

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
June 5, 2018**

CALL TO ORDER

President Fraites called the regular meeting of the Board of Directors of North Marin Water District to order at 6:00 p.m. at the District Headquarters and the agenda was accepted as presented. Present were Directors Jack Baker, Rick Fraites, Michael Joly, James Grossi, and Stephen Petterle. Also present were General Manager Drew McIntyre, District Secretary Terrie Kehoe, Auditor-Controller Julie Blue and Chief Engineer Rocky Vogler.

District employees, Tony Arendell (Construction Supervisor), Robert Clark (Maintenance/Operations Superintendent) Pablo Ramudo (Water Quality Supervisor) and Chris Rodriguez (Field Service Representative) were also in attendance. Ari Lauer (District legal counsel), and Novato residents, Lauren Long, and Joyce Rhodes were in the audience.

CLOSED SESSION

President Fraites adjourned the Board into closed session at 6:01 p.m. in accordance with Government Code Section 54956.8 Property: Recycled Water Agreement between North Marin Water District and Marin Country Club; District Negotiators: General Manager and Counsel; Negotiating Party: Marin Country Club; under Negotiation: Price and Terms.

OPEN SESSION

Upon returning to regular session at 6:55 p.m., President Fraites stated that during the closed session the Board had discussed the issue and no reportable action had been taken.

MINUTES

On motion of Director Baker, seconded by Director Petterle the Board approved the minutes from the May 15, 2018 meeting as presented by the following vote:

AYES: Director Baker, Fraites, Grossi, Joly and Petterle

NOES: None

ABSENT: None

ABSTAIN: None

GENERAL MANAGER'S REPORT

During the General Manager's report, Mr. McIntyre reminded the Board that there will be three Board Meetings this month, the last one on June 26th, which will be held in West Marin. Mr. McIntyre also talked about the upcoming Eel Russian River Commission Meeting on June 8th to

discuss Pacific Gas and Electric's desire to auction the Potter Valley Project this fall. Mr. McIntyre also reminded the Board about the upcoming NBWA meeting on June 8th at the Marin Community Foundation in Hamilton.

OPEN TIME

President Fraites asked if anyone in the audience wished to bring up an item not on the agenda. Ms. Lauren Long a member from the audience asked North Marin Water District to support Senate Bill 623, known as the Safe and Affordable Water Drinking Water Fund which proposes to establish a statewide tax on residential and business water bills in California to fund State programs that address poor drinking water quality in rural disadvantaged communities. The Board thanked Ms. Long for coming to the meeting and expressing her concern.

STAFF/DIRECTORS REPORTS

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

Mr. Clark reported that we have been unable to receive recycled water from Las Gallinas Valley Sanitary District (LGVSD) due to a problem associated with their UV disinfection system. Mr. Clark stated that this issue is expected to be resolved in mid-July and in the interim we have been supplying our South service area recycled water customers with potable water. Director Baker questioned as to the cause of the problem. Mr. Clark said that LGVSD has advised that low pH water appears to be damaging the feed pipe lining at their treatment facility so they will need to change out the pipe to stainless steel.

Director Joly commented that Directors have many Novato budgets to approve and said that it would be helpful if staff could stagger them in two meetings and allow more time for review. Mr. McIntyre responded that the budgets are submitted to the Board on a schedule that allows three separate reviews and that if more time was needed staff could look at expanding this review schedule. Director Pettele commented that he would prefer to keep the Novato budgets grouped together so that interested customers would not have to attend multiple meetings.

Director Joly asked Mr. Vogler about the status on the Ridge Road Pipeline Replacement project, since he heard from a citizen that it may be finished sooner than expected. Mr. Vogler replied that the bulk of the work should be done soon, but there is still testing and final paving to be completed. Director Fraites expressed concern on the "S" curve section of Ridge Road where it is very steep and it appears that there is loose asphalt. Mr. Vogler replied that this is a temporary patch and final paving will follow. He also stated that our contractor will be applying a microseal over the roadway within the work limits.

CONSENT CALENDAR

On the motion of Director Petterle, and seconded by Director Joly the Board approved the following items on the consent calendar by the following vote:

AYES: Director Baker, Fraites, Grossi, Joly and Petterle

NOES: None

ABSENT: None

ABSTAIN: None

WATER AGREEMENT – COLLEGE OF MARIN INDIAN VALLEY CAMPUS ORGANIC FARM

The Board approved the Water Service Agreement for College of Marin Campus Organic Farm.

RESOLUTION RE CONSOLIDATION OF DISTRICT ELECTION AND FILING INFORMATION

DISTRICT ELECTION, NOVEMBER 6, 2018

The Board approved the Resolution re the Consolidation of District Election. Directors Fraites and Grossi seats will have four year terms following the 2018 election, and Director Joly's seat has a two year term. The filing period for the November 6, 2018 District Election is July 16 through August 10, 2018.

GROUP LIFE INSURANCE RENEWAL

The Board approved the recommended 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. Mutual of Omaha will continue to be our policyholder as they are the lowest cost and guarantee a two-year rate.

MARIN COUNTY COOPERATIVE SERVICES AGREEMENT – CASGEM

The Board approved the Cooperative Services Agreement with Marin County. The California Statewide Groundwater Elevation Monitoring (CASGEM) requires that groundwater elevations in all basins be regularly monitored. NMWD will assist Marin County Environmental Health Services with groundwater measurements at three of the well site locations in the northwestern portion of the county since we routinely travel to this area as part of our Oceana Marin operation and maintenance duties.

ACTION CALENDAR

EMPLOYER ASSISTANT HOUSING PROGRAM LOAN

Ms. Blue reviewed the District's Employer Assisted Housing Program and recommended that Field Services Representative, Christopher Rodriguez, be granted a loan of \$275,000 to purchase a market-rate home in Novato. Mr. McIntyre commented that Mr. Rodriguez interfaces regularly with our customers and his name is often mentioned with praise from our customers in the customer service reports. This program will help keep Mr. Rodriguez within the local community.

On the motion of Director Petterle, and seconded by Director Baker, the Board approved the Employer Assisted Housing Loan by the following vote:

AYES: Director Baker, Fraitas, Grossi, Joly and Petterle

NOES: None

ABSENT: None

ABSTAIN: None

CONTRACT EXTENSION FOR NMWD TRENCH RESTORATION PAVING

Mr. Arendell explained that W.K. McLellan Company has been the District's paving contractor for trench restoration work since 1997. McLellan has had an excellent working relationship with NMWD, the City of Novato and Marin County and there have been very few complaints due to the high quality of their work. Mr. Arendell requested the contract be extended for another year with no change in unit pricing. Director Baker commented that they have been around forever and that receiving a compliment from the City of Novato is testament to their good work.

On the motion of Director Baker, and seconded by Director Joly, the Board approved the Contract Extension for NMWD Trench Restoration Paving by the following vote:

AYES: Director Baker, Fraitas, Grossi, Joly and Petterle

NOES: None

ABSENT: None

ABSTAIN: None

MMWD and North Marin Surplus Water Agreement

Mr. McIntyre stated the agreement was developed for surplus water to be released by Marin Municipal Water District and treated by NMWD for ultimate use by the Nicasio community during intermittent limited water shortage conditions and is consistent with provisions in the NMWD and MMWD 2014 Interconnection Agreement. The MMWD Board of Directors approved this agreement at their May 15, 2018 meeting. Director Baker inquired as to where the customers or their

contractors would actually take the water from the NMWD delivery system? Mr. McIntyre responded that a private hauler would obtain the water from the West Marin system using a hydrant meter.

On the motion of Director Joly, and seconded by Director Baker the Board approved the MMWD and North Marin Surplus Water Agreement by the following vote:

AYES: Director, Baker, Fraites, Grossi, Joly and Petterle

NOES: None

ABSENT: None

ABSTAIN: None

INFORMATION ITEMS

DISCUSSION ON AMI OPT-OUT POLICY

At the previous meeting the Board asked Mr. McIntyre to bring this item back for further discussion. He reminded the Board that the Opt-Out Policy was approved at the May 1, 2018 meeting. Mr. McIntyre stated that in the AMI survey performed earlier by Ms. Blue, five out of seven responding agencies did not have an Opt-Out Policy. The current policy states that a customer can only Opt-Out at the time of initial meter installation. Mr. McIntyre commented that he believes the policy as written is a fair compromise to address potential customer concerns. He also noted that any customer has the option to request an exception from the Board. Director Petterle stated that he had talked about this issue with Mr. McIntyre and is now fine with the policy.

THIRD QUARTER FY/18 – WATER QUALITY REPORT

Mr. Ramudo provided the Board with the 3rd Quarter Water Quality progress report. He reported that Stafford Lake water was not used as a source of drinking water in the third quarter. In Novato there was only one coliform positive sample this quarter and it was determined to be a result of contamination of the sample since the follow up samples were clean. In Point Reyes, the Gallagher well was used as the source of water during the quarter since this well is not prone to intrusion from seawater. The treatment performance at Point Reyes Treatment Plant was optimal and water quality was good. Mr. Ramudo reported the Deer Island plant did not produce water during this quarter.

Mr. Ramudo also announced that our flushing program commenced in Zone 1 and there were very few complaints from customers, and in those cases a Field Service Representative came out to help the consumer flush their plumbing. Director Baker asked if distribution piping in cul-de-sacs were more in need of flushing. Mr. Ramudo explained that they were because many of the cul-de-sac pipelines are not looped creating dead-ends. Director Fraites asked if we notified customers

that we were flushing. Mr. Ramudo responded that we put a notice on our website, on Facebook and our crews have magnetic signs. He added that this is an important water quality service to our customers.

INITIAL REVIEW- FY 19 WEST MARIN WATER AND OCEANA MARIN SEWER BUDGETS

Ms. Blue presented the full budget for West Marin Water and Oceana Marin Sewer. West Marin incorporates a 4.5% increase, \$2.50 per month increase for the average customer. Oceana Marin will see a 5% rate increase, which will be a \$4.00 a month increase per customer. This will be reviewed again at the June 19th meeting.

WAC/TAC MEETING- MAY 7, 2018

Mr. McIntyre discussed the recent WAC/TAC meeting held on May 7, 2018. He reported that the Russian River was operating under Normal water year conditions through April and as of June 1 it was reclassified to Dry water year conditions. A Dry year classification allows SCWA to reduce water releases without having to file a petition to the State. Mr. McIntyre stated that year to date water usage for the Agency water contractors was 13% below the 2013 benchmark. In addition, Mr. McIntyre reported that the Army Corps of Engineers allocated \$3.6M in funding this year for the Dry Creek Habitat Enhancement project.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements-Dated May 17, 24, and 31, 2018, Press Release – Russian River Inflatable Rubber Dam Going Up, Media Release – Harmful Algal Bloom Season Beginning in California Lakes, Rivers and Streams.

The Board also received the following news articles: PG&E to auction dams project, Humboldt County to draft stance on future of Eel River Dams after PG&E announcement, California moves closer to crafting specific water caps for urban districts, Water Contamination clearing up in Santa Rosa's Fountaingrove neighborhood, Price of Water 2018: Utilities Revise Household Water Rate Formulas.

In addition the Board received a handout at the meeting of an email from Novato Resident Nani Rankin asking for North Marin Water District's support of the proposed Safe and Affordable Drinking Water Fund.

ADJOURNMENT

President Fraites adjourned the meeting at 7:44 p.m.

Submitted by

A handwritten signature in cursive script that reads "Theresa Kehoe".

Theresa Kehoe
District Secretary