

**NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
December 7, 2021**

**CALL TO ORDER**

President Grossi announced that due to the Coronavirus outbreak and pursuant to the Brown Act as modified by Assembly Bill 361, 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 Fraitas, 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), Julie Blue (Auditor-Controller), Tony Arendell (Construction/Maintenance Superintendent), Robert Clark (Operations/Maintenance Superintendent) and Tim Fuelle (Senior Engineer). Also participating remotely were Morgan Biggerstaff (Legal Counsel), Tom Willis (Olson Remcho LLP), Craig Hill (NHA Advisors) and IT consultant Clay Smedshammer (Core Utilities).

President Grossi announced for those joining the virtual meeting from the public to identify themselves. Marcia Caruso was in also in remote attendance.

President Grossi stated it has been a privilege to serve as president in the last year and he is proud to be a member of the Board. President Grossi added the past year had unbelievable

challenges and he wanted to thank the Board and staff for all their support. After this announcement he proceeded with the election of the new president of the Board.

### **REORGANIZATION OF BOARD**

#### **Election of President**

On motion of Director Joly, seconded by Director Baker, the Board elected Director Petterle as President of the Board for the ensuing year by the following vote:

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

NOES: None

ABSENT: None

#### **Election of Vice-President**

On motion of Director Baker, seconded by Director Joly, Director Fraites was elected Vice-President of the Board for the ensuing year by the following vote:

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

NOES: None

ABSENT: None

#### **Establishment of Meeting Times and Place**

On motion of Director Baker, seconded by Director Petterle, the Board set the time and place of regular meeting to be the first and third Tuesday of each month at 6:00 p.m. at the District office, and agreed that that the Board will hold one meeting annually in West Marin by the following vote:

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

NOES: None

ABSENT: None

#### **Establishes the Manner of Calling Special Meetings**

On the motion of Director Baker, seconded by Director Joly, the Board approved special meetings of the Board to be held as provided in Section 54956 of the Government Code by the following vote:

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

NOES: None

ABSENT: None

#### Appointment of District Officers

On the motion of Director Joly, seconded by Director Fraites, the following District officers were appointed for the ensuing year: Drew McIntyre, General Manager; Terrie Kehoe, District Secretary; Julie Blue, Auditor-Controller; and Tony Williams, Assistant General Manager/Chief Engineer by the following vote:

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

NOES: None

ABSENT: None

#### Confirm Board Meeting Schedule for 2022

Ms. Kehoe noted the tentative meeting dates on the schedule may be cancelled depending on the need and number of agenda items.

On the motion of Director Baker, seconded by Director Joly, the Board accepted the proposed meeting schedule for the 2022 calendar year with the understanding that the calendar may be adjusted as needed by the following vote:

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

NOES: None

ABSENT: None

#### Committee Appointments

President Petterle stated the committee appointments may be accepted as is, or if someone wants to discuss or change their appointment they can contact him directly. He added this will come back to the Board on the December 21<sup>st</sup> agenda for approval. No action was taken and this was carried over until the next meeting.

#### **MINUTES**

On motion of Director Baker, seconded by Director Fraites the Board approved the minutes from the November 16, 2021 meeting as presented by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

On motion of Director Baker, seconded by Director Grossi the Board approved the minutes from the November 30, 2021 special meeting as presented by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

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

Mr. McIntyre thanked Director Grossi, the District's past president for his stewardship and exemplary service as Board President. He also congratulated Director Petterle on his new position as Board President. Additionally, he thanked the Board for the reappointment of all the District officers, adding it is appreciated by all.

Mr. McIntyre announced Item #8 on the Consent Calendar, Draft Annual Report FY 2021-21, will be moved to the first item under Information Items. Therefore, the Board of Directors will only be voting on Item #7, Re-Authorizing Meetings by Teleconference of the Legislative Bodies of North Marin Water District, on the Consent Calendar. He added that Item #8 will come back to the Board as an action item on the next agenda.

#### **Stafford Lake Backfeeding**

Mr. McIntyre reported the Operations Department started backfeeding December 3<sup>rd</sup>. He noted backfeeding is currently limited to ten hours per day, five days per week. He added staff will continue to monitor the weather forecast as close as possible to determine if any adjustments are necessary.

#### **Huffman Potter Valley Project (PVP) Ad Hoc Committee**

Mr. McIntyre announced that the October 29, 2021 meeting included an interesting presentation on how the FERC license surrender process works. He noted it can be viewed on the web at <https://pottervalleyproject.org/meetings/> for those interested.

### **OPEN TIME**

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

**CONSENT CALENDAR (Item #7)**

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

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

NOES: None

ABSTAIN: None

ABSENT: None

**RE-AUTHORIZING MEETINGS BY TELECONFERENCE OF LEGISLATIVE BODIES OF NORTH MARIN WATER DISTRICT**

The Board approved Re-Authorizing Meetings by Teleconference of Legislative Bodies of North Marin Water District. Resolution 21-28 will extend the continuation of teleconference meetings and “Finding Proclaimed State of Emergency, that Local Officials Continue to Recommend Physical Distancing, and that Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees; and Re-Authorizing Meeting by Teleconference of Legislative Bodies of North Marin Water District” from December 7, 2021 through January 6, 2022 pursuant to Brown Act provisions.

**ACTION ITEMS**

**CONSIDERATION OF APPROVAL OF THE KASTANIA PUMP STATION REHABILITATION PROJECT (INCL: 2021 KASTANIA PUMP STATION TRANSFER AGREEMENT AND 2021 AMENDED AND RESTATED INTERCONNECTION AGREEMENT)**

Mr. McIntyre announced this is an action item to approve the Kastania Pump Station Rehabilitation Project by resolution. He stated in connection with the 2021 drought, Marin Municipal Water District (MMWD) is pursuing avenues to improve water supply reliability, including the rehabilitation and recommissioning of the Kastania Pump Station (KPS). Mr. McIntyre noted the Kastania Pump Station Rehabilitation Project requires NMWD to approve the 2021 Kastania Pump Station Transfer Agreement and the 2021 Amended and Restated Interconnection Agreement between NMWD and MMWD. He informed the Board KPS will be operated in accordance with a revised 2021 Memorandum of Understanding for the operation of the KPS and operation of the Ely Booster Pump Station. Additionally, he noted all three agreements have been prepared based on input from both staff and District legal counsel.

Mr. McIntyre stated that the KPS project is being constructed solely to benefit MMWD and will not adversely affect NMWD in any way. He also updated the Board on the CEQA process,

reviewed the CEQA exemptions and apprised the Board that staff prepared a Notice of Exemption in accordance with CEQA.

Director Joly asked if the General Manager could confirm there will be no adverse effect on NMWD in any way from this transfer and Mr. McIntyre confirmed. Director Joly asked Mr. Biggerstaff representing legal counsel to confirm there will be no adverse effect on NMWD with the transfer and Mr. Biggerstaff confirmed. Director Grossi stated the District has spent a lot of time on this subject over the last couple of months and it has been explained in great detail.

On the motion of Director Grossi , and seconded by Director Fraites the Board approved the Kastania Pump Station Rehabilitation Project, authorizing the General Manager to execute any and all agreements, licenses and/or permits in order to carry out the Project as approved, finding the Project is exempt from the provision of the California Environmental Quality Act (CEQA), and directing staff to file a Notice of Exemption with the Sonoma County Clerk by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

**CONSULTING SERVICES AGREEMENT FOR FINANCIAL CONSULTING WITH NHA ADVISORS, LLC**

Ms. Blue introduced Mr. Hill from NHA Advisors, LLC and explained in preparation of the building renovation project it would be helpful to have a financial advisor to assist in the financing aspect. She added Mr. Hill has extensive experience with public agencies and has worked with Novato Sanitary District, City of Corte Madera, City of Napa and Ross Valley Sanitary District to name a few. Additionally, Ms. Blue noted NHA Advisors has great references and competitive pricing.

Mr. Hill stated he is a Novato resident and he thanked the Board for their service. He noted he has worked with special districts and California agencies up and down the state, with much of the work done locally. Mr. Hill noted the firm does not write a check to fund the project, but will work to find the best financing options to present to the Board, offering the lowest amount of repayment for the project. He added, the scope of work includes: general financial assistance, project management, quantitative analysis and financial structuring and project implementation.

Director Joly stated this is not securing the financing, however this is an agreement to consider the options for best financing if the Board proceeds with the project. Ms. Blue confirmed, she will be working with advisors to update the financial plan and ensure that the District is staying

within the allowable debt service ratio. Mr. Hill advised the Board that they will bring financing options back to the Board in order to move forward on the approval of financing. Director Joly asked if the District needs to secure long-term water supply during this extraordinary drought, would it make economic sense to lease space instead of building it. Ms. Blue stated that it would be beneficial to the District to have the agreement in place for when we did want to move forward. Director Joly asked when the consultant will be prepared to discuss the financing options with the Board. Ms. Blue replied staff is moving forward on the building remodel project and we are lining up with the timeline as reported out by Mr. Williams.

President Petterle asked if there were any comments from staff or the public and there were none.

On the motion of Director Joly, and seconded by Director Baker the Board authorized the General manager to execute an agreement between NHA Advisors, LLC and the District for Financial Consulting Services with a not to exceed limit of \$47,500 by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

### **INFORMATION ITEMS**

#### **DRAFT ANNUAL REPORT 2020-21 (Item #8)**

This item was moved from the Consent Calendar to Information. Ms. Kehoe gave a brief summary of the Draft FY21 Annual Report, which will be on the December 21, 2021 agenda for approval. She stated the FY21 Annual Report was a collaboration of each department and the format presented is similar to that of last year's report. Ms. Kehoe requested comments from the Board be submitted by December 15<sup>th</sup>. The final draft will be on the December 21<sup>st</sup> agenda for approval.

#### **INITIAL REVIEW – SALARY, TERMS AND CONDITIONS OF EMPLOYMENT – GENERAL MANAGER**

Director Grossi reported on the salary, terms and conditions of employment for the General Manger. He stated the Board recently had a closed session where they conducted the annual evaluation of the General Manager. Director Grossi stated the review was positive and resulted in the recommendation of a cost of living increase, similar to what was provided to all NMWD staff. The proposed increase of 3.7% is consistent with the increases approved by the Board on September 21, 2021 for all other District employees and is based on the current CPI rate. He added consideration for approval of the salary, terms and conditions and related

resolution will be brought back to the Board at the December 21<sup>st</sup> Board meeting.

Mr. McIntyre thanked the Board for their consideration. He added this item is being presented twice, first as an informational item and second as an action item in order to provide full transparency and provide able opportunity for public comment.

President Petterle asked if there was any public comment and there was none.

### **2020 CENSUS REDISTRICTING PROCESS**

Mr. McIntyre updated the Board on the redistricting process as it relates to the 2020 Census. He stated that the Board has the option to re-adopt its current map of electoral divisions, make minor changes or make more extensive changes. The deadline to adjust the boundaries is April 17, 2022 therefore the Board must begin public outreach to engage the community in the redistricting process in order to hold its first public hearing on January 18, 2022, with a final vote to be held at a second public hearing on February 15, 2022.

Mr. Biggerstaff introduced Mr. Willis and reminded the Board it has been a couple of years since this process was first completed. He added after each census the District is required to look at the boundary lines to see if they are still compliant and provide input at that time. Mr. Willis provided a PowerPoint presentation that went over the redistricting process and stated the 2020 Census data did not reveal significant population shifts and, in fact, the total deviation is less than in 2019 and the Board can keep the lines as is if they want to.

Director Grossi stated it would be a waste of time and money to make a new map and he was in favor of using the one we currently have. A general discussion ensued. Director Joly stated as long as everyone agrees that we are happy where we are, he agrees with Director Grossi to leave it as it is. Director Petterle concurred with Director's Grossi and Joly. He stated staff has put a lot of work into this and the map is not that old and evidence shows we are better than we were two years ago. Mr. Biggerstaff stated he and Mr. McIntyre will work on the public outreach process as outlined in the memo.

President Petterle asked if there was any public comment, and there was none.

### **OLD RANCH ROAD TANK NO 2 PROJECT – CONSTRUCTION PROJECT UPDATE**

Mr. Williams introduced Mr. Fuelle, Senior Engineer who then provided a PowerPoint presentation on the Old Ranch Road Tank No. 2 Project.

Mr. Fuelle noted neighbors living on Old Ranch Road continue to be concerned about potential damage to the road from heavy construction equipment use and that thirty-five additional trees located adjacent to the work will need to be removed. A general discussion ensued.

Director Joly asked what the length of the pipeline was and Mr. Fuelle replied eight hundred feet. Director Petterle stated in tree removal mitigation there is typically a three to one

ratio for existing trees, he added to keep that in mind with future projects. Additionally, he asked if recycled water was used for dust control, noting that should be our standard operating procedure. Director Petterle also complemented Mr. Fvette in using GPS with this project. Mr. Fvette responded that a one to one mitigation was used for the trees, because in this area the forest was heavily populated and the trees were crowded. He noted the typical ratio is a three to one, however due to the overcrowding they were trying to restore the health of the forest. Mr. Fvette also confirmed recycled water was used for dust control as required by the ordinance. Director Petterle commended Mr. Fvette on a good presentation.

President Petterle asked if there were any comments from the public and there were none.

#### **FY 2021/22 FIRST QUARTER PROGRESS REPORT – ENGINEERING DEPARTMENT**

Mr. Williams reported on the FY 2021/22 First Quarter Progress Report for the Engineering Department. He updated the Board on the status of Capital Improvement Projects (CIP) and studies, as well as the performance status for CIPs for the Novato Service Area, West Marin Service Area and Engineering Department labor costs. Mr. Williams also reported on the grant for the Oceana Marin Treatment Pond Project, stating staff is waiting for CalOES and FEMA to award the grant and therefore they are in a holding pattern on the construction phase. He also provided information on tracking consultant costs as it relates to total expenditures. Director Joly thanked Mr. Williams for including this in his report as he found it very useful.

President Petterle asked if there were any comments from the public and there were none.

#### **FY 2021/22 FIRST QUARTER PROGRESS REPORT – OPERATIONS/MAINTENANCE**

Mr. Clark reported on the FY 2021/22 First Quarter Progress Report for Operations and Maintenance. Mr. Clark provided a general overview on activities. He summarized completion of maintenance tasks and operation of the Stafford Lake and Point Reyes treatment plants. In addition, Mr. Clark reported on Water Quality as it related to support from the Construction, Maintenance and Operations staff. He stated the drought season has been harder for the operators, because they produced less water and the low elevation in the lake makes the water quality more difficult. Mr. Clark reported on the salinity in Point Reyes and stated the Point Reyes customers did a great job conserving water which helped to keep our salinity levels down due to the reduced water demand in the area. He thanked Mr. Ramudo, Mr. Stompe and Mr. Lebrun along with Mr. Arendell's crew who helped with the temporary water tank that was used for five weeks to provide a low sodium water bottle fill station, noting the program was a success.

President Petterle asked if there were any comments from the public and there were none.

#### **WAC/TAC MEETING – NOVEMBER 1, 2021**

Mr. McIntyre review the minutes for the November 1, 2021 WAC/TAC meeting. He noted that the State Water Board issued an amended Order to the Temporary Urgency Change Petition (TUCP) temporarily suspending the 20% mandatory reduction in Russian River Diversions. He added a new TUCP is being submitted to the State Water Board that will be similar to the January 2021 petition requesting that water year classification be based on storage in Lake Mendocino and not Lake Pillsbury.

### **MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements – Dated November 18, 2021, Disbursements – Dated November 24, 2021, Disbursements – Dated December 2, 2021, Point Reyes Light - Salinity Notice – November 18, 2021, Point Reyes Light - Salinity Notice – November 24, 2021, Point Reyes Light - Salinity Notice – December 2, 2021, NOAA Three Month Precipitation Outlook – December, January, February, ACWA News – October 15, 2021, Marin IJ – NMWD AD No. 3 -Did you know? – November 19, 2021, Marin IJ – NMWD AD No. 4 - Did you know? – November 26, 2021, Marin IJ – NMWD AD No. 5 -Did you know? – December 3, 2021, District Apartment Rental History and Stafford Lake Water Year 2021 Spill/Rainfall History.

The Board received the following news articles; Journal AWWA – Letter to the Editor - Semantics and Solutions; Marin IJ – Editorial – Sonoma water partnership key for Marin; Marin IJ – Statewide measure pushed to construct water projects – NOVEMBER 2022 BALLOT; Marin IJ – Novato agency to store water from Russian River – DROUGHT RESPONSE; Marin IJ – Drought will have big impacts on new building – MARIN COUNTY; The Press Democrat – PD Editorial – It's time to weigh a water plan minus Potter Valley plant.

### **CLOSED SESSION**

President Petterle adjourned the regular session at 7:49 p.m. and convened to closed session at 7:54 p.m. in accordance with California Government Code Section 54957 for Public Employee Performance Evaluation (One), Title: General Manager

### **OPEN SESSION AND REPORT OUT**

THE Board reconvened into open session at 8:09 p.m., President Petterle announced the Board had not taken any reportable action.

### **ADJOURNMENT**

President Petterle adjourned the meeting at 8:09 p.m.

Submitted by

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

Theresa Kehoe  
District Secretary