

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
January 15, 2019**

CALL TO ORDER

President Baker 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), Jeff Corda (Sr. Water Distribution and TP Operator/Employee Association Chair), Kent LeBrun (Maintenance Supervisor) and Stacie Goodpaster (Senior Chemist) were in the audience.

Also in the audience were Novato residents Greg Larsen and Margarita Ajello.

MINUTES

On motion of Director Joly, seconded by Director Petterle the Board approved the minutes from the January 8, 2019 special 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

Oceana Marin HOA Meeting

Mr. McIntyre informed the Board that he attended the winter Oceana Marin HOA meeting. There were about 50 homeowners in attendance. Mr. McIntyre stated he reviewed the financial status through FY18 and included an update on CIP projects and grant reimbursement for 2017 winter storm repairs. He also stated that a flyer was handed out to remind homeowners not to flush wipes down the toilet. Director Baker asked if people from the Dillon Beach Village came down to the Oceana Marin HOA meetings. Mr. McIntyre replied not to his knowledge.

Dillon Beach Village

Mr. McIntyre also informed the Board that he will be attending the County's Dillon Beach Village Water Resource Workshop No. 2 at 6 p.m. on Tuesday, January 29th.

Meetings

Mr. McIntyre informed the Board that he will have a WAC Water Supply Coordination Council meeting on January 23rd, and the next NBWRA meeting is on January 28th and the next WAC meeting is on February 4th.

OPEN TIME

President Baker asked if anyone in the audience wished to bring up an item not on the agenda. During Open Time, Jeff Corda (Sr. Water Dist. & TP Operator) addressed the Board as Chair of the Employee Association. Mr. Corda expressed his appreciation to the Board and Management for listening to the employees. Mr. Corda felt that everyone had an open mind throughout the process and they have reached a fair agreement that will help retain employees and make the District more competitive when hiring for new positions.

STAFF/DIRECTORS REPORTS

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

Mr. Arendell announced the beginning of our annual flushing program which started on January 14th. He added that the program has been posted on our website and the front office will continue to get updates on which areas of Novato staff is flushing. Mr. Arendell noted that the flushing program in West Marin will begin in February and will be performed by the Operations Department. Director Joly wanted to know when all flushing will be completed, and Mr. Arendell replied in two to three months. Director Baker asked if the rainy weather slows down the flushing program. Mr. Arendell responded that it is not a problem; staff can flush rain or shine.

Ms. Kehoe announced that each of the Directors have been given a packet to update their Form 700 which is due on April 2nd. She also noted a copy of last years completed form was included for reference.

Mr. Clark gave a brief weather update, stating Marin County had 2-3 inches of rain from our last storm per the National Weather Service. He noted we are in good shape and ready in the event of heavy rain and winds. Director Grossi wanted to know if the County of Marin rain gauges are online now and Mr. Clark replied that they are but the National Oceanic and Atmospheric Administration river gage data is not.

MONTHLY PROGRESS REPORT

Mr. McIntyre reviewed the Monthly Progress Report for December. He reported that water production in Novato was up 4% from December one year ago and down 2% fiscal year to date. In West Marin, water production is up 14% from December one year ago and up 16% fiscal year to date. Recycled Water production is up 85% from one year ago and up 27% fiscal year to date. He stated that Stafford Lake holds 1240 AF and is at 30% of capacity. Mr. McIntyre informed the Board that Oceana Marin wastewater discharge continues in December and freeboard is excellent. He added that, under Safety/Liability, we currently have 92 days without a lost time injury. On the Summary of Complaints and Service Orders, the Board was apprised that overall the number of complaints/service orders are up 24% fiscal year to date. Mr. McIntyre reiterated the increase continues to be a reflection of the new AMI meter implementation awareness. Additionally, Mr. McIntyre added that the number of questionnaires mailed out total 137, with 58 returned and over 90% of those received were positive comments. Ms. Blue reported on the December 2018 Investments, where the District's portfolio holds \$17.9M earning a 1.98% rate of return. She noted the LAIF rate is trending a little higher than the portfolio rate at this time.

CONSENT CALENDAR

On the motion of Director Petterle, and seconded by Director Fraites the Board approved a time extension amendment to the Consulting Services Agreement with Chris DeGabriele by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

ACTION CALENDAR

APPROVE: CONSULTING ENGINEERING SERVICES AGREEMENT – STAFFORD WATER TREATMENT PLANT PROCESS EFFICIENCY STUDY

Mr. Clark explained the efficiency study is needed to ensure that Stafford Treatment Plant operates at optimum efficiency. He advised the Board that the main focus of the Study is evaluate feasible options to recapture as much process water as possible so that we can run the plant in the winter and not exceed the 40,000 gallon per day discharge limit. Mr. Clark expressed his confidence in West Yost and felt that they are well qualified to perform the work. Director Joly stated that if the point of the study is to reduce the amount of waste stream discharge to Novato Sanitary District, and in doing so recapture the water, then the study should pay for itself. Director

Joly inquired as to the duration of the study and Mr. Clark replied that it should be completed this fiscal year. Director Grossi wanted to know the cost of the treated Stafford Lake water versus the water purchases from Sonoma County Water Agency. Ms. Blue stated that it fluctuates throughout the year. On the motion of Director Joly, and seconded by Director Grossi the Board approved authorizing the General Manager to enter into a Consulting Engineering Services Agreement with West Yost for the Stafford Water Treatment Plant Process Efficiency Study by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

APPROVE: SALARY SCHEDULES AND SUCCESSOR MEMORANDUM OF UNDERSTANDING WITH NMWD EMPLOYEE ASSOCIATION (2018-2023)

On the motion of Director Grossi, and seconded by Director Petterle the Board approved the Salary Schedules and Successor Memorandum of Understanding with NMWD Employee Association (2018-2023) by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

Director Grossi left the meeting at 7:00 p.m.

INFORMATION ITEMS

AMI OPT-OUT OPTIONS

Ms. Blue introduced Greg Larsen and Margarita Ajello, two Novato residents living at 26 Aronia Lane who expressed their concerns regarding health issues associated with the AMI meters. Mr. Larsen described their symptoms since the AMI meters were installed in August. He stated that his partner, Margarita Ajello started hearing a very loud Morse code noise in her right ear making it very difficult to sleep, and around the same time he started feeling a static electricity sensation on his skin which also makes it difficult to sleep. They asked the neighbors adjacent to them if they were experiencing anything and they were not, and so then they began investigating to see what recently changed that could be causing their discomfort. Director Baker asked if the noise is external. Mr. Larsen stated that the cause is not tinnitus in the ears but from the outside. Mr.

Larsen described his research findings, and by use of an EMF meter he found that he could dampen the effects by putting several layers of aluminum over the meters. Mr. Larsen also commented that through all this investigative process the staff have all been very helpful and supportive. Director Joly ask Mr. Larsen if he had a policy suggestion. He replied that he believes the Opt-Out Policy should be free. Mr. McIntyre replied that they did not. A general discussion ensued regarding this issue. Director Joly empathized with Mr. Larsen and Ms. Ajello and thanked them for coming to the Board and was sorry to hear they were experiencing discomfort. Director Grossi inquired if staff has heard if there is anyone else experiencing these problems in the industry, and Mr. Clark replied no. Director Joly asked if we could just change out the meter. Ms. Blue explained that these meters are being billed to the HOA and staff has not yet scheduled a meeting with them to discuss possible opt-out options. Director Baker asked if they believe their symptoms are from the water meters, and Mr. Larsen stated that their symptoms did not occur until around the time the AMI meters were installed. Director Fraites asked if any there have been any other customers that have had similar complaint and Ms. Blue replied no. Director Joly again thanked Mr. Larsen and Ms. Ajello from coming out, and asked them to give staff some time to investigate this issue and would also like to hear from the HOA before getting back to them.

ANNUAL REPORT ON BOARD COMPENSATION

Ms. Blue reported that the Annual Report on Board Compensation is a new requirement aimed to provide transparency. She advised the Board that in order to comply with the requirements of Assembly Bill 2040 and Assembly Bill 1234, the District prepares a yearly report of the annual compensation and expense reimbursements paid to each board member. AB 2040 now requires special districts to annually report this information and post it on their website. AB 1234 requires special districts to disclose the reimbursements made to its elected officials. Ms. Blue noted that this item will be reported under the miscellaneous category in future agendas.

AMI PROGRESS REPORT

Mr. Clark updated the Board on the Advanced Meter Infrastructure (AMI) project progress. With the final material order delayed, the project is now expected to run through February 2019 for all of the contracted service conversions. He stated we have 1700 meters left to convert to AMI and that District staff will need to install 350 of these AMI meters due to leaks and stuck meter stops. Director Baker asked if this meant only 1700 total meters were left in Novato. Mr. Clark responded that there are 1700 left in this project; which does not include another estimated 75 that are three inch meters or larger. Director Joly asked if we are within budget. Ms. Blue responded that we need to do one last order and then we can do a reconciliation, but should be close to budget. Director

Joly also wanted to know the number of people who have chosen to opt out. Ms. Blue stated around 47, which is very low since the original estimate was 200. Mr. Clark added that we continue to get good data with this program and we can detect leaks immediately with the help of the AMI meters. He also noted that in the next four weeks an audit will be done with our Core Billing system software to see how it matches up with the AMI In-sight program software. Director Baker requested a comprehensive closeout report at the end of the AMI project.

PRE TANK 4A REPLACEMENT

Mr. Vogler gave an update to the Board on the PRE Tank 4A Replacement Project. He reported that due to a delay caused by the County of Marin submitting paperwork to the Coastal Commission, the appeal deadline has been extended to January 29. District staff contacted both the Coastal Commission and the County of Marin to raise awareness of the issue and assist with coordination. Mr. Vogler stated that although it is possible that a further appeal may be filed with the Coastal Commission, District staff intends to move forward with the project as currently scheduled. Director Joly wanted to know if the extension of the 120 extra days imperils safety of our customers. Mr. Vogler stated that it will delay building of the new tank and the PRE road maintenance association will need to wait longer to perform repair. Director Joly asked if we have reached out to those who have expressed an interest in the project. Mr. Vogler responded yes. Director Baker asked a question about who will be paying for future Drakes View paving costs. Mr. Vogler stated that we will photograph the road to document its current condition and will only be responsible for repairs caused by our construction project. Director Baker thanked Mr. Vogler for his perseverance on this issue.

NBWA UPDATE – JANUARY 11, 2019

Director Fraites gave an update on the new water-use efficiency legislation that Gov. Brown recently passed. Mr. McIntyre reminded the Board that NMWD, with Ryan Grisso's oversight, is participating in the state's 2nd pilot program which will give us a better understanding early on of the requirements. A general discussion ensued. Director Fraites also mentioned that NBWA is working on a new Strategic Plan and that the organization wants to expand their influence in Northern California and have recently had two additional agencies join.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – January 10, 2019, National Weather Service Precipitation Probability Map – January 2019 One Month Outlook, Damage to 18-inch Zone 1 Steel Water Main at San Marin Drive and Novato Blvd., Russian River

Watershed Map and Current Lake Mendocino and Lake Sonoma Storage Graphs, Department of Water Resources Letter – Novato Creek Dam, No. 88 – New Inundation Map Requirement for Spillway and Oceana Marin Association Agenda – January 12, 2019.

Mr. McIntyre discussed the recent State letter regarding the need to prepare a new Inundation Map for Stafford Dam. Mr. McIntyre stated he is in communication with the firm, Michael Baker International, to perform the requested additional work and will report back to the Board at a future meeting.

The Board received the following news articles: How hydropower plant sale could affect Marin – POTTER VALLEY.

ADJOURNMENT

President Baker adjourned the meeting at 7:24 p.m.

Submitted by

A handwritten signature in cursive script, reading "Theresa Kehoe".

Theresa Kehoe
District Secretary