

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: April 13, 2020

A regular meeting of the Board of Directors of the Novato Sanitary District was held via Zoom® conferencing at 5:30 p.m., Monday, April 13, 2020.

BOARD MEMBERS PRESENT AS NOTED BY ROLL CALL*: President Carole Dillon-Knutson, Directors Tim Fvette, William Long, Jean Mariani, and Jerry Peters.

STAFF PRESENT AT 500 DAVIDSON STREET*: General Manager-Secretary Sandeep Karkal, Administrative Services Officer Dale Thrasher, and Administrative Secretary Julie Hoover.

ALSO PRESENT*: John O'Hare, Project Manager, Veolia
Erik Brown, Deputy General Manager, Novato Sanitary District
Jeff Boheim, Field Services Manager, Novato Sanitary District
Dee Johnson, Solid/Household Hazardous Waste Program Coordinator
Garen Kazanjian, Waste Zero Specialist, Recology Sonoma/Marin
Celia Furber, Waste Zero Manager, Recology Sonoma/Marin
Dave Richardson, P.E., Woodard and Curran

**all via Zoom® conferencing*

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: *On motion of Director Peters, seconded by Director Mariani, and carried unanimously by roll call, the agenda was approved as presented.*

PUBLIC COMMENT: No public comments were submitted via email prior to the meeting, and no public comments were brought forth during public comment.

REVIEW OF MINUTES:

- Consider approval of minutes of the March 9, 2020 regular meeting.

On motion of Director Peters, seconded by Director Mariani, and carried unanimously by roll call, the March 9, 2020 Regular Board meeting minutes were approved.

CONSENT CALENDAR:

President Dillon-Knutson called for a motion on the Consent Calendar items as follows:

- a. Approve Board member disbursements in the amount of \$1,518.74, capital project disbursements in the amount of \$88,903.39, and regular disbursements in the amount of \$346,294.51. Ratification of March 23rd capital project disbursements in the amount of \$15,277.07, and regular disbursements in the amount of \$142,544.21.

- b. Ratification of March payroll and payroll related disbursements in the amount of \$288,178.45.
- c. Receive deposit summary, March 2020.
- d. Receive Accounts Receivable (A/R) Summary Report as of March 31, 2020.
- e. Receive report on submittal of 2019 National Association of Clean Water Agencies (NACWA) Peak Performance Award Application to NACWA (information only).
- f. Authorize General Manager-Chief Engineer to approve Project Plans for Sewer Main Extension (SME) – Mosey Lane.
- g. Authorize General Manager-Chief Engineer to approve Project Plans for Sewer Main Extension (SME) – 7711 Redwood Blvd.
- h. Authorize General Manager-Chief Engineer to accept Sewer Main Extension (SME) – Atherton Place.

On motion of Director Peters, seconded by Director Long, and carried unanimously by roll call, the Board approved the above listed Consent Calendar items.

SOLID WASTE OPERATIONS (INFORMATION ONLY):

The General Manager stated that the Solid Waste Operations reports were for information only, and would be presented by Dee Johnson, Garen Kazanjian, and Celia Furber.

- Receive Recology 4th Quarter 2019 reports. Garen Kazanjian, Recology Waste Zero Specialist, began an overview of Recology's 4th quarter reports for 2019. He stated that most of the outreach efforts were focused on commercial accounts to achieve compliance with Assembly Bill (AB) 1826, which requires businesses that generate a specified amount of organic waste per week to arrange for recycling/compost services for that waste. Additionally, he stated that a large focus of Recology's efforts in the 4th quarter were the use of contamination tags on both residential and commercial bins as a way to compel the account holder to reduce contamination and to increase recycling compliance. Garen Kazanjian, Celia Furber, and Dee Johnson responded to questions from the Board.

- Receive Recology Disposal/Diversion report. Ms. Johnson provided a verbal report of Recology's 2019 disposal/diversion report. She was pleased to report that commercial food waste collection had increased substantially, from 250 tons in 2018 to 869 tons in 2019, and she commended Mr. Kazanjian for his outreach efforts to increase food waste recycling in commercial establishments. She continued, stating that the total waste diverted in 2019 increased over 2% from the previous year: 45.14% in 2018 to 47.06% in 2019.

- Receive Per Capita Diversion Calculation report for 2019. Ms. Johnson stated that in 2009, the state adopted SB 1016 which changed the reporting requirements of waste goal measurements from a diversion-based system to a disposal-based indicator – the 'per capita disposal rate'. She stated that the system uses only 2 factors: a jurisdiction's population and its disposal, as reported by disposal facilities. She stated that, based on these calculations, Novato's disposal target rate is 7.04 pounds per person per day. Ms. Johnson stated that in 2019, Novato's actual disposal rate was 3.66 pounds per person per day, which was well under the target rate.

- Receive verbal report on Marin County JPA and Local Task Force. Ms. Johnson discussed her attendance at the Marin County JPA/Task Force, which met on March 4th. She stated

that Marin County is exploring a reusable food ware ordinance but stated that it will likely be delayed due to the County's public health shelter-in-place directive. She stated that the May JPA/task force meeting may be postponed for the same reason.

- Receive 2019 HHW Annual report. Ms. Johnson provided a review of the 2019 Novato Household Hazardous Waste Facility Annual report, noting that 2019 was another productive and record-breaking year. She stated that the facility served a total of 5,183 Novato residents, which was an increase of nearly 18% from 2018. She stated that 449,716 pounds of household hazardous waste (HHW) was collected in 2019, with 58% of the total collected being e-waste, paint, and paint-related waste. She stated that the facility is currently closed but will reopen when it is safe to do so, and will operate additional days to handle the anticipated increased participation.

- Receive 2020 Household Hazardous Waste (HHW) and E-Waste report. Ms. Johnson provided an overview of participation at the HHW facility, stating that the first quarter of 2020 continued to see increased participation until the shelter-in-place directive was issued.

WASTEWATER OPERATIONS (INFORMATION ONLY):

- Receive Wastewater Operations Reports, March 2020.

Collection System Report: Deputy General Manager Erik Brown provided the Collections System Report for March 2020. He began by stating that the Collection Department cleaned 62,233 lineal feet of sewer pipelines and televised 7,195 feet of sewer main. He noted that CCTV (closed circuit TV) work did not identify any new structural damages or areas that would require a change in sewer line maintenance operations. He stated that staff completed 317 maintenance work orders, leaving zero work orders outstanding. Further, he noted that staff conducted 188 lift station inspections and completed maintenance inspections on six (6) air relief/vacuum valves.

The Deputy General Manager then outlined the training provided in March, noting that the Collection Department staff attended four (4) safety tailgate meetings, and participated in three (3) specialized training events. He stated that there were no lost time accidents, and no sanitary sewer overflows in March. He concluded the report, stating that on March 30th, due to COVID-19 social distancing guidelines, the Collection and Field Services staff started a temporary modified split shift (A/B teams). He stated that staff was practicing social distancing to the extent possible during shifts, and had increased disinfection of commonly touched surfaces at the beginning and end of each shift.

Treatment Facilities Report: Veolia Project Manager John O'Hare provided the March 2020 Treatment Facilities Monthly Operations Report (MOR). He reviewed the treatment plant performance, stating that March's average flow was 4.06 MGD (million gallons per day), and that the Recycled Water Facility (RWF) produced 0.328 million gallons of recycled water.

The Project Manager then outlined training events attended by Veolia staff in March. He reviewed the monthly routine inspections, maintenance activities, and key events for the Novato treatment facility, the Ignacio transfer pump station, and the Recycled Water Facility. He noted that significant maintenance activities and repairs were performed at the Novato wastewater treatment plant. He discussed pretreatment and pollution prevention activities,

and stated that the District conducted a facility tour for Leadership Novato (Novato Chamber of Commerce Leadership Training) on March 11th.

The Project Manager continued, stating that on March 30th, due to COVID-19 social distancing guidelines, Operations staff was divided into two groups, with John Bailey supervising one group, and himself supervising the second group. He stated that staff had increased disinfection of commonly touched surfaces at the beginning and end of each shift. He concluded his report, stating that no odor contacts were received in March.

Reclamation Facilities Report: The Deputy General Manager summarized the Reclamation Facilities report for March 2020. He stated that for the month: the treatment plant was in Bay discharge mode throughout the month; District drainage pump stations at Sites 3 and 7 pumped approximately 4.7 MG (million gallons) combined; and noted that there were no ranching activities, no irrigation, and no biosolids activities in the District reclamation area.

CAPITAL PROJECTS:

- Collection System Improvements, Account No. 72706-Redwood Blvd. Sewer Rehabilitation Project: Approve Change Orders in the amount of \$93,510.50, grant Final Acceptance of the Project, and authorize staff to file Notice of Completion (NoC). The General Manager stated that this item was to approve Change Orders in the amount of \$93,510.50, grant final acceptance of the project, and authorize staff to file the Notice of Completion. He stated that Deputy General Manager Erik Brown was available to answer any questions. There was no discussion and President Dillon-Knutson called for a motion.

On motion of Director Peters, seconded by Director Fvette, and carried unanimously by roll call, the Board approved Change Orders for the Redwood Blvd. Sewer Rehabilitation Project in the amount of \$93,510.50, granted Final Acceptance, and authorized staff to file the Notice of Completion.

- Cogeneration/Alt. Energy, Account No. 72708: Approve an amended contract with Woodard & Curran, Inc. in the not-to-exceed amount of \$66,000 for engineering services related to a cogeneration system, and authorize the General Manager-Chief Engineer to execute the agreement. The General Manager stated that this item was to approve an amended contract with Woodard & Curran, Inc. in the not-to-exceed amount of \$66,000 for engineering services related to a cogeneration system. He stated that Deputy General Manager Erik Brown and David Richardson from Woodard & Curran were available to answer any questions. Director Long questioned if both fuel cells and turbines were being considered for the cogeneration system. The General Manager stated that the first Draft Technical Memorandum (Memorandum) addressed micro-turbines and that subsequent additions to the Memorandum addressed analysis of fuel cell data. He stated that the request for an amended contract with Woodard & Curran was to update the Memorandum with additional fuel cell data, review and confirm the analysis and results, and finalize the Memorandum.

Director Long asked if Woodard & Curran had completed the analysis on the gas turbines and the internal combustion engines. David Richardson addressed the Board, stating that after analysis, sufficient data was gathered on microturbines and combustion engines, and he stated that the unknown was if the fuel cell option could be a competitive cost alternative.

He stated that subsequently, a conversation with the fuel cell manufacturer, Bloom Energy, provided information to allow Woodard & Curran to compare a more aggressive fuel cell offer to the microturbine analysis, bringing the cost comparisons closer. He stated that this analysis had been completed and he would be finalizing the technical memo.

On motion of Director Peters, seconded by Director Mariani, and carried unanimously by roll call, the Board approved an amended contract with Woodard & Curran, Inc. in the not-to-exceed amount of \$66,000 for engineering services related to a cogeneration system, and authorized the General Manager-Chief Engineer to execute it.

- Receive Capital Projects Update, March 2020 (information only). The Deputy General Manager provided a brief overview, because, as he stated, a subsequent agenda item covered these projects in more detail.

ANNUAL BUDGET:

- In light of the COVID-19 emergency, provide direction on implementing an average Sewer Service Charge (SSC) increase of \$21/EDU* from \$636/EDU in fiscal year (FY) 19-20 to \$657/EDU in FY 20-21 as previously set by District Ordinance No. 120 – “An Ordinance of the Novato Sanitary District Establishing Sewer Service Charges for Fiscal Years 2016-17, 2017-18, 2018-19, 2019-20, and 2020-21”. (*EDU = Equivalent Dwelling Unit).

- Set the date of June 8, 2020 for a public hearing on individual sewer service charges and adoption of a resolution confirming report on sewer service charges and collection on County tax rolls.

The General Manager stated that at its meeting of June 13, 2016, the Board adopted Ordinance No. 120 – “An Ordinance of the Novato Sanitary District Establishing Sewer Service Charges for Fiscal Years 2016-17, 2017-18, 2018-19, 2019-20, and 2020-21”. He stated that each year thereafter, as the District implements the previously set rates, it holds a public hearing to set individual customer sewer service charges (SSC), and adopts a resolution to collect these on the County tax rolls. He stated that this hearing is separate from, and in addition to the June 13, 2016 Proposition 218 hearing. The General Manager continued, stating that given the current COVID-19 emergency, staff seeks Board direction on implementing the average \$21/EDU rate increase for FY 20-21 as set by Ordinance No. 120. He stated that a “Comparison of SSC Increase/No Increase Scenarios” was provided in the Board packet.

The General Manager stated that even if the Board decided to forgo the preset rate increase, or modified it to be less than \$21, a public hearing would still be required, confirming the report on SSCs and their collection on the County tax rolls.

The General Manager asked for direction from the Board. Director Mariani stated that she felt staff had appropriately reallocated budget funds to account for a potential loss of revenue, and stated that her preference would be to not increase SSC rates in FY 20-21. President Dillon-Knutson stated that she supports the rate increase, as the District is an essential service provider and should be fully funded. Director Peters stated that the District should continue with the \$21 rate increase, as established by Ordinance No. 120. He noted that the amount of the rate increase was a nominal \$1.75/month. Director Long stated that

he inclines to be more conservative, and feels the District should move forward with the projected rate increase. Separately, he stated that he is concerned about the large cost difference between the high and the low user charges, and hopes the disparity can be addressed with the next rate study. Director Fuelle asked when new service connections begin paying their annual sewer service charges. The General Manager stated that it depends on what month their connection was established and when their water use started. He stated that, as an example, for a connection established by April or May, its sewer service charge could potentially be on the FY 20-21 property tax bill.

On motion of Director Peters, seconded by Director Fuelle, and carried unanimously by roll call, the Board approved a Sewer Service Charge (SSC) increase of \$21/EDU from \$636/EDU in fiscal year (FY) 19-20 to \$657/EDU in FY 20-21 as previously set by District Ordinance No. 120 – “An Ordinance of the Novato Sanitary District Establishing Sewer Service Charges for Fiscal Years 2016-17, 2017-18, 2018-19, 2019-20, and 2020-21”.*

On motion of Director Peters, seconded by Director Fuelle, and carried unanimously by roll call, the Board agreed to set the date of June 8, 2020 for a public hearing on individual sewer service charges and adoption of a resolution confirming report on sewer service charges and collection on County tax rolls.

- Receive Schedule of Committee meetings to review Annual Solid Waste, Operating, and Capital Improvements Program (CIP) Budgets. The General Manager noted corrections on page 99, “Board Agenda Item Summary # 9.c.&d.” as follows under the heading: Recommended Action(s): **9.d. ~~Workshop~~ Receive overview of anticipated FY 20-2122 Preliminary Annual Operating and Capital Improvements Program CIP budgets and budget elements.** The General Manager confirmed the schedule of Committee meetings as outlined on the summary, and stated that if all meetings take place as scheduled, the respective preliminary Committee budgets will be presented for inclusion in the final budget. All Directors stated that they were available for the budget committee meetings, as listed.

- Receive overview of updated FY 20-22 Preliminary Capital Improvements Program (CIP). The General Manager stated that Deputy General Manager Erik Brown was available to provide an overview of the report, at the Board’s preference. At the Board’s request, the Deputy General Manager provided an overview of the FY 20-22 Preliminary Capital Improvements Program Budget – summary of anticipated project work.

BOARD MEMBER REPORTS AND REQUESTS*:

* Due to the current shelter-in-place directive, all meetings were either cancelled or postponed.

Director Mariani noted that the April North Bay Watershed Association (NBWA) meeting and the NBWA Annual conference were cancelled.

Director Long stated that the California Association of Sanitation Agencies (CASA) was uncertain if their annual Conference, scheduled for Lake Tahoe in August 2020, will be held, and an update would be forthcoming.

GENERAL MANAGER'S REPORTS AND ANNOUNCEMENTS:

- Reports:
 - Directors to verify their availability for applicable budget approval Committee meetings. If there are scheduling conflicts, notify the General Manager as soon as possible.
 - COVID-19 update:
 - The District's Safety Officer and senior staff continue to maintain situational awareness on this issue. The District Safety Officer and the joint CMSA/NSD Safety Program Manager are in communication with the County Health Department and will continue to stay current on the situation.
 - Administratively, the General Manager will retain the ability to modify District operations as needed, based on best available information, as the situation evolves.
 - Currently, the District is operating on the 'Team A/Team B' model. The Administrative Secretary and the General Manager work M-T-W in office, and Th-F remotely; the Information Systems Specialist and the Deputy General Manager work M-T-W remotely, and Th-F in office. The Finance Director, Construction Inspector, Senior Engineer, and Administrative Risk Services Officer, all work remotely full time. Collection staff is also operating on the 'Team A/Team B' model, with each team comprising 1 supervisor and 3 Collection Workers. Team A works M-W-T, and Team B works Th-F-Sat.

- Announcements:
 - The next regular Board meeting is currently scheduled for May 11th, at 5:30 p.m. Current events will dictate if the meeting will be conducted by remote conference calling.
 - Current events will dictate if the scheduled Committee meetings will be conducted in person at the District office or by remote conference calling.

ADJOURNMENT: There being no further business to come before the Board, President Dillon-Knutson adjourned the meeting at 7:50 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Hoover, Recording