

**NORTH MARIN WATER DISTRICT**  
**MINUTES OF REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
December 6, 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 Fraitess, 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 GM/Chief Engineer), Robert Clark (Operations/Maintenance Superintendent), Chris Kehoe (Interim Construction/Maintenance Superintendent), Pablo Ramudo (Water Quality Supervisor) and Rebecca Sylvester (Receptionist/Customer Service Assistant). Additionally, District employees Lia Solar and Eileen Mulliner joined the meeting. Also participating remotely were Carl Nelson (BPMNJ, Legal Counsel).

President Petterle requested that for those joining the virtual meeting from the public to identify themselves. Participating remotely was Ken Levin (Point Reyes Station Village Association).

**OATH OF OFFICE**

The Oath of Office was given by District Secretary Terrie Kehoe to Director Fraites.

**REORGANIZATION OF BOARD**

**Election of President**

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

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSENT: None

**Election of Vice-President**

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

AYES: Director Baker Fraites, Joly and Petterle

NOES: None

ABSENT: None

**Establishment of Meeting Times and Place**

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

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSENT: None

**Establishes the Manner of Calling Special Meetings**

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

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSENT: None

#### Appointment of District Officers

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

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSENT: None

#### Confirm Board Meeting Schedule for 2023

On the motion of Director Joly, seconded by Director Baker, the Board accepted the proposed meeting schedule for the 2023 calendar year with the understanding that the calendar may be adjusted as needed by the following vote:

AYES: Director Baker Fraites, Joly and Petterle

NOES: None

ABSENT: None

#### Committee Appointments

President Fraites announced that he will reappoint the same appointments unless he hears otherwise.

#### **HEARING**

President Fraites opened the Public Hearing at 6:09 p.m.

A public hearing was held to consider adopting Resolution 22-31 approving changes to the Facility Reserve Charges and amending Regulation 1. Mr. Williams stated that the Facility Reserve Charge Study (FRC Study) include the findings which will be considered for amendments to Regulation 1 for new or expanded service connections. Mr. Williams provided a presentation that summarized the FRC Study and the regulation changes. During the presentation, he noted that that the objective of the FRC Study was to ensure that the charges collected reflect the estimated reasonable cost of providing access to the water systems capacity for new

developments or expanded service, based on the estimated cost and value of the system capacity in both Novato and West Marin.

Mr. Williams noted that there were other minor changes for clarification of the regulation. The title was changed so Regulation 1 could apply to new customers, but also to connection upgrades such as for Accessory Dwelling Units. Mr. Williams stated that 5/8-inch and 1-inch lateral size rates are the same. He also noted that a stand-alone table for Recycled Water was added for clarity and that new language was added for land use approval and a new section for temporary service.

President Fraites asked if there were any questions from the Board.

Director Petterle asked for clarification of whether the entitlement was transferable to a new owner, but not to a different property. Mr. Williams confirmed the entitlement stays with the property.

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

President Fraites closed the Public Hearing at 6:27 p.m.

On motion of Director Petterle, seconded by Director Baker the Board adopted Resolution 22-31 approving changes to the Facility Reserve Charges and amending Regulation 1 by the following vote:

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: None

Director Joly thanked Mr. Williams for a good presentation.

### **MINUTES**

On motion of Director Joly, seconded by Director Baker the Board approved the minutes from the November 15, 2022 meeting as presented by the following vote:

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: None

## **GENERAL MANAGER'S REPORT**

Mr. Williams reported that on December 2<sup>nd</sup>, the Marin County Health Officer upgraded the Covid-19 health concerns to a medium community level. He noted that staff will continue to monitor the status of conditions and will continue to discuss the status of the virtual meeting format. Mr. Williams added that over the holiday he was in the emergency room and saw first hand people with seasonal flu, Covid-19 and Respiratory syncytial virus (RSV). He also referred to the articles in the agenda packet under miscellaneous.

Mr. Williams announced that on November 30<sup>th</sup> Sonoma Water held a tour at some of their key facilities for the NMWD staff. He stated that he, Chris Kehoe, and the NMWD engineers attended and it was a very informative tour. Mr. Williams noted that he had a chance to meet with some of the SCWA staff, including Kent Gylfe, the new Director of Engineering who replaced Jay Jasperse.

Mr. Williams informed that the Board that staff from the County of Marin requested that he and Mr. Miller participate in a follow up meeting regarding the Dillon Beach Wastewater Study. He reminded the Board that back in October he brought this to the Board of Directors and per their direction sent a letter to the County of Marin regarding the District's position on the Study. Mr. Williams noted that he will report back to the Board once staff finds out more about the project.

Mr. Williams reported that Lake Sonoma has fallen below 100,000 AF, and the SCWA has submitted another Temporary Urgency Change Petition to the state since the current Order expires on December 14<sup>th</sup>. He added that there is no concern that a 30% reduction in allocations will occur.

Mr. Williams noted that during the period of July through October, NMWD exceeded the required 20% reduction (closer to 28%) in allocation from SCWA per the current Temporary Urgency Change Order from the state. He added that as a whole the water contractors exceeded the 20% reduction.

Mr. Williams announced that on January 11, 2023, from 2:30 p.m. to 4:30 p.m. there will be a celebration of the Gallagher Well No. 2 Project at the Dance Palace.

President Fraites asked if there were any questions from the Board.

Director Joly asked how the SCWA well coming along as far as rainwater catchment. Mr. Williams replied that the SCWA well at Todd Road is going great at 1M gallons per day. He noted that they are a little behind schedule on the Sebastopol Well, but SCWA is hoping it will be online early next year. Mr. Williams added that the third well off Occidental Road will need more time for design improvements. Director Joly asked if the wells would be able to capture water from an atmospheric river at this time. Mr. Williams replied that the wells are very deep and the recharge

of the aquifer is slow and is not a one to one relationship. He added that they are a couple of years away from having the ability to inject water down as a recharge project. Mr. Williams noted that there is no doubt that recharge of the Santa Rosa plain will be beneficial over time.

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

### **OPEN TIME**

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

Mr. Levin thanked the Board and staff for all they are doing. He asked if the Gallagher Well No. 2 celebration was going to be at the Gallagher Ranch or somewhere else in West Marin. Mr. Williams replied that he has not secured the reservation yet, however we are looking to hold the celebration at the Dance Palace in Point Reyes Station. Mr. Levin replied that this was a good choice and he will pass the word around.

### **STAFF/DIRECTORS REPORTS**

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

### **CONSENT CALENDAR**

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

AYES: Director Baker, Fraitres, 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 22-32 will extend the continuation of teleconference meetings effective December 6, 2022 through January 5, 2022 pursuant to Brown Act provisions.

### **EXTENSION OF HALF MOON TANK LICENSE AGREEMENT FOR NOVATO SANITARY DISTRICT ANTENNA**

The Board approved the extension of the Half Moon Tank License Agreement for Novato Sanitary District Antenna. The current license runs through January 31, 2023 with a provision to extend the term of the agreement for an additional ten years and Novato Sanitary District has requested to exercise this option.

## **ACTION ITEMS**

### **RESOLUTION OF APPRECIATION FOR JAMES GROSSI**

Director Fraites stated that he is presenting a Resolution of Appreciation to the Board for Director James Grossi in recognition of his service on the NMWD Board from 2017 through 2022. He noted that Director Grossi served as President of the Board in 2021 and also served on the Drought Ad-hoc Committee. Director Fraites expressed his sincere appreciation and commended Director Grossi for his years of devoted public service and his invaluable and numerous contributions to North Marin Water District and the Novato and West Marin Communities.

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

Director Petterle applauded the resolution.

On the motion of Director Petterle, and seconded by Director Joly the Board approved the Resolution of Appreciation for Director James Grossi in recognition of his service on the NMWD Board from 2017 through 2022 by the following vote:

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: None

## **INFORMATION ITEMS**

### **QUARTERLY FINANCIAL STATEMENT**

Ms. Blue presented the Quarterly Financial Statement ending September 30, 2022. Ms. Blue reported that the Operating Revenue came in at 4% under budget and Operating Expense came in 2% over budget. She added that through September net income of \$1.7M was generated and \$2.1M has been spent towards capital projects this fiscal year. In Novato, Ms. Blue reported \$1.3M in net income for the fiscal year to date. Ms. Blue stated that the Recycled Water Operating Revenue was less than last year and total operating expense was 2% less than the prior year same period. She added that in West Marin the net income was \$50,295 and \$245,611 of the capital improvement projects were expended. Ms. Blue reported in Oceana Marin the net income through September was \$23,600 and there were no connection fees collected in West Marin or Oceana Marin.

President Fraites asked if there were any comments or questions from the Directors and there were none.

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

## **COMMENTS ON DRAFT ENVIRONMENTAL IMPACT REPORT FOR THE COUNTY OF MARIN**

## **HOUSING ELEMENT UPDATE, OCTOBER 2022**

Mr. Miller reported on the comments on the Draft Environmental Impact Report (DEIR) for the County of Marin Element Update for October 2022. He noted that District staff reviewed the County's Housing Element Update and the DEIR for the planning period 2023 through 2031. and staff submitted a comment letter to the County of Marin which included ten comments in regards to the Draft EIR. He noted that the District's consultant EKI who developed the 2020 Urban Water Management Plan (UWMP), indicated an approximate 3% increase in potable water demand for the period up to 2045 because of higher number of housing units. He noted that staff are not overly concerned as yet with revised numbers; but plan to follow the progression of the County and City housing developments.

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

Director Joly asked what the significance of the high demand of water was in extreme drought and what proposals do we need to make. Mr. Williams replied that what we are doing regardless of the housing process is to work closely with SCWA on the annual demand and supply assessment. He stated that, we will look at multiple dry years and what the situation will be with SCWA as our prime supplier, noting that there is more analysis still to come. Mr. Williams reported that the County of Marin moved potential housing units from West Marin to the east and some within our district.

Director Joly asked if different agencies have a different agenda regarding housing, noting that NMWD delivers a vital resource and at what point can we say we cannot go forward with this mandate. Mr. Williams replied that the EIR is a good report covering water supply issues, and we currently prohibit new connections unless they use recycled water for landscape irrigation. He added that the District does not have land use authority, or enough data to support a prohibition. Mr. Williams also noted that future development is somewhat hypothetical and staff will be relooking at the demand and supply projections listed in the 2020 UWMP.

A discussion followed regarding housing developments, affordable housing, and water supply. Director Petterle discussed affordable housing and water supply and added that MMWD has been looking for additional water supply for a long time, then the voters prohibited a desalination plant. He added that we need to make sure to get the word out to our customers that we are doing what we can to address these issues. Mr. Williams added that our Facility Reserve Charge is relatively high, because we do include cost of the new supply as well as infrastructure in the FRC calculation, such as known projects like Stafford Dam modifications, the new well in West Marin and SCWA projects.

Director Fraites stated that he understands affordable housing is in great demand,



however in some areas like near the Buck Center where there are million plus dollar homes, that is not affordable. Director Fraites noted that housing should be affordable and located near the transportation hubs. He added that the public needs to know what the District is up against and the more said the better.

President Fraites asked if there were any comments or questions from the public.

Mr. Levin stated that the issue with the Building Association in West Marin has been raised. He added that housing needs assessment and is driven by the building trades and does not pinpoint affordability. Mr. Levin noted that if we could limit infrastructure modifications to apply to affordable housing we would be in good shape, however it is extremely political and we need to encourage the County of Marin to push back. He added that if we don't have sufficient water from our wells in West Marin, or even enough water from Sonoma County for the Novato area, it is crazy to be building hundreds of units. Mr. Levin stated that he encourages the Board to track this.

Director Joly asked what was the year that we need to comply and measure up to the state's mandate. Mr. Miller replied that the planning horizon is 2035, adding that the County of Marin did not meet the last housing element. Mr. Williams stated that there is a lot of speculation on what would happen, noting 2030 is an important milestone. Mr. Williams added that based on what staff knows for future development, by 2030 recycled water will no longer offset potable demand unless there is a change where and when the development occurs. Director Joly asked how this relates to the continued drought and Mr. Miller stated that in a multiyear drought NMWD wouldn't have enough water available and we may see limited purchase of water supply from SCWA. He added that Stafford Lake is limited to the amount of water it can produce throughout the year and when adding the two together it is not enough to meet demand if fully built out. Mr. Williams stated that SCWA has a final technical memo on supply enhancements projects they would have to undertake in order to create other forms of supply. He added that NMWD's Drought Ad-hoc Committee is looking at ways to make more water available; but we don't know the answer at this stage.

Director Fraites commended Mr. Miller and Mr. Williams for a good report.

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

### **NBWA MEETING – DECEMBER 2, 2022**

Director Fraites reported on the NBWA meeting that was held on December 2, 2022. He stated that the presentation was given by Rick Thomasser, manager of the Napa County Flood Control and Water Conservation District and was about the Milliken Creek Flood Reduction and

Fish Passage Project; in which the multi-benefit dam removal and riparian corridor restoration was made possible by local partnerships with regional support. Director Fraites added that the work included removing a 67-year-old dam and restoring access to over 1,000 feet of spawning and rearing habitat for native steelhead trout.

President Fraites asked if there were any comments or questions from the Directors and there were none.

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

### **MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements – Dated November 17, 2022, Disbursements – Dated November 23, 2022, Disbursements – Dated December 1, 2022, NOTICE OF BOARD VACANCY, Point Reyes Light - Salinity Notice – November 17, 2022, Point Reyes Light - Salinity Notice – November 23, 2022, Point Reyes Light - Salinity Notice – December 1, 2022, NOAA Three Month Precipitation Outlook – December, January, February, NOAA Seasonal Drought Outlook, Notice of Special Meeting, Marin IJ– James Grossi, Jr. – Obituary, Marin IJ – Judy Schriebman – Obituary, Marin IJ – Notice of Public Hearing North Marin Water District- November 21, 2022, Marin IJ – Notice of Public Hearing North Marin Water District- November 28, 2022, Point Reyes Light – Notice of Public Hearing North Marin Water District – November 23, 2022, Point Reyes Light – Notice of Public Hearing North Marin Water District – December 1, 2022, Forestry Corps Letter of Support and California Department of Water Resources – New Report Shows Continued Water Conservation is Key to Enabling Suppliers to Meet Demand.

The Board received the following news articles; Point Reyes Light – North Marin Water District's new well is up and running; Marin IJ – Landowner's new push to expand county park – NOVATO; Marin IJ – Current affairs – Coho salmon spawners heading upstream after rains – WEST MARIN; Marin IJ – Marin officials pan key housing mandate report – ENVIRONMENTAL IMPACTS; Marin IJ – California Coastal Commission approves new desalination plant MONTEREY BAY; Marin IJ – Squeeze on Marin medical system – RESPIRATORY CASES; Marin IJ – Utility: Housing to strain system – NORTH MARIN WATER DISTRICT; Marin IJ – Utility to appoint successor to seat of late director – NORTH MARIN WATER DISTRICT; Marin IJ – State outlook mixed for winter COVID-19 wave – CORONAVIRUS; Marin IJ – Dry years pose rising risk for ecosystems, rural areas – STATE DROUGHT and Marin IJ – Weather outlook for Marin turns wet and colder – THE COUNTY

### **ADJOURNMENT**

President Fraites adjourned the meeting at 7:19 p.m.

Submitted by

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

Theresa Kehoe  
District Secretary