

**TOMALES VILLAGE COMMUNITY SERVICES DISTRICT
BOARD MEETING**

Minutes of Meeting held February 13, 2013

Board Members Present: Walter Earle, Hope Sturges, Sue Sims and Eric Knudsen
Board Members Absent: Patty Oku

Also Present: Karl Drexel, Administrator

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| Donna Clavaud | Paul Duffey |
| Venta Leon | Jane Healy |
| John Ward | Richard Oppen |

Board President Walter Earle called the meeting to order at 6:10 p.m.

Approval of Minutes:

The Chair entertained a motion to approve the January 9, 2013 board meeting minutes.

Eric Knudsen made a motion to approve the minutes of the January 9, 2013 Regular Board Meeting. Seconded by Hope Sturges. M/S/U.

Financial Report:

A. &B. The Administrator submitted the financial reports and a list of payables for the months of January and February along with copies of the check registers for the month of January. He noted that there was one extraordinary expense this month and that was the bill from Craig Fechter for the audit he says is 90% complete. There was also a \$979 charge from Phillips for non-scheduled work to purchase and install a new electric motor on the aerator.

Eric Knudsen made a motion to accept bank statements, accept the financial reports, and approve expenditures for January and February. Seconded by Hope Sturges. M/S/U.

Hope Sturges asked what was left to do for the audit. The Administrator noted that Craig Fechter had turned the audit activity over to staff and they had made some Journal Entries that were not appropriate, moving some Park assets into the sewer asset account and they needed to be reviewed and revised before the audit can be completed. He noted the accounting staff also expensed some assets that shouldn't have been expensed. He reported that he was working with the auditor and his staff to make the revisions.

Phillips & Associates Report:

- A. The Administrator submitted copies of the Self Monitoring Reports for December. He noted the pond levels were in good shape and irrigation was turned off for the winter.
- B. He reported that the electric motor had been replaced and installed and was working properly.
- C. He reported that the PGE expense went up substantially in December and January because of high rain fall. He and Phillips are monitoring the situation to see if it is a worn out pump motor or excessive infiltration or both. Hope Sturges asked if the flows were exceeding the maximum allowable flow on the WDR permit. The Administrator said he did not think there was a maximum flow, but that there was a peak flow requirement and that the system was designed for .240 MGD and we no longer reached that level. Hope also asked if the pumps get clogged with rags at the lift station and if they were regularly cleaned. The Administrator noted that cleaning the lift station pumps was on the annual maintenance matrix for Phillips.

Paul Duffey asked about the backup high lift pump at the treatment plant and if it is being used. The Administrator noted that the backup pump was not designed for extended use at the height required and is only a backup.

Committee Reports:

A. Newsletter Committee

No Newsletter report.

B. Fundraising Committee

Nothing to report on fundraising

C. Park Advisory Committee

1. Eric noted that the Park Advisory Committee met on the 17th of January. He submitted the Draft minutes of that meeting and discussed the discussion surrounding the park entrance gate. He noted that discussion was ongoing regarding the look and design of the gate itself. The Administrator noted that further discussion on the proposed design to change the angle of the entrance gate had to happen before moving forward, because of the slope requirement for handicap access and the steep drop off in front of the gate. Eric noted that further meetings will be held and designs will be selected for community input and vote.
2. Eric reported that Patty and Nicole were working on an event for the volunteers for April 6th at the Town Hall. He said it is going to be an evening event with wine, beer, punch and appetizers. The Board members will be responsible for keeping the food furnished. Venta Leon offered to ask Lagunitas to donate a keg of beer for the event.
3. Eric reported that the 3rd annual Party in the Park will be held on July 7th this year. Postcards for "Save the Date" will be going out to all of the surrounding communities and may even go up to include Bodega Bay. Eric was working on a design and size of the postcards. Sue Sims recommended Eric look into Vista Print to have the postcards made.

D. Finance Advisory Committee

1. The Administrator noted that the FAC minutes had been presented at the last meeting but that he had been asked to include them for review in this Board packet. The issue of 1099s came up. Hope Sturges asked the Administrator if he would show his 1099 to the Board this year. The Administrator agreed.
2. The Administrator reported that Patty Oku had addressed the FAC at their last meeting and asked that her presentation be presented to the whole board. Walter indicated that the survey Patty was doing was an ongoing process. Eric commented on the survey response noting that Bolinas and Fall River Mills managers get a lot of administrative assistance. Jane Healy commented that the survey did not take into account the administration services Phillips provides. Walter Earle noted that Phillips does administration for their own company, but they don't provide administrative services for the TVCSD. Paul Duffey commented that he believed that Phillips has O&M agreements with about 30 small systems and that he would ask them if they provide administrative services for any of them. Eric also commented that he was happy to see a complete list of grants that the Administrator has received since 2001 that Patty presented. He noted that the list really completes the whole picture since it is not only about expenses when determining the financial value, but also wealth generation for the whole district. He noted that the actual administrative fees paid by the District were less than the income generated through grants for that same period.

Sue Sims noted that the purpose of their survey was to find out what administrative costs were on an apples to apples basis as best they could in a very difficult environment to make that happen. She mentioned there was probably a lot of "rich stuff" in each of the Districts that they did not put into the survey. She said that was why she felt it was important to try and get the best people available to do an efficiency audit so they could look at the whole picture, because there are so many things that can be missed when trying to make this kind of comparisons.

Venta Leon commented that she thought Patty was going to get information from the other Districts regarding grant writing and that she didn't see that in the report. Walter

indicated that he felt Patty was actually going to continue with her survey when she returned from her trip.

3. The Administrator reported that he had placed the item of hiring a part-time bookkeeper on the agenda at Patty's request. It was decided to table the issue until next month since Patty was not present.
4. Hope suggested an efficiency audit might be done by a manager of another Special District as opposed to an operator. Venta Leon noted that the Manager at Fall River Mills might be a possible person to perform an audit. She said he did Fall Rivers when he came on board. Paul Duffey indicated that he thought John Van den Bergh was leaving Fall River Mills, but he said he agreed with Hope that an administration efficiency audit should be performed by somebody with administration credentials. Donna Clavaud noted that in the researching of efficiency audits it was made clear that it is important to start with some clear definitions and goals before tackling an efficiency audit. She commented that while doing the comparative survey it was a chance to look around at other districts and it answered some questions and brought up others and that it was necessary to define what those questions were. It was concluded that the FAC would continue investigating sources for efficiency audit and report back to the Board with a number of selections and possible suggestions for goals and questions that the Board might want to pursue.
5. Discussion was held on the proposal by the FAC to post a generic agenda for FAC meetings. The Administrator submitted some responses from the CSDA List Serv addressing the question of whether or not a generic, perpetual agenda meets the Brown Act requirements of posting a meeting agenda. It was generally discouraged that a perpetual agenda be posted and encouraged that a new agenda be posted subject to the Brown Act requirements listing items for discussion and a brief description of each item. The question arose regarding the public's ability to put items on the agenda. The Administrator noted that the Board had not made a policy regarding adding items to the Agenda, but generally it falls on the President and General Manager to approve agenda items. It was also noted that the public has a right to speak to any item not on the agenda during open communication.

Pending Business:

A. Grant Writing

1. The Administrator reported that the Land and Water Conservation Grant application for a new gazebo and irrigation system has been submitted. He noted that there were a couple of items of clarification the Park Department wanted, which have been submitted and the Park Department is now reviewing the application. He also reported that he was working on a request to Phil Wyatt for help with an irrigation system.

B. Capital Improvement Projects

1. The Administrator reported that he and David were working on the final punch list for final inspection of the Park Project. Hope Sturges questioned why we were still working on having a final inspection on the Park Project when the permit expired in 2008. It was noted that it sometimes takes longer when volunteer labor is involved. She commented that she felt all projects should be put out to bid and set up on a time line for completion. Walter indicated he would like to work on the path some more before the final inspection.
2. The Park gate was being discussed and designs are being addressed. The Gazebo will be discussed at a future time.

C. Policy Manual

1. The Administrator noted that he had been asked to review the Fall River Mills CSD Policy Manual and to present it to the Board at this meeting. He indicated it was 128 pages long so he did not make copies for the Board packet, but he did include the Table of Contents for review. He noted that anybody that wanted copies could get it off their website in .pdf form. He also noted that they were working on an amended version of their Policy Manual and would have that available when it was done. Discussion was held regarding this being a starting point to work on policies for the District.

Paul Duffey interjected with his previous policy recommendation for maintaining the minutes in electronic format in perpetuity. He commented that he has been listening to the minutes of the last several meetings and noted that the recorder was on prior to a regular meeting in October while they were waiting to start the meeting and he said he had talked about the design and operation of a Goulds multi stage pump that did not make it in the regular minutes. He said he was trying to show how the District's pumps worked and although his discussion was well received at the time, he learned how he could present the information differently by listening to the tape. He then commented that by listening to the tape after the meeting he said he could answer Hopes questions regarding the questions she had about the balance sheet items in detail by collecting the information from official sources and giving them to her. He said if anyone wanted to be reminded of the whole discussion at any particular meeting they should listen to the minutes and audio minutes should be held forever. He also noted that minutes could be a lot shorter and take less time to transcribe.

Donna Clavaud asked if there was a timeline on when the Policy Manual should be developed and who was going to do the developing. Walter Earle indicated that he and Paul were the ones supposed to work on it and suggested they have a draft by year end.

2. The Administrator reported that Patty had heard the CRWA provides Board training at no cost from the Fall River Mills CSD manager and asked him to look into it. He reported that he had discussed the process with the CRWA Circuit Rider for this area and she would come to Tomales on a week night and give a three hour course entitled Board Roles and Responsibilities at no cost. Discussion was held. Sue Sims asked if we could get a course description. John Ward asked if it could be done before the end of April. Walter asked the Administrator to get some available dates from the instructor and try and get a consensus date for holding it before the end of April. The Administrator also said he would try and get a written description of the course.

D. 2012 Audit

The Administrator reported that he had received a Draft of the 2012 Audit and felt there were some errors in the posting of some of the Journal Entries and that he needed to talk to Craig regarding them, as was discussed earlier.

E. Complaints and Correspondence

No correspondence received.

New Business

A. LAFCO Commissioner Nominations

1. The Administrator submitted LAFCO's notice of nomination for Special District Representative for the Commission. No action was taken

B. SDRMA Board Elections

1. The Administrator submitted SDRMA's notice of Elections. No action was taken.

Administrator's Report:

The Administrator noted he did not submit a written report this month, but his activities were discussed during the meeting

Open Communication:

Jane Healy, representing the Shoreline Unified School District Board of Trustees as their President, addressed the Board and commented that the Trustees felt that the amount the school district paid was excessive and that they would like the Agreement for Services between the School District and the TVCSD be revised. She said the existing contract was an old contract and that enrollment has dropped since it was first written. She explained the cost reductions the School has made over the years and that she felt the District needed to reduce administrative costs as well and to open discussions regarding revising the existing contract for services. She noted

