

**NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
July 20, 2021**

**CALL TO ORDER**

Vice President Petterle 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. Vice President Petterle 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. Vice President Petterle 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.

Vice President Petterle 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.

Vice President Petterle 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. Vice President Petterle 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, Michael Joly and Stephen Petterle. President Grossi joined the meeting at 6:30 p.m.

Vice President Petterle announced all public attendees will be invited to speak and will need to use the raised hand icon in Zoom or dial \*9 to be called upon.

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 Tony Arendell (Construction/Maintenance Superintendent). Also participating remotely were Morgan Biggerstaff (BPMNJ), District legal counsel and IT consultant Kevin Cozart (Core Utilities).

Vice President Petterle announced for those joining the virtual meeting from the public to identify themselves. Participating remotely were Michael Hooper, Will Houston (Marin IJ) and two other public members with the names Edward and 510\*\*\*538.

**MINUTES**

On motion of Director Fraites seconded by Director Joly the Board approved minutes from the June 15, 2021 Regular Board Meeting by the following vote:

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Grossi

### **MINUTES**

On motion of Director Joly seconded by Director Baker the Board approved minutes from the June 22, 2021 Regular Board Meeting by the following vote:

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Grossi

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

#### **State Water Board Russian River Diversion Tracking**

Mr. McIntyre informed the Board that Russian River diversions through July 15, 2021 are currently tracking 24% below the same period in 2020. He added the trend has a limited duration but initial results show that the water contractors are meeting and exceeding the state Order.

#### **West Marin Salinity Update**

Mr. McIntyre reported the current sodium levels continue to track below 50 mg/L and NMWD will put a notice in the Point Reyes Light as soon as our weekly testing for sodium reaches or exceeds 50 mg/L. He added low saline water will be made available for customers on salt restricted diets near the Point Reyes Treatment Plant when sodium levels reach the 115 mg/L threshold.

#### **Gallagher Well No. 2 Board of Supervisors Appeal Hearing – July 13, 2021**

Mr. McIntyre apprised the Board that at the July 13<sup>th</sup> Board of Supervisors meeting the Board of Supervisors unanimously approved to deny the appeal and affirmed the Planning Commission's decision to approve Gallagher Well No. 2 for a coastal permit. He added that he had a chance to summarize the critical need for our project and to respond to Mr. Gordon Bennett's appeal concerns. He noted Mr. Ken Levin also had an opportunity to speak in support

of the project. Mr. McIntyre reminded the Board that staff has submitted a permit application with California Department of Fish and Wildlife and our hope is to continue Gallagher Well No. 2 tests this fall to better ascertain any impacts on Lagunitas Creek. Mr. McIntyre added he will provide a more detailed update at a future meeting. He noted the decision can still be appealed to the California Coastal Commission.

### **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 .

Mr. McIntyre informed the Board that Novato Customer Al Dugan emailed two questions since he was unable to attend tonight's meeting. Mr. Dugan wanted to know how much water 1,600 people use in a year and also the District's game plan if we have another dry year. Mr. McIntyre noted this information will be discussed during Item #11, Local Water Supply Enhancement Study.

### **STAFF/DIRECTORS REPORTS**

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

Mr. Clark reported the Residential Recycled Water Program has been up and running for four weeks and to date we have 33 customers using a total of 10,000 gallons. He added the station has been open Tuesday and Friday from 9 a.m. to 1 p.m. and staff is considering expanding the program to include another four-hour shift on Saturdays.

Ms. Blue announced, included in the agenda packet is the current budget and asked the Board to let her know if they wished to have a hard copy of the budget.

Ms. Blue updated the Board on the AMI project implementation correction. She reminded the Board as explained at the June 15<sup>th</sup> meeting there was an issue with a small group of AMI registers that did not match the size of the meter. Ms. Blue noted the Board approved a compromise where Ferguson would pay \$11,000, the District will pay \$6,900 and the underbilled customers would pay the remaining \$6,900 of the lost revenue. However, the Board directed staff to first try and further negotiate with Ferguson. Ms. Blue was happy to report to the Board that Ferguson agreed to provide an additional \$7,000 credit to cover the customers' portion of the bills. Director Joly and Petterle commended staff.

Director Joly asked if someone from the District would be attending the July 29<sup>th</sup> City of Novato Meeting about the Fireman's Fund project. Mr. McIntyre responded that the intent of the meeting is for the developer to discuss the project with interested citizens and that NMWD will have separate meetings with the developer as part of the application process. Director Joly asked

if the campus used recycled water. Mr. McIntyre replied they use both potable and recycled water. Director Fraites stated the recycled water was used mainly for irrigation. Mr. McIntyre confirmed, noting the lake feature however is potable water and he did not believe that water feature would remain. Director Fraites added, if the feature does stay, it needs to be converted to recycled water.

### **MONTHLY PROGRESS REPORT W/CUSTOMER SERVICE QUESTIONNAIRE**

The Monthly Progress Report for June was reviewed. Mr. McIntyre reported that water production in Novato was down 20% from one year ago and down 0.5% over the entire fiscal year. In West Marin, water production was down 16% from one year ago and down 2% over the entire fiscal year. In Oceana Marin it was the first time this calendar year that effluent flow volume was below last years. Additionally, Mr. McIntyre reported pond freeboard levels were good.

The Board was apprised that Stafford Lake was at 2,000 AF or 48% capacity, Lake Sonoma was at 53% and Lake Mendocino was at 36% capacity. Mr. McIntyre stated Lake Sonoma is a multi-year storage reservoir and the recent state Order to reduce diversions by 20% will slow the declining storage levels so as to delay reaching the 100,000 AF threshold to November. He noted if our winter is a critical dry year we may see further reductions. A discussion ensued. Director Petterle asked how much water all agencies together use in order to meet the 20% reduction. Mr. McIntyre replied it is about 17,000 AF from July through October. Director Petterle asked if we leave 100,000-acre feet of water in Lake Sonoma in November, how long will that supply last. Mr. McIntyre replied if we have no inflow into Lake Sonoma this coming winter there would be enough supply for one more year minimum, but at increased conservation requirements above 20%.

Mr. McIntyre continued with the Progress Report summary noting that Recycled Water production was up 8% from one year ago and up 12% over the entire fiscal year. Under Safety and Liability, we had 225 days without a lost time injury. Under Water Conservation Mr. McIntyre reported staff have processed 109 toilet rebates, 225 retrofit on resale certificates, 17 Cash for Grass rebates and 26 washing machine rebates. Mr. McIntyre stated under Utility Performance there were a couple of notable service interruptions; one involving the replacement of an old AC pipe on Glen Lane and the other in which a contractor hit a water main on Simmons Lane.

On the Summary of Complaints and Service Orders, the Board was apprised that total numbers were up 20% from June one year ago. Mr. McIntyre stated there were 128 customer service questionnaires sent out over the last quarter and 44 returned resulting in a 34% rate of return. Director Joly noted it was great to see the customer visitation rate on the website had more than doubled since April. He commended Mr. Grisso, Kiosk and staff for doing a wonderful

job with social media. Director Grossi stated since his article in the Marin IJ was published he has been getting emails from people even outside of our District complimenting us on what NMWD has done so far. He added, the AMI meter project has paid for itself in good publicity. Director Joly also recognized Will Houston of the Marin IJ for doing a great job reporting and highlighting the drought in his articles.

Ms. Blue reported on the June 2021 Investments, where the District's portfolio holds \$25M earning a 0.41% average rate of return. She noted that during June the cash balance decreased by \$356,955. Ms. Blue also noted the Local Agency Investment Fund (LAIF) interest rate was 0.26%. Director Joly requested Ms. Blue report on the cyber security protection of the LAIF investments since there is a large amount of funds invested there. Ms. Blue replied she is currently attending a GFOA conference and they are providing information on that subject, therefore she will have more information to report to the Board at a later date.

**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

**WATER AGREEMENT FIRE RESTORATION 385 BEL MARIN KEYS, APN 157-400-57**

The Board approved the Water Agreement for 385 Bel Marin Keys, APN 157-400-57. The current project proposes to restore the existing building to its previous condition before a fire damaged the building. Restoration plans include replacing the existing 5/8" meter with a new 1.5" meter and installing a new above ground fire service located near the entrance of the building.

**ACTION ITEMS**

**ON-CALL, PAINTING AND COATING SERVICES CONTRACTS WITH REDWOOD PAINTING COMPANY, INC. AND UNIFIED FIELD SERVICES CORPORATION**

Mr. Williams made a recommendation to the Board to enter into contracts with Redwood Painting Company, Inc. and Unified Field Services Corporation (for a total authorization of \$500,000); noting work will be approved based on negotiated task orders with the contractor that can most efficiently complete each task based on type of work and availability of resources. He added pricing for projects will be obtained from both contractors with the lowest price selected to ensure strong price competition.

Director Joly asked how long the \$500,000 would cover our needs. Mr. Williams replied

it should cover this fiscal year and potentially part of next, adding he would come back to the Board if the amount needed to be augmented. Additionally, he noted the cost would be paid by budgeted maintenance and CIP line items.

On the motion of Director Joly, and seconded by Director Petterle the Board authorized the General Manager to execute agreements with Redwood Painting Company, Inc. and Unified Field Services Corporation for on-call painting and coating services with a not to exceed limit of \$250,000 each by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

**APPLICATION FOR ANNEXATION TO IMPROVEMENT DISTRICT NO. PRE-1, 11 REDWOOD AVENUE, INVERNESS (APN 114-071-13)**

Mr. Williams proposed to the Board the annexation to Improvement District No. PRE-1 for 11 Redwood Avenue, Inverness (APN 114-071-13). He informed the Board the property lies within the District's territorial boundaries and noted the District had previously permitted other individual properties in this area to be annexed into Improvement District No. PRE-1 and water service could be provided to this parcel from a connection to the District's water main in Sir Francis Drake Boulevard. Mr. Williams noted all prior annexations back to 1982 have been simple connections on Sir Francis Drake Blvd. in which consumers were worried about water supply from a private water company. Mr. Williams stated this straight forward approach has been reviewed by legal counsel, a letter of request has been provided by the property owners and there will be a formal consent to annexation by the property owners of 11 Redwood Avenue. Mr. Williams informed the Board staff will post a notice in the Point Reyes Light and notify Inverness Public Utilities District.

Director Grossi stated even though he is in favor of the annexation, he asked if Mr. Williams foresees any objection from the public since we are experiencing a drought, Mr. Williams replied that it may be controversial if we were annexing into the District Boundary, however in this situation the parcel is already within our boundary. Mr. McIntyre added that any approval process for a new connection will still be required to comply with all prohibitions currently in effect. Director Baker stated he will support the proposed annexation, noted that there are numerous other parcels in this area, many of which are undeveloped and we could have more and more people coming to us requesting a connection; noting we cannot serve them all and we need to be cautious.

On the motion of Director Petterle, and seconded by Director Fraites the Board approved the annexation to Improvement District No. PRE-1 for 11 Redwood Avenue, Inverness (APN 114-071-13); adopted the resolution and authorized staff to file CEQA NOE with the Marin County Clerk by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

**RESCIND DECLARATION OF LOCAL EMERGENCY RELATED TO COVID-19 PANDEMIC**

Mr. McIntyre apprised the Board that based on the Governor's June 15, 2021 termination of the vast majority of executive actions put in place as part of the initial pandemic response, the measures taken under the District's emergency declaration to ensure operational flexibility in meeting the challenges of COVID-19 during the pandemic are no longer required.

Mr. McIntyre stated it is important to recognize that the COVID-19 virus has not been eliminated at the national, state or local levels and conditions could change. He added while termination of the District's emergency declaration is requested, the District will continue to comply with all federal, state, and local laws and regulations which may apply to these areas.

Mr. McIntyre announced walk-in services resumed on July 19<sup>th</sup> with front counter operations from 10 a.m. to 2 p.m., Monday through Thursday. He added these reduced hours will be increased after re-evaluation in late August. Mr. McIntyre noted the small number of staff working remotely are beginning to transition to full onsite work.

Mr. McIntyre apprised the Board that he is targeting returning to in-person Board Meetings on August 17<sup>th</sup> based on current conditions. He added in-person Board Meetings will no longer include the option for remote video participation, but we will continue to allow remote audio participation using the District's conference phone feature as originally implemented at the start of virtual meetings. Mr. McIntyre noted he expects that the remote call-in participation option would sunset at the end of September which is when the current state order allowing virtual meetings is projected to end.

Director Grossi stated he just came from his first in person meeting since the pandemic. He noted based on the direction of Matt Willis, Marin County Public Health Officer, everyone had to wear a mask, and those that did not were removed from the room and watched virtually. Director Grossi added he hoped a month from now everything will settle out. Director Joly asked a question about front lobby operations and a discussion ensued.

On the motion of Director Joly, and seconded by Director Baker the Board rescinded

Resolution 20-07 and approved termination of the local emergency resulting from the COVID-19 pandemic as declared by Resolution 21-16 by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

### **INFORMATION ITEMS**

#### **REQUEST FOR PROPOSAL: LOCAL WATER SUPPLY ENHANCEMENT STUDY**

Mr. McIntyre requested comments on the Local Water Supply Enhancement Study Request for Proposal. He reminded the Board that one of the District's 2018 Strategic Plan goals was to increase long term water supply reliability. He stressed time is of the essence to move forward with solicitation for qualified consultants to perform this study and this effort sequences well with the current progress on SCWA's Regional Water Supply Resiliency Study. Mr. McIntyre added, the goal of the Local Water Supply Enhancement Study is to identify, evaluate and recommend the most feasible alternative(s) to developing additional local water supply for our Novato Service Area.

Mr. McIntyre noted one of Mr. Dugan's questions was what is the District doing to plan for another dry year and this study will be one step towards planning for a third dry year.

Director Joly stated any enhancement of supply is great and asked when the Board could expect to hear about the ideas that comes forth from the study. Mr. McIntyre replied it will most likely be around March of 2022 before we have recommendations.

Director Joly stated there was a meeting held on May 11<sup>th</sup> with Congressman Huffman and asked if our state representatives are saying anything to the water contractors about the drought situation and if there were any plans for the state to help financially on a regional level. Mr. McIntyre replied that a final state budget is expected by the end of June and it is too early to tell how much funding will be available for drought related projects. He added that Congressman Huffman is co-sponsoring legislation to provide funding to encourage additional recycled water projects in California and other western states. Director Grossi stated you have to have a project before they will fund it, so it would be good to have one in place in case there is money available. He asked if in November we still have little or no rain, what is the plan regarding backfeeding Stafford Lake again. Mr. McIntyre responded we will certainly look at backfeeding Stafford Lake this winter as we move into the winter months. Director Fraites reminded the Board not to forget Congressman Huffman once sat on the MMWD Board of Directors and he knows the water issues in Marin County. He added he has noticed a lot of questions on social media, advising we want



to let the public know about this study and that we are looking at other alternatives for water supply.

Director Fraites advised NMWD should look at desalination, even though he is not an advocate of it, it should be part of the discussion and added to the list. Director Petterle stated he supports the study, but believes there are two issues to consider, the short term and the long-term supply. He referred to an article in the Marin IJ about the homes going in at the old Fireman's Fund location. Director Petterle noted the CEQA could be ten years away, but since there is a transit hub close by the project CEQA may be less restrictive and move more quickly. He stated he is concerned about the next five to ten years, what if we don't have enough supply even with conservation. Director Petterle stated our water conservation program has been successful, our customers have reduced consumption early on and so the amount a customer can continue to reduce is less now. He added we need to think not only of the next two to three years, but also the next five to ten.

Director Joly stated it is our mission to meet the expectations of our customers in providing potable water and that mission is something that is our obligation to make happen where we can within reason. He added conservation at this point has a marginal return and no longer a climate change solution; and desalination and all other options should be on the table. Director Joly noted the state and federal government have deeper pockets and MMWD is getting their projects ready. Director Petterle agreed we should have shovel ready projects in three to five years, noting he will look to staff for a solution. He added anything we can do to speed up the process would be beneficial to our customers. Director Grossi stated what is involved is more complex, politics are involved and the state mandate housing numbers are not going away. Director Joly noted our job is to supply water the rest is for the powers above us. Director Petterle stated he supports Mr. McIntyre's proposal and encourages staff to do everything they can to develop additional water supply since they are the professionals. Director Joly completely agreed and thanked Mr. McIntyre for his memo.

Mr. McIntyre shared another comment from Mr. Dugan who wanted to know how much water 1,600 people use, answering the range is between 100-175 AF per year depending on the level of outdoor irrigation. Director Grossi asked what our obligation was to the Fireman's Fund project. Mr. McIntyre replied it is an existing project that has a previous water service agreement with purchased water allocations. Mr. McIntyre noted he does not know what the demand of the new project will be. A general discussion ensued.

### **TAC MEETING JUNE 7, 2021**

Mr. McIntyre informed the Board on the TAC meeting held on June 7, 2021. He stated in

reference to the Potter Valley Project, SCWA is trying to find grant money to fund initial studies, hoping some state money will come from the revised state budget. Mr. McIntyre also announced the City of Cloverdale is a new member of the Sonoma Marin Saving Water Partnership.

### **NBWA MEETING – JULY 9, 2021**

Director Fraites reported on the NBWA meeting that was held on July 9, 2021. He stated the guest presentation was done by Mark Brown the Executive Officer of Marin Wildfire Prevention Authority (MWPA). He noted MWPA are coming together to plan strategies for wildfire prevention, which includes getting away from giant fire breaks, removing unhealthy trees and unhealthy vegetation and planting drought resistant and fire smart vegetation. He noted MWPA has done a lot to reduce fire in Marin County; but they still have a long way to go.

### **MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements – Dated June 24, 2021, Disbursements – Dated July 1, 2021, Disbursements – Dated July 8, 2021, Approved FY 2021-22 Budget and County of Marin – News Release – Marin Added to State’s Drought Emergency Counties.

The Board received the following news articles: Marin IJ – Editorial – Bad drought demands good conservation; Marin IJ – MMWD starts legwork on bridge pipeline, desalting – DROUGHT; Marin IJ – Marin Voice – North Marin Water District president considers solutions; Point Reyes Light – NMWD raises water rates; Point Reyes Light – Letters – Response to North Marin; Marin IJ – Don’t expect speed of 1977 in latest plan to bring water; Marin IJ – Overhaul of water rates in W. Marin -NORTH MARIN WATER; Marin IJ – Plan to help monitor water usage comes with price; Marin IJ – Historic lows for rainfall in Marin; Marin IJ – Editorial – Track water closely for best conservation; Point Reyes Light – Districts look to tech to tackle wasteful leaks; Marin IJ – MMWD enacts one-day sprinkler limit; Point Reyes Light – NMWD raises water rates; Point Reyes Light – Public input campaign for Coast Guard housing; Point Reyes Light – Marin Water studying creek release impacts; Sacramento Bee – Gavin Newsom calls on Californians to cut water use by 15%, expands drought emergency; Marin IJ – Newsom sets stage for Marin water aid – DROUGHT CRISIS and Marin IJ – Drought affects supply from wells – SALTWATER CONTAMINATION.

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

Mr. McIntyre referred to the article in regards to MMWD going to one day per week irrigation. He stated staff is evaluating how it relates to West Marin per our Interconnection Agreement for release of water in Lagunitas Creek. Mr. McIntyre noted NMWD must have similar

conservation measures in place. Mr. McIntyre added he expects to come back to the Board at the first meeting in August with changes to the West Marin Emergency Water Conservation Ordinance.

**CLOSED SESSION**

President Grossi adjourned the regular session at 7:38 p.m. and the Board began the closed sessions at 7:40 p.m. in accordance with (1) Conference with Real Property Negotiator – as authorized pursuant to Government Code Section 54956.8: property: APNs 153-111-10, 153-111-15, and 153-182-44; Agency Negotiator: Assistant General Manager/Chief Engineer; Negotiating Party: Surplus Lands Act Submission; Under Negotiation: Price; (2) Conference with Real Property Negotiator – as authorized pursuant to Government Code Section 54956.8: Property: 119-050-17; Agency Negotiator: General Manager; Negotiating Party: Gallagher Family, LLC; Under Negotiation: Price and (3) Conference with Legal Counsel –Significant Exposure to Litigation Pursuant to California Government Code Section 54956.9(d)(2) One Potential Case.

**OPEN SESSION**

Upon returning to the regular session at 8:55p.m., President Grossi stated that during the closed session the Board had discussed Agenda Items 15, 16 and 17 and no reportable action had been taken on each item.

**ADJOURNMENT**

President Grossi adjourned the meeting at 8:55p.m.

Submitted by



Theresa Kehoe  
District Secretary