

June 23, 2014

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, June 23, 2014, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jean Mariani, Directors Gary Butler, William C. Long, and Brant Miller. Member Jerry Peters arrived at 6:04 p.m.

STAFF PRESENT: Manager-Engineer-Secretary Sandeep Karkal and Administrative Secretary Julie Swoboda. Finance Officer Laura Creamer arrived at 6:22 p.m.

ALSO PRESENT: John Bailey, Project Manager, Veolia

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

- Consider approval of minutes of the meeting of June 9, 2014.

President Mariani noted a typographical error to the minutes on page 2, last paragraph: ***He also discussed how the ~~FY2-14-16~~ FY 14-16 Preliminary Budget...***

On motion of Director Long, seconded by Director Butler and carried with the following vote, the Board approved the June 9th, 2014 meeting minutes as amended. Ayes: Mariani, Long, Butler. Abstain: Miller. Absent: Peters. (Director Miller abstained as he was not present at the meeting. Director Peters was not present at the time of the vote.)

CONSENT CALENDAR:

On motion of Director Long, seconded by Director Miller and carried unanimously, the following Consent Calendar item was approved:

- a. Approval of regular disbursements in the amount of \$119,229.40, capital project disbursements in the amount of \$3,595.66, and payroll and payroll related disbursements in the amount of \$215,000.08.

COMMITTEE REPORTS:

- Strategic Planning and New Facilities. The Manager-Engineer stated that Committee Members Long and Butler were present at the Strategic Planning and New Facilities meeting on June 11th. The Manager-Engineer provided a summary of the committee's actions and stated that the FY 14-15 Capital Budget was reviewed. He stated that the

Committee unanimously agreed to recommend the preliminary Capital Budget for adoption by the full Board of Directors.

- Wastewater Operations. The Manager-Engineer stated that Committee Member Peters and Committee Alternate Mariani were present at the Wastewater Operations Committee meeting on June 16th. John Bailey, Plant Manager, Veolia, gave an overview of the Novato treatment facility performance for the month of May and discussed odor complaints and routine maintenance at the facility.

The Manager-Engineer provided a summary of the committee's actions and stated that the FY 14-15 Operating Budget was reviewed. He stated that the Committee unanimously agreed to recommend the preliminary Operating Budget for adoption by the full Board of Directors.

CAPITAL PROJECTS:

- Make CEQA findings, approve plans and specifications, and authorize the Manager-Engineer to advertise for bids – Olive Parallel Force Main Project; Account No. 72706: Collection System Improvements. The Manager-Engineer gave an overview of the project, noting that staff has completed CEQA findings and determined that the project is categorically exempt. He noted that bids are expected to be received on July 31, 2014 and will be presented to the Board at a subsequent meeting.

On motion of Director Long, seconded by Director Peters and carried unanimously, the Board approved the CEQA findings, approved the plans and specifications and authorized the Manager-Engineer to advertise for bids for the Olive Parallel Force Main Project.

- Make CEQA findings, approve plans and specifications, and authorize the Manager-Engineer to advertise for bids – Account No. 72110: Drainage Pump Station 3 & 7 Improvements. The Manager-Engineer gave an overview of the project, noting that staff has completed CEQA findings and determined that the project is categorically exempt. He noted that bids are expected to be received on August 5, 2014 and will be presented to the Board at a subsequent meeting.

On motion of Director Peters, seconded by Director Miller and carried unanimously, the Board approved the CEQA findings, approved the plans and specifications and authorized the Manager-Engineer to advertise for bids for the Drainage Pump Station 3 & 7 Outfall Rehabilitation.

ADMINISTRATION:

- Review cost-of-living increase, represented employee group, effective July 1, 2014 – informational item. The Manager-Engineer stated that the Memorandum of

Understanding (MOU), for the represented employee group has a provision for a cost-of-living increase effective July 1, 2014 as determined by the April 2013 to April 2014 Consumer Price Index movement plus one percent. He stated that the CPI increase was 2.6% so therefore the corresponding increase to the represented group would be 3.6%.

- Approve cost-of-living increase, management and confidential employee group, effective July 1, 2014. The Manager-Engineer stated that the management and confidential employee group had agreed to the same terms as the represented employee group in terms of a cost-of-living increase. He recommended the Board approve a 3.6% increase which matches the represented group's provision.

On motion of Director Long, seconded by Director Peters and carried unanimously, the Board approved a cost-of-living increase for the Management and Confidential employee group of 3.6%, effective July 1, 2014.

- Approve cost-of-living increase, Manager-Engineer, effective July 1, 2014. President Mariani read the item and asked for comments. Hearing none, she said she would entertain a motion.

On motion of Director Miller, seconded by Director Long and carried unanimously, the Board approved a cost-of-living increase for the Manager-Engineer of 3.6%, effective July 1, 2014.

- Adopt Resolution No. 3075 authorizing execution of the Application-Agreement for Medicare Coverage for Eligible Employees. President Mariani read the item and asked for comments. Hearing none, she said she would entertain a motion.

On motion of Director Long, seconded by Director Peters and carried unanimously, the Board adopted Resolution No. 3075 authorizing execution of Medicare Agreement for employees hired prior to March 31, 1986.

- Adopt Resolution No. 3076 to CalPERS for paying and reporting the value of Employer Paid Member Contributions and for Normal Member Contributions. The Manager-Engineer stated that one of the provisions of the Memorandum of Understanding is a change in the formula for payment and reporting of Employer Paid Member Contributions. He stated that each modification requires adoption of a resolution by the District Board for submission to CalPERS.

On motion of Director Peters, seconded by Director Long, the Board adopted Resolution No. 3076: Resolution for Paying and Reporting the Value of Employer Paid Member Contributions.

At 7:10 p.m., President Mariani declared the Board would take a 10 minute break.

At 7:18 p.m., President Mariani reconvened the meeting.

FINANCIAL:

- Approve and adopt the Preliminary Budget for Fiscal Years 2014-16. The Manager-Engineer stated that the preliminary budget had been reviewed by the following committees: Strategic Planning and New Facilities, Wastewater Operations, and Solid Waste. He stated that all three committees were recommending approval and adoption of the Preliminary Budget by the full Board.

On motion of Member Peters, seconded by Member Long and carried unanimously, the Board adopted the Preliminary Budget for Fiscal Years 2014-16.

Finance Officer Laura Creamer left the meeting at 7:20 p.m.

BOARD OF DIRECTORS: 2013-14 GRAND JURY REPORT:

- Receive and review the 2013-14 Marin County Civil Grand Jury Report titled "The Scoop on Marin County Sewer Systems: Part I", and "The Scoop on Marin County Sewer Systems: Part II". The Manager-Engineer discussed the Marin County Civil Grand Jury reports that were received, and were being presented in their entirety in the Board packet. He requested that the Board provide any comments to staff by the July 14th, 2014 Board meeting. An extensive discussion of the contents of the report followed by the Board members. The Board then directed the Manager-Engineer to prepare a draft response to the Grand Jury for Board review. The Manager-Engineer stated that he would prepare the draft response and present it for Board review, tentatively at the first meeting in August, with a final response going to the Grand Jury in late August or early September, before the required September 14, 2014 deadline.

STAFF REPORTS:

- CSDA 2014 Board elections. The Board discussed the candidates and requested that staff return the CSDA Board of Directors 2014 Election ballot with the selection of incumbent Stanley Caldwell.

On motion of Director Long, seconded by Director Peters and carried unanimously, the Board directed staff to return the CSDA Board of Directors 2014 Election ballot with the selection of incumbent Stanley Caldwell.

BOARD MEMBER REPORTS:

- North Bay Watershed Association (NBWA): Director Miller discussed his attendance at the June 6th meeting and gave an overview of the presentations. He stated that the main presentation was given by Bruce Wolfe, Executive Officer of the Oakland Regional Water Quality Control Board.

MANAGER'S ANNOUNCEMENTS:

- The 59th Annual California Association of Sanitation Agencies (CASA) will be held on August 20 – 22nd in Monterey.
- An Adhoc Labor Committee meeting will be held on Wednesday, June 25th at 10:30 a.m. at the District office.
- The next regular Board meeting will be held on July 14th at 6:00 p.m. at the District office. A Public Hearing for the collection of sewer service charges on the County tax rolls will take place.
- The Manager-Engineer reported back on a question asked by Director Long at the prior Board meeting regarding AB939 revenues: are there spending restrictions for the revenues received from solid waste fees? The Manager-Engineer stated that he had checked with the District's Household Hazardous Waste (HHW) Coordinator Dee Johnson who clarified that the revenue may be spent on any solid or hazardous waste budgeted program area.
- The Manager-Engineer reported on a question asked by Director Butler at the prior Board meeting, regarding AB341 requirements. The Manager-Engineer stated that the requirement is directed toward commercial businesses generating 4 cubic yards of trash per week and multi-family units of five or more. In the District's budget, the funds are to provide outreach to both the commercial and multi-family accounts but recognizing that multi-family accounts may be more difficult for various reasons. He reported that Dee Johnson will continue to work with staff from Novato Disposal to conduct more targeted outreach services.
- A Compliance Evaluation Inspection (CEI) was conducted by State Water Resources Control Board (SWRCB) staff on June 18th. The Manager-Engineer reported that the inspection went well, that the SWRCB inspection staff made many positive comments about the District and its treatment facilities, and that a written report would be forthcoming from the SWRCB.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 8:18 p.m.

Respectfully submitted,

Sandeep S. Karkal
Secretary

Julie Swoboda, Recording