

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
November 4, 2008**

CALL TO ORDER

President Fraites 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, Steve Petterle, Dennis Rodoni and John Schoonover. Also present were General Manager Chris DeGabriele, Secretary Renee Roberts, Auditor-Controller David L. Bentley and Chief Engineer Drew McIntyre.

District employees Robert Clark (Operations/Maintenance Superintendent) and Doug Moore (Construction/Maintenance Superintendent) were in the audience.

MINUTES

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

GENERAL MANAGER'S REPORT

ACWA State Legislative Committee

Mr. DeGabriele reported that two weeks ago he attended the Association of California Water Agencies (ACWA) State Legislative Committee meeting in Sacramento wherein he made a pitch to support a revision of Water Code 376 (the requirement to publish in full revised water conservation regulations in newspapers). He stated that he had previously spoken with Assembly Member Jared Huffman about carrying this legislation and Mr. Huffman expressed interest. He said that mentioning Mr. Huffman at this meeting was not a good idea; and before he could finish his statement, there was a motion, a second and a vote to not support the revision. Mr. DeGabriele said that he did get advice from attorneys attending the meeting to take the issue up as part of the omnibus clean-up legislation and that he will pursue the revision that way.

North Bay Watershed Association

Mr. DeGabriele advised that there will be a North Bay Watershed Association meeting on Friday, November 7 at 9:30 a.m. at the Marin Community Foundation and that on Tuesday, November 18 he will attend the North Bay Watershed Association Council meeting.

OPEN TIME

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

Solar Energy Project Workshop

Mr. McIntyre advised the Board that a public workshop for the Stafford Treatment Plant Solar Energy Project is scheduled for tomorrow, November 5th at the District office. He said that Robert Clark and Leonard Charles will be in attendance to provide information on the project to the public. A similar presentation will be provided to the Board on November 18th.

Gallagher Pipeline

Director Rodoni reported that he was unable to attend a visit by Congresswoman Lynn Woolsey last week, but that he was able to ask National Park Service Superintendent Don Neubacher to convey the District's continued interest in government funding of the Gallagher Pipeline Project.

CONSENT CALENDAR

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

RECYCLED WATER AGREEMENT – NOVATO FIRE PROTECTION DISTRICT

The Novato Fire Protection District Board of Directors approved the Recycled Water Service Agreement for extension of recycled water to Fire Station #2 on Atherton Avenue. Pursuant to Regulation 18.e, the District will pay for the cost of retrofitting the water service facilities downstream of the water service meter and pay for the installation of a storage tank and pump for delivery of the recycled water for landscape irrigation.

The Board approved Resolution No. 08-27 entitled, "Authorization of Execution of Water Service Facilities Construction Agreement with Novato Fire Protection District."

POLICY ON INTEGRATED/MULTI-BENEFIT RESOURCE PROJECTS

The Board adopted Policy No. 44, Integrated/Multi-Benefit Water Resource Projects as endorsed by the North Bay Watershed Association (NBWA).

CALPERS TAX DEFERRED MEMBER CONTRIBUTIONS

CalPERS has requested that the District provide documentary evidence authorizing employer tax-deferred employee contributions to ensure ongoing compliance with CalPERS regulations and federal tax reporting requirements and to verify that employees do not have the option of paying the employee contribution, thereby gaming the system to the detriment of the public agency.

The Board approved Resolution 08-28 entitled, "Resolution of the Board of Directors of North Marin Water district Authorizing Public Employees' Retirement System Tax-Deferred Member Contributions."

OUTSIDE AUDITOR'S REPORT

The Board accepted the Outside Auditor's FY 07/08 Financial Report and Management Letter as presented by Charles Z. Fedak & Company.

ACTION CALENDAR

APPROVE: SAN FRANCISCO BAY AREA INTEGRATED REGIONAL WATER MANAGEMENT PLAN

Mr. McIntyre stated that on October 21, 2008 the Board authorized the General Manager to enter into an agreement with Bay Area Clean Water Agencies (BACWA) to enable the District to receive its grant share of \$244,550 of the \$12.5 million Bay Area's Integrated Regional Water Management Plan (IRWMP) grant. He said that adoption of the San Francisco Bay Area IRWMP by the governing boards of participating agencies is a prerequisite to receive grant funding.

On motion of Director Baker and seconded by Director Schoonover, the Board unanimously adopted Resolution 08-29 entitled, "Resolution of the Board of Directors of the North Marin Water District Adopting the San Francisco Bay Area Integrated Regional Water Management Plan."

INFORMATION ITEMS

REVIEW EMPLOYEE HANDBOOK REVISIONS

Mr. DeGabriele said that the revised Employee Handbook is updated with current policy in a more standard format and incorporates the union Memorandum of Understanding. He said that the handbook will be brought back to the Board for approval at the next meeting and encouraged Board members to review and comment before November 14th.

Mr. Bentley stated that Dianne Landeros has worked to make the Employee Handbook more comprehensive, incorporated District policies and cleaned-up the language. He drew the Board's attention to two items: 1) Merit Pay previously awarded to employees meeting eligibility

requirements by the succeeding July 1 or January 1 will now be awarded on the employee's anniversary date; and 2) a policy stating that new employees must enroll in direct deposit.

Director Schoonover questioned if making direct deposit mandatory is legal. Mr. Bentley said he would ask legal counsel.

Director Rodoni asked if there will be a legal review of the handbook and Mr. DeGabriele responded that there have been extensive reviews with legal counsel during the revision process.

QUARTERLY PROGRESS REPORT – ENGINEERING

Mr. McIntyre provided a first quarter progress report for the Engineering Department FY 08-09 Improvements Projects. He reported that the Novato System is on track with 31 projects completed as planned; and that there is a lag between actual progress (17%) versus planned progress (26%) in the West Marin System. He pointed out that there have been various projects carried over from last year and that most have been completed by the beginning of this fiscal year, and that two projects have been added: Zone A Extension to Ignacio is being coordinated with the City of Novato's Bike Path project on the west side of the freeway. He said it is a perfect opportunity for a parallel water line on the west side of the US 101 freeway as identified in the Novato Water System Master Plan and that the civil engineering work would be done by City engineers. The City is expected to have funding and approval by next summer and the District, in the meantime, will be working on easement acquisition.

Mr. McIntyre said that the second added project is a County project called the Alameda del Prado Bike Path and there is reconnaissance work being done now but the timing for the project is unknown.

QUARTERLY PROGRESS REPORT – WATER CONSERVATION

Mr. McIntyre provided an update on water conservation activities and stated that work to date is consistent with what has occurred in the past fiscal year. He reported that there was a significant increase in the Water Smart Home Surveys conducted this summer with 133 surveys completed versus 47 last year. He said that the Cash for Grass rebates has also increased as a result of increased outreach to Novato customers. Mr. McIntyre noted that there has been a decrease in the High Efficiency Toilet distributed (125 versus 383), but that is because there was a significant giveaway of toilets last year. He advised that Ryan Grisso will present the mid-year progress report in January.

NBWA BOARD QUESTIONNAIRE

Mr. DeGabriele reported that he and Director Fraites provided the District's response to a series of questions handed out by the North Bay Watershed Association Board. He said that the responses will be compiled and will be available at the next NBWA meeting.

WAC TAC MEETING NOVEMBER 3, 2008

Mr. DeGabriele provided highlights of the joint Water Advisory and Technical Advisory Committees meeting. Director Rodoni and Drew McIntyre also attended. He reported that the County of Sonoma Department of Health has suggested that the county consider fluoridating the water supply to address dental problems in the community. He said that a sub-committee has been formed to study this issue and Sonoma County Water Agency, who is represented on that committee, will provide cost information. There was discussion on the controversy among pro and con advocates of fluoridation, environmental issues, the political process, health benefits and risks and requirements under enabling legislation. Director Rodoni cautioned that those contractors with local source of supply may be stuck holding the bag if only SCWA were to get funded. He said it was important to know the total cost implication not just the cost to SCWA.

Mr. DeGabriele advised that the WAC heard a report from SCWA Board Member Paul Kelley on his trip to Washington, DC. Mr. Kelley met with Corps of Engineers staff and legislators and conveyed the message that funding of the projects included in the Reasonable and Prudent Alternative in the Biological Opinion is paramount to keep the projects on schedule as outlined. Mr. DeGabriele said that the Agency is considering releasing the Water Project EIR on December 9th; and that the Sonoma County Superior Court issued a writ of mandate to SCWA that the Urban Water Management Plan 2005 does not meet statutory requirements of the Urban Water Management Planning Act. He said that the writ of mandate does not explicitly require the Agency to make corrections to the Plan; however, the Agency does have to pay plaintiff's attorney fees. He said that there was a discussion on the relationship of the Biological Opinion, the Water Project EIR and the UWMP and this will be further discussed at the December and January TAC meetings and the February WAC meeting.

Mr. DeGabriele stated that Pam Torliatt (City of Petaluma), Debora Fudge (Town of Windsor) and Susan Gorin (City of Santa Rosa) met with Randy Poole and discussed a concept for regional governance and that Ms. Torliatt reported that it was a far-reaching discussion with very few specifics and vague concepts on how to address the link between water supply, transportation, climate change and land use.

MISCELLANEOUS

The Board received the following miscellaneous information: Disbursements (10/22/08 and 10/29/08), San Rafael Chamber Forecasting the Future Conference, Salinity Notice, BAWWA Newsletter Excerpt, Automatic Payment Service and Email Bill Update, FY 09/10 CalPERS Employer Rate, West Marin Rental, SCWA - Community Meetings on Biological Opinion Notice, News Release: Marin Realtors Call for Moratorium on Laws and Fees Harmful to Local Housing Market.

The Board also received the following news articles: Realtors Say Laws Hinder Housing (10/31), Giacomini Wetlands Restoration - Director Rodoni photo (10/31).

ADJOURNMENT

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

Submitted by

Renee Roberts
District Secretary