

# NOVATO SANITARY DISTRICT

Meeting Date: September 8, 2014

**The Board of Directors of Novato Sanitary District will hold a regular meeting at 6:00 p.m., Monday, September 8, 2014, 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).*

## **AGENDA**

### **1. PLEDGE OF ALLEGIANCE:**

### **2. AGENDA APPROVAL:**

### **3. PUBLIC COMMENT (PLEASE OBSERVE A THREE-MINUTE TIME LIMIT):**

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

### **4. REVIEW OF MINUTES:**

- a. Consider approval of minutes of the August 25, 2014 meeting.

### **5. CONSENT CALENDAR:**

The Manager-Engineer has reviewed the following items. To his 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. Review quarterly investment report.
- b. Approve regular disbursements.
- c. Receive Accounts Receivable Report.
- d. Approve application from AU Energy, LLC, and authorize Manager-Engineer to issue a one-time, temporary, Class I non-domestic discharge permit for discharge of ballast water from out of service underground fuel tanks at former Novato Shell station, 2085 Novato Boulevard.

### **6. DISTRICT CONFLICT OF INTEREST CODE:**

- a. Receive 2014 Local Agency Biennial Notice – Conflict of Interest Code, and authorize the Manager-Engineer to complete and transmit the completed Notice and supporting documentation.

- b. Adopt Resolution No. 3079 approving revisions to the District Conflict of Interest Code.

**7. STAFF REPORTS:**

- a. Receive reports on response to earthquake of August 24, 2014.

**8. ADMINISTRATION:**

- a. Approve Amendment to “Mutual Aid and Assistance Agreement (Agreement) between Marin County Wastewater Agencies”, and authorize Manager-Engineer: (i) to execute it, and (ii) approve additional agencies as provided by this Amendment.

**9. BOARD OF DIRECTORS:**

- a. Receive and approve response to the 2013-14 Marin County Civil Grand Jury Report titled “The Scoop on Marin County Sewer Systems: Part I”, and “The Scoop on Marin County Sewer Systems: Part II”, subject to minor clerical corrections.

**10. BOARD MEMBER REPORTS:**

- a. North Bay Watershed Association (NBWA) report.

**11. MANAGER’S ANNOUNCEMENTS:**

**12. ADJOURN:**

Next resolution no. 3079

**Next regular meeting date: Monday, September 22, 2014, 6:00 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.***

August 25, 2014

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, August 25, 2014, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jean Mariani, Members Jerry Peters, Gary Butler, William Long and Brant Miller.

STAFF PRESENT: Manager-Engineer-Secretary Sandeep Karkal, Joint Safety Director Dale Thrasher, Field Services Manager Steve Krautheim, and Administrative Secretary Julie Swoboda.

ALSO PRESENT: John Bailey, Project Manager, Veolia  
John O'Hare, Pretreatment Programs Manager, Veolia

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the August 11, 2014 meeting.

*On motion of Director Miller, seconded by Director Peters, and carried unanimously, the August 11, 2014 Board meeting minutes were approved.*

CONSENT CALENDAR:

*On motion of Director Peters, seconded by Director Miller and carried unanimously, the following Consent Calendar item was approved:*

- a. Approval of regular disbursements in the amount of \$285,922.86, project account disbursements in the amount of \$409,445.90, and payroll and payroll related disbursements in the amount of \$219,233.98.

WASTEWATER OPERATIONS:

- Receive Wastewater Operations Committee report for July 2014: The Manager-Engineer stated that the Committee met on August 18<sup>th</sup> at 2:00 p.m. at the District office. John Bailey, Project Manager, Veolia, summarized the treatment facilities report for July 2014, stating that the District is in reclamation/storage waste discharge mode. Mr. Bailey reviewed the Novato and Ignacio facilities operations and maintenance and stated that 13.55 million gallons of reclaimed water were produced. He discussed the

eight (8) resident contacts received in July and noted that not all contacts were odor complaints.

Field Services Manager, Steve Krautheim gave an overview of the Collection System, Pump Stations, and Reclamation facilities reports for July 2014. He reported that there were no sanitary sewer overflows (SSO's) in the month.

The Manager-Engineer gave an overview of the Odor Control and Landscaping report. He stated that the results from the validation testing of the process change recommended by the District's odor consultant Dave McEwen of Brown and Caldwell (B&C) are expected to be available in August. The Manager-Engineer stated that an update will be provided at the Sept. 15<sup>th</sup> Wastewater Operations Committee meeting.

John Bailey stated that after the August 24<sup>th</sup> earthquake a thorough walk-through was made of the Novato treatment facility, the Ignacio transfer station, and the Reclamation facility sludge lines and no problems were found. In addition, he stated that staff inspected pump stations and the two force mains and determined there was no damage.

Director Peters asked how well the treatment facility is prepared for earthquakes. The Manager-Engineer stated that the was designed in 2005/06 to meet the then current Building Code.

At 6:36 p.m. President Mariani stated the Board would take a five minute recess.

At 6:39 p.m. President Mariani reconvened the Board meeting.

- Receive recommendation from Wastewater Operations Committee, and authorize Manager-Engineer to issue a purchase order in an amount up to \$41,000 to Shape, Inc. to replace rotating assembly on the third conveyance pump at the Ignacio Transfer Pump Station (ITPS), Account No. 61000-3. President Mariani read the agenda item, and hearing no request for discussion, called for the question.

*On motion of Director Peters, seconded by Director Long and carried unanimously, the Board received the recommendation from the Wastewater Operations Committee and authorized the Manager-Engineer to issue a purchase order in an amount up to \$41,000 to Shape, Inc. to replace the rotating assembly on the third conveyance pump at the Ignacio Transfer Pump Station (ITPS).*

- Review bids received, and authorize the Manager-Engineer to execute a project work order with Roto-Rooter Plumbers in the amount of \$53,000.

Field Services Manager Steve Krautheim stated that the District requested proposals from two local closed circuit television (CCTV) contractors to clean and inspect by video camera 17,220 feet of large diameter sewers in Tributary 16 of the District's collection

system. He stated that both Roto Rooter Plumbers and Roy's Sewer Service submitted bids and that Roto Rooter submitted the lowest responsive bid of \$52,911.25.

*On motion of Director Miller, seconded by Director Peters and carried unanimously, the Board authorized the Manager-Engineer to execute a project work order with Roto-Rooter Plumbers in the amount of \$53,000 for Tributary 16 CCTV work.*

#### SAFETY PROGRAM:

- Receive report on the District's Safety, Health, Environmental, Liability and Losses (SHELL) Award application to the California Sanitation Risk Management Authority, (CSRMA). Joint Safety Director Dale Thrasher gave a PowerPoint presentation which described the SHELL Award Program and provided an overview of the District's submitted application. He stated that the SHELL Award Program adds value to the District and provides the platform for a continuous improvement process. He stated that the Program requires a self-evaluation of programs and processes, identifying successes and areas for improvement; allows benchmarking with other Agencies; and promotes the development, use and sharing of innovative strategies.

The Manager-Engineer stated that the District had been awarded second place in the SHELL Award Program and noted that Mr. David Patzer, CSRMA, had made the announcement at the recent CASA meeting.

The Board Members expressed their enthusiastic appreciation for Mr. Thrasher's efforts in completing the SHELL Award application and congratulated the staff on the District's second place award.

#### ANNUAL BUDGET: FY 2014/15 FINAL BUDGET:

- Present Final FY 2014/15 District Annual Budget. The Manager-Engineer discussed the Final FY 2014/15 budget. He stated that the preliminary budget had allowed for a 10% increase in health care premiums but that the actual costs will be lower by 3% over the previous year. He also noted that the Capital Improvement Budget expenditures for the Collection System Improvements was increased from the preliminary budget by almost \$165,000.

- Adopt Final FY 2014/15 District Annual Budget.

Director Peters and Director Miller expressed their appreciation of Finance Officer Laura Creamer and stated the budget was clear and easy to understand. The Board commended the Manager-Engineer saying that the budget reflected good management and good leadership.

*On motion of Director Peters, seconded by Director Miller and carried unanimously, the Board adopted the Novato Sanitary District Final Budget for Fiscal Years 2014/16.*

- Adopt resolution establishing appropriations limit for the 2014/15 Fiscal Year. The Manager-Engineer stated that the District is required to annually adopt a resolution setting an appropriations limit for the upcoming year. He stated that the District's appropriations subject to limitation will be \$5,936,316.

*On motion of Director Peters, seconded by Director Long and carried unanimously, the Board adopted Resolution No. 3078: A Resolution of the Novato Sanitary District Correcting and Amending Prior Calculations and Making Determination and Establishing the 2014/15 Appropriation Limit.*

#### CAPITAL PROJECTS:

- Collection System Improvements, Account No. 72706: Olive Parallel Force Main Project: Review bids received, approve contract award to Argonaut Constructors, and authorize Manager-Engineer to execute the contract in the bid amount of \$1,245,680. The Manager-Engineer stated that Field Services Manager Steve Krautheim would present the report to the Board. Mr. Krautheim discussed the scope of the proposed project and stated that the project should be completed by mid-December.

*On motion of Director Peters, seconded by Director Miller and carried unanimously, the Board approved the contract award for the Olive Parallel Force Main Project to Argonaut Constructors and authorized the Manager-Engineer to execute the contract in the bid amount of \$1,245,680.*

- Collection System Improvements, Account No. 72706: Olive Parallel Force Main Project: Approve a contract with Nute Engineering for construction management services on a time and materials basis in the not-to-exceed amount of \$117,000, and authorize Manager-Engineer to execute it. The Manager-Engineer stated that staff requested proposals from The Covello Group (TCG) and Nute Engineering (Nute) to provide construction management and administration services to monitor Argonaut's work on the Olive Project. He stated that both firms provided excellent proposals. The Manager-Engineer stated that staff is of the opinion that Nute's selection may better benefit the District for this particular project given their familiarity with the nuances of the project as the design engineer for the project.

*On motion of Director Peters, seconded by Director Long and carried unanimously, the Board approved a contract with Nute Engineering for construction management services of the Olive Parallel Force Main Project on a time and materials basis in the not-to-exceed amount of \$117,000 and authorized the Manager-Engineer to execute it.*

#### BOARD OF DIRECTORS:

- Affirm the District's intent to continue to abide by the Brown Act. The Manager-Engineer stated that in the past the State has reimbursed local agencies for the costs of complying with the requirements of the Brown Act. However, in July 2012, Assembly Bill 1464 suspended such reimbursement. He stated that compliance costs for the

District will be approximately \$6,500 and that continued non-reimbursement of these expenses by the State will not adversely impact the District budget. All Directors were in unanimous agreement to affirm the District's intent to continue to abide by the Brown Act.

*On motion of Director Peters, seconded by Director Miller and carried unanimously, the Board affirmed the District's intent to continue to abide by "The Brown Act."*

- Consider draft response to the 2013-14 Marin County Civil Grand Jury Report titled, "The Scoop on Marin County Sewer Systems: Part 1", and "The Scoop on Marin County Sewer Systems: Part II", provide further input, and give direction to staff as required. The Manager-Engineer stated that he had worked with President Mariani on the Grand Jury response, and reviewed it with District Counsel Kent Alm who provided comments. The Board discussed the response and provided additional comments. It was determined that the Manager-Engineer would review and incorporate the Board's additional comments and provide the final response to the Board at the September 8<sup>th</sup> meeting. The Manager-Engineer stated that the submittal deadline is September 14<sup>th</sup>.

Director Peters commended the Manager-Engineer stating that the document was well structured and well written.

#### STAFF REPORTS:

There were no staff reports.

#### BOARD MEMBER REPORTS:

- California Association of Sanitation Agency (CASA) Annual Meeting.

Director Long commented on his attendance at the CASA meeting from August 20<sup>th</sup> through the 22<sup>nd</sup>. He stated that Friday's panel discussion was excellent. He commented on the CASA scholarship program and suggested that individual Directors make a donation to the fund.

Director Peters commented on his attendance at the CASA meeting from August 20<sup>th</sup> through the 22<sup>nd</sup>. He stated that the California Sanitation Risk Management Association (CSRMA) speaker was excellent.

Director Miller commented on his attendance at the CASA meeting from August 21<sup>st</sup> through the 22<sup>nd</sup>. He stated that the Clean Water Act is in the process of being amended and stated that FEMA is remapping Flood Zones.

Director Butler commented on his attendance at the CASA meeting from August 21<sup>st</sup> through the 22<sup>nd</sup>. He noted that this was his first attendance at a CASA meeting and stated that the legislative sessions were helpful.

President Mariani commented on her attendance at the CASA meeting from August 20<sup>th</sup> through the 22<sup>nd</sup>. She stated that the CSRMA speaker and team building exercises were very good.

MANAGER'S ANNOUNCEMENTS:

- The Manager-Engineer attended the CASA conference from August 20<sup>th</sup> through the 22<sup>nd</sup>.
- The next Regular Board meeting will be held on September 8<sup>th</sup>, at 6:00 p.m. at the District office.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 8:11p.m.

Respectfully submitted,

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Sandeep Karkal  
Secretary

Julie Swoboda, Recording

# Novato Sanitary District

Today: 27-Aug-14

## QUARTERLY INVESTMENT REPORT -- For Quarter Ended June 30, 2014

INVESTMENT	ACTIVITY	Apr	May	Jun	QTR TOTAL
STATE TREASURER'S INVESTMENT FUND	Total deposits/transfers in	6,600,000	0	1,934,000	8,534,000
	Total transfers out	479,000	889,000	935,000	2,303,000
Current Yield 0.228%	Minimum daily balance	9,168,869	14,406,284	14,406,284	9,168,869
	Maximum daily balance	15,295,284	15,295,284	15,405,284	15,405,284
	Interest earned			7,650	7,650
TRUST ACCOUNT					
BANK OF NEW YORK MELLON For COP Bond Funds	Total deposits/transfers in	0	0	0	0
	Total transfers out	917,924	1,083,620	0	2,001,544
	Minimum daily balance	5,883,958	4,803,998	4,803,998	4,803,998
	Maximum daily balance	6,801,867	5,887,618	5,887,618	6,801,867
	Interest earned	14	3,660	15	3,689
The LAIF Pooled Money Investment Account Report is attached as specified in California Government Code Section 53646(e)					
<b>CHECKING ACCOUNTS</b>					
Interest Rate	<b>Regular Warrants Account</b>				
0.03%	Total deposits & transfers in	8,085,025	1,088,242	3,136,120	12,309,387
	Total checks & transfers out	8,073,533	1,058,754	3,109,911	12,242,198
	Minimum daily balance	3,606	31,290	30,330	3,606
	Maximum daily balance	5,961,764	416,299	1,825,346	5,961,764
	Interest earned	11	3	7	21
<b>Payroll Account</b>					
	Total transfers in	124,200	114,800	118,900	357,900
	Total checks & transfers out	124,152	115,273	118,861	358,286
	Minimum daily balance	854	748	748	748
	Maximum daily balance	102,788	102,364	101,253	102,788
<b>Project Account</b>					
	Total transfers in	743,100	497,300	303,100	1,543,500
	Total checks & transfers out	610,745	586,679	342,846	1,540,270
	Minimum daily balance	2,562	2,650	2,551	2,551
	Maximum daily balance	597,162	421,650	302,051	597,162
	Interest earned	5	3	2	10
<b>ARRA Grant Project Account</b>					
	Total transfers in	0	0	0	0
	Total checks & transfers out	0	0	0	0
	Minimum daily balance	100	100	100	100
	Maximum daily balance	100	100	100	100

NOTES: (1) The above investments are consistent with the annual Statement of Investment Policy approved by the board on an annual basis, most recent approval was October 22, 2012.

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

(2) LAIF interest rate is currently .228% which is a decrease from .236% in March and .264% in December 2013 and .26% in September 2013.



**BILL LOCKYER  
TREASURER  
STATE OF CALIFORNIA**



**2014 LAIF Conference Registration**

**PMIA Performance Report**

**LAIF Performance Report**

**Quarter Ending 06/30/14**

Apportionment Rate: 0.22%  
 Earnings Ratio: .00000606145493377  
 Fair Value Factor: 1.00029875  
 Daily: 0.23%  
 Quarter To Date: 0.23%  
 Average Life: 232

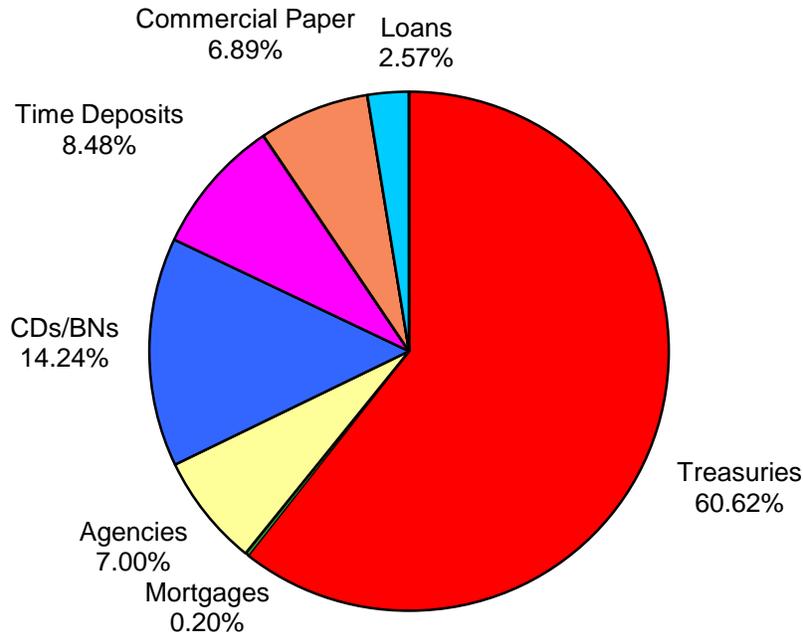
Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
08/14/14	0.26	0.25	251
08/15/14	0.26	0.25	250
08/16/14	0.26	0.25	250
08/17/14	0.26	0.25	250
08/18/14	0.26	0.25	248
08/19/14	0.26	0.25	246
08/20/14	0.26	0.25	243
08/21/14	0.25	0.25	245
08/22/14	0.25	0.25	241
08/23/14	0.25	0.25	241
08/24/14	0.25	0.25	241
08/25/14	0.24	0.25	233
08/26/14	0.24	0.25	230
08/27/14	0.24	0.25	232

**PMIA Average Monthly Effective Yields**

**JUL 2014 0.244%**  
 JUN 2014 0.228%  
 MAY 2014 0.228%

\*Daily yield does not reflect capital gains or losses

**Pooled Money Investment Account  
Portfolio Composition  
\$57.6 Billion  
07/31/14**



**State of California  
Pooled Money Investment Account  
Market Valuation  
6/30/2014**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch.		
United States Treasury:				
Bills	\$ 13,136,457,349.85	\$ 13,142,311,640.16	\$ 13,144,944,000.00	NA
Notes	\$ 21,765,761,447.95	\$ 21,762,865,451.74	\$ 21,781,391,500.00	\$ 16,166,795.00
Federal Agency:				
SBA	\$ 584,701,224.29	\$ 584,694,318.57	\$ 581,690,333.88	\$ 535,156.27
MBS-REMICs	\$ 121,439,884.11	\$ 121,439,884.11	\$ 130,273,911.65	\$ 578,677.42
Debentures	\$ 1,941,833,846.14	\$ 1,941,765,068.37	\$ 1,940,997,500.00	\$ 3,716,195.55
Debentures FR	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 2,744,171,045.14	\$ 2,744,520,168.01	\$ 2,744,572,450.00	NA
GNMA	\$ -	\$ -	\$ -	\$ -
Supranational Debentures	\$ 149,917,129.22	\$ 149,917,129.22	\$ 150,039,500.00	\$ 172,222.50
CDs and YCDs FR	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ 600,000,000.00	\$ 600,000,000.00	\$ 599,930,109.61	\$ 201,305.57
CDs and YCDs	\$ 12,000,093,467.09	\$ 12,000,021,217.09	\$ 11,993,880,805.70	\$ 4,750,965.30
Commercial Paper	\$ 6,697,400,013.90	\$ 6,698,911,680.51	\$ 6,698,100,611.10	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 4,790,140,000.00	\$ 4,790,140,000.00	\$ 4,790,140,000.00	NA
AB 55 & GF Loans	\$ 314,253,721.22	\$ 314,253,721.22	\$ 314,253,721.22	NA
<b>TOTAL</b>	<b>\$ 64,846,169,128.91</b>	<b>\$ 64,850,840,279.00</b>	<b>\$ 64,870,214,443.16</b>	<b>\$ 26,121,317.61</b>

Fair Value Including Accrued Interest

\$ 64,896,335,760.77

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 (**1.00029875**).  
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 \$20,005,974.99 or \$20,000,000.00 x **1.00029875**.

Portfolio as of 06-30-14

Pooled Money Investment Account

**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	\$ 1,000	\$ 1,000	\$ 3,100	\$ 600	\$ 2,400	\$ 3,850	\$ 900	\$ 3,500	\$ 8,950	\$ 6,100	\$ 3,500		
REPO													
TDs	\$ 1,615	\$ 835	\$ 995	\$ 478	\$ 408	\$ 459							
AGENCY	\$ 2,360	\$ 100	\$ 120	\$ 200	\$ 200	\$ 150	\$ 750	\$ 200	\$ 675	\$ 550	\$ 1,208		
BAs													
CP	\$ 4,250	\$ 950	\$ 450	\$ 550	\$ 100	\$ 400							
CDs + BNs	\$ 6,150	\$ 1,650	\$ 900	\$ 1,100	\$ 600	\$ 500	\$ 200	\$ 100	\$ 1,400				
CORP BND													
TOTAL	\$ 65,503	\$ 15,375	\$ 4,535	\$ 5,565	\$ 2,928	\$ 3,708	\$ 5,359	\$ 1,850	\$ 3,800	\$ 11,025	\$ 6,650	\$ 4,708	\$ -
PERCENT	23.5%	6.9%	8.5%	4.5%	5.7%	8.2%	2.8%	5.8%	16.8%	10.2%	7.2%	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.

# Novato Sanitary District Operating Check Register

For September 8, 2014

Date	Num	Name	Credit
<b>Sep 8, 14</b>			
09/08/2014	57357	Veolia Water North America, ...	169,045.74
09/08/2014	57354	Roy's Sewer Service, Inc.	22,420.00
09/08/2014	57331	Bay Area Air Quality	14,381.00
09/08/2014	57345	Johnson, Dee	6,570.00
09/08/2014	57350	North Marin Water District	6,544.32
09/08/2014	57343	East Bay Muni Utility District	6,511.00
09/08/2014	57338	Central Marin Sanitation District	6,335.23
09/08/2014	57349	North Bay Watershed Assoc.	5,882.57
09/08/2014	57355	Shape Incorporated	5,394.80
09/08/2014	57334	Caltest Analytical Lab Inc.	4,369.05
09/08/2014	57324	3T Equipment Company Inc.	4,013.38
09/08/2014	57342	Dearborn National	2,259.71
09/08/2014	57348	Marin/Sonoma Mosquito Dist	2,090.19
09/08/2014	57337	CED Santa Rosa, Inc	1,708.08
09/08/2014	57351	Optic Fuel Clean of CA, Inc.	1,593.50
09/08/2014	57340	Comet Building Maintenance,...	1,320.00
09/08/2014	57333	Cagwin & Dorward Inc.	1,280.00
09/08/2014	57341	Control Systems West, Inc.	1,029.30
09/08/2014	57328	B.W.S. Distributors, Inc.	1,028.94
09/08/2014	57346	Leonardi Automotive & Electri...	899.57
09/08/2014	57336	CDW Government, Inc.	817.85
09/08/2014	57332	BoundTree Medical, LLC	567.01
09/08/2014	57358	Vision Service Plan	483.95
09/08/2014	57353	Red Cloud Voice & Wireless, ...	441.64
09/08/2014	57326	Art's Towing	370.00
09/08/2014	57344	Evoqua Water Technologies -...	369.25
09/08/2014	57327	AT&T Wireless	304.45
09/08/2014	57339	Claremont EAP, Inc.	295.00
09/08/2014	57359	VWR International Inc.	256.94
09/08/2014	57335	Cantarutti Electric, Inc	240.00
09/08/2014	57352	Pini Hardware	206.71
09/08/2014	57360	Water Components & Buildin...	204.27
09/08/2014	57329	Barnett Medical LLC	202.50
09/08/2014	57330	Batteries Plus Inc	174.71
09/08/2014	57347	Marin Independent Journal	134.45
09/08/2014	57356	Staples Business Adv Inc.	130.50
09/08/2014	57325	American Messaging	89.95
<b>Sep 8, 14</b>			<b>269,965.56</b>

# Novato Sanitary District Capital Projects Check Register

September 8, 2014

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
<b>Sep 8, 14</b>			
09/08/2014	2760	Terracon Pipe Lines Inc	32,020.39
09/08/2014	2755	Linscott Engineering Contract...	16,466.19
09/08/2014	2759	Terracon Pipe Lines Inc	3,737.91
09/08/2014	2757	Nute Engineering Inc.	2,932.50
09/08/2014	2756	Marin Independent Journal	1,650.75
09/08/2014	2754	Brown & Caldwell, Inc.	1,286.88
09/08/2014	2758	RMC Water & Environment, I...	1,076.37
<b>Sep 8, 14</b>			<b><u>59,170.99</u></b>

**Novato Sanitary District  
Board Fees for August 2014**

September 5, 2014

Date	Num	Name	Credit
<b>Sep 5, 14</b>			
09/05/2014		Miller, Brant	766.46
09/05/2014		Peters, A. Gerald	574.36
09/05/2014		Long, William C	558.68
09/05/2014		Mariani, Jean M	432.15
09/05/2014		Butler, Gary	
<b>Sep 5, 14</b>			<b><u>2,331.65</u></b>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

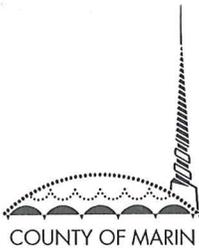
<b>TITLE: Consent Calendar: Accounts Receivable Aging Summary</b>	<b>MEETING DATE: September 8, 2014</b>
	<b>AGENDA ITEM NO.: 5.c.</b>
<b>RECOMMENDED ACTION: Receive Accounts Receivable Report.</b>	
<b>SUMMARY AND DISCUSSION:</b>  The attached Accounts Receivable Summary shows the following receivables:  <b><u>1-45 days - \$34,739.23:</u></b> Current.  <b><u>46-90 days - \$8,000:</u></b> All of the \$8,000 amount is the annual billing to NMWD for the Recycled Water Facility utilities. This item is currently under discussion with NMWD and will be resolved shortly.  <b><u>90+ days - (\$790.52):</u></b> Credit balances to be applied to future invoices due to overpayment.	
<b>ALTERNATIVES: n/a – Informational only.</b>	
<b>BUDGET INFORMATION: n/a</b>	
<b>DEPT.MGR.:</b>	<b>MANAGER:</b>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Consent Calendar: Temporary Discharge Permit – Former Novato Shell, 2085 Novato Blvd.</b>	<b>MEETING DATE: September 8, 2014</b>  <b>AGENDA ITEM NO.: 5.d.</b>
<b>RECOMMENDED ACTION: Approve application from AU Energy, LLC, and authorize Manager-Engineer to issue a one-time, temporary, Class I non-domestic discharge permit for discharge of ballast water from out of service underground fuel tanks at former Novato Shell station, 2085 Novato Boulevard.</b>	
<b>SUMMARY AND DISCUSSION:</b>  <p>The District received a permit application from AU Energy, LLC, on August 25, 2014, for a temporary, Class I non-domestic discharge permit. AU Energy is owner of the former Novato Shell service station at 2085 Novato Boulevard. The application is to discharge water currently used as ballast in three 12,000 gallon underground storage tanks that formerly held unleaded gasoline but are currently out of service. When the tanks were emptied and taken out of service, they were filled with potable water to prevent the ambient groundwater from pushing up the tanks. AU Energy plans to remodel the station and put the tanks back in service.</p> <p>Staff evaluated the applicant’s analytical results and determined that contamination from residual gasoline rendered the ballast water unacceptable for discharge to District sewers without pretreatment. The applicant has amended the application to specify pretreatment with activated carbon, which will remove the contamination to a level below analytical detection limits.</p> <p>Although the contamination will be removed by the activated carbon, the San Francisco Bay Regional Water Quality Board (SFRWQCB) has previously indicated that, as a general practice, treated wastewater from any clean-up site should be discharged to a sanitary sewer, and not a storm drain. The SFRWQCB has also requested that POTWs accept discharge of such wastewater, subject to permit conditions acceptable to the POTW.</p> <p>Therefore, staff recommends that the Board approve the subject application and authorize the Manager-Engineer to issue a one time, temporary Class I non-domestic discharge permit to AU Energy, to include the following conditions:</p> <ol style="list-style-type: none"> <li>1. All ballast water shall be pretreated with activated carbon prior to discharge to the sanitary sewer,</li> <li>2. The total discharge shall not exceed 36,000 gallons,</li> <li>3. The discharger shall not exceed a maximum discharge rate of 50 gpm.</li> </ol>	
<b>ALTERNATIVES: Do not approve the discharge.</b>	
<b>BUDGET INFORMATION: Permit, monitoring, and discharge fees will offset the cost of preparing the permit, site visit(s) while discharging, and treatment/disposal of the discharge.</b>	
<b>DEPT.MGR.:</b>	<b>MANAGER:</b>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> 2014 Local Agency Biennial Notice – Conflict of Interest Code	<b>MEETING DATE:</b> September 8, 2014  <b>AGENDA ITEM NO.:</b> 6.a.
<b>RECOMMENDED ACTION:</b> Receive 2014 Local Agency Biennial Notice – Conflict of Interest Code, and authorize the Manager-Engineer to complete and transmit the completed Notice and supporting documentation.	
<b>SUMMARY AND DISCUSSION:</b>  The District has received the attached 2014 Local Agency Biennial Notice – Conflict of Interest Code (Notice) from the County Of Marin.  Every local government is required to review its Conflict of Interest Code (Code) every two years, and certify it to the local Code reviewing authority. The Marin County Board of Supervisors serves as the Code reviewing authority for the District. Accordingly, the District is required to review its Conflict of Interest Code and transmit a notice certifying such review to the County Board of Supervisors.  It is recommended that the Board receive the Notice, and authorize the Manager-Engineer to complete and transmit the completed Notice and supporting documentation.	
<b>ALTERNATIVES:</b> NA.	
<b>BUDGET INFORMATION:</b> No budget impact.	
<b>DEPT.MGR.:</b> ssk	<b>MANAGER-ENGINEER:</b>



RECEIVED  
JUN 30 2014

NOVATO SANITARY DISTRICT

BOARD OF SUPERVISORS

2<sup>ND</sup> VICE PRESIDENT  
Susan L. Adams  
1<sup>ST</sup> DISTRICT

VICE PRESIDENT  
Katie Rice  
2<sup>ND</sup> DISTRICT

PRESIDENT  
Kathrin Sears  
3<sup>RD</sup> DISTRICT

Steve Kinsey  
4<sup>TH</sup> DISTRICT

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5<sup>TH</sup> DISTRICT

Matthew H. Hymel  
COUNTY ADMINISTRATOR  
CLERK OF THE BOARD

Marin County Civic Center  
3501 Civic Center Drive  
Suite 329  
San Rafael, CA 94903  
415 473 7331 T  
415 473 3645 F  
415 473 6172 TTY  
[www.marincounty.org/bos](http://www.marincounty.org/bos)

**DATE:** June 26, 2014  
**TO:** All Special Districts, Boards, Commissions and School Districts for which the Marin County Board of Supervisors is the Code Reviewing Body  
**FROM:** Office of the Clerk of the Marin County Board of Supervisors  
**RE:** 2014 Biennial Notice - Conflict of Interest Code

As you may recall, the State Political Reform Act requires all public agencies to adopt a Conflict of Interest Code. A code designates positions required to file Statements of Economic Interests (Form 700) and assigns disclosure categories specifying the types of interests to be reported. Every local government agency is required to review its Conflict of Interest Code every two years. The County Board of Supervisors, as the Code reviewing body for your agency, is charged with the responsibility of approving any changes to your Conflict of Interest Code.

No later than **October 1, 2014**, your agency must submit to the County Board of Supervisors the enclosed 2014 Local Agency Biennial Notice indicating whether or not an amendment to your Conflict of Interest Code is necessary. Even if your Code needs no changes, State law requires that you submit the enclosed notice stating that no changes to your Code are necessary.

Therefore, please review the attached. If amendments to your agency's Conflict of Interest Code are necessary, the amended Code must be forwarded to the Board of Supervisors within 90 days of filing the biennial notice. For example, if your agency files its notice on October 1, 2014 indicating that an amendment is necessary, the amendment is due to the Board of Supervisors by December 30, 2014. An agency's amended Code is not effective until it has been approved by the Board of Supervisors.

If you need any assistance with reviewing your Code or completing the Notice, the Fair Political Practices Commission may be contacted toll-free at 1-866-275-3772. (Forms and other information may be obtained from [www.fppc.ca.gov](http://www.fppc.ca.gov).)

Thank you in advance for your attention to this matter.

Sincerely,

DIANE PATTERSON  
Assistant Clerk of the Board

Enclosure

## 2014 Local Agency Biennial Notice

Name of Agency: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone No: \_\_\_\_\_

E-Mail: \_\_\_\_\_

**Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.**

This agency has reviewed its conflict of interest code and has determined that (check one box):

**An amendment is required. The following amendments are necessary:**

*(Mark all that apply.)*

- Include new positions (including consultants) that must be designated
- Revise disclosure categories
- Revise the titles of existing positions
- Delete positions that no longer make or participate in making governmental decisions
- Other *(describe)* \_\_\_\_\_

**The code is currently under review by the code reviewing body.**

**No amendment is required.** (If your code is more than five years old, amendments may be necessary.)

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### Verification

*This agency's conflict of interest code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions. The code includes all other provisions required by Government Code Section 87302.*

\_\_\_\_\_  
Signature of Chief Executive Officer

\_\_\_\_\_  
Date

Complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2014**, or by the date specified by your agency, if earlier, to:

**Diane Patterson**  
ASSISTANT CLERK OF THE BOARD  
3501 Civic Center Drive, Suite 329  
San Rafael, CA 94903  
415 473 7355 T  
dpatterson@marincounty.org

**PLEASE DO NOT RETURN THIS FORM TO THE FPPC**

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> District Conflict of Interest Policy	<b>MEETING DATE:</b> September 8, 2014  <b>AGENDA ITEM NO.:</b> 6.b.
<b>RECOMMENDED ACTION:</b> Adopt Resolution No. 3079 approving revisions to District Conflict of Interest Code.	
<b>SUMMARY AND DISCUSSION:</b>  The District initially adopted a policy for its Conflict of Interest Code (Code) in October 2007, and has periodically revised it, with the latest revision in November 2012. During that time, the Code was also assigned a numeric designation as District Policy No. 1020.  At this time, it is necessary to make revisions to this Code to reflect changes and revisions within the District's staffing structure. A proposed adopting Resolution (Resolution No. 3079), is attached. The revised Code (in mark-up form) with the proposed changes and revisions to the designated and affected positions is included as Exhibit A to the proposed Resolution.  It is recommended that the Board adopt the attached Resolution No. 3079 approving the revisions to the District Conflict of Interest Code.	
<b>ALTERNATIVES:</b> NA.	
<b>BUDGET INFORMATION:</b> No budget impact.	
<b>DEPT.MGR.:</b> ssk	<b>MANAGER-ENGINEER:</b>

**NOVATO SANITARY DISTRICT  
RESOLUTION NO. 3079**

**A RESOLUTION REVISING THE CONFLICT OF INTEREST CODE FOR THE NOVATO  
SANITARY DISTRICT PURSUANT TO THE PROVISIONS OF THE POLITICAL REFORM ACT  
OF 1974 SET FORTH IN THE CALIFORNIA GOVERNMENT CODE AND  
RESCINDING RESOLUTION 3052**

**WHEREAS**, it is found by the Board of Directors of the Novato Sanitary District ("District") of Marin County, California, that:

**WHEREAS**, the Political Reform Act of 1974, Government Code Section 81000 et seq. requires every local governmental agency to adopt and promulgate a Conflict of Interest Code designating certain employees and what financial interest must be disclosed by those employees, and prohibiting participation by such employees in decisions in which they have a financial interest; and

**WHEREAS**, every local government agency must review its conflict of interest code biennially to determine if it is accurate or if it must be amended to delete and/or add positions and disclosure categories;

**NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED AND ORDERED** as follows:

1. The District revises the Conflict of Interest Code to revise filing requirements for designated employees, which Code is attached hereto as Exhibit 'A' and is incorporated herein by this reference as the Conflict of Interest Code for the employees, officials and consultants of the District designated in such Code, and persons holding designated positions or who manage public investments, as described in the Code, shall file statements of economic interest as required by said Code.

2. The District rescinds Resolution No. 3052, adopted November 26, 2012, and replaces it with this Resolution.

\* \* \* \* \*

I hereby certify that the foregoing resolution was duly and regularly passed and adopted by the Board of Directors of Novato Sanitary District, Marin County, California, at a meeting thereof duly held on the 8<sup>th</sup> day of September, 2014, by the following vote:

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

APPROVED:

\_\_\_\_\_  
President, Board of Directors  
Novato Sanitary District

ATTEST:

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

## EXHIBIT "A"

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# Novato Sanitary District

## POLICY HANDBOOK

**POLICY TITLE:** Conflict of Interest  
**POLICY NUMBER:** 1020

**1020.1** The Political Reform Act, Government Code Section 81000 et seq. and especially Section 87300 thereof, require every local government agency to adopt and promulgate a Conflict of Interest Code. The Fair Political Practices Commission has adopted a regulation, 2 California Administrative Code Section 18730, which contains the terms of the standard Conflict of Interest Code, which can be incorporated by reference by local government agencies, and which may be subsequently amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 California Administrative Code Section 18730, and any amendments thereto duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference, and, along with the attached Appendix and Addendum in which officials and employees of the Novato Sanitary District ("District") are designated and disclosure categories are set forth, constitute the Conflict of Interest Code of the District.

**1020.2** Pursuant to Section 4 of the standard Conflict of Interest Code, all designated employees shall file statements of economic interests with the District. In addition, pursuant to California Government Code Section 87300 et seq. and as set forth in the Addendum, all District officials who manage public investments shall also file statements of economic interests with the District. In the event a person falls under both categories, such person shall need to file only one statement of economic interests. Upon receipt of such statements, the District shall make and retain a copy and forward the originals of these statements to the Registrar of Voters for the County of Marin.

**APPENDIX: DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES**

A. *Designated Positions.* The positions listed below include those persons who are deemed to make, or participate in the making of, decisions which may foreseeably have a material effect on any financial interest. The persons holding the designated positions listed shall disclose interests and investments in accordance with the corresponding disclosure categories, which are defined below.

<u>Designated Position</u>	<u>Disclosure Category</u>
<del>Wastewater Treatment Plant Superintendent</del>	<del>1</del>
<del>Wastewater Facilities Manager</del>	<del>1</del>
District Manager-Engineer	1
Technical Services Manager	1
Field Services Manager	1
Senior Engineer	1
Staff Engineer	1
Environmental Services Supervisor	1
<del>Laboratory Supervisor</del>	<del>1</del>
Environmental Compliance Analyst II	1
Construction Inspector	1
<del>Field Services Superintendent</del>	<del>1</del>
Collection Systems Superintendent	1
General Counsel	1
Consultants	1

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<sup>1</sup>Consultants are included in the list of designated positions and shall disclose pursuant to the broadcast disclosure category in the code subject to the following limitation.

The Manager-Engineer may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Manager-Engineer’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

**B.** *Disclosure Categories.*

1. All sources of income, interests in real property, and investments and business positions in business entities.
2. Investments and business positions in business entities, and sources of income, which provide services, supplies, materials, machinery or equipment of the type utilized by the District.

**ADDENDUM: DISCLOSURE REQUIREMENTS FOR DISTRICT OFFICIALS  
WHO MANAGE PUBLIC INVESTMENTS**

- A. *General Provision.* Under Cal. Gov't Code § 87200 et seq., certain city and county officials and "other officials who manage public investments" shall fill out Fair Political Practices Commission Form 700 and disclose all economic interests located or doing business within the agency's jurisdiction.
- B. *Definitions.* In complying with the requirements set forth in section A above, the following definitions shall apply, as set forth in the 2 Cal. Code Regs. §18701:
1. "Other officials who manage public investments" shall mean:
    - a. Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;
    - b. High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and
    - c. Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subsection B. 1 .b. above.
  2. "Public investments" shall mean the investment of public monies in real estate, securities, or other economic interests for the production of revenue or other financial return
  3. "Public moneys" shall mean all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in his or her official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party
  4. "Management of public investments" shall mean the following nonministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.
- C. *Affected Positions.* Therefore, the following persons at the Novato Sanitary District shall be considered public officials who manage public investments and file Fair Political Practices Commission Form 700 pursuant to Cal. Gov't Code § 87200 et seq.:
1. Members of the Board of Directors;
  2. Manager-Engineer;
  3. ~~Deputy Manager-Engineer;~~
  4. Administrative Services ~~Manager~~Officer; and
  5. Finance Officer

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Staff Reports - Earthquake of August 24, 2014.	<b>MEETING DATE:</b> September 8, 2014  <b>AGENDA ITEM NO.:</b> 7.a.
<b>RECOMMENDED ACTION:</b> Receive reports on response to earthquake of August 24, 2014	
<b>SUMMARY AND DISCUSSION:</b>  At about 3:20 a.m. on August 24, 2014, a magnitude 6.0 seismic event occurred with its epicenter 6 km northwest of the city of American Canyon, and at a depth of 11.3 km. While it appeared that District facilities did not suffer any effects from this event, District and Veolia staff nonetheless undertook inspections of the treatment facilities, collection systems, pump stations, and reclamation facilities, for signs of any impacts from the event.  Reports submitted by both John Bailey, Veolia project manager, and Steve Krautheim, District Field Services Manager, are attached.	
<b>ALTERNATIVES:</b> NA.	
<b>BUDGET INFORMATION:</b> NA.	
<b>DEPT.MGR.:</b> SRK, JB (Veolia)	<b>MANAGER-ENGINEER:</b>

## MEMORANDUM

To: Sandeep Karkal, Manager Engineer NSD

From: John Bailey, Project Manager Veolia

A handwritten signature in blue ink, appearing to be "JB", written over the name John Bailey.

Date: September 3, 2014

Subj: REPORT, EARTHQUAKE OF AUGUST 24, 2014

At approximately 3:20 am on Sunday, August 24<sup>th</sup> a magnitude 6.0 earthquake shook the region. The epicenter was located in the Southern Napa vicinity, approximately 19 miles North East of the Novato facility.

Earthquakes are a major concern for wastewater facilities. Unlike floods and other weather related events they occur without warning. Earthquakes can affect utility power, natural gas, under ground and above ground infrastructure such as pipes and structures. An additional concern is disruption of transportation routes to and from the facilities we operate and maintain. Fortunately modern technology such as alarms, local and remote monitoring systems, cell phones, and computers allow us to respond quickly.

The following is a description of the response and findings relative to the August 24<sup>th</sup> earthquake.

### Response:

After receiving an alarm, on-call operator, Preston Ingram, was able to check plant status via remote \*SCADA.

The aeration system (*blower vibration*) alarm was a low level (warning) alarm caused by the earthquake. Preston determined that the plant, including the *blower* was operating normally.

Preston arrived at the treatment plant between 4:30 and 5:00 am.

After confirming alarm and process status, Preston made an initial inspection of the facilities looking for structural damage. This could include misaligned or broken piping, cracked structures, water leaks, cracked paving, etc. Finding none, Preston began his routine daily rounds. The daily rounds are a process by process evaluation. The rounds ensure that pumps and valving are operating properly and process parameters are within specification. Values and conditions are recorded on a daily check sheet.

The daily rounds confirmed no failures or interruption of service.

After completion of daily rounds at Novato, Preston checked the Ignacio Transfer Pump station and the sludge lagoons at Deer Island. All was found to be normal.

Preston was in communication with the Veolia Project Manager and Assistant Project Manager during the day.

Findings:

The main treatment plant, Ignacio Transfer Pump station, and Deer Island sludge lagoons weathered the earthquake with no noticeable impact.

The on-call operator was able to check operational status of the treatment plant and Ignacio Transfer Pump station by remote laptop access within minutes of the earthquake.

The only alarm received was a Blower (Hi) Vibration alarm. The alarm was a warning alarm that did not shut down the blower. A second (Hi Hi) alarm state would have shut the blower down which would have required a manual restart.

All facilities were accessible by normal routes, highways and surface streets.

Conclusion:

In summary the Novato facilities did not suffer damage and service was not interrupted. The 2014 earthquake reminded us of the importance of being prepared. Every October Veolia has a mock earthquake drill. The drill is intended to test our preparedness for the next "Big One".

*\*SCADA (supervisory control and data acquisition) is a generic term used to describe a system made up of software and hardware components that allow an operator to monitor, view, and control processes remotely.*

## 2013 EARTHQUAKE DRILL



**Earthquake Drill, October 17, 2013**

**Top Left & Top Right – Inventory earthquake pack and roll call at the rally point.**

**Bottom Left – Earthquake pack at the rally point.**

**Bottom Right – Operator, Christian Williams ducks and covers during earthquake drill**

## MEMORANDUM

**To:** Sandeep Karkal; Manager-Engineer  
**From:** Steve Krautheim; Field Services Manager  
**Date:** September 3, 2014  
**Subject:** Report on Seismic Event of August 24, 2014

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At your request, I have prepared this memo to document the background to the subject seismic event, observation of any impacts to the District's collection system, pump stations, and reclamation facilities, and any follow up actions by District staff. As you know, a similar report is also being separately prepared for the District's treatment facilities by John Bailey of Veolia.

### **Background**

On Sunday, August 24, 2014 at 3:20 a.m., a 6.0 magnitude earthquake occurred in Napa County on a fault west of the City of American Canyon & south of Napa, CA. The earthquake resulted in a shaking motion which lasted for approximately 20 seconds.

### **Initial Observations and Actions**

Following the earthquake, staff verified that they were able to access the District's Supervisory Control and Data Acquisition (SCADA) system for the collection, pump stations, and reclamation facilities. The SCADA system indicated that the District had not experienced any power failures or alarms at any of its 38 wastewater pump stations. Similarly, there were no alarms or loss of power indications from the drainage pump stations or the reclamation areas.

Based on this information, (i.e. no alarms or power failures), supervisory staff decided that an immediate response by District staff was not warranted, and any subsequent observations and follow up could occur after daybreak when travel would be safer.

### **Subsequent Observations and Follow-up**

Later that morning, Javier Vega, Collection System Worker III (who was the on call employee for the weekend) and Larry Foged, Collection System Worker II were called in. They were tasked to visit and inspect the District's pump stations to check for damage or anything out of the ordinary as a result of the earthquake. Since travel to each pump station site involves travel through the area of the gravity collection system tributary to that pump station, they were also able to visually inspect roadways and alignments of gravity mains for damage or anything out of the ordinary.

To: Sandeep Karkal, Manager-Engineer  
Date: September 3, 2014  
Subject: Report on Seismic Event of August 24, 2014  
Page: 2 of 2

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In addition, they were asked to drive the force main alignments for the Scottsdale and Olive Pump Stations, since these two force mains are more susceptible to damage due to age or material, and look for evidence of damage.

After the pump station/collection system checks, they were also directed to check the outfall into the Reclamation Irrigation Water Storage Ponds to verify that treated water was still entering the ponds.

After completing the station checks and other inspections, the only issue found was the shaking may have dislodged the fan cowling for the Olive Street Pump Station standby generator from the wall. Further investigation has determined this may have been the result of attempted vandalism some time ago; the bolts were removed from louvre on the outside of the building. This damage/vandalism has been repaired. In addition, the main pump stations have been reviewed for potential changes in flow patterns pre- and post-event, and results coordinated with flow patterns at the treatment plant. No significant variations have been noted.

## **Conclusion**

At this time, it appears that there was little effect on the District's collection, pumping, and reclamation facilities from this seismic event. Staff will continue to monitor the facilities during the course of normal operations and maintenance activities, and bring forward any updates as needed.

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**NOVATO SANITARY DISTRICT  
BOARD AGENDA ITEM SUMMARY**

<b>TITLE: Administration: Amendment to “Mutual Aid and Assistance Agreement between Marin County Wastewater Agencies”</b>	<b>MEETING DATE: September 8, 2014</b>  <b>AGENDA ITEM NO.: 8.a.</b>
<b>RECOMMENDED ACTION:</b> Approve Amendment to “Mutual Aid and Assistance Agreement (Agreement) between Marin County Wastewater Agencies”, and authorize Manager-Engineer: (i) To execute it, and (ii) Approve additional agencies as provided by this Amendment.	
<b>SUMMARY AND DISCUSSION:</b>  <p>The Marin County wastewater agencies currently have in place a mutual aid program that is formalized by an Agreement that provides details of mutual aid cooperation and participation between the following agencies:</p> <ul style="list-style-type: none"> <li>• Central Marin Sanitation Authority</li> <li>• Las Gallinas Valley Sanitary District</li> <li>• Novato Sanitary District</li> <li>• Sewer Authority of Southern Marin</li> <li>• Sanitary District #5, Tiburon</li> <li>• Sausalito-Marín City Sanitary District</li> </ul> <p>Other Marin County water/wastewater agencies have now expressed an interest in participating in the mutual aid program. Accordingly, the original signatory agencies have prepared an Amendment that is designed to accomplish this. Specifically, this Amendment No. 1 would allow an additional agency to join the program if approved by a majority of the original agencies, and authorized by its own governing body.</p> <p>A copy of this Amendment No. 1 and its Exhibit A are attached. It is recommended that the Board approve the amendment, and authorize the Manager-Engineer (i) To execute it, and (ii) Approve additional agencies as provided by this Amendment.</p>	
<b>ALTERNATIVES: NA.</b>	
<b>BUDGET INFORMATION: NA.</b>	
<b>DEPT.MGR.:</b> ssk	<b>MANAGER-ENGINEER:</b>

## **Amendment #1**

### **Mutual Aid and Assistance Agreement Between Marin County Wastewater Agencies**

This amendment (hereinafter "Amendment") is made and entered into by the Novato Sanitary District, Las Gallinas Valley Sanitary District, Central Marin Sanitation Agency, Sewerage Agency of Southern Marin, Sanitary District No.5 of Marin County, and Sausalito Marin City Sanitary District, hereinafter called "Agencies".

#### **BACKGROUND**

The Agencies desire to amend the May 2011 agreement entitled "Mutual Aid and Assistance Agreement between Marin County Wastewater Agencies" (the Agreement), to create a mechanism for other Marin County water and wastewater entities to become Parties to the Agreement.

The Agencies therefore agree as follows:

#### **AGREEMENT**

- 1) Definition of Party: a local agency that provides water or wastewater services within Marin County that is party to the Agreement.
- 2) Definition of Addendum: an agreement that is in conformity with the addendum as set forth in Exhibit A to this Amendment #1.
- 3) Addition of Section 11 – New Local Agency Members: Any local agency in Marin County that provides water and/or wastewater services can become Party to this Agreement upon (a) approval of a majority of the current Parties, and (b) execution of a completed addendum by the governing board of the local agency.
- 4) Effect. Except as modified by this Amendment, all provisions of the original Agreement remain in full force and effect and continue to bind all Parties hereto.
- 5) Signatures. The following signatures attest the Agencies agreement hereto.

The effective date of this Amendment is when it has been executed by each Agency's representative on the following page.

**SAUSALITO-MARIN CITY SANITARY DISTRICT**

By: \_\_\_\_\_  
Craig Justice, District Manager

Date: \_\_\_\_\_

**CENTRAL MARIN SANITATION AGENCY**

By: \_\_\_\_\_  
Jason Dow, General Manager

Date: \_\_\_\_\_

**NOVATO SANITARY DISTRICT**

By: \_\_\_\_\_  
Sandeep Karkal, Manager/Engineer

Date: \_\_\_\_\_

**SEWERAGE AGENCY OF SOUTHERN MARIN**

By: \_\_\_\_\_  
Mark Grushayev, General Manager

Date: \_\_\_\_\_

**LAS GALLINAS VALLEY SANITARY DISTRICT**

By: \_\_\_\_\_  
Mark Williams, District Manager

Date: \_\_\_\_\_

**SANITARY DISTRICT No. 5**

By: \_\_\_\_\_  
Tony Rubio, Acting District Manager

Date: \_\_\_\_\_

**Exhibit A**

**Mutual Aid and Assistance Agreement  
between  
Marin County Wastewater Agencies**

**FORM OF ADDENDUM**

This addendum to the Amended Mutual Aid and Assistance Agreement between Marin County Wastewater Agencies (the "Agreement"), is dated \_\_\_\_\_, and is made by \_\_\_\_\_ (the "Agency"), for the purpose of Agency becoming a party to the Agreement. The Agreement is incorporated by reference and made a part of this Addendum.

The Agency acknowledges that it has received a copy of the Agreement and, after a thorough review of the Agreement, desires to become a party to the Agreement. The Agreement permits the addition of parties to the Agreement if (a) such addition is approved by a majority of the current Parties, as defined in the Agreement, and (b) the Agency desiring to become a party through the execution of an addendum by its governing board.

The governing body of the Agency certifies that the Agency has reviewed the Agreement and agrees to its terms.

In consideration for the mutual promises set forth in the Agreement, the governing body of the Agency hereby agrees to accept and perform all duties, responsibilities and obligations as set forth in the Agreement. Further, the governing body authorizes its \_\_\_\_\_ [title], or his/her designee, as its Representative, with authority to sign all documents necessary to implement the Agreement.

The notice address for the Agency's Representative is:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Name of Agency)

By: \_\_\_\_\_  
Chairperson

The Agreement and the Addendum are approved as to form:

By: \_\_\_\_\_  
Attorney for Agency

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Board of Directors: Response to 2013-14 Grand Jury Report.	<b>MEETING DATE:</b> September 8, 2014  <b>AGENDA ITEM NO.:</b> 9.a.
<b>RECOMMENDED ACTION:</b> Receive and approve response to the 2013-14 Marin County Civil Grand Jury Report titled "The Scoop on Marin County Sewer Systems: Part I", and "The Scoop on Marin County Sewer Systems: Part II", subject to minor clerical corrections.	
<b>SUMMARY AND DISCUSSION:</b>  At the June 23, 2014 Board meeting, staff had informed the Board that the District had received the referenced Report from the Marin County Civil Grand Jury. The Report (as received from the Grand Jury) had been provided in its entirety to the Board as part of the Board agenda packet for that meeting. This subject was also brought to the Board for its input and direction at its July 14, 2014, August 11, 2014, and August 25, 2014 meetings.  At this point, staff has received comments from Board members and has prepared the attached response in <del>strikeout</del> form for approval. A final response from the District will be prepared and transmitted to meet the September 14, 2014 submittal deadline. Staff recommends that the Board receive and approve the response, subject to minor clerical corrections.	
<b>ALTERNATIVES:</b> NA.	
<b>BUDGET INFORMATION:</b> NA.	
<b>DEPT.MGR.:</b> ssk	<b>MANAGER-ENGINEER:</b>

# DRAFT

~~August-September~~\_\_\_\_, 2014

The Honorable Judge Faye D'Opal  
Marin County Superior Court  
PO Box 4988  
San Rafael, CA 94913-4988

Nadine A. Muller, Foreperson  
Marin County Grand Jury  
3501 Civic Center Drive, Room #275  
San Rafael, CA 94903

Subject: Response to 2013/2014 Marin County Civil Grand Jury Report titled: "The Scoop  
on Marin County Sewer Systems: Part I & Part II"

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## A. BACKGROUND

The 2013/2014 Marin County Civil Grand Jury released a report on June 16, 2014, "*The Scoop on Marin County Sewer Systems: Part I and Part II*" (Report).

The Board of Directors of the Novato Sanitary District (District, or NSD) met and discussed the Report in the open session portions of its following publicly noticed meetings, and in accordance with the notice, agenda, and open meeting requirements of the Ralph M. Brown Act:

- June 23, 2014, Board of Directors Meeting.
- July 14, 2014, Board of Directors Meeting.
- August 11, 2014, Board of Directors Meeting.
- August 25, 2014, Board of Directors meeting.

## **B. DISCUSSION**

We note that all of the Findings and Recommendations that apply to the District are presented in Part 1 of the Grand Jury's Report. Part 2 of the Report does not include any Findings or Recommendations for the District, hence all of our responses are directed only to those Findings and Recommendations of Part 1 of the Report that are specific to the District.

Also, before addressing each of the Findings and Recommendations, we want to clarify details of Part 1 of the Report as they relate to the District.

The "Summary" portion of Part 1 states: "In the last few years, the Novato Sanitary District and the Ross Valley Sanitary District have been charged fines amounting to \$1,839,100 for excessive sewer spill activity that occurred in previous years". What is not stated is the District's liability was \$300,000 (or less than 20 per cent of the listed amount). The Report does not make this clarification until Page 11.

Moreover, NSD successfully used most of its \$300,000 liability to fund local environmental projects. The District is partnering with the Marin Audubon Society (MAS) on two important projects, the Bahia Tidal Pond Habitat Enhancement and Marsh monitoring project on the Petaluma River in the Bahia Area of Novato, and the Simmons Slough Wetland Enhancement Project, to enhance estuarine wetland habitat on MAS' 145-acre Simmons Slough property off Atherton Avenue in Novato.

And what should be of more interest to the Grand Jury, NSD has spent over \$209 million since 2001-02 on improvements to its sewage collection, conveyance, treatment, and disposal systems (see Figures 1 and 2). These improvements have provided benchmarks (summarized in Figure 3), and significant enhancements in the District's performance (as seen in Figures 4, 5, 6 and 7). This information is not captured in the Summary (or anywhere) in the Grand Jury's Report, which instead tends to focus on NSD's fines for events that occurred from 2007 to 2011, when NSD was making these massive improvements.

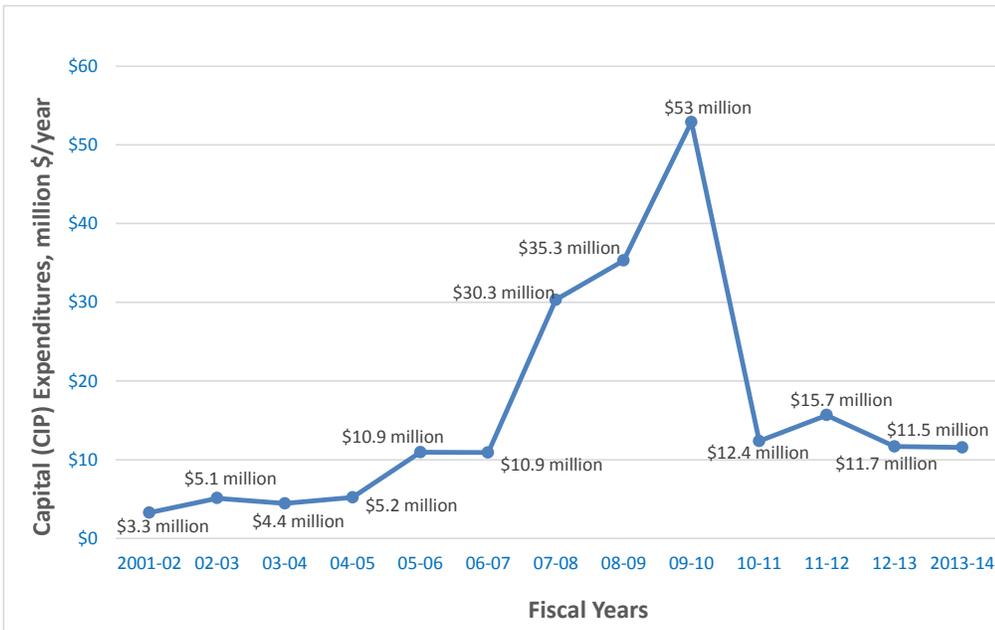
## **C. RESPONSE TO FINDINGS**

*FINDING F3: Taxpayers ultimately bear the burden of fines from excessive sewer spill activity, which in the period 2011-2013 amounted to \$1,839,100.*

**Response:** *Novato Sanitary District ~~partially~~ agrees with this finding.*

**Explanation to Response:** We ~~partially~~ agree with this ~~statement-Finding~~ in that, ~~generically speaking~~, taxpayers ultimately pay ~~all of the costs of District operations including the~~ fines ~~from excessive sewer spill activity of publicly owned sewer systems~~. However, ~~as noted earlier~~, the District's fine of \$300,000 is less than 20 percent of the number cited in this finding, and more significantly, the fines were for events that occurred from 2007 to 2011, when the District was in the midst of making massive improvements to its systems.

**Figure 1: Novato Sanitary District - Annual Capital Improvement Program (CIP) Expenditures, FY2001-14**



**Figure 2: Novato Sanitary District - Cumulative Capital (CIP) Expenditures, FY2001-14**



**Figure 3: Sewer Cleaning and CCTV - Performance Metrics and Tracking**

Cleaning/CCTV Frequency	Length of Sewer, feet	Annual Equivalent - Everything in 3 Years (cleaning), or 5 years (CCTV), feet
<b>Cleaning:</b>		
Every 3 months	19,827	79,308
Every 4 months	4,272	12,816
Every 6 months	45,660	91,320
Every 9 months	6,200	8,246
Every 12 months	131,308	131,308
Other	913,030	304,343
<b>Total</b>	<b>1,120,297</b>	<b>627,341 (Benchmark)</b>
<b>2013 cleaned, ft.</b>	<b>712,737</b>	
2012 cleaned, ft	790,986	
<b>CCTV: (total)</b>		
TV every 5 years, ft.	<b>1,120,297</b>	<b>224,059 (Benchmark)</b>
<b>2013 CCTV'd, ft</b>	<b>294,373</b>	
2012 CCTV'd, ft	114,220	

**Figure 4: Performance History: Sewers Cleaned, feet/year**

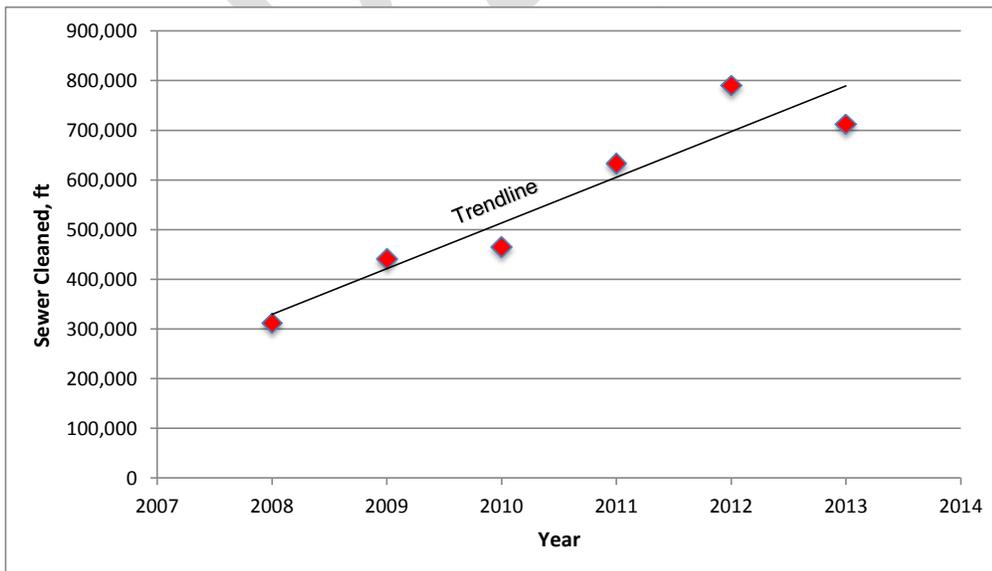


Figure 5: Productivity History: Sewer Cleaned, feet/hour

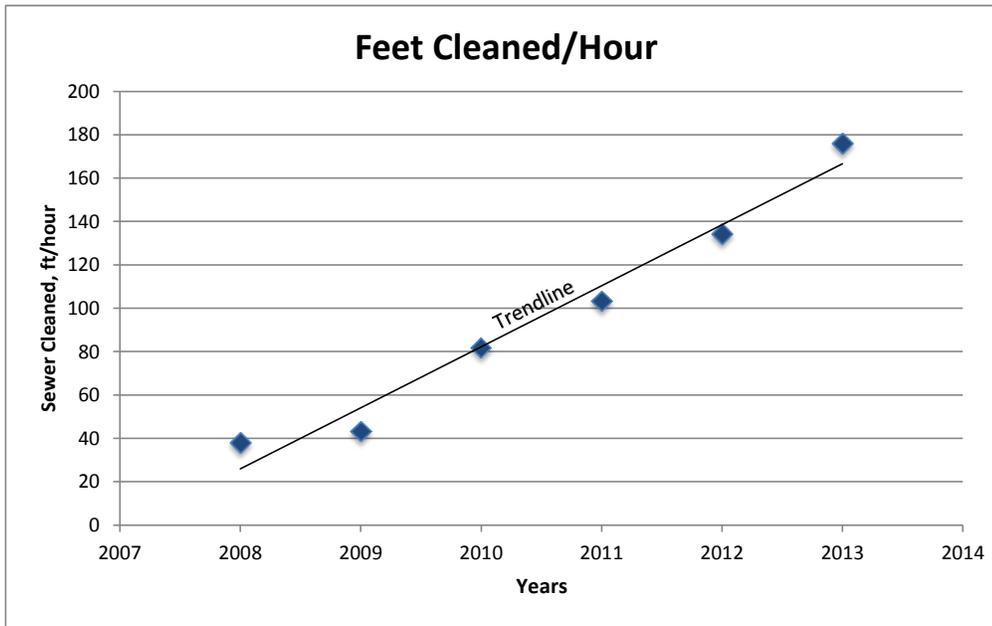
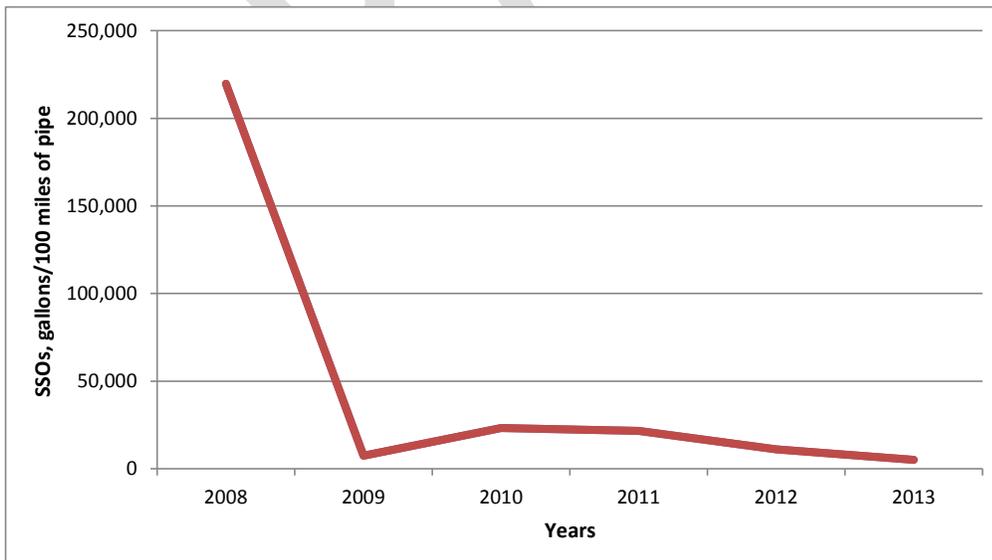
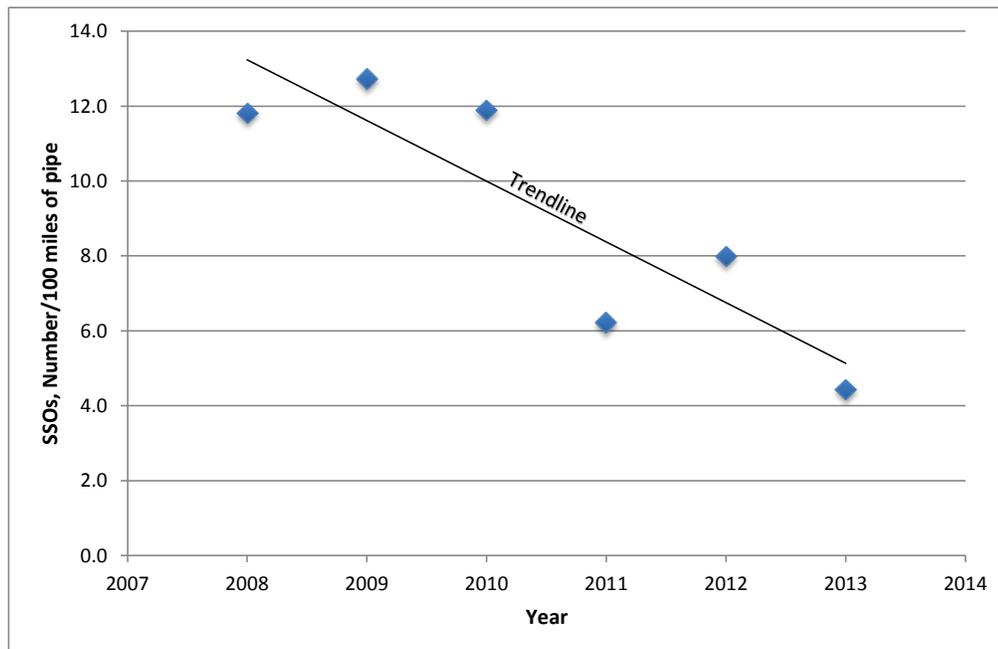


Figure 6: Performance History – Sewer System Overflows (SSOs), gals/100 miles of pipe



**Figure 7: Performance History: Sewer System Overflows (SSOs), Number/100 miles pipe**



**FINDING F9:** *There are many costs that are duplicated among wastewater agencies, particularly with respect to management, administration, overhead and governance.*

**Response:** *Novato Sanitary District agrees partially agrees with this finding.*

**Explanation to Response:** The Marin sewer agencies are always striving to avoid duplication of costs across their services and service areas. There are many examples of resource and cost sharing across the agencies. For example, the District and the Central Marin Sanitation Agency (CMSA) have a shared Safety Program with a single individual serving as the Safety Director for both entities. NSD and CMSA also share staff in an arrangement where CMSA staff manage a portion of NSD's pretreatment (dental amalgam) program. In another example, the District and the North Marin Water District (NMWD) cooperate extensively to meet their individual water quality testing and laboratory staffing needs. Also, several years ago, all of the Marin wastewater treatment agencies combined their efforts and created an award winning (both locally and State-wide) public education program, which serves as model for other counties across the state.

However, it should also be recognized that there are many costs that are not duplicated, due primarily to reasons of geography, population distribution, and physical separation of the infrastructure assets between the various agencies. And, unlike the Southern and Central portions of the County where many agencies exist to provide different but complementary aspects of sewer service, the Novato Sanitary District is already a single, integrated sewer utility that addresses all aspects of public sewerage services in Northern Marin.

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***FINDING F12:** Districts are working together across the County, demonstrating an increasing level of commitment to cooperation and resource sharing. Most Districts agree that there is potential for greater collaboration and cost reduction.*

**Response:** *Novato Sanitary District agrees with this finding.*

**Explanation to Response:** We agree that districts across the County are working together cooperatively, and we remain alert for and open to any opportunities for greater collaboration and cost reduction.

#### **D. RESPONSE TO RECOMMENDATIONS**

***RECOMMENDATION R1:** All districts must work to eliminate spills, through in-depth analysis and investment in infrastructure.*

**Response:** *Implemented.*

**Explanation to Response:** Over a decade ago, NSD conducted very thorough and in-depth analyses of our facilities. These analyses resulted in massive investments in our physical infrastructure, as well as significant expenditures in technology such as Supervisory Control and Data Acquisition Systems (SCADA), and Computerized Maintenance Management Systems (CMMS), through our Capital Improvements Program, (see Figures 1 and 2 above). Throughout this process, NSD also developed, and follows, an aggressive set of standards, metrics, and benchmarking methodologies (see Figure 3 above for an example of metrics), which are supported by a very intensive on-going Capital Improvement Program as demonstrated by our annual CIP budgets (which are available with the rest of our annual budgets at our website). The results of these investments and activities can be seen from the resulting productivity improvements and performance enhancements illustrated by Figures 4, 5, 6, and 7 above.

***RECOMMENDATION R3:** All agencies adopt an ordinance that will require private laterals to be inspected routinely and repaired as necessary.*

**Response:** *Implementation is not warranted. ~~at this time.~~*

**Explanation to Response:**

**General:** ~~There is no question that issue of~~ excess flow (flow over base sewage flows generated by homes and businesses) occurring from groundwater or wet weather infiltration/inflow (I/I), or from direct connections of roof and subsurface drains, into poorly functioning private laterals can ~~be addressed in multiple ways. For instance, the potential for capacity related~~ result in Sanitary Sewer Overflows (SSOs)\* out of public sewers ~~is minimal. This is particularly true if there are capacity constraints\* in the downstream public sewer system. General industry literature including research conducted by the Environmental Protection Agency (EPA) has indicated that poorly maintained or functioning private laterals can be responsible for as much as 70-80% of the total I/I into a public sewer system. However,~~ if the public sewer system can hydraulically handle the peak flows resulting from these excess flows (i.e. if there are no capacity bottlenecks or choke points in the sewer system), ~~then the potential for capacity related SSOs in the public sewer system can be minimal.~~

*\*note that blockage induced SSOs are completely unrelated events and are not discussed here since these are fairly random events initiated more by physical events such as debris, etc. getting into the sewer system and causing a blockage.*

Also, if the treatment facility that the public sewer system discharges to has been designed to provide full secondary treatment to the full range of flows it can potentially receive (including the peak events generated by excess flows), the potential for the treatment facility to exceed its discharge limits is also extremely low.

**NSD's Approach:** As a result of the detailed planning and analyses NSD conducted beginning in 2001-02, NSD invested heavily in the physical infrastructure of its sewer system to eliminate (with one exception), capacity bottlenecks and constraints in the system. The one exception is a capacity constraint on Novato Boulevard at Diablo Avenue, where NSD's effort to upgrade its sewer line is impacted by the City of Novato's ability to carry out its street widening project for Novato Boulevard. Even here, NSD continues to cooperate with the City and we anticipate that this project will be initiated in the next two-three years.

In addition, as part of its recent investment in the upgrade of its treatment facilities, NSD opted to provide full secondary treatment capability to ALL of the flow to its new treatment plant located off Davidson Street in Novato. Note that NSD's plant is the only plant in Marin County with this capability.

NSD's new plant (completed in 2011) is designed to provide full secondary treatment to 7.0 million gallons per day (MGD) on a dry weather basis, while its current dry weather flow is only about 4 MGD. However, recognizing that this flow can go up dramatically during wet weather due to I/I in the sewer system, NSD designed its new treatment facilities to provide full secondary treatment for flows to 47 MGD (the maximum anticipated sustained peak flow within the 20 to 30 year planning time frame). In addition, with storage capability from equalization basins at its Ignacio facility, the system can handle flows up to 52 MGD. And this flow capability does not include the additional storage that is typically embedded in the pipes in a sewer

system, since given their nature, sewer pipes are designed to be free flowing (under gravity), with less than half their depth utilized under normal daily conditions. This means that these pipes will typically offer an additional 50% to 100% of their normal flow capacity when they transition from normal to wet weather conditions.

This approach received detailed analysis as part of several studies that NSD performed, including a Sewer System Evaluation Study (SSES), completed in 2005-06. Further, the resulting analytical work and studies (including the SSES) were approved by the State of California as part of the District's effort to initiate and successfully acquire funds through the State Revolving Fund (SRF) program, which funded a majority of the District's massive infrastructure investment program in the 2007-2011 period.

Consequently, at least within the 20 to 30 year planning envelope of NSD's recent infrastructure investment, and potentially beyond, NSD does not believe a private sewer lateral ordinance will improve its abilities to prevent capacity related SSO's in its sewer system.

Private Lateral Replacement Program: To parallel its investments in its own physical infrastructure, and as a matter of good practice, when NSD repairs or replaces its sewer mains in the public right of way, we typically replace all of the lower sewer laterals (portion of the private lateral located in the public right of way) that we affect during a project. In addition, we offer affected homeowners the option to replace the upper portions of their laterals using the NSD project contractor, often at a lower cost than typically charged for a standalone private lateral replacement.

NSD also has a program which provides funding for private sewer lateral projects up to 50% of costs or a maximum of \$1,500 (whichever is less) in matching funds for private lateral replacement. NSD budgeted \$30,000 in FY13-14 and plans to budget \$50,000 in FY14-15.

Conclusion: We remain open to the concept of adopting an ordinance in the future if it benefits the District to do so, or if regulations change.

RECOMMENDATION R4: *All agencies conduct an analysis to determine the feasibility of using treated wastewater for flushing pipes in routine maintenance work.*

**Response:** *Implementation is not ~~warranted as previous warranted.~~ Previous analysis has determined that this recommendation is not feasible.*

**Explanation to Response:** NSD has previously examined using treated wastewater for flushing sewer pipes in order to conserve potable water. Briefly, our investigations determined the following:

1. ~~Increased Maintenance: Treated wastewater would significantly increase maintenance on NSD's hydro flusher trucks, from increased wear and tear on sediment separation and filtration equipment, and greater rates of seal failure on the high pressure flushing water pump system, resulting in costly repairs for these large and expensive trucks. This~~

~~would result in increased downtime for these trucks taking away time from sewer line cleaning activities. This would negatively impact line cleaning productivity, and could result in increased potential for spills and SSOs.~~

2. Travel Time: NSD's sewer system has over 225 miles of sewer lines spread out over an approximately 35 square mile area, and there is only one source of treated wastewater, that is, the NSD treatment plant off Davidson Road. NSD's flushing trucks fill up frequently throughout the day, often in locations where the travel time back and forth from the job site to the treatment plant would make this option prohibitive from a cost standpoint because the increased travel (or "windshield") time would take significant time away from sewer line cleaning activities and negatively impact line cleaning productivity, again, with increased potential for spills and SSOs.

2.3. Increased Maintenance: Treated wastewater would significantly increase maintenance on NSD's hydro-flusher trucks, from increased wear and tear on sediment separation and filtration equipment, and greater rates of seal failure on the high pressure flushing water pump system, resulting in costly repairs for these large and expensive trucks. This would result in increased downtime for these trucks taking away time from sewer line cleaning activities. This would negatively impact line cleaning productivity, and could result in increased potential for spills and SSOs.

3.

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The North Marin Water District is planning another level of its distribution system for tertiary recycled water. This is treated wastewater that has received a further and significantly higher level of treatment to where it is suitable for "unrestricted" irrigation reuse. This recycled water distribution system is still in its infancy. This system could serve as a future option for NSD for line flushing to conserve potable water.

RECOMMENDATION R5: All agencies continue to cooperate with each other and find ways to reduce costs.

**Response:** *Implemented.*

**Explanation to Response:** In Marin County, the Marin Association of Sanitary Sewer Supervisors (otherwise known as MASS) meets at least monthly to address and discuss common issues. We expect to continue to cooperate with each other, and NSD will remain alert for and open to any opportunities for greater collaboration and cost reduction. Further, for examples of current areas of collaboration for cost reduction, please see also our response to Finding F9. above.

## E. CLOSING COMMENTS

In closing, we would like to thank the Grand Jury for their hard work in putting together a Report with a lot of thought, effort, and hard work behind it. We hope you find our responses helpful and complete in addressing the Grand Jury's findings and recommendations.

Please feel free to contact us if you have any questions or require additional information.

Sincerely,

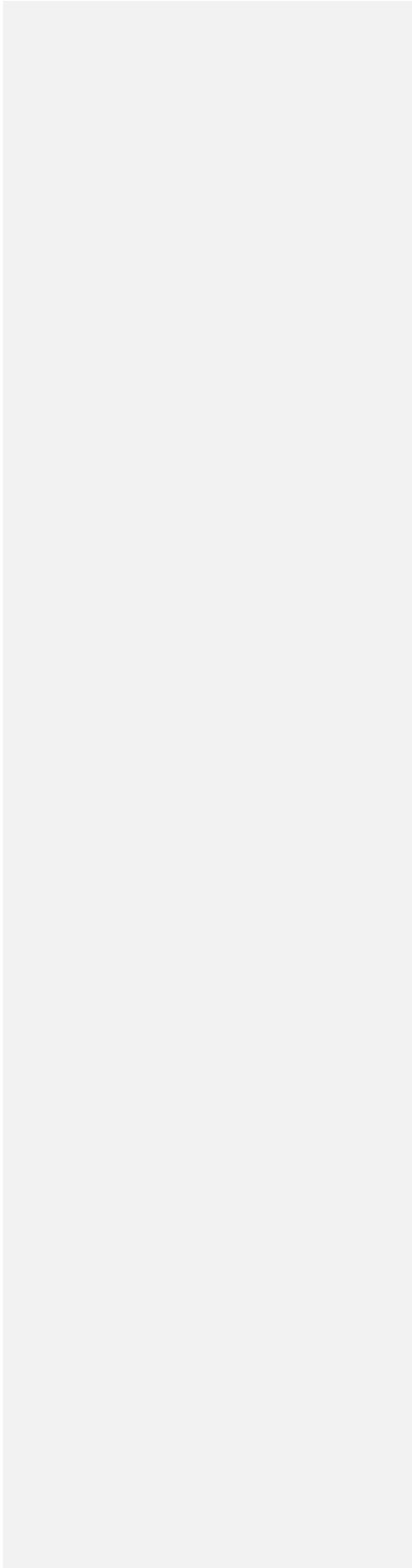
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Jean Mariani  
President, Board of Directors

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Sandeep Karkal  
Manager-Engineer

DRAFT



# Informational Items Following:

**SANITARY DISTRICT NO. 1 OF MARIN COUNTY ORDINANCE NO. 68**

SANITARY DISTRICT NO. 1 OF MARIN COUNTY ORDINANCE NO. 68 AMENDING ORDINANCE NO. 66 AND ORDINANCE NO. 67, EXTENDING THE EFFECTIVE DATE OF CERTAIN SECTIONS, AMENDING SECTION 10.2, AND ALLOWING FOR FUTURE CHANGES OF ORDINANCE NO. 66 BY RESOLUTION OF THE BOARD WHEREAS, the Sanitary District No. 1 of Marin County ("District") is authorized by the Sanitary District Act of 1923 (Health & Safety Code §6400 et seq.) to provide public services and facilities related to the acquisition, construction, replacement, maintenance and operation of wastewater collection facilities within the District's service area; and WHEREAS, on June 18, 2014, the District adopted Ordinance No. 66 to regulate the testing, inspection, and maintenance of private sewer laterals; and WHEREAS, on June 25, 2014, the District adopted Ordinance No. 67 delaying the effective date for sections 7.1.d and 7.2.b to September 1, 2014; and WHEREAS, Ordinance No. 66 is in addition to any other requirements of Ordinance No. 26, regulating the use of private and public sewer drains, or other duly adopted Ordinances of the District; and WHEREAS, the District finds that Section 2 of Ordinance No. 67 needs to be amended to extend Ordinance No. 66's and Ordinance No. 67's effective date specifically for its application to Section 7.1.d (Transfer of Title) and 7.2.b (Sale of Property); and WHEREAS, the District further finds that the additional extension of the effective date for Section 7.1.d (Transfer of Title) and 7.2.b (Sale of Property) of Ordinance No. 66 is necessary in order to ensure that the District, public and real estate community have adequate time to implement its compliance provisions; and WHEREAS, Section 10.2 of Ordinance No. 66 places a requirement that the property owner of a sewer lateral requiring repair pursuant to the requirements of Ordinance No. 66 provide proof the repair was completed as a condition of escrow; and WHEREAS, the District does not wish to unnecessarily delay property sales transactions; and WHEREAS, the District must maintain its ability to enforce all provisions of Ordinance No. 66; and WHEREAS, the District finds this Ordinance No. 68 is statutorily exempt from the provisions of the California Environmental Quality Act of 1970 ("CEQA") per CEQA Guidelines Section 15307, Actions by Regulatory Agencies for Protection of Natural Resources and Section 15308, Actions by Regulatory Agencies for Protection of the Environment. NOW, THEREFORE, the Board of Directors of the Sanitary District No.1 of Marin County does ordain as follows: SECTION 1. Recitals. All of the above Recitals are true and incorporated by reference herein. SECTION 2. Effective date of Ordinance No. 66 The effective date of Ordinance No. 66, Section 7.1.d, "Transfer of Title" and Section 7.2.b, "Sale of Property" shall be January 1, 2015. A summary of this Ordinance No. 67 shall be published once in the Marin Independent Journal, a newspaper of general circulation published in the District. SECTION 3. Replacement of Section 10.2 of Ordinance No. 66 Section 10.2 of Ordinance No. 66 shall be replaced in its entirety by the following: Obligations of the Owner. The Owner shall repair his or her sewer service lateral to the satisfaction of the District Engineer, and in compliance with the California Environmental Quality Act, including adding a conforming cleanout and backwater prevention device, and acquire all related permits from the District and obtain a final permit inspection from a District Inspector. All permits and repairs shall be completed in a timeframe that is satisfactory to the District Engineer. For repairs required under Section 7.2.b "Sale of Property", the deadline to complete repairs and final inspection shall not exceed 60 days from the close of escrow. SECTION 4. All other provisions of Ordinance No. 66 shall remain in full force and effect. PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sanitary District No. 1 of Marin County, held on the 27th day of August, 2014 by the following vote: AYES MEIGS, EGGER, SYLLA, BOORSTEIN, GAFFNEY NOES ABSENT ----- THOMAS GAFFNEY PRESIDENT OF THE BOARD ATTEST: ----- MICHAEL BOORSTEIN SECRETARY OF THE BOARD NO. 1077 AUGUST 30, 2014

Appeared in: **Marin Independent Journal** on Saturday, 08/30/2014

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## Mill Valley may require property owners to inspect and repair their sewer pipes

By Paul Liberatore [liberatore@marini.com](mailto:liberatore@marini.com) @LibLarge on Twitter

Posted: 08/29/2014 03:29:41 PM PDT

marini.com

The Mill Valley City Council will consider requiring property owners to pay for the inspection and any necessary repairs of sewer laterals that connect their property to the city's main sewer system.

A lateral is usually beneath the roadway fronting the property. The issue will be discussed during a council meeting set for 7 p.m. Tuesday in the City Hall council chambers, 26 Corte Madera Ave.

The inspections would be required in four cases:

- When a property is sold.
- When a property owner submits a building permit application for improvements valued at \$50,000 or more over a three-year period.
- When a sewage overflow, malfunction or other public health threat occurs at a property as determined by the city engineer.
- When the city does a road or sewer main improvement on a resident's street. The city is in the midst of an estimated \$13 million, five-year upgrade of its sewer system.

The proposal comes in the wake of the city paying \$1.6 million in fines after a sewage overflow in 2008 caused in part by extreme flow volume to the treatment plant, city officials said.

Earlier this year, the Sewerage Agency of Southern Marin board approved a model ordinance and encouraged all of its member agencies to adopt it. During rainy winter months, a significant amount of rainwater seeps into cracks in privately owned laterals, increasing the load placed on public sewer pipes and making it more likely that the larger system will fail, according to Public Works Director Jill Barnes.

She said it has a huge economic impact on the overall sewer system when the additional flows have to be collected and run through a costly treatment process before being pumped into the bay.

Under the proposed law, property owners would have to hire a licensed plumber to inspect the sewer and prepare an inspection report. Once the city or sewerage agency receives the report, it determines whether repairs or improvements are needed within 180 days.

In response to concerns from the Marin Association of Realtors, the proposal has no requirement to complete repairs before title transfers, a key distinction from those of other agencies.

"We're not going to get in the middle of their real estate transaction," said Councilman John McCauley, the city's representative on the sewerage agency board.

Nevertheless, the Marin Association of Realtors remains opposed to the proposal.

"We're opposed to relying on a very passive approach to address an immediate need of the community," said associaton CEO Andrew Fegley. "We will continue to urge any city or municipality to create an active plan to address the need rather than waiting for them to sell their house to fix something. There are ways out there to fix these things."

Asked what alternative plan he would recommend to fix the problem, Fegley did not give specifics.

"The conversation has to happen before I can answer what the plan is going to look like," he said. "We are still at the table, and we are willing and able to be a partner in this."

A second public hearing on the issue is scheduled for 7 p.m. Oct. 6 at City Hall.

## Mill Valley City Council continues first hearing on controversial sewer proposal

By Paul Liberatore [liberatore@marinij.com](mailto:liberatore@marinij.com) @LibLarge on Twitter

Posted: 09/03/2014 01:41:56 PM PDT

marinij.com

The Mill Valley City Council has continued the first of two public hearings on a proposed new law that would require the inspection and repair of sewer laterals whenever a property is sold.

At its meeting Tuesday night, the council decided to take up the first public hearing again in 30 days, giving city staff time to make changes that councilman suggested and clean up some of the language in the ordinance, based on a model developed earlier this year by the Sewerage Agency of Southern Marin.

Andrew Fegley, CEO of the Marin Association of Realtors, spoke against the proposed law, criticizing it as a "passive approach" to an immediate need in the community. But he said his organization is willing to work with the city on the measure.

"We haven't been able to convince Mr. Fegley that our idea is best," said City Manager Jim McCann.

In response to concerns raised by the Realtors, the proposal has no requirement to complete repairs before title transfers on a property, a major difference from other agencies dealing with the issue.

Council members agreed that inspection of the sewer lines would have to be done before close of escrow, but that "a reasonable time" would be allowed after close of escrow to make any necessary repairs.

Councilman Ken Wachtel suggested a deposit of \$5,000 be posted to the city to ensure the work is done.

"I think we've bent over backwards to try to find a way not to impact the close of escrow and the transaction itself," said Councilman Garry Lion.

The council also agreed to delay the actual implementation of the law for three months after they approve it, giving the city and the real estate industry time to inform the public of the new law.

Other "triggers" for inspections would be required in three other cases:

- When a property owner submits a building permit application for improvements valued at \$50,000 or more over a three-year period.
- When a sewage overflow, malfunction or other public health threat occurs at a property as determined by the city engineer.
- When the city does a road or sewer main improvement on a resident's street. The city is in the midst of an estimated \$13 million, five-year upgrade of its sewer system.

The proposal comes in the wake of the city paying \$1.6 million in fines after a sewage overflow in 2008 caused in part by extreme flow volume to the treatment plant, city officials said.