

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
February 16, 2021**

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 6:00 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 Fraitas, 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), Tony Arendell (Construction/Maintenance Superintendent), Avram Pearlman (Assistant Engineer) and Monica Juarez (Receptionist/Customer Service Assistant).

President Grossi announced for those joining the virtual meeting from the public to identify themselves. In virtual attendance were Ken Levin from the Point Reyes Village Association, Drew Walstrum from City Ventures, Paul Sellier from Marin Municipal Water District and, Andrew Waite, a resident of Novato.

MINUTES

On motion of Director Baker, seconded by Director Petterle the Board approved minutes from the February 2, 2021 meeting by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

GENERAL MANAGER'S REPORT

West Marin Water Rate Study Workshop

Mr. McIntyre reminded the Board of a special meeting and workshop scheduled for Tuesday February 23rd at 6:00 p.m. to discuss the West Marin Water Rate Study.

NBWRA Board Meeting

Mr. McIntyre announced he, Director Baker and Mr. Williams will be participating in a North Bay Water Reuse Authority (NBWRA) virtual meeting on Monday, February 22nd at 9:30 a.m.

Dry Year Conditions Update

Mr. McIntyre noted there is a related item later in the agenda regarding backfeeding Stafford Lake. He reminded the Board that on February 11th he and TAC Vice Chair Jennifer Burke met with senior SCWA staff to discuss water supply planning and messaging related to dry year conditions along the Russian River. He stated the critical decision point regarding the call for voluntary or mandatory conservation targets will happen on April 1st. Mr. McIntyre added staff has another check in call scheduled for early March to reassess the situation. He stated there is also a second related item on the agenda to preemptively approve a Novato Water Conservation Ordinance that will provide the flexibility to set detailed conservation mandates at a later date by resolution. Mr. McIntyre noted with respect to NMWD's ability to respond to current dry year conditions and future water demand forecasting, there will be an update on the 2020 Urban Water Management Plan (UWMP) at the March 2nd meeting with a presentation of the draft 2020 Urban Water Management Plan shortly thereafter. The 2020 UWMP goal is to provide an updated forecast of future NMWD water demands and include a detailed evaluation of the water supplies available to meet those demands over a 20-25-year planning horizon.

Mr. McIntyre apprised the Board that he will be on vacation this week and Mr. Williams will be acting General Manager in his absence.

Director Joly noted the Board will see the UWMP in March and then on April 1st we will have a better understanding of our situation. He shared that he, like Director Grossi, have had public inquires about the state mandatory housing and how it will affect and reduce our water

supply. Director Joly added, the public will be interested in hearing more about it and thanked staff for providing this forecast as part of the UWMP.

OPEN TIME

President Grossi asked if anyone from the public wished to bring up an item not on the agenda and the following was discussed.

Mr. Levin requested Mr. McIntyre include the Coast Guard Housing Complex in his report on water demands. He expressed concern on how new residential demands will fit in with the West Marin water availability issue. Mr. McIntyre replied that the UWMP is only a requirement for water systems serving over 3,000 residents, therefore the report is focused only on the Novato Service Area. He added, when there is discussion about the 2020 UWMP staff can also comment on water impacts associated with the former Coast Guard housing reuse project at the same meeting. Mr. Levin thanked staff for paying attention to this issue.

STAFF/DIRECTORS REPORTS

President Grossi asked if any Directors or staff wished to bring up an item not on the agenda and the following was discussed.

Mr. Clark reported on a cyber security incident that occurred in Florida. The FBI, Homeland Security and local authorities reported a hacker got into the system and manipulated the dosing of chemicals at a treatment plant. He stated the treatment plant had an alarm system and the on-duty operator was able to take control of the situation. Mr. Clark noted EPA and AWWA have issued information to prevent this type of activity. He added last year staff examined NMWD's cyber security and completed an initial review of all potential cyber security issues and updated the Emergency Response Plan. Mr. Clark stated as a result they found no loop holes in our system, adding Core Utilities has done a fantastic job to make sure our systems are protected. He noted EPA does not allow direct remote access to SCADA or any other systems including databases. They advised installing firewalls and NMWD has had them in place for many years. Mr. Clark reported no unauthorized sources can access our system due to a three-level remote access set up for all of our systems. He noted staff will continue to look at protecting passwords and change them more frequently and changes will be implemented when staff updates the Emergency Operations Plan. Mr. Clark added that our AMI and Asset Management programs meet all remote access criteria.

Director Joly thanked Mr. Clark and staff. He noted he was also aware of the Florida incident. He heard about it from a customer and saw the episode on 60 Minutes that highlighted the cyber security problem. Director Joly added it is essential to continue to monitor our systems. Director Fraites added he was also contacted by a customer and assured the resident that staff

was already taking care of our security.

MONTHLY PROGRESS REPORT

The Monthly Progress Report for January was reviewed. Mr. McIntyre reported that water production in Novato was up 40% from one year ago and up 3% fiscal year to date. In West Marin, water production was up 2% from one year ago and down 2% fiscal year to date. Recycled Water production was down up 45% from one year ago and up 6% fiscal year to date. The Board was apprised that Stafford Lake was at 29% capacity, Lake Sonoma was at 64% and Lake Mendocino was at 41% capacity. In Oceana Marin effluent volume was 0.479 MG for January compared to 0.590 MG one year ago and there was no irrigation field discharge. The freeboard level was good and nothing was of concern in Oceana Marin. Under Safety and Liability, Mr. McIntyre reported that we had 75 days without a lost time injury. On the Summary of Complaints and Service Orders, the Board was apprised that total numbers are down 35% from January one year ago. Mr. McIntyre reported the bill adjustment numbers were lower however the dollar amount was higher due to the one large West Marin adjustment that was discussed at the last meeting.

Ms. Blue reported on the January 2021 Investments, where the District's portfolio holds \$25M earning a 0.72% average rate of return. She noted that during January the cash balance decreased by \$182,929. Ms. Blue also noted the Local Agency Investment Fund (LAIF) interest rate is at 0.46%. She added interest rates in CD's have declined in two years, therefore we will not see the same return on those investments going forward.

CONSENT ITEMS

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

AMENDMENT NO. 1 HAMILTON VILLAGE WATER FACILITIES (APN: 157-970-03)

Amendment No. 1 for the Hamilton Village Water Facilities changes the deadline to complete financial arrangements from six (6) months to nine (9) months from the date of the agreement which was executed on September 14, 2020. This amendment also changes the deadline to start construction as set forth in the agreement from twelve (12) to fifteen (15) months from the date of the agreement.

AMY SKEWS-COX (ASC) – GENERAL CONSULTING SERVICES AGREEMENT

A general consulting services agreement with Amy Skewes-Cox (ASC) with a not to exceed limit of \$20,000 for periodic CEQA and related services to assist staff with District workload demands. This agreement will be based on individual task orders on a job-by-job basis.

AMEND GENERAL SERVICES AGREEMENT – MILLER PACIFIC ENGINEERING GROUP

The current agreement with Miller Pacific Engineering Group (MPEG) was for \$60,000 and the associated funding has been allocated/expended. This amendment will increase funds and increase the budget by \$60,000 for MPEG to provide as-need geotechnical services.

GENERAL SERVICES CONTRACT FOR COATING INSPECTION SERVICES

The General Manager received authorization to execute a general services agreement with West Coast Coasting Consultant for coating inspection services on a task order basis with a not to exceed limit of \$45,000.

AMEND GENERAL SERVICES AGREEMENT – CINQUINI AND PASSARINO, INC

This amendment will increase funds for Cinquini and Passarino, Inc. to provide as-needed land surveying services, which includes topographic and boundary survey work for the District Administration Building Renovation project. Authorization by the Board allows the General Manager to amend the General Services Agreement and increase the budget by \$30,0000.

CONSULTING SERVICES AGREEMENT AMENDMENT NO. 2 – DeGABRIELE

The General Manager received authorization to approve Amendment No. 2 to the Consulting Services Agreement with Chris DeGabriele for a time extension through June 20, 2022. Mr. DeGabriele's services will continue to be needed for the Office Building Renovation project and miscellaneous Stafford Lake, Lagunitas Creek and Russian river water supply issues (including the Potter Valley Relicensing Project).

ACTION ITEMS

SET PUBLIC HEARING TO CONSIDER A WATER CONSERVATION ORDINANCE IN THE NOVATO SERVICE AREA

Mr. McIntyre requested to set Public Hearing for March 2, 2021 to consider a Water Conservation Ordinance in the Novato Service Area. Mr. McIntyre noted NMWD staff has reviewed the Novato Area Water Shortage Contingency Plan and Emergency Water Conservation Ordinance and has been in discussion with legal counsel on the best course of action for 2021 given the water supply uncertainty at this time. The recommended action was to preemptively approve a Water Conservation Ordinance with detailed conservation mandates to be approved by future resolution once the final rainfall and water supply has been determined in April. Mr. McIntyre noted this action has been recommended by legal counsel as the most efficient and effective way moving forward to navigate the evolving dry year conditions we may be faced with

this year.

On the motion of Director Joly, and seconded by Director Petterle the Board approved the March 2, 2021 regular Board meeting as the date and time to hold a public hearing to consider a Water Conservation Ordinance in the Novato Service Area by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

SET PUBLIC HEARING TO CONSIDER AMENDING ORDINANCE 39 IN WEST MARIN SERVICE AREA

Mr. McIntyre requested the Board approved setting a Public Hearing to consider amending Ordinance 39 in the West Marin Service Area. He noted in West Marin, we are still operating under dry year conditions which went into effect last April 1, 2020. Mr. McIntyre added dry year conditions on Lagunitas Creek have occurred in 2014 and 2020 and this could be the third year that the District may have to operate with flows in Lagunitas Creek at less than 8 cfs during the summer. He stated the Interconnection agreement also requires that if Marin Municipal has requested voluntary or mandatory water use reductions of its customers, that the District would require its West Marin customers to reduce water use by a similar percentage. Mr. McIntyre stated by amending Ordinance 39 it will allow flexibility to make changes to the Ordinance in the future by resolution. He added this could include, but is not limited to; date changes to reflect 2021 dry year conditions and voluntary and/or mandatory percentage reduction levels to match that approved by MMWD.

Director Petterle stated this is another year that there has been low water flows in Lagunitas Creek, and also a year of low salmon spawning nests in the creek. He asked if there was any speculation on how these two situations are related. Mr. McIntyre replied that he has not heard a current update; however, he commented that is it unlikely the spawning sites, while low in number, will be washed out this winter season. Mr. McIntyre announced Paul Sellier from Marin Municipal is attending the meeting and asked if he had anything to add. Mr. Sellier introduced himself as the Operations Director at Marin Municipal Water District. He stated he did not have anything to add, other than it is not only during dry years that they see low fish numbers. Director Joly thanked Mr. Sellier for attending the meeting.

On the motion of Director Joly, and seconded by Director Baker the Board approved the March 2, 2021 regular Board meeting as the date and time to hold a public hearing to consider amending Ordinance 39 in the West Marin Service Area by the following vote.

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

NOES: None

ABSTAIN: None

ABSENT: None

SAN MATEO 24-INCH TRANSMISSION MAIN PROJECT FOR FIRE SAFETY AND RELIABILITY FEDERATED INDIANS OF GRATON RANCHERIA TRIBAL MONITORING AGREEMENT

Mr. Williams introduced Assistant Engineer Avram Pearlman who reported on the monitoring agreement for the San Mateo 24-Inch Transmission Main Project for Fire Safety and Reliability with the Federated Indians of Graton Rancheria Tribe. He noted the District owns a parcel of land for the tank site and easement for a 24-inch pipeline from San Mateo Tank to Palmo Way, as originally designed. The alignment passes through sensitive habitat and after coordinating with Marin County Open Space District (MCOSD), it was agreed to relocate the planned pipeline to minimize impact to rare and endangered species. Mr. Pearlman added the current design for a new 24-inch pipe follows an alternate route, connecting to existing Zone 2 infrastructure in San Mateo Way. Mr. Pearlman then provided history of the project and required permitting.

Mr. Pearlman stated the duration of the project that will require monitoring is estimated to be two weeks with a not-to-exceed limit of \$7,500 , and includes some exploratory borings before the project breaks ground

Director Joly noted this project is in his district near his home. He thanked staff for their hard work on this project. Director Joly stated the new 24-inch pipeline is shorter than from Palmo Way and asked if there will be a problem getting access from San Mateo Way. Mr. Pearlman answered in reference to the excavation equipment. He stated there are two directions, San Mateo Way and San Andreas Drive which is a more established fire road. Mr. Pearlman noted Open Space District is very particular where we can access and we are limited, however it is ok on the San Mateo corridor. Director Joly stated we are going from a twelve-inch pipe to a twenty-four-inch pipe and asked if it will make the water pumped from the pump station more readily available and faster. Mr. Pearlman confirmed, noting now it takes three weeks to drain the tank, with the new twenty-four-inch line the flows will be better and the pump station will have to work less. He added this will save energy and the fire department will be able to pull water out of the hydrants more readily. Director Petterle asked if we had an agreement with the tribe for monitoring and with the archeologists. Mr. Pearlman confirmed communication with both groups. Director Grossi asked what the size of the pipeline was on San Mateo Way. Mr. Pearlman replied

it is also a twelve-inch pipeline, noting we will still have a small section at the end of San Marin Drive to San Mateo Way, but we will have two lines now. Director Grossi asked if this line will be upsized in the future. Mr. Clark stated the line goes into a twenty-four-inch pipeline. Mr. Pearlman stated it is currently configured like a bottle. Director Joly noted that this project will still provide better fire protection for the San Mateo Way residents.

On the motion of Director Joly, and seconded by Director Baker the Board approved authorized the General Manger to execute the FIGR Tribal Monitoring Agreement. by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

STAFFORD LAKE BACKFEEDING

Mr. McIntyre stated the District has been backfeeding Stafford lake during dry year periods dating back to the 1976-1977 drought. He explained to the Board that due to current dry year conditions it would be beneficial to expediently move water into Stafford Lake while it's available from the Russian River system. Mr. McIntyre noted the backfeeding cost would be derived from the cost to pump SCWA water into Stafford Lake plus the marginal cost to re-treat SCWA water stored in Stafford Lake. He stated the projected balance in the Water Treatment budget at fiscal year-end will be \$385,000 which will sufficiently cover the cost of backfeeding the requested 600-acre feet.

Director Joly asked why we chose 600-acre feet and a 50% cap. Additionally, he asked if we have the ability to backfeed more in May if we have no more rainfall this season. Mr. McIntyre responded that Lake Sonoma at 64% capacity still has a reasonable water supply for this year but we will reevaluate total backfeeding amounts over the next 6-8 weeks. Director Petterle noted he has not seen any runoff coming off the golf course into the reservoir. Director Grossi added he has hasn't seen any runoff in the canyons at the ranch as well

On the motion of Director Baker and seconded by Director Joly the Board approved authorization to backfeed Russian River water into Stafford Lake immediately 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 where less than 15% of intensive care unit (ICU) beds are available under a new Regional Stay Home Order. Mr. McIntyre reported Marin County is currently operating under Tier 1 or purple stage, the most restrictive within the states blueprint for a safer economy, however indications are that Marin could move into Tier 2 or red stage very soon. He stated maximum workplace space continues and walk in services remain suspended. Mr. McIntyre added total COVID-19 related costs have been updated and now estimated at approximately \$145,000 through the end of January 2021. He noted water bill delinquency factors have remained relatively constant over the last month or so, but obviously are still trending higher than pre COVID-19 days.

Director Joly asked health status of the staff, adding so far, we seem to be blessed that our staff and their families have not been severely impacted. Mr. McIntyre reported at this time none of the staff are impacted by COVID. Director Grossi noted the state is promising to come up with 80% of the cost of delinquent utility bills so we can cross our fingers and see what we get.

On the motion of Director Baker, 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

ABSTAIN: None

ABSENT: None

INFORMATION ITEMS

GALLAGHER WELL NO. 2 PROJECT CEQA ADDENDUM UPDATE

Mr. McIntyre reminded the Board at the December 15, 2020 Board meeting that staff provided an update for the Gallagher Well No. 2 project and discussed the proposed CEQA strategy recommending an addendum to the 2009 Gallagher Wells and Pipeline Project IS/MND. He stated the 30-day courtesy review period began on January 8, 2021 ended on February 8, 2021. Mr. McIntyre reported two comment letters were received on the CEQA Addendum. He stated it was initially anticipated that this item would be scheduled for consideration at the February 16, 2021 meeting, however staff and NMWD consultants needed more time to prepare

a thorough response to the letters. Mr. McIntyre noted Board action to consider adoption of Addendum and project approval will be delayed until the first or second meeting in March.

Director Joly stated there are a lot of moving parts to consider; the West Marin drought, fire protection and salinity intrusion. He asked what date will we be able to start pumping water. Mr. McIntyre replied it is possible if the District gets all the permits we could pump water as early as mid-summer, however it depends on the permitting. He noted Gallagher Well No. 2 will address our salinity issues, however we will still have dry year conditions and we will still need to conserve. Mr. McIntyre added, staff and our consultants are doing the best we can, but the permitting is hard to pin down. Director Joly commended Mr. McIntyre for doing a great job and he stated he appreciated his candor. He asked with the urgency of the situation if the county could help on their end. Mr. McIntyre replied that County staff have been very receptive to keep their review at a fast pace.

FY 2020-21 SECOND QUARTER PROGRESS REPORT – WATER CONSERVATION

Mr. Williams reported on the second quarter Water Conservation progress report. He discussed the status of water conservation programs, current public outreach and conservation marketing.

Mr. Williams noted COVID has impacted the in-person surveys, however staff is still able to do some virtually using the Watersmart technology. He added one exception is the retrofit on resale program. This program has not been impacted as the real estate market is still strong. Mr. Williams stated the irrigation programs have also not been impacted. In reference to social media, Mr. Williams reported that Mr. Grisso is pushing out the same message as the other water partners, with the focus on dry year conditions. He is keeping the website current and relevant. Additionally, Mr. Grisso can continue to interact with customers using the Watersmart portal.

FY 2020-21 SECOND QUARTER PROGRESS REPORT – ENGINEERING DEPARTMENT

Mr. Williams reported on the second quarter Engineering Department progress report. He reported on the performance status for improvement projects, the Novato service area project costs variances, West Marin and Oceana Marin Project costs variances and Engineering Department labor hours. He stated at this time staff is working on getting the design completed and the permitting and stakeholders coordinated so that next quarter they can focus on construction. Mr. Williams stated he started with twenty-three projects, added sixteen and carried over five. He noted the West Marin expenditures are slightly higher than budgeted due to the Streambank Restoration at Gallagher Ranch which does not reflect the grant and stakeholder's money, which makes the number deceiving. Mr. Williams added Engineering is ahead on labor hours and this will adjust over time when the projects move into the construction phase.

Director Joly asked if the \$400,000 dollars in grant money was not reflected in the figure reported. Mr. Williams confirmed, adding only what is budgeted and expended was listed and there have been no adjustments at this time. Our forecast is higher than the budget, because we are not accounting for the revenue to coming in, Mr. Williams stated. Mr. Levin stated he had a discussion with the owner of Black Ranch who is working with SPAWN and he would like to discuss what he knows with Mr. Williams. He added he would like to discuss how the restoration there might affect the Gallagher Well situation. Mr. Williams replied it would be good to have the discussion and he will provide his contact information. Mr. Levin thanked staff.

NBWA MEETING – FEBRUARY 5, 2021

Director Fraites reported on the February 5, 2021 NBWA Meeting. He reported on the highlights from the Bay Regional Monitoring Program and the newly developed regional watershed model. Director Fraites stated they are making incredible progress monitoring over eighty sites of water entering the San Francisco Bay. He added the studies and research are phenomenal and they are looking for contaminants in stormwater runoff and construction water runoff. Additionally, Director Fraites noted they are finding micro plastic, and rubber tire byproducts going into the bay. He added there is a lot of work to do, but now we have a sponsor who will be watching all of the bay area and are making progress in stopping containments from going into our bay.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated February 4, 2021, Disbursements – Dated February 11, 2021, Point Reyes Light - Salinity Notice – January 28, 2021 and Reimbursement Program 2020.

The Board received the following news articles: Press Democrat – Jim Harberson, former Sonoma County supervisor and Petaluma councilman, dies at 78; Marin IJ – Longtime Indian Valley Golf Club GM dies at 81; The Mercury News – Sierra snow grows, but Bay Area has 3rd biggest rainfall deficit since 1849; Marin IJ – Marin Voice – Advanced metering, desalination would bolster supply; Marin IJ – Editorial – Novato campus plan brings hope for future; Marin IJ – Editorial – State ignores community approach; Marin IJ – ‘Ominous’ Outlook – Dry Winter and Point Reyes Light – Inverness tax leaves big questions.

The Board received the following social media posts: NMWD Web and Social Media Report – January 2021.

Director Baker commented about the article in memory of Jim Harberson. He stated he was fortunate to have known Mr. Harberson when he was on the Sonoma County Board for fourteen years. Director Baker said he occasionally had some interaction with him on certain

projects and he was a real gentleman, had a great sense of humor and was a great public servant. Director Fraites agreed, adding he was a great politician, a gentleman and did a good job for Sonoma County.

Director Grossi commented the social media, noting the numbers are looking better. He acknowledged this is a good sign, noting Facebook, Twitter and Instagram were all up.

President Grossi adjourned the meeting at 7:19 p.m.

Submitted by

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

Theresa Kehoe
District Secretary