

NOVATO SANITARY DISTRICT

February 14, 2011

The Board of Directors of Novato Sanitary District will hold a regular meeting at 6:30 P.M., Monday, February 14, 2011, at the District offices, 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. They are also available on the District's website: www.novatosan.com.

AGENDA

- 1. PLEDGE OF ALLEGIANCE:**
- 2. AGENDA APPROVAL:**
- 3. PUBLIC COMMENT (Please observe a three-minute time limit):**

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.

- 4. BOARD MEMBER REPORTS:**
- 5. REVIEW OF MINUTES:**

a. Consider approval of minutes of the January 24, 2011 meeting.

- 6. 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. Authorize travel to Reno, Nevada for Laura Creamer and June Brown to attend the Government Finance Officers Association Seminar on "Preparation of a Comprehensive Annual Financial Report" on March 22, 2011.
- b. Approval of regular disbursements and ratification of January payroll and payroll related disbursements.

7. WASTEWATER FACILITY UPGRADE PROJECT 72609.

- a. Progress Report.
- b. Consider approval of a change order for modification of the air treatment facilities.

8. SOLID WASTE.

- a. Solid Waste Committee Report.
- b. Review draft of amendments to the Solid Waste Franchise Agreement

9. RECYCLED WATER

- a. Recycled Water Committee report
- b. Consider approval of a revised Interagency Agreement for Recycled Water Between Novato Sanitary District and North Marin Water District.
- c. New Facilities Committee report.

10. PUBLIC OUTREACH

- a. Consider approval of District hosting the Algebra Academy this summer.

11. ADMINISTRATION:

- a. Consider adoption of District Policy No. 4010 – Code of Ethics.
- b. Consider re-scheduling the meetings of February 28, 2011, March 28, 2011, and April 25, 2011.

12. RECLAMATION FACILITY:

- a. Consider approval to the amendment of the Joint Exercise of Powers Agreement with Marin County Flood Control and Water Conservation District.

13. PUMP STATION REHABILITATION PROJECT NO 72403

- a. Consider making CEQA findings, approving plans and specifications and authorizing advertising for bids for Unit 3, Western Oaks. Bayside, and Southgate Pump Stations

14. STAFF REPORTS:

- a. North Bay Watershed Association meeting.
- b. California Association of Sanitation Agencies report.
- c. Novato Leadership participation.

15. MANAGER'S ANNOUNCEMENTS:

16. ADJOURN:

Next resolution no. 3029

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.

January 24, 2011

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, January 24, 2011, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President William C. Long, Members Michael Di Giorgio, James D. Fritz, George C. Quesada and Dennis Welsh.

BOARD MEMBERS ABSENT: None

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James and Administrative Secretary Julie Borda.

ALSO PRESENT: Richard Tagore-Erwin, R3 Consulting Group
William Shoen, R3 Consulting Group
Steve McCaffrey, Novato Disposal Service
Dee Johnson, Household Hazardous Waste Coordinator
Joan Irwin, Marin Food Scrap Recycling Task Force (MFSRTF)
Delyn Kies, Sustainable Novato, MFSRTF
Marie Chan, MFSRTF
Ed Mainland, MFSRTF
Curtis Michelini, Industrial Carting, Santa Rosa, CA
Jerry Peters, Novato resident
Tom Pieva, Novato resident
Brant Miller, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, the agenda was approved as mailed.

PUBLIC COMMENT: None.

BOARD MEMBER REPORTS:

Member Quesada commented on a personal matter.

Member Di Giorgio stated that on Monday, January 31st, the Marin County Council of Mayors and Councilmembers (MCCMC) Adhoc Committee on Pension Reform will be meeting at the Larkspur Council Chambers. He invited all those interested in pension reform to attend.

Member Fritz discussed his attendance at the Wastewater Operations Committee, noting that the Collection Systems Department was consistently experiencing very few overflows.

REVIEW OF MINUTES:

Consider approval of minutes of the January 10, 2011 meeting.

President Long requested an addition be made to the minutes to include Member Quesada's comments on the audit report, stating that Member Quesada did not concur with Member Welsh's comments that the District should retain a two-year operating reserve. Staff acknowledged that these changes would be made to the minutes.

Member Quesada pointed out a typographical error in the minutes which stated under Review of Minutes: *Consider approval of minutes of the **January 10, 2011** meeting* and requested the minutes be changed to show the correct date of **December 27, 2010**.

On motion of Member Di Giorgio, seconded by Member Fritz, and carried unanimously, the minutes of the January 10, 2011 Board meeting were approved as amended.

CONSENT CALENDAR:

Member Di Giorgio requested Item a: *Meeting Schedule Approval* be pulled from the Consent Calendar. He stated that the Marin County Council of Mayors and Councilmembers Adhoc Committee on Pension Reform will be meeting on February 28th and requested the proposed Regular Board Meeting be scheduled on an alternate date. The Board discussed the proposed meeting change with the Manager and stated that the final decision will be made at the February 14th Board meeting.

Suzanne Brown-Crow asked for clarification of the disbursements, specifically the American Express payment showing a debit in the regular disbursements and also in the project account disbursements. The Manager explained that the American Express charges were broken out to be appropriately allocated to corresponding capital project accounts.

Member Welsh questioned the disbursement made to Ken Bowens. The Manager stated that Ken Bowens is an outside consultant working in the Laboratory.

On motion of Member Di Giorgio, seconded by Member Fritz and carried unanimously, the following Consent Calendar items were approved as modified:

- a. Approval of the following meeting schedule: February 14th, March 14th and 28th, April 11th and 25th.

- b. Approval of regular disbursements in the amount of \$343,228.92 and project account disbursements in the amount of \$157,163.80.

SOLID WASTE UPDATE:

- Report on Food Waste Composting roll out.

The Manager introduced Steve McCaffrey, Novato Disposal, who discussed the Food Waste Composting project which will be implemented District wide on January 31st. He discussed the flyers that will be distributed to the Novato residents and stated he will be reporting back to the Board in three months with a progress update of the Food Waste Composting program.

Member Quesada questioned how the Zero Waste goal would affect the profit margin of Novato Disposal. Mr. McCaffrey stated that Zero Waste is an important program to implement. He also stated that Novato Disposal's financial model was not designed to be dependent exclusively on proceeds from garbage collection.

Joan Irwin, Marin Food Scrap Recycling Task Force (MFSRTF), commended the Board for taking the step to begin collection of residential food scraps through the green waste recycling collection.

Member Fritz questioned why Novato Disposal received a rate increase for the new food scrap collection program if the amount of debris collected was not increasing. The Manager explained that even though the amount of debris collected from each resident will remain the same, there is a higher tipping fee for disposal of green waste with the addition of food scraps than for green waste disposal alone.

President Long discussed the importance of public outreach and public education to ensure the Food Waste Composting program's success. He stated the Board will look forward to receiving updates measuring the success of the program.

- Present Survey Results.

Steve McCaffrey gave a PowerPoint presentation of a survey Novato Disposal conducted through a third party. The survey asked respondents for their opinion of topics such as Novato Disposal's level of service and rates, recycling programs, and zero waste goals. The survey results reflected a high level of satisfaction with Novato Disposal and their current and proposed programs.

Suzanne Brown Crow, Novato resident, stated that she was contacted for the survey and expressed some concerns. She stated that overall, the poll results show Novato residents are very pleased.

PUBLIC HEARING – CONSIDER RECOMMENDATIONS OF THE BOARD'S ADHOC FRANCHISE UPDATE COMMITTEE FOR MODIFICATIONS TO THE SOLID WASTE FRANCHISE AGREEMENT.

President Long opened the Public Hearing at 7:12 p.m.

- Committee Report.

The Manager gave an overview of the Adhoc Solid Waste Franchise Update Committee which held a public workshop on January 19th to discuss the franchise proposal and to gain further public input on zero waste. She stated that the workshop was well attended and that she had also met individually with local citizens who had previously expressed an interest in solid waste issues.

Richard Tagore-Erwin, R3 Consulting, gave a presentation which outlined the District's intentions to amend the Solid Waste Agreement with Novato Disposal. The amendment proposes to include Zero Waste goals, provide community outreach services and extend the Franchise Agreement to December 31, 2025.

The Manager requested that all written comments be presented to the District by Friday, January 28th to allow time for review and response prior to bringing the revised Agreement back to the February 14th regular board meeting for final approval.

Curtis Michelini, Industrial Carting, discussed his facility in Santa Rosa and the services Industrial Carting offers. He discussed a proposal/letter he had previously presented to the Board.

Susan Stompe, Marin Conservation League, stated she did not feel she had adequate time to review the Amended Franchise Agreement. She stated she will attempt to have her comments prepared by Friday. She stated she was pleased to see recycling opportunities for commercial and multi-family units incorporated into the Agreement.

Delyn Kies, Sustainable Novato, requested additional time from the Board to accept comments on the Agreement. She expressed her appreciation for the opportunity to meet with Manager Beverly James to express Sustainable Novato's specific questions regarding the Draft Franchise Agreement. She addressed the Board with additional questions regarding the Agreement.

Ed Mainland, Sustainable Novato, discussed questions that were addressed at the Workshop and brought to the Board's attention additional issues Sustainable Novato would like to see addressed prior to the Agreement's finalization. He encouraged the Board to ensure the zero waste goals addressed in the Agreement have timelines and performance benchmarks.

Matt McCarron, AB939 Task Force and Novato resident, requested the Board hold annual workshops to discuss the progress of the zero waste goals and determine the effectiveness of the Agreement.

President Long closed public comment.

- Board comments.

President Long asked the Manager if the Board could take additional time to review and discuss the amended Agreement. The Manager replied that the Board could take additional time as needed but due to the roll out of the Food Scrap Composting program, time was of the essence.

The Board discussed the deadline for the Agreement and stated they would like to review all questions posed by the public and special groups prior to final approval.

Member Welsh stated he felt the Board should consider eliminating Novato Disposal's exclusivity in regards to the debris box rental arrangement. He felt other companies, such as Industrial Carting, should be allowed to enter the bidding process. Member Welsh commented that he had a long and favorable association with Industrial Carting when they transported the District's biosolids from the Ignacio facility to the dedicated land disposal (DLD) site.

Member Fritz questioned section 4.12.5 which addresses the need for a construction and demolition debris processing facility in Novato. Member Fritz asked why Novato Disposal could not continue to use their existing facility for this purpose. Steve McCaffrey stated that Novato Disposal does not currently own a Construction and Demolition Debris Processing Facility but has been using another facility for these materials. He stated that a closer location would benefit Novato Disposal and that jobs would be created by bringing this processing facility to Novato.

Richard Tagore-Erwin, R3 Consulting, clarified that Novato Disposal was mandated to take all construction and demolition debris to a licensed collection facility but did not mandate that the facility must be owned by Novato Disposal. He stated that it is at the Board's discretion to determine where Novato Disposal must take the debris.

Jim Salyers, Novato Disposal, commented on the fees Novato Disposal pays at the current facility for construction and demolition debris. He stated that there will be a significant cost savings to Novato Disposal when debris can be taken to their own facility.

Curtis Michelini, Industrial Carting, rebutted the comments of Mr. Salyers, stating that Industrial Carting's fees were lower than Mr. Salyer had stated.

Mr. Quesada requested an analysis be prepared for the debris box collection which shows the amount Novato Disposal charges for debris box versus the fee for the same service from Industrial Carting. President Long agreed and requested an analysis be prepared to show the pros and cons of an exclusive arrangement with Novato Disposal for debris box collection.

The Manager stated that this analysis would require a significant effort and that a similar report was prepared in 2008 when the debris box rates were adjusted. She noted that the debris box rates subsidize the Household Hazardous Waste program, E-Waste events and the Recycling and Buyback Center. The Manager also noted that having an exclusive arrangement with Novato Disposal allowed the District to track and monitor the collected debris without additional administrative costs. In addition, she stated that doing a rate analysis was beyond the scope of the current budget.

President Long requested a qualitative benefit and cost analysis of an exclusive arrangement. He stated that he would like the committee to meet again on this issue. He requested the Board take additional time to review the Agreement.

Steve McCaffrey, Novato Disposal, stated he would be happy to work with the Manager and the Board to provide the necessary information.

President Long closed the public hearing at 8:05 p.m. and thanked the public and all those who attended for their participation and input.

BOARD OF DIRECTORS:

- Wastewater Operations Committee Report.

The Manager summarized the Wastewater Operations Committee report for December 2010 as presented to the Wastewater Operations Committee at their meeting on January 20, 2011. She outlined the noted pH violation on December 27th and discussed the District's efforts to alleviate any future problems. The Manager gave an update on the current odor issue repairs and discussed a sludge line break which caused a spill.

Member Quesada questioned the odor beds and the bacteria development. The Manager noted that the odor control bed is currently shut down due to excavation and repairs. She stated that prior to the closure of the odor beds, the introduced bacteria appeared to be doing well.

Member Di Giorgio expressed his appreciation to Veolia Water for the knowledge they bring to the District both with their on-site employees and their outside employees and consultants.

Member Welsh questioned who would be paying for the odor control modification repairs. President Long stated it may be premature to file a claim at this time when the

reason for the odor issue is still unknown. The Manager commented on the repairs noting that RMC (Design Engineers) and The Covello Group (Construction Managers) are both aware of the situation. She stated that the repairs are currently authorized under a field order to the Contractor and the costs are being recorded.

Member Welsh stated that he did not feel the Novato Sanitary District should be responsible for any of the repair costs. He expressed his concern that, in time, the District may become responsible for the repairs. President Long agreed that the odor bed repair situation should be monitored and that a reconciliation should be prepared after there is a full understanding of the problem's root cause.

President Long requested that District Counsel Kent Alm address the issue at the next Board meeting when he is present. He would like Mr. Alm to advise the District on their options.

The Manager continued with the Wastewater Operations Committee report, discussing the Collection System Operations report for December 2010.

Member Welsh questioned John Bailey, Veolia Water, in regards to the supernatant line break that occurred at a cleanout. Mr. Bailey discussed the incident with the Manager and the Board. Member Welsh requested a tour of the broken line.

STAFF REPORTS:

- North Bay Water Reuse Authority Meeting.

The Manager reviewed with the Board the NBWRA Recycled Water Project, Phases One and Two. She discussed the Board's approval of Phase Two and outlined the additional expenses that have occurred. She estimated the District's cost to be approximately \$19,000.

The Manager stated that the first meeting of the NBWRA Board of Directors will be on February 14th at 9:30 a.m. at the District office.

MANAGER'S ANNOUNCEMENTS:

- New Facilities Committee on Wednesday, January 26th at 1:00 p.m. at the District office.
- Joint City/District Solid Waste Committee Meeting on Monday, February 7th at 4:30 p.m. at the District office.
- North Bay Watershed Association Meeting on Friday, February 4th in Petaluma.

- North Bay Water Reuse Authority Meeting on Monday, February 14th at 9:30 a.m. at the District office.

ADJOURNMENT: There being no further business to come before the Board, President Long adjourned the meeting at 8:50 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Borda, Recording

DRAFT

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Approval for staff to attend GFOA Training Seminar	MEETING DATE: 2/14/2011 AGENDA ITEM NO. :
RECOMMENDED ACTION: Approve out of state travel to Reno, Nevada on March 22, 2011 for staff to attend a Government Finance Officers' Association Seminar on Preparing a Comprehensive Annual Financial Report (CAFR).	
SUMMARY AND DISCUSSION: This year, as an expansion of the customary annual audit process, the District wishes to submit its annual audited financial reports for a Certificate of Achievement for Excellence in Financial Reporting (CAFR). This certificate is awarded by the Government Finance Officers Association (GFOA) to recognize contributions to the practice of government finance. The CAFR is a set of government financial statements which goes beyond the minimums established for annual financial reports. A CAFR is presented in three sections: <ol style="list-style-type: none"> 1. Introductory section – includes transmittal letter. 2. Financial section – includes independent auditor’s report, management’s discussion and analysis, 3. Statistical section – includes additional financial and economic information. <p>Each year the Government Finance Officers Association reviews applicant local government CAFR’s and awards their Certificate of Achievement Award for Excellence in Financial Reporting to those local governments that are in compliance with the CAFR accounting standards of preparation. Winning the GFOA’s Award for Excellence is a high level of professional acknowledgement within the public finance profession that promotes best practices in government finance.</p> <p>Since June Brown and Laura Creamer both work on the District budget and audit, and preparation for the CAFR will combine and expand the two documents more than in previous years, it is recommended that both Laura and June attend the seminar on Preparation of a Comprehensive Annual Financial Report.</p>	
ALTERNATIVES:	
BUDGET INFORMATION: The estimated cost for 2 employees to attend the seminar is \$1,250.00, including travel and lodging. There is approximately \$11,500 remaining for travel, meetings, and training in the fiscal year 2010-11 budget.	
DEPT. MGR. :	MANAGER’S APPROVAL:

Novato Sanitary District Check Register

February 14, 2011

Date	Num	Name	Credit
Feb 14, 11			
2/14/2011	52388	Veolia Water North America, Inc.	309,509.29
2/14/2011	52377	RMC Water & Environment, Inc.	218,589.39
2/14/2011	52354	J&M Inc.	177,494.69
2/14/2011	52383	Team Ghilotti, Inc.	99,004.41
2/14/2011	52369	Pacific, Gas & Electric	53,649.52
2/14/2011	52323	Aqua Science	22,950.00
2/14/2011	52374	PSC	21,449.25
2/14/2011	52335	Central Marin Sanitation District	15,755.06
2/14/2011	52347	EOA, Inc.	12,800.30
2/14/2011	52375	R3 Consulting Group, Inc.	11,459.19
2/14/2011	52378	Roy's Sewer Service, Inc.	10,177.50
2/14/2011	52333	Caltest Analytical Lab Inc.	8,321.96
2/14/2011	52340	County of Marin-public works	8,270.00
2/14/2011	52357	Johnson, Dee	7,615.59
2/14/2011	52368	Novato, City	6,951.99
2/14/2011	52319	Able Fence Company	6,493.64
2/14/2011	52379	Royal Petroleum Company	5,785.75
2/14/2011	52332	California Diesel & Power	4,675.00
2/14/2011	52373	Preferred Benefit	3,853.89
2/14/2011	52384	U.S. Bank Card (1)(Bev)	3,473.93
2/14/2011	52365	North Marin Water District Pay...	3,218.50
2/14/2011	ach	Bowens, Kenneth	3,150.00
2/14/2011	52331	Cagwin & Dorward Inc.	2,929.00
2/14/2011	52342	Dearborn National	2,732.27
2/14/2011	52385	U.S. Bank Card (2)(June)	2,446.47
2/14/2011	52394	Water Components & Building,...	1,909.76
2/14/2011	52391	Verizon California	1,634.71
2/14/2011	52338	Comet Building Maintenance, I...	1,395.00
2/14/2011	52364	North Marin Water District	1,136.50
2/14/2011	52352	IEDA, INC	1,020.00
2/14/2011	52376	Rauch Communication Consult...	977.44
2/14/2011	52371	Pini Hardware	975.04
2/14/2011	52350	Hawkins Traffic Safety Supply ...	959.05
2/14/2011	52360	Nextel Communications	916.62
2/14/2011	52351	IDEXX Distributing Corp.	899.97
2/14/2011	52392	Vision Service Plan	756.57
2/14/2011	52318	3T Equipment Company Inc.	737.12
2/14/2011	52344	Electrical Equipment Company...	735.15
2/14/2011	52345	Electronic Innovations, Inc	719.25
2/14/2011	52334	CDW Government, Inc.	656.58
2/14/2011	52349	Grainger	591.05
2/14/2011	52356	Johnson Controls, Inc.	588.72
2/14/2011	52336	Cintas Corporation	581.89
2/14/2011	52367	Novato Disposal-	568.31
2/14/2011	52330	BoundTree Medical, LLC	547.19
2/14/2011	52320	Air Technology West	532.71
2/14/2011	52362	North Bay Truck Service	505.82
2/14/2011	52363	North Marin Auto Parts	485.59
2/14/2011	52380	Siemens Water Tech Corp.	459.67
2/14/2011	52387	Vega-, Javier	448.75
2/14/2011	52372	Pitney Bowes Reserve Account	400.00
2/14/2011	52393	VWR International Inc.	377.09
2/14/2011	52321	AirGas-NCN, Inc.	348.56
2/14/2011	52324	AT&T-SAC	333.27
2/14/2011	52353	Independent Journal	321.75
2/14/2011	52359	Leonardi Automotive & Electric...	298.37
2/14/2011	52327	Barg, Coffin, Lewis & Trapp	292.50
2/14/2011	52325	AT&T Mobility	269.78
2/14/2011	52389	Verizon	266.36
2/14/2011	52346	Electronics Plus, Inc.	248.08
2/14/2011	52337	Coleman, Denny	231.55
2/14/2011	52328	Barnett Medical LLC	205.00
2/14/2011	52341	CWEA-SFBS	180.00
2/14/2011	52329	Bill Brusts Smog For Less	147.00
2/14/2011	52322	Alhambra	142.32
2/14/2011	52390	Verizon Business	141.68

02/11/11

Novato Sanitary District Check Register

February 14, 2011

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
2/14/2011	52370	Petty Cash	133.40
2/14/2011	52343	Di Giorgio, Mike	125.97
2/14/2011	52366	Novato Builders Supply	121.69
2/14/2011	52358	Leighton Stone Corp	114.45
2/14/2011	52355	JCK Communications	95.00
2/14/2011	52326	B.W.S. Distributors, Inc.	90.55
2/14/2011	52361	North Bay Portables, Inc.	89.70
2/14/2011	52381	Staples Business Adv Inc.	74.05
2/14/2011	52339	Cook Paging	57.73
2/14/2011	52382	T-Mobile	22.69
2/14/2011	52348	Federal Express	21.23
2/14/2011	52386	United Parcel Service	20.99
Feb 14, 11			<u>1,048,665.81</u>

02/11/11

Novato Sanitary District Check Register

February 14, 2011

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
Feb 14, 11			
2/14/2011	2146	RMC Water & Environment, Inc.	131,562.03
2/14/2011	2143	Monterey Mechanical, Inc.	63,741.50
2/14/2011	2145	Rauch Communication Consult...	6,115.00
2/14/2011	2142	Independent Electric Supply, Inc.	3,360.16
2/14/2011	2144	Novato Disposal-	2,019.75
Feb 14, 11			<u>206,798.44</u>

02/10/11

Novato Sanitary District Check Register

February 11, 2011

	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
Feb 11, 11				
	02/11/2011	1471	Long, William C	1,133.63
	02/11/2011	3091	Di Giorgio, Michael	961.83
	02/11/2011	3092	Fritz, James O	954.44
	02/11/2011	3093	Welsh, Dennis J	486.87
Feb 11, 11				<u>3,536.77</u>

Novato Sanitary District Payroll and Payroll Related Check Register

January 25 - 31, 2011

Date	Name	Credit
Jan 25 - 31, 11		
01/31/2011	January P/R Checks and Vouchers	116,629.04
01/25/2011	PERS Retirement	31,505.99
01/25/2011	CalPers Health	29,727.84
01/25/2011	United States Treasury	24,992.95
01/25/2011	EDD	7,207.57
01/25/2011	Lincoln Financial Group-401a Plan	7,955.68
01/25/2011	Lincoln Financial Group-401a Plan	3,403.54
01/25/2011	State Street Bank & Trust	2,875.00
01/25/2011	Marin Employ Federal Credit Union	517.00
01/25/2011	ACS	80.00
01/25/2011	North Bay Children's Center	40.00
01/25/2011	Hampton, Cari	400.00
01/25/2011	Local Union 315	320.00
01/25/2011	Retirees Health Benefits	14,695.60
Jan 25 - 31, 11		<u>240,350.21</u>

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Headworks Primary Clarifier #2 Odor Bed Modifications – Authorization of a Contract Change Order	MEETING DATE: February 14, 2011 AGENDA ITEM NO.:
RECOMMENDED ACTION: Authorize the Manage-Engineer to execute a Contract Change Order in the Amount explained below.	
SUMMARY AND DISCUSSION: It has been determined that foul air extracted from the Headworks and Primary Clarifier 2 intended for treatment through the Headworks/ Odor Control Soil Bed, is escaping the footprint of the soil bed. The air is flowing through the soils surrounding the soil bed and exiting without the intended treatment. To fully contain the foul air and direct it entirely through the odor control soil bed, an impermeable liner is being installed. A Field Order was issued to the Treatment Plant Contractor (Monterey Mechanical) on 12/22/10 authorizing the above work. Since commencing the work, unforeseen complications have surfaced that are increasing the expected total cost of the work beyond the Change Order Authority of the Manager-Engineer. It is estimated that the Contract Change Order Amount will be \$120,000. This value includes 5% in contingency.	
ALTERNATIVES: Do not authorize a Contract Change Order.	
BUDGET INFORMATION: This will be funded through Project # 72609, Wastewater Facility Upgrade – Contract B, which has a 2010-11 budget of \$6.0 million and a current balance of \$973,014.	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Solid Waste Committee Report	MEETING DATE: February 14, 2011
AGENDA ITEM NO.:	
RECOMMENDED ACTION: Information only	
SUMMARY AND DISCUSSION:	
<p>The Solid Waste Committee met on Monday, February 7, 2011. The Committee heard updates on the status of Zero Waste programs, including status of revisions to the Solid Waste Franchise Agreement and future planning for relocation of the Recycling Center and HHW facility.</p> <p>Staff provided an analysis of why Construction & Demolition(C&D) programs were included as part of the franchise agreement. Staff indicated that the C&D programs subsidize other important zero waste programs, such as curbside recycling, outreach and green and food waste composting, and are an important part of maintaining both low rates and the recycling programs the community is supportive of.</p> <p>Discussion also ensued around the relocation of the Recycling Center and HHW facility and the specific site requirements, such as industrial zoning, needed for any new site. In addition, a more inclusive Zero Waste program report will be available at the next Committee meeting.</p> <p>Staff updated the Committee on the Household Hazardous Waste programs and presented a report on the 2010 programs. Participation increased in 2010 at the HHW facility by 3.6%, with costs totaling \$186,809. The 2 E-Waste events, held in the spring and the fall, collected over 149,000 pounds of E-Waste from 2,332 residents. These programs remain very popular with residents.</p> <p>Steve McCaffrey of Novato Disposal provided an update on the food waste composting program and the 3rd and 4th quarter of 2010 solid waste recycling and disposal data. In addition 2 Novato residents – Delyn Kies and Jenni Pardi have been named to the Marin AB939 Local Task Force. They join City of Novato appointee Matt McCarron and solid waste hauler appointee, Steve McCaffrey as Novato appointees to the Task Force.</p> <p>Staff also provided a mid-year update on the Solid and Hazardous waste programs budget, which was running at approximately 45% of budget projections.</p> <p>The next Committee meeting is scheduled for Monday, May 2 at the District.</p>	
ALTERNATIVES: NA	
BUDGET INFORMATION:	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Recycled Water: Committee Report and Revised Agreement with NMWD	MEETING DATE: February 14, 2011
	AGENDA ITEM NO.:
RECOMMENDED ACTION: Approve Second Revised Inter Agency Agreement for Recycled Water Between Novato Sanitary District and North Marin Water District	
SUMMARY AND DISCUSSION: The Recycled Water Committee met on January 21, 2011 and reviewed the second Revised Inter Agency Agreement for Recycled Water with North Marin Water District. The original Agreement and the first revision both addressed the Recycled Water facility constructed at the District's Reclamation site to provide recycled water to Stonetree Golf Course. The Second Revised Agreement addresses the changes required to proceed with the construction and operation of the Novato North and Central Recycled Water projects partially funded using federal grants. A copy of the agreement is attached.	
Alternatives: Do not approve agreement	
BUDGET INFORMATION: NA	
DEPT.MGR.:	MANAGER:

DRAFT
SECOND REVISED
INTER AGENCY AGREEMENT
FOR RECYCLED WATER
BETWEEN
NOVATO SANITARY DISTRICT
AND
NORTH MARIN WATER DISTRICT

FEBRUARY 2011

TABLE OF CONTENTS

RECITALS	1
AGREEMENT PROVISIONS	2
ARTICLE A. INTRODUCTORY PROVISIONS	2
1. Definitions	2
2. Term and Renewal	2
ARTICLE B. RECYCLED WATER SERVICE PROVISIONS	3
1. Recycled Water Delivery Limitations	3
2. Recycled Water Delivery Quantities	3
3. Metering and Measurement of Flows	4
4. Recycled Water Quality and Pressure	4
5. Recycled Water Limitations of Use	5
6. Permits	5
ARTICLE C. RECYCLED WATER FACILITIES	6
1. Initial Construction	6
2. Master Plan	6
3. Construction of Facilities	6
4. Ownership, Operation and Maintenance of Facilities	8
5. Monitoring	9
6. Reporting	9
ARTICLE D. PAYMENT PROVISIONS	9
1. Recycled Water Pricing Policy	9
2. Recycled Water Rate Review	9
3. Billings	10
4. Obligation to Pay for Available Water	10
5. Time and Method of Payment	10
ARTICLE E. TERMINATION	10
1. General	10
2. Failure to Initiate Initial Construction	10
3. Non-Renewal	11
4. Cause	11
5. Failure to Approve Annual Funding	11
6. Decision by Distributor to Cease Distributing Recycled Water	11
7. Impasse over Rates	11
8. Buyout Upon Termination	11
ARTICLE F. GENERAL PROVISIONS	12
1. Good Faith	12
2. Amendments	12
3. Notices	12
4. Severability	13
5. Paragraph Headings	13
6. Successors and Assigns	13
7. Assignment	13
8. Remedies	13
9. Indemnification	14

10. Dispute Resolution	14
11. Governing Law	14
12. Further Assurances	14
13. Waiver	14
14. Presumptions	15
15. Counterparts	15
16. Entire Agreement	15
17. Insurance	15

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**INTER AGENCY AGREEMENT
FOR RECYCLED WATER
BETWEEN
NOVATO SANITARY DISTRICT
AND
NORTH MARIN WATER DISTRICT**

This Agreement is made and entered into on this _____ day of _____, 2011, (the "Effective Date") between the Novato Sanitary District (referred to as "Producer") and the North Marin Water District herein (hereinafter referred to as "Distributor"). Producer and Distributor may be referred to herein individually as a "Party" or collectively as the "Parties."

RECITALS

- A. Producer and Distributor are actively involved in local and regional efforts to develop recycled water supplies and promote recycled water use.
- B. Producer and Distributor recognize that sustainable water resource management requires integration of water supply and wastewater discharge limitations.
- C. Producer and Distributor have previously cooperated in development of the Deer Island Recycled Water Treatment Facility (Deer Island RWTF) and distribution system to supply Stone Tree Golf Course and Novato Fire Protection District Station No. 2 with recycled water pursuant to the April 2009 Revised Inter-Agency Agreement for Recycled Water.
- D. Provisions of this agreement are consistent with conditions established pursuant to the Final Environmental Impact Report/Environmental Impact Statement (FEIR/EIS) for the North San Pablo Bay Restoration and Reuse Project (Project) also known as the North Bay Water Recycling Program as published in the Code of Federal Register (CFR) Volume 75, Number 108 dated June 7, 2010.
- E. Included within said Project are facilities to treat such recycled water at the Producer's wastewater treatment site, hereinafter referred to as the Davidson Street Recycled Water Treatment Facility (the "Davidson Street RWTF").
- F. The Deer Island RWTF and recycled water distribution system is permitted by the State of California San Francisco Bay Regional Water Quality Control Board to treat and distribute and use treated effluent as recycled water.
- G. The Davidson Street RWTF and recycled water distribution system will be permitted by the State of California San Francisco Bay Regional Water Quality Control Board to treat and distribute and use treated effluent as recycled water.
- H. Recycled water to be delivered by Producer to Distributor will be disinfected tertiary recycled water, in accordance with the provisions of Title 22 of the California Code of Regulations and applicable requirements of the California Department of Public Health.
- I. Distributor has developed a recycled water master plan for future long-term distribution of recycled water in the Novato area of Marin County, California.

1 J. Distributor wishes to acquire from Producer the quantity of secondary effluent and/or
2 recycled water which it can sell to End Users (as defined in Article B2).

3 K. City of Novato, Novato Unified School District playing fields, Valley Memorial Park
4 Cemetery and Fireman's Fund Business Park landscaping will be the initial End
5 Users of recycled water and other end users may be served in the vicinity of the
6 recycled water pipeline to be constructed from the RWTF's.

7 **AGREEMENT PROVISIONS**

8 For and in consideration of the foregoing recitals and of the mutual promise and covenants
9 herein contained, the Parties hereto agree as follows:

10 **ARTICLE A. INTRODUCTORY PROVISIONS**

11 **1 Definitions**

12 When used in this Agreement, the following terms shall have the meanings
13 hereinafter set forth:

- 14 a) "End User" shall mean the ultimate user of recycled water.
- 15 b) "Fiscal Year" shall mean each 12-month period during the term of this
16 Agreement commencing July 1 of one year and terminating June 30 of the
17 next succeeding year, both dates inclusive.
- 18 c) "Operation and Maintenance Costs" shall mean the actual cost of: labor
19 (including general and administrative overhead plus tools and supplies
20 normally applied), equipment and vehicle charges, consumables (such as
21 chemicals and electrical power), and spare parts and/or replaced
22 components necessary to reliably treat and deliver recycled water to the End
23 Users pursuant to this agreement. Operation and Maintenance Costs shall
24 not include costs for major capital replacement or process changes.
- 25 d) "Point of Connection" shall mean a secondary effluent connection between
26 the Producer's sewerage system and the Distributor's Deer Island RWTF
27 and distribution system (see Exhibit "A" attached hereto and incorporated
28 herein by this reference), or a recycled water connection between the
29 Producer's Davidson Street RWTF and Distributor's distribution system (see
30 Exhibit "B" attached hereto and incorporated herein by this reference).
- 31 e) "RWTF" shall mean the Recycled Water Treatment and Pumping Facilities
32 required to produce recycled water from the Producer's sewerage system to
33 the "Point of Connection."
- 34 f) "Distribution" system shall mean the recycled water transmission/distribution
35 pipelines and storage facilities.

36 **2. Term and Renewal**

37 This Agreement shall commence on the Effective Date and be in force for
38 twenty (20) years. Following the original twenty (20) year Agreement term, the
39 Agreement term shall be automatically renewed and extended for consecutive
40 one (1) year terms, unless terminated in accordance with the provisions of
41 Article E herein.

42

1 **ARTICLE B. RECYCLED WATER SERVICE PROVISIONS**

2 **1. Recycled Water Delivery Limitations**

- 3 a) Distributor understands and acknowledges that Producer is charged with the
4 responsibility to operate its sewerage systems in a manner which it
5 reasonably determines to be most beneficial to the users thereof. The rights
6 of Distributor to secondary effluent or recycled water under this Agreement
7 pertain only to that which actually is produced at the RWTF. Nothing
8 contained herein shall be construed to qualify in any manner Producer's right
9 to operate the sewerage system and Davidson Street RWTF at such rates of
10 flow as Producer reasonably determines to be appropriate so as to comply
11 with Producer's NPDES permit.
- 12 b) Nothing herein shall be construed to commit any portion of the recycled
13 water from the RWTF beyond that which will be delivered by Distributor to its
14 customers for reasonable beneficial uses. Producer to give to Distributor at
15 least 30 days advance written notice of any non-emergency planned
16 reduction that would reduce the availability of secondary effluent or recycled
17 water to Distributor. Distributor shall have ample opportunity to meet and
18 confer with the Producer on the issue of reduced availability of recycled
19 water.
- 20 c) Any circumstances beyond Producer's control which cause an unplanned
21 reduction in the recycled water available for distribution may, at the
22 discretion of Producer, result in a temporary decrease in recycled water
23 available to Distributor under this Agreement. The reduced availability of
24 recycled water will continue in effect until such time as operations have been
25 restored to normal, provided the Producer must use its reasonable best
26 efforts to restore normal operations as soon as possible. Producer shall
27 inform Distributor on a weekly frequency regarding status of restoration of
28 normal operation.
- 29 d) The Parties acknowledge that in unusual conditions, an emergency diversion
30 of recycled water by Producer may be necessary, and such diversion shall
31 be made to an effluent storage pond or wet weather basin, treatment plant or
32 other authorized location to receive such diversion by the Regional Water
33 Quality Control Board and shall not be deemed a violation of this Agreement.

34 **2. Recycled Water Delivery Quantities**

- 35 a) Subject to the provisions herein, Producer agrees to make available to
36 Distributor each Fiscal Year during the term hereof, secondary effluent
37 and/or recycled water produced at the Davidson Street RWTF in the
38 anticipated minimum annual delivery quantity (the "Annual Delivery
39 Quantity").
- 40 b) Annually, Producer and Distributor shall meet and confer in good faith to
41 mutually determine the Annual Delivery Quantity and anticipated production
42 schedule for each month for the ensuing Fiscal Year and to project minimum
43 Annual Delivery Quantities for the next ensuing three Fiscal Years. The
44 purpose of this determination is to provide the Producer and Distributor with
45 information necessary to plan production at the Davidson Street RWTF and
46 Deer Island RWTF respectively including staffing, chemical purchases,
47 maintenance and coordination of operations at the RWTF's.

- 1 c) Producer and Distributor acknowledge that circumstances such as drought
2 may require additional Annual Delivery Quantities or a prolonged schedule
3 of operation at the RWTF's and agree to use reasonable best efforts to meet
4 such additional requirements.
- 5 d) Distributor shall make reasonable efforts to provide back-up source(s) of
6 water for the distribution system at the Deer Island RWTF that will provide a
7 reliable flow of water to End Users in the event that circumstances beyond
8 Producer's control cause a reduction or temporary loss of flow of secondary
9 effluent or recycled water from Producer.

10 **3. Metering and Measurement of Flows**

- 11 a) Producer will measure all recycled water delivered to Distributor at the point
12 of connection. This point of connection delivery (master) metering will be in
13 addition to any retail (customer) metering conducted by the Distributor
14 and/or End Users (collectively, the "Customer Metering"). The Master
15 Metering shall govern billings to Distributor and shall also be used for
16 reporting Distributor's recycled water usage to regulatory agencies. Where
17 either Distributor or Producer acts as End Users, they shall also report
18 usage by metering.
- 19 b) The Producer shall test the accuracy of the Master Metering not less
20 frequently than annually and provide the Distributor with a report of such
21 test. The Distributor shall have the right at any time and at its expense to
22 make additional tests of the Master Metering. If the Master Metering is
23 found to be reading 2 percent or more fast or slow, it shall immediately be
24 recalibrated, repaired or replaced by the Producer to bring it within 2 percent
25 accuracy.
- 26 c) Title to and risk of loss and responsibility for the handling and control of all
27 recycled water which meets the quality criteria shall pass from the Producer
28 to the Distributor at the point of connection. The Producer and Distributor
29 agree to exercise due diligence in inspecting their various pipelines and
30 appurtenances and take steps to guard against unreasonable loss of
31 recycled water. Should unreasonable loss of recycled water occur, the
32 parties shall meet in good faith to determine a fair allocation of the cost
33 thereof.

34 **4. Recycled Water Quality and Pressure**

- 35 a) All recycled water to be delivered pursuant to the terms of this Agreement
36 will be of such quality that the same may be used for all purposes from time
37 to time allowed for disinfected tertiary recycled water. The recycled water to
38 be delivered to Distributor at the Davidson Street RWTF Point of Connection
39 pursuant to this Agreement shall range in pressure from XX to 80 pounds
40 per square inch (psig) and conform to the quality requirements set forth in
41 the then current disinfected tertiary recycled water quality and monitoring
42 regulations specified in Title 22, Division 4, Chapter 3: Wastewater
43 Reclamation Criteria Section 60301.230 (California Code of Regulations), as
44 further regulated by the State of California Regional Water Quality Control
45 Board, the California Department of Public Health and all other federal, state
46 and local agencies having jurisdiction over recycled water quality.

- 1 b) The Parties recognize that factors beyond the control of Producer could
2 cause operational difficulties at the Davidson Street RWTF resulting in the
3 temporary production of recycled water which does not meet the current
4 requirements referenced in the previous subparagraph for the intended uses
5 of the End Users. In such cases, Producer shall temporarily suspend
6 deliveries of recycled water to Distributor from Producer's facilities, and
7 Distributor shall produce recycled water from the Deer Island RWTF or
8 provide a back-up source pursuant to Article B, Section 2.d) of this
9 agreement. Producer shall use its best efforts to reestablish the production
10 of recycled water of a suitable quality and pressure as soon as reasonably
11 possible and shall reestablish Distributor's supply of such water accordingly.
- 12 c) Producer shall immediately notify Distributor if recycled water from the
13 Davidson Street RWTF does not meet the currently applicable regulatory
14 requirements and its deliveries of recycled water will be suspended. Such
15 notice shall be given to Distributor, via control system alarm, e-mail
16 (info@nmwd.com) or telephone (415) 897-4133 with a follow-up written
17 confirmation on the same day automatic notice is given, or on the next
18 business day if automatic notice is not given during normal business hours.
19 Said notice shall contain the date and time delivery was interrupted and the
20 date and time delivery resumed or is scheduled to resume.
- 21 d) From time to time, it may be necessary for the parties to develop, agree
22 upon and implement detailed operating criteria and procedures. Distributor
23 agrees to provide real time recycled water storage level data to facilitate
24 such operating criteria for the RWTF.

25 **5. Recycled Water Limitations of Use**

26 Distributor agrees to provide the recycled water it receives hereunder only for
27 the use of those End Users who have obtained the appropriate permits to use
28 recycled water. Distributor shall be responsible for establishing the required
29 Administrative Procedures and End User Rules and Regulations, for issuing
30 permits to End Users, and for providing regulatory oversight of End User sites.

31 **6. Permits**

32 This Agreement is based on the necessary permitting requirements under the
33 San Francisco Regional Water Quality Control Board Order 96-011 General
34 Water Reuse Requirements for Wastewater and Water Agencies and the
35 Department of Public Health Title 22 water reuse criteria relating to the use of
36 recycled water and the development and construction of a recycled water
37 production and distribution system. Each of the Parties undertakes and agrees,
38 severally and jointly as appropriate, to file any and all applications and
39 undertake such proceedings as may be necessary to enable each Party to carry
40 out the undertaking contemplated herein, and to pursue each application and
41 proceedings in good faith and due diligence. Distributor will act as lead agency
42 in obtaining, complying with and maintaining the permits that are applicable to
43 the construction and initial permitting of the distribution system and Deer Island
44 RWTF. Producer will act as lead agency in obtaining, complying with, and
45 maintaining the permits that are applicable to the operation of the Davidson
46 Street RWTF. However, both Producer and Distributor agree to cooperate in
47 obtaining and complying with permits necessary to carryout the provisions of

1 this agreement and are responsible, where applicable to their role as Producer
2 or Distributor, to comply with the requirements set forth in these permits.

3
4 **ARTICLE C. EXPANDED NOVATO NORTH SERVICE AREA RECYCLED WATER**
5 **FACILITIES**

6 **1. Initial Construction**

7 a) The Parties have worked together to develop planning, permitting and
8 preliminary engineering design for a Davidson Street RWTF and distribution
9 system to serve various Novato North Service Area End Users including the
10 City of Novato, Novato Unified School District playing fields, Valley Memorial
11 Park Cemetery and Fireman's Fund Business Park landscaping.

12 **2. Master Plan**

13 a) The Parties have prepared and approved a focused master plan (the
14 "Master Plan") for contemplated expanded distribution and/or treatment
15 facilities for the distribution of recycled water in the service area of
16 Distributor (the "Expanded Facilities"). The focused Master Plan promotes
17 the use of recycled water throughout the service area of Distributor, and is
18 consistent with Distributor's overall water supply planning.

19 Arrangements between the parties relating to permitting, design and
20 construction of Expanded Facilities beyond that contemplated herein shall
21 be addressed in one or more future agreements.

22 **3. Construction of Facilities**

23 a) Each party shall be solely responsible for obtaining all permits, contracts,
24 approvals, easements, land rights, or other permission or consent necessary
25 to proceed with its recycled water facilities, as contemplated by this
26 Agreement.

27 b) Recycled water delivered to Distributor pursuant to this Agreement shall be
28 provided by Producer from the Davidson Street RWTF facility. Initial
29 construction of the Davidson Street RWTF shall be administered, managed
30 and financed by the Producer with a bank loan and/or grant funding.
31 Repayment of any said loan financing shall be pursuant to Producer
32 wastewater sewer service charges.

33 Initial construction of Recycled Water distribution facilities shall be
34 administered, managed and financed by the Distributor with a California
35 State Water Resources Control Board State Revolving Fund Low Interest
36 Loan, bank loan and/or grant funding. Repayment of any said loan financing
37 shall be pursuant to Distributor Water Connection Fees paid by Distributor
38 customers.

39 c) Initial Construction Costs (including engineering support, construction
40 management and administration) for the Davidson Street RWTF are
41 estimated to be \$5,450,000 pursuant to the Phase 3 Engineering and
42 Economic/Financial Analysis Report for the Project by Camp Dresser McKee
43 (CDM, June 2008) with revised project summary costs (RMC, August 2010
44 costs) or 52% of the total Initial Construction Costs, and allocated to the
45 Producer.

1 Initial Construction Costs for the Recycled Water distribution facilities are
2 estimated to be \$5,100,000 pursuant to the revised CDM, November 2009
3 costs, or 48% of the total initial construction costs and allocated to the
4 Distributor.

5 d) Federal Funding Grant Allocation.

6 The Producer has entered into an agreement with Sonoma County Water
7 Agency (SCWA) on behalf of Producer and Distributor for up to 25% federal
8 grant funding for the Expanded Facilities, also known as the “Novato North
9 and Central Service Area Recycled Water” projects as defined by the North
10 San Pablo Bay Restoration and Reuse Project – EIR/EIS (ESA 2010).
11 Federal grant funds are anticipated from the American Reinvestment and
12 Recovery Act (ARRA) and Title XVI Grants awarded by the U.S. Bureau of
13 Reclamation (USBR). Until such a time that Distributor is a direct recipient of
14 ARRA or Title XVI grant funds from SCWA, Distributor agrees to abide by all
15 the terms and conditions of said agreement between Producer and SCWA,
16 attached hereto as Exhibit D.

17 i. Allocation of ARRA Grant Funds

18 Of the \$7,203,000 in ARRA grant funds eligible for payment to SCWA by
19 USBR, \$2,637,500 is to be allocated by SCWA to Producer for the Expanded
20 Facilities Novato North Service Area Recycled Water. The aforementioned
21 ARRA grant fund allocation is based on the Expanded Facilities Novato
22 North Service Area project total cost estimate of \$10,550,000, 48% allocated
23 for Distributor’s storage and pipeline components and 52% allocated for
24 Producer’s treatment and pumping components. It is agreed that the ARRA
25 grant funds will be shared proportionately between the Producer and
26 Distributor using the above-stated percentages after accounting for the grant
27 administration expenses.

28 ii. Allocation of Title XVI Funds

29 Notwithstanding the allocation methodology provided above for the ARRA
30 grant allocation, any future Title XVI grant funding allocation will be based
31 upon the amounts identified in Exhibit C of the North Bay Water Reuse
32 Authority Second Amended Memorandum of Understanding (Exhibit E). It is
33 further anticipated that any future grant application and funding disbursement
34 will be structured so that SCWA distributes grant funds directly to Distributor
35 as a Member Agency of NBWRA and Recipient under a future Agreement for
36 Grant Facilitation Services for North San Pablo Bay Restoration and Reuse
37 Project.

38 e) State Funding Grant Allocation

39 Allocation of any grant funding from the State of California for the expanded
40 facilities shall be shared proportionately between the Producer and
41 Distributor using the percentages stated in Article C. Section 3.d)i.

42 f) Expansion of the Davidson Street RWTF and Expanded Distribution
43 Facilities will be undertaken from time to time as subject to any other future
44 agreements executed between Producer and Distributor.

1 Planned capital improvements or replacements projects to the Davidson
2 Street RWTF shall be coordinated with Distributor sufficiently in advance to
3 ensure adequate funds are available to carry out said projects

4 **4. Ownership, Operation and Maintenance of Facilities**

5 Distributor shall own, operate and maintain at no cost to Producer, The Deer
6 Island RWTF and all of its distribution facilities from the Point of Connection up
7 to the End User meters.

8 Producer leases the property on which the Deer Island RWTF is located from
9 the Marin County Flood Control and Water Conservation District. This lease
10 expires on July 1, 2023 with an option to extend it for an additional ten years.

11 Producer shall own, operate and maintain all of the Davidson Street RWTF up
12 to the Point of Connection. At Distributor's request or as necessary to comply
13 with permit conditions of state or federal law, Producer may assist with the
14 maintenance and emergency repair of Distributor's distribution facilities.
15 Distributor shall reimburse Producer for reasonable and necessary expenses
16 incurred in carrying out such maintenance or repair. At Producer's request or as
17 necessary to comply with permit conditions of state or federal law, Distributor
18 may assist with the maintenance and emergency repair of Producer's
19 distribution facilities. Producer shall reimburse Distributor for reasonable and
20 necessary expenses incurred in carrying out such maintenance or repair.

21 Producer agrees to provide the Distributor the uninterrupted right of ingress to
22 and egress from the recycled water pipeline route on Producer's property and
23 the right at all times to enter in, over and upon and to use said recycled water
24 pipeline route and every part thereof for all purposes connected with the laying
25 down, constructing, reconstructing, replacing, removing, repairing, maintaining,
26 operating and using said distribution facilities.

27 Producer agrees not to do anything which may interfere with Distributor's full
28 rights for the purposes noted above including without limitation the following:
29 placing or permitting to be placed on said recycled water pipeline route any
30 building or structure (including without limitation new fences not approved by
31 Distributor) or deck(s), tree(s), large shrub(s), or rock(s) weighing more than 50
32 pounds;

33 Subject to the foregoing provisions, Producer may excavate or change the
34 grade of the surface of said recycled water pipeline route way for the Producer's
35 continued operation and maintenance of the existing wastewater facility
36 operations, provided that before making any such change, Producer shall notify
37 Distributor of the proposed change and enable Distributor the opportunity to
38 raise or lower distribution facilities as solely determined by Distributor if
39 Distributor determines in its sole discretion that the change of the grade
40 necessitates that any Distributor facilities be raised or lowered.

41 Producer may cultivate and landscape the surface of said recycled water
42 pipeline route and may construct a roadway thereon provided that such actions
43 do not in any way conflict with or violate any of the preceding limitations.

44 Producer reserves the right to change the location of said recycled water
45 pipeline route on Producer's property to a new location agreeable to Distributor,
46 provided that the full expense of relocating the recycled water pipeline and

1 appurtenant facilities to the new location shall be funded from the Recycled
2 Water Capital Replacement and Expansion Fund.

3 Distributor shall be under no obligation to install or maintain a roadway or
4 pavement or other surfacing upon the recycled water pipeline route except such
5 as may be convenient for its own purposes. (Any surface changes, such as
6 paving, need to be approved by Producer.)

7 **5. Monitoring**

8 Producer's responsibility for management and monitoring the recycled water
9 delivered hereunder shall be limited only to recycled water production at the
10 Davidson Street RWTF and shall cease upon delivery to Distributor at the Point
11 of Connection. Operation, management, maintenance and monitoring of
12 facilities under the control of the Distributor shall be the sole responsibility of
13 Distributor. Distributor agrees to accept Producer's reporting responsibility for
14 conformance to all monitoring, reporting, and any other requirements assigned
15 to the "recycled water agency" in Title 22 of the California Code of Regulations,
16 all applicable regulations of the State of California Regional Water Quality
17 Control Board and the California Department of Health Services and Order 96-
18 011 (General Water Reuse Requirements for Municipal Wastewater and Water
19 Agencies).

20 **6. Reporting**

21 As a condition of, and to provide assistance sufficient to enable Distributor to
22 carry out this reporting responsibility undertaken by Distributor, Producer shall
23 provide Distributor with the following reporting information:

- 24 a) Quarterly (or annual, at Distributor's option) recycled water production and
25 monitoring records certified by Producer to meet quality pursuant to Exhibit
26 C within 30 days of the close of each fiscal quarter (or Calendar Year, as the
27 case may be) to the extent permissible by law.
- 28 b) Adequate notifications of Producer inspections, start-ups, shutdowns and
29 disconnections, or violations, if any.

30 **ARTICLE D. PAYMENT PROVISIONS**

31 **1. Recycled Water Pricing Policy**

32 The Parties agree that the rates charged by Producer to Distributor shall be in
33 the amount required to reimburse Producer's actual Davidson Street RWTF
34 Operation and Maintenance Costs. Rates charged by Distributor to End Users
35 shall cover actual RWTF Operation and Maintenance Costs and Distributor's
36 actual Operation and Maintenance Costs of the distribution facilities, plus an
37 amount for maintenance and replacement. Any payments to the Distributor by
38 the End User in excess of actual costs (marginal payments) shall be deposited
39 in a Recycled Water Capital Replacement and Expansion Fund.

40 **2. Recycled Water Rate Review**

41 Producer shall charge for the delivery of recycled water in accordance with the
42 rate schedule for recycled water service as such rate schedule is established by
43 the producer and approved by Producer's governing board. Producer shall
44 review and establish said rate schedule based on the above-described policy of
45

1 reimbursing Producer's Davidson Street RWTF actual Operation and
2 Maintenance Costs every Fiscal Year. Distributor shall be given ample
3 opportunity to meet and confer upon the intended application of the pricing
4 policy and Producer's proposed recycled water rates with Producer prior to final
5 determination of Producer's recycled water rates, to ensure compatibility with
6 the intent of this Agreement.

7 Notwithstanding any other provision of this Agreement, the cost of planned
8 capital improvements or replacement projects to the Davidson Street RWTF
9 shall not be included in Producer's recycled water rates but shall instead be
10 reimbursed from the Recycled Water Capital Replacement and Expansion Fund
11 30 days after receipt of invoice.

12 **3. Billings**

13 Distributor agrees to make quarterly (or annual, at Producer's option) payments
14 for the total amount of recycled water delivered pursuant to Article B.3 in each
15 fiscal quarter (or Fiscal Year, as the case may be) at the rates set according to
16 the procedures herein.

17 **4. Obligation to Pay for Available Water**

18 Distributor is obligated to pay Producer for the Annual Delivery Quantity of
19 recycled water for each Fiscal Year, assuming such quantity of recycled water is
20 made available to it by Producer. Producer shall bill Distributor at the close of
21 each quarter (or each Fiscal Year) for the actual quantity of recycled water
22 taken by Distributor pursuant to Article B.3 during that quarter (or Fiscal Year).

23 **5. Time and Method of Payment**

24 Payments shall be made by Distributor in response to, and within 30 days of,
25 billing by Producer.

26 **6. Recycled Water Capital Replacement and Expansion Fund**

27 The Recycled Water Capital Replacement and Expansion Fund will be
28 maintained by the Distributor. Distributor shall provide annual reports of the
29 fund to the Producer. Any expenditure from the fund shall be jointly approved
30 by both the Producer and the Distributor.

31 **ARTICLE E. TERMINATION**

32 **1. General**

33 This Agreement may be terminated upon the occurrence of the events
34 described in the following paragraphs.

35 **2. Failure to Initiate Initial Construction**

36 If the initial construction is not initiated by the second anniversary of the
37 Effective Date of this Agreement (the "Plan Date"), then either Party may elect
38 to terminate this Agreement by serving a written notice (the "Termination
39 Notice") on the other Party within 180 days following the Plan Date. In the event
40 of such termination:

- 41 a) This Agreement shall be deemed terminated as of the last day of the Fiscal
42 Year during which the Termination Notice was given.

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3. Non-Renewal

Following the expiration of the original 20-year term of this Agreement, either Party may serve upon the other no later than 30 days prior to the next occurring anniversary of the Effective Date a notice of intent to terminate this Agreement. Such termination shall become effective upon said next occurring anniversary of the Effective Date.

4. Cause

This Agreement may be terminated by either Party at any time for good cause upon 60-days' written notice to the other Party. However, if the good cause is the breach of the other Party, this Agreement may not be terminated under this section unless such breach is not cured by the breaching Party during such 60-day period. Notwithstanding the foregoing, if a cure of any such breach by any Party hereto cannot practicably be affected within such 60-day period, and the breaching Party, upon receiving such written notice, promptly initiates efforts to cure such failure within such 60-day period, and diligently pursues such cure, this Agreement may not be terminated under this section.

5. Failure to Approve Annual Funding

The Parties acknowledge that each Party undergoes an annual budgeting process and that neither Party is obligated to expend additional funds or to construct additional facilities in any given year unless the applicable Party's governing board has budgeted money for that purpose. Notwithstanding the foregoing, failure to budget such funds may constitute good cause for termination of this Agreement under paragraph 4 above.

6. Decision by Distributor to Cease Distributing Recycled Water

This Agreement shall be terminated in the event that Distributor determines that it no longer intends to be a purveyor of recycled water within its service area. Such termination shall be effective at the end of the Fiscal Year following the Fiscal Year in which notice of Distributor's desire to terminate this Agreement pursuant to this Paragraph is furnished to Producer.

In the event of termination pursuant to this Section, the Producer and Distributor agree to meet and consider arrangements to insure water service is maintained as necessary to customers historically receiving recycled water.

7. Impasse over Rates

If following mediation as provided for herein, Distributor is unwilling to accept a new annual rate set for recycled water by Producer then this Agreement shall be deemed terminated at the end of the Fiscal Year for which such impasse is reached. Producer, following mediation as provided for herein, declares an impasse due to Distributor setting rates that do not recover costs necessary to adequately fund recycled water production, then this Agreement shall be terminated at the end of the Fiscal Year for which such impasse is reached.

8. Buyout Upon Termination

If this Agreement is terminated in accordance with the provisions of Paragraphs 3, 4, 5, 6 or 7 of this Article, then Producer shall have the option to purchase from Distributor those portions of the Distribution Facilities (along with any appurtenances necessary to distribute recycled water in Producer's service

1 area) that have been constructed or are then under construction from
2 Distributor, including easements and any associated real estate required for
3 their use or maintenance. Producer may exercise this option on the following
4 terms:

- 5 a) Producer shall give written notice of its intent to purchase said facilities
6 within 180 days following the effective date of the termination.
- 7 b) The purchase price shall be equal to the newly reconstructed cost
8 (determined as of the date of the notice in paragraph 8.a) less depreciation
9 (RCNLD) of Distributor's improvements. Upon request, Distributor shall
10 furnish appropriate accounting data and information to Producer to
11 establish the purchase price.
- 12 c) Distributor shall assign to Producer all water delivery contracts with End
13 Users using the Distribution Facilities along with any applicable consulting
14 or construction contracts.

15 **ARTICLE F. GENERAL PROVISIONS**

16 **1. Good Faith**

17 This Agreement is the result of good faith negotiations entered into by the
18 Parties willingly, with due diligence, and with full advice of legal counsel, and it
19 is the intent of the Parties that all aspects of performance of this Agreement will
20 be undertaken in the same manner. The Parties acknowledge and agree that it
21 is not possible to anticipate every issue, situation or problem that might arise or
22 be encountered during the term of this Agreement. As to any issue, situation, or
23 problem not expressly provided for in this Agreement, each Party agrees to
24 refrain from doing anything (1) to injure the right of each other Party to receive
25 the benefits of this Agreement, or (2) to frustrate the purpose for which this
26 Agreement was executed. Each Party further agrees that in the event any such
27 unanticipated issue, situation or problem arises, they will meet and confer in
28 furtherance of the implied covenant of good faith and fair dealing in order to find
29 a mutually acceptable solution.

30 **2. Amendments**

31 This Agreement may be amended at any time by mutual written agreement of
32 the Parties. The Parties agree that in the event of action by an outside
33 governmental body producing a prospective change in the volume or use of
34 recycled water by Distributor's customers, the Parties will make such
35 amendments to this Agreement as the circumstance may reasonably and
36 equitably require.

37 **3. Notices**

38 All notices or other writings in this Agreement to be given by either Party to the
39 other, shall be deemed to have been given or when made in writing and either
40 (i) delivered personally, or (ii) sent by facsimile transmission to the Fax numbers
41 set forth below with the original deposited in the U.S. mail, postage pre-paid,
42 first class, addressed as set forth below, or (iii) deposited in the United States
43 mail, registered, or certified, postage prepaid, and addressed as follows:

44 To Distributor

45 General Manager

1 North Marin Water District
2 P.O. Box 146
3 Novato, CA 94948-0146
4 Phone: (415) 897-4133
5 FAX: (415) 892-8043
6

7 To Producer

8 General Manager/Engineer
9 Novato Sanitary District
10 500 Davidson Street
11 Novato, CA 94945
12 Phone: (415) 892-1694
13 FAX: (415) 898-2279

14 The address of either Party may be changed upon written notice given by such
15 Party as above provided. Notices shall also be deemed given when delivered
16 by personal delivery, with a confirmation copy by first class mail.

17 **4. Severability**

18 If any one or more of the covenants or agreements set forth in this Agreement
19 on the part of Producer or Distributor, or either of them, to be performed should
20 be contrary to any provision of law or contrary to the policy of law to such extent
21 as to be unenforceable in any court of competent jurisdiction, then such
22 covenant or covenants, agreement or agreements, shall be null and void and
23 shall be deemed severable from the remaining covenants and agreements and
24 shall not affect the validity of this Agreement.

25 **5. Paragraph Headings**

26 Paragraph headings in this Agreement are for convenience only and are not to
27 be construed as part of this Agreement or any way limiting or amplifying the
28 provisions here.

29 **6. Successors and Assigns**

30 Subject to the provisions of the succeeding Paragraph hereof, this Agreement
31 and all the terms, covenants, agreements, and conditions herein contained shall
32 inure to the benefit of and be binding upon the successors and assigns of the
33 Parties hereto.

34 **7. Assignment**

35 No assignment or transfer by Distributor of this Agreement or any part hereof, or
36 of any rights hereunder or interest herein of Distributor, shall be valid unless
37 approved by Producer, which approval shall not be unreasonably withheld.

38 No assignment or transfer by Producer of this Agreement or any part hereof, or
39 of any rights hereunder or interest herein of Producer, shall be valid unless
40 approved by Distributor, which approval shall not be unreasonably withheld.

41 **8. Remedies**

42 By reason of the specialized nature of the recycled water service to be
43 rendered, and for the further reason that the extent of any damage caused to a
44 party by any breach of this Agreement by the other party may be extremely
45 difficult to determine in monetary terms, it is agreed by the Parties hereto that an

1 action for monetary damages is an inadequate remedy for any breach, and that
2 specific performance, without precluding any other remedy available in equity or
3 at law, will be necessary to furnish either Party hereto with an adequate remedy
4 for the breach hereof.

5 **9. Indemnification**

6 Producer shall save Distributor, its officers, agents and employees, free and
7 harmless from any and all cost liability, damages or health-related claims arising
8 out of any act or omission to act, including any negligent act, by Producer, its
9 officers, agents or employees arising out of the Producer's performance of its
10 obligation under this Agreement. Distributor shall save Producer, its officers,
11 agents and employees, free and harmless from any and all cost liability,
12 damages or health-related claims arising out of any act or omission to act,
13 including any negligent act, by Distributor, its officers, agents or employees
14 arising out of the Distributor's performance of its obligation under this
15 Agreement.

16 **10. Dispute Resolution**

17 Any controversies between the Parties regarding the construction or application
18 of this Agreement, and claims arising out of this Agreement or its break, shall be
19 submitted to mediation within 30 days of the written request of a Party after the
20 service of that request on the other Party. The Parties may agree on one
21 mediator. If they cannot agree on one mediator, the Party demanding mediation
22 shall request that the Presiding Judge of the Superior Court of Marin County
23 appoint a mediator. The mediation meeting shall not exceed one day (eight
24 hours), unless the Parties agree to extend said time. The cost of the mediator
25 shall be borne by the Parties equally. Mediation under this section is a condition
26 precedent to filing an action in any court.

27 The Parties shall make good faith efforts to resolve all claims and disputes
28 related to this Agreement at the lowest possible cost. Unless the Parties agree
29 upon an alternative forum of dispute resolution, any litigation concerning claims
30 and disputes related to this Agreement shall be filed in and timely prosecuted to
31 conclusion in the Superior Court in and for Marin County, and each party hereby
32 waives its right to move to change venue.

33 **11. Governing Law**

34 This Agreement shall be governed, construed and enforced in accordance with
35 the laws of the State of California.

36 **12. Further Assurances**

37 Each of the Parties agrees to execute, and deliver to the other parties, such
38 documents and instruments, and take such actions, as may reasonably be
39 required to effectuate the terms and conditions of this Agreement; provided,
40 however, such covenant shall not have the effect of increasing the obligations of
41 any Party pursuant to this Agreement or require any representations and
42 warranties by any Party in addition to those of such party set forth herein.

43 **13. Waiver**

44 No waiver of any right or obligation of any of the parties shall be effective unless
45 in writing, specifying such waiver, executed by the party against whom such
46 waiver is sought to be enforced. A waiver by any of the parties of any of its

1 rights under this Agreement on any occasion shall not be a bar to the exercise
2 of the same right on any subsequent occasion or of any other right at any time.

3 **14. Presumptions**

4 Because all of the parties have participated in preparing this Agreement, there
5 shall be no presumption against any party on the ground that such party was
6 responsible for preparing this Agreement or any part hereof.

7 **15. Counterparts**

8 This Agreement may be executed in two or more counterparts, each of which
9 shall be deemed an original, but all of which shall constitute one and the same
10 instrument.

11 **16. Entire Agreement**

12 This Agreement constitutes the entire agreement between the parties regarding
13 the subject matter hereof and thereof, and supersedes all prior or
14 contemporaneous negotiations, understandings or agreements of the parties,
15 whether written or oral, with respect to such subject matter.

16 **17. Insurance**

17 Each Party shall be responsible for requiring all contractors that it retains for the
18 construction and construction-related tasks related to this Agreement to provide
19 insurance in the amounts and with the coverages consistent with its policies and
20 practice for projects involving similar construction costs and risks. Each Party
21 shall be responsible for obtaining from each such contractor a certificate of
22 insurance evidencing such coverage, and policy endorsements adding both
23 Parties, and their respective directors, officers, employees, agents, and
24 authorized volunteers as additional insureds to the contractor's Commercial
25 General Liability and Comprehensive Automobile Liability insurance policies,
26 which shall be provided to both Parties prior to the commencement of the
27 construction and/or construction-related tasks.

1 IN WITNESS WHEREOF, Producer and Distributor have caused this Agreement to be
2 executed by their respective duly authorized officers effective as of the day and year first herein
3 written below.

4

NOVATO SANITARY DISTRICT

By:

Board President

Dated: _____

Attest:

Board Secretary

Approved as to Form:

Novato Sanitary District Attorney

NORTH MARIN WATER DISTRICT

By

Board President

Dated: _____

Attest:

Board Secretary

Approved as to Form:

North Marin Water District Attorney

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DRAFT

1 EXHIBITS:

- 2 Exhibit A Point of Connection Detail – Deer Island RWTF
- 3 Exhibit B Point of Connection Detail – Davidson Street RWTF
- 4 Exhibit C Producer’s Schedule of Sampling and Analysis
- 5 Exhibit D Agreement for Grant Facilitation Services for North San Pablo Bay
- 6 Restoration and Reuse Project
- 7 Exhibit E North Bay Water Reuse Authority Second Amended Memorandum of
- 8 Understanding

DRAFT

EXHIBIT C

PRODUCER'S SCHEDULE OF SAMPLING & ANALYSIS

Constituent (units)	Limit	Type of sample	Frequency
Flow Rate (gallons/day)	500,000	Observation	Daily
Total Coliform (MPN/100 ml)	2.2 median	Grab (7 days)	Daily
	23 maximum	Grab (in any 30 day period)	Daily
Turbidity (NTU)	2 maximum	Daily average	Continuous
	5 maximum	5% of time	Continuous
	10 maximum	Any time	
Dissolved Oxygen (mg/l)	1.0 minimum	Grab	3/week
Dissolved Sulfide (mg/l)	0.1 maximum	Grab	3/week (only if D.O. ≤ 1.0 mg/l)

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NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: New Facilities Committee Report	MEETING DATE: February 14, 2011
AGENDA ITEM NO.:	
RECOMMENDED ACTION: Information only	
SUMMARY AND DISCUSSION:	
<p>The New Facilities Committee (Directors Jim Fritz and Dennis Welsh) met on Wednesday, January 26, 2011 to review the 95% design submittal for the Recycled Water Treatment Facility. RMC Engineers Steve Clary, Mark Takemoto and Steve Hoeft and Covello Construction Manager Steve Wrightson attended the meeting and presented the 95% design plans for the Recycled Water Treatment Facility, the Distribution Pump Station, the Distribution pipelines on the Novato Treatment Plant site, and the Northeast Access Road and Landscaping.</p> <p>The Final Plans and Specifications are scheduled to be presented to the Board for their approval at the next board meeting. Construction must be completed by April 2012.</p> <p>The average day design flow is 1.4 million gallons/day. The peak day design flow is 1.7 million gallons/day. The treatment system is designed so that the capacity can be increased to 2.1 million gallons/day by just adding a packaged filter unit. Sufficient space is provided to add an additional two units, which would increase the capacity to 3.4 million gallons/day. The recycled water facility will repurpose some of the decommissioned treatment units where it is economical to do so.</p> <p>The Northeast Access Road and Landscaping will be divided into two projects in order to expedite installation of plantings to screen the treatment plant from view. The plan has been modified to extend the plantings based on the input from the neighborhood.</p> <p>RMC is in the process of preparing the final construction cost estimate and it will be provided along with the final plans and specifications.</p>	
ALTERNATIVES: Do not approve bidding the project.	
BUDGET INFORMATION: The FY 10-11 Budget for this work is \$2,951,000.	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Public Outreach: Algebra Academy	MEETING DATE: February 14, 2011
	AGENDA ITEM NO.:
RECOMMENDED ACTION: Approve hosting the Algebra Academy	
SUMMARY AND DISCUSSION: <p>Cynthia Murray, North Bay Leadership Council, has requested that the District participate in a Algebra Academy for entering ninth grade students in Novato. The purpose of the academy is to prepare disadvantaged students for high school algebra programs and to encourage them by providing them a chance to meet and see people who work with math in their jobs.</p> <p>The District would host up to 30 students and their teachers for two or three mornings in August. The students would meet with District staff and tour the facilities as well as receive instruction. The District would provide them with lunch and a snack.</p>	
Alternatives: Do not approve participation	
BUDGET INFORMATION: The cost of providing lunch and snack will be included in the 2011-12 budget for public outreach.	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: District Policy Handbook	MEETING DATE: February 14, 2011 AGENDA ITEM NO. :
RECOMMENDED ACTION: Adopt Policy Handbook Policy #4010 - Code of Ethics	
SUMMARY AND DISCUSSION: <p>It is the intent of the Board to maintain a Manual of Policies, based on policies developed by the California Special Districts Association. When complete, the manual will contain a comprehensive listing of the Board's policies, being the rules and regulations enacted by the Board from time to time. The policies are intended to serve as a resource for Directors, staff and members of the public in determining the manner in which matters of District business are to be conducted.</p> <p>The attached Policy, "Code of Ethics" is presented for Board consideration and adoption as part of the District Policy Handbook. In previous review of this policy, it was suggested that the following sentence be added to Section 4010.2.2, <i>"Any investigation of an issue should be restricted to a Board committee of a minimum of two members."</i></p> <p>In the past, staff has submitted batches of policies for review. However, the Board expressed a preference to receive policies for review one at a time. Therefore, staff will endeavor to present single policies for Board consideration and adoption at each meeting.</p>	
ALTERNATIVES: Do not adopt proposed Policy or adopt it with modifications.	
BUDGET INFORMATION: No budget impact.	
DEPT. MGR. :	MANAGER'S APPROVAL:

NOVATO SANITARY DISTRICT

POLICY HANDBOOK

POLICY TITLE: Code of Ethics
POLICY NUMBER: 4010

4010.1 The Board of Directors of Novato Sanitary District is committed to providing excellence in legislative leadership that results in the provision of the highest quality services to its constituents. In order to assist in the governance of the behavior between and among members of the Board of Directors, the following rules shall be observed.

4010.1.1 The dignity, style, values and opinions of each Director shall be respected.

4010.1.2 Responsiveness and attentive listening in communication is encouraged.

4010.1.3 The needs of the District's constituents should be the priority of the Board of Directors.

4010.1.4 The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District.

4010.1.5 Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action, Directors should commit to supporting said action and not to create barriers to the implementation of said action.

4010.1.6 Directors should practice the following procedures:

4010.1.6.1 In seeking clarification on informational items, Directors may directly approach the Manager-Engineer to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making.

4010.1.6.2 In handling complaints from residents and property owners of the District, said complaints should be referred directly to the Manager-Engineer.

4010.1.6.3 In handling items related to safety, concerns for safety or hazards should be reported to the Manager-Engineer. Emergency situations should be dealt with immediately by seeking appropriate assistance.

4010.1.6.4 In presenting items for discussion at Board meetings, see Policy #5020.

4010.1.6.5 In seeking clarification for policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, said concerns should be referred directly to the Manager-Engineer.

4010.1.7 When approached by District personnel concerning specific District policy, Directors should direct inquiries to the appropriate staff supervisor. The chain of command should be followed.

4010.2 The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.

4010.2.1 When responding to constituent requests and concerns, Directors should be courteous, responding to individuals in a positive manner and routing their questions through appropriate channels and to responsible management personnel.

4010.2.2 Directors should function as a part of the whole. Issues should be brought to the attention of the Board as a whole, rather than to individual members selectively. **Any investigation of an issue should be restricted to a Board committee of a minimum of two members. (Added after review of the original Policy but not yet adopted).**

4010.2.3 Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Reclamation Amendment to Joint Powers Agreement	MEETING DATE: February 14, 2011
	AGENDA ITEM NO.:
RECOMMENDED ACTION: Approve Amendment to Joint Exercise of Powers Agreement	
SUMMARY AND DISCUSSION: <p>The District entered into a Joint Exercise of Powers Agreement dated June 14, 1983, for the lease of the Reclamation property. The District has requested an amendment to the Agreement to allow a 27.4 acre portion of the property to be used as a golf driving range by Stonetree Golf Course. Marin County has indicated that they are in agreement with the proposed use.</p> <p>Once the agreement is approved the District will be able to proceed with negotiating a sub lease with the Stonetree Golf Course to lease the property.</p>	
Alternatives: Do not approve amendment	
BUDGET INFORMATION: .	
DEPT.MGR.:	MANAGER:

RETURN TO:
County of Marin
Department of Public Works
Real Estate Division
P.O. Box 4186, Civic Center Branch
San Rafael, CA 94913-4186
Attn: Jill Craig

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AMENDMENT TO JOINT EXERCISE OF POWERS AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 2010 by and between the NOVATO SANITARY DISTRICT, a public corporation, hereinafter referred to as "SANITARY DISTRICT", and the MARIN COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a political subdivision of the State of California, hereinafter referred to as "FLOOD CONTROL DISTRICT".

WITNESSETH:

WHEREAS, SANITARY DISTRICT and FLOOD CONTROL DISTRICT have entered into a Joint Exercise of Powers Agreement, dated June 14, 1983, and recorded, for the lease of real property situated in the Novato Creek Bay Plain, in the City of Novato, County of Marin, State of California as designated therein; and

WHEREAS, FLOOD CONTROL DISTRICT leases Parcels F-1, F-2, and F-3 to SANITARY DISTRICT to maintain and operate an agricultural irrigation reclamation project as a means of disposal of treated wastewater effluent; and

WHEREAS, SANITARY DISTRICT requests an amendment to said Agreement, to allow a 27.4-acre portion of Parcel F-1 to be used as a golf driving range;

WHEREAS, FLOOD CONTROL DISTRICT has determined that said requested use is consistent with current usage of Parcel F-1 and does not impact flood control operations or flood control benefits of the property.

NOW, THEREFORE, IT IS MUTUALLY UNDERSTOOD AND AGREED as follows:

FLOOD CONTROL DISTRICT shall allow SANITARY DISTRICT to sublease approximately 27.4 acres of Parcel F-1, shown on Exhibit A, to Stonetree Golf Club, its successors or assigns, for use as a golf driving range, with the following conditions of use:

- A. The golf driving range shall be operated in a manner that will allow continued use of the field for agricultural irrigation and disposal of wastewater effluent.
- B. Flood Control District shall have, as described in the Joint Exercise of Powers Agreement, unrestricted access, use and benefits of the property for the duration of the sublease.

C. All other conditions of the 1983 agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date first hereinabove written.

Approved as to Form:

MARIN COUNTY FLOOD CONTROL AND
WATER CONSERVATION DISTRICT:

By: _____
County Counsel

Judy Arnold, Board of Supervisors

ATTEST:

Clerk

NOVATO SANITARY DISTRICT,

President, Board of Directors

Secretary

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Pump Station Rehabilitation Project, Project Unit 3, No. 72403	MEETING DATE: February 14, 2011 AGENDA ITEM NO.:
RECOMMENDED ACTION: Consider making CEQA findings, approving plans and specifications, and authorizing advertising for bids for Pump Station Rehabilitation Project Unit 3.	
SUMMARY AND DISCUSSION: <p>Nute Engineering has completed the plans and specifications for this work and it is ready for bid. This work is the third project unit to replace the District's existing small dry pit/wet pit underground pump stations with submersible pump stations.</p> <p>Project Unit 3 consists of rehabilitating three sanitary sewer pump stations including partial demolition of the existing structure, construction of wet well & valve pit, installation of new pumps and control panel at each location. The existing pump stations will be taken out of service and replaced with submersible type pump stations in the same location. The goal of the overall project is to replace the existing pump stations with pump stations that meet current industry standards for safety, reliability of performance, and ease of access for operation and maintenance. The pump stations in Project Unit 3 are:</p> <p>Western Oaks, 76 Rosewood Drive Bayside (Hamilton No. 2), 880 Hanger Drive Southgate (Hamilton No. 3), 82 Moore Road</p> <p>The Engineer's Estimate for this work is \$1,150,000.00. Staff has completed California Environmental Quality Act (CEQA) documentation and determined that the project is categorically exempt. This determination is made because the work relates to the rehabilitation of existing public sewerage facilities involving no expansion of an existing use.</p> <p>Staff recommends making CEQA findings, approving plans and specifications and authorizing advertising for bids. Bids are expected to be received on March 9, 2011 and be presented to the Board at the March 14th meeting.</p>	
ALTERNATIVES: Do not approve bidding the project.	
BUDGET INFORMATION: The FY 10-11 Budget for this work is \$3,700,000.	
DEPT.MGR.:	MANAGER: