

November 10, 2014

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, November 10, 2014, at the District Office, 500 Davidson Street, Novato.

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

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

ALSO PRESENT: Steve McCaffrey, Director of Governmental Affairs, Novato Disposal
Dee Johnson, Household Hazardous Waste Program Coordinator
John O'Hare, Veolia Water
Delyn Kies, Novato resident
William Schoen, R3 Consulting Group
Sonia Tanner, Novato resident
Jamie Erze, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: James Erze, 485 Lea Court, thanked the Board for their due diligence and responsiveness in the process of mitigating the odor issues affecting the Lea Drive neighborhood. He discussed the recent work being done at the District and suggested the Board consider enclosing the top portion of the headworks area. During a District tour that he attended, he noticed H₂S odors were very strong in that area.

President Mariani thanked Mr. Erze for his comments. She noted that while his comments could not be addressed at the current meeting as they were not a part of the meeting agenda, she would refer them to the Board's Wastewater Operations Committee for consideration at their next meeting.

REVIEW OF MINUTES:

Consider approval of minutes of the October 27, 2014 meeting.

On motion of Director Peters, seconded by Director Miller, and carried unanimously, the October 27, 2014 Board meeting minutes were approved.

CONSENT CALENDAR:

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

- a. Approval of regular disbursements in the amount of \$439,924.08, project account disbursements in the amount of \$24,439.30, and Board member related disbursements in the amount of \$2,516.44.
- b. Received Quarterly Investment Report.
- c. Received Summary Fiscal Year 2014/15 First Quarter Financial Report.

SOLID WASTE: PUBLIC HEARING – SET CALENDAR YEAR 2015 MAXIMUM ALLOWABLE SOLID WASTE RATES:

- Received staff report. The Manager-Engineer stated that at its October 27th meeting, the Board reviewed a calendar year 2015 rate adjustment request by Novato Disposal Services (NDS), a report by R3 Consulting which analyzed the NDS request, and a staff report with a recommendation for an overall solid waste rate adjustment of +3.00%. He noted that the +3.00% adjustment would be comprised of a Refuse Rate Index adjustment of +1.94% and an account migration adjustment of +1.06%. He stated that for comparison purposes, a table was included with the Board packet that detailed solid waste disposal rates for other Marin County jurisdictions. He pointed out that Novato's rates would continue to be the lowest across all entities in Marin County even if the proposed rates are adopted.

The Manager-Engineer noted that the Board had set the date for the Public Hearing at its October 13th meeting and that the Notice of Public Hearing was properly published in the Marin Independent Journal newspaper on October 14th and 22nd, 2014. He recommended that the Board adopt Resolution No. 3080, setting maximum solid waste service charges for Novato Disposal Company for the 2015 calendar year.

- Open public hearing. At 6:11 p.m. President Mariani opened the Solid Waste Public Hearing.

- Public comment. President Mariani called for public comments. There were no public comments.

- Board comments. President Mariani called for comments from Board members.

- Close public hearing. Following Board member comments, President Mariani closed the Solid Waste Public Hearing at 6:14pm.

- Consider adoption of a Resolution setting calendar year 2015 maximum allowable rates for refuse collection and disposal services.

On motion of Director Long, seconded by Director Peters, and carried unanimously, the Board adopted Resolution No. 3080: A RESOLUTION SETTING MAXIMUM SOLID WASTE SERVICE CHARGES FOR NOVATO DISPOSAL COMPANY IN NOVATO SANITARY DISTRICT.

Steve McCaffrey, Novato Disposal Services, addressed the Board, expressing his appreciation for their decision and thanked District Counsel Kent Alm for his comments.

At 6:15 p.m., the following individuals left the meeting: Delyn Kies, Steve McCaffrey, William Shoen, Dee Johnson, Sonia Tanner

ADMINISTRATION:

- Adopt a Resolution amending the District's Deferred Compensation Plan Agreement with Lincoln Financial Group to include Roth 457 contributions, and authorize the Manager-Engineer to execute the amendment. The Manager-Engineer stated that employees enrolled in the District's 457(b) Deferred Compensation Plan may choose to contribute both on a pre-tax and a post-tax basis to their 457 account. He stated that adding this new option to the District's current plan will provide additional choices to employees and does not require any expenditure by the District except for a one-time \$100 administrative fee to Lincoln Financial Group.

On motion of Director Long, seconded by Director Miller, and carried unanimously, the Board adopted Resolution No. 3081: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NOVATO SANITARY DISTRICT, MODIFYING THE DISTRICT'S EXISTING 457(b) DEFERRED COMPENSATION PLAN WITH LINCOLN FINANCIAL GROUP TO INCLUDE ROTH 457 CONTRIBUTIONS.

At 6:20 p.m., President Mariani announced that the Board would take a short recess.

At 6:22 p.m., President Mariani reconvened the Board meeting.

STAFF REPORTS:

- Receive update on North Bay Water Reuse Project (NBWRP) – Phase 2, District Projects. The Manager-Engineer provided an update on the District's portions of the overall North Bay Water Reuse Project (NBWRP) Phase 2. He said that Novato area representatives including the District, North Marin Water District, and the County Flood Control District met recently with the Phase 2 Consultant Project Team. From the District's perspective, the meeting was used to ensure that the Project Team understood the full scope of the brackish wetlands project being proposed by the State Coastal Conservancy (SCC) and the District.

The Manager-Engineer discussed the SCC/District project, and noted that the concept still included truncating the District's outfall, breach of the outboard Hamilton levee by the SCC and US Army Corps of Engineers, and creation and propagation of a tidally influence brackish marsh utilizing District effluent. He noted (as he had at his last Board update on the project), that this proposed concept was contingent on the District's Discharge permit being amended to allow effluent discharge to that area.

BOARD MEMBER REPORTS:

- North Bay Watershed Association (NBWA) report. Director Miller discussed his attendance at a NBWA meeting which was held on Friday, November 7, 2014. He noted that four guest speakers provided North Bay Total Maximum Daily Load (TMDL) progress updates.

- Op-ed from Sacramento Bee: "San Juan water board shows pitfalls of special districts". Director Peters presented the Sacramento Bee article he'd requested to be placed on the Board Agenda for the meeting. He shared his thoughts on special district governance, and noted his appreciation for the District's good governance. A brief general discussion followed between the Board members.

MANAGER'S ANNOUNCEMENTS:

- The Manager-Engineer said that the Olive Parallel Force Main Project is moving forward. He stated that the initial phase would be construction in Railroad Ave., from Olive Ave. to Rose Street. He asked Board members to refer to him any complaints or comments that they might receive from residents on the work, and noted that barring any unexpected events, this phase of the work is scheduled for completion by about December 25th.

- The SHELL award luncheon for District staff will take place on Tuesday, November 18th at noon. President Mariani and Directors Peters, Long, and Miller indicated that they would be attending.

- The next Wastewater Operations Committee meeting will take place at the District office on Monday, November 17th at 2:00 p.m.

- The California Association of Sanitation Agencies (CASA) Winter Conference will take place from January 21st – 23rd in Palm Springs, CA.

- The next regular Board meeting will take place at the District office on Monday, December 8th at 6:00 p.m.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 7:40 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Swoboda, Recording