

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: May 23, 2016

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:02 p.m., Monday, May 23, 2016, at the District offices, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jean Mariani, Directors Carole Dillon-Knutson, William C. Long, and Brant Miller. Director Jerry Peters arrived at 6:19 p.m.

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

ALSO PRESENT:

Steve Krautheim, Field Services Manager, Novato Sanitary District
Erik Brown, Technical Services Manager, Novato Sanitary District
Brian Exberger, Assistant Project Manager, Veolia Water
Laura Creamer, Finance Officer, Novato Sanitary District

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The General Manager stated that the payroll check register (page 10 of the packet) was revised and a copy was given to each Board member. With no further corrections, the agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

- Consider approval of minutes of the May 9, 2016 regular meeting. Director Miller stated that his absence from the April 25th Board meeting was not noted as an excused absence. The definition of excused absence was discussed. It was noted that Director Miller's absence from the April 25th Board meeting was prior to the adoption on May 9th of District Policy No. 4020 which discusses Board of Directors' meeting attendance. However, the General Manager stated that Director Miller's absence from the April 25th Board meeting was considered an excused absence.

On motion of Director Dillon-Knutson, seconded by Director Long, and carried unanimously by those Directors present, the May 9th, 2016 Board meeting minutes were approved.

CONSENT CALENDAR:

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

- a. Approval of operating check disbursements in the amount of \$90,649.25, and capital project disbursements in the amount of \$8,983.50.

- b. Ratify May 2016 payroll and payroll related disbursements in the amount of \$223,402.11.
- c. Approve an application from the North Marin Water District (NMWD) and authorize the General Manager-Chief Engineer to issue a one-time, temporary, Class I non-domestic discharge permit for discharge of groundwater.

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

ANNUAL BUDGET:

- Receive update on Sewer Lateral Grant Program. The General Manager provided an overview of the District's current sewer lateral grant program and stated that 83 grants had been made in the last six years, with a total of \$123,271 expended. He stated that staff expects the program would be more successful if the grant amounts were increased. He stated that the preliminary 5-year Capital Improvement budget includes provisions for incrementally increasing grant amounts to the following: \$2,000 FY 16/17; \$2,500 FY 17/18; \$3,000 FY 18/19; \$3,500 FY 19/20; and \$4,000 FY 20/21. The General Manager stated that this provision addresses the District's intent to be good stewards of the environment by encouraging residents to repair their private laterals.

- Receive Fiscal Year (FY) 16-18 Preliminary Capital Improvements Program (CIP) Budget – Summary of Anticipated Project Work. The General Manager stated that the Capital Improvement Program (CIP) budget is based on an anticipated level of project work and is summarized in a memorandum provided in the Board packet.

(Director Peters arrived, 6:19 p.m.)

The General Manager introduced Technical Services Manager Erik Brown, who provided a summary of the anticipated scope of work and project work included within the various accounts of the 2016/18 Preliminary CIP Budget.

- Receive Preliminary Budget for Fiscal Years FY 16-17 and FY 17-18. The General Manager gave a PowerPoint presentation and reviewed the preliminary budget for fiscal years 2016-18. He provided an overview of the FY 15/16 budget and outlined the FY 16/17 budget highlights.

At 7:18 p.m., President Mariani declared a ten minute break.

The meeting was reconvened at 7:26 p.m.

The General Manager continued his PowerPoint presentation and discussed the year over year preliminary proposed budget. Discussion followed. A correction to the budget was made: page 18: ANTICIPATED DEBT BALANCE 6/30/ **18** should be changed to 6/30/17.

President Mariani stated that the Preliminary Budget for FY 2016/18 will be reviewed in more detail by the District's Solid Waste Committee, Wastewater Operations Committee and the Strategic Planning and New Facilities Committee. (The General Manager provided the proposed meeting schedule for the committees in his announcements.)

BOARD MEMBER REPORTS AND REQUESTS: None.

INFORMATIONAL ITEMS:

- University of North Carolina, Chapel Hill, Environmental Finance Center article: "Six Keys to Improve Your Water Utility's Credit Rating – a Cheat Sheet." This item was for informational purposes only. Director Peters thanked the General Manager for the information and stated that it was useful.

GENERAL MANAGER'S REPORT AND ANNOUNCEMENTS:

- The next regular Board meeting will be held on Monday, June 13th, at 6:00 p.m. The meeting will include a Public Hearing for considering increased Sewer Service Charges as well as a Public Hearing on the FY 16/17 Sewer Service Charge report (individual properties) and collection on the County tax roll.
- The Solid Waste Committee will meet on Wednesday, June 1, 2016, at 3:00 p.m. and the Solid Waste Budget will be considered.
- The Wastewater Operations Committee will meet on Monday, June 20, 2016, at 2:00 p.m. and the Operating Budget will be considered.
- The Strategic Planning and New Facilities Committee will meet on Tuesday, June 21, 2016, at 2:00 p.m. and the Capital Improvements Program (CIP) budget will be considered.
- A Marin Association of Sanitary Supervisors (MASS) meeting will take place on Tuesday, May 24th to discuss the County's new trench restoration requirements. The General Manager and the Field Services Manager will attend.
- The California Association of Sanitation Agencies (CASA) will hold an annual conference in Monterey from August 9th through the 12th. Directors planning to attend should notify the District office.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 7:59 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Swoboda, Recording