

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
February 19, 2013**

CALL TO ORDER

Vice President Rodoni 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 and John Schoonover. Also present were General Manager Chris DeGabriele, Secretary Katie Young and Auditor-Controller David Bentley. President Rick Fraites, Director Stephen Petterle and Chief Engineer Drew McIntyre were absent.

District employees Pablo Ramudo (Water Quality Supervisor), Robert Clark (Operations/Maintenance Superintendent) and Doug Moore (Construction/Maintenance Superintendent) were in the audience.

Vice President Rodoni informed the Board that, at the request of the General Manager, Item #9, Policy Revision for On-Call and Stand-By Duty; Overtime Policy, will be removed from tonight's agenda for further review by staff.

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 amended:

AYES: Director Baker, Rodoni, Schoonover

NOES: None

ABSTAIN: None

ABSENT: Director Fraites, Petterle

GENERAL MANAGER'S REPORT

Water Bond Coalition

Mr. DeGabriele stated that in the early 2000's there was a Water Bond Coalition formed principally of agencies and counties along the North Coast in advance of Prop 50, the Clean Water Bond that was passed in 2002. He said that Prop. 50 resulted in the Integrated Regional Water Management Plans and regional distribution of funding that the Department of Water Resources has ascribed to since then. He noted that the District benefited from the coalition and with the upcoming Water Bond scheduled for the November 2014 ballot, the same parties are talking about reenergizing the Water Bond Coalition to insure that the smaller entities of the North Coast are not

left out. He advised the Board that he participated in a conference call with the other parties and advised the Board that the District will likely continue participation in the Coalition.

SCWA Strategic Plan Workshop

Mr. DeGabriele informed the Board that he attended the SCWA Strategic Plan Workshop this afternoon. He noted that it was well attended by Water Contractor representatives, cities and the general public as well as SCWA's full board. He stated that there was a presentation that covered work force, public outreach, finance and energy strategies. Mr. DeGabriele said that the Water Agency displayed a chart that showed their performance in achieving carbon-free water and the goal to reduce greenhouse gases which has been remarkably successful.

Director Rodoni asked when the next workshop would be. Mr. DeGabriele informed the Board that the next SCWA Strategic Plan Workshop will be on April 2nd at the Lucchesi Center in Petaluma focusing on water supply, sanitation and flood control operations.

Congressman Huffman Reception

Mr. DeGabriele informed the Board that this Friday, Congressman Huffman will be holding a reception for elected officials and he and Director Fraites are planning to attend.

Fluoridation

Mr. DeGabriele informed the Board that the Sonoma County Board of Supervisors will consider their path forward on fluoridation of the Sonoma County Water Agency water supply at the Board of Supervisors meeting on Tuesday, February 26th. The Supervisors will consider a request to authorize a preliminary engineering design on how SCWA will fluoridate the water.

Director Schoonover asked if it would cost the District any money. Mr. DeGabriele stated that the Health and Safety code was revised in 1996 authorizes fluoridation provided that rate payers and taxpayers do not to pay for fluoridating the water supply.

Mr. DeGabriele stated that the Sonoma County Board of Supervisors are strident in their desire to see the water supply be fluoridated and ultimately the decision is made by the Board of Supervisors so the majority of discussions and the debate should take place there. He noted that if the District doesn't pay for it, the District will not have the choice but the Board of Supervisors must find the money to fluoridate.

Director Baker asked what would occur at Stafford Lake if the water from Sonoma County would be fluoridated. Mr. DeGabriele stated that California Department of Public Services would not require the District to fluoridate Stafford Lake supply.

Director Baker asked if it would cause problems for testing the water.

Pablo Ramudo answered that it shouldn't, and that if the water is fluoridated daily samples must be taken and Sonoma County Water Agency would have to do that.

Mr. DeGabriele opined that this fluoridation wouldn't occur for several years.

OPEN TIME

Vice 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

Vice President Rodoni asked if staff or Directors wished to bring up an item not on the agenda and the following items were discussed:

District Secretary, Katie Young, informed the Board that she will be attending a Board Secretary Conference in Anaheim next week from February 27th to March 1st and Renee Roberts will be filling in for her a couple of hours each day.

MONTHLY PROGRESS REPORT

Mr. DeGabriele reported that through the month of January water production in Novato and West Marin was up slightly. He noted that in January there was production from the Stafford Treatment Plant and at the end of January, Stafford Lake was full. Mr. DeGabriele advised that freeboard at the Oceana Marin treatment and storage ponds were in good shape. He informed the Board that the District has worked 384 days through the end of January without a lost time accident and that over the last four years District employees have worked safely 1,430 days out of a possible 1,449 days. Mr. DeGabriele stated that there were 13 service lines replaced in January, (ten polybutylene and three copper). He said that the complaints and service orders were down 15% in January, even though high bill complaints were up by one third.

David Bentley reported that the Monthly Investments the District's treasury has a cash balance of \$8.5M and is earning 0.45% interest. He noted that the ratio of total cash to budgeted annual operating expense stands at 67%. Mr. Bentley informed the Board that to-date, \$6.8M has been advanced for the Recycled Water Expansion Project and reimbursement from the federal government and the state for grant and loan funding is expected in this amount.

CONSENT CALENDAR

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

AYES: Director Baker, Rodoni, Schoonover

NOES: None

ABSTAIN: None

ABSENT: Director Fraites and Petterle

LAFCO SPECIAL DISTRICT MEMBER CALL FOR NOMINATIONS

Marin LAFCO is calling for nominations for a Special District Regular Member by March 1, 2013. Director Baker is interested in the position.

The Board nominated Director Baker for Marin LAFCO Special District Regular Member.

AUTHORIZE VACUUM EXCAVATOR REPLACEMENT

In 2003, the District purchased the current trailer mounted vacuum excavator to help improve the efficiency of service replacements and emergency repair work. The excavator has served that purpose well and is need of being replaced.

In the current FY 12/13 budget, staff recommended replacement of the trailer mounted vacuum excavator. Staff has contacted equipment manufacturers over the past few months and has developed a specification for proposals and is recommending a Request for Proposal be sent to specific dealers.

The Board authorized staff to solicit bids for the purchase of a new 800-gallon, trailer mounted vacuum excavator.

ACTION CALENDAR

RATE INCREASE NOTICE

Mr. Bentley reminded the Board that even though the Board had adopted a rate increase in effect for three consecutive years, the California Government Code provides that customers must be given notice a minimum of 30 days in writing before the new rate goes into effect. Mr. Bentley informed the Board that a message would be included on the water bills starting March 1st notifying customers of the rate increase.

Mr. Bentley stated that the District has a personalized calculator available on the District website that will show the customer how much their bill will increase with the new rate. He stated that the typical customer will see a five dollar per month increase.

Director Schoonover suggested that the message add language that a typical residence bi-monthly increase would be five dollars. Mr. Bentley said that staff will look at adding that wording to the message.

On motion of Director Baker, seconded by Director Schoonover and approved by those Directors present the Board authorized placing the notification on the water bill for Novato customers commencing March 1, 2013.

POLICY REVISION FOR ON-CALL AND STAND-BY DUTY; OVERTIME POLICY

Mr. DeGabriele requested that this item be removed from the agenda for further review by staff.

INFORMATION ITEMS

QUARTERLY PROGRESS REPORT- WATER QUALITY & QUARTERLY BACTERIOLOGICAL QUALITY MONITORING REPORT

Pablo Ramudo presented the Board with a quarterly progress report for water quality. He stated that the water served to the communities of Novato and Point Reyes met federal and state primary and secondary water quality standards during the second quarter. He informed the Board that Stafford Lake was water used as a source of drinking water through November 30th and the water quality was monitored on a weekly basis. He noted that algae numbers in Stafford Lake were very high. He noted that the total organic carbon concentration was down from the record high in September but still remained slightly high at 7.9 - 8.5 mg/L.

Mr. Ramudo advised the Board that the total organic carbon removal remained above 35 - 40% requirement, and that there were 243 samples collected in Novato for compliance with the Total Coliform Rule; and there were no positive coliform samples this quarter.

Mr. Ramudo informed the Board that Pt. Reyes water quality was good; there was no salinity intrusion. He advised the Board with the completion of Well #4, staff has begun monitoring and performing the necessary tests to obtain permission from the California Department of Public Health to use water from the well as a source of drinking water. He noted that staff would continue with monitoring the well and the District should be granted approval for use of Well #4 just before summer.

Director Baker asked if the testing typically takes a long time.

Mr. Ramudo said that normally testing takes at least one year and it depends on the first sample quality results, which is the most critical test. He advised the Board that the District has had good results so far.

Mr. Ramudo stated that the Pt. Reyes Treatment Plant performance was good and iron and manganese were not detected in the treated water. He noted that 23 samples were collected and there was one coliform positive sample this quarter at Paradise Ranch Estates Tank #4 due to a low chlorine concentration in the area because of air locking the chlorine booster pump. He advised the Board that the operators corrected the problem and will monitor it more frequently. Mr. Ramudo informed the Board that disinfection byproducts were good throughout the quarter.

Mr. Ramudo stated that Deer Island Recycled Water Facility produced water on the first day of the quarter and there was no coliform bacteria present.

QUARTERLY PROGRESS REPORT- OPERATIONS/MAINTENANCE

Robert Clark presented the Operations/Maintenance quarterly progress report to the Board. He stated that Stafford Treatment Plant operations continued through November, resulting in a production total of 1,089AF. He noted that Stafford Lake elevation at the end of the period was 195.7 feet and the lake spilled on January 3, 2013.

Mr. Clark said that the Novato water system flows are about the same as the year before, and staff is planning to flush Zone 1(0-60 feet elevation). He stated that the flows in Pt. Reyes are the same as the year before; and in Oceana Marin, Phillips Associates continue good performance of operations and maintenance tasks. He said that the freeboard in Oceana Marin ponds was reduced to 3.7 feet at the end of December and is now at 4.5 feet.

Mr. Clark stated that Recycled Water program has had a lot of activity with the North and South systems starting up. He noted that there are two existing sites in the north, Stone Tree Golf Course and Novato Fire Station on Atherton and seven new customers: Green Point Nursery, Tranquility Home Owners Association, Olive School (Novato Unified School District), Hamann Field (City of Novato), Wood Hollow, and Redwood Crossroads. Las Gallinas Valley Sanitary District recycled water plant produced water for four Meadow Park Home Owners Association sites in the south.

Mr. Clark stated that the Maintenance Department has been using temporary labor to help with cross connection control, and the Electrical/Mechanical department has completed the work on solar-powered controls at both Reservoir Hill and Plum Street Recycled Water tanks. He noted that

the Electrical/Mechanical staff has worked with the auto mechanic on the installation of a 2-phase electrical circuit for the 20-amp welder in the shop.

Mr. Clark informed the Board that a draft revision for the District's Regulation 6 (Cross-Connection Control) was initiated and is under review by District staff at this time. He noted that the proposed revisions are expected to be ready for the Board to consider in April. Mr. Clark informed the Board that Joe Cilia was a key person in working with the STRAW project his year and he learned new techniques to install plants in and around the facilities and has been doing tank site rehabilitation.

2013 URBAN AREA WATER COST COMPARISON

Mr. Bentley provided the Board with the 2013 Urban Area Water Cost Comparison. He stated that the District has moved up two positions from one year ago and is one position below the median. He noted that the annual cost of water is \$586 per year for the median Novato single family residential customer. Mr. Bentley stated that the District's bi-monthly service charge is \$25 and the median is \$29. He noted that Alameda County doubled their bi-monthly service charge in a single year whereas the District raised its service charge \$5 incrementally over three years.

MISCELLANEOUS:

The Board received the following miscellaneous information: Disbursements, Bimonthly Service Charge Analysis, Claim Resolution- 5 Sutton Lane, and Reception with local elected officials.

Director Baker commended Mr. Bentley and Doug Moore for the job well done on the Jonsen Claim.

Director Rodoni thanked Mr. Bentley for looking at the monthly service charge and asked if the District shouldn't adjust the larger meter size charge if the District is generating more revenue than they cost. Mr. Bentley responded that the District has looked at other agencies for charges and most agencies are all over the board with some based on the volume of water delivered. He noted that the District has been increasing the meter service charge across the board for many years.

ADJOURNMENT

Vice President Rodoni adjourned the meeting at 8:20 p.m.

Submitted by

A handwritten signature in black ink, appearing to read "Katie Young". The signature is written in a cursive style with a large, looping "Y" at the end.

Katie Young
District Secretary