

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
CASTRO VALLEY SANITARY DISTRICT
HELD ON NOVEMBER 6, 2007**

[1. Call to Order, Roll Call and Pledge of Allegiance.]

The regular meeting of the Board of Directors of the Castro Valley Sanitary District was called to order by President Waespi at 6:30 p.m., Tuesday, November 6, 2007, at the District Office. The Pledge of Allegiance was led by President Waespi.

ROLL CALL:

PRESENT: DIRECTORS Daniel Akagi, Harry Francis, Ralph Johnson,
Timothy McGowan and Dennis Waespi

ABSENT: None

LATE: None

Staff in attendance:
Roland Williams, Jr., General Manager
Anthony Varni, District Counsel
Barbara Nagy, Recording Secretary

Others in attendance are listed on the attached attendance sheet.

[2. President's Comments.]

President Waespi welcomed everyone to the meeting.

[3. Consent Calendar.]

The Consent Calendar contained: A. Minutes of Regular Meeting on October 2, 2007; B. Accounts Payable List for the Regular Meeting of November 6, 2007; C. Monthly Statement of Operations for August 2007; D. Monthly Report on District Investments and Deposits for August 2007; E. Collection System/Field Maintenance Report for September 2007; F. Engineering Projects Report for September 2007; G. Report of OLSD Construction Committee Meeting on October 10, 2007; H. Report of Personnel Committee Meeting on October 10, 2007; I. Report of EBDA Commission Meeting on October 18, 2007; J. Report of ACWMA Meeting on October 24, 2007; K. Donation Request Report for the month of October 2007.

President Waespi asked if there were any items to be discussed. Member Francis had a question regarding Item B. Accounts Payable List, asking why there were three items to be paid to Verizon Wireless. Manager Williams explained that all of the District cell phones had been changed out with more rugged, waterproof phones. The monthly billing has been divided into two invoices; however, the total is no greater than when all phones were under one invoice. The District currently has eight cell phones. Member Francis also inquired about two payments to Pete's Hardware for Fast Cash for Food Scraps. Manager Williams explained that two winners had chosen gift certificates to Pete's as their award. The District pays Pete's \$100 and Pete's issues gift certificates for \$125.

There being no further discussion, a motion was made by Member Francis to accept the Consent Calendar. The motion was seconded by Member Johnson and passed on a 5 – 0 vote.

[4. Board Expenditures and Event Attendance Approval.]

President Waespi asked if there were any questions regarding Board Expenditures. There were none.

Members Johnson and Francis attended the Altamont Landfill tour on October 19, 2007 and would like that item added as a compensated meeting. Also, Member Johnson stated he forgot to record his attendance on his Director's sheet and would like that added for payment.

There being no further discussion, a motion was made by Member McGowan to approve Board Expenditures and add the above requested compensations. The motion was seconded by Member Francis and passed on a 5 - 0 vote.

[5. Items from the Public.]

There were none.

[6. Presentation of Petitions.]

A. Letter from Harry Todd, 20554 Forest Avenue, Castro Valley, requesting a variance to District Code requiring Connection Fee for Secondary Unit.

Manager Williams stated every dwelling unit must pay the \$9,700 connection fee per District Code. Mr. Todd and Mr. Andrews presented their request.

Mr. Andrews stated he is the owner of the property with 34 townhouses behind Mr. Todd's. He purchased a portion of Mr. Todd's property and demolished the garage. It was replaced with a garage and a carriage house on top with 400 square feet of living space. (Manager Williams stated 640 square feet is maximum for a secondary unit and that 400 square

feet is average size). Mr. Andrews added that it contains only four fixtures compared to the townhouses which average 14 fixtures each. He requested a relief on the connection fee with a proportionate reduction to possibly \$2,000. Member McGowan asked if the original was a garage only. Mr. Andrews replied yes. Manager Williams reiterated that when the County calls it a secondary unit, it is subject to the District's Code regarding a connection fee. Member Johnson sympathized but added the District always charges the full connection fee with no exemptions or reductions.

Property owner, Mr. Todd stated the carriage house will be for a caregiver for he and his wife as they are aging and he would appreciate any consideration.

President Waespi thanked both gentlemen for their comments.

No motion was made. Connection fee requirement stands as is.

[7. Regular Calendar.]

A. RESOLUTION NO. 3152 – RECOGNIZING CHRISTMAS IN APRIL CASTRO VALLEY AREA, INC., FOR ITS PUBLIC SERVICE TO THE CASTRO VALLEY SANITARY DISTRICT.

President Waespi recognized Mr. Jim Pacheco in the audience and read the resolution in its entirety.

Mr. Pacheco thanked the District adding he was sad to say that Christmas In April has ceased to operate after 15 years. It was an all-volunteer organization and, it became harder and harder to gather resources and volunteers while working a full time job. Over the years they helped 250-300 families. The rewards were friendships and volunteerism. He again thanked the District for the recognition.

There being no further discussion, Member Francis made a motion to adopt the Resolution. The motion was seconded by Member Johnson and passed on a roll call vote 5 - 0.

ROLL CALL

AYES: DIRECTORS Akagi, Francis, Johnson, McGowan and Waespi
NOES: None
ABSENT: None

MOTION CARRIED

B. *Report of Budget & Long Range Planning Committee Meeting on October 25, 2007.*

Manager Williams stated the main purpose of this meeting was to review the audit. Mr. John Cropper of Cropper Accountancy attended to present their findings. The District received an “unqualified opinion”, which is the highest opinion available. Net Assets have increased \$928,451 or 2.8%. With a small staff, segregation of duties continues to be a problem. Member McGowan suggested revising the revenue policy.

The District Credit Card Procedure item was tabled until the next Budget & Long Range Planning Committee meeting.

Manager Williams recommends a three-year budget, adding this is a good time to do it as the new MOU, effective March 1, 2008, is a three-year agreement. Also, the District will know who the new waste hauler will be; the District’s Master Plan with projections is in place; Oro Loma has a five-year capital plan which can be plugged in. In short, the District has the information to do a three-year budget. Also, the District will only have to do one Prop. 218 notification for the three-year period as rates for those years will be set; i.e. MOU data arrives in December; Budget & Long Range Planning Committee meetings in January and February; draft budget in March; to Committee for final review in April; Prop. 218 notification; hearing and adoption in June for July 1, 2008 implementation.

Manager Williams went on to caution the Board regarding no rate increase for next year, as there is always a catch-up situation. Member McGowan added the District must consider the post-retirement costs which must now be considered and feels a rate increase each of the three years is necessary. Manager Williams stated a preliminary letter from the actuarial has been received, which will be reviewed at the Personnel Committee meeting tomorrow. The numbers are not small.

There being no further discussion, a motion was made by Member Akagi to accept the report. The motion was seconded by Member Johnson and passed on a 5 – 0 vote.

1. *Draft Audit for FY 2006-2007.*

There being no discussion, a motion was made by Member Johnson to accept the Draft Audit for FY 2006-2007. The motion was seconded by Member Akagi and passed on a 5 – 0 vote.

C. *RESOLUTION NO. 3153 – ACCEPTING THE GRANT OF EASEMENT FROM SULJO & SEBIRA SABANOVIC, AND AUTHORIZING THE DISTRICT SECRETARY TO ATTACH THERETO THE WRITTEN ACCEPTANCE OF THE DISTRICT (PM 8849, TYEE COURT).*

Manager Williams stated there are two resolutions for this project; accept the Grant of Easement and approve Plans and Specifications. He went on to show plans and explain this project is one lot being divided into three, with 98' of new mainline. This is a private roadway. The subordination has been the hold-up since July. Lot sizes were mentioned; Manager Williams said it is tight, but acceptable.

There being no further discussion a motion was made by Member Francis to adopt the resolution. The motion was seconded by Member Johnson and passed on a roll call vote 5 – 0.

ROLL CALL

AYES: DIRECTORS Akagi, Francis, Johnson, McGowan and Waespi
NOES: None
ABSENT: None

MOTION CARRIED

D. RESOLUTION NO. 3154 – APPROVING PLANS AND SPECIFICATIONS FOR SANITARY PUBLIC MAINLINE EXTENSION IN PARCEL MAP 8849 (TYEE COURT).

There being no further discussion a motion was made by Member McGowan to adopt the resolution. The motion was seconded by Member Francis and passed on a roll call vote 5 – 0.

ROLL CALL

AYES: DIRECTORS Akagi, Francis, Johnson, McGowan and Waespi
NOES: None
ABSENT: None

MOTION CARRIED

E. Solid Waste Projects Report for October 2007.

Manager Williams stated he made this a regular calendar item to go over the report and answer any questions. He drew attention to the volume of work being accomplished by the two solid waste specialists. The Green Ribbon program is getting off the ground with a lot of excitement. The Recycled Art Contest went well. Quotes for the Calendar/Annual Report are coming. Manager Williams then referred to the Fall Festival Report, adding the District shared a booth with Waste Management this year. Expenditures for staff hours were less than 40 for the entire event. He also referred to the Food Scrap audit.

Member McGowan referred to Waste Management's 2007 curbside program. July's numbers were disappointing due to the lock-out. He also observed from the report that the three months prior were also low and asked why. Could the new Materials Recovery Facility (MRF)

line at Davis Street be not as efficient? Manager Williams stated there are no good answers; possible economic factors; trends into recession.

There being no further discussion, a motion was made by Member Akagi to accept the report. The motion was seconded by Member McGowan and passed on a 5 – 0 vote.

F. Report of Solid Waste Committee Meeting on October 23, 2007.

Manager Williams stated the Canyon Lands Annexation potential for Solid Waste Services has several components to consider: annexation; sphere of influence; Alameda County's agreeing to the process; and public comment to see if most residents in that area still wish to have recycling services. When a survey was taken, the majority were in favor.

Manager Williams discussed the settlement with Waste Management from the lock-out in July. The District received a check for \$34,000 for payment of District extended overhead for the month of July.

2008 events were discussed. Staff printed a notice in the newspaper for not-for-profit entities to partner with the District for the annual E-waste event in July. Two entities responded, Boy Scout Troop 726 and Castro Valley Rotary. It was agreed the District is to partner next year's event with the two groups under the District name and consider giving the event to the groups thereafter.

Manager Williams has determined that solid waste projects can be completed with existing staff and one or two interns. Interns may be secured from UC Berkeley's Chancellor's sustainability internship program or other programs at other academic institutions.

Battery collection at Pete's Hardware was discussed. The program will continue.

There being no further discussion, a motion was made by Member McGowan to accept the report. The motion was seconded by Member Francis and passed on a 5 – 0 vote.

G. CAC Nominations.

Manager Williams stated there are three vacant seats. The District received two letters of interest. The three Board Members with open seats are Members Akagi, Francis and Johnson. Audience Member Sam Alikian stated he was present to nominate his daughter, Hera Alikian. Manager Williams explained she must first present a letter of interest to the District and then be nominated by a Board Member. This can be done at the next Board meeting.

Member Johnson made a motion to nominate Cliff Sherwood as a member of the CAC. The motion was seconded by Member Francis and passed on a 5 – 0 vote.

Member Francis made a motion to nominate Alexandra Matteucci-Perkins as a member of the CAC. The motion was seconded by Member Johnson and passed on a 5 – 0 vote.

Letters will be sent to the newly appointed CAC members prior to the next CAC meeting on November 14, 2007. Member Akagi still has an open seat on the committee.

H. District Performance Indicators (DPI's) First Quarter 2007 Report.

Manager Williams stated Board Members have received the first quarter report and it is very cut and dried. This is the first time DPI's have been reported in this fashion with more structure. Quite a few items were not completed, many due to the WMAC lock-out during the month of July which took much of staff's time.

Manager Williams handed out Second Quarter DPI's which he noted are tougher than the first quarter's. A report on the second quarter will come in January.

[8. Communications.]

- A. Letter from Carolyn J. Cady thanking the District for her LRGP funding and praising Pat Krevey for her helpfulness.***
- B. Letter from Palomares Elementary School thanking the District for the donation for recycled benches.***
- C. Letter from Castro Valley Adult School expressing appreciation for CVSD's donation of funds for recycled benches, raised bed, and soil.***
- D. Letter from Marshall Elementary School thanking the District for matching funds of \$75 to the school from the Recycled Art Contest.***

President Waespi stated what great letters and praised and remarked on the praise received for Office Assistant, Pat Krevey. A fifth letter from Creekside Middle School thanking the District for matching funds from the Recycled Art Contest was added at Board Members' places.

[9. Miscellaneous Comments from Board Members and Staff.]

Member Johnson stated the Library Foundation is meeting to discuss how the donation from Waste Management will be handled. There are naming opportunities and this is all being sorted out.

Member Francis complimented staff on a well-run Recycled Art Contest and Awards Ceremony.

Member Francis stated he had received a call from a resident concerned with carts being placed in the bike lane on Norbridge Avenue creating a hazard.

Member Francis stated he had attended two meetings regarding the changes for Eden Hospital. Tim McGowan stated he also has been attending the meetings.

President Waespi reminded all of the December 11, 2007 Board Workshop and asked for input on items to be discussed. He also complimented staff on a job well done with the Recycled Art Contest, adding it is great community outreach.

Manager Williams referred to page two of the new Chamber of Commerce Guide showing the District's full-page ad.

Manager Williams stated the District had another break-in in September. Many tools were stolen out of the vehicles valued over \$1,000. The District has employed Tim Helton, Jr.'s dog, Shadow, a pit bull, as the new guard dog. There was also a break-in and theft of manhole grade rings at Pump Station No. 7.

Tomorrow is the voting for the Alternate Seat on LAFCo. President Waespi will vote on behalf of the District.

The Volunteer Dinner is set for Monday, December 3, 2007 at Don Jose's Restaurant. Member Johnson stated he has a \$50 gift certificate to donate to the event.

The WMAC Driver Appreciation Lunch is set for Tuesday, December 11, 2007.

A 10 minute break was taken at 8:00 p.m.

[10. Adjournment to Closed Session (one item) in accordance with Government Code Section 54957.6 for the purpose of reviewing its position and instructing designated representatives with regard to MOU negotiations.]

A motion was made by Member Akagi to adjourn to Closed Session at 8:10 p.m. The motion was seconded by Member Francis and passed on a 5 – 0 vote.

A. Reconvene to Open Meeting and report on any action taken in Closed Session.

A motion was made by Member Akagi to reconvene to open session at 8:35 p.m. The motion was seconded by Member Johnson and passed on a 5 – 0 vote.

President Waespi reported no action was taken in Closed Session.

[11. Adjournment of Meeting.]

There being no further business to come before the Board, Member Akagi made a motion, seconded by Member Johnson and passed on a 5 - 0 vote, to adjourn the meeting at 8:36 p.m. by President Waespi.

Respectfully submitted,

Timothy McGowan,
Secretary of the Sanitary Board