

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
June 25, 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 Dance Palace, 503 B Street, Point Reyes Station and the agenda was accepted as presented. Present were Directors Jack Baker, Rick Fraités, 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, Robert Clark (Operations/Maintenance Superintendent), Tony Arendell (Construction/Maintenance Superintendent) and Pablo Ramudo (Water Quality Supervisor), were also in attendance. In the audience were West Marin customer Rhonda Kutter, Marin County Board Supervisor Dennis Rodoni, District legal counsel representative, Carl Nelson (Bold, Polisner, Maddow, Nelson and Judson) and Doreen Clark.

GENERAL MANAGER'S REPORT

Public Safety Power Shutoff – PG&E

Mr. McIntyre announced that he and Mr. Clark will be participating in the second local agency meeting working on a coordinated Public Safety Power Shutoff response plan. He noted that public safety consultant, Dave Jeffries, is facilitating these meeting with various partners including Novato Fire Protection District, City of Novato, NMWD and Novato Sanitary District. Director Joly commented that we might want to consider making additional outreach with the Downtown Business Association. Mr. McIntyre responded that Dave Jefferies is already working with this group.

WAC/TAC Meetings

Mr. McIntyre also announced that he and Mr. Vogler will be attending a TAC meeting on Monday July 8th, and the next WAC meeting will be held Monday, August 5th at 9:00 a.m.

OPEN TIME

President Baker asked if anyone in the audience wished to bring up an item not on the agenda and there was no response.

Ms. Kutter stated she wanted to thank Mr. Clark and the District on behalf of the community for providing a water hydration station at the annual Western Weekend Parade event on June 2. She also thanked the Board and staff for taking time to come out to West Marin to hold public Board meetings, adding she wished more of the community would attend.

STAFF/DIRECTORS REPORTS

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

Mr. Clark updated the Board on NMWD's internal Public Safety Power Shutoff response plan. He added that various internal meetings have been held, the first with senior staff, followed up with an all staff meeting and additional meetings will be scheduled with select field staff at the end of the week.

Mr. Vogler advised the Board that the SCWA aqueduct shutdown has been postponed and is now scheduled for July 9th. He explained that Highway 101 construction work on the Kastania southbound onramp requires a portion of SCWA's pipe to be relocated. Mr. Vogler stated he is in communication with City of Petaluma, Marin Municipal Water District and SCWA in reference to water supply coordination. He noted he will keep the Board updated on the situation.

Director Baker asked about the design and construction for the new onramp, and asked if they are having more challenges than they expected. Mr. Vogler replied yes, adding that we are topping off our storage to accommodate the period of time the aqueduct is shut off. Director Joly asked if any customers will be impacted. Mr. Vogler replied that he expects SCWA water delivery to be off for no more than twenty hours and we should have enough water in the tanks for multiple days.

Ms. Kehoe reminded the Board to contact her for the new iPad change outs.

Director Petterle announced that he may miss the July 16th Board Meeting. Director Grossi stated he will be unable to attend as well.

PUBLIC HEARING

PROPOSED WEST MARIN WATER RATE INCREASE

President Baker declared the public hearing opened at 6:10 p.m.

Ms. Blue stated that the District has proposed a 3.5% water rate increase for the West Marin Water System. She added, similar to Novato, the water rate increase will be applied to both the commodity rate and the bimonthly service charge. The increase for the typical West

Marin water customer will be \$2.00 per month or \$24 per year. There was one opposition letter from a customer on the proposed rate increase. Ms. Blue noted that, even with the proposed rate increase, West Marin water customers will pay the second lowest cost as compared to other Marin County coastal area water agencies.

Director Joly stated he is impressed with the payback to the community with the Capital Improvement Projects. On another note he asked if there are sufficient hydrants in the area for a fire event. Mr. McIntyre replied that fire hydrant locations are based on recommendations the local fire authority. He noted that over time, we have upgraded the number of fire hydrants, increased water storage volumes and upsized pipelines for improved fire protection. Mr. McIntyre added that in the case of a wildfire, the wildland firefighting response will be via aerial attack. Ms. Kutter agreed, in the case of wildfire the fire district will use an open body of water.

Hearing no further comment, President Baker declared the public hearing closed at 6:16 p.m.

On the motion of Director Petterle and seconded by Director Grossi the Board approved Resolution 19-11 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 3.5% for the typical residential customer in the West Marin Water Service Area effective July 1 of 2019 as presented by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

PUBLIC HEARING

PROPOSED OCEANA MARIN SEWER SERVICE CHARGE INCREASE

President Baker declared the public hearing opened at 6:16 p.m.

Ms. Blue stated that the District has proposed a 3.5% (\$3 per month) increase in the Oceana Marin sewer service charge which will be collected on the property tax roll. She added that Oceana Marin sewer service cost will still rank highest among the six coastal sewer agencies surveyed when considering the annual tax revenue collected by the County. No customer comment letters were received on the proposed rate increase.

Director Joly asked if we could read into the record the planned capital improvement projects so people can understand what will be done over the next five years. Ms. Blue replied that projects include rehabilitation of the Oceana Marin treatment pond perms, installation of a

North Street lift station bypass, and construction of the first phase of a new, parallel sewer force main between the Tahiti Way pump station and the treatment plant.

Ms. Kutter commented that in conjunction with the County's recent Dillon Beach Village workshops on water issues, the Village area is forming a community group and that North Marin Water may want to reach out to them in the future. Director Baker commented that we recognize our Oceana Marin customers but we do not want to get pulled into other groups that are not part of our customer base. Ms. Kutter stated that attending the recent Dillon Beach Village workshops has been good outreach. Director Baker added that this is why Mr. McIntyre attends these meetings. Ms. Kutter commented that this Village group is brand new. Director Baker asked Ms. Kutter if she could keep the Board posted with any updates.

Hearing no further comment, President Baker declared the public hearing closed at 6:21 p.m.

On the motion of Director Petterle and seconded by Director Joly the Board approved Ordinance No. 37 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 2019-2020 as presented by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

On the motion of Director Petterle and seconded by Director Fraites the Board approved Resolution No. 19-12 entitled: "Revision Of North Marin Water District Regulation 109 – Rates And Charges" amending Regulation 109, effectively July 1, 2019 to increase the Oceana Marin Sewer Service Rate to \$1,116 per dwelling unit per year as presented by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

CONSENT CALENDAR

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

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

NOES: None

ABSTAIN: None

ABSENT: None

PARK-A-PUP NOVATO WATER SERVICE AGREEMENT

The Board approved a Water Service Agreement for the Park-A-Pup project located at 7586 Redwood Drive in Novato. This project includes construction of a dog boarding facility that will accept up to 103 dogs.

ACTION ITEMS

WEST MARIN WATER & OCEANA MARIN SEWER FY 19/20 BUDGETS

Under the Action Calendar, the Board approved the West Marin and Ocean Marin Sewer FY19/20 Budgets. For West Marin Water, Planned Capital Expenditures were reviewed and the Board was advised that \$3.5M is budgeted over the next five years. The West Marin water financial plan and budgets project one new connection every other year and 66MG in water sales. Operating expenditures are budgeted to increase 1.5%.

In Oceana Marin, budgeted expenditures for next year total \$55K. The 234 existing Oceana Marin customers are facing a \$1.8M list of projects over the next 5 years. New connections are anticipated at one every other year and operating expenses are projected to increase 2.6% next year.

Director Joly asked if these budgets are publically viewable. Ms. Blue confirmed, stating once approved, the final budget will be posted on the website as well as put under the miscellaneous section of the next agenda.

On the motion of Director Petterle, and seconded by Director Joly the Board approved adoption of the West Marin Water & Oceana Marin Sewer FY 19/20 Budgets by the following vote:

AYES: Director Fraites, Grossi, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: None

REVISION TO REGULATIONS 100, 103, 104, 106, 107 AND 109

Mr. Vogler proposed the Board approve revisions to Regulations 100, 103, 104, 106, 107 and 109 to reflect rescinded Regulation 108 and to set an accessory dwelling unit sewer connection charge equal to 50% of the applicable charge for single family dwellings in Oceana Marin. He stated that there is a need to update these regulations due to a change in state government code for additional dwelling units (ADU), adding this legislation is still evolving. Mr. Vogler stated if someone uses existing square footage for construction of an ADU they are exempt from fees, however if it is newly added square footage, the District has a right to collect fees. He added he researched what other agencies did and based on the government criteria that the square footage must be no larger than 1,200 square feet or 50% less than that of a single family dwelling, it seemed reasonable the sewer connection fee should be 50%, or \$15,000.

Director Grossi asked if we allow ADUs to connect to an existing sewer lateral. Mr. Vogler confirmed, and added it is our preference. Director Baker asked if this approach is the same as what we did in Novato. Mr. McIntyre responded yes, this approach is the same on the water side where the District does not charge connection fees for either Junior Accessory Dwelling Units (JADU), or ADU conversions using existing square footage. Director Joly asked if an ADU is required to have a bathroom. Mr. Vogler replied it is required to have a bathroom and kitchen facility. Director Fraites asked if the ADU is attached to the single family dwelling does it require payment of connection fees. Mr. Vogler replied the issue is not whether it is attached or detached, the real question is if existing square footage is used for construction. Mr. Vogler stated staff is proposing six amended regulations and a resolution for adoption. Director Joly asked when this will come into effect. Mr. Vogler stated once the Board approves.

On the motion of Director Joly, and seconded by Director Fraites the Board approved the revision to Regulations 100, 103, 104, 106, 107 and 109 by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

INFORMATION ITEMS

STATUS REPORT – CALIFORNIA VOTING RIGHTS ACT (CVRA) AND ELECTIONS CODE (EC) 10010

Mr. McIntyre gave an update on the status of the California Voting Rights Act (CVRA)

and Elections Code (EC) 10010 process which will change the District from an at-large to a district-based (or division-based) system of electing Board members. He noted that at the first meeting on April 23rd the Board approved a resolution declaring NMWD's intent to undertake the transition, which was followed by two public hearings on May 7th and 21st to inform the public of the process and receive public input for the development of the initial draft maps. He added that during Hearing No 3 on June 4th and Hearing No. 4 on June 18th, the Board worked with the demographer and counsel on the continued development of the plan maps, and modifications were made based on public and Board comment. Mr. McIntyre stated that some changes were made to adjust for populations and to balance deviations. He added that the revised Plan A Map was posted on the website and currently we have received no additional comments. Mr. McIntyre reminded the Board that following Hearing No. 5 on July 16th, a draft ordinance will be presented for consideration and approval at the meeting, as well as a Finalized Plan A Map and approved sequence of elections.

He added that Mr. Nelson may want to comment on the absence of Director Grossi and possibly Director Petterle at the next meeting, asking if action can be taken with only three Directors present. Mr. Nelson replied that the CVRA is silent on this issue, and he is confident that a quorum is sufficient, and will confirm. Director Baker commented that there are certain issues that require an affirmative vote of four directors. Mr. Nelson replied that this is usually the case where a statute requires it, such as when voting to place a sewer charge on the property tax roll or when adopting a resolution of necessity to initiate a condemnation proceeding. Director Grossi stated if there is a problem he can call into the meeting. Mr. McIntyre asked the Directors if they had any additional comments on the revised Plan A Map as presented. Director Petterle replied that he supports Plan A and the revisions, and feels this plan is the best. Director Baker asked a question about potential changes in the Marin Country Club area boundaries from District 1 to District 2. Mr. McIntyre commented that it is easier to change division boundaries of rural areas as compared to higher density areas.

Director Fraites stated the proposed revised Plan A Map is fine with him. Director Joly also confirmed. Director Grossi stated it was voted on last week with minor revision, and he is still in favor of it. Director Baker asked if there were any public comments, and asked if Supervisor Rodoni had anything to share. Supervisor Rodoni had no comment. Director Joly asked Mr. McIntyre if there were any additional public comments since the last meeting. Mr. McIntyre responded that none had been received. Director Joly asked about publication and finalization of the map. Mr. McIntyre stated the final map will be published on the website. He added that the last action is Hearing No. 5 on July 16th, where the Board will consider approval

of an ordinance that approves the revised Plan Map A and moves the District from an at-large to a by-district (or by-division) election system.

Mr. Nelson added the resolution approved by the Board at the April 23 Special Meeting started the process, and that the ordinance ends the process. Director Joly asked if the final map will be published on the website July 9th. Mr. Nelson replied there will be a notice in the Marin IJ newspaper to look on the website, commenting that different agencies have dealt with this in different ways. Director Baker asked Supervisor Rodoni if he has been getting any feedback at the County level. Supervisor Rodoni stated he has heard about the City of Novato and City of San Rafael but believes we are the first Special District to do this. Director Baker stated that Novato Unified School District, Novato Sanitary District and Novato Fire Protection District are also going through this process. Mr. McIntyre commented that we have the same demographer as Novato Fire Protection District and that he has heard from the demographer that public attendance at NFPD has been minimal. Director Baker commented that most of the public's attention seems to be at the City level.

FY18/19 THIRD QUARTER PROGRESS REPORT – WATER QUALITY

Mr. Ramudo updated the Board on the FY18/19 Third Quarter Water Quality Progress Report. He reported that water served to the communities of Novato and Point Reyes areas met all federal and state primary and secondary water quality standards. Mr. Ramudo stated the areas reviewed with respect to water quality issues are: source water, treatment performance, and distribution system. He reviewed the Novato System first, followed by the Point Reyes System and ending with the Novato Recycled Water System. Mr. Ramudo noted Stafford Lake was used as a drinking source earlier this year when compared to last year due to the heavy rains, starting on March 21st. He noted that total algae numbers were moderate but one species had high concentrations in January-February, and while not a problem now, there is a potential for taste and odor problems later in the production season.

Director Joly asked if the thirty-nine inches of rain, along with the continuous lake spillover, provides good turnover in the lake. Mr. Ramudo replied that a lot of runoff acts almost like a river washing away the algae. Director Grossi commented he received forty-seven inches of rain at the top of his watershed. Mr. Ramudo's discussion continued to include TOC removal and the presence of a single positive sample for coliform bacteria. Director Grossi asked what the coliform count was. Mr. Ramudo stated the test does not provide a count, just a positive reading regarding the presence of coliform bacteria.

With respect to West Marin, Mr. Ramudo continued his water quality discussion by discussing salinity and bromide in the water. Director Baker asked if there is any concern for

people with health conditions. Mr. Ramudo replied that iron has no health effect; manganese is only a problem when inhaled as with metal working or industrial exposure. Mr. Ramudo also discussed the disinfection byproducts and the current planning work to install Gallagher Well 2 as our expanded water source above tidal influence. Director Baker asked if we have performed exploratory drilling and if the proposed location will provide an improved water supply yield. Mr. McIntyre replied that the District did hire a hydrogeologist to evaluate the best location for the second well and staff is working with a right of way consultant to negotiate required easements with the Gallagher Ranch property owners. Director Baker asked what the distance will be from the existing well. Mr. McIntyre replied approximately 800 to 900 feet. Director Baker asked if this property was sold to the Federal Government. Mr. McIntyre replied no, some of the Gallagher family members still own the land and an easement was sold to Marin Agricultural Land Trust (MALT) a few years ago. Director Baker asked if the second Gallagher well was considered when MALT acquired the easement. Mr. McIntyre replied yes, the MALT easement includes provisions for NMWD to construct a second well on the property.

Director Joly asked what the timeline is for when the second well will start producing. Mr. McIntyre replied we hope to start construction spring of next year and produce water by late summer of 2020. Director Baker asked, assuming this works out, will the new pipeline extent to the existing Gallagher well and then a new pipe would be needed over the bridge. Mr. McIntyre replied that a new pipeline will only be needed to connect Gallagher Well No. 2 to the existing discharge pipeline from Gallagher Well No. 1. Director Baker asked if any work on the pipeline supported by the bridge was required. Mr. McIntyre replied no, the existing pipeline crossing the bridge is sized to handle flows from both Well No. 1 and proposed Well No. 2. He reminded the Board that they had recently approved a letter request to the USDA for an emergency watershed program grant funding for erosion control improvements along Lagunitas Creek in this area to ensure the bridge abutments are not compromised during future flooding events.

WEST MARIN CAPITAL IMPROVEMENT PROJECTS – FY18-19 PRELIMINARY YEAR-END PROGRESS REPORT

Mr. Vogler updated the Board on the FY18-19 Preliminary Year-End Progress Report. He noted there were originally eight projects, seven were added and two were deferred. He added that the PRE Tank 4A project will be out to bid later this year, and construction is expected early next year. Mr. Vogler stated other projects include the bridge replacement at Lagunitas Creek along State Route 1 and Olema Creek along Levee Road where we have pipelines supported by both bridges. Director Joly stated it looks great, and that all CIP projects seem to be at or below budget. Mr. Vogler replied some of the lower costs are due to projects

that have not yet been completed; however, all those completed projects did come in under budget. Director Baker also commended Mr. Vogler on a job well done.

DILLON BEACH VILLAGE COMMUNITY MEETING WORKSHOP NO. 3 – APRIL 30, 2019

Mr. McIntyre informed the Board that on April 30, 2019 he attended the third and final Dillon Beach Village community meeting hosted by Marin County Environmental Health Services, at which approximately forty eight Village residents attended. He noted the county received sixty-two survey responses which represented forty-two percent of the total number of property owners. Of those that responded, seventy-four percent were in support of a study to explore the feasibility of a community wastewater system and twenty-six percent were not. Mr. McIntyre added that based on input from the third workshop, county staff is proceeding with a grant application for a community wastewater system feasibility study.

Director Baker asked who provides water service to the Village community. Mr. McIntyre replied Cal Water; however this proposed study will only look at wastewater in an attempt to address failing on-site septic systems. Director Baker asked how many of the approximately 150 properties are weekend occupants. Mr. McIntyre responded eleven percent are full time residents, and the rest are seasonal occupants. He added county staff will be taking the grant application request to the Board of Supervisors for approval prior to actual submission to the state.

POINT REYES STATION COMMUNITY MEETING WORKSHOP NO. 2 – JUNE 5, 2019

Mr. McIntyre informed the Board that he attended the second of three Point Reyes Station community meeting workshops hosted by Marin County Environmental Health Services on June 5th. He stated approximately twenty-five residents attended the meeting, and they have received seventy-six survey responses to-date representing eighteen percent of the total number of property owners. He noted that most of the property owners are fulltime residents. Mr. McIntyre added the when asked about water system concerns, thirty-two percent said they had no concerns, thirty-seven percent said they had concerns about adequate water supply, thirty-six percent said they had concerns about quality, twenty-seven percent reported concerns about taste and nineteen percent had concerns about the cost. Mr. McIntyre added that he had the opportunity to discuss salinity intrusion concerns at our Coast Guard wells and stated he was able to update the attendees on the Districts ongoing project to expand the water supply at Gallagher Ranch. Mr. McIntyre stated that Supervisor Rodoni and Ms. Kutter were both at the meeting. Supervisor Rodoni commented that there was a robust discussion, and many of the residents focused on the public bathroom situation in downtown Point Reyes, noting only a small percentage of residents filled out the survey. Ms. Kutter also noted that she believes the

attendance was low because Warriors basketball was on that night.

NORTH BAY WATER REUSE AUTHORITY BOARD MEETING – APRIL 22, 2019

Mr. McIntyre provided the Board with supplemental information from the last meeting. He added that the NBWRA billings are still tracking below the approved budget. Mr. McIntyre also informed the Board that he has been included as part of a subcommittee to negotiate a scope and costs for Bryant and Associates who have been selected for continued NBWRA program development and advocacy services

MISCELLANEOUS

The Board received the following miscellaneous item: Disbursements – Dated June 20, 2019.

The Board received the following news articles: Survey shows restrooms top priority for Point Reyes Station; Novato – Sanitary district changes elections; and Water tastes or smells funny? Napa’s grand jury wants cities to further address this issue.

ADJOURNMENT

President Baker adjourned the meeting at 7:34 p.m.

Submitted by



Theresa Kehoe
District Secretary