



TVCS D Board of Director's Meeting Minutes

Date: Wednesday, January 11, 2017, 7 – 9 pm

Location: Tomales Town Hall, Tomales, California 94971 DRAFT

Board Members Present: Bill Bonini, President; Deborah Parrish, Vice President; Donna Clavaud, Dru Fallon O'Neill, Peter MacLaird

Board Members Absent: None

Also Present: Jose Ortiz; TVCS D General Manager, Cynthia Hammond; TVCS D Recording Secretary, Walter Earle, Margaret Graham, Venta Leon, Nicole Vigeant, Ted Anderson, Jim Lino; Shoreline Unified School District (SUSD) Board Representative

I. Call To Order

Bill Bonini called the meeting to order at 7:05 p.m.

II. Open Communication Time for community members and visitors to bring up items they wish to discuss and items that do not appear on the agenda. Added items will be included under Other Business.

Dru Fallon O'Neill reported she has been without phone and Internet service since November 1, 2016 and ATT/Uverse was nonresponsive and bought a Verizon home phone system that connects to her home phone.

Nicole Vigeant questioned if there was a different sewer rate structure for Air B & B's/vacation rentals. Donna Clavaud stated that there wasn't a different rate structure and she would have to recuse herself, as she owns a vacation rental. Dru Fallon O'Neill said the County was discussing this. Bill Bonini asked Nicole Vigeant if she wanted this item on a future TVCS D agenda. There are approximately four (4) Air B & B/vacation rentals in Tomales. Jose Ortiz suggested discussing this during the rate analysis, as there is new legislation that went into law January 1, 2017 that addresses accessory dwelling/mother-in-law units. This is to promote affordable housing and cannot charge additional sewer fees, however Special Districts are exempt at this point.

III. Approval of January 11, 2017 TVCS D BOD Agenda

Donna Clavaud suggested moving XI Pending Business, Item 2, "SUSD contract review plan" after VII Financial Report.

Bill Bonini motioned to approve January 11, 2017 TVCS D BOD agenda with the above changes.
No objections.



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IV. TVCSD Board Member Reports

Donna Clavaud requests resolution to pay Beth Koelker for her work on the TVCSD newsletter. Deborah Parrish requested that Beth Koelker submit an invoice for her work.

V. Approval of November 9, 2016 TVCSD BOD minutes

Bill Bonini motioned to approve the November 9, 2016 TVCSD BOD minutes. Dru Fallon O'Neill seconded the motion. M/S/U

VI. TVCSD Board Officer elections

Bill Bonini asked TVCSD board members who would like to become the TVCSD President. Deborah Parrish reported that there wasn't a lot of orientation for new board members and there was little understanding on what the rules were for "passing on the torch". Deborah Parrish suggested board officer term limits in order to help pass on the information learned. Dru Fallon O'Neill suggested the Vice President becomes the President; another board member becomes the Vice President and works with the President for continuity of responsibilities. Donna Clavaud, in reviewing the CSDA handbook on board and leadership development, it is important for board members to work together to train each other and pass the district history on. Donna Clavaud reminded board members that a year from now, Deborah Parrish and Bill Bonini will finish their four (4) year term; Dru Fallon O'Neill will finish her two (2) year term, Donna Clavaud and Peter MacLaird will be looking at three (3) new people coming on to the TVCSD board. Dru Fallon O'Neill volunteered to become President or Vice President.

Deborah Parrish motioned to nominate Dru Fallon O'Neill for TVCSD President for the next year. Dru Fallon O'Neill accepted the nomination. Peter MacLaird seconded the motion. M/S/U

Deborah Parrish motioned to nominate Donna Clavaud for TVCSD Vice President for the next year. Dru Fallon O'Neill seconded the motion. M/S/U

VII. Financial Report

a. Accept check registers and approve expenditures:

Dru Fallon O'Neill questioned the \$123.51 Uverse bill and the \$28.83 AT & T bill. The office phone service has been shut off. Staff will look into these bills. Sonic hosts the TVCSD website for \$20.00 per month. Jose Ortiz will check with other California Special Districts (CSD) to see how they are dealing with Internet, voice and other things.

b. Financial Manager's report:

Financial Manager's report was reviewed.

c. Review and approve financial statements:

Financial statements were reviewed. Jim Lino questioned the year to date budget comparison sheet 12/31/2016; asked if it was operating on a calendar year. Jose Ortiz explained it based on a fiscal year, July 1, 2016 – June 30, 2017. Jim Lino asked if the projected sewer income was \$148,000 to date. Jose

Ortiz explained that \$148,000 was a projection and TVCSD came up short because some parcels decided not to go forward. Deborah Parrish said there were also projected connection fees that haven't been collected.

Donna Clavaud reminded TVCSD board to submit time sheets.

Dru Fallon O'Neill motioned to accept check registers, approve expenditures, and financial statements. Deborah Parrish seconded the motion. M/S/U

VIII. General Manager's Report

Jose Ortiz sent out an email regarding wastewater flows during recent storms. At the peak, about eighty five (85) gallons per minute were flowing into the treatment plant. At the same time about ninety eight (98) gallons per minute were pumped to the storage ponds. Normally in the dry season, about 19,000 gallons per day flow into the plant. This is an average of thirteen (13) gallons per minute.

Natural Systems Utilities (NSU) and Phillips & Associates visually inspected the storage ponds on 1/10/2017. Jose Ortiz did a five (5) year capital improvement plan; two (2) of the level sensors are not working at the treatment ponds and the storage pond sensor may have never worked. There may be voltage irregularities and Jose Ortiz recommends contracting with an electrician to evaluate power delivery.

The Telstar system is working now but still has some outstanding issues, as here are some bad readings from the treatment ponds. The level sensor and transmitter needs replacement, estimated cost is \$2,000.

Jose Ortiz suggests doing 2,500 feet of sewer main inspections every year and suggests getting a new base line to see how everything is. New Regional Board requirements allow irrigation during the non-summer months seventy two (72) hours after a storm provided there isn't ground saturation or ponding.

Jose Ortiz will attend the FAC meeting to discuss the five (5) year Capital Improvement Plan, which was handed out. Donna Clavaud questioned the \$13,000 to \$16,500 per year for five (5) years, which seems surprisingly small. Jose Ortiz explained that when TVCSD asked RCAC to do a rate analysis in 2014, the CIP 2014 that was developed for that rate study included the assumption of having to rehabilitate about half the collection system sewer mains. Based on the age and the condition of the pipes when inspected about 15 years ago, the replacement schedule can be pushed out to about 10 to 15 years from now.

Deborah Parrish explained that FAC has developed a draft policy (without dollar amounts) to have six (6) months of operating reserves and to create a restricted fund for Capital expenses. A town hall meeting will be held to present a ten (10) year plan to the community.

Jose Ortiz said there are three (3) major areas to consider: the collection system (pipes, manholes, and lift station), treatment plant and the disposal area. What needs to be looked at more closely is the condition of the collection system.

Jose Ortiz reported there is duckweed in pond one (1). Three (3) applications, twenty one (21) days

apart can be applied at a cost of \$788.00. Donna Clavaud requests research of alternative means of removal next time.

Jose Ortiz updated the O & M Manual with the new requirements and will present to NSU and Phillips and Associates. The O & M RFP will reflect the scope of work and an agreement will be made for non-scheduled work. Donna Clavaud asked if the O & M contract would be rectified in time for budget planning and rate analysis. Jose Ortiz said it could be by March.

Jose Ortiz sent for the self-auditing form from the Grand Jury for the website, TVCSD grade has risen to a "B".

a. Plan for performance review and updated contract:

Donna Clavaud reported that at the November meeting, performance review forms would be looked at. Performance tool is on the next FAC meeting agenda. TVCSD BOD's will review Jose Ortiz. Jose Ortiz will review Melinda Bell and Cynthia Hammond. Jose Ortiz suggested having measurable goals and what needs to be accomplished in the performance review. The performance review for Jose Ortiz will be conducted during a closed session at the regular TVCSD BOD meeting on February 8, 2017.

IX. Phillips & Associates Report

a. Review reports for October and November 2016:

Reports were reviewed and extra lab tests were required. Bill Bonini asked Jose Ortiz about the level transmitters that do not work. Jose Ortiz asked Phillips and Associates for Telstar competitors. The problem has to be defined and an RFP would have to be put out. Jose Ortiz will have information for February 8, 2017 meeting.

b. Status and action plan for O & M RFP:

Discussed under General Manager's report.

X. Committee Reports

a. Financial Advisory Committee (FAC)

1. Review approved November 30, 2016 minutes:

Donna Clavaud presented a recap of the November 30, 2016 FAC meeting minutes: Set of goals and priorities calendar was reviewed. Attorney Jill Sartori is reviewing and clarifying confusing language of the TVCSD By-Laws and may have amended By-Laws by next FAC meeting. The committee made relevant changes.

Financials were reviewed based on October 31, 2016 financials. Declining capital asset values must be accounted for and the need to replace them. Also, what cash balances should be maintained? Major challenges are a Capital Asset Management plan and a Cash Management plan.

2. Goals update for rest of fiscal year:

Deborah Parrish reported she has updated the goals calendar.

b. Park Advisory Committee (PAC)

1. Review approved November 28, 2016 minutes:

Approved November 28, 2016 minutes were reviewed.

2. Review and approve construction RFP; resolve posting and interview process:

Donna Clavaud reported the construction RFP is ready to distribute. A public notice now could be posted in the Pt. Reyes Light and on the TVCSD website. There was confusion about the RFP as the PAC meeting minutes dated November 28, 2016 didn't reflect approval of the RFP. Margaret Graham said

the completed RFP wasn't presented to PAC. Bill Bonini said the only things missing from the RFP were David Judd's drawings. Deborah Parrish suggested the PAC minutes should be sent back to PAC for amendment to reflect what happened correctly and a motion to approve the RFP. Deborah Parrish asked if the TVCSD BOD's could approve the RFP and send back to PAC, without the need to come back to TVCSD BOD's.

Dru Fallon O'Neill motioned to approve the PAC RFP for the park projects and the RFP doesn't need to come back to the TVCSD BOD's. Peter MacLaird seconded the motion. M/S/U

Donna Clavaud has three (3) fence contractor referrals and suggested they be contacted right away to see if they are interested in bidding. FAC decided not to make the projects separate; there are three (3) projects, contractors may bid on one (1), two (2) or all three (3). Donna Clavaud questioned the interview process for contractors; Bill Bonini will field the phone calls. PAC will create a subcommittee to interview contractors, advertise and post RFP's.

3. Project Manager hiring:

Bill Bonini reported PAC met with Ted Anderson. Ted Anderson said he knew the budget was limited and would keep his billing hours within the budget, would keep in communication with the contractors, make phone calls and report to PAC. Donna Clavaud said TVCSD has a service contract for contractors. Ted Anderson could develop a scope of work with Jose Ortiz using the RFP in order to define Ted Anderson's role. Invoicing could be done monthly. Ted Anderson asked if he needed liability insurance, Jose Ortiz said no because Ted Anderson would be a coordinator of these projects. Jose Ortiz asked Ted Anderson to develop a scope of work; Deborah Parrish said the scope of work would then be the appendix to the service contract.

4. Request for possible loan from TVCSD for projects:

Bill Bonini reported that PAC wanted to know if they went over budget for their projects, could they borrow money from TVCSD? TVCSD BOD's agreed that PAC's cash balances are healthier than the sewer district cash balances and therefore loans would be discouraged and PAC is encouraged to stay within their annual budget limitations.

XI. Pending Business

1. Board and staff...Form 700 due, W2's and time sheets due:

Bill Bonini reminded TVCSD BOD's and staff they need to complete Form 700 (needs to be done every January).

2. SUSD contract review plan:

Bill Bonini requests open discussion on the review of the SUSD contract and to place on the calendar to proceed this year. Jose Ortiz asked what the reasoning was to look at the contact again. Deborah Parrish explained there were a couple of original 1999 contracts, with one (1) amendment. Donna Clavaud asked what questions SUSD may have about the contract and as TVCSD moves forward in the next couple of months with budget planning, one of things that are being worked on is a five (5) and ten (10) year financial plan coupled with a couple of capital improvement plans and requests SUSD involvement in the planning. Deborah Parrish reminded TVCSD board that when TVCSD went through the audit and the efficiency audit, the confusion came with depreciation; TVCSD bills SUSD approximately 1/3 of TVCSD expenses and the question was how depreciation is handled. If SUSD contributes towards capital expenses and is paying a 1/3 of the operating costs, how is depreciation

handled which is a non-cash expense? Jose Ortiz understood, that to some extent, SUSD was surprised with the depreciation charge because there was little warning. Jim Lino said the SUSD bill also contained arrears. Jim Lino said if TVCSD is going to make capital improvements through a bond or a general obligation bond, SUSD wouldn't be able to be part of a bond or general obligation bond. However, it would be essential for SUSD to be part of that conversation because SUSD would have to be able to match with their share and presently doesn't have the means of coming up with those funds. Jim Lino will take this back to the SUSD board and superintendent. Deborah Parrish said FAC is working on a five (5) and ten (10) year financial and capital improvement plan and in February or March FAC will present it to the TVCSD BOD for approval to present to the community and requests SUSD to engage in this process. Jim Lino said a new contract will need greater clarity as to the relationship between TVCSD and SUSD and expressed the value of the partnership. Jim Lino and Bruce Abbott, (SUSD CPO) will attend the next FAC meeting. Jim Lino requests a description in the new contract of what SUSD would be responsible for as far as capital improvements. Deborah Parrish reminded the TVCSD board that SUSD fees for depreciation expenses were waived for the last two (2) years.

3. Staff performance reviews...timeline, format and action plan:

Discussed under General Manager's report.

XII. Other Business

None

XIII. New Business

None

XIV. Correspondence

None

XV. Adjournment

Donna Clavaud motioned to adjourn the TVCSD January 11, 2017 TVSCD BOD meeting. Dru Fallon O'Neill seconded the motion. M/S/U

Meeting adjourned at 9:26 pm

Next TVCSD BOD Meeting, February 8, 2017, 7 pm at Tomales Town Hall

Bill Bonini

2/8/2017

Approved by: President, Bill Bonini

Date:

Cynthia Hammond

2/8/2017

Attested by: Cynthia Hammond, Recording Secretary

Date:

TVCS D MISSION STATEMENT: *Enhance quality of life, with commitment to the health of the community, by providing dependable wastewater collection, treatment and reuse in an environmentally friendly manner; maintaining safe and reliable recreational park facilities while providing a welcoming forum for active community participation and input.*

PO Box 303 • Tomales, CA • 94971 • ph 707.878.2767 • www.tomalescsd.ca.gov

Board of Directors:

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Peter MacLaird • Dru Fallon O'Neill