

August 25, 2008

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 4:30 p.m., Monday, August 25, 2008, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Michael Di Giorgio, Members James D. Fritz, William C. Long, and George C. Quesada. Member Arthur T. Knutson arrived at 4:40 p.m.

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James, Deputy Manager-Engineer Sandeep Karkal, and Administrative Assistant Julie Borda.

ALSO PRESENT: Chris DeGabriele, North Marin Water District
Ed Mainland, Sustainable Marin
Eva Chu, Santa Rosa resident
Laura Levine, North Bay Family Homes
Mason Liskamn, North Bay Family Homes
Clark A. Blasdel, North Bay Family Homes
Pamela Assezmeier, North Bay Family Homes

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: None.

BOARD MEMBER REPORTS: None.

REVIEW OF MINUTES:

Consider approval of minutes of August 11, 2008 meeting:

On motion of Member Long, seconded by Member Fritz, and carried unanimously by those members present, minutes of the August 11th meeting were approved.

MARIN – CALIFORNIA COMMUNITY CHOICE AGGREGATION:

Chris DeGabriele of North Marin Water District gave a presentation to the Board regarding the Community Choice Aggregation (CCA) program. He stated that in 2002, Assembly Bill 117 was passed enabling California communities to choose their own energy suppliers. The law is known as Community Choice Aggregation. He discussed the Marin Clean Energy agency which would be formed by Marin County and Marin's towns and cities to purchase and supply renewable energy to the County's residents. He stated that this agency would be responsible for purchasing renewable energy for those Marin County customers who choose to participate.

Member Quesada asked if the City of Novato agreed to the plan, would its residents still be able to obtain their electricity through PG&E. Mr. DeGabriele stated that the residents would see no change in the way their power is delivered and billed.

Member Fritz questioned what the base rate for electricity would be and Mr. DeGabriele stated he would get back to him with that answer.

Member Long discussed the cost effectiveness of green power versus the current PG&E rates. He also noted that after the completion of the upgrade, the treatment plant will generate up to 40% of its own power in comparison to 8% which it produces currently.

President Di Giorgio noted the high cost of energy to currently run the Novato Sanitary District treatment plant. He also pointed out the energy saving equipment that will become a part of the plant operations after completion of the upgrade which will lower our utility costs.

Ed Mainland of Sustainable Marin stated that he feels the Marin Clean Energy agency is a positive, win-win situation for the Novato Sanitary District.

NORTH BAY FAMILY HOMES:

Laura Levine, Chief Operations Officer for North Bay Family Homes, gave a Power Point presentation on their employee housing assistance program, Community Assisted Shared Appreciation (CASA) Program. She noted that the CASA Program is a loan program tailored to meet an employer's need to bridge the housing affordability gap for employees. CASA utilizes the concept of "shared appreciation" to finance a portion of the purchase price to create affordable home ownership opportunities within local communities.

The Manager-Engineer noted that Novato Sanitary District has a loan program in place currently, but North Bay Family Homes would be able to administer a loan program that would be more cost effective to the District. She stated that this item will be brought before the Board again as an action item.

North Marin Water District and the City of Novato have housing assistance programs.

CONSENT CALENDAR: *On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, the following consent calendar items were approved:*

- a. Acceptance of the Vintage Way Sewer Main Extension.
- b. Approve regular disbursements in the amount of \$249,658.57, project upgrade disbursements in the amount of \$11,196.62 and employee related expenses in the amount of \$276,349.58.

2008-09 APPROPRIATIONS LIMIT:

- Consider adoption of Resolution No. 2990 establishing appropriations limit for 2008-09 fiscal year: The Manager-Engineer recommended that the 2008-09 appropriations limit be set at \$5,663,413.00 using the CPCPI percentage change and the annual change in population for Marin County. She explained that the CPCPI percentage change over the prior year was 4.29% according to the State Department of Finance. Information obtained from the County Auditor-Controller's office shows the change in assessment due to new non-residential construction amounts to 1.29%. She stated the District used the CPCPI percentage change for setting the District's 2008-09 appropriations limit.

On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, Resolution No. 2990, Establishing Appropriations Limit for the 2008-09 Fiscal Year, was approved.

BOARD OF DIRECTORS:

- Consider appointing an Adhoc Collection System Committee: President Di Giorgio appointed himself and Member Fritz to be on the Adhoc Collection System Committee.

Member Long suggested the District set aside funds earmarked for payment of fines. The Manager-Engineer reported that the District has a budget line item set up for this very purpose.

Member Quesada stated he would like to see a full report on the condition of the District's main sewer lines prior to requiring the Novato residents to check and repair their own laterals.

President Di Giorgio expressed his concern over the City of Novato's moratorium on street paving. He stated he would not want a resident's leaky lateral sitting under a newly paved street for three years. The Manager-Engineer said that the District is aware of the City's paving schedule and the District staff includes this information when deciding which sewers to schedule for repair or replacement.

Member Long stated he would like to see a system-wide, systematic approach to the Sanitary District's sewer line repairs with a focus on the known problem areas.

President Di Giorgio and Member Fritz stated they would like to be notified in the case of overflows so they could be on-site to see the situation first hand. The Manager-Engineer stated she would notify the Collections Supervisor to make him aware of this request.

On motion of Member Long, seconded by Member Quesada and carried unanimously, the Board appointed Michael Di Giorgio and James Fritz to serve on the Adhoc Collection System Committee.

NORTH BAY WATER REUSE AUTHORITY:

- Staff report on August 18, 2008 meeting: The Manager-Engineer reported on the Federal Legislative and Joint Outreach effort. She noted that the bill was still trying to get through the Senate, but with the coming election it was most likely that the bill would need to be reintroduced in January 2009.

The Manager-Engineer stated there was a presentation by the Bay Area Recycled Water Coalition.

Martin Rauch has sent out press releases regarding the public scoping meetings in Marin, Sonoma and Napa.

- Consider approval of a revised Memorandum of Understanding with North Marin Water District: The Manager-Engineer discussed the MOU which addressed arrangements between Novato Sanitary District (NSD), Las Gallinas Valley Sanitation District (LGVSD) and North Marin Water District (NMWD) for joint participation in the North Bay Water Reuse Authority. She stated that NSD, LGVSD and NMWD will share costs in NBWRA's 2006-07, 2007/08 and 2008/09 Environmental Impact Report preparation and federal/state liaison services. Said total costs are estimated at \$611,228. The NMWD share will be limited to \$197,897, with \$48,215 to LGVSD and \$139,683 to NSD.

On motion of Member Long, seconded by Member Fritz and carried unanimously, the Board approved the revised Memorandum of Understanding with North Marin Water District.

SOLID WASTE:

- Give direction to staff regarding public agency solid waste service: The Manager-Engineer noted that Michael Di Giorgio and Bill Long (Solid Waste Rate Committee) had met to discuss this issue. She referenced a letter which directs Novato Disposal to modify the services provided free of charge to local government agencies. As of July 1, 2008, the free services to local government agencies will be limited to the trash and recyclable material containers placed for the use of the general public at Novato School District sports fields, City of Novato public parks and streets, and County of Marin public parks and open space within the Novato Sanitary District's service area. Novato Disposal shall also continue to provide trash, green waste and recycling services at no charge to the Novato Unified School District until December 31, 2008.

President Di Giorgio stated that after his meeting with the Novato School Board, they felt satisfied with the proposed debris collection costs due to their efforts to reduce waste through recycling and increased efficiency.

On motion of Member Long, seconded by Member Fritz and carried unanimously, the Board directed the Manager-Engineer to move forward with the letter to Novato Disposal.

BEL MARIN KEYS (BMK) PUMP STATIONS REHABILITATION PROJECT; PROJECT 72403:

- Consider approval of a contract with Nute Engineering for engineering services during construction for a not-to-exceed amount of \$50,000.

On motion of Member Fritz, seconded by Member Quesada and carried unanimously, the Board approved the contract with Nute Engineering for engineering services during construction for a not-to-exceed amount of \$50,000.

RECLAMATION FACILITY BIOSOLIDS DISPOSAL, ACCOUNT NO. 63115:

- Consider approval of an amendment to the Contract with Custom Tractor Service (CTS) to accommodate an increase in the amount of biosolids to be injected into the Dedicated Land Disposal (DLD) Area at the District's Reclamation Facility. The Deputy Manager-Engineer gave an overview of the work already completed by Custom Tractor Service, noting that CTS had reached the one million gallon amount of injected biosolids as per the initial contract, and yet there remains a considerable amount of biosolids in the storage lagoons. This surplus is attributed to a combination of excess biosolids from digester cleanings in 2007 as well as a shortened injection season, also in 2007. District staff recommends amending the current contract to two million gallons to accommodate the excess and to enter into an agreement with CTS for a not-to-exceed amount of \$72,000 to cover the additional disposal.

On motion of Member Long, seconded by Member Quesada and carried unanimously, the Board approved an amendment to the Contract with Custom Tractor Service in a not-to-exceed amount of \$72,000 to cover additional biosolids disposal.

STAFF REPORTS

- California Association of Sanitation Agencies Meeting: The Manager-Engineer reported on her attendance at the CASA meeting from August 20 – 23 and noted that it was well attended. She participated in CSRMA training, Ethics training and workshops discussing collection system overflows, private lateral repairs and recycled water. President Di Giorgio and Members Long, Fritz, and Knutson also attended.

At the CASA Conference, Member Long attended an Orange County presentation and stated it was very informative. Member Fritz discussed the issue regarding lateral replacement and stated he did not feel much progress had been made. President Di Giorgio noted that he is joining a CASA Committee on lateral repair. He noted that the Ethics Training class was well done and very informative. Member Knutson commented on the Ethics Training class as well.

- Schedule for 2008-09 Final Budget: The Manager-Engineer noted the District is waiting for the final budget from the State. The District's 2008-09 Final Budget will be presented to the Board at their regular meeting on September 8th.

MANAGER'S ANNOUNCEMENTS:

- North Bay Watershed Association Meeting will be held the first week of September.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the meeting at 6:40 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Borda, Recording