

August 8, 2011

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, August 8, 2011, at the District offices, 500 Davidson Street, Novato.

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

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

ALSO PRESENT: Brant Miller, Novato resident  
Suzanne Crow, Novato resident  
Jerry Peters, Novato resident  
Dasse de longh, NSD employee, Novato resident  
Steve McCaffrey, Novato Disposal, Director of Governmental Affairs

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: *On motion of Member Quesada, seconded by Member Di Giorgio and carried unanimously, the agenda was approved as written.*

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

- Consider approval of minutes of the July 25<sup>th</sup>, 2011 meeting.

*On motion of Member Di Giorgio, seconded by Member Mariani and carried unanimously, the minutes of the July 25<sup>th</sup>, 2011 meeting were approved as written.*

CONSENT CALENDAR:

The Manager noted a change to the Board report for item 5a: “*CTS proposes to provide the biosolids disposal services for 0.034 **dollars** per gallon...*” She stated that the total cost of the work to be performed, \$125,000, was correct as written in the Board report.

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

- a. *Approval of expenditure of up to \$125,000 to apply biosolids to the dedicated land disposal site and clean two sludge lagoons.*
- b. *Approval of fund transfer from Capital Improvement Fund to the Operating Fund of \$264,225.65.*

- c. *Approval of regular disbursements in the amount of \$735,968.31, project account disbursements in the amount of \$3,995.32 and Board member disbursements in the amount of \$2,583.16.*

Member Welsh questioned the \$19,100.26 disbursement to Barg, Coffin, Lewis & Trapp. The Manager reported that the expenditure was for negotiation assistance with the State Regional Water Quality Control Board for a matter which the Board was briefed on during a closed session meeting. She reported the Board had allocated \$57,000 for this matter and that the District has expended approximately \$27,000 to date.

MARIN COUNTY COUNCIL OF MAYORS AND COUNCILMEMBERS (MCCMC)  
ADHOC COMMITTEE ON PENSIONS AND OTHER POST EMPLOYMENT BENEFITS  
(OPEB) REFORM:

- Presentation of Final Report. President Long noted that Member Di Giorgio and himself were on the MCCMC Adhoc Committee. He introduced Larry Chu, Committee Chair and Mayor of the City of Larkspur.

Mr. Chu outlined the committee's report on pensions and other post employment benefits. He discussed the District's current pension structure and gave a summary of the issues concerning the California Public Employees Retirement System (CalPERS). He compared various final compensation retirement benefit plans and discussed the employers cost of benefits for these plans. He reviewed three example strategies for post-retirement reform and offered suggestions to the Board.

President Long stated the he and Member Di Giorgio were interested in being a part of the MCCMC Adhoc Committee because of the District's concern for the long-term sustainability of employee benefits. He expressed his appreciation for the opportunity to participate in the committee.

The Board discussed Mr. Chu's presentation and the current economic situation which may affect CalPERS retirement benefits.

President Long called for public comment, and there being none, called for a short recess at 7:10 p.m.

President Long reconvened the meeting at 7:14 p.m.

FINANCE:

- Review of Draft Preliminary Official Statement and Notice of Sale for Certificate of Participation (COP) bonds. The Manager noted that at the June 27, 2011 meeting, the Board authorized the initiation of the process to sell Certificate of Participation (COP) bonds. She introduced Tom Gaffney, Bartle Wells Associates, who presented draft

documents for the issuance of the bonds. Mr. Gaffney is the District's independent public finance advisor.

Mr. Gaffney reviewed with the Board the following preliminary draft documents: Official Statement, Official Notice of Sale: \$22,000,000 Wastewater Revenue Certificates of Participation Series 2011, Request for Proposals (RFP) for Trustee, and Bond Counsel Summary. Mr. Gaffney reviewed the installment payment schedule and the projected revenues, expenses, and debt service coverage. He reviewed the Official Notice of Sale which outlined the bidding terms and conditions.

- Consider approval of issuing a Request for Proposals for Trustee.

*On motion of Member Di Giorgio, seconded by Member Mariani and carried unanimously, the Board approved the issuing of a Request for Proposals for Trustee.*

- Review of COP Sale Schedule. Tom Gaffney reviewed a timeline appropriate for the District to move forward and complete the Certificate of Participation bond sale. He anticipates bond closing and receipt of funds on October 18, 2011.

- Presidential appointment of Adhoc Finance Committee.

The Manager noted that it is appropriate for the District to appoint an Adhoc Finance Committee to oversee the COP bond sale.

President Long appointed himself and Member Mariani to serve on the committee. President Long appointed Member Welsh as the alternate for this committee.

The Manager suggested the Adhoc Finance Committee meet prior to the August 22<sup>nd</sup> Board meeting.

STAFF REPORTS:

- Algebra Academy. The Manager reported on the District's participation in an Algebra Academy which was hosted by the North Bay Leadership Council. She reported that the District and Veolia Water hosted 20 students from August 3<sup>rd</sup> through August 5<sup>th</sup>. She noted that the students were instructed by Linda Candelaria, Lab Supervisor; Craig Deasy, Senior Engineer; and Christian Williams, Grade III Plant Operator, Veolia Water. She stated that it was a very good program and commended John Bailey and Lynda Rodefer, Veolia Water, for their assistance with the students and the program.

BOARD MEMBER REPORTS: None.

MANAGER'S ANNOUNCEMENTS:

LAFCO will meet on August 11<sup>th</sup> at 7:00 p.m. at the San Rafael Council Chambers to discuss Southern Marin Sewer Agencies Sphere of Influence Update – Extension of Public Comment Period & Public Hearing.

The District will host a public tour of the treatment facility on August 13<sup>th</sup> at 10a.m. The tour will be led by John Bailey, Project Manager, Veolia Water.

The North Bay Water Reuse Authority will meet on August 15<sup>th</sup> at 9:30 a.m. at the District office.

The Wastewater Operations Committee will meet on August 15<sup>th</sup> at 2:00 p.m. at the District office.

The Solid Waste Committee will meet on August 15<sup>th</sup> at 4:30 p.m. at the District office.

The following individuals will be attending the CASA conference in San Diego from August 10<sup>th</sup> through August 12<sup>th</sup>: Manager-Engineer Beverly James, Deputy Manager-Engineer Sandeep Karkal, Board President William Long and Board Members Michael Di Giorgio and Jean Mariani.

ADJOURNMENT:

There being no further business to come before the Board, President Long declared the meeting adjourned at 7:43 p.m.

Respectfully submitted,

Beverly B. James, Secretary

Julie Swoboda, recording