

August 25, 2014

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, August 25, 2014, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jean Mariani, Members Jerry Peters, Gary Butler, William Long and Brant Miller.

STAFF PRESENT: Manager-Engineer-Secretary Sandeep Karkal, Joint Safety Director Dale Thrasher, Field Services Manager Steve Krautheim, and Administrative Secretary Julie Swoboda.

ALSO PRESENT: John Bailey, Project Manager, Veolia
John O'Hare, Pretreatment Programs Manager, Veolia

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the August 11, 2014 meeting.

On motion of Director Miller, seconded by Director Peters, and carried unanimously, the August 11, 2014 Board meeting minutes were approved.

CONSENT CALENDAR:

On motion of Director Peters, seconded by Director Miller and carried unanimously, the following Consent Calendar item was approved:

- a. Approval of regular disbursements in the amount of \$285,922.86, project account disbursements in the amount of \$409,445.90, and payroll and payroll related disbursements in the amount of \$219,233.98.

WASTEWATER OPERATIONS:

- Receive Wastewater Operations Committee report for July 2014: The Manager-Engineer stated that the Committee met on August 18th at 2:00 p.m. at the District office. John Bailey, Project Manager, Veolia, summarized the treatment facilities report for July 2014, stating that the District is in reclamation/storage waste discharge mode. Mr. Bailey reviewed the Novato and Ignacio facilities operations and maintenance and stated that 13.55 million gallons of reclaimed water were produced. He discussed the

eight (8) resident contacts received in July and noted that not all contacts were odor complaints.

Field Services Manager, Steve Krautheim gave an overview of the Collection System, Pump Stations, and Reclamation facilities reports for July 2014. He reported that there were no sanitary sewer overflows (SSO's) in the month.

The Manager-Engineer gave an overview of the Odor Control and Landscaping report. He stated that the results from the validation testing of the process change recommended by the District's odor consultant Dave McEwen of Brown and Caldwell (B&C) are expected to be available in August. The Manager-Engineer stated that an update will be provided at the Sept. 15th Wastewater Operations Committee meeting.

John Bailey stated that after the August 24th earthquake a thorough walk-through was made of the Novato treatment facility, the Ignacio transfer station, and the Reclamation facility sludge lines and no problems were found. In addition, he stated that staff inspected pump stations and the two force mains and determined there was no damage.

Director Peters asked how well the treatment facility is prepared for earthquakes. The Manager-Engineer stated that the was designed in 2005/06 to meet the then current Building Code.

At 6:36 p.m. President Mariani stated the Board would take a five minute recess.

At 6:39 p.m. President Mariani reconvened the Board meeting.

- Receive recommendation from Wastewater Operations Committee, and authorize Manager-Engineer to issue a purchase order in an amount up to \$41,000 to Shape, Inc. to replace rotating assembly on the third conveyance pump at the Ignacio Transfer Pump Station (ITPS), Account No. 61000-3. President Mariani read the agenda item, and hearing no request for discussion, called for the question.

On motion of Director Peters, seconded by Director Long and carried unanimously, the Board received the recommendation from the Wastewater Operations Committee and authorized the Manager-Engineer to issue a purchase order in an amount up to \$41,000 to Shape, Inc. to replace the rotating assembly on the third conveyance pump at the Ignacio Transfer Pump Station (ITPS).

- Review bids received, and authorize the Manager-Engineer to execute a project work order with Roto-Rooter Plumbers in the amount of \$53,000.

Field Services Manager Steve Krautheim stated that the District requested proposals from two local closed circuit television (CCTV) contractors to clean and inspect by video camera 17,220 feet of large diameter sewers in Tributary 16 of the District's collection

system. He stated that both Roto Rooter Plumbers and Roy's Sewer Service submitted bids and that Roto Rooter submitted the lowest responsive bid of \$52,911.25.

On motion of Director Miller, seconded by Director Peters and carried unanimously, the Board authorized the Manager-Engineer to execute a project work order with Roto-Rooter Plumbers in the amount of \$53,000 for Tributary 16 CCTV work.

SAFETY PROGRAM:

- Receive report on the District's Safety, Health, Environmental, Liability and Losses (SHELL) Award application to the California Sanitation Risk Management Authority, (CSRMA). Joint Safety Director Dale Thrasher gave a PowerPoint presentation which described the SHELL Award Program and provided an overview of the District's submitted application. He stated that the SHELL Award Program adds value to the District and provides the platform for a continuous improvement process. He stated that the Program requires a self-evaluation of programs and processes, identifying successes and areas for improvement; allows benchmarking with other Agencies; and promotes the development, use and sharing of innovative strategies.

The Manager-Engineer stated that the District had been awarded second place in the SHELL Award Program and noted that Mr. David Patzer, CSRMA, had made the announcement at the recent CASA meeting.

The Board Members expressed their enthusiastic appreciation for Mr. Thrasher's efforts in completing the SHELL Award application and congratulated the staff on the District's second place award.

ANNUAL BUDGET: FY 2014/15 FINAL BUDGET:

- Present Final FY 2014/15 District Annual Budget. The Manager-Engineer discussed the Final FY 2014/15 budget. He stated that the preliminary budget had allowed for a 10% increase in health care premiums but that the actual costs will be lower by 3% over the previous year. He also noted that the Capital Improvement Budget expenditures for the Collection System Improvements was increased from the preliminary budget by almost \$165,000.

- Adopt Final FY 2014/15 District Annual Budget.

Director Peters and Director Miller expressed their appreciation of Finance Officer Laura Creamer and stated the budget was clear and easy to understand. The Board commended the Manager-Engineer saying that the budget reflected good management and good leadership.

On motion of Director Peters, seconded by Director Miller and carried unanimously, the Board adopted the Novato Sanitary District Final Budget for Fiscal Years 2014/16.

- Adopt resolution establishing appropriations limit for the 2014/15 Fiscal Year. The Manager-Engineer stated that the District is required to annually adopt a resolution setting an appropriations limit for the upcoming year. He stated that the District's appropriations subject to limitation will be \$5,936,316.

On motion of Director Peters, seconded by Director Long and carried unanimously, the Board adopted Resolution No. 3078: A Resolution of the Novato Sanitary District Correcting and Amending Prior Calculations and Making Determination and Establishing the 2014/15 Appropriation Limit.

CAPITAL PROJECTS:

- Collection System Improvements, Account No. 72706: Olive Parallel Force Main Project: Review bids received, approve contract award to Argonaut Constructors, and authorize Manager-Engineer to execute the contract in the bid amount of \$1,245,680. The Manager-Engineer stated that Field Services Manager Steve Krautheim would present the report to the Board. Mr. Krautheim discussed the scope of the proposed project and stated that the project should be completed by mid-December.

On motion of Director Peters, seconded by Director Miller and carried unanimously, the Board approved the contract award for the Olive Parallel Force Main Project to Argonaut Constructors and authorized the Manager-Engineer to execute the contract in the bid amount of \$1,245,680.

- Collection System Improvements, Account No. 72706: Olive Parallel Force Main Project: Approve a contract with Nute Engineering for construction management services on a time and materials basis in the not-to-exceed amount of \$117,000, and authorize Manager-Engineer to execute it. The Manager-Engineer stated that staff requested proposals from The Covello Group (TCG) and Nute Engineering (Nute) to provide construction management and administration services to monitor Argonaut's work on the Olive Project. He stated that both firms provided excellent proposals. The Manager-Engineer stated that staff is of the opinion that Nute's selection may better benefit the District for this particular project given their familiarity with the nuances of the project as the design engineer for the project.

On motion of Director Peters, seconded by Director Long and carried unanimously, the Board approved a contract with Nute Engineering for construction management services of the Olive Parallel Force Main Project on a time and materials basis in the not-to-exceed amount of \$117,000 and authorized the Manager-Engineer to execute it.

BOARD OF DIRECTORS:

- Affirm the District's intent to continue to abide by the Brown Act. The Manager-Engineer stated that in the past the State has reimbursed local agencies for the costs of complying with the requirements of the Brown Act. However, in July 2012, Assembly Bill 1464 suspended such reimbursement. He stated that compliance costs for the

District will be approximately \$6,500 and that continued non-reimbursement of these expenses by the State will not adversely impact the District budget. All Directors were in unanimous agreement to affirm the District's intent to continue to abide by the Brown Act.

On motion of Director Peters, seconded by Director Miller and carried unanimously, the Board affirmed the District's intent to continue to abide by "The Brown Act."

- Consider draft response to the 2013-14 Marin County Civil Grand Jury Report titled, "The Scoop on Marin County Sewer Systems: Part 1", and "The Scoop on Marin County Sewer Systems: Part II", provide further input, and give direction to staff as required. The Manager-Engineer stated that he had worked with President Mariani on the Grand Jury response, and reviewed it with District Counsel Kent Alm who provided comments. The Board discussed the response and provided additional comments. It was determined that the Manager-Engineer would review and incorporate the Board's additional comments and provide the final response to the Board at the September 8th meeting. The Manager-Engineer stated that the submittal deadline is September 14th.

Director Peters commended the Manager-Engineer stating that the document was well structured and well written.

STAFF REPORTS:

There were no staff reports.

BOARD MEMBER REPORTS:

- California Association of Sanitation Agency (CASA) Annual Meeting.

Director Long commented on his attendance at the CASA meeting from August 20th through the 22nd. He stated that Friday's panel discussion was excellent. He commented on the CASA scholarship program and suggested that individual Directors make a donation to the fund.

Director Peters commented on his attendance at the CASA meeting from August 20th through the 22nd. He stated that the California Sanitation Risk Management Association (CSRMA) speaker was excellent.

Director Miller commented on his attendance at the CASA meeting from August 21st through the 22nd. He stated that the Clean Water Act is in the process of being amended and stated that FEMA is remapping Flood Zones.

Director Butler commented on his attendance at the CASA meeting from August 21st through the 22nd. He noted that this was his first attendance at a CASA meeting and stated that the legislative sessions were helpful.

President Mariani commented on her attendance at the CASA meeting from August 20th through the 22nd. She stated that the CSRMA speaker and team building exercises were very good.

MANAGER'S ANNOUNCEMENTS:

- The Manager-Engineer attended the CASA conference from August 20th through the 22nd.
- The next Regular Board meeting will be held on September 8th, at 6:00 p.m. at the District office.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 8:11p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Swoboda, Recording