

Est.  
Time  
6:00 p.m.

Item

Subject

**CALL TO ORDER**

1. **APPROVE MINUTES FROM REGULAR MEETING**, July 21, 2020
2. **GENERAL MANAGER'S REPORT**
3. **OPEN TIME: (Please observe a three-minute time limit)**

This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.

4. **STAFF/DIRECTORS REPORTS**

**CONSENT CALENDAR**

The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.

<b>Consent - Approve Water Agreement</b>		<b>Type</b>	<b>DU</b>	<b>EU</b>	
5.	Residence Inn by Marriott 7546 Redwood Blvd., Novato APN: 143-011-06	CM	0	25	Resolution
6.	Novato Public Library Fire Service 1720 Novato Blvd., Novato APN: 141-201-19	GVT	0	0	Resolution

**ACTION CALENDAR**

7. **Approve:** Renew Declaration of Local Emergency Related to COVID-19 Pandemic
8. **Approve:** Consulting Services Agreement for the Oceana Marin Sewer System Management Plan Update
9. **Approve:** Contract Amendment for Engineering Services - PES Environmental

**INFORMATION**

10. PRE Tank 4A Replacement – Project Update

**MISCELLANEOUS**

Disbursements- Dated July 23, 2020  
Disbursements- Dated July 30, 2020  
FY20 4<sup>th</sup> Quarter Labor Cost Report

News Articles:

Audit pans city for red tape on project permits – NOVATO  
Santa Rosa, Sonoma County collect more than \$240 million in PG&E settlement for 2017 fires  
Marin Voice – Common misunderstanding led to Mill Valley mistake  
State Supreme Court says public employees can't 'spike' pensions

12. **CLOSED SESSION: In accordance with California Government Code Section 54957 for Public Employment, Title: Chief Engineer/Assistant General Manager**

7:30 p.m.

13. **ADJOURNMENT**

1

DRAFT  
NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
July 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 6:04 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 remotely by utilizing the video or phone conference dial-in method using information printed on the agenda.

President Joly welcomed the public to participate in the remote meeting and asked that they mute themselves, 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, all were in remote attendance therefore establishing a quorum. Participating remotely were Directors Jack Baker, Rick Fraites, James Grossi, Michael Joly and Stephen Petterle.

President Joly announced in the event of technical difficulties during the meeting, the District Secretary will adjourn the meeting and the remainder of the agenda will be rescheduled for a future special meeting which shall be open to the public and noticed pursuant to the Brown Act.

Mr. McIntyre performed a roll call of staff, participating remotely were Drew McIntyre (General Manager), Terrie Kehoe (District Secretary), Julie Blue (Auditor-Controller) and Tony Arendell (Construction/Maintenance Superintendent). Robert Clark (Operations/Maintenance Superintendent) joined the meeting at 6:25 p.m. Also participating remotely was Kevin Cozart (NMWD IT Support).

President Joly announced for those joining the virtual meeting from the public to identify themselves. West Marin residents Rich Schiller and Judy Spelman were in attendance.

**MINUTES**

On motion of Director Petterle, seconded by Director Baker the Board approved minutes from the June 16, 2020 meeting by the following vote:

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

NOES: None

36 ABSTAIN: None

37 ABSENT: None

38 **MINUTES**

39 On motion of Director Baker, seconded by Director Fraites the Board approved minutes  
40 from the June 23, 2020 meeting by the following vote:

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

42 NOES: None

43 ABSTAIN: None

44 ABSENT: None

45 **GENERAL MANAGER'S REPORT**

46 Carmela Chandrasekera's Retirement

47 Mr. McIntyre announced that one of our engineers, Carmela Chandrasekera is retiring at  
48 the end of September. He stated Ms. Chandrasekera has been with the District for about sixteen  
49 years and has provided exemplary services as an engineer and will be missed. Mr. McIntyre  
50 added the good news is that she still plans to live locally and continue to be a solid and active  
51 citizen within Novato and she is looking forward to spending more time with her family. Mr.  
52 McIntyre noted her Resolution of Appreciation will be presented at a future Board Meeting.

53 Gallagher Ranch Streambank Stabilization Project

54 Mr. McIntyre reported that July 21<sup>st</sup> was the deadline for substantial completion of the  
55 Gallagher Ranch Streambank Stabilization Project and the contractor has met this deadline. He  
56 stated he will be at the job site on July 22<sup>nd</sup> along with Natural Resources Conservation Service  
57 (NRCS) representatives to sign off on the project subject to completion of final punch list items to  
58 be completed within the next fifteen days. Mr. McIntyre was happy to report that once staff gets  
59 the sign off from NRCS, the District will be able to request federal grant reimbursement for up to  
60 75% of the construction cost.

61 West Marin Dry Year Conditions

62 Mr. McIntyre reminded the Board that the West Marin water shortage emergency went  
63 into effect on May 5<sup>th</sup> with 15% voluntary reduction in May-June and mandatory 25% reduction  
64 going into effect on July 1<sup>st</sup> through November 1. He stated our outreach efforts have included;  
65 the West Marin Waterline newsletter mailing, a public notice in the Point Reyes Light, a message  
66 on our website and two subsequent newspaper articles, one in the Point Reyes Light and one in

67 the Marin IJ. Mr. McIntyre reported consumption was down 21% in May of this year versus the  
68 same month in 2013 and we will have more to report at subsequent meeting as we go through  
69 the summer season.

70 Kiosk Update

71 Mr. McIntyre apprised the Board that Kiosk has completed the website and it became  
72 active on June 30<sup>th</sup>. Since that time, staff have been making most of the updates with assistance  
73 from Kiosk as needed. He stated Kiosk is now working on a yearlong social media calendar and  
74 a series of social media posts that we will be deploying over time, beginning this summer.

75 Assistant General Manager/Chief Engineer Position

76 Mr. McIntyre updated the Board on the AGM/CE position. He noted a professional  
77 recruitment firm, Ralph Anderson and Associates was hired to help fill the AGM/CE position that  
78 was recently re-opened late June. Mr. McIntyre reported that our recruitment firm has received  
79 five applications to date and three of the applicants are scheduled for interviews within the week.  
80 Additionally, Mr. McIntyre stated the recruiter is looking at the ad placements and may re-run or  
81 expand the advertisement.

82 Director Baker asked if there are any applicants from the Bay Area. Mr. McIntyre replied  
83 that there is one candidate from San Jose, one from Santa Rosa and the others are from southern  
84 California. Director Baker asked when the recruitment was scheduled to close. Mr. McIntyre  
85 responded that it is an open recruitment, so it will be remain open until filled. Director Joly asked  
86 when was Ms. Chandrasekera's last day and Mr. McIntyre replied September 30<sup>th</sup>. Director Joly  
87 asked if we will have the new AGM/CE position hired in time to allow for training. Mr. McIntyre  
88 responded it is possible, however most likely, he will provide the necessary training. Director  
89 Petterle asked if there was any reasoning as to why we have only received five applications to-  
90 date. Mr. McIntyre replied that the recruiter mentioned people out of the area are less likely to  
91 move during the COVID pandemic due to uncertainty. He added that the recruiter also mentioned  
92 the language in the job description giving preference to people within the District's service area  
93 may be restricting out of area interest.

94 Director Joly asked for a COVID update on staff and if any testing had occurred. Mr.  
95 McIntyre replied that our staff is healthy and no one has tested positive, noting he will give a more  
96 extensive update during agenda item #8. Director Joly commented that it is wonderful news to  
97 hear that our staff is safe.

98 OPEN TIME

99 President Joly asked if anyone from the public wished to bring up an item not on the  
100 agenda. He also advised West Marin customers Rich Schiller and Judy Spelman that they can

101 address their bill adjustment request when the Board discusses Agenda Item #9. Ms. Spelman  
102 asked if all the members of the Board received their letter dated June 25<sup>th</sup>. President Joly replied  
103 that it was included in the agenda packet and all the Directors did receive the letter. Ms. Spelman  
104 stated that there were other issues in the letter that she would also like to bring up. She also  
105 wanted to thank Ms. Blue for being very kind and commended her on her professionalism.  
106 President Joly stated that they can fully discuss their request during Agenda Item #9. President  
107 Joly asked if there were any other members from the public that wished to bring up an item not  
108 on the agenda, and there was no response.

#### 109 **STAFF/DIRECTORS REPORTS**

110 Ms. Blue announced our new HR/ Safety Manager started on June 20<sup>th</sup>. She reported  
111 Joanne Fabia has 17 years of experience and has worked in the public sector for five years. Ms.  
112 Blue added that Ms. Fabia has worked on recruitment, health and safety and staff is excited to  
113 have her on board. Director Joly announced on behalf of the Board we wish to welcome our new  
114 HR/ Safety Manager and are thrilled to have her on board.

115 Mr. Clark reported he is working on the rehabilitation of District grazing property at the  
116 end of Vineyard Road by re-building the cattle fence and re-establishing a water trough on the  
117 parcel. He noted that one of the ranchers we currently lease property to for grazing is also  
118 interested in leasing this parcel.

119 Mr. Clark updated the Board on the SCWA aqueduct shut down that occurred early this  
120 morning. He added in preparation District staff filled the storage tanks on the night of July 20<sup>th</sup>  
121 and reported we have good storage through July 22<sup>nd</sup>, if we need it.

#### 122 **MONTHLY PROGRESS REPORT**

123 The Monthly Progress Report for June was reviewed. Mr. McIntyre reported that water  
124 production in Novato is up 16% from one year ago and up 7% for the fiscal year. In West Marin,  
125 water production is up 8% from one year ago and down 6% for the fiscal year. Recycled Water  
126 production is up 23% from one year ago and up 20% for the fiscal year. He added that Stafford  
127 Treatment Plant produced 102 MG during the month of June and production is up 21% fiscal year  
128 to date. He noted that the fiscal year total production was 686 MG representing the second  
129 highest water production in the last five years. Mr. McIntyre commended Mr. Clark and his staff  
130 for doing an exceptional job especially in light of the dry year conditions and COVID-19 impacts.  
131 The Board was apprised that Stafford Lake is at 57% capacity, Lake Sonoma is at 84% and Lake  
132 Mendocino is at 73% capacity. Under Safety and Liability, Mr. McIntyre noted that we had 7 days  
133 without a lost time injury. In Oceana Marin flow volume for June was higher than last year, which  
134 may be due to higher occupancy numbers in the last month. He reported that pond free board

levels looked good with no discharge for June. Under Utility Performance, we had 33 customers with water interrupted for four hours or less due to a main leak on Devonshire near Eucalyptus. Director Joly asked what was the cause of the break. Mr. Arendell replied there was a collar problem with the AC pipe. Director Joly asked if the pipe was old. Mr. Arendell replied he believed it was installed in the early 1960's.

On the Summary of Complaints and Service Orders, the Board was apprised the total numbers are down 41% from June one year ago and there were no unusual trends in complaints and service orders for the month. Mr. McIntyre referred to the potable water production chart and noted we budgeted 2,600MG and actual use for FY20 was 2,604MG.

Director Joly stated we are now over four months with the shelter-in-place order and wondered if staff noticed any water use issues with people being at home or any patterns due to the pandemic. Mr. McIntyre stated that the primary change in water use patterns is with increased outdoor irrigation due to warm weather. He added that the total number of customer questionnaires sent out over the last quarter was 39 versus 139 last year. However, there was a strong 94% high approval rating.

Ms. Blue reported on the June 2020 Investments, where the District's portfolio holds \$22.2M earning a 1.53% average rate of return. She noted that during June the cash balance decreased by \$206,251. She also noted the LAIF rate is 1.22%. Ms. Blue added two CD's with a 2.7% and 2.75% interest rate matured and brought \$28,000 in interest. Director Joly found the ten-year graph very informative and asked if deferring the rate increase three months due to the COVID along with the SCWA increase is analyzed on the green graph showing sensitive relativity. Ms. Blue replied the delay of the increase in water rates in Novato cost the District approximately \$400,000, which will bring the cash balance down that much for the next fiscal year. Director Joly asked if we will still remain above our operations target. Ms. Blue stated we will have to wait and see as time progresses.

#### **CONSENT CALENDAR**

On the motion of Director Fraites, 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 -McPHAILS PHASE 2A WATER FACILITIES, 5400 HANNA RANCH RD., APN: 153-220-16, -19**

The Board approved the water agreement for McPhail's Phase 2A Water Facilities at 5400 Hanna Ranch Road in Novato. The project consists of construction of three office buildings (A, B and C) in two phases on a 4.91-acre parcel. This agreement is for partial installation of Phase 2 water facilities (Phase 2A) within areas paved in Phase 1. The Phase 2A agreement is only for extending the 8-inch Phase 1 water main another ~320 feet.

**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 18<sup>th</sup> and summarized various key measures implemented by the District's emergency management team since that time. He stated the District's staff are physically separated as much as possible including having some employees work from home, but all critical operations needed to maintain essential services continue. Mr. McIntyre also noted relocation of additional staff back to the District buildings, and certain other projects and activities have been occurring and we have been operating with 85% of staff on-site or in the field. He apprised the Board that currently we have no employees who have been instructed to be isolated or are self-quarantined.

Mr. McIntyre updated the Board on current coronavirus conditions in Marin County. Mr. McIntyre reported on July 13, 2020 Governor Newsom issued a statewide order to dial back on recent loosening of restrictions due to a significant increase in the number of confirmed cases.

Mr. McIntyre reported the District's COVID-19 Preparedness and Response Plan is now finalized and training has been completed by staff. Additionally, physical work space modifications are expected to be completed within the next one to two weeks. Mr. McIntyre commended Mr. Clark, Mr. Arendell and Ms. Blue for their implementation and training of the COVID-19 Response Plan. He stated the District also received input from the Safety Committee which is made of a representative from each department.

Mr. McIntyre provided a COVID Cost summary, noting total payroll additional labor cost to date is approximately \$14,500.

On the motion of Director Grossi, and seconded by Director Petterle the Board approved 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



203 ABSTAIN: None

204 ABSENT: None

205 **REQUEST FOR ADDITIONAL BILL ADJUSTMENT – 12461 SIR FRANCIS DRAKE**

206 Ms. Blue presented a request for an additional leak adjustment to the Board. Ms. Blue  
207 stated as outlined in the memo there was a substantial leak on the property with a 447,000-gallon  
208 loss of water, which amounted to a bill of \$9,484. The customers were already granted an  
209 adjustment under the current Board approved Bill Adjustment Policy and are now requesting an  
210 additional \$1,000 adjustment. Ms. Blue stated that approving an additional \$750 adjustment is  
211 consistent with the treatment of other customers who have had similar, albeit rare, situations with  
212 a remote leak of this magnitude. Ms. Blue also presented a response letter and requested  
213 feedback from the Board.

214 Director Baker asked if someone could reference the location of the property. Ms.  
215 Spelman responded that it is near Drakes View Drive in Inverness Park. Director Joly asked how  
216 long the leak ran for. Mr. Arendell responded he received a call that a 50 gallon per minute loss  
217 was occurring in the Balboa system. He added there were no reports of any leaks and in that  
218 area since they are often hard to see in the wooded terrain. Director Baker asked for clarification  
219 on our Bill Adjustment Policy. Mr. McIntyre responded the policy does not allow an additional bill  
220 adjustment above and beyond what was originally offered to the customer, but staff has come  
221 back to the Board with a variance on occasion. Director Baker stated that his recollection was  
222 that it has to be something very compelling and severe. Mr. McIntyre stated given the location of  
223 where the leak was in a wooded area that was not easily visible and the fact that they are in a  
224 high-pressure area it would be reasonable for the Board to consider an additional adjustment to  
225 cover the District's marginal water cost. However, he confirmed Director Baker's statement that  
226 this type of adjustment is not usually approved. Director Baker said he recalled the Board denied  
227 similar requests in the past, for even smaller amounts. He added that in rural areas there is a risk  
228 and it would seem the burden should be on the consumers to watch their meter and look for leaks  
229 on their property. Director Grossi stated that the problem is when consumers come back asking  
230 for a second adjustment. He noted this appeared to be the first adjustment for this consumer and  
231 wanted clarification on if they were asking for a \$750 or \$1,000 adjustment. Mr. McIntyre  
232 confirmed that this is a first-time request. He noted this was a sudden leak, and there was no  
233 history of previous requests. Mr. McIntyre clarified that the consumers requested a \$1,000  
234 additional adjustment above the policy, but to be consistent to what has been done in the past in  
235 a similar circumstance, staff is recommending an additional adjustment of \$750. Director Joly  
236 asked if we mandated a leak detection device be installed to prevent this from happening again.

237 Ms. Blue replied that it was not mandated, but suggested. Director Joly asked if these devices  
238 are reasonably priced. Ms. Blue replied they are under \$300. Director Fraites asked Mr. Arendell  
239 if staff could hear the water running when they walked around the house, and if the owners would  
240 be able to hear it. Mr. Arendell replied it was on the way up to the house off the driveway and  
241 they would need to have walked around that area in order to hear it. Director Fraites stated that  
242 he was taken back by how much water had been wasted and noted when water is running at his  
243 house he can hear it in his pipes. Director Joly asked the residents to give their perspective of  
244 the situation. Ms. Spelman agreed with Director Fraites' concern with the loss of water, but  
245 explained they live up a steep long driveway a hundred yards up the hill, and there is an additional  
246 forty steps to get into the house. The leak was located in a wooded area off the driveway. She  
247 added they did not hear the leak and they also could not safely access their meter. Ms. Spelman  
248 asked what else could they do. Mr. McIntyre responded, as mentioned by Ms. Blue, there are  
249 devices that can be installed on private lines to mitigate sudden line breaks. Ms. Spelman replied,  
250 we would not be able to go into the wooded area to investigate and asked if they could call the  
251 District to report low pressure and ask for assistance. Director Petterle stated the District has  
252 already proven that they will assist in finding the leak. He added he has been on the Board for  
253 over twenty years and staff have always been cooperative with customers whether there is a leak  
254 or they need assistance is having their water shut off. Director Petterle asked Ms. Spelman to  
255 continue to explain their request. Ms. Spelman responded that the \$750 would help. Director  
256 Grossi stated that he thought this was an unusual situation and he agreed with staff's  
257 recommendation for a \$750 adjustment with the understanding the consumers install a leak  
258 detection device and as long as they understand they will not qualify for another leak adjustment  
259 in the next two years. Director Joly stated the consumers must install this device to keep it from  
260 happening again.

261 On the motion of Director Grossi, and seconded by Director Petterle the Board approved  
262 an additional bill adjustment of \$750 by the following vote:

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

264 NOES: None

265 ABSTAIN: None

266 ABSENT: None

267 Ms. Blue asked the Board if they had any comments on the draft response letter and there  
268 was no reply. Mr. Schiller asked the Board if they all read the letter since there were other items  
269 they wished to discuss and asked if they could be on the next agenda. Director Joly stated the  
270 Board always welcomes input from our customers, however it is best to make outreach to District

staff first after reviewing staff's response letter. Ms. Spelman thanked the Board for listening and considering their request.

### **INFORMATION ITEMS**

#### **CALPERS PENSION UPDATE**

Ms. Blue gave an update on our current CalPERS pension status. She explained the two types of employee membership classifications: the Classic and PEPRA. The Classic members have a formula of 2.5% at 55 and the PEPRA formula is 2% at 62. She also discussed the employer contributions, the plan's funded status and the COVID-19 impact.

Director Joly thanked Ms. Blue for the pension update, stated it was well done and noted we may need further updates in the future. Ms. Blue stated it is a good time to review this information since we are going into FY 20-21. She noted every year CalPERS provides the District with information on an increase in employer contributions. She noted in the upcoming FY the increase is 2.2% for the employer. She stated the Classic Plan is 72% funded and the PEPRA Plan is 93% funded, noting this is due to the employee base shifting to new employees that help fund the plan. Ms. Blue reported that historically CalPERS has done well with their investments although they have had some years of loss. Ms. Blue stated the overall CalPERS funding status is about 68% which is in line with other agencies. Director Joly asked what is the blended status of the 72% and the 93% versus the 68% for CalPERS. Ms. Blue replied that she did not have that number, but it would be good to know. She noted CalPERS reports out the funding status separately and she would need to blend the numbers. Director Joly pointed out that pension is the current buzz word and asked if staff was comfortable with where we are in regards to funding. Ms. Blue responded that she is confident. She stated CalPERS does what they need to do to move us forward and they make good decisions. They hire good people to make investments, and the preliminary return is at 4.7% interest which is higher than the District's LAIF rate of 1.2%. Ms. Blue added CalPERS realized the status of the fund which is why they reacted with the PEPRA fund, noting as pension plans go, CalPERS is stronger than many people give them credit for. Director Grossi asked if the 4.7% was an annual number. Ms. Blue replied it is annualized, not cumulative over the year and it is only an estimated number at this time. Director Joly asked if there was any COVID impact on the fund. Ms. Blue replied that the current 4.7% estimated rate of return was compared to a 7% actuary estimated report, noting the loss would be amortized and covered over twenty years. She added, how much impact COVID will have is yet to be seen. Director Joly stated it was a fine report and he has no doubt staff will be very focused on this.

#### **ADMINISTRATION OFFICE ROOF REPLACEMENT PROJECT**

Mr. Clark reported on the Administration Office Roof Replacement Project. He provided

an overview of the proposals received, the scope of work, and a timeline of the roof replacement. Mr. Clark stated the roof needed to be replaced, because it was 55 years old and had several locations that had leak repairs over the years. He added that he consulted with the Architects in regards to the District Headquarters remodel plan during this process. Mr. Clark discussed the photos and pointed out the original roof replacement did not include plywood and the new roof has a better insulation base, it is sturdier and the roof drainage is greatly improved. Mr. Clark stated the original roof was in bad condition, and the new roof is improved and the final product allows much better drainage.

### **MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements – Dated June 25, 2020, Disbursements – Dated July 2, 2020, Disbursements – Dated July 9, 2020, Disbursements – Dated July 16, 2020, Approved FY 2020-21 Budget, Marin County Elections Department Notice of Election, Offices on Ballot and Candidate Filing Deadlines and NMWD - Response to Civil Grand Jury Request – Follow-Up Report on Transparency Compensation Practices.

The Board received the following news articles: Judge to OK PG&E bankruptcy plan; CalPERS gambling on risky strategy to borrow, invest; Experts: Outbreak disaster unfolding – CORONAVIRUS; Novato Advance – PAGES FROM THE PAST; Editorial – Alternative power source key for Marin; Reform urged at hospital overseer – MARIN HEALTH CARE DISTRICT; Editorial – Novato water agency makes the right move; 6-story housing plan seeks quick OK; Water supply dwindling for small districts; Novato sued in sewer dispute – HANNAH RANCH; Napa County-wide agency proposed to deal with all water issues; West Marin water utilities warn of dwindling supplies; PG&E's power lines blamed for huge 2019 Sonoma wildfire; Editorial - Plan is not a fit for Novato's downtown; and Notice of Public Hearing Declaration of a Water Shortage Emergency – IPUD.

Director Joly stated he found the articles to be informative, noting there have been many of them focused on water. Director Fraites discussed the article about the six-story building they are proposing to build on Grant Avenue. He added that local government is losing oversight control. Director Joly stated he found the article to be an eye opener, adding Director Fraites made a good point that local control is being compromised.

Director Joly thanked staff for putting in their time to put together the agenda and especially thanked Mr. Cozart for working behind the scenes and helping him earlier in the day with the zoom platform.

### **ADJOURNMENT**

President Joly adjourned the meeting at 7:40 p.m.

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Submitted by  
  
Theresa Kehoe  
District Secretary

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## MEMORANDUM

To: Board of Directors  
From: Drew McIntyre, General Manager/Acting Chief Engineer  
Subject: Residence Inn by Marriott- Water Facilities – 7546 Redwood Blvd -APN: 143-011-06  
r:\folders by job no\2800 jobs\2836 residence inn by marriott\bod memo.doc

July 31, 2020

**RECOMMENDED ACTION:** The Board approve authorization of this agreement.

**FINANCIAL IMPACT:** None: Developer Funded

The project site is located on the east side of Redwood Blvd. just south of Golden Gate Place in Novato in a 3.15 -acre parcel (see attached map). The project consists of construction of a 103-room hotel and a 8,000 square foot commercial retail building in the former Dairymen's site. The 77,532-square-foot hotel building would be 3-4 stories tall, with a maximum height of 53 feet. A total of 160 parking spaces are proposed, including 119 on-site spaces and 41 on-street spaces along Redwood Blvd and Golden Gate Place.

New Zone 1 water facilities include 320 feet of 12-inch PVC main, 660 feet of 8-inch PVC main, 110 feet of 6-inch PVC fire hydrant and fire service laterals, two (2) 6-inch fire services, 2 new commercial fire hydrants and a relocated existing hydrant, one (1) 3-inch potable water meter for the hotel, one (1) 1.5-inch potable meter for the commercial retail building, one (1) 1-inch recycled water irrigation meter, and RPP backflow prevention devices for all the potable meters. The water demand is 25 equivalent dwelling units (EDUs); 21 EDUs for domestic use, and 4 EDUs for landscape irrigation. Facilities Reserve Charges (FRCs) for twenty three (23) EDUs will be collected after crediting 2 EDUs for an existing 5/8-inch service installed in 1965.

Sewer service is provided by the Novato Sanitary District.

Environmental Document Review

A Mitigated Negative Declaration was adopted on October 9, 2018.

RECOMMENDATION:

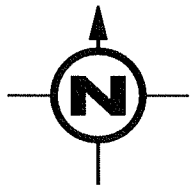
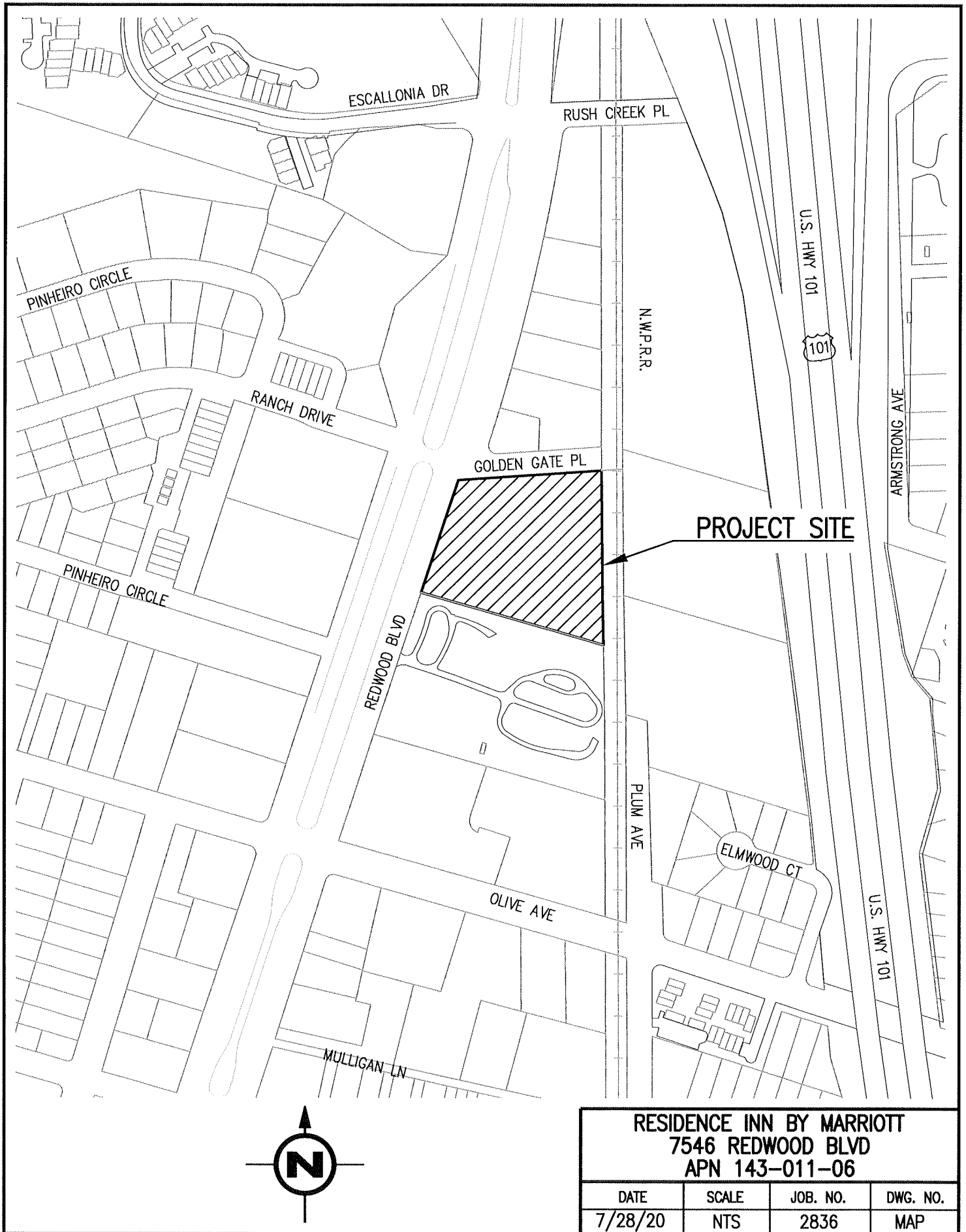
That the Board approve authorization of this agreement.

Approved by GM



Date

7/31/20



**RESIDENCE INN BY MARRIOTT**  
**7546 REDWOOD BLVD**  
**APN 143-011-06**

DATE	SCALE	JOB. NO.	DWG. NO.
7/28/20	NTS	2836	MAP

RESOLUTION NO. 20-  
AUTHORIZATION OF EXECUTION  
OF  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
WITH  
RESIDENCE INN BY MARRIOTT - NOVATO

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BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain water service facilities construction agreement between this District and R. I. Heritage Inn of Novato LLC, A Limited Liability Company, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as 7546 Redwood Blvd. Novato, Marin County Assessor's Parcel Number 143-011-06, NOVATO, CALIFORNIA.

\* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 4th day of August, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

(SEAL)

---

Theresa Kehoe, Secretary  
North Marin Water District

PART ONE  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
FOR  
RESIDENCE INN BY MARRIOTT – REDWOOD BOULEVARD

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*THIS AGREEMENT*, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of \_\_\_\_\_, 2020, by and between NORTH MARIN WATER DISTRICT, herein called "District," and R. I. Heritage Inn of Novato LLC, A Limited Liability Company, herein called "Applicant."

*WHEREAS*, the Applicant, pursuant to District Regulation 1, the State of California Subdivision Map Act and all applicable ordinances of the City of Novato and/or the County of Marin, has pending before the City or County a conditionally approved Tentative Subdivision Map, Precise Development Plan, Tentative Parcel Map or other land use application for the real property in the District commonly known as Marin County Assessor's Parcel Number 143-011-06 and the project known as RESIDENCE INN BY MARRIOTT – REDWOOD BOULEVARD, consisting of one (1) lot for commercial development; and

*WHEREAS*, prior to final approval by the City or County of a Subdivision Map, Precise Development Plan, Parcel Map or other land use application and recording of a final map for the project, the Applicant shall enter into an agreement with the District and complete financial arrangements for water service to each lot, unit or parcel of the project; and

*WHEREAS*, the Applicant is the owner of real property in the District commonly known as 7546 Redwood Blvd., Novato (Marin County Assessor's Parcel 143-011-06); and

*WHEREAS*, water service to the parcel was established in 1965 by installing a 5/8-inch water service and entitlement established by historical water use per Regulation 1 is 2 EDUs ; and

*WHEREAS*, the water demand of the current project is 25 equivalent dwelling units (EDUs); 21 EDUs for domestic use, and 4 EDUs for landscape service; and

*WHEREAS*, after crediting for the existing 2 EDU entitlement, Facilities Reserve Charges for 23 EDUs will be collected for the increase in water demand; and

*NOW THEREFORE*, the parties hereto agree as follows:

1. The Applicant hereby applies to the District for water service to said real property and project and shall comply with and be bound by all terms and conditions of this agreement, the District's regulations, standards and specifications and shall construct or cause to be constructed the water facilities required by the District to provide water service to the real property and project. Upon

acceptance of the completed water facilities, the District shall provide water service to said real property and project in accordance with its regulations from time to time in effect.

2. Prior to the District issuing written certification to the City, County or State that financial arrangements have been made for construction of the required water facilities, the Applicant shall complete such arrangements with the District in accordance with Section 6 of this agreement.

3. Prior to release or delivery of any materials by the District or scheduling of either construction inspection or installation of the facilities by the District, the Applicant shall:

a. deliver to the District vellum or mylar prints of any revised utility plans approved by the City or County to enable the District to determine if any revisions to the final water facilities construction drawings are required. The proposed facilities to be installed are shown on Drawing No. 1 2836.001-.003, entitled, "RESIDENCE INN BY MARRIOTT – REDWOOD BOULEVARD", a copy of which is attached, marked Exhibit "A", and made a part hereof. (For purposes of recording, Exhibit "A" is not attached but is on file in the office of the District.)

b. grant or cause to be granted to the District without cost and in form satisfactory to the District all easements and rights of way shown on Exhibit "A" or otherwise required by the District for the facilities.

c. deliver to the District a written construction schedule to provide for timely withdrawal of guaranteed funds for ordering of materials to be furnished by the District and scheduling of either construction inspection or construction pursuant to Section 6 hereof.

4. Except for fire service, new water service shall be limited to the number and size of services for which Initial Charges are paid pursuant to this agreement. Initial Charges for new services, estimated District costs and estimated applicant installation costs are as follows:

#### **Initial Charges**

Meter Charges - Hotel Domestic (Included in Estimated District Costs).....	One 3-inch @	\$	0.00	\$	0.00
Meter Charges – Retail Bldg – Domestic (Included in Material Estimate).....	One 1.5-inch @	\$	0.00	\$	0.00
Meter Charges – Irrigation – RW (Included in Material Estimate).....	One 1-inch @	\$	0.00	\$	0.00
Meter – Fire Service Bypass (Included with Fire Service).....	Two 5/8-inch @	\$	0.00	\$	0.00
Reimbursement Fund Charges (Domestic, Hotel).....	One 3-inch @	\$	4,680.00	\$	4,680.00
Reimbursement Fund Charges (Domestic, Retail).....	One 1.5-inch @	\$	1,540.00	\$	1,540.00
Reimbursement Fund Charges (Irrigation, RW).....	One 1-inch @	\$	0.00	\$	0.00
Facilities Reserve Charges Domestic.....	Twenty-one @	\$	28,600.00	\$	600,600.00
Facilities Reserve Charges Irrigation, RW.....	Four @	\$	28,600.00	\$	114,400.00
Credit for Existing Services To Be Removed (2 EDUs) (\$57,200 FRCs + \$420 RFC).....				\$	<57,620.00>

**Subtotal - Initial Charges..... \$ 663,600.00**

**Estimated District Costs**

Pipe, Fittings & Appurtenances.....	\$ 44,154.00
District Construction Labor.....	\$ 61,104.00
Engineering & Inspection.....	\$ 11,759.00
Bulk Materials.....	\$ 11,954.00

**Subtotal –Estimated District Costs..... \$ 128,971.00**

**Estimated Applicant Installation Costs**

Installation Labor.....	\$ 71,875.00
Contractor Furnished – Pipe Fittings & Appurtenances.....	\$ 24,007.00
Bulk Materials.....	\$ 25,522.00

**Subtotal- Estimated Applicant Installation Costs..... \$ 121,404.00**

**TOTAL ESTIMATED WATER FACILITIES COSTS..... \$ 913,975.00**

(Bulk materials are such items as crushed rock, imported backfill, concrete, reinforcing steel, paving materials, and the like, which are to be furnished by the contractor performing the work.)

5. In addition to the Initial Charges, Estimated District costs and Contributions, and Estimated Applicant Installation costs set forth in Section 4 above, the Applicant shall furnish at no cost to the District all PVC pipe (4-inch diameter and larger), valves and water line fittings shown on Exhibit "A" or otherwise required by the District. The quantities, type and quality of said materials shall be approved by the District prior to purchase by the Applicant and shall conform to District standards as stated and shown on Specifications (15100 Valves, 15056 Pipeline Fittings, 15064 Polyvinyl Chloride (PVC) Pressure Pipe) marked as Exhibit "B" attached hereto and made a part hereof and as otherwise may be required. (For purposes of recording, Exhibit "B" is not attached but is on file in the office of the District.) The cost of said materials is estimated to be **\$24,007**. The District reserves the right to reject and prohibit installation of all nonconforming materials furnished by the Applicant.

6. Financial Arrangements to be made by the Applicant shall consist of the following:

**Initial Charges and Estimated District Costs**

The Applicant shall either pay to the District or provide a two (2) year irrevocable letter of credit in form satisfactory to the District and payable at sight at a financial institution in the Novato area the sum of Initial Charges and Estimated District Costs as set forth in Section 4 hereof in the amount of **\$792,571**. If the Applicant provides the two (2) year irrevocable letter of credit, the District shall immediately draw down Initial Charges and shall draw upon the remaining funds guaranteed by the letter at any time the District deems appropriate to recover the Estimated District Costs which normally will be at least thirty (30) days prior to the anticipated start of construction for the ordering of materials

to be furnished by the District.

Estimated Installation Costs

Alternate No. 1 – Installation By Applicant: If the Applicant elects to install the facilities or hire a private contractor to install the facilities, the Applicant shall provide financial guarantees satisfactory to the District in the form of a performance bond in the amount of **\$121,404** conditioned upon installation of the facilities and furnishing of bulk materials and a maintenance bond in the amount of **\$30,351** conditioned upon payment of the cost of maintaining, repairing, or replacing the facilities during the period of one (1) year following completion of all the facilities and acceptance by the District. Performance and maintenance bonds shall be executed by a California admitted surety insurer with a minimum A.M. Best rating of A-VII. In lieu of posting bonds, the Applicant may provide an irrevocable letter or letters of credit payable at sight at a financial institution in the Novato area guaranteeing funds in the same amounts. All financial guarantees shall be provided by the Applicant rather than the contractor. The Applicant or contractor, whichever performs the work, shall be properly licensed therefore by the State of California and shall not be objectionable to the District.

Alternate No. 2 – Installation By District: If the Applicant requests the District to install the facilities and the District consents to do so, the Applicant shall either pay to the District the total Estimated Installation Costs set forth in Section 4 hereof in the amount of **\$121,404** or shall include such amount in the irrevocable letter of credit provided for the Initial Charges and Estimated District Costs set forth first above. The District shall draw upon installation funds guaranteed by the letter at any time the District deems appropriate which normally will be at least thirty (30) days prior to the anticipated start of construction.

Whenever an irrevocable letter of credit is required by this agreement, the Applicant may substitute a certificate of deposit at a financial institution in the Novato area provided the certificate may be cashed at sight by the District at any time.

7. Water service through the facilities to be installed pursuant to this agreement will not be furnished to any building unless the building is connected to a public sewer system or to a waste water disposal system approved by all governmental agencies having regulatory jurisdiction. This restriction shall not apply to temporary water service during construction.

8. New construction in the District's Novato service area is required to be equipped with high efficiency water conserving equipment and landscaping specified in Regulation 15 sections e. and f.

9. The District has determined that recycled water will be supplied for irrigation and requires that the Applicant's irrigation system be designed to use recycled water per District regulations



and specifications. Provisions shall be made, as directed by the District, to provide connection of Applicant's irrigation system to the recycled distribution main.

10. All estimated costs set forth in this agreement shall be subject to periodic review and revision at the District's discretion. In the event the Applicant has not completed financial arrangements with the District in accordance with Section 6 hereof prior to expiration of six (6) months from the date of this agreement, all Initial Charges and estimated costs set forth in Section 4 hereof shall be revised to reflect then current District charges and estimates. In the event the Applicant has not secured final land use approval for the project from the City of Novato or County of Marin, recorded a final map and diligently commenced construction of improvements required by those agencies and the District prior to expiration of one (1) year from the date of this agreement, the District may, at its option, either retract financial certifications issued to City, County and State agencies and terminate this agreement or require amendment of this agreement and review of all Initial Charges and estimated costs contained herein. The Applicant shall pay any balance due upon demand or furnish a guarantee of such payment satisfactory to the District.

11. All extensions of time granted by the City of Novato or the County of Marin for the Applicant to comply with conditions of land use approval or to construct improvements pursuant to a subdivision improvement agreement shall require concurrent extensions of this agreement and shall be cause for review and revision of all Initial Charges and estimated costs set forth in Section 4 hereof. The Applicant shall apply to the District for extension of this agreement prior to approval of the Applicant's requests for such extensions by either the City of Novato or the County of Marin.

12. This agreement shall bind and benefit the successors and assigns of the parties hereto; however, this agreement shall not be assigned by the Applicant without the prior written consent of the District. Assignment shall be made only by a separate document prepared by the District at the Applicant's written request.

**NORTH MARIN WATER DISTRICT**  
"District"

**ATTEST:**

\_\_\_\_\_  
Michael H. Joly, President      Date

\_\_\_\_\_  
Theresa Kehoe, Secretary

(SEAL)

**R. I. Heritage Inn of Novato LLC**  
A Limited Liability Company  
"Applicant"

(SEAL)

\_\_\_\_\_  
Gary Tharaldson, Manager

**NOTES:** *If the Applicant executing this agreement is a corporation, a certified copy of the bylaws or resolutions of the Board of Directors of said corporation authorizing designated officers to execute this agreement shall be provided.*

*This agreement must be executed by the Applicant and delivered to the District within thirty (30) days after it is authorized by the District's Board of Directors. If this agreement is not signed and returned within thirty days, it shall automatically be withdrawn and void. If thereafter a new agreement is requested, it shall incorporate the Initial Charges (connection fees) and cost estimates then in effect.*

**\*ALL APPLICANT SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.**

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## MEMORANDUM

To: Board of Directors  
From: Drew McIntyre, General Manager/Acting Chief Engineer  
Subject: Water Service Agreement – Novato Public Library Fire Service, 1720 Novato Blvd. Novato  
APN: 141-201-19

July 31, 2020

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**RECOMMENDED ACTION:** The Board approve authorization of this agreement.

**FINANCIAL IMPACT:** None: County Funded

The project is located at 1720 Novato Blvd. (see attached map). The Novato Public Library Fire Service construction project proposes a new fire service and hydrant close to the entrance of the building.

Water facilities required for this project include 60 feet of 6-inch PVC pipe, one below grade 6-inch DCDA fire service and a new commercial hydrant. Normal pressure Zone 1 water will continue to be provided for the project.

The water service at 1720 Novato Blvd was installed prior to 1973 and does not include an agreement with EDU allocation. Per Regulation 1, review of the historical water use for this service has established an entitlement of twenty six (26) EDUs based on the first ten years of service. There is no water use change with the project and the Novato Public Library water use is currently within the existing entitlement. No additional FRCs will be collected.

Sewer service is currently provided by the Novato Sanitary District.

As has been customary with previous public agency projects, North Marin Water District will invoice the County of Marin for payment of actual costs as costs are incurred.

Environmental Document Review

The project is categorically exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities.

RECOMMENDATION:

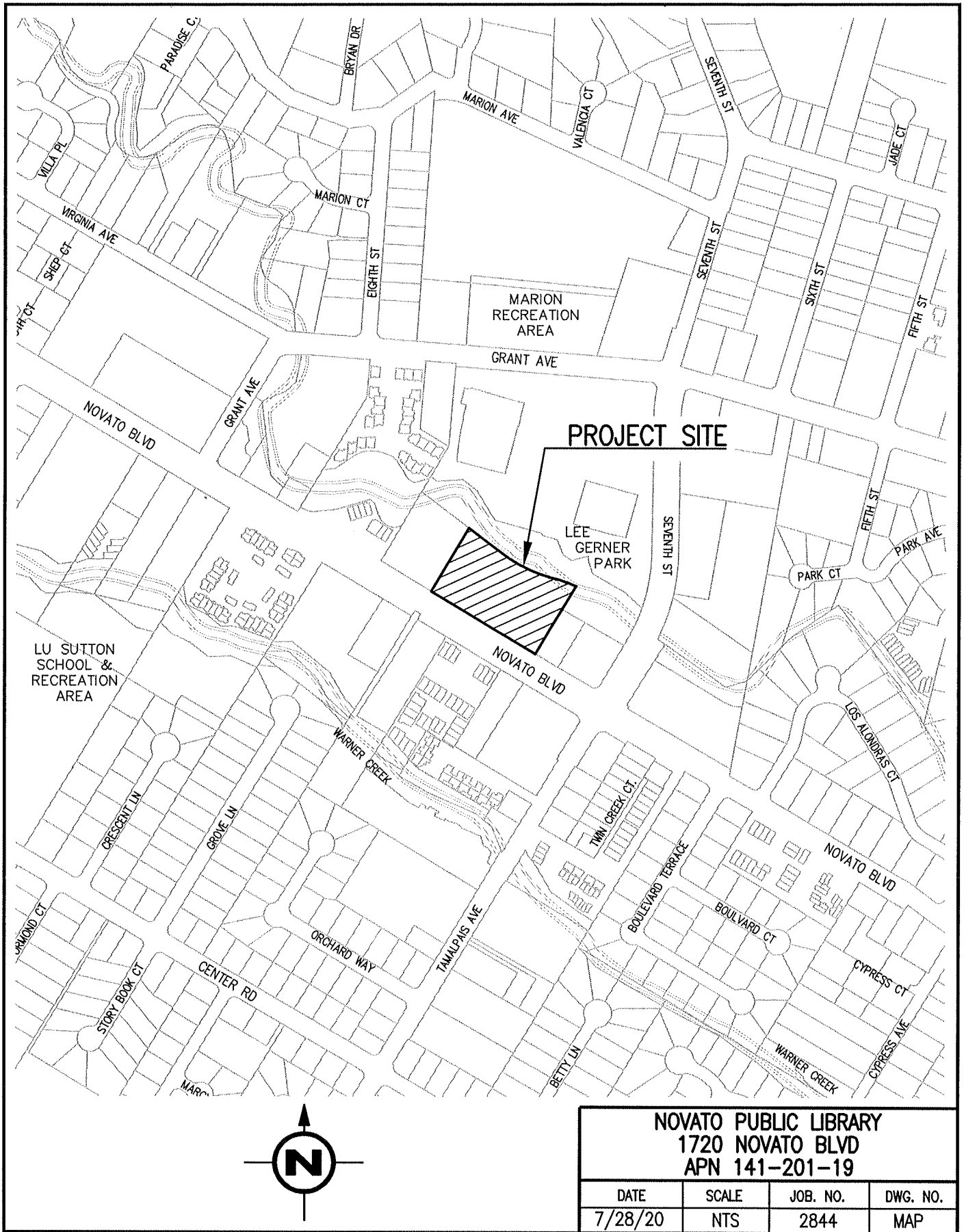
That the Board approve authorization of this agreement.

Approved by GM

Date



7/31/20



**NOVATO PUBLIC LIBRARY**  
**1720 NOVATO BLVD**  
**APN 141-201-19**

DATE	SCALE	JOB. NO.	DWG. NO.
7/28/20	NTS	2844	MAP

RESOLUTION NO. 20-  
AUTHORIZATION OF EXECUTION  
OF  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
WITH  
NOVATO PUBLIC LIBRARY FIRE SERVICE

---

BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain water service facilities construction agreement between this District and County of Marin, Depart of Public Works, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as 1720 Novato Blvd. Novato, Marin County Assessor's Parcel Number 141-201-19, NOVATO, CALIFORNIA.

\* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 4th day of August, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

(SEAL)

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Theresa Kehoe, Secretary  
North Marin Water District

PART ONE  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
FOR  
NOVATO PUBLIC LIBRARY FIRE SERVICE

---

*THIS AGREEMENT*, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of \_\_\_\_\_, 2020, by and between NORTH MARIN WATER DISTRICT, herein called "District," and COUNTY OF MARIN, DEPART OF PUBLIC WORKS, a Municipality, herein called "Applicant."

*WHEREAS*, the Applicant, pursuant to District Regulation 1, the State of California Subdivision Map Act and all applicable ordinances of the City of Novato and/or the County of Marin, has pending before the City or County a conditionally approved Tentative Subdivision Map, Precise Development Plan, Tentative Parcel Map or other land use application for the real property in the District commonly known as Marin County Assessor's Parcel Number 141-201-19 and the project known as NOVATO PUBLIC LIBRARY FIRE SERVICE, consisting of one (1) lot for a public library in the City of Novato, County of Marin; and

*WHEREAS*, prior to final approval by the City or County of a Subdivision Map, Precise Development Plan, Parcel Map or other land use application and recording of a final map for the project, the Applicant shall enter into an agreement with the District and complete financial arrangements for water service to each lot, unit or parcel of the project; and

*WHEREAS*, the Applicant is the owner of real property in the District commonly known as 1720 Novato Blvd., Novato (Marin County Assessor's Parcel ); and

*WHEREAS*, water service to this parcel was established in September 17, 1970 and per Regulation 1 based on first 10 year use has established an entitlement of 26 EDUs; and

*WHEREAS*, current water use is within the entitlement; and

*WHEREAS*, the current project will not change water demand and no additional Facilities Reserve Charge fees are due at this time; and

*NOW THEREFORE*, the parties hereto agree as follows:

1. The Applicant hereby applies to the District for water service to said real property and project and shall comply with and be bound by all terms and conditions of this agreement, the District's regulations, standards and specifications and shall construct or cause to be constructed the water facilities required by the District to provide water service to the real property and project. Upon

acceptance of the completed water facilities, the District shall provide water service to said real property and project in accordance with its regulations from time to time in effect.

2. Prior to the District issuing written certification to the City, County or State that financial arrangements have been made for construction of the required water facilities, the Applicant shall complete such arrangements with the District in accordance with Section 5 of this agreement.

3. Prior to release or delivery of any materials by the District or scheduling of either construction inspection or installation of the facilities by the District, the Applicant shall:

a. deliver to the District vellum or mylar prints of any revised utility plans approved by the City or County to enable the District to determine if any revisions to the final water facilities construction drawings are required. The proposed facilities to be installed are shown on Drawing No. 1 2844.001, entitled, "Novato Public Library Fire Service", a copy of which is attached, marked Exhibit "A", and made a part hereof. (For purposes of recording, Exhibit "A" is not attached but is on file in the office of the District.)

b. grant or cause to be granted to the District without cost and in form satisfactory to the District all easements and rights of way shown on Exhibit "A" or otherwise required by the District for the facilities.

c. deliver to the District a written construction schedule to provide for timely withdrawal of guaranteed funds for ordering of materials to be furnished by the District and scheduling of either construction inspection or construction pursuant to Section 5 hereof.

4. Except for fire service, new water service shall be limited to the number and size of services for which Initial Charges are paid pursuant to this agreement. Initial Charges for new services, estimated District costs and estimated applicant installation costs are as follows:

#### **Initial Charges**

Meter Charges (Domestic) (Included in Estimated District Costs)	Zero 2-inch @	\$	0.00	\$	0.00
Meter Charges (Fire Service Bypass) (Included in Material Costs)	Zero 5/8-inch @	\$	0.00	\$	0.00
Reimbursement Fund Charges	One 2-inch @	\$	3,140.00	\$	3,140.00
Facilities Reserve Charges	26 @	\$	28,600.00	\$	743,600.00
Credit foExisting Services (26 x \$28,600 + \$3,140)	One@	\$	<746,740.00>	\$	<746,740.00>

**Subtotal - Initial Charges..... \$ 0.00**

#### **Estimated District Costs**

Pipe, Fittings & Appurtenances.....	\$	14,643.00
District Construction Labor.....	\$	42,932.00
Engineering & Inspection.....	\$	1,556.00
Bulk Materials.....	\$	5,313.00

**Subtotal –Estimated District Costs..... \$ 64,444.00**



**Estimated Applicant Installation Costs**

Installation Labor.....	\$	0.00
Contractor Furnished – Pipe Fittings & Appurtenances.....	\$	0.00
Bulk Materials.....	\$	0.00
<b>Subtotal- Estimated Applicant Installation Costs.....</b>	<b>\$</b>	<b>0.00</b>
<b>TOTAL ESTIMATED WATER FACILITIES COSTS.....</b>	<b>\$</b>	<b>64,444.00</b>

(Bulk materials are such items as crushed rock, imported backfill, concrete, reinforcing steel, paving materials, and the like, which are to be furnished by the contractor performing the work.)

5. Financial Arrangements to be made by the Applicant shall consist of the following:

**Initial Charges and Estimated District Costs**

The District will invoice The County of Marin for payment of actual costs as costs are incurred.

**Installation By District:**

Due to the proprietary nature of construction required to install said facilities, the District reserves the right to install the facilities utilizing District construction forces. The Applicant shall pay to the District the total Estimated Installation Costs set forth in Section 4 hereof in the amount of **\$64,444**. The District will install and invoice The County of Marin for payment of actual costs as costs are incurred.

Water service through the facilities to be installed pursuant to this agreement will not be furnished to any building unless the building is connected to a public sewer system or to a waste water disposal system approved by all governmental agencies having regulatory jurisdiction. This restriction shall not apply to temporary water service during construction.

6. New construction in the District's Novato service area is required to be equipped with high efficiency water conserving equipment and landscaping specified in Regulation 15 sections e. and f.

7. All estimated costs set forth in this agreement shall be subject to periodic review and revision at the District's discretion. In the event the Applicant has not completed financial arrangements with the District in accordance with Section 5 hereof prior to expiration of six (6) months from the date of this agreement, all Initial Charges and estimated costs set forth in Section 4 hereof shall be revised to reflect then current District charges and estimates. In the event the Applicant has not secured final land use approval for the project from the City of Novato or County of Marin, recorded a final map and diligently commenced construction of improvements required by those agencies and

the District prior to expiration of one (1) year from the date of this agreement, the District may, at its option, either retract financial certifications issued to City, County and State agencies and terminate this agreement or require amendment of this agreement and review of all Initial Charges and estimated costs contained herein. The Applicant shall pay any balance due upon demand or furnish a guarantee of such payment satisfactory to the District.

8. All extensions of time granted by the City of Novato or the County of Marin for the Applicant to comply with conditions of land use approval or to construct improvements pursuant to a subdivision improvement agreement shall require concurrent extensions of this agreement and shall be cause for review and revision of all Initial Charges and estimated costs set forth in Section 4 hereof. The Applicant shall apply to the District for extension of this agreement prior to approval of the Applicant's requests for such extensions by either the City of Novato or the County of Marin.

9. This agreement shall bind and benefit the successors and assigns of the parties hereto; however, this agreement shall not be assigned by the Applicant without the prior written consent of the District. Assignment shall be made only by a separate document prepared by the District at the Applicant's written request.

**NORTH MARIN WATER DISTRICT**  
"District"

**ATTEST:**

\_\_\_\_\_  
Michael H. Joly, President      Date

\_\_\_\_\_  
Theresa Kehoe, Secretary

(SEAL)

**County of Marin**  
Department of Public Works  
"Applicant"

(SEAL)

\_\_\_\_\_  
Sara F. Jones, Director of County Library Services

**NOTES:***If the Applicant executing this agreement is a corporation, a certified copy of the bylaws or resolutions of the Board of Directors of said corporation authorizing designated officers to execute this agreement shall be provided.*

*This agreement must be executed by the Applicant and delivered to the District within thirty (30) days after it is authorized by the District's Board of Directors. If this agreement is not signed and returned within thirty days, it shall automatically be withdrawn and void. If thereafter a new agreement is requested, it shall incorporate the Initial Charges (connection fees) and cost estimates then in effect.*

**\*ALL APPLICANT SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.**

**7**

## MEMORANDUM

To: Board of Directors

From: Drew McIntyre, General Manager/Acting Chief Engineer 

Subject: Renew Declaration of Local Emergency Related to COVID-19 Pandemic  
t:\gm\bod misc 2020\renew covid emergency declaration #8 08\_04\_20.doc

July 31, 2020

**RECOMMENDED ACTION:** Approve continuation of the local emergency resulting from the COVID-19 pandemic as declared in District Resolution No. 20-07

**FINANCIAL IMPACT:** The actual total fiscal impacts are currently unknown.

On March 4, 2020, the Governor of the State of California declared a State of Emergency as a result of the coronavirus (COVID-19) pandemic. On March 13, 2020, the President of the United States declared a National Emergency as a result of the threat of COVID-19.

On March 16, 2020, the County of Marin by Order of the Health Officer issued a Shelter in Place Order limiting the travel of all county residents and ordering county businesses to cease all non-essential activities and to take further actions as described in said Order through April 7, 2020. The order limits activity, travel and business functions to most essential needs.

On March 16, 2020 the General Manger, as the District's Emergency Manager activated the District's Emergency Operations Plan.

On March 19, 2020, Governor Newsom issued Executive Order N-33-20 ordering all individuals living in California to stay home at their place of residence, with certain exceptions for critical services and other qualifying exceptions. This shelter-in-place order has no specified termination date.

On March 31, 2020, the County of Marin by Order of the Health Officer issued an extended Shelter in Place Order through May 3, 2020 that is more restrictive than the original order. The new order continues to provide an exception for the operations and maintenance of "Essential Infrastructure," which includes, but is not limited to, water, wastewater, and recycled water service. Exemptions are also in place for Essential Government Functions, for certain "Minimum Basic Operations," for emergency management functions, for certain narrowly prescribed "Essential Business" functions, and for certain qualifying private construction, such as housing projects meeting low-income needs.

On April 29, 2020, Marin County and the other six Bay Area Public Health Officers issued a new order effective May 4, 2020 through May 31, 2020. Marin's public health order concerning use of face coverings does not have an end date and will remain in place until further notice. Under the May 4th Shelter-In-Place order, construction activities, certain businesses that operate primarily

outdoors, and some outdoor activities will be allowed to resume with specific conditions.

On May 15, 2020, Marin County issued a new order allowing a limited number of additional businesses and activities to resume operations subject to specified conditions. In particular, office spaces were allowed to resume operation on June 1, 2020 subject to strict compliance with specific Marin County requirements. This new order has no end date and is to remain in effect until rescinded or superseded.

On July 13, 2020 Governor Newsom issued a statewide order to dial back on recent loosening of restrictions due to a significant increase in the number of confirmed cases. As a result, various activities in Marin County were once again closed down, including: office space for non-essential operations, indoor malls, hair salons/barbershops and indoor seating at restaurants.

On April 7<sup>th</sup>, the Board of Directors approved Resolution No. 20-07 proclaiming the existence of a local emergency, granting the General Manager to take actions necessary for emergency response due to the COVID-19 pandemic until the State of Emergency is terminated.

Since April 21, 2020, the Board of Directors has, at every regular meeting, approved continuation of the local emergency resulting from the COVID-19 pandemic as declared in District Resolution No. 20-07.

District emergency planning has been aggressively implemented since March 16, 2020. Initially approximately 50% of the District's staff were physically separated as much as possible by rotating shifts and having some employees work from home, but all critical operations needed to maintain essential services continue. Relocation of additional staff back to the District buildings, and certain other projects and activities has been occurring and the District is now operating with 85% of staff on-site or in the field. The District's COVID-19 Preparedness and Response Plan is now finalized and training has been completed with staff. Additional physical work space modifications are ongoing and walk-in customer service is still suspended. A summary of key emergency actions taken and current estimated costs is provided in Attachment 1.

As the COVID-19 emergency continues in our service area, Staff is requesting the Board find that there still exists a need to continue the State of Emergency reflected by Resolution No. 20-07.

RECOMMENDED ACTION:

Approve continuation of the local emergency resulting from the COVID-19 pandemic as declared in District Resolution No. 20-07.

## Emergency Actions Summary

### Emergency Operations Team Actions

- Water treatment plants have been closed to all non-essential staff and the public; expanded social distancing and safety measures for essential plant staff.
- Public lobby in the District Administration building has been closed and customers have been provided with alternative methods for communicating with District staff.
- Developed guidelines for social distancing in the office and in the field; distributed guidance to all employees and posted social distancing protocol at facility entrances.
- Developed an initial rotational schedule for operations and maintenance staff to reduce staffing density on-site and minimize the number of employees on duty while completing essential work. (This approach reduced productivity, but improved the likelihood of healthy backup staff.)
- During initial response, shifted ~50 percent of employees to rotating schedule and/or rotating work.
- Procured additional District cell phones for field staff to have better access to District communications and direct contact with supervisors.
- Disinfected District vehicles and reconfigured vehicle assignments to accommodate single occupancy to allow for social distancing, including re-deployment of vehicles scheduled for auction
- Suspended discretionary water service turn-offs for the duration of the emergency declaration.
- Continuing coordination with local agency, county and state contracts to share information and implement best practices.
- Participating in twice weekly multi agency coordination calls through Marin County Office of Emergency Services (OES).
- Updating public website, messaging and social media posts as necessary including messages on suspension of walk-in services and water safety and reliability.
- Spring 2020 Waterline newsletter, direct mailed to all customers, included COVID-19 messaging with information on water safety and reliability.
- Posted magnetic signage on vehicles to inform public to respect distancing around crews.
- Issued guidance on face coverings in compliance with Centers for Disease Control and Prevention and County recommendations; revised to address April 29 County order generally requiring members of the public and workers to wear face coverings.
- Developed and rolled out an employee self-assessment screening questionnaire for use by any District employee or vendor prior to entering a District workspace; self-assessment questions are reviewed and update as needed.
- Continue to procure necessary face coverings and personal protective equipment, including disposable masks, face covering and N95 equivalent masks.
- Tracking customer delinquency and comparing to last year to assess potential revenue impacts.

- Developing a living “lessons learned” document.
- Installed hand disinfecting stations at District facilities.
- Expanded use of District’s on-call requirements to ensure construction crew staff maintain their work “bubbles” to ensure adequate back-up staff availability.
- Increased janitorial services to include disinfection of frequently touched areas (door handles, knobs, etc.).

#### **General Manager Authorizations**

- Extended vacation accrual maximums from July 1, 2020 to August 31, 2020.
- Extended FY 2019/20 vision insurance reimbursement eligibility from July 1 to August 31, 2020.



## COVID Cost Summary

### PROCUREMENT EXPENSES

Vendor Purchases	Procurement Type	Total Purchase Order Amount	Date
Durkin Signs & Graphics	Magnetic "Social Distance" Signs	\$1,077	4/14/2020
Winzer Corporation	Surgical Masks (2,000)	\$3,751	4/15/2020
Boucher Law	COVID Protection Plan	\$3,250	5/26/2020
JCA Construction	Misc. Office Social Distancing Modifications	\$12,427	6/30/2020
Winzer Corporation	Surgical Masks (2,000)	\$1,573	7/6/2020
Novato Glass	Plexiglass	\$3,969	6/9/2020
<b>Total Procurement Amount To-Date</b>		<b>\$26,047</b>	

### Internal Labor Expenses

Increased on-call labor costs    ~\$2,000/week

8

## MEMORANDUM

To: Board of Directors  
From: Robert Clark, Operations / Maintenance Superintendent   
Subject: **Approve:** Consulting Engineering Services Agreement – Oceana Marin Sewer System Management Plan Update  
x:\maint sup\2021\bod\w. housen engineering consulting services.doc

July 31, 2020

**RECOMMENDED ACTION:** Authorize the General Manager to execute a Consulting Engineering Services Agreement with V.W. Housen and Associates.

**FINANCIAL IMPACT:** \$30,000 (\$50,000 in FY21 Budget)

Background

The Oceana Marin Waste Water system is subject to a State-Wide General Waste Discharge Requirement that includes electronic reporting of all sanitary sewer overflows, a monthly no spill report and Sanitary Sewer Management Plan (SSMP). The first SSMP was developed in 2008 based on the guidance provided by the State with an update by Staff in 2013.

Selection Process

Staff requested proposals from three consulting firms – Humphrey Consulting (Oakland), West Yost (Concord) and V.W. Housen and Associates (Walnut Creek). Humphrey Consulting was unable to submit a proposal and the V.W. Housen proposal is the most cost effective of the other two. Staff interviewed the proposed project team and determined that their proposal (attached) met all of our requirements. The V.W. Housen proposal also includes a task to develop a pump station emergency response plan for the two pump stations in the system.

After Board approval, V.W. Housen and Associates would begin by performing an audit of the District's existing SSMP followed by a review of current documents, drawings and operating history. Once these reviews are complete they will utilize their expertise to develop an updated plan, and create a Pump Station Emergency Response Plan.

RECOMMENDATION

That the Board authorize General Manager to execute a Consulting Engineering Services Agreement with V.W. Housen and Associates, for an amount not to exceed \$30,000.



V.W. HOUSEN  
& ASSOCIATES

July 10, 2020

Robert Clark  
Operations/Maintenance Superintendent  
North Marin Water District  
999 Rush Creek Place  
Novato, CA 94945

Subject: Proposal for Sewer System Management Plan and Overflow Emergency Response Plan Update

Dear Mr. Clark:

Attached is the requested proposal to update the North Marin Water District (District) Oceana Marin Sewer System Management Plan (SSMP) and Overflow Emergency Response Plan (OERP). We have reviewed the District's existing SSMP, and have developed a list of anticipated tasks required for the update, as shown in Table 1 of the attached Scope of Work.

The estimated cost to update the District's SSMP and OERP is \$17,400. This cost includes a kickoff meeting via conference call, data gathering, completion of a draft and final document, and a final meeting via conference call to collect and discuss the City's comments on the draft SSMP/OERP. The SSMP and OERP will comply with Statewide Waste Discharge Requirements and the amended Monitoring and Reporting Program.

This proposal includes two optional services: (1) completion of District's SSMP Audit if required, and (2) development of a Pump Station Emergency Response Plan (PS ERP). Although recommended, a standalone PS ERP is not an explicit requirement of the SSMP.

The SSMP and OERP will be completed within 8 weeks from receipt of background information, as discussed in the Kickoff Meeting.

Thank you for the opportunity to assist the District with this update. Please contact me at (925) 518-3487 or [vhousen@housenassociates.com](mailto:vhousen@housenassociates.com) if you have questions or would like additional information.

Sincerely,

V. W. Housen & Associates

Vivian Housen, P.E.  
Principal

## **Scope of Work for North Marin Water District (Oceana Marin) SSMP and OERP Update**

This Scope of Work defines proposed tasks for the update of the District's Sewer System Management Plan (SSMP) and Overflow Emergency Response Plan (OERP), as required to meet Statewide Waste Discharge Requirements or WDR (Order No. 2006-0003-DWQ) and the associated Amended Monitoring and Reporting Program or MRP (WQ 2013-0058-EXEC). V. W. Housen & Associates (VWHA) will prepare this update using as much content as possible from the current SSMP.

### **SCOPE OF WORK**

The SSMP and OERP updates will be completed through the following two tasks.

#### **Task 1. Review Existing Documents and Information**

VWHA will review the District's asset infrastructure and sanitary sewer overflow information for the past 5 years, and compare this information to data reported to the California Integrated Water Quality System (CIWQS). VWHA will also review available sewer maps and other system documentation not included in the existing SSMP. This task includes one 1-hour kickoff meeting with District staff via conference call, to review SSMP needs and receive an overview of desired changes and improvements.

*Deliverables: Kickoff Meeting Agenda and Notes*

#### **Task 2. Sewer System Management Plan and Overflow Emergency Response Plan Update**

This task updates all sections of the SSMP to meet the Statewide WDR and Amended MRP, as shown on Table 1 on the following page. VWHA will prepare a draft and final SSMP document, and will review staff comments during a 1-hour conference call toward the end of the project. Table 1 includes a proposed level of effort and associated cost for each SSMP Element. Costs are based on the attached 2020 billing rates.

The SSMP includes an Overflow Emergency Response Plan as Element 6. The OERP will be structured so it can be removed from the SSMP and used as a standalone document for use during SSO response activities.

*Deliverables: Draft and Final SSMP and OERP*

#### **Optional Task 3. SSMP Audit**

The SWRCB requires the District to complete an SSMP Audit every two years, and to keep this audit on file. The Audit must confirm whether the District's SSMP has been effective in reducing sanitary sewer overflows, and recommend any necessary improvements. If the District requires completion of the most recent SSMP Audit, VWHA will provide these services for an additional cost of \$1,000.

#### **Optional Task 4. Pump Station Emergency Response Plan**

Many agencies maintain a Pump Station Emergency Response Plan that covers specific actions that should be followed at each pump station during an overflow event. Although not explicitly required by the State Water Board guidelines, best management practices support having a Pump Station ERP that is included as an appendix to the Overflow Emergency Response Plan.

Components of a Pump Station ERP include the following:

- Pump Station Description
- Emergency Contact Information (from Elements 2 and 6)
- Hazards, Cautions, and Safety Practices
- Pump Station Schematics, Controls, and Panels including Backup Power
- Emergency Response Decision Tree and SSO Response Procedures (from Element 6)
- Containment Procedures including SSO Flow Map
- Lockout/Tagout Procedures
- Bypassing

Development of a Pump Station ERP would require one field visit to review the District's pump stations with maintenance staff. A Pump Station ERP that addresses both stations can be completed for an additional not-to-exceed cost of \$10,000.

#### **BUDGET AND SCHEDULE**

The proposed budget to prepare the SSMP and OERP Update (Tasks 1 and 2) is \$17,400, as shown in Table 1. This budget includes work by one Principal and one Project Engineer using 2020 rates from the attached rate sheet. Work would be completed on a time and materials basis up to this to not-to-exceed budget. The SSMP update will be completed within 8 weeks following receipt of the requested SSMP background documents.

**Table 1. Proposed Tasks, Effort, and Cost**

SSMP Element		Proposed Tasks	Estimated Hours	Estimated Cost
		Review Existing Information; hold Kickoff Meeting and final review meeting.	6	\$ 1,500
I. Goals		Review and update current Goals as needed, and discuss during kickoff meeting.	0.5	\$ 100
II. Organization		Confirm and update current roles, names, and contact information. Develop communication flowcharts and descriptions to be consistent with the Amended MRP.	6	\$ 1,100
III. Legal Authority		Summarize existing ordinances and recommend updates if needed.	4	\$ 700
IV. O&M Program		Document current O&M program and recommend changes, if needed to be consistent with SSMP guidelines.	32	\$ 6,000
V. Design and Performance Standards		Summarize available standards. Provide recommendations for additional standards to be included, as required.	4	\$ 700
VI. Overflow Emergency Response Plan		Document current emergency response activities through OERP flowcharts and protocols. Recommend changes, if needed. This task includes development of an SSO Technical Report template and Water Quality Management Plan.	32	\$ 6,000
VII. FOG Control Program		A FOG control program does not appear to be required. Document justification for not having a formal program.	.5	\$ 100
VIII. System Evaluation and Capacity Assurance Plan		Document existing capacity analysis studies and results, and make recommendations for future studies.	2	\$ 500
IX. Monitoring, Measurement, and Program Audits		Work with District staff to develop audit parameters, and summarize the program. This task does not include completion of an SSMP Audit, which is proposed as an optional task.	2	\$ 500
X. Program Audits		Describe the District's SSMP audit process	.5	\$ 100
XI. Communications		Describe the District's communication opportunities and program, if available.	.5	\$ 100
Total Estimated Hours:			90	
Total Estimated Cost:				\$ 17,400



## 2020 STANDARD BILLING RATES

Classification	Hourly Billing Rate
Principal/Project Director	\$258
Senior Project Manager	\$215
Project Manager II	\$204
Project Manager	\$196
Senior Engineer	\$180
Senior CADD Designer	\$180
Project Engineer III	\$164
Project Engineer II	\$152
Project Engineer I/Project Planner	\$142
CADD Operator/CADD Designer	\$142
Project Analyst	\$116
Administrative Support	\$100

Other direct costs (ODCs) include major reproduction services, mileage (rates per current IRS guidelines), and pre-approved travel expenses. ODCs will be billed at actual cost plus 10%. Subconsultants will be billed at actual cost plus 10%. Expert witness will be billed at Rate X 2. VWHA reserves the right to adjust its hourly rate structure at the beginning of the calendar year for all ongoing contracts.



9

## MEMORANDUM

To: Board of Directors

From: Drew McIntyre, General Manager / Acting Chief Engineer

Re: Contract Amendment for Engineering Services – PES Environmental

R:\NON JOB No ISSUES\Consultants\PES\2020\PES FY19-20 Contract Amend No. 1 BOD Memo 8-20.doc

July 31, 2020

**RECOMMENDED ACTION:** Authorize General Manager to amend the Consulting Services Agreement with PES Environmental

**FINANCIAL IMPACT:** \$70,000 (included in FY21 CIP Budget)

Background

At the August 10, 2019 meeting, the Board authorized a new Consulting Services Agreement between the District and PES Environmental for miscellaneous engineering services. A cost breakdown for the \$60,000 FY19-20 contract by task is summarized as follows:

Starting Contract Amount	\$60,000
Carryover from FY15-16 Contract	\$28,500
Adjusted Contract Balance	\$88,500
Projects (billings to date)	
Gallagher Well No. 2	<\$83,223>
Remaining Balance on Contract	\$5,277

Expenditures

FY19-20 PES Environmental expenditures currently total \$83,223 leaving a balance of \$5,277 on the contract. Although the contract amount has not been completely expended, planned expenditures coupled with the following upcoming tasks make a contract amendment necessary:

- New Gallagher Well No. 2                      \$52,670 (ongoing work)

RECOMMENDATION

That the Board authorize the General Manager to amend the Consulting Services Agreement with PES Environmental in the amount of \$70,000.



July 30, 2020

**872.002.01.P006**

Mr. Drew McIntyre  
General Manager  
North Marin Water District  
999 Rush Creek Place  
Novato, CA 94948

**Re: Proposal**

**Supplemental Exploration for Potential Groundwater Supply Well Location  
Gallagher Ranch North Pasture Area  
Gallagher Wells Project  
Point Reyes Station, California**

Dear Mr. McIntyre:

PES Environmental, Inc. (PES) appreciates the opportunity to present this proposal to the North Marin Water District (NMWD) in response to your request to further evaluate hydrogeologic conditions within the north pasture area (Plate 1) of Gallagher Ranch. The purpose of the evaluation is to assess the suitability of groundwater resources to support an additional groundwater supply well at the property, and in doing so, serve to supplement groundwater supply for NMWD from the existing Gallagher Production Well (Plate 1). The floodplain terrace adjacent to Lagunitas Creek is selected for subsurface exploration as the Quaternary alluvial (Qal) deposits represent the principal source of groundwater in the area (e.g., similar to the existing groundwater supply wells at the Gallagher Ranch property). The proposed exploration activities will supplement findings reported in PES' December 5, 2019 draft report entitled, *Report of Exploration for Potential Groundwater Supply Location Gallagher Ranch Property – North Pasture Area, Gallagher Wells Project, Point Reyes Station, California*. The proposed scope of work and estimated planning cost to perform this evaluation are described in the following sections of our proposal.

**PROPOSED SCOPE OF WORK**

Similar to the evaluation performed by PES in 2019, the proposed scope of work includes: (1) submitting a Well Drilling Permit application (with permit fee) to the Marin County Community Development Agency, Environmental Health Services; (2) drilling one to two soil test borings (NP-4 and NP-5, as shown on Plate 1) to the approximate depth of 60 feet below

**Mr. Drew McIntyre**  
**July 30, 2020**  
**Page 2 of 4**

ground surface (ft bgs)<sup>1</sup>, which is the estimated maximum depth of the Qal deposits based upon lithologic data for NP-2 and NP-3; (3) converting one of the soil test boring(s) as a 6-inch diameter (temporary) test well (i.e., to facilitate aquifer testing); (4) performing (with assistance from NMWD) and pump test to estimate potential yield from the 6-inch diameter test well (i.e., location NP-4 or NP-5); and (5) preparing a report to present the results of the field investigations and recommendations for suitability of constructing a supplemental groundwater supply well in the north pasture area of the Gallagher Ranch property. Additional details of the proposed scope of work are described below.

It is anticipated that subcontractor drilling services for completion of the soil test boring(s) and test well, will be provided by Clear Heart Drilling, Inc. All field activities will be completed under the supervision of a PES California professional geologist or engineer. Additionally, all drilling services will be performed by a licensed contractor possessing a valid C-57 water well contractors licenses issued by the State of California in accordance with standards specified in the California Department of Water Resources Bulletin 74-81 and 74-90. Prior to drilling activities, PES will: (1) mark borehole locations; (2) provide NMWD with borehole latitude/longitude coordinates so NMWD may confirm appropriate setbacks; and (3) contact Underground Service Alert (USA) at least 48 hours prior to the scheduled drilling time.

The soil boring(s) will be completed using a high-torque, hollow stem auger drilling rig, equipped with nominal 8-inch diameter augers for the pilot hole. To complete the temporary test well, nominal 13-inch diameter augers will be used to allow for completion of a 6-inch diameter test well. A 6-inch diameter test well will accommodate a temporary submersible pump (for yield testing) that should be capable of operating at rates of approximately 120 gallons per minute (gpm). In an effort to reduce project costs, boring NP-4 will be drilled first to assess subsurface lithologic conditions. Assuming suitable lithologic conditions (i.e., a thick sequence of saturated sediments predominantly containing gravels, cobbles, and/or coarse-grained sands) are encountered here, boring NP-4 will be converted to the 6-inch diameter temporary test well, and drilling will not occur at NP-5. If favorable conditions are not encountered at NP-4, then a pilot hole and test well would be completed at NP-5. Relatively undisturbed soil samples will be collected with a split-barrel sampler at approximate 5-foot intervals, or as deemed appropriate by the PES geologist or engineer. A PES geologist or engineer will prepare a Field Lithologic Log for the boring(s) and describe the soils for lithologic classification, color, and relative moisture in accordance with the ASTM Standard Practice for Description and Identification of Soils (Visual-Manual Procedure), the Unified Soil Classification System, and Munsell Color Index. It is assumed that all drilling cuttings and soil samples will remain at the site.

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<sup>1</sup> Location NP-4 will be drilled first. Assuming suitable lithologic conditions (i.e., a thick sequence of saturated sediments predominantly containing gravels, cobbles, and/or coarse-grained sands) are encountered here, boring NP-4 will be converted to the 6-inch diameter temporary test well, and drilling will not occur at NP-5 in an effort to reduce project costs.

**Mr. Drew McIntyre**  
**July 30, 2020**  
**Page 3 of 4**

The (temporary) test well will be constructed by installing the well casing and screen through the center of the hollow-stem augers. The test well will be constructed with 6-inch flush threaded PVC well casing and factory slotted 0.040-inch well screen, and a flush threaded end cap. Final design specifications for construction of the test well (i.e., depth, filter pack, and well screen interval) will be based on hydrogeologic data obtained during drilling of the borings. The test well will be developed to remove fine-grained materials inside the filter pack/casing and to stabilize the filter pack around the well screen. Development activities will include a combination of bailing, swabbing, and pumping with a 25-gpm submersible pump. During development, water quality parameters including temperature, pH, specific conductance, and turbidity will be monitored. Well development will continue in stages until the discharge water is visually clear of sediment and water quality parameters are relatively stable. Details of well development will be recorded on a Well Development Form.

Following installation and development of the new (temporary) test well, a pumping test will be performed to evaluate the estimated sustainable yield. Groundwater level elevations will be recording in the test well and existing vicinity wells (NP-2 and NP-3), via the use of three electronic transducers owned by NMWD. PES understands groundwater elevation data and pumping discharge rates from Gallaher Well No.1 will be made available. The specifics of the pump test will be developed in coordination with NMWD, and is anticipated to include 72 hours of pumping, followed by 72 hours of recovery. Costs for aquifer test analysis (e.g., calculation of transmissivity, hydraulic conductivity, and storativity) are not contained herein, and were previously performed as part of the 2019 investigation. The pump test will assist in determining if the north pasture area of the property may be a location for an additional groundwater supply well for NMWD.

## **ESTIMATED PLANNING COSTS**

The estimated planning costs to perform the proposed scope of work are based upon the details and assumptions summarized in Table 1. The detailed costs have been developed based upon PES' 2019 Schedule of Charges that is discounted for NMWD (provided as an Attachment), including: a 15 percent discount of our labor rates, reduced markup of 10 percent (i.e., from standard of 15 percent) for reimbursables and subcontractor services, and waiver of the 4 percent communication surcharge on labor. As summarized in Table 1, the total estimated planning cost to complete the scope of work is approximately \$51,700, and if completing borehole NP-5 is not necessary, the total estimated planning cost would be \$5,500 less (i.e., \$46,200).

**Mr. Drew McIntyre**  
**July 30, 2020**  
**Page 4 of 4**

PES appreciates the opportunity to assist NMWD in further evaluating groundwater resources to enhance the Gallagher Wells Project and Point Reyes Station community water supply. Should you have questions regarding this information, please contact PES at (415) 899-1600.

Very truly yours,

**PES ENVIRONMENTAL, INC.**



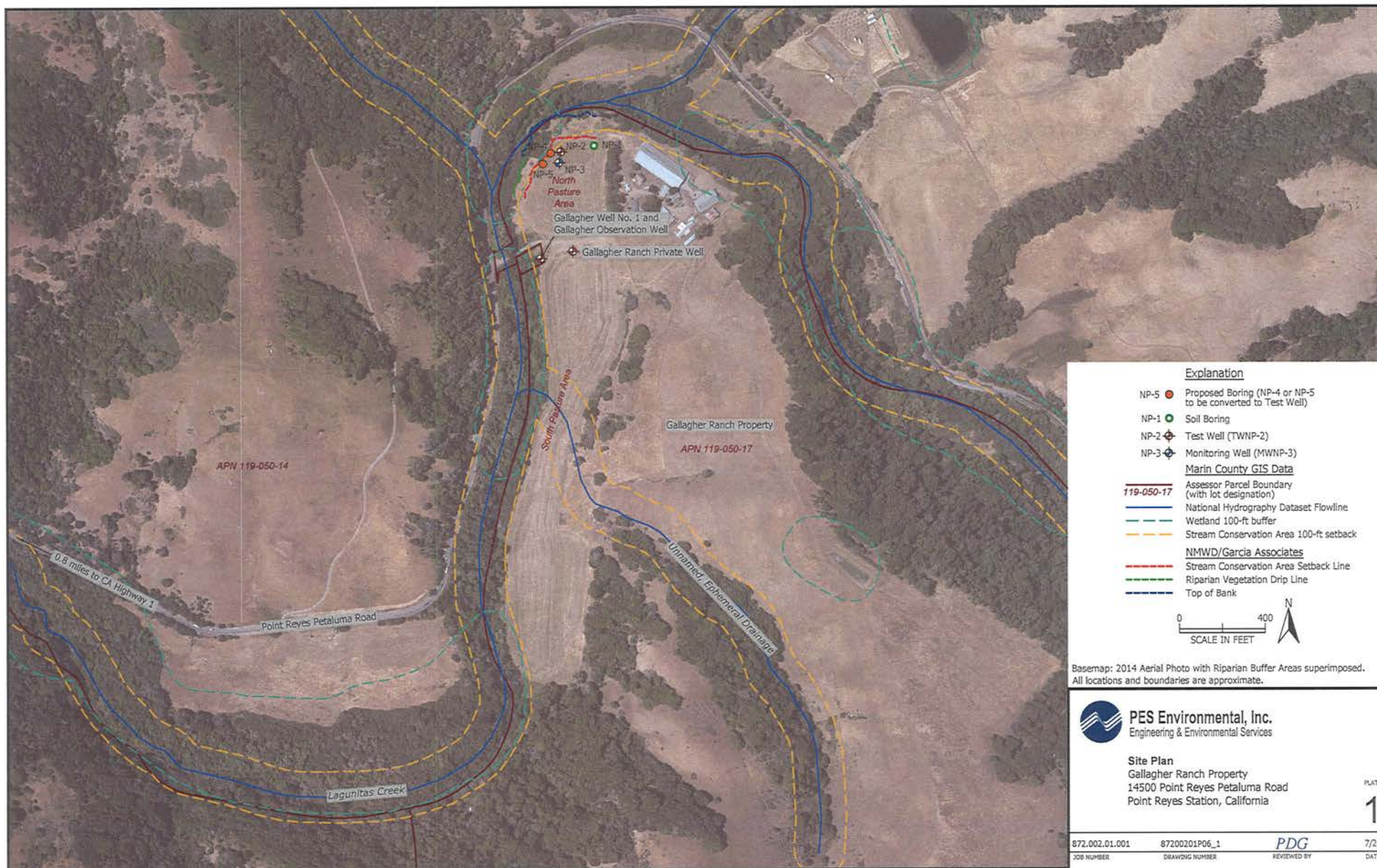
Peter D. Gorman, C.HG.  
Associate Hydrogeologist



Nicholas C. Pogoncheff, P.G.  
Principal Hydrogeologist

Attachments: Plate 1 – Site Plan and Boring Location Map  
Table 1 – Estimated Planning Costs  
2019 Discounted Schedule of Charges





**Explanation**

- NP-5 ● Proposed Boring (NP-4 or NP-5 to be converted to Test Well)
- NP-1 ● Soil Boring
- NP-2 ● Test Well (TWNP-2)
- NP-3 ● Monitoring Well (MWNP-3)

**Marin County GIS Data**

- 119-050-17 Assessor Parcel Boundary (with lot designation)
- National Hydrography Dataset Flowline
- Wetland 100-ft buffer
- Stream Conservation Area 100-ft setback

**NMWD/Garcia Associates**

- Stream Conservation Area Setback Line
- Riparian Vegetation Drip Line
- Top of Bank

0 400  
SCALE IN FEET

Basemap: 2014 Aerial Photo with Riparian Buffer Areas superimposed. All locations and boundaries are approximate.

 **PES Environmental, Inc.**  
Engineering & Environmental Services

**Site Plan**  
Gallagher Ranch Property  
14500 Point Reyes Petaluma Road  
Point Reyes Station, California

PLATE  
**1**

872.002.01.001	87200201P06_1	PDG	7/20
JOB NUMBER	DRAWING NUMBER	REVIEWED BY	DATE

**Table 1**  
**Estimated Planning Costs**  
**Supplemental Exploration for Potential Groundwater Supply Test Well Location**  
**Gallagher Ranch North Pasture Area**

Scope of Work			Well Drilling Permit Application; USA Marks		Soil Test Boring #1; Construct (Temp) Test Well; Well Development		Soil Test Boring #2 (Provisional)		Yield Test (Temp) Test Well		Data Analysis & Report Preparation		Totals	
			Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost
<b>PES LABOR</b>														
Principal Hydrogeologist	hr	\$210	0.5	\$105	4	\$840	1	\$210	4	\$840	28	\$5,880	37.5	\$7,875
Associate Hydrogeologist	hr	\$170	3	\$510	6	\$1,020	2	\$340	12	\$2,040	24	\$4,080	47	\$7,990
Senior Staff Geologist/Engineer	hr	\$123	2	\$246	40	\$4,920	12	\$1,476	0	\$0	4	\$492	58	\$7,134
CADD	hr	\$98	1	\$98							2	\$196	3	\$294
Word Processing & Clerical	hr	\$68	1	\$68							2	\$136	3	\$204
<b>TOTAL PES LABOR COSTS</b>				\$1,030		\$6,780		\$2,030		\$2,880		\$10,780		\$23,500
<b>PES EQUIPMENT</b>														
Vehicle/Fuel	dy	\$100	0.5	\$50	3.5	\$350	1	\$100	2	\$200			7	\$700
PES Equipment/Supplies	unit	\$150	0.5	\$75	3.5	\$525	1	\$150	1	\$150			6	\$900
<b>TOTAL PES EQUIPMENT COSTS</b>				\$130		\$880		\$250		\$350		\$0		\$1,600
<b>REIMBURSABLES &amp; SUBCONTRACTOR SERVICES</b>														
Marin County EHS Well Drilling Permit	ls	\$1,500	1	\$1,500										\$1,500
Drilling Services (Clear Heart)	est	\$12,500			1	\$11,750	1	\$2,900						\$11,750
In-Situ Transducer Purchase	unit	\$1,500												
Pump Rig Set/Remove Submersible Pump; Flow Meter	est	\$8,000							1	\$8,000				\$8,000
<b>TOTAL REIMBURS &amp; SUBCONT SERVICES (w/ 10% markup)</b>				\$1,650		\$12,930		\$3,190		\$8,800		\$0		\$26,570
<b>TOTAL ESTIMATED PLANNING COSTS</b>				\$2,810		\$20,590		\$5,470		\$12,030		\$10,780		\$51,670

Assumptions

Costs for pump test based on assumption that NMWD will provide personnel for operation and maintenance of pumping operations during pump test, including approximately 500 feet of discharge hose and generator. PES to provide design, general oversight, initial setup of pump test and equipment (with periodic site visits), and training/instructions for NMWD personnel.

The second soil test boring (NP-5) is provisional and may not be required, pending results of drilling at soil test boring NP-4. Thus, overall cost may be reduced by 5,500.00





**PES Environmental, Inc.**  
Engineering & Environmental Services  
7665 Redwood Boulevard  
Suite 200  
Novato, California 94945  
(415) 899-1600  
(415) 899-1601 FAX

## **NORTH MARIN WATER DISTRICT 2019 DISCOUNTED SCHEDULE OF CHARGES**

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The following fee schedule applies to all Services provided by PES Environmental, Inc. (PES). This schedule is effective January 1, 2019. Titles are generic and no distinction is made between engineers, geologists, hydrogeologists, or other professions.

### **Professional Title**

Principal Professionals	\$210 per hour
Associate Professionals	\$170 per hour
Senior Professionals	\$157 per hour
Project Professionals	\$140 per hour
Senior Staff Professionals	\$123 per hour
Staff Professionals	\$110 per hour
Sr. CADD Operators	\$98 per hour
CADD Operators	\$89 per hour
Word Processing & Clerical Support	\$68 per hour
Technician	\$50-70 per hour

These rates are evaluated on an annual basis and may be subject to an increase to reflect the then current rates. Fee schedules for field/safety equipment and fleet vehicles provided by PES are submitted or included with project or contract-specific cost estimates. ~~Costs for routine office phone calls, faxes, standard postage, and photocopying will be covered by a 4 percent communication surcharge on labor.~~ Fees for expendable supplies, rented or leased equipment, and/or subcontractors retained by PES for a project or contract are billed at a rate of cost plus 15 10 percent. This charge includes insurance costs, business taxes, administrative fees, processing fees, and carrying costs. On projects that require substantial subcontractor costs, PES may invoice all, or a portion of, subcontractors' fees prior to performing the work. Travel time will be charged at regular hourly rates, not to exceed 8 hours per day. Rates for or associated with expert testimony will be increased by 50 percent.

Invoices are payable upon presentation and are past due 30 days from the submittal date. A finance fee will be charged for past due accounts at the rate of 1-1/2 percent per invoice per month, or at the maximum amount allowed by law.

(ncp) /08/01/2019)  
initial date

10

## MEMORANDUM

To: Board of Directors  
 From: David Jackson, Associate Engineer   
 Re: PRE Tank 4A Replacement - Project Update  
r:\folders by job no\6000 jobs\6263.20 pre tank 4a\bod memos\pre tank 4a project update 7-31-20.doc

Date: July 31, 2020

**RECOMMENDATION:** Information Only**FISCAL IMPACT:** NoneBackground

On December 13, 2019, the Board authorized the General Manager to execute an agreement with Piazza Construction in the amount of \$1,087,810.00. The Notice to Proceed to Piazza Construction was issued on January 21, 2020. The required date of Substantial Completion is currently November 11, 2020.

Construction Status

The project is approximately 36% complete. The contractor placed the concrete foundation and floor slab on July 1st. The tank shell walls will be placed in three segments, followed by the center column and the roof. The reinforcement steel and forms are installed for the first segment of the shell wall and concrete placement occurred Thursday July 30. The contractor has prepared three exterior sample panels of the tank shell for review by two of the nearest neighbors. However, they still require staining and so have not been reviewed for color selection.

Project Cost Variances

As of July 29, 2020, a total of \$584,043 has been expended on the project. Two contract change orders have been issued, for a net contract decrease of \$127,180. There is one additional potential change order identified, revision of interior piping materials, estimated to have minimal change in construction cost.

CHANGE ORDER NO.	ACTIVITY	CONTRACT AMOUNT CHANGE	CONTRACT DURATION CHANGE
1	Remove bid item 8 (Interior cementitious coating)	(\$138,750)	0 days
2	Add Liquid Level Gauge	\$11,570	3 days





June 10, 2020: Foundation and wall forms being assembled. Looking North from driveway.



June 18, 2020: Foundation and wall forms being assembled. Inlet and outlet pipes shown.





July 1, 2020: First concrete placement, foundation, floor and two feet of shell wall.



July 28, 2020: First wall segment forms in place, total height 24 feet. Tank 4B visible on left.

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**DISBURSEMENTS - DATED JULY 23, 2020**

Date Prepared 7/21/20

The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 7/15/20	\$149,198.58
EFT*	Internal Revenue Service	Federal & FICA Taxes PPE 7/15/20	66,950.52
EFT*	State of California	State Taxes & SDI PPE 7/15/20	14,276.94
EFT*	CalPERS	Pension Contribution PPE 7/15/20	38,514.43
57858*	JCA Construction	Prog Pymt#2 & 3: Office Modifications (Balance Remaining on Contract \$0)	6,963.50
1	Alphagraphics Marin	Printing & Mailing of Novato Spring Waterline (18,390)	4,354.81
2	Arrow Benefits Group	July Dental Admin Fee	282.50
3	Arrow Benefits Group	June Dental Expense	475.34
4	Athens Administrators	June Indemnity Review Fee	105.00
5	AT&T	Telephone (\$63), Fax (\$82), Leased Lines (\$140) & Data (\$277)	563.29
6	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 105 of 240)-Aqueduct Energy Efficiency Project	46,066.67
7	Benson, Donald E.	Novato "Toilet Rebate" Ultra High Efficiency	279.00
8	California Water Service	Water Service (O.M.) (5/20-6/20) (0 CCF)	49.96
9	Clipper Direct	August Commuter Benefit Program	232.00
10	Comcast	July Internet Connection	154.92
11	Cummings Trucking	Rock (49 yds) (\$2,139) & Sand (48 yds) (\$3,100)	5,239.15
12	DeGabriele, Chris	Prog Pymt#9: West Marin Water Rates, Consumption Data & W.M. Stream Gage Monitoring Data (Balance Remaining on Contract \$4,664)	198.72

Seq	Payable To	For	Amount
13	Dixon Marine Services	Prog Pymt#2: Gallagher Ranch Streambank Stabilization Project (Balance Remaining on Contract \$273,755)	90,712.85
14	Draeger	SCBA Equipment Testing & Service	1,500.00
15	Electrical Equipment	Starter Coil for PRE 3 P2	91.32
16	Energy Systems	Muffler (\$982) & Clamps (2) for O.M. Generator	1,241.81
17	ERS Industrial Services	Filter Media Sand (21,000 lbs) (STP)	14,710.00
18	Esta, Dana	Novato "Toilet Rebate" Program	200.00
19	Evoqua Water Technologies	Service on Deionization System	277.89
20	Frontier Communications	Leased Lines	1,431.41
21	Geraldi, Anthony	Novato "Toilet Rebate" Program	200.00
22	GHD	Prog Pymt#23: Water Tank 4A Replacement (\$1,350) (Balance Remaining on Contract \$23,589) & Prog Pymt#10: O.M. Treatment & Storage Pond Repair (\$5,072) (Balance Remaining on Contract \$42,238)	6,422.07
23	Grainger	Potassium Iodide (\$201) (STP), Hose Clamps for Fleet (6) (\$87), Hydraulic Quick Connect for Equipment (\$110) & Bird Netting for Front Office (25') (\$291)	689.10
24	Hach	Sodium Persulfate (5 gal) & Annual Service Contract for Hach Analytical Equipment @ STP & P RTP (\$22,064)	22,435.15
25	Harrington Industrial Plastics	Tubing (25') (STP)	344.65
26	HERC Rentals	Riding Lawn Mower Rental w/ Trailer (1 Month)	1,626.60
27	Hildebrand Consulting	Prog Pymt#11: Water Rate Study (Balance Remaining on Contract \$0)	1,680.00
28	Idexx Laboratories	Quanti-Trays (600) (\$1,672), Colilert Media (600) (\$2,590) & Vessels (1,200) (\$708) (Lab)	4,969.99
29	InfoSend	June Processing Fee for Water Bills (\$1,225), Postage (\$3,364) & June Monthly Support Fee (\$888)	5,477.30
30	International Dioxide	ERCO Pure-Sodium Chlorite (33,000 lbs) (STP)	25,740.00



Seq	Payable To	For	Amount
31	Kiosk Creative	Prog Pymt#4: Website Design & Development (\$1,049) (Balance Remaining on Contract \$0) & Prog Pymt#6: Implement District Directed Communication Actions (\$2,690) (Balance Remaining on Contract \$45,615)	3,739.00
32	Lincoln Life	Deferred Compensation PPE 7/15/20	8,813.41
33	Maltby Electric	Lighting for Apartment (5) (\$134) & Misc Hardware for E/M Shop	176.63
34	McLellan, WK	Misc Paving	18,637.17
35	McMaster-Carr Supply	Corrosion Resistant Steel Hex Screws (20)	54.41
36	Nationwide Retirement Solution	Deferred Compensation PPE 7/15/20	920.00
37	Novato Builders Supply	Misc Maintenance Parts & Supplies (\$142) & Cement (1/2 yd) (\$163)	305.22
38	Novato Sanitary District	June 2020 RW Operating Expense	18,328.69
39	Pape Machinery	Backhoe Bucket Parts (\$90), Service Parts ('04 Backhoe-\$193,'09 JD Backhoe-\$217, '15 JD Skip Loader-\$278) & Oil for Various Equipment (\$252)	1,029.74
40	Parkinson Accounting Systems	Timesheet Updates to Integrate into Accounting Software (\$2,243) & June Accounting Software Support (7/1/20-9/1/20) (\$1,500)	3,742.50
41	Piazza Construction	Prog Pymt#3: PreTank 4A Replacement Project (Balance Remaining on Contract \$855,156)	160,806.74
42	Piazza Construction Escrow Acct	5% Retainer: Piazza Construction-PRE Tank #4A Replacement	8,463.51
43	Pini Hardware	Miscellaneous Maintenance Parts & Supplies (\$384), Vacuum (\$119) & Filters (STP)	540.84
44	Point Reyes Prop Mgmt Assn	July HOA Fee (25 Giacomini Rd)	75.05
45	Primex	High Service Programming Services @ STP (PLC Diagnostic & Labor )	1,497.60
46	Protection Engineering	Zinc Anodes (75)	6,054.30

Seq	Payable To	For	Amount
47	Rader Excavating	Prog Pymt#2: Flagging Services (State Rte 1 - Pt. Reyes) (Balance Remaining on Contract \$14,582)	8,152.00
48	Ralph Andersen & Associates	Prog Pymt#1: Recruitment for Assistant General Manager/Chief Engineer (Balance Remaining on Contract \$18,550)	7,950.00
49	Rauch Communication Consultant	Prog Pymt#9: Consulting Services-Outreach Support (\$3,449) (Balance Remaining on Contract \$7,627) Prog Pymt#10: Consulting Services Outreach Support (\$2,223) (Balance Remaining on Contract \$5,404)	5,671.25
50	R & B	Couplings (42) (\$6,236), Pipe (100') (\$293), Reducers (2) (\$232), Valve (\$548), Tape (\$358) & Copper Tubing (200') (\$2,345)	10,020.96
51	Sage Software	Annual Software Subscription Renewal (7/20-7/21) (Budget \$9,500)	8,066.17
52	Sonoma County Water Agency	June Contract Water	481,088.07
53	Spencer, Aaron	Return Payment-Non-NMWD Customer	175.32
54	SPG Solar Facility	June Energy Delivered Under Solar Services	15,737.88
55	SRT Consultants	Prog Pymt#8: Consulting Services to Complete Stafford Lake Sanitary Survey (Balance Remaining on Contract \$23,127)	65.00
56	State Water Resources Control	Clean Water SRF Loan Principal & Interest-RW South PH2 (Pymt #7 of 20)	100,232.68
57	Tamagno Green Products	Sludge Removal from STP	2,905.00
58	Thatcher of California	Ferric Chloride (10 tons) (STP)	7,191.63
59	Thatcher Chemical	Chlorine (4,000 lbs) (STP)	1,705.20
60	Township Building Services	June Janitorial Services	2,035.48
61	TPx Communications	July Telephone Charges	653.71
62	VWR International	Buffer Standards (2) (\$139) & Calibration Kit (\$297) (Lab)	436.94

Seq	Payable To	For	Amount
63	White & Prescott	Prog Pymt#10: Starbucks Water Line Easement (\$540) (Balance Remaining on Contract \$26,510) Prog Pymt#11: AEEP Easement Support - B2 Reach A (\$4,725) (Balance Remaining on Contract \$21,785)	5,265.00
64	WRA	Prog Pymt#9: Design Phase Services for the Lagunitas Creek Slope Stabilization Project (Balance Remaining on Contract \$6,735)	9,289.44
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$1,413,482.01</u></b>

The foregoing payroll and accounts payable vouchers totaling \$1,413,482.01 are hereby approved and authorized for payment.

Julie Blue  
Auditor-Controller

7/21/2020  
Date

DH  
General Manager

7/21/2020  
Date

## **DISBURSEMENTS - DATED JULY 30, 2020**

Date Prepared 7/28/20

The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

Seq	Payable To	For	Amount
*90299 & 90300	CalPERS	Annual Unfunded Liability (Classic \$934,780 & Pepra \$4,299)	\$939,079.00
1	Alpha Analytical Labs	Lab Testing	520.00
2	Amazon	Electronic Box for Light Tower, iPhone Screen, Metal Trim for Plastic Barriers (\$100), Test Gauges for Backflow (\$132), Tray for Customer Service Counter (\$94), Coupling for STP (\$93), Parts for STP (\$100), Face Coverings (12) (\$54), Office Supplies (Lab) (\$57)	711.10
3	American Family Life Ins	July AFLAC Employee Paid Benefit	3,027.83
4	Asbury Environmental Services	Used Oil/Debris Disposal	160.00
5	AT&T	July Internet Connection	96.30
6	AT&T	Leased Lines	66.06
7	Badger Meter	5/8" Meters (30)	2,176.86
8	Bold & Polisner	June Legal Fees - General (\$7,245) & Potter Valley Project FERC (\$819)	8,064.00
9	Borges & Mahoney	Injector Rebuild Kits (2) (\$362), Valve Body (2) (\$359) & Valve	781.88
10	Boucher Law	Labor & Employment Law Matters & Prog Pymt#2: COVID-19 Infectious Disease Plan (\$1,773) (Balance Remaining on Contract \$58)	1,997.50
11	CDW-Government	Cell Modem for SCADA Communication	340.57
12	Clark, Robert E.	Exp Reimb: Annual Rotary Club of West Marin Dues	380.00
13	Core Utilities	Consulting Services: June IT Support (\$6,000), IT & SCADA Support for Novato Radio/Cell Modem Sites (\$700), Billing Maintenance (\$375), Support for New Website (\$600), CORE Billing (\$50) & Website Maintenance (\$325)	8,050.00

Seq	Payable To	For	Amount
14	Diesel Direct West	Diesel (563 gal) (\$1,700) & Gasoline (1,011 gal) (\$3,001)	4,700.58
15	Environmental Science Assoc	Prog Pymt#8: Gallagher EWP Stream Channel Repair & Restoration (Balance Remaining on Contract \$7,314)	22,898.63
16	Evoqua Water Technologies	Service on Deionization System	277.89
17	Fishman Supply	Safety Glasses (24)	140.62
18	Fisher Scientific	Filter (Lab)	139.77
19	Grainger	Miscellaneous Maintenance Parts & Supplies	857.15
20	Kaiser Foundation Health Plan	Pre-Employment Physical	65.00
21	Marin County Tax Collector	LAFCO Expense Allocation FY 20/21 (Budget \$15,000) (7/20-6/21)	13,395.19
22	McLellan, WK	Misc Paving	6,945.19
23	Mutual of Omaha	July Group Life Insurance Premium	976.65
24	NEXGEN	Asset Management Annual Software Subscription (7/1/20-6/30/21)	25,000.00
25	Office Depot	Misc Office Supplies	68.50
26	Olive Street Landscape Architecture	Prog Pymt#1: Provide Landscape Plans for PRE Tank 4A Project (Balance Remaining on Contract \$1,020)	1,530.00
27	Pace Supply	Corp Stops (17) (\$550), Couplings (6) (\$131), Hub Adaptors (6) (\$338) Nipples (3), Bolts & Nuts (30) (\$239), Tapping Sleeve (\$718), Stainless Steel Bolts Set (5) (\$101), Tees (2) (\$202) & Elbows (20) (\$138)	2,587.03
28	PumpMan Norcal	New Booster Pump for STP	2,273.25
29	Quadient	August Postal Meter Rental	143.09
30	Quincy Compressor	Filters for STP Compressors (2)	331.66
31	Rader Excavating	Flagging Services for State Route 1 Pt. Reyes (6/29 & 7/1)	3,135.60
32	Darlene D. Rhodes	HR Consulting (6/11/2020-7/10/2020)	2,231.25

Seq	Payable To	For	Amount
33	Thatcher of California	Ferric Chloride (9 tons) (STP)	7,093.89
34	US Bank	June Safekeeping Treasury Securities	96.75
35	Watkins, Jeff	Exp Reimb: Internal Detail for Vehicle ('16 Nissan Frontier)	118.01
36	Winzer	Face Masks (2,000)	1,592.00
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$1,062,048.80</u></b>

The foregoing payroll and accounts payable vouchers totaling \$1,062,048.80 are hereby approved and authorized for payment.

  
Auditor-Controller

7/28/2020  
Date

  
General Manager

7/20/2020  
Date

## MEMORANDUM

To: Board of Directors

July 31, 2020

From: Nancy Williamson, Senior Accountant *NW*

Subj: Information – FY20 4th Quarter Labor Cost Report

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**RECOMMENDED ACTION:** Information Only

**FINANCIAL IMPACT:** None

Total labor cost increased \$620,949 (8.0%) from the prior fiscal year. Attached in graphical format is a five-year comparative summary of total labor cost (Attachment A), overtime cost (Attachment B) and temporary employee cost (Attachment C) expended during each fiscal year. Also attached is a summary of total labor cost vs. budget (Attachment D), which shows that labor was 3.1% under budget through the end of the fiscal year.

Department	Increase / (Decrease) in Labor Cost vs prior FY	% Change
Administration	\$129,983	6.5%
Engineering	(\$3,760)	(0.3%)
Operations/Maint	\$338,432	11.7%
Construction/Maint	\$156,294	9.8%
Net Increase/(Decrease)	\$620,949	8.0%

### Comment on Change from Prior Year

**Administration:** Labor Cost increased \$129,983, or 6.5%. The increase was due to eleven 5% step increases, the 2.7% cost of living adjustment (COLA) effective October 1, 2019, and a one-time equity adjustment of 0.5% effective July 1, 2019. Overall the administration department is under budget due to the Human Resource/Safety Manager position being vacant the entire fiscal year.

**Engineering:** Labor Cost decreased \$3,760, or 0.3%. The decrease is due to the resignation of the Chief Engineer on February 4, 2020 and that position remaining vacant. The decrease was offset by two 5% step increases, the October 2019 COLA and the one-time 0.5% equity adjustment.

**Operations/Maintenance:** Labor Cost increased \$338,432, or 11.7%. The increase was primarily due to fifteen 5% step increases, the October 2019 COLA and equity adjustments effective July 1, 2019 ranging from 0.5% to 10.5%. The increase was offset by the resignation of a Chemist II on February 21, 2020 and that position remaining vacant.

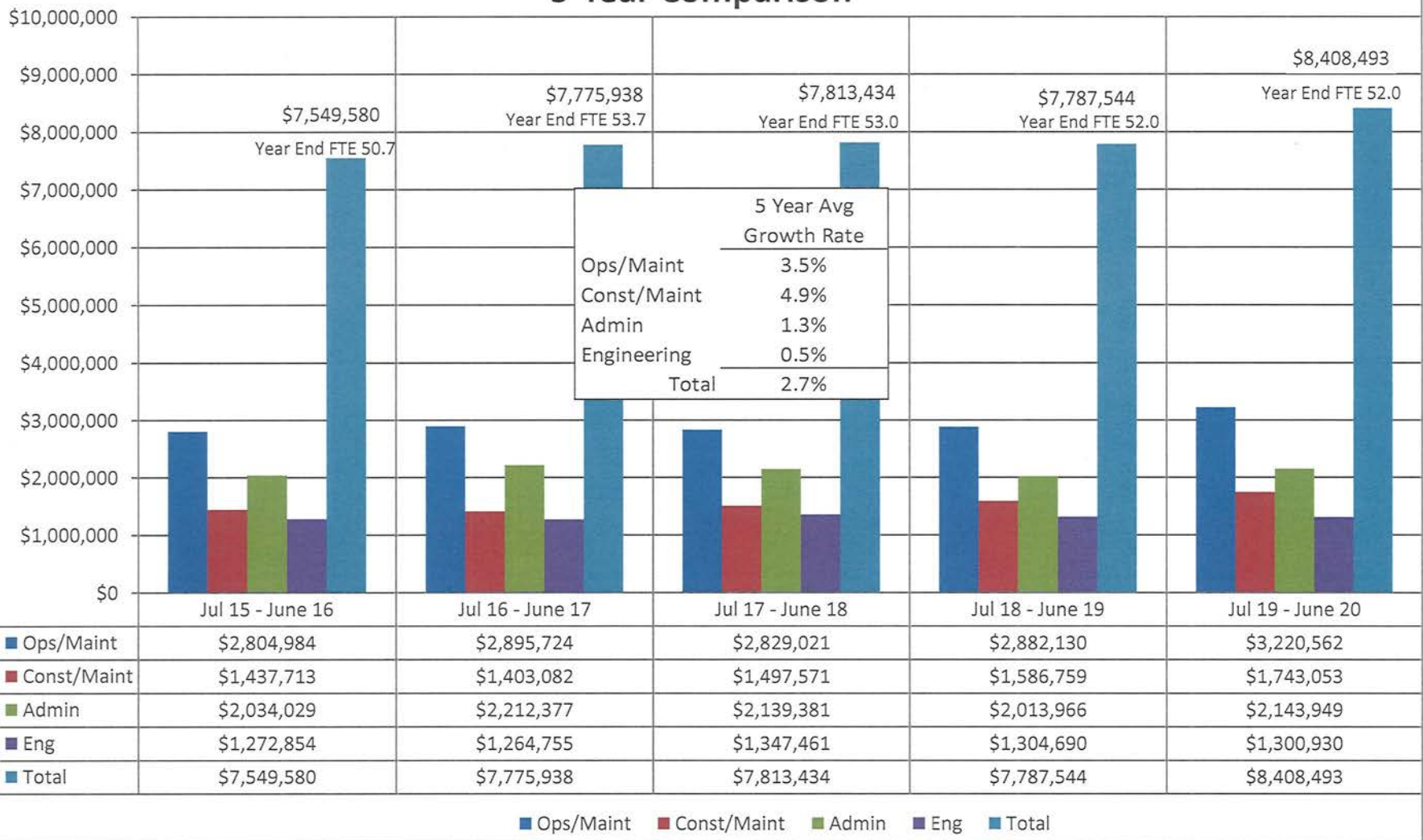
**Construction/Maintenance:** Labor Cost increased \$156,294, or 9.8%. The increase was due to ten 5% step-increases, the October 2019 COLA and equity adjustments effective July 1, 2019 ranging from 0.5% to 6.5%.



7/31/20

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## Total Labor Cost NMWD Fiscal Year through June 5-Year Comparison





7/31/20

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## Overtime Cost NMWD Fiscal Year through June 5-Year Comparison



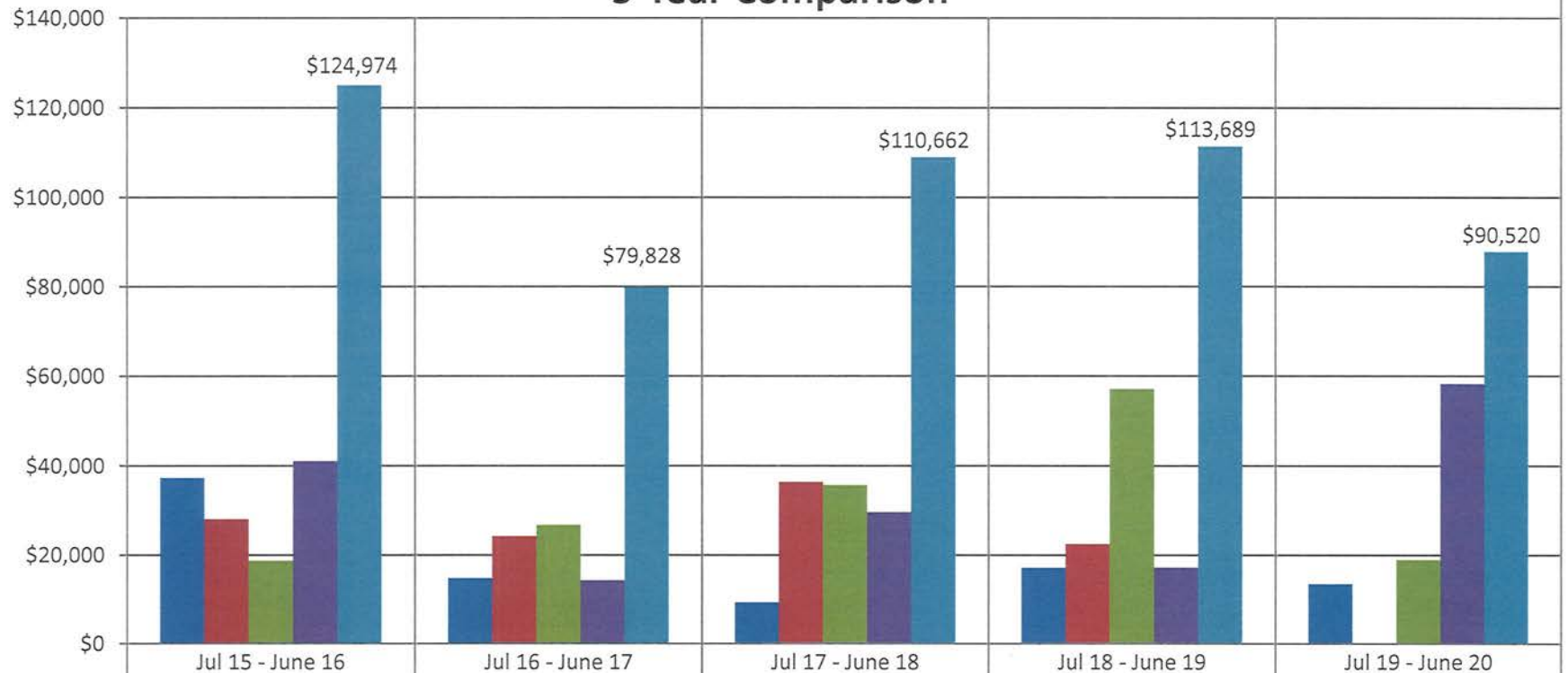
■ Ops/Maint	\$95,680	\$100,565	\$106,400	\$128,477	\$128,558
■ Const/Maint	\$82,085	\$54,698	\$62,232	\$63,673	\$87,871
■ Admin	\$14,870	\$14,880	\$28,124	\$42,723	\$37,744
■ Eng	\$84				
■ Total	\$192,718	\$170,143	\$196,755	\$234,873	\$254,173

■ Ops/Maint   ■ Const/Maint   ■ Admin   ■ Eng   ■ Total

7/31/20

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## Temporary Employee Cost NMWD Fiscal Year through June 5-Year Comparison



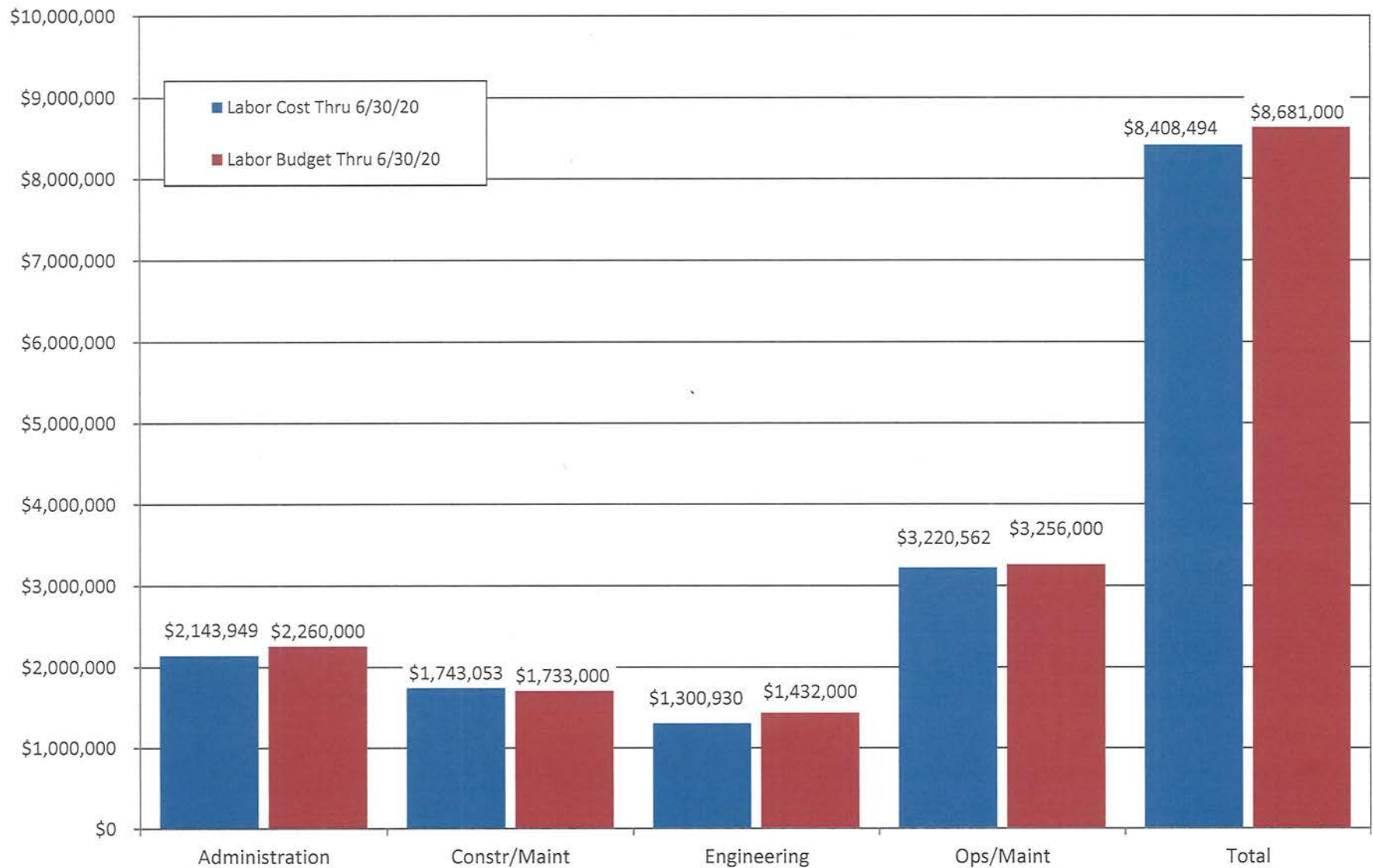
Ops/Maint	\$37,224	\$14,762	\$9,284	\$17,053	\$13,380
Const/Maint	\$27,998	\$24,162	\$36,278	\$22,418	
Admin	\$18,722	\$26,673	\$35,540	\$57,077	\$18,883
Eng	\$41,031	\$14,231	\$29,560	\$17,142	\$58,257
Total	\$124,974	\$79,828	\$110,662	\$113,689	\$90,520

■ Ops/Maint   
 ■ Const/Maint   
 ■ Admin   
 ■ Eng   
 ■ Total

7/31/20

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## Total Labor Cost vs. Budget NMWD Fiscal Year through June



# Audit pans city for red tape on project permits

NOVATO

**Marin Independent Journal**

**By Will Houston**

[whouston@marinij.com](mailto:whouston@marinij.com)

Novato could be losing \$2 million a year in fees because of public frustration with its building permit and inspection system, according to a recently released audit.

Customer experience can determine whether someone comes in for a permit or skips the process altogether, according to Marin Builders Association CEO Rick Wells, whose organization conducted the audit for the city.

Estimates based on city inspection data show that permits are not sought for 40% to 50% of projects, the audit found. The estimated revenue loss is about \$1.5 million to \$2.2 million per year.

“Our long-term goal is to help you improve the customer experience and reputation in Novato in order to help capture more revenue and create a safer community,” Wells told the Novato City Council during a recent presentation on the audit.

The audit found that 63.8% of surveyed customers are likely to describe their experience as negative to friends, neighbors and colleagues, compared with 18.1% positive.

Vicki Parker, director of the Novato Community Development Department, told the council that the audit results were not surprising based on conversations staff had had with customers. She said the department is making improvements.

“We want to do better than that,” Parker told the council. “We want to have more than half of our customers walk away feeling like they understand what’s coming.”

Parker said the department is exploring ways to improve, including more online permitting capabilities, more straightforward instructions for permitting, staff training and filling vacant positions to free up more staff time.

“This was a good first take of understanding where most of the frustrations are,” Parker said of the audit. “And then I think given that and given what we’ve identified internally we can get a little bit more specific.”

The Novato City Council called for the audit in August 2018 in response to an online petition by residents and contractors who complained of overbearing building requirements, high costs and even allegations of privacy invasion by building inspectors. The \$44,000 audit was conducted by

the Marin Builders Association and the Marin Economic Forum, which had previously audited San Rafael's permitting system and is in the process of reviewing Tiburon's and Marin County's.

Novato's audit reviewed the customer experience from the time a project idea is formed to getting the permit, Wells said. The audit used electronic surveys, onsite interviews and

## **AUDIT » PAGE 4**

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### **Audit**

### **FROM PAGE 3**

focus groups.

The audit suggests the city take a phased approach to the issue beginning in the fall with internal staff interviews, check ins with customers and setting up a digital customer satisfaction kiosk.

Community workshops, focus groups and a review of internet permitting services should follow by next summer, with another review the following spring, the audit said.

"There is no silver bullet to improve the customer experience for the permit process for any municipality, let alone anyone here in Marin," Wells said.

The most common areas of frustration occurred during the project plan checks and inspections, with customers complaining of lack of continuity among inspectors, lack of education on the permitting process and the need for more online services.

The audit found that of the 900 most recent permits provided to the auditors, about 90% were from homeowners and 7.5% were from contractors.

"If you're a property owner, chances are you don't get permits every day like you do if you're a contractor," Parker told the council. "So it has implications for the use of jargon in our handouts, the use of acronyms and what our expectation is for knowledge coming in."

Parker said the City Council's authorization to hire a replacement for the vacant chief building official position as well as a plan check position will work to address some of these issues by keeping smaller projects in house rather than having to rely on consultants who also have workloads from

other cities.

"We always love to have staff inspectors because they are embedded in the community and understand our process more thoroughly," Parker said.

Other ideas being considered are creating videos for the website to instruct customers on the various permitting steps and what to expect.

Some council members said they have been experiencing the same issues other customers have had. As for next steps, council members suggested holding a community workshop and potentially reviewing potentially outdated building regulations in ordinances.

Councilman Eric Lucan said a “low-hanging fruit” is reducing the number of forms required for every building permit.

“I think this is an example that if you have five forms that are all required, how come we don’t just have one form?” he said.

The council commended Parker for being willing to push for ways to improve the permitting and inspection process.

“I still think technology is an opportunity here and I think COVID has shown us that, not only with permits but with transportation or whatever,” Mayor Pro Tem Pat Eklund said.

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Monday, 07/20/2020 Page .A03



# Santa Rosa, Sonoma County collect more than \$240 million in PG&E settlement for 2017 fires



A PG&E crew works on power lines along Hopper Avenue, in the Coffey Park area of Santa Rosa on Thursday, Dec. 7, 2017. (Christopher Chung/ The Press Democrat)

**WILL SCHMITT**

THE PRESS DEMOCRAT

July 16, 2020, 6:26PM

Santa Rosa and Sonoma County together have received about a quarter of the funds from a \$1 billion deal that PG&E struck last year with local governments in Northern California to settle claims arising from the 2017 and 2018 wildfires.

Santa Rosa received just over \$95 million of its \$117.8 million PG&E settlement share, after more than \$20 million went to attorneys fees and court costs — the cost of months of representation and negotiation from January 2019 until June, when the wildfire victims assented in a vote that paved the utility's way out of bankruptcy.

Sonoma County officials this week confirmed receipt of about \$149 million PG&E settlement funds out of its \$184 million share, after legal fees and costs.

The settlement funds arrived days before Cal Fire's determination, announced Thursday, that PG&E's electrical transmission lines caused the Kincadee fire last fall — yet another historic blaze for which Sonoma County and Santa Rosa may seek compensation from PG&E.

The settlement funds are a boon for both local governments. In Santa Rosa, they come shortly after the city approved a \$437 million budget that, without the settlement funds, would nearly drain the city's general fund reserves. Santa Rosa residents are expected to have an opportunity to comment on how the money is used when the City Council meets virtually in early August.

Before the pandemic, the funds were expected to be used for wildfire rebuilding and recovery, as well as efforts to prevent another disaster like the Tubbs fire, which in 2017 killed 22 people and destroyed about 4,600 homes in Sonoma County, including about 5% of Santa Rosa's housing stock.



### Lawyers converge on Santa Rosa for wildfire litigation

But now, the coronavirus pandemic has vaulted to the top of the priority list at City Hall, with restrictions on commerce since mid-March that have sharply cut into sales tax revenues that support city services.

"We have a new reality, there's no other way to say it," said Mayor Tom Schwedhelm, whose City Council district includes fire-ravaged Coffey Park, where more than 1,300 homes were lost in the Tubbs fire. "If we were in January 2020 making this decision, I think it would be a different conversation that having it in August 2020."

The city and its residents will need to have an open dialogue when it comes to spending the PG&E settlement funds in order to have "a robust and equitable conversation," said



Vice Mayor Victoria Fleming, whose district includes the Fountaingrove area, where about 1,600 homes were lost and where rebuilding progress has trailed Coffey Park.

"I'm relieved for our residents and our entire community that we did get the settlement and that it's in our possession," Fleming said.

Unlike the city, which faced a June 30 deadline to pass a budget, the county's settlement arrived before final hearings on a projected \$1.9 billion budget in mid-September.

"We will get a sobering analysis about the deficits that we expect to incur as a part of COVID," said Susan Gorin, chair of the county Board of Supervisors, "and we may want to consider some of those one-time funds to provide some stopgaps in some of the hemorrhaging we expect to see later on, or we may start to talk about evaluating our infrastructure system and how much damage we sustained."

Mid-September also is set to bring additional budget hearings in Santa Rosa, when city officials plan to review finances as the impacts of the pandemic on revenues become clearer.

The settlement payments to the local governments are cash, as opposed to the mix of cash and stock that's set to go to fire survivors.

Gorin, the lone Sonoma County elected official to lose a home in the North Bay fires, is rebuilding and said she has yet to receive any money as part of PG&E's \$13.5 billion settlement with individual victims of the 2017 and 2018 fires, including the deadly Camp fire in Butte County. The utility also reached a separate \$11 billion settlement with insurance companies.

"It has taken us a long time to get to this point of settling with PG&E," Gorin said. "We are so glad that the bankruptcy court recognized that all the public entities sustained serious damages and included us (the local governments) as one of the groupings."

PG&E's settlement with local governments does not dictate how they use the money. And though Santa Rosa voters in 2016 passed Measure O, which set baselines for general fund allocations to police, firefighters and gang prevention efforts, those mandatory minimum amounts won't apply to the settlement funds, said Alan Alton, the city's acting chief financial officer.

"During the year, when we receive revenue we didn't anticipate, it goes into the reserves and can be used for any purpose; however the Council still needs to appropriate a budget for that use. These revenues are in a sense added to our savings account," Alton said in an email. "The PG&E settlement goes into that savings account, although to give the Council time to figure out how to spend the money, we keep those funds separate from those available for general use."

Alton noted that the rules of Measure O call for the baseline calculation only for the main budget adoption in June and not for "mid-year appropriations."

The Measure O requirements, including a rule guaranteeing just over one-third of general fund spending to the police department, were passed with more than 70% of voter support in 2016. Those rules could be a factor if the City Council decided to spend some of the PG&E settlement as part of the next year's operating budget, Alton said.

PG&E successfully exited bankruptcy last month, before a June 30 deadline to access state wildfire insurance funds for future disasters.

"Consistent with our commitment to helping our customers and the communities impacted by wildfires recover and rebuild, PG&E fully funded the public entity wildfire settlements on July 1, in accordance with PG&E's plan of reorganization and the terms of the public entities settlement agreements," PG&E spokesperson Deanna Contreras said in a statement. "The funds will be administered from a trust account, which is not controlled by PG&E, and distributed in accordance with the terms of the settlement agreements to the public entities, including Sonoma County and the city of Santa Rosa."

*You can reach Staff Writer Will Schmitt at 707-521-5207 or [will.schmitt@pressdemocrat.com](mailto:will.schmitt@pressdemocrat.com). On Twitter @wsreports.*

# *Common misunderstanding led to Mill Valley mistake*

**Marin Voice**

**Marin Independent Journal**

**By Doug Kelly**

Mill Valley Mayor Sashi McEntee's handling of the racial- equity issue during public comment time at the Mill Valley City Council meeting on June 1 provoked a wave of criticism.

This unfortunate episode, in my opinion, stemmed not from a lack of empathy for the issue, but rather from her misunderstanding of the Brown Act law restricting California governments' handling of topics not on the agenda.

In response to a question during public during open-comment time asking what Mill Valley is doing to address racial justice, McEntee stated the council doesn't take up items not on the agenda unless they reflect an emergency. The mayor blew it and she knows it.

She is a woman of color and she has experienced the prejudice and discrimination that all people of color experience. I know her and I know her heart.

She should have handled that question at that time. She could have spoken about the government's duty to ensure the safety of all the people, which is a fundamental, inalienable right.

In my opinion, her mistake is due to poor training on the Ralph Brown Act, not by a lack of love for people or respect for the underlying issue of racial equity.

Poor understanding of the Brown Act is regrettably common among our elected officials.

I served on the San Anselmo Town Council. After being sworn in, I went to Sacramento for some basic training. I was told that a council member can't comment on an issue brought forth during open time if it isn't on the agenda unless it is an immediate emergency. The majority of towns, cities, boards and commissions, as well as the Marin County Board of Supervisors agenda state this half-truth on their official agendas. The boards I serve on have it right.

Even the official Marin County boards and commissions training film has it wrong. At the 12 minute, 39 second mark, the narrator states the following regarding the public's right to speak on any topic at Open Time. "It's important to note though that no action may be taken on any matter raised for the first time during open time since the item is not on the agenda and therefore no public notice of the pending action has been made."

Here's the actual portion of the Brown Act that applies (54954.2(a); "No action or discussion shall be undertaken on any item not appearing

on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of a legislative body, or the body itself, subject to rules or procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda."

I reached out to all mayors and town managers, as well as the Marin Board of Supervisors asking them to consider changing their agendas so that people have a true understanding of the law.

When someone speaks during open time and their question is about the safety of all, this should always be addressed because people have a right to life, liberty and the pursuit of happiness and that can only be achieved when everyone feels protected.

I also hope that people in Marin will forgive McEntee for her mistake. I know that she greatly regrets how her error made people feel. She is committed to serving the public and ensuring the people feel safe and are safe. This is a common mistake made all the time over many years and could have been made by anyone. *Doug Kelly serves on the Ross Valley Sanitary Board, the Central Marin Sanitary Board and the Marin Emergency Radio Authority Governing Board.*

**Poor understanding of the Brown Act is regrettably common among our elected officials.**

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# State Supreme Court says public employees can't 'spike' pensions

CALIFORNIA

**Marin Independent Journal**

**By Don Thompson**

*The Associated Press*

**SACRAMENTO»** California's public employees can't pad their pensions by working extra hours and cashing out unused vacation and sick leave just before retiring, the state Supreme Court said in a ruling Thursday that gives a victory to local governments trying to contain spiraling pension obligations.

The court did not, however, wade into the bigger issue of whether governments can undo the so called "California Rule" that dates to court decisions beginning in 1947 and holds that retirement benefits, once promised, cannot be touched.

The court found a provision of a 2013 law designed to limit "pension spiking" was "enacted for the constitutionally permissible purpose of closing loopholes and preventing abuse of the pension system," Chief Justice Tani Cantil-Sakauye wrote in the unanimous ruling.

"Further, it would defeat this proper objective to interpret the California Rule to require county pension plans either to maintain these loopholes for existing employees or to provide comparable new pension benefits that would perpetuate the unwarranted advantages provided by these loopholes," the court ruled.

Formulas for calculating pensions often include the average salaries for periods of employment, usually at the end of the workers' careers. By working extra hours and stockpiling vacation and sick time and then cashing out at retirement, some employees inflated their annual salaries and created pensions that were close to or even more than the salaries they made while working.

The California Rule ensures safe and predictable retirements for government workers. But it has limited how the state, cities, counties, schools, fire districts and others can respond to escalating pension costs spurred by generous benefits granted during better economic times and retirees living longer.

Former Gov. Jerry Brown supported the 2013 law and advocated for broader changes in the California Rule, but the justices did not touch its underlying protections.

"I think this is a big win for Jerry Brown and a big win for governments' ability to manage pension liabilities reasonably," said attorney Michael Colantuono, who filed a friend of the court brief in the case on behalf of the League of California Cities. "Government can change the rules, provided that it acts reasonably and for an important public purpose."

Californians for Retirement Security, a 1.6 million member coalition of public employee unions and retirees, said the decision “unequivocally upholds the California Rule” even as it allows local pension officials to change certain previously promised benefits. The group’s chairman, Ted Toppin, in a statement called that part of the decision “unfair and unfortunate.”

The justices have long held that pension benefits granted to existing employees cannot be diminished unless they are replaced with similar benefits, but decided that protection does not prevent legislatively enacted reforms. Thursday’s decision in a case brought by the Alameda County Deputy Sheriff’s Association against the Alameda County Employees’ Retirement Association upholds the government’s ability to regulate benefits, “while preserving the essential right to a meaningful pension,” Colantuono said. “The elimination of perceived abuses ... violates nobody’s rights.” The ruling incorporated two other similar legal challenges involving Contra Costa and Merced county employees.

Attorney David Mastagni, who represented the deputies’ association, did not immediately comment.

California’s high court last year unanimously upheld the 2013 pension reform law, ruling that buying additional retirement service credits is not one of beneficiaries’ legally protected “core pension rights.”

Cantil-Sakauye specifically noted in last year’s opinion that the court was not addressing or altering the California Rule.

The deputies’ union then argued in the current case that anyone hired before the law took effect in 2013 should still qualify for the enhanced pensions. The deputies contended that those were vested benefits and thus subject to the California Rule.



California Supreme Court Chief Justice Tani Cantil-Sakauye wrote that a 2012 law designed to keep certain benefits from padding employees’ pensions was “enacted for the constitutionally permissible purpose of closing loopholes and preventing abuse of the pension system.”

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