

NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
December 20, 2016

CALL TO ORDER

President Petterle called the regular meeting of the Board of Directors of North Marin Water District to order at 7:00 p.m. at the District headquarters and the agenda was accepted as presented. Present were Directors Jack Baker, Rick Fraites, Stephen Petterle, and Dennis Rodoni. Also present were General Manager Chris DeGabriele, District Secretary Katie Young, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre.

Novato Residents, Frank Rebelo, Gary Butler, and Mike Joly, Point Reyes Resident Rhonda Kutter, District employees Ryan Grisso (Water Conservation Coordinator) and Tony Arendell (Construction/Maintenance Superintendent) were in the audience.

MINUTES

On motion of Director Fraites, seconded by Director Baker the Board approved the minutes from the previous meeting as presented by the following vote:

AYES: Director Baker, Fraites, Petterle and Rodoni

NOES: None

ABSENT: Director Schoonover

GENERAL MANAGER'S REPORT

Chief Engineer Position

Mr. DeGabriele advised the Board that the new Chief Engineer Rocky Vogler will start on January 17th. He informed the Board that Mr. Vogler successfully completed his medical exam on December 8th and came into the office to meet with the Engineering staff and others. He noted that staff will prepare a press release to inform the public when he arrives.

Mr. DeGabriele advised the Board that he has not yet concluded on a date of departure. He informed the Board that he'll make sure that the Chief Engineer transition is solid and provide ample time for the GM transition between Mr. McIntyre and himself.

Meeting Thursday

Mr. DeGabriele informed the Board that staff from SCWA, MMWD and NMWD will meet this Thursday to discuss development of a decision support tool to evaluate operational strategies that may improve water supply reliability between the three agencies.

Director Rodoni suggested that the meeting scheduled this Thursday between the managers of NMWD, MMWD and SCWA would be a good time to suggest a joint meeting of the NMWD and MMWD Board of Directors.

OPEN TIME

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

Director Baker advised staff that the Sonoma County Civil Grand Jury has solicited input from the Board on possible members.

MONTHLY PROGRESS

Mr. DeGabriele provided the Board with the Monthly Progress Report for November. He stated that water production this fiscal year to date in Novato is up 22% from one year ago but still down 16% from 2013, the State's prior benchmark. He advised the Board that in West Marin, to date water production this fiscal year is on par with last year and down 26% compared to 2013. He stated that storage at Stafford Lake through Monday had reached 51% and on the Russian River Lake Mendocino is full and Lake Sonoma is nearly full. He noted that high bill complaints are up significantly with 127 this month, principally due to the estimated meter read issue. Mr. DeGabriele informed the Board that overall complaints are up 216% compared to November last year and up 46% year to date and bill adjustments totaled nearly \$100K.

Mr. Bentley reported that District Investments total \$14.5M and the investment portfolio is earning 0.81%.

Director Schoonover arrived at 7:10 p.m.

CONSENT CALENDAR

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

AYES: Director Baker, Fraitess, Petterle, Rodoni and Schoonover

NOES: None

EUCALYPTUS AVE. FIRE HYDRANT

The Board approved an agreement with Frank Rebelo to install a fire hydrant at Thomas Ct. No new connection fees are necessary. Cost of the project is \$19,613. The Board approved Resolution 16-29 entitled: "Authorization of Execution of Water Service Facilities Construction Agreement with Frank Rebelo Jr. and Erin S. Reynolds."

Mr. Rebelo left the meeting.

TANK INDUSTRY CONSULTANTS – CONSULTING SERVICES AGREEMENT

The Board approved a Consulting Services Agreement with Tank Industry Consultants. The first task order will be an evaluation and structural assessment associated with the San Mateo Tank Rehabilitation Project which is planned over the next two years.

LETTER OF INTENT TO PARTICIPATE IN THE MARIN COUNTY MULTI-JURISDICTIONAL LOCAL HAZARD MITIGATION PLANNING PROCESS

The Board authorized the District to participate in Marin County's Multi-Jurisdictional Local Hazard Mitigation Planning Process. Participation in the LHMP may benefit the District to acquire Federal Emergency Management Agency grant funds in the future.

REVIEW AND REAFFIRM REGULATION 1(C)(5) – INITIAL CHARGES FOR AFFORDABLE HOUSING

The Board reviewed and reaffirmed Regulation 1(c)(5) which enables Affordable Housing projects to defer posting connection fees for up to two years or until occupancy of the project occurs, whichever is earlier. This provision was added to comply with legislation adopted in 2006 and periodically must be reviewed and updated.

REVISION TO REGULATION 4(B)(5) – MULTIPLE SERVICE

The Board revised Regulation 4(b)(5) to prohibit service through a single service connection to two separate dwelling units on a parcel in undivided ownership and constructed prior to December 31, 2016. This change is in response to Senate Bill 1069 which becomes effective on January 1, 2017 and requires the District to change the method of collecting connection fees for accessory dwelling units (ADU's). The District will no longer be allowed to collect a connection fee when the ADU is contained within the footprint of an existing single family residence or accessory structure, except where a separate meter is provided. The Board approved Resolution 16-30 entitled: "Revision of North Marin Water District Regulation 4(b)(5) Multiple Service."

ACTION CALENDAR

RECYCLED WATER EXPANSION CENTRAL SERVICE AREA (NORMAN TANK) – REJECT BID, APPROVE ADVERTISEMENT FOR NEW BIDS

Mr. McIntyre stated that the Norman Tank is intended to be rehabilitated and used for Recycled Water storage and distribution in the Central Service Area. He informed the Board that

even though 14 prime contractors attended the mandatory pre-bid meeting in October, only one bid was received and he recommended the Board reject the bid. He advised the Board that the bid was 14.5% above the engineer's estimate. He stated that research by staff and the construction manager indicates that tank contractors were very busy and that was the reason for the limited response. Mr. McIntyre also requested that the Board approve advertisement for new bids.

Director Baker asked if this would delay the process. Mr. McIntyre responded that it should not affect the overall project schedule if staff receives the new bids before the spring.

President Petterle asked if there were any changes to the plans and specs. Mr. McIntyre responded no.

On motion of Director Schoonover, seconded by Director Baker, the Board rejected Piazza Construction's Bid for \$881,436 and approved advertisement for new bids by the following vote:

AYES: Director Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

AMI NOTICE OF EXEMPTION

Mr. Bentley reviewed the Environmental Review for the Advanced Metering Information (AMI) project and asked that the Board approved a Notice of Exemption consistent with California Environmental Quality Act Guidelines. He reminded the Board that AMI involves upgrading customer meters with digital technology and installing 26 radio antennas in Novato to collect the digital meter data and transmit same to District headquarters for billing and customer service purposes. He advised the Board that the District did notice approximately 600 customers in the vicinity of the 26 antenna sites which will be installed to service the AMI project and two customers attended the District's public meeting on the project held December 13th.

Director Fraites advised that the prospective antenna numbers on the GHD Consultant map included in the AMI Environmental Review don't match the numbers on the table listing antenna locations. Mr. Bentley advised this will be corrected.

On motion of Director Fraites, seconded by Director Baker, the Board approved filing the Notice of Exemption by the following vote:

AYES: Director Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

AMI PILOT PROJECT

Mr. Bentley requested that the Board approve agreements with Equarius Ferguson and NMWD's IT consultant (Smedshammer) to install facilities and conduct a pilot project of the AMI

technology for a cost not to exceed \$590K. He informed the Board that the pilot project will involve installation of 10 meters in each of 20 different difficult to read areas in Novato, plus the homes of Directors and six staff members to test the effectiveness of the technology within Novato's rolling topography. He noted that 26 antennas will be installed on District facilities, principally water storage tanks, located throughout Novato to receive hourly consumption data from the 200 digital meters. Mr. Bentley advised the Board that the consumption data will then be forwarded to the District office over a cellular network for analysis and billing. He informed the Board that the pilot project will include installation of analytical software for District use as well as software to allow customer access to water use over the internet. Mr. Bentley further stated that after testing the system for a few months, if all of the various components are found to be successfully working together as advertised and after financing is secured, the Board will be asked to authorize installation of digital meters throughout the Novato service area. Mr. Bentley showed the Board a sample digital meter and meter box.

Director Baker asked if the meter was covered would the AMI system be able to obtain a read. Mr. Bentley responded that the meter can be 3" under water and staff will still receive a read, but if a car is parked on top of the meter staff would be unable to obtain the read. He stated that the data will be sent to the office four times a day, every six hours.

Director Schoonover asked if there would be a change in staffing when all customers have digital meters. Mr. Bentley responded that the District does not anticipate a change in staffing at this time. He stated that two people would be needed to maintain the meters and review data to look for leaks improving customer service and the third person would be dealing more with water conservation issues.

Rhonda Kutter opined that the District may not receive the same feedback from customers in West Marin and stated that she believes they would be more concerned about the antennas. She requested that outreach occur to all customers.

Mr. DeGabriele stated that the District is not contemplating the AMI system in West Marin at this time but when the time comes staff will provide plenty of outreach. He stated that the District already has several cellular meters in West Marin at locations which are hard to read and hard to get to and haven't had any complaints. Mr. Bentley stated that out of 770 meters there are 188 driveby radio reads in West Marin.

On motion of Director Schoonover, seconded by Director Fraites, the Board authorized staff to enter into agreements with Equarius Ferguson and NMWD's IT consultant to install facilities to

conduct a pilot project of the AMI technology in the Novato Service Area for a cost not-to-exceed \$590,000 by the following vote:

AYES: Director Baker, Fraitas, Petterle, Rodoni and Schoonover

NOES: None

ACCEPT DIRECTOR RODONI'S RESIGNATION AND APPROVE FILING BOARD VACANCY

President Petterle stated that when he was first appointed to the District Board he appreciated Director Rodoni's counsel and still does. He believes Director Rodoni has been a champion for the District and West Marin and congratulated him on his election to the Marin County Board of Supervisors.

Director Fraitas recounted running for the District Board in the same election year as Director Rodoni and that he was welcomed by Director Rodoni to share a campaign mailer with him at a time when Director Fraitas was little known in the community. He further stated that Director Rodoni was always cooperative and is thrilled that he will be a County Supervisor.

Director Baker applauded Director Rodoni on his work ethic and exemplary attendance at District Board meetings and other meetings while representing the District.

Director Schoonover seconded all the comments by other Directors and wished Director Rodoni all the best.

Rhonda Kutter said thank you to Director Rodoni for his service.

Mike Jolly expressed his opinion that while Director Rodoni's departure from the District would be a loss for the District it's a big win for the County and that he has admired his great service.

On motion of Director Schoonover, seconded by Director Baker, the Board accepted Director Rodoni's resignation effective December 20th and declared a vacancy on the Board, authorized staff to notice the County of Marin and County of Sonoma of the Board's intent to appoint a replacement to fill the vacancy, set a special meeting at 7pm on January 31st to conduct candidate interviews, approved the tentative timeline to fill the vacancy, authorized a notice being placed in the Pt. Reyes Light, Novato Advance, and Marin Independent Journal soliciting letters of interest and resumes from residents of the District who are interested in serving on the Board and approved a press release to the same three newspapers regarding the Board vacancy by the following vote:

AYES: Director Baker, Fraitas, Petterle, and Schoonover

NOES: None

RESOLUTION OF APPRECIATION FOR DIRECTOR RODONI

Mr. DeGabriele requested the Board approve a Resolution of Appreciation to Dennis Rodoni, who resigned tonight after 21 years of service with the North Marin Water District Board of Directors.

Mr. DeGabriele read an email from Legal Counsel Robert Maddow stating that BPMN&J staff have very much enjoyed working with and getting to know Director Rodoni. He stated that they wish him the very best of luck as he leaves the District's Board and embarks on his new challenges as a member of the Marin County Board of Supervisors.

Director Rodoni commented on how well the District Staff and Board works together. He recalled that he brought a lot of ideas to the table, some good and some not so good, but staff considered all prior to making recommendations. He further stated that the District is unique in its' size making it able to provide great service to its' customers.

On motion of Director Fraiters, seconded by Director Schoonover, the Board approved Resolution 16-28 entitled: "North Marin Water District Resolution of Appreciation for Dennis J. Rodoni," by the following vote:

AYES: Director Baker, Fraiters, Petterle, and Schoonover

NOES: None

INFORMATION ITEMS

COMMENTS TO THE STATE ON "MAKING WATER CONSERVATION A WAY OF LIFE IN CALIFORNIA"

Mr. DeGabriele reminded the Board of the presentation he provided at the last meeting regarding the States framework for "Making Water Conservation a Way of Life in California." He provided the Board with three comment letters on the framework, one from ACWA, one from the Sonoma Marin Saving Water Partnership and one from the District. He noted that the SMSWP letter was tailored toward partnership interests and the District letter was tailored solely toward the Novato and West Marin service areas interest. Mr. DeGabriele advised the Board that Ryan Grisso has been participating in webinars on how to develop landscape areas and irrigated areas and staff is hoping the State has more of a regional approach. He noted that the District is on track to save 20% by year 2020.

Director Fraiters asked if customers are able to tell usage per day. Mr. DeGabriele stated with the new AMI system, customers will be able to monitor hourly usage online at home.

President Petterle asked that staff consider some way to inform customers of the States' water conservation framework ideas and to encourage customers to comment to the State.

LAFCO SPECIAL DISTRICT MEMBER CALL FOR NOMINATIONS: FOUR-YEAR TERM

Mr. DeGabriele advised the Board that Marin LAFCo is calling for nominations for a Special District Member for a four-year term.

Director Baker advised that Special District Member Craig Murray's term is expiring on Marin LAFCo and that Mr. Murray is interested in continuing. He further advised that the Public Member Alternate, Chris Burdick's, term is also expiring.

NBWRA MEETING – DECEMBER 19, 2016

Mr. McIntyre advised the Board that a report on the 12/19/2016 NBWRA meeting will be made at a future meeting. He further advised that the budget augmentation was approved and that MMWD is considering Phase 2 membership at their meeting tonight.

MISCELLANEOUS

The Board received the following miscellaneous information: Disbursements.

The Board received the following news articles: Donald Trump forces a California water deal without lifting a finger, and 50 Years Ago – December 1966.

ADJOURNMENT

Prior to adjournment, President Petterle thanked the staff for another successful year and wished all a Happy and Healthy Holiday.

President Petterle adjourned the meeting at 7:52 p.m.

Submitted by



Katie Young
District Secretary