

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
SAUSALITO-MARIN CITY SANITARY DISTRICT**

April 5, 2010

The regular meeting of the Sausalito-Marín City Sanitary District was held on April 5, 2010 at 7:30 p.m. in the Council Chambers, 420 Litho Street, Sausalito, California

I. ROLL CALL

Directors Present: Arnott, Beers, Berkman, Gergus, Wohlschlaeger

Staff Present: General Manager Bob Simmons, Plant Superintendent Yoshi Uemura, Lab Director Omar Arias, Administrative Assistant Melody Lehman

Staff Absent: Board Secretary Joyce Krueger

Staff Also Present: O&M Technician I Kevin Beneda

Also Present: TCSD Representative Jim Jacobs, TCSD Board President Steffen Bartschat, City of Sausalito Engineer Todd Teachout, Rotary Housing Corporation Board Members Paul Anderson, Ronald Albert, and Reza Najafi.

II. A. TCSD REPORT.

TCSD Board President Steffen Bartschat reported that TCSD had met with all of the SASM member agencies. Alto Sanitary District approved selling an estimated 30 EDUs of excess capacity. Homestead Sanitary is anticipating that Muir Woods Park will be joining SASM in the near future and, if that occurs, their excess capacity would be needed for Muir Woods. Richardson Bay has expressed interest in selling an approximate 1200 EDUs and has directed their staff to determine the excess capacity that is available to sell.

The City of Mill Valley has determined that they do not find it in their best interest to sell their excess capacity at this time. TCSD has determined that without the EDUs from Mill Valley, the plan to move flow may not be feasible but will explore other alternatives. After commitments to sell excess capacity are made to TCSD, the SASM Board will have to formally approve the transfers.

SASM is currently in the middle of a wet weather retrofit and is launching an expansion that will double the size of their equalization ponds. The expansion includes 5 mgd of storage space that SASM would need to accommodate TCSD's wet weather flow.

G. APPROVAL OF BILLS AND EXPENDITURES AS MODIFIED:

M/S/C- Gergus/Berkman

VOTE: Arnott, Beers, Berkman, Gergus,
Wohlschlaeger

IV. GENERAL PUBLIC. NONE

V. UNFINISHED BUSINESS

A. ACCEPTANCE OF FISCAL YEAR 2008/2009 FINANCIAL STATEMENTS

- **MOTION:** Accept Fiscal Year 2008/2009 Financial Statements as modified.

M/S/C –Gergus/Wohlschlaeger

VOTE: Arnott, Beers, Berkman, Gergus
Wohlschlaeger

VI. NEW BUSINESS

A. ROTARY HOUSING CORPORATION (RHC) – 414 BEE STREET AND 501 OLIMA STREET, SAUSALITO – REQUEST FOR WAIVER OR REDUCTION OF SEWER SERVICE CHARGES AND AFFIRM ADDITIONAL ASSESSMENTS FOR 501 LIMA STREET FOR FISCAL YEARS 2006-07, 2007-08, 2008-09 AND 2009-10.

Manager Simmons stated that a request was received in March 2010 from Reza Najafi, Rotary Housing Corporation (RHC) Property Manager for relief from sewer service charges for the 10 unit Bee Street project. The Bee Street Project is a low income senior development located at 414 Bee Street in Sausalito.

The SMCSD Board granted partial relief from connection fees for the 10 Unit Bee Street Project in March 1991 with the adoption of Resolution No. 636.

RHC came before the Board in March 2004 to request partial relief from connection fees for a 22 unit senior low income housing located at 501 Olima Street, Sausalito. The Board granted a 50% reduction in connection fees with Resolution No. 855.

Neither resolution provides for relief from sewer service charges.

Simmons further noted that the use code for the Olima Street property is carried by both Marin County Tax Assessor and Marin Municipal Water District (MMWD) as a non-residential parcel. Secretary Krueger utilizes the use codes from the Tax Assessor and MMWD to determine how to appropriately charge both residential and non-residential parcels.

Krueger spoke with MMWD regarding the meter located on the Olima Street parcel and was informed that currently three meters exist on that parcel with only one being carried as a commercial meter. The water consumption data that MMWD was sending to the District was only for the one commercial water meter. Krueger has requested that MMWD investigate the meters on the parcel and inform the District about how all three meters are feeding the parcel to help determine the appropriate charges for the commercial and residential portions of the property.

Mr. Najafi was informed that District staff was unable to grant relief from sewer service charges. No exceptions for relief from sewer service charges are currently outlined in Ordinance 78, an ordinance governing sewer service charges or in the Resolution Nos. 636 and 855.

When a parcel has been charged incorrectly in the past, it has been the District's policy to reassess the parcels for the past three fiscal years plus the current fiscal year.

Paul Anderson noted that RHC is a non-profit organization and all monies collected go directly to the housing units. RHC only has seniors who are age 62 or older. All workers are volunteers and RHC does not have any federal or state subsidies for the project. RHC would like to request that the District continue to charge the Olima Street project as a commercial parcel and also that the Bee Street project also be reclassified as a commercial parcel.

Director Arnott noted that it was her understanding that RHC helps to fulfill the required need for low income housing in the City of Sausalito. Mr. Anderson confirmed that the organization does help to fulfill that need.

Director Beers noted that the issue should be tabled until detailed information is received from MMWD. Beers also stated that the District currently charges all residential parcels at the flat rate of \$388 per dwelling unit and, although the Board is very sympathetic to RHC's very worthy project, District ordinance and Proposition 218 does not allow for relief from sewer service charges. Everyone must pay their fair share for the service provided and, to give one group relief, would cause others to pay more to cover the District's cost of service. The District ordinance would have to be modified before the Board could address the issue of re-defining residential and non-residential classifications.

District Counsel noted that due to Proposition 218, there would be substantial limitations to what can be done to accommodate RHC's request. The issue of back charges is a more readily addressable request and flexibility to consider several options is available.

Beers directed staff to work with District Counsel to determine what options are available to address RHCs request.

Director Gergus noted that the Board has looked carefully at the methodology with which the District assesses sewer service charges and determined that the current flat base rate per unit method was the most appropriate at this time. The Board will look at options as they do in all cases but accommodating exceptions can be difficult because the District must operate within legal bounds, which do not often allow for exceptions.

B. LOCUST STREET PUMP STATION IMPROVEMENTS – ADOPT RESOLUTION NO 927, A RESOLUTION MAKING FINDINGS AND DIRECTING FILING OF NOTICE OF EXEMPTION, PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND AUTHORIZE STAFF TO ADVERTISE THE NOTICE INVITING BIDS.

Simmons noted that he is currently reviewing the 90% design submittal drawings and specifications. Staff will be ready to advertise the notice inviting bids in May with the bid opening is anticipated to be in early June. The bid results will be brought back before the Board for award of the construction contract in June.

A preliminary environmental review of the project was completed and Simmons determined that the project is exempt from CEQA as a Class II exemption. The footprint is the same with the building being constructed on the same site with the same capacity performing the same function as the previous facility.

District Counsel is crafting easement agreements to send to the property owner for signature. The property owner advised that he would give the easement free of charge to the District if the City of Sausalito will agree to modify his approved parking plan to allow the owner more parking on his site. The City has been very cooperative and no problems are expected.

Director Wohlschlaeger noted that the pump station improvement plans were modified at the request of the City of Sausalito and inquired, if the paying the fees was appropriate under the circumstances. Simmons replied that the District is exempt from the Building Permit review process and associated fees, but not from the City's Design Review process. Payment of the city's fees for Design Review would appear to be appropriate. The District has paid \$10,000 for review and variance fees. The Planning Commission will meet on April 14th to review the project. The exterior of the pump station will mimic the Sausalito Ice House Visitor Center Building.

- **MOTION:** Adopt Resolution No. 927 Making Findings and Directing Filing of Notice of Exemption, Pursuant to the California Environmental Quality Act and Authorize Staff to Advertise the Notice Inviting Bids as amended.

M/S/C –Berkman/Wohlschlaeger VOTE: Arnott, Beers, Berkman, Gergus
Wohlschlaeger

- C. AUTHORIZATION TO PURCHASE USED HOIST TRUCK AT A COST NOT TO EXCEED \$20,000.00.** Simmons stated that this topic should be tabled because review of California Air Resources Board regulations indicated that the vehicle would require extensive engine re-work by 2014 to meet air quality emission regulatory requirements. The engine re-work would be cost prohibitive.
- D. CALIFORNIA ASSOCIATION OF SANITATION AGENCIES 2010 CASA SPRING CONFERENCE APRIL 28TH THROUGH APRIL 30TH AT THE NEWPORT BEACH MARRIOTT, NEWPORT BEACH, CA.**

- **MOTION:** Authorize any director wishing to attend the California Association of Sanitation Agencies 2010 CASA Spring Conference April 28th through April 30th at the Newport Beach Marriott, Newport Beach, CA.

M/S/C –Arnott/Gergus VOTE: Arnott, Beers, Berkman, Gergus
Wohlschlaeger

STAFF REPORT

A. GENERAL MANAGER

1. Plant Operations:

1) Superintendent Uemura indicated that the plant complied with all of its discharge requirements during the month of March. 2) An unexpected failure of one of the pumps at Main Street Pump Station occurred. On March 31, Uemura responded to an alarm at Main Street Pump Station. The mechanical seal on Pump #3 failed and was leaking. The pump was shut off and Pump #2 was placed on line as the back-up pump to Pump #1. Flows remained within the capacity of Pump #'s 1 and 2. Pump No. 3 was removed and repaired and was placed back in service within three days before the onset of wet weather. 3) A review of the maintenance program at Main Street Pump Station is being undertaken. An implementation team for the new Nexgen Maintenance Management System has been formed and will be meeting in April to begin the implementation process. 4) Fixed Film Reactor #2 pump is being repaired and is expected to be placed back in service by the end of the first week in April. 5) R Schmidt is continuing to perform electrical repair and upgrade at the plant and pump stations. 6) Main line inspection for the gravity main upstream of Main Street Pump Station was performed and preliminary reports indicate that the piping is in good condition. 7) OIT, Kevin Beneda has been promoted to O&M Technician I after achieving the necessary requirements and experience. 8) Jeff Waters attended a laboratory field sampling class and will be presenting the material to the other operators. 9) Omar Arias attended Laboratory Ethics training and will also present the materials to the operators. 10) Brian Zamacona and Ryan Hall attended Fats, Oils and Grease training and they will also be conducting the FOG training for the other operators.

2. Safety Program. Staff attended accident investigation training. The District safety committee continues to meet the first Wednesday of each month to discuss safety issues.

Safety tailgate meetings are being conducted every two weeks. All employees will take turns introducing new safety topics and leading discussions at the tailgate meetings.

Elayne Haller, the Interim Safety Director, has reorganized the District's safety files.

3. EEO Report/Harassment Report. None.

4. Odor Report. None

5. CWEA – Public Education –. Lab Director Omar Arias serves as liaison to the Marin Pollution Prevention Group (MPPG). The District participates with other Marin County sanitary districts in conducting pollution prevention education and outreach. The MPPG received an award from the Redwood Empire Chapter of the

CWEA for their 2009 program work, which qualified the group for the statewide award.

The group won the statewide award as well in the large budget public education category, which includes agencies with a PPP budget of \$20,000 or more. Arias noted that the award was a testimonial to the group because the large budget category included very large regional agencies with substantially more resources at their disposal than the Marin Group.

6. Scotties Pipeline Repair– The repair is scheduled for April 8. The City of Sausalito inspected their sewer lines in vicinity of Marinship and Libertyship and discovered that the contractor for Comcast, AC Squared, had penetrated a City gravity sewer about same time as they penetrated the District's Scotties force main. Claudia Hutner of Meyers Nave law firm stated that the insurance company for the contractor has accepted responsibility for damage and she will be working to recoup the expenses estimated at approximately \$45,000. Kimber Company received a bid from Maggiora Ghilotti for \$45,000 for removing and replacing pavement damaged by the spill. In total, the cost for the spill will be approximately \$100,000 - \$125,000.

7). Biosolids to Energy Project (BBA2E). A coalition of fourteen Bay Area organizations has been formed to create the Biosolids to Energy Project. The project involves efforts to find sustainable ways of creating energy from biosolids.

Twelve private companies have submitted proposals to the coalition to provide the technology for converting biosolids to energy. The BBA2E steering committee has selected six companies to interview. The interviews will lead to a short list of firms who will be asked to prepare a detailed proposal. The companies being considered are proposing technologies from conventional to leading edge. The interviews will occur on May 3, 2010. The Group is lobbying for both federal and state funding. Simmons will be drafting a letter for the Board President's signature to the State Energy Commission requesting \$1,000,000 in state funds for the Project. Information about the Project can be found on the website www.bayareabiosolids.com.

8) Ft Baker Road Parking Improvements - Staff requested proposals from Pacific Infrastructure, Inc. the contractor working on the Sodium Bisulfite Building Improvement Project and Ghilotti Brothers, the contractor working on the Fort Baker Road improvement, to construct four off-road parking spaces north of the existing Hypochlorite Building on Fort Baker Road. The spaces would be used for District employee and contractor parking.

The Park Service is proposing to construct a pedestrian walkway from the Fort Baker campus to Alexander Avenue. Staff is concerned because the Park Service has proposed to remove the guardrails that line the road above the treatment plant. The removal of the guardrail may pose a potential safety hazard because the only protection from a runaway car would be the trees on the hillside. The

walkway will also allow pedestrians a direct view of the District office and corporation yard. Staff has contended with incidents of vandalism and theft in the past and the open view will create more exposure.

B. OFFICE MANAGER/BOARD SECRETARY: None.

C. ACCOUNTANT:

1. LAIF – Investment of Reserve Funds: The Board was informed about the LAIF report.
2. Monthly Financial Report: The Financial Report was reviewed.

VII. BOARD OF DIRECTORS – None.

VIII ADJOURNMENT

The meeting was adjourned at 9:23 p.m., to the next regular meeting to be held on the scheduled date of May 3, 2010 at 7:30 p.m.

Board Secretary