

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
March 1, 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 Connie Filippi (Accounting Clerk II). Also participating remotely were; Morgan Biggerstaff (Legal Counsel), Mark Hildebrand (Hildebrand Consulting) and IT consultant Clay Smedshammer (Core Utilities).

President Petterle requested that for those joining the virtual meeting from the public to identify themselves. Novato resident Will McGuire was in attendance.

MINUTES

On motion of Director Fraites seconded by Director Joly, the Board approved the minutes from the February 15, 2022 Regular Board Meeting with a minor revision by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

GENERAL MANAGER'S REPORT

North Bay Water Association (NBWA Meeting)

Mr. McIntyre announced that the next NBWA meeting will be on March 4th.

Technical Advisory Committee (TAC) Meeting

Mr. McIntyre stated that he and Mr. Williams will be attending the March 7th TAC meeting. He noted that the meeting will include TAC approval of the draft FY23 SCWA Water Transmission System Budget. Mr. McIntyre added that Ms. Blue will summarize the budget tonight and Lynne Rosselli from SCWA will provide a presentation at the March 15th NMWD Board meeting.

Novato Leadership's Special District's Day

Mr. McIntyre reported that each year Novato Leadership includes a full day of instruction covering the North Marin Water District, Novato Sanitary District and Redwood Landfill operation. He stated that Robert Clark will be giving the Stafford Treatment Plant tour for NMWD. Mr. McIntyre added that he will provide a Water Supply Overview as part of the mid-day lunch meeting. He added that Karen Clyde (HR/Safety Manger) is NMWD's representative for the Class of 2022.

President Petterle asked if the Directors or public had any comments or questions and there was no response.

OPEN TIME

President Petterle asked if anyone from the public wished to bring up an item not on the agenda.

Mr. McGuire stated that he would like to advocate for the recycled water program again. He added that he is hoping we get a Miracle March rainfall event, but he is not banking on it. Mr. McGuire stated that he thought the program was successful and he would like to see it expanded. Director Petterle thanked Mr. McGuire for his comments.

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 reminded the Board that completion of the Ethics Training and the Form 700's

are due April 1st.

Mr. Clark reported that a vehicle crashed into the fence at the entrance of Stafford Treatment Plant by the golf course. He stated that the District did acquire information on the person who caused the damage. Mr. Clark noted that Able Fence has been awarded the project and the repair will take place in a couple of weeks.

INFORMATION ITEMS

DROUGHT SURCHARGE REVIEW-PROPOSED REVISIONS TO DISTRICT REGULATION 54(A)(3) & (C)(3)

Ms. Blue apprised the Board on the Drought Surcharge Review and revisions to District Regulation 54(a)(3) & (c)(3). She noted that the objective of the Drought Surcharge Study is to develop rates that are fair and equitable and to ensure that the District's drought surcharge rates comply with California Constitution Article XIII D, Section 6.

Consultant Mark Hildebrand provided a Drought Surcharge Review Presentation to the Board. He provided information on purposes of drought surcharges; current drought surcharges and drought surcharge analysis. He emphasized the analysis demonstrates that the proposed drought surcharges do not exceed the cost of providing service, which is a substantive requirement of Proposition 218. Additionally, he noted that a drought surcharge does not allow encouragement of conservation behavior, rather it only addresses the financial cost of providing service. Mr. Hildebrand apprised the Board that he will do an additional presentation at the March 15th Board meeting. He noted that the Drought Surcharge public rate hearings will take place the same time as the other rate hearings, and the implementation of the rates would be effective July 1, 2022.

President Petterle asked if there were any comments or questions from the Board.

Director Joly asked what stage Novato is currently in. Mr. McIntyre replied Stage 2. Director Joly asked what was the highest stage NMWD customers were historically. Mr. McIntyre replied that historically the highest level was a 30% conservation mandate. Director Joly stated that the memo was very complex and he had many more questions. He asked if after further review of the information provided by Mr. Hildebrand, would he have the opportunity to ask additional questions at the March 15th meeting. Director Baker suggested that perhaps Director Joly could make his inquiry in writing and if appropriate, meet with Ms. Blue and Mr. Hildebrand in advance. Director Petterle agreed, adding that this will avoid Director Joly from asking questions they will not be able to answer without preparation.

Director Petterle thanked Mr. Hildebrand for his presentation.

President Petterle asked if there were any comments or questions from the public and there was no response.

FY 2021/22 SECOND QUARTER PROGRESS REPORT – ENGINEERING DEPARTMENT

Mr. Williams reported on the FY 2021/22 Second 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 spoke about some of the special projects which included: the Local Water Supply Enhancement Study and the MMWD reconstruction project of Kastania Tank. He noted these projects and studies consume a lot of time and resources. Mr. Williams also noted a couple of West Marin special projects which included: the County of Marin redevelopment of the former Coast Guard Housing site and the ongoing wastewater study at Dillon Beach Village. He added that two recycled water fill stations were also incorporated this year. Mr. Williams informed the Board that Crest Pump, the San Mateo Pipeline, the Leveroni Creek Project and the Emergency Generator Project all have grant applications with FEMA to see if they are eligible for funding. He reported that staff is working with the well drilling contractor on Gallagher Well No. 2 and this project is moving along nicely. Additionally, Mr. Williams noted that the building renovation and new lab have been a big component of hours tracked and consultant fees.

President Petterle asked if the Board or the public had any comments or questions and there was no response.

FY 2021/22 SECOND QUARTER PROGRESS REPORT – WATER CONSERVATION

Mr. Williams presented the FY 2021/22 Second Quarter Water Conservation Progress Report. He reported on public outreach and conservation marketing; budget and staffing; water conservation and outreach expenditures. Mr. Williams stated that the highlight of the report was the rebate numbers on the Cash for Grass Rebate. He added that Mr. Grisso is expected to resume in-person Water Smart Home Surveys, noting SCWA hired a new technician to perform this work. Mr. Williams also reported that Mr. Grisso continues to do a good job posting information on social media.

President Petterle asked if there were any questions or comments from the Board.

Director Fraites stated that he is thrilled with the numbers on the FY22 Cash for Grass Rebate. He thought the participation was extraordinary and asked if the number was a result of taking out large commercial turf areas or if it was an accumulation of several people taking out their residential lawns. Mr. Williams replied that the accumulation of the smaller areas were significant. Director Baker stated that he has noticed steady progress in his neighborhood of

people putting in drought tolerant landscape. He added that people are stepping up and he hopes it continues. Director Petterle requested that at some point he would like to see an accumulative total over the last ten to twenty years, so the Board can put a number on how much water has been saved as a result of our programs. Mr. Williams replied that he will pass this request on to Mr. Grisso.

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

INITIAL REVIEW SCWA FY23 WATER TRANSMISSION SYSTEM BUDGET

Ms. Blue gave an initial review of the draft SCWA FY23 Water Transmission System Budget. She reported the financial impact will be 5.09% wholesale water rate increase, which will result in an additional \$53.29 per acre-foot. Ms. Blue noted that this information is being provided as information only in advance of the March 15th Board meeting, at which time Lynne Rosselli, Finance Manager for SCWA will present the budget.

President Petterle asked if the Board had any comments or questions.

Director Grossi stated that he will wait to ask his questions at the next meeting. Director Petterle stated that there are many attached schedules leading to confusion. Ms. Blue stated that it is good to have the background data, and noted that there will be a summary provided at the next meeting.

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

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated February 17, 2022; Disbursements – Dated February 24, 2022; and NOAA Three-Month Outlook Temperature and Precipitation Probability.

The Board received the following news articles: Marin IJ – Brief return of rain ends 4-day dry spell – BAY AREA WEATHER and Marin IJ – Cities, farms facing low water deliveries – CALIFORNIA DROUGHT.

ADJOURNMENT

President Petterle adjourned the meeting at 6:48 p.m.

Submitted by

A handwritten signature in cursive script, appearing to read "Theresa Kehoe".

Theresa Kehoe
District Secretary