this pipe bursting project and the lateral grant program, the District was still going to have *huge* problems with private laterals. It's not like

we're going to be replacing 100 miles of laterals out of the 200 miles we actually have. President Guasco said that the scope of the projects and the replacement of a mile of public sewer a year meant that the District would also be reaching out for the lower laterals while we're doing our projects. This will also be an opportunity for property owners to work on their upper laterals.

Mr. Richards added that with the expected success from putting one crew in the field and what we expect to show the Board over the next couple of years, staff may be back in front of the Board in a few years and ask for a second crew. Director Sullivan said this depends on how well the costs are tracked. Mr. Richards said the costs will be tracked closely.

SLIDE 22 Even if the District had to absorb the full cost of putting this crew in the field every year, it is a necessity, as many of you had just commented. We will add a minimum of one additional mile of pipe replaced every year.

SLIDE 23 So ten years from today, these are some theoretical ideas that *could* become a reality. Ten years from today without a pipe bursting crew, we should expect to have somewhere around 20 miles replaced, which should be about \$28M total; and not adjusted for inflation that's an average of about \$1.4M per mile and about \$2.8M per year. With a pipe bursting crew and not changing any other parameters, we're talking about 30 miles of pipe in that same timeframe for about \$35M total; that's an average of about \$1.17M per mile and about \$2.34M per year. The reason the average cost isn't significantly lower is because we're still assuming the first two miles at \$1.4M.

SLIDE 24 This equals one third more production for \$230,000 less per average mile, not adjusted for inflation.

President Guasco thanked Mr. Richards for the report.

Directors Johnson and Sullivan and Mr. Richards discussed the trade-offs that would be made with the new implementation, the impact it would have on the projects in the Blue Book, and details surrounding the timeline, costs and savings of this approach.

Director Vanni hoped that staff would go forward with the modified implementation to see how it rolls out. He was not in favor of pipe bursting being implemented by Ross Valley. According to the people who do pipe bursting for a living, it was at an all time low right now and getting lower. He also said he didn't understand why West Yost was unavailable to do the study the Board had talked about. So he did some research and discovered that West Yost was contacted about doing the study last Monday and was requested to have something for the District by Friday of last week. So they really didn't have the time to really answer or get back to us with their cost to do the study.

Director Vanni pointed out that pipe bursting uses completely different equipment for different size pipes as you go from four to six to eight to ten-inch pipes. He didn't see those costs in here. He then wanted to know if the District had contacted CSRMA, our insurance carrier, to find out if our rates would most likely go up because there's always the possibility of rupturing gas lines when you do this type of work. He was also concerned that the pipe bursting work would run into rock that was too hard to get around, although potholing and testing would let

us know about this ahead of time. He thought we should check with companies that do this and see how much they would charge to do pipe bursting on a certain size pipe. This was the type of thing he asked for last month, i.e. what the comparables were. Director Vanni thought this was a worthy question, given that the Board was considering buying all of this new equipment. He does agree that the District should be doing pipe bursting if we can save money and get more pipe in the ground; he's all in favor of it. He just thought the District could do it a little more efficiently by hiring it out.

President Guasco said that because the District puts projects out for bids, it already has information and current data regarding costs for a variety of construction approaches. Perhaps Director Vanni could look at this data.

Mr. Richards said that in 2007 the District had two capital works projects that included pipe bursting. Dennis Gavallos, Program Coordinator, supplied details of these projects and reported that the cost for the Tozzi Project was \$179,000 for 179 feet of pipe burst in Ross, and the Crown Road Project with 300 feet of pipe burst cost \$100,000. Mr. Gavallos clarified for President Guasco that in his experience it was a very, very rare instance when there were utility lines crossing the mainlines; it may be more common to see laterals and other services that cross. As far as hard rock goes, remember that when you're pipe bursting, you're bursting in a trench that has already been previously disturbed. You're not changing the grade so you're not worried about getting into rock. The trench has already been dug.

In response to a question from Director Johnson about the point where we would stop to evaluate whether or not to go from the modified to the full implementation, Mr. Richards said that he could only speculate. Staff was asking for two seasons because he knew that within that time he could show that it can be done far more affordably. We may know more quickly than that. Nevertheless, he planned to come back to the Board in January 2011 and tell the Board what we have and talk about the data that's been collected. At that point, it would be the Board's decision regarding whether or not to go another year or another season or to make a transition to a stand-alone crew.

After a lengthy discussion, M/S Johnson/Brown to conceptually approve all aspects of implementing a modified pipe bursting crew using predominantly existing staff, including directing staff to return to the Board with new employee recruitments. Director Vanni voted no. The motion carried.

Item #11- APPROVE SALARY RANGE FOR CHIEF OF OPERATIONS AND AUTHORIZE GENERAL MANAGER TO COMPLETE ALL ADMINISTRATIVE REQUIREMENTS TO FILL THE POSITION General Manager Richards reviewed the staff report and said that a Chief of Operations would be required for the pipe bursting program to succeed. This position also has many other uses, as previously described to the Board at the budget hearing.

M/S Sullivan/Johnson to approve the Chief of Operations salary and authorize the General Manager to complete all administrative requirements to fill the position. Director Vanni voted no. The motion carried.

Item #12-APPROVE SALARY RANGE FOR ASSISTANT ENGINEER AND AUTHORIZE GENERAL MANAGER TO COMPLETE ALL ADMINISTRATIVE REQUIREMENTS TO FILL THE POSITION General Manager Richards said this was identical in every respect to the recruitment in Item 11 and was essential for this job. As outlined before the Board during the

development of the budget, this position represents *significant* savings to the District in terms of real dollars *right now*. Mr. Richards also emphasized that he *cannot* put any more engineering responsibility on the District Engineer who could *not* facilitate the pipe bursting program or become involved in coordinating with homeowners regarding their laterals.

After a short discussion, M/S Johnson/Sullivan to approve the Assistant Engineer salary and authorize the General Manager to complete all administrative requirements to fill the position. Director Vanni voted no. The motion carried.

Item #13-GENERAL MANAGER'S VERBAL REPORT General Manager Richards introduced Kimberly Israel, the new Safety Coordinator, and said that not only did she have a background in wastewater, but she also has a lot of experience in the areas the District was working on. She came up with the idea for the District to put an RVSD ad in the paper on Earth Day, and she worked with Wren Consulting to get it done. Board members welcomed Ms. Israel.

Item #14- BOARD OPEN TIME There were no reports from Board members.

Item #15-CLOSED SESSION The Board adjourned to Closed Session at 9:03 p.m. for

- a) LABOR NEGOTIATIONS pursuant to Government Code Section 54957.6.
Agency Negotiator: Brett N. Richards; Employee Organizations: A.F.S.C.M.E., Felix Huerta; Unrepresented Employees: Mid-Management Group.
- b) CONFERENCE WITH LEGAL COUNSEL -- EXISTING LITIGATION. Subdivision (a) of California Government Code Section 54956.9. Name of Case: CITY OF LARKSPUR, a public entity, Plaintiff, v. ROSS VALLEY SANITARY DISTRICT, a public entity, Defendants, Superior Court of California, County of Alameda, Case No. RG09477828.
- c) Reconvene to Open Session. Report on action taken by the Board during Closed Session, if any, pursuant to California Government Code Section 54957.1.

The Board reconvened to Open Session at 10:00 p.m.

No reportable action was taken during Closed Session.

Item #16-ADJOURN The Board adjourned at 10:00 p.m.

Marcia Johnson
Secretary of the Board