

NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
December 3, 2013

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

Al Cornwell and Don Curry (CSW/Stuber-Stroeh), Kerry Moore and District employee Doug Moore (Construction/Maintenance Superintendent) were in the audience.

REORGANIZATION OF BOARD

Election of President

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

Election of Vice-President

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

Establishment of Meeting Times and Place

On motion of Director Fraites, 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.

Establishes the Manner of Calling Special Meetings

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

Appointment of District Officers

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

Katie Young, District Secretary; David L. Bentley, Auditor-Controller; and Drew McIntyre, Chief Engineer.

Confirm Board Meeting Schedule for 2014

On motion of Director Petterle, seconded by Director Fraites and unanimously carried, the Board accepted the proposed meeting schedule for the 2014 calendar year with the understanding that the calendar may be adjusted as needed.

Committee Appointments

President Rodoni stated that he will take committee appointments into consideration and will return to the Board with his recommendations at a future meeting.

MINUTES

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

GENERAL MANAGER'S REPORT

Mr. DeGabriele was absent from the meeting.

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 the following items were discussed:

Drew McIntyre informed the Board that he will be absent for the next meeting in December and will be travelling outside of the country.

Director Fraites informed the Board and staff that he and Director Rodoni and Baker were fortunate enough to attend the release of coho salmon in Dry Creek and to tour the Dry Creek Habitat Enhancement demonstration project. He stated that the tour was very informative and he was very pleased with the presentation.

President Rodoni noted that Director Fraites and Director Schoonover were sworn in before the meeting by District Secretary, Katie Young for their next term of service. President Rodoni stated that he was very impressed with the tour at the Dry Creek Habitat Enhancement project and stated that the General Manager of Sonoma County was very grateful the District Board members and General Manager could attend the tour.

CONSENT CALENDAR

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

FINAL ANNUAL REPORT FISCAL YEAR 2012-2013

The Board approved the Final Annual Report for Fiscal Year 2012-2013. The Board will receive the hard copy at the December 17th meeting.

ACTION CALENDAR

DUTRA WATER SERVICE AGREEMENT

Drew McIntyre provided the Board with background on the Dutra Haystack Landing Water Facilities project stating that the project is located on two parcels on the east side of Petaluma Blvd. South just outside the Petaluma city limits. He noted that the District currently provides water service to the parcels outside the District's Novato Service Area boundary through a 1-inch meter that was set back in the 1960's. Mr. McIntyre reminded the Board that in 2007 Dutra requested a water main extension and improved fire service. He stated at that meeting staff requested direction from the Board and offered two options: 1) maintain existing historical service from the existing 1-inch water meter; or 2) relocate the existing 1-inch meter to the east side of Hwy 101 and extend a fire service main south on Petaluma Blvd. South. He stated that the Board chose option 2 to relocate the existing meter and extend the fire service. Mr. McIntyre informed the Board that since that time Sonoma County Water Agency has been working with Caltrans in relocating the old aqueduct running a new alignment fronting the access to the Dutra property. Mr. McIntyre stated that the new water service agreement would consist of installing 20 feet of 12-inch WSP lowering, 20 feet of 12-inch PVC pipe, 400 feet of 8-inch PVC main, two commercial fire hydrants, one 1-inch domestic service with a 1-inch RPP backflow prevention device and one 1-inch irrigation service with a 1-inch RPP backflow prevention device. He noted that the project water demand of 5 Equivalent Dwelling Units (EDU) is within the existing 7 EDU's historical water use entitlement. Mr. McIntyre informed the Board that 2 EDU's will be reallocated and provided to the Yee and Fontes parcels who will pay connection fees in 2014. Mr. McIntyre reminded the Board that this item was postponed from a Board meeting in November so the City of Petaluma could have more time to look at the agreement and that staff has included a recent letter from the City of Petaluma's City Manager requesting the Board take no action at this time and postpone this agreement until the Court of Appeals rules on a lawsuit related to the Dutra project. Mr. McIntyre stated from a staff perspective Dutra has met all the requirements to maintain water service in place and has all of the permits and land uses approvals completed. He stated that staff has spoken to legal counsel and the District is not violating

any rule of law or regulations by providing water service to Dutra and that staff recommends approving the agreement.

Director Petterle asked if the Board defers the agreement, if it was going against District regulations. Mr. McIntyre said that it is not going against any District regulations and the Board has the authority to approve or postpone.

Director Fraites asked what the difference was for the District to wait until the lawsuit was finalized.

Mr. McIntyre stated that the court date is set for January and that it is a good chance the issue will not be resolved.

Director Fraites asked if time was a concern.

Al Cornwell from CSW introduced himself and said he was the engineer for Dutra. He stated that all of the approvals are in place and once the agreement is in place the permits could be immediately finalized and that the applicant is ready to go forward with the project.

Director Baker stated that Dutra has done everything the District has asked them which is consistent with other projects and that the District owes it to the applicant to move forward with the approval of the agreement.

President Rodoni asked if the District heard anything back from Marin LAFCO.

Mr. McIntyre responded that nothing has been heard recently and that historically Yee has received irregular service from the Dutra meter.

President Rodoni stated that the District has no obligation to the other two property owners, Yee and Fontes, until their contracts are completed and he doesn't see any reason to delay the agreement.

On motion of Director Baker, seconded by Director Schoonover and carried by the following vote, the Board approved authorization of the Dutra Haystack Landing Water Facilities agreement and Resolution 13-16 titled: "Authorization of Execution of High Pressure Outside District Boundaries Water Service Facilities Construction Agreement with Dutra Group."

AYES: Directors Baker, Rodoni, Schoonover

NOES: Directors Fraites, Petterle

ABSENT: None

ABSTAIN: None

**APPROVE AQUEDUCT ENERGY EFFICIENCY PROJECT REACH A-D/MSN B3 BID
ADVERTISEMENT – 1. PIPELINE CONTRACT AND 2. ADVANCE TREE REMOVAL CONTRACT**

Mr. McIntyre informed the Board that Caltrans and the District are ready to move forward with the second and final phase of the aqueduct relocation project, AEEP Reaches A-D, MSN B3 Project. He stated that Al Cornwell and Don Curry of CSW/Stuber-Stroeh, have now completed the AEEP Reach A-D/MSN B3 Project detailed design and have prepared 100% plans and specifications for the project. Mr. McIntyre advised the Board that the pipeline construction duration is projected to be approximately 1.5 years and has an anticipated start of construction date in late spring 2014. He advised the Board that Caltrans is requesting that the District perform an advanced tree removal contract so that the trees along the pipeline corridor can be removed prior to the nesting period for birds. He noted that the cost of the tree removal will be approximately \$110K and the bid advertisement will run through December and come back to the Board for approval in January.

Mr. McIntyre stated that the pipeline construction contract is a much bigger project and staff will advertise the project and then have a pre-bid meeting in early January. He informed the Board that the total cost of the project is estimated to be \$14.5M, with the bulk of the construction cost for Reach B reimbursed by Caltrans'. He advised the Board that the District and Caltrans' are currently finalizing the NMWD-Caltrans Utility Agreement. Mr. McIntyre stated that staff will be soliciting a request for proposals for construction manager in January 2014 and will bring back the Utility Agreement for the Board consideration for approval prior to the award of the pipeline contract.

Director Fraites asked approximately how many trees were going to be cut down. Don Curry from CSW/Stuber-Stroeh answered 201. Director Fraites asked if we had to replace the trees and Mr. Curry said that the District was responsible for only removing the trees and the contractors will remove the stumps later.

On motion of Director Petterle, seconded by Director Baker and unanimously carried, the Board authorized bid advertisement on the following two AEEP Reach A-D/MSN B3 Projects: Advance Tree Removal Contract, and Pipeline Contract.

Mr. Al Cornwell and Mr. Don Curry left the meeting.

CONSIDER REDUCTION IN FACILITIES RESERVE CHARGE FOR NEW ACCESSORY DWELLING UNITS

President Rodoni informed the Board that he asked Mr. DeGabriele to review the City of Novato's request to reduce facilities reserve charges and commended Mr. DeGabriele on his memo and letter to the city.

Mr. McIntyre reminded the Board that the City of Novato has requested the District to reduce facilities reserve charges for new accessory dwelling units to make it more affordable. He stated that the proposed reduction to the facilities reserve charge is from \$11,200 to \$10,000 to match the connection fees for a mobile home unit. Mr. McIntyre advised the Board that in the letter to the City of Novato it is recommended to enforce deed restriction on the properties to remain affordable. He noted that the Regulation 1 changes apply to Novato and West Marin whose facilities reserve charge for accessory dwelling units will go from \$8,900 to \$8,000.

On motion of Director Schoonover, seconded by Director Baker and unanimously carried, the Board adopted the revised Regulation 1 reducing Facilities Reserve Charges for Accessory Dwelling Units in Novato to \$10,000 and in West Marin to \$8,000 and authorized the President to sign a letter to the City of Novato recommending the City deed restrict ADU's so that they remain affordable, limit ADU's to one per parcel and establish an amnesty program for existing ADU's not now permitted.

ACQUISITION OF GUSTAFSON COURT 1ST DEED OF TRUST

Mr. Bentley advised the Board that staff recommends the District acquire the 1st deed of trust on the 15 Gustafson Court property. He stated that the total amount owed to acquire the 1st deed of trust is \$383,793 which includes interest, property taxes, insurance, property maintenance fees and late charges. Mr. Bentley informed the Board that the Employer Assisted Housing Fund is depleted, that the money to acquire the first deed of trust is proposed to come from the District's general funds and at some point the District will sell the home with the proceeds equal to the amount of the 2nd deed of trust returned to the Employer Assisted Housing fund, and the balance going back to the District's general funds.

Director Baker asked the size of the home.

Mr. Bentley stated that it is a 1200 sq/ft home in a great school district and the house is rented to a an employee and his fiancé.

On motion of Director Fraites, seconded by Director Baker and unanimously carried, the Board authorized staff to acquire the 1st deed of trust on the 15 Gustafson Court property.

RESOLUTION OF APPRECIATION FOR DOUG MOORE

Drew McIntyre advised the Board that Doug Moore, Construction Superintendent is retiring from the District after 39 years of employment. He stated what a great attribute to the District Doug has been and thanked him for all his hard work and dedication to the District. Mr. McIntyre informed the Board that Doug's last day will be December 30th and that staff would requested the Board approve the Resolution of Appreciation for Doug Moore.

On motion of Director Fraites, seconded by Director Petterle and unanimously carried, the Board approved Resolution 13-17 titled: "North Marin Water District Resolution of Appreciation to Doug Moore."

President Rodoni applauded Doug Moore for his years of service and stated what a pleasure it was working with him.

Doug Moore thanked the Board and the District for employing him for the last 39 years and stated that he has seen a lot of changes and growth in the company. He expressed his gratitude to all of his co-workers that have come and gone and said he was going to enjoy his retirement.

The Board thanked Doug Moore for all his hard work and dedication to the District.

INFORMATION ITEMS

TAC MEETING – DECEMBER 2, 2013

Mr. McIntyre provided the Board with a summary of the TAC meeting held on December 2nd. He stated that there is still L/R/T2 funding available for the City of Cotati in the SCWA FY2013/14 budget. He noted that the City of Cotati just needs a cooperative funding agreement with SCWA. Mr. McIntyre advised the Board that Marin Municipal Water District has requested the remainder of their L/R/T2 funding for next fiscal year for a golf course recycled water project.

Mr. McIntyre stated that Pam Jeane reported on an informal survey of SCWA staff working on the 20-Gallon Challenge and the efforts resulted in a 3% reduction in the Russian River diversions and a 2% increase in local production during the Temporary Urgency Charge Order period.

Mr. McIntyre informed the board that there was an update on the Biological Opinion and that approximately 2,407 Chinook Salmon have been counted as of November 27th.

NBWA MEETING – DECEMBER 6, 2013

Director Fraites informed the Board that he will be attending the North Bay Watershed Association meeting on Friday, December 6th.

NBWRA BOD MEETING – NOVEMBER 18, 2013

Drew McIntyre provided a summary of the quarterly North Bay Water Reuse Authority Meeting. He stated that there was a workshop related to the Phase 2 Scoping Study. He stated that a NBWRA consultant made a power point presentation including scoping study activities, water supply and operations, potential scale of program cost, and decision filters to assist Phase 2 Members' priorities. Mr. McIntyre reminded the Board that the District is only a phase 1 participant.

Mr. McIntyre stated that Novato Sanitary District's phase 2 interest is primarily related to large storage projects and treatment improvements.

Director Schoonover stated that he got a chance to meet and greet with the new assemblyman, Mark Levine, and was able to ask questions.

Director Fraites asked if NSD is still discharging into the bay and if there will be a reduction in discharge with the new recycled water projects. Mr. McIntyre stated that NSD is still discharging into the bay but the recycled water project is resulting in a smaller discharge and that they are looking into more improvements and large storage units to improve that further.

MISCELLANEOUS

The Board received the following miscellaneous information: Disbursements, Formal Announcement of Retirement, and Letter from City of Cotati re: fluoridation.

The Board also received the following news articles: Distrust brewing over tribe's land, George Quesada Jr., and JM Eagle Loses Whistleblower Case Over PVC Pipe, Vows Appeal.

ADJOURNMENT

President Fraites adjourned the meeting at 8:30 p.m.

Submitted by



Katie Young
District Secretary