

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: April 8, 2019

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 5:31 p.m., Monday, April 8, 2019, at the District offices, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Carole Dillon-Knutson. Directors Jean Mariani, Brant Miller and Jerry Peters. Director William C. Long was absent (excused).

STAFF PRESENT: General Manager-Secretary Sandeep Karkal, District Counsel Robin Donoghue, and Administrative Secretary Julie Hoover.

ALSO PRESENT:

Jeff Boheim, Field Services Manager, Novato Sanitary District
Jeff Andress, Collection System Superintendent, Novato Sanitary District
Dale Thrasher, Administrative Services Officer, Novato Sanitary District
Erik Brown, Deputy General Manager, Novato Sanitary District
John O'Hare, Project Manager, Veolia
Karin Mac Donald, Principal Consultant, Q2 Data and Research, LLC
Rene Rosario, Translator from Ubiquis, arrived at 5:55 p.m. and left at 6:30 p.m.

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as presented. The General Manager stated that Director Long was absent due to illness.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

- Consider approval of minutes of the March 18, 2019 special meeting.

- Consider approval of minutes of the April 1, 2019 special meeting.

On motion of Director Miller, seconded by Director Peters, and carried unanimously by those Directors present, the March 18th and April 1st, 2019 Board meeting minutes were approved.

CONSENT CALENDAR:

President Dillon-Knutson called for a motion on the Consent Calendar items as follows:

- a. Approval of Board member disbursements in the amount of \$1,237.15, operating check disbursements in the amount of \$277,324.17, and capital project disbursements in the amount of \$8,422.06. Ratify March 25th disbursements as follows: operating check disbursements in the amount of \$241,612.81, and capital project disbursements in the amount of \$209,187.66.

- b. Ratify March 2019 payroll and payroll-related disbursements in the amount of \$270,550.95.
- c. Receive Deposit Summary, March 2019.
- d. Receive Accounts Receivable (A/R) Summary Report as of March 31, 2019.
- e. Receive copy of 2018 National Association of Clean Water Agencies (NACWA) Peak Performance Award Application as submitted to NACWA (information only).
- f. Approve the General Manager-Chief Engineer to attend the National Association of Clean Water Agencies Utility Leadership Conference and Awards Ceremony in Minneapolis, MN, July 16 – 19, 2019.

On motion of Director Miller, seconded by Director Peters, and carried unanimously by those Directors present, the above listed Consent Calendar items were approved.

PUBLIC HEARING PURSUANT TO CALIFORNIA ELECTIONS CODE 10010 – DISTRICT BOUNDARIES:

- Open public hearing. At 5:34 p.m., President Dillon-Knutson opened the public hearing.

- Receive “Proposed Timeline for Consideration and Implementation of District-Based Elections”, and report(s) from District Counsel, staff, and consultants. The General Manager stated that he would defer this matter to District Counsel Robin Donoghue.

District Counsel stated that the meeting was the first public hearing under the CA Voting Rights Act. She stated that the purpose of the hearing was to obtain information on Communities of Interest (COI) within the District. She asked if there was anyone in attendance who would request the meeting discussion be translated into Spanish. No one present indicated the necessity for a translator, and she stated that if members of the public arrived at a later time, she would address the issue again. She stated that the meeting would proceed.

District Counsel stated that at the Special Board meeting on April 1, 2019, the District began a discussion of the process to transition to a ‘by-district’ Board member election process. She stated that a process was laid out that needs to be followed under the law, and that the current meeting was the first step. She stated that the proposed timeline was before the Board, and she requested the Board approve the proposed schedule.

District Counsel stated that Karin MacDonald, Consultant with Q2 Data and Research, was in attendance to provide a presentation outlining the process of discerning and mapping the District’s zones. She identified Ms. MacDonald as a demographic consultant, very experienced in the CA Voting Rights Act, the Federal Voting Rights Act, and had provided services for a number of public entities. She stated that Ms. MacDonald would detail the process of mapping and describing the requirements to determine legally viable zone areas within the District.

Ms. MacDonald began her PowerPoint presentation and discussed ‘at-large’ versus ‘by-district’ elections. She discussed the five districting criteria used to create zones: 1) equal

population; 2) compliance with Federal Voting Rights Act (FVRA); 3) contiguity; 4) compactness; and 5) respect for Communities of Interest.

At 5:59 p.m., District Counsel stated that the translator had arrived, and asked if anyone present would like to have Spanish translation services. No one requested translation services.

Ms. MacDonald proceeded with an overview of the districting process, stating that the key factors to facilitate success were outreach, collaboration, and participation between the District, Board members, and Novato residents. A timeline of District events was presented, listing Public Hearing dates on April 8 and 15, May 6 and 28, and June 10, 2019. She continued, stating that the first draft map with composition of district election zones would be published on April 29th, and at the final Public Hearing on June 10, the Board would adopt an ordinance establishing by-district elections based on the final district election map.

- Receive Public comments. None

- Receive Board comments. Director Mariani stated that it would be beneficial for the District to see how the Novato City Council and the Novato Unified School District establish election zones, noting that this information may assist the District moving forward with our own zoning process. The General Manager stated that he and District Counsel have discussed this, and that District Counsel has been monitoring similar proceedings in the community. Discussion continued regarding the zone-drawing process and establishing zone boundaries. District Counsel stated that a popular method to receive public feedback was to post the draft map on the District website, and announce on social media sights such as Novato Patch and Facebook that boundary mapping comments are needed.

- Close public hearing. At 6:30 p.m., President Dillon-Knutson closed the public hearing.

Rene Rosario, Translator from Ubiquis, left the meeting.

President Dillon-Knutson announced that upon close of the Public Hearing, the Board would take the following actions:

- Adopt the "Proposed Timeline for Consideration and Implementation of District-Based Elections", and

On motion of Director Peters, seconded by Director Miller, and carried unanimously by those Directors present, the Board approved the Notice of Public Hearings for the Novato Sanitary District: Proposed Timeline for Consideration and Implementation of District-Based Elections.

- Provide further direction to District Counsel, staff, and consultants, if any. None.

Q2 Data and Research Consultant Karin Mac Donald left the meeting at 6:32 p.m.

PUBLIC HEARING PURSUANT TO SECTION 6514.1 OF THE CALIFORNIA HEALTH AND SAFETY CODE – LEASE AGREEMENT FOR PASTURES (COLLECTIVELY “RANCH”) AT RECLAMATION FACILITY.

- Open public hearing. President Dillon-Knutson opened the public hearing at 6:33 p.m.

- Review staff summary report and recommendations. Deputy General Manager Erik Brown stated that the District currently leases a total of approximately 790 acres of irrigated pasture to a single rancher who has leased the property for the past 10 years. He stated that the current lease expired March 31, 2019, and that the rancher has indicated he is not interested in continuing to lease the property. He stated that the District would enter into a new lease agreement with a new lessee, and was therefore holding a Public Hearing to afford all persons interested an opportunity to be heard with respect to the proposed lease. The Deputy General Manager stated that staff has prepared a draft lease agreement for the property, and that with board approval, will authorize staff to negotiate a new Ranch lease agreement for a duration of up to then (10) years.

The Board discussed details of the lease agreement with District Counsel and staff.

- Receive Public comments. None

- Receive Board comments. None

- Close public hearing. President Dillon-Knutson closed the public hearing at 6:42 p.m.

President Dillon-Knutson announced that upon close of the Public Hearing, the Board would take the following actions:

- Make findings that:

- i. The term of the lease will not exceed ten (10) years,
- ii. The property use will be for District compatible uses, and
- iii. The property use will serve the public interest.

- Authorize staff to negotiate a new Reclamation Pastures (“Ranch”) lease agreement with a duration of up to ten (10) years.

On motion of Director Peters, seconded by Director Mariani, and carried unanimously by those Directors present, the Board took the following actions:

(a) Determined that:

- (i) the term of the lease will not exceed ten (10) years;*
- (ii) the property use will be for District compatible uses; and that*
- (iii) the property use will serve the public interest,*

(b) Authorized staff to negotiate a new Reclamation Pastures (“Ranch”) lease agreement with a duration of up to ten (10) years.

At 6:47 p.m., President Dillon-Knutson declared a short recess.

District Counsel Robin Donoghue left the meeting.

At 6:58 p.m., President Dillon-Knutson resumed the meeting.

WASTEWATER OPERATIONS:

- Receive and accept Wastewater Treatment Facilities Calendar Year (CY) 2018 Annual Operations and Maintenance Report, subject to minor edits. The General Manager stated that Veolia annually prepares a report outlining the operations and maintenance for the Novato Sanitary District, and he stated that Project Manager John O'Hare would present the draft report.

Before beginning his presentation, Veolia Project Manager John O'Hare requested that agenda item 8.c. (Treatment Facilities monthly report) be moved to immediately follow his Annual Report presentation. President Dillon-Knutson stated no objection.

The Project Manager stated that the continued priorities for 2018 were to meet the goals of zero lost time incidents and no treatment plant effluent violations, and that he was happy to report that both goals were met. He continued, reviewing the treatment plant performance, and noting that the percentage of BOD (biochemical oxygen demand) and TSS (total suspended solids) for 2018 were at 98%, which was an improvement over the previous year. He reviewed the Environmental Service Program activities for 2018, reviewing wildlife pond and reclamation activities, the NPDES and WDR Permit Monitoring Program, and Public Education activities. He stated that the U.S. EPA MDR-QA 38 Proficiency Testing Study was conducted in 2018 and that 100% acceptable results were achieved. He continued his report, reviewing the Asset Management Program and outlining the equipment maintenance activities funded by the District and those funded by Veolia. He concluded his report with an overview of Veolia's Safety and Training program, and stated that Veolia Water employees were recognized for the achievement eight (8) years with no loss time incidents as a team.

Director Miller stated that he continues to be impressed with the reports, and with Veolia's commitment to the District's operation. Director Peters stated that he appreciated the level of reporting and the level of detail contained in the report. President Dillon-Knutson and Director Mariani stated that they appreciate the level of detail in the report.

- Treatment Facilities monthly Operations Report, March 2019: Veolia Project Manager John O'Hare provided the March 2019 Treatment Facilities Monthly Operations Report (MOR). He reviewed the treatment plant performance, stating that the average flow for March was 8.33 MGD (million gallons per day), with a maximum flow of 14.11 MGD. He continued, stating that there were no discharge violations in the month, and that the Recycled Water Facility (RWF) produced 0.278 million gallons of recycled water.

The Project Manager summarized environmental services activities for March, noting that the acute and chronic toxicity testing results were both very good. He reviewed the monthly routine inspections, maintenance activities, and key events for the Novato treatment facility, the Ignacio transfer pump station, and the recycled water facility. He discussed pretreatment and pollution prevention activities, and concluded his report, stating that no odor contacts were received in March.

- Approve a consulting services agreement with Woodard & Curran, Inc. in an amount up to \$107,385 for 2020 NPDES Permit renewal assistance, and authorize the General Manager-Chief Engineer to execute it. The General Manager stated that the District's National Pollutant Discharge Elimination System (NPDES) discharge permit renewal application is due to the San Francisco Bay Regional Water Quality Control Board on December 2, 2019. He stated that the permit renewal process is a complex regulatory process that requires the assistance of an experienced consultant who routinely provides NPDES permitting services. He stated that the District has worked with Woodard and Curran (formerly RMC Water Environment), for many years with W&C/RMC assisting the District with its prior NPDES permit negotiations including the 2015 NPDES permit renewal. He recommended that the Board approve a Consulting Services Agreement with Woodard & Curran, Inc. in an amount up to \$107,385 for 2020 NPDES Permit renewal assistance.

On motion of Director Mariani, seconded by Director Peters, and carried unanimously by those Directors present, the Board approved a Consulting Services Agreement with Woodard & Curran, Inc. in an amount of \$107,385 for 2020 NPDES Permit renewal assistance, and authorized the General Manager-Chief Engineer to execute the agreement.

- Receive Wastewater Operations Report, March 2019.

Collection System Report: Collection System Superintendent Jeff Andress provided the Collection System Report for March 2019. He stated that the Collection Department cleaned 83,906 lineal feet of sewer pipelines, and that 11,678 feet of sewer main were televised. He noted that CCTV (closed circuit TV) work did not identify any areas that required follow-up maintenance. He stated that staff completed 451 maintenance work orders, leaving zero (0) work orders outstanding. Furthermore, he noted that staff conducted 153 lift station inspections and completed maintenance inspections on seven (7) air relief/vacuum valves.

The Collection System Superintendent then outlined the training provided in March, noting that the Collection Department staff attended four (4) safety tailgate meetings, and participated in five (5) specialized training events. He stated that there were no lost time accidents in the month. He concluded his presentation, stating that there were no sanitary sewer overflows in March.

Reclamation Facilities Report: Field Services Manager Jeff Boheim summarized the Reclamation Facilities report for March. He stated that all plant effluent was discharged to the bay, as per the NPDES permit. He stated that the flood waters at Site 3 were pumped down through the first weeks of March, and that this restored vehicular access to Drainage Pump Station 3. He stated that Marin Sonoma Mosquito and Vector Control sprayed various flooded areas of reclamation land. He concluded his report, stating that there were no irrigation activities and no biosolids handling or disposal performed in March.

CAPITAL PROJECTS:

- Collection System Improvements, Account No. 72706: Golden Gate-Rush Creek Sewer Phase I; Grant Final Acceptance of the Project, and authorize staff to file the Notice of Completion (NOC). The General Manager stated that the contract for the Golden Gate

Rush Creek Sewer Phase I Project was awarded to Maggiora & Ghilotti, Inc. (M&G) on November 14, 2018, for a low bid amount of \$146,810. He stated that the project began on November 19, 2018 and was substantially complete on January 24, 2019. The General Manager stated that the final cost of the project is \$210,114.04 or \$63,304.04 over the bid amount as a result of five (5) total contract change orders over the course of the project. He stated that the project encountered multiple challenges (poor soil conditions, conflicting utilities, thicker than anticipated replacement asphalt, etc.), as reported in previous capital project updates to the Board. He requested that the Board grant final acceptance of the project and 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 Golden Gate-Rush Creek Sewer Phase I Project, and authorized staff to file the Notice of Completion.

- Receive Capital Projects Update, March 2019. The Deputy General Manager provided an update of the Capital Projects. He discussed the four ongoing Collection System Improvements projects, noting that the Redwood Blvd. sewer rehabilitation project is at 100% design and expected to begin in Spring of this year. He stated that the Bel Marin Keys Blvd. sewer rehabilitation project was awarded to Michels Pipeline Construction on March 18th, and is expected to be substantially complete in August. He continued, noting that a draft report of the Collection System Master Plan (CSMP), prepared by Wood and Curran, was received on January 30th, and that the report is undergoing staff review.

The Deputy General Manager stated that the Administration Building Upgrades/Maintenance Building project is progressing, with the delivery of three modular buildings, which will provide a new temporary maintenance building. He stated that occupancy is expected for late Spring/early Summer of 2019. He concluded his report, stating that two replacement vehicles (both Ford F250 4x4's), and a 45kW towable generator have been received. He stated that a Nissan Frontier 4x4 should be delivered later this month.

ANNUAL BUDGET:

- Set the date of June 10, 2019 for public hearing on individual sewer service charges, and adoption of a resolution confirming report on sewer service charges and collection on county tax rolls. The General Manager stated that each year the District must hold a public hearing in order to determine individual rates and collect the sewer service charges on the tax rolls. He stated that at its meeting of June 13, 2016, the Board adopted Ordinance No. 120, establishing sewer service charges for fiscal years 2016-17, 2017-18, 2018-19, 2019-20, and 2020-21. He stated that at this time it was necessary to determine the individual customer rates for fiscal year 2019-20 prior to the proposed June 10, 2019 public hearing. He stated that the public hearing will be 'noticed' twice in the Marin IJ, and that following the public hearing, the Board will consider adoption of a resolution to collect the sewer service charges on the county tax rolls.

On motion of Director Mariani, seconded by Director Peters, and carried unanimously by those Directors present, the Board set the date of June 10, 2019 for a public hearing on

individual sewer service charges, and adoption of a resolution confirming report on sewer service charges and collection on county tax rolls.

- Receive Schedule of Committee meetings to review Annual Solid Waste, Operating, and Capital Improvements Program (CIP) Budgets. The General Manager stated that the Board traditionally reviews each of the Solid Waste, Operating, and Capital Improvement Program budgets by Committee. He requested the Board receive the following schedule for the individual Committees, noting that all meetings will be held at 3:00 p.m.

- Solid Waste Committee: Monday, May 20th. Directors Mariani and Peters
- Wastewater Operations Committee: Tuesday, May 28th. Directors Dillon-Knutson and Miller
- Capital Improvements Committee: Monday, June 3rd. Directors Long and Dillon-Knutson

- Workshop overview of anticipated FY 19-20 Preliminary Annual Operating and CIP budgets and budget elements. The General Manager gave a Powerpoint presentation titled "Budget Workshop FY 19-20". He provided a summary of the potential or anticipated scope of work for projects and project work included within the various Accounts of the Capital Improvements Program (CIP) budget for fiscal years 2019-2021. He provided a summary of revenues and expenditures for FY 18-19 to date through 2/28/2019. During his presentation, he discussed the Collection System Master Plan (CSMP), and stated that the Draft CSMP had identified a group of projects that the District will need to undertake in the coming years. The General Manager stated that after the District receives the final CSMP, the potential next step would be to prepare a strategic implementation document to address the recommended projects through Collection System – Capital Improvements Strategic Plan (CISP). He stated that this document would prioritize the projects for completion, based on the Districts objectives of safety, environmental responsiveness, and financial responsibility.

The General Manager continued his presentation, discussing the Cogeneration/Alternative Energy Project, as well as Collection System and Treatment Facility project highlights.

BOARD OF DIRECTORS:

- Subsequent to direction provided by the Board at its meeting of March 18, 2019, approve a five percent (+5%) merit adjustment effective January 1, 2019, to the General Manager-Chief Engineer's base salary, thereby increasing the salary from \$20,121/month to \$21,127/month. President Dillon-Knutson read the requested action.

On motion of Director Mariani, seconded by Director Peters, and carried unanimously by those Directors present, the Board approved a five percent (+5%) merit adjustment increase effective January 1, 2019, to the General Manager-Chief Engineer's base salary, thereby increasing the salary from \$20,121/month to \$21,127/month.

BOARD MEMBER REPORTS AND REQUESTS:

- North Bay Watershed Association (NBWA) meeting, April 5, 2019. Director Mariani reported on her attendance at the April 5th NBWA meeting at North Marin Water District,

and stated that two speakers discussed the results and lessons of the February floods. She stated that the NBWA Strategic Plan was distributed and was placed on their website.

INFORMATIONAL ITEMS: The General Manager stated that the following articles were for informational purposes:

-New York Times article, March 17, 2019: "As Costs Skyrocket, More U.S. Cities Stop Recycling".

- Marin Independent Journal article, March 30, 2019: "Marin supervisors approve 8.9 percent hike in garbage rates".

- Marin Independent Journal article, March 31, 2019: "Mill Valley Refuse seeks vote on double-bin recycling".

- Marin Independent Journal article, March 31, 2019: "Novato creates trust fund to ease pension jam".

GENERAL MANAGER'S REPORT AND ANNOUNCEMENTS:

- The next Special Board meeting will be held on Monday, April 15th at 5:30 p.m. and will be the Second Public Hearing to discuss District boundaries and the implementation of District-based elections.

ADJOURNMENT: There being no further business to come before the Board, President Dillon-Knutson adjourned the meeting at 8:07 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Hoover, Recording