



# Tamalpais Community Services District

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**Minutes of the Work Session Meeting of TCSD Board of Directors  
Held at 305 Bell Lane, Mill Valley  
October 19, 2011  
8:45 a.m.**

1. **CALL TO ORDER.** The Work Session of the Tamalpais Community Services District Board of Directors was called to order by President Bartschat at 8:48 a.m. on Wednesday, October 19, 2011.

2. **ROLL CALL.**

**Board Members Present:** The following members were present:

President Steffen Bartschat  
Vice President Jim Jacobs  
Linda Johnson  
Jeff Brown  
Gretchen Stagg

As five of five of the Board members were present at Roll Call, a quorum was constituted.

**Staff Present:** General Manager Jon Elam, Finance Director Jerry Taylor, and Recording Secretary Claudia Laughter.

Others Present: None

3. **APPROVE AGENDA**

**MOTION TO APPROVE THE AGENDA:**

**M/S/C J. Brown/L. Johnson AYES: 5            NAYS: 0**

4. **PUBLIC EXPRESSION.** President Bartschat invited public expression on non-agenda items, in response to which there was the following: None

5. **GENERAL BUSINESS.** It should be noted that GM Elam (and Staff) provided this work session's reports, financials, and other written materials.

A. Discussion of SMCS/D/TCSD Contract - GM Elam asked the Board their preference of how to approach this contract for review. The Board decided to review section by section. The report from the subcommittee as well as additional notes/questions/points will also be reviewed in this session. After this meeting and the next scheduled on October 26th,

issues will be reviewed with Legal Counsel. The following notes are questions or changes to be discussed with Legal Counsel:

- Section 4 - Ownership: President Bartschat requested that this section be discussed further while TCSD participates in funding capital costs, as written, the contract does not give TCSD any rights to using its share of the capital investments.
- Section 4.4 - Future Annexation: Board Member Johnson requested to change "*District agrees to conduct*" to "*District agrees to consider*"
- Section 5.2 - Operation and Maintenance of Plan and Shared Collection System: President Bartschat requested TCSD being able to have a say in some of the spending decisions being made at SMCSO since TCSD will be automatically paying a percentage of it. Tabled to be discussed further with Legal Counsel.
- Section 6.4 - Costs for Which TCSD is not Responsible: President Bartschat suggested that there should be some fiscal recognition for TCSD if we reduce I&I for peak weather flows on our capital spending participation - this recognition should not just be on new capital projects, but also on the existing capital assets being financed. Linda Johnson wanted to know how the 2% interest cost markup over LAIF were determined and whether this can be reduced.
- Section 7.4 - Maturity Date: President Bartschat requested an update on the existing loan agreement's long-term balances and payment schedule from Finance Manager Jerry Taylor
- Section 8.3 - Timing of Payment of Estimate Annual Charge: Linda Johnson requested changing the payment date to the 15th of the month instead of the 1st.
- Section 8.4 - Actual Annual Charge: President Bartschat requested adding verbiage to set a time limit for receipt of reconciliation reports no later than 3 months.
- Section 9.0 - TCSD Reserve and Revenue Requirements: J. Taylor expressed concerns about the savings covenants and TCSD's ability to create those reserve funds. Requesting information to find out what the exact reserve fund totals will need to be and the timeline to create them. President Bartschat also requested a detailed report from GM Elam for figures related to SMCSO contract spending over the next 10 years. President Bartschat was also concerned about SMCSO's right to access funds from the reserve account and requested to have this issue further discussed with Legal Counsel.

#### ADJOURNMENT

M/S/C J. Jacobs/L. Johnson **AYES: 5** **NAYS: 0**

Meeting was adjourned at 10:17 a.m.

Next Scheduled Board Work Session Meeting:  
Date: October 26, 2011 Time: 8:25 a.m.  
Location: TCSD Main Office, 305 Bell Lane, Mill Valley

SO RA 11/9/11

President

Date

John Elam 11-10-11

Secretary

Date