

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
March 3, 2015**

CALL TO ORDER

President Baker called the regular meeting of the Board of Directors of North Marin Water District to order at 7:00 p.m. at the District Headquarters and the agenda was accepted as presented. Present were Directors Jack Baker, Rick Fraites, Stephen Petterle, and John Schoonover. Also present were General Manager Chris DeGabriele, District Secretary Katie Young, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre,

District Legal Counsel, Joe Wiley (Wiley, Price & Radulovich), District employees Ryan Grisso (Water Conservation Coordinator), Robert Clark, (Maintenance/Operations Superintendent) and Tony Arendell (Construction/Maintenance Superintendent) were in the audience.

CLOSED SESSION

President Baker adjourned the Board into closed session at 7:00 p.m. in accordance with Government Code Section 54957 for Public Employee Performance Evaluation (One), Title: General Manager.

OPEN SESSION

Upon returning to regular session at 7:22 p.m., President Baker stated that during the closed session the Board had discussed the issue and no reportable action had been taken.

MINUTES

On motion of Director Schoonover, seconded by Director Petterle and unanimously carried the Board approved the minutes from the previous meeting as presented.

GENERAL MANAGER'S REPORT

Water Supply

Mr. DeGabriele reviewed updated Russian River water supply charts and stated that Lake Mendocino was at 68,000AF through February and Lake Sonoma held over 218,000AF. He advised the Board that PG&E's stoppage valve repair at the Potter Valley Project has been completed. Mr. DeGabriele advised the Board that Stafford Lake continues to spill.

Mr. DeGabriele advised the Board that at the April 21st Board meeting, Sonoma County Water Agency will be making a presentation on the Potter Valley Project & Upper Russian River Water Supply.

Fluoridation

Mr. DeGabriele advised the Board that he has participated in two meetings about fluoridation of the Sonoma County Water Agency water supply. He stated that he is a member of the Fluoridation Advisory Committee representing the Technical Advisory Committee and has also volunteered to prepare a summary of what was studied over the last two years about fluoridation and provide a recommendation to the Sonoma County Department of Health Services. Mr. DeGabriele stated that the fluoridation of the Sonoma County Water Agency water supply is feasible and will cost around \$4.5M in capital costs and just under \$600K a year for operations and maintenance. He noted that the funding must not impact the rate payers or taxpayers and that the Cities of Sonoma and Cotati have formally opposed fluoridation and sent letters to the Board of Supervisors.

Coastal Sea Level Rise

Mr. DeGabriele informed the Board that he, Robert Clark and Drew McIntyre met with the County of Marin staff to discuss coastal sea level rise and identified the District's facilities in the coastal areas. He noted that he will be attending a CSMART Technical Advisory Committee Meeting on Friday, March 13th in Bolinas.

Director Fraites asked which sites of the Districts were vulnerable. Mr. DeGabriele stated that the Olema Pump Station along with pipelines in low lying roadways are vulnerable. He stated that the good news was that the mapping provided to date showed the Gallagher Well was outside of the sea level rise area.

Junior Accessory Dwelling Units

Mr. DeGabriele reminded the Board of the letter received from the City of Novato's Mayor about the connection fees for junior secondary dwelling units. He advised the Board that he, Drew McIntyre and David Bentley met and agreed that some type of connection fee is warranted and will come back to the Board with alternatives fee and a recommendation for the Board to consider.

OPEN TIME

President Baker 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 Baker asked if staff or Directors wished to bring up an item not on the agenda and the following items were discussed:

Robert Clark advised the Board that District employee Sue Kessler was hit by a car in Southern Novato while crossing the street in a cross walk. He stated that she will undergo surgery on her ankle and knee but is in high spirits. Mr. Clark also advised the Board that staff will have bi-annual CPR/First-Aid Training this week.

Mr. McIntyre advised that Board that an encroachment permit in City bike path adjacent to Hwy 101 in South Novato for the Central Area Recycled Water pipeline has been authorized and that District Associate Engineer, Carmela Chandrasekera did a great job working with CalTrans to get this completed.

Katie Young reminded the Board and staff that form 700's are to be completed by April 1st and that the District Company Picnic has returned and is scheduled for Saturday, July 25th at 11 am at Stafford Lake. She noted that the District will also be celebrating John Mello's retirement at the party.

President Baker advised the Board that he attended a meeting for the Novato Watershed Program policy advisory committee and stated that it was a good meeting where a PowerPoint presentation was shown about progress to date. He advised the Board that he will be attending the North Bay Water Reuse Authority meeting in Sacramento tomorrow to lobby elected officials to support the North Bay Water Reuse Authority recycled water development.

ACTION CALENDAR

OPTIONAL WATER CONSERVATION PROGRAMS FOR 2015

Ryan Grisso, Water Conservation Coordinator, reminded the Board that at the mid-year Water Conservation report staff described three program enhancement options to be funded with budget reserves and Prop 84 Grant reimbursements.

Mr. Grisso provided the Board with a brief summary of the three programs; 1) Cash for Grass Program – to receive up to \$1.00 per square foot, to receive both the Cash for Grass rebate level of \$0.50 per square foot and the Lawn be Gone incentive if the customer installs California Native low water use plants or habitat landscape; 2) Recycled Water Onsite Retrofits – remaining sites along the recycled water expansion areas requiring retrofit including Lanham Village HOA and Hamilton Park HOA; 3) Toilet Distribution –toilet giveaway requiring customers to complete a Water Smart Home Survey prior to receiving a free ultra-high efficiency toilet (UHET).

On motion of Director Petterle, seconded by Director Fraites, the Board authorized the recommended Cash for Grass program enhancements, approved and authorized staff to pursue the onsite recycled water retrofit construction where feasible, and approved and authorized staff to purchase UHET's intended for customer distribution, all to be funded with FY15 water conservation budget reserves and Prop 84 Grant reimbursements in FY15 by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni, Schoonover

NOES: None

STAFFORD DAM EMERGENCY ACTION PLAN – CONTRACT TO MICHAEL BAKER INTERNATIONAL

Mr. McIntyre advised the Board that current FY15 Operations Budget includes \$100,000 to prepare an Emergency Action Plan and new flood inundation map. He noted that the current dam failure flood inundation map was prepared over 40 years ago and needs to be updated. Mr. McIntyre informed the Board that a more focused EAP as recommended by the the California Department of Water Resources, Division of Safety of Dams enhances the District's emergency preparedness level as it relates to Stafford Dam. He noted that the plan is not required by state regulations.

Mr. McIntyre informed the Board that a Request for Proposals was mailed in November 2014 to eleven companies and three returned proposals. He stated he and Robert Clark reviewed the proposals ranking each firm based on selected criteria. He advised the Board that upon reviewing the proposals, staff chose Michael Baker International because of their extensive experience preparing multiple EAP's and that Mr. Dave Jeffries is their local training consultant, who is currently also working with Novato Fire Protection District and Novato Police Department on emergency preparedness training.

Mr. McIntyre stated that staff has negotiated the scope of work and budget over the last month and that the expenses for the contract will be incurred primarily through the end of this fiscal year; however it may be that some final work could extend into FY16. He recommended that the Board authorize the General Manager to execute an agreement with Michael Baker International with a limit of \$90,000 plus a contingency of \$9,000.

Director Rodoni asked about the overall cost of the project and questioned if the District was paying for the airfare of one of the project team members. Mr. McIntyre stated that one of the project team members is in the east coast office and will be making one trip which was included in the overall cost of the project.

President Baker asked if there was a suggested frequency for updating the emergency plan. Mr. McIntyre informed the Board that the emergency plan is not required by the State of California

and the District has the dam inspected once a year by the Division of Safety and Dams, who encouraged having an emergency action plan prepared.

On motion of Director Schoonover, seconded by Director Petterle, the Board authorized the General Manager to execute an agreement between Michael Baker International and the District for consulting engineering services with a not to exceed limit of \$90,000 plus a contingency of \$9,000 by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni, Schoonover

NOES: None

ADMINISTRATIVE CIVIL LIABILITY COMPLAINT #R2-2014-1024 UNAUTHORIZED CHLORINATED WATER DISCHARGE FROM WILD HORSE STORAGE TANK

Mr. DeGabriele provided the Board with the background regarding the incident of unauthorized chlorinated water discharge from Wild Horse Storage Tank into Vineyard Creek where a customer alerted the San Francisco Regional Water Quality Control Board (SFRWQCB). He advised the Board that originally the SFRWQCB issued an Administrative Civil Liability Complaint for the discharge and proposed a fine of \$45,500. He noted that upon settlement negotiations, the fine now stands at \$38,100, including \$14,000 proposed for a Supplemental Environmental Project (SEP). Mr. DeGabriele provided a brief description of the SEP which proposes to remove an area of invasive non-native blackberries and restore the creek embankment with native plantings as a STRAW (Students and Teachers Restoring a Watershed) project. He noted that the District will be responsible for the environmental review and the funding and the County will remove the invasive blackberries. He stated that the expected work is to be completed by the end of this calendar year.

Mr. DeGabriele provided the Board with maps which showed the location of the Wild Horse Tank, the location of the overflow and the location where the SEP will be located.

Director Fraites asked if there was any damage done to the biological make-up of the creek from the chemicals. Mr. DeGabriele stated that there was no observed damage resulting from chlorine in the water and no fish injury or deaths.

On motion of Director Petterle, seconded by Director Schoonover, the Board authorized the General Manager to accept and sign the ACL complaint #R2-2014-1024 and carryout the Supplemental Environmental Projects as proposed by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni, Schoonover

NOES: None

INFORMATION ITEMS

CONSIDER NOVATO COMMODITY RATE STRUCTURE SIMPLIFICATION

Mr. Bentley provided the Board with a PowerPoint Presentation to consider simplifying the Novato commodity rate structure. Mr. McIntyre oriented the Board on the different zones in the Novato area with a color coded map. Mr. Bentley went over the history of the Novato commodity rate structure and proposed that the rate structure be reduced to 10 different rates. There was a lengthy discussion among the Board and staff about simplifying the rate structure.

President Baker and Director Schoonover requested a copy of the color coded zone map that was presented.

President Baker expressed concern about equity among customers if the zones were combined.

Director Petterle advocated for one tier rate system for all customers.

Director Rodoni asked if there was cost savings to combining the zones and would a customer in zone B be in favor of the change. Mr. Bentley stated that it would simplify administrative duties.

Mr. Bentley advised the Board that he has heard the Board's comments and concerns and will not make any changes to the commodity rate structure now but will perform further analysis and bring the information back to the Board next year.

NBWRA MEETING UPDATE – JANUARY 26, 2015

Mr. McIntyre provided a summary of the North Bay Water Reuse Authority Meeting from January 26th. He stated that he and Director Schoonover attended and that there is \$133M for recycled water projects in Proposition 1 Water Bond funding available in the future. He noted that staff has been accelerating the Recycled Water Central Service Area Project should an opportunity to apply for more Proposition 1 grant fund money arise. He advised the Board that there is left over money from the NBWRA Phase 1 projects and the agencies who have projects remaining will meet to share the remaining funds.

NEXT STEPS FOR EXPIRING SWRCB EMERGENCY WATER CONSERVATION REGULATIONS

Mr. DeGabriele advised the Board that the State Water Resources Control Board is reviewing the current Emergency Water Conservation Regulations for the local water supply. He stated that although the District local water supply is in good shape, the state is not. He provided the Board with the information the State is contemplating and stated that he will participate in a

conference call on Thursday about the State Board's plan to update and extend the emergency water conservation regulations.

TAC MEETING – MARCH 2, 2015

Mr. DeGabriele provided the Board with a summary of the Technical Advisory Committee Meeting held on March 2nd. He stated that the Sonoma County Water Agency's draft budget was distributed and that the District's proposed water rate is a 5% increase this year. He informed the Board that the TAC voted to endorse the budget and recommend approval at the April 6th special meeting of the Water Advisory Committee. He noted that the Sonoma County Water Agency will adopt the budget at their April 30th meeting.

Mr. DeGabriele advised the Board that the State Board continues to measure the water conservation against the 2013 metric and that through January 2015, the region is down almost 14,000AF, a 16% reduction for the year.

NBWA MEETING – MARCH 6, 2015

President Baker advised the Board that he will be attending the North Bay Water Association Meeting on Friday, March 6th.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements, Salinity Notice (2/20), and a NBLSA North Bay Cost Comparison Flyer.

The Board also received the following news articles: Sonoma Council to take up fluoridation issue Wednesday, Fees cut at Marin County regional parks, New chief building official hits ground running, Sonoma County grape growers use technology to battle frost, and Most worry about drought but dislike mandatory restrictions.

The Board received the following miscellaneous items at the Board meeting: WAC/TAC Meeting – March 2, 2015, Salinity Notice (2/24) and the following news article: Seashore Lodge, restaurant and deli change ownership.

ADJOURNMENT

President Baker adjourned the meeting at 8:48 p.m.

Submitted by



Katie Young
District Secretary