

NOVATO SANITARY DISTRICT

April 25, 2011

The Board of Directors of Novato Sanitary District will hold a regular meeting at 4:30 p.m., Monday, April 25, 2011, 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.

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. BOARD MEMBER REPORTS:

5. REVIEW OF MINUTES:

- a. Consider approval of minutes of the March 14th, April 11th and 20th, 2011 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 regular disbursements.
- b. Consider approval of Center Road Sewer Upgrade project and authorize staff to file Notice of Completion.
- c. Approve meeting dates of May 9th at 6:30 PM and 25th at 6:30 PM, 2011.

7. BOARD OF DIRECTORS:

- a. Consider adopting a resolution appointing a board member to fill the vacancy.
- b. Seating of new Board Member.

8. RECYCLED WATER:

- a. Consider approval of revision to the NMWD Agreement.

9. HOUSEHOLD HAZARDOUS WASTE AND RECYCLING:

- a. Consider approval of Marin County Hazardous and Solid Waste Grant Agreement for 2010-11.

10. WASTEWATER OPERATIONS

- a. Committee report.

11. ADMINISTRATION:

- a. Review the Quarterly Revenue and Expenditure Report.
- b. Review the Quarterly Investment Report.
- c. Committee appointments

12. STAFF REPORTS:

- a. Workers' Compensation Insurance Report.
- b. Novato Veolia employee featured in Wastewater Professional
- c. Crisis Communications and Disaster Preparedness Workshop

13. MANAGER'S ANNOUNCEMENTS:

14. ADJOURN:

Next resolution no. 3030

Next meeting date: Monday, May 9, 2011, 6:30 PM 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.

March 14, 2011

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, March 14, 2011, preceded by a closed session beginning at 6:00 p.m. at the District offices, 500 Davidson Street, Novato.

At 6:05 p.m., President Long announced that the Board would meet in closed session to discuss the item on the closed session agenda:

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

Significant exposure to litigation pursuant to subdivision (b) of Government Code Section 54956.9: 1 potential case.

BOARD MEMBERS PRESENT FOR CLOSED SESSION: President William C. Long, Members Michael Di Giorgio, James D. Fritz and Dennis Welsh. Member George C. Quesada arrived at 6:15 p.m.

BOARD MEMBERS ABSENT: None

STAFF PRESENT FOR CLOSED SESSION: Manager-Engineer-Secretary Beverly B. James, District Counsel Kent Alm and Timothy Cremin, Meyers Nave.

OPEN SESSION: No reportable action was taken in closed session and President Long began the meeting in open session at 6:51 p.m.

BOARD MEMBERS PRESENT: President William C. Long, Members Michael Di Giorgio, James D. Fritz, George C. Quesada and Dennis Welsh.

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James, Deputy Manager-Engineer Sandeep Karkal, District Counsel Kent Alm, Timothy Cremin, Meyers Nave, and Administrative Secretary Julie Borda.

ALSO PRESENT: Ernie Carpenter, Sebastopol resident
Lee Pierce
Walter Schivo, Novato
Casey Mazzon, Marin Builders Association
Dean Heffelfinger, Novato resident
Jo Heffelfinger, Novato resident
Delyn Kies, Sustainable Novato/MFSRTF
Beverly Ackerman, Novato resident
Bruce Baum, Green Coalition for Responsible Waste
Jerry Peters, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

President Long requested the agenda be amended and move agenda items 4, 5 and 6 to immediately follow agenda item 7.

On motion of Member Quesada, seconded by Member Di Giorgio and carried unanimously, the agenda was approved as amended.

PUBLIC COMMENT:

Fred Grange, Grange Debris Box, stated that he hopes the District will discuss debris box issues later in the agenda.

Susan Stompe, Marin Conservation League, addressed the Board and discussed a "Clean and Green Day" on April 9th. She asked for Board and public participation. She stated the Marin Conservation League supports Zero Waste goals and hopes the District will adopt a franchise agreement that will encourage the waste hauler to utilize food waste recycling programs for commercial and multi-family housing sites.

An individual addressed the Board and discussed a budget amendment which was approved at the March 2, 2011 Board meeting. She questioned if the Manager had the authority to approve the expense of \$68,000 which was for a matter not provided by Meyers Nave but was invoiced through Meyers Nave.

An individual questioned why Novato Disposal only paid Novato Sanitary District a franchise fee of \$45,000 in comparison to Petaluma who receives approximately \$1 million in franchise fees from their solid waste hauler.

Walter Schivo, Novato resident, expressed his concern about debris box collection and requests the Board put debris box collection out for competitive bidding.

President Long closed Public Comment.

District Counsel Kent Alm stated that Lozeau Drury submitted additional documents the afternoon of March 14th for the Board members. Mr. Alm passed out the sets of documents as provided by Lozeau Drury.

SOLID WASTE:

- Consider making determination that the Amendment of the Agreement between Novato Sanitary District and Novato Disposal Service, Inc. for Solid Waste Collection, Processing, Diversion and Disposal (Agreement) is not a Project and/or is categorically exempt under CEQA and direct staff to file the Notice of Exemption.

The Manager introduced Timothy Cremin, Meyers Nave, to review the facts relating to the CEQA (California Environmental Quality Act) determination. He stated that the current Agreement is categorically exempt under CEQA and is not a Project pursuant to CEQA Guidelines sec. 15378(b) (4). He stated that the Agreement is a financial agreement that does not commit the District to any specific project that will result in a potentially significant adverse impact on the environment.

Mr. Cremin stated that if the Agreement is considered a Project under CEQA, there are various exemptions that apply and the underlying factual basis for the exemptions were the following: 1) activities under Amendment will be the same as under the existing Franchise Agreement; 2) Amendment does not approve or commit to the approval of any project, including a new or expanded drop off recycling center; 3) Amendment implements, but does not adopt, requirements for waste reduction; and 4) the activities implemented under Amendment will result in environmental benefits.

Mr. Cremin stated that the Franchisee currently takes materials to the Redwood Landfill and will continue to take materials only to this location. He stated the Agreement is not a policy adoption document but is an implementation of the goals adopted at the State and local levels. He stated the Agreement will implement Zero Waste policies which will result in a significant reduction in the waste sent to landfills for disposal.

Mr. Cremin discussed a letter from the law firm Lozeau Drury which was provided to the Board at the beginning of the March 14, 2011 meeting. He spoke to the key factual CEQA assertions addressed in the letter.

- Consider approving the Amended and Restated Agreement between Novato Sanitary District and Novato Disposal Service, Inc. for Solid Waste Collection, Processing, Diversion, and Disposal subject to minor modifications approved by the District Manager-Engineer and District Counsel.

The Manager gave a PowerPoint presentation which detailed the proposed amendments to the Solid Waste Franchise Agreement between Novato Disposal Services and Novato Sanitary District. She stated that the Amendment would incorporate zero waste goals, limit future rate increases and extend the term of the original agreement to the year 2025. She discussed the provision to incorporate Zero Waste Goals and stated that the terms relating to Zero Waste Goals are being taken to implement policies for waste reduction previously adopted by the State of California, Marin County, the Marin County Hazardous and Solid Waste Joint Powers Agency (JPA), and the City of Novato.

The Manager presented photos of the two North Bay Corporation facilities referenced in the Lozeau Drury correspondence. She discussed her visits to the sites and noted she had reviewed their compliance permits. She stated they are doing a good job maintaining the environmental requirements in the facilities. She also noted that their disposal vehicles will be brought into carbon-monoxide compliance and that they have a

vehicle maintenance/upgrade schedule in order to comply with the changes to the Air Quality Standards requirements.

The Manager introduced Dee Johnson, Household Hazardous Waste/Solid Waste Consultant, who addressed the issue of construction and demolition (C&D) debris box collection and disposal. She stated that currently the City of Novato has permitted three facilities as part of their ordinance that accept and divert C&D waste. She reported that Novato Disposal must provide quarterly reports to the City of Novato on their debris box and C&D recycling and over the last year, their debris box diversion rate has been around 79 percent.

The Manager pointed out that the staff report, *Amendment of Solid Waste Franchise*, which was part of the Board agenda packet, provided detailed answers to questions that were asked by various groups and the public. She discussed the letters and comments the District received. She stated that based on a public opinion poll commissioned by Novato Disposal, respondents strongly supported the goals for zero waste and would like to see Novato Disposal move ahead with commercial food waste recycling. The Manager stated that the advantage to providing an extended agreement was that Novato Disposal receives the benefit of the extension and the Novato residents are assured that the disposal rates will remain stable. She stated that construction and demolition (C&D) recycling is an integral part for reaching zero waste goals.

The Manager discussed the specific modifications to the Amended and Restated Agreement, dated March 11, 2011 from the Agreement that was released at the March 2, 2011 Board meeting.

The Manager stated that staff recommends that the Board make the finding that the Amendment of the Agreement between Novato Sanitary District and Novato Disposal Service, Inc. for Solid Waste Collection, Processing, Diversion and Disposal is not a Project and if deemed a Project, is categorically exempt under CEQA and direct staff to file the Notice of Exemption.

The Manager stated that staff further recommends the Board approve the Amended and Restated Agreement between Novato Sanitary District and Novato Disposal Service, Inc. for Solid Waste Collection, Processing, Diversion and Disposal subject to minor modifications approved by the District Manager-Engineer or District Counsel.

President Long opened the meeting to public comment on the issue of the Amendment of Solid Waste Franchise Agreement.

Richard Drury, Attorney, Lozeau Drury LLP, requested the Board accept hard copies of correspondence originally provided to the District on a CD rom. Mr. Drury expressed his concern that the process to amend the Agreement was rushed and requested the Board allow up to thirty days for public review of the Agreement. He suggested the District may be in violation of the Brown Act because the meeting documents were not made available in hard copy form until the morning of March 14, 2011. He discussed

proposed Franchise Agreement violations, alleging that Novato Disposal is in violation of the Federal Clean Water Act. He directed the Board's attention to Exhibit K of the correspondence Lozeau Drury presented which contained the discharge monitoring reports obtained from the Regional Water Quality Control Board. Mr. Drury stated the District was not legally able to enter into a contract with Novato Disposal because of the existing violations of law.

Mr. Drury stated that he believes the Franchise Agreement is a discretionary project with possible environmental impacts and therefore is not exempt from CEQA review. He outlined the potential environmental impacts Novato Disposal's long-term operations could have.

Mr. Drury discussed comments submitted to the Board from Dr. Petra Pless, an environmental scientist, who has concluded that this project may have adverse environmental impacts with respect to increased carbon dioxide-equivalent emissions. He stated that the Franchise Agreement does not specify where Novato Disposal will take C&D materials it collects and that this may result in "long haul" trips as far away as Stockton.

Mr. Drury discussed environmental impacts from storm water run-off at the Novato Disposal sites.

Mr. Drury discussed a study which showed an increase in illegal dumping of household debris, appliances, and construction debris in areas where debris box rates are considered high.

Mr. Drury discussed a report he presented from the Fair Political Practices Commission which showed that Novato Disposal, through an entity called Delphi, has made political contributions to members of the District's Board of Directors. He felt these contributions raised significant issues of conflict of interest.

Dana, Account Manager for Industrial Carting, discussed a past incident where a building contractor in Novato contacted Industrial Carting for debris box services because of the poor service and high cost of debris boxes through Novato Disposal. Dana requested the Board allow competitive bidding for debris box services. She stated that Industrial Carting can provide the needed documentation to show acceptable diversion rates for C&D disposal.

Casey Mazonni, Legislative Analyst with the Marin Builders Association, stated that the majority of the Marin Builders Association members supported competitive bidding and requested the adoption of the Franchise Agreement Amendment be postponed. In addition, she stated that the Marin Builders Association requests an analysis regarding any adverse effects of open market competition and a comparison relative to how neighboring jurisdictions might have mitigated any similar concerns.

Fred Grange, Grange Debris Box, gave an overview of his company's history and stated that allowing another debris box provider to operate in Novato would not pose a problem. He stated that Grange can provide a better debris box service and asked the Board to postpone their decision on the Agreement until he can provide a presentation to the Board outlining his services.

Bruce Bam, Green Coalition for Responsible Waste and Resource Management, expressed his concern with a 15 year term extension to the Franchise Agreement. He requested the Board directly fix the terms of extension to achieve diversion goals. He urged the Board to not approve the Agreement.

Martha Hiedinger, Novato homeowner, requested the Board modify the current Agreement to allow for competitive debris box services which would keep the rates low and offer better services to the community. She requested the Board postpone their decision to allow other Novato residents the opportunity to come before the Board with comments.

Tom Pierce, Novato resident, stated that he believes the Agreement is considered a project under CEQA. He expressed his concern for the wear and tear on the Novato streets from the Novato Disposal vehicles.

Margaret Weems, Weems Law Office, attorney representing Grange Debris Box, requests the Grange letter of March 11, 2011 be included in the record of the March 14, 2011 Board meeting. She questioned why the Board seeks at this time to extend the Franchise Agreement for 15 years. She stated that there is no reasonable basis to extend the original Agreement which was entered into in 2005. She stated that the amended agreement delivers no new benefits to the public, but continues the monopoly which denies the Novato residents the benefits of competitive markets outside of Novato Disposals current services. She noted that the existing 2005 Franchise Agreement imposes waste diversion and recycling goals. She requested the District provide quarterly reports on their website. She requested the Board just say no to the Agreement.

Dorgio Huberts expressed his dissatisfaction that the District did not provide board meeting materials to the public with adequate time for review prior to the board meeting. He requested the Board take additional time before making a final decision on the Agreement.

Delyn Kies, Sustainable Novato and Marin Food Scrap and Recycling Taskforce, expressed her appreciation to the Board for allowing her to submit comments regarding the Franchise Agreement. She asked the Agreement reflect a diversion rate of 80% by the year 2015, instead of the year 2020.

David Butler, Grange Debris Box employee, stated that he has worked in the construction and demolition business for approximately 25 years. He stated that construction/demolition contractors routinely separate their C&D materials prior to

placing the materials in the debris box to keep their costs low. He noted that Marin Sanitary separates their materials prior to disposal but that Novato Disposal does not.

Suzanne Crow discussed the costs associated with maintaining the contract with Novato Disposal. She noted that substantial outside costs are being incurred and expressed her concern that the \$45,000 franchise fee paid by Novato Disposal is not covering the additional expenses.

The Manager stated that the special costs in the Agreement are considered “pass through” costs and are paid directly by Novato Disposal.

Dee Johnson reported that Novato Disposal pays the District approximately \$370,000 per year for costs associated with the Household Hazardous Waste Facility and costs for her consulting services. She noted that this amount is in addition to the \$45,000 franchise fee that is paid by Novato Disposal.

Lee Pierce, Government Affairs Manager for Industrial Carting and Global Material Recovery Services, requested that the Board stipulate, as part of the Franchise Agreement, that recycling and debris box services be subject to competitive bidding. He stated that Industrial Carting is fully able to process approximately 400 tons of C&D materials per day. He requested that the Board defer their decision until after they make a personal visit to Industrial Carting’s facility in Santa Rosa. He provided the Board with photographs of Industrial Carting’s facilities and trucks.

Bob Williams, Williams Law Offices, stated he would like to see the contract tied to goals which must be achieved prior to an extension.

Curtis Michelini, Industrial Carting, stated he would like to be given the opportunity to competitively perform to achieve the zero waste goals as established by the District. He requested the Board visit his facility and allow his company to offer debris box services in Novato.

Ed Mainland, Sustainable Novato, commented on the March 2, 2011 Board meeting minutes and stated some comments might be misinterpreted. He clarified that Sustainable Novato is represented by Delyn Kies and himself, and Sustainable Novato has no connection with The Concerned Citizens group of Novato.

President Long closed public comment and declared a five minute break at 8:57 p.m.

President Long reconvened the Board meeting at 9:07 p.m.

The Manager gave an overview of the public comments, stating that there was considerable interest in the debris box issue. She noted that the debris box collection service in Novato is part of the current Franchise Agreement and is not being considered independently of the Agreement. She stated that Novato residents want to see better recycling efforts and zero waste goals achieved without an increase in their

household garbage collection rates. She stated that the Agreement prevents Novato Disposal from raising the current rates, outside of increases for inflation.

Member Quesada asked when the Amended Agreement was posted. The Manager replied that the Amended and Restated Agreement, Final Draft, Dated 3/11/2011, was posted to the District website by 6:30 p.m. on March 11, 2011. She pointed out that this Agreement was an amended version of the December 31, 2005 Agreement and that at their January 24, 2011 Board meeting, the Board reviewed the same draft document entitled "Draft Language to Amend the Agreement Affective December 31, 2005, Between Novato Sanitary District and Novato Disposal Company". The Manager also noted that the Agreement presented at this meeting is substantially the same Agreement as was presented at the March 2, 2011 Board meeting. She stated that the changes to the Agreement were shown as strike-out and bold italic text and that the Agreement was posted to the website. She noted that the Brown Act requires the District post only the meeting Agenda within 72 hours of the meeting, but does not require the entire packet be posted, although in this case, the packet was posted within 72 hours of the meeting.

The Manager stated that the amended Agreement made no changes to debris box services and that this has been consistent through all drafts of the Agreement.

District Counsel, Kent Alm, stated that he would not address preferences and policy issues, but only legal issues. He stated that in response to the allegation regarding a Brown Act violation, he believes there was no violation. In regard to the suggestion that there is a violation of the Franchise Agreement due to the allegations in a law suit filed by Lozeau Drury in Federal Court, there has been no judicial resolution of these allegations. He stated that until a Judge resolves the issue or the parties come to a settlement, the alleged charges are only allegations and do not prevent the District from entering into a contract with Novato Disposal. Mr. Alm addressed the comments regarding the Cease and Desist Order. He stated that according to the documents provided by Mr. Drury, that Order was withdrawn when the company ceased to provide the services in dispute. Since that time, he noted that the company has made certain improvements that were mentioned earlier, which could provide a defense to the lawsuit that has been mentioned.

Mr. Alm addressed the comments regarding the high cost of debris box disposal which may cause illegal dumping in Marin County. He stated he has looked at the general information provided and does not necessarily disagree with some of the conclusions. It is common knowledge that illegal waste dumping can be attributed to the cost of disposal. However, he noted that it is not just the cost of picking up the debris but also the cost of disposal at the landfill as well. He stated that the cost structure adopted does not legally prevent the Board from approving the Agreement with Novato Disposal.

Mr. Alm stated he does not see any legal reasons why the Board cannot proceed with approving the Agreement.

Member Di Giorgio noted that the major point of concern was the issue of debris box disposal, and stated that regardless if the Board approved the Agreement before them, the issue of debris box disposal would remain the same for the length of the contract until the year 2015. He stated that the District has proceeded to secure probably the lowest garbage rates in the County. He discussed the environmental impacts and noted they would remain the same no matter who was awarded debris box hauling. Member Di Giorgio stated he would vote 'Aye' on the motion.

Member Fritz discussed smaller debris haulers such as "Got Junk". He questioned if in fact other debris haulers were prohibited from hauling debris for residents.

The Manager stated that it is a violation of the District's ordinance to haul waste on the streets of Novato without a permit from the District. She stated that if a resident or contractor is doing construction demolition and fills their own box, they can "self-haul" to Redwood Landfill which is allowed under the ordinance.

Mr. Alm clarified what is allowed under the District's ordinance.

Member Welsh stated that the District has incurred numerous legal fees recently and does not want the District to become involved in litigation regarding a CEQA challenge. He suggested the Board table the motion to declare the Agreement exempt under CEQA until the Board meeting in late April. He suggested the Agreement be amended further to address the debris box disposal concerns and the concerns regarding a relocated recycling facility.

Member Quesada questioned contractors who have their own debris boxes. The Manager stated that these contractors are allowed to haul and dump at the landfill and are not in violation of the ordinance.

President Long asked who would be responsible for the legal fees if there were to be a court challenge. The Manager responded that Novato Disposal is responsible for the legal fees, as clarified in Section 8.1 of the Agreement.

On motion of Member Di Giorgio, seconded by Member Fritz and carried with the following vote, the Board made a determination that the Amendment of the Agreement between Novato Sanitary District and Novato Disposal Service, Inc. for Solid Waste Collection, Processing, Diversion and Disposal (Agreement) is not a Project and/or is categorically exempt under CEQA and directed staff to file the Notice of Exemption. Ayes: Long, Di Giorgio, Fritz, and Quesada. Noes: Welsh.

The Board discussed the approval of the Amended and Restated Agreement with Novato Disposal Service, Inc.

Member Di Giorgio commented that he is very familiar with the Agreement and hopes Novato Disposal will achieve the 80% diversion goals sooner than the year 2025 deadline, as required in the Agreement.

The Board discussed the diversion goals as stated in the Agreement and the incentive to Novato Disposal if they were to achieve higher diversion goals sooner than required.

Dee Johnson stated that Novato Disposal's diversion rate is currently at nearly 58 percent.

Member Quesada stated that he felt a higher franchise fee is a bad idea because the cost would be passed on to the rate payers.

President Long addressed the public comment of "Why now?" He noted that the agreement currently in place already allows the District to dictate a number of provisions that are in the amended contract; however the Novato residents' rates would need to increase to pay for these services. He stated that under the amended Agreement, Novato residents receive these services, and rates are guaranteed to remain the same except for yearly increases based on the cost of living index. He stated that the District should take another look with Novato Disposal at the debris box issues and see if there isn't some way to provide a better and more competitive service. He stated the Board should address this issue down the road. He stated that the decision before the Board tonight is a very good deal in terms of implementing real progress towards great reduction in landfill waste.

On motion of Member Di Giorgio, seconded by Member Fritz, and carried with the following vote, the Board approved the Amended and Restated Agreement between Novato Sanitary District and Novato Disposal Service, Inc. for Solid Waste Collection, Processing, Diversion, and Disposal subject to minor modifications approved by the District Manager-Engineer and District Counsel. Ayes: Long, Di Giorgio, Fritz, Quesada. Noes: Welsh.

BOARD MEMBER REPORTS:

Member Quesada discussed the District's emergency planning and preparedness. The Manager stated that the District works constantly on emergency preparedness and would be happy to brief the Board at a later date on the District's emergency preparedness.

President Long discussed a Cal Pers presentation he attended on their employee retiree benefit trust program. He suggested a future discussion take place to look into the investment options for the money being set aside to cover the District's GASB liability.

Member Long reported that he attended a meeting of the Marin County Council of Mayors and Councilmember's Ad Hoc Committee on Pensions and Other Post-Employment Benefits.

REVIEW OF MINUTES:

Consider approval of minutes of the March 2, 2011 meeting.

On motion of Member Di Giorgio, seconded by Member Fritz, and carried unanimously, the minutes of the March 2, 2011 Board meeting were approved with the inclusion of the letter provided by Sustainable Novato, dated March 14, 2011.

CONSENT CALENDAR:

On motion of Member Di Giorgio, seconded by Member Fritz and carried unanimously, the following Consent Calendar items were approved:

- a. Approval of the Sewer Main Extension (SME) plans for 275 Bel Marin Keys Blvd.
- b. Approval of regular disbursements in the amount of \$531,835.33, project account disbursements in the amount of \$5,457,297.31, Board member disbursements in the amount of \$3,226.92 and ratification of payroll and payroll related expenses from the month of February in the amount of \$242,705.18.

MARIN LOCAL AGENCY FORMATION COMMISSION (LAFCO):

Consider selecting first, second, and third choice candidates for the regular Special District representative to LAFCO. The Manager stated that the Board would be voting on a candidate for a regular Special District representative to serve from May 2011 until May 2015. The Board discussed the candidates and their qualifications.

On motion of Member Di Giorgio, seconded by Member Fritz and carried with the following vote, the Board selected Dennis Rodoni, North Marin Water District, as the first choice. Ayes: Long, Di Giorgio, Fritz, Welsh. Noes: Quesada.

On motion of Member Fritz, seconded by Member Di Giorgio and carried unanimously, the Board selected Craig Murray, Las Gallinas Valley Sanitary District, as the second choice.

On motion of Member Fritz, seconded by Member Di Giorgio and carried unanimously, the Board selected Lew Kious, Almonte Sanitary District, as the third choice.

PUMP STATION REHABILITATION PROJECT NO. 72403:

- Review bids received, authorize contract award to the lowest responsive bidder and authorize the Manager-Engineer to execute the contract. The Deputy Manager-Engineer stated that at its February 14, 2011 meeting, the District Board made CEQA findings and authorized staff to advertise for bids for the Pump Station Rehabilitation Project; Project Unit 3, Western Oaks, Hamilton 2 & 3 Pump Stations; Project No. 72403. He outlined the bids received, noting that Anderson Pacific submitted the lowest

responsive bid in the amount of \$1,265,000. He requested the Board authorize the Manager-Engineer to execute the contract.

On motion of Member Di Giorgio, seconded by Member Fritz and carried unanimously, the Board awarded the Pump Station Rehabilitation Project; Project Unit 3, Western Oaks, Hamilton 2 & 3 Pump Stations; Project No. 72403 to Anderson Pacific with a bid of \$1,265,000. Furthermore, the Board authorized the Manager-Engineer to execute the contract.

STAFF REPORTS:

The Manager discussed a North Bay Watershed Association meeting she attended on March 4, 2011 at the Novato Sanitary District. She stated that Harry Seraydarian discussed the 2011-12 budget and noted that members would be paying approximately 3% less due to the addition of Napa Flood Control and Water Conservation District as a member and that Petaluma would be returning as a voting member in 2011-2012. She also stated that Daria Mazey, U.S. Army Corps of Engineers provided an overview of the San Pablo Bay Watershed Management Plan.

MANAGER'S ANNOUNCEMENTS:

- The Manager regrets to announce that Member Fritz has indicated that he will be retiring from the Novato Sanitary District Board as of April 1, 2011. She stated that Member Fritz has served on the Board most faithfully and provided his considerable expertise in water and wastewater issues during his service for the Board. The Manager expressed her appreciation to Member Fritz and stated that the Board and the District have benefited enormously during his years of service. She commented on Member Fritz's attentive involvement during the upgrade of the treatment facility and thanked him for his incredible photographs.
- The Wastewater Operations Committee Meeting will be held on March 21st at 2 p.m. at the Novato Sanitary District.
- The next regularly scheduled Board Meeting will be held on Wednesday, March 30, 2011 at 6:30 p.m. instead of Monday, March 28th.
- North Marin Water District will hold a Community Outreach event for their recycled water distribution program on March 22nd at 6:30 p.m. at the North Marin Water District office.
- The California Special District Association (CSDA) will be offering a Special District Leadership Academy series consisting of four modules: Governance Foundations, March 31st; Board's Role in Human Resources, April 14th; Board's Role in Finance & Fiscal Accountability, April 28th, and Setting Direction/Community Leadership, May 2nd. All classes will be held in Sacramento between the hours of 9 a.m. and 4 p.m.

ADJOURNMENT: There being no further business to come before the Board, President Long adjourned the meeting at 10:00 p.m.

Respectfully submitted,

Beverly B. James, Secretary

Julie Borda, Recording

DRAFT

April 11, 2011

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, April 11, 2011 at the District offices, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President William C. Long, Members Michael Di Giorgio, George C. Quesada and Dennis Welsh.

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James and Administrative Secretary Julie Borda.

ALSO PRESENT: Jo Heffelfinger, Novato resident
Brant Miller, Novato resident
Suzanne Brown Crow

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

On motion of Member Quesada, seconded by Member Di Giorgio and carried unanimously, the agenda was approved as mailed.

PUBLIC COMMENT:

Brant Miller, Novato resident, discussed a phone conversation he had with Angelica Randolph, President of the Marin Coalition. Ms. Randolph stated that Dennis and Pam Welsh had recently joined the Coalition and she noted that Mr. Welsh had spoken at one of the meetings and requested the Marin Coalition sign a letter that was critical of Novato Sanitary.

Member Welsh commented that the information presented by the previous speaker was inaccurate and that he had nothing to do with the letter.

Mr. Miller stated he was mistaken and that Ms. Randolph did not specifically tie Mr. Welsh with the letter.

Suzanne Crow, Novato resident, discussed the garbage contract and the cost of debris disposal. She relayed her personal experience with the Redwood Landfill and the high costs for debris disposal. She discussed the Manager's authorization of \$68,000 in legal expenses and requested that the Manager's specific spending authority be placed as a Board agenda item. Ms. Crow requested that the documents relevant to the EPA investigation be placed on the District website.

The Manager stated that agenda item 8a. will address Ms. Crow's concerns regarding the legal expense approval.

BOARD MEMBER REPORTS:

None.

REVIEW OF MINUTES:

- Consider approval of minutes of the March 30, 2011 meeting.

Member Quesada pointed out an error on page four of the meeting minutes where the Manager stated that the next District election would be held on November 1, 2011. Member Quesada stated that he verified with the Registrar of Voters that the election will be held on November 8, 2011. Recorder Julie Borda was asked to make this correction to the March 30th minutes.

On motion of Member Di Giorgio, seconded by Member Quesada, and carried unanimously, the minutes of the March 30, 2011 meeting were approved with the addition of the corrected information regarding the election date.

CONSENT CALENDAR:

On motion of Member Di Giorgio, seconded by Member Quesada and carried unanimously, the Board approved the following Consent Calendar items:

- a. Approval of regular disbursements in the amount of \$174,256.35, approval of project account disbursements in the amount of \$96,811.67, approval of Board member disbursements in the amount of \$4,574.02 and approval of payroll and payroll related expenses for the month of March in the amount of \$245,808.90.
- b. Approval of meeting dates of April 20th at 6:30 p.m. and April 25th at 4:30 p.m.

WASTEWATER FACILITIES UPGRADE PROJECT 72609:

- Review bids received and authorize contract award to lowest responsive bidder. The Manager stated that on April 5, 2011, four bids were received for the Phase 1 Landscaping Project and that North Bay Landscape Management, Inc. submitted the lowest responsive bid at \$50,950.00. She stated that North Bay's bid documents have been reviewed and are in order and she recommends the Board award the Wastewater Facilities Upgrade Project No. 72609-Phase 1 Landscaping Project to North Bay Landscape Management for a bid of \$50,950. She requested the Board authorize the Manager-Engineer to execute the contract. She stated that the project will be managed by the District's Field Services Superintendent, Steve Krautheim.

On motion of Member Quesada, seconded by Member Di Giorgio and carried unanimously, the Board awarded the Wastewater Facilities Upgrade Project No. 72609-Phase 1 Landscaping Project to North Bay Landscape Management, Inc and authorized the Manager to execute said contract.

STAFF REPORTS:

- Legal costs for employment issues.

The Manager discussed questions that were previously raised regarding additional legal expenses related to personnel issues and her authority to approve these expenditures. She stated that all of the expenditures, with the exception of the work done by one attorney, were within the signing authority of the Manager.

Member Quesada questioned the Deputy Manager-Engineer's signing authority limit. The Manager responded that it is \$15,000

Member Welsh requested clarification of the personnel investigation and disciplinary issues for which the attorney's fees were spent. The Manager responded that with some personnel issues, the appropriate approach is to go through confidential legal counsel. She stated that all of the personnel issues needing legal counsel have been resolved.

Suzanne Crow questioned the pass-through costs and stated she feels these cost are not transparent. She stated that the large expenditures need more disclosure. She thanked the Manager for placing this item on the agenda.

President Long stated that the invoices and expenditure details are public record. He stated that agency's characteristically authorize the Manager to handle routine business expenditures as part of their duties.

Member Quesada requested the Personnel Committee reconsider the Deputy Manager-Engineer's \$15,000 spending authority limit and increase it to \$25,000 or \$30,000.

The Manager noted that in June the District will review the expenditure authorizations for the various staff levels.

MANAGER'S ANNOUNCEMENTS:

- The City of Novato is offering a Crisis Communications and Disaster Preparedness workshop for California's Public Officials and Board members on April 22nd.

- The Wastewater Operations Committee meeting is on Monday, April 18th. Member Quesada and Member Di Giorgio are committee members.

- The Novato Chamber of Commerce Annual Business Tradeshow is being held on April 21st from 4 to 7 p.m. at the StoneTree Golf Club. The District will have a table at the event for Pollution Prevention education.

- The LAFCO meeting on April 14th has been cancelled and rescheduled for May 12th.

- The Manager stated that the California Association of Sanitation Agencies (CASA) Spring Conference was going to be held in Sacramento on April 27-29, 2011.

Member Welsh stated that the District does not have a policy to change board meeting dates and times. He requested the item be put on the agenda for the next Board meeting.

ADJOURNMENT: There being no further business to come before the Board, President Long adjourned the meeting at 7:05 p.m.

Respectfully submitted,

Beverly B. James, Secretary

Julie Borda, Recording

DRAFT

April 20, 2011

A special meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Wednesday, April 20, 2011 at the District offices, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President William C. Long, Members Michael Di Giorgio, George C. Quesada and Dennis Welsh.

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James, Deputy Manager-Engineer Sandeep Karkal, and Administrative Secretary Julie Borda.

ALSO PRESENT: Dean Heffelfinger, Novato resident
Jo Heffelfinger, Novato resident
Angelica Randolph, Co-Chair of Marin Coalition
David K. Randolph
Jim Fritz, past Board member
B. Abbate
Brent Ainsworth, Novato Patch
Jean Mariani, Novato resident
John Coleman, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

On motion of Member Di Giorgio, seconded by Member Quesada and carried unanimously, the agenda was approved as mailed.

PUBLIC COMMENT:

Angelika Randolph, Co-Chair of the Marin Coalition, addressed the Board and read a statement she prepared regarding a conversation she had previously with Brant Miller. In the statement, she rebutted comments Mr. Miller had made at the April 11, 2011 Board meeting.

BOARD OF DIRECTORS:

Interview candidates for open board position.

The Manager stated that at its March 30, 2011 meeting, the District Board directed staff to proceed with the Board Member appointment process to fill the vacant position created by the retirement of Board Member Jim Fritz. She reported that six applications were received: Jean Mariani, Donald Brand, John Coleman, Brant Miller, Suzanne Brown Crow and A. Gerald (Jerry) Peters.

President Long gave an overview of the review process, stating that each candidate will be allowed up to five minutes to make an opening statement and then the Board will have up to ten minutes for questions and discussion with the candidate.

President Long invited all candidates to wait outside the Board room until they were called for their interview. The interview process began immediately after, with applicants being called in the following order:

1. Jean Mariani
2. Donald Brand
3. John Coleman
4. Brant Miller
5. Suzanne Brown Crow
6. Gerald (Jerry) Peters

Following the interviews, President Long invited all candidates to rejoin the meeting.

Consider adopting a resolution appointing a board member to fill the vacancy.

President Long thanked the candidates for their participation and invited discussion from the Board.

Member Quesada stated he was not ready at this time to make a decision on the candidates and requested a two-week or longer period to come to a decision.

Member Di Giorgio nominated Jean Mariani to fill the vacancy on the Novato Sanitary District Board of Directors.

Member Welsh nominated Suzanne Brown Crow to fill the vacancy on the Novato Sanitary District Board of Directors.

President Long asked the Board if any further nominations were intended, and hearing none, announced that the nominations were closed.

President Long opened the meeting for public comment, and hearing none, proceeded to Board discussion.

The Board discussed the nominees and their qualifications.

Member Di Giorgio made a motion to appoint Jean Mariani to the Novato Sanitary District Board of Directors. The motion received the following vote: Ayes: President Long, Member Di Giorgio. Noes: Member Welsh. Pass: Member Quesada.

Member Welsh made a motion to appoint Suzanne Brown Crow to the Novato Sanitary District Board of Directors. The motion received the following vote: Ayes: Member Welsh. Noes: President Long, Member Di Giorgio. Pass: Member Quesada.

Member Quesada asked the Manager for the deadline in which the Board would have to make a selection before the action would be forced to go to the Board of Supervisors for appointment. The Manager requested a recess to bring the information before the Board.

At 8:03 p.m., President Long declared a 10 minute recess.

At 8:13 p.m., President Long reconvened the meeting.

The Manager stated that the Board will have until May 30, 2011 to make an appointment to fill the vacancy. If they fail to do so, the decision will pass to the Board of Supervisors who would then have until June 28, 2011 to make an appointment or require the District to call an election.

President Long requested the Manager place the Board Vacancy Appointment item on the April 25, 2011 agenda.

MANAGER'S ANNOUNCEMENTS:

- The Manager stated that the next regular Board meeting will take place on Monday, April 25, 2011 at 4:30 p.m. instead of the regular time of 6:30 p.m. The change was necessary to ensure that the Board would have a quorum of members present.

- The Manager noted that the Novato Leadership Program, 2011 is holding their graduation ceremony on May 11, 2011 from 5 to 7:30 p.m. She stated that the District's Finance Officer, Laura Creamer, and the Plant Manager, John Bailey, Veolia Water, are both graduating from the Leadership Program.

ADJOURNMENT: There being no further business to come before the Board, President Long adjourned the meeting at 8:15 p.m.

Respectfully submitted,

Beverly B. James, Secretary

Julie Borda, Recording

Novato Sanitary District Check Register

April 25, 2011

Date	Num	Name	Credit
Apr 25, 11			
4/25/2011	52681	J&M Inc.	35,979.95
4/25/2011	52689	Meyers, Nave, Riback, Silver ...	34,164.51
4/25/2011	52671	Covello Group, The	26,645.64
4/25/2011	52667	Central Marin Sanitation District	22,314.40
4/25/2011	52699	Rauch Communication Cons...	8,244.75
4/25/2011	52687	Linscott Engineering Contract...	8,147.17
4/25/2011	52695	Novato, City	5,848.91
4/25/2011	52675	Environmental Resource Assoc	3,658.81
4/25/2011	52660	American Express-22062	3,366.57
4/25/2011	52701	Thomas & Associates, Inc.	3,028.42
4/25/2011	52666	Centex Homes	3,000.00
4/25/2011	52688	Marin Mechanical II, Inc.	2,823.00
4/25/2011	52700	Team Ghilotti, Inc.	2,375.10
4/25/2011	52690	Monterey Mechanical, Inc.	1,800.00
4/25/2011	ach	Bowens, Kenneth	1,650.00
4/25/2011	52706	Willis Professional Land Surv...	1,475.00
4/25/2011	52665	CASA	1,400.00
4/25/2011	52692	North Bay Truck Service	1,293.66
4/25/2011	52677	HACH/American Sigma Inc	1,221.72
4/25/2011	52694	North Marin Water District	1,182.27
4/25/2011	52684	Kaiser Permanente	1,157.78
4/25/2011	52658	Air Technology West	1,098.70
4/25/2011	52686	Leonardi Automotive & Electri...	980.04
4/25/2011	52682	JCK Communications	899.00
4/25/2011	52679	Independent Journal	847.85
4/25/2011	52707	Zee Medical Company	833.63
4/25/2011	52685	Lab Safety Supply, Inc.	830.77
4/25/2011	52674	Electrical Equipment Compan...	721.29
4/25/2011	52683	Johnson Controls, Inc.	607.00
4/25/2011	52672	CWEAmembers	396.00
4/25/2011	52676	Grainger	382.11
4/25/2011	52678	Ikon Office Solutions	365.53
4/25/2011	52668	Cintas Corporation	365.30
4/25/2011	52704	Verizon Communications	276.77
4/25/2011	52662	AT&T-SAC	250.23
4/25/2011	52664	Cagwin & Dorward Inc.	229.00
4/25/2011	52693	North Marin Auto Parts	222.68
4/25/2011	52673	Datco Billing Inc.	209.30
4/25/2011	52661	Aquatic Biosystems Inc.	208.00
4/25/2011	52669	Cole-Parmer	192.30
4/25/2011	52670	Control Systems West, Inc.	188.75
4/25/2011	52680	Industrial Scientific, Corp	176.15
4/25/2011	ach	Long, William C.	170.82
4/25/2011	52659	AirGas-NCN, Inc.	165.14
4/25/2011	52663	Bel Marin Keys Community S...	156.00
4/25/2011	52703	Verizon California	100.43
4/25/2011	52691	North Bay Portables, Inc.	89.70
4/25/2011	52705	Water Components & Buildin...	87.60
4/25/2011	52702	United Parcel Service	74.23
4/25/2011	52698	Petty Cash	68.72
4/25/2011	52696	One Stop Auto Service Inc.	67.86
4/25/2011	52697	Pacific, Gas & Electric	14.78
Apr 25, 11			182,053.34

04/22/11

Novato Sanitary District Check Register

April 25, 2011

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
Apr 25, 11			
4/25/2011	2168	Covello Group, The	57,636.00
4/25/2011	2170	Monterey Mechanical, Inc.	51,373.25
4/25/2011	2169	Empire Mini Storage - Novato	1,480.00
Apr 25, 11			<u>110,489.25</u>

**NOVATO SANITARY DISTRICT
BOARD AGENDA ITEM SUMMARY**

TITLE: Consent Calendar: Center Road Sewer Project	MEETING DATE: April 25, 2011 AGENDA ITEM NO.:
RECOMMENDED ACTION: Consider granting Final Acceptance of the Project and authorize staff to file the Notice of Completion.	
SUMMARY AND DISCUSSION: <p>On August 23, 2010 the District Board of Directors awarded the Contract for the Center Road, Rica Vista to Western Avenue Sewer Project to J&M, Inc. for a low bid amount of \$394,727. The work began on the project on October 11, 2010 and substantial completion was achieved on January 7th, 2011.</p> <p>The Contractor has completed the contract work and the project is ready for final acceptance. At this time, additive change orders for the project are \$10,502, while deductive change orders are \$12,429, for a net credit to the District of \$1,927. The current cost of the project therefore, is \$392,799.47 or \$1,927 below the bid amount. There is one outstanding change order where the work has been completed but costs have not been finalized. It is estimated that the cost of this change order would be about \$15,000. Once this change order is finalized, a final payment will be made to the Contractor to close out the Contract.</p> <p>As noted earlier, the substantial completion date was January 7th, 2011, and the District has had beneficial occupancy since that time. Therefore, it would be appropriate to file the Notice of Completion to start the 35-day Retention Release period.</p> <p>Therefore, it is recommended that final acceptance be granted and staff be authorized to file the Notice of Completion.</p>	
ALTERNATIVES: None	
BUDGET INFORMATION: This project was funded under the Collection Systems Improvements Project, which has a FY2010-11 budget amount of \$3,000,000.	
DEPT.MGR.:	MANAGER:

April 22, 2011

To: Board of Directors

From: Beverly B. James, Manager-Engineer

Re: Board Member Appointment Process

The process for selection of a replacement board member is set forth in California Government Code Section 1780. A copy of Section 1780 is attached for reference.

The District actions required by the code are:

1. Notify the Marin County Elections Official of the vacancy by April 15, 2011.
Letter sent March 31, 2011
2. Decide whether to fill the vacancy by appointing a replacement or calling a special election.
Board voted unanimously on March 30, 2011 to proceed to appoint a replacement rather than call an election.

Appointing a Replacement

1. The District is required to post a notice of the vacancy in at least three conspicuous places in the District.
Notices were posted at the District office, on the District website, at the libraries in downtown Novato and Hamilton on March 31, 2011. Notices were also emailed to the Novato Advance and the Novato Patch on 4/1/2011.
2. At least 15 days after posting the notice the Board may make the appointment.
The District received six applications for the position: Jean Mariani, Donald Brand, John Coleman, Brant Miller, Suzanne Crow Brown, and Jerry Peters. The Board interviewed candidates at an special open public meeting on April 20, 2011.
3. The Board has a maximum of 60 days from the date the position becomes vacant (March 31, 2011) to make the appointment. If the District Board does not make a decision by May 30, 2011 the appointment it is automatically referred to the Board of Supervisors to make the appointment or call an election.

4. The Board of Supervisors has 90 days from March 31, 2011 to make an appointment. This deadline is June 29, 2011.

Schedule for Appointing a Replacement

Date	Action
March 30, 2011	Board votes to fill the vacancy by appointment.
March 31, 2011	Post notice of Vacancy and Request for Applications
April 15, 2011	Letters of Interest and Applications due to District
April 20, 2011	Special Board meeting to interview applicants and make appointment
May 30, 2011	Deadline for District Board to make appointment
June 29, 2011	Deadline for Board of Supervisors to make appointment

California Government Code Section 1780

"(a) Notwithstanding any other provision of law, a vacancy in any elective office on the governing board of a special district, other than those specified in Section 1781 [Section 1781 does not apply to Novato Sanitary District], shall be filled pursuant to this section.

(b) The district shall notify the county elections official of the vacancy no later than 15 days after either the date on which the district board is notified of the vacancy or the effective date of the vacancy, whichever is later.

(c) The remaining members of the district board may fill the vacancy either by appointment pursuant to subdivision (d) or by calling an election pursuant to subdivision (e).

(d) (1) The remaining members of the district board shall make the appointment pursuant to this subdivision within 60 days after either the date on which the district board is notified of the vacancy or the effective date of the vacancy, whichever is later.

---The district shall post a notice of the vacancy in three or more conspicuous places in the district at least 15 days before the district board makes the appointment.

---The district shall notify the county elections official of the appointment no later than 15 days after the appointment.

(2) If the vacancy occurs in the first half of a term of office and at least 130 days prior to the next general district election, the person appointed to fill the vacancy shall hold office until the next general district election that is scheduled 130 or more days after the date the district board is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office.

(3) If the vacancy occurs in the first half of a term of office, but less than 130 days prior to the next general district election, or if the vacancy occurs in the second half of a term of office, the person appointed to fill the vacancy shall fill the balance of the unexpired term of office.

(e) (1) In lieu of making an appointment the remaining members of the board may within 60 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, call an election to fill the vacancy.

(2) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 130 or more days after the date the district board calls the election.

(f) (1) If the vacancy is not filled by the district board by appointment, or if the district board has not called for an election within 60 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, then the city council of the city in which the district is wholly located, or if the district is not wholly located within a city, the board of supervisors of the county representing the larger portion of the district area in which the election to fill the vacancy will be held, may appoint a person to fill the vacancy within 90 days of the date the district board is notified of the vacancy or the effective date of the vacancy,

Board of Directors

April 22, 2011

Page 4 of 4

whichever is later, or the city council or board of supervisors may order the district to call an election to fill the vacancy.

(2) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 130 or more days after the date the city council or board of supervisors calls the election.

(g) (1) If within 90 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, the remaining members of the district board or the appropriate board of supervisors or city council have not filled the vacancy and no election has been called for, then the district board shall call an election to fill the vacancy.

(2) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 130 or more days after the date the district board calls the election.

(h) (1) Notwithstanding any other provision of this section, if the number of remaining members of the district board falls below a quorum, then at the request of the district secretary or a remaining member of the district board, the appropriate board of supervisors or the city council shall promptly appoint a person to fill the vacancy, or may call an election to fill the vacancy.

(2) The board of supervisors or the city council shall only fill enough vacancies by appointment or by election to provide the district board with a quorum.

(3) If the vacancy occurs in the first half of a term of office and at least 130 days prior to the next general district election, the person appointed to fill the vacancy shall hold the office until the next general district election that is scheduled 130 or more days after the date the district board is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office.

(4) If the vacancy occurs in the first half of a term of office, but less than 130 days prior to the next general district election, or if the vacancy occurs in the second half of a term of office, the person appointed to fill the vacancy shall fill the balance of the unexpired term of office.

(5) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is held 130 or more days after the date the city council or board of supervisors calls the election.

RESOLUTION NO. 3030

**A RESOLUTION APPOINTING A DIRECTOR TO FILL
A VACANCY IN AN ELECTIVE OFFICE**

NOVATO SANITARY DISTRICT

RESOLVED, by the Board of Directors of the Novato Sanitary District, Marin County, California, as follows:

WHEREAS, a vacancy on the Board of Directors of the Novato Sanitary District has existed since March 31, 2011, which is the effective date of the vacancy;

WHEREAS, Section 6483 of the Health and Safety Code of the State of California provides that all vacancies occurring in the membership of a Sanitary District Board shall be filled pursuant to the provisions of Section 1780 of the Government Code of the State of California;

WHEREAS, the provisions of said Section 1780 provide that the person appointed to fill a vacancy in any elective office on the governing board of a special district shall hold office until the next general District election which is scheduled 130 or more days after the effective date of the vacancy, unless an election is also held on the same date for the purpose of electing a director to serve a full term in the same office to which the person was appointed, in which event the person appointed to the vacancy shall fill the balance of the unexpired term of his or her predecessor; and

WHEREAS, the next District general election scheduled 130 or more days after the effective date of the vacancy is the same date for the purpose of electing a director to serve a full term in the same office to which a person will be appointed;

NOW, THEREFORE, IT IS ORDERED as follows:

1. Pursuant to the provisions of Section 1780 of the Government Code of the State of California, _____, being a resident elector of this District be and is hereby appointed to the office of Director of the Novato Sanitary District to hold such office for the balance of

the unexpired term of his predecessor in office.

2. The Secretary of this District is directed to file, within ten (10) days from the date of adoption of this resolution, with the Secretary of State and the County Clerk of Marin County, the necessary "Statement of Facts", and shall include in the transmittal to said County Clerk a duly executed copy of the Certificate of Appointment and Oath of Office of the newly appointed Director together with a certified copy of this Resolution.

* * * * *

I hereby certify that the foregoing resolution was duly and regularly passed and adopted by the Board of Directors of the Novato Sanitary District at a meeting thereof held on the 25th day of April, 2011, by the following vote:

AYES, and in favor thereof, Members:

NOES, Members:

ABSENT, Members:

President
Novato Sanitary District

(SEAL)

ATTEST:

Secretary
Novato Sanitary District

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Recycled Water Project Interagency Agreement	MEETING DATE: April 25, 2011 AGENDA ITEM NO. : 8.a
RECOMMENDED ACTION: Approve revision to the Interagency Agreement for Recycled Water Between Novato Sanitary District and North Marin Water District and authorize <u>Manager-Engineer</u> to approve further minor revisions.	
SUMMARY AND DISCUSSION: <p>At its February 14, 2011 meeting the District Board approved a revised Interagency Agreement for Recycled Water between Novato Sanitary District and the North Marin Water District.</p> <p>North Marin Water District has requested an additional revision to comply with the requirements of the State Water Resources Control Board SRF loan. This revision will add a minimum annual delivery quantity of 186 ac-ft/year pursuant to a connection schedule in an added Exhibit F.</p> <p>A copy of the proposed revision is attached.</p>	
ALTERNATIVES: N/A	
BUDGET INFORMATION: No impact	
DEPT. MGR. :	MANAGER'S APPROVAL:

**SECOND REVISED
INTER AGENCY AGREEMENT
FOR RECYCLED WATER
BETWEEN
NOVATO SANITARY DISTRICT
AND
NORTH MARIN WATER DISTRICT**

FEBRUARY 2011

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1 J. Distributor wishes to acquire from Producer the quantity of secondary effluent and/or
2 recycled water which it can sell to End Users (as defined in Article B2).

3 K. City of Novato, Novato Unified School District playing fields, Valley Memorial Park
4 Cemetery and Fireman's Fund Business Park landscaping will be the initial End
5 Users of recycled water and other end users may be served in the vicinity of the
6 recycled water pipeline to be constructed from the RWTF's.

7 **AGREEMENT PROVISIONS**

8 For and in consideration of the foregoing recitals and of the mutual promise and covenants
9 herein contained, the Parties hereto agree as follows:

10 **ARTICLE A. INTRODUCTORY PROVISIONS**

11 **1 Definitions**

12 When used in this Agreement, the following terms shall have the meanings
13 hereinafter set forth:

- 14 a) "End User" shall mean the ultimate user of recycled water.
- 15 b) "Fiscal Year" shall mean each 12-month period during the term of this
16 Agreement commencing July 1 of one year and terminating June 30 of the
17 next succeeding year, both dates inclusive.
- 18 c) "Operation and Maintenance Costs" shall mean the actual cost of: labor
19 (including general and administrative overhead plus tools and supplies
20 normally applied), equipment and vehicle charges, consumables (such as
21 chemicals and electrical power), and spare parts and/or replaced
22 components necessary to reliably treat and deliver recycled water to the End
23 Users pursuant to this agreement. Operation and Maintenance Costs shall
24 not include costs for major capital replacement or process changes.
- 25 d) "Point of Connection" shall mean a secondary effluent connection between
26 the Producer's sewerage system and the Distributor's Deer Island RWTF
27 and distribution system (see Exhibit "A" attached hereto and incorporated
28 herein by this reference), or a recycled water connection between the
29 Producer's Davidson Street RWTF and Distributor's distribution system (see
30 Exhibit "B" attached hereto and incorporated herein by this reference).
- 31 e) "RWTF" shall mean the Recycled Water Treatment and Pumping Facilities
32 required to produce recycled water from the Producer's sewerage system to
33 the "Point of Connection."
- 34 f) "Distribution" system shall mean the recycled water transmission/distribution
35 pipelines and storage facilities.

36 **2. Term and Renewal**

37 This Agreement shall commence on the Effective Date and be in force for
38 twenty (20) years. Following the original twenty (20) year Agreement term, the
39 Agreement term shall be automatically renewed and extended for consecutive
40 one (1) year terms, unless terminated in accordance with the provisions of
41 Article E herein.

42

1 **ARTICLE B. RECYCLED WATER SERVICE PROVISIONS**

2 **1. Recycled Water Delivery Limitations**

- 3 a) Distributor understands and acknowledges that Producer is charged with the
4 responsibility to operate its sewerage systems in a manner which it
5 reasonably determines to be most beneficial to the users thereof. The rights
6 of Distributor to secondary effluent or recycled water under this Agreement
7 pertain only to that which actually is produced at the RWTF. Nothing
8 contained herein shall be construed to qualify in any manner Producer's right
9 to operate the sewerage system and Davidson Street RWTF at such rates of
10 flow as Producer reasonably determines to be appropriate so as to comply
11 with Producer's NPDES permit.
- 12 b) Nothing herein shall be construed to commit any portion of the recycled
13 water from the RWTF beyond that which will be delivered by Distributor to its
14 customers for reasonable beneficial uses. Producer to give to Distributor at
15 least 30 days advance written notice of any non-emergency planned
16 reduction that would reduce the availability of secondary effluent or recycled
17 water to Distributor. Distributor shall have ample opportunity to meet and
18 confer with the Producer on the issue of reduced availability of recycled
19 water.
- 20 c) Any circumstances beyond Producer's control which cause an unplanned
21 reduction in the recycled water available for distribution may, at the
22 discretion of Producer, result in a temporary decrease in recycled water
23 available to Distributor under this Agreement. The reduced availability of
24 recycled water will continue in effect until such time as operations have been
25 restored to normal, provided the Producer must use its reasonable best
26 efforts to restore normal operations as soon as possible. Producer shall
27 inform Distributor on a weekly frequency regarding status of restoration of
28 normal operation.
- 29 d) The Parties acknowledge that in unusual conditions, an emergency diversion
30 of recycled water by Producer may be necessary, and such diversion shall
31 be made to an effluent storage pond or wet weather basin, treatment plant or
32 other authorized location to receive such diversion by the Regional Water
33 Quality Control Board and shall not be deemed a violation of this Agreement.

34 **2. Recycled Water Delivery Quantities**

- 35 a) Subject to the provisions herein, Producer agrees to make available to
36 Distributor each Fiscal Year during the term hereof, secondary effluent
37 and/or recycled water produced at the Davidson Street RWTF in the
38 anticipated minimum annual delivery quantity **of 186 acre-feet per year** (the
39 "Annual Delivery Quantity") **pursuant to user Connection Schedule**
40 **(Exhibit F)**.
- 41 b) Annually, Producer and Distributor shall meet and confer in good faith to
42 mutually determine the Annual Delivery Quantity and anticipated production
43 schedule for each month for the ensuing Fiscal Year and to project minimum
44 Annual Delivery Quantities for the next ensuing three Fiscal Years. The
45 purpose of this determination is to provide the Producer and Distributor with
46 information necessary to plan production at the Davidson Street RWTF and

1 Deer Island RWTF respectively including staffing, chemical purchases,
2 maintenance and coordination of operations at the RWTF's.

- 3 c) Producer and Distributor acknowledge that circumstances such as drought
4 may require additional Annual Delivery Quantities or a prolonged schedule
5 of operation at the RWTF's and agree to use reasonable best efforts to meet
6 such additional requirements.
- 7 d) Distributor shall make reasonable efforts to provide back-up source(s) of
8 water for the distribution system at the Deer Island RWTF that will provide a
9 reliable flow of water to End Users in the event that circumstances beyond
10 Producer's control cause a reduction or temporary loss of flow of secondary
11 effluent or recycled water from Producer.

12 **3. Metering and Measurement of Flows**

- 13 a) Producer will measure all recycled water delivered to Distributor at the point
14 of connection. This point of connection delivery (master) metering will be in
15 addition to any retail (customer) metering conducted by the Distributor
16 and/or End Users (collectively, the "Customer Metering"). The Master
17 Metering shall govern billings to Distributor and shall also be used for
18 reporting Distributor's recycled water usage to regulatory agencies. Where
19 either Distributor or Producer acts as End Users, they shall also report
20 usage by metering.
- 21 b) The Producer shall test the accuracy of the Master Metering not less
22 frequently than annually and provide the Distributor with a report of such
23 test. The Distributor shall have the right at any time and at its expense to
24 make additional tests of the Master Metering. If the Master Metering is
25 found to be reading 2 percent or more fast or slow, it shall immediately be
26 recalibrated, repaired or replaced by the Producer to bring it within 2 percent
27 accuracy.
- 28 c) Title to and risk of loss and responsibility for the handling and control of all
29 recycled water which meets the quality criteria shall pass from the Producer
30 to the Distributor at the point of connection. The Producer and Distributor
31 agree to exercise due diligence in inspecting their various pipelines and
32 appurtenances and take steps to guard against unreasonable loss of
33 recycled water. Should unreasonable loss of recycled water occur, the
34 parties shall meet in good faith to determine a fair allocation of the cost
35 thereof.

36 **4. Recycled Water Quality and Pressure**

- 37 a) All recycled water to be delivered pursuant to the terms of this Agreement
38 will be of such quality that the same may be used for all purposes from time
39 to time allowed for disinfected tertiary recycled water. The recycled water to
40 be delivered to Distributor at the Davidson Street RWTF Point of Connection
41 pursuant to this Agreement shall range in pressure from XX to 80 pounds
42 per square inch (psig) and conform to the quality requirements set forth in
43 the then current disinfected tertiary recycled water quality and monitoring
44 regulations specified in Title 22, Division 4, Chapter 3: Wastewater
45 Reclamation Criteria Section 60301.230 (California Code of Regulations), as
46 further regulated by the State of California Regional Water Quality Control

1 Board, the California Department of Public Health and all other federal, state
2 and local agencies having jurisdiction over recycled water quality.

- 3 b) The Parties recognize that factors beyond the control of Producer could
4 cause operational difficulties at the Davidson Street RWTF resulting in the
5 temporary production of recycled water which does not meet the current
6 requirements referenced in the previous subparagraph for the intended uses
7 of the End Users. In such cases, Producer shall temporarily suspend
8 deliveries of recycled water to Distributor from Producer's facilities, and
9 Distributor shall produce recycled water from the Deer Island RWTF or
10 provide a back-up source pursuant to Article B, Section 2.d) of this
11 agreement. Producer shall use its best efforts to reestablish the production
12 of recycled water of a suitable quality and pressure as soon as reasonably
13 possible and shall reestablish Distributor's supply of such water accordingly.
- 14 c) Producer shall immediately notify Distributor if recycled water from the
15 Davidson Street RWTF does not meet the currently applicable regulatory
16 requirements and its deliveries of recycled water will be suspended. Such
17 notice shall be given to Distributor, via control system alarm, e-mail
18 (info@nmwd.com) or telephone (415) 897-4133 with a follow-up written
19 confirmation on the same day automatic notice is given, or on the next
20 business day if automatic notice is not given during normal business hours.
21 Said notice shall contain the date and time delivery was interrupted and the
22 date and time delivery resumed or is scheduled to resume.
- 23 d) From time to time, it may be necessary for the parties to develop, agree
24 upon and implement detailed operating criteria and procedures. Distributor
25 agrees to provide real time recycled water storage level data to facilitate
26 such operating criteria for the RWTF.

27 **5. Recycled Water Limitations of Use**

28 Distributor agrees to provide the recycled water it receives hereunder only for
29 the use of those End Users who have obtained the appropriate permits to use
30 recycled water. Distributor shall be responsible for establishing the required
31 Administrative Procedures and End User Rules and Regulations, for issuing
32 permits to End Users, and for providing regulatory oversight of End User sites.

33 **6. Permits**

34 This Agreement is based on the necessary permitting requirements under the
35 San Francisco Regional Water Quality Control Board Order 96-011 General
36 Water Reuse Requirements for Wastewater and Water Agencies and the
37 Department of Public Health Title 22 water reuse criteria relating to the use of
38 recycled water and the development and construction of a recycled water
39 production and distribution system. Each of the Parties undertakes and agrees,
40 severally and jointly as appropriate, to file any and all applications and
41 undertake such proceedings as may be necessary to enable each Party to carry
42 out the undertaking contemplated herein, and to pursue each application and
43 proceedings in good faith and due diligence. Distributor will act as lead agency
44 in obtaining, complying with and maintaining the permits that are applicable to
45 the construction and initial permitting of the distribution system and Deer Island
46 RWTF. Producer will act as lead agency in obtaining, complying with, and
47 maintaining the permits that are applicable to the operation of the Davidson

1 Street RWTF. However, both Producer and Distributor agree to cooperate in
2 obtaining and complying with permits necessary to carryout the provisions of
3 this agreement and are responsible, where applicable to their role as Producer
4 or Distributor, to comply with the requirements set forth in these permits.

5
6 **ARTICLE C. EXPANDED NOVATO NORTH SERVICE AREA RECYCLED WATER**
7 **FACILITIES**

8 **1. Initial Construction**

9 a) The Parties have worked together to develop planning, permitting and
10 preliminary engineering design for a Davidson Street RWTF and distribution
11 system to serve various Novato North Service Area End Users including the
12 City of Novato, Novato Unified School District playing fields, Valley Memorial
13 Park Cemetery and Fireman's Fund Business Park landscaping.

14 **2. Master Plan**

15 a) The Parties have prepared and approved a focused master plan (the
16 "Master Plan") for contemplated expanded distribution and/or treatment
17 facilities for the distribution of recycled water in the service area of
18 Distributor (the "Expanded Facilities"). The focused Master Plan promotes
19 the use of recycled water throughout the service area of Distributor, and is
20 consistent with Distributor's overall water supply planning.

21 Arrangements between the parties relating to permitting, design and
22 construction of Expanded Facilities beyond that contemplated herein shall
23 be addressed in one or more future agreements.

24 **3. Construction of Facilities**

25 a) Each party shall be solely responsible for obtaining all permits, contracts,
26 approvals, easements, land rights, or other permission or consent necessary
27 to proceed with its recycled water facilities, as contemplated by this
28 Agreement.

29 b) Recycled water delivered to Distributor pursuant to this Agreement shall be
30 provided by Producer from the Davidson Street RWTF facility. Initial
31 construction of the Davidson Street RWTF shall be administered, managed
32 and financed by the Producer with a bank loan and/or grant funding.
33 Repayment of any said loan financing shall be pursuant to Producer
34 wastewater sewer service charges.

35 Initial construction of Recycled Water distribution facilities shall be
36 administered, managed and financed by the Distributor with a California
37 State Water Resources Control Board State Revolving Fund Low Interest
38 Loan, bank loan and/or grant funding. Repayment of any said loan financing
39 shall be pursuant to Distributor Water Connection Fees paid by Distributor
40 customers.

41 c) Initial Construction Costs (including engineering support, construction
42 management and administration) for the Davidson Street RWTF are
43 estimated to be \$5,450,000 pursuant to the Phase 3 Engineering and
44 Economic/Financial Analysis Report for the Project by Camp Dresser McKee
45 (CDM, June 2008) with revised project summary costs (RMC, August 2010

1 costs) or 52% of the total Initial Construction Costs, and allocated to the
2 Producer.

3 Initial Construction Costs for the Recycled Water distribution facilities are
4 estimated to be \$5,100,000 pursuant to the revised CDM, November 2009
5 costs, or 48% of the total initial construction costs and allocated to the
6 Distributor.

7 d) Federal Funding Grant Allocation.

8 The Producer has entered into an agreement with Sonoma County Water
9 Agency (SCWA) on behalf of Producer and Distributor for up to 25% federal
10 grant funding for the Expanded Facilities, also known as the “Novato North
11 and Central Service Area Recycled Water” projects as defined by the North
12 San Pablo Bay Restoration and Reuse Project – EIR/EIS (ESA 2010).
13 Federal grant funds are anticipated from the American Reinvestment and
14 Recovery Act (ARRA) and Title XVI Grants awarded by the U.S. Bureau of
15 Reclamation (USBR). Until such a time that Distributor is a direct recipient of
16 ARRA or Title XVI grant funds from SCWA, Distributor agrees to abide by all
17 the terms and conditions of said agreement between Producer and SCWA,
18 attached hereto as Exhibit D.

19 i. Allocation of ARRA Grant Funds

20 Of the \$7,203,000 in ARRA grant funds eligible for payment to SCWA by
21 USBR, \$2,637,500 is to be allocated by SCWA to Producer for the Expanded
22 Facilities Novato North Service Area Recycled Water. The aforementioned
23 ARRA grant fund allocation is based on the Expanded Facilities Novato
24 North Service Area project total cost estimate of \$10,550,000, 48% allocated
25 for Distributor’s storage and pipeline components and 52% allocated for
26 Producer’s treatment and pumping components. It is agreed that the ARRA
27 grant funds will be shared proportionately between the Producer and
28 Distributor using the above-stated percentages after accounting for the grant
29 administration expenses.

30 ii. Allocation of Title XVI Funds

31 Notwithstanding the allocation methodology provided above for the ARRA
32 grant allocation, any future Title XVI grant funding allocation will be based
33 upon the amounts identified in Exhibit C of the North Bay Water Reuse
34 Authority Second Amended Memorandum of Understanding (Exhibit E). It is
35 further anticipated that any future grant application and funding disbursement
36 will be structured so that SCWA distributes grant funds directly to Distributor
37 as a Member Agency of NBWRA and Recipient under a future Agreement for
38 Grant Facilitation Services for North San Pablo Bay Restoration and Reuse
39 Project.

40 e) State Funding Grant Allocation

41 Allocation of any grant funding from the State of California for the expanded
42 facilities shall be shared proportionately between the Producer and
43 Distributor using the percentages stated in Article C. Section 3.d)i.

44 f) Expansion of the Davidson Street RWTF and Expanded Distribution
45 Facilities will be undertaken from time to time as subject to any other future
46 agreements executed between Producer and Distributor.

1 Planned capital improvements or replacements projects to the Davidson
2 Street RWTF shall be coordinated with Distributor sufficiently in advance to
3 ensure adequate funds are available to carry out said projects

4 **4. Ownership, Operation and Maintenance of Facilities**

5 Distributor shall own, operate and maintain at no cost to Producer, The Deer
6 Island RWTF and all of its distribution facilities from the Point of Connection up
7 to the End User meters.

8 Producer leases the property on which the Deer Island RWTF is located from
9 the Marin County Flood Control and Water Conservation District. This lease
10 expires on July 1, 2023 with an option to extend it for an additional ten years.

11 Producer shall own, operate and maintain all of the Davidson Street RWTF up
12 to the Point of Connection. At Distributor's request or as necessary to comply
13 with permit conditions of state or federal law, Producer may assist with the
14 maintenance and emergency repair of Distributor's distribution facilities.
15 Distributor shall reimburse Producer for reasonable and necessary expenses
16 incurred in carrying out such maintenance or repair. At Producer's request or as
17 necessary to comply with permit conditions of state or federal law, Distributor
18 may assist with the maintenance and emergency repair of Producer's
19 distribution facilities. Producer shall reimburse Distributor for reasonable and
20 necessary expenses incurred in carrying out such maintenance or repair.

21 Producer agrees to provide the Distributor the uninterrupted right of ingress to
22 and egress from the recycled water pipeline route on Producer's property and
23 the right at all times to enter in, over and upon and to use said recycled water
24 pipeline route and every part thereof for all purposes connected with the laying
25 down, constructing, reconstructing, replacing, removing, repairing, maintaining,
26 operating and using said distribution facilities.

27 Producer agrees not to do anything which may interfere with Distributor's full
28 rights for the purposes noted above including without limitation the following:
29 placing or permitting to be placed on said recycled water pipeline route any
30 building or structure (including without limitation new fences not approved by
31 Distributor) or deck(s), tree(s), large shrub(s), or rock(s) weighing more than 50
32 pounds;

33 Subject to the foregoing provisions, Producer may excavate or change the
34 grade of the surface of said recycled water pipeline route way for the Producer's
35 continued operation and maintenance of the existing wastewater facility
36 operations, provided that before making any such change, Producer shall notify
37 Distributor of the proposed change and enable Distributor the opportunity to
38 raise or lower distribution facilities as solely determined by Distributor if
39 Distributor determines in its sole discretion that the change of the grade
40 necessitates that any Distributor facilities be raised or lowered.

41 Producer may cultivate and landscape the surface of said recycled water
42 pipeline route and may construct a roadway thereon provided that such actions
43 do not in any way conflict with or violate any of the preceding limitations.

44 Producer reserves the right to change the location of said recycled water
45 pipeline route on Producer's property to a new location agreeable to Distributor,
46 provided that the full expense of relocating the recycled water pipeline and

1 appurtenant facilities to the new location shall be funded from the Recycled
2 Water Capital Replacement and Expansion Fund.

3 Distributor shall be under no obligation to install or maintain a roadway or
4 pavement or other surfacing upon the recycled water pipeline route except such
5 as may be convenient for its own purposes. (Any surface changes, such as
6 paving, need to be approved by Producer.)

7 **5. Monitoring**

8 Producer's responsibility for management and monitoring the recycled water
9 delivered hereunder shall be limited only to recycled water production at the
10 Davidson Street RWTF and shall cease upon delivery to Distributor at the Point
11 of Connection. Operation, management, maintenance and monitoring of
12 facilities under the control of the Distributor shall be the sole responsibility of
13 Distributor. Distributor agrees to accept Producer's reporting responsibility for
14 conformance to all monitoring, reporting, and any other requirements assigned
15 to the "recycled water agency" in Title 22 of the California Code of Regulations,
16 all applicable regulations of the State of California Regional Water Quality
17 Control Board and the California Department of Health Services and Order 96-
18 011 (General Water Reuse Requirements for Municipal Wastewater and Water
19 Agencies).

20 **6. Reporting**

21 As a condition of, and to provide assistance sufficient to enable Distributor to
22 carry out this reporting responsibility undertaken by Distributor, Producer shall
23 provide Distributor with the following reporting information:

24 a) Quarterly (or annual, at Distributor's option) recycled water production and
25 monitoring records certified by Producer to meet quality pursuant to Exhibit
26 C within 30 days of the close of each fiscal quarter (or Calendar Year, as the
27 case may be) to the extent permissible by law.

28 b) Adequate notifications of Producer inspections, start-ups, shutdowns and
29 disconnections, or violations, if any.

30 **ARTICLE D. PAYMENT PROVISIONS**

31 **1. Recycled Water Pricing Policy**

32 The Parties agree that the rates charged by Producer to Distributor shall be in
33 the amount required to reimburse Producer's actual Davidson Street RWTF
34 Operation and Maintenance Costs. Rates charged by Distributor to End Users
35 shall cover actual RWTF Operation and Maintenance Costs and Distributor's
36 actual Operation and Maintenance Costs of the distribution facilities, plus an
37 amount for maintenance and replacement. Any payments to the Distributor by
38 the End User in excess of actual costs (marginal payments) shall be deposited
39 in a Recycled Water Capital Replacement and Expansion Fund.

40 **2. Recycled Water Rate Review**

41 Producer shall charge for the delivery of recycled water in accordance with the
42 rate schedule for recycled water service as such rate schedule is established by
43 the producer and approved by Producer's governing board. Producer shall
44 review and establish said rate schedule based on the above-described policy of
45

1 reimbursing Producer's Davidson Street RWTF actual Operation and
2 Maintenance Costs every Fiscal Year. Distributor shall be given ample
3 opportunity to meet and confer upon the intended application of the pricing
4 policy and Producer's proposed recycled water rates with Producer prior to final
5 determination of Producer's recycled water rates, to ensure compatibility with
6 the intent of this Agreement.

7 Notwithstanding any other provision of this Agreement, the cost of planned
8 capital improvements or replacement projects to the Davidson Street RWTF
9 shall not be included in Producer's recycled water rates but shall instead be
10 reimbursed from the Recycled Water Capital Replacement and Expansion Fund
11 30 days after receipt of invoice.

12 **3. Billings**

13 Distributor agrees to make quarterly (or annual, at Producer's option) payments
14 for the total amount of recycled water delivered pursuant to Article B.3 in each
15 fiscal quarter (or Fiscal Year, as the case may be) at the rates set according to
16 the procedures herein.

17 **4. Obligation to Pay for Available Water**

18 Distributor is obligated to pay Producer for the Annual Delivery Quantity of
19 recycled water for each Fiscal Year, assuming such quantity of recycled water is
20 made available to it by Producer. Producer shall bill Distributor at the close of
21 each quarter (or each Fiscal Year) for the actual quantity of recycled water
22 taken by Distributor pursuant to Article B.3 during that quarter (or Fiscal Year).

23 **5. Time and Method of Payment**

24 Payments shall be made by Distributor in response to, and within 30 days of,
25 billing by Producer.

26 **6. Recycled Water Capital Replacement and Expansion Fund**

27 The Recycled Water Capital Replacement and Expansion Fund will be
28 maintained by the Distributor. Distributor shall provide annual reports of the
29 fund to the Producer. Any expenditure from the fund shall be jointly approved
30 by both the Producer and the Distributor.

31 **ARTICLE E. TERMINATION**

32 **1. General**

33 This Agreement may be terminated upon the occurrence of the events
34 described in the following paragraphs.

35 **2. Failure to Initiate Initial Construction**

36 If the initial construction is not initiated by the second anniversary of the
37 Effective Date of this Agreement (the "Plan Date"), then either Party may elect
38 to terminate this Agreement by serving a written notice (the "Termination
39 Notice") on the other Party within 180 days following the Plan Date. In the event
40 of such termination:

- 41 a) This Agreement shall be deemed terminated as of the last day of the Fiscal
42 Year during which the Termination Notice was given.

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3. Non-Renewal

Following the expiration of the original 20-year term of this Agreement, either Party may serve upon the other no later than 30 days prior to the next occurring anniversary of the Effective Date a notice of intent to terminate this Agreement. Such termination shall become effective upon said next occurring anniversary of the Effective Date.

4. Cause

This Agreement may be terminated by either Party at any time for good cause upon 60-days' written notice to the other Party. However, if the good cause is the breach of the other Party, this Agreement may not be terminated under this section unless such breach is not cured by the breaching Party during such 60-day period. Notwithstanding the foregoing, if a cure of any such breach by any Party hereto cannot practicably be affected within such 60-day period, and the breaching Party, upon receiving such written notice, promptly initiates efforts to cure such failure within such 60-day period, and diligently pursues such cure, this Agreement may not be terminated under this section.

5. Failure to Approve Annual Funding

The Parties acknowledge that each Party undergoes an annual budgeting process and that neither Party is obligated to expend additional funds or to construct additional facilities in any given year unless the applicable Party's governing board has budgeted money for that purpose. Notwithstanding the foregoing, failure to budget such funds may constitute good cause for termination of this Agreement under paragraph 4 above.

6. Decision by Distributor to Cease Distributing Recycled Water

This Agreement shall be terminated in the event that Distributor determines that it no longer intends to be a purveyor of recycled water within its service area. Such termination shall be effective at the end of the Fiscal Year following the Fiscal Year in which notice of Distributor's desire to terminate this Agreement pursuant to this Paragraph is furnished to Producer.

In the event of termination pursuant to this Section, the Producer and Distributor agree to meet and consider arrangements to insure water service is maintained as necessary to customers historically receiving recycled water.

7. Impasse over Rates

If following mediation as provided for herein, Distributor is unwilling to accept a new annual rate set for recycled water by Producer then this Agreement shall be deemed terminated at the end of the Fiscal Year for which such impasse is reached. Producer, following mediation as provided for herein, declares an impasse due to Distributor setting rates that do not recover costs necessary to adequately fund recycled water production, then this Agreement shall be terminated at the end of the Fiscal Year for which such impasse is reached.

8. Buyout Upon Termination

If this Agreement is terminated in accordance with the provisions of Paragraphs 3, 4, 5, 6 or 7 of this Article, then Producer shall have the option to purchase from Distributor those portions of the Distribution Facilities (along with any appurtenances necessary to distribute recycled water in Producer's service

1 area) that have been constructed or are then under construction from
2 Distributor, including easements and any associated real estate required for
3 their use or maintenance. Producer may exercise this option on the following
4 terms:

- 5 a) Producer shall give written notice of its intent to purchase said facilities
6 within 180 days following the effective date of the termination.
- 7 b) The purchase price shall be equal to the newly reconstructed cost
8 (determined as of the date of the notice in paragraph 8.a) less depreciation
9 (RCNLD) of Distributor's improvements. Upon request, Distributor shall
10 furnish appropriate accounting data and information to Producer to
11 establish the purchase price.
- 12 c) Distributor shall assign to Producer all water delivery contracts with End
13 Users using the Distribution Facilities along with any applicable consulting
14 or construction contracts.

15 **ARTICLE F. GENERAL PROVISIONS**

16 **1. Good Faith**

17 This Agreement is the result of good faith negotiations entered into by the
18 Parties willingly, with due diligence, and with full advice of legal counsel, and it
19 is the intent of the Parties that all aspects of performance of this Agreement will
20 be undertaken in the same manner. The Parties acknowledge and agree that it
21 is not possible to anticipate every issue, situation or problem that might arise or
22 be encountered during the term of this Agreement. As to any issue, situation, or
23 problem not expressly provided for in this Agreement, each Party agrees to
24 refrain from doing anything (1) to injure the right of each other Party to receive
25 the benefits of this Agreement, or (2) to frustrate the purpose for which this
26 Agreement was executed. Each Party further agrees that in the event any such
27 unanticipated issue, situation or problem arises, they will meet and confer in
28 furtherance of the implied covenant of good faith and fair dealing in order to find
29 a mutually acceptable solution.

30 **2. Amendments**

31 This Agreement may be amended at any time by mutual written agreement of
32 the Parties. The Parties agree that in the event of action by an outside
33 governmental body producing a prospective change in the volume or use of
34 recycled water by Distributor's customers, the Parties will make such
35 amendments to this Agreement as the circumstance may reasonably and
36 equitably require.

37 **3. Notices**

38 All notices or other writings in this Agreement to be given by either Party to the
39 other, shall be deemed to have been given or when made in writing and either
40 (i) delivered personally, or (ii) sent by facsimile transmission to the Fax numbers
41 set forth below with the original deposited in the U.S. mail, postage pre-paid,
42 first class, addressed as set forth below, or (iii) deposited in the United States
43 mail, registered, or certified, postage prepaid, and addressed as follows:

44 To Distributor

45 General Manager

1 North Marin Water District
2 P.O. Box 146
3 Novato, CA 94948-0146
4 Phone: (415) 897-4133
5 FAX: (415) 892-8043
6

7 To Producer

8 General Manager/Engineer
9 Novato Sanitary District
10 500 Davidson Street
11 Novato, CA 94945
12 Phone: (415) 892-1694
13 FAX: (415) 898-2279

14 The address of either Party may be changed upon written notice given by such
15 Party as above provided. Notices shall also be deemed given when delivered
16 by personal delivery, with a confirmation copy by first class mail.

17 **4. Severability**

18 If any one or more of the covenants or agreements set forth in this Agreement
19 on the part of Producer or Distributor, or either of them, to be performed should
20 be contrary to any provision of law or contrary to the policy of law to such extent
21 as to be unenforceable in any court of competent jurisdiction, then such
22 covenant or covenants, agreement or agreements, shall be null and void and
23 shall be deemed severable from the remaining covenants and agreements and
24 shall not affect the validity of this Agreement.

25 **5. Paragraph Headings**

26 Paragraph headings in this Agreement are for convenience only and are not to
27 be construed as part of this Agreement or any way limiting or amplifying the
28 provisions here.

29 **6. Successors and Assigns**

30 Subject to the provisions of the succeeding Paragraph hereof, this Agreement
31 and all the terms, covenants, agreements, and conditions herein contained shall
32 inure to the benefit of and be binding upon the successors and assigns of the
33 Parties hereto.

34 **7. Assignment**

35 No assignment or transfer by Distributor of this Agreement or any part hereof, or
36 of any rights hereunder or interest herein of Distributor, shall be valid unless
37 approved by Producer, which approval shall not be unreasonably withheld.

38 No assignment or transfer by Producer of this Agreement or any part hereof, or
39 of any rights hereunder or interest herein of Producer, shall be valid unless
40 approved by Distributor, which approval shall not be unreasonably withheld.

41 **8. Remedies**

42 By reason of the specialized nature of the recycled water service to be
43 rendered, and for the further reason that the extent of any damage caused to a
44 party by any breach of this Agreement by the other party may be extremely
45 difficult to determine in monetary terms, it is agreed by the Parties hereto that an

1 action for monetary damages is an inadequate remedy for any breach, and that
2 specific performance, without precluding any other remedy available in equity or
3 at law, will be necessary to furnish either Party hereto with an adequate remedy
4 for the breach hereof.

5 **9. Indemnification**

6 Producer shall save Distributor, its officers, agents and employees, free and
7 harmless from any and all cost liability, damages or health-related claims arising
8 out of any act or omission to act, including any negligent act, by Producer, its
9 officers, agents or employees arising out of the Producer's performance of its
10 obligation under this Agreement. Distributor shall save Producer, its officers,
11 agents and employees, free and harmless from any and all cost liability,
12 damages or health-related claims arising out of any act or omission to act,
13 including any negligent act, by Distributor, its officers, agents or employees
14 arising out of the Distributor's performance of its obligation under this
15 Agreement.

16 **10. Dispute Resolution**

17 Any controversies between the Parties regarding the construction or application
18 of this Agreement, and claims arising out of this Agreement or its break, shall be
19 submitted to mediation within 30 days of the written request of a Party after the
20 service of that request on the other Party. The Parties may agree on one
21 mediator. If they cannot agree on one mediator, the Party demanding mediation
22 shall request that the Presiding Judge of the Superior Court of Marin County
23 appoint a mediator. The mediation meeting shall not exceed one day (eight
24 hours), unless the Parties agree to extend said time. The cost of the mediator
25 shall be borne by the Parties equally. Mediation under this section is a condition
26 precedent to filing an action in any court.

27 The Parties shall make good faith efforts to resolve all claims and disputes
28 related to this Agreement at the lowest possible cost. Unless the Parties agree
29 upon an alternative forum of dispute resolution, any litigation concerning claims
30 and disputes related to this Agreement shall be filed in and timely prosecuted to
31 conclusion in the Superior Court in and for Marin County, and each party hereby
32 waives its right to move to change venue.

33 **11. Governing Law**

34 This Agreement shall be governed, construed and enforced in accordance with
35 the laws of the State of California.

36 **12. Further Assurances**

37 Each of the Parties agrees to execute, and deliver to the other parties, such
38 documents and instruments, and take such actions, as may reasonably be
39 required to effectuate the terms and conditions of this Agreement; provided,
40 however, such covenant shall not have the effect of increasing the obligations of
41 any Party pursuant to this Agreement or require any representations and
42 warranties by any Party in addition to those of such party set forth herein.

43 **13. Waiver**

44 No waiver of any right or obligation of any of the parties shall be effective unless
45 in writing, specifying such waiver, executed by the party against whom such
46 waiver is sought to be enforced. A waiver by any of the parties of any of its

1 rights under this Agreement on any occasion shall not be a bar to the exercise
2 of the same right on any subsequent occasion or of any other right at any time.

3 **14. Presumptions**

4 Because all of the parties have participated in preparing this Agreement, there
5 shall be no presumption against any party on the ground that such party was
6 responsible for preparing this Agreement or any part hereof.

7 **15. Counterparts**

8 This Agreement may be executed in two or more counterparts, each of which
9 shall be deemed an original, but all of which shall constitute one and the same
10 instrument.

11 **16. Entire Agreement**

12 This Agreement constitutes the entire agreement between the parties regarding
13 the subject matter hereof and thereof, and supersedes all prior or
14 contemporaneous negotiations, understandings or agreements of the parties,
15 whether written or oral, with respect to such subject matter.

16 **17. Insurance**

17 Each Party shall be responsible for requiring all contractors that it retains for the
18 construction and construction-related tasks related to this Agreement to provide
19 insurance in the amounts and with the coverages consistent with its policies and
20 practice for projects involving similar construction costs and risks. Each Party
21 shall be responsible for obtaining from each such contractor a certificate of
22 insurance evidencing such coverage, and policy endorsements adding both
23 Parties, and their respective directors, officers, employees, agents, and
24 authorized volunteers as additional insureds to the contractor's Commercial
25 General Liability and Comprehensive Automobile Liability insurance policies,
26 which shall be provided to both Parties prior to the commencement of the
27 construction and/or construction-related tasks.

1 IN WITNESS WHEREOF, Producer and Distributor have caused this Agreement to be
2 executed by their respective duly authorized officers effective as of the day and year first herein
3 written below.

4

NOVATO SANITARY DISTRICT

By:

Board President

Dated: _____

Attest:

Board Secretary

Approved as to Form:

Novato Sanitary District Attorney

NORTH MARIN WATER DISTRICT

By

Board President

Dated: _____

Attest:

Board Secretary

Approved as to Form:

North Marin Water District Attorney

5

1 EXHIBITS:

2 Exhibit A Point of Connection Detail – Deer Island RWTF

3 Exhibit B Point of Connection Detail – Davidson Street RWTF

4 Exhibit C Producer’s Schedule of Sampling and Analysis

5 Exhibit D Agreement for Grant Facilitation Services for North San Pablo Bay
6 Restoration and Reuse Project

7 Exhibit E North Bay Water Reuse Authority Second Amended Memorandum of
8 Understanding

9
10 | Exhibit F User Connection Schedule

EXHIBIT C

PRODUCER'S SCHEDULE OF SAMPLING & ANALYSIS

Constituent (units)	Limit	Type of sample	Frequency
Flow Rate (gallons/day)	500,000	Observation	Daily
Total Coliform (MPN/100 ml)	2.2 median	Grab (7 days)	Daily
	23 maximum	Grab (in any 30 day period)	Daily
Turbidity (NTU)	2 maximum	Daily average	Continuous
	5 maximum	5% of time	Continuous
	10 maximum	Any time	
Dissolved Oxygen (mg/l)	1.0 minimum	Grab	3/week
Dissolved Sulfide (mg/l)	0.1 maximum	Grab	3/week (only if D.O. ≤ 1.0 mg/l)

Recycled Water Expansion Project - North Service Area North Marin Water District									
CWSRF No. 5211-110 User Connection Schedule (REVISED)									
Item No.	User Site	Use Site Owner	Estimated Usage (AFY) ¹	Type of Use ²	User Status Existing or Future ³	Projected Connection Date	User Assurance Type ⁴	Retrofit Required Yes/No	Current Fresh Water Supplier
1	Valley Memorial Park Cemetery	Bahia Valley Memorial Park	43	Landscape Irrigation/dual plumbing	E	2012	See note 4	Y	NMWD
2	Novato Horseman	Novato Horseman Inc.	1	Landscape Irrigation	E	2012	See note 4	Y	NMWD
3	Green Point Nursery	James Balestrieri	4	Landscape Irrigation	E	2012	See note 4	Y	NMWD
4	Fireman's Fund -777 San Marin Drive	Novato FF Property LLC	53	Landscape Irrigation	E	2012	See note 4	Y	NMWD
5	Fireman's Fund -777 San Marin Drive	Novato FF Property LLC	34	Landscape Irrigation	E	2012	See note 4	Y	NMWD
6	7472 Redwood Blvd (Median)	City of Novato	2	Landscape Irrigation	E	2013	See note 4	Y	NMWD
7	7658 Redwood Blvd (Median)	City of Novato	3	Landscape Irrigation	E	2013	See note 4	Y	NMWD
8	Redwood Offices - 7655 Redwood Blvd	Redwood Blvd Investments	2	Landscape Irrigation	E	2013	See note 4	Y	NMWD
9	Olive Gardens	Olive Gardens HOA	2	Landscape Irrigation	E	2013	See note 4	Y	NMWD
10	100 Wood Hollow Drive	Lexington Woodhollow	7	Landscape Irrigation	E	2013	See note 4	Y	NMWD
11	Redwood Crossroads Office	Dean Partners, LP	5.5	Landscape Irrigation	E	2013	See note 4	Y	NMWD
12	Olive Elementary	Novato Unified School District	7	Landscape Irrigation	E	2013	See note 4	Y	NMWD
13	Olive Park	City of Novato	8	Landscape Irrigation	E	2013	See note 4	Y	NMWD
14	Alherton Ranch	Alherton Ranch HOA	4.5	Landscape Irrigation	E	2014	See note 4	Y	NMWD
15	Nova Ro III	Nova Ro Corporations	2	Landscape Irrigation	E	2014	See note 4	Y	NMWD
16	2 Elmwood Ct	City of Novato	2	Landscape Irrigation	E	2014	See note 4	Y	NMWD
17	Other		6	Landscape Irrigation	F	2014	See note 4	Y	NMWD
		Total	186						

Average Annual Deliveries
¹ Ag Irrigation, Landscape Irrigation, Industrial Use, Ground Water Recharge, Etc.
² E = Use Site exists and currently uses fresh water
³ D = Use site under development and will be ready to take water upon completion of construction of water recycling project
 F = Use site will not be developed to take water until after completion of construction of water recycling project
⁴ Mandatory Use Ordinance or User Contract
 E:\DOCUME~1\DEGAB~1\LOCALS~1\Temp\0000000063.xls[Sheet1]

**NOVATO SANITARY DISTRICT
BOARD AGENDA ITEM SUMMARY**

TITLE: Household Hazardous Waste: Consider Approval of HHW Grant Agreement	MEETING DATE: April 25, 2011 AGENDA ITEM NO.:
RECOMMENDED ACTION: Approve the Household Hazardous Waste Grant Agreement with the Marin County Hazardous & Solid Waste Joint Powers Authority for 2010-11	
SUMMARY AND DISCUSSION: <p>This agreement is the result of discussions with the Marin County Hazardous and Solid Waste Joint Powers Agreement to convey to the District the funds collected by the JPA for the household hazardous waste program from Novato residents who self-haul to the landfill. The JPA has committed \$32,463 for the fiscal year 2010-11.</p> <p>This represents the 8th year the District has entered into an agreement with the County. Previous payments are as follows:</p> <p>2003-04: <u>\$46,455.00</u> (\$31,452 current year fees + \$15,003 portion of prior years' fees)</p> <p>2004-05: <u>\$51,993.00</u> (\$36,990 current year fees + \$15,003 portion of prior years' fees)</p> <p>2005-06: <u>\$42,934.00</u> (\$27,931 current year fees + \$15,003 portion of prior years' fees)</p> <p>2006-07: <u>\$32,962.00</u> (\$17,959 current year fees + \$15,003 portion of prior years' fees)</p> <p>2007-08: <u>\$32,628.20</u> (\$17,625.20 current year fees + \$15,003 portion of prior years' fees)</p> <p>2008-09: <u>\$33,503.00</u> (\$18,500 current year fees + \$15,003 portion of prior years' fees)</p> <p>2009-10 <u>\$40,355.00</u> (\$25,352 current year fees + \$15,003 portion of prior years' fees)</p>	
ALTERNATIVES: N/A	
BUDGET INFORMATION: The 2010-11 District Budget includes anticipated JPA reimbursement fees at the same level as 2009-10. However, actual reimbursement fees will be \$32,463, or \$7,892 less than budgeted.	
DEPT.MGR.:	MANAGER:

**NOVATO SANITARY DISTRICT
MONTHLY OPERATIONS REPORT
MARCH 2011**

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**TREATMENT PLANT MONTHLY OPERATIONS REPORT
March 2011**

Prepared for

**NOVATO SANITARY DISTRICT (NSD)
WASTEWATER TREATMENT PLANT
500 Davidson Street
Novato, CA 94545**

Prepared by

Veolia Water West Operating Services, Inc. (VWWOS)

TREATMENT PLANT PERFORMANCE SUMMARY:

March 2011:

Parameter	Monthly Performance			
	Value		Limit	
	Ave	Max	#1	#2
Flow, MGD (monthly ave / max / peak #1)	10.39	19.97	N/A	N/A
Influent BOD ₅ , mg/L (month ave / max)	144	190	N/A	N/A
Influent TSS, mg/L (monthly ave / max)	183	410	N/A	N/A
Effluent BOD ₅ , mg/L (monthly ave / weekly max)	9	12	30	45
Effluent TSS, mg/L (monthly ave / weekly max)	9	12	30	45
Effluent BOD ₅ - % Removal	93	N/A	85	N/A
Effluent TSS - % Removal	94	N/A	85	N/A
Ammonia mg/L (monthly average / daily max)	0.1	0.1	6	21
pH, su (min / max)	6.8	7.2	6.5	8.5
Enterococcus, mpn (30 day geo mean)	10.7	N/A	35	N/A
Fecal Coliform, mpn (30 day median)	4.0	N/A	140	N/A
Fecal Coliform, mpn (90 th percentile)	18.4	N/A	430	N/A
Total Coliform, mpn (5 sample median)	N/A	N/A	N/A	N/A
Total Permit Exceedances (NPDES)	0			

Discussion of Violations / Excursions: NONE

OPERATIONS & MAINTENANCE STATUS / REVIEW:

Key events for the period:

General:

Novato

- Boiler Repaired – cracked section
- Tested Wet Weather Pumps 3/10/11
- PG&E Shutdown 3/13/11 – All systems operated as planned

Ignacio

- Preparing for Bioassay/Flushing
- Installation of Wash Down Water System – NSD

CONSTRUCTION UPDATE:

- Anoxic Zone Mixer Failures - Pumps back in service - warranty work
- Water intrusion – electrical vaults – under investigation
- SOR – HMI SCADA Updates
- SOR – Main electrical switch

ADMINISTRATION:

- March Invoice Submitted on 4/4/11

SAFETY AND TRAINING:

- Monthly plant safety inspections for Novato WWTF completed on March 10, 2011
- Five Minute Tailgate training is held daily with the O&M staff.
- No safety incidents for the month of March 2011
- Lockout/Tagout Training 3/30/11
- Jerome Meter Instruction –
- Eye Protection: Veolia Policy – 3/16/11
- Footwear: Veolia Policy – 3/17/11

SOP REVIEW/DEVELOPMENT:

- Tabletop Review: Daily check - Generators

PUBLIC RELATIONS:

VWVOS CONTRACT:

- Operating under the O&M Contract

MISCELLANEOUS

- PCMP Meetings held Weekly
- Melissa Demsky – Presentation of Criticality Assessment to Board on 3/30/11
- Johnson Lam – RWQCB eSMR Training 3/16/11
- Bryce Behnke – continuing work on eSMR through the month

Veolia Support Staff On/Off Site (Various Times)

John O'Hare	Technical Support
Aaron Winer	Management and Administration
Bryce Behnke	Technical Support
Melissa Demsky	Technical Support

WORK ORDER STATISTICS

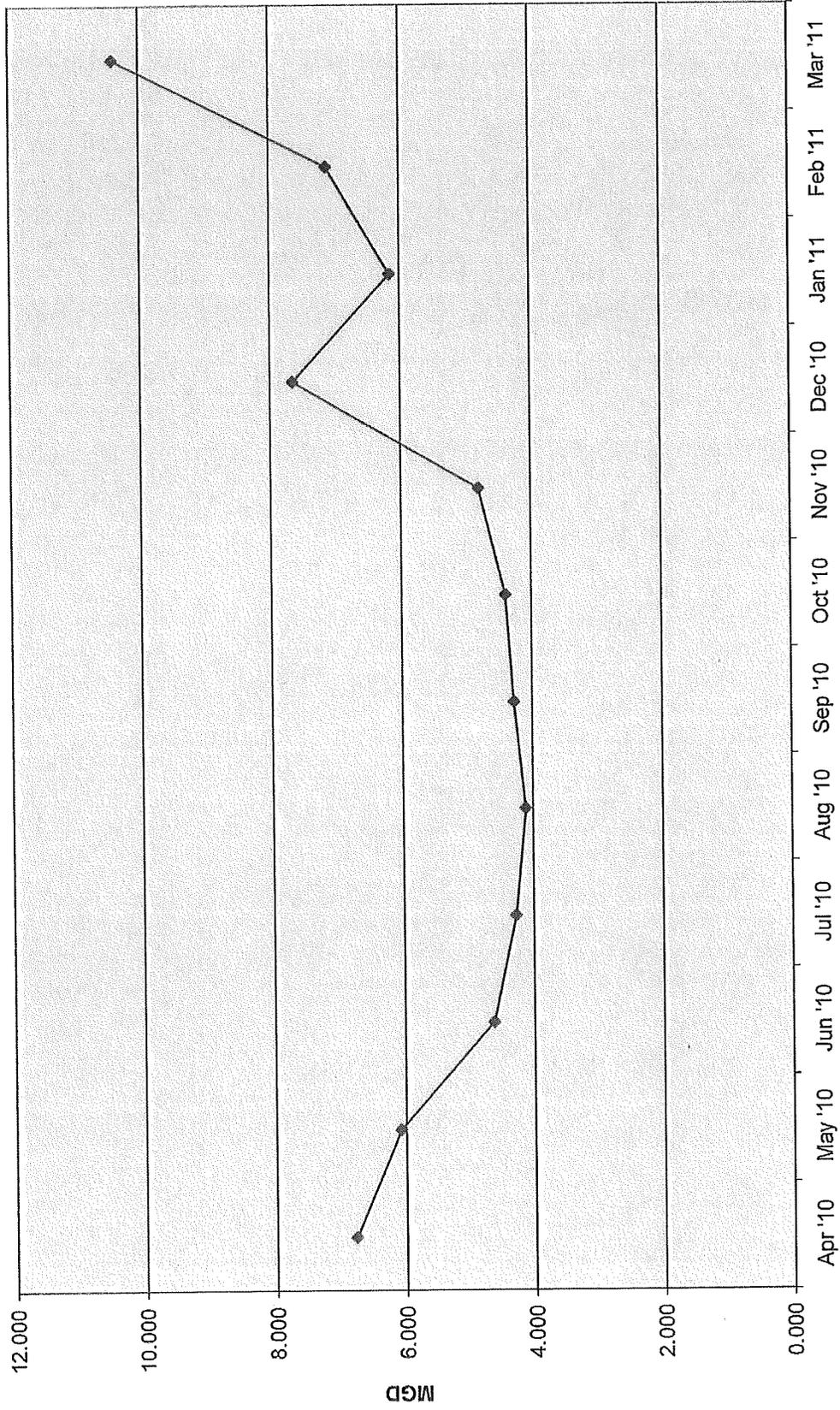
March 1, 2011 - March 31, 2011

	Open Work Orders Due Prior to 3/1/11	Open Work Orders 3/1/11 - 3/31/11	Total Open Work Orders
Preventative	9	228	237
Corrective	3	21	24
Total	12	249	261

	Closed Work Orders 3/1/11 - 3/28/11
Preventative	232
Corrective	18
Total	250

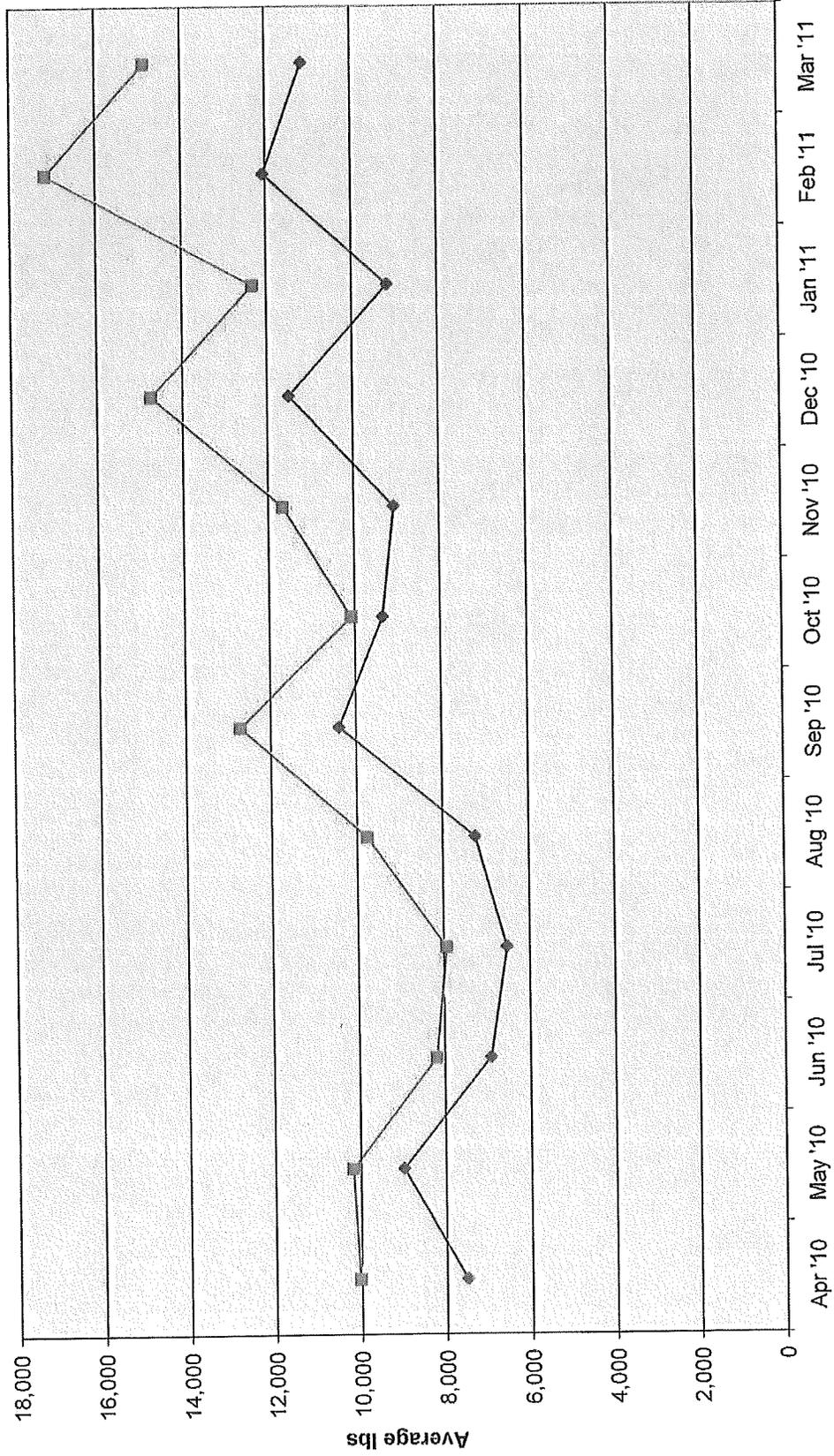
Total Outstanding Work Orders as of April 1, 2011	11
--	-----------

Average Plant Flow



Influent Load BOD, TSS lbs

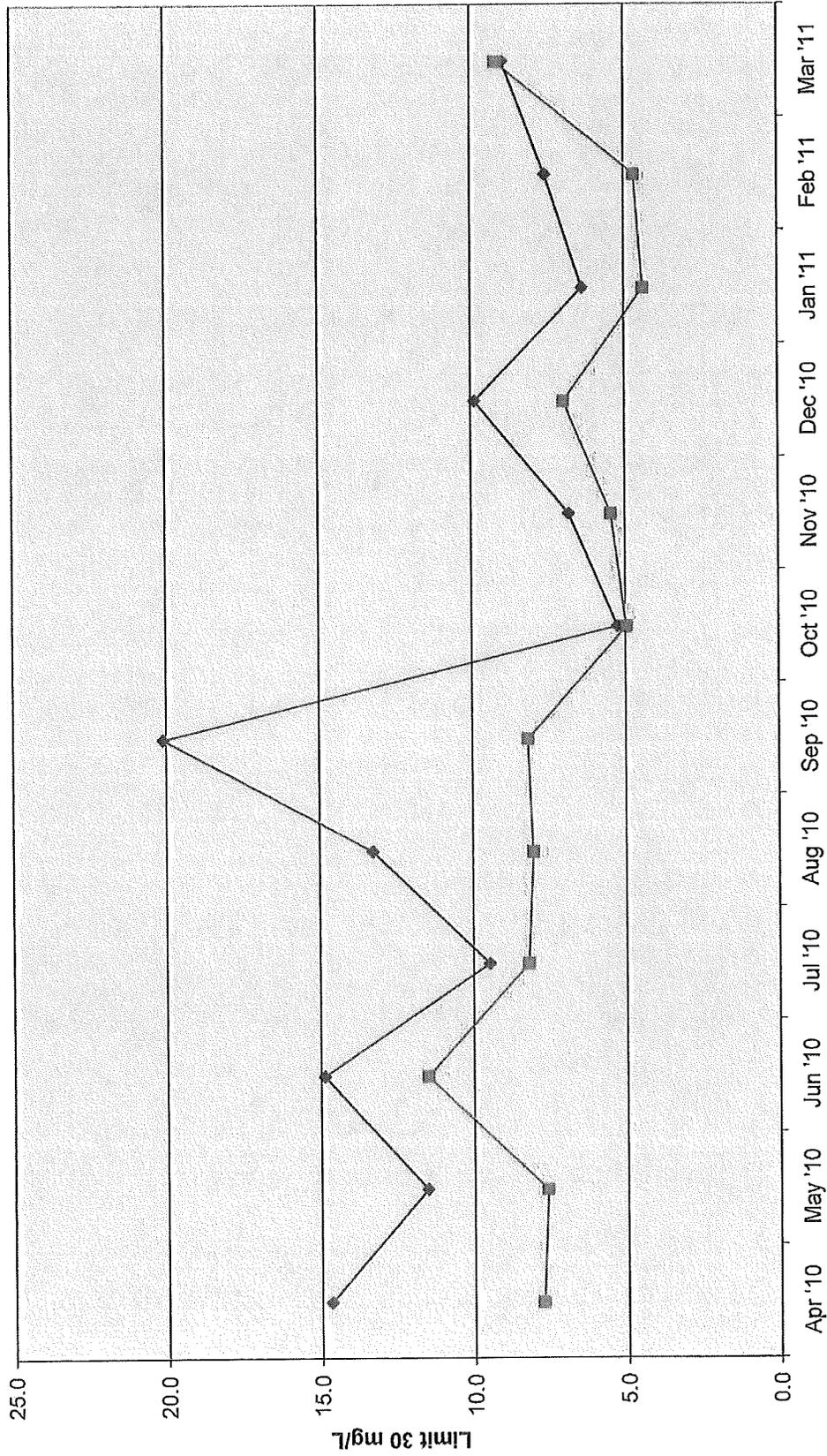
—◆— BOD lbs —■— TSS lbs



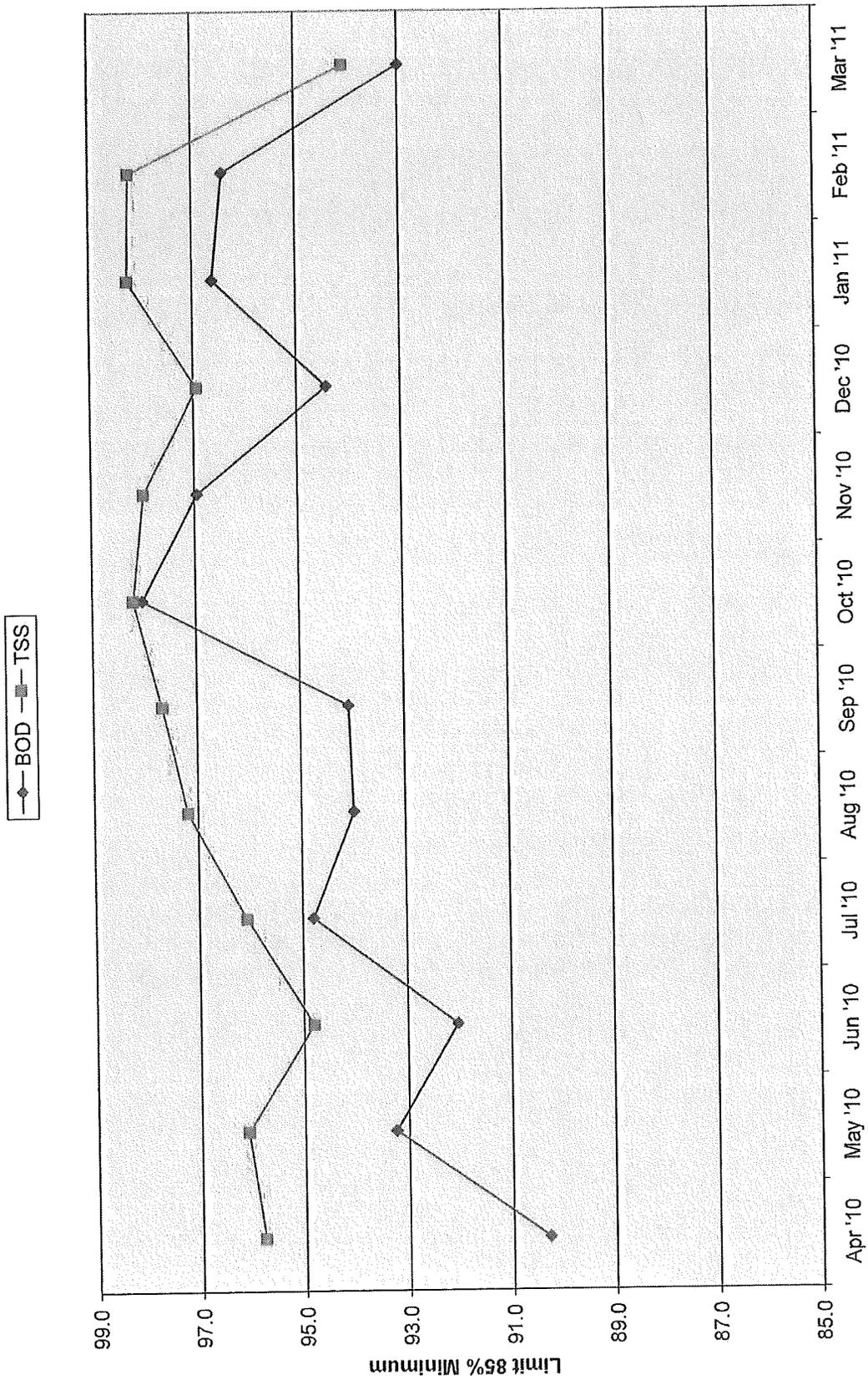
Effluent BOD, TSS Concentration

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

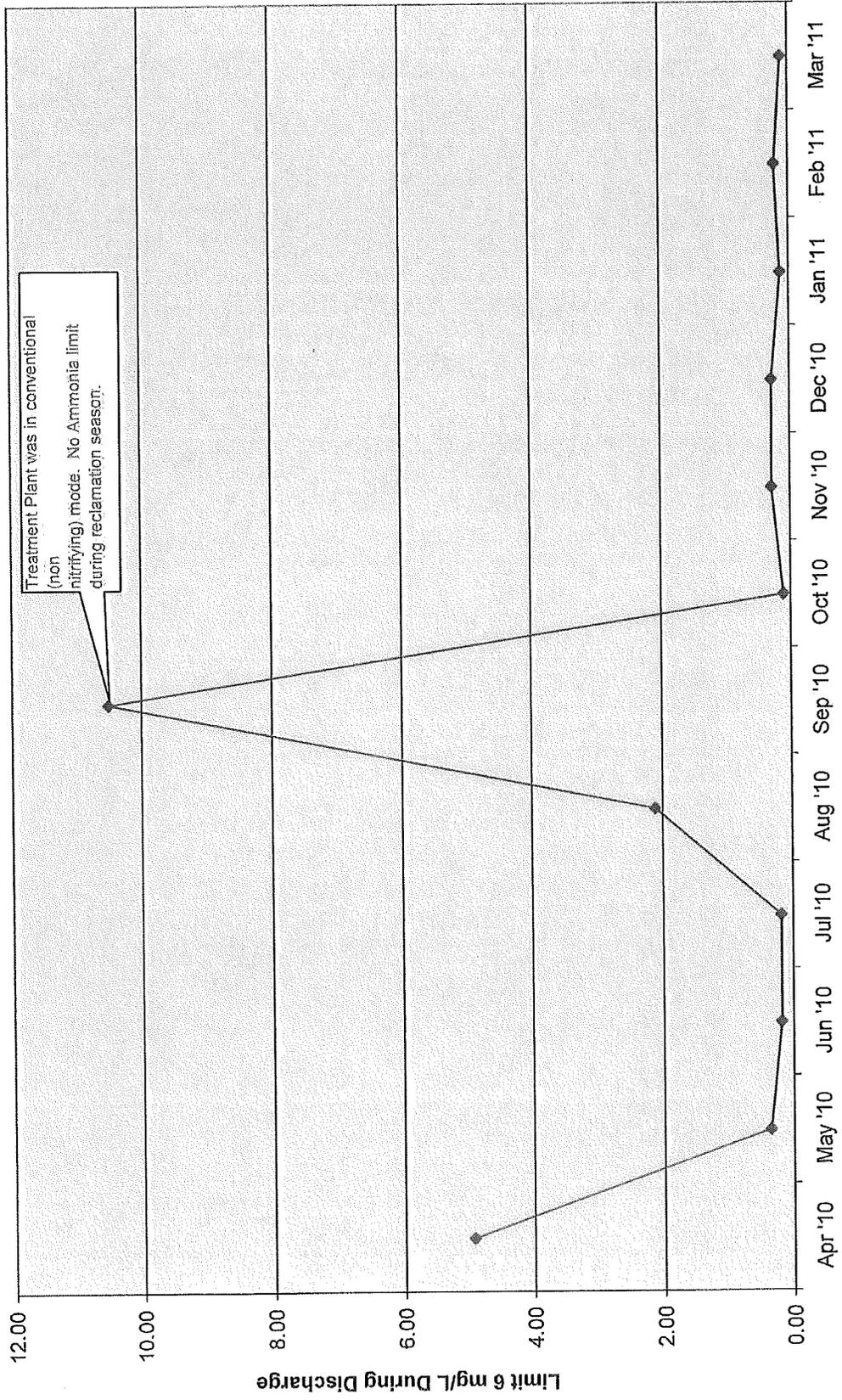
—◆— BOD —■— TSS



BOD, TSS Percent Removal



Ammonia

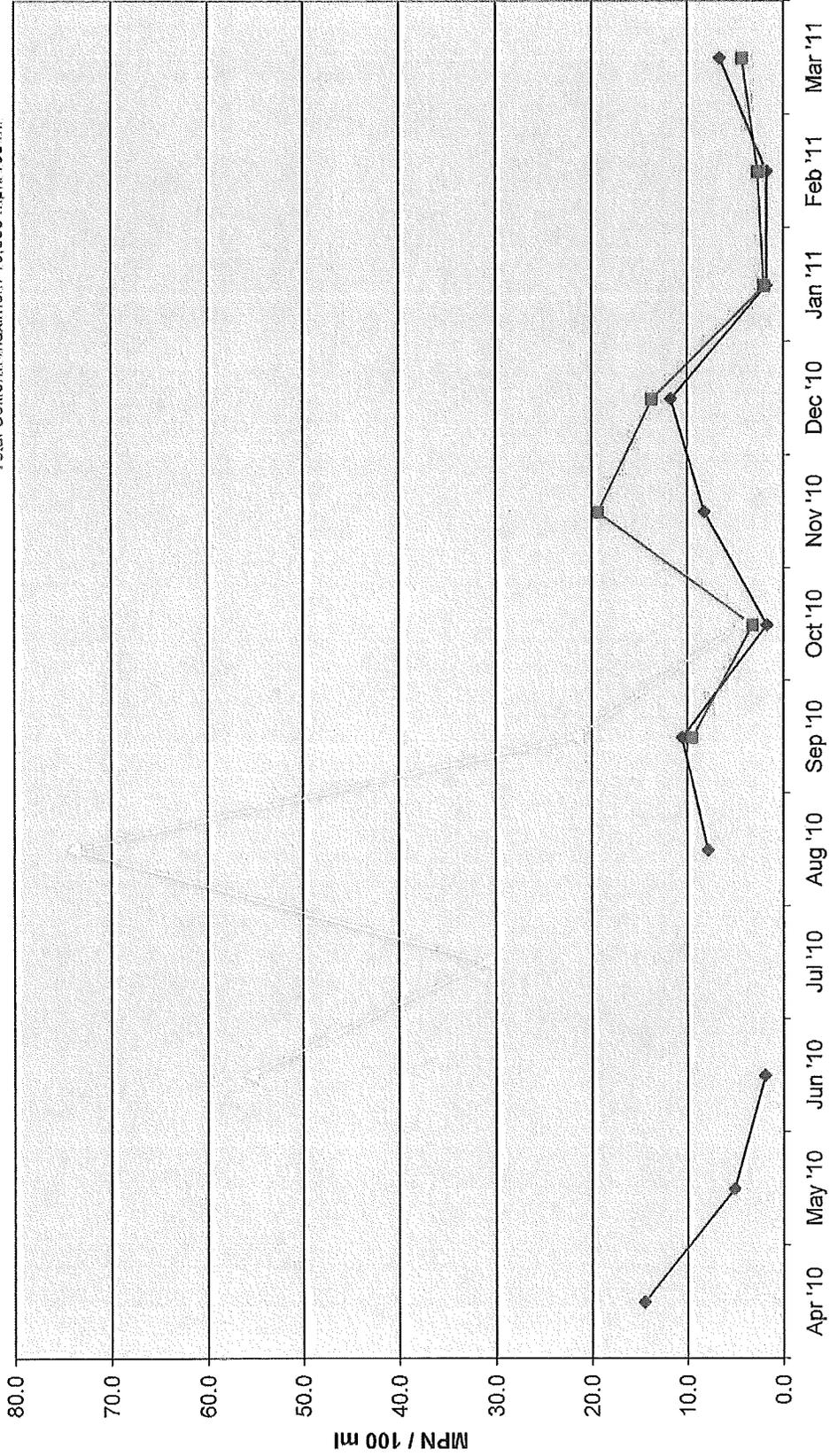


Effluent Disinfection

LIMITS - NPDES
 Entero 30 day geo mean 35 mpn /100ml
 Fecal 140 mpn monthly median
 Fecal 430 mpn 90th percentile 30 day

LIMITS - RECLAMATION
 Total Coliform 240 mpn 5 sample median
 Total Coliform maximum 10,000 mpn/100 ml

Legend:
 Entero (diamond marker)
 Fecal (square marker)
 Total (circle marker)



**Novato Sanitary District
Collection System Operations Report
March, 2011**

General

For the month of March 2011, the Collections System Department spent about 57% of their time on sewer maintenance, and 43% of their time on pump station maintenance. At full strength, the department has eight workers plus the Superintendent for Collections System and Pump Stations O&M.

After accounting for vacations, holidays, sick leave, and industrial injury leave, for the month of March, the Collection System had the equivalent of: (a) 3.5 full time field workers plus the Collection System Superintendent on Sewer Maintenance, and (b) 2.7 full time field workers plus the Collection System Superintendent on Pump Station Maintenance.

Sewer Maintenance

A total of 52,785 feet of sewer pipelines was cleaned for the month of March 2011 which meets the target production goal for Collections dept. In March 2011, the dept. was again not at full strength due to continuing industrial leave(s), and this impacted the ability to televise the sewers. Graphs showing the length of line cleaned/month, footage cleaned/hour worked, along with the overflows/month are attached.

Pump Station Maintenance

Approximately 195 lift station inspections were conducted for the month of March 2011. The breakdown of these inspections is as follows: 22 Flygt submersible pump stations, 2 times per month, 8 Gorman/Rupp dry well/wet well stations, 1 entry per month, and 4 main stations that are visited daily. During this month, staff assisted with or made the following repairs: Olive St. pump station – pump 2 seal rebuild, Marin Village pump station - pump 1 install, BMK 10 – pump 2 rotator assembly replacement, E. Hamilton pump station wet well fan repair, Southgate pump station – 5 hp motor replacement. On 3/20/2011, the new Job Cal Plus Computerized Maintenance Management System (CMMS) program was brought on-line, and the number of work orders noted on the attached spreadsheet are for a partial month. Note that this CMMS program will be dedicated to pump station maintenance only.

Sanitary Sewer Overflows:

There was one Sanitary Sewer Overflow for the month of March at 59 Raposa Vista, on March 3, 2011. A root blockage in the mainline resulted in an overflow of approximately 1,610 gallons to an adjacent storm drain. District staff was able to recover approximately 1,208 gallons of the discharge. All reporting timelines were met and Public Notification/Sampling protocols were enacted until released by Marin County Environmental Health Services. This main line section was cleaned 8/11/2006 and was on a 60-month frequency. This schedule has been changed to a 12 month frequency until further action can be taken.

Collection System Operations Report 2011

Novato Sanitary District
Collection System Monthly Report For 2011

	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Total Year to Date	Average Year to Date
Employee Hours Worked	437	504	612											
Number of Employees	2	3	4										1,338	
Regular Time Worked on Coll. Sys.	363	407	568										1,54	
Regular Time Worked on Other	42	59	53										1,388	
Vacation/Sick Leave/Holiday	628	448	312										86	
Overtime Worked on Coll. Sys.	31	11	44										32	
Overtime Worked on Other	1	27	5										3	
After Hours Callouts	1	1	1										18	
Service calls, normal hours	10	1	7										59	
Average S.C. response time (mins)	19	10	30											20
Productivity														
Rodder Work Orders Generated, ft	8	43	29										12,393	4,131
Rodder 3203 Ft. Cleaned	1,383	7,810	3,200										20,384	6,795
Flusher Work Orders Generated, ft	103	155	247										81,291	27,097
Truck 3205V Ft. Cleaned	8,643	0	11,741										563	292
Truck 3206V Ft. Cleaned	11,231	32,463	37,597										542	181
Camera Work Orders Generated, ft	0	0	0										20	7
Camera Ft. Videood			583											
Work Orders Completed	111	198	233										114,573	9,548
Work Orders backlog	5	1	14											
Total Footage Cleaned	21,360	40,428	52,785	0	0	0	0	0	0	0	0	0		
Stoppages														
Minor	1	1	1										3	
Major	0	1	0										1	
Overflow Gallons	1	0	1										2	
Volume Recovered	2,500	53	1,610										4,163	
Percent Recovered	0%	0%	75%										1,208	29%
Benchmarks														
Average Ft. Cleaned/Hour Worked	59	99	93											
Total Stoppages/100 Miles	0.4	0.4	0.4										1.3	
Average spill response time (mins)	38	20	12											
Callouts/100 Miles	0.4	0.4	0.4										1.3	
Overtime hours/100 Miles	14	5	20										0	
Overflow Gallons/100 Miles	1111	24	716										1850	

Pump Station Monthly Report 2011

Novato Sanitary District

Pump Station Monthly Report For 2011

	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Total Year to Date	Average Year to Date
Employee Hours Worked	312	395	470											
Number of Employees	2	2	3										1,039	
Regular Time Worked on Pump Sta	271	356	412										139	
Overtime Worked on Pump Sta	41	40	58										17	
After Hours Callouts	3	6	8											
Average Callout response time (mins)	0	0	18											6
Work Orders														
Number generated in month			38											
Number closed in month			38											
Backlog			na											

MEMORANDUM

April 25, 2011

TO: District Board of Directors

FROM: Beverly B. James, Manager-Engineer
June Penn Brown, Administrative Services Manager
Laura M. Creamer, Finance Officer

SUBJECT: Revenue and Expenditure Report for Quarter Ended March 2011

This memo presents a summary of revenues and expenditures for the operating and capital funds through the third quarter of Fiscal Year 2010-11 (see attached detail). The report also presents a brief analysis of items that vary significantly from the final budget.

OPERATING FUND

OPERATING REVENUE

	YTD Balance Received	Annual Budget	Budget Remaining	Pct. Received
Total Operating Revenues	\$5,130,755	\$9,093,661	\$3,962,906	56.4%

Discussion

Overall, operating revenues are approximately 56.4% of the total budget amount with 75% of the year complete. The operating income accounts are within normal range for this time of year. Second half of property tax and sewer service revenue are received in April.

OPERATING EXPENDITURES

	YTD Balance	Annual Budget	Budget Unused	Pct. Used
Total Operating Expenses	\$ 6,196,422	\$9,149,822	\$2,953,400	67.7%

Discussion

Overall, operating expenses are approximately 67.7% of budget at 75% of the year complete. The following explains significant variances in expense accounts.

Collection System (59.6%)

Salaries & Wages. 77.3%. No unusual items were noted during review of this account. Overall, the account is expected to stay within budget.

Gas, Oil & Fuel 86.6%. All of the accounts in this category are significantly over due to the 44% increase in the cost of fuel from last year to this year. In addition, we budgeted 30% less for these expenditures than we have in prior budget years. Thus our gas, oil & fuel accounts have been significantly impacted by these two factors.

Software Maintenance. 102.2%. No more expenditures are expected for this account, amended for current fiscal year.

Operating Supplies. 94.9%. Increase in costs primarily due to moving and set up costs to relocate Collection Department back to Novato Treatment Plant from Olive St. Pump Station. In addition, there were additional expenses for switching uniform companies and additional expenses for rain gear purchases which occur every two years.

Treatment Facilities - Contract Operations (66.6%)

Insurance & Bonds 90.5%. This item was estimated for the first year of operation. Expenditures may exceed the estimate by about 10% this current fiscal year. Future budgets will reflect an updated amount based on actual and past expenditures.

Treatment Facilities - Before Contract Operations (61.2%)

<u>Salaries & Wages.</u>	64.5%.
<u>Employee Benefits.</u>	69.8%
<u>Operating Supplies.</u>	110.7%
<u>Operating Chemicals.</u>	85.3%
<u>Repairs & Maintenance.</u>	118.0%
<u>Small Tools.</u>	100.0%
<u>Gas & Electricity.</u>	28.5%
<u>Water.</u>	99.4%
<u>Telephone.</u>	72.3%
<u>Operational Assistance.</u>	124.3%

Significant variances are due to the contract with Veolia. These accounts were only for the beginning of the fiscal year and are no longer necessary for the remainder of the year due to the new contract. These expenses are tracked under our contract accounts numbered 61000-1 through 61000-5 on page 6 of our approved budget for this fiscal year.

Reclamation/Disposal Facilities (63.8%)

Gas, Oil & Fuel 98.3%. Please see explanation above in Collection department explanation.

Sludge Disposal 99.4%. Sludge disposal services are complete the for year, thus no more expenditures.

Water - Reclamation. 152.7%. Expenditures applied to this account are for fresh water at Reclamation. The billing has not yet been completed for this fiscal year for reimbursement of some of these expenses by the rancher, thus the significant overage.

Laboratory/Monitoring (71.6%)

Gas & Oil. 94.3%. Please see explanation on page two under Collection Department.

Pump Stations (67.3%)

Gas & Oil. 86.4%. Please see explanation on page two under Collection Department

Software Maintenance 84.6%. Per review of the account and discussion with the Supervisor, this budget item is expected to stay within budget for the current fiscal year.

Repairs & Maintenance. 85.3%. No significant items were noted during review of this budget item. It will be monitored through the fiscal year.

Permits & Fees. 152.4%. Significant variance due to under estimating expense for permits, three permits at Topaz, Bolling Circle and Hamilton were up for renewal this year. These specific permits are renewed every two years, thus the reason they may have been overlooked when planning this years budgeted expenditures for this account. This budget item will be adjusted in the future to accommodate these expenditures of approximately \$1,500.

Administration and Engineering (74.3%)

Salaries & Wages. 79.6%. Slightly over budgeted amount for this year, due to significant overtime usage rather than compensatory time earned.

Gas & Oil. 95.7%. Please see explanation on page two under Collection Department.

Insurance. 110.6%. All of our insurance premiums have been paid for the current fiscal year. Unfortunately significant increase in our liability insurance premium of almost \$26k and a significant decrease in our dividends income of \$9k has contributed to the overage of this budget item for the current fiscal year.

Memberships. 108.2%. Significant overage due to reduced budget in this fiscal year. Membership expenditures have not decreased significantly from prior year and this budget item needs to be adjusted to cover at least \$7.5k in membership fees. We are currently at \$6.4k in membership fees.

Engineering Supplies. 104.0%. Due to change of uniform service companies and the small size of this budget item, we are over budget by 4%. We will keep a close eye on this budget item as the current fiscal year draws to a close.

Accounting & Auditing. 85.9%. Most of the audit work has been completed in the first half of the fiscal year, and is expected to stay within budget for the fiscal year.

Attorney Fees. 88.3%. This budget item reflects the amended budget amount. With the added expense of legal representation for the State Administrative Civil Liability matter resulting from the EPA investigation, legal expenses may exceed the budgeted amount.

IT/Misc. Electrical. 87.3%. No significant items were noted during review of this budget item. This budget item is expected to stay within budget for the current fiscal year.

Travel, Meetings & Training. 78.8%. No significant items were noted during review of this budget item. This budget item is expected to stay within budget for the current fiscal year.

CAPITAL FUND

CAPITAL REVENUE

Capital Revenue	YTD Balance Received	Annual Budget	Budget Remaining	Pct. Received
Sewer Service Charges	\$2,919,561	\$5,407,578	\$2,488,017	54.0%
Property Taxes	\$991,558	\$1,875,000	\$883,442	52.9%
Other Revenue	\$243,543	\$1,087,680	\$844,137	22.3%
Total Revenue	\$4,154,662	\$8,370,258	\$4,215,596	49.6%

CAPITAL EXPENSES

	YTD Balance	Annual Budget	Budget Unused	Pct. Used
Capital Expenditures	\$10,546,123	\$17,697,572	\$7,151,449	59.6%

The list of capital projects is shown in the attached report. Overall expenses are 68.6% of budget.

04/22/11
Accrual Basis

Novato Sanitary District Revenues & Expenditures Budget vs. Actual July 2010 through March 2011

	Jul '10 - Mar 11	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
41000 · OPERATING INCOME				
41010 · Sewer Service Charges	4,716,545.33	8,023,872.00	(3,307,326.67)	58.8%
41030 · Plan Check & Inspection Fee	0.00	7,500.00	(7,500.00)	0.0%
41040 · Permit & Inspection Fee	3,550.00	25,000.00	(21,450.00)	14.2%
41060 · Interest Income	13,431.76	125,000.00	(111,568.24)	10.7%
41080 · Engineering & Admin Charges	0.00	200,000.00	(200,000.00)	0.0%
41090 · Non-domestic Permit Fees	546.22	4,000.00	(3,453.78)	13.7%
41100 · Garbage Franchise Fees	45,000.00	45,000.00	0.00	100.0%
41105 · AB 939 Collector Fees	280,493.00	280,493.00	0.00	100.0%
41107 · Oil/Bev/Tire Grants	40,355.00	62,845.00	(22,490.00)	64.2%
41110 · Sludge Disposal Charges	0.00	100.00	(100.00)	0.0%
41130 · Ranch Income	0.00	76,851.00	(76,851.00)	0.0%
41135 · Recycle Water Facility Revenue	0.00	8,000.00	(8,000.00)	0.0%
41140 · Other Revenue	27,060.53	235,000.00	(207,939.47)	11.5%
41142 · Loss on disposal of assets	3,750.00			
Total 41000 · OPERATING INCOME	5,130,731.84	9,093,661.00	(3,962,929.16)	56.4%
Total Income	5,130,731.84	9,093,661.00	(3,962,929.16)	56.4%
Gross Profit	5,130,731.84	9,093,661.00	(3,962,929.16)	56.4%
Expense				
60000 · COLLECTION SYSTEM				
60010 · Salaries & Wages	376,923.19	487,569.00	(110,645.81)	77.3%
60020 · Employee Benefits	197,381.43	314,836.00	(117,454.57)	62.7%
60060 · Gas, Oil & Fuel	12,983.57	15,000.00	(2,016.43)	86.6%
60091 · Software Maint	43,958.14	43,000.00	958.14	102.2%
60100 · Operating Supplies	17,085.08	18,000.00	(914.92)	94.9%
60150 · Repairs & Maintenance	21,684.27	45,000.00	(23,315.73)	48.2%
60152 · Small Tools	497.61	2,000.00	(1,502.39)	24.9%
60153 · Outside Services	26,354.25	65,000.00	(38,645.75)	40.5%
60192 · Water	2,941.46	4,000.00	(1,058.54)	73.5%
60193 · Telephone	1,289.78	2,000.00	(710.22)	64.5%
60200 · Other(Garbage Coll)	1,828.15	2,500.00	(671.85)	73.1%
60201 · Permits & Fees	8,842.22	160,000.00	(151,157.78)	5.5%
60290 · Vehicle Replacement	0.00	35,000.00	(35,000.00)	0.0%
Total 60000 · COLLECTION SYSTEM	711,769.15	1,193,905.00	(482,135.85)	59.6%
61000 · TREATMENT FACILITIES				
61000-0 · Contract Operations				
61000-1 · Fixed Fee	1,196,288.25	1,707,983.00	(511,694.75)	70.0%
61000-2 · Insurance & Bonds	33,586.11	37,100.00	(3,513.89)	90.5%
61000-3 · Major Repair/Replacement	18,321.89	92,000.00	(73,678.11)	19.9%
61000-4 · Water/Permits/Telephone	5,222.94	16,000.00	(10,777.06)	32.6%
61000-5 · Gas & Electricity	341,128.12	542,815.00	(201,686.88)	62.8%
Total 61000-0 · Contract Operations	1,594,547.31	2,395,898.00	(801,350.69)	66.6%
61010-0 · Before Contract Operations				
61010 · Salaries & Wages	41,127.79	63,735.00	(22,607.21)	64.5%
61020 · Employee Benefits	14,576.64	20,869.00	(6,292.36)	69.8%
61060 · Gasoline & Oil	0.00	1,800.00	(1,800.00)	0.0%
61091 · Software Maintenance	0.00	30,000.00	(30,000.00)	0.0%
61100 · Operating Supplies	2,878.51	2,600.00	278.51	110.7%
61101 · Operating Chemicals	4,265.65	5,000.00	(734.35)	85.3%
61115 · Sludge Disposal - Contract	22,302.50	50,000.00	(27,697.50)	44.6%
61150 · Repairs & Maintenance	32,455.80	27,500.00	4,955.80	118.0%

04/22/11
Accrual Basis

Novato Sanitary District Revenues & Expenditures Budget vs. Actual July 2010 through March 2011

	Jul '10 - Mar 11	Budget	\$ Over Budget	% of Budget
61152 · Small Tool Purchase	200.00	200.00	0.00	100.0%
61191 · Gas & Electricity	18,240.52	64,000.00	(45,759.48)	28.5%
61192 · Water	298.15	300.00	(1.85)	99.4%
61193 · Telephone	900.28	1,245.00	(344.72)	72.3%
61200 · Operational Assistance	59,652.20	48,000.00	11,652.20	124.3%
61201 · Permits & Fees	54,223.00	95,000.00	(40,777.00)	57.1%
Total 61010-0 · Before Contract Operatio...	251,121.04	410,249.00	(159,127.96)	61.2%
Total 61000 · TREATMENT FACILITIES	1,845,668.35	2,806,147.00	(960,478.65)	65.8%
63000 · RECLAMATION/DISPOSAL				
63010 · Salaries & Wages	22,178.13	29,219.00	(7,040.87)	75.9%
63020 · Employee Benefits	12,026.60	15,864.00	(3,837.40)	75.8%
63060 · Gasoline & Oil	4,916.52	5,000.00	(83.48)	98.3%
63091 · Software Maintenance	0.00	2,500.00	(2,500.00)	0.0%
63100 · Operating Supplies	1,618.59	3,000.00	(1,381.41)	54.0%
63115 · Sludge Disposal	129,186.15	130,000.00	(813.85)	99.4%
63150 · Repairs & Maintenance	32,341.75	85,000.00	(52,658.25)	38.0%
63151 · Unusual Equipment Maintenance	22,231.97	50,000.00	(27,768.03)	44.5%
63152 · Small Tools	289.25	1,500.00	(1,210.75)	19.3%
63157 · Ditch/Dike Maintenance	1,010.00	20,000.00	(18,990.00)	5.1%
63191 · Gas & Electricity	62,818.78	115,000.00	(52,181.22)	54.6%
63192 · Water - Reclamation	12,212.00	8,000.00	4,212.00	152.7%
63201 · Permits & Fees	1,791.00	2,000.00	(209.00)	89.6%
63290 · Vehicle Replacement	0.00	7,000.00	(7,000.00)	0.0%
Total 63000 · RECLAMATION/DISPOSAL	302,620.74	474,083.00	(171,462.26)	63.8%
64000 · LABORATORY/MONITORING				
64010 · Salaries & Wages	178,252.80	245,579.00	(67,326.20)	72.6%
64020 · Employee Benefits	87,664.53	139,840.00	(52,175.47)	62.7%
64060 · Gasoline & Oil	1,886.71	2,000.00	(113.29)	94.3%
64091 · Software Maintenance	509.74	13,000.00	(12,490.26)	3.9%
64100 · Operating Supplies	31,312.78	40,000.00	(8,687.22)	78.3%
64150 · Repairs & Maintenance	7,685.48	11,000.00	(3,314.52)	69.9%
64160 · Research & Monitoring	188,583.77	248,000.00	(59,416.23)	76.0%
64170 · Pollution Prevention/Public Ed	23,474.98	25,000.00	(1,525.02)	93.9%
64201 · Permits & Fees	2,811.00	3,000.00	(189.00)	93.7%
64290 · Vehicle Replacement	0.00	1,400.00	(1,400.00)	0.0%
Total 64000 · LABORATORY/MONITORING	522,181.79	728,819.00	(206,637.21)	71.6%
65000 · PUMP STATIONS				
65010 · Salaries & Wages	203,469.79	290,611.00	(87,141.21)	70.0%
65020 · Employee Benefits	99,185.30	176,964.00	(77,778.70)	56.0%
65060 · Gasoline & Oil	2,590.71	3,000.00	(409.29)	86.4%
65091 · Software Maintenance	8,464.41	10,000.00	(1,535.59)	84.6%
65100 · Operating Supplies	5,676.27	9,000.00	(3,323.73)	63.1%
65101 · Operating Chemicals	0.00	4,000.00	(4,000.00)	0.0%
65150 · Repairs & Maintenance	81,419.42	90,000.00	(8,580.58)	90.5%
65152 · Small Tools	559.96	2,500.00	(1,940.04)	22.4%
65191 · Gas & Electricity	62,333.92	95,000.00	(32,666.08)	65.6%
65192 · Water	2,462.08	10,000.00	(7,537.92)	24.6%
65193 · Telephone	15,855.57	21,000.00	(5,144.43)	75.5%
65201 · Permits & Fees	3,047.12	2,000.00	1,047.12	152.4%
65290 · Vehicle Replacement	2,459.27	10,000.00	(7,540.73)	24.6%
Total 65000 · PUMP STATIONS	487,523.82	724,075.00	(236,551.18)	67.3%
66000 · ADMIN/ENGINEERING				
66010 · Salaries & Wages	746,835.22	935,134.00	(188,298.78)	79.9%

04/22/11
 Accrual Basis

Novato Sanitary District Revenues & Expenditures Budget vs. Actual July 2010 through March 2011

	Jul '10 - Mar 11	Budget	\$ Over Budget	% of Budget
66020 · Employee Benefits	343,234.98	531,153.00	(187,918.02)	64.6%
66021 · Retiree Health Benefits	141,757.91	224,068.00	(82,310.09)	63.3%
66030 · Director's Fees	27,900.00	50,000.00	(22,100.00)	55.8%
66060 · Gasoline & Oil	4,783.09	5,000.00	(216.91)	95.7%
66070 · Insurance	170,287.37	154,000.00	16,287.37	110.6%
66071 · Insurance Claim Expense	1,284.21	25,000.00	(23,715.79)	5.1%
66075 · Agency Dues	38,541.05	40,000.00	(1,458.95)	96.4%
66080 · Memberships	6,491.58	6,000.00	491.58	108.2%
66090 · Office Expense	18,135.46	30,000.00	(11,864.54)	60.5%
66100 · Engineering Supplies	8,319.06	8,000.00	319.06	104.0%
66121 · Accounting & Auditing	21,040.00	24,500.00	(3,460.00)	85.9%
66122 · Attorney Fees	354,280.06	401,000.00	(46,719.94)	88.3%
66123 · O/S Contractual	107,071.00	220,000.00	(112,929.00)	48.7%
66124 · IT/Misc Electrical	34,920.57	40,000.00	(5,079.43)	87.3%
66130 · Printing & Publications	6,368.82	17,000.00	(10,631.18)	37.5%
66150 · Repairs & Maintenance	30,652.23	40,000.00	(9,347.77)	76.6%
66170 · Travel, Meetings & Training	31,506.91	40,000.00	(8,493.09)	78.8%
66193 · Telephone	10,580.11	14,000.00	(3,419.89)	75.6%
66202 · County Fees - Property Taxes	15,398.00	30,000.00	(14,602.00)	51.3%
66203 · County Fees - Sewer Service Chg	21,447.75	30,000.00	(8,552.25)	71.5%
66250 · Service Charge Sys Exp	0.00	9,000.00	(9,000.00)	0.0%
66290 · Vehicle Replacement	0.00	5,600.00	(5,600.00)	0.0%
Total 66000 · ADMIN/ENGINEERING	2,140,835.38	2,879,455.00	(738,619.62)	74.3%
67000 · AB 939 SOLID WASTE PROGRAMS				
67400 · Consulting Services	60,221.63	91,764.00	(31,542.37)	65.6%
67500 · Household Hazardous Waste	125,022.04	211,000.00	(85,977.96)	59.3%
67520 · Permanent HHW Facility	539.44	9,000.00	(8,460.56)	6.0%
67530 · Used Oil Program	0.00	16,574.00	(16,574.00)	0.0%
67600 · Other	40.00	5,000.00	(4,960.00)	0.8%
67610 · City AB 939 Admin Services	0.00	10,000.00	(10,000.00)	0.0%
Total 67000 · AB 939 SOLID WASTE PROG...	185,823.11	343,338.00	(157,514.89)	54.1%
Total Expense	6,196,422.34	9,149,822.00	(2,953,399.66)	67.7%
Net Ordinary Income	(1,065,690.50)	(56,161.00)	(1,009,529.50)	1,897.6%
Net Income	(1,065,690.50)	(56,161.00)	(1,009,529.50)	1,897.6%

Novato Sanitary District
Revenues & Expenditures - Capital

Accrual Basis

July 2010 through March 2011

	Jul '10 - Mar 11	Budget	\$ Over Budget	% of ...
Ordinary Income/Expense				
Income				
51000 · CAPITAL IMPROVEMENT INCOME				
51010 · Sewer Service Charges	2,919,560.70	5,407,578.00	(2,488,017.30)	54.0%
51015 · Property Taxes	991,557.99	1,875,000.00	(883,442.01)	52.9%
51020 · Connection Charges	125,656.94	162,200.00	(36,543.06)	77.5%
51030 · Collector Sewer Charges	0.00	4,000.00	(4,000.00)	0.0%
51040 · Special Equalization Charge	135.00	12,000.00	(11,865.00)	1.1%
51060 · Interest	8,938.11	50,000.00	(41,061.89)	17.9%
51070 · Other Revenue	108,813.00	859,480.00	(750,667.00)	12.7%
Total 51000 · CAPITAL IMPROVEMENT INCO...	<u>4,154,661.74</u>	<u>8,370,258.00</u>	<u>(4,215,596.26)</u>	<u>49.6%</u>
Total Income	<u>4,154,661.74</u>	<u>8,370,258.00</u>	<u>(4,215,596.26)</u>	<u>49.6%</u>
Gross Profit	<u>4,154,661.74</u>	<u>8,370,258.00</u>	<u>(4,215,596.26)</u>	<u>49.6%</u>
Expense				
72000 · CAPITAL IMPROVEMENT PROJECTS				
72110 · Drainage PS 3&7 Outfall Rehab	0.00	50,000.00	(50,000.00)	0.0%
72111 · SCADA Phase II	0.00	20,000.00	(20,000.00)	0.0%
72403 · Pump Station Rehabilitation	496,083.07	3,700,000.00	(3,203,916.93)	13.4%
72508 · N. Bay Water Recycling Auth	122,512.00	90,000.00	32,512.00	*****
72509 · NTP Soil & Groundwater Inv	0.00	5,000.00	(5,000.00)	0.0%
72604 · Laboratory Improvements	16,850.00	30,000.00	(13,150.00)	56.2%
72607 · WWTP Upgrade-Contract A1	48,916.79	50,000.00	(1,083.21)	97.8%
72608 · WWTP Upgrade - Contract A2	0.00	5,000.00	(5,000.00)	0.0%
72609 · WWTP Upgrade - Contract B	5,591,975.84	6,000,000.00	(408,024.16)	93.2%
72611 · Bayside Sewer	0.00	10,000.00	(10,000.00)	0.0%
72612 · Southgate Sewer-	0.00	3,000.00	(3,000.00)	0.0%
72706 · 2008 Collection System Improv	2,933,112.88	3,000,000.00	(66,887.12)	97.8%
72707 · Hamilton Wetlands/Outfall Monit	0.00	5,000.00	(5,000.00)	0.0%
72708 · Cogeneration	0.00	50,000.00	(50,000.00)	0.0%
72801 · Annual Minor Projects	1,107.88	25,000.00	(23,892.12)	4.4%
72802 · Annual Sewer Adj. for City Proj	16,251.50	25,000.00	(8,748.50)	65.0%
72803 · Annual Collection Sys Repairs	57,761.78	270,000.00	(212,238.22)	21.4%
72804 · Annual Reclamation Fac Imp	136,045.38	200,000.00	(63,954.62)	68.0%
72805 · Annual Trtmt Plnt/Pump St Impr	66,808.19	200,000.00	(133,191.81)	33.4%
72808 · Strategic Plan Update	0.00	50,000.00	(50,000.00)	0.0%
73001 · WWTP Upgrade - Contract C	126,591.11	787,500.00	(660,908.89)	16.1%
73002 · WWTP Upgrade - Contract D - Rec	714,448.88	2,951,100.00	(2,236,651.12)	24.2%
78500 · Interest - Zions Bank	217,657.79	170,972.00	46,685.79	*****
Total 72000 · CAPITAL IMPROVEMENT PROJ...	<u>10,546,123.09</u>	<u>17697572.00</u>	<u>(7,151,448.91)</u>	<u>59.6%</u>
Total Expense	<u>10,546,123.09</u>	<u>17697572.00</u>	<u>(7,151,448.91)</u>	<u>59.6%</u>
Net Ordinary Income	<u>(6,391,461.35)</u>	<u>(9,327,314.00)</u>	<u>2,935,852.65</u>	<u>68.5%</u>
Net Income	<u>(6,391,461.35)</u>	<u>(9,327,314.00)</u>	<u>2,935,852.65</u>	<u>68.5%</u>

QUARTERLY INVESTMENT REPORT -- For Quarter Ended March 2011

INVESTMENT	ACTIVITY	Jan	Feb	Mar	QTR TOTAL
STATE TREASURER'S INVESTMENT FUND	Total deposits/transfers in	145,773	4,510,000	110,000	4,765,773
	Total transfers out	1,230,000	141,000	6,950,000	8,321,000
	Minimum daily balance	5,273,467	5,273,467	2,802,467	2,802,467
Current Yield 0.51%	Maximum daily balance	6,357,694	9,642,467	9,642,467	9,642,467
	Interest earned	0	0	7,990	7,990
The LAIF Pooled Money Investment Account Report is attached as specified in California Government Code Section 53646(e)					
CHECKING ACCOUNTS					
<u>Interest Rate</u>	<u>Regular Warrants Account</u>				
0.05%	Total deposits & transfers in	1,406,904	5,704,337	7,178,848	14,290,089
	Total checks & transfers out	1,567,588	5,897,729	7,070,512	14,535,829
	Minimum daily balance	103,193	57,491	5,000	5,000
	Maximum daily balance	724,551	1,195,346	558,128	1,195,346
	Interest earned	13	12	10	35
	<u>Payroll Account</u>				
	Total transfers in	139,200	14,700	271,000	424,900
	Total checks & transfers out	138,936	128,914	157,283	425,133
	Minimum daily balance	826	489	136	136
	Maximum daily balance	119,554	8,469	118,039	119,554
	<u>Project Account</u>				
	Total transfers in	221,500	5,746,665	5,699,200	11,667,365
	Total checks & transfers out	230,458	5,747,349	5,602,799	11,580,606
	Minimum daily balance	5,302	5,086	5,118	5,086
	Maximum daily balance	162,372	5,748,751	5,463,118	5,748,751
	Interest earned	1	33	17	51

NOTES: (1) The above investments are consistent with the annual Statement of Investment Policy submitted to the District Board of Directors on June 11, 2010.

The District has the ability to meet six months cash needs.

(2) LAIF interest rate is currently .51% which is a slight increase from .462% in December 2010 and .48% in March. However it is still a decrease in comparison to .56% in June and March of 2010.

Bill Lockyer, State Treasurer

Inside the State Treasurer's Office

Local Agency Investment Fund (LAIF)



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
3/31/2011	0.45	0.52	193
4/1/2011	0.46	0.46	197
4/2/2011	0.46	0.46	197
4/3/2011	0.46	0.46	197
4/4/2011	0.46	0.46	196
4/5/2011	0.46	0.46	193
4/6/2011	0.46	0.46	196
4/7/2011	0.46	0.46	205
4/8/2011	0.46	0.46	205
4/9/2011	0.46	0.46	205
4/10/2011	0.46	0.46	205
4/11/2011	0.46	0.46	199
4/12/2011	0.46	0.46	199
4/13/2011	0.46	0.46	198

*Daily yield does not reflect capital gains or losses

LAIF Performance Report

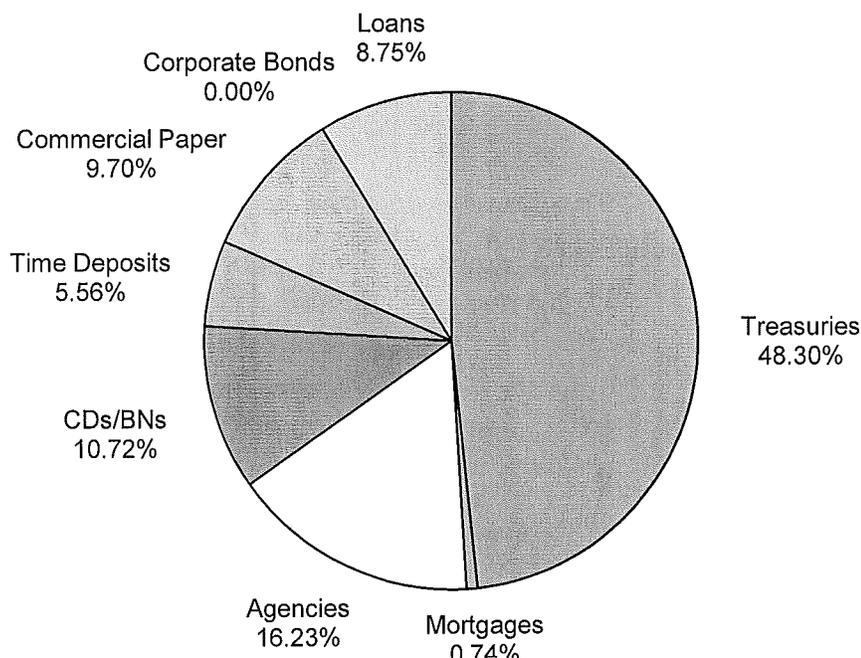
Quarter ending 03/31/2011

Apportionment Rate: 0.51%
 Earnings Ratio: .00001390282087521
 Fair Value Factor: 1.001262155
 Daily: 0.45%
 Quarter To Date: 0.52%
 Average Life: 193

PMIA Average Monthly Effective Yields

MAR 2011 0.500%
 FEB 2011 0.512%
 JAN 2011 0.538%

Pooled Money Investment Account Portfolio Composition \$68.4Billion 03/31/11



**State of California
Pooled Money Investment Account
Market Valuation
3/31/2011**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 25,427,574,805.62	\$ 25,469,896,416.39	\$ 25,477,542,750.00	NA
Notes	\$ 7,600,585,503.27	\$ 7,599,407,773.27	\$ 7,638,459,500.00	\$ 18,430,902.50
Federal Agency:				
SBA	\$ 542,409,471.18	\$ 542,403,518.22	\$ 541,019,321.57	\$ 580,753.60
MBS-REMICs	\$ 505,712,588.13	\$ 505,712,588.13	\$ 540,404,807.88	\$ 2,393,771.01
Debentures	\$ 1,377,365,350.08	\$ 1,376,588,447.30	\$ 1,377,316,000.00	\$ 2,540,482.25
Debentures FR	\$ 200,000,000.00	\$ 200,000,000.00	\$ 200,040,000.00	\$ 68,600.00
Discount Notes	\$ 8,676,516,304.06	\$ 8,699,632,180.45	\$ 8,704,376,220.00	NA
GNMA	\$ 52,779.05	\$ 52,779.05	\$ 53,983.04	\$ 521.59
IBRD Deb FR	\$ 300,000,000.00	\$ 300,000,000.00	\$ 300,636,000.00	\$ 294,872.58
CDs and YCDs FR	\$ 800,000,000.00	\$ 800,000,000.00	\$ 800,000,000.00	\$ 391,949.67
Bank Notes	\$ 650,000,000.00	\$ 650,000,000.00	\$ 650,092,242.52	\$ 216,666.67
CDs and YCDs	\$ 5,875,000,888.64	\$ 5,875,000,888.64	\$ 5,875,326,055.55	\$ 2,207,243.06
Commercial Paper	\$ 6,635,606,940.28	\$ 6,637,947,366.58	\$ 6,637,761,908.36	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 3,803,640,000.00	\$ 3,803,640,000.00	\$ 3,803,640,000.00	NA
AB 55 & GF Loans	\$ 5,983,610,355.22	\$ 5,983,610,355.22	\$ 5,983,610,355.22	NA
TOTAL	\$ 68,378,074,985.53	\$ 68,443,892,313.25	\$ 68,530,279,144.14	\$ 27,125,762.93

Fair Value Including Accrued Interest

\$ 68,557,404,907.07

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (1.001262155). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,025,243.11 or \$20,000,000.00 x 1.001262155.

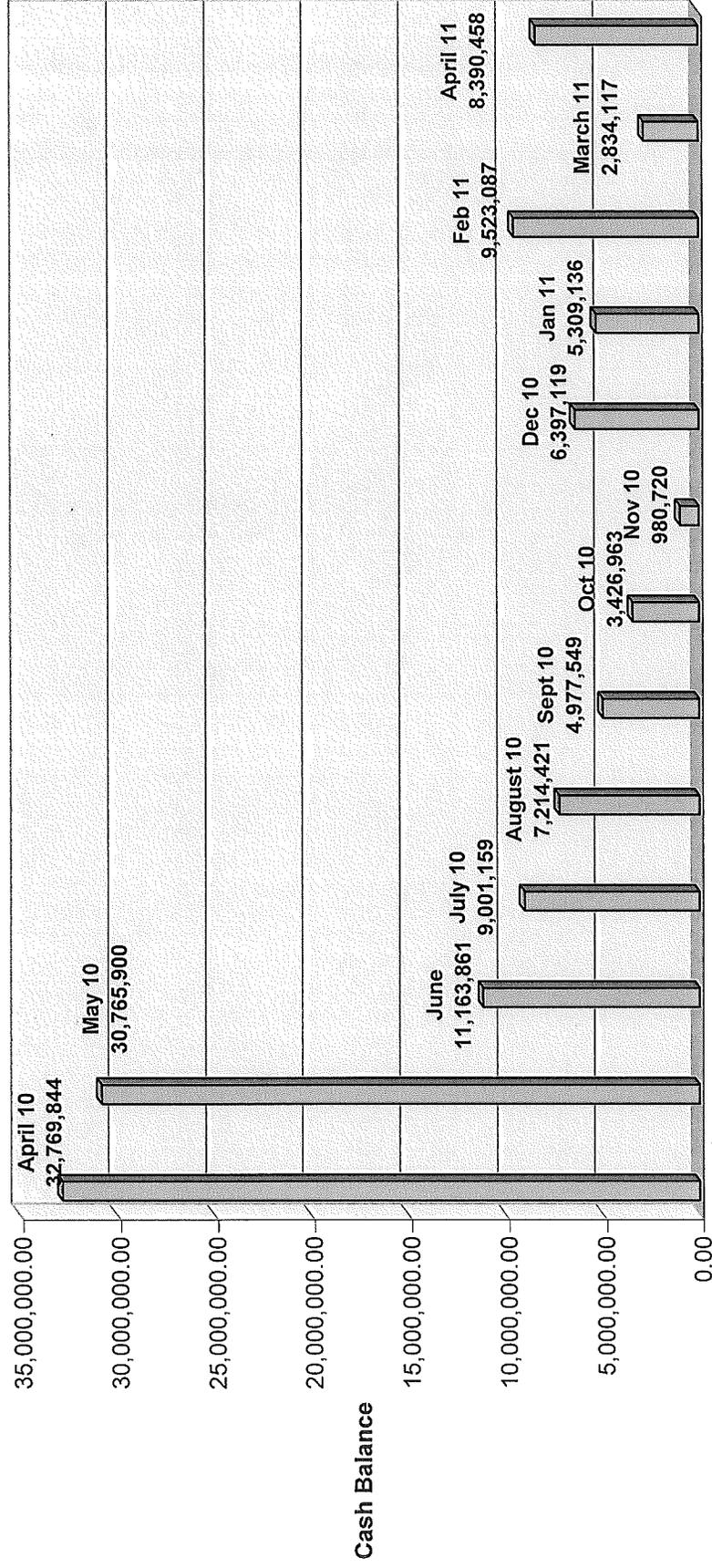
PAR VALUES MATURING BY DATE AND TYPE
Maturities in Millions of Dollars

ITEM	1 day to 30 days	31 days to 60 days	61 days to 90 days	91 days to 120 days	121 days to 150 days	151 days to 180 days	181 days to 210 days	211 days to 270 days	271 days to 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 year/out
TREASURY	\$ 3,150	\$ 2,775	\$ 1,800	\$ 3,875	\$ 1,100	\$ 2,250	\$ 3,250	\$ 6,200	\$ 4,250	\$ 2,250	\$ 2,200		
REPO													
TDS	\$ 1,648	\$ 715	\$ 1,166	\$ 169	\$ 21	\$ 86							
AGENCY	\$ 542	\$ 490	\$ 6,067	\$ 800	\$ 741		\$ 1,950	\$ 250	\$ 500	\$ 1,300	\$ 333		\$ 0
BAS													
CP	\$ 3,400	\$ 945	\$ 1,845	\$ 450									
CDs + BNS	\$ 1,725	\$ 850	\$ 3,250	\$ 900				\$ 200		\$ 400			
CORP BND													
TOTAL	\$ 10,465	\$ 5,775	\$ 14,128	\$ 6,194	\$ 1,862	\$ 2,336	\$ 5,200	\$ 6,650	\$ 4,750	\$ 3,950	\$ 2,533		\$ 0
PERCENT	16.4%	9.0%	22.1%	9.7%	2.9%	3.7%	8.1%	10.4%	7.4%	6.2%	4.0%	0.0%	0.0%

Notes:

1. SBA Floating Rate Securities are represented at coupon change date.
2. Mortgages are represented at current book value.
3. Figures are rounded to the nearest million.
4. Does not include AB55 and General Fund loans.

**April 1, 2010 - April 22, 2011
Cash Balances By Month**



NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Staff Report: Workers' Compensation Insurance Report	MEETING DATE: 4/25/2011
AGENDA ITEM NO. :	
RECOMMENDED ACTION: None - information only	
SUMMARY AND DISCUSSION:	
<p>We have been informed by our Workers' Compensation Insurance carrier, CSRMA, that there will be a significant change in the District's Experience Modification Factor for policy year 2011-12, from 1.49% to 1.76%.</p> <p>Experience modification is a factor that is applied to the workers' compensation insurance premium and is based on loss experience. Each covered entity starts out with a neutral experience modifier of 1.0 and adjustments are made depending on experience. An experience modification factor lower than 1.0 means losses lower than industry average and a modification factor higher than 1.0 means the opposite. Therefore, the District's loss experience is 76% higher than industry average.</p> <p>Last year there was a 10.92% increase in workers' compensation rates for Sanitation workers, and decreases of approximately 6% in rates for other categories covered by District employment. Rates for 2011-12 have not yet been published so we are unaware of any further rate adjustments at this time.</p> <p>Attached are spreadsheets showing the District's workers' compensation experience from 1995-96 to date. Based on projected payroll for 2011-12, it is estimated that the District's annual workers' compensation insurance premium will be approximately \$70,495. Had the District's experience modification factor been average, or 1.0, the annual premium would have been approximately \$40,054, or \$30,441 less. Any adjustments will be applied after the end of 2011-12 fiscal year following the workers' compensation final premium audit when actual payroll is known.</p> <p>The worker's compensation insurance premium for 2010-11 was \$97,339. However, this was based on projected payroll of \$2,320,916, with employees on payroll as of February 2010, and with an emergency consulting contract with Veolia Water. Actual payroll will more likely be \$2,003,000, resulting in a refund of approximately \$12,000.</p>	
ALTERNATIVES: N/A	
BUDGET INFORMATION: The 2011-12 budget will reflect the estimated premium of \$70,495, with adjustments for a partial refund of 2010-11 premium.	
DEPT. MGR. :	MANAGER'S APPROVAL:

**WORKERS' COMPENSATION INSURANCE FUND
1995-96 to 2011-12**

Year	Payroll	Premium	Exp Mod	Prior Years' Retroactive Adjustment	Modified Premium
Estimated					
2011-12	1,822,482	40,054	176%		70,495 ⁽¹⁾
2010-11 based on projected payroll - will be adjusted with actual payroll at end of FY					
2010-11	2,320,916	61,333	149%	5,953	97,339 ⁽²⁾
2009-10	2,186,745	49,906	126%	(7,495)	55,387
2008-09	2,489,894	65,461	85%		55,643
2007-08	2,441,064	66,639	77%	(15,841)	35,471
2006-07	2,278,153	75,870	71%	(35,719)	18,152
2005-06	2,229,966	91,423	77%	(22,620)	47,775
2004-05	2,057,343	96,667	90%	(323)	86,677
2003-04	1,840,411	74,600	104%	(472)	77,112
2002-03	1,749,389	54,291	98%	13,590	66,795
2001-02	1,673,027	38,399	79%	15,475	45,810
2000-01	1,463,445	34,353	84%	(8,354)	20,503
1999-00	1,436,374	45,589	90%	(7,729)	33,301
1998-99	1,449,179	38,109	96%	(9,033)	27,552
1997-98	1,357,457	34,472	94%	(5,480)	26,927
1996-97	1,321,804	32,538	92%	(8,022)	21,914
1995-96	1,287,163	36,004	80%		28,803

NOTES:

- (1) We are required to submit estimated payroll for workers' compensation policy renewal in February of each year. Therefore, the estimated premium of \$70,495 is based on existing payroll at that time, with current employees, and that is the amount we will be billed. Any adjustments will be made after the end of the 2011-12 fiscal year following the final premium audit.
- (2) Payroll for 2010-11 will be less than the projection of \$2,320,916. This number was an estimate based on existing employees in February 2010 and an emergency consulting contract with Veolia Water. Actual payroll for fiscal year 2010-2011 will more likely be approximately \$2,003,000. Therefore a refund will be due the District following the final premium audit.

The District receives retrospective adjustments on future premiums based on the District's experience. Dividend calculations are performed at 18 months following expiration of the program year.

STATE COMPENSATION INSURANCE FUND
Workers' Compensation Costs

Policy Year	Rates	Payroll	Annual Premium	Exp Mod	Addl Premium/ Retro Adjust	Modified Premium
		Projected				
FY 2010-11						
Sanitation	4.0329372	1,436,121	57,918			
O/S Sales	0.3925868	390,711	1,534			
Clerical	0.3301298	494,084	1,631			
Public Officials			250			
		<u>2,320,916</u>	<u>61,333</u>	149%	5,953	97,339
		Actual				
FY 2009-10						
Sanitation	3.5896597	1,288,739	46,261			
O/S Sales	0.4148050	379,822	1,576			
Clerical	0.3509890	518,184	1,819			
Public Officials			250			
		<u>2,186,745</u>	<u>49,906</u>	126%	(7,495)	55,387
		Actual				
FY 2008-09						
Sanitation	3.760	1,617,240	60,808			
O/S Sales	0.544	378,866	2,061			
Clerical	0.474	493,788	2,341			
Board			250			
		<u>2,489,894</u>	<u>65,461</u>	85%	2,336	57,979
		Actual				
FY 2007-08						
Sanitation	3.903	1,565,717	61,115			
O/S Sales	0.645	415,878	2,682			
Clerical	0.564	459,469	2,591			
Board			250			
		<u>2,441,064</u>	<u>66,639</u>	77%	(15,841)	35,471
		Actual				
FY 2006-07						
Sanitation	4.622	1,499,728	69,320			
O/S Sales	0.837	374,714	3,138			
Clerical	0.783	403,711	3,161			
Board			250			
		<u>2,278,153</u>	<u>75,870</u>	71%	(35,719)	18,152
		Actual				
FY 2005-06						
Sanitation	5.357	1,565,767	83,870			
O/S Sales	1.148	352,999	4,052			
Clerical	1.044	311,200	3,249			
Board			250			
		<u>2,229,966</u>	<u>91,423</u>	77%	(22,620)	47,775
		Actual				
FY 2004-05						
Sanitation	5.968	1,483,547	88,538			
O/S Sales	1.438	314,272	4,519			
Clerical	1.275	259,524	3,309			
Board			300		4,449	
		<u>2,057,343</u>	<u>96,667</u>	90%	(4,773)	86,677
		Actual				
FY 2003-04						
Sanitation	5.15	1,295,700	66,703			
O/S Sales	1.50	227,314	3,414			
Clerical	1.32	317,397	4,183			
Board			300			
		<u>1,840,411</u>	<u>74,600</u>	104%	(472)	77,112

STATE COMPENSATION INSURANCE FUND
Workers' Compensation Costs

Policy Year	Rates	Payroll	Annual Premium	Exp Mod	Addl Premium/ Retro Adjust	Modified Premium
FY 2002-03		Actual				
Sanitation	3.91	1,234,706	48,314			
O/S Sales	1.19	307,911	3,667			
Clerical	0.97	206,772	2,010			
Board			300			
		<u>1,749,389</u>	<u>54,291</u>	98%	13,590	66,795
FY 2001-02		Actual				
Sanitation	2.88	1,190,662	34,291			
O/S Sales	0.85	295,099	2,494			
Clerical	0.70	187,266	1,315			
Board			300			
		<u>1,673,027</u>	<u>38,399</u>	79%	15,475	45,810
FY 2000-01		Actual				
Sanitation	2.92	1,066,578	31,144			
O/S Sales	0.76	278,116	2,114			
Clerical	0.67	118,751	796			
Board			300			
		<u>1,463,445</u>	<u>34,353</u>	84%	(8,354)	20,503
FY 1999-00		Actual				
Sanitation	3.94	1,056,896	41,589			
O/S Sales	1.05	222,523	2,334			
Clerical	0.87	156,955	1,366			
Board			300			
		<u>1,436,374</u>	<u>45,589</u>	90%	(7,729)	33,301
FY 1998-99		Actual				
Sanitation	3.47	975,148	33,828			
O/S Sales	0.90	240,299	2,165			
Clerical	0.78	233,732	1,816			
Board			300			
		<u>1,449,179</u>	<u>38,109</u>	96%	(9,033)	27,552
FY 1997-98		Actual				
Sanitation	3.33	916,055	30,523			
O/S Sales	0.87	235,005	2,049			
Clerical	0.78	206,397	1,600			
Board			300			
		<u>1,357,457</u>	<u>34,472</u>	94%	(5,480)	26,927
FY 1996-97		Actual				
Sanitation	3.17	914,971	29,037			
O/S Sales	0.83	212,986	1,770			
Clerical	0.74	193,847	1,432			
Board			300			
		<u>1,321,804</u>	<u>32,538</u>	92%	(8,022)	21,914
FY 1995-96		Actual				
Sanitation	3.66	882,377	32,332			
O/S Sales	1.05	220,587	2,318			
Clerical	0.73	184,199	1,353			
Board			300			
		<u>1,287,163</u>	<u>36,004</u>	80%		28,803

STATE COMPENSATION INSURANCE FUND
Workers' Compensation Costs

Policy Year	Rates	Payroll	Annual Premium	Exp Mod	Addl Premium/ Retro Adjust	Modified Premium
Comparison with previous year:						
	07-01-10	07-01-09	Change			
	4.030	3.590	10.92%			
	0.393	0.415	-5.60%			
	0.330	0.351	-6.36%			

**NOVATO SANITARY DISTRICT
BOARD AGENDA ITEM SUMMARY**

TITLE: Staff Report	MEETING DATE: April 25, 2011
	AGENDA ITEM NO.: 12.b
RECOMMENDED ACTION: None	
SUMMARY AND DISCUSSION: Veolia employee, Christian Williams, a new wastewater treatment plant operator at Novato Sanitary District, has been recognized by California Water Environment Association in their Wastewater Professional magazine for creating You Tube tutorials on wastewater math. He has created 18 instructional videos to date that have been viewed over 33,000 times. At only 22 years old, he has already passed his Grade III and IV Wastewater Operator Certification exams.	
ALTERNATIVES: N/A	
BUDGET INFORMATION: NA	
DEPT.MGR.:	MANAGER:

Wastewater

PROFESSIONAL

The Technical Resource for Wastewater Professionals

Volume 47, Number 2

April 2011



California Water
Environment
Association

Q&A with new
WEF Executive
Director, Jeff
Eger

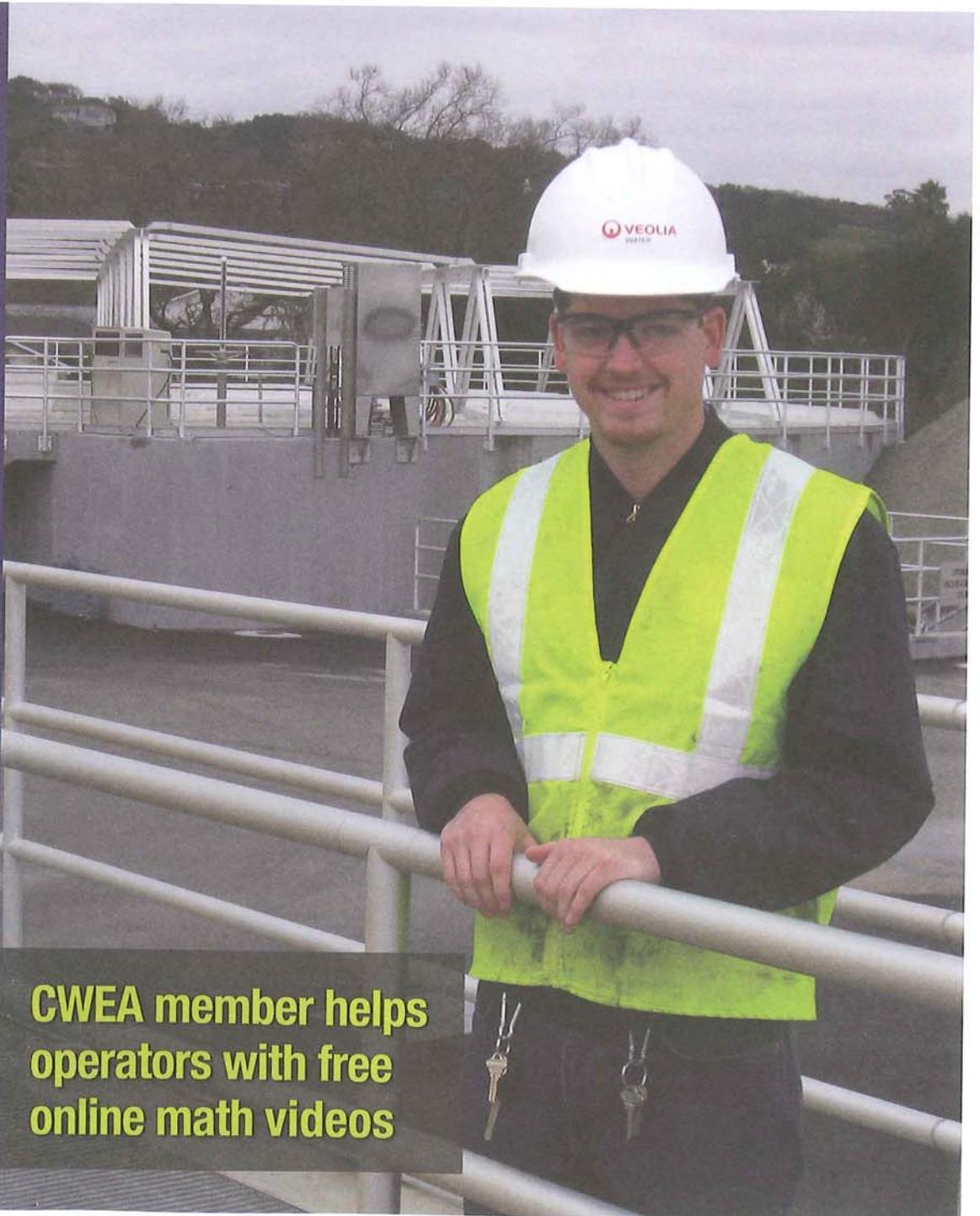
Hurricane
Katrina's impact
on water
resources in
New Orleans

CWEA hosts
Biosolids
Conference

Networking
and developing
relationships

EWA's Biosolids
Management
Program

EPA report on
combined heat
and power
technologies



**CWEA member helps
operators with free
online math videos**

CWEA Redwood Empire section member helps operators with free online math videos

2 2-year old CWEA Redwood Empire Section member Christian Williams spends a lot of time on Youtube when he is not at work. While many Youtube visitors keep themselves busy watching the latest video sensation – and quite often employers block access to Youtube at work for just

this reason – Christian uses Youtube to share wastewater operator math tutorial videos that he has created on his own. The main audience is his fellow operators who are preparing for their certification exams and those aspiring to break into the water quality profession. To date, Christian has created 18 wastewater operator math instructional videos and they are all freely available. The videos cover a wide range of math topics for all five

certified operator levels. Since May 2009, his videos have been viewed over 33,000 times and his Youtube channel has been visited over 4,800 times.

Before posting his first operator math videos, Christian began building an impressive resume as a young wastewater treatment plant operator. He started out in 2005 working for the City of Petaluma as an Intern for Veolia Water and then as an OIT (Operator in Training) for the City of Atwater under Veolia Water North America. After that, he worked as the Chief Plant Operator at the Francis Coppola Winery in Geyserville. There he performed the start up on the winery's Siemens Membrane Biological Reactor

(MBR) package plant treating about 5,000 GPD. At the winery, Christian was responsible for just about anything that had to do with water including monitoring the sanitary wastewater, process wastewater, drinking water and even the swimming pool. As CPO, and guru of all things water, he played an important

role in the winery's commitment to sustainable agriculture and to the health of the surrounding Russian River watershed and ecosystem. He is currently working at the Novato Sanitation District wastewater treatment plant operated by Veolia Water. According to Christian, the Novato plant treats an average of 5 MGD using primary sedimentation, activated sludge with complete BNR (biological nutrient removal), secondary clarification, and UV disinfection. Anaerobic digestion is used to treat the solids. The plant discharges to the ocean in the Winter and during the Summer the treated water is used for irrigation. Novato SD is currently in the process of adding a Title 22 section of the plant to create tertiary water.

While working as an intern at Veolia Petaluma, Christian was eager to learn more about plant operations and was seeking his Grade 1 wastewater treatment plant operator certificate. However, as he was preparing for his Grade 1, he was frustrated to find that there were no free materials online to help operators in California prepare for the certification



Christian Williams

exam. Being fresh out of high school, and armed with a natural talent for math and algebra, he set out to learn wastewater math mostly through self study. As he worked his way up to his Grade 2 certification, he benefited from series such as Keith Boger's Wastewater Technology Trainers

classes, California Rural Water Association review courses, and classes taught by Dave Davidson at Merced College. Christian has also passed his Grade 3 and 4 operator exams and is now earning the experience he needs to be certified at those levels.

As time went on, and Christian gained more experience, he began helping co-workers with math preparation for their operator certification exams. Although the operators he tutored encouraged him to teach wastewater math, he never seriously thought about teaching. Then, in 2009, he decided to sit down at his computer and develop a set of Grade 1 math preparation videos to share on Youtube. The first videos were posted on Youtube in May 2009. Shortly after that, Christian created the Grade 2 and 3 videos. Christian says it was a way to keep him busy at home and prepare for his exams at the same time. The idea was never to make money, just to help operators get into the field and prepare for their exams.

The videos show graphics of formulas, equations, tables, and notes on a simulated blackboard.

Christian provides the voiceover as he points out step-by-step instructions on how to solve wastewater math problems. The first grade 1 video topics include the Pounds formula (Davidson Pie), painting a room, percent efficiency/removal, volumes, detention time, C12 dose, demand, residual, weir overflow rate, and

hydraulic/surface loading. The topics move on from there to fill 18 10-minute long instructional videos.

Christian has a natural and competent teaching style that many operators have come to appreciate as can be seen in the comments section of his Youtube channel. According to Christian

his math videos have "received amazing feedback from many people across the country." The comment he receives most frequently has to do with how his videos are free to watch.

"My viewers are very happy that there are clean, clear, and concise videos online to assist them with their math problems," says Christian, "I accept all feedback whether negative or positive and try to respond to each and every comment that is posted on my videos."

In addition to his instructional math videos, Christian fields many questions from individuals seeking advice on careers in the water quality fields. Most questions are asked on his Youtube site, and he diligently responds to just about every inquiry he gets. As a young operator working his way up the career ladder, Christian is eager to share his firsthand experience with others. The questions typically ask about strategies to enter the water quality field, appropriate education, and the demographics of water quality professionals. To help new and aspiring operators navigate their way through the operator certification regulations, Christian produced a video that outlines the process of becoming a certified operator in California. In that video he even offers tips on how to streamline the time required to meet the minimum qualifications for certification. When asked ➤

Reviews from Christian's YouTube Channel:

• • •

"You are doing a great service to your fellow wastewater operators and we applaud you for it!"

• • •

"Just got the results back for my grade 3 test. Passed it on the first try! With the help of your videos... Thanks for your time and your help."

• • •

"Dude! These videos helped big time! Thank goodness for these videos! They helped me pass the Grade II. Thanks a lot for your time and effort put into these videos. I will be back for the grade III math videos! Thanks again!"

about finding a job, Christian usually recommends CWEA's online job posting service (www.cwea.org/jobs) and connecting with others in the wastewater industry through CWEA.

When asked about why he is a CWEA member, Christian responded by saying "I get amazing value from being a CWEA member. I try to read all of the emails I get from CWEA and do like to attend meetings when I can get the chance. I love that CWEA is looking out for operators and technicians in this field by offering training to get our CEU's for recertification. It makes finding the right class easy."

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Most recently, Christian has completed a set of advanced Grade 4 and 5 math videos. Christian found that these videos were challenging to put

together because the math for those tests is so broad and not as generic as the other exams. Christian's next project is to buy a camcorder to begin developing videos on process control to explain some of the basic principles of wastewater treatment. In return for all of his work in support of the wastewater treatment operator profession Christian just asks that operators spread the word about his videos.

You can find Christian's videos on Youtube (<http://www.youtube.com/user/cawastewater>) and on his own CAwastewater (<http://cawastewater.com/>) web site. You can also find him by searching for "CAwastewater" on Facebook and @CAwastewater on Twitter. ♠

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**NOVATO SANITARY DISTRICT
BOARD AGENDA ITEM SUMMARY**

TITLE: Staff Report: Crisis Communication Workshop	MEETING DATE: April 25, 2011
AGENDA ITEM NO.:	
RECOMMENDED ACTION: None	
SUMMARY AND DISCUSSION: Board Member Quesada, Manager-Engineer Beverly James, and Deputy Manager-Engineer Sandeep Karkal attended the Crisis Communication and Disaster Preparedness Workshop presented by the California Emergency Management Agency at Novato City Hall. A summary of the program is attached. The main point was that the role of the elected officers in disaster response is to communicate effectively with the public, ensure adequate resources in place to prepare before the event, and smooth the relationships with other government agencies.	
ALTERNATIVES: N/A	
BUDGET INFORMATION: NA	
DEPT.MGR.:	MANAGER:



Crisis Communications and Disaster Preparedness A Workshop for California's Public Officials

Working with the University of California at San Diego, the California Emergency Management Agency (Cal EMA) has developed a preparedness program focusing on elected and appointed public officials who have a pivotal role in managing public messaging and restoring confidence in government following a catastrophic event. Developed and delivered in collaboration with the UC Institute on Global Conflict and Cooperation at UC San Diego and in partnership with UC Center Sacramento, this program provides a tremendous benefit to public leaders in California.

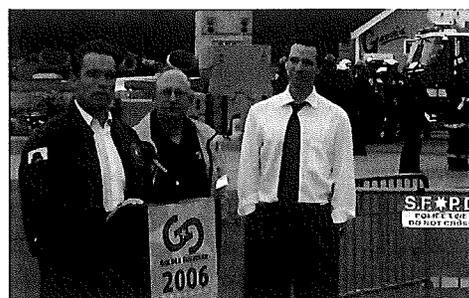


The Crisis Communications and Disaster Preparedness program is based on the need for leaders and experts who are prepared to manage the aftermath of both manmade and natural disasters in California. The customized training focuses on elected officials roles and responsibilities, lessons learned from previous disasters and crisis communications during an "Incident of National Significance", defined by the U.S. Department of Homeland Security as one of more than a dozen scenarios which includes terrorist attacks using weapons of mass destruction as well as catastrophic natural disasters.

These seminars are available without charge to city council members, mayors, board of supervisors, police and fire chiefs, public health officers and their senior staffs, often in conjunction with the annual statewide homeland security exercise, Golden Guardian.

The University of California Institute on Global Conflict and Cooperation (IGCC) facilitates innovative, rigorous research into the causes of international conflict and cooperation. IGCC is committed to educating problem-solvers and peacemakers through its highly-respected research and training activities. For more information on IGCC and its programs, visit <http://igcc.ucsd.edu>

Crisis Communications Website:
<http://igcc.ucsd.edu/CalEMA>



"Just as California mandates training for all law enforcement officers, including chiefs, so too should this program be mandated for mayors, city councils, and other elected and appointed leaders. Great program!

- Official from Orange County

About IGCC

Around the globe, issues of war and peace continue to present challenges to the international community. More than ever, world problems require careful thinking, creative research, and practical approaches if they are to be solved. Since 1983, the University of California Institute on Global Conflict and Cooperation (IGCC) has engaged in such work, facilitating innovative research into the causes of international conflict and cooperation.

A research unit serving the entire UC system, IGCC builds project teams from all ten UC campuses and the UC-managed Lawrence Livermore and Los Alamos National Laboratories.

IGCC is committed to educating the next generation of international problem-solvers and peace-makers through its research and teaching activities. Over the years, the institute has been one of the largest sources of dissertation and fellowship support for international studies students in the United States

IGCC researchers study a wide range of topics involving security, environmental, and economic policies that shape our ability to prevent conflict and promote cooperation across the globe. Under the leadership of Director Susan Shirk, IGCC's ongoing work in its core areas is complemented by the recognition that evolving threats to global stability require exploration of nontraditional connections between and across disciplines and institutions.

IGCC builds bridges between the theory and practice of international policy. We inject fresh ideas into the process by establishing the intellectual foundations for effective policy-making, and provide ways for UC faculty and students to interact with government officials at home and abroad through our collaborative, multi-campus projects and through our office at the UC Washington Center.

IGCC and the National Laboratories

IGCC expressly involves the Lawrence Livermore and Los Alamos National Laboratories in its research projects whenever policy challenges require technical solutions toward promoting cooperation among nations. In IGCC's Northeast Asia Cooperation Dialogue and the Middle East Arms Control Workshops, lab participants have played integral roles. In regional cooperation dialogues, teaching seminars, and nuclear weapons policy conferences, lab technical specialists learn about regional policymaking, and UC faculty learn about the role of technology in building regional peace.

Supporters

IGCC receives its primary support from the Regents of the University of California and the UC Office of the President (Office of Research). Additional funding has been provided by the National Science Foundation, the U.S. Department of Energy, the U.S. Department of State, the U.S. Department of Defense, the U.S. Institute of Peace, the Japan-U.S. Friendship Commission, Japan's National Institute for Research Advancement (NIRA), and the Canadian Centre for Foreign Policy Development.

Important corporate and foundation support has come from the Carnegie Corporation of New York, the Ford Foundation, the MacArthur Foundation, the Ploughshares Fund, the Ocean Foundation, the McCormick Tribune Foundation, the East Asia Foundation, the Earhart Foundation and the Lockheed Martin Corporation.

<http://igcc.ucsd.edu>