Central Marin Sanitation Agency

COMMISSION REGULAR MEETING MINUTES
Tuesday, November 13, 2018
at the Agency Office

Note: The minutes are an official record of the Board meeting.
There are also official audio and video recordings available on the Agency's website at www.cmsa.us.
The time stamps on these minutes refer to the items' start times on the video recording of the meeting.
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1. **Call Meeting to Order/Pledge of Allegiance**
Chair Furst called the meeting to order at 7:03 p.m. A quorum was present.

2. **Roll Call** **00:00:41**

Present: Chair Diane Furst; Vice-Chair Michael Boorstein; Secretary Dean DiGiovanni; and Commissioners Maribeth Bushey and Doug Kelly.

Note: Commissioner Bushey arrived at 7:15 p.m.

Absent: Alternate Commissioner Dan Hillmer

Staff present: Jason Dow, General Manager; Ken Spray, Administrative Services Manager; Mark Koekemoer, Laboratory Director; Kate Brouillet, Recording Secretary; and John Cropper and Katy Perry, Cropper Accountancy Corporation.

Public present: Felicia Newhouse and Steve Moore, Ross Valley Sanitary District; Eli Beckman, Corte Madera Town Council Member

Chair Furst requested to move item #6, *Fiscal Year 2017 – 18 Audited Financial Statements*, ahead of item #5, *Proposed Revisions to the Agency's Sewer Use Ordinance – First Reading*.

Comments from the Public:
There were no comments from the public.

ACTION: Commissioner Kelly moved to approve the above reordering of the agenda items; second, Commissioner Boorstein.

VOTE: The vote was passed unanimously.

3. **Open Time for Public Participation** **00:01:52**
There were no comments from the public.

Commissioner Boorstein introduced Ross Valley Sanitary District's new General Manager, Steve Moore, who was in attendance. The Board welcomed him, and he thanked the Board.

4. Consent Calendar **00:03:00**

a) Minutes—Regular Board Meeting—October 9, 2018
b) Treasurer's Report—Operating Account—October 2018
c) Schedule of Investments and its Capital Reserve Summary—October 2018
d) NPDES, Process, and Maintenance Report—October 2018
e) Performance Metric Report—October 2018
f) Capacity Charge Schedule for Fiscal Year 2017-18
g) Fiscal Year 2018-19 First Quarter Budget Status Report
h) FY 2019 Asset Management Program – 1st Quarter Report
i) Maintenance Department Reorganization
j) Sole Source Authorization to Specify Motorized Actuators for Use in the Primary Gates Rehabilitation Project

Chair Furst asked if any items needed to be removed for discussion.

Commissioner Kelly requested to remove item #4a for discussion.

Commissioner DiGiovanni requested to remove items #4i and #4j for discussion.

Chair Furst asked for a motion for the remaining items.

Comments from the Public:
There were no comments from the public.

ACTION: Commissioner Boorstein moved to approve Consent Calendar items #4b through 4h; second, Commissioner DiGiovanni.

VOTE: The vote was passed unanimously.

Commissioner Kelly stated that he did not attend the October meeting.

ACTION: Commissioner DiGiovanni moved to approve Consent Calendar item 4a; second, Commissioner Boorstein.

VOTE: The vote was passed unanimously.

Chair Furst opened discussion on item #4i.

Commissioner DiGiovanni asked GM Dow what, if any, fiscal impacts the Maintenance Department reorganization would have on the Agency.

GM Dow stated that there would be an overall future salary savings of approximately $16K per year, and greater than that amount over the next few years.

Comments from the Public:
There were no comments from the public.

ACTION: Commissioner Kelly moved to approve Consent Calendar item 4i; second, Commissioner DiGiovanni.

VOTE: The vote was passed unanimously.

Chair Furst opened discussion on item 4j.

Commissioner DiGiovanni asked GM Dow for background and details on the sole sourcing of the motorized actuators for the Primary Gates Rehabilitation Project.

GM Dow reviewed the history of the Agency's use of gate and valve actuators, and stated that over the past ten years, old actuators were replaced with Rotork units, and now approximately 85% of the actuators on valves and gates are Rotork brand. He stated that staff likes the quality of the equipment, and using the same valve type and vendor streamlines parts availability and repairs.

ACTION: Commissioner DiGiovanni moved to approve Consent Calendar item 4j; second, Commissioner Boorstein.

VOTE: The vote was passed unanimously.

6. Fiscal Year 2017-18 Audited Financial Statements **00:13:30**

GM Dow gave a general overview of the annual audit process and introduced John Cropper and Katy Perry from Cropper Accountancy Corporation.

Mr. Cropper and Ms. Perry gave a PowerPoint Presentation that included a brief review of pension liability (GASB 68), Other Post-Employment Benefits (OPEB GASB 75), Prior Period Adjustments, and the Agency's balance sheet, income statement, and changes in net position. He stated that they had no disagreements with management, there were no material weaknesses found during the audit, and they issued an unmodified (clean) opinion.

The Board asked various questions regarding the pension liability, CalPERS interest rates, OPEB assumptions, trust fund accounts, and deferred inflows and outflows. Mr. Cropper, Ms. Perry, and GM Dow answered the Board's questions.

Comments from the Public:
There were no comments from the public.

ACTION: Commissioner Kelly moved to accept the Fiscal Year 2017-18 Audited Financial Statements; second, Commissioner Bushey.

VOTE: The vote was passed unanimously.

The Board thanked Mr. Cropper and Ms. Perry for their presentation, and Mr. Spray for his work. Mr. Cropper and Ms. Perry left the meeting.

5. Proposed Revisions to the Agency's Sewer Use Ordinance – First Reading **00:44:23**

GM Dow reviewed the history of the Agency's Sewer Use Ordinance (SUO) and stated that staff has made numerous revisions to the Agency's 2013 SUO. He said that revisions were made to comply with US Environmental Protection Agency (EPA) audit recommendations, add useful provisions from the EPA SUO model, incorporate

certain provisions from the federal pretreatment regulations and streamlining rules, and make editorial revisions to improve readability. He stated that since the number of changes is significant, staff is presenting the SUO changes at this meeting, and recommends scheduling the public hearing at the December meeting. He said prior to the hearing, staff will publish a summary of the proposed SUO in the Marin Independent Journal newspaper.

The Board had a brief discussion, and agreed that staff had done a thorough job in revising the SUO.

Comments from the Public:
There were no comments from the public.

ACTION: Commissioner Bushey moved to set the public hearing for the Ordinance at the December Board meeting; second, Commissioner Kelly.

VOTE: The vote was passed unanimously.

7. Revised CMSA Financial Policies Manual **00:52:25**

GM Dow stated that staff periodically reviews and revises the Agency's financial policies, and the last set of revisions was adopted by the Board in July 2015. He said that over the past few months, the senior management team completed a scheduled financial policies review, and staff recommends adoption of the revised manual. GM Dow summarized the substantive changes as presented in the staff memo.

The Board briefly discussed the policies, and noted two corrections: (1) on Policy #553, the first sentence under "POLICY", change "shall" to "may," and (2) on page 24, in the sentence under "POLICY," remove the "to" between "sufficiently" and "recover."

Comments from the Public:
There were no comments from the public.

ACTION: Commissioner Bushey moved to adopt the revised CMSA Financial Policies Manual, with the two above mentioned corrections, and to authorize the General Manager to make any other minor editorial corrections; second, Commissioner Kelly.

VOTE: The vote was passed unanimously.

Mr. Spray left the meeting.

8. Reschedule the December 2018 and March 2019 Board Meetings **01:02:10**

GM Dow stated that staff is the process of planning the agendas for the next several Board meetings, and after reviewing schedules for upcoming training events and other activities, staff proposes to reschedule the December 2018 and March 2019

Board meetings. He stated that staff proposes to reschedule the 12/11/18 Board meeting to either Thursday (12/13) or Tuesday (12/18). He stated that based on conversations with Board members, Commissioner DiGiovanni may not be able to attend on 12/13, and new Commissioner Beckman has a Corte Madera Town Council meeting on 12/18.

Commissioner Bushey stated she may not be available on 12/13, and if so, will send an alternate.

GM Dow stated that staff proposes rescheduling the regular Board meeting of 3/12/19, and that at this time, all Board members have indicated that they are available on Thursday, 3/14.

The Board briefly discussed the meeting dates and agreed on Thursday, 12/13/18 for the December meeting, and Thursday, 3/14/19 for the March meeting.

Comments from the Public:
There were no comments from the public.

ACTION: Commissioner Kelly moved to cancel the regular December 11, 2018 Board meeting and set a Special meeting for Thursday, December 13, 2018 at 7:00 p.m.; second, Commissioner Boorstein.

VOTE: The vote was passed unanimously.

ACTION: Commissioner DiGiovanni moved to cancel the regular March 12, 2019 Board meeting and set a Special meeting for Thursday, March 14, 2019 at 7:00 p.m.; second, Commissioner Kelly.

VOTE: The vote was passed unanimously.

9. Larkspur Membership in the CMSA Joint Powers Agreement 01:05:55

GM Dow stated that Larkspur's City Council discussed the City's membership in the CMSA Joint Powers Agreement (JPA) at its meeting on November 7, 2018. He said that Larkspur staff recommended to the Council that it should either decide to withdraw from the JPA or seek an agreement from the JPA members that Larkspur has no liability for CMSA's unfunded pension obligations. He said that Larkspur's Council discussed the LAFCO Central Marin Wastewater Services Study's recommendation for the CMSA Board composition related to the Larkspur seat, and the JPA member's unfunded pension allocation requirements under the new AB 1912 (Rodriquez). He said at the conclusion of the discussion, the City Council directed the City Manager to prepare a JPA withdrawal letter for their consideration at their next business meeting on December 12. He stated that he, Tom Gaffney, Michael Boorstein, and Doug Kelly attended the meeting, and each spoke on the item. GM Dow said that at the meeting he stated that Larkspur does not have any obligation with CMSA's NPDES Permit.

The Board had a brief discussion and agreed that once the request is received, legal counsel should be engaged, and a complete and thorough analysis of the terms, legalities, and potential consequences should be explored, possibly using a JPA Ad Hoc committee.

This item was informational and no action was taken.

DIRECTION: GM Dow to discuss this matter with the JPA managers at their next meeting.

10. North Bay Watershed Association (NBWA) Report **01:13:22**

Commissioner Boorstein stated that he attended the November 2, 2018 NBWA Board Meeting, and they had a lengthy discussion on the development of their strategic plan. He stated that they discussed and revised their mission statement.

Chair Furst asked if the NBWA has explored videotaping their meetings, to allow viewing of the speakers' presentations. Commissioner Boorstein agreed that was a good idea, and said that it has been discussed.

Commissioner Bushey said she would encourage the NBWA to focus on the increased trend of wildfires in the area. Commissioner Boorstein said that they have had speakers on this topic.

11. Oral Reports by Commissioners/General Manager **01:18:45**

Chair Furst stated that this was her last meeting as CMSA Board Commissioner representing Sanitary District No. 2, and that she has really enjoyed serving on the Board. She said that she has much respect for GM Dow and the staff of CMSA, and thinks the Agency is doing very important work. She stated that Eli Beckman, who has been appointed to the CMSA Board, has excellent experience and will be an asset to the Board.

The Board members thanked Commissioner Furst for her skill and leadership, and said they very much appreciated serving with her.

GM Dow stated that he valued working with Commissioner Furst as Vice-Chair and Chair over the last few years, and wishes her well in her future endeavors.

GM Dow reviewed his handout and reported:

- CMSA's High School Internship Program was launched per the FY 19 business plan.
    - Commissioner Bushey suggested the program be a paid internship. GM Dow said that this could be brought up on a spring agenda.
- Met with Alan Zaradnick, SRSD's potential Board alternate.
- Marin County Civil Grand Jury will tour the Agency on Friday, 11/16.

- PG&E tested the Ground Fault Detection Bank for the second time; it passed, and will not need to be replaced.
- Commissioner Bushey commended the Agency for cooperating with PG&E on their natural gas line replacement work.

12. Next Scheduled Meeting

Note Special Meeting Date: Thursday, December 13, 2018 at 7:00 p.m. at the Agency office.

Chair Furst adjourned the meeting at 8:30 p.m.

Respectfully submitted,

Kate Brouillet, Recording Secretary

Dean DiGiovanni, Secretary