

August 31, 2009

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, August 31, 2009, at the District Office, 500 Davidson Street, Novato.

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

BOARD MEMBERS ABSENT: None.

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

ALSO PRESENT: Suzanne Brown Crow, Novato resident
Pam Welsh, Novato resident
Dennis Welsh, former NSD employee, Novato resident
Dennis Fishwick, Novato resident
Norman Stone, Novato resident
Carole Dillon-Knutson, 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:

Suzanne Brown Crow, Novato resident, discussed District business travel by Senior Engineer Craig Deasy. She suggested that the training and travel expenses should have been included in the purchase of equipment.

BOARD MEMBER REPORTS:

Member Long commented on the Novato Advance article by Harry Lehman and asked the Manager to clarify the PG&E power and chemical bulk buying opportunities available to the District.

The Manager clarified that Veolia Water will not be purchasing PG&E power, the District will remain the sole PG&E customer. She discussed the District's past participation in a consortium to purchase bulk power but stated the consortium ended several years ago. She stated she recently discussed the possibility of purchasing bulk chemical products with other agencies, but was unable to identify any savings.

REVIEW OF MINUTES:

Consider approval of minutes of July 20th, 2009 Board meeting. Dennis Welsh, Novato resident and former Novato Sanitary District employee, requested the Board not approve the July 20th, 2009 minutes due to inaccuracies. He noted that the inaccuracy was on page 10, paragraph 4: *“At the regular Board meeting of July 27th, 2009, the Board will consider adopting an Addendum to the 2005 EIR.”* Mr. Welsh stated the recorded minutes did not show this statement being made.

The Manager stated the minutes taken are summary minutes and not recorded verbatim. Member Long suggested the minutes be reviewed while viewing the video recording of the meeting to ensure accuracy.

On motion of Member Fritz, seconded by Member Quesada and carried unanimously, the Board directed the Manager to review the minutes and if necessary, bring a corrected version of the July 20th, 2009, minutes before the Board at the September 14th Board meeting.

COLLECTION SYSTEM IMPROVEMENTS PROJECT 72706:

Consider execution of agreement for relocation of water mains to accommodate new sewer facilities on District Projects.

The Manager briefly discussed the necessity for relocation of North Marin Water District water mains to accommodate construction of new sewer facilities on District Projects. She noted the Water Board has approved the relocation of their main, and will cost approximately \$75,666. She requested the Board authorized and execute the Agreement with North Marin Water District in an amount in up to \$75,666 for relocation of the water mains.

Member Quesada asked for clarification of the amount to be expended and asked what steps would be taken if the costs exceeded the amount allocated by the Board.

The Manager explained that she would bring the issue back before the Board for approval as a change order.

On motion of Member Long, seconded by Member Fritz and carried unanimously, the Board authorized the Manager to enter into an agreement with North Marin Water District for relocation of water mains to accommodate construction of new sewer facilities on District Projects in an amount not to exceed \$75,666.

Report on bids received for Project 72706, Phase A – Center/Wilson Sewer Project, and consider adoption of Resolution No. 3009 awarding contract to California Trenchless Inc. in the amount of \$459,350.00.

The Manager noted that eight competitive bids were received with the low bidder being California Trenchless Inc. She stated District personnel reviewed the bid documents and did find two irregularities. She stated the District received a letter of protest from the next low bidder, Team Ghilotti, regarding these irregularities. District personnel have since completed review of the bid documents and recommend the Board award the contract to California Trenchless Inc.

The Board briefly discussed further details of the Project with the Manager.

On motion of Member Fritz, seconded by Member Long and carried unanimously, the Board awarded the Collection System Improvements Project 72706, Phase A – Center/Wilson Sewer Project to California Trenchless Inc. for an amount of \$459,350.

Report on bids received for Project 72706, Phase B – State Access Road Sewer Project, and consider adoption of Resolution No. 3010 awarding contract to North Bay Construction (NBS) in the amount of \$247,764.20.

The Manager discussed the project on State Access Road noting nine bids were received with the low bidder being North Bay Construction. After District staff's review of the bid documents, the Manager recommends awarding North Bay Construction the Contract for this project in the amount of \$247,764.20.

On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, the Board awarded the Collection System Improvements Project 72706, Phase B – State Access Road Sewer Project to North Bay Construction for an amount of \$247,764.20.

2009-10 APPROPRIATIONS LIMIT:

Consider adopting Resolution No. 3011 establishing appropriations limit for the 2009-10 fiscal year.

The Manager briefly discussed the District's annual Appropriations Limit. She stated that the maximum limit applicable to the appropriation of tax proceeds for the fiscal year 2009-10 is \$5,744,684.00.

Pam Welsh, Novato resident, asked for clarification of the appropriations limit and the Manager provided an explanation.

The Board discussed and clarified the issue with the Manager.

Dennis Fishwick, Novato resident, asked for further clarifications of the CPI and the Manager responded to the questions.

On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, the Board adopted Resolution No. 3011 correcting and amending prior calculations and

making determination and establishing the 2009-10 Appropriations Limit in the amount of \$5,744,684.00.

2009-10 ANNUAL DISTRICT BUDGET:

Presentation of final 2009-10 annual District budget.

The Manager presented the Draft Final 2009-10 District budget. She stated that the Board need not adopt the Budget at this time, but may review the Budget and approve the document at their next Board meeting due to significant changes from last years budget.

President Di Giorgio and the Board agreed to wait to adopt the Budget until the next Board meeting but requested the Manager proceed with her review and explanation of the Budget.

The Manager reviewed the details of the Budget with the Board and stated the figures of this budget reflect the probable conversion to Veolia Water on October 1, 2009.

Dennis Fishwick, Novato resident, questioned the increase in attorney fees and the Manager explained.

Carol Dillon Knutson, Novato resident, discussed the possible installation of solar panels into the new treatment facility. President Di Giorgio stated the matter was being looked into. Member Long and the Manager discussed the possibility of solar panel installation in the future.

Dennis Welsh, Novato resident and former NSD employee, questioned employee retiree benefits noting that the amount should diminish in the future due to new employees not receiving the same benefits as previously hired employees. The Manager explained how future retiree benefits affect the budget.

WASTEWATER FACILITY UPGRADE PROJECT 72609:

Consider approval of a task order for contract negotiations with The Eisenhardt Group. The Manager explained that the Eisenhardt Group has been assisting the District with the contract negotiations and has experience in contract negotiations. She stated the scope of work dedicated to this task order will be: 1) Prepare a draft Service Agreement in cooperation with District Counsel; 2) Assist in the negotiations with the Company; 3) Attend Board meetings and be available to answer questions about the agreement. The Manager recommends the Board approve this work order on a time and materials basis for an amount not to exceed \$30,000.

Member Long requested the Board increase the task order to \$35,000 and requested the Eisenhardt Group include in the presentation their recommendation for the on-going

monitoring of the contract. The Manager stated that the primary monitoring of the contract will be done by District staff, but she will request the Eisenhardt Group provide their recommendations for firms to provide additional monitoring, document review and site inspections.

On motion of Member Long, seconded by Member Fritz and carried unanimously, the Board approved a task order for The Eisenhardt Group on a time and materials basis not to exceed \$35,000, to assist in contract negotiations and provide a presentation on recommendations for firms to provide additional contract monitoring during the contract transition phase.

Dennis Fishwick, Novato resident, clarified that the Board was approving a task order with Eisenhardt Group in the amount of \$35,000 and questioned when the draft contract would be available for review. The Manager addressed the questions.

MANAGER'S ANNOUNCEMENTS:

The Manager noted that the District will be participating in the Novato Chamber of Commerce Business Showcase, focusing on Pollution Prevention. All Marin agencies will be focusing on mercury reduction as part of the NPDES permit requirements. Information will be provided to small business on how to properly dispose of small amounts of hazardous waste.

The Manager noted an event taking place on September 10th at the Unity of Marin Center in Hamilton from 4-7PM. She noted she will be contacting Board members to request their participation in this event.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the meeting at 7:45 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Borda, Recording