

**NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
November 6, 2012**

**CALL TO ORDER**

President Petterle 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. Also present were General Manager Chris DeGabriele, Acting District Secretary Katie Young, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre.

District employees Pablo Ramudo (Water Quality Supervisor), Robert Clark (Operations/Maintenance Superintendent) and Doug Moore (Construction/Maintenance Superintendent) were in the audience.

**MINUTES**

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

On motion of Director Baker seconded by Director Rodoni and unanimously carried the Board approved the minutes from the Special Meeting with Novato Sanitary District as presented.

**GENERAL MANAGER'S REPORT**

Mr. DeGabriele informed the Board that last week Bob Brown, City of Novato's Planning Director, made a request that the District consider a reduction in connection fees for developing second units. He stated that the City is looking to promote second unit construction to meet affordable housing requirements. Mr. DeGabriele stated that the District is researching the request at the staff level and will come back to the Board before responding to the City of Novato.

**OPEN TIME**

President Petterle 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 Petterle asked if staff or Directors wished to bring up an item not on the agenda and Director Schoonover commended Carmela Chandrasekera and all District staff on the successful Water For Peoples fundraising event.

### **QUARTERLY FINANCIAL STATEMENT**

Mr. Bentley provided the highlights from the first quarter Financial Report for Fiscal Year 2012/13 and stated that the District had a net income of \$1M for the quarter in comparison to the budgeted net income for the year at \$787,000. He said that the operating revenue came in on budget and the expenses are over budget by \$400,000 due to the lake being low and limiting treatment plant production thus requiring increased purchased water from Sonoma County Water Agency.

Mr. Bentley reported on the individual improvement districts. He said that in Novato, water consumption was up 6% from a year ago. He said that the District spent 9% of the capital improvement projects budget. Mr. Bentley advised the Board that the Novato cash balance was \$6.4M at the end of September. He informed the Board that the District is waiting for the State Revolving Fund loan reimbursement for the Recycled Water Project Expansion projects. He stated that recycled water consumption is down 9% and that the District has spent \$11.1M on the Recycled Water Expansion projects, of which \$6.1M has been borrowed from Novato water.

Mr. Bentley stated that revenue is up 6% from last year and operating expenses are down in West Marin and its net income this year is \$110,000. He stated that West Marin cash balance ended the quarter at \$849,000.

Mr. Bentley reported that in Oceana Marin but the operating expenses are up \$4,000 and that capital improvement spending is up 6% compared to last fiscal year. Mr. Bentley said that Oceana Marin's cash balance is \$290,000 at the end of the first quarter.

### **CONSENT CALENDAR**

On motion of Director Fraites seconded by Director Schoonover and unanimously carried, the following items were approved on the Consent Calendar:

#### **TEXT FOR FALL WATER LINE, VOLUME 13, ISSUE 28**

The Fall 2012 Draft Water Line text was reviewed and approved by the Board.

#### **OUTSIDE AUDITOR'S 2012 REPORT & MANAGEMENT LETTER**

The Board accepted the Outside Auditor's FY 2011/12 Financial Report and Management Letter as presented and reviewed as a draft at the October 16, 2012 meeting.

#### **FINAL ANNUAL REPORT FISCAL YEAR 2011-2012**

The Board approved the Annual Report for FY 2011/12.

## **MOU FOR NORTH COAST MUSSEL CONSORTIUM**

The Board approved the General Manager to sign the North Coast Zebra and Quagga Mussel Consortium MOU.

## **ACTION CALENDAR**

### **CONSIDER: CLAIM - ROBERT JONSEN**

Mr. Bentley stated that Robert Jonsen, 5 Sutton Lane, made a claim alleging that a District leak occurred near his property causing water to run onto his property resulting in dry rot damage to the foundation of his home. Mr. Bentley informed the Board that the District's independent risk consultant hired an outside contractor to examine Mr. Jonsen's home and stated that there was dry rot present but that it had been there for awhile. Mr. Bentley stated that Mr. Jonsen submitted an invoice for \$14,000 to repair the foundation and that staff recommends denying pursuing in civil court.

Construction Superintendent, Doug Moore also reviewed the property and put together a collection of pictures of Mr. Jonsen's property and the damage claimed was caused by the District. He opined that the wood under the foundation has been rotting for years and that the District leak could not have caused that significant amount of damage.

On motion of Director Rodoni, seconded by Director Schoonover and unanimously carried, the Board denied Mr. Jonsen's claim for damages.

### **APPROVE: RECYCLED WATER EXPANSION SOUTH SERVICE AREA - PHASE 2: AWARD CONSTRUCTION CONTRACT**

Mr. McIntyre informed the Board that the final phase of the Recycled Water Expansion Project in the Hamilton area includes approximately 1.7 miles of new pipelines. He reminded the Board that the District did get Board approval to bid for this project in July, receiving six bids. Mr. McIntyre stated that Bay Pacific Pipeline was the apparent lowest bidder but within five days the District received a letter from Bay Pacific Pipeline requesting to withdraw their bid because they failed to include material cost in their bid. Mr. McIntyre advised the Board that if the District allows Bay Pacific Pipelines to withdraw their bid, staff recommends the contract be awarded to the second lowest bidder, Argonaut Constructors. He noted that Argonaut Constructors bid is \$1.4M, 11% above the engineer's estimate. Mr. McIntyre said that the District completed the evaluation of the bid and received confirmation from the State Revolving Fund loan staff that Argonaut Constructors have complied with bid documentation requirements. He stated that staff recommends the Board to allow Bay Pacific Pipelines to withdraw their bid and award the contract to

Argonaut Constructors.

Director Schoonover asked if Argonaut Constructors did good work and if they have ever received any complaints. Mr. McIntyre answered that the District has checked references and that Marin Municipal Water District has used Argonaut Constructors as well and have had good experience with them.

On motion of Director Schoonover, seconded by Director Baker and unanimously carried, the Board allowed Bay Pacific Pipelines to withdraw their bid and awarded the contract to Argonaut Constructors and authorized the General Manager to execute an agreement with Argonaut Constructors.

**APPROVE: RECYCLED WATER EXPANSION NORTH SERVICE AREA SEGMENT 2 PROJECT - RANGER PIPELINE INC. CHANGE ORDER NUMBERS 11 AND 14 TO 22**

Mr. McIntyre reminded the Board that the last time the Board received an update was at the joint meeting with Novato Sanitary District. He stated that at that time the construction manager from the Covello Group gave a summary of the Segment 2 project. Mr. McIntyre informed the Board that staff is requesting \$71,000 in change orders and if the Board had any questions on the various change orders, there was documentation and back up provided in the agenda packet.

Director Schoonover asked if there were any plans for repaving Olive Avenue soon. Mr. McIntyre stated that the District is anticipating the City of Novato to proceed with a paving restoration project on Olive Avenue within the next year.

Director Fraites questioned change order 11 regarding contaminated soil and asked if the District reported it. Mr. McIntyre stated that the actual testing of soil indicated that it did not exceed state standards and could be disposed at Redwood Landfill.

On motion of Director Baker, seconded by Director Schoonover and unanimously carried, the Board authorized the General Manager to execute Change Order Nos. 11 and 14 to 22.

**INFORMATION ITEMS**

**FIRST QUARTER FY 2012/13 – WATER QUALITY REPORT W/ BACTERIOLOGICAL MONITORING REPORT**

Pablo Ramudo provided a first quarter water quality report stating that Stafford Lake water was used as a source of drinking water for the first quarter of this fiscal year beginning on July 2<sup>nd</sup>. He reported that there has been dominant algae present in Stafford Lake which caused some taste and odor problems and were taken care of with the replacement of the granular activated carbon. Mr. Ramudo noted that at the end of the first quarter the total organic carbon in the Stafford Lake raw water was very high at 10.3 mg/L. He stated that the operators were able to remove 67-72% of

the total organic carbon and the majority of the removal was accomplished through optimized coagulation and filtration. Mr. Ramudo informed the Board that there were no coliform positive samples during this quarter in Novato.

Mr. Ramudo stated that Pt. Reyes raw water quality was good throughout the quarter. He informed the Board that treatment was optimal throughout the quarter and the water quality was good. He said there was no iron or manganese detected in the treated water.

Mr. Ramudo noted that there were no total coliform bacteria present in the Deer Island Recycled Water plant water.

### **QUARTERLY PROGRESS REPORT – OPERATIONS/MAINTENANCE**

Robert Clark provided a first quarter progress report for the Operations/Maintenance Department and said that the operators have been helping the construction and maintenance crews as planned.

Mr. Clark informed the Board that Recycled Water production was down slightly from the previous year averaging 338,090 gallons per day. Mr. Clark stated that in Pt. Reyes, the District is operating with only one well pump for most of the summer to maintain storage and meet demands and to keep salinity intrusion down. He said that in Oceana Marin, the pilot testing for algae control has finished, trying a new product which did not work. He noted that the District is continuing to have algae growth and will stick with cooper sulfate treatments to prevent violations.

Mr. Clark said that the maintenance crew has had a lot of work getting the solar system started up this period. He stated that the Electrical Mechanical technicians performed a flow test on the Gallagher well and found decreased flow with an increase in drawdown. Mr. Clark stated that the Cross Connection Control crew is busy with the Recycled Water start up and that Eric Kurfirst has almost completed all test procedures for 77 commercial users. Mr. Clark stated that the Building and Grounds crew is planning the annual STRAW project, scheduled for December 7<sup>th</sup>, focus on planting and erosion control at the base of the solar field. He stated that the fleet is being prepared for winter including testing of all emergency generators and pump systems.

### **QUARTERLY PROGRESS REPORT - ENGINEERING DEPARTMENT**

Drew McIntyre provided the Board with the first quarter progress report for the Engineering Department. He provided the Board photographs of Pt. Reyes Well #3 and a sample of the sewer pipe lining being used in Oceana Marin.

Mr. McIntyre stated that the Novato Recycled Water Expansion Project is forecast to exceed the capital improvement projects budget. He continued to state that there are a total of 34 projects

originally budgeted for FY 2012/13 and three projects had been added, combined with six carryover projects from FY 2011/12, totaling 43 projects for this fiscal year. He said that the three new projects are: PB replacements near Loma Verde, replacement of an old cast iron 12-inch pipe that ruptured on Sunset Parkway, and City Measure A-PB replacement services throughout Novato.

Mr. McIntyre informed the Board that in West Marin project expenditures are currently projected to be within the original budget. He noted that the District is carrying over the tank seismic upgrade. Mr. McIntyre said that Pt. Reyes Well #3 drilling is completed and the District is doing development work and the new well is producing 300 gallons per minute. He stated that there is some final work that needs to be completed, placing a concrete pad and having the District's crew tie in the piping work in the next couple of weeks.

#### **WATER CONSERVATION QUARTERLY UPDATE (JULY-SEPTEMBER 2012)**

Drew McIntyre presented the Board with a quarterly update on Water Conservation. He stated that the overall numbers are fairly steady compared to prior years and there have been no significant changes. He stated that the District continues to work with Sonoma County Water Agency on Proposition 84 funding for rebates and to utilize support staff on Water Smart Home Survey Projects. Mr. McIntyre said that overall expenditures continue to be below budget and the Board would hear more details from Ryan Grisso at the mid-year report.

#### **NOVATO (GROSSI) CREEK EROSION CONTROL CLEAN-OUT**

Doug Moore provided a PowerPoint presentation on the Novato Creek sediment dams clean out. He stated that the District construction crews excavated the sediment behind two dams tributary to Stafford Lake. One on the Jim Grossi Ranch from which approximately 800 cubic yards (cy) of sediment were removed; and the other near Indian Valley Golf Course (Vineyard Road) where 15 cy of sediment were removed..

Director Rodoni asked where the District takes the sediment. Doug Moore answered that Jim Grossi takes most of the sediment to spread around his property.

Mr. DeGabriele stated that Bob Lewis likes the material because of the good, workable qualities and the District has supplied it to Vineyard Road and Stafford Lake Park for maintenance.

#### **RECYCLED WATER SOUTH SERVICE AREA CONSTRUCTION CONTRACT - PHASE 1B AND IMPACT ON MEADOW PARK HAMILTON COMMUNITY UPDATE**

Mr. DeGabriele provided the Board with an update regarding the impact of the Recycled Water construction on Meadow Park in the Hamilton Community. He informed the Board that he and Drew McIntyre met with the HOA representatives and walked the entire project identifying the areas and authorized the landscape contractor to do testing of their irrigation stations to make sure

all connections are in place. He stated that the cost for this would be \$5,000.

Mr. DeGabriele said that the majority of the damage will be the Recycled Water Phase 1B contractor's responsibility but he will have an entire evaluation for the Board at the first meeting in December. He informed the Board that regarding the next phase of the project the District is going to recommend a different public outreach approach. He opined that it is important for the District to take positive steps to insure there is not a repeat occurrence and that the customers are satisfied.

Director Rodoni suggested that the District look at a project manager to do the public outreach. Mr. DeGabriele said that the District will research this option and has already talked to Data Instincts who is the public outreach firm for the North Bay Water Reuse Authority.

### **WAC/TAC MEETING**

Mr. DeGabriele provided a summary of the Water Advisory and Technical Advisory Committee meeting that he and Director Rodoni attended. He stated that Mark Bramfitt has resigned from the Valley of the Moon Board and can no longer serve as Water Advisory Committee Vice Chair and that Krishna Kumar announced he will no longer be Technical Advisory Vice Chair. Mr. DeGabriele noted that a summary was given on the Santa Rosa Groundwater Master Plan and that the committee recognized Miles Ferris retiring after 27 years from City of Santa Rosa.

### **NBWA MEETING**

Director Fraites informed the Board that there was an interesting presentation on the history of Novato Creek.

Mr. DeGabriele agreed with Director Fraites about the presentation and stated that he would send a link to the other directors. He stated that Harry Seraydarian updated the group on the Bay Area Integrated Regional Water Management Plan and informed the Board that he has continued to keep the Gallagher Well project for IRWMP funding alive. He stated that they are trying to do everything necessary but probably will make a determination in December which projects will proceed.

### **MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements, Purchase of Replacement Meter Reading Devices, Comments Honoring Congresswoman Lynn Woolsey Upon her retirement from Congress- October 23, 2012, Marin County Winter & Spring Storm Preparedness 2012/2013 Season, and Press Release - Water For People.

The Board also received the following news articles: MMWD seeks applicants for seat, Mill Valley man tapped for state regional water board, Novato Sanitary District reaches \$344,000

settlement over spills, Novato Creek work to be funded by EPA fund, Novato bike park fund grows, Dry Creek 'fishway' project aims to restore salmon habitat, Novato Advance- 25 Years Ago October 1987 and David Behar resigns from MMWD board.

**CLOSED SESSION**

In accordance with Government Code Section 54957.6; Conference with Labor Negotiators; District's Designated Representatives – Chris DeGabriele and David Bentley; Employee Organization – North Marin Water District Employee Association.

**OPEN SESSION**

Upon returning to regular session at 9:14 p.m., President Petterle stated that during the closed sessions the Board had discussed the issues and no reportable action had been taken.

**ADJOURNMENT**

President Petterle adjourned the meeting at 9:15 p.m.

Submitted by

A handwritten signature in cursive script, appearing to read 'Katie Young', written in black ink.

Katie Young  
Acting District Secretary