

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
December 2, 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, 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 employees Robert Clark (Operations/Maintenance Superintendent) and Doug Moore (Construction/Maintenance Superintendent) were in the audience.

REORGANIZATION OF BOARD

1. Election of President

On motion of Director Baker and seconded by Director Schoonover and unanimously carried, Director Rodoni was elected President of the Board for the ensuing year.

2. Election of Vice-President

On motion of Director Schoonover and seconded by Director Petterle and unanimously carried, Director Baker was elected Vice-President of the Board for the ensuing year.

3. Establishment of Meeting Times and Place

On motion of Director Schoonover and seconded by Director Petterle and unanimously carried, the Board set the time and place of regular meetings to be the first and third Tuesday of each month at 7:30 p.m. at the District office, and that the Board will hold one meeting annually in West Marin with additional West Marin meetings to be scheduled on an as-needed basis.

4. Establishes the Manner of Calling Special Meetings

On motion of Director Schoonover and seconded by Director Baker and unanimously carried, the Board approved special meetings of the Board to be held as provided in Section 54956 of the Government Code.

5. Appointment of District Officers

On motion of Director Schoonover and seconded by Director Baker and unanimously carried, the following District officers were appointed for the ensuing year: Chris DeGabriele,

General Manager; Renee Roberts, Secretary; David L. Bentley, Auditor-Controller; and Drew McIntyre, Chief Engineer.

6. Confirm Board Meeting Schedule for 2009

On motion of Director Petterle and seconded by Director Fraites and unanimously carried, the Board accepted the proposed meeting schedule for the 2009 calendar year with the understanding that the calendar may be adjusted as needed.

7. Committee Appointments

President Rodoni stated that he will talk to each Director regarding participation in various committees and will make appointments at a future meeting.

MINUTES

On motion of Director Schoonover, seconded by Director Baker and carried by the following vote, the Board approved the minutes from the previous meeting as mailed.

AYES: Directors Baker, Petterle, Rodoni, Schoonover

NOES: None

ABSTAIN: Director Fraites

ABSENT: None

GENERAL MANAGER'S REPORT

Novato City Manager Selection

The General Manager reported that this Friday, December 5th, he and other special district managers will meet with the consulting firm that is assisting the City of Novato in their selection of the City Manager. He said they will be talking about issues facing Novato and what attributes the special districts' managers would like to see in the next City Manager.

Novato Fire Protection District Strategic Plan

Mr. DeGabriele stated that next week, he and Drew McIntyre will participate in the Novato Fire Protection District's strategic plan update. He noted that the last time this plan was updated was five years ago and this will give the new chief an opportunity to put his "stamp" on the plan.

Sonoma State University Water Technology Class

Mr. DeGabriele advised that next Friday, he will be speaking to the Water Technology class from Sonoma State University (SSU). He said that the District has hired several employees from

SSU over the past years and has developed a relationship with Professor Steve Norwick who has requested the presentation be from the manager's view point rather than from a technical aspect. Mr. DeGabriele said he intends to meet with the class at the Stafford Treatment Plant.

District Holiday Party

Mr. DeGabriele reminded the Board that next Friday, December 12th, is the District holiday party at Indian Valley Golf Course clubhouse beginning at 6 p.m.

Novato General Plan Ad Hoc Committee Representation

Director Fraites stated that the City of Novato has formed an ad hoc committee for the general plan discussion and asked if the District will be represented. Mr. DeGabriele responded that Mr. McIntyre will assist in the technical development of the plan and that District Associate Engineer Carmela Chandrasekera was selected by the City of Novato (as a representative of Hamilton) to sit on the Citizen's Oversight Committee.

Director Rodoni stated that this is a perfect opportunity to get public input on redevelopment of the Redwood Boulevard corridor. Mr. DeGabriele said that the consultant's scope of work includes looking closely at the Redwood Boulevard corridor redevelopment and that this issue is their first priority.

OPEN TIME

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

CONSENT CALENDAR

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

MAIN GATE PLAZA

The proposed project is for 30,000 square feet of office condominiums in five buildings on a 2.672-acre parcel at the corner of Main Gate Road and C Street. Each building will have its own one-inch domestic meter. New on-tract water facilities include 855 feet of welded steel pipe, 48 feet of copper pipe, three steamer hydrants, three six-inch fire services, five one-inch domestic water services and one 1½ inch irrigation service.

The Board approved Resolution No. 08-31 entitled, "Authorization of Execution of Water Service Facilities Construction Agreement with Hamilton Square, LLC."

265 BEL MARIN KEYS WAREHOUSE

The project consists of construction of a new warehouse containing 13,633 square feet of warehouse space and 4,042 square feet of office space located at 265 Bel Marin Keys Boulevard, adjacent to an existing warehouse. New water facilities include 12 feet of six-inch pipe, a one-inch meter and a six-inch fire service. The existing building will continue to be served by a two-inch meter and an eight-inch fire service.

The Board approved Resolution No. 08-32 entitled, "Authorization of Execution of Water Service Facilities Construction Agreement with 265 BMK, LLC."

ACTION CALENDAR

APPROVE: CHANGE ORDER THIRD PARTY COATING INSPECTION FOR PALMER DRIVE WATER TANK PROJECT – WEST COAST COATING CONSULTANTS AND CSI SERVICES

Mr. McIntyre stated that the Palmer Drive Water Tank project is nearing completion and this is the first change order request for the \$4M project. He explained that this change order is regarding inspection for field coating and shop coating and is for two items: CSI Services for shop coating inspection services in the amount of \$2,760; and \$5,000 for additional coating inspection to West Coast Coating Consultants (WCCC). When combined, the financial impact is under \$8,000.

Mr. McIntyre stated that there was an assumption by CSI Services that they were awarded the coating inspection contract. He explained that CSI Services was the Center Road tank coating inspection consultant and that CSI submitted a proposal for inspection services for the Palmer Drive tank project. He said that a representative of CSI happened to be at the fabrication site when the fabrication began on the Center Road tank and the CSI representative assumed they had been awarded the contract and began the coating inspection without a signed contract. Mr. McIntyre said that the District was not notified that shop coating work had begun or that a CSI employee was inspecting the work. He said that WCCC picked up the inspection work where CSI left off. Mr. McIntyre advised that the District did not pay CSI for the inspection work as there was no contract, and that he had met with CSI and reviewed the coating inspection work they had performed. He further advised that WCCC back-checked CSI's work and there were no question about CSI's inspection results. He said that since CSI's proposed daily rate was higher than WCCC's, he is requesting compensation to CSI at the same billing rate as WCCC.

Mr. McIntyre said that the tank fabricator and erector, Crosno, has not progressed as quickly as originally estimated and additional funding is requested to cover possible extended field

coating inspection costs. He stated that the General Contractor, ProVen, has been advised that the District anticipates assessing liquid damages if the project is not completed on time.

Director Baker inquired if the inspection services were addressed during the pre-construction meeting. Mr. McIntyre explained that the tank fabricator moved very quickly in purchasing the steel due to dramatic steel price fluctuations. He said that since the steel was ordered and delivered so quickly, there was danger of the steel rusting and it needed to be coated in a timely manner.

Director Baker asked if staff was satisfied with the inspection services performed by CSI and Mr. McIntyre said there was no problem with the services performed by CSI and that the District is offering to pay them the same daily rate as WCCC.

On motion of Director Baker and seconded by Director Schoonover, the Board unanimously authorized the General Manager to pay CSI Services for coating inspection services for \$2,760; and authorized the General Manager to execute a change order with West Coast Coating Consultants for additional coating inspection services on a time and expense basis not-to-exceed \$5,000.

INFORMATION ITEMS

WATER SERVICE APPLICANT STATUS

Mr. McIntyre stated that with the end of the calendar year approaching and the new connection fee increase scheduled to go into effect on January 1, 2009, the Engineering Department has received many applications for processing. He said that 20-30% of the projects will be acted upon this calendar year, but a considerable number will come before the Board for approval early next calendar year. He advised that traditionally, applicants have been grandfathered with older connection fees if staff processing delays prevent agreement consideration prior to the effective date of the increase. Mr. McIntyre provided a list of 15 possible projects that may fall into this category.

Director Baker asked if the projects belonging to the two gentlemen who attended the public hearing are on the list and Mr. McIntyre responded that their projects, Hangar Avenue Subdivision and 8 Hamilton Landing, are on the list.

Mr. DeGabriele advised that when these projects come before the Board the agreements will show the lower FRC fee.

CALL FOR NOMINATIONS - LAFCO SPECIAL DISTRICT MEMBER

Mr. DeGabriele said that the Local Agency Formation Commission is calling for nominations for a regular member under the special districts category to replace Regular Member Einar Asbo

whose term is expiring in May 2009. He reminded the Board the Director Rodoni currently serves as a special district member and is uncertain if two members from the same agency board would be permitted to serve at the same time.

Director Baker requested a summary of who serves on the LAFCO Board next time there is a call for nominations.

RECAP OF CENTER ROAD TANK CEQA MITIGATED MONITORING PROGRAM

Mr. McIntyre stated that at the public hearing for the Stafford Treatment Plant Solar Energy project various members of the public spoke about the impacts of the Center Road Tank construction. He said that Director Petterle requested that a summary of the mitigation monitoring program be presented and proceeded to review the mitigation monitoring report as prepared by Associate Engineer Dave Jackson. He said that as the report demonstrates, the District did perform the mitigation measures during the construction phase. Mr. McIntyre noted that the District did not receive any verbal or written complaints about traffic or dust, but that one complaint regarding a broken tree branch was received. He further noted that six calls requesting information were received.

Mr. McIntyre said that the one outstanding item requested by the Board remains which is staining the concrete aprons used along the steeper sections of the access road. He said that staining the lower segment is recommended at a cost less than \$10,000.

Director Petterle suggested that a darker color be chosen to match the color of the soil rather than match the color of the grass.

Director Rodoni inquired about certain comments regarding a wetlands area in the construction area that may have been compromised during construction. Mr. McIntyre stated that on the westerly side of the road there was a low-lying area and that the area has been restored to its natural condition.

Mr. McIntyre informed the Board that he received a call this week from a person who lives on Center Road and who was unable to attend the public hearing. He said the caller informed him that the frogs had returned to the area, he thought the Center Road Tank contractor did a good job, and he was happy with the new road.

TAC MEETING – DECEMBER 1, 2008

Mr. DeGabriele provided a recap of the Water Advisory Technical Advisory Committee meeting. He reported that the updated Contractor Statistics for July through October showed that 20,256 acre feet of Russian River diversions were delivered to the contractors compared to 20,415

acre feet last year. He said that 2008 Sonoma County Water Agency deliveries, local supply and recycled water production is very similar to 2007 and that at the end of November, 37,000 acre feet remains in Lake Mendocino for release into the Russian River to support the returning Chinook salmon.

Mr. DeGabriele stated that the City of Petaluma has approved and signed the Memorandum of Understanding for the Sonoma-Marin Saving Water Partnership and the document is being circulated among the contractors for signature. He said that once all signatures are collected the MOU will go to the Sonoma County Board of Supervisors for approval.

The General Manager advised that SCWA is proposing to develop a multi-cultural program to attract landscapers and gardeners to the Qualified Water Efficient Landscaper Program. He said the Water Conservation Sub-Committee will hear more about the agency's proposed program and it then will be brought to the January TAC meeting for approval.

Mr. DeGabriele said the TAC discussed fluoridation and reported that small agencies (such as Cotati, Sonoma and Valley of the Moon) are not required to develop cost estimates for fluoridating water supply pursuant to Department of Health Services guidance.

Mr. DeGabriele reported that he suggested that the TAC recommend to the WAC to adopt a policy stating that compliance with the Biological Opinion was its top priority. He said the contractors agreed that the Biological Opinion should be a top priority, but that they did not want to undercut other priorities. He said that there was a good discussion among the TAC and that he and Grant Davis will draft the policy.

Mr. DeGabriele announced that the Agency Board of Directors will likely vote to release the Water Project Draft EIR at next Tuesday's Board of Supervisors meeting and that public workshops will be held. He also reported that the Budget Sub-Committee will meet to begin looking at next year's budget and review the financial model incorporating higher costs for the water project and Biological Opinion.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements (11/19/08 & 11/26/08), Legal Alert, ACWA 2008 Legislative Vote Record, Letter from Wiley Price & Radulovich Re Rate Increase. The Board received the following news articles: Consumers as Producers (11/17) and Salinity Notice (11/20).

ADJOURNMENT

President Rodoni adjourned the meeting at 8:13 p.m.

Submitted By

Renee Roberts
District Secretary