

CROCKETT COMMUNITY SERVICES DISTRICT

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MINUTES OF REGULAR MEETING, APRIL 24, 2019

1. CALL TO ORDER: The meeting was called to order at 7:00 PM by President Peterson. Present were Board Members Barassi and Sutton, along with District Counsel Rachel Hundley, General Manager McDonald, Recreation Department Manager Wilson, Assistant Sanitary Dept. Manager Barnhill, and Assistant Secretary Witschi. Also present were Sanitary Commissioners Bartlebaugh and Wais. Directors Kirker and Mackenzie were absent.
2. AGENDA ORDER: There were no requests to hear agenda items out of order.
3. PUBLIC COMMENTS: None
4. REPORTS FROM COMMISSIONERS: None
- 5.a. PUBLIC HEARING - CUPCCAA: Mr. McDonald reported this ordinance is to establish informal bidding procedures. He said Ordinance 19-1 has been published in the West County Times and resolution electing to be subject to alternative bidding and Uniform Public Construction Cost Accounting Act procedures has been sent to the State Controller's Office. Director Peterson opened the hearing for public comments. Having heard all who wished to speak on this subject, Director Peterson closed the hearing. Director Peterson said on the first page of the ordinance the last item under number 2 he would like the District Board to approve the contracts rather than the General Manager. Director Sutton asked if there a ceiling amount the commission can approve. Mr. McDonald said the ceiling amount is approved during the budget process. A motion to establish informal bidding procedures under the California Uniform Public Construction Cost Accounting Act (CUPCCAA) and the adoption of Ordinance No. 19-1 to be added to Crockett Community Services District Code, as amended, carried unanimously (es/lb).
- 5.b. PUBLIC HEARING - MSR: Mr. McDonald presented the Contra Costa Local Agency Formation Commission (LAFCO) Draft Municipal Service Review (MSR) update that has been released for review. Mr. McDonald said the update contains no boundary changes or suggested changes in services we provide. Director Peterson opened the hearing for public comments. Director Sutton asked about unfunded pension obligations on page 21-18. Mr. McDonald said State government has been requiring local governments to be more transparent. The unfunded pension obligation is primarily due to CalPERS actuarial assumptions on investments not being met. The District receives a bill on its share of unfunded pension liability annually and it is included in the budget as a payroll expense. Having heard all who wished to speak on this subject, Director Peterson closed the hearing. Director Peterson asked about statement "The CSD's reserve goal is unknown." Mr. McDonald said this section was specifically discussing Port Costa and not the entire District. Director Peterson said CSD does not provide solid waste services. He also said there are properties off Vista Del Rio that are on septic tank but may be extended to public sewers someday. Mr. McDonald said he will submit a comment letter to LAFCO to ask for these items to be clarified in the final MSR.

6. REPORT OF DISTRICT COUNSEL: District Counsel Rachel Hundley introduced herself and gave a brief overview of her work history and said she is excited to be here.

7.a. RECREATION DEPT. REPORT: The Board had received the Minutes of March 4 and March 25. Mr. Wilson reported he received a call from the detective working on the pool break in. The detective said the District Attorney has filed commercial burglary charges. Mr. Wilson reported this is the third summer we have met our lifeguard requirements and we are fully staffed. There is a public meeting on Wild Fires at the Community Center on Thursday, April 25 from 6:00 – 8:30 pm.

7.b. MAINTENANCE DEPARTMENT: Mr. McDonald reported he gave authority to Kent Peterson to reach out to Caltrans for the outstanding Bridgehead related projects in part to limit staff expenses. Commissioner Bartlebaugh said he did volunteer work at the Bridgehead, as part of Crockett Public Services, on Tuesday, April 23 from 8:00 am – 2:00 pm.

7.c. PORT COSTA SANITARY DEPT.: The Board had received the Minutes of March 13 and March 26. Mr. Barnhill reported there were no Sanitary Sewer Overflows (SSO's) in March. He said H&R Plumbing repaired manhole P-00-00A, concrete structure and steel ring/lid were failing. Chemical tanks and secondary containment were installed at the Wastewater Treatment Plant (WWTP). The installation of secondary containment for the tote at the septic tank and the tanks at the WWTP were reported to the Regional Water Quality Control Board via email. The tentative draft of the second Nutrient Discharge Permit has been received. Director Peterson asked Mr. Barnhill for clarification on what the two Biochemical Oxygen Demand (BOD) exceedences that occurred in January were. Mr. Barnhill said the operator's have not identified any specific cause. He said during the BOD exceedences timeframe there was high flow and cold weather.

7.d. CROCKETT SANITARY DEPT.: The Board had received the Minutes of March 20. Mr. McDonald reported West County Wastewater District (WCWD) treatment plant has a new acting supervisor who also oversees our Crockett pump station. Staff is bringing him up to speed on outstanding maintenance projects at the pump station. Mr. McDonald said that reports from C&H and WCWD are not handed out to the Board, only the Sanitary Commission, and that those details are in the Sanitary Commission packet if the Board is interested in additional details. The Board is okay with staff continuing this practice. The service agreement with ServiceMaster Restore has been executed to give staff resources if needed for sewer spill cleanups.

7.e. STAFF REPORT ON GOVERNMENTAL MATTERS: Mr. McDonald reported AB 1672 which generally regulates the disposal, management and recycling of solid waste is moving through the legislature. This bill would, on or after January 1, 2021, prohibit a covered entity, as defined, from labeling a covered product as safe to flush, safe for sewer systems, or safe for septic systems, unless the product is a flushable wipe that meets certain performance standards. The bill would require nonflushable products to be labeled clearly and conspicuously to communicate that they should not be flushed.

7.f. STAFF ANNOUNCEMENTS: Mr. McDonald reported he attended the Bay Area Clean Water Agency (BACWA) hosted Manager's Roundtable meeting on April 5 in Oakland. He said iBank, an Infrastructure State Revolving Fund (SRF) Program provides financing to public agencies and could serve as a source of revenue as the Federal government shrinks funding to States for their own SRF programs. He said he also attended the Heat Illness Prevention Training on April 23 and said changes to the District's Illness and Prevention Training program will be required.

8. CONSENT CALENDAR: Director Barassi asked that item 8.a. be removed from the consent calendar for further discussion. The following consent items were approved unanimously (es/lb):

- b. Approve payment of District bills (warrants Rec. 7966-7982; PCSan, 1090-1098; CVSan 5838-5855).
- c. Receive Minutes of Commissions and Committees.

9.a. CONSENT ITEM REMOVED: Item 8.a. Minutes of March 27, 2019. Director Barassi said under item 7.b. Maintenance Department – It says, “Mr. Barassi says he does not see the need for the committee because we are now approaching the construction aspect of the Memorial Hall rehabilitation and believes this should be handled at a staff level.” What it should say is “let’s discuss why we have this committee.” A motion to approve the Minutes of March 27, 2019, as amended, carried unanimously (lb/es).

9.b. EXCESS LIABILITY INSURANCE COVERAGE REPORT: Mr. McDonald presented a report on the District’s commercial insurance package policy and reported that the Recreation Commission has a concern that the total liability coverage, currently \$5(M)illion, would not be enough to protect the District if someone gets severely injured and life-long care is required. The policy base liability coverage is \$1M. The insurance underwriter has offered to increase the Commercial Excess Liability coverage to \$9M giving the District a total of \$10M in total liability coverage for an additional \$2,500 annually. Director Sutton said an additional \$2,500 annually is not that much to pay to receive an additional \$5M in coverage. Mr. McDonald reported that Port Costa Sanitary Commission supports the increase. He said the Crockett Sanitary Commission was not against raising the limit but that it does not believe the increase benefits the Crockett sanitary community and they have asked that a different allocation split be considered for this additional coverage. A motion authorizing the General Manager to increase the District’s Excess Liability coverage from \$4M to \$9M, as supported by the Recreation and Port Costa Commissions, carried unanimously (es/lb). Mr. McDonald will bring the question on allocation of excess liability insurance premiums to the District’s Budget & Finance Committee and invite a representative from each Commission to contribute to the discussion.

9.c. REGIONAL GOVERNMENT SERVICES AUTHORITY (RGS): Mr. McDonald presented an Agreement for Management and Administrative Services between the District and RGS. He said RGS will be able to provide training to all employees on sexual harassment in the workplace along with providing other Human Resources (HR) and administrative support as needed. Mr. McDonald reported the agreement has been reviewed by District Counsel. Director Sutton said she has concerns about using them for more services than needed. Director Peterson said he thinks the Board members should attend training also. A motion to approve entering into agreement with Regional Government Services Authority to provide administrative and HR assistance to the District as needed carried unanimously (lb/es).

10.a. FINANCIAL REPORT: The monthly statements of District finances and reports on investments were examined by the Board. Mr. McDonald reported the second Secured Cash Conversion of the remaining property tax held in the Advance on Taxes account in Fund 3240 occurred on April 15. The current Local Agency Investment Fund interest rate is 2.55%.

10.b. PRELIMINARY BUDGET AND SETTING DATE FOR PUBLIC HEARING: Mr. McDonald reported there are very few changes from the prior reviewed draft budget. He said the LED lighting capital improvement project in the auditorium is not going to be pursued. The format of the Maintenance Department of the budget layout has been changed and now includes an overview summary page and separate budget pages for the Memorial Hall, Bridgehead/ Landscaping and Plaza/Street Light/Fence

cost centers. Director Peterson called for a public hearing to consider adoption of the budget for FY 2019/2020 to be held on June 26. Director Barassi said he will be on vacation and will miss the meeting.

10.c. SEWER USE CHARGE: Mr. McDonald reported that based on budget review he does not see a need to undertake a Sewer Use Charge (SUC) Study Report for Crockett or Port Costa. This recommendation has been shared with Port Costa and Crockett Sanitary Commissions. A motion to hold off SUC rate increases for the towns of Port Costa and Crockett for FY 2018/19 as recommended by the Port Costa and the Crockett Sanitary Commissions, confirming suspension of SUC study report for FY 2018/19, and confirming the requirements of Prop. 218 do not apply as no rate increase will be imposed carried unanimously (lb/es).

10.d. OVERRULING OBJECTIONS TO THE METHOD OF COLLECTION - CROCKETT: A question was raised asking if a public hearing is required. This item has been tabled to a future agenda to allow staff to research with counsel and bring back to the Board.

10.e. OVERRULING OBJECTIONS TO THE METHOD OF COLLECTION – PORT COSTA: Continued to a future agenda.

10.f. REALLOCATING FUNDS: Mr. McDonald reported the Recreation Department's unrestricted operations and maintenance fund has been growing steadily over the last few years as unspent funds in the annual budget contingency reserve have not been used. He said multiple capital projects have been identified over the next five years that should be undertaken and recommending funds be transferred to the capital reserve. A motion to approve Resolution No. 18/19-15 reallocating \$250K from the Recreation operating fund to the Recreation capital improvement fund carried unanimously (lb/es).

10.g. FISCAL SPONSORSHIP: Mr. McDonald reported the District accepts requests to act as fiscal sponsor for Crockett Community Foundation (CCF) grant applicants who are not tax-exempt charities. Up until now no formal policy exists on getting Board approval and requests have been considered on a case by case basis. It would be helpful to have a policy that will guide staff. He said this policy presented entails receiving charitable grants from CCF, managing and dispensing that money responsibly, and ensuring that all requirements of grant agreements are met by the grant applicant, including all required grant reports and final accounting for grant projects to the satisfaction of CCF. Director Barassi said he believes staff time should be reimbursed by the applicant. Mr. McDonald said he will include that requirement to the policy. A motion to approve Resolution No. 18/19-18 establishing a policy on fiscal sponsorship for Crockett Community Foundation Grant applicants who are not tax-exempt charities, as amended, carried unanimously (es/lb).

11.a. PERSONNEL COMMITTEE REPORT: None

11.b. BUDGET & FINANCE COMMITTEE REPORT: None

11.c. AD HOC COMMITTEE REPORTS: None

11.d. INTER-AGENCY MEETINGS: None

11. FUTURE AGENDA ITEMS:

- Consider annual Recreation Special Tax for FY 2019/20 (May).
- Resolution Demanding Preservation of Historic Building and Access to Waterfront (May).
- Adopt budget for FY 2019/20 (June).
- Review and adopt ADA compliance plan.
- Adopt purchasing procedures and spending limits.
- Adopt policy for use of private devices and e-accounts.
- Develop policy on proposals for new programs without established funding.

12. BOARD COMMENTS: Director Barassi, as a follow up to the earlier question and answer session with the new attorney, said he doesn't support capacity charges when Accessory Dwelling Units are created. He also said that, for Port Costa, most of the town's sewers and homes were developed after mapping and subdivision of the town, and as a result there are no formal dedications or recorded easements for much of our collection system. He said the District should proceed with caution on action against Port Costa property owners where our sewer lines are under buildings because the District doesn't have clear legal descriptions and it appears some of the structures were constructed with permits at a time when it was permissible to build above sewer collection pipes. This would make our sub-surface prescriptive rights subject to their prior surface rights, not the other way around as we generally assert.

13. ADJOURNMENT: The meeting was adjourned at 9:10 PM until May 22, 2019.

Respectfully submitted,

Susan Witschi
June 21, 2019