

August 10, 2009

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 4:30 p.m., Monday, August 10, 2009, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Michael Di Giorgio, William C. Long and George C. Quesada.

BOARD MEMBERS ABSENT: Members James D. Fritz and Arthur T. Knutson,

STAFF PRESENT: Manager-Engineer Beverly James, Administrative Services Manager June Brown, and legal counsel Kent Alm.

ALSO PRESENT: Sam Renati, Former Board member and Novato resident
Dennis Welsh, Novato resident
Dean Heffelfinger, Novato resident
Bill Scott, Novato resident
Tom Pierce
Dennis Fishwick, Novato resident
Phil Tucker, CA Healthy Communities Network

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: *On motion of Member Quesada, seconded by Member Long, and carried unanimously by those Members present, the agenda was approved as mailed.*

PUBLIC COMMENT: Tom Pierce addressed the Board regarding his concerns about contract operations of the District's treatment facilities. He cautioned the Board to exercise care, noting that attorneys define the meaning of the contract and the contractor doesn't live up to the spirit of the agreement. It was Mr. Pierce's opinion that running the new plant should be easier than before and that the plant can be computer-operated on weekends. He stated he was not aware of the contents of the contract because a copy has not been provided for review.

Dennis Welsh asked why the flag in front of the District Administration Building is flying at half-mast. The Manager responded that she will check.

BOARD MEMBER REPORTS:

Water Education Foundation program on the Russian River Watershed: Board Member Long reported on the Water Education Foundation's Russian River tour on August 6th and 7th. Experts discussed topics such as fisheries issues, conservation efforts, recycled water usages and more. Member Long indicated that the recycled water issue was the most interesting aspect of the program.

REVIEW OF MINUTES: The Manager indicated that the lengthy, detailed minutes of the July meetings should be available for approval at the next meeting.

CONSENT CALENDAR:

Member Long, seconded by Member Quesada, moved to approve the following Consent Calendar items:

- a. Approval of fund transfer in the amount of \$163,731.46 from the Capital Improvement Fund to the Operating Fund for staff time spent on capital projects.
- b. Review of Quarterly Investment Report for quarter ending June 30, 2009.
- c. Approval of regular disbursements in the amount of \$373,481.88, project disbursements in the amount of \$2,774,688.90, Board member disbursements in the amount of \$3,769.49, and ratification of July 2009 payroll and payroll related disbursements in the amount of \$324,804.54.
- d. Approval of Board meeting schedule as follows: August 24th and 31st, September 14th and 28th.

Dennis Welsh asked if the District's budgets for fiscal years 2008-09 and 2009-10 will be available to the public. The Manager replied that the District is responding to a public records act request from the Alliance of Concerned Citizens of Novato, to which Dennis belongs, for a copy of the 2008-09 budget. The Preliminary 2009-10 budget is available and the Final 2009-10 budget will be available at the second Board meeting in August.

The motion to approve the consent calendar items was carried unanimously by those Members present.

WASTEWATER TREATMENT PLANT UPGRADE PROJECT CONTRACT B PROJECT 72609:

Consider approval of an additional expenditure of \$35,000 for disposal of soils unsuitable for reuse: The Manager reported on the disposal of unsuitable soils from the District's Facilities Upgrade Project. The Board's authorized expenditure of \$50,000 for hauling spoils to a local disposal site has been exceeded by \$3,566. The contractor is still experiencing unsuitable soils and it is estimated that an additional \$32,000 will be necessary to complete the disposal. *On motion of Member Long, seconded by Member Quesada, and carried unanimously by those Members present, the Board authorized an expenditure not to exceed \$35,000 to dispose of the remaining soils.*

PUMP STATION REHABILITATION PROJECT 72403:

Consider approval of a proposal from Nute Engineering for engineering services to repair/replace the force mains in the Bel Marin Keys pump station rehabilitation project:

The Manager presented a proposal from Nute Engineering for engineering services to repair or replace force mains in the Bel Marin Keys neighborhood. The proposal is in an amount not to exceed \$74,000 for engineering services for project design, and engineering services during construction for a cost not to exceed \$36,000. She explained the necessity to replace the asbestos cement pipes which were installed in the 1960's and 70's and which are susceptible to corrosion from hydrogen sulfide gas. The plan is to use directional drilling and/or cured-in-place technologies to install new and/or rehabilitate existing mains where feasible. The Manager further explained Air Board regulations concerning the possible release of asbestos into the air during pipe bursting which would require appropriate disposal of hazardous material.

The Manager requested approval of the proposal in an amount not to exceed \$125,000. The total cost for engineering services is \$110,000 and the additional \$15,000 is for potholing that may be required which is not included in the proposal.

Member Quesada asked how much engineering is involved and suggested that a contract just be entered into for replacement. The Manager explained the difficulties involved with four force mains paralleling each other at one point and the difficulty locating conflicting utilities. The proposed method should involve less expensive construction and maintenance should also be less.

Member Quesada, seconded by Member Long, moved to approve the proposal from Nute Engineering in a total amount not to exceed \$125,000.

Dennis Welsh asked what construction services entail. The Manager responded that construction services include submittal, construction inspector on site, engineering services, etc. Dennis questioned why the District's construction inspector could not be used on this project. The Manager explained that this is in addition to normal inspection work performed by the District's inspector and that when the lateral replacement program starts, he will be too busy. President Di Giorgio asked if Mr. Welsh was questioning why the District is performing this project or if he has a recommendation on whether it could be done differently. Dennis responded that he questioned the necessity of having an outside inspector performing inspection and engineering services. The Manager again explained the District construction inspector's workload and the necessity of having an on-site inspector on a project of this size.

The motion to approve the proposal from Nute Engineering in an amount not to exceed \$125,000 was carried unanimously by those Members present.

PERSONNEL:

Consider granting exception to accrued leave policy for Edward Mann, Wastewater Facilities Manager: The Manager reported that Ed Mann, Wastewater Facilities

Manager, has exceeded the District's allowable vacation accrual by 44.62 hours because of staff shortages. She explained that Mr. Mann will be terminating employment with the District on August 31st and transferring to Veolia Water on September 1st. It will create additional difficulties if Mr. Mann takes his vacation leave at this time and requested that the Board grant an exception to the payment of accrued leave over the allowable limit. *Member Quesada, seconded by Member Long, moved to grant an exception to the allowable vacation accrual limit, up to a total of 80 hours including administrative leave.*

Dennis Fishwick questioned what would happen if Veolia does not take over by September 1st. The Manager requested vacation accrual through September if necessary but stated it would not be granted indefinitely.

The motion to grant an exception to the accrued leave policy for Ed Mann was carried unanimously by those Members present.

CALIFORNIA SPECIAL DISTRICTS' ASSOCIATION:

Consider election of a representative to the California Special Districts Association Board of Directors in Region 3, Seat A (Bay Coastal Region): The Manager read the slate of candidates for the California Special Districts' Association Board of Directors, Region 3. *On motion of Member Quesada, seconded by Member Long and carried unanimously by those Members present, the Board nominated Kathryn Slater-Carter.*

STAFF REPORTS:

Pump Station Rehabilitation Project progress report: The Manager presented a report on the District's Pump Station Rehabilitation Project. It was initially thought that the same design could be used for all stations. However, because of time constraints, the project was divided into 4 units. Unit 1 will be ready for bid in September 2009; Unit 2 will bid in October 2009; Unit 3 in January 2010; and Unit 4 in February 2010. It was determined that the Cypress Pump Station can be eliminated and it has been removed from this project.

MANAGER'S ANNOUNCEMENTS: There were no Manager's announcements.

At 5:05 p.m. legal counsel announced the Board would meet in closed session to discuss the items on the closed session agenda.

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – EXPOSURE TO LITIGATION – ONE MATTER:

Significant exposure to litigation pursuant to Subsection (b) of Government Code Section 54956.9.

CLOSED SESSION: CONFERENCE WITH LABOR NEGOTIATORS –
GOVERNMENT CODE SECTION 54957.6.

Confer with District's labor negotiator with regard to represented employees.

Confer with District's labor negotiator with regard to non-represented employee,
Wastewater Facility Manager.

No reportable action was taken on either closed session item and the Board convened in open session at 6:20 p.m.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the meeting at 6:20 p.m.

Respectfully submitted,

Beverly B. James
Secretary

June Penn-Brown, Recording