

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
June 21, 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. Williams performed a roll call of staff, participating remotely were Tony Williams (General Manager), Terrie Kehoe (District Secretary), Julie Blue (Auditor-Controller), Eric Miller (Assistant General Manager/Chief Engineer), Pete Castellucci (Interim Construction/Maintenance Superintendent), Robert Clark (Operations/Maintenance Superintendent), Pablo Ramudo (Water Quality Supervisor) and Ryan Grisso (Water Conservation Coordinator). Also participating remotely was IT consultant Clay Smedhammer (Core Utilities).

President Petterle requested that for those joining the virtual meeting from the public to identify themselves. Participating remotely was Littie Nash.

MINUTES

On motion of Director Joly seconded by Director Baker, the Board approved the minutes from the June 7, 2022 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

Mr. Williams announced that he was happy to have Eric Miller as the new Assistant General Manager/Chief Engineer, noting it was his first week at NMWD.

Mr. Williams updated the Board on the Local Water Supply and Enhancement Study (LWSES). He stated that the report is complete, staff are performing some evaluations of Stafford backfeeding and will include that analysis in the final report. Mr. Williams stated that he will bring the final report to the Board in July for acceptance.

Mr. Williams apprised the Board that staff had a pre-construction meeting on June 21st with D. L. Falk, the contractor for the Administration and Laboratory Upgrade. He noted that he expected to start onsite work on July 5th and the District has one last referral on the building permit. Mr. Williams reported that staff will be moving out of the office on June 23rd and 24th and will be operating out of the Wood Hollow office as of June 27th.

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

Director Joly asked if there was an estimated date as to when construction will begin on the renovation project. Mr. Williams replied that there will be preliminary prep work the week of July 5th and barring any complications the demolition should start a week or two after that.

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

OPEN TIME

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

Mr. Clark updated the Board on a recent fire that occurred the previous Thursday night by

the Armaroli Tank site. Mr. Clark reported that upon inspection he found out that the Novato Fire Protection District (NFPD), had multiple trucks on site, three of which were on top of the tank. He added that traffic loads on the tank is limited to 8,000 pounds, and even though there were multiple signs posted, the NFPD was unaware of the weight limit. Mr. Clark stated that he has been in contact with the Fire Marshal and there will be some training to avoid this issue in the future. Additionally, Mr. Clark noted that upon inspection there did not appear to be any damage.

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

Director Joly asked if NFPD notified the District about the fire. Mr. Clark replied that he became aware of the fire through a community chat that was forwarded on to him. He added that he later spoke with the Fire Marshal.

Director Joly asked Mr. Castellucci if he had an update on the leak he reported at the June 7th meeting. Mr. Castellucci replied that the leak was repaired that morning, the NMWD subcontractor also repaired the sidewalk and the homeowner submitted a claim to get her landscape repaired.

MONTHLY PROGRESS REPORT

The Monthly Progress Report for May was reviewed. Mr. Williams reported on key areas such as water production, local and regional lake/reservoir capacity, COVID-19 financial impact, delinquent bill impacts, customer complaints and service orders. He also recognized the Consumer Services Department for doing a great job to decrease the number of delinquent bills.

Mr. Williams noted an anomaly that occurred from the SCWA billing is being reviewed by District and SCWA staff. He also reported that under Water Bill Delinquency Impacts, this May had the lowest amount since COVID and was partially due to the shutoff policy being reinstated. Additionally, under Summary of Complaints & Service Orders, there was an increase of service orders, because there was one less Field Service Representative a year ago, and also due to AMI reporting and the drought, consumers are more aware of their water use which resulted in better reporting. Mr. Williams reminded the Board he will move this report to Miscellaneous in July.

Ms. Blue summarized the Monthly Report of Investments for May 2022. She noted that the interest rates are coming back up, which will help build up the District's portfolio.

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

Director Joly noted that the lake levels in the Monthly Progress Report was different than what was on the SCWA website. Mr. Williams replied that it is because there was a 16-day difference between the time data was compiled for the May report and today. Director Joly asked

about reporting the category in acre feet. Mr. Williams replied that he was reporting in million gallons, in order to be consistent with Stafford levels. Director Joly stated that Lake Sonoma is now in better shape than it was at this time in 2021. Mr. Williams replied that it has to do with the control of releases into the lake.

Director Petterle commented on the leaks reported, stating that the District will often times notify the consumer of leaks which is different from leaks on the District side. Mr. Williams noted people are getting leak notices through the AMI system, confirming that this is different than District leaks on the main lines.

Director Joly thanked the Administration group for doing a good job on the bill reductions.

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

CONSENT CALENDAR

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

The Board approved Re-Authorizing Meetings by Teleconference of Legislative Bodies of North Marin Water District. Resolution 22-20 will extend the continuation of teleconference meetings effective June 21, 2022 through July 21, 2022 pursuant to Brown Act provisions.

ACTION CALENDAR

CONSULTING SERVICES AGREEMENT WITH PES ENVIRONMENTAL

Mr. Williams informed that the Board that PES did a Hazardous Building Materials Survey for the Administration and Lab Building Project. He reported that building materials containing asbestos will need to be monitored upon removal. Mr. Williams noted that an amendment of the contract is now needed for the project. monitoring.

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

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

On the motion of Director Baker, and seconded by Director Joly the Board authorized the General Manger to amend the Consulting Services Agreement with PES Environmental in the amount of \$25,000 by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

REVISED INTER-AGENCY AGREEMENT FOR RECYCLED WATER BETWEEN LAS GALLINAS VALLEY SANITATION DISTRICT AND NORTH MARIN WATER DISTRICT

Mr. Williams updated the Board on the revisions for the Inter-Agency Agreement for Recycled Water between Las Gallinas Valley Sanitation District (LGVSD) and North Marin Water District. He noted that the revised agreement contains revisions with the primary intent of clarifying how the Recycled Water Capital Replacement and Expansion Fund is funded and how the funds are divided between the two agencies. Mr. Williams added that the agreement was reviewed by legal counsel and noted that the Inter-Agency Agreement with Novato Sanitary District will also come back to the Board at a later date.

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

Director Joly stated he did not fully understand what the agreement revision was all about. Mr. Williams replied that originally the agreement established any excess revenue generated from the sale of recycled water would be shared among both agencies to replace infrastructure on either side in need of repair. He noted that the revised language separates the fund into two separate accounts, so when one agency has a need to expand or do a repair they can pull from their own fund. Director Joly asked if legal counsel looked at the agreement and Mr. Williams confirmed. Mr. Williams also noted that he discussed the agreement with Ms. Blue and she is aware of the reporting requirements. Director Petterle asked about the rebuilding of the LGVSD facility since LGVSD sells recycled water to both NMWD and MMWD. Mr. Williams replied that the facility is owned by LGVSD and they sell recycled water to both agencies. Mr. Ramudo stated that the one LGVSD treatment plant serves both systems (NMWD and MMWD) and a previous separate MMWD-owned facility no longer operates.

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

On the motion of Director Joly, and seconded by Director Fraites the Board authorized Revision 2 (dated June 2022) to the Inter Agency Agreement between Las Gallinas Valley Sanitary District and North Marin Water District by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

INFORMATION ITEMS

2022 DROUGHT UPDATE AND DISTRICT RESPONSE

Mr. Williams. Gave an update on the drought and reviewed the District responses, which included a request to form an Ad Hoc Drought Committee. Additionally, Mr. Grisso gave an update on Administrative fine limits.

Mr. Williams stated that the value in forming an Ad Hoc Drought Committee will be that it will allow two Board members to work offline with staff. He added that a similar committee was used for the West Marin Rate Study and the process was very effective. Mr. Williams noted that if the Board is interested in forming this committee no formal action is needed, other than to identify the members for the committee. He apprised the Board that key staff, which included Mr. Grisso and himself, would be part of this committee for up to a year, until at which time the committee would be dissolved.

President Petterle asked if there were any comments or questions from the Directors and if there was a consensus to form an Ad Hoc committee for drought response. Director Grossi stated that he thought it was a good idea, it would be a more efficient approach and would allow for a better consensus with staff. Directors Fraites and Director Joly both agreed the committee would be useful. Director Baker stated that he thought Director Grossi would be a good asset to have on the committee. Director Petterle stated that he is highly interested in being part of this committee as he has had many years of conservation and drought experience. Director Petterle asked if any other Board members were interested. Directors Petterle and Grossi were then identified as the new Ad Hoc Drought Committee members. Mr. Williams stated that in mid-July he will schedule a meeting via zoom, and he looks forward to doing a deeper dive into drought related issues.

Mr. Grisso reported that after additional discussion with legal counsel the \$1,000 fine was the highest enforceable legal limit based on the water code. Director Fraites asked if it could be \$1,000 the first time and then a higher rate for a repeat offender. Director Joly stated that the

trouble is with public perception is that consumers are asked to conserve in a drought, and then they see someone filling their pool. Director Joly added that we should not allow this to occur at all, someone with more money should not have the right to flagrant use. Director Petterle stated that \$1,000 is a lot of money to some, but not to everybody. He stated that we should stand as leaders, but not as an agency that penalized people. Director Petterle asked if we could install flow restrictors and charge them an excess tier rate for the water used. Director Petterle added that the District's AML system allows access to see how much water is used on a daily basis which is helpful to track an abundance of use. He added that he would also like to continue to advocate that the billing be monthly rather than bimonthly at it is currently. Director Petterle noted that most other bills are monthly and now that the meters are read remotely it should not be a problem to consider changing the billing schedule. Director Petterle stated that people often have no concept of water use, and suggested allowing the filling of pools only in winter or early spring and work with the City of Novato to enforce this. Mr. Grisso noted that there is not a large volume of customers that this may apply to, and suggested staff can circle back to the Board to discuss further refinements and reasonable actions to take if needed. He added that the new Ad Hoc Drought Committee can also have further discussion on this as well.

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

FY 2021/2 THIRD QUARTER PROGRESS REPORT WATER QUALITY

Mr. Ramudo reported on the third quarter FY 2021-22 progress report for Water Quality. He updated the Board on the Novato, Point Reyes and Novato Recycled Systems. He reported that both Novato and Point Reyes Station met the primary and secondary water quality goals.

Mr. Ramudo apprised that the Board that Stafford Lake continues to have blue green algae issues. He noted that algae was non-detectable in the drinking water and the concern is with recreational exposure. He added that staff also continues to monitor and follow the state's advisory program, noting blue green alae is increasing with climate change and will likely never go away.

Mr. Ramudo stated that in West Marin there was still concern with salinity intrusion in the Coast Guard wells. He added that the water use demand was down the last three months and Gallagher Well No. 1 continues to be a stable supply of good water. Mr. Ramudo reported that Gallagher Well No. 2. is underway and he hopes to have all the permitting documentation within a month after completion.

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

Director Joly asked other than dogs, how does the algae toxins impact recreational use. Mr. Ramudo noted that swimming is not allowed in the lake but noted that if the toxins get high enough it is possible toxins could become present in the fish, adding this is monitored weekly in order to change the advisory if needed.

Director Fraites stated that he has been reading about forever chemicals that are present all over the world and that they don't break down. He asked if NMWD was in danger of these chemicals. Mr. Ramudo replied that Forever chemicals are industrial man-made chemicals that once they make their way into the environment they do not go away. He added that they can be found in plants, animals, the ground and surface water. Mr. Ramudo stated that staff had done some monitoring and had no detections in Stafford Lake, most likely since our water supply has no industrial influence. He added that the EPA is working on future regulations and he should have more information on this in the next two years as it is an emerging concern. Mr. Williams noted that Mr. Ramudo is on the AWWA Water Quality Committee and working on this very issue. Mr. Ramudo added that currently forever chemicals are not a problem in our water sources, however if there are more action level goes from the state he will bring it back to the Board. Director Fraites thought it was fantastic that Mr. Ramudo is taking part of the committee.

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

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated June 9, 2022, Disbursements – Dated June 16, 2022, Point Reyes Light – NMWD Public Hearing Notice – West Marin Water Service Area, Point Reyes Light – NMWD Public Hearing Notice – Oceana Marin Sewer Service, Marin IJ – NMWD Public Hearing Notice – Novato and FY22/23 Insurance Renewal.

The Board received the following news articles: Marin IJ – Novato set to overhaul service fees – SEPT. 1 START; Marin IJ – System delivers modest rain to parched region – BAY AREA; Marin IJ – Lawmakers weigh buying out farmers to save water – STATE LEGISLATURE; Mendocino County Public Broadcasting – Requested variance would result in drastic curtailments; Mendocino County Water News – PG&E Requests Variance from FERC for Lake Pillsbury Diversions; Marin IJ – Editorial -Smart meters a key tool for conservation; Marin IJ – California water use ignores drought – URBAN AREAS; Marin IJ – Spread of virus still up, but flat; Marin IJ – Biologists: Late-2021 rains were big boost for salmon – WEST MARIN; Marin IJ – Editorial – Agricultural water waste must be curbed; Novato Advance – Drought stalks Marin once again – Marin County;

Marin IJ – Opinion – MMWD incumbents address water supply question and Marin IJ – Opinion – Agricultural water waste must be curbed.

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

Director Joly stated that the article on PG&E and the Potter Valley Project (PVP) caught his eye. Mr. Williams stated that it was a dynamic story, adding he and the attorney have access to FERC who is working with PG&E on the surrender of the license, noting the focus is on the documents to see what it means. Mr. Williams stated he will have a call next week about PVP with FERC to discuss the documents submitted and the variance requested. He noted that there is pushback from the stakeholders to be sure they do the right thing. Director Joly asked if the variance will affect our Russian River water. Mr. Williams replied that it will affect what is diverted to Lake Mendocino. Director Joly asked if they are doing the diversion now, and Mr. Williams replied that, not until FERC approval. Director Joly stated that it is important to stay on top of it.

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

President Petterle reminded the Board that the next NMWD Board of Directors meeting will be on June 28, 2022. He noted that since there were three meetings in June, the first meeting in July will be skipped.

ADJOURNMENT

President Petterle adjourned the meeting at 7:14 p.m.

Submitted by

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

Theresa Kehoe
District Secretary