

ALTO SANITARY DISTRICT
MINUTES OF THE MEETING OF WEDNESDAY, MARCH 22, 2017

1. Call to Order and Roll Call:

Chairman Stanley Bransgrove called the meeting to order at 7:35 p.m.

Other board Members present: Directors Janis Bosenko, Todd Gates, Tania Kennedy, and Roger Gainer.

Board Members absent: none

Staff present: Manager Bill Hansell.

2. Adoption of the Agenda:

Motion: To revise the agenda to move items 5a and 5b ahead to accommodate the guest presentation.

Moved: Kennedy, seconded by Gates.

Vote: Ayes: Unanimous

3. New Business:

a. Capital Improvement Project FY2016-17:

Fernanda Stefanick of Nute Engineering provided an update on receipt of bids for the CIP including comments on the low bidder, schedule, and add alts. Hansell noted available finances for the CIP given budgeted expenses to date and the board's desire to move forward with the base bid and add alts. Gainer asked if Reserve money would have to be moved to cover cash flow. Hansell responded that he will know better when the tax revenue comes in for April (reported in May.) Gainer asked if Nute's fees were included in the quoted amounts. Hansell responded that Nute has already charged and been paid for the bid docs but received an estimate that another \$20K-\$30K will needed during construction. Gainer noted the importance of maintaining Reserves. Gates pointed out the cash flow issues pending the construction schedule and Hansell said he would know more after the next budget is determined. Gainer asked Stefanick about Nute's comfort level with the low bidder. Stefanick said Nute had made inquiries and, although Nute cannot guarantee anything, the project will be bonded and the bidder appears to have the relevant experience. On a related note, Hansell reviewed the notice package sent to the affected residents and the option provided to any who are interested in lateral replacement at their expense by the GC. Nute will review lateral inspection videos and will notify owners who need repairs/replacements.

Motion: To accept both the primary and alt bids as presented for the CIP.

Moved: Gainer, seconded by Kennedy.

Vote: Ayes: Unanimous

b. Properties Requiring Sewer Work:

Hansell presented newly formatted lists of properties requiring video inspections due to sales or building permits. The work is particularly important due to the Board's intent to reduce I&I. Hansell has been working with Nute to contact the owners and reduce the non-compliance. Gainer asked if Counsel had been consulted on penalties and enforcement. Hansell reviewed the process of notification and how the District will move toward that. For Building Permits, the District has holds on final inspections which ultimately provide the best leverage.

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Hansell also provided the list of repaired/replaced laterals requested by SASM for their discussions with the EPA.

4. Visitors to the Meeting and Open Time for Public Expression:

Leslie Citroen addressed the board regarding the increased sewerage rates and requested relief. As a single parent with a small second unit (less than 400sf), she is paying the same amount as an adjacent owner with a much larger residence. She would like to know if there is a low-income relief program and/or reductions/waivers for small second units. She noted that larger houses are replacing the smaller cottages in the neighborhood, with some second units being removed. She said that the State passed a recent law to encourage smaller units.

Kennedy said that during previous board meetings this issue was discussed at length and, as a homeowner with a small second unit herself, she can understand the financial challenges but is not aware of any options to selectively reduce fees.

The board thanked Leslie for attending and raising the issue.

5. Consent Calendar:

a. Minutes of the Meetings of 02/22/16.

b. Financial Report for February 2017 and List of Payments to be approved.

The Financial Report noted that the Operations Fund has a balance of \$348,897.77 after adjusting for all revenues and warrants cleared or not cleared by the meeting date. After payment of the proposed warrants and application of deposits, it will have a balance of \$307,092.25 (not incl. pending tax revenue.) The Reserve Fund has a balance of \$216,851.38. The most recent Personnel Payment account balance is \$3,681.65. The following warrants were included for approval:

Warrants to be issued:

<u>Check #</u>	<u>Payee</u>	<u>For</u>	<u>Amount</u>
00085	Alto Sanitary District	Personnel Payment Account	4,000.00
00086	Bill Hansell	Office copies, ink	34.23
00087	AT&T	Office Tel41538836960732	93.30
00088	Consumer Cellular	Cell Phone Acct #102040632	21.74
00089	Nute Engineering	General Engineering & Laterals	2,494.00
00090	Nute Engineering	CIP Engineering	13,352.00
00091	Roto-Rooter Plumbers	Location work	21,590.25
00092	Marin Cnty Tx Clctr	Marin County Counsel Q2	220.00
		Total Warrants:	41,805.52

Motion: To approve the Consent Calendar, as submitted.

Moved: Gainer, seconded by Kennedy

Vote: Ayes: Unanimous

6. New Business (continued):

Marin LAFCO – Election of Regular Special District Member –

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The board discussed the candidates list and approved a slate.

Motion: To vote in order for 1.) Gates, 2.) Kiou, 3.)Murray

Moved: Bosenko, seconded by Gainer

Vote: Ayes: Unanimous

7. Manager's Report:

In addition to the written report, Hansell highlighted the following:

- a. A Budget to Actual was provided for financial tracking. Revenues/expenses are basically on track.
- b. Sewer Maintenance – Hansell recently requested clarifications on the Roto-Rooter maintenance schedule tracking so they can be provided to the board in a better format.
- c. Repair of lateral connection at 27 Shell – Hansell explained that the connection failed and the owners are cooperating to have it fixed as soon as possible. A video will be submitted to review the whole line to confirm the scope of required replacement. Hansell indicated that DPW was informed of the cavity above the pipe and a plate will be installed if a sink hole begins to form. The County's Road Moratorium was discussed at length and its impact on repairs. For the repair itself, the property owner is responsible for the cost and Hansell is following the District's policy that they cover the expense.
- d. Senior Discounts/ Hardship Reductions on Annual Fees - Hansell is communicating with County Counsel for legal advice. The State law that Leslie Citroen referred to during Public Open Time needs to be clarified as Counsel was not familiar with the reference. From past experience, Hansell is aware that agencies do not have discretion to selectively reduce fees as it may be interpreted as a gifting of public funds or similar inequity. He requested more time to investigate options. Hansell pointed out the difference in reduced annual fees versus reduced charges for new connections. Ms Citroen's reference to the law seems to be for the latter. As far as shared laterals, the District's policies state that existing shared laterals and any costs associated with repairs or disputes on their conditions are private matters for the property owners to deal with. Also, new connections require assessments on the number of fixtures but do not affect annual charges which are just based on the EDU count.
President Bransgrove requested that the District Manager continue to work on the issue.

8. Reports on Outside Meetings:

- a. SASM Board Meeting on 04/20/17 – Gainer reported on the meeting and noted in particular:
 - _ SASM's board decision to provide notice of withdrawal of Marin Map membership and Nute's/Hansell's concerns regarding Alto's reliance on the service. The issue will be discussed further over the next 90 days prior to the 07/01/17 end date,
 - _ Terry Krieg's audit of SASM's financials was commented on,
 - _ WWTP project and cost projections, including add alts as options depending on how the base bids come in, and schedule were reviewed,
 - _ In answer to an inquiry by Bosenko, Gainer said that the winter storms had not caused any particular treatment plant problems, and
 - _ The Lateral Replacement Program required by the EPA was reviewed. SASM is requesting that laterals replaced/repared outside of the grant/loan program be counted so that the original goal of the penalty is acknowledged to be achieved.
- b. District Manager's Meeting on 04/12/17 – Hansell reported that they lacked a quorum but the

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three in attendance discussed the upcoming SASM meeting agenda items.

9. Future Agenda Items:

- a. Gainer asked if issues with Building Permits and notifications to the District should be brought to the attention of the Board of Supervisors. Hansell suggested that he make a few more attempts to address the problem prior to that.
- b. Gainer asked Hansell to check with County Counsel to see if Ordinance 2015-01 could be amended to hold the realtors responsible for inspections required by sales. For example, could funds be held in escrow to ensure compliance with inspections and repairs? Hansell said he would inquire and follow-up.
- c. Gainer asked if it was time for community outreach on items such as medication disposal or other issues that affect the District. He has seen information flyers from other agencies and believes it would be helpful. Hansell asked if such notifications should be a coordinated effort of all the SASM agencies rather than just Alto.

10. Directors' Open Time:

- a. Hansell informed the Directors that he heard back from Director Femenia and he will follow up on a date to celebrate his retirement.
- b. President Bransgrove & Director Gainer signed the approved checks.

11. Adjournment:

Motion: To adjourn the meeting at approximately 9:10 p.m.
Moved: Bosenko, seconded by Kennedy
Vote: Ayes: Unanimous

Minutes respectfully submitted by Bill Hansell.

**THE NEXT REGULAR MEETING WILL BE HELD IN THE
CONFERENCE ROOM OF THE SEWERAGE AGENCY OF
SOUTHERN MARIN, 450 SYCAMORE AVENUE, MILL VALLEY
AT 7:30 P.M., WEDNESDAY, APRIL 26, 2017**