

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
November 6, 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, Robert Clark (Operations/Maintenance Superintendent), Tony Arendell (Construction/Maintenance Superintendent) and Ryan Grisso (Water Conservation Coordinator), were also in attendance.

In the audience was Novato resident Tina McMillan and Chris Boucher, Labor Negotiator. Also in the audience were District employees: Jeff Corda, Marc Reischmann, Lia Solar, Sarah Baccei, Rich Roberto, Nancy Holton, Nancy Williamson, Stacie Goodpaster, Chris Rodriguez, Pablo Ramudo, Kyle Bergstrom, Kent LeBrun, Dan Garrett, and Corey Reed.

MINUTES

On motion of Director Joly, seconded by Director Petterle the Board approved the minutes from the October 16, 2018 meeting as presented by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

GENERAL MANAGER'S REPORT

WAC/TAC Meeting

Mr. McIntyre stated that he, Mr. Vogler and Director Baker attended the WAC/TAC meeting on November 5, 2018. Mr. McIntyre commented that FY18 Sonoma County Water Agency water sales exceeded budget by 11% and a complete report will be available at a future meeting.

Water Rate Study

Mr. McIntyre announced that he and Ms. Blue will be meeting with Mr. Bentley to start work on the District's Cost of Service Study update to review in advance of the FY19 budgeted Peer

review for Prop 2018 compliance.

Dillon Beach Village

Mr. McIntyre stated that he will be attending a Dillon Beach Village community meeting on November 13th. The County of Marin will be discussing water supply, septic concerns, sea level rise and other issues. Mr. McIntyre reviewed the Board's current policy with respect to expansion of wastewater service in West Marin. Director Grossi commented that the Dillon Beach Resort recently changed ownership and he has their contact information if needed.

SB 998

Director Joly inquired about SB 998 (Dodd), which will limit public agencies ability to discontinue residential water service for nonpayment. Mr. McIntyre stated that the Board will be receiving more information on this in 2019, and that the legislation does not take effect until February 2020.

OPEN TIME

President Fraites asked if anyone in the audience wished to bring up an item not on the agenda. Marc Reischmann and Jeff Corda addressed the Board as members of the Employee Association supported by 12 other employees in the audience. Mr. Reischmann and Mr. Corda again stated reasons for the Board to consider their proposals in the negotiations. Mr. Vogler, Mr. Clark and Mr. Arendell also commented on recruitment and retention difficulties. Mr. McIntyre expressed his appreciation to the employees for coming to the meeting, stating that it is always good to have open dialog. Mr. Reed added to the conversation supporting the Employee Association's proposal. Director Fraites thanked the employees for sharing their concerns, and stated that it helps the Board in making their decision.

STAFF/DIRECTORS REPORTS

President Fraites asked if staff or Directors wished to bring up an item not on the agenda and the following were discussed. Mr. Vogler commented that the County of Marin Multi-jurisdictional Local Hazard Mitigation Plan was recently approved by Cal OES, and it is now ready to submit to FEMA for review. He added that when approved, future NMWD Oceana Marin projects will be eligible for grant funding. Ms. Blue discussed the current Employee Assisted Housing Loan program and advised the Board that staff will be reviewing the program with legal counsel to make sure the program benefits both the District and the employee. Director Joly inquired as to the balance of funds available now. Ms. Blue stated there are currently four loans, with a total of \$714,000 and we have about \$800,000 unallocated in the program.

QUARTERLY FINANCIAL STATEMENT

During the Quarterly Financial Statement, Ms. Blue noted that we are on target with our revenue and operating expenses came in 7% over budget. Potable water consumption in Novato was 1% more than the prior year and 1% less in West Marin. Recycled water consumption for the first quarter was up 18% compared to last year. Director Joly complimented Ms. Blue that the report was well presented and in great detail.

CONSENT CALENDAR

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

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

NOES: None

ABSTAIN: None

ABSENT: None

CUSTOMER SERVICE QUESTIONNAIRE INCENTIVE

The Board approved continuation of the Customer Service Questionnaire Incentive program that provides a \$2 incentive as a credit on the customer's water bill when filling out a customer survey.

NOTICE OF COMPLETION FOR RECYCLED WATER EXPANSION CENTRAL SERVICE AREA – ONSITE PRIVATE RETROFIT PROJECT (WILDCAT ENGINEERING)

The Board approved the General Manager to execute and file a Notice of Completion for Recycled Water Expansion for the Central Service Area – Onsite Private Retrofit Project.

ACTION CALENDAR

Director Petterle recused himself from the meeting for Agenda Item 8 and left the room.

ITEM 8 - COMMENTS ON STAFFORD LAKE MASTER PLAN DRAFT INITIAL STUDY

Mr. McIntyre provided the Board with an update on the Stafford Lake Master Plan Draft Initial Study and stated that County Parks is providing the District with an opportunity to comment on the subject Environmental Review. Mr. McIntyre noted that the Stafford Lake Master Plan, very similar to the draft 2016 plan, proposes a new vehicular entry and exit with a new gate house, an event meadow with pavilion stage and garden areas, enhancement of the existing picnic playground, and a new back meadow including a swimming lagoon and picnic areas. There was a general discussion regarding overnight camping. Mr. McIntyre stated that special event camping

has been done in the past and there has not been a problem. Mr. Clark added that we have good communication with Marin County Parks staff. Director Grossi commented that there should be more county staff even for unscheduled events and also expressed concern regarding sanitation in the park, especially when there are large crowds in attendance. Mr. McIntyre replied that the District continues to advocate for a sewer connection to Novato Sanitary District and that we are against any onsite wastewater disposal. Director Joly wanted to know how we keep an eye on park activities and Mr. Clark replied that we drive by it all the time. Both Director Fraites and Baker had water quality concerns with the proposed swimming lagoon.

On the motion of Director Joly, and seconded by Director Grossi the Board moved to approve the comment letter as presented by the following vote:

AYES: Director Baker, Fraites, Grossi, and Joly

NOES: None

ABSTAIN: Director Petterle

ABSENT: None

Director Petterle returned for the next item on the agenda.

**THIRD PARTY COATING INSPECTION FOR STP COAT CONCRETE CLEARWELLS PROJECT
– BRELJE AND RACE CONSULTING ENGINEERS**

Rocky Vogler advised the Board that the Stafford Treatment Plant Coat Concrete Clearwells Project consists of coating two clearwells; the Acti-Floc Clearwell and the Finished Clearwell. He stated that staff requested proposals for third party coating inspection from two coating inspectors; Brelje and Race and D.B. Gaya for inspection of contractor coating work. He added that although Gaya submitted a proposal, they later informed the District that they were unable to perform inspection due to schedule conflicts, therefore staff recommends awarding the inspection contract to Brelje and Race.

On the motion of Director Baker, and seconded by Director Joly, the Board approved an agreement with Brelje and Race Consulting Engineers for coating inspection services for the Stafford Treatment Plant Concrete Clearwells project by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

INFORMATION ITEMS

AMI PROJECT UPDATE AND PUBLIC OUTREACH FOLLOW UP

Mr. Clark presented an update on the AMI Project. He stated that we are in week 34 of the full implementation phase with nine Ferguson employees performing approximately 500 installations per week. To date, Ferguson staff has converted 65% or 13,000 services to the new AMI system. Director Baker asked if there was a geographical pattern in the installations, and Mr. Clark stated that it is based on the existing route reading schedule. Director Joly asked if we had 7,000 services left to do since we have done 13,000 so far, and Mr. Clark confirmed. Mr. Clark also stated that at this time we have spent 85% of the project's budget but that includes all materials. Director Baker asked if there was a problem with the antenna transmitting information if a car or debris was on top of the lid. Mr. Clark responded that this hasn't been an issue to-date. Director Joly asked how many people opted out so far and Ms. Blue replied 43. Mr. Grisso then talked about his public outreach efforts to customers regarding their water use and bills noting that staff found no mechanical deficiencies out of the 27 inspected residences. He added that many of the high bills were attributed to automatic irrigation controller problems and toilet leaks. Director Fraites praised Mr. Grisso for a job well done.

WATER CONSERVATION QUARTERLY UPDATE (JULY-SEPTEMBER 2018)

Mr. Grisso presented the Water Conservation Quarterly Update for July through September 2018. He stated that participation numbers are down as we are still in a post drought period with the exception of the Watersmart program due to the new AMI meter installation awareness. Mr. Grisso said he will be coming back to the Board at a later date to propose changes to some of the existing rebate programs. Mr. Grisso also mentioned the Fall Waterline will be going out on November 7th. In addition he noted that staff will become more active on social media and other outreach events.

FY18-19 QUARTERLY PROGRESS REPORT – ENGINEERING DEPARTMENT

Mr. Vogler presented the FY18-19 Quarterly Progress Report for the Engineering Department. He stated that CIP expenditures for the Novato Water, Novato Recycled Water and West Marin service areas are forecasted to be approximately the same as the approved budget. A total of 31 projects were originally budgeted and two new projects have been added, with two projects being carried over, and none have been deleted or deferred. Mr. Vogler stated that the two new projects include the Bel Marin Keys- Hwy 101 onramp pipeline repair and the West Marin Lagunitas Creek Bridge Pipeline Relocation Project. Director Joly asked if with the two added projects the total budget will be the same. Mr. Vogler responded yes, since some of the other existing projects were less costly than anticipated.

COASTAL PERMIT APPEAL – PRE TANK 4A REPLACEMENT

Mr. Vogler announced that during the permitting/design phase of the project, staff submitted a Coastal Permit application and met with County Planning staff to discuss the project and respond to County comments. A public hearing was held and the Deputy Zoning Administrator adopted a resolution approving the Coastal Permit. The owner of the two nearby parcels of land at 25 and 26 Buck Point Road appealed the project on the basis that the new tank would significantly degrade their view and that the planned 20.8 foot tank elevation would violate Marin County Code Section 22.57.0861(2)(e) which refers height limits for to coastal residential single-family planned districts. Marin County Planning Commission upheld the appeal and required that the water tank be no greater than 18 feet in height above existing grade. Mr. Vogler noted that lowering the tank height will decrease tank storage thereby compromising our ability to provide water supply for fire protection and will be in conflict with Marin County Fire Department storage requirements and will result in reduced service pressure to our customers. He added that NMWD staff filed an appeal with the Marin County Board of Supervisors, and the hearing date has yet to be determined. Director Baker stated he hoped that the Marin County Fire Marshall could assist us at the appeal. Director Pettele stated that he would like to know when the hearing date is scheduled so he can attend. Directors Baker, Fraites, Grossi and Joly expressed interest as well.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated October 18, 2018, Disbursements – Dated October 25, 2018 and Disbursements – Dated November 1, 2018, Self-Insured Workers' Comp – 1st Quarter Status Report, FY19 1st Quarter Labor Cost Report, and Sonoma-Marin Saving Water Partnership Wins National Awards for it Training, Outreach and Education Programs.

The Board received the following news articles; Major utilities shut off power amid fire risks; Potter Valley project on Mendocino County board of supervisors' agenda Tuesday; Why This Winter's El Nino Will not Bring More Rain to California; Housing plan gets boost by county; Why tariffs threaten to raise the cost of drinking water; Special districts' costly obscurity; What's public cost of boards' obscurity?; George Domingo Grossi Obituary; Inverness water under scrutiny after tests show high lead levels; and Sanitary District names new administrators.

CLOSED SESSION

President Fraites adjourned the meeting at 7:35 p.m. and the Board began the closed session at 7:47 p.m. in accordance with Government Code Section 54957 Conference with Labor Negotiators (Christopher Boucher, Drew McIntyre and Julie Blue) to Provide Direction.

OPEN SESSION

Upon returning to regular session at 8:31p.m., President Fraites stated that during the closed session the Board discussed the issue and no final reportable action had been taken.

ADJOURNMENT

President Fraites adjourned the meeting at 8:32 p.m.

Submitted by

A handwritten signature in cursive script, appearing to read "Theresa Kehoe".

Theresa Kehoe
District Secretary