

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: February 13, 2017

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, February 13, 2017, preceded by a closed session beginning at 5:30 p.m. at the District offices, 500 Davidson Street, Novato.

At 5:30 p.m. President Peters announced the Board would meet in closed session to discuss the following matters on the Closed Session Agenda:

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Significant exposure to Litigation Pursuant to Paragraph (2) of subdivision (d) of Government Code Section 54956.9: 1 potential case.

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

STAFF PRESENT: General Manager-Secretary Sandeep Karkal, Field Services Manager Steve Krautheim, and District Counsel Kent Alm.

The closed Session ended at 6:01 p.m.
Open session began at 6:06 p.m.

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

STAFF PRESENT: General Manager-Secretary Sandeep Karkal, District Counsel Kent Alm, and Administrative Secretary Julie Hoover.

ALSO PRESENT: John Bailey, Project Manager, Veolia Water
Brian Exberger, Assistant Project Manager, Veolia Water
Dee Johnson, Household Hazardous Waste Program Coordinator
Steve Krautheim, Field Services Manager, Novato Sanitary District
Laura Creamer, Finance Officer, Novato Sanitary District
Erik Brown, Technical Services Manager, Novato Sanitary District
Dale Thrasher, Joint Health and Safety Program Director
Fred Grange, Grange Debris Box Service
Delyn Kies, Novato resident
Sonia Tanner, Novato resident
Geraldine Martenzr
Vincent Baer, Novato resident
Jim Salyers, Vice President, Novato Disposal Service
Louis Ratto, The Ratto Group, Novato Disposal Service
Rick Powell, General Manager, The Ratto Group
Susan Stompe, Novato resident

Susan Kirsch, Mill Valley resident
Martha Hiedinger, Novato resident

REPORT OUT OF CLOSED SESSION: District Counsel Kent Alm stated that there was no reportable action from the closed session.

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as presented.

PUBLIC COMMENT: President Peters called for public comment.

Fred Grange, Grange Debris Box Service, requested consideration to place the following item on a future agenda: debris box rentals in Novato.

Susan Stompe, Clean and Green Day Committee, requested District participation in the event by purchasing lawn signs as they did for the 2016 Clean and Green Day campaign. Ms. Stompe also asked that a District Board member volunteer to participate on the Clean and Green Day Committee Board.

Susan Kirsch, Mill Valley resident, stated that the Coalition of Sensible Taxpayers' (COST) is holding a town hall meeting at the Spinnaker Restaurant in Sausalito on February 15, 2017.

Martha Hiedinger, Novato resident, asked the Board to consider debris box rentals by other companies.

REVIEW OF MINUTES:

Consider approval of minutes of the January 9, 2017 meeting.

On motion of Director Miller, seconded by Director Dillon-Knutson, and carried unanimously, the Board meeting minutes of January 9, 2017, were approved.

CONSENT CALENDAR:

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

- a. Approve Board member disbursements in the amount of \$1,453.05, capital project disbursements in the amount of \$56,617.20, and regular disbursements in the amount of \$353,037.45. Ratification of January 23rd capital project disbursements in the amount of \$38,012.68, and regular disbursements in the amount of \$348,922.12.
 - b. Ratify January 2017 payroll and payroll related disbursements in the amount of \$311,179.76.
 - c. Receive Deposit Summary, January 2017.
 - d. Receive Accounts Receivable Report as of January 31, 2017.
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- e. Receive 2nd Quarter Investment Report, Fiscal Year (FY) 2016-17.
- f. Receive FY 16-17 Second Quarter Financial Report.
- g. Receive report on 2016 Safety and Wellness Incentive Program (SWIP), and approve disbursements of 2016 SWIP awards.
- h. Approve the 2017 SWIP, and fund it at a budget amount of \$10,000 in the FY2017-18 operating budget.

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

SOLID WASTE – INFORMATION ITEMS:

- Santa Rosa Press Democrat article of January 28, 2017: “Santa Rosa-based Ratto Group Selling North Bay Garbage Empire to Recology of San Francisco”.

- Marin Independent Journal article of February 3, 2017: “Novato, West Marin Garbage Hauler Franchises Sold”.

The General Manager noted that the attached articles were for informational purposes only.

- Receive a verbal report from Novato Disposal Service (NDS) representatives of a potential sale of the company, as reported in the above articles. The General Manager stated that representatives from Novato Disposal were present to make a verbal report to the Board regarding the potential sale of the company as reported in the above articles.

District Counsel stated that the nature of the articles discusses the sale of the company that has been providing solid waste services in Novato. He noted that for that transaction to take place, the franchise would be transferred to the new company, regardless of which company that is. Furthermore, he stated that there are procedures in the existing agreement that require consent of the Board to that assignment. He stated that the verbal report following is informational and that no Board action will be taken on this item.

Louis Ratto, The Ratto Group, Novato Disposal, thanked the Board and the City of Novato for the opportunity to serve the Novato residents' solid waste needs since 1983. He stated that due to changes in the waste industry and regulatory demands, they have reached out to Recology of San Francisco as a potential buyer for Novato Disposal. He noted that The Ratto Group is in the beginning of the sale process with Recology and stated that he would keep the District notified as the transaction moves forward. He expressed his gratitude to the Board for their trust and for the long relationship with Novato Disposal.

Directors Long and Miller expressed their appreciation to Novato Disposal for their past years of service.

President Peters called for public comment.

Fred Grange, Grange Debris Box, requested that the District include a provision in the contract with the new solid waste franchisee to allow others to offer debris box services to Novato residents.

At 6:32 p.m., President Peters declared a ten-minute recess.

The following individuals left the meeting:

- Dee Johnson, Household Hazardous Waste Program Coordinator
- Laura Creamer, Finance Officer, Novato Sanitary District
- Dale Thrasher, Joint Health and Safety Program Director
- Fred Grange, Grange Debris Box Service
- Delyn Kies, Novato resident
- Sonia Tanner, Novato resident
- Geraldine Martenzr
- Vincent Baer, Novato resident
- Jim Salyers, Vice President, Novato Disposal
- Louis Ratto, The Ratto Group, Novato Disposal
- Rick Powell, General Manager, The Ratto Group
- Susan Stompe, Novato resident
- Susan Kirsch, Mill Valley resident
- Martha Hiedinger, Novato resident

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

WASTEWATER OPERATIONS:

- Receive Wastewater Operations Report, January 2017. The General Manager introduced Veolia Project Manager John Bailey who provided an overview of the Treatment Facilities Monthly Operations Report for January. The Project Manager noted that the average monthly flow was 12.7 MGD (million gallons daily) with a peak flow of 28.4 MGD. He reviewed the treatment plant performance summary and noted that there were no excursions or violations for the month. He outlined the safety training that was completed in January, and stated that safety performance was excellent with a total of 2,443 accident-free days. The Project Manager stated that there was no recycled water produced in January. He reviewed the period's key events, and monthly safety and training topics. He compared the treatment plant's current flows to those of 2016 and noted how well the facility operated during the increased wet weather flows. He noted that there were no neighborhood contacts for the month.

Field Services Manager Steve Krautheim summarized the Collection System Operations report for January 2017. He stated that the Collections department cleaned 67,923 lineal feet of sewer pipelines and conducted 223 lift station inspections. He further stated that there were no lost time accidents in January for a total of 2,151

accident-free days. He stated that due to current weather patterns, staff improved and revised the procedures for forecasted severe wet weather events to further reduce the impact of heavy, continuous rain and areal flooding in the collection system.

The Field Services Manager stated that there was one Category 3 overflow on January 8th due to storm related areal surface flooding into a manhole on Feliz Road.

The Field Services Manager then summarized the Reclamation Facilities report for January 2017. He stated that there were no ranching or irrigation activities in the month. He stated that the irrigation storage ponds accumulated approximately 27 million gallons (MG) of rainwater in January. He further reported that to prevent the ponds from overtopping, a contractor was hired to raise two areas that had settled since they were constructed in 1986.

- Receive report on submittal of 2016 Annual Self-Monitoring Report (SMR). The General Manager stated that the 2016 Annual SMR was submitted on January 31, 2017 into the California Integrated Water Quality System (CIWQS) by Veolia Project Manager John Bailey.

CAPITAL PROJECTS:

- Collection System Improvements, Account No. 72706: Scown Lane Sewer Project – Approve one change order in the amount of \$16,683.52, grant Final Acceptance of the Project, and authorize staff to file the Notice of Completion. The General Manager noted that this project was part of a cooperative effort with the Novato Theater Project Grant Avenue to improve the sewer system in the theater project area. He stated that on September 21, 2016, the Board awarded the Contract to WR Forde & Associates (Contractor) for a low bid of \$98,464.00. He stated that, at this time, the Contractor has completed the work and the project is ready for final acceptance. The General Manager stated that one global change order totaling \$16,683.52 was issued to the contractor during the work. He stated that the final cost of the project is \$110,506.52, and he recommended that the change order be approved, final acceptance be granted, and that staff be authorized to file the Notice of Completion.

On motion of Director Mariani, seconded by Director Long, and carried unanimously, the Board approved one change order in the amount of \$16,683.52, granted Final Acceptance of the Project, and authorized staff to file the Notice of Completion.

BOARD OF DIRECTORS:

- Approve changes to Policy No. 5010 – Board Meetings, and adopt Resolution No. 3105 to change the regular Board meeting start time from 6:00 pm to 5:30 pm. The General Manager stated that at the January 9, 2017 meeting, the Board reviewed the meeting start time, concluded that it could be changed to 5:30 p.m., and directed staff to bring forward the appropriate enabling Resolution and updates to Policy No. 5010, for

Board consideration. He stated that Resolution No. 3105 would accommodate that change and requested Board approval.

On motion of Director Long, seconded by Director Dillon-Knutson and carried unanimously, the Board adopted Resolution No. 3105: A Resolution Changing Time of Regular District Board of Directors' Meetings to 5:30 p.m. and approved changes to District Policy No. 5010.

- Adopt Resolution No. 3106 – Consolidating District Board Member Elections with Statewide General Elections, consistent with Senate Bill 415. The General Manager provided a brief overview of the agenda item, as discussed in the Board agenda packet. He noted that Senate Bill 415, the “California Voter Participation Rights Act”, was designed to remedy low voter turnout of local elections in “off-cycle” election years. He stated that the attached draft Resolution No. 3106 calls for the consolidation of future District Board elections to coincide with statewide general elections. He noted that current Board Member terms of office would be affected as follows:

Board Member	Current Term Expires	Transition Term Expires
Carole Dillon-Knutson	November 2017	November 2018
William Long	November 2017	November 2018
Jean Mariani	November 2019	November 2020
Brant Miller	November 2017	November 2018
Gerald Peters	November 2019	November 2020

The General Manager stated that Resolution No. 3106 requires approval by the Marin County Board of Supervisors and must be submitted no later than March 10, 2017. District Counsel Kent Alm recommended that the Board adopt the resolution.

On motion of Director Long, seconded by Director Miller and carried unanimously, the Board adopted Resolution No. 3106: A Resolution Requesting the Board of Supervisors of Marin County to Authorize Consolidation of Future Novato Sanitary District District Board Member Elections with the November Statewide General Elections During Even-Numbered Years.

BOARD MEMBER REPORTS AND REQUESTS:

- California Association of Sanitation Agencies (CASA) Winter Conference. It was noted that Directors Long, Mariani, Miller, and Dillon-Knutson, and General Manager Sandeep Karkal attended the CASA Winter 2017 conference in Palm Springs from January 18-20th. There was general consensus that, as usual, the conference was well attended and included very informative presentations. Director Peters stated that he would like to review a copy of the presentations from California Sanitation Risk Management Authority (CSRMA) portion of the conference, and the General Manager agreed to share his copy with Mr. Peters.

- North Bay Water Reuse Authority (NBWRA): Director Long commented on his attendance at the NBWRA meeting held on January 23rd at the Novato City Hall. He stated that NBWRA is wrapping up Phase One projects and that a final report and final reconciliation will be completed soon. He noted that work has begun on environmental review for identified Phase Two projects. He also noted that the NBWRA organization is considering refocusing NBWRA towards a more comprehensive water management program. Director Long and the General Manager-Chief Engineer reported that NBWRA also presented two alternatives to reduce costs and closeout the current water recycling focused program, especially with new agencies joining or re-committing to NBWRA. For the District, either alternative has comparable savings over prior commitments. More information on the proposed comprehensive water management program (including costs) will be forthcoming from NBWRA.

- North Bay Watershed Association (NBWA): Director Miller commented on his attendance at the NBWA meeting held on February 3rd at the Novato City Hall. He discussed the presentations that were given: “Harmful Algal Blooms”, presented by Naomi Feger, SF Bay RWQCB; Friends of the Petaluma River and their Watershed Classroom Project; and the Sonoma County Safe Medicine Disposal Program.

- Other: Director Mariani asked for consideration at a future Board meeting, of a potential consolidation of the Board Solid Waste Committee meetings with regular Board meetings, especially in light of the earlier report from Novato Disposal (NDS) of a potential sale of NDS to Recology, Inc. Following general discussion, the General Manager-Chief Engineer stated that absent further discussion, he would agendaize it as an item for the Board’s consideration at the next Board meeting, including consolidating the Solid Waste Committee meeting preliminarily scheduled for March 21, 2017 to the March 27, 2017 Board meeting. He stated that he would also agendaize for the next Board meeting, an item seeking Board approval to direct District Counsel and staff to review the District’s Solid Waste Franchise Agreement with NDS, in light of the earlier report of a potential sale of NDS to Recology, Inc.

GENERAL MANAGER’S REPORT AND ANNOUNCEMENTS:

The General Manager had the following reports and announcements:

- Reports:
 - The District received a check for approximately \$24,000 from Sonoma County Water Agency (SCWA) as part of the NBWRA Phase One grant funds for the District’s recycled water facility expansion project.
 - The District’s facilities continued to hold up well through the wet weather. As at the last Board meeting, the General Manager again recognized District and Veolia staffs for their efforts through the storms.
 - Announcements:
 - Reminder that the CASA Washington DC Conference is February 26th – March 1st and Director Long and the General Manager will be attending.
 - District offices will be closed Feb 20th in observance of President’s Day.
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- Next Board meeting is March 13th at 5:30 p.m.

ADJOURNMENT: There being no further business to come before the Board, President Peters adjourned the meeting at 8:01p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Hoover, Recording
