

**ALTO SANITARY DISTRICT**  
**MINUTES OF THE MEETING OF WEDNESDAY, JANUARY 25, 2017**

**1. Call to Order and Roll Call:**

Chairman Stanley Bransgrove called the meeting to order at 7:30 p.m.  
Other board Members present: Directors Janis Bosenko, Todd Gates, and Roger Gainer.  
Board Members absent: none  
Staff present: Manager Bill Hansell.

**2. Adoption of the Agenda:**

*Motion: To adopt the agenda with the adjustment of hearing Item 7b next to accommodate the guest speaker's attendance*

*Moved: Bosenko, seconded by Gates.*

*Vote: Ayes: Unanimous*

**3. Presentation of 2016-17 Capital Improvement Project revisions by Nute Engineering:**

Fernanda Stefanick was introduced and presented the revised 2016-17 CIP with 35% completed plans. After a field walk and further assessment of the existing conditions, the priority of the lines to be replaced was revised as shown on the new documents. The base bid will address 932 lin. ft. with a projected base cost of \$250K. The challenge for this project will be working within easement areas and underneath existing redwood trees at some points. The total Alto system consists of 17K lin. ft. and this project will address approximately 5% of the system. The 50 year plan for replacement assumes 2% per year but the past couple of years have presented challenges in keeping up with that target rate. This project will catch up with the replacement schedule. Cleaning in the easement areas requires extra funds so there are maintenance savings associated with the proposed project.

The proposal also includes an additional alternative to replace two more lines in the easement areas projected to cost \$140K and replace 700 lin ft which would bring the total replacement to 9% of the system this year. Nute recommends bidding these projects together to get a better price.

Particular issues with some of the properties in the easement area were discussed, including private rear yard landscape drainage that has been feeding into the system, a property where the line is near or possibly under the home, and other construction challenges related to the CIP. The District's rights regarding easements were discussed and whether the County was proactive in acknowledging the easements when permits were processed. There does not appear to be a consistent County policy for this over the years. Responsibility and cost for protection of residents' structures and landscaping features built in the easement were questioned. Nute said they would work with the homeowners to provide proper notice on access and conflicts in the easement. Hansell noted that existing conditions should be well documented prior to work starting and County counsel should be consulting on any other required notices to the residents. Nute confirmed they would facilitate pre-construction documentation and resident contact.

The budget reserves were discussed. The FY2016-2017 budgeted contribution to the reserves is \$170K, so the reserves could be added to the \$200K CIP budget for the total scope of the work presented here. Hansell noted that he would like to update the budget projections prior to final approval of the CIP to check the impact of the increased SASM fees over the next few years. Stefanick stated that final payments on this project may not occur until the next budget year.

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Stefanick reviewed the project schedule as submitted, including notification to the property owners. Private sewer lateral connections to the main were discussed and Nute suggested using the CIP work as an opportunity to offer other incentives to homeowners to replace their laterals. The critical condition of line “A” was noted and contingencies explained if the line failed prior to CIP replacement. The County moratorium on Shell was discussed and Nute will follow up to see what the impact will be on the connection to the main there.

*Motion: To approve the CIP scope and timeline, as submitted.*  
*Moved: Gainer, seconded by Bosenko*  
*Vote: Ayes: Unanimous*

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

None

**5. Consent Calendar:**

- a. Minutes of the Meetings of December 28<sup>th</sup>, 2016.
- b. Financial Report for December 2016 and List of Payments to be approved.

The Financial Report noted that the Operations Fund has a balance of \$399,280.24 after adjusting for all revenues and warrants cleared or not cleared by the meeting date. After payment of the proposed warrants, it will have a balance of \$393,910.84 (not incl. pending tax revenue.) The Reserve Fund has a balance of \$216,469.31 and the most recent statement balance on the Personnel Payment account is \$5,182.24. The following warrants were included for approval:

Warrants to be issued:

<u>Check #</u>	<u>Payee</u>	<u>For</u>	<u>Amount</u>
00070	Alto Sanitary District	Personnel Payment Account	3,000.00
00071	Bill Hansell	Office copies	54.39
00072	AT&T	Office Telephone 41538836960732	78.27
00073	Consumer Cellular	Cell Phone Acct #102040632	21.74
00074	Nute Engineering	Engineering work	1,707.00
00075	Roto-Rooter Plumbers	Location work	387.00
00076	Terry Krieg, CPA	FY2015-16 Audit Services Inv #2	500.00
		Total Warrants:	(5,748.40)

*Motion: To approve the Consent Calendar, as submitted.*  
*Moved: Gainer, seconded by Bosenko*  
*Vote: Ayes: Unanimous*

**6. Manager’s Report:**

Hansell reported on the following:

- a. USA locations – Two calls were responded to by Roto-Rooter.

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- b. Sewer Lateral Ordinance Projects – None to report.
- c. Fixture Count/Lateral Inspections – Nute worked on two properties as well as the EDU count list and sold properties notices.
- d. Sewer Overflows – None to report.
- e. Sewer Maintenance – None to report.
- f. County Building Permit Coordination – Hansell noted that he has contacted the County to research improvements in obtaining notifications on Building Permits submitted and issued. To date, the burden has been on the District to find relevant permits but it would be helpful if the County provided advance notice or issued automatic holds.
- g. Discount Fees/Hardships – Hansell has partially researched the question of providing hardship relief but needs more time to present the information. To date, the other districts confirmed that they do not provide relief. Hansell will check more broadly and look into consultants who could study both the options and costs/losses to the District.
- h. SASM’s invoice was received and will be paid in the next warrant approval.

**7. Reports on Outside Meetings:**

- a. SASM Board Meeting on 12/15/16 – Cancelled. Nothing to report.
- b. District Manager’s Meeting on 12/14/16 – Cancelled. Nothing to report.

**8. New Business:**

- a. Appointment of a new Director to succeed Director Femenia’s resignation:

*Motion: To appoint Tania Kennedy to the open Director’s position.*

*Moved: Gainer, seconded by Gates*

*Vote: Ayes: Unanimous*

- b. Recognition of Director Femenia’s service to the District:

*Motion: To issue a Certificate of Appreciation to Director Femenia’s long years of service  
(Text included below.)*

*Moved: Bosenko, seconded by Gainer.*

*Vote: Ayes: Unanimous*

*“The Alto Sanitary District Board of Directors wishes to convey to Pedro Femenia its sincerest appreciation for faithfully representing the best interests of the residents of the Alto District for nearly thirty years. The Board acknowledges his steady character as a champion for building reserves, fiscal responsibility, capital improvements, and lateral replacement. He kept the Board on an even keel and thoughtfully considered numerous issues. His professional background was exceptionally insightful. He was willing to undertake multiple complex projects confronting the District and was a stabilizing force during Board deliberations; We, therefore, present this Certificate of Appreciation to express our deepest gratitude on January 25<sup>th</sup>, 2017.”*

**9. Future Agenda Items:**

- a. Bransgrove requested review of the follow up letter to the relevant homeowner regarding the directing of private landscaping drainage into the District’s system.
- b. Hansell noted that he will provide Budget to Actual reports at the next meeting.

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c. Gates suggested a discussion of increased CIP notification time to the residents.

**10. Directors' Open Time:**

President Bransgrove & Director Gainer signed the approved checks.

**11. Adjournment:**

*Motion: To adjourn the meeting at approximately 8:45 p.m.*

*Moved: Bosenko, seconded by Gates*

*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, FEBRUARY 22, 2017**