

Corinne W. Wiley, President  
Catharine Benediktsson, Vice President  
Roy Fedotoff, Secretary

Claire McAuliffe, Director  
William Teiser, Director

**Sanitary District No. 5 of Marin County  
Minutes of a Special Board Meeting  
at Corinthian Yacht Club, Board Room  
43 Main Street, Tiburon, California  
Friday, June 3, 2011, 9:00 a.m.**

**CALL TO ORDER** by Pres. Wiley at 9:14 a.m.

**ROLL CALL:** Directors present:

Corinne W. Wiley, President  
Catharine Benediktsson, Vice President  
Roy Fedotoff, Secretary  
William Teiser

Directors absent:

Claire McAuliffe

Staff present:

Robert L. Lynch, District Manager  
Samantha Miller, Office/Finance Manager  
Lynn Henriksen, Administrative Assistant

Others present:

Deirdre McCrohan, *The Ark Newspaper*

**PUBLIC OPEN TIME:** No public comments were made.

**BUDGET WORKSHOP**

1. Review Fiscal Year 2011-2012 Draft Budget

a. Operating Budget Fiscal Year 2011-2012

The Board reviewed each line item of the FY 2011-2012 Draft Operating Budget, with brief explanations of each item given by Mgr. Lynch and Mgr. Miller. The Board appreciated the hard work from Mgr. Lynch and Mgr. Miller in preparing the FY 2011-2012 Budget, and they were impressed with the reduction in operating costs for FY 2011-2012. According to the Draft Budget, the budgeted operating expenses for FY 2011-2012 are 5% lower than the budgeted operating expenses for FY 2010-2011. The Board took note that the FY 2011-2012 Draft Budget is based on implementing the 20% increase in sewer service charges for both the Tiburon and Belvedere zones that was adopted by the Board during last year's Prop 218 process.

The Board made the following change to be implemented in the FY 2011-2012 Preliminary Operating Budget:

	<u>Draft</u>	<u>Preliminary</u>
Paradise Cove Parts & Service	\$6,000	\$11,000

The Final Budget will be posted on Sanitary District No. 5's website in July after it has been adopted by the Board.

b. Capital Budget Fiscal Year 2011-2012

The Board reviewed each line item of the FY 2011-2012 Draft Capital Budget, with brief explanations of each item given by Mgr. Lynch and Mgr. Miller. The Board agreed that they would like to see the Carollo Engineering design fees as separate from the Main Plant Rehabilitation Project construction costs. Mgr. Miller will consult with the District's auditor, Terry Krieg, to determine if it is premature to create separate line items at this time, and what his recommendations are regarding this. As was the case in FY 2010-2011, due to planning for the Main Plant Rehabilitation (MPR) Project, Mgr. Lynch has used his expert judgment to determine which capital projects can be safely deferred until such time as the construction for the MPR Project takes place.

With the recommendation of Mgr. Lynch, the Board made the following changes to be implemented in the FY 2009-2010 Preliminary Capital Budget:

	<u>Draft</u>	<u>Preliminary</u>
Tiburon Sewer Line Rehab	\$80,000	\$230,000
Undesignated Capital Proj – P & L	\$300,000	\$50,000
Belvedere Sewer Line Rehab	\$130,000	\$280,000
Inflow & Infiltration Study	\$40,000	\$80,000
Undesignated Capital – P.C. Plant	\$10,000	\$5,000

Mgr. Miller reviewed the Five Year comparison budgets and charts with the Board noting important operating, capital, and zone trends. The Board thanked Mgr. Miller for preparing these useful comparisons for the budget. The Board requested some modifications be made to the Five Year Capital Comparison to indicate when capital projects were first budgeted, and to differentiate between when capital projects were budgeted and uncompleted versus not budgeted at all.

c. Capital Improvement Program 2011/2012 – 2016/2017

Mgr. Lynch reviewed the FY 2011/2012 – 2016/2017 Capital Improvement Program with the Board. The Board requested some modifications be made to the way the information is displayed in the tables to indicate which capital projects fall within the MPR Project, and to eliminate from the table those capital projects that have already been completed. The Board would like the Capital Improvement Program Committee

to review the 10 Year Capital Improvement Program again, and the Board also expressed renewed interest in developing a District Strategic Plan in the near future.

**ADJOURNMENT:**

Motion (Teiser/Benediktsson) to adjourn at 1:45 p.m. to a Regular Board Meeting on June 21, 2011, at 7:00 p.m. at the Sanitary District No. 5 of Marin County Meeting Room at 2001 Paradise Drive, Tiburon, California. Passed, all present.

Approved:

Attest:

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Corinne W. Wiley  
President, Board of Directors

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Roy Fedotoff  
Secretary, Board of Directors