

Marin/Sonoma Mosquito & Vector Control District

Board of Trustees
595 Helman Lane
Cotati, CA 94931

November 13, 2019

MINUTES

1. **CALL TO ORDER**

President McCaffery called the meeting to order at 7:01 pm.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**

Members present:

| | |
|---------------------------------------|-------------------|
| Ackerman, Bruce | Hootkins, Susan |
| Blair, Ken | Khush, Ranjiv |
| Davis, Tamara | Rowland Jr., Herb |
| Deicke, Art | Schulze, Ed |
| Gallian, Laurie | Thompson, Michael |
| Giovanatto, Carol | Witt, David |
| Harlem, Pamela <i>Arrived at 7:16</i> | McCaffery, Shaun |

Members absent:

Bloom, Gail
Glass, Una
Kinser, Alannah
Naythons, Matthew
Sagues, Paul
Snyder, Richard

Open seats: Corte Madera, Cotati, one Marin County at Large and one Sonoma County at Large

Others present:

Phil Smith, District Manager
Erik Hawk, Assistant Manager
Dawn Williams, Confidential Administrative Assistant
Janet Coleson, General Counsel

A quorum was present, and due notice had been published.

4. PUBLIC TIME

Ms. Deborah Tavares voiced her concern about the all-electric “Reach” building code changes currently being proposed at a nearby city. She also spoke about green energy “PACE” energy efficiency codes and climate change, noting her opinion that the weather is being used as a weapon through various means.

Mr. Lou Tavares stated that in his opinion, there is no actual shortage of water and the public is being misled. He stated that new “primary water” is continually being generated in the earth’s crust. Mr. Tavares referred to several web sites and videos that provide additional information.

5. CONSENT CALENDAR

A. CHANGES TO AGENDA/APPROVAL OF AGENDA

B. MINUTES – Minutes of the Board Meeting held July 10, 2019.

C. FINANCIAL

Warrants – July 2019

July Payroll: \$ 191,062.40

July Expenditures: \$1,176,205.33

Total: \$1,367,267.73

D. FINANCIAL

Warrants – August 2019

August Payroll: \$195,619.06

August Expenditures: \$653,203.06

Total: \$848,822.12

E. FINANCIAL

Warrants – September 2019

September Payroll: \$192,563.40

September Expenditures: \$383,879.37

Total: \$576,442.77

F. FINANCIAL

Warrants – October 2019

October Payroll: \$196,198.00

October Expenditures: \$335,822.88

Total: \$532,020.88

G. 1st QUARTER FINANCIAL STATEMENT FOR FY 2019/20

H. ENDING ACCOUNT BALANCES:

Operating Fund: \$7,093,460.08

Public Comment: Ms. Deborah Tavares commented on the minutes of the Board's July 10, 2019 meeting, referring to the presentation about mosquito source reduction methods and the increasing challenges to implementing such measures. Ms. Tavares spoke about constructed wetlands, low income housing and the potential for invasive species of mosquito vectoring pathogens new to the nine-county Bay Area.

It was M/S Trustee Davis/Trustee Schulze to accept the Consent Calendar:

Motion passed with:

***Ayes:** Trustee Ackerman, Trustee Blair, Trustee Davis, Trustee Deicke, Trustee Gallian, Trustee Giovanatto, Trustee Hootkins, Trustee Khush, Trustee Rowland, Trustee Schulze, Trustee Thompson, Trustee Witt and Trustee McCaffery*

***No:** (none)*

***Abstain:** (none)*

***Absent:** Trustee Bloom, Trustee Glass, Trustee Harlem, Trustee Kinser, Trustee Naythons, Trustee Sagues and Trustee Snyder*

6. NEW BUSINESS

A. Presentation of Two Awards by the California Special Districts Association.

This item was moved to be discussed after New Business, Item B.

B. Presentation of the Actuarial Valuation Study of Other Post-Employment Benefits (OPEB) by Marilyn Oliver, Vice President, Bartel & Associates.

Ms. Oliver explained the purpose of the study was to determine the funded status of the Post-Retirement Medical plan as of July 1, 2019 and to establish the actuarially determined contributions for fiscal years 2021 and 2022. Additionally, the information provided is used in the District's financial statements and is also filed with California Employees Retirement Benefit Trust (CERBT), which is the entity that holds the District's OPEB trust account.

Ms. Oliver highlighted some of the factors that contributed to the final valuation: as of July 1, 2017, the unfunded actuarial accrued liability (UAAL) was \$9.5M. However, due to the \$2.2M in gains from premium increases being lower than anticipated, and an additional \$1M due to larger trust assets than expected, the actual UAAL as of July 1, 2019 was \$6 M. The increase in net assets resulted from the District's additional contributions in excess of the Actuarially Determined Contribution (ADC). As a result, the current funded ratio now stands at 36% compared to the former ratio of 7% in July 1, 2017.

Public Comment: Ms. Deborah Tavares stated that climate change is increasing medical costs due to more people becoming ill and costs will continue to rise, so future cost savings are unlikely.

It was M/S Trustee Davis/Trustee Gallian to accept the valuation report presented by Ms. Marilyn Oliver with Bartel & Associates:

Motion passed with:

***Ayes:** Trustee Ackerman, Trustee Blair, Trustee Davis, Trustee Deicke, Trustee Gallian, Trustee Giovanatto, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee Rowland, Trustee Schulze, Trustee Thompson, Trustee Witt and Trustee McCaffery*

***No:** (none)*

***Abstain:** (none)*

***Absent:** Trustee Bloom, Trustee Glass, Trustee Kinser, Trustee Naythons, Trustee Sagues and Trustee Snyder*

Taken out of sequence

A. Presentation of Two Awards by the California Special Districts Association.

Colleen Haley, a representative from the California Special District Association (CSDA) explained that the Special District Leadership Foundation (SDLF) is a not-for-profit foundation arm of CSDA. It is dedicated to promoting excellence in special districts through recognition programs that highlight and focus on implementation and governance best practices. The District Transparency Certificate of Excellence program was created in 2013 in an effort to promote transparency within the operations and governance of special districts.

Ms. Haley noted that the three (3) main subject areas that comprise the program include:

- **Basic Transparency Requirements:** including ensuring current ethics training certificates for all Board Members, timely submission of everyone's Form 700, as well as filing of all the required financial transactions and compensation reports with the State Controller's Office.
- **Website Requirements:** include posting all of the following: The Board's meeting schedule, the District's Mission Statement, current and previous fiscal year audits and budgets, and the complete Board roster with current terms of office.
- **Outreach Requirements:** The District was required to fulfill two of the following five options; publish a regular district newsletter, hold an annual informational workshop pertaining to the budget, conduct a salary survey for all positions, undertake a special community engagement project, or undergo a community transparency review by an outside agency. The District exceeded these minimum requirements.

Ms. Haley noted that as part of its transparency award application, the District completed a comprehensive checklist of requirements, including many items not listed above, thus demonstrating the District's commitment to being open and accessible to the public. She noted that this effort also displays

commitment to engaging the public and creating greater awareness of the District's activities.

As a precondition of receiving the District of Distinction Accreditation, the District was required to renew the Transparency Certification, first received in 2017.

Ms. Haley explained further that CSDA's District of Distinction Accreditation is designed as a way for special districts to highlight their prudent fiscal practices along with other areas of excellence that are important to the effective operation and governance of a public agency. The District of Distinction program enables districts to demonstrate to their communities, the media, legislators and other stakeholders, their commitment to operate in a sound, responsible manner and to show that they truly stand out as a District that has gone above and beyond minimum requirements. This Accreditation requires a clean financial audit for a minimum of 3 consecutive years, proof that the District has essential policies and procedures in place and that all trustees and designated staff have completed comprehensive training in governance and all laws pertaining to districts as public agencies.

On behalf of the Board and staff of SDLF, Ms. Haley then presented the District Transparency Certificate of Excellence and the District of Distinction Accreditation to the District in recognition of its commitment to good governance, transparency, ethics and sound operating practices. President Shaun McCaffrey accepted the awards on behalf of the District.

C. Proposed Resolution No. 2019/20-01 Authorizing a Change in Authorized Signers on Bank of America Account.

Manager Smith explained that Items C and D both pertained to the account with Bank of America (Bank) referred to in the accompanying staff reports. The two listed signers authorized to take actions on this now superfluous account are retired employees, and thus no longer authorized to administer the account. In order to accomplish the eventual goal of closing the account, action was needed to approve new authorized signers. Due to the account being dormant for a considerable time, the Bank required that the Board pass a resolution authorizing new signers. Accordingly, a draft resolution was prepared by District staff and subsequently approved by the Bank's legal department. The proposed resolution authorized two Trustees and the Manager, acting together, to administer the account.

It was M/S Trustee Schulze/Trustee Giovanatto to adopt Resolution 2019/20-01, authorizing a Change in Authorized Signers on Bank of America Account ending in 5919:

Motion passed with a roll call vote:

Ayes: *Trustee Ackerman, Trustee Blair, Trustee Davis, Trustee Deicke, Trustee Gallian, Trustee Giovanatto, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee Rowland, Trustee Schulze, Trustee Thompson, Trustee Witt and Trustee McCaffery*

No: *(none)*

Abstain: (none)

Absent: *Trustee Bloom, Trustee Glass, Trustee Kinser, Trustee Naythons, Trustee Sagues and Trustee Snyder*

D. Closure of one Bank of America Account.

Manager Smith referred the Board to the bank statement provided in the packet which showed a balance of \$97,380.27 as of August 2019, the most recent statement available. He went on to note that this account was previously used for payroll tax transfers when payroll was prepared in-house. Since switching to an outside payroll vendor, that service is now provided for us and therefore there is no necessity to maintain this account. The proposed action was to close the account and transfer the funds to the District's Operating Account, also at Bank of America under the Marin County Treasury.

It was M/S Trustee Gallian/Trustee Davis to direct staff to permanently close Bank of America account number ending in 5919 and deposit the full available balance in the District's Operating Fund at the County of Marin Treasury:

Motion passed with:

Ayes: *Trustee Ackerman, Trustee Blair, Trustee Davis, Trustee Deicke, Trustee Gallian, Trustee Giovanatto, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee Rowland, Trustee Schulze, Trustee Thompson, Trustee Witt and Trustee McCaffery*

No: (none)

Abstain: (none)

Absent: *Trustee Bloom, Trustee Glass, Trustee Kinser, Trustee Naythons, Trustee Sagues and Trustee Snyder*

E. Monthly Billing and Treatment Operations Cost Control Billing Sheet for FY 2019-20.

Introducing the item, Manager Smith remarked that the Cost Control Billing Sheet is presented to the Board annually for approval. Its purpose is to help staff prepare invoices for services provided by the District to other agencies such as a city, county, or the California Department of Fish & Wildlife. Several modifications were made to the billing sheet this year that affected the rates to be charged, including:

- Actuarial studies show that OPEB costs have decreased slightly and this drove a decrease in certain hourly staff rates.
- Overtime rates, which have never been charged before, were shown this year to improve cost recovery.
- The employer's pension contribution rates decreased slightly.
- A cost of living adjustment for employees became effective on July 1, 2019.

Manager Smith and Assistant Manager Hawk replied to several questions and comments from Board members.

It was M/S Trustee Davis/Trustee Schulze to approve the Monthly Billing and Treatment Operations Cost Control Billing Sheet:

Motion passed with:

***Ayes:** Trustee Ackerman, Trustee Blair, Trustee Davis, Trustee Deicke, Trustee Gallian, Trustee Giovanatto, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee Rowland, Trustee Schulze, Trustee Thompson, Trustee Witt and Trustee McCaffery*

***No:** (none)*

***Abstain:** (none)*

***Absent:** Trustee Bloom, Trustee Glass, Trustee Kinser, Trustee Naythons, Trustee Sagues and Trustee Snyder*

F. Proposed Reinstitution of Education Program Specialist Position.

Manager Smith informed the Board that following a recent recruitment, Eric Engh, who currently serves as the Education Program/Insect ID Specialist, was the successful applicant for the recently created position of Environmental Biologist. Consequently, we would like to recruit for a new Education Program Specialist so that Mr. Engh can be promoted to Environmental Biologist. In 2014 Mr. Engh's job description and title were changed from Education Program Specialist to Education Program/I.D. Specialist to reflect some added responsibilities and his newly acquired academic qualifications.

As part of that action, the Education Program Specialist classification was eliminated, so the proposed action now before the Board was to reinstate this position and its applicable salary scale. Manager Smith also noted that staff had conferred with the Western Council of Engineers (WCE), who concurred with the proposed job classification and salary scale. In conclusion, it was noted that adequate funding for this proposal was contained in the current fiscal year's budget.

Public Time: Ms. Deborah Tavares expressed her dislike of the District's radio advertisement that focuses on tick bite prevention.

It was M/S by Trustee Davis/Trustee Gallian to reinstate the position of Education Program Specialist, approve the proposed job description with one change proposed by Trustee Davis, removing the specified hours in the job description, replacing them with the phrase "full-time" and approve the annual salary scale:

Motion passed with:

***Ayes:** Trustee Ackerman, Trustee Bloom, Trustee Davis, Trustee Gallian, Trustee Giovanatto, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee Kinser, Trustee Naythons, Trustee Rowland, Trustee Sagues, Trustee Schulze, Trustee Snyder, Trustee Thompson and Trustee McCaffery*

***No:** (none)*

***Abstain:** (none)*

Absent: Trustee Blair, Trustee Deicke, Trustee Glass and Trustee Witt

G. Closed Session pursuant to California Government Code Section 54957.6 (a):

CONFERENCE WITH LABOR NEGOTIATORS

District Representatives: Philip Smith, District Manager
Erik Hawk, Assistant Manager

Employee Organization: Western Council of Engineers

H. Reconvene to Open Session. Report from closed session (if any)

Closed Session & Reconvene to Open Session was moved to be discussed after Manager's Report, Item 8.

7. COMMITTEE & STAFF REPORTS

A. Audit Committee

B. Budget Committee

Committee and Staff Reports was moved to be discussed after New Business, Closed Session, Item 6 G & H.

8. MANAGER'S REPORT

Manager Smith and Assistant Manager Hawk verbally expanded on their written reports. *(Manager and Assistant Manger's reports were included in the November Board packet)*

Taken out of sequence

G. Closed Session pursuant to California Government Code Section 54957.6 (a):

CONFERENCE WITH LABOR NEGOTIATORS

District Representatives: Philip Smith, District Manager
Erik Hawk, Assistant Manager

Employee Organization: Western Council of Engineers

- H. Reconvene to Open Session. Report from closed session (if any)**
President McCaffery stated that direction was given to staff.

Taken out of sequence

7. COMMITTEE & STAFF REPORTS

A. Audit Committee

Trustee Gallian explained that the committee met with Auditor Vikki Rodriguez of Maze and Associates, Financial Manager Jennifer Crayne and staff in September to review the audit process to that date. The decision was made that Maze will present the Fiscal Year 2018-19 Audit at the December meeting for the Board's review.

B. Budget Committee

Chair McCaffery stated that the committee had reviewed the cost control billing sheet that was approved by the Board earlier in the evening. He also noted that there was discussion regarding how financial data are reported in the Board's agenda packets. He went on to note that Financial Manager Crayne and Manager Smith are generating some new ideas and preparing sample reporting formats. Finally, he noted that a mid-year budget amendment is in the planning stages.

9. WRITTEN COMMUNICATIONS

President McCaffery informed the board of First-Vice President Paul Sagues' recent resignation, expressing regret at his departure and noting with appreciation his dedicated service to the District.

10. OPEN TIME FOR BOARD OR STAFF COMMENTS

Trustee Gallian expressed her gratitude to staff for showing up to work during the difficult times with the recent wildfires and power shutoffs.

Trustee Davis remarked how important it is to look into a system for providing back up electricity during the power outages that seem likely to become the norm. Manager Smith explained that staff are looking into a cost-effective way to deal with these situations because a recent bid received to provide backup electrical generation was deemed to be prohibitively expensive. Trustee Gallian added that a lot of municipalities are putting a request together for emergency preparedness equipment. There might be funding coming down from the state, so it is worth keeping up on this possibility.

Trustee Rowland acknowledged Manager Smith for his efforts in helping the District obtain the CSDA District of Distinction Accreditation and renew the Transparency Certificate. Manager Smith replied that the credit was principally due to the hard work of the Board and other members of staff.

Trustee Ackerman recommended looking into a battery system to work with the solar panels to maintain the power at the District. He noted that the Town of Fairfax is investigating the feasibility of a similar project.

Trustee Deicke recognized the efforts of staff in applying for the funding through the PG&E bankruptcy settlement.

11. **ADJOURNMENT**

There being no further business to come before the Board, President McCaffery adjourned the meeting tonight at 9:07 pm in remembrance of former District Manager James Wanderscheid who was held in high regard by many at the District.

FD Smith

*District Representative
MSMVCD*

December 11, 2019

Date of Approval

Herbert M Rowland

*Trustee
MSMVCD Board of Trustees*

Dec. 11, 2019

Date of Approval