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3 **NORTH MARIN WATER DISTRICT**
4 **MINUTES OF REGULAR MEETING**
5 **OF THE BOARD OF DIRECTORS**
6 **March 19, 2024**

7 **CALL TO ORDER**

8 President Baker called the regular meeting of the Board of Directors of North Marin Water
9 District to order at 4:03 p.m. at the District Headquarters and the agenda was accepted as
10 presented. Present were Directors Jack Baker, Ken Eichstaedt, Rick Fraites, Michael Joly, and
11 Stephen Petterle. Also present were General Manager Tony Williams, District Secretary Eileen
12 Mulliner, Assistant General Manager/Chief Engineer Eric Miller, and Auditor-Controller Julie Blue.

13 District employees Chris Kehoe, Construction/Maintenance Superintendent, Robert Clark,
14 Operations/Maintenance Superintendent, and Tim Fuelle, Senior Engineer, were also in attendance.
15 Lynne Rosselli and Jake Spaulding of Sonoma Water were also in attendance.

16 Several District customers were also in the audience.

17 **MINUTES**

18 On the motion of Director Fraites, and seconded by Director Petterle, the Board approved
19 the minutes from the March 5, 2024 regular meeting as presented by the following vote:

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

21 NOES: None

22 ABSENT: None

23 ABSTAIN: None

24 On the motion of Director Joly, and seconded by Director Fraites, the Board approved the
25 minutes from the March 13, 2024 special meeting as presented by the following vote:

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

27 NOES: None

28 ABSENT: None

29 ABSTAIN: None

30 **GENERAL MANAGER'S REPORT**

31 Tony Williams gave a brief report on the Potter Valley Project. He said there was currently a
32 meeting in Mendocino County for the New Eel-Russian Project Authority Board. He said the
33 selection of the preferred alternate for the future diversion will take place at the meeting. This will
34 either be a roughened channel in the river or a pump-back facility to allow water diversions. Both
35 alternatives would utilize the existing diversion tunnel into Potter Valley.

36 Mr. Williams mentioned that in the Miscellaneous section of the agenda packet are two
37 articles regarding the proposed regulations for the "Making Conservation a California Way of Life
38 Regulation". He said that there is a public meeting on March 20, and Ryan Grisso will be attending

1 to get more information about the proposed regulation revisions. These revisions will ultimately
2 affect all of our customers.

3 **OPEN TIME**

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

6 **STAFF/DIRECTORS REPORTS**

7 President Baker asked if there were any staff or director's reports and there were none.

8 **ACTION CALENDAR**

9 **APPROVE: LYNWOOD PUMP STATION REPLACEMENT PROJECT – POSTPONE PUBLIC**
10 **HEARING AND SEEK OTHER PRIMARY SITES**

11 Eric Miller addressed the Board and provided a summary of project actions including a public
12 meeting that was held on March 6, 2024 as part of the CEQA process. He said there were several
13 public comments, most of them to extend the public comment period. He said that there are two
14 recommended actions for this Board item, the first is to extend the public comment period to May 6,
15 2024. The second action is, if approved, to seek additional "primary" sites for the pump station.
16 Director Joly asked, in order to be transparent, Mr. Miller to explain further. Mr. Miller said the
17 existing document has five alternative sites, of those, two are considered primary sites. He said he
18 is asking for approval to look for more alternative locations using the same selection criteria and he
19 said there could more sites near the current alternative sites. He noted that if more sites were
20 found, staff would have to modify the current Mitigated Negative Declaration (MND) document and
21 re-start the CEQA public review process. Alternatively, if staff is unable to identify additional
22 alternative sites that are viable, the process could continue using the existing CEQA document and
23 hold a public hearing for final consideration, or the Board could cancel the project. Director Petterle
24 asked for clarification on whether the District was eliminating the current site that has been identified
25 at Ignacio and Palmer, and selecting other sites. Mr. Miller said it could be eliminated if directed by
26 the Board but it is not recommended by staff. Director Eichstaedt asked what is the estimated cost
27 of delaying the project and seeking other alternatives. Mr. Miller said that based on the initial cost
28 for CEQA work to date it could be approximately \$100,000 - \$150,000 in consultant fees to do the
29 additional work. Director Joly said that Lynwood Pump Station is one of the largest in the system,
30 and the Board needs to make a decision based on cost and state law and that the CEQA process
31 has worked by notifying people to come speak to the Board. He reiterated that the Lynwood Pump
32 Station is an important one and that pump stations are very expensive and the Board has to take
33 time to make the best decision for the District and its customers. President Baker asked if anybody
34 for the audience wanted to speak to the item.

35 A member of the public approached the Board and said that the proposed site on Ignacio
36 Blvd. is a heavy traffic area and the long construction period is concerning. He said it will affect

1 property values. Director Joly said the Board is listening to what the public has to say and that they
2 will review the alternative sites but it is possible the Ignacio Blvd site may not change as an
3 alternative site. Director Petterle said the process does not end tonight, and will be ongoing and
4 there will be ample opportunity for the public to come to Board meetings. He said that it is nice to
5 hear from customers. He also said that he recently visited the Ignacio site.

6 Leonard Shaw spoke to the Board and said that he attended the last Board meeting. He
7 said that he hoped that staff would recommend to withdraw this location at this time and not 'kick it
8 down the road'. He said it is totally inappropriate site and the Board should have recognized this
9 and not waste engineering time. He said that the proposal for a 16" pipe from Entrada to Ignacio to
10 the site and beyond for 2,000-3,000 feet plus a 2,000 square foot building that is two stories high in
11 open space is very inappropriate. He said he is asking the Board to make the decision to cancel this
12 site.

13 Mike Arnold spoke to the Board and said he also endorses removal of this site. He said the
14 Board could do it and not follow the staff recommendation and this would help avoid a political fight.
15 He said this is a not an appropriate location. He said he was never notified and should have been.
16 He said he appreciates that the Board is listening and would appreciate it if the Board would end this
17 location now. He also said that District staff that he has interacted with in the past have been very
18 professional and helpful.

19 Earl McCowen spoke to the Board and said this location could be withdrawn from
20 consideration and it would make a lot of people very happy.

21 Director Joly noted that this is the beginning of the CEQA process, and he asked Mr. Miller if
22 the Board can take this site off at this stage. Eric Miller said CEQA has different levels, and for this
23 project we are at the Initial Study level and the CEQA document could be modified but it would have
24 to be recirculated for public review. He said the Board could remove this site tonight but staff is not
25 recommending that at this point. Tony Williams said that this site was not selected for the purpose
26 of disrupting residents, but rather the operational goal of filling key water storage tanks in the
27 southern part of Zone 2 currently served by the Lynwood Pump Station, which affects 18,000
28 customers. Mr. Williams said that one of the project goals is to find a better location that is more
29 centrally located to these tanks as well as replacing a 60-year old pump station so that our
30 customers have adequate water flow and pressure as well as adequate storage for fire protection.
31 Mr. Williams also noted that as the area has grown since the Lynwood Pump Station was built, the
32 ideal pump station location has changed. He also noted that the District has a lot of underground
33 pipelines that serve the Ignacio Blvd area that ultimately will have to be replaced which requires
34 excavating in the streets and that can be disruptive but the District always tries to minimize any
35 disruption as much as possible for pipeline replacements.

36 Judy Shaw spoke to the Board and said people have tried to keep Ignacio Valley beautiful.
37 She mentioned that some of the sites have to be purchased. She said there are many commercial

1 sites and empty land along the frontage road that could be used. She said she hoped the Board
2 would look into that. Leonard Shaw said some of the alternative sites are owned by others, and he
3 noted this particular site is owned by the City of Novato, he said the District should have already
4 talked to them to see if they will contemplate selling it to the District. He said the process seems
5 strange if the District is investigating sites without even knowing if we can buy the land.

6 President Baker said we have to identify sites, and investigate hydraulics and noted that the
7 current pump station is worn out and unsafe. He said it used to be a good location but because of
8 growth it isn't any longer. He also noted that the Hamilton Air Force Base used to be in Marin
9 Municipal Water District's territory but it is now served by the District and that has added more area
10 that is served by the pump station. President Baker said we need a site that is further south than
11 the current location. He said that some of the suggestions for alternative sites won't work
12 hydraulically. We are still hoping to find some place that fits the needs. Mr. Shaw spoke up and
13 said he feels the General Manager is saying it has to be at this location. Director Petterle said this is
14 not a debate but rather a Board meeting and asked if anyone else has anything to say and there
15 was no response.

16 Director Petterle said he is a licensed architect since 1979 and throughout his career one
17 objective is to work out differences on projects like this and has discussed this topic before. He
18 encouraged everyone to look at our website to stay informed on various topics and projects that are
19 discussed at the Board meetings. He said he knows things are not always straightforward but he
20 said an informed decision is important and has heard how the public feels about the project.
21 Director Petterle said that this project has been on several agendas in the past and the public would
22 have known that if they had kept watch on the agendas on the website. He said he is hoping the
23 design will be as great as the current Lynwood Pump Station. He said he is not ready to remove the
24 Ignacio location until all the facts are in and evaluated. He also said he would want the pump station
25 to blend in as best as possible with the surroundings and that, when it comes time to construct,
26 convenience will be taken into consideration. He also said that the CEQA process will look at all
27 impacts such as noise. Director Joly said that there are 17 items in the Initial Study, and noise is
28 one of them. Eric Miller said that the current goal regarding noise is that it will not exceed the
29 current ambient noise. He said we have 26 pump stations in town and they are not disruptive.
30 Director Petterle said noise will be mitigated and it will not be a problem. He said that aesthetics will
31 be very important. He also said that he encourages the public to come to future meetings. He said
32 he is willing to listen but wants to make sure all facts are produced.

33 Director Fraites said his main concern is the aesthetics and that he agrees with Director
34 Petterle but not sure if the architecture of new pump station will solve the issues. He said he is
35 hoping the public has confidence in the Board to make the best decision. He said he would like to
36 not build at this location but this is just his position. Director Joly urged the public to please trust
37 staff and the Board to look at the project carefully and make the correct decision. He said it is a little

1 early to take the project site off the table. He said each director is elected for a specific division but
2 they work as a whole for the District and again emphasized that the public should trust them. He
3 asked Mr. Shaw if the size was his main concern. Mr. Shaw said it will be an eyesore and asked
4 about the vehicle access and said the parking area and the pump station on open space doesn't
5 make sense. President Baker said he isn't ignoring the concerns but he doesn't want to pull this site
6 off at this stage.

7 On the motion of Director Joly, and seconded by Director Petterle, with the caveat that he
8 was making it clear to staff this this is not his preferred location. He said if is the only viable option, it
9 will have to be gorgeous, hidden and have no noise issues. The Board approved the item by the
10 following vote:

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

12 NOES: None

13 ABSENT: None

14 ABSTAIN: None

15 President Baker reiterated that it is premature to remove this site from the project. Mr. Shaw
16 thanked the Board for listening. Director Petterle apologized for the brevity of his response to emails
17 he received from customers. The members of public then left the meeting.

18 **APPROVE: AUTHORIZE AFFIRMATIVE VOTE FOR SONOMA WATER FY 2024/2025 WATER**
19 **TRANSMISSION SYSTEM BUDGET**

20 Jake Spaulding and Lynne Rosselli of Sonoma Water attended the meeting. Mr. Spaulding
21 presented the Sonoma Water FY 2024/2025 Water Transmission System Budget. He explained the
22 needs for infrastructure repairs and improvements and noted that there are three aqueducts that
23 serve the water contractors who pay the rate to receive water. Mr. Spaulding said there are
24 challenges such as a fully volumetric rate calculation, low water deliveries, aging infrastructure,
25 maintenance needs, increased repairs, and natural hazard vulnerabilities. He also said that last
26 year was the lowest delivery year on record. He said that main hazard mitigation projects were
27 budgeted to reduce overall risks as well as other capital projects to increase resiliency have been
28 budgeted such as operations and maintenance, improve, maintain, and protect system reliability, the
29 biological opinion, water supply planning, and water conservation. Mr. Spaulding noted that the
30 Operations and Maintenance (O&M) is the largest expense, followed by capital projects, and then
31 the biological opinion. The actual rate increase would have been 19.68% using the formula in the
32 restructured agreement but using a Water Advisory Committee approved agreement variance, the
33 proposed rate is 11.74% for the District, a difference of 8.08%. Director Joly stated that these are
34 shattering rates for the past two years as well as the foreseeable future and feels this indicates an
35 organizational failure on the part of Sonoma Water for the sudden change. Director Joly noted that
36 we have had a fair and reasonable relationship for so many years. Ms. Rosselli said that the rate
37 calculation is directly tied to volumetric changes to the delivery of water and that low water deliveries

1 in the last 3 years are a huge impact. She said that the future rate increase is based on the past
2 trend in water deliveries with only modest growth. She also said that Sonoma Water kept increases
3 low during the drought, COVID, and the past regional fires to minimize impacts to the water
4 contractors but now everyone is paying for it. Director Joly said he feels the model is broken when
5 there are catastrophic rate increases and Sonoma Water should consider how they define capital
6 projects versus O&M. Ms. Rosselli said having bonds and loans for capital projects helps keep the
7 rates lower than they could be. Director Petterle noted that the District could find itself in the same
8 situation by deferring needed projects, and then suddenly have the need to raise rates. Ms. Rosselli
9 emphasized again that the rate is mostly based on water deliveries. Tony Williams noted that the
10 Technical Advisory Committee (TAC) members and Sonoma Water staff are collaborating and
11 reviewing actual deliveries compared to budget at each TAC Ad-hoc meeting. Director Joly said he
12 thinks the restructuring agreement needs to be looked at some time in the near future. Mr.
13 Spaulding concluded his presentation and noted a slide that had the rates of other regional water
14 wholesales listed and Sonoma Water was the lowest. Ms. Rosselli said that higher deliveries will
15 reduce rates.

16 Director Eichstaedt said that we need to make sure we message customers, and people on
17 fixed incomes need to be informed and noted that capital projects are critical as we are going to
18 have to make some significant improvements.

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

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

22 NOES: None

23 ABSENT: None

24 ABSTAIN: None

25 Ms. Rosselli and Mr. Spaulding then left the meeting.

26 **APPROVE: NORTH BAY WATERSHED ASSOCIATION 2024 CONFERENCE SPONSORSHIP**
27 **- DIRECT STAFF**

28 Tony Williams explained to the Board that staff is not asking the Board for sponsorship at the
29 North Bay Watershed Association 2024 conference and that the cost is not budgeted. He said that
30 Karen Clyde, HR Manager, will be attending and has been working with NBWA on one of the
31 conference sessions. President Baker said that at one time the District declined to join the
32 association but we did eventually join and pay dues but do not donate to them. He said that he isn't
33 really in favor of donating. Director Fraites said he has mixed feelings and questioned why we need
34 an ad in the conference brochure when we pay dues. He said he hopes others will attend the
35 conference. Director Petterle said that it is a good group to be associated with and feels the
36 requested sponsorship donation amount \$1,500 is low. Robert Clark spoke and said that he feels it

1 would be beneficial to be a part of the conference and that these types of associations can bring
2 funding to the District.

3 On the motion of Director Petterle, and seconded by Director Eichstaedt, the Board approved
4 the item by the following vote:

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

6 NOES: Director Baker

7 ABSENT: None

8 ABSTAIN: None

9 **INFORMATION ITEMS**

10 **2023/24 MID-YEAR PROGRESS REPORT – OPERATIONS/MAINTENANCE**

11 Robert Clark addressed the Board and went over the 2023/24 Mid-Year Progress Report for
12 the Operations and Maintenance Department. He said that his crews have been busy and that the
13 granulated activated carbon replacement at Stafford Treatment Plant was completed this year. He
14 mentioned that since the Stafford Treatment Plant is nearly 20 years old, things are starting to wear
15 out and will be need replacement. Mr. Clark noted training sessions with Marin County Fire
16 Department for various events at the plant and dam. He also said that goats were brought in again
17 to help with the poison oak abatement around Stafford Lake and that this has worked very well. Mr.
18 Clark said that in Pt. Reyes the salinity in the water has dropped significantly since the Gallagher
19 Well No. 2 has been active and there has not been any complaints in the past 12 months. In
20 Oceana Marin, there has been an overall reduction of water infiltration in the collection system due
21 to key repairs and an active inspection program. In regards to Maintenance division, Mr. Clark said
22 NEXGEN asset management program is working well and overall usage is increasing.

23 President Baker thanked Mr. Clark for his report.

24 **MISCELLANEOUS**

25 The Board received the following miscellaneous items: Disbursements dated March 7, and
26 March 14, 2024, Monthly Progress Report, Auditor-Controller's Monthly Report of Investments for
27 January 2024, Letter from Assembly member Damon Connolly to CPUC President, ACWA – State
28 Water Board Releases Revised Draft Regulation for Making Conservation a California Way of Life.
29 State Water Board – Notice of Public Availability of Changes to Proposed Regulation Regarding
30 Making Conservation a California Way of Life.

31 The Board received the following news articles Marin IJ – Buyer of land has vision of 27 lots
32 – WEST MARIN, Marin, water agencies join study of extreme weather – CLIMATE CHANGE, Reject
33 AT&T's bid to shed local landlines – EDITORIAL, Pt. Reyes Light – Rodoni wins re-election in
34 landslide victory this week.

35 The Board also received the NMWD Web and Social Media Report – February 2024.

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1 **ADJOURNMENT**

2 President Baker adjourned the meeting at 6:19 p.m.

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Submitted by



Eileen Mulliner
District Secretary