

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
December 15, 2020**

CALL TO ORDER

President Grossi 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 Grossi 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 Grossi 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 Grossi 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 Grossi noted that due to the virtual nature of the meeting he will request a roll call of 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 Grossi 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), Robert Clark (Operations/Maintenance Superintendent), and Monica Juarez (Receptionist/Customer Service Assistant).

President Grossi announced for those joining the virtual meeting from the public to identify themselves. District consultant Jim O'Toole from Environmental Science Associates attended remotely and was available for comments and questions pertaining to Agenda Item #12.

MINUTES

On motion of Director Petterle seconded by Director Baker the Board approved minutes from the December 1, 2020 meeting with a minor change by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

GENERAL MANAGER'S REPORT

Marin County Ag Commissioner – Hydrant Meter

Mr. McIntyre apprised the Board that Stefan Parnay, Marin County Acting Agricultural Commissioner, made outreach to him in regards to the current dry year conditions. Mr. Parnay asked about getting a hydrant meter for the County of Marin to make available to ranchers on an as needed basis. Mr. McIntyre advised the Board that he told Mr. Parnay that the District could provide a hydrant meter in our Novato Zone 1 system similar to what NMWD did during dry year conditions in 2015.

TAC Finance Committee

Mr. McIntyre reported a TAC finance subcommittee is being formed to review the FY22 SCWA budget. He stated the first meeting will occur in January and Ms. Blue will again be part of the subcommittee.

West Marin Salinity Update

Mr. McIntyre announced the system salinity number for last week on December 8th was approximately 68 mg/L and while we don't have an exact value for today's sample it appears to be a little bit below last week's value. He added the conductivity numbers are trending lower and though he cannot guarantee future results, it is the start of a good trend.

Gallagher Well No. 2 Update – Coastal Permit and Water Rights

Mr. McIntyre reported staff and District consultant ESA had a Zoom meeting with a Marin County Coastal Permit planner on December 10th, to review the project before submitting a Local Coastal Permit application. He stated there were no surprises at the initial outreach meeting. Mr. McIntyre added he also had a meeting with legal counsel to discuss the next steps required to add Gallagher Well No. 2 to our water rights as a new point of diversion. Mr. McIntyre stated he hoped it will just be a minor change petition to the State Water Resources Control Board to add the second well.

OPEN TIME

President Grossi 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 Grossi asked if staff or Directors had anything to report and there was nothing to report.

MONTHLY PROGRESS REPORT

The Monthly Progress Report for November was reviewed. Mr. McIntyre reported that water production in Novato was down 11% from one year ago. In West Marin, water production was down 18% from one year ago. Recycled Water production was up 1% from one year ago. Stafford Treatment Plant year-to-date production was down 57% from one year ago. Mr. McIntyre apprised the Board that Stafford Lake was at 28% capacity, Lake Sonoma was at 67% and Lake Mendocino was at 55% capacity. He added that in Oceana Marin effluent volume was up 28% from one year ago and there was no irrigation field discharge compared to 0.466 MG one year ago.

Director Petterle noted rainfall has been low so far this year and there was an 11% decrease in Novato's consumption even though there are more people home due the shelter-in-place order. Mr. McIntyre replied that it can be difficult to draw meaningful conclusions on just one month of water use, but noted this is a similar trend of what other water contractors have experienced. Director Joly stated he had the same questions. Director Joly also asked if the water usage numbers ever came in for the Woodward Fire in West Marin. Mr. McIntyre replied that we will be unable to obtain actual water use amounts since much of the water used for firefighting was unmetered through the hydrants. However, Mr. Grisso will have more to report on this topic in January during presentation of the West Marin Dry Year Conditions Report.

Under Safety and Liability, Mr. McIntyre stated that we had 6 days without a lost time injury. On the Summary of Complaints and Service Orders, the Board was apprised that total numbers were down 31% from November one year ago.

Director Joly asked if the three employees injured were from one incident. Mr. McIntyre responded, two employees and two separate incidents. Ms. Blue added the third employee noted was a previous incident earlier in the fiscal year.

Ms. Blue reported on the November 2020 Investments, where the District's portfolio holds \$27M earning a 0.88% average rate of return. Julie noted that during November the cash balance decreased by \$856,650. She also noted the LAIF rate is 0.58%.

Director Joly asked how Ms. Blue monitors the District's investment portfolio and if we diversify by investing in accounts other than LAIF. Ms. Blue replied that Accounting Supervisor, Ms. Holton, reviews our investment options on a monthly basis. Currently the interest rates on CDs are very low and the rate of return is not worth giving up our accessibility to cash.

CONSENT ITEMS

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

NEW DUMP TRUCK PURCHASE

The bids for a new 5-yard dump truck were received and reviewed, three of the five bidders responded and two came in under the \$135,000 budget. The low bid proposed by Peterson Truck met the majority of the desired baseline specifications and there was a maintenance representative in Santa Rosa. The bid was awarded to Peterson Trucks, Inc. for the amount of \$117,808.71.

FINAL ANNUAL REPORT FISCAL YEAR 2019-20

The draft Annual Report for FY 2019-20 was presented to the Board at the December 1, 2020 meeting. The final report was provided tonight with the only change being the addition of the CVRA map showing each Director's division.

ACTION ITEMS

APPROVAL OF SALARY, TERMS AND CONDITIONS OF EMPLOYMENT – GENERAL MANAGER

Director Joly reported this agenda item was initially presented to the Board at its December 1, 2020 meeting for discussion. He added the proposed increase of 2% was consistent with the increases approved by the Board at the October 6, 2020 Board Meeting for all other District employees. He reported the Board expressed unanimously that Mr. McIntyre has done an exceptional job during an exceptional period.

President Grossi thanked Director Joly for spearheading the Conditions of Employment for the General Manager.

President Grossi, in accordance with Government Code section 54953 (c) (3), provided an oral summary of the recommended action. He stated: "The item before the Board tonight is to set the salary and terms and conditions of employment for the District's General Manager position, effective October 1, 2020. The recommended action is to grant a 2.0% COLA wage increase to the General Manager's base salary, effective October 1, 2020. The total annual salary increase is \$4,700. In addition, payroll taxes will increase by \$68 and retirement contributions will increase by \$1,260 annually. After factoring in the above adjustments, the annual base compensation for the General Manager position will be \$239,700, effective October 1, 2020." President Grossi announced that additional details regarding this item were set forth in the agenda and resolution associated with this item.

President Grossi asked if there were any questions from the Board or members of the public. No questions from the Board or members from the public were asked.

President Grossi thanked Mr. McIntyre and expressed his appreciation for everything he does for the District. Mr. McIntyre thanked the Board.

On the motion of Director Petterle, and seconded by Director Joly the Board authorized the approval of Resolution 20-26, North Marin Water District Conditions of Employment – General Manager by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

WEST MARIN RATE STUDY – BOARD AD-HOC COMMITTEE WORKSHOP DATES/TIMES AND SCHEDULE UPDATE

Ms. Blue provided the dates and times for two West Marin Water Rate Study Board Ad-Hoc Committee meetings. She noted at the September 15th Board meeting the Board of Directors approved Hildebrand Consulting to work on a Water Rate Study for the West Marin water service area. Ms. Blue reported two Ad-Hoc Committee meetings are scheduled in January 2021.

Director Joly and Director Grossi agreed with the dates and times set for the West Marin Rate Study Ad-Hoc Committee meetings.

On the motion of Director Petterle, and seconded by Director Joly the Board approved setting the meeting dates/times for the Water Rate Study and Rate Design Ad Hoc Meetings with the rate consultant Mark Hildebrand, staff and the Board of Directors Ad-Hoc Committee for January 12 and January 26, 2021 from 10:00 am. to noon by the following vote.

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

NOES: None

ABSTAIN: None

ABSENT: None

CONSUMER SERVICES DEPARTMENT CHANGES

Ms. Blue reported modifications were made to the current Consumer Services Department job descriptions including; Field Service Representative Lead, Field Service Representative I/II, Consumer Services Supervisor and the Receptionist/Customer Service Assistant. She stated the Account/Credit Clerk I-II- classifications will be placed in abeyance. Ms. Blue added the revised job descriptions have been vetted through the Employee Association and all employees were interviewed to help with the adjustment of duties. She noted a Lead Field Service Representative

position had been added and adding Field Service Representative levels I and II will allow more growth opportunities within this classification. Ms. Blue stated the Lead Field Service Representative position will be filled internally and no outside hires will be necessary.

Director Baker stated he had no issue with the proposed change. He realized meter reading was their main task, which included a lot of customer interaction. Director Baker added customers always seemed happy with our service. He expressed concern that we might miss having our eyes out in the field and helping customers answer their questions. Ms. Blue stated that customer interaction will actually be a larger part of their job now. With the new AMI program, a leak can be confirmed right away, a service technician can contact the customer and find the problem much faster than before. Ms. Blue stated the department is about interfacing with the public, adding the feedback she has received through phone calls and field checks has been positive. She stated the District will continue to focus on a higher level of customer service, noting we now have more time for leak alerts and assisting customers.

On the motion of Director Baker, and seconded by Director Joly the Board approved the job descriptions and updated salary ranges for the Field Service Representative Lead, Field Service Representative I/II, Consumer Services Supervisor, and Receptionist/Customer Service Assistant along with an immediate internal recruitment for the Lead Field Service Representative position 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. On December 3, 2020 Governor Newsom announced that all sectors other than retail and essential operations will be closed in regions of California when less than 15% of intensive care unit (ICU) beds are available under a new Regional Stay Home Order. While the Bay Area region had not yet reached this threshold, five local Bay Area counties (Alameda, Contra Costa, Marin, San Francisco, and Santa Clara) moved forward to implement the State's Regional Stay Home Order in advance of any State directive. Marin County implemented the State's Regional Stay Home Order at noon on December 8th and the Marin County Order will remain in effect until January 4, 2021. Mr. McIntyre added the Bay Region ICU

bed capacity was currently at 15.8% and active cases were up 47% from a week before. Additionally, Marin County reported the Pfizer vaccine was expected to arrive on December 16th. Mr. McIntyre noted he will be sending a letter to Dr. Matt Willis, the Marin County Public Health Officer, requesting that NMWD staff receive priority in Phase 1B distribution for essential workers as described in the CDC's playbook.

Mr. McIntyre added maximum workplace spacing continues and walk in services remain suspended. He added a summary of key emergency action items taken and resulting cost impacts were provided in Attachment 1.

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

GALLAGHER WELL NO. 2 PROJECT – PROPOSED CEQA STRATEGY

Mr. McIntyre discussed the proposed CEQA strategy for permitting Gallagher Well No. 2. The project proposes to increase the reliability of the Point Reyes Water System by allowing production of the quantity of groundwater at the Gallagher Well site that was analyzed in the 2009 Initial Study/Mitigated Negative Declaration prepared to offset production at the Coast Guard Wells. He added although several components of the project have been implemented since the Initial Study/Mitigated Negative Declaration (IS/MND) was adopted for the Gallagher Wells and Pipeline Project in 2009, the new Gallagher Well No. 2 had not yet been constructed. Mr. McIntyre stated changes in the project and regulatory requirements, including the possible need for acquisition of a Local Coastal Permit, necessitates additional CEQA compliance in order to implement the project. He noted Environmental Science Associates (ESA) has reviewed the project and indicates that an addendum to the IS/MND is appropriate for the project. Mr. McIntyre added this approach was confirmed by District legal counsel. He stated the Addendum will be circulated to stakeholders, including regulatory agencies, for a thirty-day comment period as a courtesy notification regarding the project. Additionally, staff anticipates bringing the Addendum to the Board for consideration and project approval at its February 16, 2021 meeting. Mr. McIntyre announced Mr. O'Toole was also participating remotely and was also available to answer any questions.

Director Grossi asked what potential impacts or problems do they anticipate with the well. Mr. McIntyre replied that previous regulatory responses focused on impacts to Lagunitas Creek flows when CEQA was performed in 2009 for the Gallagher Wells and Pipeline project. He noted the recent hydrologic analysis for test well operation at the Well No. 2 site shows a di minimis impact in creek water surface elevation.

COMMENT LETTER TO CLAM RE: REUSE PROJECT AT FORMER POINT REYES U.S. COAST GUARD HOUSING SITE

Mr. McIntyre informed the Board about the comment letter to CLAM in reference to the reuse project at the former Point Reyes U.S. Coast Guard housing site. The purpose of the letter was to respond to a scope of services prepared by Questa and transmitted to NMWD. Mr. McIntyre stated the District had serious concerns related to the suitability of the proposed on-site wastewater disposal location as it relates to ensuring anti-degradation of the District's Coast Guard water supply wells used to serve the local community. He noted in April 2020 Marin County Selected CLAM and Eden Housing to serve as partners in converting the long vacant buildings into affordable housing units over the next several years.

Mr. McIntyre stated there are concerns that this project can have a negative impact on our wells and he notified both CLAM and Supervisor Rodoni that a letter was coming. He stated staff will continue to watch this closely, adding Mr. Ramudo, the District's Water Quality Supervisor, also reviewed the letter. Director Joly applauded Mr. McIntyre for his swift action in getting this letter out.

CITY OF NOVATO ANNUAL ENCROACHMENT PERMIT COST INCREASE

Mr. Williams reported on the City of Novato's Annual Encroachment Permit cost increase. The previous Utility Notice of Work (NOW) permit fee was \$2,770, but starting January 2021, the new annual permit fee will be \$6,000 for all utility companies and agencies. Mr. Williams added the City of Novato is also planning to conduct a formal rate study to review all of the various fees charged, so an adjustment to the NOW permit fee may occur in the future.

Director Grossi stated if the work value is less than \$10,000 it sounds high to have a \$6,000 fee. Mr. Williams responded that staff raised the same issue, however this is an annual fee related to any number of unplanned events, for instance we had 128 of them last year. He added all utilities will have the same increase. Mr. Williams added that he is also hoping to work on individual permit fees to see if we can get that cost down. Director Fraites stated he was uncomfortable with the increase. Mr. Williams stated that the \$6,000 fee covers an infinite number of events as it is a blanket annual permit. Director Fraites responded that he had a better understanding now and feels more comfortable with the increase. Additional discussion regarding

paving restoration costs within the City ensued.

NBWA MEETING – DECEMBER 4, 2020

Director Fraites summarized the NBWA Meeting that was held on December 4th. He reported on the Bay Restoration Regulatory Integration Team (BRRIT) presentation. Director Fraites noted the team was formed to improve the permitting process for the multi-benefit wetland restoration in the San Francisco Bay and along the bay shoreline. He added, it brings people together and makes the process more efficient.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated December 3, 2020, Disbursements – Dated December 10, 2020, 2021 TAC and WAC/TAC Meeting Schedule, Point Reyes Light - Salinity Notice – November 25, 2020, Point Reyes Light – Salinity Notice – December 3, 2020, ACWA et al Letter to Congress re COVID Impacts to Utilities, Letter to Vendors and Suppliers, Funding Received – Gallagher Ranch Streambank Stabilization Project, Annual Sick Leave Buy-Back, NMWD WP-309 Certificate of Excellence and NMWD WS-291 Certificate of Excellence

The Board received the following news articles: ENR- AGC Says 75% of Contractors Had Project Canceled or Postponed Due to Coronavirus; Capradio- Is California Heading for a Multi-Year Drought? The Odds Aren't In Our Favor, Experts Say; Novato Advance – Pages from the Past – December 1945; Point Reyes Light – Rains control Woodward Fire, do little for supply; Point Reyes Light – Salt in the water decreasing, but customers not yet out of the woods; Marin IJ – State allots \$40 million for North Bay 'narrows' project – Highway 101 and Marin IJ – Novato adopts new plan for greener vehicle fleet – Leasing Strategy

The Board received the following social media posts: NMWD Web and Social Media Report – November 2020.

Mr. McIntyre brought to the Board's attention the summary of funding from the Gallagher Streambank job which was closed out. He reported we received all payments anticipated including funds from the National Resources Conservation Services, MALT, MMWD and the Gallagher Family contribution. Mr. McIntyre stated we were able to do a good job leveraging federal grant and local funds. He commended Ms. Blue and staff for the summary. Director Joly noted staff did a good job obtaining outside contributions.

Mr. McIntyre recognized Mr. Clark and the NMWD lab staff for the laboratory proficiency testing certificates of excellence. He gave kudos to laboratory staff working during this difficult COVID time with limited staffing.

Director Joly expressed that he found the social media report to be very good and he

especially enjoyed the history on the Stafford Lake construction in 1951.

Director Joly wish staff and the Board happy holidays.

ADJOURNMENT

President Grossi adjourned the meeting at 7:21 p.m.

Submitted by

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

Theresa Kehoe
District Secretary