

**NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
October 20, 2020**

**CALL TO ORDER**

President Joly announced that due to the Coronavirus outbreak and pursuant to Executive Order N-29-20 issued by the Governor of the State of California this was a virtual meeting. President Joly called the regular meeting of the Board of Directors of North Marin Water District to order at 6:00 p.m. and the agenda was accepted as presented. President Joly added that there was not a public location for participating in this meeting, but any interested members of the public could participate 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, those in remote attendance established a quorum. Participating remotely were Directors Jack Baker, Rick Fraites, Jim 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), Tony Williams (Assistant GM/Chief Engineer), Terrie Kehoe (District Secretary), Julie Blue (Auditor-Controller), Tony Arendell (Construction/Maintenance Superintendent), Robert Clark (Operations/Maintenance Superintendent), and Monica Juarez (Cashier/Receptionist).

President Joly gave a special welcome to Tony Williams NMWD's new Assistant General Manager/Chief Engineer.

President Joly announced for those joining the virtual meeting from the public to identify themselves. District consultants Amy Skewes-Cox and James Martin from AICP Environmental Planning and District legal counsel, Morgan Biggerstaff were participating remotely and available for comments or questions on Action Item #7. Novato resident Don Rose from 6 Old Ranch Road also participated. Additionally, there were two members of the public that joined the meeting, but

they did not identify themselves.

### **MINUTES**

On motion of Director Baker seconded by Director Petterle the Board approved minutes from the October 6, 2020 meeting by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

### **GENERAL MANAGER'S REPORT**

#### **Dillon Beach Village Wastewater Study**

Mr. McIntyre reminded the Board that at the September 15<sup>th</sup> meeting he gave an update on Marin County's activities related to a Dillon Beach Village wastewater study. He advised the Board that he had a recent video meeting on October 15<sup>th</sup> with Marin County Environmental Health Services and their consultant to further discuss the county's efforts in this matter. Mr. McIntyre stated that he used this video meeting opportunity to again remind County staff and their consultant about District Board Policy 34 regarding future expansion of wastewater services in West Marin. He stated it appears that the County of Marin still plans on submitting a grant application to the state to fund a feasibility study to evaluate various wastewater treatment options for the Village. Mr. McIntyre added one option would be to evaluate the feasibility for connection to NMWD's Oceana Marin wastewater system. Mr. McIntyre stated he will continue to keep the Board apprised with future grant application updates.

Director Baker commented that people will be more upset with us than the county when they do the study and determine that it is not feasible in the foreseeable future to connect to the District's Oceana Marin system. Director Baker added that we need to continue to voice our concerns to the county about this issue.

#### **West Marin Dry Year Conditions/Salinity Update**

Mr. McIntyre reported that the water meter read data for August and September is now being analyzed and it appears that actual consumption savings for the last two months is in the range of 20+%. He noted a complete Dry Year Report will be given to the Board in December and that Woodward Fire water use will be estimated. Mr. McIntyre stated, regarding salinity, the numbers are still quite high and the Lab tests salinity levels weekly and is now publishing four weeks of data in the Point Reyes Light on a weekly basis so customers can see how it is trending.

Director Grossi asked what water we are testing, blended or only the Coast Guard Well water. Mr. McIntyre responded blended water through our distribution system and the sample is taken in downtown Point Reyes Station at the old red barn location. Mr. Clark added the Lab also analyzes raw water samples from each well, but that data does not get sent to the Point Reyes Light. Director Joly asked if we have heard much from our West Marin customers in regards to fires, smoke and salinity. Mr. McIntyre replied that we are still getting some taste complaints and continue to hear from customers who are frustrated about the high salinity levels. He commented on the article in the Point Reyes Light about Gallagher Well No. 2 under Miscellaneous in this agenda. Director Joly noted the article stated that Well No. 2 will start producing mid-summer 2021, in order to meet that timeline, we will have to make every effort to make that possible. Mr. McIntyre confirmed, pointing out however that permitting is the driving factor on meeting that goal.

### **OPEN TIME**

President Joly asked if anyone from the public wished to bring up an item not on the agenda, and there was no response.

### **STAFF/DIRECTORS REPORTS**

Mr. Clark gave a PG&E PSPS update. He announced the prior week was the first announced power shut off for the year, which did not affect Marin County. Mr. Clark added he received another notice from PG&E on October 20th, but again Marin was not affected. He apprised the Board that staff is, however, on standby and ready take required action as needed.

Mr. Clark announced he was working on grazing lease agreements that we renew every couple of years. He notified the Board that there have been some changes in ownership so some modifications will have to be made to the agreements and they will be presented to the Board at the next meeting.

Director Joly asked Mr. Clark if he could give an update on the leak that occurred at the Point Reyes Treatment Plant. Mr. Clark replied that he has given staff a copy of the final review to comment on and they are still working on revisions and will have recommendations to update the system. Mr. Clark stated however, currently the plant is holding up and he will bring an update back to the Board at a future meeting.

Ms. Blue announced the District's outside auditor, Chris Brown, will be presenting the 2020 audit at the first Board of Director's Meeting in December.

Director Grossi stated he and Director Baker went on a site tour of the PRE-Tank 4A during the third phase of the concrete wall pour with Mr. Jackson. He noted it was interesting to see the area and all the activities associated with the project. Director Baker stated the process seemed more complicated when you are actually there to see the pour. He added that he was

happy to see the progress and is sure the residents were happy to see the tank well on its way.

### **MONTHLY PROGRESS REPORT**

The Monthly Progress Report for September was reviewed. Mr. McIntyre reported that water production in Novato is down 20% from one year ago and there is some question as to the accuracy of the billing data from SCWA. In West Marin, water production is down 4% from one year ago. Recycled Water production is down 1% from one year ago. Stafford Treatment Plant production for September is down 86% from one year ago. The Board was apprised that Stafford Lake is at 31% capacity, Lake Sonoma is at 73% and Lake Mendocino is at 62% capacity. In Oceana Marin effluent volume is up 44% from one year ago and irrigation field discharge was 0.656 MG compared to 0 MG one year ago. Under Safety and Liability, we had 99 days without a lost time injury. Under Utility Performance Metric, Mr. McIntyre noted that there were twelve polybutylene service lines replaced verses no copper service line replacements. On the Summary of Complaints and Service Orders, the Board was apprised that total numbers are down 30% from September one year ago and there were no unusual trends in complaints and service orders for the month. He noted the numbers are down from last year, most likely a result of less consumer system problems being identified in the second year of AMI implementation versus the first-year roll-out of the new system. Mr. McIntyre added we received a 54% response rate on our questionnaire with a 97% approval rating. He noted that even during COVID pandemic conditions, staff are providing the services needed to our customers.

Ms. Blue reported on the September 2020 Investments, where the District's portfolio holds \$23.2M earning a 1.00% average rate of return. Ms. Blue noted that during September the cash balance increased by \$2,903,308. She also noted the LAIF rate is 0.69%.

### **CONSENT ITEMS**

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

### **RENEWAL OF HORIZON CATV LICENSE AGREEMENT**

The Board approved the renewal of Horizon CATV License Agreement. The Horizon extension term is one-year from November 1, 2020 to October 31, 2021. The annual revenue generated will be \$5,464.00.

### **ACTION ITEMS**

**OLD RANCH ROAD TANK NO. 2 PROJECT – CONSIDER ADOPTION OF MITIGATED NEGATIVE DECLARATION**

Mr. McIntyre provided a report to the Board for the Old Ranch Road Tank No. 2 project. He reminded the Board that a Public Hearing was held at the January 7, 2020 meeting to review the Draft Initial Study for the Old Ranch Road Tank No. 2 Project and receive public comment. He noted the Draft Initial Study found that mitigation measures could be incorporated in the project design to mitigate potential adverse impacts to a less than significant level. Mr. McIntyre introduced District permitting consultants Amy Skewes-Cox and Jim Martin to provide additional information.

Ms. Skewes-Cox advised that all impacts have been identified and mitigation measures have been recommended. She added that most of the impact will be due to construction which would affect air quality, nesting birds, archeological findings, ground shaking and erosion, fire, etc. She noted there are a number of mitigation measures to address these impacts. Ms. Skewes-Cox added comments from the public and the Board, and other agencies such as California Department of Fish and Game (CDFW) were incorporated which included concerns regarding northern spotted owls and removal of oaks. These comments were made at the hearing at a previous Board meeting, and an additional concern was the damage to the road.

Mr. Martin stated there were some concerns from CDFW. The District had a site meeting with them and provided follow up surveys that were done by Point Blue which contained both day and night data on the northern spotted owls. CDFW was satisfied with the findings. The final concern was tree loss, because the oak woodlands provide habitat for wildlife. During a site visit it was apparent to CDFW that many of the trees had died from drought and it was a declining unhealthy woodland, concluding and agreeing to a 1 to 1 replacement value. Additionally, the French Broom plant must not become established. Mr. Martin said the regulatory agency staff was pleased the District addressed all concerns.

Director Petterle stated he thought this was a good Initial Study and the caliber of work was well done. He stated he has worked with wildlife throughout much of his life and suggested the we shut down construction during high fire conditions. He asked what the construction schedule was for this project and when it will begin. Mr. McIntyre replied the project is planning to start in 2021, which is when the work was budgeted. He also stated that the District has standard language added in many projects to not allow construction during red flag warnings for extreme fire weather events and will do so for this project. Director Petterle stated he is not an advocate of pesticides and it is tough to remove French Broom. Mr. Martin replied that staff can slowly up root the plant and, in a year or two they will be able to get rid of it with no pesticides.

Director Joly asked what the construction timeline duration would be. Mr. McIntyre responded that field construction will be around six months.

Mr. McIntyre reminded the Board there was a public hearing in January, and the public could still provide comment tonight. He added that staff recommends approval of all three recommendations and District legal counsel Morgan Biggerstaff is available if there are any questions.

Director Joly asked if there was anyone from the public that wished to express any comments. Mr. Don Rose a resident on Old Ranch Road stated he lives opposite the tank and believes it will impact him more than the other residents. He stated he did not know about the public hearing in January and wanted to join the meeting tonight to get more information and see if he had any concerns. Mr. Rose stated he appreciated the use of buffers for the noise control, however a concern he had with another resident, Nancy Moxie, was with damage to the road. He stated it is mostly gravel and it seems like a lot of traffic with large equipment will be on the road and they are concerned about damage. Mr. Rose wanted to know how the District plans to mitigate or repair any damage after construction is completed. Mr. McIntyre responded this question came up at the last meeting, noting the District as a matter of practice will assess the condition of the road at the beginning of the project and at the end. He noted if there is any damage caused from the project we will address it, it is the fair thing to do and we do it with all District projects. Mr. Rose asked how damage is assessed, visually or with a soils engineer. Mr. McIntyre replied visually, staff will look for cracks in the road, tire ruts, etc. Mr. Rose stated the road in front of his house is in poor condition. He heard about our project so he postponed the repair he was planning to do. Mr. Rose asked if there is an opportunity to get additional work done outside from the repair. Mr. McIntyre replied, in the past if the District has a paving contractor performing repairs on a private street we make outreach to the homeowners to see if they want any additional repairs done at that time. The additional repairs would be paid by the homeowner and they can make that decision at that time and often it can be a cost savings to them. Director Joly thanked Mr. Rose for his comments.

Mr. McIntyre asked Mr. Biggerstaff if the three recommendations needed to be moved separately or if it can be approved together. Mr. Biggerstaff replied all at once. Director Joly thanked Ms. Skewes-Cox and Mr. Martin for a good presentation.

On the motion of Director Petterle, and seconded by Director Fraites the Board: (1) approved the resolution certifying that the Mitigated Negative Declaration for the Old Ranch Road Tank No. 2 Project which has been completed in accordance with applicable law and regulations and adopt the Mitigated Negative Declaration; (2) approved the project including Mitigation

Monitoring or Reporting Program and (3) authorized staff to file the Notice of Determination with the Marin County Clerk and the State Clearinghouse by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

**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>. Mr. McIntyre explained the County of Marin continues at Tier 2 Level which is considered substantial. He stated in order to move to the next less restricted tier, Tier 3, the county will need to meet new equity metrics and demonstrate targeted investments to address disparities in the levels of transmission. He was happy to report that no staff have been instructed to be isolated or are self-quarantined as a result of the coronavirus. Mr. McIntyre reported the positivity rate in Marin County has decreased from 1.8% to 1.5% over the last week which is less than the state goal of below 8% and the impact level is ranked minimal. The seven-day average number of new cases has not changed from 4 per 100,000 residents over the last week and is very close to the states goal of less than 4 and the impact level is still moderate. Mr. McIntyre added maximum workplace spacing continues and walk in services remain suspended. He stated the delinquency rate is now estimated at 8% versus 4% this time the prior year and Ms. Blue will have more details on this later on in the agenda.

Director Grossi asked how the field staff were handling all of this. Mr. Arendell responded that it is stressful for them not to have the time off since they are on call every third weekend, however he is proud of them and they are taking care of business. Director Joly expressed that the Board is proud of them too. Mr. Clark added his staff are also under stress especially since maintenance had one co-worker out with an injury. He said that employee recently returned to work and it has made a huge positive impact. Additionally, he stated many of the staff took some vacation time in the fall and they came back re-energized. He added the lab is also down one person and that is putting an extra amount of work and stress on the existing staff. Director Joly stated 85% of staff are now on site and in the field, and 15% are teleworking, asking if those teleworking staff are working remotely 100% of the time. Mr. McIntyre explained some are, but most staff teleworking are also working in the office one to three days a week. He added we are

doing what we can to keep physical separation and protect the health and safety of our employees. Director Joly stated these are extraordinary times and thankfully none of our staff have been affected by the virus.

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

ABSTAIN: None

ABSENT: None

### **INFORMATION ITEMS**

#### **STRATEGIC PLAN PROGRESS REPORT – YEAR 2 REVIEW (FY 2019-20)**

Mr. McIntyre reviewed the Strategic Plan Progress Report 2 Year Review (FY 2019-20). He reminded the Board that at the June 19, 2018 meeting, the Board approved the five-year Strategic Plan through FY 2022-23 and implementation schedule which included annual updates and commitment to review and update the Strategic Plan every five years. He noted that six major goals were also identified along with forty-three associated objectives/action items. Mr. McIntyre summarized the objectives of the six major goals which includes: 1) Water Supply, Quality and Reliability; 2) Customer Engagement and Service; 3) Operations, Asset Management and Infrastructure; 4) People, Technology and Equipment; 5) Rates and Finance and 6) Emergency Planning and Resilience.

Mr. McIntyre reviewed the four objectives that were behind scheduled adding that most of the planned activities have been completed or in progress. Director Joly asked if staff have done work on evaluating the merits of transferring commercial fire services from District owned to private owned. Mr. McIntyre responded our cross-connection control program revisions are on hold until we have an opportunity to review the new state requirements that have yet to be issued. Mr. Clark added that he has been attending AWWA committee meetings on this subject and they are in communication with the state and the State's manual for Title 17 was supposed to be reviewed in August, it has since been pushed to November and looks like it will be pushed out again.

Director Petterle asked if there has been any further discussion with MMWD about Soulajule Reservoir. Mr. McIntyre replied that in the last year their staff and Board seem more receptive. He added it will be interesting to hear what the water contractors have to say when the Regional Resiliency Water Supply Study comes out.



## **ACCOUNTS RECEIVABLE ANALYSIS**

Ms. Blue presented the Accounts Receivable Analysis. Julie updated the Board on the current status of customer account delinquencies due to the changes to revisions to the shut-off policy (Board Policy No. 6), Executive Order N-42-20 and to the overall state of the economy due to the COVID-19 pandemic. Ms. Blue stated the analysis includes the changes made prior to the pandemic due to SB 998 which related to the time period the District is allowed until they can shut off water for nonpayment. In April, the Governor signed an executive order due to COVID which does not allow us to shut off water and reminded the Board in June they approved a plan to postpone shut-offs once the Executive Order expires and the set up a twenty-four-month payment plan.

Ms. Blue noted that in August of 2019 the delinquent rate was lower, partially because we could not shut off water to consumers for non-payment. Since that time the past due rate has increased from 4.1% in August of 2019 to 8.1% in August of 2020. Director Joly asked if the delinquency is mostly in Novato. Ms. Blue stated it is all of Novato, she did not include West Marin or Recycled Water because the delinquency rate had not increased in those service areas. Director Joly asked if people are making any effort to pay as the delinquency balance increases. Ms. Blue replied some are requesting payment plans and others are not paying possibly because they know we cannot shut them off. Director Grossi asked if we are looking at a bigger problem as COVID persists. Ms. Blue stated that we could be looking at a bigger problem, adding we don't know what is ahead or what we can do to collect the past due amounts for customers that don't pay their bills. She stated she is working with legal counsel to make sure we are complying with state laws and to put in a plan for customers that are not paying. Ms. Blue stated currently there are eight customers who signed up for a payment plan. Staff is exploring the possibility of sending the others to collection.

Director Joly stated many businesses are going out of business and wondered what their delinquency rate looks like. Ms. Blue replied that for those that go through bankruptcy we will need to follow the direction provided in the bankruptcy notices which include writing off past due balances. She stated that this analysis includes all customers and does not break out commercial from residential. Director Joly asked if the analysis was before the rate increase. Ms. Blue confirmed, and also added that it was also before the catch-up bills issued on September 30, 2020. Director Grossi asked if we have the ability to lien properties, or if owners could be responsible for their renters. Ms. Blue replied we would have to look into that and see what steps we would need to take and figure out which accounts are owner occupied and which are renters. Director Joly stated COVID started in March, but in February we were already seeing an increase

in delinquency. Ms. Blue reminded the Board that is because we changed our shut off policy due to the state mandate prior to COVID and that made an impact. Director Joly requested Ms. Blue keep the Board apprised on this once a month. Ms. Blue stated she can give a verbal update in November. Director Joly stated providing a verbal update on the trend was fine.

### **MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements – Dated October 8, 2020, Disbursements – Dated October 15, 2020, Salinity Notice – Point Reyes Light - October 1, 2020 and Salinity Notice – Point Reyes Light - October 8, 2020.

The Board received the following news articles: Marin IJ - MMWD board candidates see funding, climate as top issues; Marin IJ - Housing mandate estimate balloons; Marin IJ – Marin Voice – Water District ready to deliver amid threats of fire, drought; Point Reyes Light – Relief on the horizon for dramatically salty Point Reyes water; Marin IJ – Fire fully contained in national seashore – West Marin; Marin IJ – Editorial - Lubamersky a good pick for water board; Marin IJ – Below-normal rain forecast increases fire fears in Marin – Winter Months; Point Reyes Light - Lawson’s Landing gets state approval for major upgrades and Point Reyes Light – Inverness and Bolinas step up water restrictions, warn of rationing.

Director Petterle reminded Mr. McIntyre and the Board that at the last meeting he requested a short agenda for the November 3<sup>rd</sup> meeting since it will be election night. Mr. McIntyre replied he is aware of the request and will do what he can to keep it light. Director Joly agreed it should be light and fast moving. He commented that the agenda on November 17<sup>th</sup> will be a busy session.

### **ADJOURNMENT**

President Joly adjourned the meeting at 7:50 p.m.

Submitted by



Theresa Kehoe  
District Secretary