

November 23, 2009

A closed session meeting preceded a regular meeting of the Board of Directors of the Novato Sanitary District, Monday, November 23, 2009, at the District Office, 500 Davidson Street, Novato.

At 5:08 p.m., President Di Giorgio opened the closed session of the Board of Directors of the Novato Sanitary District to discuss the matters on the Closed Session Agenda:

CONFERENCE WITH LABOR NEGOTIATORS – Government Code Section 54957.6

PROVIDE DIRECTION REGARDING MANAGER-ENGINEER'S CONTRACT.

DISTRICT REPRESENTATIVES: AD-HOC BOARD PERSONNEL COMMITTEE.

BOARD MEMBERS PRESENT: President Michael Di Giorgio, Members James D. Fritz, Arthur T. Knutson, William C. Long and George C. Quesada.

STAFF PRESENT: Attorney Sky Woodruff from the District's law firm of Meyers Nave.

PLEDGE OF ALLEGIANCE:

The Closed Session ended at 6:05 p.m.

At 6:30 p.m., President Di Giorgio convened the Open Session. There was no reportable action from the Closed Session.

BOARD MEMBERS PRESENT: President Michael Di Giorgio, Members James D. Fritz, Arthur T. Knutson, William C. Long and George C. Quesada.

STAFF PRESENT: Manager-Engineer Beverly James, Deputy Manager-Engineer Sandeep Karkal, Administrative Services Manager June Penn-Brown, Administrative Secretary Julie Borda, and Attorney Sky Woodruff from the District's law firm of Meyers Nave.

ALSO PRESENT: Phil Tucker, Martinez resident
Carole Dillon-Knutson, Novato resident
Justine Daniel, Novato resident
Suzanne Brown Crow, Novato resident
Pam Welsh, Novato resident
Carlos Borba, Teamsters Union Local 315
Diana de Regnur, Novato resident
Dennis Welsh, Novato resident
Dean Heffelfinger, Novato resident
Jo Heffelfinger, Novato resident
Colleen Rose, Novato resident
Bill Scott, Novato resident
Deanna Pierce, Novato resident

Aaron Winer, Northern CA District Manager, Veolia North America
Jim Good, Vice President, Veolia North America
John Bailey, Project Manager, Veolia North America

AGENDA APPROVAL:

On motion of Member Quesada, seconded by Member Long, and carried unanimously, the Agenda was approved as mailed.

PUBLIC COMMENT:

Suzanne Crow, Novato resident, questioned the authorization of the law firm to defend the District against criminal conduct.

BOARD MEMBER REPORTS: None.

REVIEW OF MINUTES:

Consider approval of the October 12th, 2009 Board meeting minutes.

On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, the Minutes of the October 12th, 2009 Board meeting were approved as written.

CONSENT CALENDAR: *On motion of Member Quesada, seconded by Member Long, and carried unanimously, the following consent calendar items were approved:*

- a. Acceptance of Asset Deletion Report for fiscal year 2008-09.*
- b. Acceptance of Quarterly Investment Report for period ending September 2009.*
- c. Approval of Statement of Investment Policy*
- d. Approval of Board meeting schedule as follows: November 30 (special meeting), December 14th and 28th, January 11th and 25th, February 8th and 22nd.*
- e. Approval of regular disbursements in the amount of \$538,941.16 and project account disbursements in the amount of \$148,898.95.*

BOARD OF DIRECTORS:

Consider adoption of Resolution No. 3014, a Resolution of Appreciation for Board Member Arthur T. Knutson.

Member Knutson read a statement outlining his public service and past terms of service with the Novato Sanitary District.

The Board congratulated Mr. Knutson on his years of service and the Manager read Resolution No. 3014, *A Resolution Commending Mr. Arthur T. Knutson for Distinguished Service as a Member of the Board of Directors of Novato Sanitary District.*

At 6:40 p.m. President Di Giorgio announced the Board Meeting would adjourn for a ten minute recess.

ADMINISTRATION:

Consider adoption of District Policies. The Manager outlined the changes that were proposed to the District's policies, stating that the changes were noted in bold font.

The Board suggested District Policy No. 4040.2 be changed to read: "In the absence of the President, the **President Pro-Tem** of the Board of Directors...".

Board member Quesada suggested District Policy No. 5060.1.2 be changed to read: "Audio recordings shall be available to members of the public if a **written** request is made."

Member Quesada proposed a change to District Policy No. 4050.7 which would allow lifetime health and dental benefits to Board members who serve the District for 25 years or more.

On motion of Member Quesada and seconded by Member Knutson, District Policy No. 4050.7 should be amended to read: "Any Director who has served for 25 years or more as a Novato Sanitary District Director shall receive lifetime health and dental benefits."

The motion was defeated with the following vote: Noes: Di Giorgio, Fritz, & Long.
Ayes: Knutson, Quesada

Suzanne Browne Crow, Novato resident, referenced District Policy No. 5060.1.2, stating she believes thirty days is too short to hold Board meeting audio and visual recordings. She requests the Board hold the recordings for a period of one year. Ms. Crow commented that the second paragraph in District Policy No. 5030.6 should be deleted.

Dennis Welsh, Board Member Elect and Novato resident, requested this agenda item be postponed until he is officially installed as a Novato Sanitary District Board member.

Dennis Fishwick, Novato resident, commented on the Board's conduct.

Bill Scott, Novato resident, commented on the health care policy revision as suggested by Member Quesada. In addition, he agreed with Ms. Crow that the second paragraph in District Policy No. 5030.6 should be deleted.

Dean L. Heffelfinger, Novato resident, commented on the Board policies.

Tom Pierce, Novato resident, suggested the Board adopt "Robert's Rules of Order."

Deanna Pierce, Novato resident, suggested the Board adopt "Robert's Rules of Order" and recommends the audio and visual copies of Board meeting minutes be retained for one year.

Norman Stone, Novato resident, stated audio copies of Board meeting minutes should be retained for longer than six months.

President Di Giorgio commented on the District's Policies and stated the Board should further refine the policies. He suggested the Board bring this agenda item back after Dennis Welsh is officially seated as a Novato Sanitary District Board member. Member Long agreed with this request.

Sky Woodruff of Meyers Nave stated he will bring before the Board suggestions of policies for Board member conduct.

On motion of Member Fritz, seconded by Member Quesada and carried unanimously, the Board agreed to bring the agenda item: "Consider adoption of District Policies" to the December 28th Board meeting.

WASTEWATER TREATMENT FACILITY OPERATION:

Consider setting the date for a referendum on the contract service agreement for operation, maintenance and management of wastewater treatment facilities. The Manager noted that there are a number of election dates in 2010 that conform to the requirements of the Elections Code, including March 2, April 13, May 4 and June 8, 2010. She stated that staff recommends setting the date for the referendum of June 8, 2010 because of the cost savings to the District and the fact that it is a statewide primary election which will encourage voters to participate. She stated that the deadline to file for the election is March 12th. The manager stated she will bring a revised budget to the Board to facilitate the additional election expenses.

On motion of member Fritz, seconded by Member Quesada and carried unanimously, the Board set June 8, 2010 as the date for the referendum.

Sky Woodruff requested the Board form an Ad-hoc Committee to address the preparation of the language of the referendum. He stated he would then work with the Board and staff to refine the election statement.

President Di Giorgio appointed Member Fritz and himself to the Ad-Hoc Referendum Preparation Committee.

Wastewater Operations Committee report. The Manager outlined the reports presented by Veolia at the Wastewater Operations Committee meeting which met on November 16, 2009.

Member Long asked how critical tasks will be handled if the Emergency Consulting Agreement is enacted. John Bailey of Veolia explained the procedures.

President Di Giorgio requested a report showing the financial costs the District will experience due to the emergency contract and the referendum expenses.

The Manager and the Board discussed the reports Veolia produces for the Wastewater Operations Committee. The Manager stated she was unsure of which reports Veolia will produce after the Emergency Services Agreement becomes effective.

Norm Stone, Novato resident, suggested members of the public should be on the Ad-hoc Committee.

Carlos Borba, Teamsters Local Union 315, discussed District and Veolia employees and their representation by the Union. He requested to receive any information regarding the employees return to District employment. He questioned whether there was a date set for the enactment of the Emergency Services Agreement.

The Manager stated that she learned on November 23rd that Veolia is setting the date for the Emergency Services Agreement at the end of the business day on December 11, 2009. She stated the Board has the authority to reinstate transitioned employees, and that will be the subject of the November 30th Board meeting.

COLLECTION SYSTEM IMPROVEMENTS PROJECT, PROJECT 72706:

Consider approval of a contract for construction review in the amount of \$70,000 with Nute Engineering on a time and materials basis. The Manager noted the projects for which Nute Engineering is providing design services: A) State Access Road Sewer Project; B) Center Road/Wilson Avenue Sewer Project; C) Olive Street/Chase Street Project; D) Ignacio Boulevard Sewer Project. She stated that the assistance from Nute Engineering will be needed through the construction phase.

On motion of Member Fritz, seconded by Member Long and carried unanimously, the Board approved a contract for construction review in the amount of \$70,000 with Nute Engineering on a time and materials basis for the four projects: A, B, C, and D.

Approve emergency repair expenditures for Railroad Avenue force main. The Manager explained the November 12th incident when a contractor working for Miller Pacific Engineering Group drilled a hole into the District's 27" force main in Railroad Ave. She stated that the expenses are estimated to be \$30,000 however repair costs by the contractor are somewhat unknown because the repair was not completed until late in the week. For this reason, District staff requests the Board authorize expenditures for the repair up to \$40,000 to cover any unforeseen costs.

The Manager complimented staff on the 100% recovery of the waste that escaped from the pipe. Member Quesada requested the Manager prepare a letter of acknowledgement for the staff's quick and efficient response.

On motion of Member Long, seconded by Member Fritz and carried unanimously, the Board approved emergency repair expenditures up to \$40,000 for the Railroad Avenue force main repair.

ANNUAL COLLECTION SYSTEM REPAIRS, PROJECT 72803:

Consider approval of the Greenwood manhole and main repair. The Manager gave an overview of the need for a manhole outside the residence at 1075 Greenwood Drive. She referred to a diagram that was part of this agenda item. She stated that the total cost for the work was \$39,714.60 which also includes erosion control measures for the area.

On motion of Member Long, seconded by Member Fritz, and carried unanimously, the Board approved the expenditure of \$39,714.60 for the Greenwood manhole and main repair.

NORTH BAY WATER REUSE AUTHORITY:

Staff report. The Manager gave an update on the Federal and State funding for the North Bay Water Reuse Authority recycled water project. She stated that the funding awarded by the Federal Government is a small milestone but a very important step in securing future funding.

Consider approval of out-of-state travel for Board Member Long. The Manager requested the Board authorize travel expenses for Member Long and staff as necessary to support the advocacy for Federal funding for recycled water in Novato. She stated the EIR for this project is complete and will come before the Board at their December 14th meeting.

On motion of member Quesada, seconded by Member Knutson, and carried unanimously, the Board approved travel expenses for Member Long and staff to travel to Washington DC in December and February as needed to support the advocacy for federal funding for Recycled Water in Novato.

STAFF REPORTS:

North Bay Watershed Association. The Manager noted that she is working with the North Bay Watershed Association on the lateral repair program and is targeting a January 2010 Board meeting for the presentation.

Asset deletion report. This item was covered previously.

November election. The Manager gave an overview of the November election situation stating she was made aware of a problem on late Friday afternoon. She noted that 31 residential parcels were not included in District boundaries and therefore were not given a ballot to vote for District Board Members. She stated the District will work closely with the registrars office and tax assessor to remedy the problem.

Norm Stone, Novato resident discussed provisional ballots and the parcels which were excluded.

Dennis Fishwick, Novato resident, read a letter from Suzan Sharpley, on her behalf. She identified herself as a disenfranchised voter.

Member Long suggested the District discuss the matter with legal counsel to determine if provisional ballots can be supplied to those parcels who did not have the correct ballots.

Sky Woodruff of Meyers Nave, stated he will look into further details of the matter to determine if the parcels would still be able to cast a ballot.

Bill Scott, Novato resident, requested the District obtain a list from the Registrar of Voters and compare it with our parcels to determine who pays fees and should be in the District.

Jo Heffelfinger, Novato resident, discussed the Board's comments and requested mutual respect between the Board and the public.

MANAGER'S ANNOUNCEMENTS:

A Solid Waste Committee Meeting will be held on December 7th at 4:30 p.m.

A Special Board Meeting will be held on November 30, 2009 at 6:30 p.m.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the meeting at 8:40 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Borda, Recording