

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
December 15, 2015**

CALL TO ORDER

President Schoonover 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 and Dennis Rodoni. Also present were General Manager Chris DeGabriele, Engineering Secretary Eileen Blue, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre. District Secretary Katie Young was absent.

Novato resident Mike Jolly was in the audience. District employees Robert Clark (Operations/Maintenance Superintendent), Tony Arendell (Construction/Maintenance Superintendent), Kerry Lemos (Employee Association Chairman) and Ryan Grisso (Water Conservation Coordinator) were in the audience.

MINUTES

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

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

NOES: None

GENERAL MANAGER'S REPORT

The General Manager informed the Board that he attended a State Water Resources Control Board (SWRCB) workshop for proposed increased Division of Drinking Water Fees. He stated that the Water Board is interested in moving away from a fee-for-service model to a fee-per-connection and that they are interested in providing more service at less cost to smaller water systems. He advised the Board that the District would see a slight decrease in drinking water fees for West Marin water but much more cost for Novato. He noted that he and Pablo Ramudo have volunteered to be part of an ACWA working group on the issue.

OPEN TIME

President Schoonover 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 Schoonover asked if staff or Directors wished to bring up an item not on the agenda and there was no response.

MONTHLY PROGRESS REPORT

Mr. DeGabriele handed out the SWRCB Small Water Supplier Conservation Report for the West Marin Water System to the Board.

Mr. DeGabriele reviewed the November Monthly Progress Report. He stated that water production in Novato during November was down 22 % from last year and down 41% compared to November 2013. He stated that in West Marin, water production was also down and referred to the Small Water Supplier Conservation Report. He informed the Board that Stafford Lake storage is up slightly as well as both Lake Mendocino and Lake Sonoma. Mr. DeGabriele stated that in Oceana Marin the treatment and storage ponds are in good shape and that the Summary of Complaints and Service Orders show consumer system problems are about the same as it has been in the previous November and year to date.

Mr. Bentley provided the Board with the Monthly Report of Investments for November. He stated that at the end of November the District had a cash balance of approximately \$12M. He stated that is down \$1.1M since July due to a Caltrans' lag in paying invoices but once invoices are all paid the balance will be back up.

CONSENT CALENDAR

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

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

NOES: None

RENEW AGREEMENT FOR BILL PRINT SERVICES

InfoSend has been providing bill printing and mailing services for the District since 2004.

The Board authorized the Auditor-Controller to renew the agreement with InfoSend to provide document processing services for a three-year period commencing January 1, 2016.

FINAL ANNUAL REPORT FISCAL YEAR 2014-15

The Board approved the Fiscal Year 2014-2015 Annual Report.

REQUEST CONFLICT WAVIER

Director Baker requested that this item be removed from the consent calendar to obtain further information. Mr. DeGabriele provided the Board a historical overview of Olompali Spring water supply to the Silveira Ranch. Mr. DeGabriele stated that the District's legal counsel, Robert Maddow, was asked by the Silveira's attorney to provide an opinion regarding the reliability of that supply for irrigation on the Silveira ranch. He noted that the Silveira's did not accept the easement compensation that Caltrans offered and that the appraisal that was performed identified that the best use for the property was for a vineyard, which increased the value of the property. Mr. DeGabriele advised that there is a slight potential for conflict of interest, should the District be interested in the water right and that if Silveira wants District water supply for irrigation in the future, Mr. Maddow will cease representation to the Silveiras and will represent the District.

On motion of Director Petterle, seconded by Director Rodoni, the Request for Conflict Waiver was approved by the following vote:

AYES: Directors Fraités, Petterle, Rodoni, Schoonover

NOES: None

ABSTAIN: Director Baker

ACTION CALENDAR

PUBLIC RECORDS ACT REQUEST

Mr. DeGabriele advised the Board that District legal counsel has prepared a letter response to the San Jose Mercury News/Bay Area Newsgroup regarding information requested for the top 20 residential customers for the period of June through September. He informed the Board that the information is not available as requested and that the District cannot accurately calculate the information because the billing dates do not coincide with the requested dates. He noted that Government Code does not require the District to release the information unless customers use water inconsistent with District policies. Me. DeGabriele stated that staff proposes the District comply with the request by providing consumption information as measured by two water bills between June 1 through September 30 for the Board of Directors, but the District is not required to provide address information.

On motion of Director Petterle, seconded by Director Rodoni, the response to the Public Records Act Request was approved by the following vote:

AYES: Directors Baker, Fraités, Petterle, Rodoni, Schoonover

NOES: None

SET PUBLIC HEARING FOR REVISION OF WATER CONSERVATION REGULATION 15 & 17

Ryan Grisso, Water Conservation Coordinator, provided the Board with a brief summary of the revisions to Water Conservation Regulations 15 & 17. He stated that it has been six years since the last update and State Model Water Efficient Landscape Ordinance (MWELo) requires the District to revise the regulations. Mr. Grisso has met with the City of Novato and the County of Marin to insure these requirements are enforced through their planning and building permit process.

Mr. Grisso asked that the Board set a Public Hearing for January 5, 2016 at 7 p.m. to adopt the resolution to comply with the current State Water Resources Control Board Water Conservation Regulations.

On motion of Director Baker, seconded by Director Petterle, the Public Hearing for revision to the Water Conservation Regulation 15 & 17 was set for January 5, 2016 and approved by the following vote:

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

NOES: None

CSW/STUBER-STROEH CONTRACT AMENDMENT

Mr. McIntyre reminded the Board that CSW/Stuber-Stroeh has been performing the design services for the Aqueduct Energy Efficiency Project and that there has been various amendments throughout the project. He noted that the last amendment for \$209,433 was approved at the April 15th meeting. He stated that the new amendment requests \$47,662 for additional out of scope services for the redesign work for the Aqueduct alignment near the Silveira Ranch and of the road side ditch just north of the County line. Mr. McIntyre advised the Board that Caltrans has already authorized the change orders for this work. He informed the Board that staff recommends approval of the contract amendment for both of the out of scope tasks.

On motion of Director Fraites, seconded by Director Baker, the Contract Amendment for CSW/Stuber-Stroeh was approved by the following vote:

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

NOES: None

CONDITIONS OF EMPLOYMENT – GENERAL MANAGER (REVISED RESOLUTION 95-12)

Kerry Lemos, the District's Employee Association Chairman, addressed the Board and presented the general consensus of the Employee Association regarding the proposed salary increase for the General Manager. Mr. Lemos noted that raises had been approved for the Chief

Engineer and the Sr. Accountant/HR Supervisor within the last year. Mr. Lemos asked the Board to reconsider median placement for the GM salary.

On motion of Director Baker, seconded by Director Fraitas, a revised employment resolution 95-12 entitled "Conditions of Employment – General Manger" for the General Manager was approved by the following vote:

AYES: Directors Baker, Fraitas, Schoonover

NOES: Directors Petterle, Rodoni

INFORMATION ITEMS

MARIN LAFCO COUNTYWIDE WATER SERVICE STUDY UPDATE

Mr. DeGabriele provided the Board with information on the Marin LAFCo comprehensive update of the Countywide Water Municipal Service Review (MSR). He stated that Marin LAFCo staff will present the final report at their January 14, 2016 meeting.

TAC MEETING – DECEMBER 7, 2015

Mr. DeGabriele provided a summary of the December 7, 2015 Technical Advisory Committee Meeting. He informed the Board that the Sonoma Marin Saving Water Partnership's request to the State Board for a regional compliance option to the Emergency Water Conservation Regulations did not go as well as hoped. He noted that a draft of any revised regulation will likely be available in January with a workshop and vote by the State Board in February to extend the Urban Water Conservation Regulations into next fiscal year. He also informed the Board that at the TAC Ad Hoc meeting, Sonoma County Water Agency disclosed that water sales are so low there may not be sufficient revenue to hold rate increases below 6%, which is the high end of the target range for annual rate increases. Mr. DeGabriele noted that a budget subcommittee of the TAC will begin discussion with SCWA to work on a strategy going forward to approve a needed rate increase for the upcoming fiscal year.

MISCELLANEOUS

The Board received the following miscellaneous information: Disbursements, Annual Sick Leave Buy-Back, Water Research Foundation, Certificate of Excellence (ERA), The Making of Leaders – Dominican University Leadership Graduation, and CalPERS Adopts Plan to Lower Risk, Increase Rates.

The Board received the following news articles: California misses October target for saving water, Marin Voice: MMWD should look at the costs of fluoridation, Marin Supervisor Kinsey says he won't seek another term, PG&E wants Marin Clean Energy customers to pay more for exit ticket,

Marin Voice: MMWD must do more to bolster local supply, Methoprene denied at mosquito district, but agreement uncertain, and Marin Water users will see rates climb in January.

ADJOURNMENT

President Schoonover adjourned the meeting at 8:03 p.m.

Submitted by



Eileen Blue
Acting District Secretary