

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
May 20, 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, Avram Pearlman, Corey Reed, Vincent Verissimo, and Haylee DeMartini were also in the audience.

MINUTES

On motion of Director Petterle, seconded by Director Fraites, the Board approved the minutes from the May 6, 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 said he had a brief Potter Valley Project update. He said he recently attended the Marin Conservation League meeting on May 7. He said that Charlie Schneider of CalTrout gave a presentation and did a good job on an update and an overview of the PG&E decommissioning and new diversion. He said the final submittal of the surrender application from PG&E is due at the end of July.

Mr. Williams said that he attended the ACWA Conference last week and attended several good panels. He said one panel he attended was with four General Managers, and the topic was rate settings and communication. He said we seem to be doing what other districts are doing but heard some good ideas on future communication. He noted he is on the nominating committee for the Region 1 Board.

Mr. Williams noted to the Board that each director has been given a copy of the District's FY 2023-24 Annual Report and said that Ryan Grisso and Eileen Mulliner helped with choosing photos and captions and other staff helped with content. He also noted the front cover features our Consumer Services team. He said that Haylee DeMartini, a part of the Consumer Services group as the District's Receptionist/Customer Service Assistant, is the front line with customers, is in the audience tonight. Director Baker and President Joly both said it is a very impressive report.

Mr. Williams informed the Board that the District's fourth General Manager, Jerry Gilbert, has passed away at the age of 95. He said he had met him on several occasions and that he was a very sharp individual. He said that former General Manager, John Nelson said that Mr. Gilbert was a mentor to him.

Mr. Williams informed the Board that he will be out of the office on vacation the rest of this week, returning to the office on Tuesday May 27.

President Joly asked what number General Manager Mr. Williams is, and he said he is the ninth GM for the District. He noted that John Nelson and Chris DeGabriele each served 22 years as GMs.

Director Baker thanked Mr. Williams for the Annual Report and also thanked him for the closed session after the last Board meeting, he said he found the information very helpful. President Joly agreed about the Annual Report and liked that the Auditor-Controller was able to streamline the financials to two pages. Director Petterle said he would like a few more copies.

At the Board's request, Mr. Williams introduced all staff in attendance at tonight's meeting.

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.

Director Eichstaedt said he had attended the Point Reyes Village Association meeting and spoke about the West Marin rate study. He said he has received a couple of follow up emails but that generally, the customers understand why the rates will be increased. Director Baker asked who was represented by this group, if it was a merchant group, and Director Eichstaedt said it was a general group of our customers in that area, which could include local merchants.

CONSENT CALENDAR

On motion of Director Fraites, seconded by Director Petterle, 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

Director Baker asked if there was a possible date for the Open House. Mr. Williams said possibly August and will bring the item to the Board at a later date to discuss. President Joly said that it might be a good idea to schedule the Open House in September because people may still be taking vacations in August.

APPROVE: REVISION TO EMPLOYER ASSISTED HOUSING PROGRAM, POLICY NO. 42

The Board approved the revision to Employer Assisted Housing Program, Policy No. 42.

ACTION CALENDAR

APPROVE: EMPLOYER ASSISTED HOUSING PROGRAM LOAN REQUEST – ERIC MILLER

Julie Blue told the Board that this loan request is from Eric Miller, District Assistant General Manager/Chief Engineer to purchase a home in Novato. She said he has been with the District for three years. Director Baker asked where he lives now, and Mr. Miller said he lives in Novato, having moved here 10 years ago and is excited to relocate within Novato. He said it is an amazing program and grateful that it is available. He said he really enjoys working at the District and plans to be here for the remainder of his career.

On the motion of Director Petterle, and seconded by Director Eichstaedt, the Board approved the Employer Assisted Housing Program Loan Request for Eric Miller by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

APPROVE: AWARD CONSTRUCTION CONTRACT FOR SAN MATEO TANK TRANSMISSION MAIN PROJECT

Eric Miller said that project details were brought to the Board in March when staff requested authorization to advertise for bids. He went through the project briefly saying that originally, a smaller transmission main was installed when the tank was built, but as more development happened there became a need to upsize the pipeline. He said that the bids were solicited last month and 9 bids were received. He said the apparent low bidder was a relatively new firm and therefore they did not have the required build experience. He said as a public agency that is using public funding, we have a responsibility to contract with experienced firms. He said the 2nd low bidder, Team Ghilotti, was only \$6K over the apparent low bidder. President Joly asked about the existing 12" transmission line and Mr. Miller said it will be left in place while the new line is being installed and then will be abandoned in place in the future when it fails. Director Eichstaedt asked what sort of public outreach was done, Mr. Miller said a project sign has been installed at the site, a mailer with project details is being developed that will be sent to the neighborhood, and the WaterSmart program will be used to send out emails. He said that the contractor will also distribute door hangers shortly before construction begins. Director Petterle reminded Mr. Miller to ensure that TG complies with all environmental requirements. Mr. Williams said the consultant overseeing the project, ESA, will be monitoring the project. Mr. Miller also said that the project engineer, Avram Pearlman, will be in touch with the Graton Rancheria Indian Tribe as well for any cultural requirements. President Joly asked about the contractor trucks compromising the cul-de-sac and

Mr. Miller said they will not be parking in the cul-de-sac, but driving through to the job site and that they can access the site via San Andreas Ct as well. Director Petterle asked who will contact an archeologist for cultural related issues and Mr. Miller said the Indian tribe will be. President Joly asked, besides increasing the transmission main size, will the project improve fire protection and Mr. Miller said it will as it will improve water flows and the tank will fill faster.

On the motion of Director Eichstaedt, and seconded by Director Joly, the Board approved the Award of the Construction Contract for San Mateo Tank Transmission Main Project by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

INFORMATION ITEMS

FY 24/25 3RD QUARTER FINANCIAL STATEMENT

Julie Blue summarized the FY24/25 3rd quarter financials. She said the operating revenue is 78% of the budget and operating expenses are at 79%. She said that 87% of the CIP is completed, the three main projects are the Admin & Lab Building Upgrade, Crest Pump Station, and the Oceana Marin Treatment Plant. She added that the consolidated net income was \$70K. For Novato the year-to-date operating revenue is 13% higher than last year at this time and operating expenses are 22% higher. The increase in operating expenses is a result of increases in water purchases from Sonoma Water because the Stafford Treatment Plant was offline for many months. She said the net loss for Novato was approximately \$220K and we have collected \$123K in Facility Reserve Charges (FRCs). Stafford produced 66M gallons, and recycled water had an estimated 150.3MG consumed, 25% higher than last year. She added that there has also been an increase in West Marin Water consumption with 46.7MG consumed, 22% higher than last year. Operating revenues are higher, as well as expenses mainly due to more maintenance activity at the Treatment Plant. There was a net loss of \$101M in West Marin, and \$32K in FRCs have been collected. For Oceana Marin, Ms. Blue said that there was a net loss of \$27K year-to-date. President Joly said that increased Novato operating expenses is not great but Mr. Williams said that it is mostly due to additional water purchases from Sonoma Water and it should balance out by the end of the year. President Joly noted that pumping costs are higher too and Ms. Blue said that is mainly due to PG&E time of use charges. Director Fraites asked if water use in West Marin is up and Ms. Blue said that it is 22% higher than the prior year. Mr. Williams added that it is a typical rebound after having to cut back due to mandatory restrictions then once the restrictions are lifted, consumption increases.

ANNUAL WATER SUPPLY AND DEMAND ASSESSMENT FY 2025/26

Tony Williams said that our Urban Water Management Plan (UWMP) requires the District to perform an annual water supply and demand assessment and that we are working on the next UWMP as the current one is about to expire. He said that according to the water shortage contingency plan, contained within the UWMP, a water supply and demand assessment is a multi-step analysis each year. He said it looks at unconstrained demands which includes raw water use. The attachments to the Board memo in the report will be submitted to the State online as a requirement from the Department of Water Resources. He said that the report shows that we have no water shortages. President Joly asked if there is any worry about our annual supply through Sonoma Water and Mr. Williams said there are no concerns. He said it is very unlikely that demands will exceed our contractual supply.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated May 8 and May 15, 2025, Monthly Progress Report, Letter from MMWD Board President re laboratory services 5/2/25 and NMWD response.

The Board received the following news articles: Marin IJ – City oks plan for 66 homes in Novato – 13-ACRE SITE.

The Board also received the NMWD Web and Social Media Report.

ADJOURNMENT

President Joly adjourned the meeting at 4:49 p.m.

Submitted by



Eileen Mulliner
District Secretary