

**THE COMMISSIONERS OF THE
CENTRAL MARIN SANITATION AGENCY
HELD A REGULAR MEETING AT THE AGENCY OFFICE**

**Minutes of Tuesday, April 12, 2011
7:00 P.M.**

CALL MEETING TO ORDER

At 7:04p.m., Chair Dupar observed that a quorum was not present. He noted that Commissioner Guasco was present in the audience and asked if he would participate in order to provide the Board with a quorum. Commissioner Guasco declined to participate. Chair Dupar asked if he would explain his reason. Commissioner Guasco declined.

General Counsel Govi advised that it is acceptable to open the meeting without a quorum and review and discuss agenda items that do not require Board action. Chair Dupar called the meeting to order at 7:04p.m.

Members Present:

Boro (7:34p.m.), Dupar, Hartzell, Heller

Members Absent:

Guasco (*present in audience*), Johnson

Staff Present:

Mary J. Brown, Recording Secretary; Rob Cole, Environmental Services Manager; Chris Finton, Treatment Plant Manager; Hank Jen, Finance Manager; Ken Katen, Senior Engineer, Jack F. Govi, General Counsel

Public Present:

John Clark and Wendy Martin-Miller, Ross Valley Sanitary District; Patrick Guasco, Director, RVSD Board; Patty Garbarino, Marin Sanitary Service

**DRAFT CATASTROPHIC
LEAVE POLICY**

GM Dow reviewed the staff report and explained that many local agencies have a Catastrophic Leave Policy. He stated that CMSA staff obtained policies from other agencies to study their models. He explained how a Catastrophic Leave Policy works, and went over the basic provisions of the proposed policy. He gave examples of when the policy would be utilized and spoke about the benefits of having it in place. He explained that the draft policy is currently under review by CMSA's employment law attorney, and that final draft will be brought back to the Board next month for consideration of approval.

Commissioners Heller and Hartzell stated they are aware of how a Catastrophic Leave Policy has helped employees at various agencies.

GM Dow stated he will incorporate any suggested changes from the employment law attorney and the Board, and that if SEIU would like to meet and confer on the policy, he will set up a meeting to do so.

Commissioner Hartzell said she had a couple semantic observations about the policy, but they are minor and she will provide them to GM Dow.

There was no action taken on this item.

**COMMERCIAL FOOD
WASTE-TO-ENERGY
PROGRAM MEMORANDUM
OF UNDERSTANDING**

GM Dow referred to the staff report and stated this item originated during last month's Board discussion on the Digester Improvements/FOG Facility project's construction management support services. He reminded the Board that they had asked for a memorandum of understanding to be drafted, to outline assurances and commitments CMSA and Marin Sanitary Service (MSS) would complete to move the commercial F2E project forward.

GM Dow explained he has prepared the memorandum of understanding (MOU), that the intent of the MOU is to serve as an interim agreement before a formal contract is established, and that it has been reviewed by CMSA's Counsel Govi and by Patty Garbarino of MSS.

GM Dow reviewed the MOU and CMSA's and MSS's respective program elements. He referred to a cost reimbursement provision in the document that states that if either party does not move forward, they are responsible for half of the other party's construction costs.

Patty Garbarino of Marin Sanitary Service spoke in public open time about possible garbage collection rate increases related to MSS's project elements and about including or not including particular service jurisdictions.

GM Dow stated he would bring back the finalized MOU for Board approval in May.

There was no action taken on this item.

**NORTH BAY WATERSHED
ASSOCIATION (NBWA) REPORT**

VERBAL REPORT

Neither Chair Dupar nor his alternate, Commissioner Hartzell, were able to attend the April North Bay Watershed Association meeting.

GM Dow gave a brief report, including:

- CSRMA reported CMSA's Experience Modification Rate has been lowered to 0.60, which will reduce the workers' compensation premium.
- GM Dow and Patty Garbarino of MSS presented an F2E presentation at UC Davis during UC Energy Week.
- CWEA has asked GM Dow to give a strategic business planning presentation for their professional development conference in May.
- GM Dow and Beverly James of Novato Sanitary District will testify before the Assembly Local Government Committee on behalf of the NBWA to support AB 741 (Huffman).
- On March 30, there was a JPA Supervisors meeting.
- The Board Finance Committee will have a budget meeting on April 22, and possibly another on May 2.

OPEN PERIOD

Patrick Guasco, appearing as a San Anselmo resident, read a letter into the record, titled *CMSA Practices, Treatment of Concerns by RVSD/CMSA Commissioners, and Expectations*. The letter is signed by Marcia Johnson and Pat Guasco. He provided copies of the letter to the Board.

BREAK

Chair Dupar called a break at 7:35pm. The Board reconvened with a full quorum (Boro present) at 7:40pm.

CONSENT CALENDAR

Action

M/s Heller/Hartzell to approve the items on the consent calendar:

- a. Minutes of March 8, 2011
- b. Treasurer's Report—Operating Account—March 2011
- c. Treasurer's Report—Revenue Bond— March 2011
- d. Schedule of Investments— March 2011
- e. Performance Metric Report—March 2011
- f. NPDES and Process Report—March 2011
- g. CASA Spring 2011 Conference
- h. Third Quarter Budget Status Report

The motion carried unanimously.

AWARD OF DIGESTER IMPROVEMENTS/FOG FACILITY CONSTRUCTION CMSA CONTRACT NO. 10-06

GM Dow reviewed the staff report and summarized the bid proposals for the Digester Improvements/FOG Facility Project. The lowest responsible responsive bidder was GSE Construction Co., Inc. of Livermore. He stated that staff contacted six of the construction company's references and GSE was given favorable reviews regarding the quality of the work they have performed. He explained that the lowest bid was above the Engineers' Estimate, and stated that Kennedy/Jenks spoke with GSE to understand why the bids were higher than expected. GM Dow spoke about Kennedy/Jenks' findings, such as higher costs for materials and higher contractor overhead due to the project's duration and sequencing of certain activities.

Action

M/s Boro/Hartzell to award the Digester Improvements and FOG Facility Construction Contract to GSE Construction for the lump-sum bid price of \$5,787,000. The motion carried unanimously.

PROFESSIONAL SERVICES AGREEMENT FOR REGULATORY CONSULTING SERVICES

GM Dow referred to the staff report and explained the process for reapplying for the Agency's NPDES Permit which expires in March of 2012. He explained that staff will work with regulatory consultant Monica Oakley, who is now with RMC Water and Environment, to perform the reissuance tasks needed to complete the permit application and to work through the permit negotiation process. He went over the Professional Services Agreement and explained that it is task order-based. The first task order for the permit reissuance process is estimated for \$106,100, which is lower than what was budgeted for FY12.

Action

M/s Hartzell/Heller to approve the Professional Services Agreement with RMC Water and Environment for Regulatory Consulting Services, and authorize the General Manager to sign the Agreement. The motion carried unanimously.

PROPOSED REVISIONS TO THE AGENCY REVENUE MANAGEMENT FINANCIAL POLICY

GM Dow reviewed the staff report and explained that every March, the Finance Department asks for EDU count information from the JPA member agencies. The Agency uses the actual EDU counts to

**REQUEST FOR
WASTEWATER SERVICES
PROPOSAL FROM SAN
QUENTIN**

adjust the fourth quarter invoices. The estimates are used to project revenues for the following year.

GM Dow explained that there were differences in the actual numbers versus the estimated figures, which would create a substantial cumulative service charge revenue reduction. He stated that staff contacted the member agencies to get supporting documentation for their counts, and that RVSD did not provide any additional information. GM Dow reported that the Board's Finance Committee met to discuss how to report individual agency EDU counts, and the method for developing the FY12 budget's revenue plan. He stated that Commissioner Johnson was not able to attend the meeting.

GM Dow explained that there were three main parts to the Finance Committee's discussion: the EDU count and revenue reporting options, revision of the Agency's revenue management financial policy, and the basis used to determine the CMSA regional charge. The Board discussed the recommendations proposed by the Finance Committee, as noted in the three Actions below.

- Action M/s Hartzell/Heller to direct staff to estimate an agency's EDU count, when necessary, to maintain the current EDU count and revenue reporting format. The motion carried unanimously.
- Action M/s Hartzell/Heller to approve the revised Financial Policy #520—Revenue Management. The motion carried unanimously.
- Action M/s Hartzell/Heller to direct staff to report to the Finance Committee and Board on the actual EDU counts in April 2012. The Finance Committee will provide a Regional Charge recommendation to the Board based on the actual EDU count information. The motion carried unanimously.

Commissioner Hartzell noted for the record that she hopes future Finance Committee meetings are attended by the full committee.

GM Dow referred to the staff report and explained that this item arose after the February 2011 Board meeting, where the Board reviewed key provisions in the 1981 Agreement between Ross Valley Sanitary District and the Department of Corrections. He stated officials at San Quentin contacted CMSA and that he met with Prison administrators to discuss the February staff report and the services provided by CMSA and RVSD. GM Dow referred to a letter received from the warden asking for a proposal from CMSA to provide wastewater services to the Prison.

Commissioner Boro asked why the contract between RVSD and San Quentin is for \$3.9M, and GM Dow gave a breakdown of how those funds are determined and apportioned.

Chairperson Dupar asked how the Agency would know how much work would be necessary to maintain the pump station. GM Dow responded that there would be a condition assessment by CMSA staff to determine its condition and create an appropriate proposal. He explained that a proposal would be figured by breaking down in

detail the tasks and activities necessary to operate and monitor the pump station, the preventative maintenance involved, and other specific items necessary to do the work, including emergency services and capital improvements. He said a capital reserve contingency fund would be proposed.

Chair Dupar stated for the record that he wished the Ross Valley Sanitary District representatives were present to participate in the discussion.

Action

M/s Heller/Hartzell to authorize staff to prepare and submit a wastewater services proposal to San Quentin State Prison. The motion carried unanimously.


DATE OF NEXT MEETING

The next regular commission meeting is scheduled for May 10, 2011 at 7:00 pm.

ADJOURN

The meeting was adjourned at 8:50 p.m.



Recording Secretary

Secretary

Note: The minutes are an official record of the Board meeting. There is also an official audio record, available on the Agency's website at www.cmsa.org, and an official video record.
Please contact CMSA at 415-459-1455 for information about receiving a copy of these records.

