

**NORTH MARIN WATER DISTRICT**  
**MINUTES OF REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
June 30, 2015

**CALL TO ORDER**

President Baker called the regular meeting of the Board of Directors of North Marin Water District to order at 7:00 p.m. at the Dance Palace in Point Reyes Station, CA and the agenda was accepted as presented. Present were Directors Jack Baker, Rick Fraites, Stephen Petterle, and John Schoonover. Also present were General Manager Chris DeGabriele, District Secretary Katie Young, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre.

Pt. Reyes Residents Ken Drexler, Wynne Firth, and Bob Karn, District employees Kerry Lemos (Maintenance/Operations Supervisor) and Robert Clark, (Maintenance/Operations Superintendent) were in the audience.

**MINUTES**

On motion of Director Schoonover, seconded by Director Petterle the Board approved the minutes from the previous meeting as presented by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

**GENERAL MANAGER'S REPORT**

**Meeting with SCWA**

Mr. DeGabriele met with Sonoma County Water Agency's General Manager and Chief Engineer and he advised the Board that the discussion was centered mostly on the cooperation with Mendocino County interests. He stated that he is going to suggest to the Technical Advisory Committee to expand the Sonoma Marin Saving Water Partnership into Mendocino County and retitle the partnership to be Russian River Saving Water Partnership.

**Upcoming Meetings**

Mr. DeGabriele advised the Board that that the next Technical Advisory Committee meeting is on Monday, July 6<sup>th</sup>, the North Bay Watershed Association Meeting is scheduled for July 10<sup>th</sup>, the Stafford Park Master Plan public meeting is next Tuesday, and that the District's next Board meeting will be on July 21<sup>st</sup>. He stated that the Water Supply Coordination Council meeting is July 22<sup>nd</sup> and he, Mr. Bentley, Director Baker and Director Fraites will be attending the ACWA Region 1 meeting July 24<sup>th</sup>.

### District Picnic

Mr. DeGabriele reminded the Board that the District Picnic will be on Saturday, July 25<sup>th</sup> and John Mello's retirement will be celebrated at the picnic.

### Water Conservation

Mr. DeGabriele informed the Board pertaining to water conservation in West Marin staff will be distributing "Water on Request" cards to restaurants and that there are over 95 people now on the list to receive recycled water from the residential fill station in Novato and that the District is hoping to have a soft opening mid-July. He noted that the District will end of the fiscal year with over 133 Cash For Grass Rebates, which is the most ever in one year.

### **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 the following item was discussed:

Mr. McIntyre informed the Board that the South Novato Blvd. cast iron pipe replacement project using pipe bursting techniques has started and the majority of the work should be completed this week. He stated that the District is using an outside traffic control firm which is working well and enabling District crews to concentrate on the pipe work tie-in.

President Baker asked that the excavation plating be given more attention on the South Novato Blvd job so that the transition from the pavement to plating is not so jarring and not a safety concern.

### **PUBLIC HEARING/APPROVE: WEST MARIN WATER FY 2015/16 BUDGET**

Mr. Bentley advised the Board that customers were notified of the public hearing which proposed a rate increase and adoption of the West Marin FY15/16 Budget individually by a letter dated May 15th which met government code notice requirements. He noted that the public hearing was announced in the Point Reyes Light and staff received no phone calls or letters to the District opposing the rate increase.

Mr. Bentley informed the Board that the proposed increase in the cost of water which averages 5% for both the typical residential and non-residential customer is recommended, comprised of a 6.5% commodity rate increase and no increase in the bimonthly service charge, which stands at \$30. He noted that the proposed increase would total \$31 annually for the typical

residential customer and is budgeted to generate \$37,000 in additional revenue next fiscal year. Mr. Bentley advised the Board that significant improvement projects are \$100K for continued work on upsizing 900 feet of 4-inch pipeline to 8-inch from Bear Valley Tanks, \$75K to replace the green-sand filter media in one of the two treatment plant filters, and \$50K to commence work on the replacement of the PRE Tank burned in the Vision Fire. Mr. Bentley informed the Board that in West Marin the average annual consumption over the past decade is 80MG and the forecast assumes water sales volume will remain flat at 70MG into the future as conservation programs continue to induce more efficient use of water. He advised the Board that the 2015 update of the Coastal Area Water Cost Comparison shows that even with the proposed rate increase, the water cost for the District's West Marin customers remains below that paid by the customers of seven coastal agencies surveyed.

President Baker opened the public hearing at 7:12 p.m.

Wynne Firth, West Marin resident, who is a neighbor of the PRE Tank 4A requested that the District consult with her and her family during the planning process of the tank replacement project.

Upon hearing no further comments, President Baker closed the public hearing at 7:14 p.m.

On motion of Director Petterle, seconded by Director Schoonover, the Board approved Resolution 15-13 entitled: "Resolution of the Board of Directors of North Marin Water District Amending Regulation 54 – Water Rates," adopted the FY15 West Marin Water System Budget, and authorized the General Manager to pay demands arising from execution of the budgeted FY16 West Marin Water expenditure plan by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

**PUBLIC HEARING/APPROVE: OCEANA MARIN SEWER FY2015/16 BUDGET**

Mr. Bentley advised the Board that similar to the rate increase in West Marin, Ocean Marin's proposed rate increase is 5%. He stated that there are 229 customers in Oceana Marin and the increase proposed will generate an additional \$9,000 per year. He informed the Board that a letter was mailed to all Oceana Marin customers on May 8<sup>th</sup> and the District received one response which was included in the Board packet.

Mr. Bentley stated that there is \$40K included in the budget for continued infiltration repair work to prevent rainwater from leaking into the collection system and future projects include \$100K for design and installation of an 8<sup>th</sup> disposal trench and \$340K for lining the settling and treatment ponds in FY19. Mr. Bentley advised the Board that there is one new connection fee budgeted and

that next year's budget projects operating expenditures to decrease 3% from the current year budget. He stated that the 2015 update of the Coastal Area Annual Sewer Cost Comparison, including the proposed 5% increase, shows that the Oceana Marin sewer service cost will continue to rank second among the six comparison coastal agencies.

President Baker opened the public hearing at 7:18 p.m. and hearing no comment, immediately closed the public hearing.

Director Rodoni asked for an update on the system now that staff is managing the system. Mr. Clark stated that there have been issues with the electrical system and some consultant inspection services but there is an overall improvement in the operations.

Mr. McIntyre advised the Board that Nute Engineering is finishing up the Waste Water Master Plan Update and staff is reviewing the report and will provide it to the Board at a future meeting.

Director Petterle read Ordinance #32 entitled: "Ordinance of the Board of Directors of North Marin Water District Electing to have Oceana Marin Sewer Charges be Collected on the Tax Roll of the County of Marin, State of California Commencing Fiscal Year 2015-2016."

On motion of Director Petterle, seconded by Director Fraites, the Board approved Ordinance #32 electing to have the Oceana Marin Sewer Service Charge be collected on the tax roll of the County of Marin by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

On motion of Director Petterle, seconded by Director Rodoni, the Board approved Resolution 15-14 entitled: "Revision of North Marin Water District Regulation 109 Oceana Marin Sewer Service – Rates and Charges", adopted the FY16 Oceana Marin Sewer Budget as proposed and authorized the General Manager to pay demands arising from execution of the budgeted FY16 Oceana Marin expenditures plan by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

### **ACTION CALENDAR- WEST MARIN**

#### **INCREASE OCEANA MARIN SEWER CONNECTION INSPECTION FEE**

Mr. Bentley advised the Board that the Oceana Marin Sewer Connection Inspection Fee has been \$140 since 1989, when it was increased from \$50. He informed the Board that the purpose of

the fee is to recover the District's administrative and inspection cost associated with a new connection. He stated that after looking at the District's labor cost, a fee of \$300 is appropriate.

Director Rodoni suggested that staff consider rolling the sewer inspection fee into the sewer connection fee charge in the future.

On motion of Director Rodoni, seconded by Director Fraites the Board approved Resolution 15-15 entitled: "Resolution of the Board of Directors of North Marin Water District Amending Regulation 106 f – Inspection Fee" by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

**PES ENVIRONMENTAL CONSULTING SERVICES AGREEMENT – EXPLORATION FOR POTENTIAL GROUNDWATER SUPPLY WELL LOCATIONS**

Mr. DeGabriele advised the Board that the FY 2015/16 West Marin Water Budget includes \$58K for a hydrogeological study for a second well at Gallagher. He informed the Board that PES Environmental, Inc. provided the proposal and cost estimate to conduct soil test borings and piezometer wells in the flood plain terrace adjacent to Lagunitas Creek within the Gallagher Ranch and recommends a similar evaluation at the Nobmann/Osborn Black Mountain Ranch. Mr. DeGabriele advised the Board that eight soil test borings are proposed at each property along with construction of one temporary piezometer at each property for measuring groundwater levels. He noted that the estimated costs for the work are \$29,200 at the Gallagher site and \$28,200 at the Nobmann/Osborn site. Mr. DeGabriele stated that District staff has made preliminary outreach to the property owners at both the ranches and informed Marin Agricultural Land Trust of the District's interest.

Director Rodoni asked that staff provide the Board with a review of the interconnecting facilities from Downey Well to Point Reyes Treatment Plant now that the significant investment has been made upstream from Downey.

On motion of Director Schoonover, seconded by Director Petterle the Board authorized the General Manager to enter into a Consulting Services Agreement with PES Environmental, Inc. to conduct exploration for potential groundwater supply well locations by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

## **INFORMATION ITEMS- WEST MARIN**

### **OVERVIEW OF THE SPRING 2015 WEST MARIN WATER LINE AND WATER USE PROHIBITIONS**

Mr. DeGabriele reviewed the West Marin Water use prohibitions that comply with the State Board's Emergency Conservation Requirements and provided the Board with copies of the Spring 2015 West Marin *WaterLine*. He stated that the District has restricted outdoor irrigation in the West Marin service area to no more than two days per week effective June 1, 2015 and landscape irrigation is prohibited during or within 48 hours of measurable rainfall.

Director Rodoni asked if information had been sent out after the substantial amount of rain advising Novato customers not to water for 48 hours.

Mrs. Young stated that she posted a message on the District's Facebook page after the measurable rainfall that reminded the customers that landscape irrigation was prohibited for 48 hours.

### **POINT REYES WELL #2 PUMP REPLACEMENTS AND REHABILITATION**

Mr. Clark advised the Board that as part of FY 2014/15 Capital Improvement Project Plan staff inspected the Point Reyes Well #2 and planned to replace the old inefficient pump. He stated when staff inspected the well it was determined that silt and sand had built-up in the bottom 15' of the well and would not allow for the pump replacement. Mr. Clark informed the Board that staff spoke with GHD, Inc. who developed the Well #3 replacement plan and now have developed a plan and scope of work for Well #2 to be rehabilitated and Week's Drilling and Pump will perform the physical Well #2 rehabilitation work.

Mr. Clark advised the Board that on June 25<sup>th</sup> the District received final approval from the Division of Drinking Water for use of the Gallagher Well and on Monday, June 29<sup>th</sup> Gallagher Well startup testing was performed to have the well operation ready for use when the permit is issued.

President Baker asked that an aerial map be provided in the future showing the locations of the well facilities in West Marin.

### **WEST MARIN CAPITAL IMPROVEMENTS PROJECTS – FY14-15 PRELIMINARY YEAR-END PROGRESS REPORT**

Mr. McIntyre provided the Board with the Preliminary Year-End progress report for the West Marin Capital Improvement Projects (CIP). He stated that a total of ten CIP's were originally budgeted for the West Marin and Oceana Marin service areas, none were added, three were carried over and one was dropped. He noted that out of the 12, nine projects have been completed and the overall progress completion percentage was 83%.

Mr. McIntyre advised the Board that the Point Reyes Treatment Plant Solids Handling Facilities Project has now been pushed to FY16-17 in hopes that pending property transfer discussions between the federal government and Marin County for the Point Reyes Coast Guard Housing property will be successful.

Mr. McIntyre stated that the construction phase of the 4" pipe upsize from Bear Valley Tanks has been carried over into FY15/16 due to competing work load demands and that all design work and material procurement is complete and staff is waiting for County encroachment permit approval before start of construction.

Mr. McIntyre informed the Board that the main project completion this year was the Gallagher Well Pipeline Project. He stated that the District received over 98% of state grant funds for the Pipeline Project to improve water quality for West Marin customers.

President Baker applauded staff's effort to obtain outside funding for the Gallagher Well Pipeline Project.

### **CONSENT CALENDAR**

On the motion of Director Petterle seconded by Director Fraites, the following items were approved on the consent calendar by the following vote:

AYES: Director Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

### **DR. DANG DENTAL OFFICE (5404 NAVE DR.)**

Dr. Dang Dental Office project is a tenant improvement of an existing 1350 sq/ft office building, on a 13,000 sq/ft lot located at 5404 Nave Drive. This agreement will provide water service to a new dental office and irrigation for landscaping. New water facilities include 20 feet of 4-inch PVC main, 20ft. of steel main, and one 4-inch fire service.

The Board approved the agreement and Resolution 15-16 entitled: "Authorization of Execution of Water Service Facilities Construction Agreement with Hieu Ngoc Dang and Lan Hong Nguyen."

### **APPLICATION FOR 2645 PETALUMA BLVD. SOUTH SELF STORAGE**

The District recently received an application for revised water service to 2645 Petaluma Blvd. South. The proposed project is a self-storage facility with an office and total building area of approximately 103,000 sq/ft. The applicant understands that future water demand of the proposed project must be at or below the existing entitlement of one EDU, therefore, this application will not

increase the number of services and will not increase water demands and meets the requirements of the District Policy Number 24 and Resolution 1230, "Service from North Marin Aqueduct".

The Board declared its intent to provide water service to the subject parcel pursuant to District regulations including land use approval from County of Sonoma, no objections from nearby affected agencies and receipt of payment of all charges.

#### **GROUP LIFE INSURANCE RENEWAL**

The District's benefit package includes a life insurance policy for regular employees with a benefit equal to their annual salary. The group life benefit also includes an accidental death and dismemberment policy that offers double indemnity in the event of accident death and defined lump sum payments if there is loss of sight or appendage. District's current provider is Mutual of Omaha, at \$2.04/\$1,000 of payroll which expires July 31, 2015.

Staff recommends staying with Mutual of Omaha, which includes a two year rate guarantee of \$2.28/\$1,000.

The Board authorized the Auditor Controller to enter into a contract with Mutual of Omaha for the District's Group Life and Accidental Death and Dismemberment Insurance at a rate of \$2.28 per \$1,000 of payroll for two-year period commencing August 1, 2015.

#### **SUBMISSION OF LAFCO APPLICATION TO NORMALIZE IRREGULAR WATER SERVICE TO YEE AND FONTES**

The Board approved submission of LAFCO application for normalizing existing water service outside of District boundaries for the Yee and Fontes parcels and authorized the General Manager to submit a letter in support of said application.

#### **INFORMATION ITEMS- NOVATO**

#### **2014/15 MARIN COUNTY CIVIL GRAND JURY REPORT: THE NEED FOR LABOR NEGOTIATION TRANSPARENCY PART II**

Mr. DeGabriele provided the Board with copies of the Marin County Civil Grand Jury Report: the Need for Labor Negotiation Transparency Part II and informed the Board that the report has been issued specifically to the District, Marin Municipal Water District and Golden Gate Transportation District to respond to the findings and recommendations. He noted that the District has until September 13<sup>th</sup> to respond and is requesting the District's labor law legal counsel for assistance. He advised the Board that staff will develop options for the Board to consider. Mr. DeGabriele stated that this topic is very popular and the County of Marin and other cities have been requested by the Grand Jury to consider its implementation.

Director Petterle advised that the Marin County Board of Supervisors received an extensive testimony regarding COIN at their meeting today and suggested that the General Manager consult with the County Administrator regarding the County of Marin's response to the Marin County Civil Grand Jury and consideration of COIN.

Mr. DeGabriele informed the Board that Kerry Lemos, President of the District's Employee Association was in the audience to be apprised of the item.

**MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements, and Ltr. From City of Novato re: JADU's.

The Board also received the following news articles: State regulators approve water restrictions to aid Sonoma County salmon streams, Appeal court gives CDFW more power over water diversions, and School District changes water plans.

**CLOSED SESSION**

President Baker adjourned the Board into closed session at 7:46 p.m. in accordance with Government Code Section 54954.5 and 54956.9(a) – Conference with Legal Counsel – Venegas EEOC Complaint (Case 550-2015-00479) – Existing Litigation and in accordance with Government Code Section 54957 for Public Employee Performance Evaluation (One), Title: General Manager.

**OPEN SESSION**

Upon returning to regular session at 7:51 p.m., President Baker stated that during the closed session the Board had discussed the issue and no reportable action had been taken.

**ADJOURNMENT**

President Baker adjourned the meeting at 7:52 p.m.

Submitted by



Katie Young  
District Secretary