

July 12, 2010

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, July 12, 2010, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President William C. Long, Members Michael Di Giorgio, James D. Fritz, George C. Quesada and Dennis Welsh.

BOARD MEMBERS ABSENT: None.

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James, Deputy Manager-Engineer Sandeep Karkal, Administrative Secretary Julie Borda and District Counsel Kent Alm.

ALSO PRESENT: Brant Miller, Novato resident
Jo Heffelfinger, Novato resident
Dean L. Heffelfinger, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, the agenda was approved as mailed.

PUBLIC COMMENT: None.

BOARD MEMBER REPORTS: None.

CONSENT CALENDAR:

The Manager requested a change be made to the staff report Item no. 5.a. as follows:
*The **2010/2011** budget includes a line item of **\$110,000** in the Vehicle Replacement Fund to purchase...*

Member Welsh questioned Veolia's use of District vehicles. The Manager noted that the crane truck being authorized for purchase would most likely be used at the pump stations by the Collection Systems crew.

On motion of Member Quesada, seconded by Member Di Giorgio and carried unanimously, the following consent calendar items were approved:

- a. *Authorize expenditure for replacement of crane truck for an amount not to exceed \$110,000.*

- b. *Approve regular disbursements in the amount of \$400,287.65, project account disbursements in the amount of \$1,030,811.34, board member disbursements in the amount of \$3,329.97 and payroll and payroll related expenses in the amount of \$290,954.30.*

BUDGET:

Consider adoption of the Preliminary Budget for 2010/11.

The Manager reviewed the preliminary budget. President Long requested the Manager point out areas in which the preliminary budget differed from the previous preliminary budget. The Manager reported that the primary difference was reflected in the operations budget numbers due to the fact that the Novato Sanitary District Contract Service Agreement for Operation, Maintenance and Management of Wastewater Treatment Facilities with Veolia Water will go into effect on August 7, 2010.

The Board discussed details of the budget with the Manager.

The Manager noted that the final budget should be available for Board approval at the August 23rd board meeting.

On motion of Member Di Giorgio, seconded by Member Fritz and carried unanimously, the Board adopted the Novato Sanitary District Preliminary Budget for 2010/11.

PERSONNEL:

Consider granting a 2.4% cost-of-living increase for management and confidential employees for fiscal year 2010-11, equal to that approved for the represented group.

The Manager noted that the Memorandum of Understanding (MOU) between the District and Teamsters Local 315 included an across-the-board wage increase, effective July 1, 2010, to reflect the 2.4% increase in the Consumer Price Index. She requested the Board grant an equivalent wage increase of 2.4% for management and confidential employees, effective July 1, 2010.

President Long opened this item for public comment.

Dean L. Heffelfinger, Novato resident, discussed the 2.4% increase for management and confidential employees, stating that he feels the increase is premature. He stated that if Veolia Water does operate the treatment facility, the District management and confidential employee's salaries should be reduced to reflect the reduction in their responsibilities.

Member Welsh asked if the 401A Plan the District offers their non-represented employees will be made available to the represented employees. The Manager stated

that the 401A Plan was not requested by the represented employees and is not included in their MOU.

On motion of Member Fritz, seconded by Member Di Giorgio, and passed with the following vote, the Board granted a 2.4% cost-of-living increase to management and confidential employees for fiscal year 2010/11. Ayes: Long, Di Giorgio, Fritz, Quesada. No: Welsh.

COLLECTION SYSTEM IMPROVEMENTS:

Consider accepting a proposal from Nute Engineering to design a replacement sewer on Galli Drive. The Deputy Manager-Engineer discussed the project, noting that the District had received a proposal in the amount of \$82,000 from Nute Engineering to provide engineering services. He stated that Nute understands the urgency of the work and will make the project a priority in order to bid the work in the Fall of 2010.

Member Welsh asked what material the current pipe is made of. The Deputy Manager-Engineer stated it is an asbestos concrete pipe and will be replaced with a 10" diameter pipe to better facilitate the flow in that area.

Member Quesada questioned Nute's role in the project and the Deputy Manager-Engineer stated that they would be providing design phase and support services during the construction of the project.

On motion of Member Fritz, seconded by Member Di Giorgio and passed unanimously, the Board approved a proposal for engineering services for Design and Construction from Nute Engineering in the amount of \$82,000 for the Collection System Improvements; Galli Drive Sewer Replacement Project, No. 72706, Phase G.

STAFF REPORTS:

North Bay Watershed Association (NBWA). The Manager noted that the NBWA meeting was held at the Marin Community Foundation on Friday, July 9th. She gave an overview of the meeting, the guest speakers and the information covered. The next NBWA meeting will be held in September.

North Bay Water Reuse Authority (NBWRA). President Long gave an overview of the Plenary Session that was held on June 30th at the Inn Marin in Novato. He noted that all District Board members attended as well as the District's Manager and Deputy Manager. Member Di Giorgio commented on the recycled water project that was discussed at the session. The Manager discussed the completion of Phase 1 of the recycled water project under the State Revolving Fund (SRF) loan. She discussed financing with the Board and stated that payback of the recycled water expenses would come from end users. The Manager noted that the next NBWRA meeting would be held on July 19th.

Priority Standard Operating Procedures. The Deputy Manager-Engineer presented the Board and audience with a report listing the twenty-one Standard Operating Procedures (SOP) manuals that were delivered to the District on or before July 1, 2010. He noted there were another seventeen SOP's still in the draft phase pending office and field verification. The Deputy Manager-Engineer discussed the SOP list with the Manager and the Board members.

Member Welsh asked why the SOP's were not available for public and board review. Member Di Giorgio stated there may be reasons related to homeland security and the information contained in the SOP's may need to be kept confidential.

Member Welsh discussed homeland security issues with District Counsel and asked for Counsel's opinion on the public release of the District's SOP manuals. District Counsel Kent Alm gave general comments regarding Homeland Security requirements and stated he was not familiar with specific requirements that would apply to the District's SOP's. He stated there are restrictions that may apply to some of the SOP's.

President Long stated that if there were documents the Board members wished to review, these should be made available promptly, inline with the Freedom of Information Act.

Environmental Management System Gap Analysis. The Manager stated that the ISO 14001 Environmental Management System (EMS) scoping study which the Board authorized at the April board meeting has been prepared. She will schedule board review of this study at a future Board meeting.

Wastewater Operations Transition Planning. The Manager briefly discussed a letter to the District from Veolia Water stating their intent to resume operations at the District under the terms and conditions of the Contract Service Agreement dated September 24, 2009. She stated the Agreement will become effective August 7, 2010.

MANAGER'S ANNOUNCEMENTS:

- Wastewater Operations Committee meeting at 2 p.m. on Monday, July 19th.
- Central Marin Sanitation Agency is hosting an open house for their new primary treatment facility on July 15th at 3 p.m.
- MAR Sanitary District Symposium on July 15th at 10 a.m.
- CWEA Redwood Empire Section Dinner Tour will be hosted by the District on July 22nd; facility tour at 4 p.m. and dinner presentation at the Cacti Restaurant at 6:30 p.m.

- As of the current date, California has not approved a State budget, but this is not affecting the District.

ADJOURNMENT: There being no further business to come before the Board, President Long adjourned the meeting at 7:40 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Borda, Recording