

February 9, 2009

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 4:30 p.m., Monday, February 9, 2009, at the District Office, 500 Davidson Street, Novato.

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

BOARD MEMBERS ABSENT: Arthur T. Knutson.

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

ALSO PRESENT: None.

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: *On motion of Member Quesada, seconded by Member Long, and unanimously carried by those Members present, the agenda was approved as mailed.*

PUBLIC COMMENT: None.

BOARD MEMBER REPORTS: None.

REVIEW OF MINUTES:

Consider approval of minutes of the January 26, 2009 meeting: *On motion of Member Quesada, seconded by Member Long, and unanimously carried by those Members present, minutes of the January 26th meeting were approved.*

CONSENT CALENDAR: *On motion of Member Quesada, seconded by Member Long, and unanimously carried by those Members present, the following consent calendar items were approved:*

- a. Authorization of travel by Board members and senior staff for out-of-state attendance at various meetings and events.
- b. Review of quarterly Investment Report for period ending December 31, 2008.
- c. Approval of regular disbursements in the amount of \$435,899.78, and upgrade project disbursements in the amount of \$2,904,433.82.

SPECIAL DISTRICT REPRESENTATION ON MARIN LOCAL AGENCY FORMATION COMMISSION (LAFCO):

- Consider selection of candidate for Regular Special District representation on LAFCO:
The Manager discussed the three candidates: Einar Asbo of Homestead Valley Sanitary District; Peter Sullivan of Ross Valley Sanitary District; and Craig Murray of the Las Gallinas Valley Sanitary District.

The Board discussed each of the three candidates and their qualifications for service as LAFCO representatives. Member Fritz proposed the Board rank the candidates in the following order: First: Craig Murray; Second: Peter Sullivan; and Third: Einar Asbo.

On motion of Member Fritz, seconded by Member Quesada, and carried unanimously by those Members present, the Novato Sanitary District ranked the LAFCO Special District representation candidates as follows: First: Craig Murray of the Las Gallinas Valley Sanitary District; Second: Peter Sullivan of Ross Valley Sanitary District; and Third: Einar Asbo of Homestead Valley Sanitary District.

RAILROAD AVENUE SEWER AGREEMENT:

- Approve the agreement with Downtown Novato Investors LLC to share the cost of the Railroad Avenue Sewer Replacement: The Manager reminded the Board that in March 2007, the sewer line serving the Whole Foods Development was already surcharging during periods of high flows and would need to be upgraded prior to completion of the Whole Foods Development. At their August 8, 2008 Board meeting, the Board approved the plans for the sewer work which would include 77 feet of 6" PVC sewer main, 472 feet of 10" main, and 1,472 feet of 12" main among other items. The Manager stated that the District would be sharing the costs for the upgrades with the Whole Foods Developer, Downtown Novato Investors. She stated that District Counsel Kent Alm has drafted an agreement to split the costs based on the relative number of existing equivalent dwelling units and the number of equivalent dwelling units in the Whole Foods development.

President Di Giorgio asked if the cost of the project was going to be split equally between the Developer and the District. The Manager replied that currently it is split equally, however that is subject to change after construction is complete and the final costs are settled.

The Manager clarified where the sewer line replacements will be located. Member Fritz stated that for future projects of this type, he would like a sketch of the locations where sewer lines are being replaced when the request for Board approval is presented.

On motion of Member Fritz, seconded by Member Quesada, and unanimously carried by those Members present, the Board approved the agreement with Downtown Novato Investors LLC to share the cost of the Railroad Avenue Sewer Replacement Project.

RECLAMATION FACILITY PASTURE LEASE:

The Manager stated that currently the District leases a total of 820 acres of irrigated pasture to two ranchers who have leased the property for more than 15 years. Their leases are set to expire on March 31, 2009. District Counsel Kent Alm had stated that in order to re-lease the property, the following three steps need to be taken by the District:

- (a) Consider making a determination allowing a blanket maximum lease term of up to ten (10) years: The Manager recommended the Board agree to a maximum lease term of 10 years.

- (b) Consider making a determination that the property is not needed for District purposes during the term of the 10-year lease: The Manager explained that the District is not using the property for building development. The District will make the determination to lease the property to the rancher and will supply recycled water, thus making the area a recycled water project.

- (c) Schedule a Public Hearing for March 9, 2009 to consider a proposed lease agreement document: The Manager requested a Public Hearing be scheduled for March 9, 2009.

On motion of Member Fritz, seconded by Member Long, and carried unanimously by those members present, the Board moved to take the following actions: (a) Make a determination allowing a blanket maximum lease term of up to ten (10) years; and (c) Schedule a Public Hearing for March 9, 2009 to consider a proposed lease agreement document.

The Manager stated that at the Public Hearing, a determination (item (b) above) will be stated. In addition, she is working with District Counsel to draft a lease agreement that will be presented at the Public Hearing on March 9th.

Member Quesada asked if it would be possible to lease the property for just five years and renew the lease for another five years upon the first expiration. The Manager explained why a 10 year lease is more appropriate for the District.

STAFF REPORTS:

- North Bay Watershed Association Meeting: The Manager discussed her participation at a North Bay Watershed Association (NBWA) Meeting on February 6th. She stated that Judy Arnold was quite pleased with the District's participation in the Novato Creek Watershed Management Program. She also discussed a presentation given by Chuck Weir on the North Bay Water Recycling Program. She stated the next NBWA meeting will be held on March 6th.

MANAGER'S ANNOUNCEMENTS:

- The Manager discussed California Association of Sanitation Agencies (CASA) Day in the District. Assembly Member Jared Huffman will be at the San Rafael Civic Center on February 26th at 2 PM to meet with various agencies. Beverly suggested Member Fritz and Member Long attend this meeting. Member Fritz suggested a short conference beforehand with Member Long and the District Manager to identify issues to be discussed at the meeting with Assembly Member Huffman. The Manager stated that CASA would present the District with a list of "talking points" but encouraged the Districts to present topics of local concern as well.

- Bank of Marin is holding a seminar titled "North Bay Economic Outlook for 2009 and Beyond" on Tuesday, February 24th at the Marin Country Club. There will be a presentation by Robert Eyler, PhD. Administrative Manager June Brown will be checking with the Board Members to see who is interested.

- CASA is holding their Washington DC conference on March 9th, 10th, and 11th. Ginger Bryant will try to schedule lobbying events for later in the week and if Directors would like to attend, the Board meeting for March 9th should be rescheduled.

- The Recycled Water Sub-Committee met on January 28th jointly with North Marin Water District and the Las Gallinas Valley Sanitary District. The recycled water treatment facility was discussed and North Marin Water District's role in using recycled water in areas of Novato.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the meeting at 5:36 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Borda, Recording