

1 **NORTH MARIN WATER DISTRICT**
2 **MINUTES OF REGULAR MEETING**
3 **OF THE BOARD OF DIRECTORS**
4 December 5, 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, Assistant General Manager/Chief Engineer Eric Miller, and Auditor-Controller Julie Blue.

11 District employees Chris Kehoe, Construction Superintendent, Robert Clark, Operations and
12 Maintenance Superintendent were also in attendance.

13 **REORGANIZATION OF BOARD**

14 **Election of President**

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

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

18 NOES: None

19 ABSENT: None

20 ABSTAIN: None

21 Director Fraites left the meeting.

22 **Election of Vice-President**

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

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

26 NOES: None

27 ABSENT: Director Fraites

28 ABSTAIN: None

29 **Establishment of Meeting Times and Place**

30 On motion of Director Joly on the condition that the September 3, 2024 meeting be added
31 and made tentative, seconded by Director Petterle, the Board set the time and place of regular
32 meeting to be generally the first and third Tuesday of each month at 4:00 p.m. at the District office
33 by the following vote:

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

35 NOES: None

36 ABSENT: Director Fraites

37 ABSTAIN: None

1 Establishes the Manner of Calling Special Meetings

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

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

6 NOES: None

7 ABSENT: Director Fraites

8 ABSTAIN: None

9 Appointment of District Officers

10 On the motion of Director Eichstaedt, seconded by Director Joly, the following District officers
11 were appointed for the ensuing year: Tony Williams, General Manager; Eileen Mulliner, Executive
12 Assistant/District Secretary; Julie Blue, Auditor-Controller; and Eric Miller, Assistant General
13 Manager/Chief Engineer by the following vote:

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

15 NOES: None

16 ABSENT: Director Fraites

17 ABSTAIN: None

18 Confirm Board Meeting Schedule for 2024

19 On the motion of Director Joly, seconded by Director Petterle, the Board accepted the
20 proposed meeting schedule for the 2024 calendar year, including the addition of September 3, 2024
21 as tentative and with the understanding that the calendar may be adjusted as needed by the
22 following vote:

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

24 NOES: None

25 ABSENT: Director Fraites

26 ABSTAIN: None

27 Committee Appointments

28 President Baker asked to wait to vote until the next meeting until he receives confirmation from
29 the other Directors for the proposed committee assignments. The other directors agreed.

30 **MINUTES**

31 On motion of Director Joly, seconded by Director Eichstaedt, the Board approved the
32 minutes from the November 21, 2023 regular meeting as presented by the following vote:

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

34 NOES: None

35 ABSENT: Director Fraites

36 ABSTAIN: None

1 **GENERAL MANAGER'S REPORT**

2 Tony Williams reported to the Board in regards to the Potter Valley Project that an item was
3 brought to the Sonoma County Board of Supervisors on this date for a new joint powers authority
4 agreement that establishes the New Eel River Project Authority and allows the Proponents to
5 negotiate with PG&E. He also said that the Round Valley Indian Tribe, which is a sovereign nation,
6 will have a seat at the new Board.

7 Mr. Williams told the Board that Assemblymember Damon Connolly visited the Stafford
8 Treatment Plant and Dam recently. He will also be visiting the Point Reyes Treatment Plant in the
9 near future and he thanked Robert Clark, Brad Stompe and Eric Miller for helping with the Stafford
10 tour.

11 Mr. Williams mentioned to the Board that at the December 19, 2023 meeting there will be a
12 public hearing to consider changes to Regulations 15, 17, 18 and new Regulation 19. The notices
13 in the Marin IJ and Pt. Reyes Light will be occur the week of the 11th.

14 Mr. Williams updated the Board on the District's customer survey and said that to date we
15 have had 846 responses. Approximately 250 respondents will receive the 75th anniversary pint
16 glasses as a thank you. He said that the survey is open until next week and he will bring back final
17 findings at a future meeting, likely in January.

18 **OPEN TIME**

19 President Baker asked if anyone in the audience wished to bring up an item not on the
20 agenda and there was no response.

21 **STAFF/DIRECTORS REPORTS**

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

24 **ACTION CALENDAR**

25 **ACCEPT FY 22/23 ANNUAL COMPREHENSIVE FINANCIAL REPORT AND MANAGEMENT**
26 **REPORT**

27 Julie Blue informed the Board that the auditor from C.J. Brown & Company who was to give
28 a presentation to the Board on the FY22/23 annual comprehensive financial report and
29 management report was unable to attend the meeting so she would be giving the presentation in his
30 place.

31 Ms. Blue said that the report was done in accordance with auditing standards generally
32 accepted in the United States of America, and that the auditor's issued an unmodified opinion. She
33 also noted that we again received the GFOA Certificate of Achievement for Excellence award in
34 2022. She noted that the auditors reviewed our accounting practices and there were no issues
35 discovered.

1 Ms. Blue said that the current assets decreased by \$7.7 million (M) and that our liabilities
2 have increased approximately \$4.4M. Overall, our net position has increased approximately \$6M.
3 She said that total operation revenue of \$24.2M was an increase of \$660 thousand, but is still lower
4 than budgeted. She also said that we had a good investment year and that we earned \$1.2 million
5 in investment earnings, compared to a loss from last year. Ms. Blue said that total expenses
6 decreased by \$5.6M and that non-operating revenues increased by \$1.2M. Director Joly said it was
7 a good presentation and followed up with a question about pensions. Ms. Blue said that pension
8 liabilities increased by \$7.9M. The increase is due to a higher percent of the liability allocation from
9 the CalPERS pool and is a factor of the change in discount rate used by CalPERS. She said that
10 our pension funding status is in line with other agencies. Director Petterle asked if PEPRA has
11 helped us in reducing our pension liability and she said that it has since our employee base is now
12 greater than 50% PEPRA. Director Eichstaedt asked how many times C.J. Brown has done our
13 audits and Ms. Blue said that for many years, including the six years that Ms. Blue has been in her
14 role at NMWD. She also indicated that when their contract extension expires we will most likely go
15 out for an RFP. She said that they do audits for quite a few other water districts and cities in
16 California. Director Joly asked when she and Tony Williams look at the financials, if they see
17 anything that raises any questions. Mr. Williams expressed concern that the recently introduced
18 water conservation regulations might have an impact on both revenues and water rates, especially
19 as our expenses continue to rise. Ms. Blue emphasized the importance of ongoing discussions
20 about pensions. Director Joly thanked Ms. Blue and her staff and requested that the Directors
21 receive hard copies of the audit when they are available.

22 On the motion of Director Joly, and seconded by Director Petterle, the Board approved by
23 the following vote:

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

25 NOES: None

26 ABSENT: Director Fraites

27 ABSTAIN: None

28 **MISCELLANEOUS**


29 The Board received the following miscellaneous items: Disbursements dated November 22
30 and 30, 2023, Auditor-Controller's Monthly Report of Investments for October 2023,

31 The Board also received the following news article: Marin IJ – Water district to fortify basins
32 for Dillon Beach – NORTH MARIN, Slippery Statistics – ENVIRONMENT, What we flush matters for
33 health, safety – EDITORIAL, A better way to promote urban water conservation, MMWD unveils
34 draft plan to manage watershed lands – FIVE OBJECTIVES, NBC News - The vision of El Nino as
35 producer of historic California storms may be outdated – CLIMATE IN CRISIS

1 **ADJOURNMENT**

2 President Baker adjourned the meeting at 4:51 p.m.

3 Submitted by

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5 Eileen Mulliner
6 District Secretary
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