

January 13, 2014

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, January 13, 2014, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Michael Di Giorgio, Members William C. Long, Jean Mariani, Brant Miller and Jerry Peters.

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

ALSO PRESENT: Brian Exberger, Assistant Project Manager, Veolia Water  
John O'Hare, Veolia Water  
Robert Valentine Jr., Valentine Corp.  
David Alvey, Manager, Maze and Associates.

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the December 9, 2013 meeting.

*On motion of Member Mariani, seconded by Member Peters, and carried unanimously, the minutes of the December 9, 2013 Board meeting were approved.*

CONSENT CALENDAR:

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

- a. Approval of December's regular disbursements in the amount of \$127,873.66, project account disbursements in the amount of \$48,664.42, and Board member related disbursements in the amount of \$2,660.71. Approval of January's regular disbursements in the amount of \$250,661.67, project account disbursements in the amount of \$1,817,088.59, and Safety Recognition disbursements in the amount of \$5,685.49.
- b. Approval of December payroll and payroll related disbursements in the amount of \$254,333.41.
- c. Acceptance of Fixed Asset Deletion Report for Fiscal Year 2012-13.

## FINANCE COMMITTEE

- Receive 2012-13 Audit report. The Manager stated that the Finance Committee met on December 12, 2013 to review the Draft Audit which included changes as requested by the Board. She introduced David Alvey, Manager, Maze and Associates who reviewed the annual financial audit. Mr. Alvey stated that Maze and Associates has given the District's audit an unmodified opinion, which is the highest remark possible.

Finance Officer Laura Creamer stated that the audit has been submitted for the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting (CAFR) award. She noted that in 2011 and 2012, the District's Audit Report received the CAFR award.

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (CAFR Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

The Manager stated that the audit would be posted to the District web site after Board acceptance.

The Board unanimously accepted the Comprehensive Annual Financial Audit for the years ended June 30, 2013 and 2012.

## WASTEWATER OPERATIONS:

- Receive Wastewater Operations Committee report for November 2013: The Manager stated that the Committee met on December 11<sup>th</sup> at 2:00 p.m. at the District office. Brian Exberger, Assistant Project Manager, Veolia Water, summarized the Operation's report for November, noting that the treatment facility performed well. He stated that the Recycled Water Facility produced 3.49 million gallons of recycled water. He reviewed the Novato and Ignacio facilities operations and maintenance.

The Manager gave an overview of the Collections department for November and was pleased to announce that the Collections Department had zero overflows for the month. She reviewed the crews productivity of line cleaning and televising and stated that the department had 303 accident-free days as of November 30<sup>th</sup>.

The Manager gave an overview of the Reclamation facilities. She noted that irrigation was discontinued as of November 15<sup>th</sup> and that the fields continue to be rehabilitated.

- Odor control, noise and landscaping report: The Manager stated that Mr. David McEwen of Brown and Caldwell met with neighbors in the Lea Drive area and that

sampling/analysis was from the treatment facility was completed. She noted that the sound attenuation structure for the odor control blowers which began in November was completed in December.

#### STRATEGIC PLANNING AND NEW FACILITIES COMMITTEE.

- Status report on 2013 Strategic Plan workplan: The Manager stated that the Committee met on December 16<sup>th</sup> to review the Strategic Plan workplan. She stated that the workplan is discussed at regularly scheduled management meetings and is used to direct management activities. President Di Giorgio and Member Long stated that the Plan is an efficient way to track staff's activities and they welcomed the Committees reports.

#### ADMINISTRATION:

- Consider authorizing Director Brant Miller to sign checks.

The Manager stated that former Board Member Welsh was a designated District check signer. She requested that the Board authorize Brant Miller to become an authorized check signer in his place.

*On motion of Member Long, seconded by Member Peters, and carried unanimously, the Board authorized Director Brant Miller to become a District check signer.*

- Consider approval of the 2014 Safety Incentive Program: The Manager outlined the past two years of the District's Safety Incentive Program and noted the success of the program as evidenced by the decline in lost-time-accidents.

The Manager stated that a Special Board meeting would take place on January 23<sup>rd</sup> which would include the 2013 safety awards to District employees. Member Miller stated that he is very pleased to see that a measure of safety and performance has been established. President Di Giorgio suggested that the category of "Near Miss Reporting" be emphasized.

*On motion of Member Mariani, seconded by Member Peters and carried unanimously, the Board approved the 2014 Safety Incentive Program.*

#### MARIN COUNTY CIVIL GRAND JURY.

- Review Marin County Civil Grand Jury survey response. The Manager stated that the District received a "Sanitation Agencies Survey" from the Marin County Civil Grand Jury in December and stated that the District's response was attached for Board review. The response was due on January 10<sup>th</sup> and was mailed on January 6<sup>th</sup>.

CAPITAL PROJECTS.

- Review bids received, waive minor bid irregularities, consider accepting the lowest responsive bid and authorize Manager-Engineer to execute a contract with Fieldstone Construction for the Pump Station Drainage Improvements and Bypass Pipe Connections Project 72805-13-01: The Manager noted that this project and the one following had received a bid protest which is why the award process was delayed. She noted that Fieldstone Construction of Santa Rosa had submitted the lowest bid of \$132,250.00. After review, it was determined that Fieldstone's bid documents were in order except for the amount of the first bid item which was 17.75% of the total project cost. The bid item description states that the amount could not be more than 5% of the total project cost, 2.5% paid after mobilization and 2.5% after demobilization. She stated that this provision is a District requirement, not a contract code requirement. Staff consulted District Counsel who advised that the Board could waive this minor bid irregularity.

Staff contacted Fieldstone and discussed this oversight and Fieldstone agreed to work with District staff after award of the Contract. Staff proposed to pay 2.5% of the Contract amount for this bid item after mobilization and because of the short 60 day timeframe of the project, the remaining amount would be paid at the end of the project. Fieldstone was comfortable and confident with their bid. Fieldstone has performed work for the City of Novato and Novato Unified School District. Fieldstone is on the District's Informal Contract Contractor List.

*On motion of Member Long, seconded by Member Peters and carried unanimously, the Board waived the minor bid irregularity, accepted the lowest responsive bid and authorized the Manager to execute a contract with Fieldstone Construction in the amount of \$132,250 for the Pump Station Drainage Improvements and Bypass Pipe Connections Project 72805-13-01.*

- Review bids received, waive minor bid irregularities and consider accepting the lowest responsive bid and authorize Manager-Engineer to execute a contract with Valentine Corporation for the Pump Station Rehabilitation Project Unit 5, Project 72403: The Manager stated that six bids were received on December 4, 2013 with Valentine Corporation's bid being the lowest at \$1,209,295. She stated that their bid was 4% higher than the engineer's estimate of \$1,161,000 but was 5.6% (\$67,982) below the next highest bidder. She recommended the Board accept the bid and provide authorization to execute the contract.

*On motion of Member Peters, seconded by Member Mariani and carried unanimously, the Board waived minor bid irregularities, accepted the lowest responsive bid and authorized the Manager to execute a contract with Valentine Corporation in the amount of \$1,209,295 for the Pump Station Rehabilitation Project Unit 5, Project 72403.*

- Consider approval of a contract with The Covello Group for construction management services for the Pump Station Rehabilitation Project Unit 5 and authorize the Manager-Engineer to execute an agreement:

The Manager stated that The Covello Group (TCG) has submitted a proposal in the amount of \$150,860 to provide construction management services for the Pump Station Rehabilitation Project, Unit 5. She stated that the proposed amounts are consistent with the typical range for construction management services for projects of this size and complexity.

*On motion of Member Long, seconded by Member Peters and carried unanimously, the Board approved a contract with The Covello Group for construction management services for the Pump Station Rehabilitation Project Unit 5 and authorized the Manager to execute the agreement in the amount of \$150,860.*

- Review bids received, and consider accepting the lowest responsive bid and authorize Manager-Engineer to execute a contract with EC Applications, Inc. for the Recycled Water Chlorine Contact Basin Baffle Modification, Project 73002: The Manager stated that two bids were received for the Baffle Modification project on January 8<sup>th</sup> and that EC Applications of Orange, CA submitted the lowest bid of \$84,350. She recommended the Board accept the bid and provide authorization to execute the contract.

*On motion of Member Peters, seconded by Member Long and carried unanimously, the Board accepted the lowest responsive bid and authorized the Manager to execute a Contract with EC Applications Inc. in the amount of \$84,350 for the Recycled Water Chlorine Contact Basin Baffle Modification, Project 73002.*

#### BOARD MEMBER REPORTS:

- North Bay Watershed Association: Mike discussed his attendance at the North Bay Watershed Association meeting which met on January 3<sup>rd</sup> at the Marin Community Foundation. He stated that the presentations were very informative: "Sonoma County Water Agency Conservation Effort" and "Conceptual Sea Level rise Adaptation Strategy".

- Member Miller pointed out that the Audubon Society was looking for mitigation projects.

#### MANAGER'S ANNOUNCEMENTS:

- The Wastewater Operations Committee has been rescheduled for Tuesday, January 21<sup>st</sup> due to the Martin Luther King holiday on Monday the 20<sup>th</sup>.
- Special Board meeting January 23<sup>rd</sup> at noon for Safety Presentation.

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- North Bay Water Reuse Authority will hold a workshop on January 27<sup>th</sup> at the Novato City Hall. The Phase 2 update will be discussed.
- The next regular Board meeting will be January 27<sup>th</sup> at 6:00 p.m. at the District office.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the meeting at 7:22 p.m.

Respectfully submitted,

Beverly B. James  
Secretary

Julie Swoboda, Recording