

**Minutes of the Tamalpais Community Services District
Board Work Session Meeting
305 Bell Lane
Mill Valley, California 94941-4037
July 10, 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 8:35 AM on July 10, 2009.

2. ROLL CALL

Board Members Present:

President Bartschat and members Linda Johnson (L. Johnson) and Jim Jacobs.

Board Members Absent:

Richard Johnson (R. Johnson) and Gretchen Stagg were absent.

As three of the five members of the Board were present, a quorum was constituted.

Staff Present: General Manager Jon Elam and recording secretary Jack Schwartz (Finance Director Jerry Taylor was also available if needed).

Others Present. None.

3. PUBLIC EXPRESSION. President Bartschat invited public expression on non-agenda items, in response to which L. Johnson, speaking as a Tam Valley resident, reminded the Board given the financial circumstances of the District and the country as a whole, the Board should be very mindful of any and all expenses and it should be fiscally conservative.

President Bartschat inquired about the recent LACFO meeting, in response to which member Jacobs provided an abbreviated report on the meeting and the upcoming AB 1234 legislation offered by Assemblyman Hoffman. The Board discussed the issues surrounding this proposed Bill, including the fact the TCSD's aggressive lateral program allowed it to remain far ahead of other jurisdictions and/or the need to consolidate with other Districts (GM Elam stated that the Kay Park lateral fix was the "poster child" of the invaluable nature of small, locally centralized Districts.

President Bartschat reminded member Jacobs (the sitting president of SASM) that he should actively report on the TCSD's lateral and overall sanitation maintenance programs.

The discussion continued regarding LAFCO.

President Bartschat suggested that Mill Valley seems to want out of the collection business and if so, this effort might undermine or slow down the District's efforts at redirecting its collection flow away from SMCSO and toward SASM.

President Bartschat then referred to his prepared written "Discussion Points" memorandum and the workshop continued, as follows:

4. GENERAL BUSINESS:

A. Workshop on Proposed 2009-10 Budget and Relationships with Sewer Agencies.

External Factors:

- SMCSO continues to pass on capital costs. This topic contemplates possibly underpaying SMCSO for its capital cost invoices. GM Elam explains that the District is locked-in by contract and that while real cash flow problems might slow the District's ability to pay, it must nevertheless make all payments under the contract.
- Mill Valley is supports SASM consolidation and raising questions on the District's expansion.
- Huffman is pushing AB-1232 for consolidation of SASM.

Reaction: TCSO Board Options

5. BOARD DISCUSSION AND COMMENTS

SMCSO

1. Explore options to stop paying capital costs.
2. Continue providing full updates to SMCSO board on our evolving fortunes at SASM. President Bartschat suggested that the District's full disclosure to SMCSO might well be the best approach; members Jacobs and L. Johnson, joined by GM Elam felt that "overplaying" this "hand" might work against the District. The Board concluded that all reporting's to SMCSO must remain open and honest.
3. Continue as usual. Pay the bills, no updates. The Board agreed that this is the best policy, pending input under number 1, above. GM Elam also reminded that members Jacob and L. Johnson and occasionally President Bartschat, together with himself (GM), attend each and every SMCSO and SASM meeting – the District's constant presence and input and reporting is already well-established.

GM Elam recommends consulting with the District's counsel to assure the Board's and Staff's complete and full understanding of the SMCS D contract. (GM Elam also reminded that that the District's counsel works for the same firm as the SMCS D counsel, so a conflict of interest should be explored and either waived or new counsel should be secured).

SASM

4. Continue pushing forward on SASM expansion.
5. Work together with Mill Valley. The Board concluded that only after the SASM Study was completed should any effort be made to "work with" Mill Valley, and then only after 4, above was thoroughly explored. GM Elam did discuss the future possibilities of the District working with SASM for maintenance (reducing the District's reliance on Roto-Rooter).
6. Work with smaller districts (Almonte and Homestead) as an alternative to Mill Valley's consolidation plan. President Bartschat suggested that as the GMs of the surrounding smaller Districts retire, perhaps the TCS D might offer contract (hourly) services to maintain the collection systems of its neighbors. President Bartschat volunteered to discuss this possibility with the neighboring Districts.
7. Sit back and wait. Nothing new was discussed under this topic.

6. ADJOURNMENT.

MOTION

MOVE TO ADJOURN

M/S/C

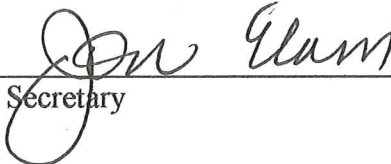
JACBOS/BARTSCHAT

Vote – 3 Ayes

(The July Board Work Session adjourned at 9:47 a.m.)



President



Secretary

Next Board Regular Meeting

Date:

July 15, 2009

Time:

7:00 PM

Place:

Community Center