

1 **NORTH MARIN WATER DISTRICT**
2 **MINUTES OF REGULAR MEETING**
3 **OF THE BOARD OF DIRECTORS**
4 **September 19, 2023**

5 **CALL TO ORDER**

6 President Fraites called the regular meeting of the Board of Directors of North Marin Water
7 District to order at 4:00 p.m. at the District Headquarters and the agenda was accepted as
8 presented. Present were Directors Jack Baker, Ken Eichstaedt, Rick Fraites, Michael Joly, and
9 Stephen Petterle. Also present were General Manager Tony Williams, District Secretary Eileen
10 Mulliner, and Auditor-Controller Julie Blue.

11 District employees Robert Clark, Operations and Maintenance Superintendent, Ryan Grisso,
12 Water Conservation Coordinator, Pablo Ramudo, Water Quality Supervisor, and Avram Pearlman,
13 Associate Engineer, were also in attendance.

14 **MINUTES**

15 On motion of Director Joly, seconded by Director Baker, the Board approved the minutes
16 from the August 15, 2023 regular meeting as presented by the following vote:

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

18 NOES: None

19 ABSENT: None

20 ABSTAIN: None

21 On motion of Director Petterle, seconded by Director Baker, the Board approved the minutes
22 from the Sept 12, 2023 special meeting as presented by the following vote:

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

24 NOES: None

25 ABSENT: None

26 ABSTAIN: None

27 **GENERAL MANAGER'S REPORT**

28 Tony Williams gave the Board a brief update regarding the Potter Valley project, saying that
29 the "New Eel-Russian Facility" proponents submitted a proposal at the end of July to PGE to take
30 over some of the facilities. He also said that the Russian River Planning Group will meet in early
31 October and will have more to report after that.

32 Mr. Williams told that Board that the West Marin Services Ad-hoc Committee met on August
33 18th in Oceana Marin and that they met with some of the residents while there. Robert Clark also
34 gave a tour of our Oceana Marin facilities. The Committee also visited the former Coast Guard
35 housing property in Pt Reyes Station. The next meeting will be in mid-October and Mr. Williams will
36 report back after that.

1 Mr. Williams has asked Ben Horenstein of Marin Water will give a presentation to the Board
2 on their water supply plans at an upcoming Board meeting.

3 Mr. Williams noted that there was a story in the Marin IJ regarding proposed regulations from
4 the State Water Board, and that it mentioned that water conservation is permanent. He and Ryan
5 Grisso will likely provide a comment letter to the Water Board.

6 Director Baker asked about the make-up of residents in Oceana Marin, wanting to know how
7 many people live in Oceana Marin full time versus part time or renters. Mr. Williams said they would
8 look into that and report back.

9 **OPEN TIME**

10 President Fraités asked if anyone in the audience wished to bring up an item not on the
11 agenda and there was no response.

12 **STAFF/DIRECTORS REPORTS**

13 President Fraités asked if staff or Directors wished to bring up an item not on the agenda.

14 Pablo Ramudo told the Board that there was an issue with the intake structure at Stafford
15 Lake. He said there was a problem with the hydraulic lines that operate the intake gates, resulting in
16 some water from the bottom of the lake entering the plant. This resulted in natural ammonia levels
17 rising and not a concern but that there was some chlorine odor detected and staff had received a
18 few calls about it, but again it was not a concern. We have been working on a fix for the hydraulic
19 lines, a contractor did come out and repair the hose. Director Baker asked if there was a health
20 issue with this situation and Mr. Ramudo said no.

21 Director Fraités mentioned that the Board should be doing the General Manager's
22 evaluation soon.

23 **Consent Calendar**

24 Director Joly asked to have Item #8, Bid Advertisement for Crest Pump Station Project,
25 taken off the Consent Calendar and moved to the Action Calendar. The request was approved by
26 the other Directors.

27 On the motion of Director Joly, and seconded by Director Baker, the Board approved the
28 following two items on the consent calendar by the following vote:

29 AYES: Director(s) Baker, Eichstaedt, Fraités, Joly and Petterle

30 NOES: None

31 ABSENT: None

32 ABSTAIN: None

33 **TEXT FOR FALL 2023 NOVATO "WATERLINE", ISSUE 51**

34 Draft text for the Fall 2023 Novato "Waterline" was presented to the Board for review. Issue

1 51 included information the General Manager’s message regarding the Redwood Blvd. Landslide
2 and local and regional water supply updates. Other information in this issue was advertisement for
3 the customer survey, water conservation program offerings, Watersmart AMI portal access, Low-
4 Income Assistant Program (LIRA), and the Cash for Grass and mule Rebate programs.

5 **CONSTRUCTION MANAGEMENT SERVICES FOR CREST PUMP STATION WITH GHD, INC.**

6 In February 2023, staff solicited proposals from three qualified firms to provide bidding
7 support and construction management services the for the construction phase of the Crest Pump
8 Station. Two of the firms did not provide proposals, however GHD, Inc. did. Although they were the
9 only firm to submit a proposal, they have a history of providing high quality services to the District.
10 Engineering will proceed with an agreement for bidding support and Construction Management
11 Services with GHD, Inc. for the Crest Pump Station project.

12 **~~BID ADVERTISEMENT FOR CREST PUMP STATION PROJECT – MOVED TO ACTION~~**

13 **CALENDAR**

14 **ACTION CALENDAR**

15 **BID ADVERTISEMENT FOR CREST PUMP STATION PROJECT**

16 Director Joly wanted to get an overview of the pump stations in the Novato system and he
17 asked how many we have and if we have looked into possibly reducing the number of them over the
18 next 20-30 years. Robert Clark replied that we have 25 pump stations and several hydro-pneumatic
19 systems as well as 6 pump stations in West Marin. Mr. Clark said that we really can’t reduce the
20 number of pump stations and that the system is well designed with the fewest number that we can
21 have. He said that pumps within each station are typically replaced approximately every 10 years.
22 Tony Williams reminded the Board there was a significant leak at the School Rd pump station as
23 reported by the then Construction Superintendent and overall it is located in a less than ideal
24 location and needs to be relocated, which is what the Crest Pump Station will do. Mr. Williams also
25 noted the project estimate was within budget. Director Joly asked about future development and in
26 particular the San Marin Pump Station. Avram Pearlman, Associate Engineer and engineer for the
27 project, addressed the Board and said he has worked with the District’s modeling consultant to
28 model if that zone could handle additional demand in light of the former Fireman’s Fund site likely to
29 be replaced with a multi-use development which includes significant additional housing. The San
30 Marin pump station will need to be improved to handle the future development and a new
31 transmission main will be needed from San Mateo Tank to San Marin Drive. The pump station
32 improvements will most likely be put on the developer to pay for upsizing the pumps but no new
33 pump station would be needed. Director Baker asked if there was any way to know when Crest
34 Pump Station will be completed and Mr. Pearlman said it will be approximately September 2024.

1 On the motion of Director Petterle, and seconded by Director Eichstaedt, the Board
2 approved by the following vote:

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

4 NOES: None

5 ABSENT: None

6 ABSTAIN: None

7 Avram Pearlman left the meeting.

8 **CONSULTING SERVICES AGREEMENT CONTRACT AMENDMENT FOR A COMPENSATION**
9 **STUDY WITH KOFF & ASSOCIATES**

10 The Board approved the agreement with Koff & Associates in March of 2023 to conduct a
11 compensation study for North Marin Water District in support the Side Letter agreement to the 2018-
12 2023 NMWD Employee Association Memorandum of Understanding. To date Koff & Associates
13 has made substantial progress on the study.

14 Tony Williams said that after review of the draft study, the Employee Association provided
15 feedback on a majority of positions that were looked analyzed and have requested additional
16 analysis. Mr. Williams, with consensus from the negotiations team, agrees with the additional
17 analysis and asked Koff & Associates to provide a proposal for additional work. The cost includes a
18 contingency amount to cover any unanticipated work or additional analysis needed to finalize the
19 study to help with timely completion and to avoid prolonged negotiations.

20 Director Joly asked if the Employee Association is satisfied with 34 positions being looked at
21 as opposed to every single one and Mr. Williams said he believed they were. He noted that the final
22 salary survey will also serve to complete a salary schedule for the District, which is also included in
23 Koff & Associates scope.

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

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

27 NOES: None

28 ABSENT: None

29 ABSTAIN: None

30 **LEASE AGREEMENT WITH INDIAN VALLEY GOLF CLUB – FUTURE AMENDMENT FOR**
31 **LEASE TERM**

32 Director Petterle recused himself from discussing and voting on this item as he is a member
33 of the golf club and would be unable to vote. Director Petterle left the room/meeting.

34 Tony Williams said that Indian Valley Golf Club (IVGC) would like to do some improvements
35 assuming the District wants to extend the lease after its expiration in 2030 and he said from staff's

1 perspective there is no problem with issuing a Letter of Intent to give them piece of mind that we will
2 want to continue. He noted that actual negotiations and a formal lease amendment is not an
3 immediate priority and that the District should evaluate the lease, including certain provisions (total
4 of five listed in the Board memorandum) at a time closer to the expiration.

5 Director Baker asked if there have been any big issues over the years, other than the areas
6 noted in the staff report. Mr. Williams said that golf balls in the lake have been an ongoing issue but
7 understands the benefit of the golf shop allowing people to test out clubs by hitting balls which
8 happen to be directed toward the lake. Pablo Ramudo said there are provisions in the lease
9 regarding chemical use on the course itself and this hasn't been an issue. Robert Clark said that
10 some community activities as well as County Parks have asked about having a path that goes
11 around the lake. Director Fraites said that he doesn't like seeing the golf balls but said he doesn't
12 see where you can put a driving range to avoid having them going in the lake. Director Joly asked if
13 the road was IVGC's responsibility to maintain and Mr. Williams said yes per the lease. Director Joly
14 also asked if there is any liability to the District, especially at the intersection with Novato Boulevard
15 and the answer was yes likely since the District is the property owner. He also asked if District
16 projects or operations that impact the access road has impeded on the golf club's business and the
17 answer was yes, at times, but we have worked it out with them through pre-planning and
18 communications. Mr. Williams was asked why 30 years was chosen as the term of the lease and he
19 said he had he chosen that time frame but was open to other terms based on the Board's input.
20 Director Eichstaedt asked if our legal counsel has reviewed the lease and Mr. Williams said that
21 they have not reviewed it but will when it is time to formally do an amendment and that it is why a
22 letter of intent is being used at this point. Director Eichstaedt also asked when the last time legal
23 reviewed the lease and Mr. Williams said it was 1988 when it was executed.

24 On the motion of Director Joly, and seconded by Director Eichstaedt, the Board approved by
25 the following vote:

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

27 NOES: None

28 ABSENT: None

29 ABSTAIN: Director Petterle

30 Director Petterle rejoined the meeting.

31 **LETTERS OF SUPPORT FOR WATER SYSTEMS PFAS CERCLA LIABILITY PROTECTIONS**

32 The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) is
33 designed to remediate contaminated sites and hold parties that caused the contamination financially
34 responsible for cleanup through its polluter-pays model. The Association of California Water
35 Agencies (ACWA) strongly supports the polluter-pays principle. However, under current federal

1 efforts ACWA member agencies and their ratepayers will be facing a community-pays outcome that
2 unfairly shifts the clean-up and liability costs onto ACWA member agencies and the public they
3 serve. The North Marin Water District is a member of ACWA, Region 1. ACWA is urging its
4 member agencies to send letters to Senators Diana Feinstein and Alex Padilla to build support for
5 PFAS liability protections for water and wastewater agencies under CERCLA. Without liability
6 protections, water systems could be held responsible for the cleanup of sites contaminated with
7 PFAS.

8 Tony Williams expressed to the Board that it is prudent to follow ACWA's request to send
9 these letters in light of PFAS issues and note that we will have to start testing for these chemicals.
10 The former Hamilton Air Force Base is on the list of CERCLA sites and could potentially have PFAS
11 contamination.

12 On the motion of Director Joly, and seconded by Director Eichstaedt, the Board approved by
13 the following vote:

14 AYES: Director(s) Baker, Eichstaedt, Frites, Joly and Petterle

15 NOES: None

16 ABSENT: None

17 ABSTAIN: None

18 **INFORMATION ITEMS**

19 **PRELIMINARY FY 22/23 FINANCIAL STATEMENT**

20 Julie Blue gave an overview of the Preliminary FY 22/23 Financial Statement to the Board.
21 She said we recently completed the fieldwork for the financial statement audit which was the first in-
22 person audit in 3 years. She added that some adjustments may be made prior to finalizing the FY
23 22/23 financial statement. She noted that operating revenue came in at 94% of the budget while the
24 operating expenses came in at 88% of budget. She added that capital expenditures were \$9.8M
25 which was 52% of the Capital Improvements Projects budget. She noted that the Administration
26 and Lab Building Upgrade project was a significant portion of the CIP. The Novato service area's
27 net income was \$4.4M which included drought surcharges of about \$400,000. Connection fees
28 collected were approximately \$440,000 over the fiscal year. She also said that 188 mg of recycled
29 water was consumed and overall there was a loss of \$126,000 in revenue for the fiscal year for
30 recycled water. West Marin's consumption was 50.9 mg and the system showed a net loss of
31 \$41,000. She said that Oceana Marin has 235 active accounts with over \$300,000 in operating
32 revenue and a net loss of \$63,000.

33 Julie told the Board that the final audited financial statement will be presented at an
34 upcoming board meeting. Director Joly asked if the number of recycled water customers was at the
35 maximum possible. Tony Williams answered that there will be a few more new customers but there

1 are limitations due to where the recycled water pipelines are located. There is a potential for some
2 additional customers in the Hamilton area as the recycled water pipeline in that area is being
3 extended next to the Homeward Bound project. The Hamilton shopping area is a potential future
4 customer because of this extension.

5 **POST-DROUGHT CONDITIONS AND FUTURE WATER MANAGEMENT**

6 Tony Williams told the Board that in June 2022, Directors Petterle and Grossi were identified
7 to serve on the Drought Ad-hoc Committee. After Director Grossi's passing, Director Joly joined the
8 committee in his place. Mr. Williams said the committee met several times since June 2022. He
9 said that now that the drought is over it is time to sunset the committee. He is recommending a new
10 Ad-hoc Committee for Water Management be formed. The Board identified Directors Petterle and
11 Joly to be on it. Director Fraites stated Directors Petterle and Joly will serve on the newly formed
12 Water Management Ad-hoc Committee.

13 **POST DROUGHT CUSTOMER SURVEY**

14 Ryan Grisso addressed the Board noting that as we have come out of a drought that now is
15 the time for customer education which was a recurring theme with the Drought Ad-hoc Committee.
16 He said he is working with Kiosk to create a post-drought customer survey, which is included with
17 this item. He said he is working on establishing a baseline on what we communicate to them and
18 how we communicate to them. Director Petterle said he liked the survey idea but would be
19 interested in another question to be on it: to ask customers what their annual usage is. Ryan said
20 they can add this to the survey. He said the survey will be advertised in the Novato Waterline for the
21 month of October. Director Eichstaedt asked if this will go to the West Marin Waterline as well.
22 Ryan said it is currently Novato-based because the District doesn't do a Fall Newsletter for West
23 Marin but it can go to West Marin as well since it will actually reside on the website. He said he feels
24 that this is a good way to keep West Marin in the loop, and will also explore including it in the Spring
25 Waterline for West Marin. Director Petterle said the survey should not go to Oceana Marin since we
26 don't provide water service there.

27 **FY 2022/23 END OF YEAR PROGRESS REPORT - WATER CONSERVATION AND PUBLIC**
28 **COMMUNICATIONS**

29 Ryan Grisso gave a brief overview of the Water Conservation and Public Communications
30 End of Year Progress Report to the Board. He said that there has been a slight decline in
31 conservation participation but we continue to offer programs. He also said that we are looking to
32 possibly revamp some of the incentives. Ryan said that we are continuing with our communication
33 program and social media updates. He said the website is ADA accessible and that Kiosk, Inc., our
34 communications consultant, monitors the website for this compliance. Mr. Grisso noted that we send
35 out the Waterline newsletter twice a year to Novato residents and once a year to West Marin. He

1 stated that a social media report is produced each month that is included in the Board agenda
2 packets. Tony Williams mentioned that the Stafford Dam/Lake is now a stand-alone page on the
3 website.

4 Ryan Grisso left the meeting.

5 **FY 2022/23 END OF YEAR PROGRESS REPORT - WATER QUALITY**

6 Pablo Ramudo gave an overview of the Water Quality End of Year Progress Report to the
7 Board. He said that there are fewer nutrients going into the lake. The lake has had algae but no
8 large blooms of blue green algae which cause issues. This year's algae was half of what it was last
9 year. He said that at the Stafford Treatment Plant they were able to remove the TOCs which results
10 in less disinfection byproducts.

11 Pablo said that there has been a great deal of improvement for the Pt. Reyes system due to
12 Gallagher Well No. 2. There has been a lot of fresh water coming in and less salt water and that the
13 bromide level has been very low. We were able to turn off Gallagher Well No. 1 in June. He noted
14 there has been no salts in the wells, and no iron in Well No. 2 and very low iron in No. 1. He also
15 mentioned that the Deer Island recycled water facility was not run this year. Director Eichstaedt
16 asked how many complaints or comments have we received in West Marin and Pablo said he has
17 not heard of any complaints and that we have received a few positive comments. Mr. Ramudo gave
18 a PowerPoint presentation that summarizes new and upcoming regulations, including the Lead and
19 Copper Rule Revisions (LCRR), PFAS, new contaminants, microplastics, and changes to laboratory
20 operations and requirements. He said the inventory of service lines will be completed soon as part of
21 the LCRR. Pablo also noted that we performed some monitoring of PFAS in 2014 and 2015 and
22 there was no detection. Monitoring will be done again in 2024 and new methods will be used to
23 perform the tests due to new regulations which have much lower detection levels.

24 **MISCELLANEOUS**

25 The Board received the following miscellaneous items: Disbursements dated August 17,
26 August 24, August 31, September 7, and September 14, 2023, Monthly Progress Report, AR
27 Coalition AB 30 Support Letter, AWWA Utility Advisory – Letter to U. S. President Biden about
28 PFAS, and U.S. Seasonal Drought Outlook – August 31, 2023.

29 The Board also received the following news articles: Marin IJ – Marin Municipal set to start
30 study of new supply options – DROUGHT RESPONSE, Marin IJ – Water suppliers in Marin keep
31 eye on talks for dam – NORTH COAST, Marin IJ – Utility to convert dormant tunnel to water storage
32 – MMWD, Marin IJ – Plan looks to Sonoma for getting more water – MARIN MUNICIPAL, Marin IJ –
33 Increase sought in wager savings – STATE REGULATIONS, Marin IJ – Transition to smart meters
34 will face delay – MMWD, Politico – Keep off the grass, WaterNews Network – New California law
35 taps science to improve water management, and CalTrout News – Dam Removal on the Eel is

1 Closer Than Ever.

2 The Board also received the NMWD Web and Social Media Report –August 2023.

3 **ADJOURNMENT**

4 President Fraites adjourned the meeting at 6:02 p.m.

5 Submitted by

6 

7 Eileen Mulliner
8 District Secretary
9

10