

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
April 21, 2020**

CALL TO ORDER

President Joly announced that due to the Coronavirus outbreak and pursuant to Executive Order N-29-20 issued by the Governor of the State of California this was a virtual meeting. President Joly called the regular meeting of the Board of Directors of North Marin Water District to order at 6:00 p.m. and the agenda was accepted as presented. President Joly added that there was not a public location for participating in this meeting, but any interested members of the public could participate telephonically by utilizing the dial-in information printed on the agenda. President Joly asked if there were any members of the public on the line to announce themselves, and Jeff McAndrew Jr., the Indian Valley Golf Club manager replied.

President Joly welcomed the public to participate in the call and asked that they mute their phone, except during open time and while making comments on the agenda items. President Joly noted that due to the virtual nature of the meeting he will conduct a roll call from the Directors. A roll call was done, and all Directors were in remote attendance therefore establishing a quorum. Participating remotely by phone were Directors Jack Baker, Rick Fraites, James Grossi, Michael Joly and Stephen Petterle.

Mr. McIntyre did a roll call of staff, participating by phone were General Manager Drew McIntyre, District Secretary Terrie Kehoe and Auditor-Controller Julie Blue.

District employees Tony Arendell (Construction/Maintenance Supervisor) and Robert Clark (Operations/Maintenance Supervisor) were also participating remotely by phone. Public member Jeff McAndrew Jr., Indian Valley Golf Club manager was also participating by phone.

MINUTES

Director Petterle suggested the last paragraph in the first section of the minutes should be moved up to the first line to make the public aware immediately that this was a remote meeting.

On motion of Director Petterle, seconded by Director Fraites the Board approved minutes with minor specified revisions from the April 7, 2020 meeting by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

GENERAL MANAGER'S REPORT

Mr. McIntyre reminded everyone of the protocol of the meeting and asked all participants to announce their name when talking and to mute their phone as much as possible unless they are speaking.

Assistant General Manager/Chief Engineer Position

Mr. McIntyre apprised the Board that the current job solicitation for Assistant General Manager/Chief Engineer closes on April 24th. He added that there were approximately 744 viewings and 8 applications have been submitted to date.

PRE Tank 4A Project Update

Mr. McIntyre advised the Board that there have been two separate bird surveys conducted for the PRE Tank 4A project. He noted one survey was done before the clearing of the trees and the other survey was last week just prior to start of construction. Mr. McIntyre shared that both surveys were clear. He reminded the Board that the first task at hand will be to begin excavation of the tank foundation.

Old Ranch Road Project

Mr. McIntyre updated the Board on the Old Ranch Road Project and announced we are using Point Blue Conservation Science out of Bolinas to perform the Northern Spotted Owl surveys over the next couple of months. He added this work is required to address questions raised by California Department of Fish and Wildlife (CDFW) when commenting on the draft Initial Study. Mr. McIntyre stated that two surveys have been completed to date.

Website Design Update

Mr. McIntyre announced that Kiosk continues to work on the new website design. He added that Kiosk is also in the process of designing the Spring Novato and West Marin Waterline newsletters. Mr. McIntyre noted a new set of logo guidelines and NMWD brand guidelines has been created. Once the new website is finished, Kiosk will perform a series of tasks associated with increasing our social media presence including, but not limited to; a social media calendar for the remainder of the year, creating a series of NMWD branded social media images and social media post templates for future use.

Potter Valley Project Relicensing

Mr. McIntyre apprised the Board that Sonoma County Water Agency (SCWA) and the other Planning Agreement partners are working on submitting a document to the Federal Energy Regulatory Commission (FERC) on May 14, 2020 as required by FERC's Potter Valley Project

schedule for relicensing. He added that WAC/TAC leadership is working to reschedule the May 4th WAC/TAC meeting to May 18th to better align with the May 14th FERC submittal.

Sonoma County Water Agency FY21 Water Transmission System Budget

Mr. McIntyre announced the Sonoma County Water Agency (SCWA) Board of Directors approved the FY21 Water Transmission Budget (WTS) budget at the Board of Supervisor's meeting on April 21st.

OPEN TIME

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

Mr. Clark advised the Board that the Stafford Treatment Plant has been in operation for ten days and the water quality is good. He added there is limited staff available due to the shelter in place order and they are working a rotating shift Monday thru Friday.

Mr. Clark apprised the Board on the preparation for the next fire season anticipating Public Safety Power Shutdown (PSPS) events. He stated staff are working on lessons learned from last year to evaluate what generators we need to rent and purchase to provide temporary power. Mr. Clark added he is working with Herc Rentals, the same company we used last year, and they are offering to charge us the same fees as before.

MONTHLY PROGRESS REPORT

Mr. McIntyre provided the Monthly Progress Report for March. He stated that water production in Novato is up 9% from one year ago and up 3% year to date. In West Marin, he added that water production is up 18% from one year ago and down 9% year to date and actual fiscal year to date consumption up 8%. Mr. McIntyre informed the Board that Recycled Water production is up 15% fiscal year to date and that while Stafford Treatment Plant had no production during the month of March, total production is up 54% fiscal year to date. He added that Stafford Lake is at 76% capacity, Lake Sonoma is at 89% capacity and Lake Mendocino is at 89% capacity. Mr. McIntyre noted the total number of summary of complaints and service orders were down 34% for the month and down 22% year to date; adding that the customer questionnaire comments were incredibly positive and commended staff on their customer service skills. Mr. McIntyre stated the number of bill adjustments were down 10% from last year and the bill adjustment dollar amount is down 36% from last year and down 50% from two years ago.

Ms. Blue reported on the March 2020 Investments, where the District's portfolio holds

\$23M earning a 1.89% average rate of return. Julie noted that during March the cash balance decreased by \$192,666. She also noted the LAIF rate is 1.79%.

Director Joly complimented staff for doing a wonderful job with our customer service and stated it was wonderful to see so many of our customers responding to our questionnaire.

CONSENT ITEMS

On the motion of Director Petterle, and seconded by Director Baker 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

WATER AGREEMENT – SPRINGBROOK GREEN HOMES, 1602 VALLEJO AVE., NOVATO (APN: 141-221-74 and 75)

The Board authorized approval of the water service agreement. The project is located at 1602 Vallejo Ave. in Novato and proposes to construct nine attached townhouse residential units on a 1.3-acre site. There are two existing services on the property that will be removed after the new water facilities are installed. Total water demand is 6.4 Equivalent Dwelling Units (EDUs) with a credit of 2 EDUs paid by the previous owners.

ACTION ITEMS

RENEW DECLARATION OF LOCAL EMERGENCY RELATED TO COVID-19 PANDEMIC

Mr. McIntyre requested the Board find that there still exists a need to continue the State of Emergency due to the COVID-19 pandemic as reflected by Resolution No. 20-07.

Mr. McIntyre reminded the Board that staff has been operating under partial Emergency Operations Center (EOC) activation since March 18th and summarized various key measures implemented by the District's emergency management team over the last five weeks.

He stated the District's staff are physically separated as much as possible by rotation shifts and having some employees work from home, but all critical operations needed to maintain essential services continue. Mr. McIntyre also noted relocation of some staff back to the District buildings, and certain other projects and activities are delayed until after the Marin County and Statewide shelter-in-place orders are both significantly modified, suspended, or terminated. Mr. McIntyre provided the Board with an update on current coronavirus conditions in Marin County. He apprised the Board that currently we have no employees who have been instructed to be isolated or are self-quarantined. Mr. McIntyre added with respect to operational status, we are not experiencing any major issues. He advised physical Board meetings will be re-instated as

soon as it is safe for Board members, public and staff to do so.

On the motion of Director Petterle, and seconded by Director Grossi the Board approved the renewal of the Declaration of Local Emergency Related to COVID-19 Pandemic by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

SET PUBLIC HEARING TO CONSIDER DECLARATION OF A WATER SHORTAGE EMERGENCY AND ADOPT WATER SHORTAGE CONTINGENCY MEASURES IN THE WEST MARIN SERVICE AREA

Mr. McIntyre announced to the Board that the current water year rainfall through April 1st was only 23.6 inches, which was less than the 28-inches required for normal year conditions. He added dry year conditions in West Marin will trigger enactment of the Water Shortage Contingency Plan and the adoption of an Emergency Water Conservation Ordinance. Mr. McIntyre noted since the State Water Resources Control Board (SWRCB) Water Rights Order 95-17 was first issued in 1995, dry year conditions on Lagunitas Creek has only happened once before in 2014. He noted that the Ordinance has been drafted such that a drought surcharge is not mandatory, but may be implemented by resolution of the Board of Directors simultaneously with, or after, enactment of the mandatory stage effective July 1.

Mr. McIntyre requested approval from the Board to set the May 5th Board meeting as the date to hold a Public Hearing to consider declaration of a Water Shortage Emergency in the West Marin service area.

On the motion of Director Fraites, and seconded by Director Grossi the Board approved setting the Public Hearing to consider declaration of a Water Shortage Emergency in the West Marin Service Area by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

GALLAGHER RANCH STREAMBANK STABILIZATION PROJECT – AWARD CONTRACT TO DIXON MARINE SERVICES, INC.

Mr. McIntyre stated the project will repair a bank failure along Lagunitas Creek that threatens NMWD Gallagher well and pipeline facilities conveying water to the Point Reyes

Treatment Plant via the Gallagher Ranch Bridge. He reviewed the bid phase process with the Board announcing Dixon Marine Services Inc. (DMS) of Inverness, California submitted the lowest responsive bid of \$375,840, which was \$17,840 above the Engineer's construction cost estimate of \$358,000. He stated a bid evaluation was performed by District staff, concluding that DMS satisfied all bid requirements. Mr. McIntyre added the updated total project cost is now \$656,549 and includes higher costs for permitting, permit fees, construction and contingencies, and that staff will need to negotiate a change order with the contractor to address post- bid phase design changes required by the permitting agencies. Mr. McIntyre announced there will be a Marin County Zoning Administrator Hearing on April 30th for County Coastal Permit approval. He added that as of mid-April all other permitting agencies are finalizing their approval documentation. He noted that all permits except the Coastal Permit are expected by April 30th and the Coastal Permit appeals process will not terminate until around May 21st. Mr. McIntyre stated the original Natural Resource Conservation Service (NRCS) project completion date was automatically extended from May 22nd to July 21, 2020 due to COVID-19.

Director Baker reminded Mr. McIntyre that he would like all bid tabulations to include the home office location of each bidder, adding that Directors like to follow the players, especially the new ones. Director Petterle noted he worked with Dixon Marine in the past and found them to be very competent.

On the motion of Director Baker, and seconded by Director Fraites the Board approved award of the construction contract to Dixon Marine Services, Inc. for the Gallagher Ranch Streambank Stabilization Project by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

INDIAN VALLEY GOLF CLUB LEASE EXTENSION

Ms. Blue reported to the Board that this lease was originally established in 1956, renewed in 1988 and the current terms are set to expire in 2026. She stated Indian Valley Golf Club (IVGC) has requested a four-year extension in order to satisfy a requirement for IVGC to apply for a Small Business Administration Economic Injury Disaster Loan for those experiencing hardship due to the recent COVID-19 Public Health Order.

Mr. McAndrew stated the memo says it all, and they need help since the golf industry is a tough business now. He added they have been closed and are financially hurting, noting four

more years on the lease will really help them out. Director Joly stated that he was deeply sorry to hear this and NMWD is happy to be partners with IVGC and wish them all the best.

On the motion of Director Petterle, and seconded by Director Fraites the Board approved the Indian Valley Golf Club Lease Extension by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

OCEANA MARIN SEWER SYSTEM FINANCIAL PLAN UPDATE

Ms. Blue apprised the Board that the 5% proposed rate increases are consistent with the prior year's 5-year financial plan and budget to finance a portion of the CIP plan. She stated these increases are needed to fund the capital improvement plan which will address deferred major capital projects, which are necessary to maintain a well-functioning sewer system. Ms. Blue noted these projects include the Treatment Pond Berm Rehabilitation Project and North Street Lift Station Bypass Project. Ms. Blue announced that at the May 5th meeting the Board will be asked to approve a letter which will notify the OM customers of the proposed rate increase. She also stated that a public hearing to approve the rates is scheduled for June 23rd in Point Reyes.

Director Petterle advised that there should be flexibility in the letter, and phrase it in such a way that we address the current shelter in place order and state that we may or may not have a physical location meeting.

On the motion of Director Grossi, and seconded by Director Fraites the Board approved the Oceana Marin Sewer System Financial Plan Update by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

WEST MARIN WATER SYSTEM FINANCIAL PLAN UPDATE

Ms. Blue reported to the Board that a 4.5% rate increase is proposed for the West Marin Water System. She noted significant expenditures in this plan include capital projects which include completion of the Paradise Ranch Estates Tank 4A project; continued work on the State Route 1 (at Lagunitas Creek) Bridge Pipe Replacement project and the completion of the Gallagher Ranch Streambank Stabilization project. Ms. Blue announced that at the May 5th meeting the Board will be asked to approve a letter which will notify the WM customers of the proposed rate increase. She also stated that a public hearing to approve the rates is scheduled

for June 23rd in Point Reyes. She added that the letter will include Director Petterle's suggestion that we may have a virtual, not physical location meeting for the public hearing.

Director Joly asked if the proposed 4.5% rate increase is for one-year. Ms. Blue replied yes, the five-year financial plan includes rate increases of 4.5% each year but that the current proposed rate increase and customer notification letter is solely for FY 20/21. She stated we will revisit the financial plan and future rate increases the following year.

On the motion of Director Grossi, and seconded by Director Baker the Board approved the West Marin Water System Financial Plan Update by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

INFORMATION ITEMS

STP SOLAR POWER FACILITY

Mr. Clark provided a seven-year status report on the Stafford Treatment Plant Solar Power Facility. He advised the Board that operation of the solar facility resulted in a net power savings of \$3,347 to the District during the 2018/2019 billing year.

Director Baker asked if we have had any vandalism of the panels. Mr. Clark responded that occasionally a golf ball ends up in the solar field site, but these occurrences have been minor issues. He added all in all, it is performing above design capacity and staff is incredibly pleased with that.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – April 9, 2020, Disbursements – April 16, 2020, Rate Increase Notice on Water Bill – Novato Service Area, Notice of Public Hearing - Proposed Water Rate Increase, Website Privacy Policy and Gallagher Family LLC Coastal Permit – NMWD Streambank Stabilization Project.

The Board received the following news articles: Coronavirus: Is the drinking water supply safe?; Virus Hunters Find Coronavirus Clues in Sewage; Pension portfolio jarred by outbreak; Coast Guard Housing Update; Marin infections 'flattening' CORONAVIRUS PANDEMIC; Editorial – COM-Kent flap illustrates need for outreach and Western megadrought one of the worst.

Director Petterle commented on the rate increase message that will be included on each customer's water bill, adding the message makes no mention of a virtual meeting possibility. Ms. Blue responded that the message will be revised to address his concern.

Director Grossi asked if staff thought of using the Zoom or GoToMeeting website platforms, adding they have been using it at the school board meetings. He stated that it has a button to raise a hand to talk and this may be an advantage. Mr. McIntyre replied that we have an internet bandwidth issue at the office and is concerned about internet speed if using remote video access. He added that staff can research this more with our IT consultants to explore options. Director Petterle stated that he does not mind Zoom, but his concern is that there may be people who don't have internet access or are easily confused, and by providing access by phone this will make us as open as possible. Director Grossi stated the meeting he was on, three of the attendees were on phones, however if we do not have the bandwidth that is a concern.

Director Joly recognized Mr. Grisso for putting together an online website privacy policy and asked if at the May 5th meeting the Board can have an update on the Kiosk rollout of the new website. Mr. McIntyre confirmed.

Director Joly thanked the Board for meeting under these extraordinary circumstances and thanked staff for doing a great job. He closed the meeting and wished everyone to be safe.

ADJOURNMENT

President Joly adjourned the meeting at 7:13 p.m.

Submitted by



Theresa Kehoe
District Secretary