

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: April 25, 2016

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, April 25, 2016, at the District offices, 500 Davidson Street, Novato.

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

STAFF PRESENT: General Manager-Secretary Sandeep Karkal and Administrative Secretary Julie Swoboda. Legal Counsel Kent Alm arrived at 6:04 p.m.

ALSO PRESENT:

Erik Brown, Technical Services Manager, Novato Sanitary District
Laura Creamer, Finance Officer, Novato Sanitary District
John Bailey, Project Manager, Veolia Water
John O'Hare, Pretreatment Programs Manager, Veolia Water
Martin Rauch, Rauch Communication Consultants

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written at this time. (Note the Agenda was subsequently revised later in the meeting per Legal Counsel, during discussion of Items Nos. 6 and 7. A revised Agenda and Board report for Item No. 7 were posted to the District web-site on April 26, 2016).

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

- Consider approval of minutes of the April 4, 2016 regular meeting.

On motion of Director Peters, seconded by Director Dillon-Knutson, and carried unanimously by those Directors present, the April 4th, 2016 Board meeting minutes were approved.

CONSENT CALENDAR:

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

- a. Approve operating check disbursements in the amount of \$364,873.63, and capital project disbursements in the amount of \$108,231.66. Ratify April 11th disbursements as follows: operating check disbursements in the amount of \$35,431.84 and capital project account disbursements in the amount of \$64,592.58.

- b. Ratify April 2016 payroll and payroll-related disbursements in the amount of \$223,766.24.
- c. Receive Workers' Compensation Insurance Report.

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

FINANCE COMMITTEE:

- Receive Report, meeting of April 18, 2016.

- Accept recommendation to approve the 2016 Sewer Service Charge Study report by Bartle Wells Associates (BWA).

- Accept recommendation to establish a maximum sewer service charge increase of \$21 per year per Equivalent Dwelling Unit (EDU) in each of the five Fiscal Years FY2016-17 through FY2020-12.

The General Manager stated that the Finance Committee (Committee) comprised of Directors Long and Peters, held a meeting on April 18, 2016. He stated that the Committee received and reviewed the Draft 2016 Sewer Service Charge report prepared by Bartle Wells Associates (BWA), and received a presentation on the report from BWA representatives Tom Gaffney and Allison Lechowicz, and District staff. He stated that based on the information presented and reviewed by the Committee at this meeting, the Committee directed staff and BWA to finalize the 2016 Sewer Service Charge report.

The General Manager stated that the report has now been finalized and he recommended that the Board receive the Report, accept the recommendation by the Committee to approve the BWA report, and accept the recommendation to propose a maximum sewer service charge increase of \$21 per year per Equivalent Dwelling Unit (EDU) in each of the five fiscal years FY2016/17-FY2020/21

Director Peters stated that the BWA report was easy to understand. Director Long stated that the proposed increases are conservative, even though they are the maximum allowable.

President Mariani discussed the recommended motion before the Board. District Counsel stated that the Board was not establishing a maximum rate increase at this meeting, but was authorizing the proposed maximum rate increase based on the BWA report. President Mariani requested that items 6b. and 6c. be acted upon along with items 7c. and 7d. On recommendation of Legal Counsel, she stated that items 7a. and 7b. would be deferred to the Board meeting of June 13, 2016.

The General Manager provided a PowerPoint presentation. He reviewed the current sewer service charge information from the 2011 financing plan and reviewed the 2016

Sewer Rate Study as prepared by Tom Gaffney, Bartle Wells Associates. He stated that Proposition 218 Notices will be mailed to all Residential and Non-Residential users. The notices will include information on the proposed sewer service charge increases, including the proposed FY2016/17 rate of \$573 per Equivalent Dwelling Unit (EDU).

On motion of Director Peters, seconded by Director Long, and carried unanimously by those Directors present, the following actions were approved:

- *Accept recommendation to approve the 2016 Sewer Service Charge Study report by Bartle Wells Associates;*
- *Accept recommendation to propose a maximum sewer service charge increase of \$21 per year per Equivalent Dwelling Unit in each of the five Fiscal Years FY2016/17-FY2020/21;*
- *Set the time and date for a Public Hearing on Proposed Increases in Sewer Service Charges for 6:00 p.m. on June 13, 2016;*
- *Review and authorize mailing of the Proposition 218 mandated Notices of Public Hearing to Residential and Non-Residential Property Owners.*

Martin Rauch, Rauch Communication Consultants, stated that the District is well ahead of its peers in performance, but well below in sewer service charge rates.

SEWER SERVICE CHARGES:

- Approve the 2016 Sewer Service Charge Study report by Bartle Wells Associates (BWA). *On recommendation of Legal Counsel, this item was deferred to the Board meeting of June 13, 2016.*

- Propose a maximum rate increase of \$21 per year per Equivalent Dwelling Unit (EDU) in each of fiscal years (FY) 2016-17, 2017-18, 2018-19, 2019-20, and 2020-21. *On recommendation of Legal Counsel, this item was deferred to the Board meeting of June 13, 2016.*

At 6:52 p.m., President Mariani declared a short recess.

Martin Rauch and Laura Creamer left the meeting.

At 7:01 p.m., President Mariani reconvened the meeting.

WASTEWATER OPERATIONS REPORT:

- Receive Wastewater Operations Report, March 2016. Project Manager John Bailey, Veolia Water, provided an overview of the treatment facilities monthly operations for March, 2016. He stated that water quality parameters at the facility were well within effluent standards with no NPDES violations. He noted that March was a wet month with a peak flow of 22 million gallons per day (MGD). He stated that no recycled water was produced because the Recycled Water Plant was shut down for the season. He stated that safety performance was excellent through March with a total of 2,137

accident-free days. He discussed routine maintenance activities at the facility and listed the reports that were completed and submitted this month.

Technical Services Manager Erik Brown provided a summary of odor control and landscaping for March. He stated that Veolia continues to monitor the odor beds and noted that there were two odor contacts in March. In January, District and Veolia staff met with neighborhood residents to discuss additional oleander plantings along the northeast fence line. He stated that planting of the oleanders was completed in March and that feedback from the neighbors has been positive.

The Technical Services Manager then provided a summary of the Collection System Operations report for March. He stated that the department cleaned 66,399 lineal feet of sewer lines, conducted 213 lift station inspections and inspected seven (7) air relief valves. He noted that there were no lost time accidents in March, for a total of 1,845 accident-free days. The Technical Services Manager stated that there were four Category III SSO's in March with a total spill volume of 1,098 gallons and one Category II SSO with a spill volume of 1,200 gallons. He noted that full details are included in the Operations report.

The Technical Services Manager then provided a summary of the Reclamation Facilities report. He stated that no sludge handling or irrigation activities were performed in March and that the rancher continued weed abatement around sprinkler heads in all parcels. He stated that several eucalyptus trees had fallen at Site 2 and that staff has requested proposals to remove the trees in spring. He stated that drainage pump station No. 3 pumped approximately 116 million gallons (MG) of storm water and drainage pump station No. 7 pumped 51.0 MG of storm water in March.

- Receive report on repair of 15-inch trunk sewer at 65 Hamilton Drive, approve the final Work Report in the amount of \$99,460.76 to replace the 34 lineal feet (LF) of the 15-inch trunk sewer, and authorize the General Manager-Chief Engineer to execute it. The Technical Services Manager stated that on March 21st, staff received a call from the project manager on the Hamilton Trunk Sewer Project forwarding a report from the contractor that the sewage coming into the upstream manhole on the project was muddy in color. He stated that upon further investigation, staff located a restriction in a section of trunk sewer located in an easement behind 65 Hamilton Drive. WR Forde was contacted under the District's informal contracts process, and began work to complete a repair of the 34-foot section of corrugated metal pipe at this location. During the repair, the contractor encountered unforeseen conditions which increased the repair work from the original authorized amount of \$25,000 to \$99,460.76.

The Technical Services Manager stated that staff has reviewed the invoices for the work and believes they are reasonable and accurate. He stated that staff recommends that the Board approve the final Work Report in the amount of \$99,460.76 and authorize the General Manager-Chief Engineer to execute it.

On motion of Director Dillon-Knutson, seconded by Director Peters, and carried unanimously by those Directors present, the Board approved the final Work Report in the amount of \$99,460.76 to WR Forde contractors and authorized the General Manager-Chief Engineer to execute it.

CAPITAL PROJECTS:

- NTP Corrosion Control, Account No. 73006: Approve a contract with RMC Water Environment in the not-to-exceed amount of \$55,850 for engineering services related to the protective coating of Primary Clarifier No. 1, and authorize the General Manager-Chief Engineer to execute it. The Technical Services Manager stated that due to the effects of the aggressive nature of wastewater, corrosion control needed to be addressed at the primary clarifier No. 1 mechanism. He stated that staff requested a proposal from RMC Water and Environment to provide final design documents and additional engineering services for the protective coating project. He stated that staff has reviewed the proposal and finds the proposed fee in the not-to-exceed amount of \$55,850 to be commensurate with the level of effort required. He recommended that the Board approve the contract with RMC, and authorize the General Manager-Chief Engineer to execute said agreement.

On motion of Director Peters, seconded by Director Long, and carried unanimously by those Directors present, the Board approved a contract with RMC Water Environment in the not-to-exceed amount of \$55,850 for engineering services related to protective coating of Primary Clarifier No. 1, and authorized the General Manager-Chief Engineer to execute it.

BOARD MEMBER REPORTS AND REQUESTS:

- North Bay Watershed Association (NBWA) Annual Conference, April 22, 2016:

Director Dillon-Knutson reported on her attendance at the conference and stated that the speakers were excellent.

Director Long reported on his attendance at the conference and stated that the quality of the presentations was excellent.

President Mariani reported on her attendance at the conference and stated that the speakers were excellent and the topics very timely.

- North Bay Water Reuse Authority (NBWRA) meeting, April 25, 2016:

Director Long reported on his attendance at the meeting and stated that NBWRA is discussing ways to compete for new funding sources through redefinition of the organization.

He also reported that NBWRA consultant Ginger Bryant discussed alternate funding options for NBWRA projects.

GENERAL MANAGER'S REPORT AND ANNOUNCEMENTS:

- The General Manager reported on his attendance at the NBWA meeting on April 25, 2016. He stated that the presentations were very good and that the District outreach booth was well attended by conference participants.
- The California Water Environment Association (CWEA) Annual Conference is being held in Santa Clara from April 26 – 29th. The General Manager stated that Board President Mariani will be making a presentation titled "What I Look for in a General Manager" at the conference, on Wednesday, April 27th, 2016. The presentation will be part of a California Association of Sanitation Agencies (CASA) sponsored session titled "Taking Your Leadership to the Next Level". He also stated that Field Services Manager Steve Krautheim will be attending the full conference.
- The Napa Sanitation District will hold a ribbon cutting ceremony for their recycled water project on May 2, 2016, at the Administrative Office on Soscol Rd. in Napa.
- The next regular Board meeting will be held on Monday, May 9th at 6:00 p.m., and include a Public Hearing for the adoption of Ordinance 119.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 7:52 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Swoboda, Recording