

# NOVATO SANITARY DISTRICT

## Board Meeting Minutes

Meeting Date: March 12, 2018

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 5:30 p.m., Monday, March 12, 2018, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jerry Peters, Directors Carole Dillon-Knutson, William Long, and Jean Mariani. Director Brant Miller was absent (excused).

STAFF PRESENT: General Manager-Secretary Sandeep Karkal, and Administrative Secretary Julie Hoover.

ALSO PRESENT: John O'Hare, Pretreatment Programs Manager, Veolia Water  
Erik Brown, Deputy General Manager, NSD  
Dale Thrasher, Admin/Risk Services & Safety Officer, NSD  
Jeff Andress, Collections System Superintendent, NSD

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as presented.

PUBLIC COMMENT: The General Manager-Chief Engineer announced that Director Miller was absent from the meeting, excused.

REVIEW OF MINUTES:

Consider approval of minutes of the February 12, 2018 meeting.

*On motion of Director Mariani, seconded by Director Dillon-Knutson, and carried unanimously by those Directors present, minutes of the February 12, 2018 Board meeting were approved as written.*

CONSENT CALENDAR:

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

- a. Approve Board member disbursements in the amount of \$1,230.94, regular disbursements in the amount of \$273,630.59 and capital project disbursements in the amount of \$50,699.86. Ratify February's regular disbursements in the amount of \$362,455.54 and capital project disbursements in the amount of \$44,890.55.
- b. Ratify February's payroll and payroll related disbursements in the amount of \$238,165.15.
- c. Receive deposit summary, February 2018.
- d. Approve and adopt Revised Board Policy No. 3135 – Expense Authorization Limits.
- e. Approve and adopt Board Policy No. 3136 – Public Agency Retirement Services Trust ("PARS Trust") Contributions.

- f. Receive Proposed Schedule for Approval of Preliminary and Final Budget, Appropriations Limit, and Sewer Service Charges.
- g. Authorize General Manager-Chief Engineer to approve Project Plans for Seventh Street Oaks Sewer Main Extension (SME).

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

#### WASTEWATER OPERATIONS:

##### - Receive Wastewater Operations Reports, February 2018: Collection System; Treatment Facilities; Reclamation Facilities:

##### Collections System Report:

The Deputy General Manager provided the Collections System Report for February 2018. He stated that the Collections Department cleaned 87,195 lineal feet of sewer pipelines and completed 446 maintenance work orders, leaving zero work orders outstanding. He stated that 6,527 feet of sewer main were televised and noted that of that footage, 1,107 feet were televised in lieu of flushing in areas where access is challenging with the flusher. Staff conducted 201 lift station inspections and completed maintenance inspections on four air relief/vacuum valves.

The Deputy General Manager then outlined February's training, stating that the Collections Department staff attended their bi-annual CPR/First Aid training, and participated in four safety tailgate meetings. He noted that going forward, staff will present the safety portion of the monthly operations report to reflect lost time accidents for the Collections Department in the reporting month, rather than providing a running tally of days without accidents. On that basis, he reported that there were no lost time accidents during the month. He also reported that there were no sanitary sewer overflows (SSOs) during the month of February 2018.

The Deputy General Manager continued, stating that District and Veolia staff had hosted SF Bay Regional Water Quality Control Board (RWQCB) staff for a collections system inspection. He noted that the inspection went well and that the District expects to receive results/feedback from the RWQCB in the next few months. Additionally, he stated that the District's collections system was evaluated by the California Water Environment Association (CWEA) Awards Committee for the Small Collections System of the Year award and is ranked in the top three in the state. He noted that the winner will be announced at the CWEA Annual Conference in April.

##### Treatment Facilities Report:

Veolia Pretreatment Programs Manager John O'Hare then provided the February Treatment Facilities Monthly Operations Report on behalf of Project Manager John Bailey, who was absent. The Programs Manager reviewed the treatment plant performance, and noted that there were no discharge violations or excursions. He stated that the Recycled Water Facility (RWF) was on line for eight (8) days in February and produced 2.142 million gallons of recycled water. He reviewed the monthly routine inspections and maintenance for the Novato facility, the Ignacio transfer pump station, and the recycled water facility. He outlined the period's laboratory activities, safety training, and outreach events. He discussed a tour Veolia staff provided for forty (40) San Marin High School Applied Chemistry and

Biotechnology students. In addition, he stated that Veolia's Lynda Farmery provided outreach at the Senior Health Fair which was held at the Margaret Todd Center on February 21<sup>st</sup>. He concluded his report, noting that there were no odor contacts in February.

Reclamation Facilities Report:

The Deputy General Manager then summarized the Reclamation Facilities report for February. He stated that the rancher began annual weed abatement work on Sites 3 and 7. In addition, he stated that the golf course relocated the entrance gate and constructed additional fencing to isolate the new driving range from the rancher's operational area and irrigation parcels.

ADMINISTRATION/FINANCE:

- Approve transfer of \$150,000 from unspent funds in the "Salaries and Benefits" categories of the FY17-18 Operating Budget as of December 31, 2017, to the Net Pension Liability (NLP) sub-account of the District's PARS Trust account. The General Manager stated that as of December 31, 2017, the "Salaries and Benefits" categories of the Operating Budget were considerably underspent, by about \$199,000, primarily due to retirements that occurred over the prior two quarters. He noted that the following individuals have started with the District (or will be starting) in the second half of this fiscal year: Jeff Andress, Collection System Superintendent, February 1, 2018; and Jeffrey Boheim, Field Services Manager, and William Christoffersen, Construction Inspector, end of March, 2018.

He further stated that as of December 31, 2017, the District's PARS trust account balance was \$1,122,446, and was showing an investment return of 4.45% since the Plan's inception date of January 31, 2017. The General Manager noted that one of the goals of the District's Strategic Plan is to appropriately and prudently address and manage its unfunded liabilities related to pensions and benefits. He stated that the subaccount related to the District's Governmental Accounting Standards Board Statement No. 45 (GASB 45) - Other Post-Employment Benefits (OPEB) liability had a balance of \$803,790, and the subaccount related to the GASB 68 Net Pension Liability (NPL) had a balance of \$318,656. He recommended that the Board consider transferring \$150,000 from the approximately \$199,000 in unspent funds to the NPL sub-account, and bring it closer in balance with the OPEB sub-account.

Separately, the General Manager noted that he may seek a policy in the future to authorize the General Manager-Chief Engineer to transfer unspent budgeted funds within annual operating budgets to the District's PARS GASB 45 and/or GASB 68 trust sub-accounts when prudent to do so.

*On motion of Director Mariani, seconded by Director Dillon-Knutson, and carried unanimously by those Directors present, the Board approved the transfer of \$150,000 from unspent funds in the "Salaries and Benefits" categories of the FY17-18 Operating Budget as of December 31, 1017, to the Net Pension Liability (NLP) sub-account of the District's PARS Trust account.*

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### BOARD MEMBER REPORTS AND REQUESTS:

- California Association of Sanitation Agencies (CASA) Washington DC Policy Forum, February 26-28, 2018.

The General Manager-Chief Engineer stated that he was unable to attend the conference due to illness. He noted that Director Long did attend.

Director Long discussed his participation at the CASA Washington DC Policy Forum, noting that the topics taken to the Congressional offices were different than in years past. He stated that discussion took place in regards to streamlining the Federal processes involved in building, re-permitting, and expanding wastewater treatment facilities. He noted that teams visiting different congressional offices discussed expanding the funding for State Revolving Fund (SRF) and Water Infrastructure Finance & Innovation Act (WIFIA) approved projects.

- North Bay Watershed Association (NBWA) meeting, March 2, 2018. The General Manager-Chief Engineer stated that Director Miller was not available to attend, and that he, being the alternate, could not attend due to illness.

### INFORMATIONAL ITEMS:

- University of North Carolina (Chapel Hill), Environmental Finance Center blog article: "Four Federal Water Infrastructure Funding Programs to Watch".

The General Manager stated that this article was for informational purposes only.

### GENERAL MANAGER'S REPORTS AND ANNOUNCEMENTS:

The General Manager had the following reports:

- Reports:
  - The North Bay Watershed Association 2018 Conference "Extreme Future: Fire, Floods, a Rising Bay" will be held on April 6<sup>th</sup> at the Petaluma Sheraton. All Directors have been registered for the event.
  - The CASA and WaterReuse Public Policy Forum is taking place on April 11<sup>th</sup> at the Sutter Club in Sacramento. Any Directors interested in attending should notify the Administrative Secretary.
  - Invitation from the Novato City Manager to present on the District to City Council is scheduled for the March 27<sup>th</sup> City Council meeting. Board President Peters will be making the presentation. All are welcome to attend.
  - Ginger Bryant, on behalf of the North Bay Water Reuse Authority (NBWRA), requested a meeting of District and North Marin Water District (NMWD) representatives with representatives of the Federal Government Accountability Office (GAO) to discuss the District's and NMWD's joint recycled water projects. On March 7<sup>th</sup>, GAO staff met with the District's and NMWD's General Managers. The GAO staff was interested in learning more about the benefits of the projects and plans for future recycled water projects, and the meeting went well.

- The District received a draft report from the Transportation Authority of Marin (TAM) regarding alternatives for potential future improvements to Highway 37. TAM requested that the District provide any input on potential impacts to District facilities and properties along Highway 37 from the alternatives, and the District subsequently submitted a comment letter.
- Next Board meeting is Monday, March 26<sup>th</sup> at 5:30 p.m.

ADJOURNMENT: There being no further business to come before the Board, President Peters adjourned the meeting at 6:31 p.m.

Respectfully submitted,

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Sandeep Karkal  
Secretary

Julie Hoover, Recording