

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
February 16, 2010**

CALL TO ORDER

President Baker called the regular meeting of the Board of Directors of North Marin Water District to order at 7:30 p.m. at the District headquarters and the agenda was accepted as presented. Present were Directors Rick Fraites, Steve Petterle, Dennis Rodoni and John Schoonover. Also present were General Manager Chris DeGabriele, Secretary Renee Roberts, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre.

District employee Doug Moore (Construction/Maintenance Superintendent) was in the audience.

MINUTES

On motion of Director Schoonover, seconded by Director Rodoni and unanimously carried the Board approved the minutes from the previous meeting as presented.

GENERAL MANAGER'S REPORT

Invoice from Sonoma County Water Agency

Mr. DeGabriele reported that the District received an invoice from Sonoma County Water Agency in the amount of \$89,000 for delivery in excess of entitlement principally due to the June delivery to Marin Municipal Water District from the Stafford Lake backfeed. He said this invoice was unexpected; the Water Agency had declared a Temporary Urgency Impairment, and it was his understanding that there would not be financial penalties. He stated that he will try to resolve this with the Water Agency.

Appropriations Request – Gallagher Pipeline and Well Project

Mr. DeGabriele advised that Mr. McIntyre and his staff submitted the District's appropriations request to Congresswoman Woolsey and Senator Boxer for the Gallagher Pipeline and Well Project. He further advised that he is trying to schedule a meeting with Senator Boxer and Don Neubacher, Superintendent of the Point Reyes National Seashore.

OPEN TIME

President Baker asked if anyone in the audience wished to bring up an item not on the agenda and there was no response.

STAFF / DIRECTORS' REPORTS

President Baker asked if staff or Directors wished to bring up an item not on the agenda and there was no response.

MONTHLY PROGRESS REPORT

Mr. DeGabriele reported that Novato water production in January is up from one year ago. He noted that last January's water production total was understated by 56 million gallons because of a Kastania Meter malfunction. He said that had that been added, water production this year to-date would be 15% below last year. He stated that West Marin water production is 21% less than one year ago and that there was no Stafford Treatment Plant or Recycled Water production in January.

Mr. DeGabriele stated that 17.4 inches of rainfall was recorded at Stafford Lake; and the lake elevation is at 192 feet at the end of January. He said that as of today, the lake is ten inches below the spillway. He noted that the January average temperature was 48 degrees, twelve degrees cooler than last January. He reported that there was irrigation field discharge in Oceana Marin, and there is four feet of freeboard in the treatment and storage ponds.

Mr. DeGabriele informed the Board that the District has worked 334 days without a lost time accident or injury. He said that the Water Conservation program continues to be highly popular with customers. Mr. De Gabriele stated that complaints and service orders were down 51% from last year including a significant reduction in high bill complaints likely due to cooler temperatures.

Mr. Bentley reported that at the end of January, the District's Investment Portfolio had a market value of \$9M; 79% of the portfolio is invested in the Local Agency Investment Fund (LAIF) and the portfolio earned an average of \$1.36% at the end of January.

CONSENT CALENDAR

On the motion of Director Schoonover, seconded by Director Petterle and unanimously carried the following items were approved on the consent calendar:

2010 ENGINEERING SERVICES CONTRACT – EDIE ROBBINS

The Board approved an Engineering Services Contract with Edie Robbins in the not-to-exceed amount of \$20,000 to provide miscellaneous engineering services. These services will help Engineering staff meet short-term workload demands primarily due to the maternity leave of the Junior Engineer.

ACTION CALENDAR

APPROVE: LETTER TO EDITOR RE NOVATO FUTURE WATER SUPPLY

Mr. DeGabriele presented a draft Letter to the Editor that the Board previously reviewed in November 2009 providing customers with information on the situation with the Sonoma County Water Agency and their decision to abandon the water project. He stated that the letter was not sent at that time and that it is appropriate to now inform customers about the abandonment of the water project, the challenge in meeting the newly legislated 20% reduction in per capita water use, and maintaining reliable water supply for Novato's future. He said it was important to forewarn customers of the future increase in the cost of water in Novato.

Director Schoonover expressed his concern that the letter was too long. Director Baker opined that the letter could not be compacted. Director Petterle suggested that the letter be an Opinion Editorial rather than a Letter to the Editor, and he suggested that in the last paragraph, "other urban area retail water agencies" be changed to read "Bay Area water retail agencies."

On motion of Director Petterle, seconded by Director Fraites, the Board unanimously authorized the General Manager to submit the letter to the editor to the Novato Advance and Marin Independent Journal.

APPROVE: STAFFORD LAKE SEDIMENT SURVEY CONTRACT – SEA FLOOR MAPPING LAB, CSUMB

Mr. McIntyre informed the Board that a survey to evaluate sediment build up in Stafford Lake is budgeted for in the current fiscal year and that the last survey was performed more than twenty-five years ago. He said the purpose of the survey is to obtain information to track sediment build up over the last twenty-five years and compare with the previous survey data. He said this information will be used to design a plan to determine how much storage has been lost and how to recover capacity of the lake. He said the first step will be to quantify the loss of storage capacity and to map out a plan for future maintenance in terms of sediment building up.

Mr. McIntyre advised that five firms were solicited for proposals and that three proposals were received. He said that a competitive proposal was received from the Seafloor Mapping Lab at the California State University, Monterey Bay (CSUMB) (\$8,683) that was significantly lower than the next bid of \$31,345. He advised that the CSUMB lake survey would be part of a research project using state of the art equipment. Mr. McIntyre said CSUMB has performed a similar survey for the Monterey Peninsula Water Management District, and they provided an excellent reference for their work.

On motion of Director Fraitas, seconded by Director Petterle the Board unanimously authorized the General Manager to execute a bathymetric survey contract to the Seafloor Mapping Lab, CSUMB for a not-to-exceed amount of \$8,683 plus a contingency of \$1,300.

APPROVE: ADOPT STATE REVOLVING FUND LOAN REIMBURSEMENT RESOLUTION – APPLICATION FOR RECYCLED WATER PROJECT EXTENSION TO VALLEY MEMORIAL PARK (PHASE 2A) AND EXTENSION TO BALANCE OF NORTH SERVICE AREA (PHASE 2B)

Mr. McIntyre stated that in January 2010, the Board approved two resolutions as part of the financial assistance application to the State Water Resources Board for the Recycled Water Project extension to Valley Memorial Park and for the balance of the North Service Area. He advised that the two resolutions authorized the General Manager to act as authorized representative; and authorized dedication of a revenue source. He further advised that staff has continued to work with the State Board for low interest rate loans for recycled water expansion and recently discovered that a third resolution declaring the official intent of the District to reimburse certain planning, design and construction expenditures from the proceeds of indebtedness is required as part of the review process. Mr. McIntyre expressed confidence that the District is still being considered for low interest rate loans from the State.

On motion of Director Schoonover and seconded by Director Petterle, the Board unanimously approved Resolution No. 10-04 entitled, "Resolution of the Board of Directors of North Marin Water District Declaring the Official Intent of the District to Reimburse Certain Design, Permitting and Capital Expenditures from the Proceeds of Indebtedness."

INFORMATION ITEMS

WAC/TAC MEETING – FEBRUARY 8, 2010

Mr. DeGabriele provided a summary of the WAC/TAC meeting held on February 8, 2010. He said that the Budget Sub-Committee reviewed the proposed budget and that North Marin would see a 9.4% increase in water rates. He said that efforts to get the TAC to approve the proposed budget failed and that another Budget Sub-Committee meeting is scheduled for next Monday and will include all TAC members and the Agency. He said that a special WAC meeting is scheduled for March 1, and it is hoped the budget will be approved at that time.

Mr. DeGabriele advised that all contractors, with the exception of the City of Petaluma, have engaged Maddaus Water Management to update the demand projections and water conservation projections in support of the 2010 Urban Water Management Plan. He further advised that the City of Santa Rosa is the contracting entity with Maddaus, and a Letter Agreement is being signed by the participating contractors.

Mr. DeGabriele noted that the WAC unanimously approved the water conservation message to be used by all water contractors thanking customers for their water conservation efforts last summer, forewarning that summer restrictions will continue and for customers to continue participating in water conservation programs.

The Manager stated that the TAC was asked to participate in the development of the Water Conservation Plan to be submitted to the State Board on April 6, 2010.

MISCELLANEOUS

The Board received the following miscellaneous information: Disbursements, In Central California, Coho Salmon Are on the Brink, Letter from Marin County Board of Supervisors Re Appointment to Flood Advisory Board, and 2010 Urban Area Water Cost Comparison.

The Board also received the following news articles: Ballot Measure Keeps City from Repaying Loans, Marin Clean Energy, Russian River Coho Salmon get National Grant, Santa Rosa drops Water Agency Lawsuit, 'Pump track' proposed near Stafford Lake, Salinity Notices.

ADJOURNMENT

President Baker adjourned the meeting at 8:09 p.m.

Submitted by

Renee Roberts
District Secretary