

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
March 20, 2007**

CALL TO ORDER

President Petterle called the regular meeting of the Board of Directors of North Marin Water District to order at 7:30 p.m. at the District headquarters and the agenda was accepted as presented. Present were Directors Rick Fraites, Steve Petterle, Dennis Rodoni and John Schoonover. Director Baker arrived at 7:32 p.m. Also present were General Manager Chris DeGabriele, Secretary Renee Roberts, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre.

District employee Robert Clark (Facilities Maintenance Superintendent), Ron Gerber, City of Novato and Al Cornwell, CSW/Stuber-Stroeh were in the audience.

CLOSED SESSION

President Petterle immediately adjourned the Board into Closed Session for:

1. Conference with Real Property Negotiators (Chris DeGabriele and David Bentley), regarding 999 Rush Creek Place, Novato, CA - Negotiating Party Ron Gerber, City of Novato. Price and terms to be discussed. (Government Code Section 54956.8).

2. Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to Government Code subdivision (b) of Section 54956.9 (one case re Lagunitas Creek Water Right License 4324B).

3. Conference with Real Property Negotiator (Chris DeGabriele) regarding terms of Restructured Agreement for Water Supply with Sonoma County Water Agency (Government Code Section 54956.8).

OPEN SESSION

Upon returning to regular session at 8:32 p.m., President Petterle stated that during the closed sessions the Board had discussed the issues and no reportable action had been taken on any of the three items. He also noted that legal counsel was available by telephone for Closed Session No. 2.

MINUTES

On motion of Director Schoonover, and seconded by Director Baker, the Board approved the minutes from the previous meeting as amended by the following vote:

Ayes: Directors Baker, Petterle, Rodoni, Schoonover

Noes: None

Abstain: Director Fraites

Absent: None

GENERAL MANAGER'S REPORT

Association of California Water Agencies

Mr. DeGabriele reported that Region 1 of the Association of California Water Agencies, which covers the area from Humboldt County to Marin County, will hold a meeting on April 20 in Marin and will tour the Stafford Lake Water Treatment Plant.

NMWD / MMWD Joint Board Meeting

The General Manager advised the Board that the tentative dates for a joint Board of Directors meeting with Marin Municipal Water District are Tuesday, May 29 or Wednesday, May 30 and asked the Directors to let him know what their preference is.

OPEN TIME

President Petterle asked if anyone in the audience or staff wished to bring up an item not on the agenda and the following items were discussed:

Additional General Liability Insurance from County Flood Control

Mr. Bentley reported that the General Manager discovered a 1985 agreement with the Marin County Flood Control pertaining to enlarging the spillway capacity of Stafford Dam that required the county to reimburse the District for the cost of an additional \$5M layer of general liability insurance over and above the District's existing \$5M policy. He said that staff brought this to the County, and in March, the County agreed to honor the obligation; and that beginning March 15, 2007, the District began carrying a \$10M umbrella liability insurance policy.

Novato Clean and Green Day

Director Rodoni stated that April 21st is Novato Clean and Green Day and that he will organize a work party for the District.

West Marin Mosquito Control Board

Director Rodoni advised that the West Marin Mosquito Control Board and the Marin/Sonoma Mosquito Vector Control District have met to discuss the renewal of the agreement signed last April. He stated the agreement addresses using a non-toxic approach to mosquito control. He said the Mosquito District is proposing to use a new product for some problem areas including dairy holding ponds and that he is requesting that the District Water Quality Supervisor

look at the product's chemical constituents to determine if there are any concerns for the District on its use.

MONTHLY PROGRESS REPORT

Mr. DeGabriele reported that in February, water production in Novato is on par with prior years and that February 2006 was drier than February 2007. He stated that in West Marin, production is on par with prior years and that a system leak in Bear Valley was the result of a tank overflow. He said that Stafford Treatment Plant production is on a seven-day operating schedule and is producing good quality water. Mr. DeGabriele stated that air quality in the Stafford Treatment Plant building is still a problem for treatment plant operators and that the Treatment Plant Supervisor is most affected. He said that the District will rent a trailer for him to work in while the HVAC system is being corrected. He noted that 5" of rainfall was recorded at Stafford Lake in February and that 2007 continues to be a relatively dry year. Mr. DeGabriele said that in West Marin, over 28" of rainfall was recorded which is above the dry year threshold.

Mr. DeGabriele reported that 92 High Efficiency Toilets were distributed on March 10 and that all old toilets will be recycled by the end of next week. He pointed out that in the Summary of Complaints and Service Orders high bill complaints were down significantly, most likely due to more rain this February than last February.

Mr. Bentley reported that the District had received loan money for the recycled water facility.

CONSENT CALENDAR

On the motion of Director Schoonover, seconded by Director Baker and unanimously carried the following items were approved on the Consent Calendar:

ASSIGNMENT - OLIVE CT SUBDIVISION 07-08

The Board approved an agreement on December 16, 2003 for the Olive Court Subdivision, but the applicant failed to begin construction within the 12-month deadline. The Board approved an amended agreement on March 15, 2005 and again the agreement expired before the applicant started construction. Consequently, the initial charges and construction cost estimate are no longer valid. The new developer is now ready to move forward and the agreement has been revised to reflect current connection fees and updated construction labor and material costs which have increased approximately \$30,000.

New water facilities for this project include approximately 400 feet of PVC pipe, three residential fire hydrants, 11 feet of 8" steel pipe and 230 feet of 1" copper pipe for one irrigation and nine domestic services.

The Board unanimously approved Resolution No. 07-08 entitled, "Authorization of Execution of Assignment of Water Services Construction Agreement with 496 Olive Avenue Associates, LLC and Novato Development, LLC."

APPROVE TEXT FOR WATERLINE, VOLUME 8, ISSUE 16

The Board authorized the General Manager to approve the Spring 2007 *Water Line* text, Volume 8, Issue 16 and the Board authorized an additional \$6,000 for *Water Line* production.

APPROVE POLICY #38 - MEETING ROOM POLICY/CONDITIONS OF USE

The Board adopted Policy No. 38 – Use of NMWD Meeting Room Policy / Conditions of Use.

APPROVE DISBURSEMENTS

The Board authorized payroll and accounts payable vouchers totaling \$1,027,632.76 for payment.

ACTION CALENDAR

APPROVE: RESPONSE TO FORMER EMPLOYEE QUESTION RE INTERN HIRING

Mr. DeGabriele said that at the previous meeting, former District employee Scott Smith spoke at Open Time with questions concerning his perceived discrimination surrounding the District's decision not to hire his daughter for the Engineering intern position. He presented a draft letter which addressed Mr. Smith's questions for Board comments and authorization to issue the response. He advised the Board that he had emailed Mr. Smith the draft letter and invited him to tonight's meeting.

On motion of Director Baker and seconded by Director Fraites, the Board unanimously authorized the General Manager to issue the response to Mr. Smith's questions.

APPROVE: ENGINEERING FACILITY MAP DATABASE MODIFICATION CONTRACT - WEBSOFT CONSULTANTS

Mr. McIntyre stated that it is necessary to streamline the District's existing facility map database system in order to provide faster access to information related to a given water service or District facility. He showed the District Index Map divided into grids and explained that each grid is a separate map and file. He stated that a large volume of the District's existing electronic facility maps need to be restructured to improve the readability, storage and retrieval of information. He said that Websoft Developers has the experience to transform the existing facility maps to AutoCAD Map, assist with the facility map database management and suggest drafting standard improvements to make the mapping system more efficient.

On motion of Director Schoonover and seconded by Director Baker, the Board unanimously authorized the General Manager to execute an agreement with Websoft Developers to provide professional drafting services for a not-to-exceed cost of \$10,060 plus a \$1,000 contingency.

APPROVE: SET DATE FOR PUBLIC HEARING OF NORTH MARIN WATER DISTRICT REVISED URBAN WATER MANAGEMENT PLAN 2005

Mr. DeGabriele reported that staff has updated the Urban Water Management Plan 2005 which was adopted by the Board in March 2006. He stated that since that time, the Department of Water Resources issued comments on the District's Plan that must be addressed in order for the District to be eligible for grant funding. He stated that the Sonoma County Water Agency has updated their Urban Water Management Plan and that the District's plan includes the latest water supply projections from the Agency. He requested the Board to set April 3 as the date to hold a public hearing and to consider approval of the Draft Revised 2005 Urban Water Management Plan.

On motion of Director Schoonover and seconded by Director Fraites, the Board unanimously approved April 3, 2007 as the date of the public hearing and consideration of approval of the North Marin Water District Draft Revised 2005 Urban Water Management Plan.

MARIN LAFCO SPECIAL DISTRICT ELECTION BALLOTS

Mr. DeGabriele stated that the Board had previously nominated Director Rodoni for the LAFCo Special District Regular Member and recommended the Board vote for Director Rodoni and for Kenneth Marks as Alternate Member.

On motion of Director Schoonover and seconded by Director Fraites, the Board unanimously voted for Dennis Rodoni as LAFCo Special District Regular Member and Kenneth Marks (Tiburon Sanitary District #5) as Alternate Member.

INFORMATION ITEMS

RESPONSE TO SIERRA CLUB MARIN GROUP RE GIACOMINI WETLAND RESTORATION PROJECT EIS/EIR

Mr. DeGabriele presented his response to a letter from the Sierra Club Marin Group that commented on the Giacomini Wetland Restoration Project EIS/EIR. He reported that the Sierra Club letter, which urged the District to change its threshold for maximum contaminant level (which is used to notify the public and operate our West Marin pumping system), contained factual errors and identified chlorine as the constituent rather than chloride. He said that the Sierra Club letter demonstrates that they do not understand that the need to avoid salinity intrusion into the West Marin water supply is based on health effects. He said the District letter points out those factual errors and explains the health effects of sodium levels in drinking water and the concern of by-

products resulting from disinfection combining with sodium, creating possible health risks to District customers.

DUTRA HAYSTACK LANDING – PROPOSED WATER SERVICE MODIFICATIONS

Mr. McIntyre provided an update on the Dutra Haystack Landing Asphalt and Recycling Facility and acknowledged Mr. Al Cornwell from CSW/Stuber-Stroeh who was in the audience to answer any questions. Mr. McIntyre stated that in January 2007, an application for water service was received from Dutra. He said that during review of this project after Dutra's acquisition of the property, it was discovered that two adjacent parcels were being provided water service through Dutra's meter and had been since 1966. Mr. McIntyre assured the Board that the District was unaware of this irregular service and staff has contacted the County of Sonoma for land use status for all three parcels. He stated that once the response is received from the County of Sonoma, staff will return to the Board to present options related to the irregular service. Mr. McIntyre said that anticipated water usage for the Dutra project is expected to be less than the 7 EDU entitlement that was established based upon the historical use. He stated that one option would be to normalize service and install individual meters to the two irregular service parcels with an entitlement of 1 EDU each which would be deducted from the Dutra entitlement, thus not increasing water demand for outside customers serviced from the SCWA aqueduct. He said that the District would have to wait to hear from Sonoma County before proceeding with this option.

Mr. McIntyre discussed the alternative service location of Dutra's existing meter and stated they are interested in a water main extension from the District's existing main down S. Petaluma Boulevard. He stated that new facilities would include one one-inch replacement meter on their property, one fire service and two new 5/8 inch meters for the irregular services if approved by the Board.

Director Baker inquired if the 1" proposed meter would be sufficient to serve the two irregular services as well as the Dutra project. Mr. McIntyre stated that as part of the Environmental Review for this project, a water balance has been done which identified that ten employees would be at the location, landscape would be minimal and that water from the river may be used for dust control.

Director Rodoni inquired if the parcels are in the North Marin District and Mr. McIntyre responded no, that the subject parcels are outside District territory. Director Rodoni advised that the Sonoma County LAFCo will need to approve the outside agreement, and voiced his concern with expanding water service in that area and stated he is interested in how the historical use is determined. Mr. McIntyre responded that the 7 EDU entitlement was based on historical use when

the meter was first set in 1966 when a dairy was established on the property. Director Rodoni stated that the entitlement was established in the contract, not based on historical use. Mr. DeGabriele clarified that equivalent dwellings units were not identified in the 1960's, but the size of the meter and use from the meter during the first 10 years was considered in assigning the entitlement to the property. Mr. DeGabriele stated that the District has made several unsuccessful attempts to encourage the City of Petaluma to take over service responsibility to this area.

Director Rodoni stated that it was his feeling that if the District continues to provide new service in this area, Petaluma will never take over responsibility. He opined that the District, by providing water service, promotes expansion to this area.

Mr. DeGabriele said it is not expansion of entitlement but an expansion of the facility. Director Rodoni stated that five EDUs for 10 employees in a small office building seems to be more than necessary. He said that since it is an outside water agreement, the District should have control over what the entitlement should be.

Mr. Cornwell left the meeting at 9:15 p.m.

NMWD COMMENTS ON DRAFT MARIN COUNTYWIDE PLAN 2005 AND EIR

Mr. DeGabriele provided the final comments to the Draft Marin Countywide Plan Update 2005 and Environmental Impact Report. He advised that he prepared a new West Marin Service Area water demand forecast based on the following development projections: in Point Reyes Station based on the 2001 Community Plan; PRE based on the developable lots; and in Olema, Bear Valley, Inverness Park based on the Marin Countywide Plan 2005 projections. He stated that the total development projection is less than previously expected and water demand is therefore less than previously projected in West Marin. He further advised that the District has sufficient water rights to meet those projections.

MISCELLANEOUS

The Board received the following miscellaneous items: California's Water Series with Huell Howser: Regional Solutions for Local Needs , 4th Annual Water Conservation Showcase, North Bay Leadership Council – Reception for Congressman Pete Visclosky.

The Board also received the following news articles: Help Affording Homes (3/8), and Lake Sonoma Water Rights Study Ordered (3/7).

ADJOURNMENT

President Petterle adjourned the meeting at 9:20 p.m.

Submitted by

Renee Roberts
District Secretary