

August 12, 2013

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, August 12, 2013, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Michael Di Giorgio, Members William C. Long, Jerry Peters, and Dennis Welsh. Member Jean Mariani was absent.

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James and Administrative Secretary Julie Swoboda. District Counsel Kent Alm arrived at 6:52 p.m. Deputy Manager-Engineer Sandeep Karkal was absent.

ALSO PRESENT: Brian Exberger, Assistant Project Manager, Veolia Water
Brant Miller, Novato resident
Steve McCaffrey, Director of Governmental Affairs, Novato Disposal

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the July 8, 2013 meeting.

Member Welsh requested a correction to his comments under Board Member Reports on page 5: "*A discussion followed regarding electrical ~~load shedding~~ **peak shaving** scenarios...*"

On motion of Member Peters, seconded by Member Long, and carried unanimously by those members present, the minutes of the July 8, 2013 Board meeting were approved as corrected.

CONSENT CALENDAR:

On motion of Member Long, seconded by Member Peters and carried unanimously by those Members present, the following Consent Calendar items were approved:

- a. Authorize the Manager-Engineer to issue a Class I Non-Domestic Temporary Discharge Permit approving treated groundwater discharge to the District's sewer system by CardnoERI from their proposed groundwater remediation project.

- b. Consider approval of a contract with Custom Tractor for biosolids disposal for a total cost of \$182,000 and authorize the Manager-Engineer to execute contract.
- c. Approval of regular disbursements in the amount of \$660,373.54, project account disbursements in the amount of \$299,586.40, and Board member related disbursements in the amount of \$2,629.61. Approval and ratification of July 22nd regular disbursements in the amount of \$212,522.53 and project account disbursements in the amount of \$562,531.38. Approval and ratification of July payroll and payroll-related disbursements in the amount of \$240,116.52.

PUBLIC HEARING – UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT (UPCCAA):

- Report on Ordinance No. 118 modifying Ordinance No. 109 implementing the UPCCAA. The Manager stated that the Uniform Public Construction Cost Accounting Act (Act) had been updated to provide for alternative bidding procedures for: (a) projects of \$45,000 or less may be performed by negotiated contract or by purchase order, and (b) projects of \$175,000 or less may be let to contract by the informal procedures set forth in the Act, and (c) projects of more than \$175,000 are to be let to contract by formal bidding procedures. She stated that District Ordinance No. 118 modifies District Ordinance No. 109 to implement the updates to the Act. The Manager stated that the Notice of Public Hearing had been published twice in the Marin Independent Journal newspaper, as required.

- Open Public Hearing. At 6:08 p.m., President Di Giorgio opened the Public Hearing.

- Public comment. President Di Giorgio called for public comment. No comments were brought forth.

- Close Public Hearing. At 6:09 p.m., President Di Giorgio closed the Public Hearing.

UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT (UPCCAA):

- Consider adopting Ordinance No. 118 modifying Ordinance 109 Relating to Bid Cost Thresholds and Bidding Procedures for Construction Services.

On motion of Member Peters, seconded by Member Long and carried unanimously by those Members present, the Board adopted Ordinance No. 118: An Ordinance Relating to Bid Cost Thresholds and Bidding Procedures for Construction Services.

SOLID WASTE COMMITTEE:

- Solid Waste Committee report. President Di Giorgio, Solid Waste Committee member, stated that the City of Novato had prepared a draft Fiscal Sustainability Plan which included a policy option to implement a road impact fee for refuse collection as a way of increasing city revenues. He stated that to discuss this proposal, a joint City/District Solid Waste Committee meeting was held on August 6th at the District office. He noted that Mayor Pat Eklund was in attendance and that Dave Meyers, Maintenance Superintendent officially represented the City of Novato.

The Manager stated that the Powerpoint presentation she gave at the meeting was available if any members were interested in viewing it. The Manager explained how the City of Novato calculated the road impact fee.

Member Welsh, Solid Waste Committee member and President Di Giorgio, stated that the Committee made the recommendation to take no action at this time.

Novato resident Brant Miller commented on the road impact fee and the coverage this issue received in the Patch e-newsletter.

WASTEWATER OPERATIONS:

- Wastewater Operations Committee July meeting report. The Manager introduced Brian Exberger noting that he had replaced Ed Mann as Veolia's Assistant Project Manager. She stated that Mr. Exberger has 13 years' experience in the wastewater industry field and is a Grade V Wastewater Treatment Operator.

The Manager summarized the June 2013 Operations reports for the wastewater treatment, collection, and reclamation facilities. She stated that the treatment facility transitioned to Reclamation discharge mode in June and that water quality performance was excellent with all parameters well within effluent standards. She gave an overview of the Collection Systems operations and the activities at the Reclamation facility.

The Manager discussed specific areas of the District's main lines that are in need of replacement due to the pipeline material.

- Odor control, landscaping, and noise report. The Manager stated that odor complaints have dropped slightly since June but are still sporadic. She stated that two of the aeration basins have been shut down which seemed to alleviate some odors. The Manager stated that the Deputy Manager-Engineer and John Bailey, Veolia Water, continue to meet regularly with the Lea Drive neighborhood residents.

Member Welsh asked for an update on the floating odor filter devices. The Manager stated that the filters arrived at the District and were installed. She stated, however, that

the filters were subsequently removed due to a build-up of a filamentous organism that became trapped in the filter system. The Manager stated that the matter will be discussed further at the upcoming Wastewater Operations Committee meeting.

- Consider adopting Resolution recertifying the Sewer System Management Plan (SSMP). The Manager stated that the District Board adopted the District's Sewer System Management Plan (SSMP) in accordance with California State Water Resources Control Board (SWRCB) Order No. 2006-0003 – Statewide General Waste Discharge Requirements (WDR) for Sanitary Sewer Systems. She noted that the WDR requires the District to re-certify the SSMP every five years.

She gave a brief overview of the District's SSMP document and requested the Board recertify the Plan and adopt Resolution No. 3060 documenting this recertification.

On motion of Member Long, seconded by Member Peters and carried unanimously by those members present, the Board adopted Resolution No. 3060: A Resolution Recertifying the Sewer System Management Plan (SSMP) – as Required by the State Water Resources Control Board Order No. 2006-0003 – Statewide General Waste Discharge Requirements for Sanitary Sewer Systems.

NEW FACILITIES AND STRATEGIC PLAN COMMITTEE:

- New Facilities and Strategic Plan Committee report. The Manager stated that the New Facilities and Strategic Plan Committee met on July 30th to review the final draft of the 2013 Strategic Plan and Work Plan as prepared by Martin Rauch, Rauch Communication Consultants. The Board discussed the Strategic Plan and clarified future quarterly and annual reviews.

The Board discussed the Final Strategic Plan Workplan. Board Members discussed how Workplan reviews would be implemented to document progress towards the scheduled goals.

- Consider approval of 2013 Strategic Plan Update.

The Manager stated that the Strategic Plan will be posted on the District website upon final approval.

On motion of Member Peters, seconded by Member Long and carried unanimously by those members present, the Board approved the District's 2013 Strategic Plan Update.

FINANCE COMMITTEE:

- Finance Committee Report on Reserve and Fund policies. President Di Giorgio asked if the Finance Committee Report and subsequent policy approvals could be postponed until Member Mariani was present.

On motion of Member Long, seconded by Member Peters and carried unanimously by those members present, the Board tabled the presentation of the Finance Committee Report and tabled the approval of the Reserve Policy and the Funds Policy.

- Consider approval of response to Grand Jury findings and recommendations. The Manager gave an overview of the Grand Jury Report Response which was released on May 21st. She stated that the Finance Committee reviewed the findings and recommendations and has responded to the Grand Jury with the attached memorandum which is due on or before August 19th. President Di Giorgio recommended that a signature block be added to the response prior to sending the document.

The Manager discussed the District's responses to the Grand Jury letter. She noted that the Board has already taken significant steps to reduce the District's liability and that the current liability is not increasing but for a specific group of individuals. District Counsel Kent Alm stated that some of the responses to the recommendations will need to be modified.

On motion of Member Peters, seconded by Member Long and carried unanimously by those members present, the Board adopted the responses to the Grand Jury Report, authorized the Manager to accept the report, make appropriate adjustments and suggested that District Counsel provide input to the recommendations.

COLLECTION SYSTEM IMPROVEMENT PROJECT 72706:

- Consider making CEQA findings, approving plans and specifications, and authorizing advertising for bids for the Center Road-Diablo Avenue to Kristy Court project. The Manager stated that the project consists of installing 971 feet of 24 inch sewer in Center Road and the replacement of 538 feet of sewer in Kristy Court. She stated that the upgrade is necessary to redirect sewer flow away from Warner Creek and Cypress Street Pump Stations for the purpose of the eventual elimination of the pump station.

The Manager stated that staff has completed the California Environmental Quality Act (CEQA) documentation and has determined that the project is categorically exempt. She stated that the engineer's estimate for the work is \$650,000 and recommends that the Board approve the plans and specifications.

On motion of Member Welsh, seconded by Member Peters and carried unanimously by those members present, the Board authorized the making of CEQA findings, approved

the plans and specifications for the Collection Systems Improvements Project #72706, Phase H, and authorized the Manager to advertise for bids.

PETITIONS FOR WRITS OF MANDATE CITY OF NOVATO VS. STATE OF CALIFORNIA SUPERIOR COURT MARIN COUNTY CASE NO. 34-2013-80001496:

- Consider approval of submitting a stipulation re compliance with issued writ of mandate, judgment, and/or final ruling by and between petitioners and real party in interest. District Counsel gave an outline of the Writs of Mandate petition. He outlined the alternatives available to the District under the Petition and what the benefits the District would realize if the petition were successful. District Counsel requested authorization to stipulate that Novato Sanitary District had been served and he recommended that the District not seek to actively participate in the lawsuit but agree to be bound by the decision.

The Board directed Counsel to stipulate that the District will be bound by the final ruling and to stipulate that the District will not be an active participant in the lawsuit and to stipulate that the District will not file an answer.

On motion of Member Long, seconded by Member Peters and carried unanimously by those members present, the Board authorized District Counsel Kent Alm to enter into stipulation re: compliance with the Writ of Mandate.

Closed session not needed.

BOARD MEMBER REPORTS:

- The North Bay Watershed Association July meeting: President Di Giorgio stated that the minutes from the July 12th North Bay Watershed Association meeting were provided as part of the meeting packet. He outlined topics discussed at the meeting and discussed the Water Bond Coalition. He stated that the Coalition is seeking support from various water agencies and noted that the Marin Municipal Water District has already endorsed the Coalition. President Di Giorgio suggested the Board consider joining the Water Bond Coalition and requested that this item be agendaized for a future Board meeting.

- Member Long commented on a North Bay Water Reuse Authority tour that he participated in which included State legislatures and their staff. He noted that the tour included the Novato Sanitary District facility.

MANAGER'S ANNOUNCEMENTS:

- The District has been awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for fiscal year ended June 30, 2012.
- The Wastewater Operations Committee will meet on Tuesday, August 13th at 2:00 p.m. at the District office.
- The Board meetings of August 26th and September 9th will be held in an alternate location due to the District Board room not being available. Location to be announced.
- The New Facilities and Strategic Planning Committee will meet on Monday, August 19th at 4:00 p.m. at the District office.
- The North Bay Water Reuse Authority will meet on Monday, August 19th at 9:30 a.m. at the Novato City Hall.
- The District is hosting a public tour of the treatment facility on Saturday, August 17th beginning at 10:00 a.m.
- The California Association of Sanitation Agencies (CASA) will hold their annual meeting in San Diego from August 21st through the 24th. CSRMA will give a presentation on Succession Planning.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the meeting at 7:55 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Swoboda, Recording