

NOVATO SANITARY DISTRICT

February 8, 2010

The Board of Directors of Novato Sanitary District will hold a Closed Session at 5:00 p.m., Monday, February 8, 2010, at the District offices, 500 Davidson Street, Novato. (Open session begins after the closed session at approximately 6:30 p.m. See agenda below).

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – EXPOSURE TO LITIGATION – ONE POTENTIAL CASE:

Significant exposure to litigation pursuant to Subsection (b) of Government Code Section 54956.9

AGENDA

1. PLEDGE OF ALLEGIANCE:

2. AGENDA APPROVAL:

3. REPORT FROM CLOSED SESSION:

4. PUBLIC COMMENT (PLEASE OBSERVE A THREE-MINUTE TIME LIMIT):

This item is to allow anyone present to comment on any subject not on the agenda, or to request consideration to place an item on a future agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Board at this time as a result of any public comments made.

5. BOARD MEMBER REPORTS:

6. REVIEW OF MINUTES:

- a. Consider approval of minutes of the November 23, 2009 meeting.

7. CONSENT CALENDAR:

- a. Approval of disbursements.

8. SOLID WASTE

- a. Report on school recycling incentive program.

9. REFERENDUM ON CONTRACT SERVICE AGREEMENT:

- a. Consider approval of a Resolution setting the ballot language for the referendum on the Contract Service Agreement.

10. ADMINISTRATIVE

- a. Consider approval of the policy on Directors

11. STAFF REPORTS:

- a. Mutual Aid Agreement with North Marin Water District.
- b. Emergency repair to the secondary clarifier on Novato Treatment Plant.
- c. Emergency repair to the outfall.
- d. Liability insurance report.

12. MANAGER'S ANNOUNCEMENTS:

13. ADJOURNMENT:

Next resolution no. 3021

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 892-1694 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.

Materials that are public records and that relate to an open session agenda item will be made available for public inspection at the District office, 500 Davidson Street, Novato, during normal business hours.

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

Novato Sanitary District
Check Register
Ck # 50427/50432 - 50507

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
02/08/2010	50442	California Trenchless Inc.	111,429.90
02/08/2010	50438	Barg, Coffin, Lewis & Trapp	87,714.82
02/08/2010	50455	Downtown Novato Investors, LLC	83,936.50
02/08/2010	50482	Pacific, Gas & Electric	74,890.19
01/25/2010	50427	Brown & Caldwell, Inc.	63,798.52
02/08/2010	50473	North Bay Construction, Inc.	53,072.55
02/08/2010	50479	Nute Engineering Inc.	49,493.79
02/08/2010	50491	Sideman & Bancroft, LLP	45,976.58
02/08/2010	50498	Tamor & Tamor	39,795.00
02/08/2010	50502	Veolia Water North America	34,903.72
02/08/2010	50466	Latham & Watkins, LLP	27,634.78
02/08/2010	50445	Carollo Engineers, Inc	22,732.22
02/08/2010	50484	PG&E CFM/PPC Department	19,684.04
02/08/2010	50461	HDR EngineeringInc	16,636.03
02/08/2010	50471	Mason Investigative Group, Inc.	12,858.00
02/08/2010	50487	PSC	12,791.60
02/08/2010	50456	ESRI, Inc.	7,638.83
02/08/2010	50490	Royal Petroleum Company	6,167.26
02/08/2010	50464	Johnson, Dee	4,934.59
02/08/2010	50441	Brenntag Pacific, Inc.	4,767.61
02/08/2010	50486	Preferred Benefit	4,474.74
02/08/2010	50480	Olin Chlor Alkali Products	4,398.37
02/08/2010	50435	Aerotek	4,240.00
02/08/2010	50452	CSRMA-	3,662.88
02/08/2010	50468	Maggiora & Ghilotti Inc.	3,215.28
02/08/2010	50489	Roy's Sewer Service, Inc.	2,515.00
02/08/2010	50443	Caltest Analytical Lab Inc.	1,819.25
02/08/2010	50440	Bowens, Kenneth	1,740.00
02/08/2010	50433	Able Tire & Brake Inc.	1,665.87
02/08/2010	50474	North Bay Truck Service	1,507.35
02/08/2010	50472	Nextel Communications	1,386.29
02/08/2010	50477	Novato Disposal-	1,226.50
02/08/2010	50450	Comet Building Maintenance, Inc.	1,090.00
02/08/2010	50439	Borges & Mahoney Inc.	936.96
02/08/2010	50467	Long, William C.	869.69
02/08/2010	50434	AC3 Crane Certification Corp	855.00
02/08/2010	50481	Pacific Door Products Inc.	767.00
02/08/2010	50462	IDEXX Distributing Corp.	742.02
02/08/2010	50499	Telebyte Inc.	736.44
02/08/2010	50476	North Marin Water District 3	734.14
02/08/2010	50483	Pan Pacific Supply Co., Inc.	697.62
02/08/2010	50488	Rauch Communication Consultants. Inc.	678.75
02/08/2010	50505	Vision Service Plan	641.56
02/08/2010	50492	Siemens Industry, Inc.	631.97
02/08/2010	50432	3T Equipment Company Inc.	625.95
02/08/2010	50506	VWR International Inc.	593.38
02/08/2010	50465	Labworks Equipment, Inc.	534.67
02/08/2010	50454	Di Giorgio, Mike	484.85
02/08/2010	50459	Grainger	465.49
02/08/2010	50448	Cintas Corporation	444.89

Novato Sanitary District
Check Register
Ck # 50427/50432 - 50507

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
02/08/2010	50444	Cantarutti Electric, Inc	385.00
02/08/2010	50475	North Marin Water District	334.00
02/08/2010	50437	AT&T Mobility	309.11
02/08/2010	50449	Claremont EAP	295.00
02/08/2010	50485	Pini Hardware	283.16
02/08/2010	50500	Thomas & Associates, Inc.	279.89
02/08/2010	50493	Siemens Water Tech Corp.	274.44
02/08/2010	50507	Zee Medical Company	257.55
02/08/2010	50501	USA BlueBook	217.31
02/08/2010	50478	Novato, City	194.84
02/08/2010	50469	Marin County Public Health Lab	180.00
02/08/2010	50503	Verizon Business	167.32
02/08/2010	50470	Maselli & Sons Inc.	146.34
02/08/2010	50504	Verizon California	139.71
02/08/2010	50494	Staples Business Adv	134.18
02/08/2010	50458	Fritz, James D.	125.70
02/08/2010	50453	Department Of Consumer Affairs	125.00
02/08/2010	50436	Alhambra	116.97
02/08/2010	50447	CED Santa Rosa, Inc	100.05
02/08/2010	50460	HACH/American Sigma Inc	92.36
02/08/2010	50495	Stevenson, Jeffrey MD	85.00
02/08/2010	50463	International Code Council Inc	75.00
02/08/2010	50457	Federal Express	69.63
02/08/2010	50451	CSDA-	64.16
02/08/2010	50497	T-Mobile	22.29
02/08/2010	50496	Sunshine Filters of Pinellas, Inc.	20.01
02/08/2010	50446	Carquest Auto Parts	5.87
			<u>829,738.33</u>

02/05/10

Novato Sanitary District Check Register

February 7, 2010

Agenda Item: 7a.

Board Disb.

Date	Num	Name	Credit
Feb 7, 10			
2/7/2010	50428	Di Giorgio, Mike	722.87
2/7/2010	50429	Fritz, James D.	675.00
2/7/2010	50430	Long, William C.	582.10
2/7/2010	50431	Welsh Dennis J.	450.00
Feb 7, 10			2,429.97

02/05/10

Novato Sanitary District Check Register

February 8, 2010

Agenda Item: 7a

Project Acct. Disb.

Date	Num	Name	Credit
Feb 8, 10			
2/8/2010	2018	Monterey Mechanical, Inc.	1,114,157.01
2/8/2010	2020	RMC Water & Environment, I...	44,087.67
2/8/2010	2017	ModSpace Corporation	361.36
2/8/2010	2019	North Marin Water District 2	138.36
Feb 8, 10			1,158,744.40

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Referendum on Contract Service Agreement: Ballot Language	MEETING DATE: February 8, 2010 AGENDA ITEM NO.: 9.a.
<p>RECOMMENDED ACTION: Approve a Resolution setting the ballot language for the June 8, 2010 Referendum as follows:</p> <p><i>Shall the Novato Sanitary District's approval of the contract entitled "Novato Sanitary District Contract Service Agreement for Operation, Maintenance, and Management of Wastewater Treatment Facilities" be repealed?</i></p>	
<p>SUMMARY AND DISCUSSION:</p> <p>At its regular meeting on July 27, 2009, the Board of Directors authorized negotiation of a <i>Contract Service Agreement for Operation, Maintenance, and Management of Wastewater Treatment Facilities</i> (Agreement) and approved the Agreement on September 21, 2009. On October 15, 2009, a Referendum Petition was filed with the Marin County Registrar of Voters protesting the approval of the Agreement and requesting that the Board repeal its approval of the Agreement, or alternatively, submit the Agreement to the voters of the District for adoption or repeal. On November 2, 2009, the District received certification from the Marin County Registrar of Voters indicating that the Referendum Petition contained a sufficient number of valid signatures to qualify for an election.</p> <p>The District has taken the position that the approval of the Agreement is not a proper subject for referendum. In general, if local government contracts cannot be effective for 30 days after approval, then thousands of local agencies are operating improperly because it is very rare for local agencies to observe a 30-day waiting period for the effectiveness of their contracts. The law does not provide that government contracts, in general, are ever subject to referendum. A referendum on the adoption of the Agreement on September 21 conflicts with general law because the State legislature has granted exclusive authority to approve District contracts to the District Board, not to the electorate. Approval of the Agreement in this case was not a legislative act subject to referendum. The District, therefore, could seek a judicial determination on the legality of the use of the referendum process in this instance.</p> <p>Nevertheless, at their meeting on November 9, 2009, the Board approved a motion to decline to repeal the Agreement and directing staff to recommend a date for a referendum. On November 23, 2009, the Board of Directors set June 8, 2010, as the date for the referendum. An Adhoc Committee was appointed to draft the ballot language for the referendum. Their recommendation was reviewed by District Counsel and adheres very closely to the language of the petition.</p>	
<p>ALTERNATIVES: Select other language.</p>	
<p>BUDGET INFORMATION: The District will need to increase the budget for elections by \$76,750 to cover the cost of the election.</p>	
<p>DEPT.MGR.:</p>	<p>MANAGER:</p>

**Novato Sanitary District
Resolution No. _____**

**A RESOLUTION REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF MARIN
TO CONDUCT SAID ELECTION; AUTHORIZING THE DISTRICT MANAGER-ENGINEER TO
CARRY OUT ALL THE NECESSARY PROCEDURES FOR SAID ELECTION; AND
SUBMITTING TO THE VOTERS A REFERENDUM MEASURE TO REPEAL A CONTRACT
SERVICE AGREEMENT**

WHEREAS, on November 2, 2009 the Novato Sanitary District of Marin County, California ("District") received a certificate from the Marin County Registrar of Voters certifying the results of the Registrar's examination of the numbers of signatures and verification of the signatures affixed to a petition for a referendum measure to repeal the service contract with Veolia Water West Operating Services, Inc. for operation of the District's wastewater treatment plant ("Service Contract"); and

WHEREAS, the Registrar's certification shows that at least 10% of the registered voters in the District signed the referendum petition; and

WHEREAS, the referendum petition contains a request that the Service Contract be repealed or submitted to a vote of the people; and

WHEREAS, Elections Code Section 9145 provides that where the District receives such a referendum petition and certification, it shall either repeal the ordinance in question (here, the Service Contract) or submit it to an election to be held not less than 88 days after the date of the order of election; and

WHEREAS, the District does not believe that the award of the Service Contract is a legislative act subject to referendum; and

WHEREAS, despite the District's belief that referendum procedures are inapplicable to this District decision, the District seeks to proceed with adopting an election order; and

WHEREAS, the District desires that the Marin County Registrar of Voters canvass the returns of the special election; and

WHEREAS, the Marin County Registrar of Voters requires payment by the District of a fee to perform the election services;

WHEREAS, on November 9, 2009 the Board of approved a motion to decline to repeal the Agreement;

WHEREAS, on November 23, 2009, the Board of Directors set the date of the election as June 8, 2010;

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. The measure to be submitted to the qualified electors of the Novato Sanitary District shall be as follows:

Shall the Novato Sanitary District's approval of the contract entitled "Novato Sanitary District Contract Service Agreement for Operation, Maintenance, and Management of Wastewater Treatment Facilities" be repealed?

Yes _____

No _____

2. The District Manager-Engineer is hereby directed to issue instructions to the Marin County Elections Department to take any and all steps necessary for the holding of the election.

3. The District Manager-Engineer is hereby directed to transmit a certified copy of this resolution to the Marin County Board of Supervisors and the Marin Registrar of Voters.

4. The District Manager-Engineer is authorized and directed to reimburse Marin County for the actual costs incurred in conducting the election upon presentation of a bill from the County, and to enter into any service agreement(s) for any such County services required.

5. (a) The last day for submission of ballot wording to the Board of Supervisor and Registrar of Voters shall be by March 12, 2010.

(b) The last day for submission of direct arguments for or against the measure shall be by March 22, 2010.

(c) The last day for submission of rebuttal arguments for or against the measure shall be by March 29, 2010.

(d) Direct arguments shall not exceed 300 words and shall be signed by not more than five persons.

(e) Rebuttal arguments shall not exceed 250 words and shall be signed by not more than five persons.

(f) An impartial analysis showing the effect of the measure shall be prepared by March 22, 2010.

(g) The District Board hereby selects _____ and _____ to prepare a written argument in favor of the proposed measure, not to exceed 300 words, on behalf of the Board. The two persons listed above may also authorize up to three

additional persons to sign the ballot argument. These may be members of the District Board or bona fide associations or by individual voters who are eligible to vote. In the event that an argument is filed against the measure, the two persons listed above are also authorized to select two members of the Board to prepare a rebuttal argument on behalf of the Board, which may also be signed by up to three other members of the District Board or bona fide associations or by individual voters who are eligible to vote.

PASSED AND ADOPTED by the Board of Directors of Novato Sanitary District, Marin County, California, at a meeting thereof duly held on the _____ day of _____, 2010, by the following vote:

AYES,	Members:
NOES,	Members:
ABSENT,	Members:

Secretary
Novato Sanitary District

APPROVED:

President

APPROVED AS TO FORM:

Kenton L. Alm, District Counsel

1319460.1

NOVATO SANITARY DISTRICT

POLICY HANDBOOK

POLICY TITLE: Members of the Board of Directors

POLICY NUMBER: 4050

4050.1 Directors shall thoroughly prepare themselves to discuss agenda items at meetings of the Board of Directors. Information may be requested from the ~~General Manager~~ **Manager-Engineer** or exchanged between Directors before meetings in a manner that does not violate the Ralph M. Brown Act.

4050.1.1 Information exchanged before meetings shall be distributed through the ~~General Manager~~ **Manager-Engineer**, and all Directors will receive all information being distributed.

4050.1.2 Copies of information exchanged before meetings shall be available at the meeting for members of the public in attendance, and shall also be provided to anyone not present upon their request.

4050.1.3 Copies of information that is a public record and that relates to an agenda item for open session, that is provided to the Directors less than 72 hours prior to the meeting, shall be made available to the public at the same time that the writing is provided to the Directors in compliance with Gov. Code 54957.5.

4050.2 Directors shall at all times conduct themselves with courtesy to each other, to staff, and to members of the audience present at Board meetings.

4050.3 Directors shall defer to the chairperson for conduct of meetings of the Board, but shall be free to question and discuss items on the agenda. All comments should be brief and confined to the matter being discussed by the Board.

4050.4 Directors may request for inclusion into minutes brief comments pertinent to an agenda item only at the meeting that item is discussed (including, if desired, a position on abstention or dissenting vote).

4050.5 Directors shall abstain from participating in consideration on any item involving a personal or financial conflict of interest. Unless such a conflict of interest exists, however, Directors should not abstain from the Board's decision-making responsibilities.

4050.6 Requests by individual Directors for substantive information and/or research from District staff will be channeled through the ~~General Manager~~ **Manager-Engineer**.

4050.7 Any request by an individual director that will take more than one hour of staff time will be approved in advance by the Board.

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Staff Report: Mutual Aid Agreement with North Marin Water District	MEETING DATE: 2/8/2010
	AGENDA ITEM NO. : 11.a.
RECOMMENDED ACTION: Information only	
SUMMARY AND DISCUSSION: Novato Sanitary District has entered into a Mutual Aid Agreement with the North Marin Water District. The agreement allows either agency to request personnel, equipment or supplies from the other, and specifies that the requesting agency is responsible to reimburse the assisting agency for the full cost of the aid provided. The agreement will provide opportunities to better serve the customers of both Districts by sharing resources where it is cost-effective and will make available additional support in the event of an emergency. Each District has the absolute discretion to decline to provide any requested assistance. A copy of the agreement is attached for review. The agreement was presented to the Board of Directors of the North Marin Water District at their meeting of February 2, 2010.	
ALTERNATIVES:	
BUDGET INFORMATION: N/A	
DEPT. MGR. :	MANAGER'S APPROVAL:

**Mutual Aid and Assistance Agreement
Between
North Marin Water District and Novato Sanitary District**

This agreement is made and entered into by the North Marin Water District and Novato Sanitary District ("Districts") to provide mutual aid and assistance to each other in times of need and to provide reimbursement for equipment, supplies and personnel made available under this agreement.

In consideration of the mutual covenants and agreements hereinafter set forth, the Districts agree to provide mutual aid and assistance to each another in times of need. Each District has the absolute discretion to decline to provide any requested assistance, and the execution of this agreement shall not create any duty to respond on the part of either District.

The General Manager of either District may request aid and assistance (Requesting District) from the General Manager of the other District (Responding District). Requests for assistance can be made orally or in writing. When made orally, the request for personnel, equipment and supplies shall also be prepared in writing and submitted to the other General Manager as soon as practicable.

When either District receives a request for aid or assistance, the General Manager of the Responding District will evaluate the request and shall inform, as soon as possible, the Requesting District about the type of available resources, if any, and the approximate arrival time of such assistance.

Employees provided under this agreement will be under the direction and control of the Requesting District. The Requesting District's designated supervisor(s) must keep accurate records of time expended and work performed by personnel during the period of assistance. The Responding District's General Manager retains the right to withdraw some or all of its resources at any time for any reason in the Responding District's sole discretion.

Cost Reimbursement

Personnel: The Responding District will make such employees as are willing to participate available to the Requesting District at the Requesting District's expense, defined as being equal to the Responding District's full cost, i.e., equal to the employee's applicable salary or hourly wage plus fringe benefits and overhead. The Requesting District shall be responsible for all direct and indirect labor costs.

Equipment: Use of equipment, such as construction equipment, vehicles, tools, pumps and generators, shall be at the Responding District's current equipment rate and subject to the following conditions: The Requesting District shall reimburse the Responding District for use of equipment including, but not limited to, all fuel, lubrication, maintenance, transportation, and loading/unloading of loaned equipment. All equipment shall be returned to the Responding District as soon as is practicable and reasonable under the circumstances.

- (a) At the option of the Responding District, equipment may be provided with an operator;
- (b) Equipment shall be returned to the Responding District within 24 hours after receipt of an oral or written request for return;
- (c) In the event equipment is damaged while being dispatched to Requesting District, or while in the custody and use of Requesting District, Requesting District shall reimburse the Responding District for the reasonable cost of repairing said damaged equipment. If

the equipment can not be repaired, the Requesting District shall reimburse the Responding District for the cost of replacing such equipment with equipment that is of at least equal capability as determined by the Responding District. If the Responding District must lease a piece of equipment while the Requesting District equipment is being repaired or replaced, the Requesting District shall reimburse the Responding District for such lease cost.

Materials and supplies: The Requesting District shall reimburse the Responding District in kind or at actual replacement cost, plus handling charges, for use of expendable or non-returnable supplies. Other supplies and reusable items that are returned to the Responding District in a clean, damage-free condition shall not be charged to the Requesting District and no rental fee shall be charged; otherwise, they shall be treated as expendable supplies. Supplies that are returned to the Responding District with damage must be treated as expendable supplies for purposes of cost reimbursement.

Payment Period: The Responding District shall provide an itemized invoice to the Requesting District for the expense incurred in providing assistance under this agreement not later than the 10th of the month following the month wherein assistance is provided. The Requesting District agrees to reimburse the Responding District within 15 days from receipt of an invoice.

Records: Authorized representatives of each District shall have access to the other's books, documents, notes, reports, papers and records for the purpose of reviewing the accuracy of the invoice(s) rendered.

Indemnity: Each District shall assume the defense of, fully indemnify, and hold harmless the other District, its Directors, officers and employees, from all claims, loss, damage, injury and liability of every kind, nature and description, directly or indirectly arising from assistance provided hereunder, including, but not limited to, negligent or wrongful use of equipment, supplies or personnel provided, or faulty workmanship or other negligent acts, errors or omission.

Workers' Compensation: Each District is responsible for providing worker's compensation benefits and administering worker's compensation for its employees.

Effective Date: This agreement shall take effect upon execution.

Termination: Either District may terminate this agreement by providing written notice to the other. Termination does not absolve the Requesting District's duty to reimburse the Responding District for assistance rendered, which duty shall survive such termination.

Modification: Modification to this agreement must be in writing.

Severability: If any provision of this agreement is declared by a court of competent jurisdiction to be invalid, the validity of the remaining terms and provisions shall not be affected.


Chris DeGabriele Date
North Marin Water District


Beverly James Date
Novato Sanitary District

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Staff Report: CSRMA Liability Insurance Dividend	MEETING DATE: 2/8/2010 AGENDA ITEM NO. : 11.d.
RECOMMENDED ACTION: Information only	
<p>SUMMARY AND DISCUSSION: Liability insurance coverage for Novato Sanitary District is provided through the CSRMA Pooled Liability Program which the District joined in 1988. In the normal management of the program, it is possible for the pool to accumulate "retained funds" or money in excess of current (and expected future) liabilities. This can occur either through conscious overfunding of the pool, or through low losses. These funds are routinely returned to members through the retrospective rating program and the dividend program (Attachment).</p> <p>Retrospective Rating Returns/Assessments. "Retros" refer to a dollar amount calculated by a retrospective rating formula and this amount is either returned or assessed to individual members based on their loss experience in a given program year, and is then performed annually to allow for updating of the data used in the calculation. Retrospective adjustments are applied to the deposit premium billed to each member annually.</p> <p>Dividends. All agencies share in dividends through the formula adopted by the CSRMA Board of Directors. These dividends are in addition to the Retrospective Rating Program which limits returns to 25% of a member's original deposit. The remaining unencumbered funds (up to 25%), after all claims are paid in the given program year, are shared among the membership as dividends. Dividends are paid out of the program's retained earnings and are returned to members in refunds separate from the annual deposit premium billing.</p> <p>Novato Sanitary District has just received a dividend check from CSRMA for \$24,035 which is the District's share of the most recent dividend declared by the CSRMA Board of Directors. This is the 17th year that the District has received a dividend, which combined with retrospective adjustments, has substantially reduced the annual cost of liability insurance.</p>	
ALTERNATIVES: Information only	
BUDGET INFORMATION: N/A	
DEPT. MGR. :	MANAGER'S APPROVAL:

Period of Coverage	Initial Premium	Retro & Dividend Adjustments			Net Adj Premium	
		Adj by Year	Retro	Dividend		
02-09-88 to 12-31-88	70,240				0	70,240
12-31-88 to 12-31-89	68,155				0	68,155
12-31-89 to 12-31-90	64,521	1988	2,978		2,978	67,499
12-31-90 to 12-31-91	67,413	1989 1990	(4,066) 92		(3,974)	63,439
12-31-91 to 12-31-92	66,591	1989 1990	(1,947) (2,896)		(4,843)	61,748
12-31-92 to 12-31-93	68,215	1988 1990 1991	(3,113) (1,717) (3,647)		(8,477)	59,738
12-31-93 to 12-31-94	68,169				0	68,169
12-31-94 to 12-31-95	66,770	1991 1992 1993 1989	(247) (2,944) (7,076)		(13,281)	53,489
12-31-95 to 12-31-96	64,920	1988 1992 1993 1994 1988-90	(1,366) (1,190) (595) (2,828)		(12,057)	52,863
12-31-96 to 12-31-97	58,709	1988 1992 1993 1994 1995 1988-91	(1,624) (1,802) (882) (2,795) (5,766)		(20,718)	37,991

Period of Coverage	Initial Premium	Retro & Dividend Adjustments			Total	Net Adj Premium
		Adj by Year	Retro	Dividend		
12-31-97 to 12-31-98	57,945	1988 (9) 1992 (1,169) 1993 (105) 1994 (2,536) 1995 (4,287) 1996 (11,452) 1988-92		(9,311)	(28,869)	29,076
12-31-98 to 12-31-99	48,769	1996 (1,237) 1997 (5,505) 1988-93		(5,915)	(12,657)	36,112
12-31-99 to 12-31-00	50,336	1988 (2,865) 1991 2,051 1997 (3,646) 1998 (4,390) 1988-94		(23,198.00)	(32,048)	18,288
12-31-00 to 12-31-01	46,583	1987 (14) 1990 (2,052) 1997 (5,465) 1998 (7,639) 1988-95		(23,835.00)	(39,005)	7,578
12-31-01 to 12-31-02	47,130	1990 51 1999 (8,132) 1988-96		(27,989.00)	(36,070)	11,060
12-31-02 to 12-31-03	63,656	1987 43 1990 (51) 2000 7,851 1988-97		(32,228)	(24,385)	39,271
12-31-03 to 12-31-04	72,326	1987 1990 2002 (8,260) 1988-98		(31,090)	(39,350)	32,976

Period of Coverage	Initial Premium	Retro & Dividend Adjustments			Total	Net Adj Premium
		Adj by Year	Retro	Dividend		
12-31-04 to 12-31-05	76,266	1987 1990 2002 1988-99	(1) 243 (4,182)	(28,132)	(32,072)	44,194
12-31-05 to 12-31-06	74,044	1987 2000 2002 2003 1988-00	(24) (2,474) (3,956) (8,138)	(29,058)	(43,650)	30,394
12-31-06 to 12-31-07	82,813	1987 2000 2004 1988-01	5 (1,592) (8,576)	(12,735)	(22,898)	59,915
12-31-07 to 12-31-08	88,018	1987 2000 2004 2005 1988-02	(20) (6,887) (3,751) (9,136)	(20,014)	(39,808)	48,210
12-31-08 to 12-31-09 NOTE: Deductibles decreased from \$100,000 to \$25,000 per occurrence	130,668	2000 2004 2006 1988-03	(102) 4,555 (7,296)	(19,436)	(22,279)	108,389
12-31-09 to 12-31-10	140,126	1987 2000 2004 2006 2007 1988-04	(10) (2,005) 14,653 (2,964) (11,942)	(24,035)	(26,303)	113,823