

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: May 11, 2020

A regular meeting of the Board of Directors of the Novato Sanitary District was held via Zoom® conferencing at 5:38 p.m., Monday, May 11, 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, Finance Officer Laura Creamer, 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
Jeff Andress, Collection System Superintendent, Novato Sanitary District

**all via Zoom® conferencing*

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: *On motion of Director Peters, seconded by Director Fvette, 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 April 13, 2020 regular meeting.

On motion of Director Peters, seconded by Director Long, and carried unanimously by roll call, the April 13, 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 \$1,545.69, capital project disbursements in the amount of \$396,969.43, and regular disbursements in the amount of \$284,928.62. Ratification of April 27th capital project disbursements in the amount of \$55,263.51, and regular disbursements in the amount of \$159,598.54.
- b. Ratification of April payroll and payroll related disbursements in the amount of \$282,321.51.
- c. Receive deposit summary, April 2020.
- d. Receive 3rd Quarter Investment Report, Fiscal Year (FY) 19-20.
- e. Receive FY 19-20, 3rd Quarter Financial Report.
- f. Cancel regular meeting of July 13, 2020

- g. Approve contract in not-to-exceed amount of \$59,100 with Duke's Root Control, Inc. (Duke's), and authorize the General Manager-Chief Engineer to execute it.
- h. 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 1 non-domestic discharge permit for discharge of hydrostatic test and excavation groundwater encountered at various locations on their Novato project.

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

WASTEWATER OPERATIONS (INFORMATION ONLY):

- Receive Wastewater Operations Reports, April 2020.

Collection System Report: Deputy General Manager Erik Brown provided the Collections System Report for April 2020. He began by stating that the Collection Department cleaned 62,563 lineal feet of sewer pipelines and televised 18,127 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 315 maintenance work orders, leaving zero work orders outstanding. Further, he noted that staff conducted 156 lift station inspections and completed maintenance inspections on four (4) air relief/vacuum valves.

The Deputy General Manager then outlined the training provided in April, 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 April. He concluded the report, stating that the Collection and Field Services staff continue to operate under a temporary modified split shift (A/B teams). He stated that staff has been 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 April 2020 Treatment Facilities Monthly Operations Report (MOR). He reviewed the treatment plant performance, stating that April's average flow was 4.02 MGD (million gallons per day), and that the Recycled Water Facility (RWF) produced 12.46 million gallons of recycled water. He stated that it was a reasonably dry month, and that there were no violations or excursions. The Project Manager discussed a Flow Comparison table which detailed flow data for the periods of Jan through April, 2013 through 2020. He stated that the average and maximum daily flow rates for 2020 to date were generally lower than in prior years but noted that 2020 had been an unusually dry year.

The Project Manager then outlined training events attended by Veolia staff in April. 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 stated that Operations staff continue work in 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 outlined the environmental services activities, and concluded his report, stating that no odor contacts were received in April.

Reclamation Facilities Report: The Deputy General Manager summarized the Reclamation Facilities report for April 2020. He stated that the treatment plant was in Bay discharge mode throughout the month, and that District drainage pump stations at Sites 3 and 7 pumped approximately 1.1 MG (million gallons) combined. He stated that repairs as part of a pipe corrosion repair project at the Irrigation Pump Station had been completed. The Deputy General Manager stated that staff from Auburn Ravine Ranch delivered approximately 200 cows and calves to the Site 7 area on April 17th, and noted that the cattle are currently grazing abundant vegetation there. He concluded his report, stating that no biosolids activities occurred in April.

CAPITAL PROJECTS:

- NTP Corrosion Control, Account No. 73006: Make California Environmental Quality Act (CEQA) findings that the project is categorically exempt; and authorize the General Manager-Chief Engineer to accept plans and specifications and advertise for bids – Headworks Coating Project; Project No. 73006-2019-01. The Deputy General Manager stated that the NTP Corrosion Control project will be located at the Novato Treatment Plant site and consists of the cleaning, preparation, and application of a 1-inch thick protective concrete resurfacing material to the headworks channels, covering approximately 4,250 sq. ft. of surface area, and associated tasks to perform the work including bypass pumping. He stated that staff has completed the California Environmental Quality Act (CEQA) documentation and has determined that the project is categorically exempt. The Deputy General Manager stated that the Engineer's Estimate has been established at \$350,000, and that the plans and specifications have been prepared and finalized. He concluded his report, stating that the bid opening is scheduled for June 2, 2020, and will be presented to the Board at a subsequent meeting.

On motion of Director Long, seconded by Director Peters, and carried unanimously by roll call, the Board made California Environmental Quality Act (CEQA) findings that the Headworks Coating Project, Project No. 73006-2019-01, is categorically exempt; and authorized the General Manager-Chief Engineer to accept plans and specifications and advertise for bids.

- Receive Capital Projects Update, April 2020 (information only). The Deputy General Manager provided an overview and update of the District's capital projects.

ANNUAL BUDGET:

- Receive Preliminary Budget for Fiscal Year (FY) 20-21 and FY 21-22.

- Review FY 20-21 Preliminary Annual Operating and Capital budgets. The General Manager stated that these two items were for informational purposes, and that the individual budgets will be reviewed in more detail during the upcoming committee meetings, scheduled as follows: Solid Waste Committee Meeting, May 18th; Wastewater Operations Committee Meeting, May 26th; and Capital Improvement Projects Committee Meeting, June 1st. He stated that the format and content of the budget generally follows the historical

budget document pattern, but that the current budget has the addition of a new cost center to track COVID-19 expenses to the District.

The General Manager discussed the transmittal letter, stating that this year's Sewer Service Charge (SSC) will increase from \$636 to \$657 per service unit, or 3.30% over the prior year. He noted that the basis of the rate increase was District Ordinance No. 120, which was adopted at its regular meeting of June 13, 2016, for fiscal years (FY) 16-17 through 20-21, and as further discussed by the Board at its April Board meeting. He continued, stating that the ongoing COVID-19 emergency will affect the District in multiple ways, and especially its FY 20-22 budget. He stated that the most significant revenue impact may be from the District's commercial and institutional customers who might have been partially or fully closed in response to COVID-19-related shelter-in-place (SIP) orders. The General Manager stated that these partial/full closures likely meant that there was minimal to no wastewater discharge from such customers to District facilities and that it may be appropriate to consider refunding a portion of their sewer service charges (SSC) for the period of closure. He stated that the refund would impact the FY 20-21 budget, and therefore, the FY 20-22 Preliminary Budget includes provisions for a potential SSC reduction program effective July 1, 2020, with an initial cap of about \$900,000 in the FY 20-21 budget year for the Board's consideration.

Director Mariani stated that due to the impact of COVID-19, she feels the District should make provisions to provide relief to commercial and institutional accounts in the FY 20-21 budget. Director Long stated that he felt it was a sensitive gesture which would show that the District is aware of the effects of the SIP orders and is doing something reasonable to mitigate the financial impacts to these businesses. President Dillon-Knutson stated that she felt it was remarkable for the District to consider giving money back to those businesses that were closed.

The General Manager continued, stating that no changes were made to this year's budget structure, and he discussed the Operating and Capital budget revenue and expenditure three-year summaries. He stated that, in conclusion, the proposed FY 20-21 budget will be able to accomplish the District's commitments to achieving the key goals set forth in its Strategic Plan while maintaining reasonable rates for its customers.

The Board expressed their appreciation to the General Manager for his excellence in managing the District to keep debt down, to fully fund the retirement liabilities, and in keeping the District's sewer service charges among the lowest in the County. The General Manager noted that it was a team effort and thanked staff that had worked equally hard putting the programs together that are reflected by this budget.

Director Long expressed his appreciation to the General Manager-Chief Engineer on the budget effort, and asked if the anticipated State deficit due to COVID-19 events would affect the District. The General Manager stated that generally speaking, he did not currently anticipate any State budget issues stemming from the COVID-19 situation to affect the District's finances. He noted that the District's debt continues to carry a "AAA" rating from Standard and Poors' Global Rating, which indicated the District's strong financial position.

GRAND JURY REPORT:

- Receive 2019-20 Marin County Civil Grand Jury report titled "Follow-Up Report on Web Transparency of Agency Compensation Practices" dated April 28, 2020.

- Authorize staff and District Counsel to prepare a draft response for Board consideration.

The General Manager stated that the 2019-2020 Marin County Civil Grand Jury had issued a report titled "Follow-Up Report on Web Transparency of Agency Compensation Practices", dated April 28, 2020. He stated that the Grand Jury was requesting that the District respond to three Findings and four Recommendations of the report. He stated that he did not consider them to be particularly significant items, and has already updated the District website to incorporate what he expects the response will be to the Grand Jury. The General Manager requested that the Board authorize staff and District Counsel to review the report and to prepare a draft response for the Board's consideration at a future Board meeting. He noted that the Grand Jury requires a response by July 27, 2020.

On motion of Director Peters, second by Director Long, and carried unanimously by roll call, the Board authorized District staff and District Counsel to prepare a draft response for Board consideration to the Marin County Civil Grand Jury report titled "Follow-Up Report on Web Transparency of Agency Compensation Practices".

BOARD OF DIRECTORS:

- Adopt Resolution No. 3142: Requesting the Board of Supervisors to consolidate with any other election conducted on said date, and requesting election services by the Marin County Elections Department. The General Manager stated that two regular term (4 years) seats on the District Board of Directors are up for election in 2020 (incumbents: Division 1- Mariani, and Division 4 - Peters), and one short term seat (appointed: at-large - Fuelle). He stated that in order for the Marin County Registrar of Voters to conduct District elections as part of the General Election to be held on November 3, 2020, the District Board must adopt a resolution and submit it to the County Registrar of Voters by July 1, 2020.

On motion of Director Peters, second by Director Mariani, and carried unanimously by roll call, the Board adopted Resolution No. 3142: Requesting the Board of Supervisors to consolidate with any other election conducted on said date and requesting election services by the Marin County Elections Department.

BOARD MEMBER REPORTS AND REQUESTS:

Director Mariani reported on her attendance at the North Bay Watershed Association (NBWA) meeting, held via conference call on Friday, May 1, 2020. She stated that Executive Director Judy Kelly will be resigning in a few months, and that they are seeking a new director. She stated that the Integrated Regional Water Management Plan (IRWMP) was presented for adoption, and that the proposed NBWA FY 20-21 budget was discussed.

GENERAL MANAGER'S REPORTS AND ANNOUNCEMENTS:

- Reports:
 - Committee meetings established as per budget (likely to be teleconference)

- Solid Waste Committee: Directors Mariani and Peters, May 18th, 4:00 p.m.
- Wastewater Operations Committee: President Dillon-Knutson and Director Fuelle, May 26th, 3:00 p.m.
- Capital Improvements Committee: President Dillon-Knutson and Director Long, June 1, 3:00 p.m.
- 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 continue to stay current on the situation and with the County Health Department requirements.
 - Administratively, the General Manager retains 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 June 8th, 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 7:05 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Hoover, Recording