

**NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
March 18, 2008**

**CALL TO ORDER**

President Fraites 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 Jack Baker, Rick Fraites, Steve Petterle, Dennis Rodoni and John Schoonover. Also present were General Manager Chris DeGabriele, Secretary Renee Roberts, Auditor-Controller David L. Bentley and Chief Engineer Drew McIntyre.

Novato City Manager Dan Keen and Novato Redevelopment Administrator Ron Gerber, Ken Howard, and four members of the general public were in the audience. District employees Robert Clark (Facilities Maintenance Superintendent), Doug Moore (Construction Superintendent), Alicia Manzoni and Sue Kessler were also in the audience.

**MINUTES**

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

**GENERAL MANAGER'S REPORT**

**SCWA Sustainability Initiative**

Mr. DeGabriele reported that he attended the Sonoma County Board of Supervisors meeting wherein the Sonoma County Water Agency Sustainability Initiative was discussed. He said that the Water Agency is pursuing a comprehensive effort in promoting its sustainability initiative with several projects; one of which is zero net energy in commercial development, suggesting that recycled water can be used for geothermal heat exchange to reduce heating and cooling of commercial buildings; pursuing agreements with auto makers to achieve volume purchase of hybrid vehicles and promote those vehicles throughout the region with other public agencies and private entities; and, the Water Agency is proposing a conference on emerging climate change technology. Mr. DeGabriele said that \$1M out of the Sonoma County general fund will be transferred into the SCWA recycled water fund to kick-start the sustainability initiatives. He said he would keep the Board apprised of the progress of these projects.

**Hamilton Wetlands Restoration Ceremony**

The General Manager advised that this Friday, the Hamilton Wetlands Restoration Project is holding a Partnership Recognition Ceremony and have asked to use the District's Amaroli Tank

as an overlook to view the project. He said that he would be there to make sure that folks can get up to the tank site safely.

#### PRE 6" Steel Main Replacement Project

Mr. DeGabriele apprised the Board on the PRE 6" steel main replacement project and said that the pipeline has been installed and that District crews are waiting for water quality test results before tie in. He stated that staff is keeping a close eye on the cost because rock was encountered during excavation that slowed down the project and that at this time, the project is still under budget. Mr. DeGabriele circulated photos of the project to the Board.

#### Stafford Treatment Plant Start-Up

Mr. DeGabriele announced that the Stafford Treatment Plant start-up is underway and it is hoped to begin producing water later this week.

#### **OPEN TIME**

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

#### **MONTHLY PROGRESS REPORT**

Mr. DeGabriele presented the monthly progress report for February and noted that water production in Novato is down 10% for the year and down 10% from 2004 (another dry year). He said in West Marin water production is down 17% from a year ago; but, comparing to 2004, if the Giacomini Dairy water demand is subtracted, production is down 10% from 2004. Mr. DeGabriele advised that Stafford Treatment Plant did not produce water in February and production is hoped to begin in March and that Stafford Lake is full and ready for summer. He further advised that on the Russian River, Lake Mendocino has approximately 80,000 acre feet, about the same as available in 2004 and 10,000 acre feet more than what was available this time last year. He stated that spring rains are still needed and that less water is being diverted out of the Eel River in spring and summer months than has historically. He said that Lake Sonoma is full and the challenge remains in accessing Lake Sonoma water while protecting fish.

Mr. DeGabriele reported that discharge at Oceana Marin is occurring on a limited basis to provide safe freeboard levels at both the treatment and storage ponds. He said that staff worked 88 days without a lost time accident and that only one lost time incident has occurred this year. Mr. DeGabriele noted that in water conservation, toilet and washing machine rebates continue to come in.

**PRESENTATION – REDWOOD BLVD. REDEVELOPMENT – DAN KEEN, NOVATO CITY MANAGER**

Mr. DeGabriele introduced Dan Keen, Novato City Manager, and stated that Mr. Keen will present the city's vision for redevelopment of the North Redwood Boulevard corridor and the city's plan for public participation. He reminded the Board that two years ago, the District and the Novato Redevelopment Agency entered into a Memorandum of Agreement to explore the city's interest in developing a feasible plan for redevelopment of the District property and the District's interest in possible relocation of its facilities. He stated that in that agreement, the city's goals are to achieve a reasonable and feasible economic benefit from redevelopment of the District's property and the District's goal is locating a new facility at a site suitable to the District. Mr. DeGabriele pointed out that the agreement does not commit the City or the District to acquire, dispose of, or transfer the District's property; it is merely an agreement to enter into a period of mutual cooperation for evaluation and planning.

Mr. Keen began his presentation by stating that the redevelopment of the north Redwood Boulevard corridor is high on the city's priority and that the City Council has authorized and directed him to make this presentation to the District's Board of Directors. He provided a PowerPoint presentation that explained the city's intent and proposed project and how the district may benefit. He said that redevelopment is a fiscal mechanism for community revitalization and is a catalyst for development to include private sector investment by providing much of the planning and seed money for redevelopment. Mr. Keen summarized how redevelopment has been used in Novato over the past twenty years to generate sales tax revenue.

Mr. Keen reviewed the City of Novato's fiscal situation and stated that revenues have recently dropped off quickly, and a significant deficit is predicted for next fiscal year impacting essential services. He said that the city's revenue comes from sales tax, property tax and hotel (bed) tax, and that sales tax and property taxes have declined over the past year. He acknowledged that the cities of Petaluma and San Rafael are proposing significant new retail sites that will compete for Novato's sales tax revenue.

Mr. Keen stated the redevelopment goals for the north Redwood Boulevard area are to re-plan, redesign and develop underdeveloped or poorly developed areas; promote private sector investment; and eliminate blight and deterioration and promote rehabilitation in accordance with the city's General Plan and Specific plan. Mr. Keen said the city wants to redevelop this area as it is very connected to Grant Avenue, is visible from the freeway, and would capture more local and regional shoppers and generate more foot traffic into the area.

The City Manager outlined the benefits to the Water District for relocating that includes receiving a new \$5M “green” headquarters building at no cost, providing District employees a new, expanded and improved workplace, and a \$1M savings to ratepayers in anticipated upgrades to the existing facility. He presented the city’s timeline which is to enter into negotiations this spring, hold community outreach workshops and issue redevelopment bonds in the summer 2008, carry out planning, environmental review and public process and to break ground on new District facilities in 2009 and the District move to its new headquarters in 2010.

Director Baker asked for clarification that the Redevelopment Agency does not have eminent domain authority. Mr. Keen said that when the agency was formed, authority to acquire property by eminent domain was excluded from the Redevelopment Agency, likely due to political pressure.

Director Schoonover expressed his concern that new retail may take away revenue from Vintage Oaks. Mr. Keen stated that the types of retail planned would not be “big box” type of stores and would not compete with Vintage Oaks, and that new businesses in the Redwood Boulevard area would compliment rather than compete with existing businesses in the downtown area. Director Schoonover opined that downtown customers are “destination” shoppers who park and shop, not walk from store to store. Mr. Keen said that having anchor stores, such as Whole Foods at the east end of Grant, and retail shops at 999 Grant Avenue and along Redwood Boulevard are needed to encourage shoppers to walk from store to store.

Director Rodoni stated that he would like to see a public review period prior to the District making its decision on relocation of the District headquarters.

Director Fraites inquired how the city intends to convince smaller businesses now fronting Redwood Boulevard to relocate if they do not want to move. Mr. Keen responded that that is the city’s biggest challenge and it is unknown at this time, but through preliminary discussions, some property owners are ready to move if the offer is reasonable.

Director Petterle expressed his concern that “big box” stores will impact the downtown businesses and change the character of Novato. He said that it appears that many decisions have already been made and he is anxious to get community input prior to his supporting the District relocation.

Mr. Keen thanked the Board for the opportunity to present the city’s vision and left the meeting at 8:30 p.m.

### **CONSENT CALENDAR**

On the motion of Director Petterle, seconded by Director Baker and unanimously carried, the following items were approved on the Consent Calendar:

#### **ANNUAL REPORT**

The Board approved the Annual Report.

#### **REVISION TO DISTRICT POLICY 32 - VEHICLES TAKEN HOME**

The Board authorized revision to District Policy 32 – Vehicles Taken Home to reflect changes to employees authorized to take vehicles home and to reflect changes in position titles from prior versions. Staff recommended that one additional vehicle be taken home by a treatment plant operator residing in West Marin so that he will be available to respond to treatment and storage facilities as needed.

#### **PLANNED MARKETING SOLUTIONS INTERNATIONAL SERVICES AGREEMENT**

It was recommended by staff that a market research study of District residential customers be conducted to determine incentives to increase participation in the District's Cash for Grass rebate and other water conservation programs. The market research study will also address ET Controller Rebates, Water Smart Home Surveys, High Efficiency Toilet (HET) Rebates and High Efficiency Clothes Washer Rebates.

The Board authorized the General Manager to execute a General Consulting Services Agreement with Planned Marketing Solutions International with a not-to-exceed amount of \$18,150.

#### **ACTION CALENDAR**

#### **APPROVE: CHANGE ORDER FOR COATING INSPECTION SERVICES (CENTER ROAD TANK) - CSI SERVICES**

Mr. McIntyre stated that CSI Services was contracted to provide coating inspection services during the construction of the Center Road Tank, that the contractor estimated that the coating would take four weeks to complete and that their services would cost \$8,800. He advised that the tank coating project took six weeks due to delays experienced by the painting contractor and that CSI stayed on board to provide inspection during that time. He further advised that CSI did not notify the District of any exceedence until they submitted their invoice for \$15,339 and the District requested justification for the extra amount and CSI submitted a letter of explanation documenting extra labor hours. He further stated that staff reviewed certified payroll records of the tank contractors and verified that the extra hours submitted by CSI matched the contractor's hours. Mr. McIntyre said that because CSI failed to formally request authorization from the District for the cost exceedences as required by their contract, staff negotiated with CSI who agreed to bill at 50% of

their rate for all work beyond the not-to-exceed contract amount of \$8,800; thus a change order in the amount of \$3,269.63 is requested for Board approval.

On motion of Director Baker, seconded by Director Schoonover, and unanimously carried, the Board authorized the General Manager to execute Change Order No. 1 to CSI Services in the amount of \$3,269.63.

**APPROVE: GEOTECHNICAL CONSULTING SERVICES CONTRACT (2<sup>ND</sup> FEED TO AMAROLI WATER TANK) – DCM GEOTECHNICAL ENGINEERING**

Mr. McIntyre stated that in order to improve water flow into and out of the Amaroli Water Tank and improve fire protection in the Bel Marin Keys commercial area, a second pipeline feed is necessary. He advised that a significant length of the pipeline will traverse under Pacheco Creek and adjacent wetlands before it connects to Igloo Road and that trenchless technology will be used to install the pipeline to minimize environmental impacts in the area. He said that the pipeline segment in Igloo Road will be an open trench approximately 700 feet in length. Mr. McIntyre said that geotechnical investigative work will be required when using horizontal directional drilling technology and the District is proposing to use DCM Geotechnical Engineering. He said that staff solicited DCM for the work because of the company's extensive experience in the area of trenchless pipeline installation.

On motion of Director Rodoni, seconded by Director Baker and unanimously carried, the Board authorized the General Manager to execute a Consulting Engineering Services Agreement with DCM Engineering in the amount of \$19,850.

**APPROVE: PURCHASE OF NEW 75 KILOWATT PORTABLE GENERATOR**

Mr. Clark stated that the budgeted purchase of a quiet portable generator was put on hold because manufacturers of the "whisper-quiet" type generator were not yet producing the California Tier 3 Emissions Efficiency standard generators. He further stated that the fleet equipment budget was not augmented to include the purchase of diesel trucks so the generator purchase was deferred to make funds available for the truck purchase. He stated that because of the severe storm event in January, it was necessary that the District borrow two generators from Marin Municipal Water District and Novato Sanitary in order to maintain services in Novato and that staff decided to move forward with the bid process for the new generator. Mr. Clark advised that the two existing large generators (350kW and 75kW) are very loud and that the District receives complaints from residential customers who live near pump stations when the generators are in use. He said that the proposed portable generator is very quiet. He said that of the five vendors solicited for proposals, two vendors responded with proposals but that one proposed generator was not the type

needed by the District. Mr. Clark opined that it was necessary to purchase the generator this fiscal year because costs would likely increase due to a large demand for generators that meet the California emissions standards changes for 2008.

On motion of Director Schoonover, seconded by Director Baker and unanimously carried, the Board authorized the General Manager to purchase the Electric Equipment Company 75kW portable generator for the amount of \$36,850.

**APPROVE: SONOMA-MARIN SAVING WATER PARTNERSHIP**

Mr. DeGabriele stated that he was pleased to bring the proposed Sonoma-Marín Saving Water Partnership Memorandum of Understanding (MOU) to the Board for approval and that the MOU is a result of a collaborative effort by the District, the cities of Santa Rosa, Rohnert Park, Petaluma, Cotati, Sonoma, the town of Windsor, Valley of the Moon Water District, Marin Municipal Water District and the Sonoma County Water Agency. He said that this partnership MOU reiterates the requirements stipulated in the Restructured Agreement that all water contractors will comply with Best Management Practices of the California Urban Water Conservation Council and that it goes beyond that requirement and recommends practices for new development in the region and lists common practices the parties have agreed upon. He stated that contractors can choose to implement elements that are appropriate in their jurisdiction. He said these are big steps at providing common regional water conservation programs in Sonoma and Marin Counties. He further stated that the MOU will require the water contractors to establish water conservation goals, both long term and short term so progress can be gauged. Mr. DeGabriele advised that this progress will be reported on and shared with the public. He stated that the circular funding arrangement with the SCWA for water conservation will no longer be the method and that from this year forward the water contractors will be obligated to pay for water conservation programs within their jurisdictions from their own budgets. He further stated that the MOU identifies a commitment among the water contractors and MMWD to budget and expend \$15M over the next ten years to implement water conservation projects and achieve quantifiable water savings. He said the District's commitment with Board approval will be \$240,535 annually over the next 10 years.

On motion of Director Schoonover, seconded by Director Rodoni and unanimously carried, the Board approved the Sonoma-Marín Saving Water Partnership and authorized the President to execute the MOU.

**CONSIDER: OPPOSITION TO PROP 98 - CALIFORNIA PROPERTY OWNERS AND FARMLAND PROTECTION ACT**

Mr. DeGabriele stated that Proposition 98 entitled, "California Property Owners and Farmland Protection Act" has been placed on the June ballot and is drafted in a way that could prevent use of eminent domain proceedings to acquire land or easements for water/sewer facilities. He said that normally, the District does not take a position on initiatives, but that this proposition sets a dangerous precedent and if passed, would restrict how the District does business in the future. He advised that the District has an eminent domain policy and suggested that the Board may want to review said policy. Mr. DeGabriele presented a draft resolution opposing Proposition 98 for Board approval.

On motion of Director Rodoni and seconded by Director Schoonover, the Board unanimously adopted Resolution 08-03 entitled, "Resolution of the Board of Directors of North Marin Water District in Opposition to Proposition 98."

**INFORMATION ITEMS**

**ETHICS TRAINING FOR DIRECTORS**

Mr. DeGabriele stated that District Directors completed the AB 1234 Compliance Training for Special Districts in 2006. He said that in accordance with state law, which states that the Board of Directors must receive ethics training every two years, the Directors are required to undergo training in 2008. He advised the Board that Ms. Roberts has located a free on-line course sponsored by the Fair Political Practices Commission that meets these requirements and information on the course is provided.

**REIMBURSEMENT PROGRAM 2007**

Mr. Bentley stated that the Reimbursement Program report is provided to the Board annually and that he was available to answer any questions from the Board. There were none.

**MISCELLANEOUS**

The Board received the following miscellaneous information: Disbursements (3/5/08 & 3/12/08), Preparing for Rising Sea Levels in the Bay Area, Partnership Recognition Ceremony – Hamilton Wetlands Restoration & Oakland Harbor, Sonoma County Board of Supervisors Agenda 3/18/08 (SCWA Segment).

The Board also received the following news articles: Threat of Closing Jolts Fishing Industry (3/13), Sewage Fine May Help Improve Fish Passage (3/12), Feds Warn Entire Salmon Season Could Be Halted (3/12), Water Rates May Skyrocket (3/7), 'Major Collapse' Of Salmon Stocks (3/6),

Water District Eyes Rate Hike (3/5), Bay Institute and Novato Students Help Restore Outdoors (3/5), Group Wants Well Water Off-Limits (3/5), Lake Mendocino's Water Level To Be Raised (3/5).

**ADJOURNMENT**

President Fraites adjourned the meeting at 8:58 p.m.

Submitted by

Renee Roberts  
District Secretary