

# NOVATO SANITARY DISTRICT

August 11, 2008

A regular meeting of the Board of Directors of the Novato Sanitary District will be held at 4:30 p.m., Monday, August 11, 2008, at the District Office, 500 Davidson Street, Novato.

*Materials related to items on this agenda are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours.*

## AGENDA

1. **PLEDGE OF ALLEGIANCE:**
2. **AGENDA APPROVAL:**
3. **PUBLIC COMMENT:**

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.

4. **BOARD MEMBER REPORTS:**
5. **REVIEW OF MINUTES:**

a. Consider approval of minutes of July 11,14, and 28, 2008 meetings.

6. **CONSENT CALENDAR:**

The Manager-Engineer has reviewed the following items. To her knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.

- a. Approve fund transfer to operating fund for staff time on capital projects.
- b. Receive Quarterly Investment Report for period ending June 30, 2008.
- c. Approve Waiver of Conducting Authority & Consent for Boundary Change – Annexation of the Lands of Diaz to the Novato Sanitary District.
- d. Approve plans for Whole Foods Project Offsite / Reichert Ave - Railroad Ave.
- e. Approve plans for McClay Road-Benesi sewer main extension.
- f. Approve execution of a maintenance contract for root abatement.
- g. Approve adoption of resolution of appreciation for City Manager Dan Keen.
- h. Approve disbursements.

**7. HOUSEHOLD HAZARDOUS WASTE AND AB 939 PROGRAM SERVICES:**

- a. Receive status report on Household Hazardous Waste and AB 939 Programs.
- b. Consider approval of a contract for consulting services for the Household Hazardous Waste and AB 939 programs.

**8. PERSONNEL:**

- a. Report from Adhoc Personnel Committee.
- b. District organization chart – information item.
- c. Consider approval of a 401(a) plan for management and confidential employees.
- d. Consider adoption of CalPERS resolution fixing the employer's contribution under the Public Employees' Medical and Hospital Care Act.
- e. Consider adoption of resolution fixing the employer's contribution for retiree health care premiums.
- f. Consider authorization for the Manager-Engineer to approve out-of-state travel for District employees to attend the annual CWEA Conference in Sparks, Nevada, in September 2008.

**9. CALIFORNIA SPECIAL DISTRICTS ASSOCIATION:**

- a. Consider election of representative to the CSDA Board of Directors for Seat C, Region 3 (Bay Coastal area).

**10. SEWER SYSTEM MANAGEMENT:**

- a. Review Sewer System Management Plan.
- b. Consider adoption of a resolution approving the Sewer System Management Plan.

**11. STAFF REPORTS:**

- a. Gravity Belt Thickener startup.
- b. North Bay Water Reuse Authority Scoping Meeting

**12. MANAGER'S ANNOUNCEMENTS:**

**13. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957:**

- Public employee performance evaluation:  
Title: Manager-Engineer

**14. ADJOURNMENT:**

AGENDA/Board of Directors  
August 11, 2008

Next resolution no. 2986

***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.***

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|   |                                      |
|---|--------------------------------------|
| <b>TITLE:</b> Fund Transfer   | <b>MEETING DATE:</b> August 11, 2008 |
| <b>AGENDA ITEM NO. :</b>  |                                      |
| <b>RECOMMENDED ACTION:</b> Approve reclassification of expenses from Operating Fund to Capital Improvements Fund for 2007-08 engineering expenses   |                                      |
| <b>SUMMARY AND DISCUSSION:</b><br><br>At the end of each fiscal year, the Operating Fund is reimbursed from the Capital Improvement Fund for staff time spent on Capital Improvement Projects. Expenses are based on actual time spent at hourly rate, plus an allowance of 35% for overhead and supervision.<br><br>Engineering expenses for fiscal year 2007-08 amount to \$122,296.66 plus overhead of \$42,803.83, for a total of \$165,100.49. The attached spreadsheet gives a breakdown of staff time by project.<br><br>Last year's fund transfer was \$153,880.51. |                                      |
| <b>ALTERNATIVES:</b> Do not authorize fund transfer   |                                      |
| <b>BUDGET INFORMATION:</b> Reclassifies expenses from Operating Fund to Capital Improvement Fund  |                                      |
| <b>DEPT. MGR. :</b>   | <b>MANAGER'S APPROVAL:</b>           |

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

**TITLE: Consent Calendar: Waiver of Conducting Authority & Consent for Boundary Change**

**MEETING DATE: August 11, 2008**

**AGENDA ITEM NO.:**

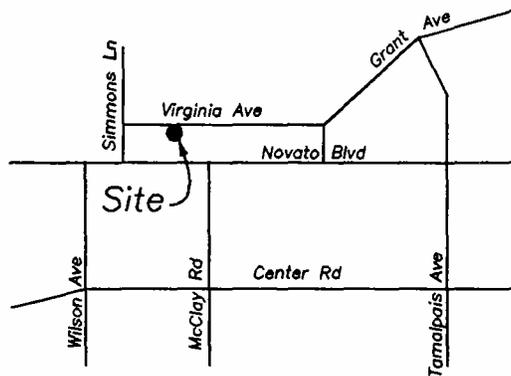
**RECOMMENDED ACTION:** Approve Consent for Boundary Change and Waiver of Conducting Authority for Lands of Diaz.

**SUMMARY AND DISCUSSION:**

This agenda item is for the Consent for Boundary Change and Waiver of Conducting Authority for the Annexation of the Lands of Diaz to the Novato Sanitary District.

The applicants are applying to annex to the Novato Sanitary District in order to connect to the public sewer to serve both a primary and an accessory dwelling located at 1865 Virginia Avenue Novato. The existing parcel is currently being served by a septic system that can not be upgraded or modified. The parcel's basic dimensions are sixty feet wide by two hundred and eighteen feet deep

Total amount of area to be annexed is 0.30 acres.



*Vicinity Map*  
No Scale

**ALTERNATIVES:** Do not approve or sign the Consent for Boundary Change and Waiver of Conducting Authority. .

**BUDGET INFORMATION:** N/A

**DEPT.MGR.:**

**MANAGER:**

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

**TITLE: Consent Calendar: Whole Foods Offsite Sewer (Railroad/Sweetser Ave. SME)**

**MEETING DATE: August 11, 2008**

**Agenda Item #**

**RECOMMENDED ACTION: Approve Plans for Whole Foods Offsite Sewer (Railroad/Sweetser Ave. SME)**

**SUMMARY AND DISCUSSION:**

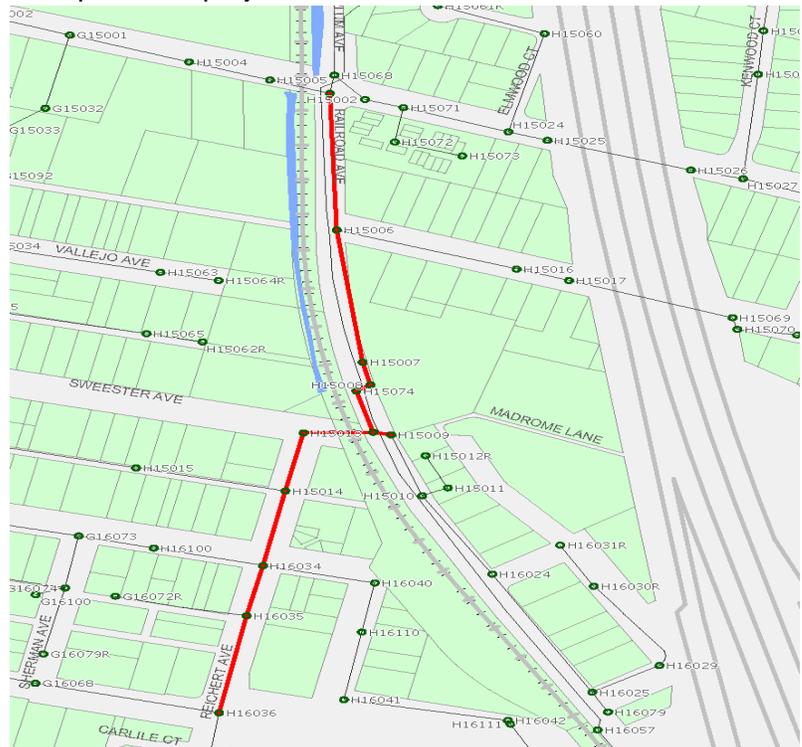
This Sewer Main Extension (SME) project is designed to construct a sewer main with larger capacity from the Whole Foods project site at DeLong Ave and Reichert Avenue, through “Old Town Novato” terminating at Railroad Avenue and Olive Avenue.

The owners of the Whole Foods project are proposing a cooperative sewer main extension project with the Novato Sanitary District. During the District’s review process it was determined that the existing sewer system downstream from the proposed Whole Foods project was undersized and had poor flow characteristics. The existing sewer mains were designed for the sewer flows of the smaller downtown Novato of 1949. The District Board of Directors approved in concept for a 50/50 cost-sharing agreement with the project owners.

The Engineer of record is CSW Stuber-Stroeh Engineering Group Inc, Novato.  
The Developers, Signature Properties of Pleasanton, CA, are the owners of record.

The following items will be constructed to complete this project;

- 77 feet of 6” PVC Sewer Main.
- 472 feet of 10” PVC Sewer Main.
- 1,472 feet of 12” PVC Sewer main.
- 8 Manholes
- 2 Drop Manholes
- 10 Reconstruction of existing 4” Laterals
- 1 Jack & Bore Railroad Crossing



# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

**TITLE:** Consent Calendar: McClay Road  
Sewer Main Extension –Benesi Land Division

**MEETING DATE:** August 11, 2008

**RECOMMENDED ACTION:** Approve Plans for McClay Road Sewer Main Extension – Benesi Land Division

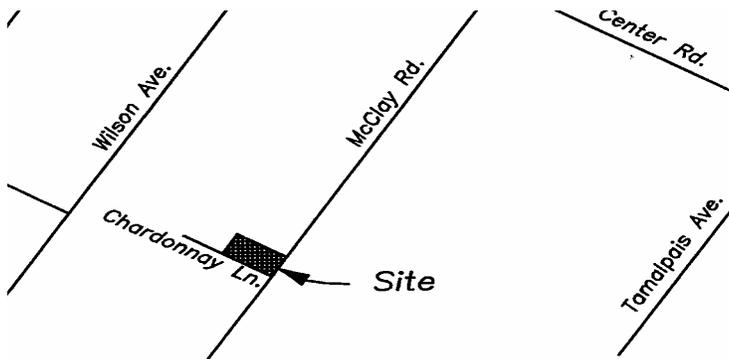
**SUMMARY AND DISCUSSION:**

This Sewer Main Extension project is designed to convert an existing six-inch private PVC lateral into a sewer main stub to serve a two-lot land division located at 611 McClay Road. A Sanitary Sewer Easement, is being provided to the District by separate grant of easement from the owner.

The Engineer of record is White & Prescott Engineering and Surveying, Novato. The Developer is Steve Benesi who is the owner of record.

The following items will be constructed to complete this project;

- 4 feet of 6” PVC Sewer Main.
- 1 Manhole (eleven feet deep)
- 1 Rodding Inlet
- 150 feet of 4” PVC Lateral



**Vicinity Map**  
No Scale

**ALTERNATIVES:** Do not approve McClay Road SME plans.

**BUDGET INFORMATION:** Increase District’s Assets by \$7,550.00

**DEPT. MGR.:**

**MANAGER:**

**NOVATO SANITARY DISTRICT  
BOARD AGENDA ITEM SUMMARY**

|  |   |
|--|---|
| <b>TITLE: Collection System: Outside Services, Root Abatement</b>  | <b>MEETING DATE: August 11, 2008</b><br><br><b>AGENDA ITEM NO.:</b> |
| <b>RECOMMENDED ACTION: Authorize staff to execute a maintenance contract with Root Tamers for an amount not to exceed \$45,000.</b>  |   |
| <b>SUMMARY AND DISCUSSION:</b> District staff has determined that most sanitary sewer overflows in the District are caused by root intrusion or grease buildup. Bids were solicited from four companies to provide root abatement services for the District: <ul style="list-style-type: none"><li>• Duke's Root Control,</li><li>• Root Tamers (RTS),</li><li>• Empire Pipe Cleaning, and</li><li>• Mainline Videocam Inspection.</li></ul> <p>Empire Pipe Cleaning and Mainline Videocam Inspection did not submit bids. Root Tamers submitted the lowest cost bid for this service. Root Tamers will provide effective chemical root abatement services that do not measurably affect treatment plant processes. The bid is based on number of lineal feet of sewer treated, the sewer diameter, and whether or not it is located in an easement. The District estimated the footage at 37,200 and the total cost at \$37,600. The final cost will vary depending on actual sewers treated.</p> <p>District staff recommends authorization of a maintenance contract with Root Tamers for an amount not to exceed \$45,000.</p> |   |
| <b>ALTERNATIVES: Do not accept agreement.</b>  |   |
| <b>BUDGET INFORMATION: The project will be funded under Budget Item 60153: Collection System Outside Services which has a 2008-09 budget balance of \$70,000.</b>  |   |
| <b>DEPT.MGR.:</b>  | <b>MANAGER:</b>   |

**RESOLUTION 2986**

**NOVATO SANITARY DISTRICT**

**A RESOLUTION OF APPRECIATION  
TO  
DAN KEEN, NOVATO CITY MANAGER**

**WHEREAS**, Dan Keen has been employed as the Novato City Manager for the last four years; and

**WHEREAS**, Dan Keen's service as City Manager has been commendable, marked by his outstanding knowledge, commitment, innovation, and service to the Novato community; and

**WHEREAS**, The City of Novato, under Dan Keen's direction has developed improved citywide emergency training practices, and has consistently coordinated its operations closely with the other Novato area local agencies including the Novato Sanitary District, the Novato Fire Protection District, the Novato Unified School District and North Marin Water District; and

**WHEREAS**, Dan Keen has repeatedly demonstrated his diligence, integrity, and personal dedication in service to the City of Novato and its citizens; and

**NOW, THEREFORE, BE IT RESOLVED** that the Directors of the Novato Sanitary District express their deep appreciation for the commendable manner in which Dan Keen has performed his responsibilities as Manager of the City of Novato, and for the integrity and leadership he has demonstrated, and wish him the very best in his new endeavor.

\* \* \* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of Novato Sanitary District, Marin County, California, at a meeting thereof held on the 11<sup>th</sup> day of August, 2008, by the following vote:

AYES, and in favor thereof, Members: Di Giorgio, Fritz, Knutson, Long, Quesada

NOES, Members: None

ABSENT, Members: None

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President  
Novato Sanitary District

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|   |   |
|---|---|
| <b>TITLE:</b> Household Hazardous Waste and AB 939 Programs   | <b>MEETING DATE:</b> August 11, 2008<br><br><b>AGENDA ITEM NO.:</b> |
| <b>RECOMMENDED ACTION:</b> Approve proposal to provide consulting services.   |   |
| <b>SUMMARY AND DISCUSSION:</b><br>Dee Johnson has been serving as the District's coordinator for the Household Hazardous Waste, Used Oil, and AB 939 programs for a number of years.<br><br>She is proposing to perform the following services on a time and materials basis with the following not-to-exceed limits: |   |
| Administer the HHW Facility and Operations  | \$55,500  |
| Administer the Used Oil Block Grant   | \$6,720   |
| Administer the AB 939 Program   | \$16,000  |
| DOC Beverage Container Recycling  | <u>\$2,964</u>  |
| Total   | \$81,184  |
| The Used Oil Block Grant services are funded by a grant from California Integrated Waste Management Board. The HHW Facility and AB 939 services are funded by AB 939 collector fees and Marin County JPA reimbursement.   |   |
| <b>ALTERNATIVES:</b> Do not accept the proposal.  |   |
| <b>BUDGET INFORMATION:</b> This work will be funded from the 2008-09 budget, which has an item for Solid Waste Consulting Services of \$81,184.   |   |
| <b>DEPT.MGR.:</b>   | <b>MANAGER:</b>   |

August 11, 2008

Memo to: Board of Directors  
From: Michael Di Giorgio  
William C. Long  
Subject: Adhoc Personnel Committee Report

The Board of Directors approved a 3.2% cost of living adjustment for management and confidential employees effective July 1, 2008, at their meeting on July 28, 2008. The Board deferred consideration of changes to the post-retirement medical program and pension program pending receipt of additional information on the estimated savings for the medical after retirement program.

### **Medical After Retirement**

The District has implemented the following medical after retirement program to the represented employees. Staff recommends implementing the same program for Management and Confidential employees.

1. Retiree Health – Current Employees
  - a. District would pay the PERS required minimum plus:
  - b. If 10 years of service and retire at age 55, additional amount to cover Kaiser employee only coverage.  
  
If 15 years of service and retire at age 60, additional amount to cover Kaiser employee plus one dependent coverage.  
  
If 25 years of service and retire at age 55, additional amount to cover Kaiser employee plus one dependent coverage.
2. Retiree Health – Future Employees
  - a. District would pay the PERS required minimum after retirement; plus
  - b. 1.5% of base salary to Medical After Retirement Account while employed

## Retirement Enhancement

The District originally proposed to the Teamsters to trade retirement enhancement for current employees for the modification of the retiree health program. There have been two proposals:

- a. PERS 2.7 at 55 without reporting the District payment of the employee share as special compensation and without the base salary being the single highest year and with employees paying 1% of their salary toward the cost. The increase in cost to the District of this option is approximately +1.4% of salary.
- b. PERS 2.5% at 55 with highest single year and reporting payment of the employee share as special compensation, employees paying 1% of their salary toward the cost. The increase in cost to the District for this option is approximately +3.4% of salary.

The PERS costs are recalculated each year based on PERS investment performance. For example, employer costs for the 2.7 @ 55 program have ranged from 0 to 7.9% over the past 10 years. The current Last Best and Final Offer and imposition do not include a retirement enhancement and it is not possible to have different PERS retirement programs for different groups of District employees except those based on date of hire.

The Board directed staff and consultants to investigate alternative programs for providing retirement enhancement for management and confidential employees. A number of different defined benefit programs were evaluated from PARS as well as a defined contribution program.

The PARS analysis for unrepresented employees is summarized in Table 1 for four options: 1. Stacking on top of 2% @ 55 to create a program equivalent to 2.7% @ 55. Or 2. Stacking 0.5% on top of the 2% @ 55 program. Or 3 and 4 Either option 1 or 2 but with no prior service credit. The PARS program is much more expensive than the PERS program even for the 20 year amortization mainly because the unrepresented group is has a relatively high average age (51 years). PARS also assumes a 7% return on investment while PERS assumes a 7.75% return on investment.

As an alternative, the District could establish and contribute a percentage of salary to a 401a plan. A defined contribution program of 2.5% approximates the value of the savings between the two medical programs. A 2.5% defined contribution is equivalent in cost to a 2% wage increase assuming a 3.2% annual wage increase and the same discount rate. A poll of management and confidential employees indicated that all but one favored the defined contribution.

Future employees would not participate in the retirement enhancement program.

Table 2 provides the information for the defined contribution plan and the savings from the medical plan changes for both the represented and unrepresented groups.

**Table 1 Alternative Retirement Enhancement Programs  
 Unrepresented Employees**

| Program  | Annual Cost,<br>% of salary | Annual Cost                                    | Net Present<br>Value |
|--|-----------------------------|--|----------------------|
| PARS – 2.7% @ 55,<br>no prior service<br>credit                                | 6.8%                        | \$71,795                                       | \$452,903            |
| PARS – 2.7% @ 55,<br>5 years prior service<br>credit, 20 years<br>amortization | 8.37%                       | \$88,277                                       | \$705,860            |
| PARS – 0.5% stack  | 6.99%                       | \$73,759                                       | \$465,295            |
| PARS – 0.5% stack,<br>5 years prior service<br>20 years<br>amortization        | 8.56%                       | \$90,350                                       | \$719,912            |
| Defined contribution,<br>no prior service                                      | 2.5%                        | 1 <sup>st</sup> yr \$18,434<br>last yr \$7,136 | \$117,000            |
| Savings for Change<br>in medical program                                       | 2.7%                        | \$20,000                                       | \$108,000            |

**Table 2 Alternative Retirement Enhancement Programs  
 All Employees**

| Program                                   | Annual Cost,<br>% of salary | Annual Cost | Net Present<br>Value |
|---|-----------------------------|-------------|----------------------|
| Defined contribution,<br>no prior service | 2.5%                        | \$67,164    |                      |
| Savings for Change<br>in medical program  | 5.1%                        | \$132,000   | \$952,000            |

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|  |   |
|--|---|
| <b>TITLE:</b> Resolutions Implementing changes to Retiree Medical program  | <b>MEETING DATE:</b> August 11, 2008<br><br><b>AGENDA ITEM NO.:</b> |
| <b>RECOMMENDED ACTION:</b><br>d. Adopt CalPERS Resolution fixing employer's contribution.<br>e. Adopt Resolution fixing employer's contribution for retiree medical contributions  |   |
| <b>SUMMARY AND DISCUSSION:</b><br><br>On July 11, 2008, the District imposed a change in the retiree medical program for current and future employees. Two resolutions are needed to implement these changes. The first resolution is to notify CalPERS of the change. The second resolution sets forth the retiree medical program for three classes of employees:<br><br><ol style="list-style-type: none"><li>1. Current Employees as of July 1, 2008.</li><li>2. Future employees hired after July 1, 2008.</li><li>3. Former employees retiring before July 1, 2008.</li></ol><br>The two resolutions are attached. |   |
| <b>ALTERNATIVES:</b>   |   |
| <b>BUDGET INFORMATION:</b>   |   |
| <b>DEPT.MGR.:</b>  | <b>MANAGER:</b>   |

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|   |                                      |
|---|--------------------------------------|
| <b>TITLE: Sewer System Management Plan</b>  | <b>MEETING DATE: August 11, 2008</b> |
| <b>AGENDA ITEM NO.:</b>   |                                      |
| <b>RECOMMENDED ACTION:</b> Adopt a Resolution approving the Sewer System Management Plan  |                                      |
| <b>SUMMARY AND DISCUSSION:</b><br><br>California State Water Resources Control Board Order No. 2006-0003, Statewide General Waste Discharge Requirements (WDR) for Sanitary Sewer Systems requires that the District prepare and adopt a Sewer System Management Plan containing the following elements:<br><br><ol style="list-style-type: none"><li>1. Goal</li><li>2. Organization</li><li>3. Legal Authority</li><li>4. Operation and Maintenance Program</li><li>5. Design and Performance Provisions</li><li>6. Overflow Emergency Response Plan</li><li>7. Fats, Oils, and Grease (FOG) Control Program</li><li>8. System Evaluation and Capacity Assurance Plan</li><li>9. Monitoring, Measurement, and Program Modifications</li><li>10. SSMP Program Audits</li><li>11. Communication Program</li></ol><br>District staff have prepared the SSMP in accordance with both State and Regional Board guidelines. The report will be reviewed at the meeting and presented to the board for adoption. |                                      |
| <b>ALTERNATIVES:</b>  |                                      |
| <b>BUDGET INFORMATION:</b>  |                                      |
| <b>DEPT.MGR.:</b>   | <b>MANAGER:</b>                      |

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION APPROVING AND ADOPTING  
THE SEWER SYSTEM MANAGEMENT PLAN (SSMP) –  
DEVELOPMENT PLAN AND SCHEDULE AS REQUIRED BY  
THE STATE WATER RESOURCES CONTROL BOARD  
ORDER NO. 2006-0003-STATEWIDE GENERAL WASTE  
DISCHARGE REQUIREMENTS FOR SANITARY SEWER SYSTEMS**

**NOVATO SANITARY DISTRICT**

**WHEREAS**, on May 2, 2006, the California State Water Resources Control Board adopted Order No. 2006-0003, Statewide General Waste Discharge Requirements (WDR) for Sanitary Sewer Systems; and

**WHEREAS**, the purpose of the WDR is to develop a regulatory mechanism to provide a consistent statewide approach for reducing sanitary sewer overflows; and

**WHEREAS**, the WDR requires preparation of a Sewer System Management Plan (SSMP); and

**WHEREAS**, the SSMP is one of the required elements for WDR compliance; and

**WHEREAS**, District staff has reviewed the SSMP and is recommending approval by the Board of Directors.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Novato Sanitary District:

1. That the Board of Directors of Novato Sanitary District approves the SSMP as required by the State Water Resources Control Board Order No. 2006-0003-Statewide General Waste Discharge Requirements for Sanitary Sewer Systems; and
2. That the Novato Sanitary District Manager-Engineer is appointed as the responsible and authorized representative to the State Water Resources Control Board for purposes related to the development and implementation of the District’s Sewer System Management Plan.

\* \* \* \* \*

I hereby certify that the foregoing resolution was duly and regularly passed and adopted by the Board of Directors of the Novato Sanitary District, Marin County, California, at a meeting thereof duly held on the 11<sup>th</sup> day of August, 2008, by the following vote:

AYES, and in favor thereof, Directors: Di Giorgio, Fritz, Knutson, Long, Quesada

NOES, Directors: None

ABSENT, Directors: None

\_\_\_\_\_  
President, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary, Novato Sanitary District