

IV. TVCSD Board Member Reports

Donna Clavaud reported that as members of the California Special District Association (CSDA), TVCSD receives a bimonthly magazine and urges BOD's to read it. CSDA offers training and education, leadership conferences, etc. Donna Clavaud called Colleen Haley (TVCSD representative) and she alerted Donna Clavaud of low financing, tax-exempt opportunities for Special Districts. Donna Clavaud also explained she learned that licensed contractors, who are working on public agency projects over a certain dollar amount, must be registered with the California Labor Commission and that these contractors must pay a registration fee. It appears the construction of the gazebo would be liable for this registration at the state level. Donna Clavaud will be talking further with Colleen Haley regarding this on Wednesday, April 13, 2017. The Department of Industrial Relations is trying to put a new bill through which will decrease the registration fees while increasing the fines.

Donna Clavaud downloaded a publication "How to avoid the 7 most deadly mistakes in a rate increase". For the first time in eleven (11) years, TVCSD is proposing a rate increase. The publication explains how communities can work to increase their communities' input into financial planning for the long term.

V. Approval of March 8, 2017 TVCSD BOD minutes

Dru Fallon O'Neill motioned to approve the March 8, 2017 TVCSD BOD meeting minutes. No objections

VI. Financial Report (Melinda Bell)

a. Accept check registers and approve expenditures:

Bill Bonini motioned to accept check registers and approve expenditures. Donna Clavaud seconded the motion. M/S/C

b. Financial Manager's report:

Melinda Bell reported she is having difficulty getting checks signed. TVCSD policy states any check over \$500 requires two (2) signatures. Melinda Bell is authorized to approve routine and budgeted expenditures under \$500. TVCSD policy doesn't specifically state that two (2) BOD's need to sign checks; two (2) signatures are required for expenditures over \$500. Donna Clavaud asked Melinda Bell if she was recommending modifying the policy to allow Melinda Bell and one (1) board member or General Manager to sign checks. Checks are never written until there is approval of invoices.

Donna Clavaud motioned to accept the signature of TVCSD Financial Manager as one (1) of two (2) signers on checks consistent with the broad definition of in the TVCSD policy. Bill Bonini seconded the motion. M/S/C

Bill Bonini motioned to approve Financial Manager's report. Donna Clavaud seconded the motion. M/S/C

c. Review and approve financial statements:

Bill Bonini motioned to approve financial statements. Dru Fallon O'Neill seconded the motion.
M/S/C

d. Amended Measure A Work Plan for fiscal year 2016/2017:

Melinda Bell said this version for the 2016/2017 Measure A work plan would be amended to include \$4,000 for the tree. Donna Clavaud said it isn't done yet because labor invoices for the water fountain hasn't been received. Melinda Bell said invoices need to be received in order to proceed with the 2017/2018 work plan and the 2016/2017 amended work plan. The only invoice missing is David Judd's labor invoice and the handrail invoice, for \$462. Margaret Graham will call David Judd.

VII. General Manager's Report

a. Status Report on O & M contract:

Jose Ortiz met with TVCSD O & M contractor, NSU to discuss cost savings to the district. If lab tests were billed directly to TVCSD, and if volunteers could do other general maintenance, the district would save \$10,000 annually. Jose Ortiz asked direction from the TVCSD BOD's; to change the RFP eliminating these items from the O & M contract. TVCSD has used the same contractor since 1999 with few amendments for cost of living increases. Donna Clavaud felt the current contractor has served the district well in terms of keeping up with current mandates/regulations however; there is a need to save \$10,000 to \$12,000 annually from the contract. Donna Clavaud requests a new contract and a scope of work attached as soon as possible.

Donna Clavaud motioned that Jose Ortiz and one (1) additional TVCSD Board Member request a meeting with NSU to begin restructuring the scope of work and to achieve a service contract within thirty (30) days and to bring back a proposal to the May 10, 2017 TVCSD BOD meeting. Bill Bonini seconded the motion. M/S/C

VIII. NSU Report

a. Review reports for February 2017:

Jose Ortiz reported there was a Notice of Violation from the San Francisco Bay Regional Water Quality Control Board for not having submitted sanitary sewer overflows. Notice of Violation showed the former administrator as the contact person, the database has been updated and Jose Ortiz will submit reports by April 28, 2017. There have not been any overflows.

Jose Ortiz reported receiving the Notification of November 2017 District Elections from Marin County Department of Elections. Forms and resolution are due to the County by June 23, 2017. Terms for three (3) TVCSD Board of Directors end December 1, 2017. Jose Ortiz suggests making the next election for three (3) years, which will put TVCSD in a cycle of elections falling on an even year. Resolution will be prepared and adopted at the June 14, 2017 TVCSD BOD meeting.

IX. Committee Reports

a. Financial Advisory Committee (FAC)

1. Review approved March 22, 2017 minutes:

Donna Clavaud reported the Financial Committee has been preparing to be ready for the 2017/2018 budget process for at least a year. An Asset Management Plan for the entire sewer district and a ten (10) year Capital Improvement Plan (CIP) has been done. FAC has also developed all TVCSD financial policies and in addition, Melinda Bell has developed financial and budget statements that are user friendly and easier to understand. The months of February, March and April, FAC has been working towards a 2017/2018 draft budget which will include the ten (10) year financial projections/improvements. By lowering the O & M contract, the budget will almost balance out.

The solar bonds that were sold to raise money to purchase and install the solar panels are a debt that is still being paid into the future. The former administrator and board didn't develop a plan to repay the solar bonds except for a \$5 per month service fee for fifteen (15) years. The PG & E annual tax rebate (\$14,500) ended in 2016. The solar bonds service obligation (\$7,680) is for nine (9) more years and, in addition, in 2010/2011, the district undertook major improvements to the sewer system due to lack of investment and maintenance that was inherited from North Marin Water District. TVCSD is still paying off these debts and there hasn't been a rate increase in eleven (11) years. The last rate increase of \$8/mo per EU was in 2008/2009.

Donna Clavaud explained FAC struggled with how to create a budget that balances for daily operations and how to pay the two (2) debt services; the solar bonds and the state revolving loan fund. \$296,284 is owed over the next nine (9) years. The TVCSD BOD's and FAC know that a rate increase is needed. The proposed rate increase is \$9.45 per EU, per month for 2017/2018 and another proposed rate increase of \$9.45 per EU, per month for 2018/2019. It is projected with the proposed rate increases; TVCSD debt services will be paid off in 2025/2026.

Jose Ortiz reiterated the revenue to the district barely covers the costs and there wasn't a strategy to pay down the debt services.

Non-approval of rate increase will deplete TVCSD emergency reserves in less than three (3) years.

2. Discussion on proposed sewer and park budgets for fiscal year 2017/2018:

Melinda Bell projected the debt payment obligations payoff:

\$17,941 per year for nine (9) years to pay off solar bonds.

\$38,000 - \$39,000 per year for (6) six years to pay off state revolving loan fund.

Bill Bonin asked Supervisor Dennis Rodoni if he had any comments or suggestions. Supervisor Dennis Rodoni said he has always been a proponent of small increases per year and praised the TVCSD BOD's for their work.

Donna Clavaud requested that Melinda Bell show where the cash outlay is coming from on the proposed Sewer Program Budget for 2017/2018. Jose Ortiz suggested showing a budget comparison to show what would happen without a rate increase.

3. Review draft of Public Hearing mailer for proposed rate increase:

The TVCSD Public Hearing for the proposed rate increase is scheduled for Wednesday, April 26, 2017 but there is a conflict with the Tomales Town Hall, therefore the meeting will be rescheduled for Tuesday, April 25, 2017 at 6:30. Percentages will be changed to dollar figures and change Proposed 2017 -2018 Sewer Rate Increase to Proposed 2017 -2018 Sewer Rate. This rate increase is specifically to pay off the service debts. Jose Ortiz will check the noticing requirements for Special Districts. Donna Clavaud studied the Brown Act regarding Public Meeting noticing requirements; notices need to be mailed to Tomales postal patrons, publically post the agenda and advertise in the Pt. Reyes Light.

Bill Bonini motioned to accept the Public Hearing mailer, with corrections, and to be mailed to Tomales postal patrons on Friday, April 14, 2017 and to publish the Public Hearing Notice. Donna Clavaud seconded the motion. M/S/C

b. Park Advisory Committee (PAC)

1. Review approved March 27, 2017 minutes:

Minutes were reviewed.

2. Update on water fountain installation and inspection:

No discussion.

3. Update on advertising for RFP:

Bill Bonini motioned to advertise in the Pt. Reyes Light and the Press Democrat for the park RFP's. Donna Clavaud seconded the motion. M/S/C

4. Update Ted Anderson's scope of work:

Jose Ortiz said he is developing a scope of work for Ted Anderson, which is not to exceed \$5,000, and will also suggest Ted Anderson contact North Bay Builders Exchange contractors for the park projects. Donna Clavaud reported no one has applied to the park RFP's and suggests to reach out to farther fields for the ADA ramps. Jose Ortiz will reach out to Architect, Craig Williams, who is an expert with ADA requirements for referrals for the ADA ramps.

X. Pending Business

a. Discuss Senate Bill 415 – Voter Participation:

Discussed earlier, move to TVCSD BOD meeting June 14, 2017.

b. Update on Spring 2017 Newsletter:

The TVCSD Spring 2017 Newsletter is being postponed.

c. LAFCO Call for Election:

Votes are due April 24, 2017.

Donna Clavaud motioned to rank Craig Murray first, Lew Kious second and Todd Gates third. Bill Bonini seconded the motion. M/S/C

Jose Ortiz added to pending business as of today, a report from Marin County Civil Grand Jury; "Overcoming Barriers to Housing Affordability". New legislation that went into law that relates to accessory/granny units. The way the law was written only applies to a city or a county or a city and county and not Special Districts. The point of this legislation to make housing more affordable which will allow a new living unit without paying connection fees. For now Tomales is exempt because Tomales is a Special District. Donna Clavaud will talk to Colleen Haley about this.

XI. Other Business

None

XII. New Business

None

XIII. Correspondence

None

XIV. Adjournment

Donna Clavaud motioned to adjourn the TVCSD April 12, 2017 BOD meeting. Bill Bonini seconded the motion. M/S/C

Meeting adjourned at 9:37 pm

Important meeting dates:

- Wednesday, May 10, 2017 TVCSD BOD Regular Board Meeting (Primary vote on proposed 2017-2018 budgets)
- Wednesday, June 14, 2017 TVCSD Public Hearing and Regular Board Meeting (Final vote on 2017-2018 budget)

Dru Fallon O'Neill

5/10/17

Approved by: Dru Fallon O'Neill, President

Date:

Cynthia Hammond

MAY 10, 2017

Attested by: Cynthia Hammond, Recording Secretary

Date:

TVCSD 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:

Dru Fallon O'Neill, President • Donna Clavaud, Vice President • Bill Bonini

Peter MacLaird • Deborah Parrish