

February 14, 2011

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, February 14, 2011, at the District Office, 500 Davidson Street, Novato.

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

BOARD MEMBERS ABSENT: None

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James, Deputy Manager-Engineer Sandeep Karkal and Administrative Secretary Julie Borda.

ALSO PRESENT: Steve McCaffrey, Novato Disposal Service  
Dee Johnson, Household Hazardous Waste Coordinator  
Delyn Kies, Sustainable Novato, MFSRTF  
Joseph Covello, Director, The Covello Group Inc.  
Steve Wrightson, The Covello Group Inc.  
Ernie Carpenter  
Jerry Peters, Novato resident  
Brant Miller, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

*On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, the agenda was approved as mailed.*

PUBLIC COMMENT: None.

BOARD MEMBER REPORTS: None.

REVIEW OF MINUTES:

Consider approval of minutes of the January 24, 2011 meeting.

*On motion of Member Di Giorgio, seconded by Member Fritz, and carried unanimously, the minutes of the January 24, 2011 Board meeting were approved.*

CONSENT CALENDAR:

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

- a. Authorize travel to Reno, Nevada for Laura Creamer and June Brown to attend the Government Finance Officers Association Seminar on "Preparation of a Comprehensive Annual Financial Report" on March 22, 2011.
- b. Approval of regular disbursements in the amount of \$1,048,665.81, project account disbursements in the amount of \$206,798.44, Board member disbursements in the amount of \$3,536.77 and ratification of January payroll and payroll related expenses in the of \$240,350.21.

WASTEWATER FACILITY UPGRADE PROJECT 72609:

- Progress Report. The Manager introduced Joe Covello and Steve Wrightson of The Covello Group. Mr. Wrightson provided the Board with a one page document titled "Novato Treatment Plant Project, Project Update – February 14, 2011" and gave a progress update on the treatment facility. He addressed the project's highlights and current status. He noted that the project had minimal change orders. He stated that the project is under both budget and the engineer's estimate of \$75,110,000 and that formal acceptance of the project is anticipated in March. Mr. Wrightson outlined the project schedule and time summary and highlighted the construction contract cost summary.

Member Di Giorgio congratulated all those who were involved with the project.

Member Quesada congratulated The Covello Group and the sub-contractors for bringing the project to completion on schedule and under budget.

The Manager expressed her thanks to Joe Covello for his concept of "partnering" which established lines of communication and resolution management.

Joe Covello discussed his concept of partnering and how it was developed.

Member Fritz characterized the project as remarkable and stated it was the smoothest and largest project he had ever seen. He commended all involved.

Member Welsh commented that Steve Wrightson and The Covello Group have always been a pleasure to work with.

President Long stated that he was impressed that the existing treatment facility was fully operable while the new facility was being built.

The Manager gave the current status of the Standard Operation Procedures (SOP's) stating that the critical SOP's have been completed.

- Consider approval of a change order for modification of the air treatment facilities.

The Manager noted that a field order was issued to the Treatment Plant Contractor (Monterey Mechanical) for the purpose of installing an impermeable liner to the odor

control soil bed. This liner will prevent foul air from escaping the footprint of the odor bed. She noted that the estimated contract change order amount will be \$120,000 which includes 5% contingency.

Member Fritz questioned why the current carbon odor removal system cannot be retained permanently. The Manager gave a brief overview of the carbon bed drawbacks.

Member Welsh questioned if the additional labor to remove the soil bed material was due to compaction. The Manager explained that the material used had not become compacted to the detriment of the bed operation but didn't flow toward the vacuum since it was wet..

*On motion of Member Di Giorgio, seconded by Member Quesada and passed unanimously, the Board authorized the Manager-Engineer to execute a Contract Change Order in the Amount of \$120,000 to Monterey Mechanical for odor bed modifications at the Headworks Primary Clarifier #2.*

#### SOLID WASTE:

- Solid Waste Committee Report. The Manager stated that the Solid Waste Committee met on Monday, February 7<sup>th</sup> and discussed updates on the status of the Zero Waste programs. She stated the committee also discussed the status of revisions to the Solid Waste Franchise Agreement and future planning for relocation of the Recycling Center and Household Hazardous Waste (HHW) facility. The Manager noted that the two E-Waste events, held in the spring and the fall, were very successful and collected over 149,000 pounds of E-Waste from 2,332 residents.

The Manager stated that Delyn Kies and Jenni Pardi have been named to the Marin AB939 Local Task Force.

The Manager noted that the Solid and Hazardous waste programs budget was at approximately 45% of projections. She pointed out that the next committee meeting is scheduled for Monday, May 2 at the District office.

- Review draft of amendments to the Solid Waste Franchise Agreement. The Manager discussed the "Amended and Restated Agreement between Novato Sanitary District and Novato Disposal Service, Inc. for Solid Waste Collection, Processing, Diversion and Disposal" marked as *Incomplete Working Draft*. She stated that District Counsel Kent Alm was unable to be present at the Board meeting due to illness and has not yet reviewed the Agreement. The Manager reviewed and highlighted the changes to the Agreement and reviewed in detail the "Public Opinion Poll" response and comments. The Manager reviewed the details of the Agreement with the Board. She stated the Draft Agreement will be reviewed by the Ad-hoc Franchise Update Committee on February 22<sup>nd</sup> at the District office.

Brant Miller, Novato resident, stated that the food waste composting is a great program but feels more details need to be worked out.

Delyn Kies, Sustainable Novato, addressed the timing details and wanted to ensure the agreement had adequate time for review.

Member Welsh questioned Steve McCaffrey as to the average weight per residence of collected recycled materials. Mr. McCaffrey stated he would get back to Member Welsh with this information. Member Welsh discussed an alternate disposal receptacle which would allow food scraps to be recycled with a greater amount of ease. Mr. McCaffrey stated he would consult with the cart manufacturers to determine if another option was available.

### RECYCLED WATER:

- Recycled Water Committee report. The Manager stated that the Recycled Water Committee met on January 21<sup>st</sup> and reviewed the second Revised Inter Agency Agreement for Recycled Water with North Marin Water District.

The Manager noted that the first Board meeting of the North Bay Water Reuse Authority took place on February 14<sup>th</sup> at the District office. She stated that Bill Long was elected Chairman of the Board. She commented that the meeting was well attended.

- Consider approval of a revised Interagency Agreement for Recycled Water between Novato Sanitary District and North Marin Water District. The Manager discussed in detail the significant changes to the Agreement and noted that the revisions address the changes required to proceed with the construction and operation of the Novato North and Central Recycled Water projects partially funded using federal grants. She discussed maintenance and distribution costs and project funding details.

Member Welsh and the Manager discussed the back-up water source at the Deer Island facility, the electrical usage and the additional monitoring required.

Member Quesada questioned the areas to be supplied with recycled water and the Manager discussed the specific locations.

*On motion of Member Fritz, seconded by Member Di Giorgio and carried unanimously, the Board of Directors approved the revised Interagency Agreement for Recycled Water between Novato Sanitary District and North Marin Water District.*

- New Facilities Committee report. The Manager discussed the New Facilities Committee (Directors Jim Fritz and Dennis Welsh) which met on Wednesday, January 26, 2011 and reviewed the 95% design submittal for the Recycled Water Treatment Facility. She noted that the Final Plans and Specifications are scheduled to be presented to the Board for their approval at the next meeting on March 2<sup>nd</sup>. She stated

that the time-line is very tight in order to meet the project completion deadline of April 2012.

President Long announced a 10 minute recess at 8:20 pm.

President Long reconvened the Board meeting at 8:40 pm.

President Long requested Agenda Item #13 be moved for immediate consideration.

#### PUMP STATION REHABILITATION PROJECT NO 72403:

- Consider making CEQA findings, approving plans and specifications and authorizing advertising for bids for Unit 3, Western Oaks, Bayside, and Southgate Pump Stations. The Manager discussed the project which will replace the District's existing small dry pit/wet pit underground pump stations with submersible pump stations at three locations: Western Oaks (76 Rosewood Dr.), Bayside (880 Hanger Dr.) and Southgate (82 Moore Road). She stated that the Engineer's estimate for the work is \$1,150,000 and that staff has completed California Environmental Quality Act (CEQA) documentation and determined the project is categorically exempt. She stated that staff recommends making CEQA findings, approving plans and specifications and authorizing the advertising for bids.

*On motion of Member Di Giorgio, seconded by Member Welsh and carried unanimously, the Board authorized the Manager to make CEQA findings, approve plans and specifications and authorize the advertising for bids for Unit 3, Western Oaks, Bayside and Southgate pump stations.*

#### PUBLIC OUTREACH:

- Consider approval of District hosting the Algebra Academy this summer. The Manager stated that Cynthia Murray, North Bay Leadership Council, has requested the District's participation in an Algebra Academy for Novato students entering ninth grade. She stated that the purpose of the academy is to prepare disadvantaged students for high school algebra programs and to encourage them by providing a chance to experience firsthand people who work with math in their jobs. She noted that the District will be co-sponsoring the program with the North Marin Water District.

*On motion of Member Fritz, seconded by Member Di Giorgio and carried unanimously, the Board approved the District's participation in the Algebra Academy.*

#### ADMINISTRATION:

- Consider adoption of District Policy No. 4010 – Code of Ethics. The Manager stated that the District continues to develop a manual of policies. The Manager pointed out the addition to Section 4010.2.2, "Any investigation of an issue should be restricted to a Board committee of a minimum of two members."

Member Quesada requested the addition be amended to strike the words “a minimum of”.

The maker and seconder of the motion agreed to amend their motion to include this change.

Member Welsh requested the Board policies be reviewed in closed session with District Counsel. He felt Board policies should be created by the Board, not staff. He requested to see how other District’s handle the issue of policy creation. The Manager stated that these policies cannot be discussed in closed session under the Brown Act.

The Manager explained that District Counsel Kent Alm has reviewed the Board policies and that the wording is taken from the California Special District Association’s (CSDA) suggested policy.

Member Quesada noted that the policy title should be changed to “Code of Ethical Conduct” because the policy directs Board member conduct.

President Long encouraged the Board to focus on the larger issues and delegate district operations to staff.

Member Welsh requested this Board action be tabled and a special meeting be held to address this policy. The Manager stated that the Policy Handbook practices and policies have been developed over many years of experience in elected Boards and commissions. She noted that CSDA holds informative workshops on Governance and that these policy issues are covered in the sessions.

President Long requested the Board adopt Policy #4010 and subsequently hold a workshop at a later date to further discuss this policy.

*On motion of Member Di Giorgio, seconded by Member Fritz and carried with the following vote, the Board adopted Policy No. 4010, Code of Ethical Conduct, as modified. Ayes: Di Giorgio, Fritz, Long and Quesada. Noes: Welsh.*

- Consider rescheduling the meetings of February 28, 2011, March 28, 2011 and April 25, 2011. The Manager recommended the Board meeting of February 28<sup>th</sup> be rescheduled to Wednesday, March 2<sup>nd</sup>. After Board discussion, the March 28<sup>th</sup> and April 25<sup>th</sup> meetings were not rescheduled but will be brought back to the Board for consideration.

Member Quesada made a motion to meet on Thursday, March 3<sup>rd</sup>. The motion died for lack of a second.

*On motion of Member Di Giorgio, seconded by President Long and carried unanimously, the regular Board meeting of February 28<sup>th</sup> will moved to Wednesday, March 2<sup>nd</sup>.*

RECLAMATION FACILITY:

- Consider approval to the amendment of the Joint Exercise of Powers Agreement with Marin County Flood Control and Water Conservation District. The Manager noted that in 1983 the District entered into a Joint Exercise of Powers Agreement with the Marin County Flood Control District for the lease of the Reclamation property. She stated that the District has requested an amendment to the Agreement to allow a 27.4 acre portion of the property to be used as a golf driving range by Stonetree Golf Course. She stated that Marin County has indicated their agreement with the proposed use.

*On motion of Member Di Giorgio, seconded by Member Fritz and carried unanimously, the Amendment to the Joint Exercise of Powers Agreement with Marin County Flood Control and Water Conservation District was approved.*

STAFF REPORTS:

- North Bay Watershed Association (NBWA) meeting. The Manager discussed the NBWA meeting she attended with Member Di Giorgio on February 4<sup>th</sup> in Petaluma.

- California Association of Sanitation Agencies (CASA) report. The Manager gave a Powerpoint presentation of some of the topics that were discussed at the CASA conference held in January at Palm Desert.

- Novato Leadership participation. The Manager discussed the District's participation with Novato Leadership. She noted that on February 9<sup>th</sup> she gave a brief presentation to the leadership class and later that day led the class in a short tour at the District.

MANAGER'S ANNOUNCEMENTS:

- The Wastewater Operations Committee meeting was moved to Tuesday, February 22<sup>nd</sup> due to the District holiday on Monday, February 21<sup>st</sup>.

ADJOURNMENT: There being no further business to come before the Board, President Long adjourned the meeting at 9:10 p.m.

Respectfully submitted,

Beverly B. James, Secretary

Julie Borda, Recording