

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
June 26, 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 Dance Palace, 503 B Street, Point Reyes Station and the agenda was accepted as presented. Present were Directors Jack Baker, Rick Fraites, James Grossi, Michael Joly, 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), and Robert Clark (Maintenance/Operations Superintendent) were also in attendance. Richard and June Haydock of Oceana Marin and Leonard Charles (consultant) were in the audience.

MINUTES

On motion of Director Joly, seconded by Director Baker the Board approved the minutes from the June 19, 2018 meeting as presented by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

PUBLIC HEARING

Mr. Vogler presented information on the Mitigated Negative Declaration for the PRE Tank 4A Replacement Project. He reminded the Board that the project consists of the construction of a 125,000 gallon concrete water tank to replace the existing aging redwood 50,000 gallon PRE Tank 4B and the 25,000 gallon PRE 4A redwood tank destroyed in the 1995 Mt. Vision fire. Mr. Charles, the District's permitting consultant, provided a general overview of the project. At the end of the presentation there was a general discussion on the role of Marin County with respect to Local Coastal Program permit review and approval. Director Baker commented on his concern that tank landscaping should not block a clear view for oncoming traffic. Mr. Charles responded that landscape work will be done at the very end of the road near the tank and would not be an issue for traffic. There was a discussion about the possibility to abandon the existing tank access road

easement in lieu of a more favorable access alignment using the neighbor's driveway. Director Joly asked a question about the potential new easement and Mr. Vogler explained that the easement will run with the land not the owner.

President Fraites opened the public hearing at 6:14.

Hearing no further comment, President Fraites closed the public hearing at 6:14.

On the motion of Director Petterle and seconded by Director Baker the Board approved Resolution 18-15, entitled: "Resolution Of The Board Of Directors Of The North Marin Water District Authorizing The Adoption Of A Mitigated Negative Declaration For The PRE Tank 4A Replacement Project, Making Findings Pursuant To The California Environmental Quality Act, and Directing the Filing Of A Notice Of Determination"; Approved the Mitigation Monitoring and Reporting Program, Authorized the General Manager to file a Notice of Determination with Marin County, by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

GENERAL MANAGER'S REPORT

During the General Manager's report, Mr. McIntyre announced he will be attending an Upper Russian River Water Manager's meeting on the evening of June 28 in Cloverdale. He also reminded the Board of the upcoming North Bay Watershed Association meeting at 9:30 a.m. on July 13th.

OPEN TIME

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

Mr. Vogler gave an update on the Ridge Road Pipeline Replacement Project. He stated that the new pipeline is 100% installed and that patch paving and a final micro-seal overlay will be performed in the following weeks. He also reported that during paving operation access will be restricted and both Novato Fire Protection District and Novato Police Department will be notified.

Director Joly asked if the the road will be open on the 4th of July and Mr. Vogler confirmed that it would.

Mr. Clark updated the Board on the continued need to use potable water to make up for the loss of recycled water delivery to the South Service Area by Las Gallinas Valley Sanitary District due to problems they are having with their system. In addition, Robert reported that staff is continuing to work on locating the cause of the recent high water loss in the Point Reyes system. He added that part of the loss has been attributed to an increase in water used by Marin County Fire Department for trainings at the Coast Guard Housing Property. Robert also advised the Board that the lab finished performing lead testing at the West Marin Elementary School and all samples had no lead.

PUBLIC HEARING

Ms. Blue presented the final review of the West Marin Water Rate Increase and the West Marin Water FY 2018/2019 Budget. She stated that a 4.5% water rate increase was proposed for the West Marin Water System, along with approval of the FY2018/19 \$1.962M budget. Ms. Blue commented that, similar to Novato, the water rate increase will be applied to both the commodity rate and the bimonthly service charge and that the increase for the typical West Marin customer using 49,300 gallons per year is \$2.50 per month or \$30 per year. She reviewed planned Capital Expenditures and informed the Board that they are forecast to total \$3.5M over the next five years. Ms. Blue added that, even with the proposed rate increase, West Marin water customers will maintain the least cost of service as compared to other Marin County coastal area water agencies.

President Fraites opened the public hearing at 6:27.

Hearing no further comment, President Fraites closed the public hearing at 6:27.

On the motion of Director Baker and seconded by Director Grossi the Board approved Resolution 18-16 entitled: "Resolution Of The Board Of Directors Of North Marin Water District Amending Regulation 54-Water Rates" pertaining to Water Rates and Charges to reflect an increase averaging 4.5% for the typical residential customer in the West Marin Water Service Area effective July 1 of 2018, Adopting FY19 West Marin Water system budget as presented, Authorized the General Manager to pay demands arising from execution of budgeted FY19 West Marin Water expenditure plan by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

PUBLIC HEARING

Ms. Blue provided a final review of the proposed Oceana Marin Sewer Service Charge Increase and Oceana Marin Sewer FY2018/2019 Budget. She stated that a 5% or \$4 per month increase in the Oceana Marin sewer service charge was proposed to be collected on the property tax roll. She advised the Board that the budgeted expenditures for next year total \$760K and that the 231 existing Oceana Marin customers are facing \$3.1M of capital improvement projects over the next 20 years. Ms. Blue also noted that new connections are anticipated at one per year and operating expenses are projected to decrease 2% next year. Director Joly commented that the five year plan is transparent and includes future rate increases to address ongoing expenses.

President Fraites opened the public hearing at 6:29.

Hearing no further comment, President Fraites closed the public hearing at 6:29

On the motion of Director Baker and seconded by Director Joly , the Board approved Ordinance No. 36 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 2018-2019", Approved Resolution No. 18- 17 entitled: "Revision Of North Marin Water District Regulation 109 Oceana Marin Sewer Service-Rates And Charges" amending Regulation 109, effective July 1, 2018, to increase the Oceana Marin Sewer Service Rate to \$1,080 per dwelling unit per year; Adopted the FY19 Oceana Marin Sewer System Budget as proposed, Authorized the General Manger to pay demands arising from execution of the budget FY19 Oceana Marin expenditure plan by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

INFORMATION ITEMS

WEST MARIN CAPITAL IMPROVEMENTS PROJECTS – FY 17-18 PRELIMINARY YEAR-END PROGRESS REPORT

Mr. Vogler presented the West Marin Capital Improvements Projects – FY 17-18 Preliminary Year-End Progress Report. He stated that the District started with eight projects, five were added and two were deferred and one deleted. He advised the Board that overall progress in completing West Marin CIPs was close to 60% and that this low percentage rate was primarily attributed to the extended timeframe to complete environmental permitting for the PRE Tank 4A project. Director

Grossi commented that consulting firms are running into the same permitting issues with their projects and it slows progress down. Mr. Vogler added that Inverness Public Utilities District is also trying to get new tanks constructed and they are experiencing similar issues. He added that discussions have occurred recently with Supervisor Rodoni on how to streamline this process.

JANUARY 2017 STORM RECOVERY UPDATE

Mr. Clark updated the Board on the January 2017 Storm Recovery. He stated that the District submitted six claims to FEMA for reimbursement and three were approved for grant funds. Mr. Clark advised the Board that each application is for a specific pot of money allocated by FEMA, and this process is taking longer than expected. Director Baker questioned if the time it takes to process these FEMA applications is worth it. Mr. Vogler replied that this is worth the effort because we have a chance to receive \$1.3 million dollars. Mr. McIntyre added that we have a small customer base in Ocean Marin and the District needs to be as proactive as possible to try and obtain grant funds to help pay for the projects.

MISCELLANEOUS

The Board received the following miscellaneous item: Disbursements-Dated June 22, 2018.

The Board also received the following news article: Decades-old project to raise Lake Mendocino dam gets a boost.

ADJOURNMENT

President Fraites adjourned the meeting at 6:47 p.m.

Submitted by



Theresa Kehoe
District Secretary