

June 24, 2013

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, June 24, 2013, preceded by a closed session beginning at 5:30 p.m. at the District offices, 500 Davidson Street, Novato.

At 5:32 p.m. President Di Giorgio announced the Board would meet in closed session to discuss the following matters on the Closed Session Agenda:

CLOSED SESSION CONFERENCE WITH LABOR NEGOTIATORS:

- District designated representatives: Beverly James, Sandeep Karkal
Employee organization: International Brotherhood of Teamsters Local 315.
- District designated representative: Beverly James
Unrepresented employees: Deputy Manager-Engineer, Finance Officer, Field Services Superintendent, Collection System Superintendent, Senior Engineer, Environmental Services Supervisor, Administrative Secretary.

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

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James and Deputy-Manager Engineer Sandeep Karkal.

The closed Session ended at 6:16 p.m. with no reportable action.
Open session began at 6:22 p.m.

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

STAFF PRESENT: Manager-Engineer-Secretary Beverly James, Deputy Manager-Engineer Sandeep Karkal, Finance Officer Laura Creamer, and Administrative Secretary Julie Swoboda.

ALSO PRESENT: Dee Johnson, Household Hazardous Waste Manager
John Bailey, Project Manager, Veolia Water
Dasse de longh, Novato resident, NSD employee

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

- Consider approval of minutes of the June 10, 2013 Board meeting.

Member Welsh requested a change be made to the minutes to clarify his comments regarding the contract with Dukes's Root Control as noted in the Consent Calendar. The minutes were changed as follows: "*In respect to item (a), he **requested additional information regarding the contract with Duke's Root Control.***"

On motion of Member Peters, seconded by Member Long and carried unanimously, the June 10th Board meeting minutes were approved as amended.

CONSENT CALENDAR:

Member Welsh requested more information regarding the disbursement to Stiles Construction. The Manager stated that the disbursement was to cover costs for the medium replacement in the odor control beds. Member Welsh discussed the provisions of the contract with Veolia Water and questioned whether Veolia Water should be financially responsible for the cost of the medium replacement.

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

- a. Granted Final Acceptance of the Pump Station Improvement Project-Unit 4, Project No. 72403-04 and authorized staff to file the Notice of Completion.
- b. Authorized an expenditure of \$153,098.63 for the purchase of a Continuous Mechanical Rodding Unit from Municipal Maintenance Equipment.
- c. Approved Board meeting dates of July 8th, August 12th and 26th and canceled the meeting of July 22nd.
- d. Approved regular disbursements in the amount of \$308,257.78, capital project disbursements in the amount of \$14,273.96, and payroll and payroll-related disbursements in the amount of \$238,279.49.

WASTEWATER OPERATIONS:

- Wastewater Operations Committee Report. The Deputy Manager-Engineer introduced John Bailey, Project Manager, Veolia Water. Mr. Bailey gave an overview of the Committee report for May 2013 and stated that water quality performance was excellent with all parameters well within effluent standards. The Deputy Manager-Engineer reviewed the Collection Systems and the Reclamation Systems reports. He summarized the monthly and year-to-date Collections department performance and outlined the work performed for the month. He also gave an overview of the activities at the District's reclamation facility.

Member Long suggested the reports include the water quality parameters for the recycled water.

- Treatment Plant odor control, noise, and landscaping report. The Manager outlined the activities that took place in May and June to address neighborhood concerns regarding odor control, noise and landscaping.

SOLID WASTE:

- Joint City/District Solid Waste Committee report. The Manager introduced Dee Johnson, Household Hazardous Waste Coordinator. Ms. Johnson gave an overview of the Solid Waste Committee meeting which was held at the District on May 21st. She discussed outreach events and the steps being taken to encourage recycling at multi-family and commercial facilities to ensure that zero waste goals are met. She discussed food waste and how the recycling of commercial food waste is moving forward. She reviewed the calendar/timetable in which zero waste programs are to be implemented in compliance with the franchise agreement.

Ms. Johnson discussed the E-Waste Collection event that was held from April 27th through April 29th. She stated that 728 Novato residents participated in the event and that 39,963 pounds of electronic waste were collected.

- Consider approval of contract with DLJ Associates to provide Household Hazardous Waste and AB939 services for 2013-14. The Manager stated that Dee Johnson manages the following programs on behalf of the District: Household Hazardous Waste, AB 939 services, Zero Waste outreach and AB 341 solid waste requirements. She noted that Ms. Johnson's contract proposal for 2013/14 was provided and recommended the Board approve the consulting services contract in an amount not-to-exceed of \$120,000.

On motion of Member Long, seconded by Member Mariani and carried unanimously, the Board approved the contract with DLJ Associates in an amount not-to-exceed \$120,000 to provide Household Hazardous Waste and AB939 services for 2013-14.

At 7:23 p.m., President Di Giorgio called a 10 minute recess.

At 7:30 p.m. President Di Giorgio reconvened the meeting.

FINANCIAL:

- Consider approval of the Preliminary Budget for fiscal years 2013/14 and 2014/15. The Manager stated that the budget being presented contained only minor changes from the previous Preliminary Budget presented at the prior Board meeting. She reviewed the budget and noted that the District's sewer service charge rates are competitive in comparison to other Districts.

On motion of Member Peters, seconded by Member Mariani and carried unanimously, the Board approved the Preliminary budget for fiscal years 2013/14 and 2014/15.

PERSONNEL:

- Consider approval of salaries for management and confidential personnel effective July 1, 2013. The Manager stated that the District is in negotiations with the represented employees for compensation adjustments and anticipates that the Memorandum of Understanding (MOU), once negotiated, to go into effect retroactively to July 1, 2013. She stated that it is customary for the represented and the non-represented group to share the same CPI increase but that the non-represented group (management and confidential personnel) cannot be given retroactive pay increases. She requested the Board approve a salary increase for the non-represented group of 3.2% effective July 1, 2013. She noted that the increase is calculated as the Consumer Price Index (CPI) increase of 2.2% plus 1% for the employee's anticipated increase in the CalPERs contribution.

On motion of Member Mariani, seconded by Member Peters and carried unanimously, the Board approved a 3.2% salary increase for management and confidential personnel effective July 1, 2013.

- Consider adoption of a Resolution amending Lincoln National Life Insurance Company 401(a) Plan. The Manager gave an overview of the District's 401(a) Profit Sharing Defined Contribution Plan for management and confidential employees. She stated that the District's Plan has been amended as required to comply with the Pension Protection Act of 2006 and other legislative and regulatory changes.

On motion of Member Long, seconded by Member Mariani and carried unanimously, the Board adopted Resolution No. 3058: A Resolution of the Board of Directors of the Novato Sanitary District, Amending the District's 401(a) Plan with Lincoln National Life Insurance Company to Reflect Certain Provisions of the Pension Protection Act of 2006.

BOARD OF DIRECTORS:

- Election of officers for 2013-14: President Di Giorgio stated that he would like to follow District tradition and remain as Board President for a second term. There was no objection from the Board.

President Di Giorgio asked that if any Board Members wished to change their committee assignments, they contact him prior to the July 8th board meeting.

On motion of Member Long, seconded by Member Peters and carried unanimously, the Board elected Michael Di Giorgio, Board President, and Jean Mariani, President Pro Tem, for the fiscal year 2013/14.

- Appointment of Secretary/Treasurer and Secretary/Treasurer Pro Tem for 2013-14: President Di Giorgio requested the board re-appoint the current officers to the new fiscal year.

On motion of Member Peters, seconded by Member Long and carried unanimously, the Board re-appointed General Manager-Engineer Beverly James as Secretary/Treasurer and re-appointed Administrative Secretary Julie Swoboda as Secretary/Treasurer Pro Tem for the fiscal year 2013/14.

- Consider authorization of the check signers for 2013-14: President Di Giorgio requested the board re-appoint the current check signers to the new fiscal year.

On motion of Member Peters, seconded by Member Mariani and carried unanimously, the Board authorized the following individuals to sign Novato Sanitary District checks: President Michael Di Giorgio, President Pro Tem Jean Marinai, Member Dennis Welsh, Manager-Engineer Beverly James, and Deputy Manager-Engineer Sandeep Karkal.

STAFF REPORTS:

- Treatment Plant Tour: The Manager stated that a Novato Sanitary District treatment facility tour was planned for June 22nd. She noted that several residents had called in expressing an interest in attending the tour, but that no one showed up at the appointed time.

BOARD MEMBER REPORTS:

Member Long discussed a recent article from *The Economist* regarding retirement benefits. He provided copies to the Board members.

MANAGER'S ANNOUNCEMENTS:

- A Public Hearing for sewer service charges will be held at the July 8th Board meeting.
- The District will be participating in the Downtown Novato July Fourth Parade.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the Board meeting at 8:10 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Swoboda, Recording