

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
January 18, 2022**

CALL TO ORDER

President Petterle 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 Petterle 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 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. President Petterle announced that 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 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. 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, Jim Grossi, Michael Joly and Stephen Petterle.

President Petterle announced that 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 Ryan Grisso (Water Conservation Coordinator). Also participating remotely were; Morgan Biggerstaff (Legal Counsel), Chris Chaffee (Redistricting Partners) and Kristen Mah Rogers (Olson Remcho, LLP) , and IT consultant Clay Smedshammer (Core Utilities).

President Petterle requested that for those joining the virtual meeting from the public to identify themselves. Also participating remotely were Ken Levin (Point Reyes Village Association), Jim Homet (EEC Environmental), Novato residents David Halleck and Zachary Griggy.

MINUTES

On motion of Director Joly seconded by Director Baker, the Board approved the minutes from the December 21, 2021 Regular Board Meeting with minor revisions by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

REDISTRICTING PROCESS PUBLIC HEARING NO. 1: Review and Receive Public Input on Current Electoral Division Maps

Mr. McIntyre provided an overview of the 2019 redistricting process. Mr. McIntyre stated on December 7, 2021 the Board received a report from staff and legal counsel regarding the 2020 Census, which did not reveal significant population shifts that require adjustments in division lines and, at that time the Board directed staff and legal counsel to prepare materials and invite the public to provide input on the possibility of re-adopting the current electoral divisions map. Mr. McIntyre added it was staff's recommendation that the Board receive an updated presentation by Redistricting Partners and legal counsel, and subsequently solicit public input as part of the first public hearing.

Mr. Biggerstaff reiterated per California Election Code that the Board must review the boundaries every ten years and be sure the divisions are equally populated and compliant with the federal voting rights acts and state law.

Chris Chaffee from Redistricting Partners gave a brief presentation and reviewed the information that was presented at the December 7, 2021 meeting.

President Petterle opened the public hearing at 6:16 p.m. for public comment.

Zachary Griggy introduced himself as a student from UC Irvine who is studying redistricting. He also stated he is a resident of Novato and lives in the Hamilton area. Mr. Griggy expressed his concern with the current division map and did not think the Board should adopt it. He thought the map was flawed, not compact and did not represent the communities of Novato. Mr. Griggy noted that Point Marin and Ignacio Valley are in Division 3, and downtown is in Division 2 which could be avoided with a different map. He stated most of Novato wraps around over three to four ridgelines and it is hard to know who the representatives are. Mr. Griggy stated he knows a family in Indian Valley that has a different representative than their neighbors across the street. He emphasized that the final map will be used over the next ten years and it is critical that

we get this right. Mr. Griggy further suggested that the Board should direct the demographer to avoid splitting up neighborhoods and added he will also submit a map for consideration.

Upon hearing no further public comment, President Petterle closed public meeting at 6:19 p.m.

President Petterle asked if there were any further comments from the counsel, consultants or Directors.

Mr. Chaffee stated the map is legally conforming, but that is not to say there may be other alternatives that are preferable. Ms. Mah Rogers from Olson Remcho, LLP, stated that the map is compliant and meets all requirements. She added other maps can be considered and that it is at the discretion of the Board. Mr. Chaffee stated in reference to Division 1, rural urban interfaces were taken into consideration. He added when working through options it was decided to put all rural urban interface in one division so they can speak on issues that arise and have one leader on the Board to represent them, this is what drove the Division 1 boundary line.

Director Grossi stated he is satisfied with the current map and feels it works well. He added Division 1 is difficult, because of the demography and density, ensuring they had enough people to make it compliant. Director Grossi noted we could go through a number of different maps and would probably end up where we are now. Director Petterle acknowledged he appreciated the public comment received. He stated we have a small District and there may be some imperfections, but ultimately you must make sure the map is as inclusive as possible. He added we are meeting the cohesive requirements and the map does not look like gerrymandering, it is contiguous and meets all legal requirements.

Mr. Biggerstaff advised that no motion is needed and this topic will be revisited at the next meeting. Director Joly thanked Mr. Griggy for taking the time and effort to participate in tonight's meeting. He requested Mr. Griggy put a map together and give it to Mr. Chaffee and Ms. Mah Rogers in enough time so they can look at it before the next meeting.

GENERAL MANAGER'S REPORT

Item #11, Gallagher Well No. 2 Installation

Mr. McIntyre announced Item #11, "Gallagher Well No. 2 Installation – Rejection of Apparent Low Bid as Non-Responsive and Award of Construction Contract of Second Lower Bidder" will be pulled from the agenda. He added staff recently received additional information and would like to do further review.

Stafford Lake Backfeeding

Mr. McIntyre noted, as stated in the Monthly Progress Report that Stafford Lake is now at 73% capacity, which is well above our targeted backfeed quantity of 1,100-acre feet. Therefore,

there will not be any additional backfeeding in Stafford Lake this year. He apprised the Board that the District backfed the lake for five days in early December and then stopped due to recent rainfall. Mr. McIntyre expressed that even though Stafford Lake capacity is over 70%, more rain is needed to increase the capacity of Lake Sonoma above its current 62% level.

Emergency Water Conservation Ordinances

Mr. McIntyre reported that with the recent rainfall the Kent Lake gauge is above 38-inches and Lagunitas Creek is now under normal water year conditions. He noted, we will be looking at Ordinance 39 revisions now that we are no longer in dry year conditions and will come back to the Board in February with proposed changes to the Ordinance. Mr. McIntyre added with respect to emergency water conservation Ordinance 41 impacting our Novato Service Area, he does not anticipate any changes to the current mandates until at least March since Lake Sonoma is still experiencing low water supply conditions.

SCWA Regional Water Supply Resiliency Study

Mr. McIntyre updated the Board on the status of Sonoma County Water Agency's Regional Water Supply Resiliency Study. He stated the study consultant, Jacobs Engineering has recently suffered some setbacks, but staff hopes to have a draft study available for Board review soon.

Director Joly stated California is still under a 15% conservation request and asked what effect this has on local agencies. Mr. McIntyre replied in Novato we have to look at Lake Sonoma and will continue to have to conserve above 15% unless there is some drastic improvement.

Director Petterle commented on the Marin IJ article that referenced MMWD's water supply for this year is above average. Director Petterle warned, we need to proceed with caution when reducing restrictions until we know how much water we have in the bank. Director Grossi agreed. He noted the upside is that at Novato Creek the ground is saturated and water is still coming in to Stafford Lake. However, Director Grossi stressed, we still need to be diligent as the drought situation is not over even though we are fortunate to have received the rain we had.

Director Joly asked if the Board will have the Local Water Supply Enhancement Study materials on January 21st for the January 25th meeting. Mr. McIntyre confirmed the materials will be ready. Director Joly added water supply is more important than pursuing the building renovation and he would like to look at the cost of that. Additionally, Director Joly stated that he needs to understand the cost of long-term water supply enhancements and the timeline for these projects. He added we need a suitable long-term water supply for our citizens and know it is there before addressing renovation of the building. Director Joly further stated that he needs this information to make an informed decision.

OPEN TIME

President Petterle asked if anyone from the public wished to bring up an item not on the agenda. Jim Homet from EEC Environmental asked if the District is considering expanding recycled water for industrial customers. He asked if the District plans to extend the recycled water pipelines, adding he has two private clients that may influence those extensions. Director Petterle stated the Board typically does not answer questions during open time that the staff can handle. Mr. McIntyre requested Mr. Homet to contact Mr. Williams for additional exchange of information regarding recycled water expansion options.

STAFF/DIRECTORS REPORTS

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

Ms. Kehoe announced Item #7 of the agenda had a revision of dates and the revised information was added at the end of the agenda. She noted the section addressing the dates for the Meeting by Teleconference should be from January 18, 2022 to February 17, 2022.

Mr. Williams reminded the Board of the Local Water Supply Enhancement Study Workshop scheduled for the January 25th Board meeting. He added West Yost will be presenting alternatives as well as preliminary indicators of viability.

Mr. Williams also apprised the Board that staff has received good news from the Department of Water Resources that a grant for \$464,000 was awarded for Gallagher Well No. 2 which will cover a significant percentage of the estimated cost. Mr. McIntyre commended Mr. Williams and staff for their work on getting the grant. Director Joly added this is a terrific accomplishment for staff.

Mr. Clark announced the current weather gave staff a window of opportunity to complete the PRE Tank 4A work, noting the demolition started January 18th. He added that redwood from the tank will be used in the building renovation project. Mr. Clark also reported the Kastania Pump Station passed a bacteriological test and the major portion of work is complete other than finishing some remote-control work. He added that staff will continue testing and working closely with Sonoma County Water Agency and Marin Municipal Water District.

Director Joly stated that on our website it shows 17.21 inches of rainfall and our normal is 27 inches. He stated Stafford is at 73% so far this year, exclaiming that is remarkable. He noted however, historically we have had a unique atmospheric river in October, followed by no rain in November or December and now no rain again in January. Director Joly stated that it has been an unsettling hydrological year and this should be a sanity check for us all.

MONTHLY PROGRESS REPORT

The Monthly Progress Report for December was reviewed. Mr. McIntyre reported that

water production in Novato was down 25% from one year ago and down 26% fiscal year to date. In West Marin, water production was down 21% from one year ago and down 29% fiscal year to date. Recycled Water production was down 2% fiscal year to date. Stafford Treatment Plant production was down 20% fiscal year to date. The Board was apprised that Stafford Lake is at 65% capacity, Lake Sonoma is at 60% and Lake Mendocino is at 67% capacity. Mr. McIntyre also reported the COVID 19 costs were up \$1,200 from last month and the water bill delinquency impacts were up \$23,000 from last month. He noted the state had approved paying \$57,000 for the Novato service area and ~\$30,000 for the West Marin service area as part of their COVID grant program.

Ms. Blue reported on the December 2021 Investments, where the District's portfolio holds \$26.4M earning a 0.27% average rate of return. She noted that during December the cash balance decreased by \$583,745 and the LAIF rate was at 0.21%.

CONSENT CALENDAR

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

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

Resolution 22-01 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 January 18, 2022 through February 17, 2022 pursuant to Brown Act provisions.

RECRUITMENT FIRM AGREEMENT

With the retirement of the General Manager in May of 2022, the transition plan calls for the appointment of the current Assistant General Manager/Chief Engineer into the General Manager's position. The Board has directed staff to commence with recruitment of a successor and staff recommended the Board approve the General Manager to enter into an agreement with Ralph Anderson and Associates to recruit a successor Assistant General Manager/Chief Engineer.

AGREEMENT WITH SONOMA WATER FOR DROUGHT TOOL KIT PURCHASES

The Board authorized the General Manager to execute an agreement with Sonoma County Water Agency for the purchase of 1,200 Drought Tool Kits, for a total reimbursement cost of \$17,817.

ACTION CALENDAR

GALLAGHER WELL NO. 2 – EASEMENT ACQUISITION COST

Mr. McIntyre reported that District staff has been negotiating with the Gallagher Ranch family over the value of the easements for several months. He stated that recently District staff reached an agreement with the Gallagher family to pay \$50,000 for these easements. Mr. McIntyre noted the easement agreement has already been executed by both Gallagher brothers and Marin Agricultural Land Trust (MALT) previously indicated their approval and staff expects to have their signature on the agreement within the next couple of weeks. Mr. McIntyre added he is also in communication with the property owners in regards to helping to fund safety railing repair on the bridge. He stated that the wood railing is unsafe and falling apart, and it was agreed to split the cost of the repair, noting he expects the District’s contribution to be approximately \$5,000.

Director Joly commended Mr. McIntyre’s good work on this project. Director Grossi asked if we are beyond the point that anyone can appeal or get in the way of the project. Mr. McIntyre replied yes.

President Petterle asked if anyone from the public would like to speak and there was no response.

On the motion of Director Grossi, and seconded by Director Fraites the Board approved payment of \$50,000 to compensate the Gallagher Ranch owners for receipt of a fully executed easement by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

GALLAGHER WELL NO. 2 WELL INSTALLATION – REJECTION OF APPARENT LOW BID AS NON-RESPONSIVE AND AWARD OF CONSTRUCTION CONTRACT TO SECOND LOWER BIDDER

Mr. Williams announced that the “Gallagher Well No. 2 well installation rejection of apparent low bid as non-responsive and award of construction contract to the second low bidder”, Item #11, was pulled from the agenda and will be rescheduled for a future meeting.

AMI OPT-OUT REQUEST – 609 ROWLAND BLVD.

Ms. Blue apprised the Board that in October 2020 staff was contacted by Mr. Halleck, the customer at 609 Rowland Blvd. in Novato. She stated he expressed health concerns related to the Advanced Meter Information (AMI) system which is installed on his water meter. Ms. Blue added Mr. Halleck asked about the District's AMI Opt-Out Policy and was provided a copy of the policy and a copy of the letter provided to each customer prior to installation. Ms. Blue advised the Board that Mr. Halleck has requested to remove his AMI meter and the Board can either leave the AMI meter installed as is; or allow Mr. Halleck an exception to the AMI opt-out policy and have staff reinstall a non-AMI meter and bill him \$10/bimonthly to manually read the meter.

President Petterle asked if anyone from the public would like to speak.

Mr. Halleck stated that he appreciated the Board and Ms. Blue for putting this item on the agenda. He also thanked staff and the Board for everything they do to bring water to their customers. Mr. Halleck explained that his wife is sensitive to electronic magnetic frequency. He noted that they try to reduce the amount of radio waves she is exposed to, which is why they opted out of the PG&E Smart Meter. Mr. Halleck stated that he did a test at the street and there were only short bursts from the AMI meter, but they were considerable. He stated the meter is at the sidewalk and located where they park in front of the house. Mr. Halleck noted there are some things that cannot be changed, but this is something on their property and they would like to have the meter manually read. In closing, he stated he appreciated the time he was given to speak and hoped the Board understood his reasons for his request.

President Petterle thanked Mr. Halleck and asked if the Board or staff had any further discussion.

Mr. McIntyre asked Ms. Blue to review the policy for the benefit of the Board. Ms. Blue replied that in April 2018, the Board approved the current policy and at the time staff did a survey and seven agencies responded. She noted some were in different implementation stages of their AMI program; one had an Opt-Out policy, one was considering one, and the remaining five did not give the public an option to Opt-Out. Director Grossi stated he understands the customer's concern with sensitivity and the Board has talked about this before when we dealt with a similar situation. He added that he has no problem with allowing the Opt-Out, but he would like to know the cost to replace the meter. Ms. Blue responded an estimate to replace the AMI meter is around \$170, and the fee to read the meter every two months is ten dollars. Director Grossi asked if the AMI meter that is removed can be used somewhere else. Mr. Blue replied the intention is to switch back to AMI if a new person moves on to the property. She added initially the District had about 50 Opt-Out customers, and now we are down to 41. Director Petterle stated the District's policy does not include the cost of installation, when a new customer moves in and we have to

reinstall the AMI meter, therefore it becomes two installations that our policy does not cover. He added his concern was not with one family, but if the District gets several requests, then we could be looking at serious money. Director Petterle recommended the current policy should be modified to include the customer is responsible for the cost of installation of the new meter and at the end when the AMI meter needs to be reinstalled. Additionally, Director Petterle noted ten dollars to read the meter sounds like a pretty good deal considering it is a special case to send someone out to read these non-AMI meters. He added he would like to see the policy modified to include updated meter reading costs and costs for installation of the new meter and for replacement when the customer moves out. Director Grossi stated he would approve the Opt-Out request, but also asked staff to review the policy so in the future requests such as these do not cost the District money. Director Fraites agreed.

Director Baker stated he cannot agree with the request and means no disrespect to the customer; however, he believes it is the wrong way to go.

On the motion of Director Grossi, and seconded by Director Fraites the Board approved the AMI opt-out request for 609 Rowland Boulevard in Novato, have staff reinstall a non-AMI meter and bill the consumer \$10/bimonthly for the meter to be manually read, in addition to having staff modify the current policy by the following vote:

AYES: Director Fraites, Grossi, Joly and Petterle

NOES: Director Baker

ABSTAIN: None

ABSENT: None

INFORMATION ITEMS

WEST MARIN 2021 DRY YEAR WATER CONDITIONS REPORT – INITIAL REVIEW

Mr. Grisso provided an initial review on the 2021 Dry Year Water Conditions Report. Mr. Grisso also apprised the Board that Emergency Water Conservation Ordinance 39 for the West Marin service area will come back to the Board at the February 1st meeting, therefore he would like any comments to be submitted by January 21st.

President Petterle asked if there were any questions from the Board. Director Grossi noted we have the Local Enhancement Water Supply Workshop coming up and asked if staff should also be looking closely at the West Marin service area. Mr. McIntyre responded that our water supply conditions in West Marin are normal this year and during dry years we have an agreement with MMWD in which we can request water releases to Lagunitas Creek via the Kent Lake reservoir.

Director Fraites gave kudos to Mr. Grisso for an excellent detailed report.

SAN MARIN PUMP STATION BATTERY BACKUP SYSTEM

Mr. Clark reported on the San Marin Pump Station battery backup system. He stated he is waiting for legal review, but anticipates this will come back to the Board at the second meeting in February, noting if approved it could be installed as soon as November 2022.

Director Joly stated it looked like a win-win situation. Mr. Clark replied it is very promising, and has very low impact in regards to the location of the pump station. Director Grossi stated he thought it was a great idea, and it will have value in the event of an emergency when we lose power, that is an added benefit.

ETHICS TRAINING FOR BOARD OF DIRECTORS AND DISTRICT OFFICERS

Ms. Kehoe apprised the Board of the upcoming ethic training for Board of Directors and District Officers which is a required under state law AB1234 to be completed every two years.

Director Joly asked if the training could be broken up. Ms. Kehoe replied, that option is available, however she chose to complete the entire training in one sitting.

TECHNICAL ADVISORY COMMITTEE MEETING – DECEMBER 6, 2021

Mr. McIntyre reported on the Technical Advisory Committee Meeting for December 6, 2021.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated December 23, 2021, Disbursements – Dated December 30, 2021, Disbursements – Dated January 6, 2022, Disbursements – Dated January 13, 2022, Point Reyes Light - Salinity Notice – December 23, 2021, Point Reyes Light - Salinity Notice – December 30, 2021, Marin IJ – NMWD Ad No. 8 – Did you know? – December 31, 2021, Marin IJ – NMWD Ad No. 9 – Did you know? – January 14, 2022, NMWD Response Letter – Proposed Accessory Dwelling Unit at 145 Silver Hills Road, Point Reyes Light – NMWD Notice of Public Hearing on Redistricting – January 6, 2022, Marin IJ - NMWD Notice of Public Hearing on Redistricting – January 7, 2022, Increase in Director's Compensation and Annual Report on Board Compensation.

The Board received the following news articles: San Francisco Chronical – Californians have a lot of ideas for how to get more water; Most of them are really bad; Marin IJ – Editorial – Water-supply roller coaster needs to end; Marin IJ – Hopeful signs amid historic drought – CONDITIONS EASING; Marin IJ – California adopts new water rules – OUTDOOR USE; Point Reyes Light – Editorial – Nature smiles on us; Marin IJ – Water district delays pipeline across bridge- MARIN MUNICIPAL; Marin IJ – Water officials consider rolling back restrictions – MARIN MUNICIPAL and Marin IJ – Slowing water pipeline plan best for MMWD board incumbents.

The Board received the following social media posts: NMWD Web and Social Media

Report – December 2021.

Director Joly asked if a notice for the virtual workshop on January 25th will be posted on our website. Mr. McIntyre confirmed, adding another ad was also published in the Marin IJ on January 14th.

Director Petterle noted the article by Dick Spotswood in the January 9th edition of the Marin IJ. He stated there was a paragraph that stated Novato residents were in better shape, because practical Board members did their duty. Director Petterle recognized the District staff for helping the Board along the way, noting the compliment was for both the Board and staff at NMWD. Director Joly agreed and said the statement in the Marin IJ was very powerful. Director Fraitres stated he also saw the article and was happy to read that.

ADJOURNMENT

President Petterle adjourned the meeting at 7:48 p.m.

Submitted by

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

Theresa Kehoe
District Secretary