

# NOVATO SANITARY DISTRICT

Meeting Date: March 12, 2018

**The Board of Directors of Novato Sanitary District will hold a regular meeting at 5:30 p.m. Monday, March 12, 2018, at the District Offices, 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. They are also available on the District's website: [www.novatosan.com](http://www.novatosan.com). Note: All times and order of consideration for agenda items are for reference only. The Board of Directors may consider item(s) in a different order than set forth herein.*

## AGENDA

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

4. **REVIEW OF MINUTES:**
  - a. Approve minutes of the February 12, 2018 meeting.
5. **CONSENT CALENDAR:**

*The General Manager-Chief Engineer has reviewed the following item(s). To his knowledge, there is no opposition to the consent action. The item(s) 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 regular disbursements, February 13 – March 12, 2018.
  - b. Ratify payroll and payroll related disbursements, February 2018.
  - c. Receive Deposit Summary, February 2018.
  - d. Approve and adopt Revised Board Policy No. 3135 – Expense Authorization Limits.
  - e. Approve and adopt Board Policy No. 3216 - Public Agency Retirement Services Trust ("PARS Trust") Contributions.
  - f. Receive Proposed Schedule for Approval of Preliminary and Final Budget, Appropriations Limit, and Sewer Service Charges.
  - g. Authorize General Manager-Chief Engineer to approve Project Plans for Seventh Street Oaks Sewer Main Extension (SME).
6. **WASTEWATER OPERATIONS:**
  - a. Receive Wastewater Operations Report, February 2018:
    - i. Collection Systems

- ii. Treatment Facilities
- iii. Reclamation Facilities

**7. ADMINISTRATION/FINANCE:**

- a. Approve transfer of \$150,000 from unspent funds in the “Salaries and Benefits” categories of the FY17-18 Operating Budget as of December 31, 2017, to the Net Pension Liability (NPL) sub-account of the District’s PARS Trust account.

**8. BOARD MEMBER REPORTS AND REQUESTS:**

- a. California Association of Sanitation Agencies (CASA) Washington DC policy Forum, February 26 – 28, 2018.
- b. North Bay Watershed Association (NBWA) meeting, March 2, 2018.

**9. INFORMATIONAL ITEMS:**

*These items are for information only - no action will be taken on these items as a result of any comments made.*

- a. University of North Carolina (Chapel Hill), Environmental Finance Center blog article: “Four Federal Water Infrastructure Funding Programs to Watch”.

**10. GENERAL MANAGER’S REPORT AND ANNOUNCEMENTS:**

**11. ADJOURN:**

Next Resolution No. 3119.

**Next regular meeting date: Monday, March 26, 2018, 5:30 p.m. at the Novato Sanitary District office, 500 Davidson Street, Novato, CA.**

*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 Meeting Minutes

Meeting Date: February 12, 2018

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 5:30 p.m., Monday, February 12, 2018, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jerry Peters, Directors Carole Dillon-Knutson, William Long, Jean Mariani, and Brant Miller.

STAFF PRESENT: General Manager-Secretary Sandeep Karkal, and Administrative Secretary Julie Hoover.

ALSO PRESENT: John Bailey, Project Manager, Veolia Water  
Erik Brown, Technical Services Manager, NSD  
Dale Thrasher, Admin/Risk Services & Safety Officer, NSD  
Joe Moreno, Collection Systems Worker, NSD  
Javier Vega, Collection Systems Leadworker, NSD  
Jeff Andress, Collection Systems Superintendent, NSD

#### PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The General Manager requested that Consent Calendar Item 5h: ***Approve revised Agreement with the Central Marin Sanitation Agency (CMSA) for a Joint Health and Safety Program, and authorize the General Manager-Chief Engineer to execute it*** be removed from the agenda and deleted entirely. President Peters approved the agenda as modified.

PUBLIC COMMENT: None.

The General Manager introduced the District's recently hired Collection Systems Superintendent, Jeff Andress. Mr. Andress addressed the Board and discussed his previous work experience in the water industry. He stated that he was pleased to be part of the Novato Sanitary District team.

The General Manager then acknowledged Javier Vega, Collection Systems Lead Worker. He noted that Mr. Vega had taken on the role of Interim Collection Systems Superintendent when the former Superintendent, Dasse de longh, retired in November 2017. The General Manager expressed his appreciation to Mr. Vega for his hard work during this interim period.

#### REVIEW OF MINUTES:

Consider approval of minutes of the January 8, 2018 meeting.

*On motion of Director Mariani, seconded by Director Miller, and carried unanimously, minutes of the January 8, 2018 Board meeting were approved as written.*

### CONSENT CALENDAR:

President Peters called for a motion on the Consent Calendar items as follows:

- a. Approve Board member disbursements in the amount of \$1,037.15, regular disbursements in the amount of \$472,921.70, and capital project disbursements in the amount of \$20,555.75. Ratify January's regular disbursements in the amount of \$164,535.73 and capital project disbursements in the amount of \$1,160,647.22.
- b. Ratify January's payroll and payroll related disbursements in the amount of \$243,686.74.
- c. Receive deposit summary, January 2018.
- d. Receive Accounts Receivable (A/R) Summary Report as of January 31, 2018.
- e. Receive 2<sup>nd</sup> Quarter Investment Report, Fiscal Year (FY) 2017-18.
- f. Receive 2<sup>nd</sup> Quarter Financial Report, FY2017-18 (unaudited).
- g. Receive report on 2017 Safety and Wellness Incentive Program (SWIP), and approve disbursements of 2017 SWIP awards.
- h. ~~Approve revised Agreement with the Central Marin Sanitation Agency (CMSA) for a Joint Health and Safety Program, and authorize the General Manager-Chief Engineer to execute it.~~
- i. Adopt Resolution No. 3117 Authorizing Revocation of Easement from Hamilton Cottages, LLC to Novato Sanitary District.

*On motion of Director Miller, seconded by Director Mariani, and carried unanimously, the above listed Consent Calendar items were approved.*

### WASTEWATER OPERATIONS:

#### - Receive Wastewater Operations Reports, January 2018: Collection System; Treatment Facilities; Reclamation Facilities:

The Technical Services Manager provided the Collections System Report for January 2018. He stated that the Collections Department cleaned 89,336 lineal feet of sewer pipelines and completed 429 maintenance work orders, leaving zero work orders outstanding. He stated that 3,285 feet of sewer main were televised. Staff conducted 219 lift station inspections and completed maintenance inspections on six air relief/vacuum valves in January.

The Technical Services Manager then outlined January's specialized training, stating that Collections Department staff had attended Crane and Rigging Training, presented by TNT Safety. In addition, Collections System staff participated in four safety tailgate meetings. There were no lost time accidents, for a total of 2,516 accident-free days, and there were no sanitary sewer overflows (SSOs).

Veolia Project Manager John Bailey then provided an overview of the Treatment Facilities Monthly Operations Report for January, noting that there were no violations or excursions. He stated that the Recycled Water Facility (RWF) was only on line for two days in January due to low demand for recycled water at this time of year. He stated that in addition to monthly routine inspections and maintenance, the thermostat in the MCC room was replaced; the fuel line on emergency generator #3 was repaired; and the blower on motor #3 was tested and passed. He outlined the safety training that was completed in January,

and stated that safety performance was excellent with a total of 2,808 accident-free days. He reviewed the period's key events, laboratory activities, and monthly safety and training topics. He stated that one odor contact was received, noting that the odor was due to an open door on the grit bin building during routine maintenance.

The Project Manager stated that the 2017 Annual Self-Monitoring Report (SMR) as required by the District's discharge permit, was submitted on January 31, 2018.

The Technical Services Manager then summarized the Reclamation Facilities report for January 2018. He stated that there were no irrigation or ranching activities, and that drainage pump stations Nos. 3 and 7 pumped a combined 24.4 million gallons of storm water in January. Furthermore, he reported that the reclamation ponds accumulated 13.3 million gallons of rainwater, and that there were no sludge handling activities in the month.

PERSONNEL:

- Adopt Resolution No. 3118 - A Resolution Authorizing Retitling of the Deputy Manager-Engineer Position to Deputy General Manager.

- Approve promotion of Erik Brown from Technical Services Manager to Deputy General Manager, Salary Range MC 122.5, Step C (\$14,577/month), effective March 1, 2018.

The General Manager stated that he would address the above two items together. He requested that the Board adopt Resolution No. 3118 to retitle the Deputy Manager-Engineer position to Deputy General Manager and then approve promotion of Erik Brown to the retitled position. He stated that Mr. Brown has been an outstanding employee since he was hired in September 2015, and that it was his pleasure to recommend his promotion to Deputy General Manager. He requested that the Board approve the promotion and accompanying salary range, effective March 1, 2018.

*On motion of Director Mariani, seconded by Director Dillon-Knutson, and carried unanimously, the Board adopted Resolution No. 3118: A Resolution Authorizing Retitling of the Deputy Manager-Engineer position to Deputy General Manager.*

*On motion of Director Mariani, seconded by Director Long, and carried unanimously, the Board approved the promotion of Erik Brown from Technical Services Manager to Deputy General Manager, Salary Range MC 122.5, Step C (\$14,577/month), effective March 1, 2018.*

Erik Brown addressed the Board, stating that it has been his pleasure to serve the District the past two years as Technical Services Manager and that it will be his pleasure to serve in the new position of Deputy General Manager. He thanked the General Manager for his confidence and thanked the Board for their continuing support. The Board extended their congratulations to Mr. Brown.

BOARD MEMBER REPORTS AND REQUESTS:

- California Association of Sanitation Agencies (CASA) 2018 Winter Conference.

Directors Mariani, Dillon-Knutson, and Long discussed their attendance at the CASA Winter Conference which took place in Palm Springs, January 24 – 26, 2018.

Director Mariani stated that it was a very good conference and that she appreciated the panel discussion on non-flushable wipes. In addition, she commented on the topic of standard operating procedures which Dale Thrasher presented at the CSRMA portion of the conference. She asked if the District could take into consideration some of these programs to standardize the District's operating procedures over the next two years.

Director Dillon-Knutson stated that she really enjoyed the conference and that the speakers were excellent. She discussed a cross-training study that was done by Ross Valley Sanitary District and questioned if Novato Sanitary District could work with other agencies in the area to implement a similar program.

Director Long commented on the presentations given regarding the recent wild fires in Sonoma County, the topic of disaster preparedness, and the need for accurate record keeping to facilitate disaster relief expense reimbursement. He talked about his participation in a round table discussion on toxicity, and stated that it was very informative.

The General Manager stated that at the January 8<sup>th</sup> Board meeting, he had announced his acceptance of the CSRMA (California Sanitation Risk Management Authority) Executive Board nomination. He further reported that the CSRMA Board of Directors completed the election process on January 24<sup>th</sup> during the CASA conference, and that he had been elected to the CSRMA Executive Board.

- North Bay Watershed Association (NBWA) meeting, February 2, 2018.

Director Miller reported on his attendance at the NBWA meeting held on February 2<sup>nd</sup> at the District office. He discussed a presentation by Chris Choo, County of Marin Water Resources, titled: "Marin County's Sea Level Rise Adaptation Planning". He also commented on a presentation given by the District's General Manager-Chief Engineer, titled: "Overview and What's New at the Novato Sanitary District", and stated that the presentation was well done and informative.

#### INFORMATIONAL ITEMS:

- WaterWorld magazine article dated January 30, 2018 titled: "Gov. Accountability Office Report Looks at Water System Workforce."

- California Special District Association (CSDA) e-news article titled "Governor's Budget Includes Tax on Water Bills".

The General Manager stated that these articles were for informational purposes only.

#### GENERAL MANAGER'S REPORTS AND ANNOUNCEMENTS:

The General Manager had the following reports and announcements:

- Reports:

- President Peters and the General Manager-Chief Engineer are scheduled to make a presentation on the District to the Novato City Council at the City Council meeting of Tuesday, March 27, 2018.
- Announcements:
  - The District received notification that the Regional Water Quality Control Board will conduct a compliance inspection of the District's collection systems and pump stations on February 21, 2018. Technical Services Manager Erik Brown, Collection Systems Superintendent Jeff Andress, and Collection Systems Leadworker Javier Vega are preparing for the inspection and will be available as needed. The General Manager-Chief Engineer will present the findings to the Board when they are available.
  - Next Board meeting is Monday, March 12<sup>th</sup> at 5:30 p.m.

ADJOURNMENT: There being no further business to come before the Board, President Peters adjourned the meeting at 6:21 p.m.

Respectfully submitted,

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Sandeep Karkal  
Secretary

Julie Hoover, Recording

# Novato Sanitary District Board Check Register

For February 2018

Item 5.a.  
(Pages 8 to 12)

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<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
<b>Mar 8, 18</b>			
03/08/2018	5386	Dillon-Knutson-, Carole	207.78
03/08/2018	5387	Long, William C	313.79
03/08/2018	5388	Mariani, Jean M	307.79
03/08/2018	5389	Miller, Brant	
03/08/2018	5390	Peters, Arthur Gerald	401.58
<b>Mar 8, 18</b>			<b><u>1,230.94</u></b>

# Novato Sanitary District Operating Check Register

February 26, 2018

Date	Num	Name	Credit
<b>Feb 26, 18</b>			
02/26/2018	61565	Veolia Water North America, Inc.	173,574.83
02/26/2018	61557	Pacific, Gas & Electric	60,603.66
02/26/2018	61549	MarTech	36,649.85
02/26/2018	61566	Veolia Water North America, Lab	28,326.35
02/26/2018	61560	RedZone Robotics Inc	17,000.00
02/26/2018	61538	Citi Visa (Costco)	11,099.98
02/26/2018	61536	CDW Government, Inc.	4,882.48
02/26/2018	61554	North Marin Water District	4,310.18
02/26/2018	61534	Cagwin & Dorward Inc.	3,548.00
02/26/2018	61541	Diego Truck Repair Inc.	2,987.27
02/26/2018	61562	SmartCover Systems, Inc.	2,982.00
02/26/2018	61567	Woodard & Curran formerly RMC	2,697.25
02/26/2018	61553	Nave Motors, Inc	1,632.76
02/26/2018	61535	Calcon Systems, Inc.	1,445.03
02/26/2018	61546	IEDA, INC	1,184.00
02/26/2018	61544	Fisher-Scientific	1,182.83
02/26/2018	61555	North Marin Water District Payroll	888.00
02/26/2018	61540	CWEAmembers	805.00
02/26/2018	61542	DLT Solutions Inc.	784.78
02/26/2018	61558	Ray Morgan, formerly Ricoh	720.60
02/26/2018	61564	Telstar Instruments Inc	720.00
02/26/2018	61545	Frontier California Inc EQ	577.89
02/26/2018	61561	Shape Incorporated	532.63
02/26/2018	61550	Medical Center of Marin	510.00
02/26/2018	61533	BoundTree Medical, LLC	448.11
02/26/2018	61548	Marin County Ford	410.33
02/26/2018	61559	Recology Sonoma Marin	318.66
02/26/2018	61537	Centric Signs	286.99
02/26/2018	DD	Dillon-Knutson, Carole.	207.20
02/26/2018	61563	Steven Engineering Inc.	206.80
02/26/2018	61556	Novato Pediatric Dentistry	147.45
02/26/2018	61531	B.W.S. Distributors, Inc.	140.12
02/26/2018	61532	Barnett Medical LLC	140.00
02/26/2018	61539	CWEA-Redwood Empire Section	100.00
02/26/2018	61530	American Messaging	95.44
02/26/2018	61552	National Notary Association	69.00
02/26/2018	DD	Karkal, Sandeep	56.40
02/26/2018	61547	Integrity Shred LLC	50.00
02/26/2018	DD	Mariani, Jean	47.00
02/26/2018	61543	First Alarm	41.11
02/26/2018	DD	Peters, Jerry Brd Member	34.40
02/26/2018	61551	NAPA Auto Parts	11.16
<b>Feb 26, 18</b>			<b><u>362,455.54</u></b>

**Novato Sanitary District**  
**Operating Check Register**  
 March 12, 2018

Date	Num	Name	Credit
<b>Mar 12, 18</b>			
03/12/2018	61600	Veolia Water North America, Inc.	173,574.83
03/12/2018	61598	Stericycle	32,250.13
03/12/2018	61601	Veolia Water North America, Lab	28,817.42
03/12/2018	61593	PARS-PSRP-Post Employment Benefits Trust	9,298.00
03/12/2018	61585	Johnson, Dee	7,740.00
03/12/2018	61592	PARS-OPEB-Post Employment Benefits Trust	6,782.75
03/12/2018	61602	Veolia Water Recycled Water Oper.	2,705.41
03/12/2018	61577	Caltest Analytical Lab Inc.	1,234.05
03/12/2018	61578	Central Marin Sanitation District	1,142.86
03/12/2018	61583	Harris & Associates, Inc	1,100.00
03/12/2018	61584	Jan-Pro Cleaning Systems	1,005.00
03/12/2018	61586	MarinScope Inc.	750.00
03/12/2018	61582	Evoqua Water Technologies - Lab	701.12
03/12/2018	61606	WEF Membership	640.00
03/12/2018	61579	Cintas Corporation	562.59
03/12/2018	61575	BoundTree Medical, LLC	506.25
03/12/2018	61596	School Fuel	500.00
03/12/2018	61603	Vision Service Plan	492.13
03/12/2018	61569	Alpha Analytical Lab, Inc.	390.00
03/12/2018	61576	Cagwin & Dorward Inc.	360.00
03/12/2018	61594	Pini Hardware	359.81
03/12/2018	61591	Occumetric Inc.	320.00
03/12/2018	61595	Recology Sonoma Marin	267.26
03/12/2018	61573	B.W.S. Distributors, Inc.	251.94
03/12/2018	61580	Claremont EAP, Inc.	250.00
03/12/2018	61588	MSA Redwood Empire Chapter	220.00
03/12/2018	61581	Duke, Brennan-	190.75
03/12/2018	61599	Unicorn Group	186.33
03/12/2018	61590	North Marin Water District - Lab	176.00
03/12/2018	61571	Andress, Jeff-	164.59
03/12/2018	61570	American Messaging	156.76
03/12/2018	61587	Meyers, Nave, Riback, Silver & Wilson	137.37
03/12/2018	61574	Barnett Medical LLC	135.00
03/12/2018	61597	SRS Private Investigations, Inc	120.00
03/12/2018	61572	AT&T Mobility	63.42
03/12/2018	61589	North Marin Water District	54.39
03/12/2018	61604	Water Components & Building, Inc.	24.43
03/12/2018	61605	void	0.00
			<b><u>273,630.59</u></b>

# Novato Sanitary District Capital Projects Check Register

February 26, 2018

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Date	Num	Name	Credit
<b>Feb 26, 18</b>			
02/26/2018	3258	Koffler Electrical Mech, Inc.	17,037.40
02/26/2018	3257	Covello Group, The	16,900.00
02/26/2018	3259	Woodard & Curran formerly RMC	10,953.15
<b>Feb 26, 18</b>			<b><u>44,890.55</u></b>

# Novato Sanitary District Capital Projects Check Register

March 12, 2018

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Date	Num	Name	Credit
<b>Mar 12, 18</b>			
03/12/2018	3263	Woodard & Curran formerly RMC	39,700.86
03/12/2018	3260	Covello Group, The	8,690.00
03/12/2018	3262	Lateral-Amiri	2,000.00
03/12/2018	3261	GHD Inc.	309.00
<b>Mar 12, 18</b>			<b><u>50,699.86</u></b>

**Novato Sanitary District**  
**Payroll and Payroll Related Disbursements**  
**February - 2018**

Item 5.b.

Date	Description	Amount
02/28/2018	February Payroll	109,060.83
02/28/2018	United States Treasury	19,627.06
02/28/2018	EDD	6,805.32
02/22/2018	CalPERS Health	28,808.85
02/22/2018	February - Retirees Health Benefits	18,802.28
02/22/2018	Delta Dental	2,966.07
02/22/2018	PARS-OPEB Contribution	6,782.75
02/22/2018	PARS-Pension Contribution	9,298.00
02/22/2018	CALPERS Retirement	9,765.33
02/22/2018	CALPERS Retirement	8,567.15
02/22/2018	CalPers Supplemental Income Plan	2,000.00
02/22/2018	Lincoln Financial Group 457	6,418.33
02/22/2018	Lincoln Financial Group 457 Roth	750.00
02/22/2018	Lincoln Financial Group-401a Plan	6,624.64
02/22/2018	Local Union 315	764.00
02/22/2018	ICMA-RC Retiree Health Program	1,124.54
		<b>238,165.15</b>

**Novato Sanitary District**  
**Deposit Detail**  
**February 2018**

Item 5.c.

Type	Date	Name	Account	Amount
<b>Deposit</b>	<b>02/05/2018</b>		<b>11113 · Westamerica - Operations</b>	
		County of Marin	51015 · Property Taxes	356.25
		Ben Franklin Plumbing	41040 · Permit & Inspection Fee	40.00
		Mackey Terrace	51020 · Connection Charges	1,144.00
		Ghiringelli's Pizzeria	41040 · Permit & Inspection Fee	25.00
		Ghiringelli's Pizzeria	51020 · Connection Charges	559.50
		Roto Rooter	11200 - Accounts Receivable	308.86
		Kleinfelder	11200 - Accounts Receivable	<b>(1)</b> 1,493.08
<b>TOTAL</b>				<u>3,926.69</u>
<b>Deposit</b>	<b>02/09/2018</b>		<b>11113 · Westamerica - Operations</b>	
		Sonoma County Water Agency-	51072 · Grant Revenue	<b>(2)</b> 2,804.80
		Roto Rooter	41040 · Permit & Inspection Fee	40.00
		Novato Pediatric Dentistry	41040 · Permit & Inspection Fee	7,977.14
		SMART-	11200 - Accounts Receivable	269.43
		P,G & E1	11200 - Accounts Receivable	<b>(1)</b> 1,240.00
<b>TOTAL</b>				<u>12,331.37</u>
<b>Deposit</b>	<b>02/12/2018</b>		<b>11113 · Westamerica - Operations</b>	
		USCG	11200 - Accounts Receivable	49.35
		USCG	11200 - Accounts Receivable	15,096.00
		USCG-Finance Center	11200 - Accounts Receivable	197.35
<b>TOTAL</b>				<u>15,342.70</u>
<b>Deposit</b>	<b>02/13/2018</b>		<b>11113 · Westamerica - Operations</b>	
		Sewer Connection	41040 · Permit & Inspection Fee	80.00
		Trek Winery	41040 · Permit & Inspection Fee	15.00
		North Marin Water District-	11200 - Accounts Receivable	<b>(3)</b> 13,567.05
<b>TOTAL</b>				<u>13,662.05</u>
<b>Deposit</b>	<b>02/28/2018</b>		<b>11113 · Westamerica - Operations</b>	
		County of Marin	51015 · Property Taxes	2,246.35
		Pieper, Roland	41040 · Permit & Inspection Fee	40.00
		Long, William C	66170 · Travel, Meetings & Training	113.39
		Giron, Marco	41040 · Permit & Inspection Fee	40.00
		County of Marin	51015 · Property Taxes	28.49
		County of Marin	51015 · Property Taxes	6,487.13
		Ben Franklin Plumbing	41040 · Permit & Inspection Fee	40.00
		Craig, Kevin	11200 - Accounts Receivable	178.32
		North Marin Water District-	11200 - Accounts Receivable	<b>(1)</b> 721.52
		Veolia Water	11200 - Accounts Receivable	<b>(4)</b> 6,051.86
<b>TOTAL</b>				<u>15,947.06</u>
			<b>Total Deposits for January 2018</b>	<b><u>61,209.87</u></b>

- (1)** Collection on receivables for non-domestic discharge permit fees for Kleinfelder, P,G & E and NMWD.
- (2)** Received reimbursement from Sonoma County Water Agency through NBWRA for recycled water project.
- (3)** Collection of Recycled Water Facility billing for October and November 2017 from North Marin Water District.
- (4)** Collection of Veolia Water second quarter invoice for reimburseable expenses.

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Consent Calendar: Revised District Policy No. 3135 – Expense Authorization, Deputy General Manager</b>	<b>MEETING DATE: March 12, 2018</b>  <b>AGENDA ITEM NO.: 5.d.</b>
<b>RECOMMENDED ACTION: Approve and Adopt Revised Board Policy No. 3135 – Expense Authorization.</b>	
<b>SUMMARY AND DISCUSSION:</b>  <p>At their meeting of January 11, 2016, the District Board adopted Policy No. 3135 – Expense Authorization. The Policy increased the General Manager-Chief Engineer’s contract and purchase order authorization to conform to District Ordinance No. 118 which sets District bid cost thresholds and bidding procedures to be consistent with limits established by the California Uniform Public Construction Cost Accounting Act (CUPCCAA). In addition, Policy No. 3135 clarified expenditure authorizations for other key staff members. Expense authorization limits for the Technical Services Manager were established at up to \$3,000 for non-budgeted items and up to \$10,000 for budgeted items.</p> <p>At the Board meeting of February 12, 2018, Technical Services Manager Erik Brown was promoted to the position of Deputy General Manager. It is proposed to revise expense authorization for this position to up to \$5,000 for non-budgeted items and up to \$15,000 for budgeted items. These limits are consistent with the purchasing limits established in July 2011 for the previous Deputy Manager position.</p> <p>No other revisions to the Expense Authorization Policy are proposed, other than minor edits to reflect the promotion of the Technical Services Manager to Deputy General Manager.</p> <p>It is recommended that the Board approve and adopt the revised Board Policy No. 3135 – Expense Authorization.</p>	
<b>ATTACHMENTS:</b> <p>1. Draft Revised District Policy No. 3135 – Expense Authorization.</p>	
<b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 4 (Well Planned Finances with a Long Range Outlook) and Goal 5 (Effective Governance and Administration) of the latest Strategic Plan Update.	
<b>DEPT. MGR.:</b> ssk	<b>GENERAL MANAGER:</b> SSK

# Novato Sanitary District

## POLICY HANDBOOK

**POLICY TITLE:** Expense Authorization  
**POLICY NUMBER:** 3135

**3135.1 Purpose.** This policy revises District Expense Authorization adopted by the Board of Directors on January 11, 2016. The purpose of the policy is to procure quality goods and services at the best value for the District in a timely and efficient manner; to provide direction to staff on the acquisition of materials, services, and equipment; and to define authority for procurement functions.

**3135.2 General Procurement Procedures.** The budget adopted by the District Board serves as the document governing District expenditures. For budgeted expenditures, the purchaser must verify that there is sufficient balance in the budget. For all items in excess of \$200, both budgeted and non-budgeted, a purchase order must be signed by an authorized Supervisor, Superintendent, or Manager before an order is placed. A copy of the completed purchase order must be provided to the Administrative Secretary for processing. Competitive quotes shall be obtained on new or unfamiliar items to insure relative cost and availability. The splitting of procurements to avoid purchase limits and restrictions is prohibited. Benefits from any rewards program related to District purchases should revert to District usage, at the discretion of the General Manager-Chief Engineer.

**3135.3 Contract Execution:** Regardless of expenditures and expense authorization levels, and unless otherwise authorized by the District Board, the Board (in the form of its President) and/or the General Manager-Chief Engineer shall remain the sole entities authorized to execute formal contracts on behalf of the District. Contracts shall include but not be limited to: Agreements with other governmental entities or non-governmental organizations (NGOs); professional services agreements; construction, maintenance services, equipment procurement, and material supply contracts; and amendments thereof.

### **3135.4 Expense Authorization Limits.**

Expense authorization limits shall be as set forth in Table 3135 -1: Expense Authorization Limits, below.

As provided by the California Uniform Public Cost Accounting Act (CUPCAA) and Section 22032 of the Public Contract Code, District projects of \$45,000 or less may be performed by negotiated contract or purchase order, and District projects of \$175,000 or less may be let by informal bidding procedures. District Ordinance No. 118, adopted by the District Board on August 12, 2013, authorizes the District General Manager-Chief Engineer to award informal contracts subject to this Act. The General Manager's limits stated below in Table 3135-1 correspond to the amounts authorized by the CUPCAA and District Ordinance No. 118. The CUPCAA limits are influenced by construction costs and/or inflation and are subject to change from time to time by the State of California.

3135-1

**Table 3135-1: Expense Authorization Limits**

AUTHORITY	EXPENSE AUTHORIZATION LIMITS
Board of Directors	No limit.
General Manager-Chief Engineer	Contracts and Purchase Orders up to \$45,000, and budgeted informally bid construction contracts between \$45,001 and \$175,000.
<b>Deputy General Manager</b>	<b>Purchase Orders for non-budgeted items up to \$5,000 and budgeted items up to \$15,000.</b>
<del>Technical Services Manager</del> , Field Services Manager	Purchase Orders for non-budgeted items up to \$3,000, and budgeted items up to \$10,000
Collection System Superintendent, Senior Engineer	Purchase Orders for non-budgeted items up to \$1,500 and budgeted items up to \$5,000.
Administrative/Risk Services Officer, Finance Officer, Leadworker, Supervisor	Purchase Orders for budgeted or non-budgeted items up to \$1,500.
All other employees	Purchases under \$200. Requires prior approval by a Supervisor, Leadworker, or Manager.

**3135.5 Expense Authorization in the Absence of the General Manager:** In the absence of the General Manager, two (2) signatures are required from the ~~Technical Services Manager~~ **Deputy General Manager** AND the Field Services Manager for non-budgeted items up to \$6,000 and up to \$20,000 for budgeted items.

**3135.6 Construction Change Order (CCO) Limits.** Consistent with the above expense authorization limits, the General Manager-Chief Engineer shall have a construction change order authorization limit of up to \$45,000.

**3135.7 Petty Cash.** A Petty Cash fund shall be maintained in the District office having a balance-on-hand maximum of \$100.00. Petty cash may be advanced to District staff or Directors upon their request for the purpose of procuring item(s) or service(s) appropriately relating to District business. After said item(s) or service(s) have been obtained, a receipt for same shall be submitted to the District Finance Officer or Administrative Secretary, and any remaining advanced funds shall be returned. The maximum petty cash advance shall be \$25.00. No personal checks shall be cashed in the petty cash fund. The petty cash fund shall be included in the District's annual independent accounting audit.

**3135.8 Out-of-Pocket Expenses.** Whenever employees or Directors of the District incur "out-of-pocket" expenses for item(s) or service(s) appropriately relating to District business as verified by valid receipts, said expended cash shall be reimbursed upon request from the District's petty cash fund or by check if needed. In instances when a receipt is not obtainable, the requested reimbursement shall be approved by the General Manager-Chief Engineer prior to remuneration.

# NOVATO SANITARY DISTRICT BOARD AGENDA AGENDA ITEM SUMMARY

<b>TITLE: Consent Calendar: Board Policy No. 3216 - Public Agency Retirement Services Trust ("PARS Trust") Contributions.</b>	<b>MEETING DATE: March 12, 2018</b>  <b>AGENDA ITEM NO.: 5.e.</b>
<b>RECOMMENDED ACTION:</b> Approve and adopt Board Policy No. 3216 - Public Agency Retirement Services Trust ("PARS Trust") Contributions.	
<b>SUMMARY AND DISCUSSION:</b>  <p>The proposed Board Policy No. 3216 formalizes actions previously taken by the District Board to establish annual contributions to fund amounts to address liabilities identified under Governmental Accounting Standards Board (GASB) Statements No. 45 and 68; GASB 45 addresses Other Post-Employment Benefits (OPEB) liability, and GASB 68 addresses Net Pension Liability (NPL).</p> <p>At its November 14, 2016 meeting, the District Board adopted recommendations that each future fiscal year, subject to adoption of authorized budget amounts, the District would contribute amounts up to the full GASB 45 and GASB 68 Unfunded Actuarial Accrued Liability (UAAL)/Annual Required Contribution (ARC) amounts for that year, as established by periodic valuations.</p> <p>Also, the 2017 Marin County Grand Jury's reports "Marin's Retirement Health Care Benefits" and "The Budget Squeeze: How Will Marin Fund Its Public Employee Pensions" recommended that the District adopt a formal written policy for contributions to its OPEB and NPL plans. In its response to the Grand Jury, the District committed to adopt such a formal, written policy in Fiscal Year (FY) 2017-18 and implement it in FY2018-19.</p> <p>Because OPEB and NPL contribution amounts will be authorized and adopted each fiscal year in the Annual Budget, future Boards may revise funding levels if they wish.</p> <p>It is recommended that the Board approve and adopt Board Policy No. 3216 - Public Agency Retirement Services Trust ("PARS Trust") Contributions.</p>	
<b>ATTACHMENTS:</b> 1. Draft Board Policy No. 3216.	
<b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 4 (Well Planned Finances with a Long Range Outlook) and Goal 5 (Effective Governance and Administration) of the latest Strategic Plan Update.	
<b>DEPT. MGR.:</b> lc, ssk	<b>GENERAL MANAGER:</b> SSK

# Novato Sanitary District

## BOARD POLICY HANDBOOK

**POLICY TITLE:** Public Agency Retirement Services Trust (“PARS Trust”) contributions.  
**POLICY NUMBER:** 3216

### 3216.1 Terms:

1. ARC: Annual Required Contribution
2. CalPERS: California Public Employees Retirement System
3. GASB: Government Accounting Standards Board
4. NPL: Net Pension Liability
5. OPEB: Other Post-Employment Benefits
6. PARS: Public Agency Retirement Services, Newport Beach, CA
7. UAAL: Unfunded Actuarial Accrued Liability

### 3216.2 Background

**3216.2.1.** In January 2017, the District transitioned to a GASB compliant post-retirement benefits trust fund with Public Agency Retirement Services (PARS), Newport Beach, CA, to fund its GASB Statement 45 (OPEB) and GASB Statement 68 (Pension) liabilities.

**3216.2.2.** Conforming to GASB standards requires the District to actuarially calculate its OPEB and NPL obligations, and the annual amount required to fund each individual obligation (referred to as either UAAL or ARC). For practical purposes, the UAAL or ARC represents a level of funding that if paid on an ongoing basis, is projected to cover the cost each year and amortize any unfunded actuarial liabilities over a 30-year period.

**3216.2.3.** At its November 14, 2016 meeting, the Board adopted a recommendation that each future fiscal year, and subject to Board adoption of authorized amounts in the Annual Budget for that fiscal year, the District would contribute an amount up to the full GASB 45 (OPEB) UAAL for that year, as established by the District’s periodic GASB 45 valuation reports.

**3216.2.4.** At its November 14, 2016 meeting, the Board also adopted a recommendation that each future fiscal year, and subject to Board adoption of authorized amounts in the Annual Budget for that fiscal year, the District would contribute an amount up to the full GASB 68 (NPL) ARC amount for that year, as established by CalPERS’ periodic valuations of the District’s pension liability.

**3216.2.5.** For Fiscal Year (FY) 2017-18, the District Board adopted budget amounts up to the full GASB 45 and GASB 68 ARCs for that year as individual line item authorized amounts in its FY17-18 Annual Budget.

**3216.3 Contributions Policy**

**3216.3.1 GASB 45 (OPEB) Contributions**

Consistent with its actions of November 14, 2016, the District Board establishes that each future year, and subject to Board adoption of authorized amounts in the Annual Budget for that year, the District shall contribute an amount up to the full GASB 45 (OPEB) ARC for that year, as established by the District's periodic GASB 45 valuation reports.

**3216.3.2. GASB 68 (NPL) Contributions**

Consistent with its actions of November 14, 2016, the District Board establishes that each future year, and subject to Board adoption of authorized amounts in the Annual Budget for that year, the District shall contribute an amount up to the full GASB 68 (NPL) ARC amount for that year, as established by CalPERS' periodic valuations of the District's pension liability.

**3216.3.3. Intent to Not Bind Future Boards**

The policy is designed so that the OPEB and NPL contribution amounts shall be authorized and adopted each fiscal year in that fiscal year's Annual Budget, thereby allowing future Boards to make independent decisions as to the levels that they may wish to fund (or not fund) the liabilities for that fiscal year.

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**NOVATO SANITARY DISTRICT**

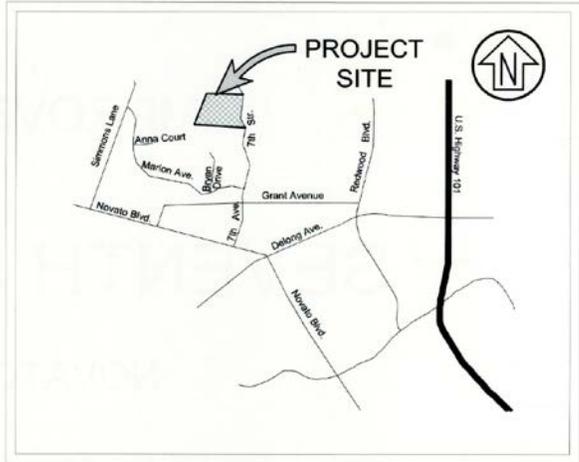
**PROPOSED SCHEDULE FOR APPROVAL OF 2018-20 PRELIMINARY AND FINAL BUDGET, APPROPRIATIONS LIMIT, AND SEWER SERVICE CHARGES**

March 12, 2018	<u>Regular Board Meeting</u> : Receive schedule for adoption of 2018-20 Preliminary and Final Budget, Appropriations Limit, and Sewer Service Charges.
April 13, 2018	First three quarters of revenues and expenditures report for 2017-18; preliminary estimate of annual expenditures for 2017-18; and fill in column for new budget projections goes to supervisors for their review.
April 27, 2018	Budget projections from supervisors due in to Finance Officer.
May 7, 2018	Department budgets for 2018-19 and 2019-20 to General Manager-Chief Engineer for review.
May 14, 2018	<u>Regular Board Meeting</u> : Budget workshop on updated Capital Improvements Program (CIP) and 2018-20 Preliminary Budget. Set date for public hearing on sewer service charges and collection on tax rolls.
May 21, 2018	Publish first public hearing notice in Marin I.J.
May 28, 2018	Publish second public hearing notice in Marin I.J.
May 28, 2018	<u>Regular Board Meeting</u> : Initial presentation of 2018-20 Preliminary Budget. Review Annual Operating and Capital Improvements Program (CIP) Budgets.
June 11, 2018	<u>Regular Board Meeting</u> : Public Hearing on 2018-19 sewer service charges and collection on County of Marin tax rolls. Board adoption of 2018-20 Preliminary Budget.
July 2, 2018	Deadline to provide sewer service charge information to County of Marin.
July 30, 2018	State Department of Finance provides growth factors for calculation of the District's 2018-19 appropriations limit.
August 13, 2018	<u>Regular Board Meeting</u> : Board establishes 2018-19 appropriations limit, approves Final Budget, and adopts resolution fixing tax allocation for 2018-2019.

Public Hearing and Service Charge Ordinance Noticing Procedures

Hearing Notice published once a week for two successive weeks with at least 5 days intervening between the respective publication dates. First publication to be at least 14 days prior to the date set for hearing. (Publish in Marin IJ). Ordinance to be published once in the IJ and posted in 3 public places for one week, to take effect upon the conclusion of the hearing.

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Consent Calendar:</b> <b>Seventh Street SME, Seventh Street Oaks</b> <b>- Approval of Sewer Main Extension</b> <b>project plans.</b>	<b>MEETING DATE: March 12, 2018</b>  <b>AGENDA ITEM NO.: 5.g</b>
<b>RECOMMENDED ACTION:</b> Authorize General Manager-Chief Engineer to approve Project Plans for Seventh Street Oaks Sewer Main Extension (SME).	
<b>SUMMARY AND DISCUSSION:</b>  <p>This sewer main extension (SME) project is located on Seventh Street, North of Carmel Drive. The project scope is to extend the Public Sewer to provide sewer service to two single-family dwellings currently under construction.</p> <p>The existing six-inch sewer main within Seventh Street was constructed in 1970, and was designed to include the development of the project parcel. The entire sewer main extension project will be constructed within the public right of way of Seventh Street.</p> <p>Overall, the construction elements of the proposed Sewer Main Extension (SME) are as follows:</p> <ul style="list-style-type: none"> <li>• 1 ea. new standard Rodding Inlet, to be dedicated to the District</li> <li>• 350 lineal feet of new 6-inch PVC sewer main, to be dedicated to the District</li> <li>• 1 ea. remodeled existing manhole, to be dedicated to the District</li> <li>• 80 lineal feet of new 4" PVC private lateral sewer, to remain private per District code.</li> </ul>	
 <p style="text-align: center;"><b>VICINITY MAP</b> SCALE: NTS</p>	
<b>ATTACHMENTS:</b> NA.	
<b>BUDGET INFORMATION:</b> This SME project will increase the District's net assets by approximately \$56,300.	
<b>DEPT. MGR.:</b> eb	<b>GENERAL MANAGER:</b> SSK

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

**TITLE:** Wastewater Operations Report, February 2018.

**MEETING DATE:** March 12, 2018

**AGENDA ITEM NO.:** 6.a.

**RECOMMENDED ACTIONS:** Receive Wastewater Operations Reports for February 2018:

- Collection System
- Treatment Facilities Operations
- Reclamation Facilities

**SUMMARY AND DISCUSSION:**

The February 2018 Wastewater Operations Report incorporating operations reports for collections systems, wastewater treatment operations, and the reclamation facilities is attached.

District and Veolia staff will be present at the meeting to provide overviews of the reports for their operational areas, and be available to discuss the reports or respond to any questions.

**ATTACHMENTS:** 1. Wastewater Operations Reports for the month of February 2018.

**STRATEGIC PLAN INFORMATION:** This item addresses Goal 1 (Operational Excellence) and Goal 2 (Reliable and Efficient Facilities) of the latest Strategic Plan Update.

**DEPT. MGR.:** JB (Veolia), EB

**GENERAL MANAGER:** SSK

## 1.0 General:

The equivalent of about seven (7) full time employees (FTE) worked in the Collection System Department during the month. The breakdown of staff time for the month in terms of equivalent full-time employee hours utilized, works out approximately as follows:

- 2.4 FTE field workers for Sewer Maintenance (main line cleaning)
- 1.4 FTE field workers for Pump Station Maintenance
- 0.2 FTE field workers for Closed Circuit Television (CCTV) work
- 0.3 FTE field workers for Underground Service Alert Mark and Locate (USA)
- 1.9 FTE field workers for time spent on data input, training, service calls, overflow response, or any other activity that does not directly relate to the activities listed above, or special activities (for e.g. smoke testing of mainlines), and
- An equivalent of 0.7 FTE field workers for vacation, holiday or sick leave.

## 2.0 Collection System Maintenance:

Performance metrics for the department are presented in the attached graphs showing the length of line cleaned/month, footage cleaned/hour worked, overflows/month, and the CCTV footage achieved. A brief discussion is also provided below.

### Line Cleaning Performance

The sewer system ICOM3 Computerized Maintenance Management System (CMMS) generated 446 work orders for the month. Collections staff completed 446 work orders, leaving 0 work orders outstanding. The completed work orders resulted in 87,195 feet of sewer pipelines cleaned by staff.

### CCTV Performance:

The District's CCTV van was in the field for four working days and televised a total of 6,527 feet of sewer main. Of that footage, 1,107 feet of sewer main were televised in lieu of flushing in areas where access is challenging with the flusher.

### CCTV Findings:

- Infrastructure related: CCTV work did not identify any areas that require spot repairs.
- O&M related: CCTV work did not identify any area that would require a change in sewer line maintenance operations.

## 3.0 Pump Station Maintenance:

The Collection System Department conducted 201 lift station inspections this month. 89 of the inspection visits were generated through the District's JobsCal Plus CMMS system. There are



CSW II PJ Siragusa enters the vault to inspect and clean out the Costco ARV.

**Novato Sanitary District  
Wastewater Operations - Collection System Operations Report  
February 2018**

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no outstanding work order for the month. A Collection Systems (Pump Stations) Work Order Statistics summary is attached.

**4.0 Air Relief/Vacuum Valves (ARVs):**

Staff completed maintenance inspections on four (4) air relief/vacuum valves this month.

**5.0 Safety and Training:**

General:

Collection System staff attended four (4) safety tailgate meetings in January.

Specialized Training:

Collections Department staff received and were trained on the new supplemental flusher truck.

Collections staff also had their bi-annual CPR/First aid training.

Collections staff conducted a test on the new generator at the Redwood PS to check for proper wiring.

Safety performance:

For the Collections Department, there were no lost time accidents this month.

**6.0 Miscellaneous Projects:**

Collections Department staff assisted a contractor with the installation of Pump #3 (wet weather pump) at East Hamilton pump station and removed pump #4. Collections staff replaced the pin on the three way valve at the Vintage Oaks #2 lift station. District and Veolia staff hosted the SF Bay Regional Water Quality Control Board (RWQCB) staff for a collection system inspection. The District expects to receive results/feedback from the RWQCB in the next few months.

Additionally the collections system and crew were evaluated by the CWEA award committee in consideration for the Small Collection System of the Year award and are ranked in the top three of the state. This award is given out at the CWEA Annual Conference in April.

**7.0 Sanitary Sewer Overflows (SSOs):**

There were no (0) sanitary sewer overflows in February.



**Collections crew receiving the new supplemental flusher truck and taking it out for initial training.**

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Novato Sanitary District  
Collection System Monthly Report For February 2018 (as of February 28, 2018)

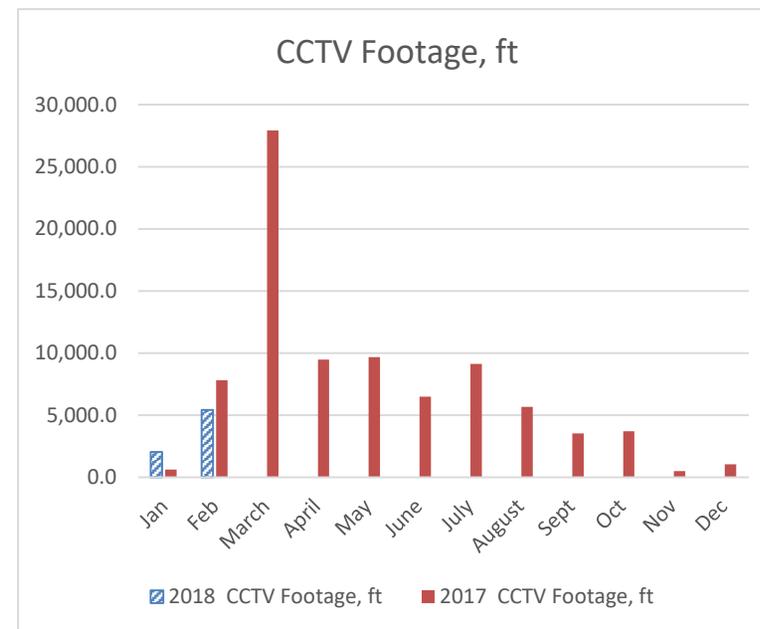
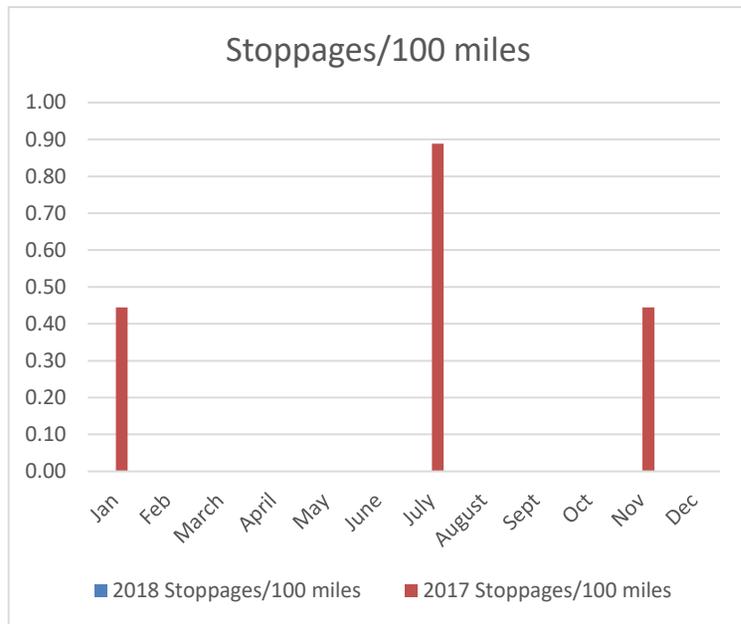
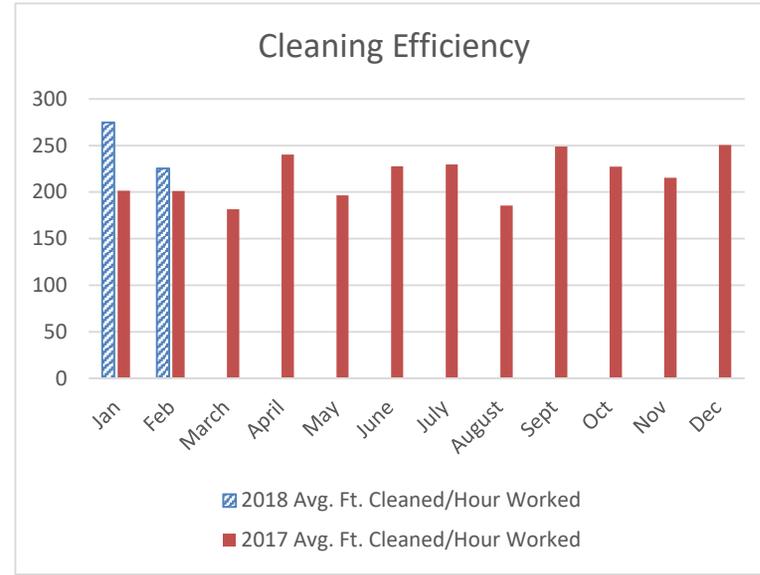
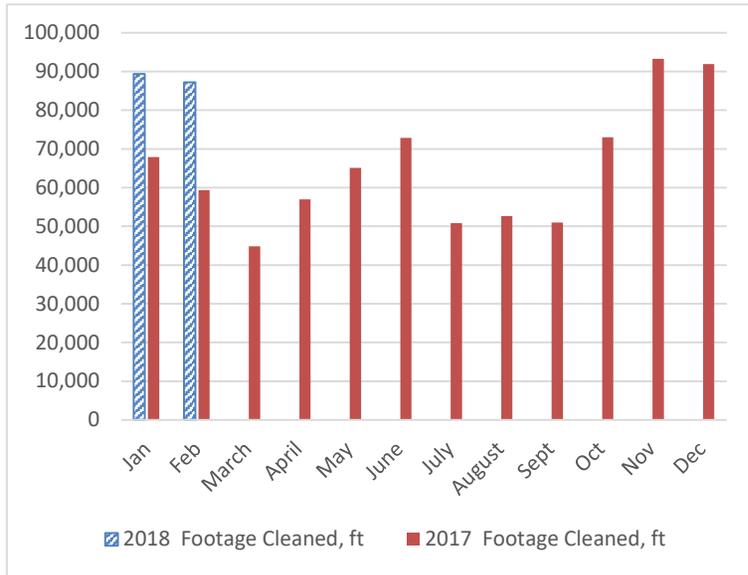
	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Total Year to Date	Average Year to Date
<b>A. Employee Hours Worked</b>														
Number of FTEs (main line cleaning), hrs.	1.8	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	0.3
Number of FTEs (other)	1.8	1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	0.3
Number of FTEs (USAs)	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	0.0
Number of FTEs (CCTV)	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	NA	0.0
Total, FTEs	4.0	4.9	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	NA	0.7
Regular Time Worked, (main line cleaning), hrs	325	387	0	0	0	0	0	0	0	0	0	0		
Regular Time Worked on Other, hrs (1)	324	303	0	0	0	0	0	0	0	0	0	0		
Regular Time Worked on USAs	51	59												
Regular Time Worked on CCTV (2)	32	40	0	0	0	0	0	0	0	0	0	0		
Total Regular time, worked, hrs	732	788	0	0	0	0	0	0	0	0	0	0	1,519	127
Total Vacation/Sick Leave/Holiday, hrs	216	106	0	0	0	0	0	0	0	0	0	0	321	27
Vacation/Sick Leave/Holiday, FTEs	1.2	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.8	0.2
Overtime Worked on Coll. Sys., hrs	11	7	0	0	0	0	0	0	0	0	0	0	18	1
Overtime Worked on Other, hrs (1)	4	0	0	0	0	0	0	0	0	0	0	0	4	0
Overtime Worked on USAs, hrs	0												0	0
Overtime Worked on CCTV (2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Overtime , hrs	15	7	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	21	11
<b>B. Productivity</b>														
<b>1. Line Cleaning</b>														
Rodder Work Orders generated	28	33	0	0	0	0	0	0	0	0	0	0	61	5
Rodder 3208 ft. cleaned	6,241	6,875	0	0	0	0	0	0	0	0	0	0	13,116	1,093
Rodder - outside services, ft cleaned	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flusher Work Orders generated	401	413	0	0	0	0	0	0	0	0	0	0	814	68
Truck 3205V ft. cleaned	22,719	28,924	0	0	0	0	0	0	0	0	0	0	51,643	4,304
Truck 3206V ft. cleaned	60,376	51,396	0	0	0	0	0	0	0	0	0	0	111,772	9,314
Flusher - outside services, ft. cleaned	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Footage cleaned(3)	89,336	87,195	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	176,531	88,266
Work Orders completed	429	446	0	0	0	0	0	0	0	0	0	0	875	80
Work Orders backlog	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>2. Closed Circuit Television (CCTV)</b>														
Camera Work Orders generated	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CCTV Truck 3126T, ft. videoed	2,048	5,420	0	0	0	0	0	0	0	0	0	0	7,468	622
CCTV (hand cam), ft. videoed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CCTV Inspection - outside services, ft. videoed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total CCTV footage(3)	2,048	5,420	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	7,468	
<b>C. Sanitary Sewer Overflows (SSOs)</b>														
Minor (Category III)	0	0	0	0	0	0	0	0	0	0	0	0	0	NA
Major (Category II)	0	0	0	0	0	0	0	0	0	0	0	0	0	NA
Major (Category I)	0	0	0	0	0	0	0	0	0	0	0	0	0	NA
Overflow Gallons	0	0	0	0	0	0	0	0	0	0	0	0	0	NA
Volume Recovered	0	0	0	0	0	0	0	0	0	0	0	0	0	NA
Percent Recovered	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	#DIV/0!	NA
<b>D. Service Calls (non-SSO related)</b>														
Service calls, normal hours, #	8	4	0	0	0	0	0	0	0	0	0	0	12	1
Normal hours S.C. response time, mins (avg.)	39	29.25	0	0	0	0	0	0	0	0	0	0	68	6
Service Callouts, after hours, #	1	0	0	0	0	0	0	0	0	0	0	0	1	0
After Hours S.C. response time, mins (avg.)	37	0	NA	NA	NA	NA	NA	NA	NA	NA	N/A	0	37	9
<b>E. Benchmarks</b>														
Average Ft. Cleaned/Hour Worked	275	225	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	250
Total Stoppages/100 Miles	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA
Average spill response time (mins)	0	NA	NA	NA	NA	NA	0	NA	NA	NA	0	NA	NA	0
Callouts/100 Miles	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0
Overtime hours/100 Miles	5	3	0	0	0	0	0	0	0	0	0	0	7.78	1
Overflow Gallons/100 Miles	0	0	0	0	0	0	0	0	0	0	0	0	0	0

(1) This category includes time spent on: Data input, Training, Service Calls, Overflow Response, as well as any other activity that does not directly relate to main line cleaning or CCTV work.

(2) This category separates time spent on CCTV from other Collection System maintenance activities.

(3) Does not include outside services (tracked separately)

# Collection System: 2018 & 2017 Graphs



Novato Sanitary District

Pump Station Monthly Report For February 2018 (as of February 28, 2018)

	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Total Year to Date	Average Year to Date
<b>Employee Hours Worked</b>	372	254	0	0	0	0	0	0	0	0	0	0	626	
Number of Employees (FTEs)	1.8	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.3
Regular Time Worked on Pump Sta	325	226	0	0	0	0	0	0	0	0	0	0	551	
Overtime Worked on Pump Sta	47	28	0	0	0	0	0	0	0	0	0	0	75	
After Hours Callouts	3	1	0	0	0	0	0	0	0	0	0	0	4	
Average Callout response time (mins)	36	28	0	0	0	0	0	0	0	0	0	0	64	5
<b>Work Orders</b>														
Number generated in month	95	89	0	0	0	0	0	0	0	0	0	0	184	15
Number closed in month	95	89	0	0	0	0	0	0	0	0	0	0	184	15
Backlog	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**PUMP STATIONS  
WORK ORDER STATISTICS  
February 1, 2018-February 28, 2018**

	<b>Open Work Orders Due Prior to 2/1/2018</b>	<b>Open Work Orders 2/1/2018-2/28/2018</b>	<b>Total Open Work Orders</b>
Preventive	0	89	89
Corrective	0	0	0
Total	0	89	89

	<b>Closed Work Orders 2/1/2018 - 2/28/2018</b>
Preventive	89
Corrective	0
Total	89

<b>Total Outstanding Work Orders as of 2/28/2018</b>	<b>0</b>
--	----------



March 6, 2018

Mr. Sandeep Karkal  
General Manager – Chief Engineer  
Novato Sanitary District  
500 Davidson Street  
Novato, CA 94545

**Subject: Veolia Water Operations Report – February 2018**

Dear Mr. Karkal:

I am pleased to provide the Monthly Operations report for February 2018.

As always, please give me a call at 707-208-4491 should you have any questions.

Best regards,

A handwritten signature in blue ink, appearing to read "John Bailey", is written over the typed name and title.

John Bailey  
Project Manager, Veolia



MONTHLY OPERATIONS REPORT  
February 2018

Prepared for

NOVATO SANITARY DISTRICT (NSD)  
WASTEWATER TREATMENT PLANT  
500 Davidson Street  
Novato, CA 94945

Prepared by

Veolia Water West Operating Services, Inc. (VWWOS)

**TABLE OF CONTENTS**

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- A: TREATMENT PLANT PERFORMANCE SUMMARY
- B: SAFETY AND TRAINING
- C: OPERATIONS AND MAINTENANCE STATUS / REVIEW
- D: LABORATORY ACTIVITIES SUMMARY
- E: ADMINISTRATION
- F: ODORS & LANDSCAPING
- G: MISCELLANEOUS

ATTACHMENTS

- 1) Photos
  - 2) Laboratory Data
  - 3) Recycled Water Report
  - 4) Annual Compliance Summary
  - 5) Process Control Data / Graphs
  - 6) Neighborhood Contacts (Odor / Noise)
  - 7) Jerome Meter Readings and Locations
-

**A: TREATMENT PLANT PERFORMANCE SUMMARY: February 2018:**

Parameter	Value		Limit	
	Ave	Max	#1	#2
Flow, MGD (monthly ave/max)	3.92	4.99	N/A	N/A
No Significant High Flow Events During the Month				
<b>Influent</b>				
BOD <sub>5</sub> , lb/day (month ave/max)	10,359	11,890	N/A	N/A
TSS, lb/day (monthly ave/max)	8,298	9,695	N/A	N/A
<b>Effluent</b>				
BOD <sub>5</sub> , mg/L (monthly ave/max weekly ave)	<6	7	30	45
TSS, mg/L (monthly ave/max weekly ave)	5	6	30	45
BOD <sub>5</sub> - % Removal, Average	98	N/A	85	N/A
TSS - % Removal, Average	98	N/A	85	N/A
Ammonia, mg/L – (monthly ave/daily max)	0.9	0.9	5.9	21
pH, su (min / max)	7.0	7.2	6.0	9.0
Enterococcus, MPN/100 ml (30 day geo mean)	4.24	20.23	35	N/A
Fecal Coliform, MPN/100 ml (monthly median)	N/A	N/A	140	N/A
Fecal Coliform, MPN/100 ml (90 <sup>th</sup> %ile)	N/A	N/A	430	N/A
<b>Total Permit Exceedances (NPDES)</b>	0			

**Title 22 - Recycled Water Production and Quality**

Description	Units	Value	Limit
Volume Produced	Million Gallons	2.142	N/A
Average Turbidity	NTU	1.2	2.0
Turbidity > 5 NTU (in 24 hour)	Minutes	0	72
Minimum CT (disinfection)	mg-min/L	>450	450 minimum
Minimum Dissolved Oxygen (DO)	mg/L	8.1	2 mg/L minimum
Maximum Total Coliform	MPN/100 ml	<1	240
Maximum Total Coliform 2 Samples 30 d	MPN/100 ml	<1	23
Total Coliform 7 Sample Median	MPN/100 ml	<1	2.2

**Discussion of Violations / Excursions**

- Bay Discharge (NPDES Limits) – None
- Recycled Water – None
- BAAQMD – Four excursions, Biogas Flare Low Temperature (<1,400 F)



**B: SAFETY AND TRAINING:**

- Monthly plant safety inspections for Novato WWTP and Ignacio Transfer Pump Station completed
- Five Minute Tailgate training is held at morning meetings with all staff.
- No safety incidents for the month of February
- Accident Free: 6/1/10 – 2/28/18: 2,836 days
- Monthly Safety Topics and Training:
  - Fire Safety: Extinguishing the Risk
  - Hot Work Training

**C: OPERATIONS & MAINTENANCE STATUS / REVIEW:****Key events for the period:****Novato**

- Routine rounds, readings and maintenance
- Dry Weather Pump #4 rebuilt and placed back in service
- Digester #2 Mixing pump – adjusted cutters
- Replaced seal water line and hour meter on Dry Weather Pump #5
- Replaced motor on Septage Receiving Station Grinder
- #3 Waterline Repaired by Septage Receiving Station/Headworks

**Equipment Out of Service – Due to Planned Servicing, Maintenance, or Replacement**

- Aeration basin #1 & #3 (standby)
- Primary clarifier #1 (standby)
- Secondary Clarifier #1 (not needed at current flow)

**Ignacio Transfer Pump Station**

- Routine rounds, readings and maintenance

**Equipment Out of Service – Due to Planned Servicing, Maintenance, or Replacement**

- None

**Recycled Water Plant (RWP)**

- Recycled Water Plant online eight days this month
- Replaced sample pump @ Chlorine Contact Tank

**Equipment Out of Service – Due to Planned Servicing, Maintenance, or Replacement**

- None

**Sludge Lagoons (and Reclamation Area)**

- Performed routine rounds and inspection



**D: LABORATORY ACTIVITIES SUMMARY:****Discharge to the Bay****Wildlife Pond and Reclamation Activities****Wildlife Pond**

Samples and weekly/monthly observations at the Wildlife pond were taken according to the WDR (Order No. 92-065).

**Total Coliforms**

When effluent is discharged to the Bay, there is no requirement for Total Coliform.

**Enterococcus**

When effluent is discharged to the Bay, the bacteriological requirement is for *Enterococcus*. Three samples were analyzed each week in February and all were well under the regulatory limits.

**Fecal Coliforms**

Fecal Coliform sampling is required once per quarter during Bay discharge. A quarterly sample was analyzed in January for the December through February quarter, with the result well below the regulatory limit.

**BACWA**

Liz Falejczyk attended the Laboratory and Permits Committee Meeting.

**ELAP (Environmental Laboratory Accreditation Program) – CWEA sponsored Training**

Liz attended "Steps to Implementing the TNI 2016 Standard" training given by Diane Lawver of Quality Assurance Solutions, LLC. ELAP will be adopting these standards in the coming months which will require very detailed additions to the quality systems currently in place for the laboratory. The topics covered by this session (Session Two of a six session training) included the following: Organization, Management, Document Control, Review of Requests/Tenders/Contracts, Subcontracting Tests Purchasing Services & Supplies, Service to Clients, Complaints, Control of Non-Conforming Work, Improvement, Corrective Action, Preventive Action, and Control of Records.

**Public Education/Outreach**

We conducted a tour for San Marin High School Applied Chemistry and Biotechnology classes, approximately 40 students participated. The students started out together where staff set up a small scale wastewater treatment plant and discussed how the collection system and wastewater treatment plant works, private laterals, environmental regulations and the history of those regulations. The demonstration of how toilet paper breaks down with the comparison of tissues, flushable and non-flushable wipes was very popular. After the presentation, the students were split into two groups for the tour.



**Pretreatment****Reports**

- Submitted the Annual Pollution Prevention and Pollution Minimization Program Report
- Submitted the Annual Pretreatment Report

**Permits**

- Received one close-out report for a temporary groundwater discharge permit.
- Received one Permit application

**Inspections and Sampling**

- Continued monitoring one Food Service Establishment (FSE) grease removal several times/week
- Received support documentation confirming compliance from seven FSEs
- Inspected four food service establishments
- Inspected one non-permitted industrial discharger we have been working with to improve the quality of their discharge.

**E: ADMINISTRATION:**

- January Electronic Self-Monitoring Report (eSMR) submitted on March 1, 2018
- January Electronic Discharge Monitoring Report (DMR) submitted on March 1, 2018
- Annual Pretreatment Report submitted on 2/28/18
- Annual Pollutant Minimization Report submitted on 2/28/18

**F: ODORS & LANDSCAPING:**

- No odor contacts during the month of February.
- Jerome meter (H2S) readings performed in neighborhood and within treatment plant.
- All readings in neighborhood were at or near the minimum detection threshold of the Jerome meter.

**G: MISCELLANEOUS**

- Process Control Management Plan (PCMP) meetings held weekly.
- San Marin High School Field Trip
- Senior Health Fair
- BAAQMD Compliance Inspector Tour
- Assisted with Regional Water Quality Control Board collection system inspection.

**Veolia Support Staff On/Off Site (Various Times)**

John O'Hare (Veolia Corporate)

Technical Support, Pretreatment &amp; Laboratory



# ***PHOTOS***

# LOW LEVEL MERCURY SAMPLING FEBRUARY 2018



Kurt Hawkyard performs Low Level Mercury Sampling using the “Clean Hands / Dirty Hands” method.

# INSTALLATION OF DRY WEATHER EFFLUENT PUMP FEBRUARY 2018



Top Left & Center – Crane Preparing to lift and set Dry Weather pump in place  
Top Right - Alejo Cuntapay works with representative from Mar Tek to align pump.  
Bottom – Completion and startup

TROUBLESHOOTING DIGESTER #2 HEAT SYSTEM  
FEBRUARY 2018



Jeff Hendricks working on Digester #2 Recirculation Pump and Heat Exchanger

PUBLIC EDUCATION  
SAN MARIN HIGH SCHOOL - TOUR  
FEBRUARY 2018



San Marin High School Applied Chemistry and Biotechnology students are greeted by NSD Deputy General Manager Erik Brown and Veolia Laboratory Director Liz Falejczyk.

PUBLIC EDUCATION  
SAN MARIN HIGH SCHOOL TOUR  
FEBRUARY 2018



Top Left – Liz instructs students in what is really “flushable”  
Top Right – Operator III, Manny Arias demonstrates how a wastewater treatment plant works  
Bottom Left – Operator III, Larry Milliken describes wastewater treatment processes  
Bottom Right – Liz and Manny demonstrate the steps in a wastewater treatment plant using actual samples.

PUBLIC OUTREACH  
SENIOR HEALTH FAIR  
FEBRUARY 2018



Veolia's Lynda Farmery at the Senior Health Fair day held at the Margaret Todd Center.

# ***LABORATORY DATA***





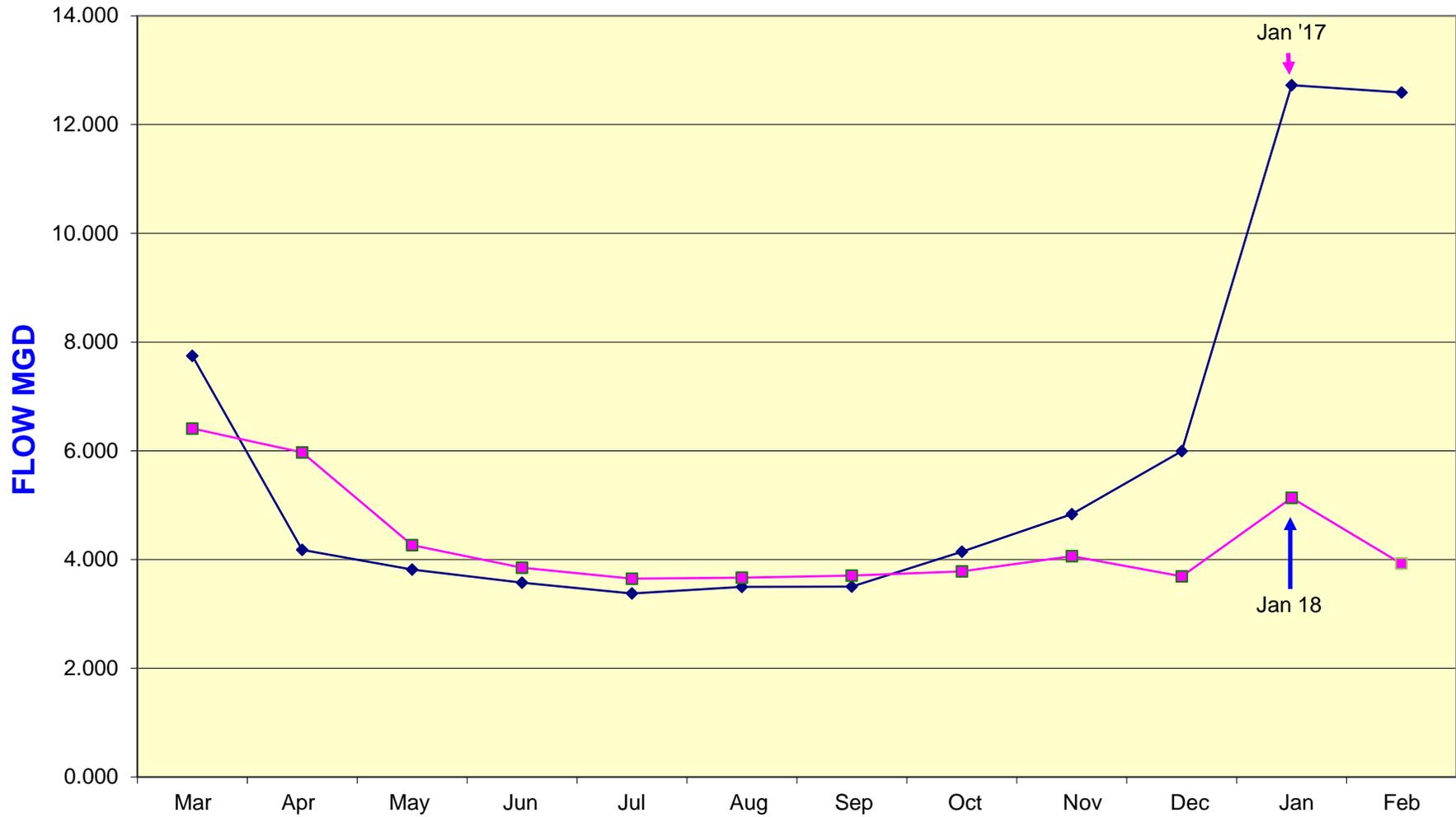
# ***RECYCLED WATER REPORT***



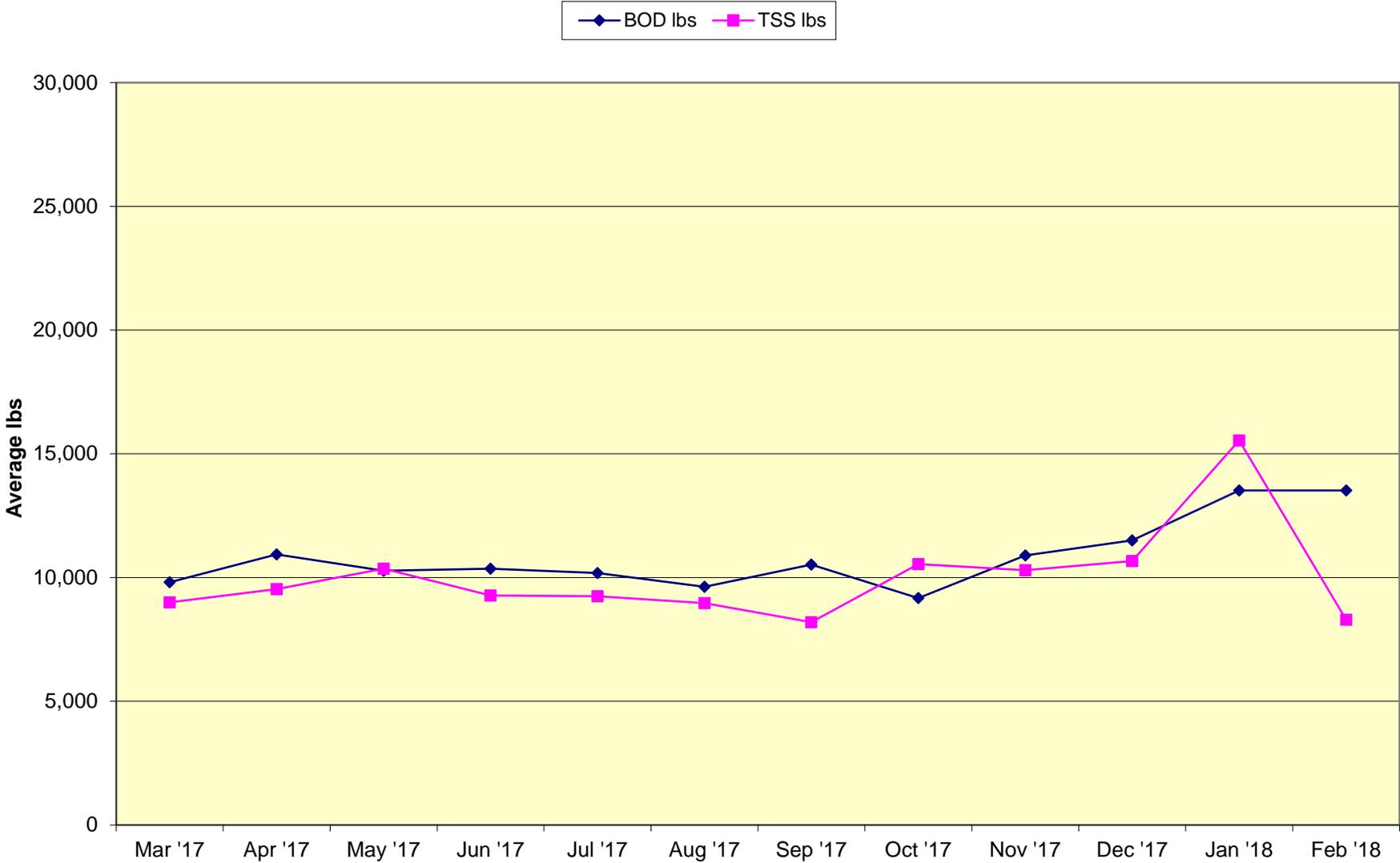
# ***ANNUAL COMPLIANCE SUMMARY – GRAPHS***

# WASTEWATER INFLUENT FLOW COMPARISON

- 2016/2017 - 2017/2018

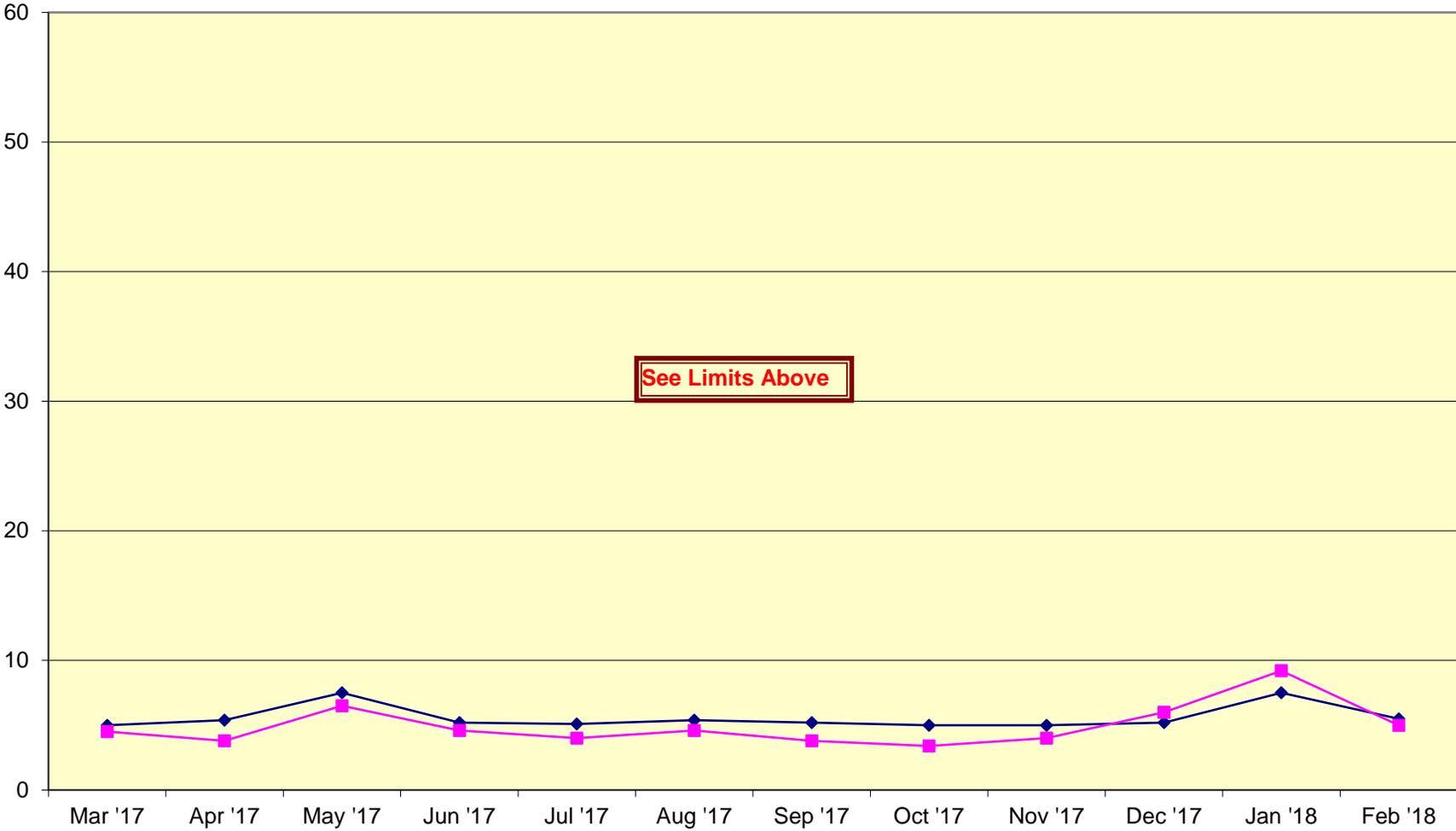


### Influent Load BOD / TSS lbs

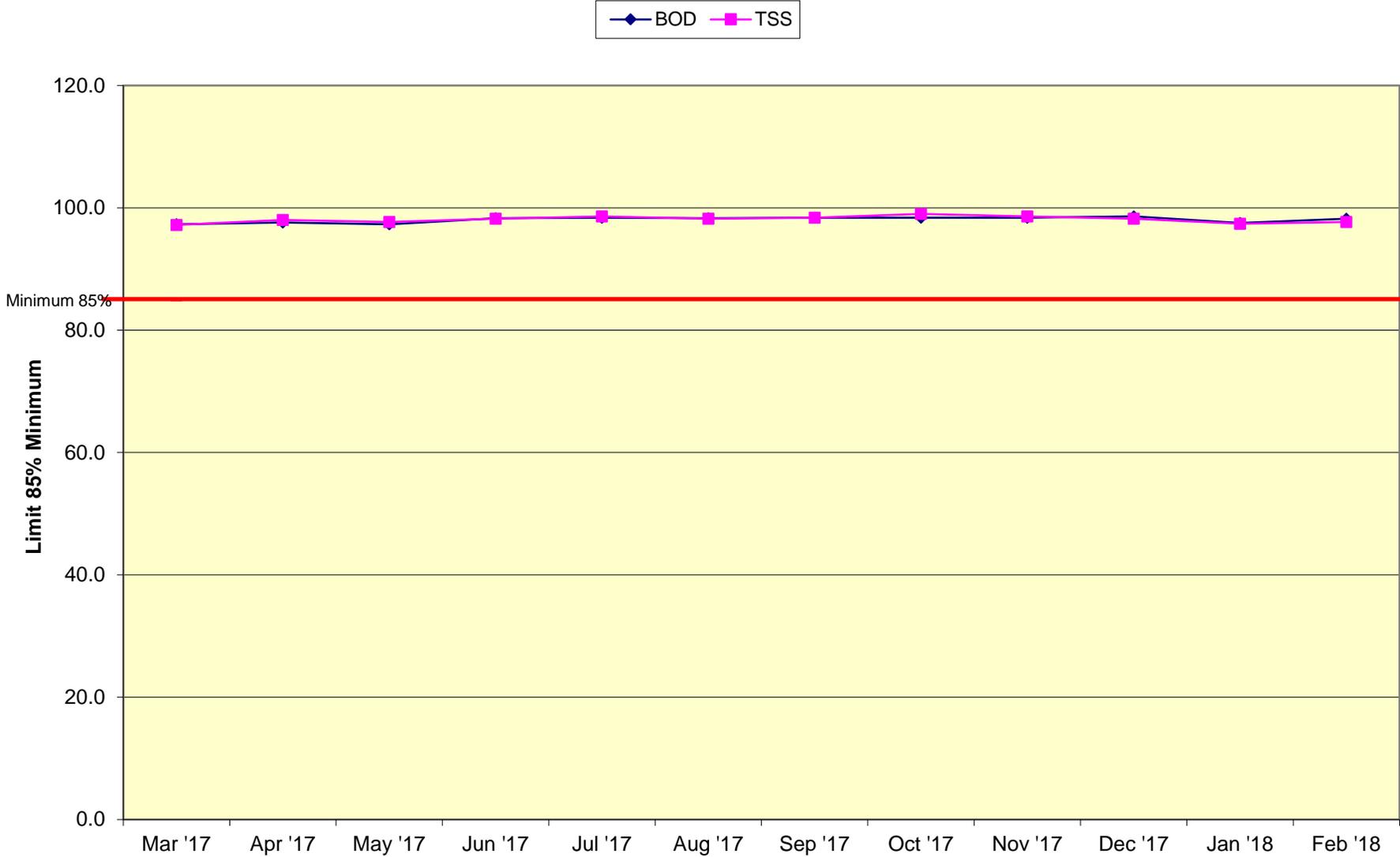


# Effluent BOD / TSS Concentration

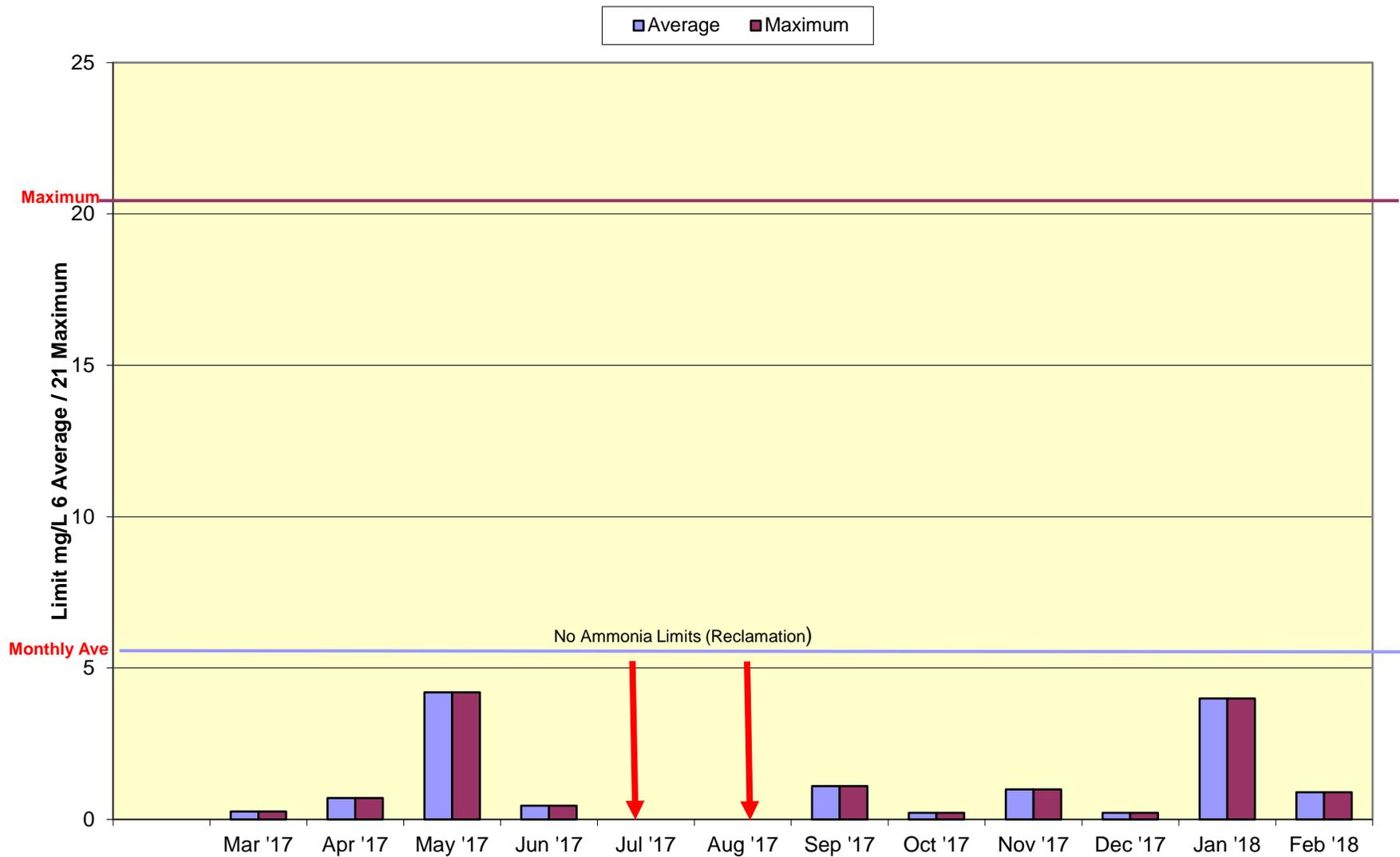
**NPDES LIMITS WET SEASON**  
**BOD & TSS - 30 mg/L Monthly Ave, 45 mg/L Weekly Ave**  
 NPDES LIMITS DRY SEASON  
 BOD - 15 mg/L Monthly Ave, 30 mg/L Weekly Ave  
 TSS - 10 mg/L Monthly Ave, 20 mg/L Weekly Ave  
 WDR (Waste Discharge Requirements) RECLAMATION  
 BOD - 40 mg/L



### BOD / TSS Percent Removal



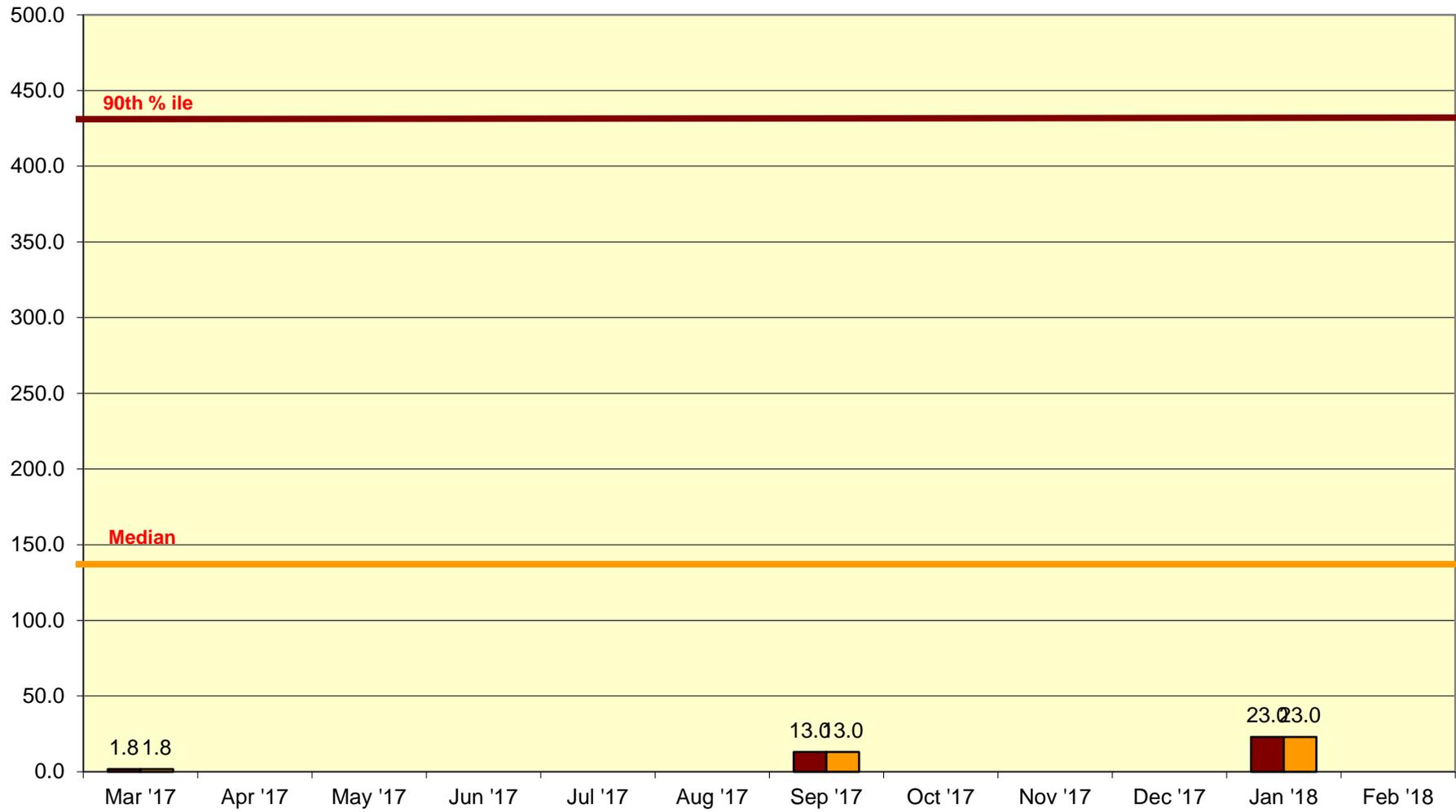
## Effluent Ammonia



# Disinfection - Fecal Coliform

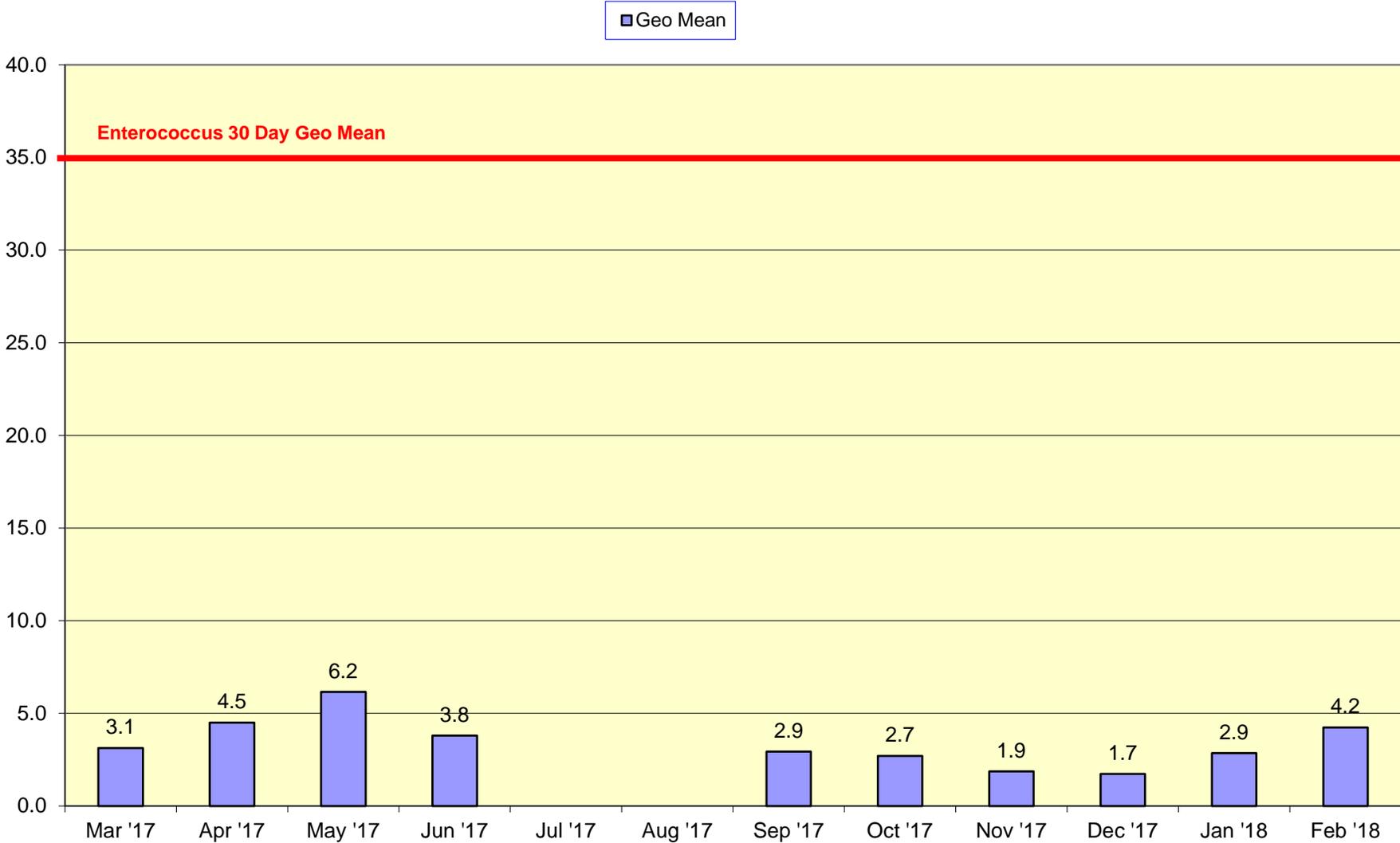
LIMITS - NPDES  
 Fecal 140 mpn monthly median  
 Fecal 430 mpn 90th percentile 30 day

■ 90th % ile ■ 30 day med



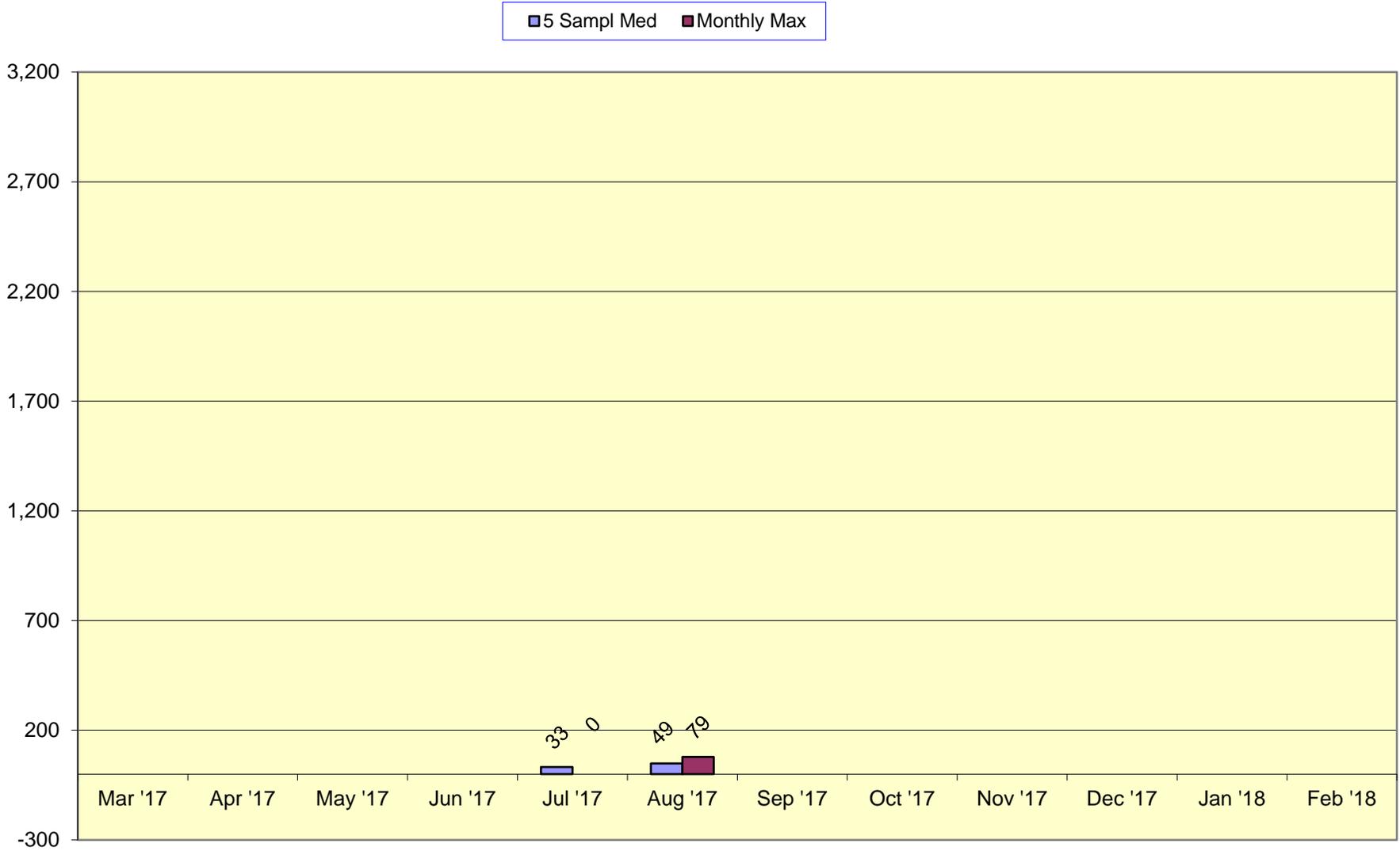
# Disinfection - Enterococcus

LIMITS - NPDES  
Entero 30 day geo mean 35 mpn /100ml

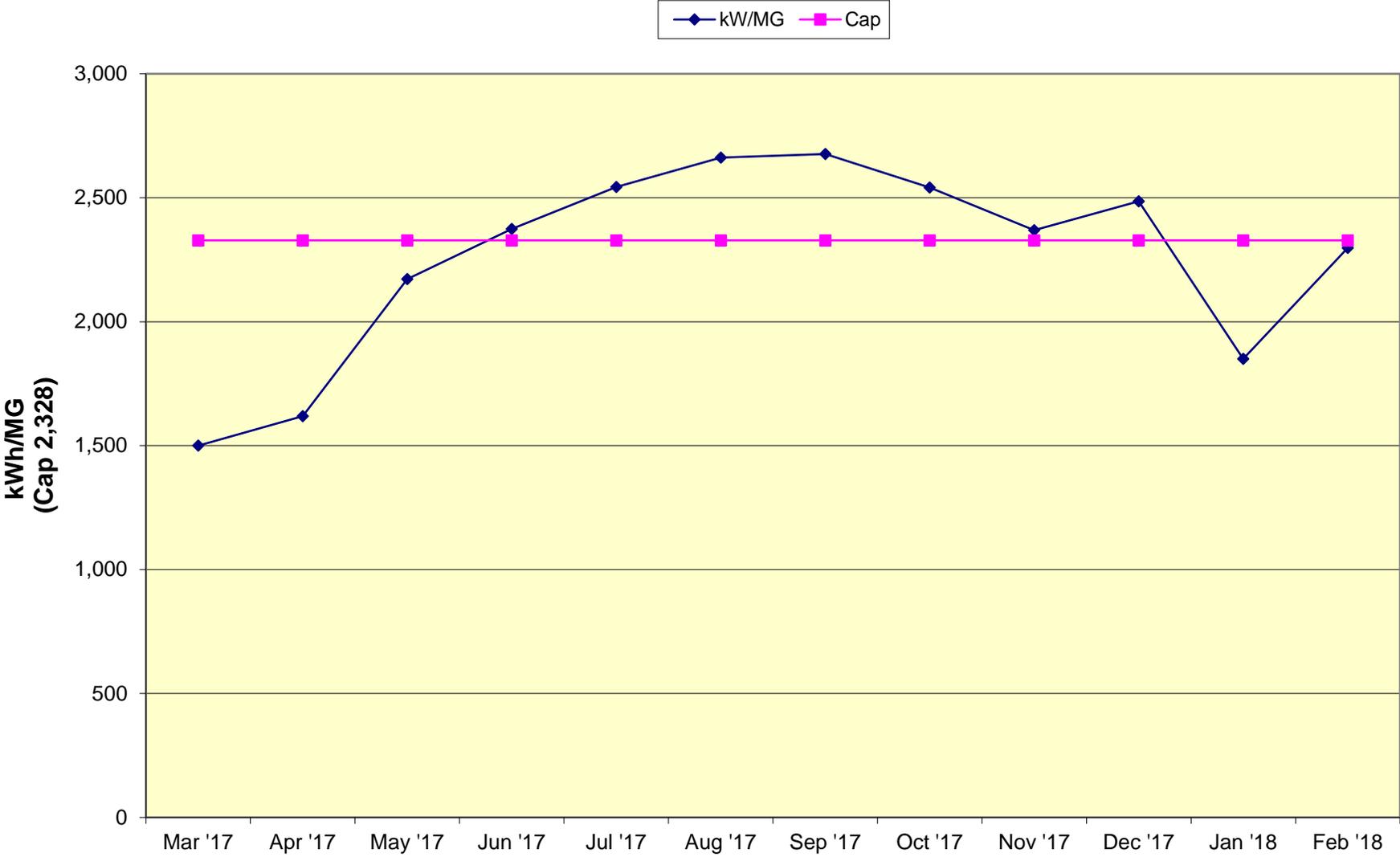


# Disinfection - Total Coliform

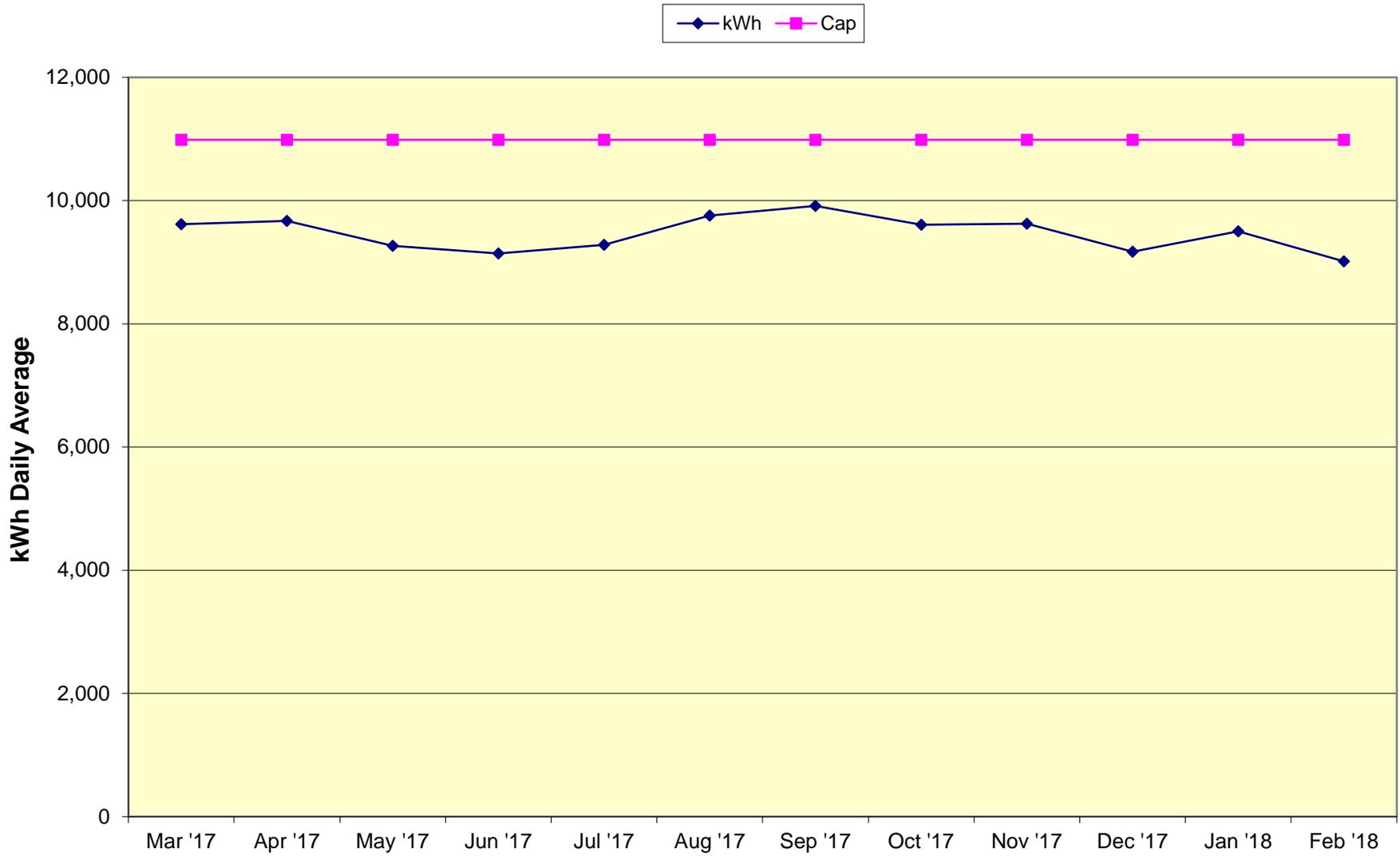
**TOTAL COLIFORM LIMITS - WDR**  
**5 Sample Median - 240 mpn /100 ml**  
**Maximum - 10,000 mpn/100 ml**



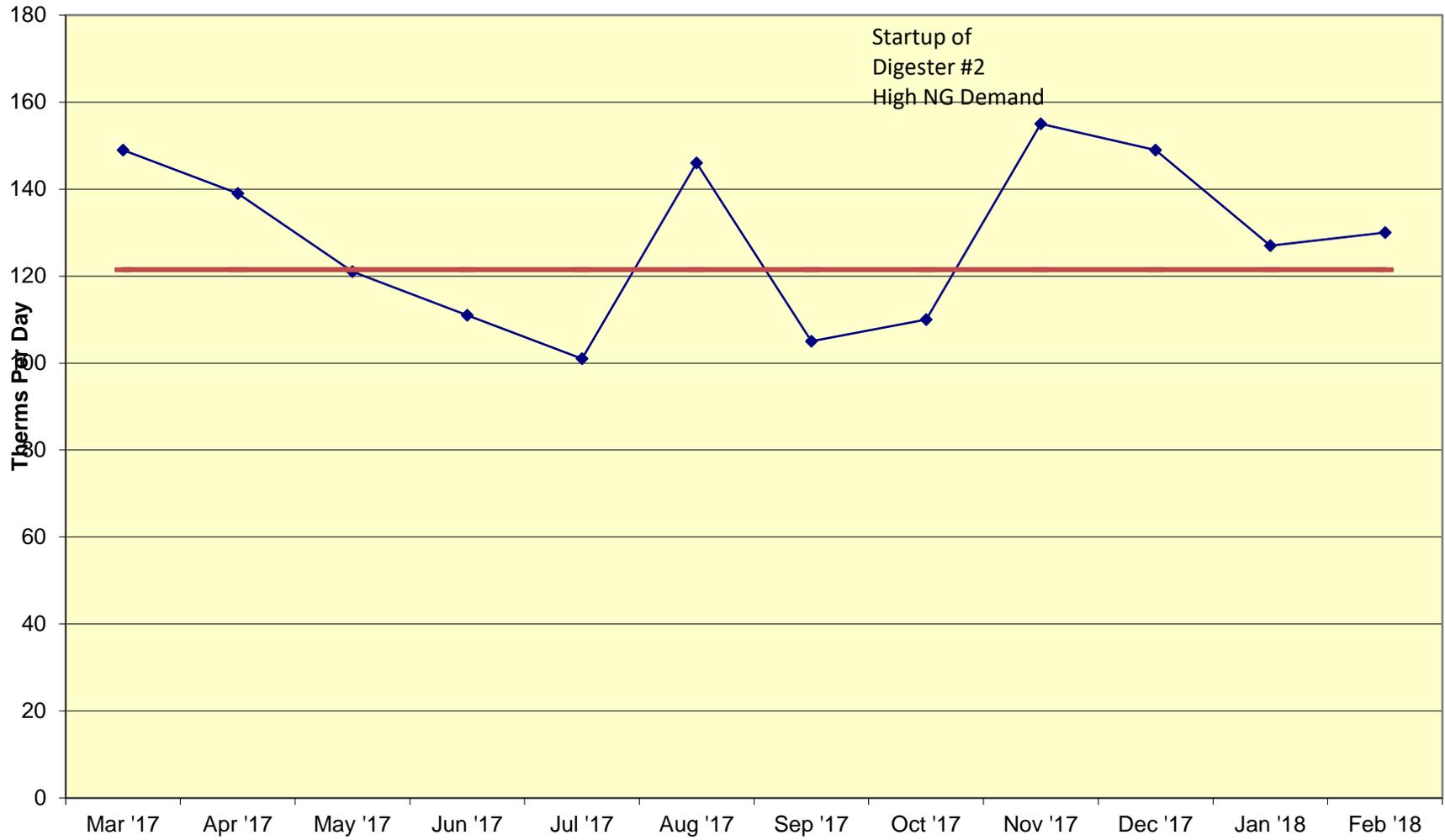
### Energy kWh/MG



# Energy kWh

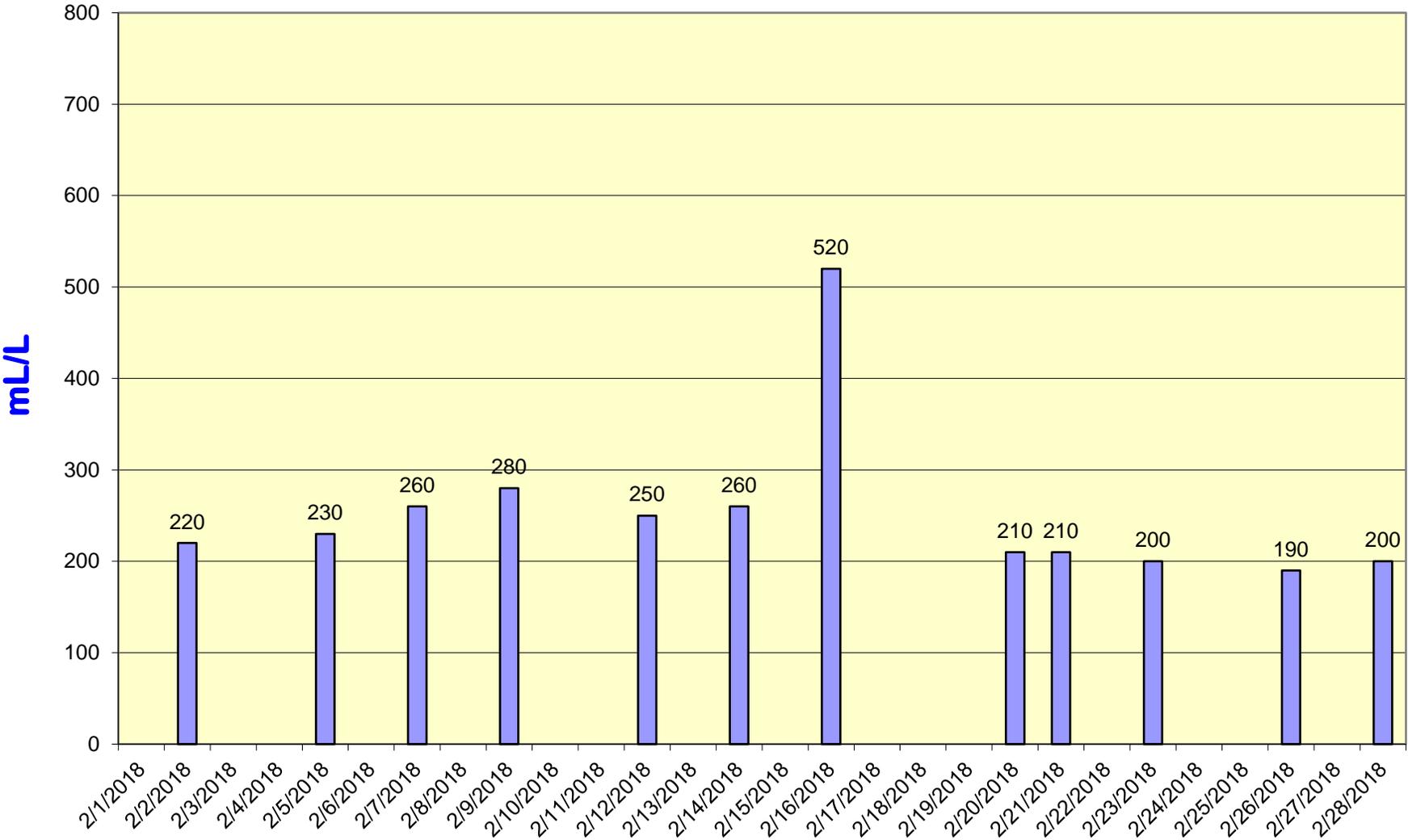


### Natural Gas Use

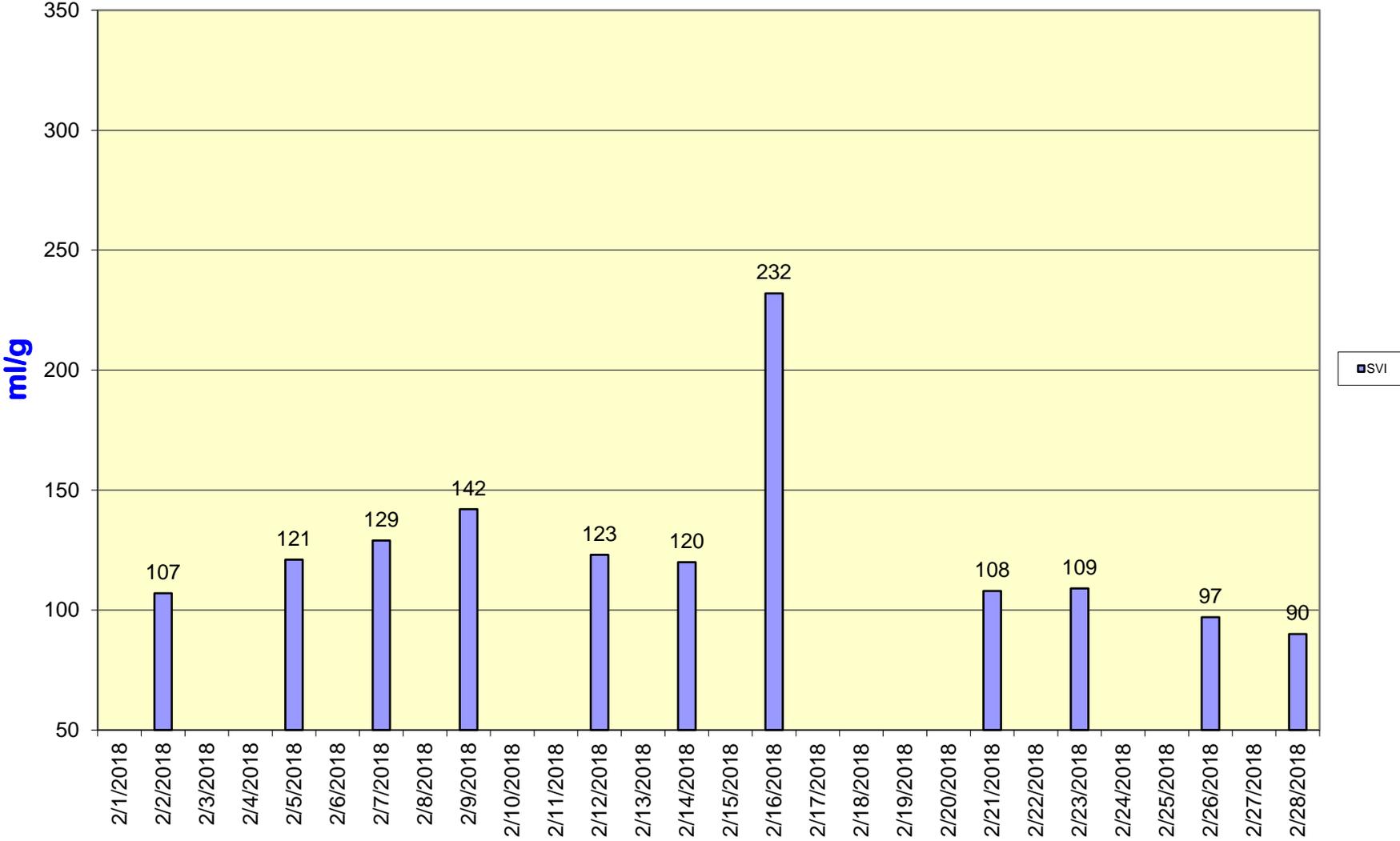


# ***PROCESS CONTROL DATA / GRAPHS***

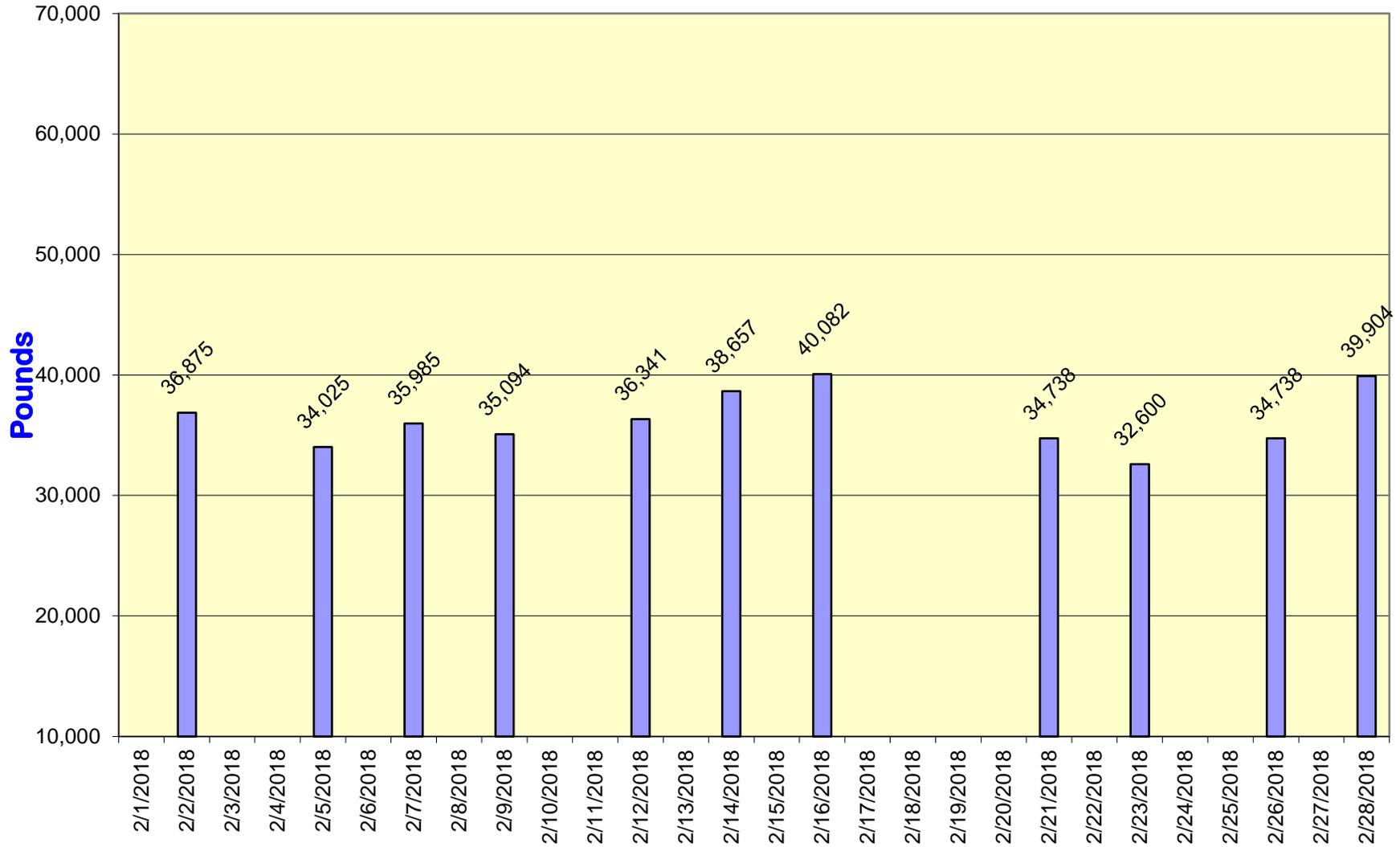
# Settleability



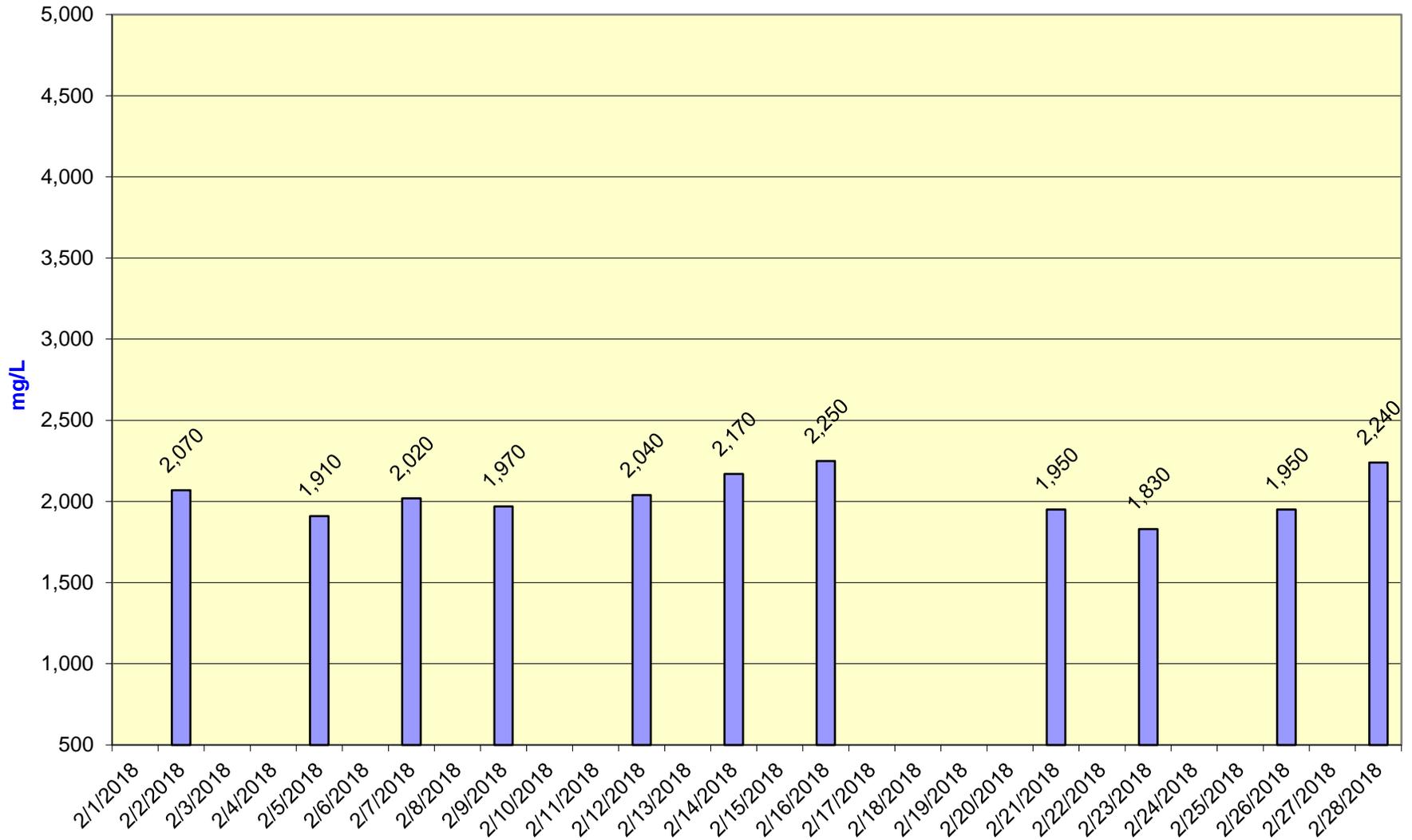
# Sludge Volume Index



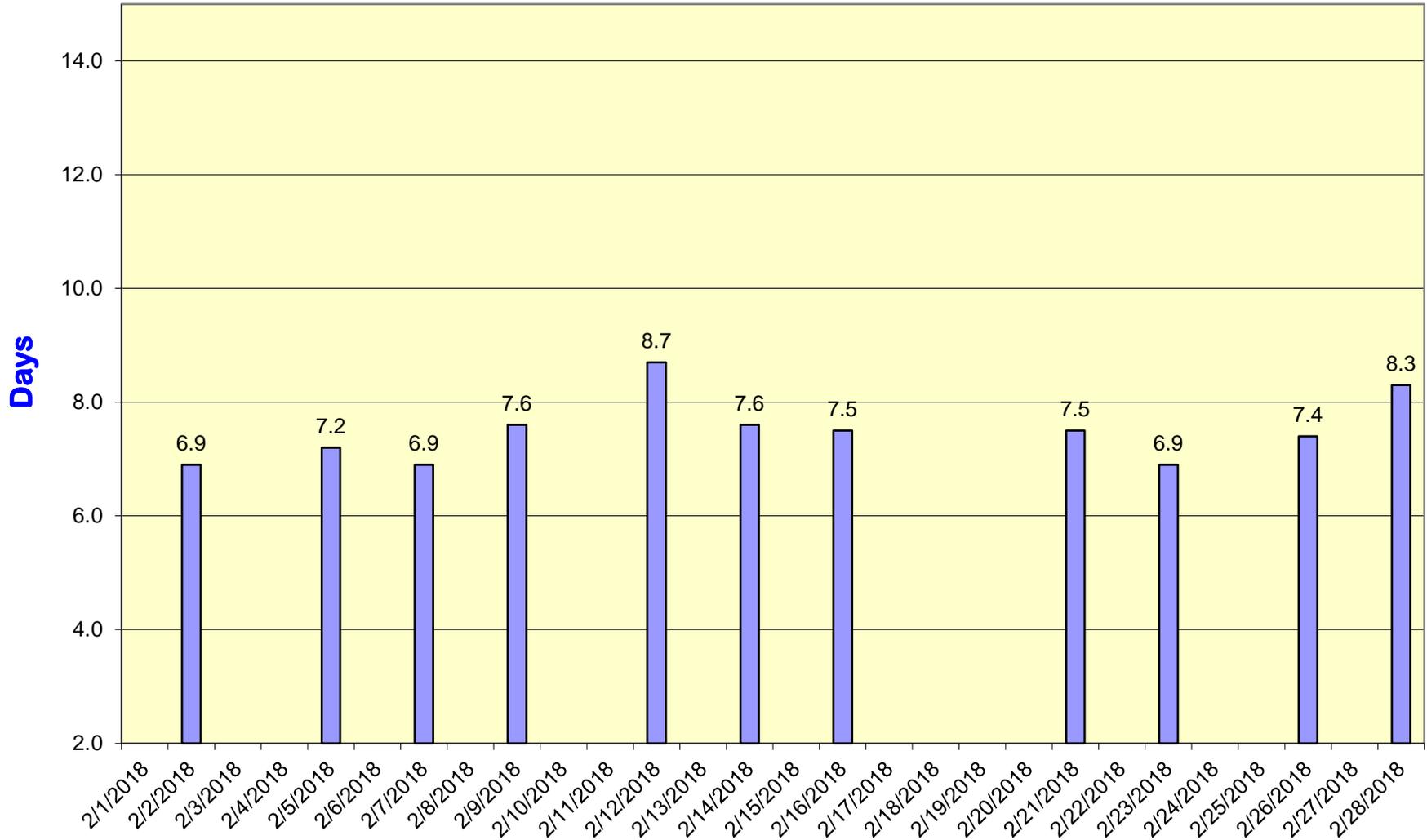
# MLSS Inventory



### MLSS Concentration



## Mean Cell Residence Time



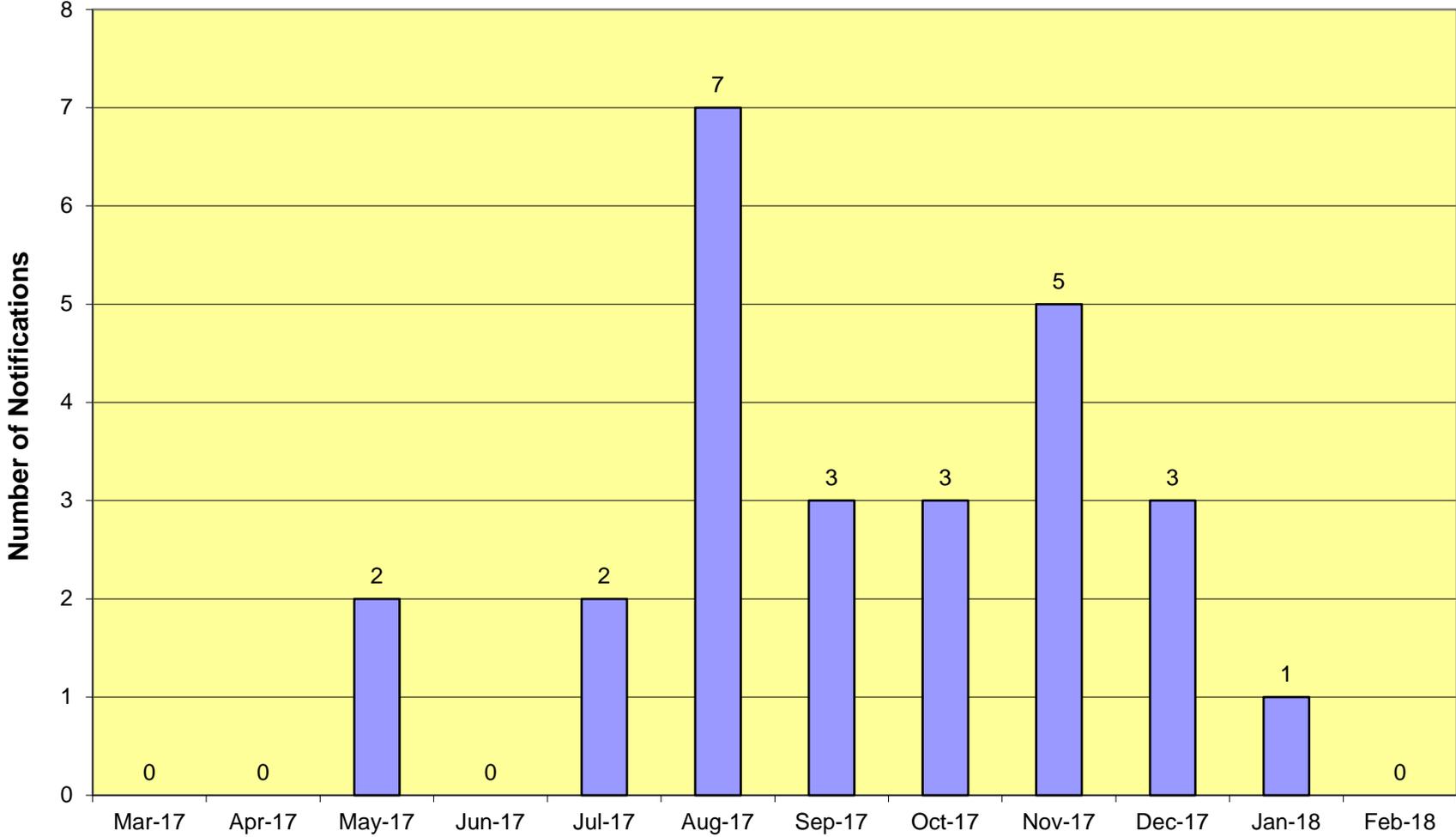
## Process Control Data

	Influent Flow	Settleability	MLSS Concentration	MLSS Inventory	MCRT	SVI
2/1/2018	4.11					
2/2/2018	4.07	220	2,070	36,875	6.9	107
2/3/2018	4.11					
2/4/2018	4.11					
2/5/2018	3.89	230	1,910	34,025	7.2	121
2/6/2018	4.00					
2/7/2018	3.85	260	2,020	35,985	6.9	129
2/8/2018	3.93					
2/9/2018	3.72	280	1,970	35,094	7.6	142
2/10/2018	3.89					
2/11/2018	4.25					
2/12/2018	3.77	250	2,040	36,341	8.7	123
2/13/2018	4.00					
2/14/2018	3.87	260	2,170	38,657	7.6	120
2/15/2018	3.96					
2/16/2018	4.40	520	2,250	40,082	7.5	232
2/17/2018	3.08					
2/18/2018	3.80					
2/19/2018	4.10					
2/20/2018	3.73	210				
2/21/2018	3.55	210	1,950	34,738	7.5	108
2/22/2018	3.61					
2/23/2018	3.57	200	1,830	32,600	6.9	109
2/24/2018	3.84					
2/25/2018	3.91					
2/26/2018	3.92	190	1,950	34,738	7.4	97
2/27/2018	3.81					
2/28/2018	4.99	200	2,240	39,904	8.3	90
Minimum	3.08	190	1,830	32,600	6.9	90
Maximum	4.99	520	2,250	40,082	8.7	232
Total	109.84					
Average	3.92	253	2,036	36,276	7.5	125

# ***NEIGHBORHOOD CONTACTS***

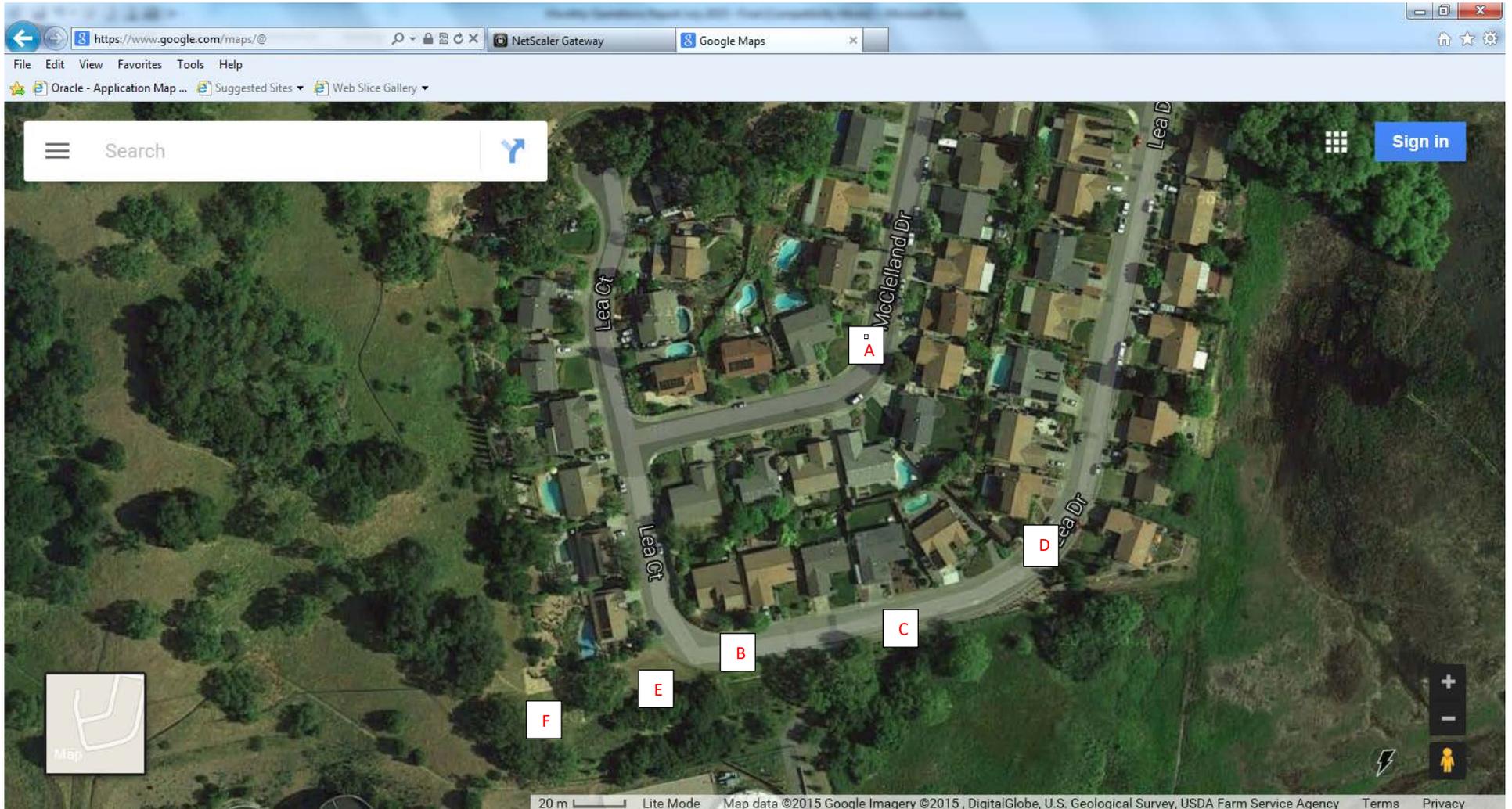


# Neighborhood Contacts Received



# ***JEROME METER READINGS & LOCATIONS***

# NEIGHBORHOOD JEROME METER LOCATIONS – LEA AND McCLELLAND



**JEROME METER READINGS - FEBRUARY 2018**

Sample Location	Min	Max	Ave	NOTES / COMMENTS
A: McLelland	0.000	0.000	0.0000	Neighborhood
B: Lea 1	0.000	0.000	0.0000	Neighborhood
C: Lea 2	0.000	0.002	0.0005	Neighborhood
D: Lea 3	0.000	0.001	0.0003	Neighborhood
E: Lea 4	0.000	0.000	0.0000	Neighborhood
F: Lea 5	0.000	0.000	0.0000	Neighborhood

**NOVATO SANITARY DISTRICT**  
**Wastewater Operations - Reclamation Facilities Report**  
**February 2018**

**1.0 Summary:**

The rancher began annual weed abatement work this month on Sites 3 and 7. The golf course relocated the entrance gate to Site 7 to isolate the driving range from irrigation operations.

**2.0 Ranch Operations:**

The rancher began annual weed abatement work this month on Sites 3 and 7.

Drainage Pump Stations No. 3 and 7 pumped approximately 1.7 MG and 5.0 MG of storm water, respectively this month.

**3.0 Irrigation Parcels:**

There were no irrigation activities this month.

**4.0 Irrigation Pump Station:**

There were no irrigation activities this month.

**5.0 Sludge Handling & Disposal:**

There were no sludge handling activities this month.



**Newly Relocated Gate at Rancher's Operational Area**

**6.0 Miscellaneous:**

The golf course relocated the entrance gate and constructed additional fencing to isolate the new driving range from the rancher's operational area and irrigation parcels. This new gate, combined with additional fencing the rancher will construct will ensure no cows wander onto the driving range.

\*\*\*\*\*

**NOVATO SANITARY DISTRICT**  
**Reclamation Facility - Monthly Statistics for Calendar Year 2018, as of February 2018**

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year to Date	Annualized Monthly Average
<b>Irrigation Pump Station</b>														
Plant flow to ponds (MG)		0	0	0	0	0							-	0.00
Irrigation (MG)		0	0	0.0	0	0							-	0.00
Irrigation Pump 1 Hours													-	0.00
Irrigation Pump 2 Hours													-	0.00
Irrigation Pump 3 Hours													-	0.00
Washdown Water Pump Hours													-	0.00
Wildlife Feed Pump Hours	0	0	0	0						0	0	0	-	0.00
Water Circulated through Wildlife Pond (MG)	0	0	0	0	0	0	0	0	0.00	0	0	0	-	0.00
Strainer No. 1 Hours											0	0	-	0.00
Strainer No. 2 Hours											0	0	-	0.00
Pond 1 Gauge @ Beginning of Month	2.5	3.2												
Pond 1 Gauge @ End of Month	3.2	3												
Pond 1 Gallons Stored @ End of Month(MG)	22	20												
Pond 2 Gauge @ Beginning of Month	2.5	3.2												
Pond 2 Gauge @ End of Month	3.2	3												
Pond 2 Gallons Stored @ End of Month(MG)	27	25												
Total Irrigation Water Stored	49	45	0	0	0	0	0	0	0	0	0	0		
<b>Drainage Pump Station No. 3</b>														
Drainage Pump No. 1 Hours		0												
Drainage Pump No. 2 Hours	11.1	5.8												
Drainage Pump No. 3 Hours	31.9	0												
Total Gallons Stormwater Pumped (MG)	12.9	1.74	0	0	0	0	0	0	0	0	0	0	14.64	1.22
<b>Drainage Pump Station No. 7</b>														
Drainage Pump No. 1 Hours	14.8	0												
Drainage Pump No. 2 Hours	0	0												
Drainage Pump No. 3 Hours	10.7	11.7												
Total Gallons Stormwater Pumped (MG)	11.48	5	0	0.00	0	0	0	0	0	0	0	0	16.74	1.40

# NOVATO SANITARY DISTRICT BOARD AGENDA AGENDA ITEM SUMMARY

<b>TITLE: Administration/Finance: Contribution to the Net Pension Liability (NPL) sub-account of the District's Public Agency Retirement Services (PARS) Trust Account.</b>	<b>MEETING DATE: March 12, 2018</b>  <b>AGENDA ITEM NO.: 7.a.</b>
<b>RECOMMENDED ACTION: Approve transfer of \$150,000 from unspent funds in the "Salaries and Benefits" categories of the FY17-18 Operating Budget as of December 31, 2017, to the Net Pension Liability (NPL) sub-account of the District's PARS Trust account.</b>	
<b>SUMMARY AND DISCUSSION:</b>  <p>At the February 12, 2018 Board meeting, staff presented the Fiscal Year (FY) 17-18 Second Quarter Financial Report (Unaudited), for the quarter ending December 31, 2017. One of the items that the report identified was that as of December 31, 2017, the "Salaries and Benefits" categories of the Operating Budget were considerably underspent, primarily due to the retirements that occurred during the quarter, and the District being unable to hire replacements until the second half of FY17-18. For example, Jeff Andress started as Collection System Superintendent on February 1, 2018, and Jeffrey (Jeff) Boheim and William (Bill) Christoffersen will start as Field Services Manager and Construction Inspector respectively, towards the end of this month. Therefore, as of December 31, 2017, about \$199,000 remains unused in the "Salaries and Benefits" categories of the FY17-18 Operating Budget.</p> <p>As of December 31, 2017, the District's PARS account balance was \$1,122,446 (see Attachment 1). Of this, the subaccount related to the District's Governmental Accounting Standards Board Statement No. 45 (GASB 45) related Other Post-Employment Benefits (OPEB) liability had a balance of \$803,790. The subaccount related to the GASB 68 Net Pension Liability (NPL) had a balance of \$318,656. Both sub-accounts showed an investment return of 4.45% since the Plan's inception date of January 31, 2017, as compared to the California Local Agency Investment Fund (LAIF) yield of 1.239% as of December 2017.</p> <p>One of the goals (Goal 4.4) of the District's Strategic Plan is to appropriately and prudently address and manage its unfunded liabilities related to pensions and benefits. Therefore, staff recommends that the Board consider transferring \$150,000 from the approximately \$199,000 in unspent funds in the "Salaries and Benefits" categories of the FY17-18 Operating Budget as of December 31, 2017, to its PARS Trust account. Further, given that the balance of the GASB 68 (NPL) sub-account is significantly less than the balance in the GASB 45 (OPEB) sub-account, staff recommends that this \$150,000 amount be directed to the Net Pension Liability (NPL) sub-account of the District's PARS Trust account.</p>	
<b>ATTACHMENTS:</b> 1. PARS Statement, December 2017.	
<b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 4 (Well Planned Finances with a Long Range Outlook) and Goal 5 (Effective Governance and Administration) of the latest Strategic Plan Update.	
<b>DEPT. MGR.:</b> lc, ssk	<b>GENERAL MANAGER:</b> SSK

**NOVATO SANITARY DISTRICT  
PARS Post-Employment Benefits Trust**

**Account Report for the Period  
12/1/2017 to 12/31/2017**

Sandeep Karkal  
General Manager  
Novato Sanitary District  
500 Davidson Street  
Novato, CA 94945

**Account Summary**

Source	Beginning Balance as of 12/1/2017	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 12/31/2017
OPEB	\$779,855.15	\$20,348.25	\$3,586.73	\$0.00	\$0.00	\$0.00	\$803,790.13
PENSION	\$289,400.87	\$27,894.00	\$1,361.31	\$0.00	\$0.00	\$0.00	\$318,656.18
<b>Totals</b>	<b>\$1,069,256.02</b>	<b>\$48,242.25</b>	<b>\$4,948.04</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,122,446.31</b>

**Investment Selection**

Source	
OPEB	<b>Conservative Index PLUS</b>
PENSION	<b>Conservative Index PLUS</b>

**Investment Objective**

Source	
OPEB	The primary goal of the Conservative Strategy is to provide a consistent level of inflation-protected income over the long-term. The major portion of the assets will be fixed income related. Equity securities are utilized to provide inflation protection.
PENSION	The primary goal of the Conservative Strategy is to provide a consistent level of inflation-protected income over the long-term. The major portion of the assets will be fixed income related. Equity securities are utilized to provide inflation protection.

**Investment Return**

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	0.45%	1.01%	4.45%	-	-	-	1/31/2017
PENSION	0.45%	1.00%	4.43%	-	-	-	1/31/2017

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.  
Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.  
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees



# Four Federal Water Infrastructure Funding Programs to Watch

The [White House's Legislative Outline for Rebuilding Infrastructure in America](#), which was released early this year, outlines the President's proposed steps to encourage increased state, local, and private investment in infrastructure. And though you've probably heard a lot about it, chances are you haven't had the time to read and reflect on the 55 page document. So what might the President's plan mean for infrastructure in your community? While the plan outlines programs for infrastructure of all sectors, this post provides a quick overview of the four proposed programs with relevance to water infrastructure.

## The Need for Water Infrastructure Investment

Every day, the School of Government's [Environmental Finance Center](#), works with communities who face the very real challenges of paying for infrastructure improvements, especially related to water and wastewater infrastructure. The need for investment in these areas is undeniable. In its [most recent report card](#), for eg. the American Society of Civil Engineers gave North Carolina's drinking water infrastructure a grade of C+, its stormwater infrastructure a grade of C-, and its wastewater infrastructure a grade of C. The North Carolina Department of Environmental Quality's [Statewide Water and Wastewater Infrastructure Master Plan](#) estimates that the state's water and wastewater infrastructure needs over the next 20 years are estimated to range from \$17 billion to \$26 billion. At the same time, [federal investment in water infrastructure has been on the decline since the 1980s](#), and states and local governments are now accountable for more than 90 percent of [the capital expenditures](#) in the drinking water and wastewater sector.

While the White House's Infrastructure plan proposes a significant influx of federal funds, a [key principle](#) of the plan is to encourage states, tribes, and localities to "move towards a model of independence" from the federal government. As such, while the proposed programs do make federal funding available, they also require significant investment at the local level. The programs seek to attract non-federal revenue streams, encourage innovation, and increase involvement from the private sector.

Water infrastructure (including drinking water, wastewater, and stormwater facilities) are identified as eligible infrastructure projects in four of the proposed programs:

1. Incentives Program
2. Rural Infrastructure Program
3. Transformative Projects Program
4. Expansions to Existing Programs (WIFIA and CWSRF)

## Incentives Program

The Incentives Program is designed to use grants to encourage increased state, local, and private investment in infrastructure. The goals of the program are to attract significant new, non-Federal revenue streams, leverage Federal investments, and increase economic growth. Projects in water supply, water resources, drinking water facilities, wastewater facilities, and stormwater facilities would be eligible.

**Funding:** \$100 billion to be administered by the Department of Transportation (DOT), US Army Corps of Engineers (USACE), and the Environmental Protection Agency (EPA).

**Evaluation Criteria:** Key evaluation criteria include a combination of factors that stress the ability of the applicant to secure and commit new, non-Federal revenue for infrastructure investments and for operations, maintenance, and rehabilitation. The dollar value of the project, whether the proposal includes updates to policies and project delivery approaches, and evidence of how the project will spur economic and social returns are also considered.

**Requirements:** an Incentive Grant would not exceed 20 percent of new revenue, and the recipient would be required to achieve milestones toward obtaining increased revenue prior to receiving the grant award.

## Rural Infrastructure Program

The Rural Infrastructure Program would provide targeted investment into rural communities where it is needed to grow economies and enhance the health and safety of residents. The program hopes to close local infrastructure gaps to attract economic growth in rural America. Drinking water, wastewater, and stormwater projects in rural areas with populations of less than 50,000 would be eligible. The plan

also includes a proposal to set aside a portion of the funds for investments in Tribal and Territorial infrastructure.

**Funding:** \$50 billion; 80 percent of funds would be provided to the governor of each state to be distributed as block grants, 20 percent of funds would be reserved for rural performance grants to states.

**Evaluation Criteria:** For block grants, governors would have discretion to select investments that meet the unique needs of each state. States could also apply for rural performance grants; in order to apply, a state would be required to create a comprehensive Rural Infrastructure Investment Plan that details how the intended projects leverage state, local, and private sector investment.

## **Transformative Projects Program**

As its name suggests, the Transformative Projects Program is meant to encourage “bold, innovative, and transformative infrastructure projects that could dramatically improve infrastructure”. The program is intended to support projects that are capable of generating revenue and provide significant public benefits, but that carry risks that would typically deter private sector investment. This program could be used for projects that improve performance, reduce user costs or introduce new types of services. Clean water and drinking water projects would be eligible.

**Funding:** \$20 billion to be administered by the Department of Commerce, in partnership with other relevant agencies. Funding would be available under 3 tracks: demonstration (30 percent of eligible costs), project planning (50 percent of eligible costs), and capital construction (80 percent of eligible costs). The program would also provide technical assistance from the Federal Government under any of the tracks.

**Evaluation Criteria:** The Department of Commerce would convene a multi-agency selection committee who would review and evaluate all applications.

## **Adjustments to Existing Water Infrastructure Programs**

In addition to the four programs outlined above, the White House’s infrastructure plan also includes funding to increase the capacity of existing Federal programs,

including the Water Infrastructure and Innovation Act (WIFIA), the Clean Water State Revolving Fund (CWSRF).

Expansion of WIFIA would remove the current lending limit of \$3.2 billion and would also eliminate the requirement for borrowers to be community water systems. It would reduce the requirement to obtain rating agency opinions from two to one, and allow for reimbursement of costs incurred prior to the loan closing. Expansion of the CWSRF would make funding available for privately owned public-purpose projects (currently, only publicly owned treatment works are eligible).

The above summary is certainly not comprehensive, so I encourage you to take a look at the plan yourself if you haven't already. Of course, only time will tell which of the suggestions within the plan will become reality, but it does seem clear that the role of states, localities, and the private sector in addressing the nation's infrastructure needs will continue to grow.

*This post originally appeared on the [School of Government's Community and Economic Development in North Carolina and Beyond](#) blog.*

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Drinking Water & Wastewater, General Information, Smart Management for Small Water Systems

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