

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

Tuesday, August 7, 2007
6:45 p.m.

Board Meeting Room
1301 Andersen Drive
San Rafael, CA

Members Present: Sue Brown, President
Patty Burke, Secretary
Patrick Guasco
Marcia Johnson
Steven Vanni

Members Absent: None

Staff Present: Paul Causey, Acting District Manager
Eric Stassevitch, District Engineer
Eva Waskell, Recording Secretary

Public Present: The names reflected are those who signed in on the attendance sheet: Vic Canby and Ken Mayer; however, there were three (3) additional members of the public present.

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

Item #2-APPROVAL OF AGENDA M/S Brown/Guasco to approve the Agenda, as submitted. The motion carried unanimously.

Item #3-OPEN TIME FOR PUBLIC Stan Schriebman, 51 Hickory Road, Fairfax, asked the Board to comment about a complaint he heard at the last meeting when someone said the Brown Act was being violated. Mr. Schriebman attended that meeting and didn't recall anything like that taking place. He then asked about the cost per foot to inspect a customer's pipe for breakage, and whether or not a house inspection for pipe breakage is required when a house is bought or sold. Paul Causey, Acting District Manager, said that it costs about \$100-200 for an inspection of a private upper lateral and that a house inspection for pipe breakage is not required when a property is bought or sold in the District. The District is following the work being done on this issue by the North Bay Watershed Association and CMSA. He added that a lateral grant program will be developed in the future to aid citizens who want to repair their laterals.

Vic Canby, 22 Crescent Lane, San Anselmo, asked a question about the District's efforts to reduce pollutants entering the Bay and wondered what the District's obligations were in this regard. He noted that there is already a pending lawsuit No. 62725 (filed in September 2006) related to this matter. Mr. Canby hopes that the District will take administrative action, as opposed to incurring lawsuits, when dealing with situations in the future, like floods in Ross Valley, for example. President Brown told Mr. Canby that she received his email and will make sure we're covered regarding the issue of the District's obligation to reduce pollutants entering the Bay from the Ross Valley. She asked staff, including District Counsel Michelle Kenyon, to look into this matter and get clear about whether or not the District and/or CMSA has such an obligation in the future.

Bruce Baum, 1165 Butterfield Road, San Anselmo, asked Acting District Manager Causey to comment on Items 17b-j of the Campus letter during his staff report.

Item #4-APPROVE REGULAR MEETING REGULAR MINUTES OF JULY 9, 2007 AND SPECIAL MEETING MINUTES OF JULY 12 AND 17, 2007 Director Johnson requested a change to the July 9 Minutes in Item 6 on page 3. Vic Canby, 22 Crescent Lane, San Anselmo, requested a change in Item 10, the addition of District Counsel's explanation. The motion to approve the July 9 Minutes was tabled, pending the Board's review of the changes requested by Mr. Canby in Item 10.

President Brown asked for a change in Item 5 on page 2. M/S Guasco/Johnson to approve the Special Meeting Minutes of July 12, 2007, as amended. The motion carried unanimously.

Director Johnson requested that her name be removed from the list of members of the public and added to the list of Board members in attendance at the meeting. M/S Johnson/Brown to approve the Special Meeting Minutes of July 17, 2007, as amended. The motion carried unanimously.

Item #5-CONSENT CALENDAR The Board reviewed the Consent Calendar:

- a) Approve District Treasurer's Financial Report for June and July 2007 (Lang)
- b) Approve Progress Payments for Capital Improvement Projects:
 - i) FY 2007 Pipeline Replacement Project, Ranger Pipeline, Progress Billing No. 3 in the amount of \$619,463.70
- c) Authorize Acting District Manager to Execute a Modification and Revision to Agreement for Engineering Services with RMC Water and Environment to Extend the Time for Performance to December 31, 2008
- d) Authorize the Acting District Manager to Issue a Request for Proposal for Engineering Design Services for the Creek/Cascade Capacity Improvement Project
- e) Authorize the Acting District Manager to Issue a Request for Proposal for Engineering Design Services for the William/Holcomb/Meadowood Capacity Improvement Project
- f) Accept Public Sewer Extension No. 385-45 Bosque Avenue, Fairfax

Bruce Baum, 1165 Butterfield Road, San Anselmo, requested that Items 5a, 5b (checks #33224 and #33252) and 5c be pulled from the Consent Calendar.

M/S Johnson/Burke to approve Consent Calendar, as amended. The motion carried unanimously.

Bruce Baum, 1165 Butterfield Road, San Anselmo, inquired about another \$50,000 for soil remediation and asked if we're finished. Acting District Manager Paul Causey said no. He went on to explain that the two checks are for work under the existing contract for about \$160,000 that was approved in May. Its continuing work that includes up to the maximum of 1,200 cubic yards of remediation required at the site. The 1,200 limit has been reached, so we're working with the City of Larkspur to see where we go next. The City of Larkspur has stopped work on the site.

Mr. Baum pointed out that Item 5c is a modification and revision of an agreement and wondered if it's a new contract. In view of this, he said that Item 5c should be an agenda item rather than on the Consent Calendar. District Engineer Stassevitch and Mr. Causey pointed out that this is not a new contract; it just requires a modification of the termination date. They explained how the costs were allocated, including the addition of new task 5 (tasks 1-4 have been completed) which costs approximately \$135,000 and uses the existing budgeted funds.

Director Guasco asked if this contract included the CCTV extension or assessing the CCTV work. Mr. Stassevitch said that is a different contract. Director Guasco was concerned about moving aggressively on the CCTV work while simultaneously thinking about consolidation, and wondered if we've bitten off more than we can chew. Mr. Causey explained that the District is working with San Rafael on CCTV collection work, perhaps even letting San Rafael piggy back on the District's CCTV contract, in order to submit data to CMSA which will conduct the 10% condition assessment for the consolidation evaluation report.

Director Johnson said she was confused about the many jurisdictions becoming involved in the District's 5-year plan. She had questions about the structure of all this and wondered if it would slow down the District's CCTV work. Mr. Causey noted that a document would lay out the terms and conditions of anything done with San Rafael, and he thought it would work together. Doing the CCTV work creates far-reaching benefits for the District. For example, if

we do consolidation and already have a lot of CCTV work completed, we've added more value to our assets. Furthermore, CMSA will pay for the condition evaluation work from CCTV and the CMSA Board will have to determine the compatibility of the two systems. Mr. Stassevitch added that this work will basically help the consolidation evaluation go forward and won't jeopardize the District's goals or affect the capital improvements plan. He said we do have some control over how fast the CCTV work is done.

Director Johnson observed that if RMC is going to do some kind of middle-person work and help us with oversight and getting the system in, and our contract might include San Rafael, could San Rafael pay an appropriate and proportional cost of the RMC contract because they might benefit from it? Mr. Causey said we can look at that.

Mr. Stassevitch stressed that the CCTV work is necessary to evaluate the District's system and is the basis of how we move forward in our planning process. President Brown said that \$135,000 for 18 months of work is very important, and even if the comparison isn't paid by CMSA, it's not an obstacle to our moving forward. Jason Dow, General Manager of CMSA, said that the CMSA Board will pay for consolidation costs associated with professional services. The CCTV contractor wasn't envisioned as a professional service. The condition assessment that HDR will likely perform would be paid for by CMSA as a professional service. Some of this overlaps with the discussion of the RMC contract, but some of the elements still need to be worked out between the agencies.

Bruce Baum, 1165 Butterfield Road, San Anselmo, asked for clarification of the 10% sample size and wondered if San Rafael might take samples of the best part of their system. Mr. Causey replied that there are ways to deal with this possibility, and emphasized that the District wants to give enough data to CMSA so they can evaluate the two systems and put a dollar value on getting them to the same condition level.

M/S Guasco/Burke to approve the District Treasurer's Financial Report for June and July 2007, and to authorize the Acting District Manager to execute a Modification and Revision to Agreement for Engineering Services with RMC Water and Environment to extend the time for performance to December 31, 2008. The motion carried unanimously.

Item #6-CONSIDERATION OF ADOPTION OF RESOLUTION NO. 1291 APPROVING AND ADOPTING FY 2007/2008 BUDGET Acting District Manager Causey reviewed the staff report and stated that although significant changes in this budget have changed the overall picture, the District would have \$17M in reserves at the end of the fiscal year. Future budgets will have a detailed budget for each project. He acknowledged that some of the information in the current budget is confusing and may not provide enough detail for the Board to make a decision tonight. Therefore, he recommended that the Board establish an ad Hoc Committee (two Board members, including the treasurer) to work with staff. He asked Board members to submit their questions to him, and noted that it is hoped the Board can adopt the budget at the September meeting. President Brown suggested adding Director Johnson to the ad Hoc Committee.

After a brief discussion, M/S Guasco/Johnson to establish an ad Hoc Committee to review the budget, incorporating the comments and concerns of all Board members to be submitted in writing to staff. The motion carried unanimously.

Item #7-AUTHORIZE ACTING DISTRICT MANAGER TO EXECUTE PROFESSIONAL SERVICES AGREEMENT TO IMPLEMENT WEBSITE UPGRADES WITH LIFELIKE CONSULTANTS, LLC FOR AN AMOUNT NOT TO EXCEED \$9,975 District Engineer Stassevitch reviewed the staff report and said that since all the proposals addressed our needs, he had to find differentiators. What made LifeLike Consultants stand out was the fact that they: 1) responded with an upgraded District website which was backed up in their proposal; 2) had web hosting capabilities that will be needed in the future; and 3) had 24 hour, 7 days a week availability. Mr. Stassevitch added that the District shouldn't lock itself into the web hosting. We'll watch it closely in the beginning when we need it and if it's valuable, we'll keep it.

Director Johnson was very pleased that Mr. Stassevitch has taken ownership of this project. She has been asking for an updated website for months. Her concerns about the ease of adding pages to the site were satisfactorily addressed by Mr. Stassevitch who explained that pages would indeed be easy for staff to add, and that LifeLike can also build templates to facilitate that task.

Bruce Baum, 1165 Butterfield Road, San Anselmo, noted that LifeLike is using standard, non-proprietary tools so that if the vendor changes, there will be little impact on staff. He added that \$600 a year for web hosting, 24/7 availability, back-up and reliability is reasonable.

After a brief discussion, M/S Johnson/Guasco to authorize the Acting District Manager to execute professional services agreement to implement web site upgrades as outlined in LifeLike Consultants, LLC's proposal in an amount not to exceed \$10,000. The motion carried unanimously.

Item #8-CONSIDERATION OF VACANCY OF CITIZEN ALTERNATE POSITION, CENTRAL MARIN SANITATION AGENCY BOARD OF DIRECTORS Acting District Manager Causey reviewed the staff report and stated that he has been contacted by two persons regarding their interest in the position. He asked the Board for clarification and direction on how to move forward with the alternate position.

Director Johnson stated that her resignation as citizen alternate was for technical issues and did not reflect her lack of desire to participate in alternate activities.

Bruce Baum, 1165 Butterfield Road, San Anselmo, stated that we already have someone who has participated and attended almost every meeting for a year, i.e. Marcia Johnson. So he highly recommended that the Board approve Director Johnson to the second citizen alternate position.

Director Vanni said he found Mr. Baum's comment interesting since you folks found it necessary to take me completely off as a alternate when I was actually the president of the Board. And at that time we were going through a bond measure of \$70M. And now all of a sudden it's okay because someone has been attending Board meetings for a year and a half. He concluded by saying he agrees that Marcia Johnson should be an alternate because she's now a Board member, and he thinks that elected or appointed officials acting as elected officials should be members of the Board at CMSA as alternate or not.

M/S Burke/Brown to appoint, agreeing with Director Vanni, a Board member sitting as an alternate and nominate Marcia Johnson as the second alternate Board member to the CMSA Board. The motion carried unanimously.

Item #9-RECEIVE STAFF REPORT ON ENVIRONMENTAL PROTECTION AGENCY COLLECTION SYSTEM COMPLIANCE INSPECTION Acting District Manager Causey reviewed the staff report and said that compliance inspections have been going on for years in the wastewater treatment area. He is looking forward to interacting with the EPA on the September 11, 2007 inspection date because he views it as an opportunity for education and learning, especially finding out how we compare with other agencies in the area. He thinks the inspectors will find a positive record in the District and have a chance to see how things work in the field.

Director Johnson asked how long the EPA report is good for once it's issued. Mr. Causey replied that the EPA does hard inspections of treatment plants every five years and does a pop inspection once a year. Inspections of collection systems are new and he is not aware of any clear policy of return inspections. After they issue their findings, they do a follow-up in approximately two months, Director Guasco stated. The inspectors go behind the numbers and look for consistency in reporting spills, whether or not the system is overburdened during spills, how you respond, what you are doing right. They can go back five years on this.

Vic Canby, 22 Crescent Lane, San Anselmo asked if seismic activity is part of the discussion. No it's not, replied Director Guasco.

Stan Schriebman, 55 Hickory Road, Fairfax, asked Director Guasco how we can check on agencies that may be dumping not fully and/or partially treated or raw sewage into the Bay, and whether or not the EPA knows about this and checks on it. Mr. Schriebman referred to the situation in 2005-06 in Ross Valley. Director Guasco responded that the Ross Valley situation was completely different and wasn't direct discharge. It was a matter of proper volume loss and overflow due to the rain. The EPA will be looking over their shoulder to see that the numbers regarding overflow reported in the media jive with the actual numbers.

The Board had a brief discussion. No action was taken.

Item #10- STAFF'S VERBAL REPORT The Acting Assistant District Manager gave a brief update of the following: a new baby girl for Dennis Gavallos; a commendation for Dennis Gavallos from John Barret, a resident of Hickory Road, Fairfax; the FY 2007 Sewer Rehabilitation Project/Independent Journal (Mr. Causey recommended enhancing communications in future contracts with consultants by including outreach.); the Cascades Sewer Rehabilitation project; Larkspur Landing Pump Station B acceptance in September; training; operations and maintenance; Canyon Road inspections and surveys (only five properties will need injector pumps); 35 lateral inspections and 200 USA markers; consolidation; and the Larkspur Landing property. Mr. Causey concluded with a review of the status of the remediation efforts at Larkspur Landing Circle and the fact that the City of Larkspur had stopped all work due to problems associated with the approved grading permit and the remediation efforts.

Director Johnson stated that she felt the traffic situation through the 2007 pipeline project had gone extremely well.

Director Vanni noted that we don't even need a permit to do what we're doing at the Larkspur Landing site regarding soil remediation because we're a special district. He also pointed out that the site was a sewage treatment plant for 75 years and given this, what do people expect to find there. President Brown asked Mr. Causey to report on the soil remediation process at the next meeting.

Director Johnson asked at what point downward you have to go before it doesn't matter what you find. President Brown asked if the parties involved are working with District Counsel on identifying the requirements for the District and for the City of Larkspur.

Vic Canby, 22 Crescent Lane, San Anselmo, suggested contacting KCBS, KSFO, and KGO regarding public announcements about traffic congestion.

Bruce Baum, 1165 Butterfield Road, San Anselmo, asked why the seller should be responsible for 17c and 17d of the Campus amendment since they're already approved.

Item #11-BOARD OPEN TIME President Brown said she received a letter from Bergman & Dacey stating that they had withdrawn their demand for payment under the Contingency Fee Agreement. She applauded District Counsel Kenyon for saving the District some \$400,000.

Item #12-ADJOURNMENT The Board adjourned at 8:52 p.m.

Patty Burke
Secretary of the Board