

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: April 4, 2016

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, April 4, 2016, at the District offices, 500 Davidson Street, Novato.

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

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

ALSO PRESENT:

Steve Krauthem, Field Services Manager, Novato Sanitary District
Erik Brown, Technical Services Manager, Novato Sanitary District
John Bailey, Project Manager, Veolia Water
Brian Exberger, Assistant Project Manager, Veolia Water

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

- Consider approval of minutes of the March 14, 2016 regular meeting.

On motion of Director Peters, seconded by Director Dillon-Knutson, and carried unanimously, the March 14th, 2016 Board meeting minutes were approved.

CONSENT CALENDAR:

Director Long requested that item (f): "Approve a contract with Rauch Communications" be removed from the Consent Calendar.

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

- a. Approval of Board member disbursements in the amount of \$1,194.84, operating check disbursements in the amount of \$51,706.08, and capital project disbursements in the amount of \$27,648.87.
- b. Ratify March 2016 payroll and payroll-related disbursements in the amount of \$224,647.26.
- c. Receive Deposit Summary, March 2016.

- d. Receive Accounts Receivable Report as of March 31, 2016.
- e. Receive report on Government Compensation in California (GCC) statement as filed with the State Controller's Office (SCO).
- g. Receive most recent Pooled Liability Program (PLP) dividend report.
- h. Adopt updated District Policy No. 4100 - Compensation and Reimbursement.
- i. Approve an application from Pacific Gas and Electric Company (PG&E) and authorize the General Manager-Chief Engineer to issue a one-time, temporary, Class I non-domestic discharge permit for discharge of groundwater and hydrotest water.

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

President Mariani stated that the Board would now consider item (f): Approve a contract with Rauch Communications in the amount of \$74,200 for communication and outreach services, and authorize the General Manager-Chief Engineer to execute the contract.

Director Long stated that at the recent CASA Conference, he attended a round-table discussion regarding the importance of Crisis Communication Plans. He recommended that a Crisis Communication Plan be prepared by Rauch Communication Consultants and that this task be included in the proposed \$74,200 budget for Rauch Communications.

The General Manager stated that he will work to amend the contract with Rauch Communications to include the preparation of a Crisis Communication Plan within the approved scope of work at no extra cost.

On motion of Director Peters, seconded by Director Dillon-Knutson, and carried unanimously, the Board approved a contract with Rauch Communications in the amount of \$74,200 for communication services, outreach services, and formulation of a Crisis Communication Plan.

SEWER SERVICE CHARGE STUDY AND ORDINANCE:

- Receive proposed schedule for adoption of sewer service charges for fiscal years FY2016/17 through FY2020/21, and collection of charges on County tax rolls.

- Receive proposed schedule for approval of FY2016-18 preliminary and final budget, and appropriations limit.

The General Manager outlined the proposed schedules and discussed the approval process. He noted that these items were informational items to familiarize the Board with the proposed time lines for adoption of potential increases to sewer service charges for FY16-17 through FY20-21, the FY16-18 preliminary and final budgets, and the FY2016-17 appropriations limit.

WASTEWATER OPERATIONS REPORTS:

- Receive and accept Wastewater Treatment Facilities 2015 Annual Operations and Maintenance Report (Report), subject to minor edits. The General Manager stated that the 2015 Annual Report was prepared by Veolia Water as per their Contract Service Agreement with the District. He introduced John Bailey, Project Manager, Veolia, who gave a short verbal presentation on the Report. He noted that the report was an encapsulation of the information presented in the monthly Wastewater Operations Reports for calendar year 2015. The Project Manager stated that the final report would include minor grammatical edits that were discovered after the draft report was printed.

Director Miller stated that he was pleased with the report and with Veolia's operation of the treatment facility. He asked if the treatment facility was capturing the bio-gas produced in the digester process for electrical demand at the facility. The General Manager stated that the District has budgeted for a co-generation project, but that currently the District burns the excess gas through the flare. The Project Manager stated that at a future date he would provide a presentation to discuss bio-gas utilization at the facility.

President Mariani stated that the narrative discussion of the plant operation was well done and suggested that this portion of the report be posted on the District website.

On motion of Director Peters, seconded by Director Long and carried unanimously, the Board accepted the Wastewater Treatment Facilities 2015 Annual Operations and Maintenance Report, subject to minor edits.

- Receive closeout report on emergency project at the Ignacio Transfer Pump Station site, approve the final Work Report in the amount of \$76,172.60 to replace the 57 lineal feet (LF) of the 18-inch trunk sewer, and authorize the General Manager-Chief Engineer to execute it. The General Manager stated that at the February 8th Board meeting, staff had informed the Board of a failure in a portion of the trunk sewer serving the industrial park along Bel Marin Keys Boulevard and the surrounding area within the Ignacio Transfer Pump Station site. He noted that at that meeting, 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, and authorized expenditures for emergency repairs. He stated that the repairs had been completed and that Field Services Manager Steve Krauthem would provide a final report.

The Field Services Manager stated that staff contracted with WR Forde Contractors to respond to the emergency project at the Ignacio Transfer Pump Station site. He stated that two work orders were issued: 1) a spot repair work order; and 2) a work order for replacement of 57 lineal feet of the trunk sewer. He stated that the spot repair was completed at a cost very close to the estimate, or \$24,523.21. He stated that the line replacement was completed at a cost of \$76,172.60, or \$34,172.60 more than the authorized amount of \$42,000. The Field Services Manager noted that the replacement costs exceeded the estimate due to significant unforeseen underground site conditions

in the existing pipe alignment inside the Transfer Pump Station site. He stated that the replacement is completed and that the trunk sewer is back in service.

On motion of Director Peters, seconded by Director Dillon-Knutson and carried unanimously, the Board approved the final Work Report in the amount of \$76,172.60 with W.R. Forde Contractors and authorized the General Manager-Chief Engineer to execute it.

CAPITAL PROJECTS:

- Recycled Water Facility (RWF) Expansion, Account No. 73005: Approve a contract with RMC Water Environment in the not-to-exceed amount of \$199,497 for design services related to expansion of the District's Recycled Water Facility, and authorize the General Manager-Chief Engineer to execute it. The General Manager stated that the District implemented the "Wastewater Facility Upgrade Project; Contract D: Recycled Water Facility (RWF)" in 2011 to provide recycled water to the North Service Area in Novato. He stated that the proposed expansion of the RWF is necessitated by the planned North Marin Water District (NMWD) expansion of its Central Area Project which will extend NMWD's recycled water distribution pipelines into the Central Novato/Ignacio geographic areas. He introduced Erik Brown, Technical Services Manager, to discuss the design phase of the project.

The Technical Services Manager discussed the components of the system, and stated that the expansion will provide 1.7 million gallons per day (MGD) firm capacity of recycled water. He stated that design costs are typically estimated at about 10% of preliminary estimated construction costs, and that RMC has submitted a proposal to provide final design documents for \$199,497, which is in this 10% ballpark range.

On motion of Director Peters, seconded by Director Miller and carried unanimously by those Directors present, the Board approved a contract with RMC Water Environment in the not-to-exceed amount of \$199,497 for design services related to expansion of the District's Recycled Water Facility, and authorized the General Manager-Chief Engineer to execute it.

BOARD OF DIRECTORS:

- Receive the 2015-16 Marin County Civil Grand Jury Report titled "2015-16 Web Transparency Report Card, Bringing Marin County's Local Governments to Light" (Report), and commend staff and the District's communications consultant Rauch Communications for their work on the District website. The General Manager stated that the Marin County Civil Grand Jury had released their report on March 17th and noted that the report was made part of the Board packet. He stated that there were no findings or recommendations in the Report that related to the District and stated that the District is only one of six agencies to be rated an A+ by the Grand Jury in terms of the Grand Jury's web transparency scorecard. He stated that he was very pleased with the

report and commended staff and Rauch Communication Consultants for their collaborative effort.

Director Peters commented that the favorable report demonstrates the District's desire to be transparent to the public. Director Long commended District staff and expressed congratulations to all. Director Dillon-Knutson stated that everyone is to be commended. President Mariani and Director Miller agreed with the sentiments expressed.

On motion of Director Miller, seconded by Director Peters and carried unanimously, the Board accepted the Marin County Civil Grand Jury Report titled "2015-16 Web Transparency Report Card, Brining Marin County's Local Governments to Light", and commended staff and the District's communications consultant Rauch Communications for their work on the District website.

BOARD MEMBER REPORTS AND REQUESTS:

- California Water Reuse Association Conference, Santa Rosa: Director Long discussed his attendance at the CA WaterReuse Association Conference which was held from March 13th through March 15th in Santa Rosa. He stated that there were numerous presentations regarding direct and indirect potable water reuse. In addition, Director Long discussed his attendance at the North Bay Water Reuse Authority (NBWRA) meeting which was held on March 28th at Novato City Hall. He stated that information was provided on NBWRA's Program Development Services.

INFORMATIONAL ITEMS: The Board reviewed and commented briefly on the following Marin Independent Journal articles:

- Monday, March 28, 2016, "Marin Watchdog Flunks 64 Public Agencies on Website Transparency".
- Monday, March 21, 2016, "Marin recyclers feel pinch of depressed oil prices, declining demand; depressed oil prices, tumbling demand raise concerns for firms, environment".

GENERAL MANAGER'S REPORT AND ANNOUNCEMENTS:

- The next regular Board meeting will be held on Monday, April 25th at 6:00 p.m.
- The CASA/WaterReuse California, Sacramento Policy Forum is April 6th at the Sutter Club in Sacramento. The General Manager-Chief Engineer and Directors Dillon-Knutson and Peters are signed up to attend.
- The North Bay Watershed Authority Annual Conference is being held in Napa on April 22nd.
- The Novato "Clean and Green Day" flyer was provided to all Board members. Clean and Green Committee Chairman Ed Schulze sent his appreciation to the Board for their support.
- Novato Sanitary District's Employee Assistance Program (EAP) presented an early morning meeting to all employees in March.

- The Finance Committee will meet on Monday, April 18th at 10:00 a.m. at the District office.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 7:17 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Swoboda, Recording