

# NOVATO SANITARY DISTRICT

## Board Meeting Minutes

Meeting Date: January 8, 2018

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 5:30 p.m., Monday, January 8, 2018, at the District Office, 500 Davidson Street, Novato.

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

STAFF PRESENT: General Manager-Secretary Sandeep Karkal, and Administrative Services Specialist June Brown.

ALSO PRESENT: John Bailey, Project Manager, Veolia Water  
John O'Hare, Veolia Water  
Erik Brown, Technical Services Manager, NSD  
Dale Thrasher, Admin/Risk Services & Safety Officer, NSD  
Joe Moreno, Collection System Worker, NSD  
Fred Stemmler, General Manager, Recology Sonoma-Marin  
Ed Farewell, Group Manager, Recology Sonoma-Marin  
Jim Salyers, Vice-President, Novato Disposal Service

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as presented.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the December 11, 2017 meeting.

*On motion of Director Miller, seconded by Director Long, and carried unanimously, minutes of the December 11, 2017 Board meeting were approved as written.*

CONSENT CALENDAR:

President Peters called for a motion on the Consent Calendar items. Director Miller requested that Item e: "Approve Policy No. 4096 – Harassment Prevention Training and Education for Board Members" be removed from the Consent Calendar and separately considered. President Peters called for a motion on the remaining Consent Calendar items a. through d. as follows:

- a. Approve Board member disbursements in the amount of \$1,215.93, regular disbursements in the amount of \$411,732.07, and capital project disbursements in the amount of \$19,131.45. Ratify December's regular disbursements in the amount of \$345,450.60 and capital project disbursements in the amount of \$4,778.25.

- b. Ratify December's payroll and payroll related disbursements in the amount of \$230,930.06.
- c. Receive deposit summary, December 2017.
- d. Receive report – submittal of Financial Transactions Report (FTR) to the State Controller's Office (SCO).

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

- Approve Policy No. 4096 – Harassment Prevention Training and Education for Board Members: Director Miller proposed the following change to Policy No. 4096:

4096.1. All harassment prevention training must be presented by trainers with **obtained from sources, as determined by the General Manager-Chief Engineer, to have** knowledge and expertise in the prevention of sexual harassment, discrimination, and retaliation.

In response to a question by Director Long, staff clarified that legal requirements mandate that Board members, management, and supervisory personnel take the training. However, the District expanded the requirements to include all District employees.

*There being no further discussion, on motion of Director Miller, seconded by Director Long, and carried unanimously, Policy No. 4096, "Harassment Prevention Training and Education for Board Members" was adopted as amended.*

#### SOLID WASTE – INFORMATIONAL ITEMS:

- Receive update on transition of Solid Waste Collection Services from Novato Disposal Service (NDS) to Recology Sonoma-Marin (RSM) – information only: The General Manager summarized the transition of solid waste services from Novato Disposal Service (NDS) to Recology Sonoma-Marin (RSM). In August 2017 both entities formally requested that the District Board assign the "Amended and Restated Agreement between Novato Sanitary District and Novato Disposal Service, Inc. for Solid Waste Collection, Processing, Diversion and Disposal (2011)" from NDS to RSM. The District Board retained R3 Consultants and directed District legal counsel and staff to conduct a careful and detailed due diligence process of the assignment request. The Board's Solid Waste Committee considered the assignment process at its meeting of November 1, 2017. Subsequently, at its November 13, 2017 meeting, on the basis of the due diligence process, the Board authorized assignment of the solid waste franchise from NDS to RSM.

The General Manager further reported that RSM is operating as of December 23, 2017 and has been transitioning operations from NDS to RSM. As to be expected, there have been some initial or transition issues relating to pick-up, billing, and customer service. RSM is aware of the issues and it working to resolve them. The General Manager introduced Fred Stemmler, RSM General Manager, and Ed Farewell, RSM Group Manager, present at the meeting, to report on the transition to date and respond to questions by Board Members.

Mr. Stemmler elaborated on several errors that have occurred during the transition, specifically pick-up delays, customer service, and billing issues, including an incorrect

reference on invoices that the City of Novato is responsible for the 2018 solid waste rate increase. Pick-up delays occurred because Christmas and New Year's Day fell on Mondays this year delaying pick-ups by one day, thereby creating increased inquiries from customers. Slow customer service response times are partly due to the fact that Recology is working with the existing outdated phone response system. Recology is looking at a variety of solutions and in March 2018 Recology's own system will be implemented which is much more efficient.

Mr. Stemmler responded to various questions posed by Board members. He reported that almost all NDS employees, or as many as possible, were retained by RSM, and that RSM is cross-training employees in anticipation of on-boarding new trucks through May 2018.

It was pointed out to Mr. Stemmler that it's unclear to customers that split-body trucks are used and it appears that recycling and garbage are being commingled in the same truck. Mr. Stemmler explained how the split-body truck operates and emphasized that recyclables and garbage are in fact separated into different sections. Director Miller suggested that a video be made demonstrating how split-body trucks operate and that the video be placed on Recology's website.

Discussion followed regarding billing issues. Mr. Stemmler noted issues have occurred while consolidating the NDS billing software system and the RSM billing system. As a result, a number of customers have been billed what appear to be incorrect amounts. Recology has committed to correcting the errors. Additionally, Novato Disposal Service had a long-standing practice whereby they offered one month's discount if one year's service was paid in advance. Recology bills quarterly and does not offer the annual payment discount. However, Mr. Stemmler indicated that a 5% discount will be offered in 2018 before phasing it out in subsequent years, and that the 5% credit will be reflected on the next quarterly bill.

Mr. Farewell stated that because the transition occurred on December 23<sup>rd</sup> there was very little time for organizing and restructuring. However, Recology is planning an extensive public outreach plan in addition to a full roll-out program to replace existing garbage cans.

Upon close of discussion, Mr. Stemmler and Mr. Farewell thanked the Board and left the meeting at 6:14 p.m.

#### WASTEWATER OPERATIONS:

##### - Receive Wastewater Operations Reports, December 2017: Collection System; Treatment Facilities; Reclamation Facilities:

The Technical Services Manager provided the Collections System Report for December 2017. He stated that the Collections Department cleaned 91,945 lineal feet of sewer pipelines and completed 449 maintenance work orders, leaving zero work orders outstanding. He stated that 132 feet of sewer main were televised. Additionally, a private contractor completed CCTV of 909 feet of 18" sewer main in connection with a warranty inspection for the Bel Marin Keys Trunk Sewer Rehab Project. Staff conducted 211 lift station inspections and completed maintenance inspections on four air relief/vacuum valves in December.

The Technical Services Manager then outlined the specialized training attended by staff in December. He stated that one Collections Department staff member attended Traffic Control Training, and two Collections Department staff, along with the Electrical/Instrumentation Technician, traveled to Modesto to pick up the District's new portable generator and receive training. In addition, Collections System staff attended three safety tailgate meetings. Collections System staff assisted a contractor with flow meter calibrations and also assisted with the removal and replacement of the "Channel Monster" at the Ignacio Transfer Pump Station.

There were no lost time accidents, for a total of 2,485 accident-free days.

Also, no sanitary sewer overflows (SSOs) occurred in December.

Veolia Project Manager John Bailey then provided an overview of the Treatment Facilities Monthly Operations Report for December. There were no violations or excursions, which marks the sixth calendar year with no excursions. The Recycled Water Facility (RWF) was only on line for two days in December due to low demand at this time of year. In addition to monthly routine inspections and maintenance, Biofilter #2 used for odor control was inspected; the fuel injector for wet weather pump #1 was replaced; and the uninterruptible power supply (UPS) for Blower #2 was replaced. He outlined the safety training that was completed in December, and stated that safety performance was excellent with a total of 2,777 accident-free days. He reviewed the period's key events, and monthly safety and training topics.

The Technical Services Manager then summarized the Reclamation Facilities report for December 2017. Staff met with the rancher and the Bay Club Golf Course Manager to discuss keeping cattle out of the new driving range. The rancher will construct fencing along the southern edge of the driving range and the golf course will relocate the entrance gate and extend fencing to isolate the golf course operations from ranching operations. The District hosted the annual Bird Count conducted by Blue Point Conservation and the Marin Audubon Society in December. The two groups observed 48 species of birds. There were no irrigation or sludge handling activities in December.

#### CAPITAL PROJECTS:

- Admin Building Upgrade/Maint. Building, Account No. 73003: Review bids received for the Maintenance Building Phase 3 – Modular Building Project, reject all bids, and authorize the General Manager-Chief Engineer to so inform all bidders: The Technical Services Manager reported that two bids were received in response to the Request for Bids for the modular Maintenance Building project, as follows:

CWS Construction Group, Inc.	\$455,000
Design Space Modular Buildings	\$474,665

CWS Construction Group subsequently withdrew their bid. The District fiscal year (FY) 2017-18 budget for the project is \$350,000, of which \$21,400 has been expended as of December 31, 2017. The Engineer's estimate for the project was \$255,000. The Technical Services Manager stated that construction is now at a premium following the Northern

California fires, and hurricane events in Florida, Texas and Puerto Rico, creating an increased demand for materials and modular buildings of this type. Staff therefore recommends that the Board reject all current bids and authorize the General Manager-Chief Engineer to so inform bidders.

*On motion of Director Long, seconded by Director Dillon-Knutson and carried unanimously, the Board rejected all current bids for the Administration Building Upgrade/Maintenance Building, Account No. 73003, and authorized the General Manager-Chief Engineer to so inform all bidders.*

At 6:35 p.m. President Peters declared a five-minute recess.

At 6:41 p.m. President Peters reconvened the meeting.

#### ADMINISTRATION:

- Receive preview of presentation titled, "CalOSHA and Civil Liability When Using Contractors", to be presented by the Administrative/Risk Services & Safety Officer at the California Sanitation Risk Management Authority (CSRMA) seminar during the California Association of Sanitation Agencies (CASA) Winter Conference, Palm Springs, January 24-26, 2018: Dale Thrasher, Administrative/Risk Services & Safety Officer, presented a PowerPoint preview of the program he will be presenting at the upcoming CSRMA seminar on January 24, 2018. The program "CalOSHA and Civil Liability When Using Contractors" is designed to provide opportunities for local agencies to manage their public works contracting practices to help ensure projects are performed by experienced contractors with good safety records. The Risk Services/Safety Officer elaborated on each of the program areas which cover liability and responsibility when using multi-employers; developing contractor safety programs; contractor pre-qualification requirements; establishing requirements for all programs or projects where non-agency labor is used to perform work on the agency's property or assets; and identification of potential hazards.

In response to questions by Board Members, the Risk Services/Safety Officer stated that a contractor's poor safety record may be sufficient reason to disqualify a bid. The question was also raised as to whether the proposed program is different from current District practices. The Risk Services/Safety Officer responded that the District's current practices are based on the California Sanitation Risk Management Authority program. The proposed program is an expansion of the CSMRA guidelines and it is advocated that the program be applied to all contractors performing work for the District. It was clarified that the program would basically apply only to contractors performing physical work.

#### BOARD MEMBER REPORTS AND REQUESTS:

- North Bay Watershed Association (NBWA) meeting, January 5, 2018: Director Miller reported on the January 5<sup>th</sup> meeting of the NBWA Board of Directors. There was a very enthusiastic speaker, Ellie Cohen of Point Blue Conservation Science, who gave a presentation on her recent participation at an international conference of climate scientists and policy makers in Bonn, Germany. A presentation was also made by Charles Schembre of Napa Resource Conservation District who reviewed the Conservation District's vineyard soil improvement efforts.

INFORMATIONAL ITEMS:

- City of Novato – Notice of City Council Reorganization: A City of Novato news release of December 13, 2017 announced the appointment of Mayor Pro Tem Josh Fryday as Mayor, and Councilmember Pam Drew as Mayor Pro Tem.

- Marin IJ article dated December 22, 2017: “State pension board decision could fuel tax increases”: A Marin Independent Journal article of December 22, 2017 entitled “State Pension Board Decision Could Fuel Tax Increases” criticizes CalPERS investment strategy that predicts 7 percent long-term annual returns. The article predicts that this speculation could ultimately result in higher pension debt.

GENERAL MANAGER’S REPORTS AND ANNOUNCEMENTS:

- As reported last month, the California Sanitation Risk Management Authority (CSRMA) has invited the General Manager to be nominated to the CSRMA Executive Board. He has accepted the nomination and will be one of an official slate of two nominees to be presented and voted on at the January 24<sup>th</sup> meeting of the CSRMA Board of Directors.
- The invitation from the Novato City Manager to make a presentation on District activities and happenings to the Novato City Council has been tentatively moved from January 9, 2018 City Council meeting to February 27, 2018 City Council meeting. Board President Jerry Peters will be making the presentation.
- The California Association of Sanitation Agencies (CASA) Winter Conference will be held on January 24-26, 2018 at the Palm Springs Hilton.
- The next regular meeting of the District Board of Directors will be February 12, 2018.

Several Directors commented that some of the content of the Sexual Harassment Prevention Training they recently took on-line was very disturbing and suggested that the presenters might want to rethink how they present the program. Dale Thrasher, Administrative/Risk Services & Safety Officer, indicated that in future it may be preferable to have a professional present the training in person.

ADJOURNMENT: There being no further business to come before the Board, President Peters adjourned the meeting at 7:38 p.m.

Respectfully submitted,

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Sandeep Karkal  
Secretary

June Brown, Recording