

September 10, 2012

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, September 10, 2012, preceded by a closed session beginning at 6:00 p.m. at the District offices, 500 Davidson Street, Novato.

At 6:00 p.m. President Di Giorgio announced the Board would meet in closed session to discuss the following matters on the Closed Session Agenda:

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

Existing litigation pursuant to subdivision (a) of Government Code Section 54956.9: Administrative Civil Liability No. R2-2010-0102.

BOARD MEMBERS PRESENT FOR CLOSED SESSION: President Michael Di Giorgio, Members William C. Long, Jean Mariani, Jerry Peters and Dennis Welsh.

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James and District Counsel Kent Alm.

The closed Session ended at 6:32 p.m.

Open session began at 6:35 p.m.

BOARD MEMBERS PRESENT FOR OPEN SESSION: President Michael Di Giorgio, Members William C. Long, Jean Mariani, Jerry Peters and Dennis Welsh.

STAFF PRESENT: Manager-Engineer-Secretary Beverly James, Deputy Manager-Engineer Sandeep Karkal, District Counsel Kent Alm and Administrative Secretary Julie Swoboda.

ALSO PRESENT: Laura Creamer, Finance Officer, Novato Sanitary District
June Brown, Administrative Services Manager, Novato Sanitary District
Steve Wrightson, The Covello Group
John Bailey, Plant Manager, Veolia Water
Brant Miller, Novato resident
Nicole Dellanoce, San Rafael resident
Herbert Pike, GFOA, Concord Representative

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The Manager requested item 8b. *Review invitation for the North Novato Recycled Water Project dedication* be removed from the agenda.

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

PRESENTATION OF CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING:

The Manager introduced Mr. Herbert Pike, Representative from the Government Finance Officers Association (GFOA). Mr. Pike presented the **Certificate of Achievement for Excellence in Financial Reporting** to June Brown, Administrative Services Manager and Laura Creamer, Finance Officer, in recognition for preparing the award-winning comprehensive annual financial report (CAFR). Mr. Pike stated that the Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting and that the District's attainment of this award represents a significant accomplishment by its employees and management.

The Board congratulated Ms. Brown and Mrs. Creamer and commended their expertise. Member Long stated they did an excellent job.

REPORT FROM CLOSED SESSION:

District Counsel Kent Alm stated that regarding the existing litigation, direction was given to Counsel to continue preparation of a more detailed report for the California Regional Water Quality Control Board.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the August 27, 2012 Board meeting.

On motion of Member Mariani, seconded by Member Peters and carried unanimously, the minutes of the August 27, 2012 Board meeting were approved.

CONSENT CALENDAR:

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

- a. Approval of regular disbursements in the amount of \$277,668.40, capital project disbursements in the amount of \$29,501.29 and Board member disbursements in the amount of \$3,379.86.

Member Welsh questioned if the disbursement detail from the check registers could contain more clarification of the purchases. The Board and the Manager discussed the matter and no further action was assigned.

CAPITAL PROJECTS:

- Progress report on Recycled Water Treatment Plant construction. The Manager introduced Steve Wrightson, The Covello Group, who gave a progress report of the recycled water treatment plant construction. He stated that construction was essentially complete and that he hoped to deliver the first run of recycled water later this week to the North Marin Water District storage tank at Stafford Lake. Mr. Wrightson stated that change orders were at 5.2% of total costs or approximately \$275,000.

- Consider granting Final Acceptance of the Galli Drive Sewer Project, and authorize staff to file the Notice of Completion. The Deputy Manager-Engineer stated that the Galli Drive Sewer Improvement Project was awarded to W.R. Forde on February 13, 2012 for a bid amount of \$418,078. He stated the contractor completed the work at a final cost of \$408,678.39 or \$9,399.61 below the bid amount.

The Deputy Manager-Engineer requested the Board grant final acceptance of the project and authorize staff to file the Notice of Completion.

On motion of Member Long, seconded by Member Welsh, and carried unanimously, the Board granted Final Acceptance of the Galli Drive Sewer Project, Phase G and authorized staff to file the Notice of Completion.

BOARD OF DIRECTORS:

- Consider cancelling the meeting of September 24, 2012. The Manager requested that the regular Board meeting of September 24th be cancelled. She noted that the first meeting in October is very early in the month, on October 8th and that District business will not be adversely affected by cancelling the second meeting in September.

On motion of Member Long, seconded by Member Peters and carried unanimously, the Board cancelled the September 24, 2012 regular Board meeting.

- Consider adopting a resolution revising Policy 5010 for the Board of Directors regular meeting time. The Manager suggested the Board consider scheduling the start of regular Board meetings to 5:30 p.m. instead of the current 6:30 p.m. start time.

Member Welsh suggested the meeting time remain at 6:30 p.m. but that the agenda items be streamlined to accommodate the materials presented and thus enable the meetings to end earlier. He felt it was in the public's best interest to have the meetings remain at 6:30 p.m.

Member Peters suggested that the District make a strong notification appeal to allow the public to comment on the proposed time change. He felt it may be difficult for the public to participate in the Board meetings if they are moved to an earlier time.

The Board discussed the possibility of utilizing a "Time Certain" agenda format where agenda items would be scheduled for discussion at specific times.

Member Long made a motion to revise the regular meeting time to 5:30 p.m. with the utilization of a time certain agenda format. Member Mariani seconded the motion.

Member Peters requested the item be tabled. Members Long and Mariani agreed to withdraw their motion. All Board members agreed to table the following item until the next Board meeting: *Consider adopting a resolution revising Policy 5010 for the Board of Directors regular meeting time.*

- Board President to consider setting a special meeting for 1:30 p.m., Thursday, October 11, 2012 joint with North Marin Water District to include the dedication of the North Novato Recycled Water Project. The Manager stated that the dedication ceremony for the North Marin Recycled Water Facility would take place at 3:00 p.m. on October 11th and she requested President Di Giorgio set a special meeting prior to the ceremony.

President Di Giorgio declared that a special meeting would take place on Thursday, October 11, 2012 at 1:30 p.m. jointly with North Marin Water District.

ADMINISTRATION:

- Consider authorizing the Deputy Manager-Engineer to attend the 2013 Water and Wastewater Leadership Center Training program. The Manager stated that the Water and Wastewater Leadership Center is holding their annual training conference in North Carolina from February 24 to March 8, 2013. She requested the Board authorize Deputy Manager-Engineer Sandeep Karkal's attendance. She noted that the topics covered align with the District's Strategic Plan goal of achieving operational and organizational excellence.

The Board discussed the training and noted that the tuition was costly.

On the motion of Member Mariani, seconded by Member Peters and carried with the following vote, the Board authorized Deputy Manager-Engineer Sandeep Karkal to attend the 2012 Water and Wastewater Leadership Center Training program in Chapel Hill, North Carolina. Ayes: Di Giorgio, Long, Mariani, Peters. Noes: Welsh.

DISTRICT COUNSEL REPORT:

District Counsel Kent Alm discussed the 2012 Pension Reform Impacts and gave a summary of the major elements of the pension reform legislation. He stated that the changes would be established in statute if signed into law by Governor Brown.

The Manager outlined the pension reform changes in relation to their effect on District staff.

District Counsel Kent Alm discussed his current fee structure and stated he would be requesting a rate increase, possibly in January of 2013. He stated his current rate is \$250 per hour and he will likely increase the rate to \$275 per hour.

President Di Giorgio and Member Long stated they felt the rate increase was reasonable.

BOARD MEMBER REPORTS:

- North Bay Watershed Association. President Di Giorgio discussed his attendance at the North Bay Watershed Association meeting which took place at the District office on September 7th.

Member Long stated that he and President Di Giorgio attended a Sons In Retirement (SIR) meeting where Jessica Jones gave a presentation on composting. Member Long requested Ms. Jones be invited to speak at a Solid Waste Committee meeting. The Manager stated that she would arrange for this presentation at a future Committee meeting.

MANAGER'S ANNOUNCEMENTS:

- The Manager discussed the letter from the Fish and Wildlife Commission.
- The Las Gallinas Valley Sanitary District will hold a dedication ceremony for their New Recycled Water Treatment Facility on Tuesday, September 25th at 1:30 p.m.
- The next regular Board meeting will be held on Monday, October 8th at 6:30 p.m.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the Board meeting at 7:42 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Swoboda, Recording