

**BEL MARIN KEYS COMMUNITY SERVICES DISTRICT
Regular Board of Directors Meeting**

MINUTES

Thursday, April 17, 2014

Directors:

**Darrick Chase, President
Vince Lattanzio, Vice-President
Ernie Ganas
Ruth Simpson
Mark Montobbio**

- I. Call to Order (PLEASE TURN OFF CELL PHONES): 7:30pm**
- II. Pledge to the Flag**
- III. Roll Call: Chase, Ganas, Simpson** **Absent: Montobbio, Lattanzio**
- IV. Approval of Minutes**
****MOTION to approve minutes from the Regular Board meeting of March 20, 2014**
M/S: Simpson, Ganas
Vote: Ayes- Chase, Simpson, Ganas **Absent: Montobbio, Lattanzio**

****MOTION to move items V and Item VII after the District managers report to wait for the arrival of Vice President Lattanzio.**

M/S: Chase, Simpson
Vote: Ayes- Chase, Simpson, Ganas **Absent: Montobbio, Lattanzio**

V. District Managers Report

- Received a duplicate copy of the license agreement between the CSD and the County with regard to the improvements and landscaping on County property.

-Upon the receipt of the April tax money we will pay Hayward Baker the remaining balance of \$98,770 and will not be taking the fund from the investment account.

-We have received complaints about people fishing off the North Lock. They are using the pet station to climb over the gate and we have called the Sheriff's Department, however, when they arrived no one was onsite. The pet station will be removed to try and deter said activities and will look for another location when a pet station is needed.

-We received a notice from the Bank of New York Mellon Trust advising the District about the implementation of the Patriot Act in 2001 and the evolving requirements of the Dodd Frank, which has resulted in additional layers of cost borne by institutions and their clients. The current fees are \$1,400 for each bond series, and the new rate will be \$1,540 for each bond series.

-We received a call from a resident who noted that some gardeners were throwing large rocks into the lagoon. Adrian went down to tell the gardener's to stop as it is against the laws of the State of California to do that. A letter was sent to the residents as well as a copy of the CC&R's.

Vice-President Lattanzio joined the meeting at 7:40pm

VI. Bill Euphrat, Muni Financial Advisor, Sale of Bonds

Mr. Bill Euphrat addressed the Board and note that he was asked by the District Manager to review an unsolicited offer for legal services by the Weist Law firm to serve as bond counsel in connection with the possible refinancing of the Districts outstanding Mello-Roos Special Tax Bonds. He noted that he drafted a letter in response to Madeline's inquiry and in that letter he addressed possible savings, procedure if agreed to move forward, however, he did not speak directly about hiring Weist Law.

He noted that there are likely to be sufficient savings to warrant refunding the 2004 bonds by either a public sale or a private sale. The private sale does not envelope much disclosure, has lower cost to the borrower and does not need a reserve fund. The Public offering has a greater transparency, and would require a reserve fund and has higher issuance cost. He noted that the District has a very good credit and rated A- with Standard and Poor's, as well as, low delinquency and there would be more saving with private placement and getting rid of negative carry on and reserve.

Director Ganas asked for clarification as to what the current rates were. Mr. Euphrat noted that the Federal Reserve keeps rates low until economy improves, and are expect to go up and down the minimum saving is 3% net present value. Director Ganas noted that it a private placement makes more sense and would object a public placement.

President Chase asked for clarification on the cost and getting rid of reserve fund which would get savings over the next 8-9 years and no final payment. Mr. Euphrat noted that the bonds would go down a little not the property tax and length on bonds shortened by one year, and there would be no expenses upfront.

Mr. Euphrat noted that the District will continue to have administration cost such as NBS, but no trustee funds. The monies would be collected by the County and that will be a question as how to deal with buyer when tax money is collected.

Vice-President Lattanzio noted that we need to do public education awareness for future maintenance and possibly approving a special tax rather than a onetime assessment.

****MOTION to authorize the District Manager to hire Bill Euphrat , Financial Advisor, under contract, find counsel with Jones Hall; if bond securities are needed look at them at that time and look for private placement of the sale of the bonds.**

M/S: Lattanzio, Ganas.

Vote: Ayes-Lattanzio, Chase, Ganas, Simpson

Absent: Montobbio

VII. Bel Marin Keys Yacht Club additional funding for the kitchen improvements

Vice-President Lattanzio stated that he met with Director Montobbio and members of the Yacht Club and noted two items needed clarification which was the end date and priority with dates with schedule submitted by the Yacht Club. The Yacht Club is to provide a calendar to lock in

dates at the beginning of each calendar year, and if they want additional they will need to check availability of the center with the district office.

President Chase asked for what is customary use of the community center and that needs to be added to the memo.

****MOTION to approve the Memorandum of Understanding with the addition of the following use of the community center 12 special events, 12 board meeting, 12 member dinners and other events negotiable with CSD based on availability.**

M/S: Lattanzio, Ganas

Vice-President Lattanzio asked that these changes be made and have President Chase sign the MOU.

Vote: Ayes-Lattanzio, Ganas, Simpson, Chase

Absent: Montobbio

VIII. District Engineering, CLE

A. South Lock Settlement project update

No update.

B. Novato Creek Watershed Stewardship Program update

Waiting for an assessment report from Liz Lewis and an update will be provided in May.

C. South lagoon Levee

1. Levee repairs/maintenance and user restriction/enforcement

Mr. Cormier noted that at the last meeting the Board approved moving forward with a five (5) year plan for the levee work and will have an update for the next board meeting. He noted that the District received a letter from Sue Lattanzio as she points out her concerns with the use of the levee and the unrestricted public access as trail, and the State Coastal Conservancy not sharing the responsibility for maintenance and upkeep; and whether there can be restrictions for the use of the levee.

The Board agreed that there is use of the levee and the District's tax payers are burdened with the cost to maintain the levee and agreed a letter should be written to the State Coastal Conservancy with regard to the wear and tear of the levee.

Vice-President Lattanzio noted we need to get the facts correct as to how the District became responsible for the maintenance of the levees and possibly correct that.

D. FEMA FIRM Map Update

A tentative informational/outreach meeting is being scheduled for June 19, 2014 with representative from County of Marin and FEMA with regard to the upcoming 2015 FIRM Map. Once we have a confirmation we will be sending out notification to all residents.

E. Montego Park update

Mr. Cormier noted that there was a pre-construction meeting on Monday with Atlas Tree Surgery and will be closing off the whole park on Monday May 5th with orange fencing which will be provided by Andy McAgnon. The duration of the pine tree removal is estimated for four (4) to five (5) days. A notice will be placed on the marquee.

IX. Waterways Manager Update

A. Lagoon Water Quality

No site exceed the County standards and two applications of Nualgi were applied in the north the oxygen levels doing well. Mr. Cormier is looking at products that can be used for the moats which are organic enzymes. The salinity levels are extraordinary in the south and Olympia oysters are growing, which is a good sign.

B. Bay Planning Coalition Abandoned Vessel Seminar Update

Mr. Cormier noted that he attended another seminar on enforcement and will be making contact with the Marin County Sherriff, who is the enforcing agency for the District, to work on the enforcement of abandoned vessels if a hazard on the waterways. He noted that vessels that are on private property are not part of said enforcement.

Vice President Lattanzio noted that at the last Bay Planning meeting it was recommended to get word to the Army Crops as to what work is anticipated to be performed a year in advance and mitigate problems with the dredge permit for there are new permit requirements and what the District plans on doing is a spot dredge.

C. Update on Flushing

Flushing was performed with the exception of the North Lagoon due to the Nualgi application.

D. Update on North Lock Maintenance

Mr. Cormier noted that he is having a couple of issues with the lights that are going out, and PG&E has already worked on the lights and fixed them, however, we continue to have a problem again and will be looking at the sensor light next to the operating box.

E. Update on South Lock Maintenance

The monthly maintenance was performed.

X. New Business

A. Letter of support for Assembly Bill 1537 (General plan housing element: regional housing need), introduce by Assemblyman Marc Levine

****MOTION to write letter of support for Marc Levine's Assembly Bill 1537.**

M/S: Ganas, Chase

Vote: ayes-Lattanzio, Chase, Ganas, Simpson

Absent: Montobbio

XI. Financials

XII. Updates on Projects of Interest

A. State Coastal Conservancy (SCC), Hamilton and BMK V Wetlands Project

Vice-President Lattanzio noted that the Army Corps is very supportive of horizontal levee building in New Orleans and could be a used here as a secondary protection of the shoreline and wetland restoration.

B. 8 Acre parcel: Marin County parks- No update

C. Bay Trail- No update

XIII. Open Forum- No comments

XIV. Adjournment

****MOTION: To adjourn the Board meeting of April 17, 2014.**

M/S: Chase, Ganas

Vote: ayes-Lattanzio, Chase, Ganas, Simpson

Absent: Montobbio

Meeting adjourned at 9:10pm