



REGULAR MEETING MINUTES
Graton Community Services District (GCS D)
Meeting of the GCS D Board of Directors
Monday, October 19th, 2015 at 6:00 PM
Graton Day Labor Center
2981 Bowen St. Graton, CA

1. Call to Order 6:01 pm

2. Roll Call - Determination of a Quorum: a board quorum was determined with 4 board members present including: Karen Hendrickson (KH), Hollynn DeLil (HD), Richard Coleman (RC), and David Clemmer (DC). Matt Johnson (MJ) was absent. Also present GCS D General Manager Michael Lane, Bookkeeper/CFO Denise Benguerel (DB), WWTP Operators Lindsay Cruickshank (LC), John Gibson (JG), and Hope Sturges (HS). Members of the public were Merrilyn Joyce, Lamont Langworthy (LL), Bob Rawson (BR), and Judy Christiansen (JC).

3. APPROVE AGENDA The order of the agenda was approved by the board.

4. PUBLIC COMMENT

David Clemmer (DC), DC read the public comment policy that is on this meeting's agenda and that it was to be strictly adhered to so as not to create the confusion as in last month meeting. DC read ordinance 5070.3.2 "Once the motion has been stated by the chairperson it is open for discussion and debate. After the matter has been fully debated and after the public in attendance has had an opportunity to make a comment. The chair person will call for the vote." DC stated from now on for each agenda item the chair will ask the staff to bring up any pertinent information for that agenda item. The Board will then discuss and debate on that agenda item. After the board does that then the chair will allow the public to make a brief comment. There was no public comment

5. CONSENT CALENDAR

Items 5A, 5B, 5C, and 5D were all removed from the consent calendar for discussion.

- A.** Confirm Expenditures and Revenue (Transactions) Lists for September 2015
- B.** Review of September 2015 Operations and Construction Financial Summaries
- C.** Review and approval of Regular Meeting Minutes from September 21st, 2015
- D.** Review and approval of District General Manager's September 2015 Invoice- Lane.

Discussion item 5A Q: HD What is the HSA cost for? **A:** DB Health savings account that each operator has in conjunction with the high deductible health insurance the district has for employees. **Q:** HD What is the dental and vision? **A:** DB Dental and vision insurance for operators. **Q:** HD If the turbine is running why is PG&E bill still high? **A:** DB&ML The bill that would reflect the turbine running has not been received as of the meeting date from PG&E. **HD:** Asked about construction transaction expense account, 59004, 58005, and the \$43,000. **A:** DB&ML It is the principal on the loan. **RC** What is SDRMA? **DB&ML** It is the Districts' workers comp insurer.

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Discussion 5B: Q: KH Asked what is “life to date” at the end of the capital project summary report near project balance of \$9,170,440? A: DB Stated she would get back to her on when exactly life began. Q: HD: SWRCB and 6 million, where is it sitting right now? A: DB Sitting in a construction account, earmarked. Q: HL What does LE stand for? A: DB Pete Lescure to whom which the district still owes \$52,000. Q: HL How much money have we spent on engineers for effluent pump station? A: DB \$48,000. She noted there is a very good chance the district will get an extension on the loan for the effluent pump project. Q: HL What was the reason last month the bookkeeping number in the budget was so high? A: DB The bookkeeping and legal accounts are accounts close in number 52111 and 51211 respectively. When data entry person entered it in at county for the budget they put both legal fees and bookkeeping numbers into bookkeeping. But it has been corrected.

Discussion item 5C: Q: KH about a potential typo. A: ML stated was not one.

Discussion item 5D: Q: HL Why are the general manager’s fees higher last month? A: ML Due to extra hours meeting with attorneys so that they may proceed with their litigation.

DC asked the public to comment on the items in the consent calendar. KH disagreed with allowing public comment at this point in the meeting. JC In regard to last month’s minutes expressed her support for using the plant as a meeting place, and that the plant has the right of way access to the plant. BR Stated it was state law to have a handicapped bathroom at the plant whether it was used or not. KH Moved to approve the items 5A, 5B, 5C and, 5D on the consent calendar; HD seconded the motion. KH aye, RC aye, HD aye, DC aye. MJ absent. **Consent calendar was approved.**

ACTION ITEMS

6. Discussion and Consideration of Resolution 151019 approving a professional services agreement with GHD, Inc. for bid phase & construction management for effluent pump station project construction oversight.

HD made motion to discuss and consider Resolution 151019 that would approve a professional services agreement with GHD, Inc. for bid phase & construction project management and oversight of effluent pump station project. KH seconded the motion. KH aye, RC aye, DC aye, HD aye. MJ absent. **Discussion and consideration of Resolution 151019 was approved.** After discussion, RC made a motion to accept Resolution 151019 approving the professional services agreement with GHD, Inc. for bid phase & construction management and oversight for effluent pump station project; Motion was seconded by KH: KH aye, RC aye, DC aye, HD nay. MJ absent. Motion carried. **Resolution 151019 was approved and signed. ML signed agreement with GHD, Inc.**

7. Discussion and consideration of approving an efficiency audit for Graton CSD

HD made a motion to discuss and consider approving an efficiency audit for Graton CSD. Seconded by DC. ML stated that we have already been working a lot in house to cut costs including lab tests, energy, chemical costs, and selling water to vineyards. Possible future revenue could be selling compost, being a septage receiving station, having a beneficial agreement with Forestville and a cell tower company. Different efficiency audit companies were discussed and why they would be good or not, as well as the need and benefit of an efficiency audit versus it’s cost. KH made a motion to stop discussion. RC seconded. KH aye, RC aye, DC nay, HD nay. MJ absent. **Draw-no action.** HD made a motion for the Board to contract with Matrix to do an efficiency audit of

Amount *
\$529.5K

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Graton CSD. DC seconded. It was discussed and comments were made by the board, staff and public. It was decided to put it on the next month's agenda for all board members to be present and allow more time to make a decision. HD made a motion for the Board to contract with Matrix to do an efficiency audit of Graton CSD. DC seconded. KH nay, RC nay, HD aye, DC aye. MJ absent. **Draw- no action.** HD made a motion to have a special meeting within two weeks. DC seconded. KH nay, RC nay, HD aye, DC aye. MJ absent. **Draw- no action.** Two board members requested the item be on the agenda for the next meeting.

INFORMATIONAL REPORTS

8. Effluent Pump Station loan discussion

DB will report back and clarify a possible typo inconsistent with the term of loan, and payments. She had contacted Joseph Wang at the California Energy Commission about it, but he had not gotten back to her.

9. Discussion of district's connection fee: alternative administrative process

Different payment plans were discussed as opposed to the current one time connection fee of \$10,000. DC went to Sonoma County accounting office to look into the issue. Russian River Sanitation District set up such a payment schedule; DC: (Sonoma County Accountant) Randy Siple mentioned this would add to (Graton's) administrative costs to set up such a program. Board also discussed how to charge people who are illegally hooked up, to get them to hook up.

10. Discussion Capital Improvements Budgeting

ML stated that he has been discussing future projects with staff. HD requested to have the capital improvement budgeting term on the agenda be called 5 year plan or master plan of which includes operational, administrative, and capital improvement planning, not just capital improvement budgeting.

11. GENERAL MANAGER'S REPORT

A. Treatment Plant Operations

Operations report- ML: Turbine is working well. ML executing sound abatement for high decibels of turbine for \$1200.00.

OIT report- One GCSD OIT has taken Grade 3 certification test.

B. Construction Update

ML stated meeting with PG&E regulator on Thursday. DC requested past present and future energy costs. It was decided that three years past PG&E costs good to compare. ML stated he would have that information and have it in possibly chart form as well. Responding to HD, ML stated looking for grants including battery energy storage.

Funding fair update-DC asked who could replace our previous grant writer. ML stated Maria Potter may be interested in grant writing as board clerk. She is currently at a class to look at the skills to expand her role, and may be a person who could take DB's place as well. DC requested ML look at the budget and provide a budget to cost analysis. ML stated he would work with Denise to come up with a format on the budget that is easier to understand. ML stated he would contact DC by end of next week to set up a time for the two of them to meet. DB stated she would email everyone the budget to actual for 2014-15 to understand and help with the 2015-2016 budget.

C. Meetings and Correspondence

SRF Final project inspection- no report.

Staff Meeting- ML Staff holding monthly staff meetings.

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ML had opportunity to meet with Mr. Langworthy, and will continue to keep meeting with him to come up with an equitable situation, in conjunction with the GCSD attorney and will have an update next meeting.

Union recognition- Operators polled all indicated they would like to be represented by the Engineers Local 39 in San Francisco. ML cleared with GCSD attorney and he wrote a letter indicating GCSD's acceptance of the Local 39 as the employee bargaining unit. At this time waiting to meet with union rep sometime in November.

12. SUGGESTED ITEMS FOR FUTURE AGENDAS

Old business/pending items

- Discussion of Ordinance 101E earlier in meeting- ongoing
- Review vendors periodically is ongoing
- Budget review-ongoing- discussed throughout meeting.
- Capital reserve budget development-not discussed-ongoing
- Policy manual updates- not discussed-still ongoing
- Collection/irrigation system upgrades-funding needed, not discussed on going

New business

- Possible outside service agreement
- Board Stipend
- General Meeting/Potluck to encourage public participation

DC made a motion to adjourn the meeting. KH seconded it. KH Aye, RC aye, HD aye, DC aye. MJ absent. Open session of regular meeting was adjourned at 9:04pm.

13. CLOSED SESSION - Call to order at 9:15 pm

CONFERENCE WITH LEGAL COUNSEL: EXISTING LITIGATION

(Pursuant to paragraph (1) of subdivision (d) of Section 54956.9)

Name of case: Claimant - Pasteurization Technology Group Inc.

14. CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

(Pursuant to Government Code Section 54957)

Title: District General Manager

15. REPORT OUT OF CLOSED SESSION: Direction given; no action taken.

16. ADJOURNMENT 10:06 pm.

Minutes approved David Chinn . Date 11/16/15 .