

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: March 09, 2015

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, March 9, 2015, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jean Mariani, Directors Brant Miller and Jerry Peters. Director William Long arrived at 6:35 p.m. Director Gary Butler was absent (excused).

STAFF PRESENT: Manager-Engineer-Secretary Sandeep Karkal, and Administrative Secretary Julie Swoboda.

ALSO PRESENT: Steve Krautheim, Field Services Manager, Novato Sanitary District
Laura Creamer, Finance Officer, Novato Sanitary District
John Bailey, Project Manager, Veolia
Brian Exberger, Assistant Project Manager, Veolia
Liz Falejczyk, Environmental Services Supervisor, Veolia

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None

REVIEW OF MINUTES:

Consider approval of minutes of the February 9, 2015 meeting.

On motion of Director Peters, seconded by President Mariani, and carried unanimously by the following Directors, the February 9, 2015 Board meeting minutes were approved. Ayes: Peters, Mariani, Miller. Absent: Long.

CONSENT CALENDAR:

The Manager-Engineer stated that Director Long phoned him prior to the meeting and requested that item 5.d. "*Receive Memorandum on Internal Controls and Required Communications for Year Ended June 30, 2014*" be removed from the Consent Calendar and reviewed when Director Long would be present.

President Mariani called for a motion on the Consent Calendar items as follows:

- a. Approval of Board member disbursements in the amount of \$741.34, regular disbursements in the amount of \$220,102.85, capital project disbursements in the amount of \$228,133.25. Ratification of February 23rd regular

- disbursements in the amount of \$349,824.23 and capital project disbursements in the amount of \$166,164.32.
- b. Ratification of February payroll and payroll-related disbursements in the amount of \$195,173.98.
 - c. Approval of Regular Board meeting schedule as follows: March 23rd, April 13th, May 11th, Tuesday, May 26th (Monday, May 25th is Memorial Day), June 8th, and June 22nd. Meeting of April 27th cancelled due to CASA Sacramento Legislative & Public Policy Forum.
 - e. Approved application from AU Energy, LLC, and authorized Manager-Engineer to issue a one-time, temporary, Class I Non-Domestic Discharge permit for discharge of excavation water from removal of underground fuel tanks at former Novato Shell Station, 1390 South Novato Boulevard.

On approval of Director Peters, seconded by Director Miller and carried unanimously with the following vote, the above listed Consent Calendar items were approved. Ayes: Peters, Mariani, Miller. Absent: Long.

WASTEWATER OPERATIONS:

- Receive Wastewater Operations Committee Report. The Manager-Engineer stated that the Wastewater Operations Committee met on March 2, 2015 at 2:00 p.m. at the District office. John Bailey, Veolia Plant Manager, provided an overview of the Monthly Operations Report for January 2015 as presented to the Wastewater Operations Committee. He stated that the monthly average flow for January was 4.38 MGD (million gallons per day) and that water quality performance was excellent. He stated that the Recycled Water Facility produced 0.28 MG (million gallons) in January. He outlined the monthly safety and training activities and stated that in January there was one odor complaint and one noise complaint.

The Veolia Plant Manager introduced Liz Falejczyk, Environmental Services Supervisor, Veolia, and noted that she would be attending the meetings periodically to provide lab updates.

Ms. Falejczyk left the meeting at 6:12 p.m.

The Manager-Engineer provided a summary of the odor control and landscaping report. He noted that the District Board of Directors conducted a detailed tour of the entire wastewater treatment plant at their regular Board meeting of January 26, 2015. He stated that the tour emphasized the odor control and management systems.

The Manager-Engineer stated that the media in the large odor control bed between primary clarifiers #1 and #2 was topped off in November and that it appeared to be performing very well. He also noted that in January, operations staff continued to work on optimizing air flow inputs to operating range(s) where odor causing compounds can be oxidized. The Manager-Engineer stated that also in January the District received three bids for replanting the redwood trees in planter boxes along the east fence line of

the plant. The low bid of these three bids was accepted, and the work was completed with the trees being planted in February.

Field Services Manager Steve Krautheim provided a summary of the Collection System Operations Report, and reviewed the department's performance for January 2015. He noted that staff cleaned a total of 78,863 ft. of sewer lines and televised a total of 10,376 ft. He stated that as of January 31st, District staff and the Collections Department have worked a total of 1,418 accident-free days. He stated that there was one sanitary sewer overflow in January at 5 Pivato Ct. He noted that the total estimated discharge was 126 gallons and that the probable cause was the result of root intrusion and debris in the line segment just below the discharge point.

The Field Services Manager provided a summary of the Reclamation Facilities report. He stated that the Rancher applied weed suppressant around sprinkler heads on some parcels in the Reclamation area. He noted that the contractor for the Drainage Pump Station Improvement Project began on site work in January. He stated that there was no sludge handling activity in January.

CAPITAL PROJECTS:

- Pump Station Improvement Project, Account No. 72403 – Unit 5, Digital Drive Pump Station and Los Robles Pump Station, Project No. 72403-05: Grant Final Acceptance of the Project and authorize staff to file the Notice of Completion. The Manager-Engineer gave an overview of the project and stated that substantial completion was granted on September 24, 2014. He requested the Board authorize staff to file the Notice of Completion.

On motion of Director Peters, seconded by Director Miller, and carried unanimously by those Directors present, the Board granted Final Acceptance of the Pump Station Improvement Project, Digital Drive Pump Station and Los Robles Pump Station, Project No. 72403-05 and authorized staff to file the Notice of Completion. Ayes: Peters, Mariani, Miller. Absent: Long.

- Maintenance Building, Account No. 73003 - Phase 1, Site Demolition, Project No. 73003-01: Approve plans and specifications, and authorize Manager-Engineer to advertise for bids. The Manager-Engineer noted that the District has been constructing the Wastewater Treatment Facility Improvements in phases over the past several years. He stated that RMC Water & Environment has completed the plans and specifications for the next phase of these improvements and the work is ready for bid. He noted that the Engineer's Estimate for the work is \$400,000. He stated that bids are expected to be received on April 7, 2015 and will be presented to the Board at a subsequent meeting.

On motion of Director Peters, seconded by Director Long and carried unanimously by those Directors present, the Board approved the plans and specifications for the Administration Building Upgrade/Maintenance Building, Phase 1, Site Demolition, Project No. 73003-01 and authorized the Manager-Engineer to advertise for bids. Ayes: Peters, Mariani, Miller, Long.

CONSENT CALENDAR:

President Mariani noted that Director Long had joined the Board meeting during discussion of the previous agenda item. She stated that the Board would now consider Consent Calendar Item 5.d.: *“Receive Memorandum on Internal Controls and Required Communications for Year Ended June 30, 2014”, prepared by the District’s independent outside auditor, Maze and Associates.*

The Manager-Engineer noted that at the December 16, 2014 Finance Committee meeting and at the January 12, 2015 Board meeting, auditor Ms. Vikki Rodriguez of Maze and Associates had reviewed the District’s financial documents, and discussed the “Memorandum on Internal Controls and Required Communications (Memorandum)” that she was in the process of preparing at the time. He stated that Ms. Rodriguez had now completed and transmitted the Memorandum to the District. The Manager-Engineer noted that a copy was included in the agenda package, and separately, bound hard copies were also available. Upon request by the Board members present, a bound hard copy of the Memorandum was provided to each Board member by Finance Officer Laura Creamer. The Manager-Engineer further noted that the Memorandum captured the items of information that Ms. Rodriguez had discussed during her two presentations.

Director Long noted the discussion on OPEB (Other Post-Employment Benefits) liability in the Memorandum, and stated his interest in a long term strategy to address the obligation. Discussion followed.

President Mariani suggested that the question of OPEB liability receive further consideration in a Finance Committee meeting, with any recommendations being brought before the Board of Directors for discussion.

On motion of Director Peters, seconded by Director Long and carried unanimously by those Directors present, the Board moved to accept the Memorandum on Internal Controls and Required Communications as provided by Maze and Associates. Ayes: Peters, Mariani, Miller, Long.

Finance Officer Laura Creamer left the meeting at 6:55 p.m.

BOARD OF DIRECTORS:

- Receive California Special District Association (CSDA) call for nominations – Board of Directors Bay Area Network, Seat A – “at large” seat, and provide direction. The Manager-Engineer stated that CSDA is conducting a call for nominations for an elected (“at large”) seat. The Directors received the report.

- Receive Local Agency Formation Commission (LAFCO) materials for Election for Alternate Special District Member, and provide direction. The Manager-Engineer and the Board discussed the candidates. The Board directed staff to complete and file the ballot form as follows:

- First choice: Jack Baker – North Marin Water District
- Second choice: Ron Kosciusko – Richardson Bay Sanitary District
- Third choice: Lew Kious – Almonte Sanitary District

STAFF REPORTS:

- California Association of Sanitation Agencies (CASA) Washington DC Conference.

The Manager-Engineer discussed his attendance at the annual CASA Washington DC Conference held from February 23rd – 25th. He noted that the Conference was, as always, consistent with CASA's high standards for such events. He then provided a brief summary of the key themes presented and discussed at the Conference: Infrastructure Financing, Regulatory Reform, Citizen Suit Reform, and Drought and Climate Resiliency.

At 7:05 p.m., President Mariani stated that the Board would take a short break.

The Board meeting was reconvened at 7:13 p.m.

The Manager-Engineer completed his discussion of the CASA conference.

- North Bay Water Reuse Authority (NBWRA) Capitol Day in Sacramento. The Manager-Engineer discussed his attendance at the NBWRA Capitol Day in Sacramento on March 4, 2015.

BOARD MEMBER REPORTS AND REQUESTS:

- Annual City Manager's State of the City Event. President Mariani and Director Peters discussed their attendance at Michael Frank's State of the City Address which was held on February 24, 2015 from 8:00 a.m. to 9:30 a.m. at Novato City Hall.

- North Bay Water Reuse Authority (NBWRA) Capitol Day in Sacramento. Director Long discussed his attendance at the NBWRA Capitol Day in Sacramento which took place on March 4, 2015. He noted particularly that there was extensive discussion on funding for future recycled water projects.

- North Bay Watershed Association (NBWA) meeting. Director Miller discussed his attendance at the NBWA meeting which took place at the District office on Friday, March 6, 2015.

At 7:44 p.m., President Mariani stated that the Board would take a short break.

The Board meeting was reconvened at 7:46 p.m.

Director Miller completed his discussion of the NBWA meeting.

President Mariani then asked if there were any further reports or requests from the Board members present. There being none, she moved onto the next item.

MANAGER'S ANNOUNCEMENTS:

Mr. Dave McEwen of Brown and Caldwell has now been scheduled to make a presentation at the May 11th Regular Board meeting and provide an update on his odor study. The Manager-Engineer noted that this presentation has had to be rescheduled several times due to various schedule conflicts of Mr. McEwen as well as Board members.

- The CWEA Redwood Empire Section Dinner Meeting event will take place on Wednesday, March 19th and be preceded by a tour of the Novato Sanitary District's Recycled Water Facility.

- The CASA Public Policy Forum is being held in Sacramento on April 27th and 28th. Directors are invited to attend.

- The next Regular Board meeting will be held on Monday, March 23rd at 6:00 p.m. at the District office.

- The Wastewater Operations Committee meeting will be held on Monday, March 16th at 2:00 p.m. at the District office.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 8:02 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Swoboda, Recording