

NOVATO SANITARY DISTRICT

Meeting Date: August 13, 2012

The Board of Directors of Novato Sanitary District will hold a regular meeting at 6:30 p.m., Monday, August 13, 2012, 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. **REVIEW OF MINUTES:**
 - a. Consider approval of minutes of the July 23, 2012 meeting.

5. **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. Approve a temporary discharge permit for North Marin Water District Olive Avenue Recycled Water Pipeline project.
 - b. Approve Valley Memorial Park Sewer Main Extension
 - c. Review quarterly investment report.
 - d. Approve regular disbursements.
6. **STRATEGIC PLANNING:**
 - a. Presentation of the 2012 Strategic Plan
 - b. Consider approval of the 2012 Strategic Plan.

7. NORTH BAY WATER REUSE AUTHORITY (NBWRA):

- a. Staff report on the FY 2012/13 NBWRA budget, cost allocation, and Phase II schedule.
- b. Consider authorizing NSD representative to NBWRA to approve the modification to the NBWRA 2012/13 budget.
- c. Consider approval of the date for the dedication of the North Novato Recycled Water Project.

8. ADMINISTRATION:

- a. Consider authorizing the Manager-Engineer to attend the International Water Association Biennial meeting at her own expense on District time.
- b. Consider approval of transfer of \$197,310.17 from the Capital Improvement Fund to the Operating Fund for staff time spent on capital projects.

9. STAFF REPORTS:

- a. Algebra Academy.

10. BOARD MEMBER REPORTS:

- a. California Association of Sanitation Agency Annual Meeting

11. MANAGER'S ANNOUNCEMENTS:

12. ADJOURNMENT:

Next resolution no. 3049

Next regular meeting date: Monday, August 27, 2012, 6:30 PM at the Novato Sanitary District office, 500 Davidson Street, Novato, CA

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.

July 23, 2012

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, July 23, 2012, at the District offices, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Michael Di Giorgio, Members William C. Long, Jean Mariani, Jerry Peters and Dennis Welsh.

STAFF PRESENT: Manager-Engineer-Secretary Beverly James and Administrative Secretary Julie Swoboda. Deputy Manager-Engineer Sandeep Karkal was absent.

ALSO PRESENT: Brant Miller, Novato resident
John Bailey, Veolia Water
Steve Wrightson, The Covello Group
Justin Kudo, Account Manager, Marin Clean Energy
Ed Mainland, Sustainable Novato, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The Manager requested that agenda item 8a: "Consider retaining PG&E as the District's electrical service provider with an annual review of comparative rates" be moved to immediately follow the Consent Calendar.

President Di Giorgio approved the agenda as modified.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the July 9, 2012 Board meeting.

Member Peters stated that he was absent from the July 9th Board meeting but the minutes reported him as in attendance. He requested the minutes be modified to correctly show he was absent. Julie Swoboda, Board Recorder, will make the corrections.

On motion of Member Di Giorgio, seconded by Member Long and carried with the following vote, the minutes of the July 9, 2012 Board meeting were approved as corrected. Ayes: Di Giorgio, Long, Mariani, Welsh. Abstain: Peters.

CONSENT CALENDAR:

On motion of Member Long, seconded by Member Mariani and carried unanimously, the following Consent Calendar items were approved:

- a. Adoption of Resolution No. 3047, providing relief on pH limits for the Buck Institute and setting revised pH limits.
- b. Adoption of Resolution No. 3048, providing relief on pH limits for Optical Metal Services and setting revised pH limits.
- c. Approval of regular disbursements in the amount of \$149,267.15, project account disbursements in the amount of \$991,722.38 and payroll and payroll related disbursements in the amount of \$235,358.20.

ADMINISTRATION:

- Consider retaining PG&E as the District's electrical service provider with an annual review of comparative rates. The Manager reviewed the comparison analysis as provided by Marin Clean Energy (MCE) and stated that based on the analysis, costs would increase by approximately \$14,400 annually if the District transitioned to MCE as its electricity provider. The Manager requested the Board authorize the District's continued use of PG&E with reviews of other utility providers being completed on an annual basis.

Justin Kudo, Account Manager, Marin Clean Energy, gave an overview of MCE's electrical programs which are available to the District. Mr. Kudo discussed the various methods MCE uses to produce electrical power.

Ed Mainland, Novato resident, addressed the Board on behalf of Sustainable Novato. He discussed the benefits of using MCE and requested the Board not make a final decision at this meeting but analyze the comparison in greater detail. He urged the District to remain consistent with their current efforts toward efficiency and environmentally conscious practices.

Brant Miller, Novato resident, discussed the Marin Energy Authority (MEA) and urged the District to remain cost conscious and continue with the electrical provider which offers the most savings to the District.

The Board discussed the benefits/comparisons of PG&E and MCE energy usage with Justin Kudo.

On motion of Member Long, seconded by Member Mariani and passed unanimously, the Board directed staff to retain PG&E as the District's electrical service provider and annually review comparative rates.

Justin Kudo and Ed Mainland left the meeting.

WASTEWATER OPERATIONS COMMITTEE:

- Wastewater Operations Committee report. The Manager gave an overview of the Wastewater Operations Committee which met on July 12th. She noted that the

Collections System Department continues to televise District sewer lines and is on task for completing a full review of the entire system on a three year rotation.

President Di Giorgio congratulated the Collections System crew for completing the month of June with zero sewer overflows.

- Consider convening at end of meeting at Lea Drive side of treatment facility to review odors. The Manager stated that due to odor complaints in the evening hours from the Lea Drive neighborhood, she requested the Board convene the meeting to the Lea Drive area to investigate any odor emissions.

On motion of Member Peters, seconded by Member Long and carried unanimously, the Board agreed to convene the Board meeting to the Lea Drive side of the treatment facility to investigate odors.

GRAND JURY REQUEST:

- Review response of request for information from Grand Jury. The Manager called the Board's attention to the revised Grand Jury Response which was provided immediately prior to the Board meeting. She gave an overview of the response and the document was discussed.

ADMINISTRATION:

- Staff report on the implementation of the Uniform Public Construction Cost Accounting Act implementation for 2011-12. The Manager provided an overview of the Uniform Public Construction Cost Accounting Act (UPCCAA or the "Act") which the District utilizes to perform certain projects each year. She reported that for fiscal year 2011-12, the amount of work performed under the Act was \$667,350. She reviewed the informal contract totals for this period.

On motion of Member Mariani, seconded by Member Peters and carried unanimously, the Board accepted the staff report on implementation of the UPCCAA for fiscal year 2011-12.

Consider Board member compensation for participation in CASA committees. The Manager stated that staff researched the compensation practices of other agencies with board members serving as Chair or Vice Chair of a CASA committee. The Board discussed how other agencies address Board Member participation in outside committees.

Member Mariani explained her participation and the time commitment involved as Chairman on the CASA Directors Committee. The Board discussed Board member compensation and expressed the value of Member Mariani's participation in committees. The Board requested legal counsel review the Board Policy on this matter and discuss this as an Agenda item at a future Board meeting.

On motion of Member Peters, seconded by Member Long and carried unanimously, the Board directed staff to consult with District Counsel and review District Policy regarding Board member compensation for participation in non-District committees.

RECLAMATION: BIOSOLIDS DISPOSAL:

- Consider approval of a contract from Custom Tractor Service to empty biosolids lagoons and dispose of the biosolids on the Dedicated Land Disposal Site. The Manager gave an overview of the services required by Custom Tractor Service (CTS) at the District's Dedicated Land Disposal site and stated that the proposal under current consideration is requested annually.

On motion of Member Long, seconded by Member Peters and carried unanimously, the Board approved a proposal from Custom Tractor Services to (a) dispose of District biosolids into the District's Dedicated Land Disposal Area at the Reclamation Facility, and (b) clean out the biosolids lagoons on a time-and-materials basis to a maximum amount of \$181,000; and authorize the Manager-Engineer to execute a contract for the same.

WASTEWATER UPGRADE PROJECT:

- Consider approval of a contract amendment for Contract C, Project 73001 with RMC Water and Environment to provide additional design services. The Manager gave an overview of the requested contract amendment for RMC Water Environment (RMC) and outlined the additional tasks necessary.

On motion of Member Long, seconded by Member Peters and carried unanimously, the Board approved a contract amendment in the amount of \$139,410 with RMC Water Environment on a time and materials basis to provide additional design services for the Wastewater Facilities Upgrade, Contract C - Solids Handling Upgrade Project, #73001.

- Consider approval of a contract amendment for The Covello Group for construction management services for Wastewater Upgrade Contract D: Recycled Water Treatment Facility. The Manager gave an overview of the requested contract amendment for The Covello Group. Steve Wrightson, The Covello Group, discussed the need for the contract amendment, stating that the construction schedule for Gateway Pacific Contractors had been extended by two months due to differing site conditions encountered during demolition of the existing filter building/structure. Mr. Wrightson stated that punch list items will not delay substantial completion of the Project and he anticipates recycled water being delivered by the September deadline.

On motion of Member Long, seconded by Member Peters and carried unanimously, the Board approved a contract amendment in the amount of \$185,913 with The Covello Group on a time and materials basis to continue providing construction management

services through the completion of the Project, and increase the overall contract amount to \$685,900; and authorize the Manager-Engineer to execute such amendment.

STAFF REPORTS:

- North Bay Water Reuse Authority. The Manager reported on her attendance at the Technical Advisory Committee for the North Bay Water Reuse Authority (NBWRA) which met on Monday, July 16th. She noted that the Committee discussed the Phase 2 project and overhead costs.

BOARD MEMBER REPORTS:

Member Mariani commented on a recent article in the NOVATO PATCH regarding the Brown Act Mandated Cost Reimbursement program.

Member Welsh questioned if the report from James Joyce was available. The Manager replied that she has not received it but will follow up with Mr. Joyce.

Member Long commented on his recent experience in trying to find a location for sharps disposal. The Administrative Secretary will ensure that the website information is accurate regarding locations for sharps disposal and pharmaceutical take back.

President Di Giorgio stated that he attended the City Offices Ground Breaking ceremony on Tuesday, July 17th.

MANAGER'S ANNOUNCEMENTS:

- California Association of Sanitation Agencies (CASA) will hold a conference in Monterey from August 8th through the 11th. She requested the Directors coordinate rides to the conference.

- North Bay Watershed Association will not hold a meeting in August. The next regularly scheduled meeting will be on Friday, September 7th at the Marin Community Foundation.

- The next regular Board meeting will be held on Monday, August 13th.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio convened the Board meeting at 8:20 p.m. to the Lea Drive side of the treatment facility to review odors.

The following Board members and staff proceeded to the Lea Drive site: President Di Giorgio, Members Long, Mariani, Peters and Welsh; Manager-Engineer Beverly James and John Bailey, Veolia Water.

President Di Giorgio closed the Board meeting at 8:40 p.m. at the Lea Drive site.

Respectfully submitted,

Beverly B. James

Beverly B. James
Secretary

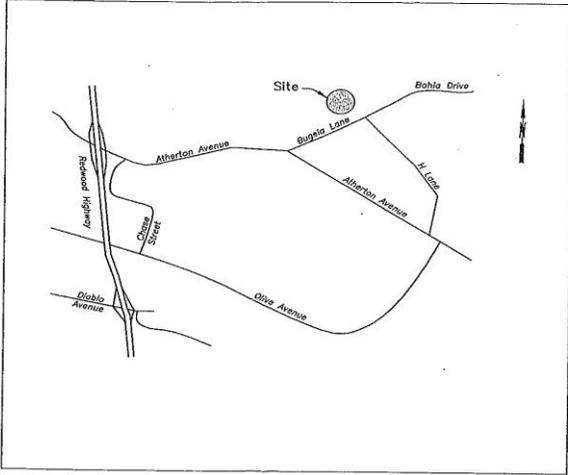
Julie Swoboda, Recording

DRAFT

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Consent Calendar: North Marin Water District (NMWD), temporary discharge of non-domestic water	MEETING DATE: August 13, 2012 AGENDA ITEM NO.: 5a
RECOMMENDED ACTION: Approve an application from North Marin Water District (NMWD) and authorize the Manager-Engineer to issue a one-time, temporary, Class I non-domestic discharge permit for discharge of non-domestic water from trenching operations for the construction of recycled water pipelines in the Olive Avenue Area.	
SUMMARY AND DISCUSSION: <p>The District received a permit application from NMWD on August 6, 2012, for a temporary, Class I non-domestic discharge permit. The application is to discharge approximately 20,000 gallons of groundwater resulting from trench dewatering operations during the construction of recycled water pipelines in the Olive Avenue area by NMWD. The water is currently being retained in a portable holding tank in the Olive Avenue area.</p> <p>The reason NMWD would like to discharge to the District system is that the water contains low levels of hydrocarbons which precludes discharge of this water to the storm drain system. As part of their application, NMWD submitted water quality information, including information on the hydrocarbon levels. The submitted water quality information indicates that the water meets water quality criteria for discharge to the District's system.</p> <p>Therefore, staff recommends that the Board approve the subject application, and authorize the Manager-Engineer to issue a one time, temporary Class I non-domestic discharge permit to NMWD, to include the following conditions:</p> <ol style="list-style-type: none"> 1. The total discharge shall not exceed 20,000 gallons, 2. The discharger shall not exceed a maximum discharge rate of 50 gpm, and 3. The discharger is required to have a 100 micron sediment filter on its discharge. 	
ALTERNATIVES: Do not approve the discharge.	
BUDGET INFORMATION: Permit, monitoring, and discharge fees will offset the cost of preparing the permit and monitoring the discharge.	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Consent Calendar: Approval of the Valley Memorial Park Plans for Sewer Main Extension.	MEETING DATE: August 13, 2012 AGENDA ITEM NO.: 5.b.
RECOMMENDED ACTION: Staff recommends approval of sewer main extension plans for the Valley Memorial Park.	
SUMMARY AND DISCUSSION: <p>This agenda item is for plan approval for Valley Memorial Park SME construction plans. The project proposes to extend the public sewer from the southerly boundary of Rush Creek Subdivision to serve structures within the cemetery and provide easements for a future sewer main extension to Bugeia Lane. The subject property was approved by Marin LAFCo for Annexation to the Novato Sanitary District at their July 6, 2012 meeting.</p> <p>The project will modify an existing manhole and construct one manhole, one standard rodding inlet and 418 L.F. of new 8" PVC sewer main on site.</p> <p>The items for sewer main extension construction are as follows.</p> <ul style="list-style-type: none"> 1 EA. Standard Manhole 1EA Standard Rodding Inlet 418 L.F. of 8" PVC, 20 L.F. of 4" PVC Lateral Stub 	
 <p style="text-align: center; font-size: small;">Vicinity Map No Scale</p>	
ALTERNATIVES: Do not approve the plans for SME construction.	
BUDGET INFORMATION: Increase of District's assets by \$70,050.00	
DEPT.MGR.:	MANAGER:

QUARTERLY INVESTMENT REPORT -- For Quarter Ended June 2012

INVESTMENT	ACTIVITY	April	May	June	QTR TOTAL
STATE TREASURER'S INVESTMENT FUND	Total deposits/transfers in	6,192,000	1,640,000	0	7,832,000
	Total transfers out	1,412,000	1,630,000	1,150,000	4,192,000
	Minimum daily balance	6,429,988	11,216,367	10,076,366	6,429,988
	Maximum daily balance	11,216,367	11,226,366	11,226,366	11,226,366
Current Yield 0.36%	Interest earned			9,127	9,127
TRUST ACCOUNT					
BANK OF NEW YORK MELLON For COP Bond Funds	Total deposits/transfers in	0	0	0	0
	Total transfers out	0	1,641,337	0	1,641,337
	Minimum daily balance	16,061,508	14,431,605	14,431,605	14,431,605
	Maximum daily balance	16,061,523	16,061,523	14,431,619	16,061,523
	Interest earned	15	11,419	14	11,447
The LAIF Pooled Money Investment Account Report is attached as specified in California Government Code Section 53646(e)					
CHECKING ACCOUNTS					
Interest Rate	<u>Regular Warrants Account</u>				
0.05%	Total deposits & transfers in	7,663,407	3,316,169	2,114,295	13,093,871
	Total checks & transfers out	7,894,660	3,306,556	1,693,888	12,895,104
	Minimum daily balance	7,627	27,030	19,476	7,627
	Maximum daily balance	6,180,377	1,856,066	693,463	6,180,377
	Interest earned	4	7	6	17
	<u>Payroll Account</u>				
	Total transfers in	122,700	126,000	128,800	377,500
	Total checks & transfers out	122,499	126,078	129,268	377,845
	Minimum daily balance	303	313	445	303
	Maximum daily balance	110,989	114,585	125,733	125,733
	<u>Project Account</u>				
	Total transfers in	859,400	1,139,600	1,026,900	3,025,900
	Total checks & transfers out	844,974	1,115,461	479,668	2,440,103
	Minimum daily balance	2,595	2,780	2,573	2,573
	Maximum daily balance	733,605	1,057,780	733,873	1,057,780
	Interest earned	5	7	4	16
	<u>ARRA Grant Project Account</u>				
	Total transfers in	245,305	0	405,638	650,943
	Total checks & transfers out	245,300	0	405,000	650,300
	Minimum daily balance	88	93	93	88
	Maximum daily balance	93	93	731	731
	Interest earned				

NOTES: (1) The above investments are consistent with the annual Statement of Investment Policy approved by the board on an annual basis, most recent approval was July 21, 2011.

The District has the ability to meet six months cash needs.

(2) LAIF interest rate is currently .36% which is a slight decrease from .38% for the last three quarters.

Bill Lockyer, State Treasurer

Inside the State Treasurer's Office

Local Agency Investment Fund (LAIF)



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
7/16/2012	0.36	0.36	264
7/17/2012	0.36	0.36	263
7/18/2012	0.36	0.36	265
7/19/2012	0.36	0.36	265
7/20/2012	0.36	0.36	267
7/21/2012	0.36	0.36	267
7/22/2012	0.36	0.36	267
7/23/2012	0.36	0.36	261
7/24/2012	0.36	0.36	260
7/25/2012	0.36	0.36	259
7/26/2012	0.37	0.36	270
7/27/2012	0.37	0.36	265
7/28/2012	0.37	0.36	265
7/29/2012	0.37	0.36	265

*Daily yield does not reflect capital gains or losses

LAIF Performance Report

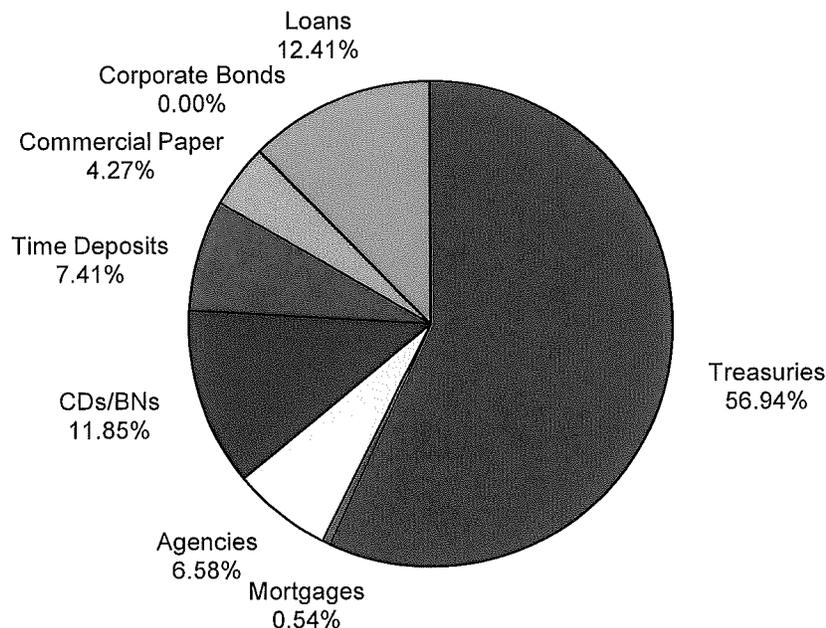
Quarter ending 06/30/2012

Apportionment Rate: 0.36%
 Earnings Ratio: .00000976192855700
 Fair Value Factor: 1.001219643
 Daily: 0.36%
 Quarter To Date: 0.36%
 Average Life: 268

PMIA Average Monthly Effective Yields

JUNE 2012 0.358%
 MAY 2012 0.363%
 APR 2012 0.367%

Pooled Money Investment Account Portfolio Composition \$60.5 Billion 06/30/12



**State of California
Pooled Money Investment Account
Market Valuation
6/30/2012**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch.		
United States Treasury:				
Bills	\$ 18,025,015,961.50	\$ 18,035,875,027.58	\$ 18,035,714,500.00	NA
Notes	\$ 16,425,839,178.38	\$ 16,425,695,679.44	\$ 16,471,785,500.00	\$ 18,029,444.00
Federal Agency:				
SBA	\$ 533,920,670.62	\$ 533,920,670.62	\$ 534,236,835.82	\$ 556,704.58
MBS-REMICs	\$ 327,565,846.27	\$ 327,565,846.27	\$ 356,052,805.03	\$ 1,561,392.94
Debentures	\$ 750,600,944.28	\$ 750,600,944.28	\$ 750,928,000.00	\$ 734,165.50
Debentures FR	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 2,296,401,499.92	\$ 2,297,700,249.94	\$ 2,297,777,000.00	NA
GNMA	\$ 13,135.39	\$ 13,135.39	\$ 13,251.02	\$ 129.87
IBRD Debenture	\$ 399,931,803.28	\$ 399,931,803.28	\$ 400,000,000.00	\$ 83,332.00
IBRD Deb FR	\$ -	\$ -	\$ -	\$ -
CDs and YCDs FR	\$ 800,000,000.00	\$ 800,000,000.00	\$ 800,000,000.00	\$ 661,670.55
Bank Notes	\$ -	\$ -	\$ -	\$ -
CDs and YCDs	\$ 6,365,071,488.20	\$ 6,365,040,029.86	\$ 6,364,102,818.42	\$ 2,308,841.66
Commercial Paper	\$ 2,585,384,503.36	\$ 2,585,672,778.39	\$ 2,585,211,507.23	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 4,483,640,000.00	\$ 4,483,640,000.00	\$ 4,483,640,000.00	NA
AB 55 & GF Loans	\$ 7,508,801,385.90	\$ 7,508,801,385.90	\$ 7,508,801,385.90	NA
TOTAL	\$ 60,502,186,417.10	\$ 60,514,457,550.95	\$ 60,588,263,603.42	\$ 23,935,681.10

Fair Value Including Accrued Interest

\$ 60,612,199,284.52

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (1.001219643). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,024,392.87 or \$20,000,000.00 x 1.001219643.

PAR VALUES MATURING BY DATE AND TYPE
Maturities in Millions of Dollars

ITEM	1 day to 30 days	31 days to 60 days	61 days to 90 days	91 days to 120 days	121 days to 150 days	151 days to 180 days	181 days to 210 days	211 days to 270 days	271 days to 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 year/out
TREASURY	\$ 2,400	\$ 800	\$ 1,350	\$ 2,600	\$ 1,700	\$ 1,750	\$ 600	\$ 5,050	\$ 7,900	\$ 3,900	\$ 6,450		
REPO													
TDs	\$ 2,042	\$ 898	\$ 848	\$ 197	\$ 130	\$ 367	\$ 2						
AGENCY	\$ 534		\$ 175	\$ 464	\$ 1,100	\$ 150	\$ 200		\$ 1,000	\$ 800	\$ 710	\$ 398	
BAS													
CP	\$ 1,632	\$ 204	\$ 750										
CDs + BNS	\$ 3,490	\$ 1,625	\$ 1,450			\$ 200				\$ 400			
CORP BND													
TOTAL	\$ 10,098	\$ 3,527	\$ 4,573	\$ 3,261	\$ 2,930	\$ 2,467	\$ 802	\$ 5,050	\$ 8,900	\$ 5,100	\$ 7,160	\$ 398	\$ -
PERCENT	18.6%	6.5%	8.4%	6.0%	5.4%	4.5%	1.5%	9.3%	16.4%	9.4%	13.2%	0.7%	0.0%

Notes:

1. SBA Floating Rate Securities are represented at coupon change date.
2. Mortgages are represented at current book value.
3. Figures are rounded to the nearest million.
4. Does not include AB55 and General Fund loans.

Novato Sanitary District Operating Check Register

August 13, 2012

Date	Num	Name	Credit
Aug 13, 12			
8/13/2012	54742	Veolia Water North America, ...	163,751.45
8/13/2012	54738	U.S. Bank Corporate	132,096.25
8/13/2012	54704	CSRMA-	19,753.51
8/13/2012	54699	Central Marin Sanitation District	17,864.37
8/13/2012	54710	Golden Gate Petroleum, Corp	10,065.16
8/13/2012	54696	Caltest Analytical Lab Inc.	8,422.70
8/13/2012	54727	Novato Disposal Services (2)	6,820.54
8/13/2012	54711	HACH/American Sigma Inc	6,571.94
8/13/2012	54715	Johnson, Dee	6,520.31
8/13/2012	54728	Occumetric Inc.	5,080.00
8/13/2012	54720	Meyers, Nave, Riback, Silver ...	4,419.68
8/13/2012	54737	U.S. Bank Card (2)(June)	3,473.27
8/13/2012	54731	Preferred Benefit	3,367.60
8/13/2012	54705	Dearborn National	2,720.88
8/13/2012	54741	US Bank Corporate Trust	2,310.00
8/13/2012	54714	Industrial Scientific, Corp	2,045.43
8/13/2012	54695	Cagwin & Dorward Inc.	1,740.00
8/13/2012	54690	Able Tire & Brake Inc.	1,677.84
8/13/2012	54748	WECO	1,645.57
8/13/2012	54706	East Bay Muni Utility District	1,500.00
8/13/2012	54726	North Marin Water District	1,474.48
8/13/2012	54719	Marin County Office	1,456.56
8/13/2012	54702	Comet Building Maintenance,...	1,300.55
8/13/2012	54739	Underground Service Alert, Inc.	1,089.36
8/13/2012	54713	IEDA, INC	1,020.00
8/13/2012	54697	Cantarutti Electric, Inc	974.00
8/13/2012	54717	Leonardi Automotive & Electri...	938.55
8/13/2012	54700	Cintas Corporation	871.06
8/13/2012	54694	BoundTree Medical, LLC	746.49
8/13/2012	54698	CDW Government, Inc.	679.72
8/13/2012	54689	Able Fence Company	668.00
8/13/2012	54743	Verizon	591.90
8/13/2012	54745	Vision Service Plan	545.24
8/13/2012	54721	MME	502.55
8/13/2012	54707	Environmental Resource Assoc	391.44
8/13/2012	54724	North Bay Truck Service	379.82
8/13/2012	54722	Nextel Communications	368.36
8/13/2012	54709	Flyers Energy, LLC	363.48
8/13/2012	54744	Verizon Wireless-	361.25
8/13/2012	54718	Levy, Larry	300.00
8/13/2012	54733	Rotary Club of Novato	300.00
8/13/2012	54701	Claremont EAP, Inc.	295.00
8/13/2012	54730	Pini Hardware	291.57
8/13/2012	54691	Art's Towing	225.00
8/13/2012	54747	WC's Locks & Keys	208.43
8/13/2012	54716	Kentfield Occupational Med C...	199.00
8/13/2012	54732	Quill Corporation	147.54
8/13/2012	54736	U.S. Bank Card (1)(Bev)	143.54
8/13/2012	54692	B.W.S. Distributors, Inc.	93.09
8/13/2012	54723	North Bay Portables, Inc.	92.18
8/13/2012	54693	Barnett Medical LLC	90.00
8/13/2012	54746	Water Components & Buildin...	88.38
8/13/2012	54703	Cook Paging	66.30
8/13/2012	54712	Heusser Neweigh	56.00
8/13/2012	54734	Siemens Industry Inc. - Lab	50.00
8/13/2012	54725	North Marin Auto Parts	36.84
8/13/2012	54749	Zenith Instant Printing, Inc.	32.01
8/13/2012	54708	Federal Express	25.02
8/13/2012	54735	T-Mobile	23.04
8/13/2012	54740	United Parcel Service	20.98
8/13/2012	54729	Pacific, Gas & Electric	14.78
Aug 13, 12			419,368.01

Novato Sanitary District Check Register Detail

Date	All Transactions	Account	Debit
Able Fence Company			
08/01/2012	63150	Repairs & Maintenance	668.00
Total Able Fence Company			<u>668.00</u>
Able Tire & Brake Inc.			
07/06/2012	60150	Repairs & Maintenance	1,059.68
07/17/2012	63150	Repairs & Maintenance	204.00
07/17/2012	65150	Repairs & Maintenance	203.99
07/17/2012	66150	Repairs & Maintenance	210.17
Total Able Tire & Brake Inc.			<u>1,677.84</u>
Art's Towing			
07/22/2012	60153	Outside Services	225.00
Total Art's Towing			<u>225.00</u>
B.W.S. Distributors, Inc.			
07/13/2012	60100	Operating Supplies	93.09
Total B.W.S. Distributors, Inc.			<u>93.09</u>
Barnett Medical LLC			
07/06/2012	67500	Household Hazardous Waste	90.00
Total Barnett Medical LLC			<u>90.00</u>
BoundTree Medical, LLC			
07/31/2012	67500	Household Hazardous Waste	746.49
Total BoundTree Medical, LLC			<u>746.49</u>
Cagwin & Dorward Inc.			
07/19/2012	63157	Ditch/Dike Maintenance	840.00
07/27/2012	63150	Repairs & Maintenance	900.00
Total Cagwin & Dorward Inc.			<u>1,740.00</u>
Caltest Analytical Lab Inc.			
06/30/2012	64160	Research & Monitoring	8,422.70
Total Caltest Analytical Lab Inc.			<u>8,422.70</u>
Cantarutti Electric, Inc			
07/05/2012	65150	Repairs & Maintenance	974.00
Total Cantarutti Electric, Inc			<u>974.00</u>
CDW Government, Inc.			
08/03/2012	66124	IT/Misc Electrical	679.72
Total CDW Government, Inc.			<u>679.72</u>
Central Marin Sanitation District			
06/30/2012	64170	Pollution Prevention/Public Ed	3,832.70
07/05/2012	66123	O/S Contractual	11,381.67
08/01/2012	66170	Travel, Meetings & Training	2,650.00
Total Central Marin Sanitation District			<u>17,864.37</u>
Cintas Corporation			
07/20/2012	64100	Operating Supplies	35.83
07/31/2012	64100	Operating Supplies	98.73
07/31/2012	66100	Engineering Supplies	298.11
07/31/2012	60100	Operating Supplies	438.39
Total Cintas Corporation			<u>871.06</u>
Claremont EAP, Inc.			
07/16/2012	66123	O/S Contractual	295.00
Total Claremont EAP, Inc.			<u>295.00</u>

Novato Sanitary District Check Register Detail

Date	All Transactions	Account	Debit
Comet Building Maintenance, Inc.			
07/21/2012	66150	Repairs & Maintenance	1,300.55
Total Comet Building Maintenance, Inc.			<u>1,300.55</u>
Cook Paging			
08/01/2012	21020	Accounts Payable	
08/01/2012	61000-4	Water/Permits/Telephone	24.00
08/01/2012	65193	Telephone	30.83
08/01/2012	60193	Telephone	11.47
Total Cook Paging			<u>66.30</u>
CSRMA-			
06/30/2012	21020	Accounts Payable	
06/30/2012	66071	Insurance Claim Expense	19,753.51
Total CSRMA-			<u>19,753.51</u>
Dearborn National			
07/16/2012	21020	Accounts Payable	
07/16/2012	66020	Employee Benefits	2,720.88
Total Dearborn National			<u>2,720.88</u>
East Bay Muni Utility District			
06/30/2012	21020	Accounts Payable	
06/30/2012	64160	Research & Monitoring	1,500.00
Total East Bay Muni Utility District			<u>1,500.00</u>
Environmental Resource Assoc			
07/08/2012	21020	Accounts Payable	
07/08/2012	64100	Operating Supplies	391.44
Total Environmental Resource Assoc			<u>391.44</u>
Federal Express			
07/20/2012	21020	Accounts Payable	
07/20/2012	66090	Office Expense	25.02
Total Federal Express			<u>25.02</u>
Flyers Energy, LLC			
07/31/2012	21020	Accounts Payable	
07/31/2012	66060	Gasoline & Oil	363.48
Total Flyers Energy, LLC			<u>363.48</u>
Golden Gate Petroleum, Corp			
07/26/2012	21020	Accounts Payable	
07/26/2012	60060	Gas, Oil & Fuel	5,654.58
07/26/2012	63060	Gasoline & Oil	1,809.47
07/26/2012	64060	Gasoline & Oil	904.73
07/26/2012	65060	Gasoline & Oil	565.46
07/26/2012	66060	Gasoline & Oil	1,130.92
Total Golden Gate Petroleum, Corp			<u>10,065.16</u>
HACH/American Sigma Inc			
07/20/2012	21020	Accounts Payable	
07/20/2012	64100	Operating Supplies	971.94
07/27/2012	21020	Accounts Payable	
07/27/2012	64091	Software Maintenance	5,600.00
Total HACH/American Sigma Inc			<u>6,571.94</u>

Novato Sanitary District Check Register Detail

Date	All Transactions	Account	Debit
Heusser Neweigh			
07/31/2012	21020	Accounts Payable	
07/31/2012	64150	Repairs & Maintenance	56.00
Total Heusser Neweigh			56.00
IEDA, INC			
08/01/2012	21020	Accounts Payable	
08/01/2012	66123	O/S Contractual	1,020.00
Total IEDA, INC			1,020.00
Industrial Scientific, Corp			
07/27/2012	60150	Repairs & Maintenance	2,045.43
Total Industrial Scientific, Corp			2,045.43
Johnson, Dee			
08/01/2012	67530	Used Oil Program	155.42
08/01/2012	67400	Consulting Services	1,865.04
08/01/2012	67400	Consulting Services	4,499.85
Total Johnson, Dee			6,520.31
Kentfield Occupational Med Center			
07/30/2012	66090	Office Expense	199.00
Total Kentfield Occupational Med Center			199.00
Leonardi Automotive & Electric, Inc.			
07/25/2012	60150	Repairs & Maintenance	938.55
Total Leonardi Automotive & Electric, Inc.			938.55
Levy, Larry			
08/03/2012	66123	O/S Contractual	300.00
Total Levy, Larry			300.00
Marin County Office			
06/30/2012	66124	IT/Misc Electrical	1,456.56
Total Marin County Office			1,456.56
Meyers, Nave, Riback, Silver & Wilson			
06/30/2012	66122	Attorney Fees	4,419.68
Total Meyers, Nave, Riback, Silver & Wilson			4,419.68
MME			
07/23/2012	60150	Repairs & Maintenance	502.55
Total MME			502.55
Nextel Communications			
07/20/2012	60193	Telephone	161.08
07/20/2012	65193	Telephone	86.73
07/20/2012	66193	Telephone	120.55
Total Nextel Communications			368.36
North Bay Portables, Inc.			
08/01/2012	63100	Operating Supplies	92.18
Total North Bay Portables, Inc.			92.18
North Bay Truck Service			
07/30/2012	65150	Repairs & Maintenance	379.82
Total North Bay Truck Service			379.82
North Marin Auto Parts			
07/03/2012	60150	Repairs & Maintenance	17.35
07/03/2012	65101	Operating Chemicals	10.84
07/19/2012	60150	Repairs & Maintenance	8.65
Total North Marin Auto Parts			36.84

Novato Sanitary District Check Register Detail

Date	All Transactions	Account	Debit
North Marin Water District			
07/26/2012	61000-4 · Water/Permits/Telephone		44.90
07/26/2012	65192 · Water		442.52
08/02/2012	60192 · Water		798.72
08/02/2012	60192 · Water		188.34
Total North Marin Water District			<u>1,474.48</u>
Novato Disposal Services (2)			
06/30/2012	67500 · Household Hazardous Waste		6,567.41
06/30/2012	67500 · Household Hazardous Waste		253.13
Total Novato Disposal Services (2)			<u>6,820.54</u>
Occumetric Inc.			
06/30/2012	66070 · Insurance		5,080.00
Total Occumetric Inc.			<u>5,080.00</u>
Pacific, Gas & Electric			
08/01/2012	65191 · Gas & Electricity		14.78
Total Pacific, Gas & Electric			<u>14.78</u>
Pini Hardware			
07/31/2012	60100 · Operating Supplies		24.08
07/31/2012	63150 · Repairs & Maintenance		144.52
07/31/2012	65100 · Operating Supplies		122.97
Total Pini Hardware			<u>291.57</u>
Preferred Benefit			
08/01/2012	66020 · Employee Benefits		3,266.24
08/01/2012	21074 · Health Insurance Payable		101.36
Total Preferred Benefit			<u>3,367.60</u>
Quill Corporation			
07/17/2012	66090 · Office Expense		147.54
Total Quill Corporation			<u>147.54</u>
Rotary Club of Novato			
07/01/2012	66170 · Travel, Meetings & Training		300.00
Total Rotary Club of Novato			<u>300.00</u>
Siemens Industry Inc. - Lab			
07/26/2012	64100 · Operating Supplies		50.00
Total Siemens Industry Inc. - Lab			<u>50.00</u>
T-Mobile			
07/01/2012	65193 · Telephone		23.04
Total T-Mobile			<u>23.04</u>
U.S. Bank Card (1)(Bev)			
08/13/2012	66080 · Memberships		127.00
08/13/2012	66090 · Office Expense		2.54
08/13/2012	66170 · Travel, Meetings & Training		14.00
Total U.S. Bank Card (1)(Bev)			<u>143.54</u>
U.S. Bank Card (2)(June)			
08/02/2012	66123 · O/S Contractual		449.00
08/02/2012	66090 · Office Expense		12.99
08/02/2012	66170 · Travel, Meetings & Training		1,275.00
08/02/2012	21016 · U.S. Bank Visa		1,736.28
Total U.S. Bank Card (2)(June)			<u>3,473.27</u>

Novato Sanitary District Check Register Detail

	Date	All Transactions	Account	Debit
U.S. Bank Corporate				
	08/06/2012	21045 · Novato Heights Deposits		132,096.25
Total U.S. Bank Corporate				<u>132,096.25</u>
Underground Service Alert, Inc.				
	07/20/2012	66080 · Memberships		1,089.36
Total Underground Service Alert, Inc.				<u>1,089.36</u>
United Parcel Service				
	07/21/2012	66090 · Office Expense		20.98
Total United Parcel Service				<u>20.98</u>
US Bank Corporate Trust				
	07/25/2012	21045 · Novato Heights Deposits		2,310.00
Total US Bank Corporate Trust				<u>2,310.00</u>
Veolia Water North America, Inc.				
	06/30/2012	64160 · Research & Monitoring		6,300.00
	07/05/2012	61000-0 · Contract Operations		153,063.95
	07/24/2012	61000-2 · Insurance & Bonds		4,387.50
Total Veolia Water North America, Inc.				<u>163,751.45</u>
Verizon				
	07/28/2012	65193 · Telephone		591.90
Total Verizon				<u>591.90</u>
Verizon Wireless-				
	08/01/2012	66193 · Telephone		170.00
	08/01/2012	60193 · Telephone		191.25
Total Verizon Wireless-				<u>361.25</u>
Vision Service Plan				
	08/01/2012	66020 · Employee Benefits		545.24
Total Vision Service Plan				<u>545.24</u>
Water Components & Building, Inc.				
	07/19/2012	65100 · Operating Supplies		88.38
Total Water Components & Building, Inc.				<u>88.38</u>
WC's Locks & Keys				
	07/31/2012	63150 · Repairs & Maintenance		208.43
Total WC's Locks & Keys				<u>208.43</u>
WECO				
	07/23/2012	60150 · Repairs & Maintenance		1,645.57
Total WECO				<u>1,645.57</u>
Zenith Instant Printing, Inc.				
	07/31/2012	66090 · Office Expense		32.01
Total Zenith Instant Printing, Inc.				<u>32.01</u>
				<u><u>419,368.01</u></u>

**Novato Sanitary District
Capital Projects Check Register**

August 13, 2012

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
Aug 13, 12			
8/13/2012	2368	W.R. Forde	40,295.31
8/13/2012	2358	Cagwin & Dorward Inc.	33,366.00
8/13/2012	2366	Team Ghilotti, Inc.	32,816.80
8/13/2012	2365	Novato, City	4,066.00
8/13/2012	2361	Exponent, Inc.	1,670.50
8/13/2012	2370	Western Energy Systems	1,553.00
8/13/2012	2363	Lateral-Colin	1,500.00
8/13/2012	2364	Lateral-Uramoto	1,500.00
8/13/2012	2360	E & M Electric & Machinery, I...	1,054.97
8/13/2012	2369	WaterSavers Irrigation Inc.	251.94
8/13/2012	2362	Grainger	173.39
8/13/2012	2367	Verizon - 5143	169.81
8/13/2012	2359	Comet Building Maintenance,...	152.50
Aug 13, 12			<u>118,570.22</u>

Novato Sanitary District
Capital Projects
 August 13, 2012

	<u>Date</u>	<u>Account</u>	<u>Open Balance</u>
Cagwin & Dorward Inc.			
	07/31/2012	72609 · WWTP Upgrade - Contract B	27,591.00
	07/20/2012	72803 · Annual Collection Sys Repairs	5,775.00
Total Cagwin & Dorward Inc.			<u>33,366.00</u>
Comet Building & Maintenance, Inc.			
	07/21/2012	73002 · WWTP Up - Cont D - Rec- ARRA Fu	152.50
Total Comet Building & Maint, Inc.			<u>152.50</u>
E& M Electric & Machinery, Inc.			
	07/17/2012	73002 · WWTP Up - Cont D - Rec- ARRA Fu	1,054.97
Total E& M Electric & Machinery, Inc.			<u>1,054.97</u>
Exponent, Inc.			
	06/30/2012	72609 · WWTP Upgrade - Contract B	1,670.50
Total Exponent, Inc.			<u>1,670.50</u>
Grainger			
	07/31/2012	72804 · Annual Reclamation Fac Imp	173.39
Total Grainger			<u>173.39</u>
Lateral-Colin			
	07/31/2012	72706 · 2008 Collection System Improv	1,500.00
Total Lateral - Colin			<u>1,500.00</u>
Lateral-Uramoto			
	07/31/2012	72706 · 2008 Collection System Improv	1,500.00
Total Lateral - Uramoto			<u>1,500.00</u>
Novato, City			
	07/26/2012	72706 · 2008 Collection System Improv	3,066.00
	07/27/2012	72706 · 2008 Collection System Improv	1,000.00
Total Novato, City			<u>4,066.00</u>
Team Ghilotti, Inc.			
	08/08/2012	72803 · Annual Collection Sys Repairs	32,816.80
Total Team Ghilotti, Inc.			<u>32,816.80</u>
Verizon - 5143			
	07/10/2012	73002 · WWTP Up - Cont D - Rec- ARRA Fu	169.81
Total Verizon-5143			<u>169.81</u>
W.R. Forde			
	06/30/2012	72706 · 2008 Collection System Improv	20,147.65
	07/26/2012	72706 · 2008 Collection System Improv	20,147.66
Total W.R. Forde			<u>40,295.31</u>
WaterSavers Irrigation, Inc.			
	07/16/2012	72609 · WWTP Upgrade - Contract B	251.94
Total WaterSavers Irrigation, Inc.			<u>251.94</u>
Western Energy Systems			
	05/23/2012	72805 · Annual Trtmt Plnt/Pump St Impr	1,553.00
Total Western Energy Systemes			<u>1,553.00</u>
TOTAL			<u><u>118,570.22</u></u>



Novato Sanitary District 2012 Strategic Plan

DRAFT—March 2012



Prepared by Rauch Communications Consultants, Inc.





2012 Strategic Plan

BOARD OF DIRECTORS

Mike Di Giorgio, President
Jean Mariani, President Pro-Tem
William C. Long, President
Jerry Peters
Dennis Welsh

DISTRICT MANAGEMENT STAFF

Beverly James, Manager/Engineer
Sandeep Karkal, Assistant Manager
Tim O'Connor, Collection System Superintendent
Steve Krautheim, Field Services Superintendent
Laura Creamer, Finance Officer
Linda Candelaria, Lab Manager
Craig Deasy, Senior Engineer

CONSULTANT

Martin Rauch, Managing Consultant

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- Purpose
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- Challenges and Opportunities Facing the District
- Priority Issues

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- Mission
- Vision for the Future
- Values
- Strategic Goals and Objectives

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5. Expectations and Results

- Achieving Expectations
- Ensuring Results



2012 Strategic Plan



1. INTRODUCTION

2012

Strategic Plan

Purpose of the Plan

Planning is strategic when it helps move an organization forward from its current situation to its desired future.

It is the District's highest level planning document, and represents the Board's direction for the future, and the staff's work plan for implementing it.

It is developed through a step-by-step process that includes recognizing the District's operating environment, strengths and weaknesses of the organization, as well as opportunities and challenges.

It identifies the agency's mission, vision, and values, while providing a framework of goals and objectives that becomes a framework for all decision-making.

The Plan is also a practical working tool that provides clear direction to the staff about the Board's goals and objectives, and includes a work plan developed by the staff to meet those goals and objectives. As such, it is referred to regularly as a guide to District actions during the period covered.

To keep it fresh, it must be updated annually and rolled forward so that there is always a five-year guide to the future.

Strategic Planning Framework

The strategic plan is built from a series of logical components, described below and shown in the graphic on the following page.

Mission. The mission statement explains why the organization exists. It articulates the organization's essential work in a brief sentence or two.

Vision. The vision articulates what the agency will become at a given time in the future. It is the strategic target which, when achieved, is the fulfillment of the agency's mission. As such, it is at the heart of the strategic planning process.

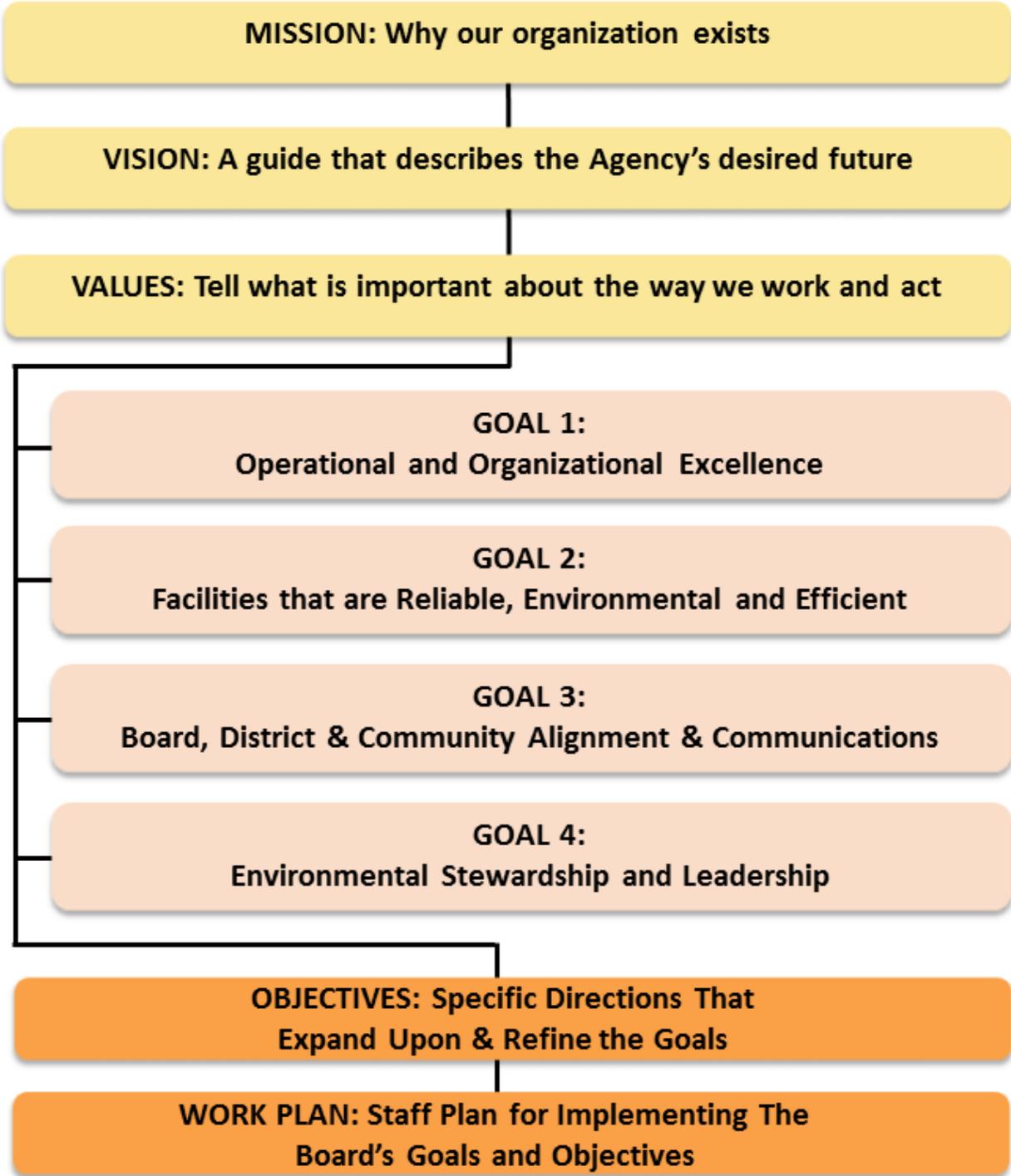
Values provide guidance when an agency is faced with challenging decisions that require trade offs, options and alternatives. Values are set by the Board, govern attitudes and behaviors, and generally remain constant over time.

Goals describe broad, primary areas of management, operations and planning that need to be addressed in accomplishing the mission. Goals are not connected to timelines.

Objectives are more specific directions that expand upon the goals. They are set by the Board. There may be multiple objectives for each goal. Objectives are SMART: Specific, Measurable, Attainable, Related to Goals, Time Certain.

Strategic Work Plan. Contains measurable, precise timetables and actions to accomplish the mission, goals, and objectives. They are assigned to individuals or departments. There may be multiple tasks for each objective that can be crossed off as finished.

How the Plan Elements Relate





2. DEVELOPING THE PLAN

2012

Strategic Plan

Developing the Plan

Plan Development Process

The strategic planning process was carried out in the series of steps as outlined below.

Background Research. The consultants began by holding discussions with the Manager-Engineer and by reviewing background documents such as: budgets, agenda packets, master plans and other pertinent information.

Confidential Interviews. This was followed by a series of confidential interviews carried out by the consultant. The goal is for the interviewees to candidly express their interests and perspectives on the District's and its priorities.

The interviewees included the entire Board of Directors, Manager-Engineer and the entire management team, a number of key contractors that have deep familiarity through working with the District, the City Manager and Mayor and several others. Specifically:

BOARD: Bill Long, Mike Di Giorgio, Jean Mariani, Dennis Welsh, George Quesada

MANAGEMENT: Beverly James, Manager-Engineer; Sandeep Karkal, Assistant Manager; Tim O'Connor, Collection System Superintendent; Steve Krautheim, Field Services Superintendent; Laura Creamer, Finance Officer; Linda Candelaria, Lab Manager; Craig Deasy, Senior Engineer.

OTHER: Dee Johnson, HHW Facility; John Bailey, Veolia Water; Steve McCaffrey, Novato Disposal; Chris de Gabriele, Manager, NMWD; John Schoonover, Board President, NMWD; Madeline Kellner, Mayor; Michael Frank, City Manager; Dave Meyers, Maintenance Superintendent; Steve Wrightson, Covello Engineers

Two Board Planning Workshops. The Board of Directors and senior management staff participated in two strategic planning workshops. At these workshops, the group reviewed the results of the interviews, undertook a number of exercises to examine the current state of the District, and identified critical issues and opportunities expected to confront the District in the future. Ultimately a plan was developed from this work that included an updated mission statement, vision, values, and strategic goals and objectives.

Staff Work Plan. Once the policy level portions of the plan were completed in the Board workshops, the entire management team worked with the consultant to develop a detailed staff work plan designed to meet the mission of the District and strategic goals and objectives.

Operating Environment

Compared to state and national averages, Novato is economically prosperous and is generally considered to have many desirable features and amenities that make for a high quality of life.

Many community members have a strong sense of community and pride in their city. The District is considered an important institution in the community and has at times received intensive public and media attention and interest.



The community has a comparatively high environmental interest and the District's environmental programs appear to be well received. A summary of the current and expected economic conditions is outlined below from the Marin Economic Forum, 2010 report page 20.

The take away from this is that the “Zero” environmental approach, cost control successes, and continued improvements in its programs elucidated in this Strategic Plan should be well supported and affordable to the community that the District serves.

Economic Summary on Novato

“Novato is following the general rebound in the national and state economies... The Census 2010 data suggests that Novato has gained 9%, or approximately 2,160, in housing units. The overall vacancy rate in Novato is 4.2%...(both owner occupied and rental). Novato’s vacancy rate is lower than Marin County otherwise, which is 7.9% outside Novato... The number of jobs in Novato grew since 2002 by over 3,600 jobs while Marin County overall saw jobs fall by over 9,000 workers... Commercial and residential real estate markets are also showing signs of recovery, especially in Class B space in Novato versus the remainder of Marin County... In short, Novato is forecasted to follow state and county trends, but outperform Marin County in terms of job growth and commercial real estate vacancy through this recovery period.”

“Novato is forecasted to follow state and county trends, but out perform Marin County in terms of job growth and commercial real estate vacancy through this recovery period.”

Marin Economic Forum

Rating The District Today Rating system needs description

Before considering where the District wants to go in the future, it is important to understand where it is today. The group worked together to identify and rate a number of key features of the District as summarized below.

Reserves (7+ average rating). It was commented that the District has excellent reserves and strong liquidity.

Budget (6+ average rating). Some members of the Board commented that the budget could be improved to make it more useful and understandable. There was an interest expressed in seeking the GFOA award.

Long-Term Financial Health (8+ average rating). It was noted that the District has strong operational and capital funding.

Rates and Finance (9+ average rating). Rates for both sanitary and solid waste are among the lowest in the region, and finances are strong. This is a real source of strength and pride and an indication of overall smart financial and operational management.

Board Oversight, Audits and Agenda (6+ average rating). A number of directors commented about the audit, expressing a desire to make it a more helpful and useful document. There was a request to consider a new policy on the content of the audits. There was also a desire expressed to make the agenda format clearer for both the public and the Board (see Sonoma County as an example.). Board should provide more systematic oversight and clearer goals for the staff, which is being accomplished with this plan.

Customer Services (8 average rating). Customers who are in contact with the District receive prompt, courteous and quality service.

Policies (5+ average rating). The District has Board policies, but they need to be reviewed and updated, along with the District's rules and regulations.

Efficiency (9 average rating). The District staff is relatively small, yet provides quality service at a low cost compared to neighboring agencies by partnering with private companies and other public agencies when it is mutually beneficial.

Recruitment, Retention and Succession (7+ average rating). It was suggested that the District could improve its recruitment and succession planning.

Reading the Rankings

A 1-10 system was used by the participants to rate various aspects of the District Brief comments were also added by many of the participants. The results were averaged and summarized.

Rating The District Today (continued)

Collection System and Lateral Facilities (6+ average rating). The District needs a systematic approach for looking at the entire lateral/collection system inflow and infiltration issues rather than looking at laterals alone. The collection system has been greatly improved but there is more work to do.

Treatment Facilities (7+ average rating). The treatment plant is good, but odor remains a priority issue that must be resolved.

Outfall Facilities (5+ average rating). The outfall is old and has competing uses in the area. Bay mud and weak joints a concern.

Reclamation (8 average rating). The reclamation area is below sea level. It could be expensive and a challenge to update it.

Regulatory Compliance (10 average rating). The District has been pro-active in addressing changes in regulations by consulting experts in its first strategic plan in 2002 to predict the future changes in regulations. This resulted in significant improvement in regulatory compliance in both sanitary sewer overflow and wastewater treatment. An example is the provision of full secondary treatment for all wet weather flows.

Environmental Stewardship (7 average rating). The District's history of environmental stewardship is strong in both solid and liquid waste services.

Operational Effectiveness (7 average rating). The treatment plant operations is good. There are no violations and the collection system has far fewer spills.

Partnerships (8 average rating). District is a leader in North Bay Watershed Authority, joint safety program, North Bay Water Reuse Authority, mutual aid and others. This is an area of strength.

Emergency Preparation (9 average rating). District is trained and prepared for emergencies with mutual aid agreements in place.

Personnel (7 average rating). The District's five day work week without difficult shifts helps retention.

System and Lateral Facilities (7+ average rating). The District has a long-term capital plan for the collection system that has addressed most of the capacity restrictions. It is also rehabilitating all of the pump stations. However, collection system repair and rehabilitation is a long-term effort that will require continued commitment. The District has started a lateral grant program, but still needs to develop an ordinance on lateral repair.

Compensation and Benefits (5+ average rating). The District's compensation is adequate and about in the middle compared to the competition. However, developing a long-term, sustainable approach to compensation remains as a challenge.

Training (9+ average rating). The District participates in a joint Safety Program to provide high quality safety training in collaboration with other sanitary agencies. It also budgets for skills training for each employee and requires supervisors to prepare annual training plans.

Safety (8 average rating). The District has near zero downtime and an excellent safety record.

Challenges and Opportunities Facing the District

Below is a list of key issues and challenges identified in the process that are expected to face the District in the future.

Outfall Location and Condition. It was noted that the Coastal Conservancy wants to convert the area to wetlands and that the District may need to obtain a permit if the outfall needs to be moved. The District will need to remain engaged in the process in order to take advantage of opportunities such as the potential to increase reuse through a wetlands project and to have any improvements paid for with outside funds.

Reclamation. The reclamation area is aging and faces a number of challenges that need to be addressed: potential for flooding from expected sea level rise; the expiration of the lease and need to renegotiate it; and worn irrigation system and controls.

Rates and Economy. The current depressed economic environment makes it difficult to charge full and proper rates. It will also be important to recognize the impact of potential future loss of property tax revenues or transfers of funds to the state.

Regulations. Nutrient removal will become a challenge; and the District should get involved in shaping regulations, especially working towards changing the current regulatory approach in which regulators specify how we should reach certain goals rather than just setting goals.

Technology. Because of increasing use of technology throughout the workplace, the District will face more training needs. The District will need to take advantage of newer technologies for communicating with the public, and will need to integrate new technologies wisely so they are as compatible and long-lived as possible.

Staffing. Over time, our current and future staff will need to evolve as new skill sets are required by changing job requirements. The District will need to be responsive to differing views of how government works: its effectiveness, stewardship of funding, efficiency and criticism that government pay and benefits are excessive in some cases.

Institutionalize Relationships. It will be beneficial to find ways to institutionalize key relationships so they are not subject to changing personalities.

Stormwater. Changing regulations may push responsibility for stormwater to wastewater agencies and the District may have to deal with this.

Zero Waste. The District negotiated a Franchise Agreement with Novato Disposal that sets a timeline with penalties for meeting Zero Waste Goals. The District needs to monitor the performance and work both locally and collaboratively with other Marin agencies to make sure these goals are achieved.

Communication: There is a need to improve communication to the Board and public on key issues such as progress that has been made on emergency preparation, on laterals, and other concerns.

Challenges and Opportunities Facing the District (continued)

Potable Re-use. Currently the District has no plans for potable reuse. However, the need for the reuse of potable water may become a reality in the future.

Employee Retirement and Benefits. It will be important to establish pay and benefits that are affordable and sustainable over the long run and not just kick the can down the road. The District should develop succession planning for key positions, recognizing not only the reality of retirements but succession in the events of emergencies, sickness, etc.

Community. The issue of contract operations of the treatment plant will be up for review in just a few years. There are still differences of opinion on this in the community. At the expiration of the contract with Veolia, the District will need to address all its options during renegotiation.

Odor. The odor issue must be resolved.

Relocate HHW Facility. This effort is underway, and needs to be completed.

Priority Issues

Below is a list of the highest priority issues facing the District. The participants identified these as being truly important to address in the coming years. The facilitator reminded the group that it is important to focus on just a few priority issues, recognizing that in practice it is not possible to accomplish everything at once and that there are limits on time, money and personnel resources.

- Fully fund retirement liabilities.
- Develop long-term plans for the outfall.
- Develop a long-term plan to increase the amount of internally generated energy: specifically, look into use of methane, maximize co-generation, investigate solar options, etc.
- Optimize the collection system. Develop a comprehensive inflow and infiltration solution, including implementation of a fair and comprehensive lateral program. Attain zero spills and zero permit violations.
- Take the steps needed so that the community knows and respects the District and its decisions. This might include improved access to and understanding of agendas, the budget and the reality and impact of regulations on customer costs.
- Resolve odor control issue.
- Ensure that the rate structure and rates are sustainable, defensible, understandable and fair.
- Achieve an organization-wide commitment to *Zero Goals* and make progress toward that: zero accidents, zero Sewer System Overflows and zero permit violations.
- Make NSD a *Fail-Safe* or *High Reliability Organization*. Such organizations operate in risky environments and limit failure through attentiveness and flexible management at all levels. They are resilient and fast responding when failures occur, thus limiting negative impacts. The District can work toward these goals by following Environmental Management System and ISO protocols.
- Develop and execute a plan for the reclamation area facilities.
- Have the audit and budget certified by the Government Finance Officers Association (GFOA).
- Take appropriate steps to ensure that the employees are better informed and morale is at its best.
- Implement an Environmental Management System such as ISO 1400 Certification.
- Formalize interagency agreements and relationships to secure them against changeable personality/budget issues/preferences: water, city, NBWRA, etc.



3. THE STRATEGIC PLAN 2012 Strategic Plan

Mission

A good mission statement should accurately explain why your organization exists and what it hopes to achieve in the future. It articulates the organization's essential work. The Board drafted the following mission statement:

The mission of the Novato Sanitary District is to provide safe and reliable sanitary and solid waste services to its customers, including collecting, conveying, treating, recycling, composting and discharging wastewater and solid waste in an environmentally and economically sustainable manner. The District communicates openly with customers and other stakeholders about its services, and works collaboratively with other entities for the betterment of the community.

Vision for the Future

A critical responsibility of the Board of Directors is to identify a vision for the District's future and then set goals and objectives to achieve it. This is the heart of the governance role and starts with creation of a vision statement. The following vision statement was developed:

The Vision of the Novato Sanitary District Board of Directors is:

Novato Sanitary District is a representative local government; its Board and staff are closely aligned with the community through excellent communication and customer services.

We strive to attain an ever improving record of environmental protection, safe and efficient operation, and prudent financial management.

We deliver regulatory compliant, quality, reliable, and cost-effective services.

Our staff is well trained, positively motivated, and has opportunities for self-improvement.

Our capital facilities are in excellent condition and cost-effectively maintained.

The Board and Staff partner seamlessly with other public and private entities to provide high quality and cost-effective wastewater and solid waste services.

We innovate and change as opportunities and needs arise.

District Values

Values are what we consider important—what we believe is right. The Board is responsible for identifying values and being the guardian of values. Effective organizations identify and develop a clear, concise and shared meaning of values/beliefs, priorities, and direction so that every employee understands and can contribute in the right way. If defined, disseminated and followed, values will impact every aspect of the organization.

The following values emerged from the workshop discussion.

The values can be written as simple statements or posed as questions to help make difficult decisions.

Value Statements

- *Provide safe and reliable service to our customers.*
- *Provide cost effective services.*
- *Protect the environment.*
- *Foster a strong, trusting and supportive relationship with our customers.*
- *Be proactive and take advantage of opportunities.*
- *Be honest.*
- *Seek to attain excellence.*
- *Promote local control.*

Values Posed as Questions

- *Does it provide safe and reliable service to our customers?*
- *Is it cost effective?*
- *Does it protect the environment?*
- *Does it foster a strong, trusting and supportive relationship with our customers?*
- *Is it proactive and does it take advantage of opportunities?*
- *Is it honest?*
- *Does it enhance our efforts to attain excellence?*
- *Does it promote local control?*

Strategic Goals and Objectives

GOAL 1. OPERATIONAL AND ORGANIZATIONAL EXCELLENCE

Develop and maintain an organizational structure and management policies that foster a high performing, stable and productive organization that learns and improves.

#	Objectives
1.1	Plan for and manage finances to achieve long-range financial stability, and competitive and fair rates and charges, while enabling effective Board and public oversight.
1.2	Ensure that the rate structure and rates are sustainable, defensible, understandable and fair.
1.3	Have the audit and budget certified by the Government Finance Officers Association (GFOA).
1.4	Manage retirement liability.
1.5	Maximize employee career quality, commitment and performance.
1.6	Promote a safe work environment.
1.7	Become a high reliability organization by implementing an Environmental Management System (EMS). Take initial steps toward development of EMS to achieve some of the benefits without the cost of full implementation. Also, make progress toward a future evaluation of final steps needed to implement a full program.
1.8	Develop a process for evaluating operations.

Strategic Goals and Objectives

GOAL 2. FACILITIES THAT ARE RELIABLE, ENVIRONMENTAL AND EFFICIENT

Plan, provide for and maintain District facilities and other physical assets to achieve reliable, environmentally sensible, and efficient District operations.

#	Objectives
2.1	Identify cost-effective opportunities to increase the amount of internally generated energy.
2.2	Manage the collection system with the objective of zero spills and zero permit violations.
2.3	Actively pursue opportunities to expand recycled water production and use.
2.4	Ensure the outfall remains compatible with Hamilton wetlands project.
2.5	Manage treatment facility with objective of zero permit violations and long-term preservation of assets.
2.6	Develop a plan to meet real property needs into the future.

Strategic Goals and Objectives

GOAL 3. BOARD DISTRICT AND COMMUNITY, ALIGNMENT AND COMMUNICATIONS

Proactively communicate with all stakeholders including customers, the Board, staff and others in a clear, factual, timely, two-way manner to foster greater understanding and alignment between the District and its stakeholders.

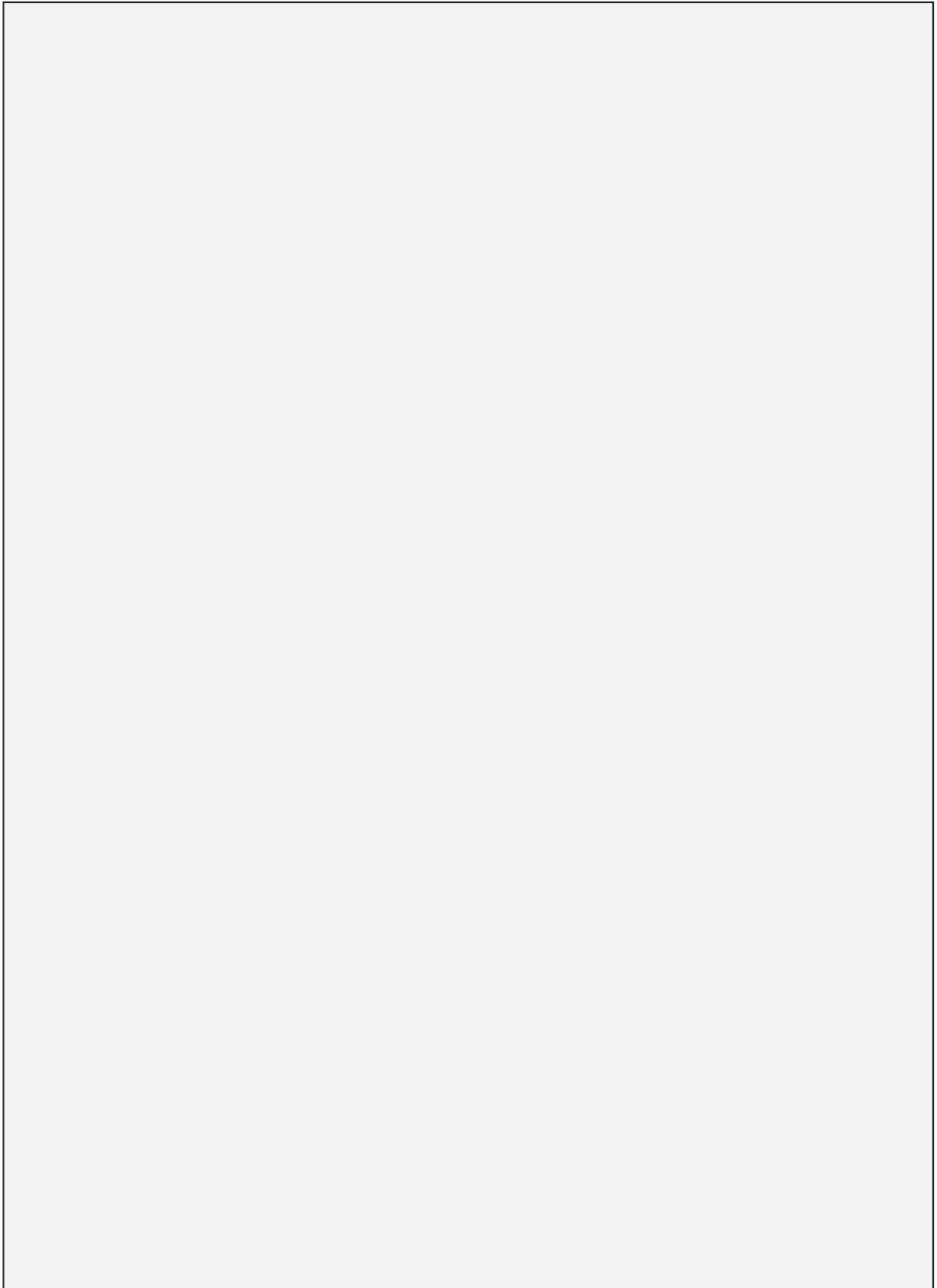
#	Objective
3.1	Take needed steps so that the community knows and respects the District and its decisions. This might include improved access to and understanding of agendas, the budget, and the reality and impact of regulations on customer costs.
3.2	Update internal staff communication program to ensure staff are updated on key District issues in a timely manner and have opportunities to have questions answered.
3.3	Formalize interagency agreements and relationships to secure them against changeable personality and budget issues and preferences with: the city, North Bay Water Reuse Authority, water and flood control agencies, and others.
3.4	Update Board policies and code of behavior.
3.5	The District is committed to being a good neighbor, particularly when its activities directly impact the public.

Strategic Goals and Objectives

GOAL 4. ENVIRONMENT STEWARDSHIP AND LEADERSHIP

Take a leadership role in carrying out operations and develop innovative programs in a manner that raises the bar for environmental stewardship and performance.

#	Objective
4.1	Achieve an organization-wide commitment to “zero” goals and make progress toward that: zero accidents, zero sanitary sewer overflows, zero waste, and zero permit violations.





**4. WORK PLAN
2012
Strategic Plan**

Staff Work Plan

The following pages contain the staff work plan, a linked series of actions developed by staff that, when accomplished, will meet the mission, vision, goals and objectives identified by the Board of Directors. The work plan is organized in a table format with the following features:

Priorities:

There are two kinds of priorities assumed in this work plan: 1) importance; and 2) time. It is possible for a priority to be critical in importance but not due for a long time. Conversely a priority may have low importance but be due promptly. The 1-3 numbering system incorporates a little bit of both. The timing column indicates due dates. The numbering system is as follows:

1. Critical project that must be accomplished on time
2. Important project that can be delayed if needed to complete a #1 priority project
3. Desirable projects that can be delayed or cancelled to complete a #1 or #2 priority project

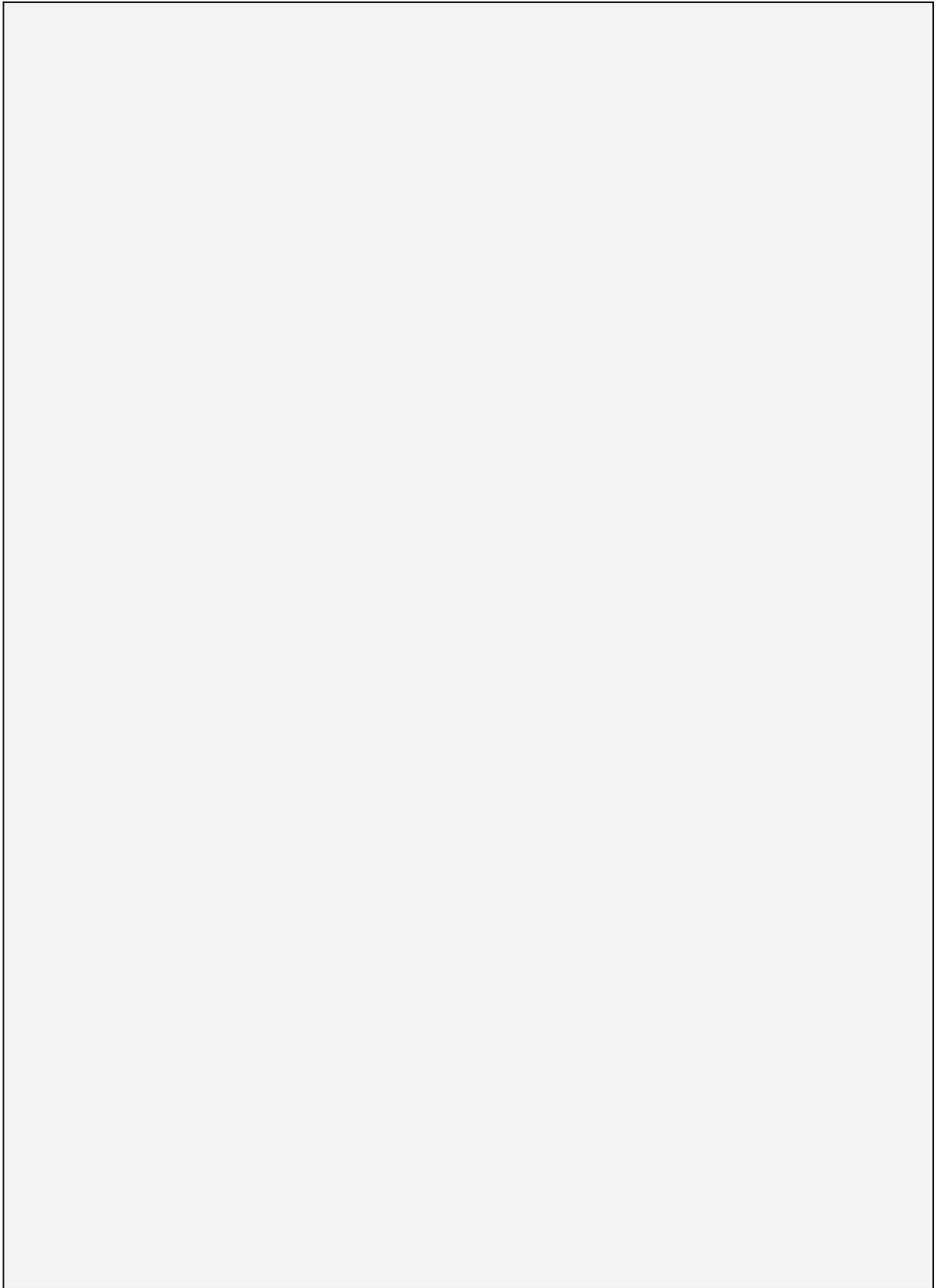
No.	Prty.	Action	Lead	Status	Comments	Timing
1.0.0		GOAL 1.0 OPERATIONAL AND ORGANIZATIONAL EXCELLENCE. Develop and maintain an organizational structure and management policies that foster a high performing, stable and productive organization that learns and improves.				
1.1.0		Plan for and manage finances to achieve long-range financial stability, and competitive and fair rates and charges, while enabling effective Board and public oversight.				
1.1.1	1	Evaluate operations to identify cost-saving opportunities	BJ		Update annually	March
1.1.2	1	Ongoing Capital Improvement plan (updated annually in February)	SK	In process	Updated annually	February 2013
1.1.3	1	Conduct Revenue and Rate Analysis for 2012-2016	BJ/BW	In process	Update in 4 years	March, 2012
1.1.4	1	Proposition 218 rate adjustment program if called for by rate study (see 1.1.3)	BJ			August 2012
1.1.5	1	Compare rates with comparable agencies	LC			March 2012
1.1.6	1	Inform public in a timely manner and provide opportunities for input (normal program) See communications under Goal 3	BJ			
1.2.0		Ensure that the rate structure and rates are sustainable, defensible, understandable and fair.				
1.2.1	3	Legal review of rate structure	BJ/BW/MN			April 2013
1.3.0		Have the audit and budget certified by the Government Finance Officers Association (GFOA).				
1.3.1	2	Review GFOA guidelines and identify possible improvements to budget format	LC			
1.3.2	2	Undertake training for GFOA process	LC		LC training	April 2012
1.3.3	2	Evaluate to determine if GFOA certification is worthwhile and practical	LC			August 2012
1.3.4	1	Include GFOA requirements in selecting auditor	LC			May 2012
1.3.5	1	Prepare 2011-12 Audit per GFOA guidelines	LC		+ Consultant	December 31, 2012
1.4.0		Manage retirement liability.				
1.4.1	2	Update retiree medical actuarial evaluation	LC		+ Consultant	2013
1.4.2	2	Conduct sensitivity analysis of retirement liability to identify what District's contribution would be under various investment return assumptions	BJ		+ Consultant	2012
1.5.0		Maximize employee career quality, commitment, productivity and performance.				
1.5.1	1	Conduct staffing needs analysis	Mgmt.		Each department	April 2012

No.	Prt'y.	Action	Lead	Status	Comments	Timing
1.5.2	2	Develop a training program for each employee, including an emphasis on safe work practices	Mgmt.		Annually by each supervisor	October 2013
1.5.3	2	Work with each employee to develop an individual career plan and mentor them to help them move ahead in their profession	Mgmt.			October 2013
1.5.4	2	Review and revise performance evaluation process. Need to modernize, tie it to individual jobs and encourage and benefit improved performance. Include goals for each position.	HR		+ Consultant	2012-13
1.5.5	2	Develop employee recognition program reward and encourage excellence in service	HR			FY 2012/2013
1.6.0		Promote a safe work environment.				
1.6.1	2	Implement Employee Wellness Program to evaluate fitness and give a specific program for each employee geared to their individual jobs	BJ	Underway	+ Consultant	March - June 2012
1.6.2	2	Evaluate continuing Wellness Program	BJ			July 2012
1.6.3	2	Implement Employee Safety Recognition Program	BJ		Board Approved	March 2012
1.6.4	1	Continue: multi-agency safety program of inspections, audits, training, standards w/annual report to Board	DT			August 2012
1.6.5	3	Consider a train the trainer program to lower costs	DT			FY 2012/13
1.6.6	2	Evaluate safety program to identify any areas of improvement	DT/BJ		continuous	FY 2012/13
1.7.0		Become a high reliability organization by implementing an Environmental Management System (EMS). Take initial steps toward development of EMS to achieve some of the benefits without cost of full implementation. Also make progress toward a future evaluation of final steps needed to implement a full program.				
1.7.1	3	Develop scope of work for EMS implementation for Treatment O&M and decide whether to implement in next fiscal year	SK/JB			July 2012
1.7.2	3	Develop records management master plan	CD			March 2012
1.7.3	3	Develop records retention policy and plan	JB			December 2012
1.7.4	2	Review and update high priority collection system Standard Operating Procedures (SOPS), move forward in future years with additional SOPS	TOC		Start by identifying which SOPs are prioritized each year in which year	September 2012
1.7.5	2	Review and update high priority pump stations SOPS	TOC			September 2012
1.7.6	2	Review and update high priority reclamation SOPS	SK			September 2012
1.7.7	2	Review and update high priority laboratory SOPS	SAK			September 2012
1.7.8	2	Review and update high priority emergency and safety SOPS	D			September 2012
1.8.0		Develop a process for evaluating operations.				
1.8.1	2	Develop alternative methods for evaluating and benchmarking operations. Provide an outside evaluation of performance. This is a follow-up to 1.7.0 EMS process	BJ			FY 2013/14

No.	Prty.	Action	Lead	Status	Comments	Timing
2.0.0		GOAL 2. FACILITIES THAT ARE RELIABLE, ENVIRONMENTALLY SENSIBLE AND EFFICIENT. Plan, provide for and maintain District facilities and other physical assets to achieve reliable, environmentally sensible, and efficient District operations.				
2.1.0		Identify cost-effective opportunities to increase the amount of internally generated energy.				
2.1.1	3	Develop onsite energy generation feasibility plan	SAK		In CIP	FY 2013/14
2.2.0		Manage the collection system with the objective of zero spills and zero permit violations.				
2.2.1	1	Update Sewer Use Ordinance (governs discharges to sewer).	ECS		+ Consultant	July 2012
2.2.2	1	Review Sewer System Management Plan (SSMP)	SAK			March 2012
2.2.3	2	Complete televising of collection system	TOC	In process	+ Contractor	July 2014
2.2.4	2	Review and update current Collection System Master Plan	SAK	In process	+ Consultant	August 2012
2.2.5	1	Develop written root abatement program, encompassing how and when to use chemical treatment, rodding, repairs, rehabilitation and the needed staffing and timing to accomplish the program	TOC			May 2012
2.2.6	2	Develop zero-spill collection system master plan, including comprehensive I&I program that incorporates the best balance of private property owner requirements and actions, and public agency actions.	SAK			June 2014
2.2.7	2	Update standards and specifications to provide an up-to-date reference for contractors	SAK			June 2013
2.3.0		Actively pursue opportunities to expand recycled water production and use.				
2.3.1	1	Develop O&M plan for new Recycled Water Plant	BJ			June 2012
2.3.2	1	Participate and support NBWRA, BACWA and IRWMP	BJ			Ongoing
2.3.3	2	Develop reclamation facility master plan incorporating needed: pond improvements, pasture improvements, responses to expected sea level rise, lease expiration, etc.	SAK			June 2015
2.4.0		Ensure the outfall remains compatible with Hamilton wetlands project.				
2.4.1	1	Coordinate with Coastal Conservancy and negotiate the best long-term option for the community. District must follow timing of the Conservancy	BJ			Ongoing
2.5		Manage treatment facility with objective of zero permit violations and long-term preservation of assets.				
2.5.1	1	Weekly staff review of operation and maintenance	BJSK	ongoing		Ongoing
2.5.2	1	Monthly Board review of operation and maintenance		ongoing		Monthly
2.5.3	1	Annual audit of operation and maintenance	BJSK		1 st year complete	Monthly
2.6.0		Develop a plan to meet real property needs into the future.				
2.6.1	2	Develop real property plan	BJ			June 2014

No.	Prty.	Action	Lead	Status	Comments	Timing	
3.0.0		GOAL 3. BOARD DISTRICT AND COMMUNITY, ALIGNMENT AND COMMUNICATIONS. Proactively communicate with stakeholders, including customers, Board, staff and others in a clear, factual, timely, two-way manner to foster greater understanding and alignment between the District and its stakeholders.					
3.1.0		Take needed steps so that the community knows and respects the District and its decisions. This might include greater transparency, including improved access to and understanding of agendas, the budget and the reality and impact of regulations on customer costs.					
3.1.1	1	Post all agendas and minutes on web, and Novato Patch	Admin			Bi-monthly	
3.1.2	1	Post Monthly Monitoring Reports on web	BJ			March 2012	
3.1.3	1	Post budget and audit on web	LC		Annually	June 2012	
3.1.4	1	Provide all agenda packets to Marin IJ and Novato Advance	JS	Underway		Bi-monthly	
3.1.5	2	Regular articles and advertisements in Novato Patch, Advance and on website	SAK	Underway		Ongoing	
3.1.6	3	Launch and maintain on a weekly basis the Zero Waste Facebook page	Dee	Underway		March 2012	
3.1.7	2	Quarterly E-newsletter (incorporate message above about reality and cost)	BJ	Underway		Spring 2012	
3.1.8	1	Biannual printed newsletters (incorporate message above about reality and cost)	BJ	Underway		Mar. & Sept 2012	
3.1.9	2	Complete calendar of public events to participate in	DJ	Underway		March 2012	
3.2.0		Update internal, staff communication program to ensure staff are updated on key District issues in a timely manner and have opportunities to have questions answered.					
3.2.1	1	Quarterly all-staff meeting	BJ		Annually	Mar, Jun, Sep, Dec	
3.2.2	1	Monthly senior staff meeting after second board meeting of the month	BJ		Start Feb 2012	Monthly	
3.3.0		Formalize interagency agreements and relationships to secure them against changeable personality and budget issues and preferences with: the city, North Bay Water Reuse Authority, water and flood control agencies, and others.					
3.3.1	3	Review and update planning with Fire District, City of Novato and County of Marin for disaster response and rescue services, and communications	BJ			2014	
3.3.2	2	Review agreements for opportunities for cooperation with NMWD for mutual aid & recycled water. Hold joint board meeting with NMWD to review areas of cooperation, consider new areas and build relationships	BJ			June 2012	
3.3.3	3	Continue to take leadership roles in NBWA and NBWRA	BJ			Ongoing	
3.3.4	2	Coordinate reclamation facility planning with Novato Creek watershed effort.	SAK			Ongoing	
3.3.5	2	Improve and formalize the ways we partner with and relate to the City	BJ			Ongoing	
3.3.6	2	Develop agreement with Mosquito Abatement District for their services.	SK			June 2013	

No.	Prty.	Action	Lead	Status	Comments	Timing
3.4.0		Update board policies and code of behavior.				
3.4.1	2	Board review of CSDA recommended policies. Bring entire set to the Board and begin with a workshop to identify priority policies to update. Then consider a few policies at a time at each Board meetings.	BJ			August 2012 - August 2014
3.5.0		The District is committed to being a good neighbor, particularly when its activities directly impact the public				
3.5.1	1	Address concerns of immediate neighborhood with regards to odors, noise and aesthetics	BJ			Ongoing
3.5.2	1	Continue outreach with neighbors	JB			Ongoing
3.5.3	1	Continue collection system construction and maintenance related communication, and programs to minimize impact on public	TOC			Ongoing
4.0.0		GOAL 4. ENVIRONMENT STEWARDSHIP AND LEADERSHIP. Take a leadership role in carrying out operations and develop innovative programs in a manner that raises the bar for environmental stewardship and regulatory compliance				
4.1.0		Achieve an organization wide commitment and make progress toward that: zero accidents, zero sanitary sewer overflows, zero waste, and zero permit violations.				
4.1.1	2	See 1.6.0 for zero accident actions				
4.1.2	1	See 2.2.6 Collection System Master Plan	SAK			
4.1.3	2	Participate in BACWA, CASA, regional board meetings, etc. in preparation for permit renewal	BJ			Dates?
4.1.4	1	Collection System Maintenance program (see 2.2.2, 2.2.5 and 1.7.4)	Coll			
4.1.5	2	Collection System Rehabilitation and repair program (see 2.2.3, 2.2.4, and 2.2.6)	FS			
4.1.6	1	Ensure implementation of Solid Waste Plan for zero waste. Report on progress biannually to Board.	BJ/DJ			May & Nov 2012
4.1.7	2	Planning for move of HHW, recycling facility (Dee include in biannual report under 4.1.7 above)	BJ/DJ			Dates?
4.1.8	1	Oversight of Contract Operations to assure compliance	BJ/SAK			Dates





5. EXPECTATIONS & RESULTS
2012
Strategic Plan

Achieving Expectations of the Strategic Planning Process

At the beginning of the first workshop, participants were each asked to share his or her expectations for the process—the expectations of individual participants are listed below.

- Settle on goals, policies, objectives and time lines.
- Identify problems that the District is facing that we need to remedy.
- Concentrate on big long-term issues
- Include policies that will be helpful and necessary for the Board to function more effectively.
- Obtain a macro view of the District. Hear other views, include micro solutions.
- Look ahead 5-15 years
- Provide a good roadmap for staff to follow.
- The previous roadmap was powerful. This time focus not just on capital but on all aspects of the District.

Ensuring Results

A review of the contents of this report, including the work plan, demonstrates that the expectations were met. In order to ensure results are achieved it will be important to take the following steps:

We recommend the following.

1. That the Mission, Vision, Values Goals and Objectives be published on posters and handouts, and displayed around the District.
2. That the Mission, Vision, Values, Goals and Objectives be incorporated into the employee handbook, as well as orientation and training materials for new employees.
3. That the Work Plan be published and regularly referred to by the management team.
4. That a standing Agenda item be added which provides an update on the status of the work plan so that the Board can measure progress.
5. That each Board Committee incorporate Strategic Plan monitoring as appropriate
6. That the Strategic Plan be reviewed and updated annually and rolled forward. Usually this is accomplished through a half-day Board workshop followed by Staff updating the Work Plan (Some Districts update it biannually, usually through a whole-day workshop.)

Looking to The Future

Link Budgeting and Resource Allocation to the Strategic Plan

Even the best strategic plan will fail if it is not adequately resourced through the budgeting process. The goals and objectives of the plan will not succeed without adequate people, time, money and other key resources. Aligning resources validates that initiatives and action plans comprising the strategic plan support the strategic objectives.

Below is a table that identifies actions that can help align the District's resources with the strategic plan. In the far right column it lists the percent of cities in one academic survey that took these action. We recommend that the District consider incorporating these steps over time.

Cities Linking Budgets to Strategic Plans	% Doing This
The annual budget prepared by your chief administrator strongly supports the goals, objectives and priorities established in your strategic plan	88%
The city council considers strategic goals and objectives when reviewing the annual budget	75%
The capital budget for your jurisdiction sharply reflects the goals, objectives, and priorities established in your strategic plan	84%
New money in the budget is targeted to achieving your strategic goals and objectives	84%
The strategic plan has strong influence on the budget requests submitted by department heads and other managers	74%
Performance data tied to strategic goals and objectives play an important role in determining resource allocations. (In addition, RCC recommends considering utilizing progress toward meeting strategic plan goals and objectives as a factor in the performance evaluations.)	48%
Poister and Streib; <i>Elements of Strategic Planning and Management in Municipal Government</i>	

Develop Performance Measures

Earlier, we recommended that the strategic plan be monitored by the Board of Directors through a standing agenda item at each Board meeting.

In addition, we recommend that as a future step, the District develop a reasonable number of performance indicators to help measure and assess progress toward achieving the goals and objectives. Whatever performance measures are chosen, they should be meaningful and not overly burdensome for a small staff like the one at Novato Sanitary District. Some examples of what to monitor might include:

- **Finance:** rates compared to neighbors, and a few key financial measures
- **Regulatory Compliance:** Identify a few key regulatory measures
- **Customer Service:** track customer questions, contacts and comments, consider a response to a possible benchmarking survey every three to five years
- **Recycled water:** amount of recycled water production or other performance measures



Novato Sanitary District—2012 Strategic Plan



**Prepared by Rauch Communications Consultants, Inc.
936 Old Orchard Road, Campbell CA 95008
408-391-3117**

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: North Bay Water Reuse Authority	MEETING DATE: August 13, 2012 AGENDA ITEM NO.: 7.a.b.
RECOMMENDED ACTION: Receive staff report and authorize NSD representative to the NBWRA Board of Directors to approve the 2012-13 budget modification.	
SUMMARY AND DISCUSSION: <p>At the May NBWRA Board of Directors meeting several members expressed reservations about the cost and schedule of the NBWRA Phase II project. At that time the Board approved the Phase I and Joint Use budgets and deferred consideration of the Phase II budget until their meeting on August 20, 2013.</p> <p>The consultants and Technical Advisory Committee have reviewed the budget and schedule and are making the following recommendations to the Board of Directors for consideration at their meeting on August 20th:</p> <ol style="list-style-type: none"> 1. Approve a revised FY2012/13 Budget for presentation and approval by the Board at the August 20, 2012 Board Meeting. The revised budget includes recommended modifications to Joint Use costs as shown on the attached Table. 2. To reduce administrative costs, discontinue having separate Phase 1 and Phase 2 meetings; have single meetings for the Board and TAC instead. 3. Make Program Management a Joint Use cost and reduce costs accordingly. 4. Leave surplus funds from FY2011/12 in the Trust Fund for possible use as a contingency in FY2012/13 as directed by the TAC. 5. Delay the start of the Phase II Scoping Study to January 1, 2013. The Board would consider authorizing proceeding with the Phase II Scoping Study at their meeting in November 2012 and would have to amend the budget to include the cost of the study at that meeting. <p>The proposed changes reduce the budget by \$122,100 to \$687,000. However, since new members would not be contributing to the costs for the first half of the year, Novato Sanitary District's contribution would increase from \$69,530 to \$87,077. There would be an additional cost of approximately \$25,000 in 2012-13 for the Phase II Scoping Study if it is authorized.</p>	
ALTERNATIVES:	
BUDGET INFORMATION: The Preliminary 2012-13 Budget Account 72508: NBWRA was \$380,440 which anticipated the project would move more quickly into the feasibility study.	
DEPT.MGR.:	MANAGER:

**North Bay Water Reuse Authority
Proposed Fiscal Year Budgets
Fiscal Year 2012/13 & 2013/14**

Budgets/Scopes as of July 30, 2012

Phase 1 Support	Approved 5/21/12	Proposed Revision
	FY2012/13	FY2012/13
Program Management - RMC	71,500	-
Planning, Engineering and Funding Management - CDM Smith	75,000	75,000
Environmental Documentation, Permitting and Monitoring - ESA	20,000	20,000
SCWA Administration	100,000	100,000
Contingency - included in consultant costs	-	-
Total Costs for Phase 1 Support	266,500	195,000

Phase 2 Support	FY2012/13	FY2012/13
Program Management - RMC	75,100	-
Program Development and Federal Funding - Bryant & Associates	-	-
Federal Authorizations and Appropriations - The Ferguson Group	-	-
Planning, Engineering and Funding Management - CDM Smith	55,000	-
Environmental Documentation, Permitting and Monitoring - ESA	-	-
Outreach and Community Support - Data Instincts	-	-
SCWA Administration	50,000	-
Contingency - included in consultant costs	-	-
Total Costs for Phase 2 Support	180,100	-

Phase 2 Scoping Studies	NBWRA Portion of Scoping Studies Cost (50%)	
	FY2012/13	FY2012/13
Planning and Engineering - CDM Smith	-	-
Program Development and Federal Funding - Bryant & Associates	-	-
Environmental Documentation, Permitting and Monitoring - ESA	-	-
Outreach and Community Support - Data Instincts	-	-
SCWA Administration	-	-
Contingency	-	-
Total Costs for Scoping Studies	-	-

Phase 2 Scoping Studies Workshops	NBWRA Portion of Scoping Studies Workshops Cost (50%)	
	FY2012/13	FY2012/13
Planning and Engineering - CDM Smith	-	-
Program Development and Federal Funding - Bryant & Associates	-	-
Environmental Documentation, Permitting and Monitoring - ESA	-	-
Outreach and Community Support - Data Instincts	-	-
SCWA Administration	-	-
Contingency	-	-
Total Costs for Scoping Studies Workshops	-	-
Total Costs for Scoping Studies & Workshops		\$0

Joint Use	FY2012/13	FY2012/13
Program Management - RMC	-	106,000
Program Development and Federal Funding - Bryant & Associates	178,000	178,000
Federal Authorizations and Appropriations - The Ferguson Group	60,000	60,000
State Funding / State Outreach - KP Public Affairs	48,000	48,000
Outreach and Community Support - Data Instincts	76,500	76,500
SCWA Administration	-	50,000
Contingency - included in consultant costs	-	-
Total Costs for Joint Use	362,500	518,500

Total Costs for NBWRP	NBWRA Portion of Costs	
	FY2012/13	FY2012/13
Program Management - RMC	146,600	106,000
Program Development and Federal Funding - Bryant & Associates	178,000	178,000
Federal Authorizations and Appropriations - The Ferguson Group	60,000	60,000
Planning, Engineering and Funding Management - CDM Smith	130,000	75,000
Environmental Documentation, Permitting and Monitoring - ESA	20,000	20,000
State Funding / State Outreach - KP Public Affairs	48,000	48,000
Outreach and Community Support - Data Instincts	76,500	50,000
SCWA Administration	150,000	150,000
Contingency - included in consultant costs	-	-
Total Costs for NBWRP	809,100	687,000

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: North Bay Water Reuse Authority: Dedication Ceremony	MEETING DATE: August 13, 2012 AGENDA ITEM NO.: 7c
RECOMMENDED ACTION: Consider setting the date for the Northern Novato Recycled Water Project for October 11, 2012	
SUMMARY AND DISCUSSION: The Northern Novato Recycled Water Project is nearing completion and start up. It was done under the auspices of North Bay Water Reuse Authority and in partnership with the North Marin Water District. The Bureau of Reclamation and the California Department of Water Resources both provided significant grants to fund the project. Staff is proposing that we schedule a dedication ceremony jointly with North Marin Water District to recognize the many organizations and people that worked to make this project a success. The date is tentatively set for October 11, 2011 in the afternoon pending approval of both Boards of Directors.	
ALTERNATIVES:	
BUDGET INFORMATION: The dedication ceremony will be funded from the project budget and divided equally between Novato Sanitary District and North Marin Water District. It is anticipated to cost approximately \$4,000.	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Administration: International Water Association Biennial Conference	MEETING DATE: August 13, 2012 AGENDA ITEM NO.: 8.a.
RECOMMENDED ACTION: Consider authorizing the Manager-Engineer to attend the International Water Association Biennial Conference in Busan, S. Korea at her expense but on District time.	
SUMMARY AND DISCUSSION: The International Water Association holds an international conference every two years that showcases research worldwide in water and wastewater planning and treatment technologies. It is an opportunity to learn about work being done in Europe and Asia. The Manager-Engineer will be travelling to S. Korea at that time in any case and would like to attend the conference.	
ALTERNATIVES:	
BUDGET INFORMATION: No cost.	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Fund Transfer from Capital Account to Operating Account

MEETING DATE: August 13, 2012

AGENDA ITEM NO.: 8b.

RECOMMENDED ACTION: Approve transfer of funds from the Capital Improvement Fund to the Operating Fund for staff time spent on Capital Projects.

SUMMARY AND DISCUSSION:

At the end of each fiscal year, the Operating Fund is reimbursed from the Capital Improvement for staff time spent on Capital Improvement Projects. Expenditures are based on actual time spent at an hourly rate, plus an allowance of 35% for overhead and supervision.

Engineering expenditures for fiscal year 2011-12 amount to \$146,155.68 plus overhead of \$51,154.49 for a total of \$197,310.17. The attached spreadsheet gives a breakdown of staff time by project.

Last year's fund transfer was \$264,226.

ALTERNATIVES: DO NOT AUTHORIZE FUND TRANSFER

BUDGET INFORMATION: Reclassifies expenditures from Operating Fund to Capital Improvement Fund.

DEPT.MGR.:

MANAGER:

Fund Transfer 2011-12																
Activity	Bill		Steve		Craig		Laura		Kevin		Sandeep		Total Hours	Total \$	+ Overhead 35%	
	hrs	43.19	hrs	57.88	hrs	56.50	hrs	46.48	hrs	38.24	hrs	75.71				hrs
Capital Projects																
01-10 Drainage PS 3 & 7 Outfall Rehab	0	0.00	0	0.00	11	621.50	0	0.00	0	0.00	0.00	0.00	11.00	621.50	839.03	
01-11 SCADA Phase II & IIA	0	0.00	0	0.00	6	339.00	0	0.00	0	0.00	0.00	0.00	6.00	339.00	457.65	
04-03 BMK Pump Station Rehab	0.5	21.60	30	1,736.40	59.5	3,361.75	0	0.00	0	0.00	3,709.79	2.00	171.86	9,001.40	12,151.88	
05-08 N. Bay Water Recycling Auth	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	454.26	1.00	85.93	540.19	729.26	
06-07 WWTP Upgrade Contract A1	0	0.00	2	115.76	0	0.00	0	0.00	0	0.00	0.00	0.00	2.00	115.76	156.28	
06-09 WWTP Upgrade Contract B	0	0.00	11	636.68	12	678.00	0	0.00	0	0.00	4,656.17	63.00	5,413.59	11,384.44	15,368.99	
06-11 Bayside Sewer	0	0.00	0	0.00	4	226.00	0	0.00	0	0.00	0.00	0.00	4.00	226.00	305.10	
06-12 Southgate	0	0.00	0	0.00	6	339.00	0	0.00	0	0.00	0.00	0.00	6.00	339.00	457.65	
07-06 '08 Collect Sys. Improvements	39	1,684.41	119	6,887.72	0	0.00	0	0.00	5	191.20	7,306.02	4.00	343.72	16,413.07	22,157.64	
07-07 Ham. Wetland/OF mon. & plan.	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0.00	0.00	3.00	257.79	348.02	
07-08 Cogeneration	0	0.00	0	0.00	7	395.50	0	0.00	0	0.00	0.00	0.00	7.00	395.50	533.93	
08-08 Strategic Plan Update	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	
08-01 Annual Minor Projects	0	0.00	12	694.56	0	0.00	0	0.00	0	0.00	1,059.94	8.00	687.44	1,747.38	2,358.96	
08-02 Annual Sewer Adj. for City Proj.	0	0.00	13	752.44	0	0.00	0	0.00	2	76.48	0.00	0.00	13.00	770.27	1,039.86	
08-03 Annual Collection Sys. Repairs	0	0.00	341.5	19,766.02	0	0.00	0	0.00	287.5	10,994.00	4,012.63	0.00	682.00	34,772.65	46,943.08	
08-04 Annual Rec. Fac. Improvements	0	0.00	112.5	6,511.50	0	0.00	0	0.00	10	382.40	1,665.62	2.00	171.86	8,731.38	11,787.36	
08-05 Annual TP & PS Improvements	0	0.00	120	6,945.60	0	0.00	0	0.00	107	4,091.68	2,801.27	0.00	264.00	13,838.55	18,682.04	
10-01 WWTP Upgrade - Contract C	0	0.00	3	173.64	24	1,356.00	0	0.00	0	0.00	3,596.23	10.00	859.30	5,985.17	8,079.97	
10-02 WWTP Upgrade - Contract D	13	561.47	5	289.40	312.5	17,656.25	31.5	1,464.12	0	0.00	16,353.36	41.00	3,523.13	39,847.73	53,794.44	
SUBTOTAL	52.50	2,267.48	769.00	44,509.72	442.00	24,973.00	31.50	1,464.12	411.50	15,735.76	45,690.99	134.00	11,514.62	146,155.68	197,310.17	
PLUS 35% Overhead		\$793.62		\$15,578.40		\$8,740.55		\$512.44		\$5,507.52			\$4,030.12	\$51,154.49		
TOTAL:		\$3,061.09		\$60,088.12		\$33,713.55		\$1,976.56		\$21,243.28			\$15,544.74	\$197,310.17		

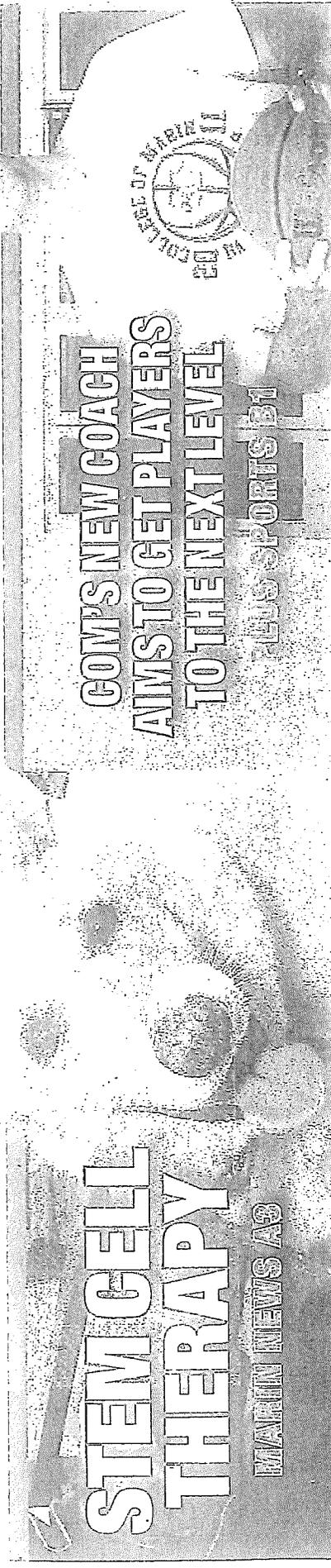
NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Staff Reports: North Bay Leadership Council Algebra Academy	MEETING DATE: August 13, 2012 AGENDA ITEM NO.: 9a.																						
RECOMMENDED ACTION: Staff report																							
SUMMARY AND DISCUSSION: <p>Novato Sanitary District and Veolia Water NA co-hosted the North Bay Leadership Council Algebra Academy for the second year on July 30th and 31st. Twenty-three Novato middle school students attended to learn algebra and see math-in-action at the District.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 20%;">8:30 AM</td> <td>Students arrive</td> </tr> <tr> <td>8:45 to 9:45</td> <td>Algebra Class, NUSD</td> </tr> <tr> <td>9:45 to 10:00</td> <td>Snack (NSD)</td> </tr> <tr> <td>10:00 to 12:00</td> <td>Tour of facility with John Bailey (Veolia) (1/2 group) Lab instruction with Andrew Oko and Ken Besnia (1/2 group)</td> </tr> <tr> <td>12:00 to closing</td> <td>Lunch (Veolia Water NA)</td> </tr> </table> <table style="width: 100%; border: none;"> <tr> <td style="width: 20%;">8:30 AM</td> <td>Students arrive</td> </tr> <tr> <td>8:45 to 9:45</td> <td>Algebra Class, NUSD</td> </tr> <tr> <td>9:45 to 10:00</td> <td>Snack (NSD)</td> </tr> <tr> <td>10:00 to 11:00</td> <td>Christian (Veolia) - Microscope/Math lesson</td> </tr> <tr> <td>11:00 to 12:00</td> <td>Craig Deasy, SCADA (1/2 group) Tim O'Connor, Sewer TV (1/2 group)</td> </tr> <tr> <td>12:00 to closing</td> <td>Lunch (Veolia Water NA)</td> </tr> </table>		8:30 AM	Students arrive	8:45 to 9:45	Algebra Class, NUSD	9:45 to 10:00	Snack (NSD)	10:00 to 12:00	Tour of facility with John Bailey (Veolia) (1/2 group) Lab instruction with Andrew Oko and Ken Besnia (1/2 group)	12:00 to closing	Lunch (Veolia Water NA)	8:30 AM	Students arrive	8:45 to 9:45	Algebra Class, NUSD	9:45 to 10:00	Snack (NSD)	10:00 to 11:00	Christian (Veolia) - Microscope/Math lesson	11:00 to 12:00	Craig Deasy, SCADA (1/2 group) Tim O'Connor, Sewer TV (1/2 group)	12:00 to closing	Lunch (Veolia Water NA)
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12:00 to closing	Lunch (Veolia Water NA)																						
ALTERNATIVES:																							
BUDGET INFORMATION: The minor cost for the snacks is funded from the public education budget.																							
DEPT.MGR.:	MANAGER:																						

Marin Independent Journal

An edition of the *San Francisco Mercury News*

570



STEM CELL THERAPY

MARIN NEWS A3

COACH'S NEW COACH AIMS TO GET PLAYERS TO THE NEXT LEVEL

PLUS SPORTS B1

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HONORING MCGILASHAN

The late supervisor Charles McGilashan is being honored posthumously by

TOP STORY: FAIRFAX

Vowing to honor Brown Act

Town leads way in pledging to abide by public disclosure law

By Richard Malshead
Marin Independent Journal

Fairfax is the first municipality in Marin County to pledge its continued compliance with public disclosure provisions of the Brown Act,

and vowing to continue despite action by the state of California that appears to have nullified the law. The Town Council last week unanimously approved a resolution supporting the Brown Act, and vowing to continue

to honor the law.

Among its various provisions, the Brown Act requires public bodies to post notices and agendas 72 hours before a meeting in a location accessible to the public, and to publicly report any action taken in closed sessions.

The law may no longer be enforceable, however,

because in a cost-cutting move state legislators have decided to stop reimbursing public bodies for the cost of complying with the law for three years. It is estimated the decision will save the

To comment on this story, click on its link at marinjournal.com

state \$96 million in the 2012-13 budget. Proposition 1A, passed in 2004, requires the state to fund legislative mandates on local governments or suspend their operation. "We're glad to see Fairfax taking the lead on this," said Edward Segal, executive director of the

See **BROWN ACT**, page 2

BROWN ACT: Fairfax pledges to continue compliance

From page 1

Marin Association of Realtors. "We hope that every other jurisdiction in Marin that is covered by the Brown Act will do the right thing and continue to comply with the spirit and letter of the Brown Act disclosure."

San Rafael Assistant City Manager Jim Schutz said San Rafael will continue to "enthusiastically comply with the requirements of the Brown Act," even though doing so costs the city \$20,000 to \$40,000 a year.

"Prior to 2002, we received full reimbursement," Schutz said. "Since that time, we have received only very limited reimbursement."

Novato City Manager Michael Frank said the Novato City Council on Aug. 21 will consider a resolution reaffirming that city's commitment to the Brown Act during the three-year funding hiatus. Frank estimates compliance with the act costs Novato about \$20,000 annually, and he said reimbursement by the state in the recent past has been hit and miss.

Segal said the Marin

Association of Realtors' interest in the Brown Act intensified in 2010 after the town of Tiburon implemented a sizable increase in its resale inspection fee.

"We didn't find out about it until after the fact," Segal said.

Segal said that when the association complained to Tiburon officials that it hadn't posted anything about the pending fee increase on its website, officials replied that they weren't required to do so. They had complied with the law at the time by posting the information on a bulletin board at Town Hall.

Subsequently, acting on the behalf of the Marin Association of Realtors, the California Association of Realtors sponsored legislation to amend the Brown Act. In 2011, different legislation, also favored by CAR, AB 1344, which requires public bodies to post meeting notices on their Internet websites, was signed into law.

Tiburon Town Manager Margaret Curran said she had not discussed the defunding of the Brown Act with the Town Coun-

cil. She added, however, "We have no intentions of lowering our standards or changing our practices. We support the spirit and the letter of the Brown Act."

Peter Scheer, executive director of the First Amendment Coalition, a nonprofit advocacy organization dedicated to free speech and open government based in San Rafael, said, "It would be absolutely unforgivable for any local government covered by the Brown Act to stop publishing notices of their meeting during this legal hiatus."

Scheer said he holds this opinion "not just because I view access and transparency as the highest priority. It's because it costs zero to do. All they have to do is put on the Internet or post somewhere the very same agenda they would have to create anyway for the members of the body."

Fairfax Finance Director Michael Vivrette said his town won't lose any state funding as a result of the change. Vivrette said Fairfax doesn't bother submitting invoices because the state's docu-

mentation requirements are so elaborate.

Mari-Ann Gibbs Rivers, deputy county counsel in Marin County, disagrees with Scheer about the cost being negligible. Rivers said the county submitted a \$61,957 bill to the state to cover posting-related costs in fiscal year 2010-11. Rivers said that invoice covered only a fraction of the county's full costs of compliance. Rivers said those costs are not limited to the proceedings of the Board of Supervisors, but include those of all the board-appointed commissions, committees, subcommittees and task forces — about 50 in total.

Nevertheless, Rivers said, "The county of Marin places a very high value on public involvement in the governing process and is fully committed to continued compliance with the Brown Act principles."

The act was named for Ralph M. Brown, the Modesto assemblyman who authored the bill that took effect in 1953.

Contact Richard Halstead via e-mail at rhalstead@marinij.com

Marin district attorney launches inquiry into sanitary district manager's use of \$350,000 loan

Posted:

marinij.com

Marin County District Attorney Edward Berberian has opened an inquiry into whether the former manager of the Ross Valley Sanitary District misused a \$350,000 housing loan he was given by the district in 2010.

Berberian said he would attempt to determine whether the money given to Brett Richards "for certain purposes was in fact used for those purposes."

"We just don't know what that is going to lead to," Berberian said. "The fact that we're doing that should not be read to say that he has done something improper, because we just don't know."

Berberian said his inquiry would involve determining whether Richards misappropriated public funds. Under state law, misappropriation of public funds is a felony punishable by imprisonment for two, three or four years.

Richards resigned from his \$197,000-a-year job last week. Richards stopped coming to work several weeks ago, soon after questions about the \$350,000 loan were raised by Marin Independent Journal columnist Dick Spotswood in a story published June 24. According to his contract, Richards was given the loan to assist him with "securing housing in the San Francisco Bay Area."

Spotswood wrote that a search of all California's county recorder databases failed to unearth any evidence that Richards owns real estate in California. Richards has so far supplied no information to demonstrate that the money was used as intended.

Jolie Houston, the sanitary district's attorney, said it has been several weeks since she last spoke with Richards; she said she has no clue as to his whereabouts. Houston said Richards dispatched an email message on July 25 to notify the district board that he was resigning, and the district received a signed resignation letter from Richards on Monday.

On Wednesday, the district released a copy of that letter. Richards wrote: "I wish that this could have worked out better for the District and me, but given the hostile and extremely negative situation the District has placed me in, I can no longer serve as recruited and directed from the original board. It is unfortunate that issues have gone to this level, but I can not reconcile reality from the defamatory comments and apparent intentions of members of the existing board."

He questioned "the irreverent and dubious politics" of district board members Frank Egger and Pam Meigs. Both Egger and Meigs declined to comment.

Houston said she met with Barry Borden, Marin's chief deputy district attorney, on July 24 and discussed whether the district attorney's office would investigate. Houston said Borden advised the district at that time to conduct its own investigation and to contact the San Rafael Police Department if it believed a crime had been committed.

Since then, however, there have been additional calls for the district attorney to get involved. Paul Davis, an attorney and Ross Valley ratepayer, said he dispatched a letter to Berberian on Friday requesting a criminal

investigation. And San Anselmo Mayor Tom McInerney said he phoned Berberian on Tuesday and made the same request.

Contact Richard Halstead via e-mail at rhalstead@marinij.com

LETTER OF RESIGNATION

Here is the letter of resignation submitted by former Ross Valley Sanitary District general manager Brett Richards: "I resign from employment with RVSD (Sanitary District No. 1 of Marin County). I wish that this could have worked out better for the District and me, but given the hostile and extremely negative situation the District has placed me in, I can no longer serve as recruited and directed from the original board. It is unfortunate that issues have gone to this level, but I can not reconcile reality from the defamatory comments and apparent intentions of members of the existing board. I wish the District well in all areas and hope that the politics can be tones (sic) down and that the board will endeavor to serve the sewer needs of the Ross Valley. Though the direction appears to have changes (sic) from which I was recruited, I believe in what we accomplished and the direction we were trying to go. Why this would change or the apparently nefarious change in direction is beyond description, as some of the decisions are beyond explanation. None-the-less, I believe that the ultimate direction we were going, and the direction the District needs to go, was furthered, and can be accomplished, despite the irreverent and dubious politics being played by Mr. Egger, and Ms. Meigs. I wish the board well on its future endeavors."

Marin Readers' Forum for August 2

Posted:

marinij.com

Unfair criticism

Readers of the July 29 IJ might get the impression that Brett Richards was largely responsible for the dire condition of the Ross Valley Sanitary District and had been an inept, expensive general manager.

This is a sad example of character assassination, jackal journalism at its worst.

Few of us are perfect and Brett has certainly made mistakes, nearly all political, born of frustration at the totally avoidable decline of district.

But despite the continuing efforts of the IJ, that should not obscure the admirable job he has done to stabilize and sustain the district.

When he was hired, the district was in truly desperate shape, the result of decades of incompetent management and neglect of its ancient facilities. Under Brett, the most pressing line replacement has been done (at a cost below a tight budget). New, very beneficial technology ("pipe bursting") has been put to use and new, efficient and reliable inspection technology has been acquired to determine just how dire the district's sewers really are.

He had laughably inadequate funds. It is painfully obvious that the only way to avoid a rising tide of sewer failures is a greatly expanded program of sewer replacements, which in turn can only be funded by a large bond issue.

The board has refused to authorize any such bond and critical members of the board have given the impression that there are easy alternatives to a major replacement program.

Brett has lost the confidence of the district board and he clearly had to go. He has taken the clean, quick course of resigning, avoiding extended wrangles to distract the new board from trying to address problems they made nearly insoluble.

Instead of thanking Brett for his excellent services, there now seems to be a contest to see who can treat him the worst.

The IJ itself has strongly opposed any significant rate hikes, and, by implication, any serious effort at sewer replacement, without coming up with any alternative for addressing the pressing problems the district faces.

Brett Richards deserves a decent send-off for the dedicated and generally excellent service he gave to the district and its ratepayers.

Tom Guldman, Kentfield

Opinion

Marin Independent Journal
marinij.com/opinion | A MediaNews Group Newspaper

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Doug Bunnell, executive editor
Brad Breithaupt, opinion page editor

PUBLIC MEMBERS
Joan Brown, Kentfield

The Independent Journal's editorial board meets weekly to talk about the paper's editorial positions. The board has four members.

ALL ABOUT MARIN

Brown Act shouldn't be a pawn of budget politics

THE PUBLIC'S RIGHT TO KNOW has become a pawn in California's budget crisis.

Lawmakers have suspended state reimbursements to local governments for their compliance with the state's longstanding open-meetings law, the Ralph M. Brown Act.

Over the years, the Brown Act and state public records laws have become an important weapon for journalists ferreting out behind-the-scenes activities of government.

I have used them over the years to unearth public documents, reports and legal claims and to require members of public boards and councils to deliberate in open rather than behind closed doors or by se-

cret ballot.

The Brown Act requires public boards, councils and commissions to post their agendas at least 72 hours before their meetings. The premise

is that the public deserves to know ahead of time what business is on a public board's agenda.

It is a legal minimum and one that agencies are required to comply with regardless of state reimbursement. Imagine the public outcry if the county Board of Supervisors or a city council decided it was going to stop posting agendas.

Most people will never read them, but if they do they don't want to be told it's none of



BRAD BREITHAUPT

their business to find out what's going on. Clearly, it is their business.

The objective should be to get better compliance, not to weaken the law.

Local government could do a much better job of writing agendas so you don't have to think like a bureaucrat to figure out what they say.

Agendas for the county's numerous boards and commissions also are haphazard in the manner and locations in which they are posted. Some are online, others are posted on bulletin boards or on public notice

clipboards at different locations around the Civic Center. But state lawmakers did the

59-year-old Brown Act a serious disservice by raising the question of whether local compliance depends on having the state pick up the tab.

The state estimates that ending reimbursements saves Sacramento \$96 million a year. The law is still on the books.

Whether the state has changed its mind about reimbursing for the modest cost of letting the public know in advance what is on the agenda is irrelevant.

Some California cities already have voted to declare they will abide by the Brown Act regardless of Sacramento's political whims. That's the right approach.

State Sen. Leland Yee, a San Francisco Democrat, has legislation — SCA 7 — that would

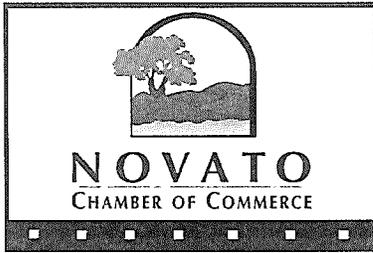
put a proposition on the ballot to write the open meeting law into the constitution.

His bill sailed through the Senate, but was put on ice last year by the Assembly budget committee. Yee is hoping to get the bill moving again before the end of the legislative session.

Restoring the reimbursements is written into Gov. Jerry Brown's sales tax measure on November's ballot.

But Yee's legislation would let voters clarify the law and have local governments' pick up their own tab rather than asking the state to pay for them doing the right thing.

Brad Breithaupt is the IJ's opinion page editor.



29TH ANNUAL JUNE 8-10, 2012

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Beverly James
Novato Sanitary District
500 Davidson Street
Novato, CA 94945

Dear Beverly,

I wanted to take a moment to thank you for your participation in the 2012 Festival of Art, Wine and Music. We were overwhelmed by positive responses from the public during and after the Festival. From the art to the music to the gourmet wines and beers, I do hope you had as much success and fun as I did!

As we look forward to the next year, be on the lookout for early sponsorship opportunities for the 2013 Festival, scheduled for June 8 & 9. As always, I welcome your feedback - I can be reached by phone at 415-897-1164 and by e-mail at coy@novatochamber.com.

Sincerely,


Coy Smith
CEO

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EDITORIAL

Agencies need
to make power
choice in public

MANY MARIN public agencies have been doing the right thing, discussing and then voting on whether to be customers of Marin Clean Energy or to "opt out" and stay with PG&E.

For some agencies, it is a costly decision. For others, the cost difference is nominal or modest.

The real value of these public discussions and votes is that they are giving taxpayers a say as to how their money should be spent. This is a decision ratepayers have to make for their own households and businesses. They also should have a say in the decision as to how their tax dollars are spent.

Some agencies contend that because creation of Marin Energy Authority automatically rolled them into the public power agency, there is no need for a decision, an open and public discussion, let alone a vote on the agency's choice.

We disagree.

For instance, the county government is one of the largest power users in Marin. While county staff determined that staying with MEA's Marin Clean Energy service saves money, taxpayers should be able to see the figures, the differences in cost and be part of a public discussion in making a choice.

Such discussions might help local ratepayers who are grappling with the same issue.

The state law that enabled the creation of MEA automatically switches PG&E customers to MEA's Marin Clean Energy. That was by design. Authors of the law knew that if power users had to decide to switch to the new public power agency, MEA might have trouble build-

ing a customer base large enough to be viable.

PG&E continues to deliver the electricity, bill customers and maintain and repair power lines. Marin Clean Energy ratepayers are paying for the electricity the agency secures. Increasing the flow of green power into the grid is MCE's primary goal. The law also gives local customers the option to "opt out" and remain customers of PG&E.

The Marin Municipal Water District board voted last month to not "opt out," after staff calculated staying with MCE would save the district \$17,000, roughly 2 percent on its annual power bill.

The Larkspur, Novato, Ross and Corte Madera city and town councils have taken up that choice during their public meetings. Larkspur, Ross and Corte Madera decided to stay with MCE for the electricity their city governments consume. The differences in cost were nominal, according to their staffs.

The Novato council opted out, deciding the city could save \$7,800 per year by sticking with PG&E.

Last week, the Novato Sanitary District, one of the largest power users in Marin, voted unanimously to "opt out" because staying with PG&E could save its ratepayers as much as \$28,000, part of those savings coming from energy-saving incentives offered by PG&E.

Board members said they would revisit that decision if Marin Clean Energy would provide a savings.

Every Marin agency should clearly detail the potential differences in costs and then make their decision in public.

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TOP STORY: ROSS VALLEY SANITARY DISTRICT

Sewer chief resigns

Questions about \$350K loan given
to Richards remain unanswered

By Richard Halstead

Marin Independent Journal

Brett Richards, who has
been a lightning rod in the
Ross Valley Sanitary Dis-

trict since taking the job as
general manager four years
ago, has resigned — leaving
unanswered questions re-
garding a \$350,000 loan the

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district gave him in 2010
to assist him with securing
housing.
The district's board was

informed of Richards' de-
parture during a closed ses-
sion Wednesday night that
followed a special meeting
to discuss the district's fi-
nancial predicament. The
district's business man-
ager, Wendy Martin-Miller,
See RICHARDS, page 2



Richards

OLYMPICS

Belvedere man is world's oldest gold medalist

SIERRA NEVADA

Body of

RICHARDS: Ross Valley sewer district manager resigns

From page 1

presented the board with a spreadsheet projecting the district's cash flow through June 2013.

"This shows us running out of money in October (2012)," said Martin-Miller, who has been serving as the district's interim manager.

Jolie Houston, the district's lawyer, said Richards gave no reason for his resignation. Under the terms of Richards' contract, the board was prohibited from firing him during the 90 days preceding any district board election and during the 180 days after a district board election — or during the 90-day period after any change in the district board's membership.

Richards was hired in 2008 at an annual salary of \$163,000 and received a more than 20 percent raise to \$197,000 in 2009. Under his contract because he resigned, Richards is not entitled to special severance pay or benefits, and he is required to return the \$350,000 loan within six months.

Richards stopped coming into the district's San Rafael office several weeks ago after questions about the \$350,000 loan were raised by Marin Independent Journal columnist Richard Spotswood in a story published on June 24. In the story, Spotswood wrote that a search of all California's county recorder databases unearthed no evidence that Richards owns real estate in California. Richards has so far supplied no information to demonstrate that the money was used as intended.

Richards' judgment was also recently questioned after he sent a rambling letter to a district board candidate prior to the June

5 election. The candidate, Mary Sylla, won election to the board and was sworn in earlier this month.

Under Richards' management, the district has come under fire for engaging in costly litigation, granting generous contracts to employees and for expanding hiring during an economic downturn. Contrary to information gathered and reported by the Independent Journal that district staffers failed to properly report a massive sewage spill that occurred on Dec. 17, 2010, Richards maintained that the spill was reported as required.

But when the state Regional Water Quality Control Board issued its report in April, it stated that district staffers failed to report the Dec. 17 spill in a timely fashion as required by law. To atone for a series of spills that occurred Dec. 17-22, 2010 that released more than 3 million gallons of sewage, the district agreed to pay a fine of more than \$1.5 million.

Several Marin public officials reacted positively to the news of Richards' resignation.

"It's great news that he's gone," said San Anselmo Councilman Tom McInerney. "Hopefully, they can get somebody into that job who is an effective manager, who can work with all the other agencies."

McInerney added, however, that questions remain about how Richards used the \$350,000 loan.

"Hopefully there is an investigation going on," McInerney said. "This can't be something that is brushed under the rug and handled as purely a personnel matter. There has to be answers about what happened to the money."

When asked his reaction, Steve Vanni, who

spent nine years on the board before choosing not to seek re-election in 2010, said, "I guess ecstatic would be an understatement." Vanni said now is an opportune time for the district's board to consider consolidating with other members of the Central Marin Sanitation Agency.

"Without Brett, maybe they can turn this thing around," Vanni said.

Larkspur Councilman Dan Hillmer said, "I trust the board of directors is regaining some control over management there. I'm sure the ratepayers will benefit from the change in leadership, especially any change that would lead to more cooperation."

Kathy Hartzell, a former member of the Larkspur Town Council, said, "I think the board should take this for what it is: a gift. They have been freed of having to figure out what to do with Richards."

Hartzell said the district should bring in an experienced manager who can evaluate the condition of the district's 200 miles of aging pipes and prioritize which projects need to be done first.

"Then the agency will be ready to go out and ask the public to support them with a bond," Hartzell said. "But not until they have their act together and show they know where they're going."

During the public portion of Wednesday night's meeting, Martin-Miller presented the district board with a list of nine repair projects totaling \$6.2 million that Richards cancelled after the board rejected his recommendation in June to approve as much as \$70 million in revenue bonds. Since January, Richards has requested the board's

approval to make more than 50 separate repairs to district pipes, which he said were urgent and could not wait.

But on Wednesday night, Martin-Miller said she had only recently learned of a much more urgent project: several large pumps in Kentfield and Greenbrae need to be removed, rebuilt and replaced before the end of October. It is estimated the process will take six months. Martin-Miller said the failure of the pumps during a winter storm would place the district at risk of experiencing a "significant sanitary sewer overflow." The work is estimated to cost \$240,000.

Egger said, "We probably should have been doing this a couple of months ago."

The spreadsheet that Martin-Miller presented the board with shows that the district's revenues will fall \$752,355 short of covering its expenses in October and that by the end of November that deficit will have grown to \$1.4 million. The cash flow dilemma has resulted because the district collects revenue only periodically via the county's property tax bills and because the district lacks an adequate reserve fund.

The Central Marin Sanitation Agency, which treats the Ross Valley Sanitary District's sewage, may help the district avert the crisis. Jason Dow, the Central Marin Sanitation Agency's general manager, has indicated he may allow the Ross Valley district to delay making nearly \$4 million in payments to Central Marin that are due by October.

Contact Richard Halstead via e-mail at rhalstead@marinij.com