

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
April 1, 2025**

CALL TO ORDER

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

District employees Chris Kehoe, Construction Superintendent, Robert Clark, Operations and Maintenance Superintendent, Ryan Grisso, Avram Pearlman, and Vincent Verissimo were also in the audience.

MINUTES

On motion of Director Petterle, seconded by Director Baker, the Board approved the minutes from the March 18, 2025, meeting by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

GENERAL MANAGER'S REPORT

Tony Williams gave a brief update on the Operations/Maintenance Manager position recruitment. He said it's been going well for having only been out for a week. He said we have received 6 applications so far and several are very impressive. He noted that Karen Clyde, HR Manager, has taken the lead on getting the message out through several outlets and said he will bring back more information at a future meeting.

Mr. Williams said the new laboratory is in the process of certification. We have hired a third party company that is approved by the State to help expedite and make sure the process goes smoothly. He said this process will continue into June and we expect to be fully up and running and certified by July.

Mr. Williams said he has been tracking ACWA's priority issues bulletins and will continue to add them to the Miscellaneous section of the agenda.

Mr. Williams told the Board that on March 27, NMWD hosted a virtual and in-person meeting with the City of Napa. Their Utilities Director gave a presentation on how they responded to the 2014 Napa earthquake, specifically to their water system. He said it was a good presentation and that 20 NMWD staff members attended, mostly from Operations and Construction, as well as the Engineering team. He said it was a good opportunity to share their lessons learned on their earthquake response and how we can learn from that.

Mr. Williams reminded the Board that there is a closed session at the end of the meeting.

President Joly asked about Dillon Beach. Mr. Williams said that Mark Hildebrand gave us a revised cost and that we are waiting on input from one of our consultants. He said his goal is to get a letter out to the County by Friday. Director Baker asked for clarification. Mr. Williams said that this was in regard to the County's study that looked at adding Dillon Beach to Oceana Marin. He said the County's costs looked very low to do this and staff feels that it is quite a bit more and the study is missing what it would actually cost from a connection fee standpoint. He said they used our standard \$30,000 connection cost which really only applies to properties within the Oceana Marin area that aren't connected to our system and that is an old calculation. In updating the connection fee, it's looking at what the true cost of the infrastructure would be and the what it would cost for service for new customers.

OPEN TIME

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

STAFF/DIRECTORS REPORTS

President Joly asked if there were any staff or director's reports and there was no response.

CONSENT CALENDAR

On the motion of Director Petterle, and seconded by Director Baker, the Board approved the Consent Calendar by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

AUDIT SERVICES AGREEMENT RENEWAL FOR FISCAL YEARS 2024/2025 – 2026/2027

C.J. Brown & Company, CPAs, has performed the District's audits for the past two fiscal years at competitive rates. They have submitted a three-year proposal for their audit services covering FY 2024/25 – 2026-27 at a fixed rate of \$28,850, with optional extensions for the following two fiscal years at the same rate. This rate is a 39% increase driven by one, the number of audit hours has increased and two, professional rates have risen industry-wide. Even with the increase, the proposed fee is reasonable given the level of expertise and service provided.

ACTION CALENDAR

APPROVE: CREST PUMP STATION – ADDITIONAL CONSTRUCTION CONTINGENCY

Eric Miller said this item and the next on the agenda are related. He gave a brief history of the Crest Pump Station. He said the project is to replace the pump station we currently have on School Road. He said construction has been going on and should be completed by the end of the fiscal year. He said that there have been some change orders which have increased the base

contract but the changes were necessary. He said we are asking for \$90,000 for additional construction contingency, and although he doesn't anticipate that all of that will be used, but it will give a buffer in the event something else comes up towards closeout. President Joly asked Mr. Miller if he was ok with the increase and Mr. Miller said he is.

On the motion of Director Eichstaedt, and seconded by Director Joly, the Board approved Crest Pump Station – Additional Construction Contingency by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

APPROVE: CREST PUMP STATION – CONSTRUCTION MANAGEMENT SERVICES CONTRACT AMENDMENT

Eric Miller said that GHD is providing Construction Management Services for the Crest Pump Station project. He noted that as part of a constructability review they have helped run different scenarios on the pump design. He also said that because the construction duration time has increased so has their time which is the reason for the requested contract amendment. Director Eichstaedt asked for a brief history of the project. Mr. Miller said that in 2017 the project was shelved for various reasons and then brought back in 2022. He said the original designer was Kennedy Jenks but they weren't able to work on the project at the later date. Mr. Miller said the plans were finalized and put out to bid and we hired GHD to be the construction manager (CM) on the project. They reviewed the plans but did not design the project. Director Fraites asked if there have been any complaints from the neighbors. Avram Pearlman, project engineer, answered and said the structure is done, the pump is in place, and the electrical work will be done later in the week. He said he has engaged with the local HOA and sent updates during construction. He said there has been some foot traffic with people walking in the area, but no complaints have been made. The neighbors seem to understand that this is good for the community from a water delivery and fire prevention standpoint. Director Fraites said good job. Mr. Williams noted that the District purchased the property from the City of Novato.

On the motion of Director Fraites, and seconded by Director Eichstaedt, the Board approved the Crest Pump Station – Construction Management Services Contract Amendment by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

INFORMATION ITEMS

REVIEW OF WEST MARIN WATER PROP 218 NOTICE

Tony Williams said the item in the agenda is the early draft of the Prop 218 notice that will be mailed to our West Marin customers. He noted that some of the language is required to be included by law. He said that Mark Hildebrand will at the next Board meeting to present his final rate study. Mr. Williams said the notice captures the 5 year rate increase and the different changes that occur, including commodity and fixed charges. He also said that the notice shows a comparison of other agencies and how we compare. He said that any feedback should come before we finalize the agenda for the next Board meeting. He noted that there is a lot of information on the first page, but we used bold text and colors to help draw the reader's attention. He also mentioned that the notice has been sent to Mark Hildebrand, legal counsel, and Kiosk for review and this draft is based on their input. We will need to mail it out soon after the April 15 Board meeting because there is a tight notification window to meet. Director Eichstaedt asked if the notice will be included with the water bills or mailed separately, Julie Blue and Mr. Williams said it will be mailed separately. Director Eichstaedt also said, that as a customer, it may be too much information, it may be helpful to use bullets to list the projects. President Joly agreed. He asked if we show the rate increase by percentage, Mr. Williams said it is shown in dollars in the table. Ms. Blue said that some customers may have to pay more than others, the table shows what a typical customer will pay and Mr. Williams reminded the Board that the 19% increase is a revenue increase amount not the direct rate amount. Director Petterle noted that Marin Municipal Water District was criticized for using percentage instead of dollars when they did a rate increase. President Joly asked why we are using uniform rates as opposed to seasonal for commercial customers. Ms. Blue said that seasonal rates are not very common anymore and that uniform rates were determined to be more fair. President Joly mentioned that the treatment plant rehab is a big contributing factor for the increase and could be another bullet item. Director Fraites said he liked the comparison chart and the notice. Director Petterle said he was a little confused on the chart heading and the chart, he said it should be more clear, especially clarifying that the chart is in dollars. He said the notice was well written but the last page could be rewritten. Mr. Williams said that Attachment 2 to the Board memo shows that we have a communication plan, and he said that it started last year when he and Mr. Miller were on a local radio broadcast describing the planned CIP. He said the plan demonstrates what we have done so far and what we will be doing for communication. He said a newspaper ad is being drafted and will be published soon. President Joly said that it is good we are doing this and getting the message out to the community.

ADMIN & LAB BUILDING – DEDICATION PLAQUE

Eric Miller gave a presentation on the proposed dedication plaque for the new Admin & Lab building. He showed a mock up of the plaque and the three options for placement and then opened it up for comments from the Board. Director Petterle like the location next to the front doors but was

concerned if the door would block it if it were propped open. President Joly also liked the front portal location as did Director Fraites. The patio wall was not preferred by any of the Directors. President Joly noted on the wording that the community should be listed first, then staff. Director Baker suggested only noting past and present employees, not future. President Joly thanked Mr. Miller for doing the plaque.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated March 20 and 27, 2025, Auditor-Controller’s Monthly Report of Investments for February 2025, NOAA Three Month Outlook Precipitation Probability – March 20, 2025, NOAA Seasonal Drought Outlook – March 20, 2025, ACWA Update on Priority Issues.

The Board received the following news articles: Marin IJ – Pipeline is best toward MMWD goals – EDITORIAL, Marin IJ – John Eyler Obituary, Marin IJ – Increase in costs to connect for water – MARIN MUNICIPAL, Marin IJ – Water diversion raises concerns about supply – RUSSIAN-EEL RIVER PLAN.

Director Eichstaedt asked about one of the disbursements to the DeToro family. Mr. Miller explained that this was a refund of estimated fee advance that were not all used on a developer project.

President Joly recessed the Board at 4:48 p.m. before entering closed session.

CLOSED SESSION

President Joly President Joly convened the Board into closed session at 4:57 p.m. to discuss the litigation with JM Manufacturing regarding PVC pipe. Craig Judson, of Bold Polisner, Maddow, Nelson, and Judson, was also present via telephone.

OPEN SESSION

Upon returning to regular session at 5:19 p.m., President Joly reported that the Board directed Mr. Judson to notify the attorneys involved in the JM Manufacturing case that NMWD was not pursuing the matter further.

ADJOURNMENT

President Joly adjourned the meeting at 5:20 p.m.

Submitted by



Eileen Mulliner
District Secretary