

**NORTH MARIN WATER DISTRICT**  
**MINUTES OF REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
August 17, 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 Fraithe, 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.

Beverly James, General Manager of Novato Sanitary District; Susan McGuire, Administrative Services Manager of Las Gallinas Valley Sanitary District; Richard Maddock and Bill Silva of Winzler & Kelly; and District employees Robert Clark (Operations/Maintenance Superintendent), Doug Moore (Construction/Maintenance Superintendent) and Pablo Ramudo (Water Quality Supervisor) were 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**

**Job Opening in Construction Department**

Mr. DeGabriele reported that the District is advertising for a Pipe Worker or Pipe Worker Assistant to fill the recently vacated position in the Construction Department. He advised that the solicitation closes on Friday and that interviews will be held and a decision will be made next week. Mr. DeGabriele said that current permanent and temporary District employees as well as outside people are applying for the position.

**Administration Department News**

Mr. DeGabriele announced that the District's Administrative Assistant, who is six months pregnant, has been ordered to bed rest for at least two weeks, perhaps longer, and that staff will make sure there is good coverage during her absence. He further announced that babies were born to the wives of two Field Service Representatives, Rich Roberto (a son) and Miguel Venegas (a daughter), two weeks ago.

### **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 reviewed the Monthly Progress Report for July, the first month of the new fiscal year. He stated that Novato water production is up slightly from a year ago, and is 14% under the average of the prior three years; West Marin water production is the same as last year and 22% under the average of the three prior years. He reported that Stafford Treatment Plant production is down from last year when the plant ran 24 hours per day, seven days per week; the plant is now operating on 16-20 hour shifts. He said the plant will be operated for a longer seasonal duration this year. Mr. DeGabriele reported that recycled water production is down slightly from a year ago. He further reported that the comparison of average temperatures shows a slight dip in temperatures this year and that water demand is being tempered by the cool summer. Mr. DeGabriele noted that the safety performance remains excellent with 515 days without a lost time accident or injury.

Mr. DeGabriele reported that customer complaints are down approximately 12% from one year ago. He reminded the Board that one year ago, there were numerous taste and odor complaints due to the problems with the granular activated carbon at the Stafford Treatment Plant. He stated that the fourth quarter Bacteriological Monitoring Report shows that all samples were in compliance with state and federal standards.

Mr. Bentley reported that the cash balance in July remained at \$6.5M and increased \$37,000 for the month. He informed the Board that the state advised it may have to take "extreme measures" unless the state budget is balanced; therefore, \$1M of District funds have been transferred out of the State Local Agency Investment Fund (LAIF) to a local bank.

### **CONSENT CALENDAR**

On motion of Director Petterle, seconded by Director Rodoni and unanimously carried, the following item was approved on the consent calendar:

### **GEOTECHNICAL SERVICES CONTRACT TO MILLER PACIFIC ENGINEERING GROUP (MPEG) – RECYCLED WATER EXPANSION (NORTH SERVICE AREA) PROJECT**

The Board authorized the General Manager to execute an agreement to provide geotechnical services for the Recycled Water Expansion (North Service Area) Project to Miller

Pacific Engineering Group for the not-to-exceed limit of \$13,700 and not-to-exceed contingency of \$1,500.

**CYPRESS CREEK HOA CLAIM**

At the request of Director Fraites, this item was removed from the consent calendar for further discussion.

Director Fraites said that it is his understanding that District staff replaced broken service lines with copper and reseeded the area; the homeowner's association hired a private contractor to install sod and has now sent the District a bill for landscaping costs. Mr. Moore stated that District staff reseeded the area and that the HOA did not communicate with the District that they were going to install sod.

Director Petterle asked if the HOA was aware that the area was seeded and Mr. Moore responded that he had not spoken with anyone at the HOA about that.

Mr. Bentley stated that if the HOA contacted the District with their concerns prior to sodding the area, the District could have placed the sod with District labor. He stated that the District shares the responsibility and should share the cost.

On motion of Director Fraites, seconded by Director Petterle, the Board unanimously authorized payment of \$755 to the Cypress Creek Homeowners Association as partial reimbursement for their cost of landscaping the affected area.

**ACTION CALENDAR**

**TOPOGRAPHIC AND UTILITY SURVEY CONTRACT TO WINZLER & KELLY – RECYCLED WATER EXPANSION PROJECT – NORTH SERVICE AREA**

Mr. McIntyre reminded the Board that at the July 20<sup>th</sup> Board meeting, he provided an update on the North Bay Water Reuse Authority (NBWRA) projects including an overview of the Recycled Water Project for the North Service Area that identified that the design for the conveyance system, pipeline and storage would be done by District staff. He said that the contract with Winzler & Kelley is to provide topographic and utility survey services needed to complete the design. He advised that ten firms were solicited and six firms responded; Winzler & Kelly had the lowest cost and their proposal satisfied all requirements. Mr. McIntyre stated that Richard Maddock of Winzler & Kelly was in the audience should the Board have any questions.

On motion of Director Rodoni, seconded by Director Fraites, the Board unanimously authorized the General Manager to execute a survey contract with Winzler & Kelly in the amount of \$71,276 and a contingency not-to-exceed \$7,100.

**LETTER OF REQUEST FOR PARTICIPATION IN NORTH BAY WATER REUSE AUTHORITY (NBWRA) AS A MEMBER AGENCY**

Mr. McIntyre introduced Beverly James, General Manager for Novato Sanitary District (NSD) and Susan McGuire, Administrative Services Manager for Las Gallinas Valley Sanitary District (LGVSD) who were in the audience. He stated that, as he mentioned in previous meetings, the District's Memorandum Of Understanding (MOU) with LGVSD and NSD that covers the environmental phase of the North Bay Water Reuse Authority (NBWRA), is culminating this fall and that either a new MOU with the sanitary districts that addresses District participation as a supporting partner will be necessary or that the District become a NBWRA Member Agency. He said that the staff memo to the Board outlines the advantages and disadvantages of becoming either a Member Agency or continue participation as a supporting partner. He advised that he and the General Manager met with the Recycled Water Sub-committee (Director Baker and Director Schoonover) to review the advantages and disadvantages of the two options. Mr. McIntyre said that at this time, the Member Agencies of NBWRA are drafting a revised agreement and that this would be the time for the District to join before that new agreement is executed. He said that involvement of District staff will be the same with either option. He said Option 1, Become a Member Agency, requires participation by a Board member, likely on an annual or semi-annual basis. He noted the advantages of becoming a Member Agency: the District would have a vote on decisions made by NBWRA; the District would enjoy the same contractual rights as NSD and LGVSD regarding receipt of federal grant money; simplifies contractual arrangements between all three agencies; and both NSD and LGVSD desire that the District become a Member Agency.

Mr. McIntyre advised that continuing as a supporting partner would require a new MOU with the sanitary districts, would not allow the District to vote on NBWRA decisions and lessens the cooperative relationship between NSD and LGSVD in that it does not mirror their desire that the District become a Member Agency. He further advised that if the District decides to become a Member Agency after the new agreement is executed, it increases the possibility of the District incurring additional buy-in costs.

He stated that the General Manager has drafted a letter to the NBWRA Chair requesting that NMWD become a Member Agency of the NBWRA.

Director Rodoni asked who the other NBWRA Member Agencies are.

Mr. McIntyre replied that Sonoma County Water Agency is the administrative arm of the NBWRA; and NSD, LGVSD, Sonoma Valley County Sanitation District and Napa Sanitation District are Member Agencies. He stated that the District is partnered with NSD and LGVSD and the

County of Napa is partnered with Napa Sanitation. Mr. McIntyre informed the Board that Napa County also intends to become a Member Agency and is asking their Board for approval.

Director Rodoni asked if there is any cost to the District for joining now.

Mr. McIntyre responded that the new draft agreement states that if there are other entities who want to join with NBWRA who have not participated in the past, there will be a negotiated buy-in cost that will be determined by the new governing body. He further stated that since the District has already participated, the District can join now with no additional costs. He advised that there are on-going participation costs and those will not change whether either option is selected. Mr. DeGabriele added that in either option, the cost of participation will be more than what is currently budgeted in the District's FY 10/11 budget.

Director Baker asked for more information on the proposed changes to governance of the NBWRA.

Mr. McIntyre stated that there are various changes in the new agreement regarding governance and the primary change is similar to the SCWA Water Advisory Committee in that an elected official from each Member Agency will be required to participate.

Director Baker asked if the District cost will be more or less than it is paying now?

Ms. James responded less, because North Marin has a higher budget relative to the size of the project.

Ms. McGuire stated that LGVSD is very interested in seeing North Marin becoming a Member Agency.

On motion of Director Fraites and seconded by Director Petterle, the Board voted unanimously to authorize the General Manager to send letter to NBWRA requested that the North Marin Water District become a Member Agency.

Ms. James commented that NSD Board will be very pleased that the District is joining the NBWRA and stated that the continued support of North Marin Water District with recycled water in partnership with NSD is greatly appreciated and they look forward to working with North Marin. Ms. James left the meeting.

## ***INFORMATION ITEMS***

### **SOUTH (HAMILTON) SERVICE AREA RECYCLED WATER PROJECT UPDATE**

Mr. McIntyre provided an update on the South (Hamilton) Service Area Recycled Water Project. He said that at the July 20<sup>th</sup> Board meeting, the Board was advised that Las Gallinas Valley Sanitary District (LGVSD) is working on the design of a treatment plant and pump station and that the Board approved an agreement with Nute Engineering for the design of the conveyance system. He said since the last discussion with the Board, Sonoma County Water Agency, the NBWRA administrative agency, submitted a request to get an extension for the economic stimulus (ARRA) funds from September 2011 to September 2013 and was granted a one year extension to September 2012. Mr. McIntyre advised that with the extension, LGVSD now has time for the construction for the treatment plant and the District has committed to construct 60% or 5.8 miles of the conveyance system. He said that by moving this project forward, the districts can utilize all remaining grant money in the economic stimulus funds. He said that funds unexpended by September 2012 will have to be returned to the federal government. Mr. McIntyre stated that ARRA funds allocated to other agencies' projects totaled \$7.3M, leaving \$1.4M for the joint LGVSD/North Marin projects; and based upon the project description, that equates to approximately 16% of the grant funds available. He said that if there is extra money left over from the other member agencies' projects, funds may be re-distributed to the LGVSD/NMWD project which may increase that grant funding percentage from 16% to the 25% cap. He said that if that does not happen, staff will try to acquire additional Title XVI funds for the remainder of the conveyance system project costs.

Mr. McIntyre advised that the South Service Area Project is included in the five-year capital improvements budget; the bulk of construction was not to occur until FY 14 but has been accelerated to take advantage of the ARRA funding.

Mr. DeGabriele added that staff, at this time is proposing to only extend recycled water to Reservoir Hill tank in the South Service Area so that there will be system storage available.

Ms. McGuire left the meeting.

### **FOURTH QUARTER FY 09/10 – WATER QUALITY REPORT**

Mr. Ramudo reviewed the Fourth Quarter FY 09/10 Water Quality Report and stated that all water served to Novato and Point Reyes met all state and federal drinking water quality standards. He stated that there were two large algae blooms in Stafford Lake but no taste and odor compound producers were in high numbers as occurred last year. He said that run-off continues from some tributaries and there are a high number of nutrients coming into the lake.

Director Fraites asked if the subject tributaries are the ones that are fenced off to keep cattle out of the area.

Mr. Ramudo said there is runoff from some cattle areas and the biggest agricultural runoff is the Grossi Dairy and there are plans now to improve that. Mr. Ramudo stated that the issue with the Grossi Dairy is the concentration of animals and their close proximity to the lake. He further stated that the Grossi Dairy is cooperating with the District to reduce the nutrient flow.

Mr. DeGabriele said staff will provide a map at a future meeting to identify the tributaries and where improvements have been made and are proposed, the Grossi Dairy and other ranches in the area.

Mr. Ramudo reported that in Point Reyes, raw water quality was good and improved quite a bit throughout the quarter. He said that salinity intrusion, which was at an all-time high, has begun to dissipate; sodium levels did not increase with the July spring tides and remain below the notification level. He said that disinfection by-products were at record highs due to the record high salinity levels that could pose a problem in the future. Mr. Ramudo advised that the samples for disinfection by-products from the distribution system were taken more often than usual this last year, because the lab was involved in initial distribution system evaluation for the upcoming Stage 2 Rule that regulates these disinfection by-products. He explained that when the Stage 2 Rule comes into effect in August 2013, compliance will be measured as an annual average of the concentration at each location rather than the entire system. Mr. Ramudo said that the new Stage 2 Rule based on locations will present an opportunity for a violation should a similar year of salinity intrusion occur in the future. He said, however, that a set of conditions need to occur; and as long as salinity stays moderate, there will probably not be a violation. He said that staff is working hard to develop mitigation alternatives to protect public health and avoid violations and have submitted the monitoring plan for the new Stage 2 Rule.

Director Rodoni inquired that with the impending Stage 2 Rule and assuming the salinity issues will not get better, is there a way to get a higher priority for funding?

Mr. Ramudo stated that staff has tried twice to secure a higher priority; during the application process to get stimulus funding, and later staff tried to plead its case to state officials and was told that no funds would be allocated to the District. Mr. DeGabriele informed the Board that letters were written to regional and state public health departments requesting an elevation of priority with no success.

Mr. Ramudo reported that Novato distribution system water quality was great, chlorine was adequate, and there were no samples positive for coliforms throughout the quarter. He further reported that the Deer Island Recycled Water Facility has been operating since May 5, and water quality was excellent.

**MISCELLANEOUS**

The Board received the following miscellaneous item: Disbursements; and also received the following news articles: NMWD Budget Summary, City Against Hanna Ranch Housing, Solar Panels Not Yet ‘Penciling’ and \$30 Million Santa Rosa Project Nears Completion.

**CLOSED SESSION**

President Baker adjourned the Board into closed session at 8:19 p.m. for: Conference with Legal Counsel – Existing Litigation Pursuant to Subdivision (a) of Government Code Section 54956.9 – Name of Case: North Coast Rivers Alliance v. California Department of Transportation (Named Real Party in Interest - North Marin Water District).

**OPEN SESSION**

Upon returning to regular session at 8:49 p.m., President Baker stated that during the closed session the Board had discussed the issues and no reportable action had been taken.

**ADJOURNMENT**

President Baker adjourned the meeting at 8:50 p.m.

Submitted by

Renee Roberts  
District Secretary