

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
November 3, 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 6:02 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), Tony Williams (Assistant General Manager/Chief Engineer), Tony Arendell (Construction/Maintenance Superintendent), Robert Clark (Operations/Maintenance Superintendent), and Monica Juarez (Cashier/Receptionist).

President Joly announced for those joining the virtual meeting from the public to identify themselves, and there was no response.

MINUTES

On motion of Director Petterle, seconded by Director Baker the Board approved the minutes from the October 20, 2020 regular meeting by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

GENERAL MANAGER'S REPORT

WAC/TAC Meeting

Mr. McIntyre reported that he, Director Baker and Mr. Williams participated in a virtual WAT/TAC meeting on November 2nd. He stated he will include the meeting minutes at a future agenda.

NBWA Meeting November 6, 2020

Mr. McIntyre announced there will be a virtual NBWA Meeting on November 5th.

Novato Townhall Meeting

Mr. McIntyre apprised the Board that on Monday, November 16th at 6:00 p.m. he will be participating in a virtual townhall meeting being held by Supervisor Rodoni for his East Marin constituents. He added the Novato City Manager and Fire Chief will also be participating.

Gallagher Well No. 2

Mr. McIntyre reported at the November 17th meeting he will bring back to the Board a consulting services agreement to move forward with design of Gallagher Well No. 2

Director Joly asked if staff had a chance to check the billing data from SCWA yet. Mr. McIntyre replied he, Ms. Blue and Mr. Clark are still evaluating the discrepancy. He stated in Ms. Blue's report consumption was up yet production was down which is contradictory. Director Joly thanked staff for following up on this matter. He also thanked Mr. McIntyre for mentioning the meeting with Supervisor Rodoni on November 16th and he would like to also attend.

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

President Joly asked if any Directors or staff wished to bring up an item not on the agenda and there was no response.

QUARTERLY FINANCIAL STATEMENT

Ms. Blue presented the Quarterly Financial Statement noting that Operating Revenue came in at 8% over budget and Operating Expenses came in 3% over budget. She stated Novato water sales were 7% more than the prior fiscal year to date and production was down, confirming staff continues to look into the cause of the discrepancy. The Recycled Water was up 15% in

operating revenue and up 15% in consumption. She added expenses were up 71% due to depreciation expense due to closing out of large projects at the end of FY 19/20. In West Marin operating revenue was down 7% due to a decrease in consumption and was in line with what was expected. In Oceana Marin operation revenue was up 5% due to rate increase that came into effect on July 1st and operating expenses were down 12% due to timing on when work was being completed in Oceana Marin. Ms. Blue reported there was nothing unusual in the first quarter and things are lining up as expected.

Director Joly thought the report was terrific and thanked staff for preparing. He asked about the cost of the Stafford Treatment Plant (STP) water vs. the SCWA water and wondered if these two numbers were reversed. Ms. Blue replied that SCWA water is less than STP water when you are looking at a full year. She added in this report we are only looking at a snapshot of the year, noting STP Plant does not operate all year long. Director Joly thanked her for the clarification.

CONSENT CALENDAR

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

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

NOES: None

ABSTAIN: None

ABSENT: None

MARIN BIOLOGIC LAB FIRE SERVICE – 378 BEL MARIN KEYS, NOVATO PAN; 157-461-08

The Board approved the Water Service Agreement for Marin Biologic Lab Fire Service, 379 Bel Marin Keys, Novato, APN 157-461-08. The Marin Biologic building improvements require a new fire service close to the entrance of the building.

TEXT FOR FALL 2020 NOVATO “WATERLINE”, VOLUME 21, ISSUE 45

The Board approved text for Fall 2020 Novato “Waterline”, Volume 21, Issue 45.

ACTION ITEMS

RESOLUTION 20-25 AMENDING REGULATION 54 TO ADJUST RECYCLED WATER BI-MONTHLY SERVICE CHARGES

Ms. Blue explained, while the rates were clearly established during the rate study and the rate hearing process the regulation did not include the new set of fixed service charges for Recycled Water. She stated historically Novato and Recycled Water had the same rate, however

that changed when the rate study was done. The Resolution will amend Regulation 54 by properly including the Recycled water fixed charges as intended.

Director Petterle asked if he understands it correctly that he rates for Recycled Water will continue to be separated out in the future. Ms. Blue confirmed this. Director Joly asked if the rate was still in effect as of October 1st and Ms. Blue confirmed this.

On the motion of Director Petterle, and seconded by Director Baker the Board approved amending Regulation 54 to adjust Recycled Water Bi-Monthly Service Charges 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) and summarized various key measures implemented by the District's emergency management team since that time. He stated maximum workplace spacing continues and walk in services remain suspended, adding we will do what is necessary for the safety of our employees and the public.

Mr. McIntyre was pleased to report that no staff was currently out sick due to the coronavirus. He added in Marin County the positivity rate remains essentially the same as last week at about 1.4% and a seven-day average number of new cases has decreased from 3.1 to 2.6 per 100,000 residents over the last week.

Mr. McIntyre provided a cost summary for COVID expenses that has been updated to show costs impacts through October 15th. He noted that COVID related costs continue to impact District operations with additional expenses of \$6,000 since the last Board Meeting. Mr. McIntyre stated he will continue to update the Board each meeting.

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

RENEWAL OF GRAZING LEASES – GROSSI, BELL & LEVERONI IV

Mr. Clark reported on the renewal of Grazing leases – Grossi, Bell & Leveroni IV. The three grazing leases renews one existing lease with Grossi and Son in addition to two new agreements, one with Bell Cattle Company and the other with David Leveroni IV. He noted that David Leveroni III was no longer interested in renewing his lease. Mr. Clark stated he reviewed the historical lease process and reached out to the Agricultural Weights and Measures along with UC Cooperative Marin to provide us with an industry wide formula to calculate the cost and get a better understanding of shared cost of repairs that should be included in the lease. Mr. Clark reported all lessees agreed to the lease language changes.

On the motion of Director Petterle, and seconded by Director Baker the Board approved the grazing lease agreements for Grossi Beef for Parcel No. 2, Bell Cattle Company for Parcel No. 4 and David Leveroni IV Family for Parcel No. 5 by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated October 22, 2020, Disbursements – Dated October 29, 2020, Point Reyes Light – Salinity Notice for October 22, 2020, NOAA Three Month Precipitation Outlook and FY20 1st Quarter Labor Cost Report.

The Board received the following news articles: Marin IJ – Winds could prompt outages – WILDFIRE WEATHER; Marin IJ – Hotel in Novato eyed for housing – IGNACIO; Marin IJ – Winds force broad outages – WILDFIRE WEATHER and Marin IJ – Coalition spurs homeowners to add apartments.

The Board received the following social media posts: Facebook – October 22, 2020; Instagram – October 22, 2020 and Facebook – October 22, 2020.

Director Joly complemented staff on the 3rd quarter labor cost memo. He noted tonight's meeting was short due to the national election, therefore as a result we will have a longer agenda with more items at the November 17th meeting.

Director Joly apprised the Board that at the November 17th Board meeting there will also be a closed session annual review of the General Manager. He noted Directors Baker and Petterle provided information used in the past and he will be working with Ms. Kehoe to send out

information to all the Board members by the end of the week.

ADJOURNMENT

President Joly adjourned the meeting at 6:30 p.m.

Submitted by

A handwritten signature in cursive script that reads "Theresa Kehoe".

Theresa Kehoe
District Secretary