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3 **NORTH MARIN WATER DISTRICT**
4 **MINUTES OF REGULAR MEETING**
5 **OF THE BOARD OF DIRECTORS**
6 **MARCH 7, 2023**

7 **CALL TO ORDER**

8 President Fraites called the regular meeting of the Board of Directors of North Marin Water
9 District to order at 6:00 p.m. at the District Headquarters and the agenda was accepted as
10 presented. Present were Directors Jack Baker, Rick Fraites, Michael Joly, Ken Eichstaedt, and
11 Stephen Petterle. Also present were General Manager Tony Williams, District Secretary Eileen
12 Mulliner, Auditor-Controller Julie Blue and AGM/Chief Engineer Eric Miller. After introducing staff
present, Mr. Williams requested that Item #8 be moved from Information to the Action Calendar.

13 District employees, Robert Clark (Maintenance/Operations Superintendent), and Chris
14 Kehoe (Construction Superintendent) were also in attendance. Eric Lucan was also in the
15 audience.

16 **MINUTES**

17 On motion of Director Baker, seconded by Director Joly the Board approved the minutes
18 from the February 21, 2023 meeting as presented by the following vote:

19 AYES: Director(s) Baker, Eichstaedt, Fraites, Joly and Petterle

20 NOES: None

21 ABSENT: None

22 ABSTAIN: None

23 **GENERAL MANAGER'S REPORT**

24 During the General Manager's report, Mr. Williams brought to the Board's attention the 75th
25 year logo which was on a banner hung up behind the Board and that the Board will see its use
26 throughout the year. Mr. Williams also spoke about a Water Education Foundation (WEF) seminar
27 in Sacramento he attended in late February. He also gave a brief update on the Potter Valley Project
28 (PVP) stating there were ongoing discussions between a regulatory agency, PG&E, and FERC, and
29 that SCWA is pushing the importance of not bogging down the surrender process of the project. He
30 noted that the WAC Ad-hoc committee for PVP is convening soon. Mr. Williams also informed the
31 Board that Chris Kehoe is officially the Construction/Maintenance Superintendent and he
32 acknowledged that Pete Castellucci did a fantastic job during the interim period.

33 **OPEN TIME**

34 President Fraites asked if anyone in the audience wished to bring up an item not on the
35 agenda and there was no response.

1 **STAFF/DIRECTORS REPORTS**

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

4 **CONSENT CALENDAR**

5 On the motion of Director Petterle and seconded by Director Joly the Board approved the
6 following items on the consent calendar by the following vote:

7 AYES: Director(s) Baker, Eichstaedt, Fraites, Joly and Petterle

8 NOES: None

9 ABSENT: None

10 ABSTAIN: None

11 **CONSULTANT SERVICES AGREEMENT – SCS**

12 Subsequent to an inspection by the Environmental Protection Agency (EPA) at the Stafford
13 Treatment Plant, a report was issued to the District that included a number of items identified as
14 EPA “Area(s) of Concern”. One item was related to the chlorine systems used in production at STP.
15 The District solicited quotes from qualified firms to conduct a code gap-analysis and to provide a
16 comprehensive list of code changes since 2004 when STP was constructed to aid in compliance
17 with EPA guidelines. SCS was chosen by staff to provide the required professional services.

18 The Board approved the SCS Consultant Services Agreement for Audit of Chlorine Gas
19 System at Stafford Treatment Plant. Director Eichstaedt asked that a rate sheet be included with
20 the scope of work for consultant services agreements in the future.

21 **ACTION CALENDAR**

22 **APPEAL OF ADU FACILITY RESERVE CHARGE REFUND DECISION**

23 Mr. Williams advised the Board that there were three options before them: 1) to deny the
24 request for a partial refund, or 2) approved a partial refund, or 3) defer the matter for a later meeting.
25 He also noted that the President should allow time for District customer Eric Lucan to address the
26 Board following Mr. Miller’s report. Mr. Miller provided an overview of the District’s processing of the
27 ADU applications and the previous partial refund requests and correspondence between the District
28 and Mr. Lucan in which the District denied Mr. Lucan’s request. Mr. Miller explained to the Board
29 that Mr. Lucan had paid the previous FRC fee for two ADU projects and because the revised
30 Regulation 1 fees as of December 6, 2022 are lower than when he paid, he is requesting from the
31 District for a partial refund of the difference. Mr. Lucan addressed the Board and summarized his
32 appeal to the Board following staff’s denial of his request for a refund for his 2 ADU projects. After
33 discussion and comments by some of the Directors, a motion was made by Director Petterle to
34 support staff’s previous denial of any refunds. This motion was seconded by Director Eichstaedt but
35 after a roll call by the District Secretary, the motion did not pass with Directors Baker, Joly and

1 Fraites voting no. After additional discussion by the Directors, Director Joly proposed a compromise
2 to Mr. Lucan for a partial refund of the fee he paid for just only the second ADU for which fees were
3 paid on June 13, 2022 and in consideration that no water usage at the second ADU has occurred to
4 date.

5 On the motion of Director Joly, and seconded by Director Baker, the Board approved by the
6 following vote:

7 AYES: Director(s) Baker, Fraites, and Joly

8 NOES: Director(s) Eichstaedt, Petterle

9 ABSENT: None

10 ABSTAIN: None

11 Mr. Lucan left the meeting.

12 **LETTER OF SUPPORT FOR ASSEMBLY BILL (AB) 30**

13 Mr. Williams explained that he had been asked to send a letter to Assemblymember
14 Christopher Ward offering NMWD's support of Assembly Bill (AB) 30 which he sponsored and
15 SCWA co-sponsored. AB 30 updates and expands the Department of Water Resources
16 Atmospheric River Research and Forecast Improvement Program. Advancing observations and
17 forecasts of atmospheric rivers is critical to the successful water management and overall resiliency
18 in light of climate change and its impacts.

19 On the motion of Director Joly, and seconded by Director Baker, the Board approved by the
20 following vote:

21 AYES: Director Baker, Eichstaedt, Fraites, Joly and Petterle

22 NOES: None

23 ABSENT: None

24 ABSTAIN: None

25 **PROPOSED FY 2023/24 BUDGET REVIEW AND RATE HEARING SCHEDULE**

26 Julie Blue gave an overview of the proposed FY 2023/24 budget review and rate hearing
27 schedule. She said the dates are consistent with last year.

28 On the motion of Director Joly, and seconded by Director Baker, the Board approved by the
29 following vote:

30 AYES: Director Baker, Eichstaedt, Fraites, Joly and Petterle

31 NOES: None

32 ABSENT: None

33 ABSTAIN: None

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1 **INFORMATION ITEMS**

2 **INITIAL REVIEW SONOMA WATER FY 2023/24 WATER TRANSMISSION SYSTEM BUDGET**

3 Mr. Williams gave a brief overview of the initial review Sonoma Water FY 2023/24 Water
4 Transmission System Budget. He said that Sonoma Water will be giving a formal presentation at
5 the March 21, 2023 meeting. Director Joly expressed concern over the significant increase in the
6 rates compared to last year. Director Baker asked Mr. Williams to clarify if part of the reason for the
7 rate increase was Sonoma Water's desire to not continue with deferment or delay of any critical
8 projects and Mr. Williams confirmed and noted that lower water sales over the last 2 years was
9 another major factor.

10 **OCEANA MARIN AND SEWER SERVICES TO DILLON BEACH PROPERTIES**

11 Mr. Williams explained to the Board that a grant-funded study by the County that was done in
12 October 2022 as previously presented to the Board regarding Oceana Marin and sewer services to
13 Dillon Beach properties. Mr. Williams noted a recent meeting that the County held with the District
14 and the Local Agency Formation Commission (LAFCo) Executive Officer in which President Fraites
15 participated. Mr. Williams suggested an Ad-hoc committee be formed to participate in future
16 meetings and to discuss overall West Marin services in greater detail and the Board agreed.
17 Directors Fraites and Eichstaedt were identified as members of the new Ad-hoc committee.

18 **NBWA – MARCH 3, 2023**

19 President Fraites informed the Board that he attended the North Bay Water Association
20 (NBWA) meeting on March 3, 2023.

21 **MISCELLANEOUS**

22 The Board received the following miscellaneous items: Disbursements-Dated February 23,
23 and March 3, 2023, Auditor-Controller's Monthly Report of Investments for January 2023, U.S.
24 Seasonal Drought Outlook -February 28, 2023, Sonoma Water 2023 Strategic Plan, Fact Sheet –
25 West Marin Service Area Water Supply Resiliency Project.

26 The Board also received the following news articles: Marin IJ – Plans to split lots begin to
27 multiply – REAL ESTATE, Marin Municipal details drought surcharge plan – RECOVERING REVENUE,
28 Drought ends for majority of California – FEDERAL REPORT, Current U.S. Drought Monitor Conditions
29 for California: Current, Novato Advance – North Marin Water District; Serving Novato for 75 Years!

30 **ADJOURNMENT**

31 President Fraites adjourned the meeting at 7:22 p.m.

32 Submitted by

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34 Eileen Mulliner
35 District Secretary
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