

November 22, 2010

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, November 22, 2010, at the District Office, 500 Davidson Street, Novato.

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

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

ALSO PRESENT: Jo Heffelfinger, Novato resident
Dean Heffelfinger, Novato resident
L. Chakkalakeel, Novato resident
Bob Berry, Novato resident
Tom Dooley, Novato resident
Joe Carlomagno
Vicky Carlomagno
Steve McCaffrey, Novato Disposal
Suzanne Crow
James Erze, Novato resident
Stephan Matan, Novato resident
Delyn Kies, Novato resident
Steve Clary, RMC
Ted Whiton, Winzler & Kelly
John Bailey, Chief Plant Operator, Veolia Water
John O'Hare, Veolia Water

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, the agenda was approved as mailed.

WASTEWATER UPGRADE PROJECT 72609:

Report on odor control investigation. The Manager stated that odor control and air quality were an emphasis of the wastewater upgrade project design which included containment and treatment of the primary sources of noxious odors. She noted that despite these efforts, the District began receiving a significant number of odor complaints from the residents on Lea and McClelland Drive. She discussed the ongoing design/construction steps being taken to address the odor issue and recognized that resolving the odor problem is a top priority for the District. She

introduced three individuals who have been, and continue to, investigate the odor complaints to determine the source: Chief Plant Operator John Bailey, Steve Clary from RMC Water, and Ted Whiton from Winzler & Kelly Consulting Engineers.

Steve Clary, RMC Water, stated that the District spent \$2 million for odor control/containment during the design and construction phases of the treatment facility. Mr. Clary reviewed the facilities odor containment technology and discussed the technical investigations being conducting to determine the mal-odor sources.

Ted Whiton, Winzler & Kelly, gave a PowerPoint presentation which discussed the treatment plants approach to odor control at the design phase. He outlined the ongoing odor control investigation: regular communication with the surrounding neighbors, characterization of odors and their sources, mapping of characteristic odors to their probable sources and containment of those odors, and improved performance of the biological treatment (soil beds) in the headworks area. Mr. Whiton outlined and described the odor detection/containment progress made in the past six weeks and discussed the next steps the District will take.

Member Di Giorgio questioned if the odor samples collected could be identified to a specific treatment location/process. Mr. Whiton replied that the samples could, potentially, but due to poor wind conditions when the samples were being collected in the surrounding neighborhood, the odors could not be specifically identified. The Board discussed with Mr. Whiton the biological odor bed treatment areas.

Member Welsh discussed the negative air flow and negative pressure from the screening channels and questioned if there were enough fans and blowers to create the appropriate negative air pressure needed to ensure odors were not being released. Steve Clary stated he was aware of this issue and was working on solving the problem. He stated that RMC, Winzler and Kelly and the plant manager, John Bailey, were methodically going through odor detection processes.

Member Quesada asked if there was possibly an area not being noted as a process specific to odor production that may have been overlooked. Ted Whiton and Steve Clary addressed this issue and discussed the second aeration basin.

Member Fritz asked what processes are being used to sample the air quality. Ted Whiton described the off-site and on-site procedures that are being used to capture air samples.

Member Di Giorgio stated that odor control is a very important issue to the District and requested the neighbors remain patient as the details are worked through.

Deputy Manager-Engineer Sandeep Karkal discussed the District's focus as the treatment facility nears completion of the construction process. He assured the

audience that even though construction appears complete, it is not 100% finished and that the District will continue to search for the source of mal-odors.

John Bailey, Chief Plant Operator, Veolia Water, discussed odors at the treatment facility. He discussed the interactions he has had with the surrounding neighbors and talked about the impact and degree of odors they have experienced. He discussed remedies Veolia is taking to alleviate the odor problems and stated resolving the odor issue is his #1 priority.

George, a Lea Drive resident, discussed the loud noises and severe odors he has experienced since the construction has been completed. He asked the board to fix the odor problem.

Lisa, a Lea Drive resident, requested the Board find someone to fix the problem. She stated the odor problem has worsened since the new construction and stated the odor problems make it difficult to live on Lea Dr.

Stephan, a Lea Drive resident, discussed the bad odors coming from the plant. He commended John Bailey for trying to resolve the issue and for John's personal visits to his home to gain more information regarding the problem. He stated that at times the odors inside his house are very intense and that he cannot vent his house because the odors outside are bad as well. He questioned why the biological treatment beds (soil beds) were placed in a location so close to the residents on Lea Drive.

Joe Carlomango, McClelland Dr. resident, stated he hopes the District can get rid of the smell and believes the odors may be coming from the open aeration tanks. He stated John Bailey is wonderful and expressed his appreciation for Mr. Bailey's attentiveness while working through the odor problem.

Suzanne Brown Crow, Novato resident, requested the Board drop the term "fugitive odors" and questioned if the punch-list items have already been paid for in the contract.

Tom Dooley, Novato resident, stated he has noticed the odors for some time and hopes the problem can be corrected.

A Novato resident noted that she experiences chemical smells that aggravate her eyes and irritate her throat. She stated the odors had been going on for a long time. She commended John Bailey and Ted Whiton for actively going to the neighborhood and to her home to assist with odor detection.

James Erze, Novato resident, noted that the odors he is experiencing now are significantly different than the odors prior to construction. He stated he experiences odors at his residence which are similar to the odors coming from the headworks area of the treatment plant. He stated the lines of communication are good between himself and the District.

George Carlomango stated that there were three other residences in his neighborhood who have been experiencing the odors but were unable to come to the meeting to express their concerns.

President Long thanked the residents for their comments and invited anyone to call him at his home if the office cannot be reached to report odor problems. He stated that the Board and the District's goal were to achieve a treatment facility with zero odors.

James Erze, stated that the old treatment facility had fewer odors than the new facility.

Member Welsh noted that the older treatment facilities odors were mainly controlled by chemicals. Currently, due to new regulations, the upgraded facility cannot use chemicals and he questioned if this might be compounding the current odor problem. He encouraged the public to phone the office each time an odor is noticed.

Report on landscaping plans for eastside of treatment plant. The Manager noted that a landscape architect has developed a two-tier screening system to provide a visual barrier of the treatment plant from the residential area on Lea Drive.

Steve Clary, RMC Water, gave a PowerPoint presentation to outline the landscaping proposals. He discussed the proposed vegetation for the first and second tier of landscaping and illustrated the location of the new plantings. He stated that it is the District's intention to obtain input from the neighbors before approving a final design for the landscaping. Mr. Clary also discussed the location of a new secondary road which will provide access to the District's treatment plant via Lea Drive. He noted that the location of the access road was chosen to avoid removal of and adverse impact to the native and sensitive tree species located in the area.

Consider acceptance of work and authorize staff to file Notice of Completion for work completed on Junction Boxes 2 and 3. The Manager discussed the completion of the strengthening of outfall Junction Boxes 2 and 3. She stated that the total cost to complete the work for Junction Box 2 (Maggiora & Ghilotti) was \$78,740.23 and the total cost for Junction Box 3 (W.R. Forde) was \$85,303.00. She requested the Board accept the work and authorize staff to file a Notice of Completion.

On motion of Member Quesada, seconded by Member Fritz and carried unanimously, the Board accepted the work by Maggiora & Ghilotti and by W.R. Forde and authorized staff to file a Notice of Completion for work completed on Junction Boxes 2 and 3.

PUBLIC COMMENT: None.

BOARD MEMBER REPORTS:

Member Di Giorgio discussed the agenda for the “Marin County Council of Mayors and Council Members Ad-Hoc Committee on Pension and Other Post-Employment Benefits Reform” and noted the meeting would be held in the Larkspur City Council Chambers on November 29th at 7PM.

President Long stated that he visited the Bahia pump station where a recent overflow had occurred. He discussed the District’s alarm system which provides notification to the Collections Systems department. President Long suggested District staff audit the alarm systems and then return this item to a future Board meeting for further discussion.

CONSENT CALENDAR:

On motion of Member Quesada, seconded by Member Di Giorgio and carried unanimously, the Board approved the following Consent Calendar items:

- a. Approval of regular disbursements in the amount of \$290,519.68 and project account disbursements in the amount of \$213,219.18. (Payroll and payroll related disbursements will be ratified at the December 13th Board meeting.)
- b. Acceptance of the quarterly investment report for the quarter ending September 30, 2010.

The Board discussed the quarterly investment report and noted that the current yield on the District’s LAIF (Local Agency Investment Fund) account is very low.

Member Welsh questioned what the current payment to Barg, Coffin, Lewis & Trapp was attributed to. The Manager stated she believes the firm has completed their work but that there was a procedural delay in payment due to Meyers Nave reviewing the Barg Coffin invoices prior to the District releasing payment. Member Welsh made a request to see all invoices from Barg Coffin dated later than April 12, 2010.

BOARD OF DIRECTORS:

- Consider meeting policy:

Member Fritz made a motion to modify the time of the regular Board meeting and Member Welsh seconded the motion.

The Manager noted that on August 24, 2009, the Board adopted Resolution No. 3007 and District policy No. 5010 to change the board meeting time from 4:30 to 6:30 p.m. The minute action to authorize the modification noted that the change would stay in effect until February 25, 2010. The Manager noted that since the policy has been in effect for some time, she was bringing the matter back to the Board for reconsideration

or confirmation to maintain the current meeting time. In addition, she reviewed the meeting times for other Marin County sanitary districts.

Suzanne Brown Crow, Novato resident, pointed out that Board meetings are for the benefit of the public and requested the Board retain the current meeting time.

Dean Heffelfinger, Novato resident, stated that over 80% of the other Marin County sanitary districts meet at 6:45 p.m. or later. He requested the Novato Sanitary District meeting time be left at 6:30 p.m.

The Board briefly discussed the proposed time change. Members Fritz and Welsh withdrew their motion and noted the meeting time will remain the same, 6:30 p.m.

SOLID WASTE:

Report from Ad hoc Solid Waste Franchise Update Committee. The Manager stated that Novato Disposal Service Company had requested an adjustment of the maximum allowable solid waste collection rates. She stated that the District had retained R3 Consulting Group to review Novato Disposal's request. R3's final report confirmed that a maximum rate increase of 3.34% is appropriate. She noted that Novato Disposal did not request a rate increase for 2010, so the 3.34% increase represents only a 1.71%/year increase. The manager stated that the rate request had been reviewed by staff and recommends that the Board approve a maximum rate increase of 3.34% effective January 1, 2011.

Consider setting the date for the public hearing for establishing the maximum charges for refuse collection and disposal services. The Manager requested that the Board set the hearing date for the regular meeting on December 27, 2010 at 6:30 p.m. and direct staff to advertise the hearing in the newspaper.

On motion of Member Di Giorgio, seconded by Member Quesada and carried unanimously, the Board set the date of December 27, 2010 at 6:30 p.m. for a public hearing to establish maximum charges for refuse collection and disposal services, effective January 1, 2011, not to exceed an increase of more than 3.34%.

Consider setting the date for a public hearing on amending the Franchise Agreement to include Zero Waste goals and a time extension. The Manager stated that Novato Disposal Service Company has requested that the District consider amending the Solid Waste Franchise Agreement to incorporate Zero Waste goals and in recognition of the capital investment required to make this happen, to extend the Franchise Agreement by ten years to December 31, 2025.

Delyn Keis requested the District delay making their final decision to extend the Franchise Agreement until more public input and review could take place.

The Manager noted that the rate increase will need to be in place by January 1, 2011.

Steve McCaffrey, Novato Disposal, acknowledged Delyn Keis' expertise in the solid waste field and explained the importance of moving forward with Zero Waste. He stated that the rate increase was necessary to allow Novato Disposal to move forward with a new building specifically designed for the sorting and collection of non-waste/recyclable items.

President Long requested a report be prepared for the December 13th Board meeting which discusses in more detail Novato Disposal's food waste pilot program.

Member Welsh requested the franchise fee costs of each agency be included on the rate comparison spreadsheet.

Dean Heffelfinger stated that he does not think a 10 year agreement extension with Novato Disposal Service Company is a good decision at this time.

WASTEWATER OPERATIONS:

MANAGER'S ANNOUNCEMENTS: None.

Report from the Wastewater Operations Committee October and November meetings.

The Manager summarized the October and November Wastewater Operations Committee Reports.

Members Di Giorgio and Welsh, and Project Manager John Bailey discussed the creation and finalization of the remaining Standard Operating Procedures (SOP) manuals.

President Long requested a narrative be included with the reports from the Collections Dept. which discuss the significance of overflows which occurred during the reported time period.

Consider ratifying the extension of the contract with Aerotek to provide a temporary collection system worker to fill in for a worker out on a worker's compensation injury.

The Manager reviewed the December 14, 2009 Board approved contract with Aerotek which provided for two temporary employees for a time period of six months and for an amount not to exceed \$120,000. She noted that on April 26, 2010, one of the Aerotek employees was transferred to the Collection System crew to fill in for a District employee out on extended worker's compensation leave.

The Manager requested the Board authorize an increase of \$25,000 to the contract amount with Aerotek and to remove the time limit.

On motion of Member Fritz, seconded by Member Di Giorgio and carried unanimously, the Board modified the contract with Aerotek to include a contract amount not to exceed \$145,000 and to remove the contract end date.

STAFF REPORTS:

North Bay Water Reuse Authority meeting. President Long gave a brief report on the North Bay Water Reuse Authority meeting which took place on November 15th at the District office.

MANAGER'S ANNOUNCEMENT. None.

ADJOURNMENT:

There being no further business to come before the Board, President Long declared the meeting adjourned at 9:00 p.m.

Respectfully submitted,

Beverly B. James
Manager Engineer

Julie Borda, Recording