

**NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
June 7, 2005**

**CALL TO ORDER**

President Baker 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 Jack Baker, Rick Fraites, Dennis Rodoni and John Schoonover. Director Petterle was absent. Also, present were General Manager Chris DeGabriele, Secretary Joyce S. Arnold, Auditor-Controller David L. Bentley and Chief Engineer Drew McIntyre.

District employees Robert Clark (Facilities Maintenance Superintendent), Mike McMaster (Operations Superintendent) and Dave Jackson (Associate Engineer) were in the audience.

**MINUTES**

On motion of Director Schoonover, seconded by Director Fraites and unanimously carried by those Directors present the Board approved the minutes from the previous meeting as mailed.

**GENERAL MANAGER'S REPORT**

**State Water Resources Control Board Meeting (SWRCB)**

Mr. DeGabriele stated that he and the Operations Superintendent had attended a SWRCB meeting the previous Wednesday in Sacramento, and at that time, the District was added to the general permit list to apply copper sulfate to Stafford Lake for algae control.

**Recycled Water Project**

Mr. DeGabriele stated that while in Sacramento he had the opportunity to meet with the SWRCB Project Engineer for the District's proposed recycled water project. He stated that although he has no firm date yet on State Revolving Fund (SRF) loan money, it appears the District is near the top of the list, and there is reason to believe that the District's project will be funded. He stated that he understands that it is expected that bonds will be sold in July of this year for the SWRCB recycled water SRF program, and he is currently trying to confirm that information.

**Lagunitas Creek Water Rights**

Mr. DeGabriele stated that while in Sacramento he did try to meet with the state board staff regarding Lagunitas Creek water right application for Change in Place and Purpose of Use but was not successful. He stated that he has contacted District legal counsel and asked that there be

outreach to Trout Unlimited for assistance in resolving the protest with the California Department of Fish and Game. He will keep the Board apprised.

#### Employee Training on District Policies

Mr. DeGabriele stated that today District staff participated in harassment and workplace violence training regarding District policies and noted that Supervisors and Department Heads also received additional training.

#### General Manager Absence

Mr. DeGabriele stated that he will miss either the June 21, 2005 or the July 5, 2005 (West Marin) Board meeting and he will notify the Board when the date of his absence is confirmed. The Auditor-Controller will be the Acting General Manager in Mr. DeGabriele's absence.

#### **OPEN TIME**

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

#### New Engineering Tech II

The Chief Engineer stated he was pleased to announce that a new Engineering Technician II had been hired, and Mr. Arthur Cantiller will begin work on Wednesday, June 8, 2005.

#### Point Reyes Water Treatment Plant

Mr. McIntyre stated that SPH Engineers is completing the Point Reyes Water Treatment Plant study project and a preliminary draft has been submitted and staff has commented on it. He stated he expects to make a presentation at the West Marin meeting (July 5, 2005) on the report.

#### Recycled Water Project

Mr. McIntyre stated that there will be a pre-bid meeting scheduled for June 9, 2005 for the recycled water project. He stated that approximately 40 plans and specifications have been provided to interested parties.

#### Changes in Maintenance Division

Mr. Clark stated that Mr. Kerry Lemos has been selected as the new Maintenance Supervisor and noted that Lou Butti has now retired from the District.

#### **CONSENT CALENDAR:**

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

Purchase of Liability and Property Insurance

The Board approved staff's recommendation for the purchase of property, general and auto excess liability, public officials errors and omissions liability and employee fidelity bond as follows:

<u>TYPE</u>	<u>CARRIER</u>	<u>COVERAGE</u>	<u>PREMIUM</u>
Property	Westchester	\$25,000,000	\$35,688
Property - Vehicles	Travelers	\$639,000	\$2,556
Umbrella Liability	Ins Co PA	\$5,000,000	\$52,471
Errors/Omissions	National Union	\$1,000,000	\$16,200
Fidelity Bond	Hartford	\$500,000	<u>\$1,002</u>
		TOTAL=	<u><b>\$107,917</b></u>

Disbursements

The Board authorized payment for payroll and accounts payable vouchers totaling \$948,259.70 and estimated overheaded payroll for June of \$263,000.

***ACTION CALENDAR***

**APPROVE: STAFFORD DAM OUTLET TOWER SLUICE GATE REPLACEMENT – CONTRACT AMENDMENT TO C+D CONSULTING ENGINEERS (DETAILED DESIGN PHASE)**

Mr. McIntyre noted that information was provided to the Board at the previous meeting regarding the Stafford Dam Outlet Tower Sluice Gate Replacement project and proposed path forward. Mr. McIntyre stated that at the April 20, 2004 meeting, the Board authorized an agreement with Creegan and D'Angelo (C+D) Engineers to design repairs to the Stafford Dam outlet tower sluice gates. The objective of the project is to rehabilitate the existing sluice gates (including the mechanical gate operators on the outlet tower). He stated that C+D teamed up with Underwater Resources (a diving subcontractor that had previously inspected the outlet tower) to perform the following three phases: Phase 1 – Inspection, survey, and as-built drawing preparations; Phase 2 – Preparation of engineering report to evaluate demolition and reconstruction alternatives; and Phase 3 - Preparation of contract documents for the selected alternative. Phases 1 and 2 have been completed and staff would like authorization to negotiate to move forward with Phase 3.

Mr. McIntyre introduced Mr. Dave Jackson, District Associate Engineer, who provided a slide presentation of the history of the Stafford Dam outlet tower and sluice gates. Mr. Jackson noted that C+D Engineers have identified two different construction alternatives in its Phase 2 report to move forward with Phase 3: (1) design/build, and (2) design/bid/construct. He stated staff is recommending for the Board to approve the design/bid/construct approach.

The Board reviewed the two cost estimates provided by C+D for each of the two alternatives for the project. Mr. Jackson stated that the addition of motor actuated gate operators on the outlet tower gates is considered highly desirable due to safety and water quality considerations. The estimated difference between the total project cost of the design/build option and the design/bid/construct option is 9% and staff favors the design bid/construct approach over a design/bid for four reasons: (1) a design/bid/construct method will allow competitive bids (although the number of experienced underwater contractors is limited) to confirm the lowest construction cost; (2) sole source procurement for construction services is not consistent with the District's purchasing policy; (3) the reported economic benefit of a design/build approach (i.e., 9% savings) is relatively small compared to potential savings from a competitively bid construction project; and (4) design/build projects must be carefully structured to ensure control over unexpected costs.

There was a discussion regarding the advantages of the motor activated gate vs. manual operators and a discussion regarding the durability of the outlet tower in a credible earthquake event. (The General Manager stated that he is comfortable that the tower will do well in a seismic event.)

On motion of Director Rodoni, seconded by Director Fraites and unanimously carried the Board authorized negotiation of Phase 3 design engineering services with C+D Engineers for a design/bid/construct approach with motor activated gate operation with the understanding that seismic issues will be addressed before moving forward with the project.

**APPROVE: RENTAL AGREEMENT - POINT REYES STATION HOUSING**

Mr. Bentley stated that staff is requesting approval on both a rental agreement for the District's property at 25 Giacomini, Point Reyes Station and a policy regarding Employee Occupancy Criteria.

Mr. Bentley stated that Operations Superintendent Mike McMaster has requested to rent the District's residence in Point Reyes Station. Mr. McMaster plans to occupy the residence beginning June 29, 2005 with a monthly rent of \$750 in exchange for after-hours work defined in the agreement. He noted that the agreement also includes providing Mr. McMaster with four hours of administrative leave per month for additional services rendered. Director Rodoni stated that he believes that personnel policy is being set in the agreement by including the administrative leave clause and stated he believes such a policy needs to be developed separately from the Employee Occupancy Criteria.

Director Baker stated he cannot support the rental proposal as presented. He stated that while he believes it a benefit to the District to have a presence in West Marin, and acknowledge the

“new,” additional duties to be performed in Point Reyes by Mr. McMaster, he nevertheless cannot justify renting a brand new three bedroom home that would cost at least \$1800 per month for only \$750 per month. He stated that the proposal is not what he expected when he voted to approve the purchase of a home in West Marin. Mr. Bentley stated that he believes it is justifiable based on the amount of in-kind services received from Mr. McMaster. Director Baker reemphasized his acknowledgement of Mr. Bentley’s creative approach to justifying the proposed rent reduction yet he felt strongly that the proposed rent was much too low.

Director Schoonover expressed concerned that Mr. McMaster would be able to give consideration and time to his job as Operations Superintendent and was given assurance that Mr. McMaster would.

On motion of Director Rodoni, seconded by Director Fraites by the following vote the Board approved the Employee Occupancy Criteria and Rental Agreement except for the administrative leave clause and with the understanding that the \$1050 difference from market value rent will be charged to the West Marin improvement districts as they are receiving the benefit:

AYES: Directors, Fraites, Rodoni and Schoonover

NOES: Director Baker

ABSTAIN: None

ABSENT: Director Petterle

Staff will return at a future date with a proposed administrative leave policy for Board consideration.

***INFORMATION ITEMS:***

***INITIAL REVIEW OF WEST MARIN BUDGETS:***

Mr. Bentley presented for the first review the West Marin FY 05-06 budgets.

***West Marin Water Budget***

Mr. Bentley stated the proposed budget for the West Marin Water Service Area includes a 6% cost increase for most of West Marin system customers to cover proposed expenditures of \$836,000. He noted that the public in West Marin has asked for a tiered water rate structure and in response a Conservation Incentive Rate of \$4/Ccf is proposed for “high-use” residential customers. Mr. Bentley stated that staff will send out letters to high users to alert them that this proposed incentive rate is being considered.

Mr. Bentley noted that the information provided to the Board also includes the 2005 Coastal Area Annual Water Cost Comparison information.

### Oceana Marin Sewer Budget

Mr. Bentley stated that there is no cost of service increase anticipated for the Oceana Marin Sewer District customers in the FY 05-06 budget. He noted that Oceana Marin Sewer Improvement District fully repaid its loan from Novato Water earlier this fiscal year marking the first time this small improvement district has been debt free since 1989. The five-year financial plan assumes that in FY 06/07 Governor Schwarzenegger will follow-through on his commitment to restore the ad valorem tax money borrowed from Oceana Marin during FY 05 & FY 06 to help offset the State budget deficit.

Mr. Bentley noted that information provided to the Board also includes the 2005 Coastal Area Annual Sewer Cost Comparison Survey information.

### Hearing Scheduled

Mr. Bentley noted the Board will again review both proposed budgets at the next meeting and a hearing for the West Marin budgets is scheduled in Point Reyes at the Dance Palace on July 5, 2005 at 7:30 p.m.

### **WEST MARIN INTEGRATED COASTAL WATERSHED MANAGEMENT PLAN (PROP 50 PROPOSAL)**

Mr. DeGabriele provided information on the work plan submitted by Tomales Bay Watershed Council to develop an Integrated Coastal Watershed Management Plan for West Marin in the hopes of receiving Proposition 50 funding. He stated that the District is participating along with Marin Municipal, Inverness Public Utility District, Bolinas Public Utility District and the Tomales Bay Watershed Council.

### **NORTH BAY WATERSHED ASSOCIATION MEETING (JUNE 3, 2005)**

The Board reviewed the agenda of the North Bay Watershed Association meeting June 3, 2005 that Director Fraites had attended.

Director Fraites stated that an emergency action at the meeting was to take three proposals for Prop 50 funding out of North Bay Watershed Association proposal and place them under the Bay WAC funding proposal in the hopes that they might have a better chance of funding success.

Director Fraites stated that the Habitat Restoration and Flood Management of the Napa River presentation was very worthwhile and the project has been extremely well done.

**WATER ADVISORY COMMITTEE CONTRACTOR NEGOTIATION / REGULAR MEETING  
(JUNE 6, 2005)**

Mr. DeGabriele provided the Board with information regarding the June 6, 2005 Water Advisory Committee meeting. Items of interest included:

New Development, Efficiency and Water Use: Pam Torliatt from the City of Petaluma distributed proposed language that she is requesting to be included in the Restructured Agreement regarding new development, efficiency and water use.

Ahwahnee Water Principles. Jake Mackenzie from Rohnert Park distributed the Ahwahnee Water Principles for resource efficient land use. Mackenzie advised that the ABAG Regional Planning Committee adopted these principles in March and has \$500,000 in available funding to develop implementation materials and a model general plan element. Mackenzie asked the governing bodies of WAC members to consider adopting these principles.

Regional Water Conservation: Mr. DeGabriele's memo regarding the Sonoma-Marín Saving Water Partnership was distributed and he advised that the draft description of the Participating Agency Requirements is designed to fit within the existing water conservation framework and the new agreement governing structure. He stated he had outlined the benefits of the proposed partnership to the WAC members and noted that the contractors were very supportive and requested that he return within 30 days with a more formalized proposal for the WAC to review and consider.

MMWD – Discussion and Consideration of Proposal: MMWD General Manager Paul Helliker advised that his Board has met and discussed different options but stated that MMWD is ready, willing and able to exercise the option for the additional 5,000 AF of Russian River water supply. MMWD has requested assurances from SCWA consistent with their agreement that SCWA can provide the District with the additional 5,000 AF on a firm basis. Additionally, MMWD has requested a minimum two-year extension and offered to pay \$400,000 for that privilege to determine the cost impacts of developing an alternative desalinated water supply.

Contractors were asked to formally agendize the topic of whether or not to extend MMWD's option at their next individual Board/Council meeting and a subsequent Water Advisory Committee meeting will be held on June 27, 2005 when the WAC will formally weigh in with a vote whether to grant MMWD the requested extension.

Status and Discussion of New Agreement Draft Negotiations: John Nelson discussed the latest draft of the Restructure Agreement for Water Supply. Mr. DeGabriele stated that he has not

yet had an opportunity to completely review the draft, but will do so before the next meeting and place it on the agenda.

**ACWA “NO TIME TO WASTE: A BLUEPRINT FOR CALIFORNIA WATER”**

Mr. DeGabriele presented the Board with a copy of the Association of California Water Agencies’ newly released action plan for meeting California’s future water needs called “No Time to Waste: A Blueprint for California Water.” He stated that he was disappointed that the District’s comments were not fully incorporated into the document.

**MISCELLANEOUS:**

The Board received the following pieces of miscellaneous information: Review of Scheduled Agenda Items, Memo re Vehicle Disposal, Update on Regional Residential Clothes Washing Machine Rebate Program, Proposal re Integrated Coastal Watershed Management Plan for West Marin, ACWA Call for Nomination for Region 1 Leadership, Consumer Letter re Service Charge (Shorter) and CA Bay-Delta Authority and CALFED Announces Fish Losses Due to Predation at the State Water Project and Central Valley Project Delta Intakes.

The Board also received the following news articles: Property Owners Force Delay on Sewer Vote (05/27/05), Mendocino Supervisors Rebuke Chairman Delbar (05/25/05), Water Wishes (05/25/05), State Clamps Down on Water Users (05/23/05), SR Wastewater Sought for Irrigation (05/22/05), SR Orders Wastewater Studies (05/20/05), Public Notice re Regulation 17 Hearing (05/12/05) and Coming Soon to Olema Hill (05/12/05).

**ADJOURNMENT**

President Baker adjourned the meeting at 9:33 p.m.

Submitted by

Joyce S. Arnold  
District Secretary