

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
September 18, 2012**

CALL TO ORDER

President Petterle 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, 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), Doug Moore (Construction/Maintenance Superintendent) and Katie Young were in the audience.

MINUTES

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

GENERAL MANAGER'S REPORT

Las Gallinas Valley Sanitary District Recycled Water Facility Dedication

Chris DeGabriele reminded the Board that next Tuesday, September 25, is the Las Gallinas Valley Sanitary District Recycled Water Facility dedication, and stated that he prepared suggested comments for the District's NBWRA Board representative, Director Schoonover, to make at the event.

On-Line Publication Feature Article

Mr. DeGabriele informed the Board that an on-line magazine, *Energy Digital and Business Review USA*, has asked for an interview to prepare a featured article about the District. He said that there will be no cost to the District, but the publisher asks for contact information for District consultants and vendors and then solicits them to purchase an ad that will be embedded in the on-line publication. He stated that before he proceeds, he wanted to make sure the Board was comfortable with this.

Director Baker expressed his concern and stated that he would discourage the Manager from being interviewed. Director Fraites stated that he thought it was a good idea.

SCWA Presentation on Zebra and Quagga Mussels

Director Baker advised that he went to a presentation by Sonoma County Water Agency staff on the increasing problem of zebra and quagga mussels in North Coast waterways. He said the Agency's prevention planning efforts are currently underway to prevent the spread of invasive quagga mussels from entering Lakes Sonoma and Mendocino and other North Coast waterways. He stated that he thought it would be a good idea to ask Brad Sherwood, SCWA Public Information Officer, to make a brief presentation to the District Board on the topic.

INTERVIEWS - APPLICANTS FOR DISTRICT/ADMINISTRATIVE SECRETARY

The Board interviewed Katie Young and Sue Kessler for the District/Administrative Secretary position being vacated by Renee Roberts who is retiring in December.

MONTHLY PROGRESS REPORT

Mr. DeGabriele reported that in August, water production in Novato and West Marin was up 6% and 5% respectively, recycled water production was down 7% and Stafford Treatment Plant production was down 46%. He stated that the Stafford Lake level is also down and is about the same elevation as 2009 even though two times the amount of water had been produced during July and August 2009, an indication of dry conditions this year. He further stated that the Stafford Treatment Plant will operate through September and October. Mr. DeGabriele advised that Oceana Marin storage and treatment ponds are in good shape as the rainy season approaches and that this year is predicted to be an El Niño year. He noted that in Safety and Liability, staff worked 231 days without a lost time accident or injury and there have been no incidents through the first two months of the fiscal year. He said that the Summary of Complaints and Service Orders for the month of August are down; year-to-date complaints are up by 25%, principally due to high bill complaints and water quality taste and odor complaints.

Mr. Bentley reported that the month of August ended with a balance \$8.2M in the bank and that the District is expending a lot of money on the Recycled Water projects resulting in a \$2M decrease in the cash balance in the month of August. He said that grant and loan funds are still expected. The portfolio is earning an average rate of 0.45%.

CONSENT CALENDAR

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

CITY OF NOVATO - ADMINISTRATIVE OFFICE, 922 MACHIN AVE. 12-22

The City of Novato Administrative Office Project proposes construction of approximately 23,600 square feet of office space on six parcels bounded by Cain Lane, the Civic Green and

Director Rodoni said that it may be important, from an outsider's perspective, that the two districts are discussing the issue.

On motion of Director Rodoni, seconded by Director Baker and unanimously carried, the Board set a special meeting for October 11, 2012 with the Novato Sanitary District Board of Directors at 1:30 p.m. to be followed by the Recycled Water Treatment Facility dedication ceremony.

Mr. DeGabriele advised that the District has committed funds to the Las Gallinas Valley Sanitary District (LGVSD) and NSD Recycled Water dedications that have not been budgeted. He said that LGVSD has hired an event planner and publicist. He said that some of the consultants and contractors are helping to offset the cost of the event and the District's portion is approximately \$6,000. He stated that he does not have a budget yet for the NSD dedication.

INFORMATION ITEMS

NORTH BAY WATER REUSE AUTHORITY BOARD MEETING - AUGUST 20, 2012

Mr. McIntyre provided a summary of the North Bay Water Reuse Authority (NBWRA) Board of Directors meeting held on August 20, 2012. He reminded the Board that the District is participating in Phase 1 only and the other member agencies are participating in Phase 2. He said that it was anticipated that three new agencies would be joining the NBWRA, and the preliminary 2012-13 budget of \$809,100 was reduced to \$672,000 to reflect additional members participating in the cost. He said it is still the goal to add Phase 2 participants; but there is uncertainty in the scope of Phase 2, and the NBWRA will wait before inviting more agencies to join. Mr. McIntyre advised that although the total budget was reduced, the elimination of new potential Phase 2 agencies' participation has resulted in an increase to all member agencies, including the District.

Mr. McIntyre noted that the District has received approximately 68% of total grant funding totaling \$3M in ARRA and WaterSmart grants and will allow the completion of the Phase 1 projects (Novato North and South area projects). He said that the District will maintain its membership in NBWRA until the \$1.6M in future grant funds are dispersed for continuation of the Novato Central project. He reminded the Board that the terms of the ARRA grant funds requires that the sanitary districts recycled water treatment plants be up and running and that the distribution systems have the ability to deliver recycled water to at least one end-user. Mr. McIntyre acknowledged the good work of Robert Clark, Pablo Ramudo and their staff because of the significant change in responsibility to retrofit the end-users' irrigation systems.

Mr. McIntyre reported that the bids for Phase 2 of the Recycled Water South project were opened a few weeks ago. He said that the engineer's estimate was \$1.3M, the low bid was \$1M and the second and third low bids were \$1.4M. He advised that there was a \$440,000 discrepancy

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements and SCWA Local Hazard Mitigation Plan Update.

CLOSED SESSION

President Petterle adjourned the Board into closed session for; Conference with Labor Negotiators; District's Designated Representatives – Chris DeGabriele and David Bentley; Employee Organization – North Marin Water District Employee Association In accordance with Government Code Section 54957.6 and

Public Employee Performance Evaluation (One), Title: General Manager In accordance with California Government Code Section 54957

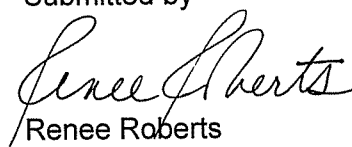
OPEN SESSION

Upon returning to regular session at 9:36 p.m., President Petterle stated that during the closed session the Board had discussed the issues and no reportable action had been taken.

ADJOURNMENT

President Petterle adjourned the meeting at 9:37 p.m.

Submitted by



Renee Roberts
District Secretary