

December 8, 2014

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, December 8, 2014, at the District Office, 500 Davidson Street, Novato.

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

STAFF PRESENT: Manager-Engineer-Secretary Sandeep Karkal, Legal Counsel Associate Sarah Quiter, Meyers Nave, and Administrative Secretary Julie Swoboda.

ALSO PRESENT: John Bailey, Project Manager, Veolia Water
Brian Exberger, Assistant Project Manager, Veolia Water
June P. Brown, Novato Sanitary District
Steve Krautheim, Novato Sanitary District

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the November 10, 2014 meeting.

On motion of Director Miller, seconded by Director Peters, and carried unanimously, the November 10, 2014 Board meeting minutes were approved.

CONSENT CALENDAR:

Director Miller requested that Consent Calendar items (a), (b), (c), and (d), be removed for further discussion.

President Mariani called for a vote on the remaining Consent Calendar items.

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

- e. Approval of holiday schedule and closure of District offices on Friday, December 26th, 2014, and Friday, January 2, 2015.
- f. Approved designation of surplus vehicles, tools and equipment and authorized the Manager-Engineer to dispose of surplus as per Board report, item 5.f.

President Mariani called for discussion on the remaining Consent Calendar items.

Director Miller questioned the project account disbursement to the State Water Resources Control Board in the amount of \$5,378,956.19. The Manager-Engineer stated that the disbursement was the annual debt payment for the District's State Revolving Fund loan.

Director Miller questioned the claim from Michael and Laurie Madias. He asked if the risk associated with the claim was fully insured and questioned if the contractor is indemnifying the District. The Manager-Engineer stated that the contract documents require the Contractor to indemnify the District and that liability for the case has been assigned to the Contractor.

Director Miller discussed the District's upgraded revenue COP rating and stated that he was impressed with the District's reserves. Director Butler stated he was pleased with the rating and hoped that the information would be shared with the community. The Manager-Engineer stated that District Outreach Coordinator Martin Rauch would prepare a press release and that the information would be discussed in the next District newsletter as well.

Director Miller pointed out an error in the Board meeting dates as noted on the agenda: the first meeting in February will be on February 9th, not 10th as shown.

Hearing no more discussion, President Mariani called for a vote on the remaining items.

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

- a. Approval of regular disbursements in the amount of \$285,924.47, project account disbursements in the amount of \$5,408,979.44, and Board member disbursements in the amount of \$1,753.28. Ratification of November disbursements as follows: regular disbursements in the amount of \$150,609.21, capital project account disbursements in the amount of \$17,271.33, and payroll and payroll related disbursements in the amount of \$208,859.80.
- b. Rejection of claim from Michael and Laurie Madias, 2081 Center Road, Novato.
- c. Review of report from Standard and Poor's Ratings Services, upgrading the District's wastewater revenue Certificates of Participation (COPs) from A+ (stable) to AA- (stable).
- d. Set Board meeting dates as follows: January 12th and 26th, February 9th and 23rd, March 9th and 23rd, 2015.

WASTEWATER OPERATIONS:

- Receive Wastewater Operations Committee Meeting Report, October 2014. The Manager-Engineer stated that the Wastewater Operations Committee met on October

20th at 2:00 p.m. at the District office. He introduced Veolia Plant Manager John Bailey. The Plant Manager gave an overview of the Monthly Operations Report for October 2014 as presented to the Wastewater Operations Committee. He stated that the water quality performance was excellent and he discussed the routine maintenance activities performed at the NTP and the Ignacio Transfer Pump Station. He outlined the monthly safety and training activities and stated that 10 complaints/contacts were received in October. Directors Butler and Long discussed the creation of a complaint/comment log to accurately detail incoming calls.

The Manager-Engineer gave a report of the District's odor control and landscaping. He stated that the top layer of the main odor control bed was replenished with additional bio-filter material (media). Discussion followed among the Directors, the Manager-Engineer and the Veolia Plant Manager.

The Manager-Engineer discussed the ongoing landscaping. He stated that the Field Services Manager has designated an area along the Northeast corner of the facility to plant the redwood trees which are currently in boxes. He stated that additional trees will be added to the corner of Lea Drive.

The Field Services Manager gave a report on the Collections Department and the Reclamation Facility. He noted that staff cleaned a total of 59,982 feet of sewer mains and that 11,282 feet of sewer lines were televised with the closed circuit television van. He stated that there were no lost time accidents in October for a total of 1,325 accident free days. At the reclamation facility, the Field Services Manager stated that work was completed to empty the sludge lagoons, transferring approximately 3.5 MG of sludge into the dedicated land disposal site. He noted that 59.70 MG of treated effluent was used for irrigation in October.

- Receive recommendation from Wastewater Operations Committee to approve a proposal from Veolia Water to provide environmental compliance services, and approve an Addendum to the Contract Service Agreement, subject to minor edits by District Counsel and Manager-Engineer. The Manager-Engineer stated that the Wastewater Operations Committee reviewed and discussed a proposal from Veolia Water to provide environmental compliance services to the District. The Committee then moved to forward the proposal to the full Board with the recommendation that a contract amendment be negotiated with Veolia for the proposed Environmental Management services. He stated that the proposed services were included as Attachment B in the draft Addendum No. 1 to the Amended and Restated Contract Services Agreement with Veolia. The Manager-Engineer stated that the Board staff report as well as the Draft Addendum No. 1 was reviewed by District Counsel. He introduced Legal Counsel Associate Sarah Quiter, and stated that she was available to answer any questions regarding the contract.

Discussion followed among the Directors, the Manager-Engineer, Veolia's Plant Manager and Legal Counsel Associate Sarah Quiter.

On motion of Director Peters, seconded by Director Long and carried unanimously, the Board approved a proposal from Veolia Water to provide environmental compliance services, and adopted the contract amendment as an addendum under Section 8.0 "Additional Services" of the AMENDED AND RESTATED CONTRACT SERVICES AGREEMENT FOR OPERATION, MAINTENANCE, AND MANAGEMENT OF WASTEWATER TREATMENT FACILITIES, ADOPTED FEBRUARY 18, 2014 BETWEEN NOVATO SANITARY DISTRICT AND VEOLIA WATER WEST OPERATING SERVICES, INC., subject to minor edits by District Counsel and Manager-Engineer:

At 7:07 p.m., President Mariani declared a short recess.

June P. Brown, District employee, left the meeting.

At 7:13 p.m., President Mariani reconvened the meeting.

STAFF REPORTS:

The Manager-Engineer gave an informational overview of the storm event which took place the week of December 1st. He noted that the rainfall on December 3rd produced over two inches of rain in Novato over the two hour period between 5AM and 7AM, about five inches over the 24-hour period. He stated that the treatment plant ran very well in spite of peak flows of approximately 37 million gallons (MG) and that the facility experienced a sustained two hour peak of approximately 30 MG.

He stated that the District experienced three sanitary sewer overflow (SSO) events on December 3rd:

- Center Road - with a loss currently estimated at approximately 15,000 to 20,000 gallons;
- Feliz Road - with a loss currently estimated at approximately 40,000 to 45,000 gallons;
- Bahia area Pump Station #4 - with a loss of less than 600 gallons.

The Manager-Engineer gave a visual presentation of the Feliz Road incident. He stated that the cause of the overflow was a root approximately 18 inches long and about 4 inches in circumference, which had apparently been cut from a private lateral and sent down line to the main. He stated that the root ball then combined with wipes to create the stoppage. He stated that the line was recently cleaned by District crew and he discussed routine maintenance/preventative measures the District had performed in that area previously.

The Manager-Engineer discussed the Center Road incident. He stated that a contributing factor for this overflow was that North Marin Water District (NMWD) had been concurrently discharging from their Stafford Lake facility.

The Manager-Engineer discussed the Bahia Pump Station #4 overflow. He stated that a UPS (Uninterruptable Power Supply) device failed due to a wiring issue from an outdated design from about ten years ago. He stated that the problem was easily corrected.

BOARD MEMBER REPORTS: President Mariani stated that moving forward this title shall be: Board Member Reports and Requests.

- North Bay Watershed Association meeting. Director Miller discussed his attendance at the North Bay Watershed Association meeting which was held on Friday, December 5th at the Lucchesi Center in Petaluma. He commented on the presentations given by speakers Leigh Sharp, Napa County RCD, and Laurette Rogers, Point Blue.

- California Special Districts Association (CSDA) training. Director Butler discussed his attendance at the California Special Districts Association (CSDA) Leadership Academy Conference which was held in Anaheim from November 17th – 19th. He discussed the four issues of the special district government training: Governance Foundations, Setting Direction/Community Leadership, Board's Role in Human Resources and Board's Role in Finance and Fiscal Accountability.

MANAGER'S ANNOUNCEMENTS:

- Collections System Worker (CSW) Javier Vega passed his CWEA Grade 4 exam. He is now a certified CSW IV.
- The Wastewater Operations Committee will meet on December 15th at 2:00 p.m. at the District office.
- The Finance Committee will meet on December 16th at 2:00 p.m. at the District office.
- A Joint Recycled Water Committee with NMWD will meet on December 17th at 3:00 p.m. at the District office.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 8:08 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Swoboda, Recording