



The Mission of the Las Gallinas Valley Sanitary District is to protect public health and the environment by providing effective wastewater collection, treatment, and recycling services.

DISTRICT BOARD
Megan Clark
Rabi Elias
Craig K. Murray
Judy Schriebman
Crystal J. Yezman

DISTRICT ADMINISTRATION
Mike Prinz,
General Manager
Michael Cortez,
District Engineer
Mel Liebmann,
Plant Manager
Greg Pease,
Collection System/Safety Manager
Dale McDonald,
Administrative Services Manager

SPECIAL BOARD MEETING AGENDA

May 10, 2021

In accordance with Government Code Section 54956

Crystal J. Yezman, Board President, has called for a Special Meeting

On March 12, 2020, Governor Newsom issued Executive Order N-25-20, which enhances State and Local Governments' ability to respond to COVID-19 Pandemic based on Guidance for Gatherings issued by the California Department of Public Health. The Executive Order specifically allows local legislative bodies to hold meetings via teleconference and to make meetings accessible electronically, in order to protect public health. In light of this, the May 10, 2021 meeting of the LGVSD Board will be held via Zoom electronic meeting. There will be NO physical location of the meeting. Due to the current circumstances, there may be limited opportunity to provide verbal comments during the meeting. Persons who wish to address the Board for public comment or on an item on the agenda are encouraged to submit comments in writing to the Board Secretary (tlerch@lgsd.org) by 6 am May 10, 2021. In addition, Persons wishing to address the Board verbally must contact the Board Secretary, by email (tlerch@lgsd.org) and provide their Name; Address; Tel. No.; and the Item they wish to address by the same date and time deadline for submission of written comments, as indicated above. Please keep in mind that any public comments must be limited to 3 minutes due to time constraints. Any written comments will be distributed to the LGVSD Board before the meeting.*

**Prior to the meeting, participants should download the Zoom app at:
<https://zoom.us/download>*

REMOTE CONFERENCING ONLY

Join Zoom Meeting online at:

<https://us02web.zoom.us/j/87290073226>

OR

By teleconference at: +16699009128 Meeting ID: 872 9007 3226

**MATERIALS RELATED TO ITEMS ON THIS AGENDA ARE AVAILABLE FOR
PUBLIC INSPECTION ON THE DISTRICT WEBSITE WWW.LGVSD.ORG
NOTE: Final board action may be taken on any matter appearing on the Agenda**

Estimated
Time

OPEN SESSION:

3:00 PM

1. PUBLIC COMMENT

This portion of the meeting is reserved for persons desiring to address the Board on matters not on the agenda and within the jurisdiction of the Las Gallinas Valley Sanitary District. Presentations are generally limited to three minutes. All matters requiring a response will be referred to staff for reply in writing and/or placed on a future meeting agenda. Please contact the General Manager before the meeting.

3:05 PM

2. BUDGET UPDATE FOR FISCAL YEAR 2021-22

Board to receive an update on the budget and form recommendations.

3:45 PM

3. APPROVE THE ADDITION OF ONE PLANT OPERATOR III

Board to approve an additional Plant Operator III full time employee position.

CLOSED SESSION:

4:00 PM

4. CONFERENCE WITH LABOR NEGOTIATOR – Agency designated representative : Gregory Ramirez, IEDA; Employee organization : IUOE Local 3;pursuant to Government Code Section 54957.6

5:00 PM

ADJOURNMENT

FUTURE BOARD MEETING DATES: MAY 20, JUNE 3, JUNE 17, 2021

AGENDA APPROVED:	Crystal J. Yezman, Board President	Patrick Richardson, Legal Counsel
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CERTIFICATION: I, Teresa Lerch, District Secretary of the Las Gallinas Valley Sanitary District, hereby declare under penalty of perjury that on or before May 7, 2021 3:00 pm I posted the Agenda for the Board Meeting of said Board to be held May 10, 2021 , at the District Office, located at 101 Lucas Valley Road, Suite 300, San Rafael, CA.

DATED: May 5, 2021


 Teresa L. Lerch
 District Secretary

The Board of the Las Gallinas Valley Sanitary District meets regularly on the First and Third Thursday of each month. The District may also schedule additional special meetings for the purpose of completing unfinished business and/or study session. Regular meetings are held at the District Office, 101 Lucas Valley Road, Suite 300, San Rafael, CA. 94903

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 472-1734 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.

Agenda Summary Report

To: Mike Prinz, General Manager *MP*
From: Dale McDonald, Administrative Services Manager *DM*
(415) 526-1519 dmcDonald@lgvSD.org
Meeting Date: May 10, 2021
Re: Budget Update for Fiscal Year 2021-22
Item Type: Consent Action Information Other
Standard Contract: Yes No (See attached) Not Applicable

STAFF RECOMMENDATION

Board to receive information from staff and direct staff regarding the proposed fiscal year 2021-22 budget.

BACKGROUND

Staff and the Board have been meeting since February 2021 regarding the budget for fiscal year 2021-22. Multiple meetings have been held on the budget and associated sewer service rate study completed by HDR Engineering, Inc. Revenues, operating and maintenance expenses, debt service, reserve funding, and capital outlay anticipated for the upcoming fiscal year that begins July 1 have been discussed. At the budget workshop of April 20, 2021 some items of interest were raised by the Board. This budget update is being held to address these items and to allow incorporation of Board feedback into the proposed budget which is being formally presented on May 20, 2021.

The following updates are being provided:

- Water data from Marin Municipal Water District has been received. Analysis of variable rate non-residential rate payer data show that the overall volume of water use has decreased by 17.6%, not the 30% originally forecast in the preliminary budget. Therefore additional sewer service charge revenue of \$329,722 is anticipated from non-residential rate payers, bringing the total sewer service charge revenue to \$16,009,110.
- School water use data has been reviewed by staff. An alternative calculation comparing total centum cubic feet (CCF) water volume vs. average daily attendance (ADA) count of students and staff was conducted for the upcoming the 2021-22 billable year. The results show that a higher sewer service charge, not lower as expected, would occur if the volume methodology is used. The District will continue to direct bill schools based on ADA regardless of whether students attended class via remote-learning or in-class instruction during the pandemic.
- Staff has contacted IBank and has determined that a second loan from IBank of \$4M to \$6M to cover additional STPURWE costs can be obtained if the Board desires. The interest rate will range from 2%-3% and the loan can be standalone or refinanced with the current loan, blending the rate. The current loan rate is 3%. The District would be in

default of both the 2019 IBank loan and any new loan if our debt to coverage ratio (DCR) were to fall below 1.25. Having capital reserves will not impact DCR, having additional debt will. Maximum threshold for borrowing is around \$50M with concentration of risk to be reviewed by IBank counsel upon application for loan. Use of IBank financing for the new Operational Control Center Building remains an option.

- The proposed budget for 2021-22 has the District's debt to coverage ratio at 1.76 if the proposed rate increase remains at 9.0%.
- Unsecured grants are not factored into the budget. Kennedy Jenks is currently monitoring potential alternative funding opportunities. Any obtained grant funding can be used to offset capital project costs, reducing reliance on financing. Grant funding does not have a direct impact on debt to coverage ratio.
- Sewer Service Charge Assistance Programs are being provided by nearby sanitary agencies offering customers who meet certain eligibility requirements a discount on their annual sewer service charges. These include Novato Sanitary District (NSD), Ross Valley Sanitary District (RSVD), and Sausalito-Marín City Sanitary District (SMCSD). Eligibility is determined by applicants demonstrating they are enrolled in the PG&E CARE Program (California Alternate Rates for Energy Providers).
 - NSD – low-income program offers 10% discount to eligible Single Family Residential (SFR) households.
 - RVSD – low-income program offers 25% discount to eligible SFR households.
 - SMCSD – lifeline program offers 5% discount to eligible SFR households.

If the Board is supportive of adding such a program for LGVSD households then action must be taken to direct staff to draft a program and bring it back to the Board for consideration. A Resolution would be required to implement the program for this upcoming fiscal year 2021-22.

PREVIOUS BOARD ACTION

On April 20, 2021, the Board participated in a budget workshop on the preliminary budget for fiscal year 2021-22 and considered impacts the proposed rate increase would have on the community and the District's Strategic Initiatives. After discussion, the Board voted to notice a 9.0% rate increase for 2021-22 and 2022-23 along with adoption of Resolution No. 2021-2211 setting the time and place for the public hearing on the sewer service charge rates to be June 17, 2021.

ENVIRONMENTAL REVIEW

N/A

FISCAL IMPACT

N/A

Agenda Summary Report

To: Mike Prinz, General Manager *mnp*
From: Dale McDonald, Administrative Services Manager *DM*
(415) 526-1519 dmcDonald@lqvsd.org
Meeting Date: May 10, 2021
Re: Addition of Plant Operator III Position
Item Type: Consent Action Information Other
Standard Contract: Yes No (See attached) Not Applicable

STAFF RECOMMENDATION

Board to approve adding one Plant Operator III Full-Time Equivalent (FTE) position.

BACKGROUND

The current team of wastewater treatment plant operators, four shift and one lead operator, are responsible for monitoring and controlling wastewater treatment, reclamation, and recycled water production processes. In addition to normal business day operational shifts, this team covers evening, weekend, holiday, and emergency standby rotation needs. Current staffing levels are insufficient to allow for adequate coverage for planned (vacation) and unplanned time off (sick time) without significant overtime expense and chronic deferral of training and professional development opportunities. In two recent cases, notable overtime and a temporary employment agency had to be utilized to provide plant operator shift coverage under semi-emergent conditions. The addition of one shift level plant operator to this team is expected to improve overtime trends, standby coverage flexibility, in-house project completion, team morale, and professional development pursuits.

This position was one of several recommended in the Organizational Analysis developed by Regional Governmental Services in 2020. Approving this position will increase the number of plant operators to six and bring the total number of FTE positions at the District to twenty-six. Recruitment of this position will begin after Board approval with hiring expected after July 1, 2021, therefore this approval constitutes a pre-approval of the position which has already been proposed in the fiscal year 2021-22 budget.

PREVIOUS BOARD ACTION

None

ENVIRONMENTAL REVIEW

N/A



FISCAL IMPACT

The costs for this position are included in the proposed 2021-22 Budget but not in the current (fiscal year 2020-21) budget. The salary range for pay scale Steps 1 through 5 is currently \$7,217 to \$8,773 per month. The pay scale may change July 1, 2021 based on negotiations with Operating Engineers Local 3.

Cost savings will be realized by using less temporary contract personnel which has averaged \$12,322 per month over the last 4 months.

5/10/2021

CLOSED SESSION

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation