

NOVATO SANITARY DISTRICT

June 9, 2008

A regular meeting of the Board of Directors of the Novato Sanitary District will be held at 4:30 p.m., Monday, June 9, 2008, at the District Office, 500 Davidson Street, Novato.

Materials related to items on this agenda are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours.

AGENDA

1. PLEDGE OF ALLEGIANCE:

2. CLOSED SESSION:

CONFERENCE WITH LABOR NEGOTIATORS – Government Code Section 54957.6.

- Confer with District's labor negotiators regarding meet and confer with District's "General" bargaining unit, represented by Teamsters Local 490, for fiscal year 2008-09.

3. AGENDA APPROVAL:

4. PUBLIC COMMENT:

This item is to allow anyone present to comment on any subject not on the agenda, or to request consideration to place an item on a future agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Board at this time as a result of any public comments made.

5. BOARD MEMBER REPORTS:

6. REVIEW OF MINUTES:

a. Consider approval of minutes of May 27, 2008 meeting.

7. CONSENT CALENDAR:

The Manager-Engineer has reviewed the following items. To her knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.

- a. Adopt annual District Statement of Investment Policy.
- b. Approve letter to Senate Environmental Quality Committee opposing AB 2986 (Leno) assigning letter grades to publicly owned collection systems and wastewater treatment plants.
- c. Schedule a supplemental Board of Directors meeting for June 17, 2008 at 4:30 PM.
- d. Approve disbursements.

8. ARC FLASH HAZARD ANALYSIS STUDY:

- a. Consider authorizing the Manager-Engineer to enter into an agreement with Eaton/Cutler-Hammer Engineering Services for a short-circuit, coordination and arc flash hazard analysis study.

9. CHEMICAL SUPPLY CONTRACTS FOR FY 2008-09:

- a. Review results of sodium hypochlorite supply bids and authorize execution of contract with lowest responsive/responsible bidder.
- b. Review results of sodium bisulfite supply bids and authorize execution of contract with lowest responsive/responsible bidder.
- c. Review results of liquid ferric chloride supply bids and authorize execution of contract with lowest responsive/responsible bidder.

10. WASTEWATER FACILITIES UPGRADE PROJECT 2006-07,-08:

- a. Consider adoption of resolution accepting project and authorizing filing of notice of completion for the Ignacio Transfer Pump Station Contract A1 Project 2006-07.
- b. Consider adoption of resolution accepting project and authorizing filing of notice of completion for the Ignacio Conveyance Pipeline Contract A2 Project 2006-08.

11. RECLAMATION FACILITY SITE 2 SPOILS REMOVAL:

- a. Report on bids received.
- b. Consider adoption of resolution awarding contract to the lowest responsive/responsible bidder.

12. PRELIMINARY BUDGET 2008-09:

- a. Presentation of Preliminary Budget for fiscal year 2008-09.
- b. Schedule adoption of Preliminary Budget for June 23, 2008.

13. 2008-09 SEWER SERVICE CHARGES:

- a. Consider setting a hearing for the collection of sewer service charges on the tax rolls of the County of Marin pursuant to Section 5473 of the Health and Safety Code of the State of California for July 14, 2008.

14. NORTH BAY WATER REUSE AUTHORITY

- a. Consider authorizing expenditure for Director Long and Supervisor Arnold to represent NBWRA in meetings with legislators in Washington DC

15. STAFF REPORTS:

- a. North Bay Watershed Association meeting

16. MANAGER'S ANNOUNCEMENTS:

17. ADJOURNMENT:

Next resolution no. 2981

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 892-1694 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Short-Circuit, Coordination and Arc Flash Hazard Analysis Study	MEETING DATE: June 9, 2008
<p>RECOMMENDED ACTION: Authorize the Manager-Engineer to enter into an agreement in an amount of \$14,428 with Eaton/Cutler-Hammer Engineering Services & Systems for a Short-Circuit, Protective Device Coordination and Arc Flash Analysis Study at the Novato Treatment Plant.</p>	
<p>SUMMARY AND DISCUSSION:</p> <p>National Fire Protection Act (NFPA) standard 70E (2004) was created to protect employees from electrical hazards, and is an important element in demonstrating overall safety compliance to entities such as the District's insurance carrier (CSRMA) as well as regulators such as CalOSHA. One of the most significant hazards noted in standard 70E relates to Arc Flash. Arc Flash is electrical energy which is released in the form of heat and pressure. It can be caused by a myriad of problems, some as simple as the dropping of a wrench into a live panel. Others causes include an internal failure in a fuse or circuit breaker. The energy released can cause a small spark or a significant explosion created by massive amounts of electrical current flowing through superheated air. The study will include: Onsite data collection, short-circuit study/coordination study, Arc Flash Hazard Analysis, analyze one-line diagrams, system review/recommendations, Arc Flash training, and Arc Flash Labels.</p> <p>Arc Flash analyses are highly complex studies conducted by specialized firms. Staff evaluated proposals from two such firms: Eaton/Cutler Hammer and Lewellyn Technology. Based on the information presented in their proposal and their understanding of the District's needs in the near future especially the potential for much of the current electrical gear to be mothballed and/or abandoned due to the construction of the Treatment Plant Upgrade project, staff selected Eaton/Cutler Hammer as the service provider for this project.</p> <p>The study will identify the areas of greatest hazard, make recommendations to reduce those hazards, determine the type of PPE (Personal Protective Equipment) required at specific locations, provide employee training, and provide Arc Flash labels (noting PPE requirements) for panels and switchgear throughout the plant.</p> <p>Accordingly, staff requests that the Board authorize the Manager-Engineer to enter in an agreement for the aforementioned study.</p>	
<p>ALTERNATIVES: Not authorize the study.</p>	
<p>BUDGET INFORMATION: This contract will be funded under budget item 66123 (Outside Contractual Services), which has a FY07-08 budget of \$160,000 and a budget balance of \$66,751 at the end of April 2008.</p>	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

**TITLE: Chemical Supply Contracts:
Sodium Bisulfite**

MEETING DATE: June 9, 2008

AGENDA ITEM NO.:

RECOMMENDED ACTION: Review results of sodium bisulfite supply bids and authorize execution of contract with lowest responsive/responsible bidder.

SUMMARY AND DISCUSSION:

The District received three (3) bids to provide liquid sodium bisulfite for dechlorination of treated effluent for the FY2008-09 fiscal year:

Basic Chemical Solutions, LLC	\$1.13/gallon
Brenntag Pacific	\$1.25 /gallon
Sierra Chemical	\$2.18/gallon

The apparent low bidder is Basic Chemical Solutions, which is well known and reputable chemical supply house that has provided Sodium Bisulfite to the District for the past year. Staff recommends awarding the contract to Basic Chemical Solutions.

ALTERNATIVES: Do not award the annual contract

BUDGET INFORMATION: The cost for sodium bisulfite for FY2007-08 was \$0.6244/gallon, so an increase of 81% in the budget for sodium bisulfite is anticipated.

DEPT.MGR.:

MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Reclamation Facility Site 2 Contaminated Soils Removal	MEETING DATE: June 9, 2008 AGENDA ITEM NO.:								
RECOMMENDED ACTION: Review results of contaminated soils removal bids and authorize execution of contract with lowest responsive/responsible bidder.									
SUMMARY AND DISCUSSION: <p>The District received four (4) bids to remove approximately 600 cubic yards of soil with a minimal amount of diesel contamination that was removed from the area of an old diesel tank at Novato Treatment Plant:</p> <table style="margin-left: 40px; border: none;"> <tr> <td style="padding-right: 20px;">Team Ghilotti</td> <td>\$5,600</td> </tr> <tr> <td>Ghilotti Brothers</td> <td>\$11,870</td> </tr> <tr> <td>Maggiora & Ghilotti</td> <td>\$15,151</td> </tr> <tr> <td>Ghilotti Construction</td> <td>\$33,480</td> </tr> </table> <p>Two bids arrived late: W.R. Forde for \$24,395 and North Bay Construction for \$30,840. The apparent low bidder is Team Ghilotti. Staff recommends awarding the contract to Team Ghilotti.</p>		Team Ghilotti	\$5,600	Ghilotti Brothers	\$11,870	Maggiora & Ghilotti	\$15,151	Ghilotti Construction	\$33,480
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ALTERNATIVES: Do not award the annual contract									
BUDGET INFORMATION: The project will be funded under Project 2005-09 NTP soil and groundwater investigation which has a budget of \$25,000.									
DEPT.MGR.:	MANAGER:								

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: WASTEWATER FACILITY UPGRADE PROJECT; PROJECT NO. 2006-08 CONTRACT A.2 IGNACIO CONVEYANCE FORCE MAIN	MEETING DATE: June 09, 2008 AGENDA ITEM NO.:
RECOMMENDED ACTION: Consider adoption of resolution accepting project and authorizing filing of Notice of Completion.	
SUMMARY AND DISCUSSION: <p>On May 14, 2007 the District Board of Directors awarded the Contract for the above Project to Ghilotti Construction Company, Inc. for a low bid of \$4,417,894. The Notice to Proceed was issued on June 18, 2007.</p> <p>Although there is one unresolved issue at this time, the District's Construction Manager for the project The Covello Group (TCG) is recommending that the District accept the project and file a Notice of Completion. The basis for this recommendation is that the District has occupation, beneficial use and enjoyment of the facilities in accordance with the Public Contract Code and TCG has negotiated a letter agreement with the Contractor confirming his acceptance of the Final Progress Payment and waiving his rights to any claims. This agreement also lists the unresolved item which will be resolved at a later date and stipulates that no further items can be added to the list. The Final Payment invoice includes the release of retainage; subject to "withholds" that will be retained by the District as security for the unresolved items. The withholds are described in the letter agreement noted above and also on the invoices.</p> <p>The total amount of additive change orders is \$104,190 which is approximately 2.36% of the original contract amount, and the total amount of deductive change orders is \$110,869 which is approximately 2.51% of the original contract amount. The net change by change orders is approximately -0.15% of the original contract amount.</p> <p>The Contractor completed the project within the contract time.</p> <p>At this time, staff recommends that the Board accept the project and authorize the filing of a Notice of Completion.</p>	
ALTERNATIVES: None	
BUDGET INFORMATION: The project was completed for less than the 2007-08 budget of \$5,700,000.	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Preliminary Budget	MEETING DATE: June 09, 2008
AGENDA ITEM NO.:	
RECOMMENDED ACTION: Consider scheduling adoption of the Preliminary Budget on June 23, 2008.	
SUMMARY AND DISCUSSION: Staff has prepared a draft Preliminary Budget for review that would be close to balanced even if the District lost 20% of property taxes. The draft budget proposes total operating expenditures of \$8,562,348. This is an increase of 2.6% over the 2007-08 Budget. Revenues are projected to increase 6.4% over last year's budget to \$8,895,968 if there is no loss of property taxes. If property taxes are reduced 20%, as has been proposed, the resulting revenues would be \$8,534,968 and the deficit only \$27,380. In the unlikely event that the District lost all of the property taxes the deficit would be \$1,471,380 and it would be necessary to use the rate stabilization reserve of \$600,000 and drawdown the working capital reserve by \$900,000.	
ALTERNATIVES: None	
BUDGET INFORMATION: NA	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Statement of Investment Policy	MEETING DATE: 6/9/2008
	AGENDA ITEM NO. :
RECOMMENDED ACTION: Approve Statement of Investment Policy	
SUMMARY AND DISCUSSION: The Board annually reviews and adopts the District's Statement of Investment Policy in accordance with Government Code Section 53600. There are two changes to the investment policy, as follows: - 1- On page 1, under Funds Management we added the the process for our fourth Bank of Marin account the Project Account. -2- On page 4, Bond Funds were replaced with the Line of Credit with Zions Bank.	
ALTERNATIVES: Do not approve Statement of Investment Policy.	
BUDGET INFORMATION: No budget impact.	
DEPT. MGR. :	MANAGER'S APPROVAL: