

NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
August 5, 2014

CALL TO ORDER

President Rodoni 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 amended. 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, and Auditor-Controller David Bentley. Chief Engineer Drew McIntyre was absent.

Indian Valley Golf Course owners Jeff McAndrew and Terry Leach, District's Legal Counsel, Bob Maddow, District employees Robert Clark (Operations/Maintenance Superintendent), Ryan Grisso (Water Conservation Coordinator), and Tony Arendell (Construction/Maintenance Superintendent) were in the audience.

On motion of Director Petterle, seconded by Director Baker, and unanimously carried, the Board amended the agenda to adjourn in memory of Dick Velloza, former employee of the North Marin Water District who died on August 1st.

MINUTES

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

GENERAL MANAGER'S REPORT

Oceana Marin Homeowner's Association

Mr. DeGabriele advised the Board that he attended the Oceana Marin Homeowner's Association meeting on Saturday, July 19th in Tomales. He stated that approximately 62 people attended the meeting. Mr. DeGabriele provided the Board with the discussion items at the meeting in the agenda packet and advised the Board that he provided the Oceana Marin HOA with this year's budget for Oceana Marin.

KWMR Radio

Mr. DeGabriele informed the Board that he was interviewed by KWMR radio station and spoke about the West Marin water supply and the mandatory water conservation requirements. He also invited the public to attend the Drought-Drive Up on Saturday, August 9th at the White House Pool parking lot.

SCWA Water Rate Study Planning Meeting

Mr. DeGabriele informed the Board that he has a meeting scheduled with the Chief Engineer from Sonoma County Water Agency next week to kick start the water rate study that the Water Agency embarked on 18 months ago. He believes it's important to pursue off-peak water rates to pursue interest in aquifer storage and recovery by SCWA. He stated that they will discuss strategy and advocate interest in back feeding Stafford Lake. Mr. DeGabriele would like to look at the Restructured Agreement to accommodate the aquifer storage projects in order to improve reliability of the region's and District's water supply from the Russian River.

Tour of Aqueduct Energy Efficiency Project

Mr. DeGabriele advised the Board that next week he and Drew McIntyre will be providing a tour of the Aqueduct Energy Efficiency Project to members of the community who had an impact on the project in the past. He stated that John Nelson, Jerry Gilbert, Dietrich Stroeh, Krishna Kumar, Carl Nelson, and Bob Maddow will be attending the tour.

OPEN TIME

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

David Bentley informed the Board that Dick Velloza, former Warehouse Manager of the District, passed away and worked for the District for over 20 years. He noted that the District will make a contribution to the Jake Velloza Memorial Fund in honor of Dick Velloza in the amount of \$50.

Mr. Bentley advised the Board that he and Construction/Maintenance Superintendent, Tony Arendell attended a small claims court hearing today for an outstanding invoice of a contractor. He noted that the contractor did not show and that the District will attempt to collect the payment through the small claims court one more time but will be contacting the state bonding company to put a hold on the contractor's license for non-payment.

Director Baker informed the Board and staff that he attended the North Bay Water Reuse meeting with Director Schoonover and stated that it was well attended.

President Rodoni advised the Board that he was on the KWMR radio station about a week before Mr. DeGabriele where he was scheduled to discuss the mandatory cutbacks and advised the community were really interested in the State Boards Emergency Water Conservation regulations.

He noted that the public wanted to be assured that the District was not going to charge \$500 fines. He stated that he discussed the Gallagher Well Pipeline Project which the community was not fully aware of the impact of the project so he was happy to be able to discuss the project and let the community know.

CONSENT CALENDAR

On the motion of Director Petterle, seconded by Director Schoonover and unanimously carried, the following items were approved on the consent calendar:

TEXT FOR NOVATO "WATER LINE", VOLUME 16, ISSUE 33

The Board approved the text and design for the 2014 summer Novato "*Water Line*", Volume 16, Issue 33. The issue focuses on the current drought and additional outdoor irrigation requirements for this summer, the District's water conservation program, water conservation tips, and an advertisement for the free water bottle giveaway.

The summer 2014 Novato "*Water Line*" is expected to be mailed mid-August 2014.

APPROVAL FOR OUT-OF-STATE TRAVEL TO ATTEND CA-NV AWWA FALL 2014 CONFERENCE

The Board approved out-of-state travel for Chief Engineer, Drew McIntyre to attend the California-Nevada AWWA Annual Fall Conference in October, in Reno, Nevada. The conference will be covering a variety of emerging and timely issues regarding emergency planning, pipeline rehabilitation, water tank rehabilitation, material performance, large meter replacement programs, residential fire service applications and asset management programs.

Mr. McIntyre has been active in the CA-NV AWWA section for over ten years serving in various leadership roles including chair of the Pipeline Rehabilitation Committee and on the governing board as the Water Distribution Division Chair. He has also been nominated as a Trustee.

ACTION CALENDAR

BILL ADJUSTMENT – HIGH WATER USE – 864 EUCALYPTUS AVE.

Mr. DeGabriele advised the Board that when Mr. Bentley was out of the office staff received a letter from Ms. Carey at 864 Eucalyptus Ave on July 12th. He informed the Board that he called Ms. Carey the day staff received the letter to advise her that he was would investigate her concerns. Mr. DeGabriele advised the Board that consumer services' staff drafted a memo stating that they had a field service representative go out to the property five different times to investigate the issue. He stated that at one point the property had a leak and Ms. Carey was given a bill adjustment. Mr. DeGabriele informed the Board that Ms. Carey was unsatisfied with the District's service and she stated that the District in her opinion has a significant problem within the organization.

Mr. DeGabriele informed the Board that he called Ms. Carey on Friday and provided her with the agenda item and he received an email response which he distributed to the Board. Mr. DeGabriele recommends that the bill stands as rendered.

Mr. Bentley advised the Board that Ms. Carey is an absentee owner and it is a real challenge to keep track of the water being used.

President Rodoni stated that the District rarely has an upset customer and that the District is always providing great service, but obviously something upset Ms. Carey. He asked that staff review the situation to be certain any circumstance which may have triggered her unsatisfactory opinion of the District be avoided in the future.

Director Petterle asked for clarification of the bill adjustment. Mr. Bentley stated that Ms. Carey received a \$379 adjustment and paid the remaining balance of \$320.

Director Petterle stated that he was not clear on what Ms. Carey was requesting but stated that she does seem upset. He noted that since there is no actual request he believes the Board does not have to take action on the situation.

On motion of Director Fraites, seconded by Director Petterle, and unanimously carried, the Board agreed with staff recommendation to take no further action.

DROUGHT EMERGENCY WATER CONSERVATION REGULATIONS

Mr. DeGabriele advised the Board that the Novato customers have reduced water consumption by 21% since February compared to one year ago. He noted that in July, Novato water production was down 25% compared to last year and that the customer performance has been excellent. He informed the Board that West Marin customers have a long way to go and have only conserved 7.5% since February compared to one year ago and 8.5% in July. Mr. DeGabriele stated that there is adequate water supply in Lagunitas Creek and the District has not had any salinity intrusion issues in West Marin to-date.

Mr. DeGabriele advised the Board that he attended the July 15th State Water Resources Control Board meeting and included a copy of the State Board Resolutions and Emergency Water Conservation Regulations in the agenda packet. He informed the Board that he has discussed with District legal counsel about the District's approach on the regulations and that legal counsel believes the District's restrictions to be adopted by resolution are satisfactory.

Mr. DeGabriele advised the Board that he is recommending that the District not pursue full mandatory restrictions until it is necessary. He stated that the Sonoma County Water Agency is going to file another Temporary Urgency Change Petition to lower flows in the Russian River and

that the State Board may order other obligations along with the authorization to lower stream flows in the Russian River.

President Rodoni asked about the performance in West Marin and any expectations upon agreements associated with our water rights. Mr. DeGabriele stated that the District is fulfilling the agreements with environmental groups who originally protested the NMWD water right license change and that there are no obligations from the State Board for that requirement. He noted that the customers have not performed fully but at the same time, there is ample water in Lagunitas Creek.

President Rodoni asked when the next billing cycle would occur in West Marin. Mr. Bentley responded next week. President Rodoni stated that the customers would probably get the message to conserve after receiving their first bill containing a drought surcharge.

Ryan Grisso, Water Conservation Coordinator reviewed the resolution that staff is proposing to fulfill the State Board's request. He stated that the water conservation requirements included in the Resolution impose limitations on outdoor water use, a commitment to continue enforcement of the current water waste and non-essential use prohibitions and staff direction to report monthly water usage to the State Board as mandated.

President Rodoni asked for a handout with bullet points regarding the mandated water use restrictions. Mr. DeGabriele stated that the summer 2014 "*Water Line*" contains all of the mandatory restrictions.

Director Baker suggested having a summary of the restrictions so the customers know exactly what is being requested of them to do. Director Schoonover suggested a phone number as well in case customers had questions.

Mr. Grisso advised the Board that there is a phone number and email address provided on all outreach materials for the Water Conservation Department.

Bob Maddow, District's legal counsel indicated that he believes that the District, with regards to water conservation, has a huge success story. He stated that customers have done a great job, as well as the Board and efforts from staff to get the message out to conserve. He advised the Board that the State is looking at drastic situations in a lot of places and the Russian River isn't as bad as other places. Mr. Maddow informed the Board that the approach the District is taking is great and that adding additional regulations about outside watering is exactly what the State is looking for.

Jeff McAndrew from the Indian Valley Golf Course wanted to clarify that the reduction is 20% on landscaped watering. President Rodoni answered yes.

Mr. DeGabriele stated that Indian Valley Golf Course has done a good job to date and has been diligent about reducing by water use in the spring. He informed the Board that the entire community has done a good job conserving and he couldn't be more pleased.

Director Petterle stated that it is very apparent that the water has been reduced dramatically at the Indian Valley Golf course and he applauded the owners.

Director Baker asked Mr. McAndrew if Indian Valley Golf Course had active wells producing water or if the golf course only received water from Stafford Lake. Mr. McAndrew stated that the golf course solely receives water from Stafford Lake.

On motion of Director Schoonover, seconded by Director Petterle and unanimously carried, the Board approved Resolution 14-18 entitled: "Resolution of the Board of Directors of the North Marin Water District Implementing the State Water Resources Control Board's Mandate on Urban Water Suppliers to Activate Those Portions of Their Water Shortage Contingency Plans Related to Mandatory Restrictions on Outdoor Water Use."

KOREAN CHURCH (APN 125-130-13) – NEW EASEMENT AND TREE REMOVAL COSTS

Mr. DeGabriele advised the Board that the new easement and tree removal cost for the Korean Church is part of the Aqueduct Energy Efficiency Project. He informed the Board that 15 trees would need to be removed (\$9,750) and the District will be purchasing a larger easement (\$9,357) across the Korean Church's property to accommodate the AEEP project. Mr. DeGabriele stated that this reach of the project across the Korean Church property is needed to install a parallel 36-inch diameter aqueduct and is not part of the CalTrans' relocation and will be fully funded by the District. He gave Joe Kauwe, Engineering Tech IV, a lot of credit for work on this project and for having a good relationship with the church.

On motion of Director Fraites, seconded by Director Baker and unanimously carried, the Board authorized the payment of \$9,750 to compensate the Korean Church for the loss of 15 trees and authorized the payment of \$9,357 to compensate the Korean Church for receipt of a fully executed 7,072 square foot easement.

INFORMATION ITEMS

MARIN COUNTY LONG TERM WATER SUPPLY WORKSHOP

Mr. DeGabriele provided the Board with the slides that were presented to the Marin County Board of Supervisors on July 29th. He noted that the Board of Supervisors invited Krishna Kumar, Marin Municipal's General Manager and himself to address the following issues: Efforts to improve the Water Supply for Dry Years in Marin, Obligations related to Urban Water Management Plans and their updates, How growth projections from Local General Plans are factored into Water

Management Plans, Policies and Review Process for Development, Compliance with SB-1087 (re: preference for affordable housing), Water Use of Multi-Family vs. Single Family homes, and How the Districts manage water supply for second units.

Mr. DeGabriele stated that the Board of Supervisors had good questions and that the presentation was well received. He noted that several supervisors commented on the significant population growth over the long term and Marin County's ability to accommodate it with no increase in overall water demands due to water conservation and recycled water.

Director Petterle stated that he attended the presentation and was pleased to see that the presentation contained more information about the District compared to the water supply presentation in February.

President Rodoni stated that customers throughout Marin County criticize new development being authorized during drought periods and the District should consider that new development pay for all customers to conserve water. Mr. DeGabriele reminded the Board that the District's connection fees are high, but the new development has been paying for the Recycled Water Expansion.

RESOLUTIONS SUPPORTING FRESH WATER FLOWS IN THE SAN FRANCISCO BAY DELTA ESTUARY

Mr. DeGabriele advised the Board that Director Fraites asked that the Board consider supporting a resolution for fresh water flows in the San Francisco Bay Delta Estuary. He noted that Director Fraites had requested the support of the resolution after hearing a presentation at the North Bay Watershed Association by Friends of the San Francisco Estuary. Mr. DeGabriele provided the Board with information and wanted the discussion to be open. Mr. DeGabriele suggested keeping the Board informed about the Bay Delta issues and suggested having a District representative at the Friends of Estuary Conference that is being held in September. He noted that he did not advocate that the Board adopt such a resolution fearing that the District's local water supply may be affected should dam removal be a part of such call for additional fresh water flows.

Director Fraites stated that he would like the Board members to be provided with the different resolutions regarding the fresh water flows adopted by various agencies and expressed his concern about the State's push for "twin-tunnels" diversion from the Sacramento River around the Delta.

Director Baker requested Mr. DeGabriele to provide the differences in the various resolutions.

President Rodoni asked if any agencies in the North Bay Watershed Association were looking at supporting a resolution. Director Fraites was unsure.

District legal counsel Bob Maddow stated that he was unfamiliar with all of the various resolutions but provided his knowledge in regards to the Bay Delta Conservation Plan.

WAC/TAC MEETING – AUGUST 4, 2014

Mr. DeGabriele provided the Board with a summary of the August 4th Water Advisory and Technical Advisory Committee meeting. He advised the Board that the water supply conditions were reviewed as well as the State Board Regulations on Emergency Water Conservation at the meeting. He advised the Board that Sonoma County Water Agency intends to file another Temporary Urgency Change Petition with the State Board and that their concern that the State Board may restrict Agency diversion to the water contractors upon approval of such petition. Mr. DeGabriele advised the Board that there will be a tour of the Mirabel fish screen in the fall once the construction site is safe.

MISCELLANEOUS

The Board received the following miscellaneous information: Disbursements, District Incentive Program, Oceana Marin Association Meeting – July 19, 2014, Letter to LGVSD re: STRAW, Dominican Leadership Class, and MST Recycled Water Pipeline Project.

The Board received the following news articles: Changed Conditions on Russian River Near Wohler Bridge, Movers & Shakers: Novato hires new public works director, Marin water official appointed to California Water Commission, Water restrictions backed by 75 percent of Californians, poll says; Marin residents agree, and What's happening with Coast Guard Property.

The Board also received the following items at the meeting: Reply from 864 Eucalyptus Ave, and WAC/TAC- August 4th Summary. The Board also received the following miscellaneous items: Marin water wasters will soon get a nudge from WaterSmart, West Marin Water Customers of the North Marin Water District have reduced their use by 8.5%, Committees: The Backbone of CA-NV AWWA, and Helen Pratt's obituary.

Mr. DeGabriele informed the Board that the District has started a new safety incentive program hoping that more employees participate and has provided the Board with a copy of the program. He also advised the Board that Drew McIntyre will be starting a leadership class at Dominican University in the fall.

ADJOURNMENT

On motion of Director Petterle, seconded by Director Baker and unanimously carried, President Rodoni adjourned the meeting at 8:48 p.m. in memory of Dick Velloza, former employee of the North Marin Water District.

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