

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: February 8, 2016

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, February 8, 2016, at the District offices, 500 Davidson Street, Novato.

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

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

ALSO PRESENT: Laura Creamer, Finance Officer, Novato Sanitary District
Dale Thrasher, Safety Director, Novato Sanitary District
Steve Krautheim, Field Services Manager, Novato Sanitary District
Erik Brown, Technical Services Manager, Novato Sanitary District
John Bailey, Project Manager, Veolia Water
John O'Hare, Operations Technical Support, Veolia Water
Mark Wilson, Nute Engineering

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the January 11, 2016 meeting.

On motion of Director Peters, seconded by Director Miller, and carried unanimously, the January 11, 2016 Board meeting minutes were approved.

CONSENT CALENDAR:

President Mariani called for a motion on the Consent Calendar items as follows:

- a. Approval of Board member disbursements in the amount of \$1,416.39, operating check disbursements in the amount of \$55,775.33, and capital project disbursements in the amount of \$332,835.02. Ratify January disbursements as follows: operating check disbursements in the amount of \$176,711.95, and capital project disbursements in the amount of \$5,409.83
 - b. Ratify January 2016 payroll and payroll-related disbursements in the amount of \$225,993.38.
 - c. Receive Deposit Summary, January 2016.
-

- d. Receive Accounts Receivable Report, in the amount of \$163,795.62, as of January 31, 2016.
- e. Receive report on 2015 Safety and Wellness Incentive Program (SWIP), and approve disbursements of 2015 SWIP awards in the amount of \$1,847.81.
- f. Approve the 2016 SWIP, and fund it at a budget amount of \$10,000 in the FY2016-17 operating budget.
- g. Cancel meeting of February 22, 2016 to accommodate the Annual California Association of Sanitation Agencies (CASA) Washington DC meeting.

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

FINANCE & ADMINISTRATION:

- Receive 2nd Quarter Investment Report, Fiscal Year (FY) 15-16: The Board received the 2nd Quarter Investment Report without comment.

- Receive Summary FY 15-16 Second Quarter Financial Report: The General Manager presented the 2nd Quarter Financial Report. Operating Fund revenue is at 52.3% of the budget year, while operating expenditures are at 42.4%. Capital Fund revenue is at 52.4% and Capital Fund expenditures are at 67.0%. Director Miller asked what agencies are included in Account No. 66075 "Agency Dues". The General Manager responded that membership dues for associations such as California Association of Sanitation Agencies, CWEA and the like are included in this category. Director Long commented on the fact that operating expenditures are below 50%. Finance Officer Laura Creamer responded that expenses are allocated for the fiscal year but are not necessarily expended uniformly. She considered expenses of 42.4% to be reasonable with 50% of the fiscal year completed.

- Approve and Adopt Updated District Policy No. 4095 – Ethics Training: The General Manager presented an updated District Policy No. 4095, clarifying District employees required to participate in Ethics Training. The proposed policy is expanded to include all designated positions required to file Statements of Economic Interests (Form 700) as identified in the District's Conflict of Interest Code adopted by the Board in November 2012.

A motion was made by Director Peters, seconded by Director Dillon-Knutson, to approve and adopt the Updated District Policy No. 4095 – Ethics Training.

Discussion followed regarding definition of the word "designated" in the proposed policy to describe employees required to file Form 700. The General Manager indicated there is a legal definition of the word as used in the context of positions required to file Form 700. Director Dillon-Knutson expressed her support for the expanded Ethics Training requirements.

There being no further discussion, the motion carried unanimously.

- Adopt Resolution No. 3097 Amending and Restating Lincoln Financial Group 401(a) Plan: The General Manager reported that approximately every six years, Internal Revenue Service regulations require restatement of 401(a) plans to comply with legislative and regulatory changes. Restatement and amendment of the plan is performed by the plan administrator, Lincoln Financial Group.

RESOLUTION NO. 3097: On motion of Director Peters, seconded by Director Long, and carried unanimously, Resolution No. 3097, "A Resolution of the Board of Directors of the Novato Sanitary District, Amending the District's 401(a) Plan with Lincoln Financial Group to Reflect Certain Provisions of the Pension Protection Act of 2006" was adopted.

WASTEWATER OPERATIONS REPORT:

- Receive Wastewater Operations Report, January 2016: The Plant Manager (John Bailey) provided an overview of the treatment facilities monthly operations for January. There were no excursions or violations for the month. A maximum peak flow of 22.6 million gallons was reached for two hours on January 19th, with daily maximum for the month of 14.6 million gallons. Due to low demand there was no recycled water production for the month. Safety performance was excellent with a total of 2,077 accident-free days through January. Mr. Bailey addressed pH values at the Reclamation wildlife pond which continue to be high due to naturally occurring conditions. However, no discharge to receiving waters occurs from the ponds. Mr. Bailey also addressed an atypical pH value of 6.6 in the treatment plant data which approached the allowable limit of 6.5. He stressed that very close attention is paid to pH. He noted that there was just the one low value, it was not in violation, and that pH went back up the next day and subsequent values trended higher. A Pretreatment Compliance Inspection was conducted in January by Tetra-Tech, an EPA inspection contractor, and the inspection report is expected at the end of February.

Director Miller questioned the significant drop in Jerome Meter readings. Plant Manager John Bailey will check the readings.

Technical Services Manager Erik Brown provided a summary of odor control and landscaping for January. Veolia staff is monitoring the performance of the recently installed Micro-Cool fogging system along the north fence line in the northeast corner of the plant site. District and Veolia staff met with neighborhood residents to discuss additional oleander plantings along the northeast fence line and the District has requested a quote for the plantings from its landscape contractor. Director Long expressed praise for the fact that there have been no odor complaints recently.

The Field Services Manager, Steve Krauthem, provided a summary of the Collection System Operations report for January. He stated that the department cleaned 65,000 lineal feet of sewer lines, televised 843 feet with the CCTV truck, and 1,669 feet with the Push-Cam in lieu of hand-rod work. He noted that CCTV findings identified one line segment as needing spot repair. Staff conducted 206 lift station inspections and inspected two air relief valves. In addition, staff responded to a collapsed sewer trunk main at the Ignacio Pump Station by working through the night to set up bypass

pumping in order to facilitate a repair. He stated that there were three Category III sanitary sewer overflows in January, with a cumulative spill volume of 212 gallons and one Category I SSO with a spill volume of 270 gallons. Collections System staff attended five safety tailgate meetings and two training sessions. There were no lost time accidents in January, for a total of 1,785 accident-free days. Board Members expressed appreciation to staff responding to the overtime callout emergency at the Ignacio Pump Station.

The Field Services Manager provided a summary of the Reclamation Facilities report. No ranching, sludge handling or irrigation activities were performed in January.

- Receive report on submittal of 2015 Annual Self-Monitoring Report (SMR): The General Manager reported that the 2015 Annual Self-Monitoring Report was electronically submitted on January 31, 2016 into the California Integrated Water Quality System (CIWQS) by Veolia Water. The report can be accessed at the CIWQS website.

- Ratify the General Manager's declaration of an emergency with potential to threaten public health or environmental health quality from failure of an essential facility (trunk sewer), and receive report on same: The Field Services Manager described the situation resulting from the collapsed sewer trunk main at the Ignacio Transfer Pump Station site (formerly the Ignacio Treatment Plant site). It was discovered when notification was received on the evening of January 19th of a possible overflow at 46 Galli Drive. Upon investigation, it was determined that there was a blockage in the trunk sewer inside the Ignacio Transfer Pump Station site. District staff set up bypass pumping until a contractor could be located to respond to the emergency. W.R. Forde Contractors indicated their availability to perform repairs as needed. The next morning, inspection revealed total collapse of a portion of the trunk sewer. Staff requested that the General Manager grant declaration of an emergency condition from the failure of an essential facility to authorize potential unbudgeted or extraordinary expenditures for the repair. W.R. Forde began work to conduct the necessary line segment replacement. During excavation a 6' x 4' boulder was recovered from the site of the line failure. Work is still ongoing and it is anticipated that repair costs will total approximately \$67,000. The General Manager confirmed that an emergency with the potential to threaten public health or environmental quality allows the Manager to access any available funds to respond to the emergency. The damage was confined to District property and it was not necessary to notify any outside agencies.

On motion of Director Miller, seconded by Director Dillon-Knutson, and carried unanimously the Board ratified the General Manager's declaration of an emergency with potential to threaten public health or environmental quality from failure of an essential facility (trunk sewer), received report on same, ratified actions and costs incurred to date, and authorized continuing expenditures, with a final report to be presented on completion of all work.

CAPITAL PROJECTS:

- Collection System Improvements, Account No. 72706 – Olive Pump Station Parallel Force Main Project: Approve a balancing contract change order in the amount of

\$148,066.18, Grant Final Acceptance, and authorize staff to file the Notice of Completion: The General Manager stated that on August 25, 2014, the Board awarded the contract for the Olive Pump Station Parallel Force Main Project to Argonaut Constructors. He stated that work was substantially completed on March 30, 2015. However, final acceptance was delayed pending completion of punch list items and submittal of the contractor's final payment request. The project is now ready for final acceptance. Final cost of the project is \$1,393,746.18, including combined change orders totaling \$148,066.18. The General Manager requested the Board approve the balancing change order, grant final acceptance, and authorize staff to file the Notice of Completion.

On motion of Director Peters, seconded by Director Long, and carried unanimously, the Board approved the balancing change order in the amount of \$148,066.18, granted final acceptance of the Olive Pump Station Parallel Force Main Project No. 72706, and authorized staff to file the Notice of Completion.

At 6:55 p.m. President Mariani stated that the Board would take a short break. The Board meeting reconvened at 7:00 p.m.

BOARD MEMBER REPORTS AND REQUESTS:

- California Association of Sanitation Agencies (CASA) Winter Conference: Directors reported on their attendance at the recent CASA Conference. All directors agreed that the Conference was valuable, professional, and well presented. President Mariani distributed copies of a PowerPoint presentation from the Conference, titled "The Perfect Board: A Best Practices Workshop". She urged Board members to read it and suggested that the Board consider having the speaker attend a future District Board meeting to make a presentation.

- North Bay Watershed Association (NBWA): Director Miller reported on his attendance at the February 5th NBWA meeting. The main agenda item was "Game of Floods", a flood management and sea level rise planning interactive workshop presented by Chris Choo, Marin County Public Works, and Roger Leventhal, Marin County Flood Control.

- Novato Flood Protection Watershed: Director Long reported that there will be a community meeting of the Novato Flood Protection Watershed program on February 22, 2016 at 6:30 p.m. in Novato City Council Chambers. He had received a copy of "Novato Creek Baylands VISION" published by San Francisco Estuary Institute and The Aquatic Science Center and recommended that all Directors receive a copy.

INFORMATIONAL ITEMS: The Board reviewed and commented briefly on the University of North Carolina Environmental Finance Center blog article "Four Finance Facts about Flint".

GENERAL MANAGER'S ANNOUNCEMENTS:

- Monday, February 15, 2016 is President's Day, a District holiday.
-

- The February 22, 2016 Board meeting is cancelled as per earlier Board action to accommodate the California Association of Sanitation Agencies Annual Washington DC Conference. The General Manager and Director Bill Long will be attending.
- A special Board meeting is tentatively scheduled for 3:00 p.m., February 29, 2016. Agenda items will include Strategic Plan Update by Martin Rauch, Rauch Communications, and Risk Management presentation by Seth Cole, California Sanitation Risk Management Authority (CSRMA).
- A Solid Waste Committee meeting is tentatively scheduled for Monday, March 7, 2016 at 3:00 p.m. President Jean Mariani and Director Carole Dillon-Knutson are Committee members.
- The 2016 WaterReuse California Annual Conference will be held on March 13-15, 2016 at the Hyatt Vineyard Creek Hotel in Santa Rosa. Director Long expressed an interest in attending.
- The North Bay Watershed Association Annual Conference will be held in Napa on April 22nd. Details are available at nbwatershed.org.
- All Board Members are required to file a Form 700 by April 1, 2016. Directors Long and Peters will also need to file as delegate and alternate for North Bay Water Reuse Authority (NBWRA), and Director Miller will need to file as alternate for CSRMA.
- The General Manager has been appointed to the CASA Nominating Committee to nominate members for CASA Board open seats.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 7:34 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

June Brown, Recording
