

## NOVATO SANITARY DISTRICT

### Board Meeting Minutes

Meeting Date: August 24, 2015

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, August 24, 2015, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jean Mariani, Directors Jerry Peters, Gary Butler, and Brant Miller.

BOARD MEMBERS ABSENT: Director William Long (excused absence)

STAFF PRESENT: General Manager-Secretary Sandeep Karkal, and Administrative Secretary Julie Swoboda.

ALSO PRESENT: Steve Krautheim, Field Services Manager, Novato Sanitary District  
John Bailey, Project Manager, Veolia  
John O'Hare, Pretreatment Programs Manager, Veolia  
Laura Creamer, Finance Officer, Novato Sanitary District

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as presented.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the August 10, 2015 meeting.

*On motion of Director Peters, seconded by Director Miller, and carried unanimously by those Directors present, the August 10, 2015 Board meeting minutes were approved.*

CONSENT CALENDAR:

President Mariani called for a motion on the Consent Calendar items as follows:

- a. Approval of capital project disbursements in the amount of \$9,019.60, and regular disbursements in the amount of \$154,747.05.
- b. Approval of August 2015 payroll and payroll-related disbursements in the amount of \$209,235.31.
- c. Ratification of Board meeting schedule as follows: regular meetings – September 14<sup>th</sup>, September 28<sup>th</sup>, October 12<sup>th</sup>, October 26<sup>th</sup>, November 9<sup>th</sup>, and December 14<sup>th</sup>. No meetings on November 23<sup>rd</sup> and December 21<sup>st</sup>.

*On approval of Director Peters, seconded by Director Butler, and carried unanimously by those Directors present, the above listed Consent Calendar items were approved.*

#### WASTEWATER OPERATIONS:

- Receive Wastewater Operations Committee Report. The General Manager stated that the Wastewater Operations Committee met on August 17, 2015 at 2:00 p.m. at the District office.

*Wastewater Treatment Facility:* John Bailey, Veolia Plant Manager, provided an overview of the Monthly Operations Report for July 2015 as presented to the Wastewater Operations Committee. He stated that the monthly average flow for July was 3.33 MGD (million gallons per day) and that water quality performance was excellent. He stated that the Recycled Water Facility produced 8.456 MG (million gallons) in July. He outlined the monthly safety and training activities, and stated that in July five neighborhood contacts were received. The Plant Manager noted that an update of the June Recycled Water Facility excursion would be explained in detail at the September Waste Water Operations Committee meeting. He stated that all of the odor control beds were topped off with media in July and it appeared that the number of odor related contacts have decreased.

The Plant Manager discussed the public outreach activities Veolia participated in during July. He stated that the District hosted the North Bay Leadership Council Algebra Academy on July 27<sup>th</sup> and 31<sup>st</sup>. He stated that the event was a joint effort of Veolia and District employees with the focus on demonstrating the use of algebra in everyday life. He noted that the event was very successful and that the students were very engaged with the presentations. He thanked Liz Falecczyk, Environmental Services Supervisor, Veolia, for her hard work and successful engagement with the students. The Plant Manager stated that Veolia and District employees staffed the Public Education booth at the Marin County Fair in early July.

*Odor Control and Landscaping:* The General Manager stated that all of the odor control beds were topped off with media in July to preclude potential odor breakthrough. He noted that results have been good and that operations staff will continue to monitor the beds as the media may need to be topped off again in six months. He stated that Veolia continues to use the Aqua Fog system as an odor counteractant.

*Collection System and Pump Stations:* Steve Krautheim, Field Services Manager, provided a summary of the Collection System Operations Report, and reviewed the department's performance for July 2015. He noted that staff cleaned a total of 82,722 ft. of sewer lines and televised a total of 6,798 ft. No line segments were identified as needing repairs. He stated that both flusher trucks were modified to accept recycled water for flushing activities. The Field Services Manager discussed training events attended by staff, and stated that as of July 31, District staff and the Collections Department have worked a total of 1,601 accident-free days. He stated that there were no sewer system overflows (SSOs) in July.

*Reclamation Facilities Report:* The Field Services Manager provided a summary of the Reclamation Facilities report. He stated that parcels were irrigated on all sites without any reportable issues and that the wildlife pond water level was raised to 6 feet. He stated that the sump pump in the Dedicated Land Disposal Area was replaced. He noted that 91.6 MG of recycled water was used for irrigation in July.

- Approval of a change of electricity service provider for the District's Irrigation Pump Station from Pacific Gas and Electric Company to MCE Clean Energy. The General Manager stated that the District had previously considered changing its electricity service provider from Pacific Gas and Electric Company (PG&E) to MCE Clean Energy (MCE), but opted to stay with PG&E. He stated that staff has continued to periodically check with MCE to verify cost information and had earlier this month requested MCE provide a cost comparison using the District's Irrigation Pump Station (IPS) as a test case. He stated that the results indicated a potential savings of approximately 6.5% when PG&E and MCE rates were reviewed over a three month billing period.

The General Manager requested the Board approve a change of electricity service provider for the IPS from PG&E to MCE as a pilot case. He stated that if the actual cost information confirms significant savings, staff will bring back a recommendation for consideration by the Board to eventually transfer additional accounts to MCE.

Discussion followed. The Directors agreed in favor of the test pilot but expressed concern that the rates with MCE may shift and potentially move higher than PG&E rates. President Mariani noted that the programs are not identical and that MCE does not participate in the cost saving "load shedding" program that PG&E offers.

The General Manager noted that this is a low risk option to obtain actionable cost information for comparative purposes.

*On motion of Director Peters, seconded by Director Butler, and carried unanimously by those Directors present, the Board approved the change of electricity service provider for the District's Irrigation Pump Station from Pacific Gas and Electric Company to MCE Clean Energy.*

#### ANNUAL BUDGET: FY 2015/16 FINAL BUDGET:

- Present Final FY 2015/16 District Annual Budget. The General Manager stated that the Final Budget for fiscal year 2015/16, including the preliminary budget for fiscal year 2016/17, was being presented for final approval.

A correction was noted on page iii, Table 4, lines 6 and 7. Finance Officer Laura Creamer stated that she would make the corrections as follows:

- line 6: ~~(58,000)~~ to (70,000) and
- line 7: ~~(70,000)~~ to (15,000).

Discussion followed.

- Adopt Final FY 2015/16 District Annual Budget.

*On motion of Director Peters, seconded by Director Miller, and carried unanimously by those Directors present, the Board adopted the Novato Sanitary District's Final Budget for Fiscal Years 2015-17, Including Preliminary Budget for Fiscal Year 2016-17.*

- Adopt Resolution No. 3091 establishing appropriations limit for FY 15/16. The General Manager stated that under the Gann Spending-Limitation Initiative adopted as Proposition 4 in June 1979, the District is required to annually adopt a resolution setting an appropriations limit for the upcoming year. He stated that for 2015-16, staff projects that the District's appropriations subject to limitation will be \$5,995,198.

*On motion of Director Peters, seconded by Director Butler, and carried unanimously by those Directors present, the Board adopted Resolution No. 3091, A Resolution of the Novato Sanitary District Correcting and Amending Prior Calculations and Making Determination and Establishing the 2015-16 Appropriation Limit.*

NORTH BAY WATER REUSE AUTHORITY (NBWRA):

- Approval of a Memorandum of Agreement (MoA) with the County of Marin for the County to pay the District one hundred forty-eight thousand one hundred fifty-three dollars (\$148,153) for the County's participation in the NBWRA Phase 2 Feasibility Study, and authorize the General Manager to execute it. The General Manager noted that the Board had previously been provided informational updates on the District's participation in the North Bay Water Reuse Authority (NBWRA) Phase 2 Feasibility Study. He stated that a project in this Study, i.e. the "Tidal Prism and Habitat Restoration Project", is being performed in cooperation with Marin County and that their proportionate cost share is \$148,153. He stated that the County proposes to reimburse the District the entire amount in fiscal year 2015/16 instead of over the 3-year study period, and that the MoA memorializes the terms of the reimbursement.

*On motion of Director Peters, seconded by Director Miller, and carried unanimously by those Directors present, the Board approved the Memorandum of Agreement (MoA) with the County of Marin for the County to pay the District one hundred forty-eight thousand one hundred fifty-three dollars (\$148,153) for the County's participation in the NBWRA Phase 2 Feasibility Study, and authorize the General Manager to execute it.*

BOARD MEMBER REPORTS AND REQUESTS:

- California Association of Sanitation Agency (CASA) Annual Meeting, August 19<sup>th</sup> – 21<sup>st</sup>.

Director Miller discussed his attendance at the CASA meeting and provided details of the CSRMA presentation which took place on Wednesday, August 19<sup>th</sup>.

Director Peters discussed his attendance at the CASA meeting and commented that the CSRMA speaker was very informative.

Director Butler noted that he did not attend the CASA meeting, and requested a copy of the CSRMA presentation.

President Mariani discussed her attendance at the CASA meeting and stated that the speakers were excellent.

INFORMATIONAL ITEMS:

- New York Times article: "How California is Winning the Drought", August 14, 2015.

MANAGER'S ANNOUNCEMENTS:

- A Solid Waste Committee meeting will be held at 3:00 p.m. on Monday, August 31<sup>st</sup> at the District Office.

- A Finance Committee meeting will be held on Wednesday, September 2<sup>nd</sup>, time to be confirmed.

- A Regular Board meeting will be held at 6:00 p.m. on Monday, September 14<sup>th</sup>.

- Technical Services Manager Erik Brown, will begin employment at the District on Tuesday, September 1<sup>st</sup>.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 7:10 p.m.

Respectfully submitted,

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Sandeep Karkal  
Secretary

Julie Swoboda, Recording