

August 11, 2014

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, August 11, 2014, preceded by a closed session beginning at 5:00 p.m. at the District offices, 500 Davidson Street, Novato.

At 5:00 p.m. President Mariani announced the Board would meet in closed session to discuss the following matters on the Closed Session Agenda:

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

- Exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1 case.

BOARD MEMBERS PRESENT FOR CLOSED SESSION: President Jean Mariani, Directors Gary Butler, William C. Long, Brant Miller, and Jerry Peters.

STAFF PRESENT: Manager-Engineer-Secretary Sandeep Karkal and District Counsel Kent Alm.

The closed Session ended at 5:54 p.m.
Open session began at 6:05 p.m.

BOARD MEMBERS PRESENT FOR OPEN SESSION: President Jean Mariani, Directors Gary Butler, William C. Long, Brant Miller, and Jerry Peters.

STAFF PRESENT: Manager-Engineer-Secretary Sandeep Karkal, District Counsel Kent Alm, and Administrative Secretary Julie Swoboda.

ALSO PRESENT: Steve Krauthem, Field Services Manager, NSD
John Bailey, Project Manager, Veolia
Brian Exberger, Assistant Project Manager, Veolia

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: Director Butler requested that agenda items 9.a., b., and c be discussed in reverse order. President Mariani agreed. The agenda was otherwise approved as written.

REPORT FROM CLOSED SESSION:

Direction was given to Counsel regarding the matter of Bayside Subdivision.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

- Consider approval of minutes of the July 14, 2014 Board meeting.

On motion of Director Butler, seconded by Director Peters and carried unanimously, the July 14, 2014 Board meeting minutes were approved.

CONSENT CALENDAR:

On motion of Director Peters, seconded by Director Long, and carried unanimously, the following Consent Calendar items were approved:

- a. Authorization of Steve Krautheim, Field Services Manager, as additional signer for District petty cash account.
- b. Approval of regular disbursements in the amount of \$276,428.83, project account disbursements in the amount of \$52,190.25, payroll and payroll related disbursements in the amount of \$224,645.68, and Board Member disbursements in the amount of \$2,016.48. Ratification of July 31, 2014 regular disbursements in the amount of \$105,083.03 and project account disbursements in the amount of \$16,597.85.
- c. Approval of meeting schedule as follows: September 8th, September 22nd, October 13th and October 27th.

WASTEWATER OPERATIONS:

- Receive Wastewater Operations Committee June 2014 meeting report. Veolia Project Manager John Bailey gave an overview of the June 2014 Monthly Operations Report as presented to the Wastewater Operations Committee at their July 21, 2014 meeting. He stated that inspectors from the California State Water Resources Control Board (SWRCB) conducted a Compliance Evaluation Inspection (CEI) of the Novato treatment plant on June 18th. The inspectors reviewed records, procedures, compliance history, laboratory data, etc., and toured the facility. Their comments received at the end-of-day debriefing were positive and complimentary.

The Manager-Engineer gave the Collection System and Pump Stations report. He stated that one sanitary sewer overflow (SSO) occurred on June 9th and was completely contained at the discharge site with 100% recovery.

Field Services Manager Steve Krautheim gave the reclamation report. He stated that 65.36 million gallons of recycled water were applied over reclamation sites 3 & 7.

- Receive Wastewater Treatment Facilities Final 2013 Annual Operations and Maintenance Report. Veolia Project Manager John Bailey stated that the final 2013 Annual Operations and Maintenance Report had been provided to the WWOC members. He reviewed the report and answered questions that were brought forth by the Board members. Director Long requested that the Annual Report be reviewed a second time at the September 8th meeting.

RECLAMATION – SLUDGE DISPOSAL, ACCOUNT NO. 63115:

- Approve contract with Custom Tractor Services (CTS) for biosolids disposal and sludge lagoon cleaning in a not-to-exceed amount of \$187,000 and authorize the Manager-Engineer to execute it. The Manager-Engineer stated that for the past several years, the District has contracted with Custom Tractor Service to dispose of biosolids generated from the treatment facility at its dedicated land disposal site. He noted that the contracted price for the service has remained similar to last year's cost with only a 0.1 cent per gallon increase. The Manager-Engineer reviewed the scope of work CTS will provide and recommended that the Board approve the contract and authorize execution.

On motion of Director Peters, seconded by Director Long and carried unanimously, the Board approved a contract with Custom Tractor Services for biosolids disposal and sludge lagoon cleaning in a not-to-exceed amount of \$187,000 and authorized the Manager-Engineer to execute it.

CAPITAL PROJECTS: President Mariani reminded the Board that the order of the Capital Project agenda items had been reversed, so that Item 9.c. would be discussed first, followed by item 9.b. and then Item 9.a.

- Annual Treatment Plant & Pump Station Improvements, Account No. 72805: Pump Station Drainage Improvements and Bypass Pipe Connections, Project No. 72805-13-01: Grant Final Acceptance of the Project and authorize staff to file the Notice of Completion. The Manager-Engineer stated that the Project has been completed and requested the Board grant final acceptance and authorize staff to file the Notice of Completion. He stated that Field Services Manager Steve Krautheim would give an overview of the project's final cost.

Mr. Krautheim stated that the final cost of the project was \$158,735.09 or \$26,485.09 (20%) above the bid amount. Mr. Krautheim stated that the majority of the change order was due to unforeseen conditions found below grade when the new force main bypass point of connection was exposed at the Marin Village pump station.

On motion of Director Peters, seconded by Director Butler and carried unanimously, the Board granted final acceptance of the Pump Station Drainage Improvements and Bypass Pipe Connections Project and authorized staff to file the Notice of Completion.

- Collection System Improvements, Account No. 72706: Center Road Sewer Project – Diablo Avenue to Kristy Court: Grant Final Acceptance of the Project, and authorize staff to file the Notice of Completion. The Manager-Engineer stated that the project went well and was completed for \$22,370.11 or 3.4% below the bid amount. He requested the Board grant final acceptance and authorize staff to file the Notice of Completion.

On motion of Director Peters, seconded by Director Long and carried unanimously, the Board granted final acceptance of the Collection System Improvements Center Road Sewer Project – Diablo Avenue to Kristy Court and authorized staff to file the Notice of Completion.

- Drainage Pump Station 3 & 7 Outfall Rehabilitation, Account No. 72110: Review bids received, approve contract award to WR Forde, and authorize Manager-Engineer to execute the contract in the bid amount of \$222,000. The Manager-Engineer stated that on August 5, 2014, eight (8) bids were received for the Outfall Rehabilitation project. He stated that WR Forde & Associates of Richmond submitted the apparent lowest bid in an amount of \$220,000. He stated that WR Forde's bid documents were reviewed and staff found that the unit price totals did not equal the total bid amount. Staff referred to Section 00100 "Instruction to Bidders" of the project specifications,, and calculated the correct total bid amount to be \$222,000 based on the bidder's unit price totals. Upon completing this exercise, it was found that WR Forde was still the low bidder, since the next low bidder was Fieldstone Construction with a total bid amount of \$223,400. Staff contacted WR Forde to discuss their bid and the error and they are comfortable and confident with their bid as recalculated.

The Manager-Engineer recommended that the Board approve contract award to WR Forde & Associates, and authorize the Manager-Engineer to execute the contract in the bid amount of \$222,000.

On motion of Director Peters, seconded by Director Miller and carried unanimously, the Board approved the contract award to WR Forde and authorized the Manager-Engineer to execute the contract in the bid amount of \$222,000.

ADMINISTRATION:

- Approve transfer of \$161,537 from the Capital Improvement Fund to the Operating Fund for staff time spent on capital projects in FY 2013/14. The Manager-Engineer stated that the during each fiscal year, staff charges time spent to capital projects. He stated that at the close of each fiscal year, adjustments are made to capture these staff expenses and correctly calculate the costs of capital projects.

On motion of Director Long, seconded by Director Peters and carried unanimously, the Board approved the transfer of \$161,537 from the Capital Improvement Fund to the Operating Fund for staff time spent on capital projects in FY 2013/14.

- Receive report on 2015 CalPERS Health Plan Premium rates. The Manager-Engineer presented the CalPERS health plan premiums for calendar year 2015. He stated that the rates reflect a 3.81% decrease in regular health coverage and stated that the final FY 2014/15 budget will be revised to reflect the new premium amounts.

BOARD OF DIRECTORS:

- Review of the 2013-14 Marin County Civil Grand Jury Report titled “The Scoop on Marin County Sewer Systems: Part 1”, and “The Scoop on Marin County Sewer Systems: Part II”, and provide any further input and direction. President Mariani asked the Board if there were any additional comments and stated that the final draft response would be brought forward to the Board at the August 25th meeting. The Board members made no additional comments.

The Manager-Engineer stated that the Grand Jury report had been previously brought before the Board at the June 23 and July 14 meetings. He reported that the other Marin County sewerage facility managers will be submitting individual responses and may consider preparing a joint response as well.

BOARD MEMBER REPORTS:

- North Bay Watershed Association (NBWA) meeting. Director Miller stated that the NBWA did not hold a meeting in August.

- North Bay Water Reuse Authority (NBWRA) meeting. Director Long discussed his participation in the NBWRA meeting which was held at Novato City Hall at 9:30AM on Monday, July 28th. He discussed the NBWRA joint projects and noted that fewer grants will be available. Director Long stated that Director Butler attended the meeting as well.

MANAGER’S ANNOUNCEMENTS:

- The Manager provided an article titled “Marin Officials Laud Civil Grand Jury”, Marin Independent Journal, August 7, 2014 and stated that it was an informational item. The Board discussed the article.
- The Wastewater Operations Committee meeting will be held on Monday, August 18th at 2:00 p.m. at the District office.
- The next regular Board meeting will be held on Monday, August 25th at 6:00 p.m. at the District office.
- The California Association of Sanitation Agencies (CASA) meeting will be held in Monterey from August 20th through August 22nd.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the Board meeting at 7:26 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary