

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
June 7, 2016**

CALL TO ORDER

President Schoonover 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, and John Schoonover. Also present were General Manager Chris DeGabriele, District Secretary Katie Young, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre. Director Dennis Rodoni and Director Stephen Petterle were absent.

Novato Resident Mike Jolly, District Legal Counsel Robert Maddow and Attorney Ed Bernard, District employees Pablo Ramudo (Water Quality Supervisor), Robert Clark, (Maintenance/Operations Superintendent) and Tony Arendell (Construction/Maintenance Superintendent) were in the audience.

CLOSED SESSION

President Schoonover adjourned the Board into closed session at 7:01 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 7:51 p.m., President Schoonover stated that during the closed session the Board had discussed the issue and no reportable action had been taken.

MINUTES

On motion of Director Baker, seconded by Director Fraites the Board approved the minutes from the previous meeting as presented by the following vote:

AYES: Director Baker, Fraites, and Schoonover

NOES: None

ABSENT: Director Petterle and Rodoni

GENERAL MANAGER'S REPORT

Capital Improvement Projects Budget

Mr. DeGabriele advised the Board that he checked with District legal counsel about Director Fraites' concern regarding approval of the FY2016/17 Capital Improvement Projects budget. He reminded the Board that the proposed budget includes a project to replace 1,400 linear feet of AC

pipe on Ridge Road, part of which fronts Director Fraites property and Director Fraites is also President of the Novato Heights Association, property owners in that vicinity. He advised the Board that legal counsel advises that Director Fraites does not have to recuse himself from budget consideration but will have to recuse himself when that specific project comes back to the Board for contract award/approval.

Las Gallinas Valley Sanitary District (LGVSD) Recycled Water Interagency Agreement

Mr. DeGabriele informed the Board that staff has started conversations with LGVSD on updating its Recycled Water Interagency Agreement. He noted that LGVSD is expanding their Recycled Water Treatment Facility to produce Recycled Water for Marin Municipal Water District and the District's point of connection may change. He stated that staff is hopeful that the production costs will also go down.

AMI Meeting

Mr. DeGabriele advised the Board that he and Mr. Bentley are meeting with Assemblyman Levine and a representative from Aclara (an Automatic Meters Information vendor) to discuss financing for the AMI project.

WaterLine Newsletter

Mr. DeGabriele informed the Board that *WaterLine* newsletters went in the mail today and should be in mailboxes this Friday or Saturday. He noted that staff waited to mail the newsletters until after the June election mail season had ended.

OPEN TIME

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

Mr. McIntyre reported that Team Ghilloti is working under the On-Call Services Contract at the Stafford Dam Spillway repair, and Ghilloti Construction is working under the On-Call Services Contract at the Zone A Pressure Improvements at Frosty Acres in Ignacio.

Mr. McIntyre reminded the Board that at the next meeting a public hearing will be held to approve the 2015 Urban Water Management Plan. He advised that a notice will be in the Marin IJ

tomorrow and the following Wednesday for advance notification and the Library has copy of the plan which is also provided on the District website.

CONSENT CALENDAR

On the motion of Director Fraitas, seconded by Director Baker the Board approved the following items on the consent calendar by the following vote:

AYES: Director Baker, Fraitas, and Schoonover

NOES: None

ABSENT: Director Petterle and Rodoni

RESCINDING RESOLUTION 16-14 ENTITLED: “RESOLUTION OF THE BOARD OF DIRECTORS OF NORTH MARIN WATER DISTRICT ENACTING REGULATION 54 A(3) – WATER DROUGHT SURCHARGE”

The Board rescinded Resolution 16-14 Entitled: “Resolution Of The Board Of Directors Of North Marin Water District Enacting Regulation 54 A(3) – Water Drought Surcharge” enacting a Water Drought Surcharge. State Water Resources Control Board adopted a Revised Regulation allowing for self-certification of water supplies and the District will certify that an adequate water supply exists, no mandated water conservation is required and the drought surcharge is not needed. Instead the District will adjust the proposed Fiscal Year 2017 Novato Water Operations Budget to reflect an increase in water sales to 2.5BG.

RENEW AGREEMENT WITH DISTRICT RISK CONSULTANT DB CLAIMS

The Board approved an agreement with DB Claims Services Group, the District’s risk consultant. The District’s risk consultant reviews insurance contract language, serves as an adjustor for claims and is used for special projects such as the Risk Management Review conducted in 2009. Cost of the work typically averages about \$1,000 per year.

2015 CONSUMER CONFIDENCE REPORT – NOVATO

The Safe Drinking Water Act requires water suppliers to publish and distribute a report of water quality information to customers annually. The report contains details and results of monitoring for various contaminants throughout the previous year, a description of the District’s sources of water and treatment regimes in Novato, as well as general information about water and its constituents.

Customers will receive a bill insert informing them that the report is available on our website and that a paper copy will be mailed to them upon request.

The Board authorized the General Manager to approve final text and design for the 2015 Consumer Confidence Report for Novato and related bill insert.

2015 CONSUMER CONFIDENCE REPORT – POINT REYES

The Safe Drinking Water Act requires water suppliers to publish and distribute a report of water quality information to customers annually. The report contains details and results of monitoring for various contaminants throughout the previous year, a description of the District's sources of water and treatment regimes in Point Reyes, as well as general information about water and its constituents.

Customers will receive a bill insert informing them that the report is available on our website and that a paper copy will be mailed to them upon request.

The Board authorized the General Manager to approve final text and design for the 2015 Consumer Confidence Report for Point Reyes and related bill insert.

ACTION CALENDAR

PROPOSED INCREASE IN OCEANA MARIN SEWER CONNECTION FEE

Mr. Bentley asked that the Board approve a letter to be sent to owners of vacant property in Oceana Marin and to the Oceana Marin Associations, local builder's associations and Marin Association of Realtors, advising that a connection fee increase is proposed for Oceana Marin and to set June 28th as the date for a public hearing to consider adoption. He advised the Board that the current Oceana Marin sewer connection fee is \$15,200 and it's proposed to increase to \$30,000 per dwelling unit. He informed the Board that the recent updated Master Plan for Oceana Marin recommends substantial improvements to accommodate new growth. He noted that the projects allocated to new growth include expanding the subsurface effluent disposal system and ¼ of the cost to improve other elements including a redundant force main from the Tahiti Way lift station to the storage/treatment ponds. Mr. Bentley stated that capital costs attributed to new growth totals of \$1.14M.

Director Baker asked that staff explore opportunities for Grant Funding to help pay for the Oceana Marin improvements.

Director Fraithe asked if Mr. DeGabriele advised the residents that this increase was going to occur. Mr. DeGabriele responded that Mr. McIntyre and he attended the Oceana Marin Association meeting in January but the majority of the people who attend the meeting are current customers. He stated that the future customers would most likely not attend the meeting and that it is why staff is asking the board to approve the letter.

Mr. DeGabriele suggested that the Board hold a public hearing on June 28th, along with the Oceana Marin rate increase hearing and that the Board may want to consider phasing the connection fee increase in stages and take into consideration that if the connection fee increase were to go into effect July 1st, there is not much time in-between the meeting and the effective date for future customers to request new sewer connections.

On motion of Director Fraites, seconded by Director Baker the Board authorized staff to mail the letter to owners of the vacant lots in Oceana Marin subject to the connection fee, as well as the Oceana Marin Association, local builder's associations and the Marin Association of Realtors, advising that a connection fee increase is proposed, and; set a public hearing for June 28, 2016, in Point Reyes Station to consider adoption of the proposed increase by the following vote:

AYES: Director Baker, Fraites, and Schoonover

NOES: None

ABSENT: Director Petterle and Rodoni

INFORMATION ITEMS

PT. REYES SYSTEM OVERVIEW – FOCUS ON WATER QUALITY

Pablo Ramudo provided the Board with a presentation on the West Marin water system identifying well locations, treatment facilities and distribution system methods to monitor and improve water quality. He advised that salinity at the West Marin Coast Guard Wells has increased by 3 times what was experienced approximately 10 years ago.

Director Baker asked that security be improved at the Point Reyes Treatment Plant since there is less United States Coast Guard security and activity in the treatment plant area now.

INITIAL REVIEW – FY17 WEST MARIN WATER AND OCEANA MARIN SEWER BUDGET

Mr. Bentley provided the Board with its first review of the West Marin water and Oceana Marin sewer budgets. He stated that for West Marin water a 7% commodity rate increase is proposed and no increase in the bi-monthly fixed service charge. He noted that this amounts to \$2.67/month for the typical West Marin single family residential customer. Mr. Bentley stated that at Oceana Marin, a 10% increase is proposed (\$7 per month) raising the annual sewer service charge to \$936 per year. He reminded the Board that the Oceana Marin sewer service charge is collected on the Property Tax bill and the ordinance change will also appear in the Pt. Reyes Light on two separate occasions to notice customers of the proposed increase.

Mr. Bentley advised the Board that the significant Improvement Projects budgeted for the coming year in Pt. Reyes include: \$450k to complete the bulk of the work on the \$525k replacement

of the PRE Tank burned in the Vision Fire, \$75k to replace the green-sand filter media in one of the two treatment plant filters, and \$100k to permit and commence construction of the \$300k project to install a second well on the Gallagher site.

Mr. Bentley informed the Board that the significant Improvement Projects budgeted for the coming year in Oceana Marin include: \$40k for continued infiltration repair work to prevent rainwater from leaking into the collection system, \$50k as the first half of the cost to design and install an additional trench in the disposal field, and \$50k to commence the \$300k project to reline 3,000' of 6" AC pipe.

Mr. Bentley advised the Board that there will be an additional review at the June 21st meeting and then the budgets will be considered at the June 28th public hearing in Point Reyes Station.

AMI PROJECT STATUS REPORT

David Bentley updated the Board on the Advanced Meter Information (AMI) system project status. He stated that a District's consultant has completed its assessment and recommends including a 5% contingency which brings the estimated total cost to \$5.25M. He informed the Board that bids are being solicited by the consultant to conduct a pilot study which involves retrofitting about 200 meters in various locations throughout Novato to confirm that AMI will work within Novato's rolling topography. He noted that it's likely more than one AMI vendor will be used to undertake the pilot program.

NBWA MEETING – JUNE 3, 2016

Director Baker stated that he attended the North Bay Watershed Association meeting on held on June 3rd. Mr. DeGabriele advised that the budget for NBWA was approved and the District's Budget obligation remains the same as last year at \$6,216.

TAC MEETING – JUNE 6, 2016

Mr. DeGabriele provided the Board with a summary of the Technical Advisory Committee Meeting agenda held on June 6th. He noted that Lake Sonoma currently holds 98.4% of capacity (238,000AF) and Lake Mendocino 98% capacity at 86,000AF. He stated that a Temporary Urgency Change Order has been approved by the State Board reducing minimum instream flows to meet the Biological Opinion requirements and there remains a lot of natural runoff in the watershed so little water is being released from storage for instream flow purposes at this time. Mr. DeGabriele informed the Board that the Sonoma-Marin Saving Water Partnership members have reduced water production by 24% during the period of June 2015 through April 2016 compared to a cumulative standard of 19%; and the Extended Emergency Urban Water Conservation Regulations enable self-

certification and the Water Conservation Standard going forward beginning in June 2016 should be zero.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements, Take it From the TAP! Program encourages Sonoma and Marin to choose tap water first, CA-NV AWWA Organizational Chart, AWWA Trustees, and AWWA Water Quality Lab Analyst Certification.

Mr. DeGabriele advised the Board that the agenda included CA-NV AWWA information is included since Drew McIntyre is an AWWA Trustee and Stacie Goodpaster (Senior Chemist) is Chairperson of on the Laboratory Analyst Committee.

The Board also received the following news articles: MacLeamy joins IJ editorial board, PD Editorial: Hopkins for 5th District Supervisor, Yorba Linda legal fight turns nasty as residents seek to overturn water rate hike, and Marin water agencies likely to ease mandates as state issues new rules.

The Board received the following miscellaneous item at the Board meeting: TAC meeting update – June 6, 2016.

Director Baker stated that the ACWA “Meet the President” event was appreciated.

ADJOURNMENT

President Schoonover adjourned the meeting at 8:44 p.m.

Submitted by

A handwritten signature in black ink, appearing to read "Katie Young". The signature is stylized with a large, looping "Y" and a long horizontal stroke at the end.

Katie Young
District Secretary