

**Minutes of the TCSD Board Work Session Meeting**  
**305 Bell Lane**  
**Mill Valley, California 94941-4037**  
**July 24, 2009**

1. **CALL TO ORDER.** The Work Session Meeting of the Tamalpais Community Services District Board of Directors was called to order by President Stephan Bartschat at 8:37 AM on Friday, July 24, 2009.

2. **ROLL CALL**

**Board Members Present:** The following members were present: President Bartschat and members Linda Johnson (L. Johnson), Jim Jacobs and Gretchen Stagg and Richard Johnson (R. Johnson). As all five of the Board was present at Roll Call, a quorum was constituted.

**Staff Present:** General Manager Jon Elam, Finance Director Jerry Taylor, Public Works Supervisor Bob Bunce, and recording secretary Jack Schwartz.

**Others Present.** None.

3. **PUBLIC EXPRESSION.**

President Bartschat invited public expression on non-agenda items, in response to which there was none.

4. **GENERAL BUSINESS:**

A. **Discussion of the District's Cash Flow Management Program for Fiscal Year 2009-2010.** GM Elam referred the Board to the extensive written materials and reminded the Board of its prior request for a more precise monetary cash flow monitoring analysis/system of and for the District's finances (the packet included such a precise cash flow analysis). The system shows that at the end of June 2009, the District had \$876,000 in various forms of "cash." Thereafter, the GM explained the cash flow chart that had been prepared by Finance Manger Taylor (and CPA Henry) and stated that it is clear that the District must get SMCS D to accept delay(s) on the District's sanitation contractual obligations.

GM Elam also stated that Director Buchholz had, in deference to the District's financial woes, voluntarily agreed to forestall hiring a coordinator; GM Elam stated however that only two "important" expense issues remained: (a) the playground fence at Eastwood Park (\$8,000); and (b) sewer lateral for folks who otherwise cannot afford them. (Mr. Elam stressed that both of these expense "should" be okay, if the Proposition 218 process is completed by mid-2010.

Member R. Johnson expressed his concern that the SMCS D might be using the District's "capital payments" to materially and unfairly support a loan, with the SMCS D paying only principal and interest. GM Elam assured that this was NOT the case, and will provide Board Member R. Johnson with SMCS D's extremely thorough budget documentation. Member R. Johnson then asked if the District might not

qualify for a "short-term" loan against the District's budgeted 2009 holdings, in response to which GM Elam responded that the better way to accomplish this is to pursue the Proposition 218 (long term) process.

- B. Proposed Plan for Proposition 218 study regarding both sanitary and refuse funds.** GM Elam requests "strategy decisions" – Mr. Elam referred to the written materials included with the Board's agenda packet and observed that the District has a total of 2,577 total refuse customers, of which 66 are commercial and 720 are apartment-users.

Thereafter, GM Elam read from the District counsel's opinion letter relating to the Proposition 218 process, including the user-negative voting process.

The two issues include: (1) changing the District sewer charging model from a "flat-rate" system to a user-use system, as determined by water usage; (2) the upcoming vote scenario (R. Johnson has decided to again seek office, as does Jacobs) – if no opposition, there is no vote required and the District saves some \$2,000.

In the meantime, GM Elam shows the Board the draft Proposition 218 Resolution, as included with the Board's agenda packet. This Resolution must be adopted at the August meeting to begin the process, leading to a September start of the process and an April 2009 conclusion.

- C. August Sewer Meeting Schedule.** GM Elam reminds that member Jacobs will be gone for the August SASM and SMCS D meetings – L. Johnson and R. Johnson volunteered to cover for member Jacobs.

- 5. BOARD DISCUSSION AND COMMENT.** Finance Manager Taylor asked that the Board please note that GM Elam was honored by the Special District Newsletter, with a wonderful article based on the progress made by the TCS D under the direction of Mr. Elam.

- 6. ADJOURNMENT.**

**MOTION**

**MOVE TO ADJOURN**

**M/S/C**

**L. JOHNSON/JACOBS**

**Vote – 5 Ayes**

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

**Next Regular Board Meeting**

**Date:** Tuesday, August 11, 2009  
**Time:** 7:00 PM  
**Place:** District Office  
 305 Bell Lane  
 Mill Valley, California 94941