

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
September 21, 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 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.

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 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), Robert Clark (Operations/Maintenance Superintendent), Tony Arendell (Construction/Maintenance Superintendent) and Nancy Holton (Accounting Supervisor). Also participating remotely were consultant Elizabeth Drayer (West Yost Inc.) and IT consultant Kevin Cozart (Core Utilities).

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

MINUTES

On motion of Director Joly seconded by Director Petterle the Board approved minutes from the September 7, 2021 Regular Board 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 Salinity and Gallagher Well No. 2 Updates

Mr. McIntyre apprised the Board that the last four weekly water samples have been just below 50 mg/L sodium. He stated on a related matter staff is gearing up for the second year of operating the test well for Gallagher Well No. 2. Mr. McIntyre noted testing will start on Monday, September 27th and end on Wednesday, October 6th. He added our testing protocol also includes temporarily shutting off Gallagher Well No. 1 for two twelve-hour periods during this ten-day test. Mr. McIntyre informed the Board that this could result in an increase in sodium concentrations in Point Reyes Station. He added accordingly, staff are moving forward with testing and disinfection of the low saline bottle fill station at the Coast Guard Housing property should it need to be activated.

Inverness Public Utility District (IPUD)

Mr. McIntyre reported that on Wednesday, September 15th, he and Mr. Williams had a virtual meeting with IPUD management related to their request for a small amount of water should MMWD move forward with their Richmond-San Rafael Bridge pipeline project. He stated this concept was summarized in a Marin Voice article by Jerry Merrel that was included under Miscellaneous in the September 7th NMWD agenda. Mr. McIntyre added the concept, which has been explored in previous droughts, centers around MMWD releasing excess flows in Lagunitas Creek, then NMWD capturing those flows for treatment and subsequent delivery to IPUD through our existing intertie connection. Mr. McIntyre noted the discussions are very preliminary at this time.

Supervisor Rodoni's Dillon Beach Office Hours Meeting on September 17th

Mr. McIntyre informed the Board that on September 17th he and Mr. Williams participated in Supervisor Rodoni's Dillon Beach office hours virtual meeting from 5:00 to 6:30 p.m. He added besides the routine updates by public safety and utilities, the meeting also focused on the kick off of the Dillon Beach Village Wastewater Study being performed by Questa Engineers. Mr.

McIntyre also noted that both Cal Water, formerly Coast Springs and Estero Mutual Water are struggling to provide water to their customers during this drought.

Op-Ed

Mr. McIntyre announced related to the water supply communications plan that was discussed at the first Board Meeting in September, he is working on submitting a Water Supply Op-Ed piece to the Marin IJ to coincide with Board approval of the local water supply enhancement study. Mr. McIntyre added the Op-Ed will focus on the District's long tradition of proactive water supply management in Novato.

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

Ms. Kehoe announced the District's IT support will be working on a software update over the weekend and each iPad will need to be updated. She requested each Director to drop off their iPad sometime during the week before Friday so the necessary changes can be made.

Mr. Ramudo announced staff has detected algae toxins in Stafford Lake, the state recommends warnings to visitors on shore to not swim or allow animals to drink from the lake. He noted signs have been placed at the road, on the park side of the lake, at the top of the dam, and on the golf side of the lake. These are areas visitors use recreationally for fishing. Mr. Ramudo stated staff continue to test the drinking water and lake weekly for toxins. He reported there are no toxins in the drinking water and even though there is no risk to the public the District will continue to test as a precautionary measure. Director Joly asked if the dogs should not be drinking from our water supply. Mr. Ramudo replied dogs should not drink the water directly from the lake as the toxic algae is on the surface of the lake, but drinking water distributed after treatment is perfectly safe. He also noted dogs are not allowed at the lake. Mr. Clark added the toxic algae can only be found on the surface of the lake, and the raw water did not reach a level of concern to inform people, noting the existing rules prohibit bodily contact with the surface water at Stafford Lake. Director Joly asked if this was a result of the capacity of the lake that was causing a unique algae situation. Mr. Ramudo replied there is normally some algae in Stafford Lake and it is unclear why and at what point they start to produce toxins. He stated it is most likely an environmental trigger that has to do with temperature and nutrients in the lake, however maybe the water in the lower lake levels gets hotter and creates a more favorable condition for

algae blooms.

MONTHLY PROGRESS REPORT

The Monthly Progress Report for August was reviewed. Mr. McIntyre reported that water production in Novato was down 22% from one year ago. In West Marin, water production was down 32% from one year ago. Recycled Water production was up 9% from one year ago. Stafford Treatment Plant production was down 47% from the last fiscal year. Mr. McIntyre noted 20% of our total potable water supply is solely due to backfeeding water into Stafford Lake last winter. Additionally, the volume of recycled water produced closely matched the amount of water produced from Stafford Lake Treatment Plant. The Board was apprised that Stafford Lake is at 34% capacity, Lake Sonoma is at 47% and Lake Mendocino is at 27% capacity. In Oceana Marin effluent volume was 0.527MG for August compared to 0.632MG one year ago. Under Utility Performance there were no unusual trends. Under Safety and Liability, we had 40 days without a lost time injury. On the Summary of Complaints and Service Orders, the Board was apprised that total numbers are up 29% from August one year ago. Mr. McIntyre also apprised the Board that COVID-19 costs, which included labor and vendor expenses, were up \$3,900 from last month with a total cost of \$216,800 to date; and water bill delinquency impacts were up \$3,000 from last month with a total outstanding balance of \$134,000.

Ms. Holton reported on the August 2021 Investments, where the District's portfolio holds \$25.2M earning a 0.34% average rate of return. Ms. Holton noted that during August the cash balance increased by \$940,058. She also noted the LAIF rate is 0.22% the same as the previous month. Ms. Holton reported two CD's were purchased in August, a 2-year earning 0.35% and a 2 ½ - year earning 0.45%.

Director Joly had a question about the summary of complaints and service orders. He noted the total was 116 versus 90 last year and wanted to know if it was related to consumer system problems. Mr. McIntyre replied that the higher number was related to service line leaks and because of the drought many more consumers are signing up for Watersmart seeking help with unusual water use which has resulted in more calls.

CONSENT ITEMS

Director Joly had a question about Item 6 and therefore it was removed from the consent calendar for additional discussion.

ITEM 7 - BASE SALARY SCHEDULE REVISION

The base salary schedule revision was based on the San Francisco Bay Area All Urban Consumer Price Index which increased 3.7% over the twelve months ending August 31, 2021. The CPI increase is within the approved range per the MOU and will be effective October 1, 2021.

On the motion of Director Petterle, and seconded by Director Joly the Board approved the on the consent calendar the base salary schedule revision by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

ITEM 6 - FALL 2021 NOVATO "WATERLINE" TEXT ISSUE 47

This issue of the Waterline included information on the drought and related future water supply reliability planning, a summary of the District's historical proactive water supply reliability efforts, recycled water expansion recap, AMI water use access, water conservation program offerings, and advertises a third Drought Drop-By even scheduled for October 9th.

Director Joly stated the reason why he pulled Item 6 off the consent calendar was because he felt it needed a bolder statement about developing new water supplies. He thought it should be mentioned that we backfed Stafford Lake last winter and we plan on doing it again. Director Joly said no one knows how much water we will get this winter and we need to give the public some hope. He added the production numbers for recycled water is great to talk about and we should continue to expand on that. Mr. McIntyre replied that he is glad to get input and has noted Director Joly's suggestions. Director Grossi commented that outreach should be done frequently, every couple of weeks in different social media venues or formats. Director Petterle stated the best way to put the message out is to make it fast, snappy and current; give them information in one sentence and direct them to find additional information if they wish. He added the District has short term water supply issues with the current drought, but we will also be looking at long term supply. Director Petterle noted that we must send out our message with caution so the public understands the long-term supply issue cannot be resolved in two to five years; and we would be lucky to accomplish it in ten. Director Petterle stated he was pleased when he read through the scope of the enhancement study to see consideration of the Bowman Canyon run off and thought this was impressive and promising.

On the motion of Director Fraites, and seconded by Director Petterle the Board approved the Text for the Fall 2021 Novato "Waterline" Issue 47 on the consent calendar with some minor revisions by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

ACTION ITEMS

WEST YOST, INC. AGREEMENT FOR LOCAL WATER SUPPLY ENHANCEMENT STUDY

Mr. Williams apprised the Board of the scope of services included the evaluation of various alternative water supply options. Mr. Williams stated staff reached out to water resources firms and received three good proposals. He added he, Mr. Clark and Mr. McIntyre reviewed the criteria for the RFP and the top score went to West Yost, Inc. Mr. Williams introduced consultant Elizabeth Drayer, who is the principal in charge of the study and had developed a comprehensive scope of work. Mr. Williams stated there will be a Board Workshop in January to help us build a contingency plan and look at some of the alternatives that the Board may want to dive in deeper. He added if approved, a facility tour with the team members of West Yost will kick off the study to look at the Treatment Plant and alternative modifications and feasibility of the spillway of the dam.

President Grossi asked if any Directors had any questions or comments and the following were discussed.

Director Grossi stated in reference to a long-term solution, he recommended that Leveroni Ranch, which is a little higher elevation should also be looked at in addition to Bowman Canyon. Director Joly thanked Mr. Williams for the informative memo and liked the different ideas presented. He asked if the Board will see SCWA's Regional Water Supply Resiliency Study results in October. Mr. McIntyre replied that the consultants will finish up their Technical Memorandum by the end of October, then it will be presented at the first WAC/TAC meeting in November and then back to the NMWD Board at the second meeting in November. Director Joly asked when the West Yost report will be reviewed by the NMWD Board. Mr. Williams replied the final technical memo is scheduled for March of 2022, however the summary of all the alternatives and how they are ranked will be presented at the Board Workshop in January.

Director Petterle commended Mr. Williams and staff for doing a good job at putting the memo together.

President Grossi asked if anyone from the public had any questions or comments and there was no response.

On the motion of Director Petterle, and seconded by Director Joly the Board approved a budget augmentation of \$74,600 for the current fiscal year, FY 2021/22, and authorized the General Manager to execute an agreement with West Yost for a not to exceed fee of \$224,600 by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

**LETTER RE COMPLAINT ABOUT BACKFLOW PROTECTION COMPLIANCE PER DISTRICT
REGULATION 6**

Mr. McIntyre summarized the draft response letter to Mr. Brown in reference to backflow protection and compliance per NMWD Regulation 6. He stated Mr. Brown is a customer that takes his water use very seriously and when he built his house he did so to minimize his overall water use. Mr. McIntyre noted for all onsite supplemental water sources we must review the system and make sure there is no backflow potential. He added that the District must fully comply with state regulations as they relate to cross-connection and backflow protections. Mr. McIntyre commented that most of the gray water systems don't have pumps and therefore we have no further requirements. However, because Mr. Brown's system is stored and pumped he was required to pay for the installation of a backflow device and to pay a bimonthly charge.

President Grossi asked if any Directors had any questions or comments and the following was discussed.

Director Petterle stated he has received emails about gray water and in his opinion, there is too much bureaucracy around it. He added our customers need to understand we don't have control of this and the state legislature needs to look at it. Mr. McIntyre stated the regulations are in place to protect potable water quality and it is important we comply with the regulations.

President Grossi asked if anyone from the public had any questions or comments and there was no response.

On the motion of Director Petterle, and seconded by Director Fraites the Board approved the customer response letter in reference to backflow protection compliance per NMWD Regulation 6 by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

INFORMATION ITEMS

SPECIAL WAC/TAC MEETING – SEPTEMBER 12, 2021

Mr. McIntyre informed the Board about the WAC/TAC meeting held on September 13, 2021. He provided the minutes of the meeting which included an update to 2014 Water Shortage Allocation Methodology; a draft of the SCWA Climate Adaption Plan; water supply conditions and

a Temporary Urgency Change Order; an update on the Sonoma Marin Saving Water Partnership; a Biological Opinion status update and the Potter Valley Project relicensing.

Mr. McIntyre stated he, Tony Williams, Director Baker and Director Grossi attended the meeting. He noted there was a special WAC meeting with the intent to vote on an update to the 2014 Water Shortage Allocation Methodology. He added it was a successful meeting as all eight contactors were present and there was a unanimous WAC vote in favor of the update to the 2014 model. Mr. McIntyre stated the 2021 update considers residential and commercial/industrial/institutional water use separately with residential water use solely adjusted for demand hardening.

Mr. McIntyre also updated the Board on the Potter Valley Project. He reported the partnership submitted a letter with FERC on September 2nd requesting an extension until May 31, 2022 to perform more work in terms of due diligence, studies and fundraising. The partnership will use the time to address several questions related to risk, ownership costs and feasible restoration work and will also seek state and federal funding. Mr. McIntyre stated funding was not available like they thought it would be through PG&E; however, there is still hope state grants of \$2M will be obtained to fund the due diligence efforts during the abeyance period.

Director Joly asked how the Potter Valley Project impacts long-term water supply for all of us. Mr. McIntyre replied if the Potter Valley Project ceases operation it would be a serious water supply impact for the upper Russian River customers, because it puts water in Lake Mendocino. Director Fraites commented Friends of the Eel River are a powerful lobby group, they are committed to be sure the water stays in their watershed and it has been a long hard battle.

NBWA MEETING – SEPTEMBER 10, 2021

Director Fraites reported on the NBWA meeting that was held on September 10, 2021. He noted the presentation was done by Jeremy Lowe from the Resilient Landscapes Program for the San Francisco Estuary Institute. Director Fraites stated the presentation included strategies to restore habitat, reduce flood risk and increase resilience to sea-level rise and included a discussion focused on the Hwy 37 corridor.

Director Petterle asked if they considered privatizing the Highway 37 project to speed up construction and include a toll road. Director Fraites replied they are still deciding on the toll road, but Caltrans will still be the operator. He added the project will cost hundreds of millions of dollars, but it has to be done, because if they don't do anything the sea level rise will close down the highway.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated

September 9, 2021, Disbursements – Dated September 16, 2021, Point Reyes Light – Salinity Notice September 9, 2021, Point Reyes Light – Salinity Notice September 16, 2021 and City of Novato – Sustainability News – September 2021.

The Board received the following news articles: Marin IJ – Marin County Drought Tracker; Point Reyes Light – Marin launches Dillon Beach wastewater study; Point Reyes Light – Gallagher well appealed to state agency; Marin IJ – Editorial – Multipronged approach vital to water supply; Marin IJ – High water use penalty proposed – MARIN MUNICIPAL; Marin IJ – Competitive 2022 elections await water district seats and Marin IJ – Wednesday Soapbox – North Marin Water District at critical junction.

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

Director Joly stated the increase of hits on the website is excellent and shows a real interest on behalf of our consumers. Director Petterle stated it is good to get out ahead of things and give people the opportunity to become better informed. He added he still gets occasional questions about MMWD, but the number of inquiries are getting fewer which is an indication that our customers are realizing who we are. Director Petterle also expressed that he is pleased Kiosk is involved.

ADJOURNMENT

President Grossi adjourned the meeting at 7:17 p.m.

Submitted by



Theresa Kehoe
District Secretary