

**NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
July 21, 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, Dennis Rodoni and John Schoonover. Also present were General Manager Chris DeGabriele, District Secretary Katie Young, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre,

Novato Resident, Mike Jolly, District employees 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 7:01 p.m. in accordance with Government Code Section 54956.9 Conference with Legal Counsel – Existing Litigation Pursuant to subdivision (Hendrix litigation) and Government Code 54957 for Public Employee Performance Evaluation, Title: General Manager.

**OPEN SESSION**

Upon returning to regular session at 7:17 p.m., President Baker stated that during the closed session the Board had discussed the issues, and provided direction to staff.

On motion of Director Petterle, seconded by Director Fraites and approved the Board authorized the General Manager to execute a settlement agreement with Formosa Plastics when presented by the following vote:

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

NOES: None

No reportable action was taken on the General Managers Performance Evaluation.

**MINUTES**

On motion of Director Schoonover, seconded by Director Petterle the Board approved the minutes from the previous meeting by the following vote:

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

NOES: None

## **GENERAL MANAGER'S REPORT**

### **Grandview Ave. Leak**

Mr. DeGabriele advised the Board of a service leak on July 3 in the Black Point area on Grandview Ave. which resulted in damage to a homeowner's property. He stated that Mr. Bentley enlisted Don Blaquie to work with the homeowner to resolve damage claims and that the District is using Miller Pacific Engineering to evaluate any possible structural/foundation issues. Mr. DeGabriele stated that one of the bigger concerns was the District's response time and informed the Board that there were no stand-by duty personnel available. He noted that he has requested Mr. McIntyre, Tony Arendell and Robert Clark review that situation and make a recommendation so that this does not occur again.

### **Marin Community Foundation**

Mr. DeGabriele informed the Board that he was asked to participate in a meeting with Marin Community Foundation (MCF) last Wednesday. He noted that Sonoma County Water Agency's General Manager Grant Davis and representatives from Marin Municipal Water District were in attendance also. He advised the Board that MCF is developing a strategy to focus grants toward Stewardship of the Natural Environment and is analyzing current efforts on key issues including climate change. He stated that it was quite a freewheeling discussion and provided a lot of information.

### **Office Remodel**

Mr. DeGabriele advised the Board that he, Mr. Bentley, and Mr. McIntyre are embarking on a tour of other water/sewer agency headquarters that have recently been upgraded or constructed new to learn how those agencies went about it, what challenges were faced and to get ideas for the District's planned reconstruction. He noted that the first trip is this Thursday to Coastside County Water District.

## **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 reported that the Point Reyes Well #2 was remotely inspected with a television camera today to determine rehabilitation methods which will be suitable.

Mr. McIntyre advised the Board that there is only 800LF of Aqueduct Energy Efficiency pipe which remains to be installed and it will likely be done next week. He noted that the District expects substantial completion of the project by the end of September and that a dedication will be held subsequent to substantial completion.

Director Petterle advised the Board that the Stafford Lake Bike Park Phase 1 is scheduled to open on August 22<sup>nd</sup>.

President Baker thanked staff and the contractor for the improved temporary paving on S. Novato Blvd at the pipe bursting project.

### **MONTHLY PROGRESS REPORT W/ CUSTOMER SERVICE QUESTIONNAIRE**

Mr. DeGabriele provided the Board with the Monthly Progress Report for June. He stated that Novato water production was down 27% compared to one year ago and down 29% compared to June 2013. He noted that in West Marin water production was down 25%. He advised the Board that recycled water production is down 5% compared to one year ago. Mr. DeGabriele stated that Stafford Lake is currently at 60% capacity, Lake Sonoma is at 80% and Lake Mendocino is at 61% capacity.

Mr. DeGabriele stated that there were 364 Water Smart Home Surveys completed this fiscal year and that in the Summary of Service and Complaints high bills were up in June due to more water use. He informed the Board that there were four water quality complaints related to the challenges with chlorine residual at Stafford Lake. Mr. DeGabriele advised the Board that 108 Customer Service Questionnaires sent out and 26 returned providing good feedback and stating the District and its employees continue to provide good service.

Mr. Bentley provided the Board with the Monthly Report of Investments. He advised the Board that at the end of the fiscal year the District had a cash balance of \$14,178,900 and the average weighted Portfolio rate of return was 0.54%.

### **CONSENT CALENDAR**

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

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

NOES: None

**REVISION TO DISTRICT POLICY #32**

The Board adopted Revised District Policy #32 – District Vehicles Taken Home, which removed the Maintenance Foreman and Treatment Plant Operator residing in West Marin from the authorized list of District Vehicles taken home.

**DISPOSAL OF SURPLUS EQUIPMENT**

The Board approved staff to send a 2000 Dodge Dakota pickup, 2001 Dodge Ram 1500 pickup and a 1989 Kalmar P50 fork lift to 1<sup>st</sup> Capitol Auction for disposal.

**ACTION CALENDAR**

**ASSISTANT GENERAL MANAGER/CHIEF ENGINEER POSITION AND APPOINTMENT**

Mr. DeGabriele reminded the Board of his interest in planning a timely transition from the District. He stated that the Board requested he meet with the Chief Engineer and develop a prospective timeline for transition of the General Manager’s responsibility to him in a timeframe of approximately two years. Mr. DeGabriele stated that the plan called for an Assistant General Manager/Chief Engineer position (AGM/CE), which he provided the Board with a draft job description. He reminded the Board that the position was included in the FY16 budget which includes a 10% increase from the Chief Engineer merit step. He did note that 96% of the salary of the Sonoma County Water Agency’s AGM position is.

Director Schoonover asked Mr. McIntyre whether the additional Assistant General Manager duties would be manageable and he replied in the affirmative.

Director Rodoni requested the General Manager review the proposed organization chart and suggested that the AGM/CE position be shown just below the General Manager.

On motion of Director Fraites, seconded by Director Petterle, the Board approved the AGM/CE position description and appoint Drew McIntyre to that role by the following vote:

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

NOES: None

Mr. McIntyre thanked the Directors and the General Manager for the opportunity and advised he was humbled and excited to take on further responsibility at the District.

**CONTRACT WITH RMC FOR RECYCLED WATER CENTRAL SERVICE AREA PRODUCTION EXPANSION STUDY**

Mr. McIntyre advised the Board that in the Recycled Water Operations budget includes money to perform a recycled water production evaluation looking at both the District’s Deer Island and Novato Sanitary District’s Davidson Street plants to provide additional capacity to service the

Recycled Water Central Service Area Expansion Project. He stated that RMC prepared the design for both of the facilities and will develop two alternative concepts for increasing recycled water treatment plant capacity taking advantage of existing infrastructure to the extent practical at both recycled water treatment facilities. He noted that Novato Sanitary District and the District have agreed to jointly share the cost of this study estimated at \$55K.

On motion of Director Schoonover, seconded by Director Fraites, the Board authorized the General Manager to enter into an agreement with RMC Water and Environment pursuant to the proposal by the following vote:

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

NOES: None

**CHANGE ORDER NO. 9 – ENVIRONMENTAL SCIENCE ASSOCIATES FOR ENVIRONMENTAL SERVICES**

Mr. McIntyre advised the Board that Environmental Science Associates (ESA) is in contract with the District to perform tasks related to the Central Service Area Recycled Water Project. He stated that staff is requesting a Change Order that authorizes ESA to proceed with Cultural Resources Subsurface Investigations that were requested by the U.S. Bureau of Reclamation. He informed the Board that the Change Order would be \$30K plus a \$5K contingency.

On motion of Director Petterle, seconded by Director Schoonover, the Board authorized the General Manager to execute Change Order No. 9 to ESA for environmental consulting services related to the Central Service Area Recycled Water Expansion Project in the amount of \$35,000 with a \$9,000 contingency by the following vote:

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

NOES: None

**DISTRICT ASSET APPRAISAL**

Mr. Bentley advised the Board that the 2015 insured value of the District's property, excluding land and mobile equipment is \$57.9M. He stated that the District's insurance broker recommends that the District obtain a formal appraisal on its building, pump stations and water storage tanks (102 assets total). He reminded the Board that the FY16 budget includes \$40K for this asset appraisal. Mr. Bentley stated that Asset Works will provide a certified appraisal and take two to three days to review the sites and come up with the appraised value. He advised the Board that this process will likely start after Stafford Treatment Plant production is completed.

President Baker asked if Mr. Bentley has received any references about Asset Works. Mr. Bentley stated that they have done work in the East Bay and have water district specialists and were highly recommended by the District's insurance broker, Arthur J. Gallagher and Company.

On motion of Director Fraites, seconded by Director Rodoni, the Board authorized the General Manager to enter into an agreement with Asset Works to perform an appraisal of District buildings, pump stations, and storage tanks for a cost not-to-exceed \$40K by the following vote:

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

NOES: None

### **INFORMATION ITEMS**

#### **FUNDING AGREEMENT WITH SONOMA COUNTY WATER AGENCY FOR THE NORTH MARIN WATER DISTRICT WATER-EFFICIENT LANDSCAPE REBATE PROGRAM**

Mr. DeGabriele advised the Board that Sonoma County Water Agency was awarded a Prop 84 Bay Area Integrated Regional Water Management Round 2 Grant to implement a Water-Efficient Landscape Rebate Program in the amount of \$202,500, with \$33,750 of this amount allotted to the District for implementation of the District's Cash For Grass Rebate Program. He noted that the District finished last fiscal year with 133 Cash for Grass rebates.

#### **BULK CHEMICAL PURCHASES**

Mr. Clark reminded the Board about the District's participation with the Bay Area Chemical Consortium (BACC) for the purchase of three bulk chemicals used at the various treatment facilities. He informed the Board that the District has seen an annual cost savings of approximately \$71K from the 2013 chemical costs. Mr. Clark stated that the process fee is expected to be \$1,100 annually and that the Dublin San Ramon Services District administers the program and has received 4-6 bids for the various chemicals.

Director Fraites complimented Mr. Clark, on a good job reducing chemical purchase costs by participating in the BACC.

#### **TAC MEETING – JULY 6, 2015**

Mr. DeGabriele provided the Board with a summary of the July 6<sup>th</sup> Technical Advisory Committee meeting. He stated that the temporary coffer dam has been installed eliminating the threat of a temporary impairment for this year and the construction continues on the Mirabel Fish Screen and Fish Ladder Replacement Project and should be completed by the end of the calendar year.

Mr. DeGabriele advised the Board that the Temporary Urgency Change Order was amended on June 16<sup>th</sup> modifying instream flow requirements to 25cfs in the upper Russian River and 50cfs in the lower Russian River.

Mr. DeGabriele informed the Board that compared to the 2013 benchmark the Sonoma Marin Saving Water Partnership water production total is down 33%.

Mr. DeGabriele advised the Board that the North Bay Water Sustainability Coalition held a drought drive up event on July 9<sup>th</sup> and put together five water saver actions which were distributed.

Mr. DeGabriele stated that the Urban Water Management Plan Progress is on schedule and on budget and the water demand and water conservation analysis should be wrapped up this week to enable the Water Contractors to prepare Urban Water Management Plans.

### **NBWA MEETING – JULY 10, 2015**

President Baker advised the Board that he attended the July 10<sup>th</sup> North Bay Watershed Association meeting where there was discussion of the transitioning of Harry Seraydarian and a speaker from Central Marin Sanitary Agency who explained the connection with Marin Sanitary Services and their food waste to energy program.

### **MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements, Press Release – NMWD Recycled Water Fill Station Open and Free to Residential Customers, FY15 4th Quarter Labor Cost Report, 4th Quarter Workers' Comp Status Report, Fleet Fuel Economy – Gasoline, and Press Release – North Bay Water Sustainability Coalition.

The Board also received the following news articles: Novato water district offers free recycled water to combat drought, California Water Rates Rise as Cities Lose Money in Drought, Contra Costa looks to expand Los Vaqueros, Shuffle at Santa Rosa City Hall hints at planning changes, Rural residents decry water restrictions at Occidental meeting, 5 Things You Can Do Now!, AmCan proposes drought surcharge for water customers, State regulators discuss water pricing in drought, and Business Leaders put heads together.

Director Schoonvoer stated that he was pleased with the article in the Marin Independent Journal regarding the District's Recycled Water Fill Station.

Mr. Clark advised the Board that 50 residential customers have signed up to use the Recycled Water Fill Station in Novato and that 8000 gallons already has been distributed.

President Baker asked if Marin Municipal was going to have Recycled Water residential fill station. Mr. McIntyre stated that MMWD is trying to get a permit to have a fill station and have been communicating with the District regarding set up, training etc.

The Board received the following miscellaneous item at the Board meeting: Cartoonist's take: Brown Lawn Service.

**ADJOURNMENT**

President Baker adjourned the meeting at 8:05 p.m.

Submitted by

A handwritten signature in black ink, appearing to read "Katie Young". The signature is fluid and cursive, with the first name "Katie" written in a larger, more prominent script than the last name "Young".

Katie Young  
District Secretary