

## NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: June 26, 2017

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 5:30 p.m., Monday, June 26, 2017, at the District Office, 500 Davidson Street, Novato.

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

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

ALSO PRESENT: Robin Merrill, Information Systems Specialist, Novato Sanitary District  
Erik Brown, Technical Services Manager, Novato Sanitary District  
Steve Krautheim, Field Services Manager, Novato Sanitary District  
Dale Thrasher, Administrative Services Officer, Novato Sanitary District  
John Bailey, Project Manager, Veolia Water  
Brian Exberger, Assistant Project Manager, Veolia Water  
Laura Creamer, Finance Officer, Novato Sanitary District

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as presented.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the June 12, 2017 regular meeting. Director Long requested a modification to the minutes on page 5, paragraph 1, as follows: **Director Long stated that *NBWRA members have discussed forming an executive committee to expedite matters between regular NBWRA meetings.***

*On motion of Director Mariani, seconded by Director Dillon-Knutson, and carried unanimously, the June 12, 2017 Board meeting minutes were approved as modified.*

PUBLIC HEARING PURSUANT TO SECTION 5471 ET SEQ. AND 6520.5 OF THE CALIFORNIA HEALTH AND SAFETY CODE – FY2017-18 SEWER SERVICE CHARGE REPORT, AND ELECTING TO COLLECT ON COUNTY TAX ROLLS:

- Sewer Service Charge Report. The General Manager noted that items 5.a.b.c.d., and 6.a. would be considered together. He stated that the District Board, at its June 13, 2016 meeting, held a public hearing on, and thereafter adopted, Ordinance No. 120, which established sewer service charges for fiscal years 2016/17 through 2020/21. He stated that this public hearing of June 26, 2017, was to conduct the Hearing on the FY2017/18 Sewer Service Charge report, and receive protests on individual sewer service charges on the sewer service charge report. He noted that at the close of the public hearing, the Board would consider adopting Resolution No. 3108, to collect the FY2017/18 Sewer Service Charges on the Marin County tax rolls.

- Open public hearing. President Peters opened the public hearing at 5:34 p.m.

- Consider protests regarding sewer service charge report. There was no public comment, and the General Manager reported that no written protests were received at the District.

- Close public hearing. President Peters closed the public hearing at 5:35 p.m.

RESOLUTION CONFIRMING FY2017-18 SEWER SERVICE CHARGE REPORT AND ELECTING TO COLLECT ON COUNTY TAX ROLLS:

- Adoption of Resolution No. 3108 – A Resolution Confirming Sewer Service Charge Report and Collection of Sewer Service Charges for Novato Sanitary District on the County of Marin Tax Rolls for Fiscal Year 2017-18. The General Manager stated that Information Systems Specialist Robin Merrill was present at the Board meeting with the computerized database and the Sewer Service Charge report so that anyone may request their individual sewer service rate information for the coming year, and have an opportunity to protest.

There were no requests for sewer service rate information.

The General Manager stated that this public hearing of June 26, 2017 was 'noticed' twice in the Marin Independent Journal, on June 12<sup>th</sup> and June 19<sup>th</sup>. He requested that the Board adopt Resolution No. 3108.

*On motion of Director Miller, seconded by Director Long and carried unanimously, the Board adopted Resolution No. 3108 - A Resolution Confirming Sewer Service Charge Report and Collection of Sewer Service Charges for Novato Sanitary District on the County of Marin Tax Rolls for Fiscal Year 2017-18.*

CONSENT CALENDAR:

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

- a. Approve capital project disbursements in the amount of \$93,702.87, and regular disbursements in the amount of \$156,779.00.
- b. Approve payroll and payroll related disbursements for the month of June in the amount of \$336,945.62.

*On motion of Director Mariani, seconded by Director Dillon-Knutson, and carried unanimously, the above listed Consent Calendar items were approved.*

COMMITTEE REPORTS.

- Solid Waste: Receive report and recommendation to adopt preliminary Solid and Household Hazardous Waste (S&HHW) budget for FY17-19. The General Manager stated that the Solid Waste Committee met on June 19, 2017, to review the preliminary FY17-19 Solid and Household Hazardous Waste (HHW) operating budget with the Committee. Members Mariani and Dillon-Knutson were present along with the District's Solid and HHW Coordinator, Ms. Dee Johnson. He noted that the agenda materials from this committee meeting were included in the Board agenda packet.

He stated that Ms. Johnson reviewed the preliminary FY17-19 Solid and HHW operating budget and discussion followed with the Committee members. Upon close of discussion, the Committee unanimously agreed on a recommendation to the full Board of Directors to adopt the preliminary FY17-19 Solid and HHW operating budget at the Board's June 26<sup>th</sup> regular meeting.

- Wastewater Operations: Receive report and recommendation to adopt preliminary Operating Budget for FY17-19. The General Manager stated that the Wastewater Operations Committee met on June 13, 2017, to review the preliminary FY17-19 Operating Budget with the Committee. Members Peter and Miller attended. He noted that the agenda materials from this committee meeting were included in the Board agenda packet.

He stated that staff reviewed the preliminary FY17-19 Operating Budget and discussion followed with the Committee members. Upon close of discussion, the Committee unanimously agreed on a recommendation to the full Board of Directors to adopt the preliminary FY17-19 Operating Budget at the Board's June 26<sup>th</sup> regular meeting.

- Strategic Planning and New Facilities: Receive report and recommendation to adopt preliminary Capital Improvements Program (CIP) budget for FY17-19. The General Manager stated that the Strategic Planning and New Facilities (SPNF) Committee met on June 14, 2017, to review the preliminary FY17-19 Capital Improvements Program (CIP) Budget with the Committee. Members Long and Dillon-Knutson attended. He noted that the agenda materials from this committee meeting were included in the Board agenda packet.

He stated that staff reviewed the preliminary FY17-19 Capital Budget and discussion followed with the Committee members. Upon close of discussion, the Committee unanimously agreed on a recommendation to the full Board of Directors to adopt the preliminary FY17-19 Capital Budget at the Board's June 26<sup>th</sup> regular meeting.

#### ANNUAL BUDGET:

- Approve and adopt the FY2017-19 Preliminary Budget. The General Manager stated that at the May 22<sup>nd</sup> Board meeting, staff presented the District's Preliminary Budget for FY2017-19 to the Board of Directors. He noted that the Solid Waste Committee, the Wastewater Operations Committee, and the Strategic Planning and New Facilities Committee have all recommended adoption of their respective budgets to the full Board. He stated that, accordingly, staff recommends that the Board approve and adopt the Preliminary Budget for FY17-19.

*On motion of Director Long, seconded by Director Miller, and carried unanimously, the Board approved and adopted the FY2017-19 Preliminary Budget.*

#### CAPITAL PROJECTS:

- NTP Corrosion Control, Account No. 73006: Primary Clarifier No. 1 Coating Project (Project) – Grant Final Acceptance of the Project, and authorize staff to file the Notice of Completion. The General Manager introduced Technical Services Manager Erik Brown, who provided an overview of the Project. The Technical Services Manager stated that the Project was awarded on March 10, 2017 to F.D. Thomas, Inc. for a low bid of \$172,000, which included two optional items totaling \$60,000. He noted that during construction, it was determined that the optional items did not need to be performed, which resulted in a revised base bid amount of \$112,000.

The Technical Services Manager stated that two Owner generated change orders resulted in a final project cost of \$126,000. He stated that, at this time, the Contractor had completed the work and recommended that final acceptance be granted, and that staff be authorized to file the Notice of Completion.

*On motion of Director Mariani, seconded by Director Miller, and carried unanimously, the Board granted Final Acceptance of the Primary Clarifier No. 1 Coating Project and authorized staff to file the Notice of Completion.*

#### GRAND JURY REPORT:

- Receive 2016-17 Marin County Civil Grand Jury report titled "The Big Picture – Funding Marin's Public Employee Pensions & Retirement Health Care Benefits", dated June 19, 2017. The General Manager stated that the attached report was for informational purposes only, and that no response was being required from the District.

#### ADMINISTRATION:

- Review cost-of-living increase, Represented Employees group, effective July 1, 2017 – informational item. The General Manager stated that in 2014, the District negotiated a four-year Memorandum of Understanding (MOU) with its represented employee group, the Teamsters Bargaining Unit (TBU). He stated that the MOU has a provision for a cost-of-living increase effective July 1, 2017, as determined by the April 2016 to April 2017 Consumer Price Index (SF Bay Area 82-100) movement plus 0.5 percent. He stated that the April-April CPI change was +3.7%, therefore the corresponding increase would be 4.2%. The General Manager stated that the represented employee group would therefore receive a 4.2% cost-of-living salary increase, effective July 1, 2017.

The General Manager then requested (and received) the Board President's approval to review the following agenda items, i.e. 12b. and 12c., together.

- Approve cost-of-living increase, Management and Confidential Employees group, effective July 1, 2017.

- Review cost-of-living increase, General Manager-Chief Engineer, effective July 1, 2017.

The General Manager stated that the Management and Confidential (M&C) group had agreed to the same terms as the represented employee group in terms of a cost-of-living salary increase. Therefore, it is recommended that the Board approve a 4.2% salary increase for the Management and Confidential group, effective July 1, 2017.

The General Manager stated that as per the terms of the General Manager-Chief Engineer's agreement, he shall be eligible for cost-of-living increases which shall be no greater than that authorized for the Management and Confidential staff. He stated therefore, if a 4.2% increase is approved for the M&C Group, it is requested that the Board also approve a 4.2% salary increase for the General Manager-Chief Engineer, effective July 1, 2017.

*On motion of Director Mariani, seconded by Director Long, and carried unanimously, the Board approved a 4.2% cost-of-living salary increase for the Management and Confidential group, as well as a 4.2% cost-of-living salary increase for the General Manager-Chief Engineer, effective July 1, 2017.*

## **BOARD OF DIRECTORS:**

- Presidential appointment of members to Board Committees for FY2017-18. The General Manager stated that the Board President traditionally appoints committee members at the second Board meeting in June. He noted that, at the President's option, the assignments may be modified at this meeting, remain the same, or be modified at a subsequent Board meeting.

President Peters stated that the Strategic Planning and New Facilities Committee would be renamed to the Capital Improvements Committee. President Peters then stated that he would make Committee assignments as follows:

### **Standing Committees:**

1. Joint City/District Solid Waste Committee:  
Jean Mariani  
Jerry Peters  
Brant Miller, Alternate
2. Wastewater Operations Committee:  
Brant Miller  
Carole Dillon-Knutson  
Jean Mariani, Alternate
3. Capital Improvements Committee (Formerly: Strategic Planning and New Facilities Committee)  
Carole Dillon-Knutson  
William C. Long  
Brant Miller, Alternate
4. Finance Committee:  
William C. Long  
Jean Mariani  
Carole Dillon-Knutson, Alternate

### **Regular Committees:**

1. California Association of Sanitation Agencies:  
Jerry Peters, Delegate  
Carole Dillon-Knutson, Alternate
2. California Sanitation Risk Management Authority:  
Sandeep Karkal, Delegate  
Brant Miller, Alternate
3. North Bay Water Reuse Authority:  
William C. Long, Delegate  
Jerry Peters, Alternate
4. North Bay Watershed Association:  
Brant Miller, Delegate  
Sandeep Karkal, Alternate

### **Ad Hoc Committee Assignments:**

(None assigned at June 26, 2017 Board meeting.)

The Board members agreed with their respective assignments; there was no further discussion.

*On motion of Director Mariani, seconded by Director Dillon-Knutson, and carried unanimously, the above Committee appointments were ratified.*

**BOARD MEMBER REPORTS AND REQUESTS:**

Director Long stated that he has been the representative on the Watershed Policy Committee along with the General Manager-Chief Engineer Sandeep Karkal. He stated that the committee met the week of June 19<sup>th</sup> to discuss the Novato Flood Control Zone ballot measure and he stated that the Marin County Board of Supervisors would be placing this measure on the November 2017 ballot. He discussed details of the measure.

The General Manager stated that Marin County Flood County District staff is tentatively scheduled to present a report on the Novato Watershed Program at the August 14<sup>th</sup> Board meeting.

**GENERAL MANAGER'S REPORT AND ANNOUNCEMENTS:**

- Memorial services for Dietrich Stroeh scheduled for June 29, 2017, at Pioneer Park.
- Retirements: The following three employees have announced their retirements: Kevin Craig, Construction Inspector (retiring in July); Craig Deasy, Senior Engineer (retiring in August); and Steve Krautheim, Field Services Manager (retiring in October. Planning process is underway to fill positions. Congratulated all three in reaching their retirement goals.
- California Association of Sanitation Agencies (CASA), Annual Conference, San Diego, August 22-24, 2017: availability of flights on Virgin America or Southwest Airlines departing from San Francisco, coordinate with Secretary Pro-tem Julie Hoover on flight schedules.
- The next regular Board meeting will be held Monday, July 10<sup>th</sup> at 5:30 p.m.
- The District office will closed for the July 4<sup>th</sup> holiday.
- Director Miller has announced he will be absent at the July 10<sup>th</sup> meeting.

**ADJOURNMENT:** There being no further business to come before the Board, President Peters adjourned the meeting at 6:17 p.m.

Respectfully submitted,

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Sandeep Karkal  
Secretary

Julie Hoover, Recording