

# NOVATO SANITARY DISTRICT

Meeting Date: December 12, 2011

**The Board of Directors of Novato Sanitary District will hold a closed session at 5:30 pm followed by a regular meeting at 6:30 p.m., Monday, December 12, 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](http://www.novatosan.com).*

## **CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION – ONE POTENTIAL CASE:**

Initiation of litigation pursuant to Subsection (c) of Government Code Section 54956.9

### **AGENDA**

- 1. PLEDGE OF ALLEGIANCE:**
- 2. AGENDA APPROVAL:**
- 3. REPORT OUT OF CLOSED SESSION:**
- 4. PUBLIC COMMENT (Please observe a three-minute time limit):**

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

- 5. REVIEW OF MINUTES:**
  - a. Consider approval of minutes of the November 14<sup>th</sup> and 28<sup>th</sup> and December 6, 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.

**7. WASTEWATER TREATMENT FACILITY UPGRADE PROJECT 72609:**

- a. Receive report and consider approving a change order with Gateway Pacific or authorizing staff to issue a request for bids for the Novato Treatment Plant Biofilter retrofits.

**8. SOLID WASTE COLLECTION RATES:**

- a. Confirm allowable maximum solid waste collection rates in accordance with the March 2011 Solid Waste Franchise Agreement between Novato Sanitary District and Novato Disposal Service.

**9. BOARD OF DIRECTORS:**

- a. Consider terminating County of Marin Kaiser health care subgroup for Board of Directors.
- b. Consider setting reimbursement limit for health care premiums for Board Members.
- c. Presidential committee appointments.

**10. ADMINISTRATION:**

- a. Review Accounts Receivable Report.
- b. Consider approval of a Resolution authorizing investing District moneys in the Local Agency Investment Fund.
- c. Authorize staff to establish an account in the Local Agency Investment Fund for the proceeds from the sale of the Certificates of Participation.

**11. BOARD MEMBER REPORTS:**

- a. North Bay Watershed Association meeting.

**12. MANAGER'S ANNOUNCEMENTS:**

**13. ADJOURN:**

Next resolution no. 3038

**Next regular meeting date: Monday, January 9, 2012, 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.***

November 14, 2011

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, November 14, 2011, at the District Office, 500 Davidson Street, Novato.

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

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James, Deputy Manager-Engineer Sandeep Karkal, Finance Officer Laura Creamer and Administrative Secretary Julie Swoboda.

ALSO PRESENT: Paul Kaymark, Auditor, Charles Z. Fedak and Company  
Brant Miller, Novato resident  
Bob & Pat Guinan, Novato resident  
Jose & Lesa Chakkalake, Novato resident  
Joe Carlomagno, Novato resident  
Mary Moore, Novato resident  
Jerry Peters, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

The Manager noted that residents from the Lea Drive neighborhood are expected to arrive at approximately 7:30 p.m., and she requested the agenda order be flexible to facilitate their presentation during item #8: Staff report on odor control system re-work timeline. The Board agreed.

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

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the October 10<sup>th</sup> and 24<sup>th</sup>, 2011 meetings.

*On motion of Member Quesada, seconded by Member Mariani, and carried unanimously, the minutes of the October 10<sup>th</sup> and 24<sup>th</sup>, 2011 meetings were approved.*

CONSENT CALENDAR:

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

- a. Accept a Grant of Easement from the City of Novato for the Hamilton Nursery Project.
- b. Approval of regular disbursements in the amount of \$348,555.53, project account disbursements in the amount of \$100,687.26, and Board Member disbursements in the amount of \$3,520.59.

2010-11 AUDITED FINANCIAL STATEMENTS:

- Presentation of Audited Financial Statements for fiscal year ended June 30, 2011, by Paul Kaymark, Charles Z. Fedak & Company: The Manager introduced Paul Kaymark who was present to review the District's Audit. She stated that the Ad-Hoc Audit Committee had suggested the Board receive the full audit report instead of a report summary.

Mr. Kaymark gave an overview of the audit process and discussed the Comprehensive Annual Financial Audit Report as prepared for fiscal years ended June 30, 2011 and 2010. He noted that State law requires that all special districts publish each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Mr. Kaymark stated that this was the first year that the District had submitted its Comprehensive Annual Financial Report (CAFR) for the Government Finance Officers Association of the United States and Canada's (GFOA) *Certificate of Achievement for Excellence in Financial Reporting*. He noted that to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR. He stated that the Audit would be submitted to the GFOA to determine its eligibility for the *Certificate of Achievement for Excellence*.

Mr. Kaymark discussed and summarized the District's financial highlights, revenue sources and expenditures. The Board reviewed the report and discussed the audit.

Member Di Giorgio stated he would like the Novato Sanitary District Organizational Chart to show the first item as "Voters" followed by "Board of Directors" and so on. He also requested that next year the Board be given the draft audit several weeks in advance so they have time to review it prior to the submission of the final report.

Member Mariani expressed her appreciation that the audit was prepared to the CAFR standards and specifications.

The Board thanked Mr. Kaymark, Manager Beverly James, Finance Officer Laura Creamer and Administrative Services Manager June Brown for their attentive efforts in preparing the audit.

ADMINISTRATION:

- Consider adoption of District Policy No. 4040, "Board President": The Manager reviewed policy No. 4040 with the Board. President Long stated that an additional item should be included in item 4040.3: *The Manager shall act as spokesperson for the District.* The Manager pointed out that this policy was for the Board President and that there is another policy which relates to the obligations of the District Manager. Member Mariani requested this policy be deferred until the Board can review the section which relates to management and the spokesperson for the District. She stated she would like the Board to review both policies at the same time.

No action was taken on this item and it will be revisited at a future Board meeting.

- Receive Investment Report for period ended September 30, 2011: The Manager reviewed the Quarterly Investment Report. She noted that the Local Agency Investment Fund (LAIF) balance is decreasing as expected because the District has continued to pay off various capital projects. She noted that the LAIF interest rate is currently at .38%. The Manager stated that the proceeds from the sale of the Certificate of Participation (COP) bonds are currently at the Bank of New York Mellon in a trust account.

- Receive Revenue and Expenditure Report for period ended September 30, 2011. The Manager reviewed the Revenue and Expenditure Report. She noted that the District has only received 2% of its total operating revenues and that the District will receive its first half of property tax and sewer service revenues in December. The Manager stated that operating expenses are approximately 20% of budget with 25% of the year complete. She reviewed the significant variances in the expense accounts.

President Long requested a consolidated expense report be prepared quarterly for Board review. Currently the consolidated report is prepared annually.

- Review Accounts Receivable. The Manager stated that this report is a new item and will be presented at the first meeting of each month for Board review.

- Consider setting meeting dates of November 28 and December 12, 2011. The Manager requested that the regular Board meeting scheduled for December 26<sup>th</sup> be cancelled. She stated that if necessary, a Special Meeting could be called. She requested the Board approve meeting dates as follows: November 28<sup>th</sup>, December 12<sup>th</sup>, January 9<sup>th</sup> and 23<sup>rd</sup>.

*On motion of Member Di Giorgio, seconded by Member Mariani, and carried unanimously, the Board accepted the meeting dates as follows: November 28<sup>th</sup>, December 12<sup>th</sup>, January 9<sup>th</sup> and 23<sup>rd</sup>.*

President Long moved item 8: **Wastewater Facility Upgrade Project 72609**, until 7:30 p.m. at which time the Lea Drive Neighborhood residents would be present.

ANNUAL COLLECTION SYSTEM REPAIRS PROJECT 72803:

- Review bids received and consider accepting the lowest responsive bid and authorize the Manager-Engineer to execute the contract. Deputy Manager-Engineer Sandeep Karkal noted that District staff, using the informal bid provisions of the Uniform Public Construction Cost Accounting Act, requested bids for the installation of 479 feet of sewer main on Michele Circle, Sutro Ave. and Erica Court. He stated that the purpose of the project was to prevent the sewer main on Michele Circle from overflowing to a nearby creek when the downstream sewer main experiences a stoppage. He reviewed the bids received, stating that W.R. Forde of Richmond submitted the lowest responsive bid at \$107,039.00. The Deputy Manager-Engineer recommended that the Board accept the bid and award the project to W.R. Forde.

*On motion of Member Di Giorgio, seconded by Member Mariani and carried unanimously, the Board accepted the bid by W.R. Forde and authorized the Manager-Engineer to execute the Contract for the Annual Collection System Repairs – Michele Circle Sewer Project, Project 72803-11-02 for a contract amount of \$107,039.00.*

STAFF REPORTS:

- North Bay Watershed Association meeting. The Manager stated that in place of Member Di Giorgio, she and the Deputy Manager-Engineer were present at the North Bay Watershed Association meeting held on November 4<sup>th</sup>. She noted that the Association discussed storm water mitigation and stream bank restoration projects. She stated that the bi-annual conference is scheduled for April 13, 2012 at the Petaluma Sheraton and that the topic will be Climate Change Adaptation.

- Marin Association of Realtors Government Affairs Committee Meeting. The Manager noted that she was invited to speak at the Marin Association of Realtors (MAR) Governmental Affairs Committee on November 4<sup>th</sup>. She discussed how sewer service charge rates are calculated and noted that the District plans to review the sewer service charge rates and rate structure for apartment dwellings in Spring 2012. She noted that at that time, the District will take into account the comments received from constituents.

President Long noted that the Board would address item #8: Wastewater Facility Upgrade Project after a five minute recess. The time was 7:32 p.m.

President Long resumed the Board meeting at 7:37 p.m.

WASTEWATER FACILITY UPGRADE PROJECT 72609:

- Staff report on odor control system re-work timeline. The Manager noted that a number of residents from the Lea Drive neighborhood were present for the discussion of the odor control system. She noted that the Board of Directors, at their October 10<sup>th</sup> meeting, directed staff to prepare a timeline for the re-work of the odor control system as an urgent matter to address the odors impacting the Lea Drive neighborhood. She stated that the design team is taking responsibility for the re-work and is committed to completing the work as expeditiously as possible. The Manager referred to the Odor Control Implementation Plan which was included in the Board packet and noted that the plan details the schedule for the implementation of the recommendations.

The Manager stated that on or around November 14<sup>th</sup> the District, with Veolia, will be adding an enzyme and bioxide to the sewage flows to reduce odor generation. She stated that specific construction to address the remaining odor control is expected to be completed by the end of January 2012. She stated that the District is proposing to construct a fence or screen to help disperse the odors from the aeration basin and to visually screen the treatment plant from the neighborhood. She noted that some of the plantings have been completed and she anticipates the final plantings and fence to be completed by January 31, 2012.

The Board discussed the odor control system with the audience. Bob Guinan stated that the odors have affected the resident's lives and consumed much of their time. He commended John Bailey for his quick responses to the odor complaint calls, and expressed his appreciation to the Board for reaching out to the odor expert Jim Joyce. Mr. Guinan presented a PowerPoint presentation detailing the neighborhood concerns. He discussed the following priority/goals he hopes the District will focus on: 1) Odor abatement; 2) Noise abatement; 3) Landscaping implementation; 4) Nighttime lighting elimination except as needed; 5) Better placement of temporary construction buildings.

He provided the following recommendations: 1) The NSD commit to all the recommendations to correct the odor problems listed in the "Odor Control Implementation Plan" report by Jim Joyce; 2) Re-evaluation of the Landscaping Plan for effectiveness; 3) Repositioning of the temporary construction buildings; 4) Night lighting be eliminated – operated on as needed basis; 5) Regular progress/change updates to the neighborhood residents – monthly or as changes occur; 6) Implementation of a Working Committee consisting of a member(s) of the Board, Plant management experts and affected neighborhood residents.

At the close of the presentation, President Long expressed his appreciation for the effort in putting together the PowerPoint presentation. He suggested the District use plantings that will grow aggressively to quickly conceal the treatment facility. He

requested the District bring in noise experts to investigate which equipment is making the noise and how to conceal it more effectively. He suggested the Wastewater Operations Committee meet during the evening hours so that the neighbors could attend.

BOARD MEMBER REPORTS:

- The North Bay Water Reuse Authority. The Manager stated that the North Bay Water Reuse Authority elected representatives met at the District on November 14<sup>th</sup> to discuss phase one and phase two.
- Member Di Giorgio commended President Long for his Leadership Award from the North Bay Business Leadership Counsel.

MANAGER'S ANNOUNCEMENTS:

- The District office will be closed on November 24<sup>th</sup> and 25<sup>th</sup> in observance of Thanksgiving. Board packets for the November 28<sup>th</sup> meeting will be distributed on Wednesday, November 23<sup>rd</sup>.
- A Board Strategic Planning Workshop is scheduled for Tuesday, November 15<sup>th</sup>, from 9 a.m. until approximately 3:30 p.m.
- A Wastewater Operations Committee meeting will be held at the District on Wednesday, November 16<sup>th</sup> at 2 p.m.

ADJOURNMENT: There being no further business to come before the Board, President Long adjourned the meeting at 8:53 p.m.

Respectfully submitted,

Beverly B. James  
Secretary

Julie Swoboda, Recording

November 28, 2011

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, November 28, 2011, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President William C. Long, Members Michael Di Giorgio, Jean Mariani, and George C. Quesada. Member Dennis Welsh was absent.

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

ALSO PRESENT: Brant Miller, Novato resident  
Dasse de longh, NSD employee, Novato resident  
Susan Stompe, Novato resident  
Bob Guinan, Novato resident  
Gene Ruda, Novato resident  
Jerry Peters, Board Member elect, Novato resident  
Wally Holmes, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

*On motion of Member Quesada, seconded by Member Mariani, and carried unanimously by those members present, the agenda was approved as presented.*

PUBLIC COMMENT: None.

CONSENT CALENDAR:

*On motion of Member Di Giorgio, seconded by Member Mariani and carried unanimously by those members present, the following Consent Calendar items were approved:*

- a. Approval of consent for boundary change and waiver of conducting authority for the Annexation of the Lands of Droubay to the Novato Sanitary District.
- b. Adoption of Resolution accepting easement across AP #141-101-14, Droubay.
- c. Approval of regular disbursements in the amount of \$294,500.70, project account disbursements in the amount of \$1,123,609.57, and approval of November payroll and payroll related expenses in the amount of \$233,480.92.

## BOARD OF DIRECTORS:

### - Consider adoption of resolution of appreciation for Director George C. Quesada.

President Long stated that Director Quesada was originally elected to the Novato Sanitary District Board of Directors in 1974 and has served for 37 years. President Long read Resolution No. 3036: *A Resolution honoring Mr. George C. Quesada for Distinguished Service as a Member of the Board of Directors of the Novato Sanitary District.* At the conclusion of his reading, President Long stated that the Resolution was a fine tribute to Member Quesada and that Member Quesada possessed many more attributes than were listed.

*On motion of Member Di Giorgio, seconded by Member Mariani, and carried with the following vote, the Board adopted Resolution No. 3036: A Resolution of Appreciation Honoring George C. Quesada. Ayes: Di Giorgio, Long, Mariani. Abstain: Quesada. Absent: Welsh.*

## WASTEWATER OPERATIONS:

- Committee report. Deputy Manager-Engineer Sandeep Karkal reviewed the Monthly Operations Report, October 2011. He noted that there were two NPDES permit exceedances recorded. He explained that on October 4<sup>th</sup> sodium hypochlorite was overfed to the influent junction structure which in turn resulted in a chlorine residual at the District's effluent monitoring station and a high effluent biochemical oxygen demand (BOD) reading. The Deputy Manager-Engineer explained that the cause of the overfeed was a mechanical problem. He noted that the issue was corrected quickly and it is believed that no chlorine reached the Bay receiving waters.

Member Di Giorgio stated that the Wastewater Operations Committee requested an item be added to the meeting agendas to discuss the odor issues affecting the Lea Dr. neighborhood. He noted that it was the intention of the Lea Drive neighbors to select delegates to attend the Wastewater Operations Committee meetings and he welcomed their participation.

The Deputy Manager-Engineer reviewed the treatment plant performance for October and discussed the Collection System Operations and the Reclamation Facilities report.

Gene Ruda, Novato resident, questioned the NPDES bay discharge violation and asked where the end of the outfall pipe is located. The Manager explained that the District's outfall pipe is located five miles from the Sanitary District treatment facility, through the Hamilton area, into the San Francisco Bay. She noted that the water seen at the marsh area at Lea Drive is not the District's effluent.

- Odor control remediation status report. The Manager stated that the District has completed the addition of the bioxide feed equipment at the Bahia, Ignacio, Olive, and East Hamilton pump stations. She noted that the facilities came online November 15<sup>th</sup> and have significantly reduced the hydrogen sulfide concentrations in the headspace of the headworks and clarifiers.

The Manager gave an update on the odor control plan, noting that Winzler & Kelly had submitted a design retrofit to Jim Joyce, Odor Consultant, for his review. In addition, the Covello Group is preparing a Request for Quote for the Change Order for Gateway Pacific. She noted that Winzler & Kelly estimates actual construction to take approximately two weeks. She stated that she had hoped to have an agreement from Winzler & Kelly at this meeting, but that it has been delayed. She suggested that as soon as the contract is ready, a Special Board meeting be called to expedite the process.

The Manager discussed remediation plans for the Lea Drive neighborhood's visual concerns of the treatment facility and for the aeration basin odors. She noted that the District is looking into a tall screen fence to be placed at the higher elevation of the treatment facility to block the neighbor's view of the treatment plant and to help alleviate odors. She anticipates having sample panels up in the next two weeks. In addition, she stated she is contacting air flow experts who can address the nuisance odors which are partially attributed to the wind patterns.

John Bailey, Veolia Water, discussed the odor control implementation plan and the aeration basin odors.

Bob Guinan, Novato resident, commented that odors continue in the neighborhood and stated that the residents have expressed their concerns. He asked the Manager for an update on the progress of the health report to address residents concerns regarding long-term exposure to low-level sewer emissions. Mr. Guinan stated that noise levels continue to be a disturbance and asked if the noises could be identified and remedied. He stated that the night-time lighting problem has been resolved. He stated that he hopes to develop a partnership with the District to address on-going concerns.

Gene Ruda, Novato resident, stated he underscores what Mr. Guinan expressed. He requested that the data the Board receives regarding the odor repair/construction progress become available to the public as soon as possible. He asked the Board to share with the public how funds are managed for the repair of the odor issue.

President Long questioned the Manager regarding the status of the health report. The Manager responded that she has begun the process and is seeking an expert with a sound depth of knowledge to evaluate the situation.

Discussion followed regarding noise reduction through the implementation of plantings.

FINANCE:

- Consider adoption of a revised Investment Policy. The Manager noted that the Adhoc Finance Committee met on November 18<sup>th</sup> with Tom Gaffney, Bartle Wells Associates. She noted that they discussed the District's Investment Policy which was last updated in July 2011 and stated that this current policy restricts the District to only invest in Local Agency Investment Funds (LAIF) or local banks. She stated that the Committee reviewed the Draft Investment Policy and made the changes noted. She provided to the Board and to those present an updated page from the Statement of Investment Policy as provided by Chick Adams, Bond Counsel. She noted that Mr. Adams had included an additional item to the policy, identified as item (g) under the heading: **Authorized and Suitable Investments**. The Manager stated that Tom Gaffney and Winters & Co. Advisors, LLC have prepared the Request for Investment Agreement which was provided as part of the Board Agenda Packet. She stated Mr. Gaffney recommends the Board approve this agreement.

District Counsel Kent Alm discussed the Policy's limitations of investment funds as set forth in the applicable Government codes. Mr. Alm stated he was satisfied with the document and that it met the legal requirements but noted that he cannot advise on its financial propriety.

Member Mariani discussed the language on the updated page from the Statement of Investment Policy and requested item (e) language be changed as follows: *Any investment agreement with, or guaranteed by, a financial institution the long-term unsecured obligations or the claims paying ability of which are rated **A+** or better by S&P at the time of initial investment, by the terms of which all amounts invested there under are required to be withdrawn and paid to the Trustee in the event such rating at any time falls below **A+**.*

*On motion of Member Mariani, seconded by Member Di Giorgio and, carried unanimously by those members present, the Board adopted the Revised Investment Policy as amended.*

- Consider authorizing the issuance of a "Request for Investment Agreement" for the project and reserve funds for the Certificates of Participation. The Manager stated that currently the bond funds are in an account at Bank of New York Mellon and that it would be in the best interest of the District to review available options in which to invest the funds. She discussed the Investment Agreement with the Board and District Counsel and noted that the bid date would be December 1, 2011. The Manager noted that the Board would then review the bids received at their next meeting.

*On motion of Member Di Giorgio, seconded by Member Mariani, and carried unanimously by those members present, the Board authorized the issuance of a Request for Investment Agreement.*

ADMINISTRATION:

- Consider budget amendment for biosolids disposal. The Manager stated that the total amount for biosolids disposal exceeded the \$148,000 budget by \$37,165. She requested the budget for fiscal year 2011/12 for Account No. 63115 (Sludge Disposal) be increased to \$186,000 to accommodate the additional biosolids disposal from Custom Tractor Service (CTS) of Petaluma.

*On motion of Member Di Giorgio, seconded by Member Mariani, and carried unanimously by those members present, the Board amended the FY 2011/12 budget for Account No. 63115 to \$186,000.*

- Consider amending the contract with Custom Tractor for biosolids disposal. The Manager stated that the Board had previously accepted a proposal in an amount of \$62,000 from CTS to pump biosolids from the sludge lagoons and dispose of them in the Dedicated Land Disposal Area on Site 2 of the Reclamation Facilities. She noted that the initial contract was for \$122,000, which included \$62,000 for excavating and placing compacted biosolids. The Manager stated that CTS has completed the work on October 26<sup>th</sup> and staff has confirmed that they removed an additional 1.87 million gallons of biosolids from the lagoons. The final billing for completing work under the Agreement is \$185,165, or \$63,165 above the amount of the Agreement. Staff recommends amending the Agreement with CTS to cover the cost of pumping the additional biosolids.

*On motion of Member Di Giorgio, seconded by Member Mariani, and carried unanimously by those members present, the Board approved the amendment to the contract with Custom Tractor Service to increase the contract by an additional \$63,165.00.*

- Consider contract amendment for Barg Coffin Lewis and Trapp. The Manager noted that Barg Coffin Lewis and Trapp had presented the District with an invoice of \$26,299.20 for legal fees relating to the Administrative Civil Liability (ACL) case from the Regional Water Quality Control Board. She stated that their current contract has a balance remaining of \$5,873.89 and requested the Board approve a contract amendment of \$36,000 which would revise the Agreement total to \$93,000.

*On motion of Member Mariani, seconded by Member Di Giorgio, and carried unanimously by those members present, the Board approved a contract amendment to Barg Coffin Lewis and Trapp in the amount of \$36,000.*

- Consider budget amendment for Account 72609 – Wastewater Treatment Plant Upgrade Contract B. Deputy Manager-Engineer Sandeep Karkal stated that staff was requesting a budget amendment for Account No. 72609 in the amount of \$300,000. He stated that the reason for the amendment was primarily to meet costs resulting from project close-outs and from final reconciliation on the construction phase of the project. He noted that the overall Capital Improvements Budget of \$18,392,321 is not expected to change because the requested increase to Account No. 72609 will be balanced by anticipated under expenditures in other budget items.

*On motion of Member Di Giorgio, seconded by Member Mariani and carried unanimously by those Members present, the Board approved a budget amendment to increase Account No. 72609 by \$300,000.*

#### STAFF REPORTS:

- November 2011 election. The Manager stated that she had anticipated having the November 2011 election results available for the Board, but reported that the updates were not available via the County of Marin website. No report was given.

#### BOARD MEMBER REPORTS:

- Member Mariani reported she visited the worm farm which is being operated off Highway 37 in Novato. She stated that the tour was very interesting and recommends all Board Members visit the facility.

- Member Di Giorgio stated he attended and spoke to the Board of Directors of the Marin Association of Realtors on November 22<sup>nd</sup> where he objected to the recommendation that sewer service charges be determined solely by water usage. He stated that he believes the Marin Association of Realtors will vote against the recommendation.

- Member Quesada expressed his appreciation to staff and fellow board members for the reception on his behalf.

#### MANAGER'S ANNOUNCEMENTS:

- The Manager read a letter she received from the Hamilton Field Community Development Foundation which thanked the District for participating in the Hamilton Hometown Festival event on November 5<sup>th</sup>. She stated that the event was interactive and educational.

- North Bay Watershed Association will meet on Friday, December 2<sup>nd</sup> in Petaluma to discuss the upper Petaluma River Flood Control Project, among other items.

- The Manager noted that when the Franchise Agreement with Novato Disposal was adopted in early 2011, a 2.47% rate increase was requested. She stated that after a rate review by R3 Consulting, a 2.43% rate increase was suggested. She stated that Novato Disposal agreed with this increase and will take the necessary actions to publish the appropriate notice. The Manager stated that the District Board will review and affirm the increase at their regular Board meeting on December 12<sup>th</sup>. She noted that the increase will be automatic; there will be no public hearing.

ADJOURNMENT OF REGULAR MEETING: There being no further business to come before the Board, President Long adjourned the regular meeting at 8:10 p.m.

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CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION – ONE POTENTIAL CASE:

Initiation of litigation pursuant to Subsection © of Government Code Section 54956.9.

BOARD PRESENT FOR CLOSED SESSION: President William C. Long, Members Michael Di Giorgio, Jean Mariani, and George C. Quesada. Member Welsh was absent.

STAFF PRESENT FOR CLOSED SESSION: Secretary Manager-Engineer Beverly B. James, Deputy Manager-Engineer Sandeep Karkal and District Counsel Kent Alm.

The Board met in Closed Session to discuss the item on the Closed Session agenda.

President Long adjourned the closed session at 9:17 p.m. There was no reportable action.

ADJOURNMENT OF BOARD MEETING: There being no further business to come before the Board, President Long adjourned the Board meeting at 9:18 p.m.

Respectfully submitted,

Beverly B. James  
Secretary

Julie Swoboda, Recording

December 6, 2011

A Special meeting of the Board of Directors of the Novato Sanitary District was held at 10:00 a.m., Tuesday, December 6, 2011, at the District Office, 500 Davidson Street, Novato.

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

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

ALSO PRESENT: Tom Gaffney, Bartle Wells Associates.  
James Fritz, retired Board Member, Novato resident  
Brant Miller, Novato resident  
Donna Peters, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

*On motion of Member Di Giorgio, seconded by Member Mariani, and carried unanimously, the agenda was approved as presented.*

PUBLIC COMMENT: None.

BOARD OF DIRECTORS' ELECTION:

- Receive Statement of Votes Cast and Certification of Canvass of Votes. The Manager stated that the Novato Sanitary District had received the Statement of Votes Cast and Certification of Canvass of Votes from Elaine Ginnold, Registrar of Voters, County of Marin. As per Ms. Ginnold's statement, the Manager stated that Jean M. Mariani and A. Gerald Peters had been duly elected to the Board of Directors for the Novato Sanitary District, terms expiring 2015.

- Administration of Oath of Office and seating of elected Board Members. The Manager administered the Oath of Office to Board Members Jean M. Mariani and A. Gerald Peters. The elected Board members were seated.

- Consider adoption of resolution determining persons entitled to fill office. The Manager read Resolution No. 3037: A Resolution Determining Persons Entitled to Fill Offices, Novato Sanitary District.

*On motion of Member Di Giorgio, seconded by Member Peters and carried unanimously, the Board adopted Resolution No. 3037: A Resolution Determining Persons Entitled to Fill Offices, Novato Sanitary District.*

FINANCE:

- Consider acceptance of the bid for an Investment Agreement for the Project Fund for the Certificates of Participation and authorize Manager-Engineer to sign the agreement.

- Consider acceptance of the bid for an Investment Agreement for the Reserve Fund for the Certificates of Participation and authorize Manager-Engineer to sign the agreement.

The Manager stated that the Board had authorized the issuance of a Request for Investment Agreement at their last meeting. She stated that bid requests were submitted and noted that bids were received on December 1<sup>st</sup>. Tom Gaffney, Bartle Wells Associates, discussed the four bids that were received from the following banks: Bayerische Landesbank, Credit Agricole, Deutsche Bank, and Natisix Funding.

The Board discussed the options available and noted that fund safety and security must be the first priority. After review, Mr. Gaffney suggested the District reject all bids and invest the funds in a short-term Local Agency Investment Fund (LAIF) account. The Board agreed with Mr. Gaffney's recommendation.

*On motion of Member Mariani, seconded by Member Di Giorgio, and carried unanimously, the Board rejected all bids and directed the Manager-Engineer to establish the appropriate LAIF accounts to invest the Certificates of Participation proceeds for the Project Fund and the Reserve Fund.*

The Manager stated that she will prepare a resolution to set up the LAIF accounts and will bring the resolution to the Board at a future meeting.

ADJOURNMENT: There being no further business to come before the Board, President Long adjourned the meeting at 10:21 a.m.

Respectfully submitted,

Beverly B. James  
Secretary

Julie Swoboda, Recording

# Novato Sanitary District Operating Check Register

December 12, 2011

Date	Num	Name	Credit
<b>Dec 12, 11</b>			
12/12/2011	53823	Veolia Water North America, ...	153,063.95
12/12/2011	53775	Aqua Science	19,115.24
12/12/2011	53771	3T Equipment Company Inc.	17,397.85
12/12/2011	53813	PSC	15,196.01
12/12/2011	53782	Caltest Analytical Lab Inc.	14,172.11
12/12/2011	53784	CASA	12,000.00
12/12/2011	53780	Brown & Caldwell, Inc.	9,386.20
12/12/2011	53817	Safety-Kleen	8,395.50
12/12/2011	53818	Seco Control LLC/ABB Inc.	7,566.81
12/12/2011	53772	Adamson, Robert D.	7,280.00
12/12/2011	53795	Johnson, Dee	5,549.62
12/12/2011	53791	Eaton Corporation	4,785.00
12/12/2011	53803	North Marin Water District	4,003.39
12/12/2011	53785	Charles Z. Fedak & Company...	3,725.00
12/12/2011	53822	U.S. Bank Card (2)(June)	3,374.11
12/12/2011	53814	R3 Consulting Group, Inc.	3,225.00
12/12/2011	53812	Preferred Benefit	2,898.36
12/12/2011	53796	Leonardi Automotive & Electri...	2,282.55
12/12/2011	53789	Dearborn National	2,173.13
12/12/2011	53798	Marin County Office	1,812.50
12/12/2011	53815	Rauch Communication Cons...	1,364.63
12/12/2011	53787	Comet Building Maintenance,...	1,328.22
12/12/2011	53786	Cintas Corporation	1,310.25
12/12/2011	53799	Marin/Sonoma Mosquito Dist	1,189.53
12/12/2011	53794	IEDA, INC	1,020.00
12/12/2011	53825	Verizon CA Pump Stations	929.87
12/12/2011	53804	North Marin Water District Pa...	742.56
12/12/2011	53816	RMC Water & Environment, I...	722.50
12/12/2011	53826	Verizon California	687.73
12/12/2011	53793	IDEXX Distributing Corp.	650.00
12/12/2011	53824	Verizon	646.22
12/12/2011	53802	North Marin Auto Parts	605.96
12/12/2011	53827	Vision Service Plan	457.89
12/12/2011	53821	U.S. Bank Card (1)(Bev)	405.18
12/12/2011	53811	Pitney Bowes Reserve Account	400.00
12/12/2011	53810	Pini Hardware	377.14
12/12/2011	53781	Cagwin & Dorward Inc.	329.00
12/12/2011	53797	Levy, Larry	300.00
12/12/2011	53776	AT&T Mobility	285.81
12/12/2011	53774	American Society of Civil Eng...	250.00
12/12/2011	53800	Nextel Communications	232.04
12/12/2011	53773	Alhambra	204.76
12/12/2011	53779	BoundTree Medical, LLC	203.56
12/12/2011	53783	Cantarutti Electric, Inc	175.90
12/12/2011	53778	Barnett Medical LLC	157.50
12/12/2011	53806	Novato Chevrolet	120.00
12/12/2011	53808	Pacific, Gas & Electric	109.35
12/12/2011	53777	B.W.S. Distributors, Inc.	93.09
12/12/2011	53801	North Bay Portables, Inc.	92.22
12/12/2011	53809	Petty Cash	90.31
12/12/2011	53790	Don Johnsons Pool Service	86.78
12/12/2011	53788	Cook Paging	72.93
12/12/2011	53792	Federal Express	50.33
12/12/2011	53807	One Stop Auto Service Inc.	33.68
12/12/2011	53820	T-Mobile	22.86
12/12/2011	53819	Staples Business Adv Inc.	17.13
12/12/2011	53805	Novato Builders Supply	11.20
<b>Dec 12, 11</b>			<b>313,178.46</b>

**Novato Sanitary District**  
**Check Register Detail**  
 December 12, 2011

	<u>Date</u>	<u>Account</u>	<u>Amount</u>
<b>3T Equipment Company Inc.</b>			
	11/17/2011	60150 · Repairs & Maintenance	<u>17,397.85</u>
Total 3T Equipment Company Inc.			17,397.85
<b>Adamson, Robert D.</b>			
	11/30/2011	64010 · Salaries & Wages	<u>7,280.00</u>
Total Adamson, Robert D.		Lab services	7,280.00
<b>Alhambra</b>			
	11/24/2011	66100 · Engineering Supplies	<u>204.76</u>
Total Alhambra			204.76
<b>American Society of Civil Engineers</b>			
	12/08/2011	66080 · Memberships	<u>250.00</u>
Total American Society of Civil Engineers			250.00
<b>Aqua Science</b>			
	11/28/2011	64160 · Research & Monitoring	5,500.00
	11/28/2011	64160 · Research & Monitoring	<u>13,615.24</u>
Total Aqua Science			19,115.24
<b>AT&amp;T Mobility</b>			
	11/16/2011	Admin · Telephone	159.23
	11/16/2011	Pump Stations · Telephone	35.46
	11/16/2011	Collection · Telephone	35.46
	11/16/2011	Treatment · Water/Permits/Telephone	<u>55.66</u>
Total AT&T Mobility			285.81
<b>B.W.S. Distributors, Inc.</b>			
	12/02/2011	60100 · Operating Supplies	<u>93.09</u>
Total B.W.S. Distributors, Inc.			93.09
<b>Barnett Medical LLC</b>			
	11/02/2011	64170 · Pollution Prevention/Public Ed	<u>157.50</u>
Total Barnett Medical LLC			157.50
<b>BoundTree Medical, LLC</b>			
	11/18/2011	64170 · Pollution Prevention/Public Ed	<u>203.56</u>
Total BoundTree Medical, LLC			203.56
<b>Brown &amp; Caldwell, Inc.</b>			
	11/18/2011	66123 · O/S Contractual	<u>9,386.20</u>
Total Brown & Caldwell, Inc.			9,386.20
<b>Cagwin &amp; Dorward Inc.</b>			
	11/01/2011	66150 · Repairs & Maintenance	<u>329.00</u>
Total Cagwin & Dorward Inc.			329.00
<b>Caltest Analytical Lab Inc.</b>			
	11/15/2011	64160 · Research & Monitoring	<u>14,172.11</u>
Total Caltest Analytical Lab Inc.			14,172.11
<b>Cantarutti Electric, Inc</b>			
	12/01/2011	Pump Stations · Repairs & Maintenance	<u>175.90</u>
Total Cantarutti Electric, Inc			175.90

**Novato Sanitary District**  
**Check Register Detail**  
 December 12, 2011

	<u>Date</u>	<u>Account</u>	<u>Amount</u>
<b>CASA</b>			
	12/08/2011	66080 · Memberships	12,000.00
Total CASA			12,000.00
<b>Charles Z. Fedak &amp; Company Corp.</b>			
	11/30/2011	66121 · Accounting & Auditing	3,725.00
Total Charles Z. Fedak & Company Corp.			3,725.00
<b>Cintas Corporation</b>			
	11/01/2011	Lab · Operating Supplies	234.35
	11/01/2011	Admin · Engineering Supplies	659.83
	11/01/2011	Collection · Operating Supplies	416.07
Total Cintas Corporation		UNIFORM Service	1,310.25
<b>Comet Building Maintenance, Inc.</b>			
	11/21/2011	66150 · Repairs & Maintenance	1,328.22
Total Comet Building Maintenance, Inc.		Cleaning Services	1,328.22
<b>Cook Paging</b>			
	12/01/2011	Treatment · Pagers	24.00
	12/01/2011	Pump Stations · Telephone	37.46
	12/01/2011	Collection · Telephone	11.47
Total Cook Paging			72.93
<b>Dearborn National</b>			
	11/15/2011	66020 · Employee Benefits	2,173.13
Total Dearborn National			2,173.13
<b>Don Johnsons Pool Service</b>			
	11/30/2011	Pump Stations · Operating Supplies	86.78
Total Don Johnsons Pool Service			86.78
<b>Eaton Corporation</b>			
	11/23/2011	Pump Stations · Repairs & Maintenanc	1,785.00
	11/23/2011	Pump Stations · Repairs & Maintenanc	3,000.00
Total Eaton Corporation			4,785.00
<b>Federal Express</b>			
	11/18/2011	64160 · Research & Monitoring	50.33
Total Federal Express			50.33
<b>IDEXX Distributing Corp.</b>			
	11/28/2011	Lab · Repairs & Maintenance	650.00
Total IDEXX Distributing Corp.			650.00
<b>IEDA, INC</b>			
	12/01/2011	66123 · O/S Contractual	1,020.00
Total IEDA, INC			1,020.00
<b>Johnson, Dee</b>			
	11/30/2011	67400 · Consulting Services	2,324.65
	11/30/2011	67400 · Consulting Services	155.42
	11/30/2011	67400 · Consulting Services	3,069.55
Total Johnson, Dee			5,549.62

**Novato Sanitary District**  
**Check Register Detail**  
 December 12, 2011

	<u>Date</u>	<u>Account</u>	<u>Amount</u>
<b>Leonardi Automotive &amp; Electric, Inc.</b>			
	12/06/2011	Admin · Repairs & Maintenance	2,282.55
Total Leonardi Automotive & Electric, Inc.		Truck Repair	2,282.55
<b>Levy, Larry</b>			
	11/30/2011	66123 · O/S Contractual	300.00
Total Levy, Larry			300.00
<b>Marin County Office</b>			
	11/16/2011	Pump Stations · Permits & Fees	1,812.50
Total Marin County Office			1,812.50
<b>Marin/Sonoma Mosquito Dist</b>			
	11/17/2011	Reclamation · Repairs & Maintenance	1,189.53
Total Marin/Sonoma Mosquito Dist			1,189.53
<b>Nextel Communications</b>			
	11/20/2011	Collection · Cell phone	149.61
	11/20/2011	Pump Stations - Cell phone	82.43
Total Nextel Communications			232.04
<b>North Bay Portables, Inc.</b>			
	12/01/2011	Reclamation · Operating Supplies	92.22
Total North Bay Portables, Inc.			92.22
<b>North Marin Auto Parts</b>			
	10/21/2011	Pump Stns · Operating Supplies	224.31
	11/01/2011	Pump Stns · Repairs & Maintenance	194.72
	11/03/2011	Pump Stns · Operating Supplies	15.15
	11/22/2011	Collection - Operating Supplies	171.78
Total North Marin Auto Parts			605.96
<b>North Marin Water District</b>			
	11/21/2011	Pump Stations · Water	321.77
	11/23/2011	Treatment Plant · Water	37.00
	11/28/2011	Collection - Water	1,041.62
	12/02/2011	Lab · Research & Monitoring	2,603.00
Total North Marin Water District			4,003.39
<b>North Marin Water District Payroll</b>			
	11/30/2011	Lab · Salaries & Wages	742.56
Total North Marin Water District Payroll			742.56
<b>Novato Builders Supply</b>			
	11/22/2011	Reclamation · Repairs & Maintenance	11.20
Total Novato Builders Supply			11.20
<b>Novato Chevrolet</b>			
	11/08/2011	Collections · Repairs & Maintenance	120.00
Total Novato Chevrolet			120.00
<b>One Stop Auto Service Inc.</b>			
	12/01/2011	Collections · Repairs & Maintenance	33.68
Total One Stop Auto Service Inc.			33.68

**Novato Sanitary District**  
**Check Register Detail**  
 December 12, 2011

	<u>Date</u>	<u>Account</u>	<u>Amount</u>
<b>Pacific, Gas &amp; Electric</b>			
	12/01/2011	Pump Stns · Gas & Electricity	109.35
Total Pacific, Gas & Electric			<u>109.35</u>
<b>Petty Cash</b>			
	12/08/2011	66090 · Office Expense	24.32
	12/08/2011	66170 · Travel, Meetings & Training	65.99
Total Petty Cash			<u>90.31</u>
<b>Pini Hardware</b>			
	11/30/2011	Collections · Repairs & Maintenance	28.27
	11/30/2011	Pump Stations · Small Tools	54.41
	11/30/2011	Pump Stns · Operating Supplies	82.92
	11/30/2011	Pump Stns · Repairs & Maintenance	4.29
	11/30/2011	Reclamation · Repairs & Maintenance	207.25
Total Pini Hardware			<u>377.14</u>
<b>Pitney Bowes Reserve Account</b>			
	12/08/2011	66090 · Office Expense	400.00
Total Pitney Bowes Reserve Account		Postage	<u>400.00</u>
<b>Preferred Benefit</b>			
	12/01/2011	66020 · Employee Benefits	2,702.04
	12/01/2011	21074 · Health Insurance Payable	98.16
	12/01/2011	21074 · Health Insurance Payable	98.16
Total Preferred Benefit			<u>2,898.36</u>
<b>PSC</b>			
	10/26/2011	67500 · Household Hazardous Waste	15,196.01
Total PSC			<u>15,196.01</u>
<b>R3 Consulting Group, Inc.</b>			
	12/01/2011	67600 · Other	3,225.00
Total R3 Consulting Group, Inc.		2012-Rri	<u>3,225.00</u>
<b>Rauch Communication Consultants, Inc.</b>			
	12/06/2011	66123 · O/S Contractual	1,364.63
Total Rauch Communication Consultants, Inc.			<u>1,364.63</u>
<b>RMC Water &amp; Environment, Inc.</b>			
	11/18/2011	Lab · Research & Monitoring	722.50
Total RMC Water & Environment, Inc.			<u>722.50</u>
<b>Safety-Kleen</b>			
	11/14/2011	Treatment · Major Repair/Replcmnt	4,568.50
	11/15/2011	Treatment · Major Repair/Replcmnt	3,827.00
Total Safety-Kleen			<u>8,395.50</u>
<b>Seco Control LLC/ABB Inc.</b>			
	12/01/2011	Pump Stns · Repairs & Maintenance	7,566.81
Total Seco Control LLC/ABB Inc.			<u>7,566.81</u>

**Novato Sanitary District**  
**Check Register Detail**  
 December 12, 2011

	Date	Account	Amount
<b>Staples Business Adv Inc.</b>			
	11/26/2011	66090 · Office Expense	17.13
Total Staples Business Adv Inc.			17.13
<b>T-Mobile</b>			
	11/15/2011	Pump Stations · Telephone	22.86
Total T-Mobile			22.86
<b>U.S. Bank Card (1)(Bev)</b>			
	12/01/2011	66060 · Gasoline & Oil	29.05
	12/01/2011	66080 · Memberships	290.00
	12/01/2011	66170 · Travel, Meetings & Training	56.13
	12/01/2011	66090 · Office Expense	30.00
Total U.S. Bank Card (1)(Bev)			405.18
<b>U.S. Bank Card (2)(June)</b>			
	12/08/2011	Reclamation · Repairs & Maintenance	78.74
	12/08/2011	66090 · Office Expense	869.07
	12/08/2011	Pump Stns · Repairs & Maintenance	2,036.74
	12/08/2011	Pump Stns · Repairs & Maintenance	389.56
Total U.S. Bank Card (2)(June)			3,374.11
<b>Veolia Water North America, Inc.</b>			
	11/02/2011	61000-1 · Fixed Fee	153,063.95
Total Veolia Water North America, Inc.			153,063.95
<b>Verizon</b>			
	11/28/2011	Pump Stations · Telephone	646.22
Total Verizon			646.22
<b>Verizon CA Pump Stations</b>			
	11/25/2011	Pump Stations · Telephone	929.87
Total Verizon CA Pump Stations			929.87
<b>Verizon California</b>			
	11/22/2011	Admin · Telephone	66.96
	11/25/2011	Treatment · Telephone	155.19
	11/25/2011	Admin · Telephone	465.58
Total Verizon California			687.73
<b>Vision Service Plan</b>			
	11/21/2011	66020 · Employee Benefits	457.89
Total Vision Service Plan			457.89
			<b><u>313,178.46</u></b>

**Novato Sanitary District  
Project Check Register**

December 12, 2011

	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
<b>Dec 12, 11</b>				
	12/12/2011	2217	State Water Resources Control Board	5,238,330.49
	12/12/2011	53767	Marin Mechanical II, Inc.	21,144.31
	12/12/2011	53764	Custom Tractor Service	10,830.00
	12/12/2011	53766	Linscott Engineering Contractors Inc	5,716.70
	12/12/2011	53768	Novato, City	5,615.45
	12/12/2011	53770	Rauch Communication Consultants. Inc.	3,084.62
	12/12/2011	53769	Nute Engineering Inc.	2,078.25
	12/12/2011	53765	East Bay Muni Utility District	2,000.00
	12/12/2011	53762	Cagwin & Dorward Inc.	1,290.00
	12/12/2011	53761	Bruce Enterprises Parking, S Corp	200.00
	12/12/2011	53763	Comet Building Maintenance, Inc.	152.50
<b>Dec 12, 11</b>				<b><u><u>5,290,442.32</u></u></b>

## Novato Sanitary District Capital Projects Detail For December 12, 2011

	Date	Account	Amount
<b>Bruce Enterprises Parking, S Corp</b>			
	11/18/2011	72403 · Pump Station Rehabilitation	200.00
Total Bruce Enterprises Parking, S Corp			<u>200.00</u>
<b>Cagwin &amp; Dorward Inc.</b>			
	11/29/2011	72805 · Annual Trtmt Plnt/Pump St Impr	1,290.00
Total Cagwin & Dorward Inc.			<u>1,290.00</u>
<b>Comet Building Maintenance, Inc.</b>			
	11/21/2011	73002 · WWTP Up - Cont D - Rec- ARRA Fu	152.50
Total Comet Building Maintenance, Inc.			<u>152.50</u>
<b>Custom Tractor Service</b>			
	11/20/2011	72804 · Annual Reclamation Fac Imp	10,830.00
Total Custom Tractor Service			<u>10,830.00</u>
<b>East Bay Muni Utility District</b>			
	11/17/2011	73002 · WWTP Up - Cont D - Rec- ARRA Fu	2,000.00
Total East Bay Muni Utility District			<u>2,000.00</u>
<b>Linscott Engineering Contractors Inc</b>			
	11/29/2011	72803 · Annual Collection Sys Repairs	5,716.70
Total Linscott Engineering Contractors Inc			<u>5,716.70</u>
<b>Marin Mechanical II, Inc.</b>			
	10/11/2011	72805 · Annual Trtmt Plnt/Pump St Impr	1,260.00
	11/30/2011	72805 · Annual Trtmt Plnt/Pump St Impr	19,884.31
Total Marin Mechanical II, Inc.			<u>21,144.31</u>
<b>Novato, City</b>			
	11/29/2011	72802 · Annual Sewer Adj. for City Proj	5,615.45
Total Novato, City			<u>5,615.45</u>
<b>Nute Engineering Inc.</b>			
	11/21/2011	72804 · Annual Reclamation Fac Imp	486.00
	11/21/2011	72706 · 2008 Collection System Improv	1,592.25
Total Nute Engineering Inc.			<u>2,078.25</u>
<b>Rauch Communication Consultants. Inc.</b>			
	12/06/2011	72808 · Strategic Plan Update	3,084.62
Total Rauch Communication Consultants. Inc.			<u>3,084.62</u>
<b>State Water Resources Control Bd-SRF Loan</b>			
	11/23/2011	21010 · Interest Payable	4,230,160.16
	11/23/2011	78500 · Interest - Capital Projects	1,008,170.33
Total State Water Resources Control Bd-SRF Loan	12/31/11	Interest only payment due on SRF Loan on	<u>5,238,330.49</u>
<b>TOTAL</b>			<u><u>5,290,442.32</u></u>

12/06/11

# Novato Sanitary District Board Check Register

December 9, 2011

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
<b>Dec 9, 11</b>			
12/9/2011	1853	Long, William C	981.25
12/9/2011	3125	Mariani, Jean M	954.44
12/9/2011	3124	Di Giorgio, Michael	927.27
12/9/2011	3126	Welsh, Dennis J	486.86
<b>Dec 9, 11</b>			<b><u>3,349.82</u></b>

## NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Wastewater Facility Upgrade Project: Odor Control Rework	<b>MEETING DATE:</b> December 12, 2011  <b>AGENDA ITEM NO. :</b>
<b>RECOMMENDED ACTION:</b>  .	
<b>SUMMARY AND DISCUSSION:</b>  <p>The attached revised Odor Control Implementation Plan is updated as of December 9, 2011.</p> <p>The District completed the addition of bioxide feed equipment at the Bahia, Ignacio, Olive, and East Hamilton pump stations. The facilities came online on November 15, 2011 and were calibrated by November 30<sup>th</sup>. The hydrogen sulfide concentrations in the headspace of the influent pump station, headworks and clarifiers have been reduced by approximately 75% to an average of 15 ppm. During the same time period, the highest H2S reading at the fence line was 0.001 ppm. Most of the readings were 0.000 ppm.</p> <p>Winzler &amp; Kelly completed the design of the retrofit of the odor control biofilter and this design has been reviewed by Jim Joyce. As of December 9, 2011, negotiations are ongoing with Gateway Pacific with regard to their performing the work under a negotiated change order. Pending the outcome of these discussions, staff will recommend either proceeding with the work under a change order or issuing a request for bids from additional contractors</p>	
<b>ALTERNATIVES:</b> NA	
<b>BUDGET INFORMATION:</b> Not available subject to the pending agreement with RMC and Winzler & Kelly.	
<b>DEPT. MGR. :</b>	<b>MANAGER'S APPROVAL:</b>

## Novato Sanitary District

### Odor Control Implementation Plan (Revised 12/09/11)

Findings	Recommendations	Implementation/Status
The odors coming from the headworks and primary clarifier are primarily hydrogen sulfides. No mercaptans or disulfides were detected.	Add enzymes and bioxide to the sewage flows to reduce the generation of hydrogen sulfide by giving the bacteria an alternate oxygen source.	Bioxide feed installed and calibrated by 11/30/11. H2S concentrations inside clarifier headspace is reduced by an average of 75% to less than 16 ppm. All H2S readings on Lea Dr. less than 0.001 ppm. Most readings 0.000 ppm.
Sand is an appropriate media for odor control beds, but in this case, organic media would increase the allowable airflow, allowing greater odor capture.	Replace the sand with organic media and increase media depth to 3 - 3.5 feet.	1. Dec 12 Board review of Agreement and authorize change order or bidding.
The primary cause of the low air flow is the plugged geotextile liner.	Remove the geofabric interface between the rock plenum below and the media above.	1. Part of the Construction project:
The secondary cause for odor escaping the plant is insufficient depth of the P-traps on the biofilter drains.	Replace the P-traps in the drainage piping with deeper drain traps.	1. Part of the Construction project:

## Odor Control Implementation Plan continued

Findings	Recommendations	Implementation
A third source of escaping odors is the leaking shaft seal and housings for the fans serving Primary Clarifier No. 1	Replace the neoprene shaft seal and seal the housings.	Part of the Construction project:
Air flow capacities as designed and constructed are adequate for the processes they are intended to control. Most of the odors escaping the plant are due to below-design airflows to the odor control biofilters	1. Adjust the speed of each odor control fan to deliver the air-flow rates specified in the original design	Adjust speed after construction is complete and media is changed.
Aeration Basin odors typically disperse quickly. The low vegetation corridor between the basins and the neighborhood may be responsible for this low intensity odor to persist off-site	2. Plant vegetation. 3. Operate the plant with the lowest Solids Retention Time and Mixed Liquor Suspended Solids possible. 4. Evaluate walls and shields to better disperse odors.	1. Dec 8: Install sample fence/screens to judge visual impact. 2. Dec 12: Board authorize staff to install a fence/screen. 3. Dec 15 – Jan 31: install fence/screen. 4. Plant additional trees in open areas Dec 15-31.

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Solid Waste: Confirm allowable maximum rates</b>	<b>MEETING DATE: December 12, 2011</b>  <b>AGENDA ITEM NO.: 8.a</b>
<b>RECOMMENDED ACTION: Confirm the allowable maximum solid waste collection rates in accordance with the March 2011 Solid Waste Franchise Agreement between Novato Sanitary District and Novato Disposal Service .</b>	
<b>SUMMARY AND DISCUSSION:</b>  <p>Article 6 of the Solid Waste Franchise Agreement (Agreement) approved by the District Board in March 2011, provides for an annual adjustment to the solid waste rates based on the Refuse Rate Index (RRI). The RRI is the sum of the weighted average percentage of the twelve-month change in Labor, Fuel, Vehicle Replacement, Vehicle Maintenance, and “all other”.</p> <p>Novato Disposal submitted a rate adjustment request for 2.47% on November 10, 2011. Article 6.3 of the Agreement requires that the rate adjustment request be submitted by September 1<sup>st</sup> of each year. District staff recommends that Board consider the rate increase request this year despite the late request since this is the first year.</p> <p>District staff asked R3 Consulting Group to review the request to confirm that it is accurate and consistent with the Agreement. Their report is attached. Based on their review they are recommending a rate increase of 2.43%. The difference between the two amounts is due to rounding and a difference in the expense due to labor.</p> <p>The District published a notice of the intent to confirm the rate increase in the Marin IJ on December 5, 2011.</p> <p>A 2.43% increase will result in the rates shown in the attached table for the different levels of service.</p> <p>District staff recommends that the Board approve the new maximum rates.</p>	
<b>ALTERNATIVES: n/a</b>	
<b>BUDGET INFORMATION: No impact.</b>	
<b>DEPT.MGR.:</b>	<b>MANAGER:</b>

**TABLE 1**  
**REFUSE COLLECTION RATES EFFECTIVE JANUARY 1, 2012**

<u>RATE CLASSIFICATION</u>	<u>Maximum Monthly Fees</u> <u>Effective 1/1/11</u>	<u>Maximum Monthly Fees</u> <u>Effective 1/1/12</u>
<b><i>Single Family residential:</i></b>		
1 20 Gal. can collected weekly	\$11.12	\$11.39
1 32 Gal. can collected weekly	\$17.79	\$18.22
1 68 Gal. can collected weekly	\$35.57	\$36.43
1 95 Gal. can collected weekly	\$53.36	\$54.66
Special Trips - Can not set out	\$11.09	\$11.36
Special Rate - Containers more than 50 feet from street (each 50 feet)	\$5.13	\$5.25
Extra Pickups	\$5.46	\$5.59
Additional 95 gl. Green Waste Carts after 2	\$16.93	\$17.34
<b><i>Multi-family, mobile home parks, commercial/industrial:</i></b>		
<u>32 Gallon</u>		
1 x week	\$19.27	\$19.74
2 x week	\$41.10	\$42.10
3 x week	\$62.86	\$64.39
6 x week	\$128.24	\$131.36
<u>68 Gallon</u>		
1 x week	\$36.98	\$37.88
2 x week	\$78.84	\$80.76
3 x week	\$120.57	\$123.50
6 x week	\$245.98	\$251.96
<u>95 Gallon</u>		
1 x week	\$55.47	\$56.82
2 x week	\$118.26	\$121.13
3 x week	\$180.85	\$185.24
6 x week	\$368.98	\$377.95
Extra Pickups	\$5.46	\$5.59
<b><i>Debris Box Service:</i></b>		
<u>2 Cu. Yd. Containers</u>		

<u>RATE CLASSIFICATION</u>	<u>Maximum Monthly Fees Effective 1/1/11</u>	<u>Maximum Monthly Fees Effective 1/1/12</u>
<u>3 Cu. Yd. Containers</u>		
1 x week	\$231.82	\$237.45
2 x week	\$403.40	\$413.20
3 x week	\$575.20	\$589.18
4 x week	\$746.77	\$764.92
5 x week	\$918.53	\$940.85
6 x week	\$1,090.17	\$1,116.66
The above rates include an allowance for container rental as follows:	\$60.18	\$61.64
Extra Pickups	\$50.18	\$51.40
<u>4 Cu. Yd. Containers</u>		
1 x week	\$301.83	\$309.16
2 x week	\$529.52	\$542.39
3 x week	\$757.35	\$775.75
4 x week	\$985.03	\$1,008.97
5 x week	\$1,212.83	\$1,242.30
6 x week	\$1,440.56	\$1,475.57
The above rates include an allowance for container rental as follows:	\$60.18	\$61.64
Extra Pickups	\$50.18	\$51.40
<u>6 Cu. Yd. Containers</u>		
1 x week	\$441.83	\$452.57
2 x week	\$781.76	\$800.76
3 x week	\$1,121.65	\$1,148.91
4 x week	\$1,461.52	\$1,497.03
5 x week	\$1,801.44	\$1,845.21
6 x week	\$2,141.34	\$2,193.37
The above rates include an allowance for container rental as follows:	\$60.18	\$61.64
Extra Pickups	\$100.35	\$102.79
<u>15 Cu. Yd. Containers</u>		
1 x week	\$1,937.87	\$1,984.96
2 x week	\$3,880.21	\$3,974.50
3 x week	\$5,818.08	\$5,959.46
The above rates include an allowance for container rental as follows:	\$60.18	\$61.64
Extra Pickups	\$447.54	\$458.42

<u>RATE CLASSIFICATION</u>	<u>Maximum Monthly Fees Effective 1/1/11</u>	<u>Maximum Monthly Fees Effective 1/1/12</u>
<b>Cleanup Bins:</b>		
3 yd. - 2 days	\$161.99	\$165.93
3 yd. - weekend	\$161.99	\$165.93
6 yd. - 2 days	\$273.11	\$279.75
6 yd. - weekend	\$273.11	\$279.75
15 - yd. up to 3 T - one week	\$447.54	\$458.42
20 yd. up to 3 T - one week	\$502.23	\$514.43
30 yd. up to 4 T - one week	\$838.04	\$858.40
Additional/ton charge for cleanup bins	\$54.23	\$55.55
Occasional or irregular collections per 5 cubic feet	\$5.46	\$5.59
Special collections other than debris box - plus regular rate	\$23.11	\$23.67
Special collections for debris boxes - plus regular rate	\$50.21	\$51.43
Monthly charge for special collection conditions	\$10.89	\$11.15

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Board of Directors: Healthcare	<b>MEETING DATE:</b> December 12, 2011
<b>AGENDA ITEM NO. :</b>	
<b>RECOMMENDED ACTION:</b> NA	
<b>SUMMARY AND DISCUSSION:</b>  <p>Novato Sanitary District has provided the option for healthcare coverage for Board Members only through a Marin County Kaiser Healthcare subgroup. There are currently no Board members enrolled in the plan so the Board is being asked to consider terminating the plan.</p> <p>The District has also reimbursed Board member-only medical up to a maximum of \$578.89/month. Currently the maximum reimbursement received by any board member is \$175/month. A comparison of Marin County Public Agency Board Member Benefits is attached.</p> <p>The District also provides Board member-only dental coverage with Delta Dental for \$68.52/month.</p>	
<b>ALTERNATIVES:</b> NA	
<b>BUDGET INFORMATION:</b> Any changes would be reflected in Account 66020: Administrative & Engineering Employee Benefits.	
<b>DEPT. MGR. :</b>	<b>MANAGER'S APPROVAL:</b>

**Marin County Public Agency Board Member Benefits Comparison  
December 2011**

<b>Jurisdiction</b>	<b>Benefits</b>
Marin Municipal Water District	Medical and dental at same rate as employees. Effective 1/1/12 medical \$610.44 single party, up to \$1,220.88 for family. Dental self-insured.
North Marin Water District	None
Las Gallinas Valley Sanitary District	\$200 maximum in cafeteria plan
Central Marin Sanitation Agency	None
San Rafael Sanitation District	None
Ross Valley Sanitary District (SD #1)	None
Sausalito-Marín City Sanitary District	None
Sanitary District #5 (Tiburon/Belvedere)	None
Novato Fire Protection District	None
Novato Unified School District	Dental and vision paid in full up to family rate. Medical paid up to \$227.98 for single; \$502.16 subscriber + 1; and \$638.54 family rate. Board Member pays the difference.
City of Novato	Cafeteria plan of \$1,005/mo. for health and dental. No cash back if not used, and Councilmember pays any excess out of pocket. Life insurance provided. Retirement optional but all Councilmembers opt for it.
<b>Novato Sanitary District</b>	Board Member medical up to \$578.89/mo. Dental at \$66.39/mo. Effective 1/1/12, medical plan defaults from Kaiser High to Kaiser Low Plan, premium \$566.28/mo. Dental \$68.52/mo. Coverage paid for Board Members only. Spouse coverage available at director's expense. NOTE: Dental coverage for spouse, effective 1/1/12, will be \$101.36/mo.

**COMMITTEE APPOINTMENTS FISCAL YEAR 2011-12**  
**Appointments made on 7/11/11**

President Long appointed the following **Standing Committee** members:

Joint City/District Solid Waste Committee:

George C. Quesada  
Jean Mariani  
William C. Long, Alternate

Wastewater Operations Committee:

Michael Di Giorgio  
Dennis Welsh  
George C. Quesada, Alternate

New Facilities Committee:

William C. Long  
Jean Mariani  
Dennis Welsh, Alternate

President Long appointed the following **Regular Committee** members:

California Association of Sanitation Agencies:

William C. Long, Delegate  
Michael Di Giorgio, Alternate

California Sanitation Risk Management Authority:

Beverly B. James, Delegate  
William C. Long, Alternate

North Bay Water Reuse Authority:

William C. Long, Delegate  
Michael Di Giorgio, Alternate

North Bay Watershed Association:

Michael Di Giorgio, Delegate  
Beverly B. James, Alternate

President Long made the following **Ad Hoc Committee** Assignments:

Marin County Council of Mayors and Councilmembers Ad Hoc Committee  
on Pensions and OPEB:

William C. Long  
Michael Di Giorgio

Audit Committee:

Dennis Welsh  
Jean Mariani

Labor Negotiations Committee:

William C. Long  
Michael Di Giorgio

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Accounts Receivable Aging Summary</b>	<b>MEETING DATE: December 12, 2011</b>  <b>AGENDA ITEM NO.:</b>
<b>RECOMMENDED ACTION: Information Only</b>	
<b>SUMMARY AND DISCUSSION:</b>  <p>The attached Accounts Receivable Summary shows the following receivables:</p> <p><b><u>Current - \$12,785.92:</u></b> Billed this month and not delinquent.</p> <p><b><u>31 - 60 days - \$0.00:</u></b> No outstanding balances for this time frame.</p> <p><b><u>61 – 90 days - \$141.35:</u></b> This is for septic tank hauling. The company has been contacted and payment is expected in the near future.</p> <p><b><u>90+ days - \$37,183.25:</u></b> \$26,851.00 is for outstanding ranch lease payment. The rancher is still experiencing cash flow problems but will clear the debt as soon as possible. \$9,388.33 is for septic tank hauling fees. Septic tank dumping by one hauler has been discontinued until the debt is cleared. Contact has been made with the owner of the company and monthly payments have been promised. The remaining balance in this category is expected to be received in the near future.</p> <p><b><u>Summary:</u></b> Receivables over 31 days old amount to \$37,326.60. This represents 0.41% of the District's total budgeted operating revenue of \$8,954,956.00 for fiscal year 2011/12.</p>	
<b>ALTERNATIVES: N/A – Information only.</b>	
<b>BUDGET INFORMATION: N/A</b>	
<b>DEPT.MGR.:</b>	<b>MANAGER:</b>

9:28 AM  
12/05/11

**Novato Sanitary District**  
**A/R Aging Summary**  
As of December 5, 2011

<b>Name</b>	<b>Description</b>	<b>Current</b>	<b>31 - 60</b>	<b>61 - 90</b>	<b>&gt; 90</b>	<b>TOTAL</b>
<b>Hayden, Ron</b>	Ranch Lease	0.00	0.00	0.00	26,851.00	26,851.00
<b>Joes Farmers Septic</b>	Septic Tank Hauling	0.00	0.00	0.00	8,584.33	8,584.33
<b>North Marin Water District</b>	2 yrs. Annual Lease - Recycled Water Facility	40.00	0.00	0.00	0.00	40.00
<b>Quality Septic Systems</b>	Septic Tank Hauling	652.30	0.00	0.00	0.00	652.30
<b>State of California</b>	Annual Use Fuel Tax Refund	0.00	0.00	0.00	943.92	943.92
<b>USCG</b>	Monthly Sewer Service Charges	11,973.50	0.00	0.00	0.00	11,973.50
<b>Vineyard Septic</b>	Septic Tank Hauling	120.12	0.00	141.35	804.00	1,065.47
<b>TOTAL</b>		<b>12,785.92</b>	<b>0.00</b>	<b>141.35</b>	<b>37,183.25</b>	<b>50,110.52</b>

## NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Administration: Local Agency Investment Fund	<b>MEETING DATE:</b> December 12, 2011  <b>AGENDA ITEM NO. :</b> 10.b.c
<b>RECOMMENDED ACTION:</b> <ul style="list-style-type: none"> <li>• Approve a Resolution authorizing investing District moneys in the Local Agency Investment Fund (LAIF).</li> <li>• Authorize staff to establish a second account in for the proceeds of the Certificates of Participation sale.</li> </ul>	
<b>SUMMARY AND DISCUSSION:</b> <p>The District currently has an account with the Local Agency Investment Fund (LAIF) for reserves. The Local Agency Investment Fund can also set up a second account for the proceeds of the Certificates of Participation administered by the trustee, Bank of New York Mellon. The current interest rate on LAIF investments is 0.40%.</p> <p>The attached Resolution authorizes setting up the accounts.</p>	
<b>ALTERNATIVES:</b> NA	
<b>BUDGET INFORMATION:</b> NA	
<b>DEPT. MGR. :</b>	<b>MANAGER'S APPROVAL:</b>

**RESOLUTION NO. 3038**

**A RESOLUTION OF NOVATO SANITARY DISTRICT  
AUTHORIZING INVESTMENT OF DISTRICT MONIES  
IN LOCAL AGENCY INVESTMENT FUND**

**AGENCY ADDRESS:** 500 Davidson Street, Novato, CA 94945  
**AGENCY PHONE NUMBER:** (415) 892-1694

**WHEREAS**, pursuant to Chapter 730 of the Statutes of 1976, Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

**WHEREAS**, the Board of Directors does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein is in the best interests of the Novato Sanitary District.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors does hereby authorize the deposit and withdrawal of Novato Sanitary District monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

**BE IT FURTHER RESOLVED** that the following Novato Sanitary District officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

<u>NAME</u>	<u>TITLE</u>
Beverly B. James	Manager-Engineer Secretary-Treasurer
Signature: _____	
Laura M. Creamer	Finance Officer
Signature: _____	

**PASSED AND ADOPTED**, by the Board of Directors of Novato Sanitary District, County of Marin, State of California on the 12th day of December, 2011, by the following vote:

AYES, and in favor thereof, Members: Di Giorgio, Long, Mariani, Peters, Welsh

NOES, Members: None

ABSENT, Members: None

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

ATTEST:

Secretary

(SEAL)

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