

**NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
December 16, 2014**

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, Stephen Petterle, Dennis Rodoni and John Schoonover. Also present were General Manager Chris DeGabriele, District Secretary Katie Young, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre.

Construction Manager, Ken Sinclair (Vali Cooper & Associates), District employees Robert Clark (Operations/Maintenance Superintendent) and Tony Arendell (Construction/Maintenance Superintendent) were in the audience.

MINUTES

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

GENERAL MANAGER'S REPORT

Recycled Water Subcommittee

Mr. DeGabriele reminded the Board of the Recycled Water Subcommittee meeting tomorrow, December 17th at 3 p.m. at Novato Sanitary District. He stated that President Baker and Director Schoonover would be attending as Recycled Water Committee Members.

Time change of Board Meetings

Mr. DeGabriele reminded the Board that the next Board meeting January 6, 2015 will start at the new time of 7:00 p.m. which was approved at the previous Board meeting.

Out of the Office

Mr. DeGabriele advised the Board that he will be out of the office for his knee replacement surgery on December 30th. He informed the Board that he anticipates to be out of the office for the month of January and David Bentley will be acting General Manager in his absence.

OPEN TIME

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

Robert Clark informed the Board that as of tonight Stafford Lake was one foot below spilling and the lake should be filled by the morning.

MONTHLY PROGRESS REPORT

Mr. DeGabriele provided the Board with the November Monthly Progress Report. He stated that water production in Novato was down 25% for the month of November and 20% for the fiscal year. He informed the Board that in West Marin water production was down 33% and down 17% fiscal year to date. Mr. DeGabriele advised the Board that Stafford Treatment Plant was used in November specifically for the transmission pipeline testing. He noted that through the month of November there has only been 4" of rainfall and in the last two weeks Novato's total rainfall increase to 18.3" through this morning. He stated that Stafford Lake has risen 18ft since the end of November.

Mr. DeGabriele showed an elevation chart of Stafford Lake and informed the Board that the lake will likely spill in the morning. He advised the Board that currently Lake Mendocino is at 46,000AF and is at 67% capacity. He noted that Lake Sonoma is at 174,000AF and has plenty of room for storage.

Mr. DeGabriele advised the Board that the District is in better shape than last year but believes that the State Board's drought restrictions will remain in place until the first part of May 2015.

Director Rodoni asked if Lake Pillsbury was full, what the impact/benefit would be on the PG&E shut down. Mr. DeGabriele stated that the Lake Pillsbury is not full yet, but has reached maximum water supply level per the flood control pool and is currently releasing water down the Eel River.

Mr. DeGabriele stated that in Oceana Marin the storage and treatment ponds are in good shape and that staff has gone 184 days without a lost time injury. He informed the Board that there were 87 service disruptions in the month of November, mostly due to the PG&E incident on Center Road. Mr. DeGabriele advised the Board that in the Summary of Complaints and Service Orders there were four fire hydrant leaks, which is unusual, reported by consumers in the community that were repaired. He stated that high bill complaints are down for the month, likely due to the wet weather and less consumption.

Mr. Bentley provide the Monthly Report of Investments for November, stating that at the end of the month the District had a cash balance of \$14M, which is unchanged from the prior month. He stated that the average weighed portfolio return on investment is 0.52%.

CONSENT CALENDAR

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

NOVATO SHELL LOOPING PROJECT

The Novato Shell Loop project – 1390 S. Novato Blvd., consists of demolition of the existing car wash, convenience store and fueling facilities and construction of a new enlarged 2,800 sq. ft. convenience store, car wash and new fueling facilities. New Zone 1 water facilities include 40 feet of 8-inch and 30 feet of 6-inch PVC main, one 2-inch domestic service, one commercial fire hydrant, and a 6-inch fire service with 5/8-inch bypass meter. New reduced pressure backflow preventer assemblies (RPPs) will be installed on each service. The property owner has been instructed to make provisions for future recycled water connection for irrigation and car wash facilities.

Director Rodoni asked if there was a recycled water requirement with gas station car washes. Mr. McIntyre stated that all of the car washes use onsite recycled systems with potable water that is treated and recirculated. He advised the Board that there is a requirement to bring recycled water in for outdoor landscaping and car washes.

Director Rodoni stated that he was surprised how much water the Shell Gas Station uses. Mr. McIntyre stated that the new car wash system is projected to use less water.

The Board approved authorization of the agreement and Resolution No. 14-25 entitled: "Authorization Of Execution Of Water Service Facilities Construction Agreement With Au Energy Llc."

AUTHORIZE 4X4 SKIP LOADER REPLACEMENT PURCHASE

At the November 4, 2014 Board of Directors meeting, the Board authorized staff to solicit bids for a replacement 4x4 Skip Loader. Staff has received and reviewed the bids for the replacement equipment. The bidders were requested to submit their proposals based on a list of 39 minimum specifications. The Peterson Caterpillar, Volvo Tractor and Graton Tractor dealers did not respond to the request as their equipment is larger than the District's needs, and therefore more expensive.

After comparing the bid proposals, staff recommended John Deere based on the minimum specifications, driving comfort, operators' familiarity with the controls, parts and service being readily available in Rohnert Park, and the historical operation and maintenance of the District's current fleet

of John Deere backhoes, all of which have served the District well.

The Board authorized staff to award the purchase contract to Papé Machinery for the new 4x4 John Deere loader at a total cost of \$84,700.

ACTION CALENDAR

APPROVE NOTICE OF COMPLETION FOR GALLAGHER WELL PIPELINE PROJECT

Mr. McIntyre reminded the Board of the final presentation for the Gallagher Well Pipeline Project which Carmela Chandrasekera gave the Board at the last Board meeting. He stated that Team Ghilotti has fulfilled their obligations under the contract and corrections of all work deficiencies and the punch list items have been completed. He stated that the work was completed on December 2nd.

Mr. McIntyre advised the Board that the next step is to file a Notice of Completion with the County of Marin. He stated that the final payment in the amount of \$50,545.96 will be processed for release on January 22nd, subject to absence of any claims filed during the 30-day notice period.

Mr. McIntyre advised the Board that all identified costs incurred during the year will be fully funded by the grant and the District has had no problems with the state obtaining payments. He stated that the grant will close at the end of December, so if miscellaneous expenses occur during 2015, they will not be reimbursable from the state.

On motion of Director Petterle, seconded by Director Fraites and unanimously carried, the Board authorized the General Manager to execute and file a Notice of Completion for the Gallagher Well Pipeline.

INFORMATION ITEMS

AQUEDUCT ENERGY EFFICIENCY PROJECT (REACH A-D) – PROGRESS REPORT NO. 2 (VALI COOPER & ASSOCIATES)

Ken Sinclair, from Vali Cooper & Associates provided the Board with the second construction management progress report for the Aqueduct Energy Efficiency Project. Mr. Sinclair's presentation covered pipeline installation from Reaches A-D. He advised the Board that the project is estimated to be 65% complete.

Mr. Sinclair advised the Board that at the MSN/B3 weekly meeting today, it was discussed that the project may shut-down for the duration of December. He stated that since the beginning of the month, the crew has been unable to work due to the weather.

Mr. Sinclair informed the Board of the completed pipe installation in Reach A and the jack and bore crossings have all been completed in the San Antonio Creek vicinity. He stated that

pipeline installations were started in Reach B and that the project includes five directional drill crossing under Highway 101.

Mr. McIntyre informed the Board that the directorial drilling is required so that the District can continue to serve the customers on the westside of Highway 101.

Mr. Sinclair notified the Board that the District received a violation from the Regional Water Quality Control Board on December 5th for sediment in the rainwater runoff. He stated that the District responded to the violation and that the contractor has already taken steps to mitigate the sediments leaving the site.

Director Rodoni asked if the violation would be the responsibility of the District or the contractor. Mr. Sinclair responded the contractor should ultimately be responsible but the District submitted the permit to the state, so the violation was issued to the District.

Mr. McIntyre stated that the fine for the violation will go to the District and it is not clear at this point who would pay for the fine.

Director Schoonover asked how much the fine could be. Mr. McIntyre stated that it was too early to determine whether there will be a fine or the amount.

President Baker asked the difference between a Field Order and a Change Order. Mr. Sinclair responded that a Field Order is a directive from the District to the contractor to perform designated work and Field Orders may or may not develop into a Change Order. He further stated that a Change Order officially changes the contract duration and/or contract value and changes could be additive or deductive.

Mr. Sinclair had a number of photographs to share with the Board documenting the work progress. Director Fraites asked if the hydro seeding was done with native grasses. Mr. Sinclair responded yes.

President Baker thanked Mr. Sinclair for his presentation on the AEEP Project.

MISCELLANEOUS

The Board received the following miscellaneous information: Disbursements, Annual Sick Leave Buy-Back, NMWD Contract with McLellan for paving jobs, Recycled Water Subcommittee Agenda – 12/17/14, Ltr. from Marshall Lytle re: U.S. Coast Guard Housing, The Making of Leaders – Dominican Leadership Graduation, and Salinity Notices (11/25, 12/3).

The Board received the following news articles: Supervisors support negotiations to purchase Coast Guard housing, California drought: S.F. gets smart water meters, Marc Levine

appointed chairman of Assembly's water and parks committee and Marin Voice: Local workers priced out of our county.

The Board also received the following news articles at the meeting: Wayne Womack, Novato's first mayor, dies at 85, Hidden Dragon owners outline plans, and Hidden Dragon plagued by four issues and the following miscellaneous item: Water Education Foundation Website.

President Baker asked Mr. DeGabriele to explain the letter received by the District regarding the U.S. Coast Guard housing. Mr. DeGabriele stated that the letter was good news and stated that Congress is unable to pass a new Coast Guard Authorization Bill and that the Coast Guard will cooperate with the County of Marin regarding the disposal of the property. He advised the Board that he spoke with Congressman Huffman's office and asked to be included and stated that the property will be sold at fair market value.

Director Baker congratulated Mr. McIntyre on his recent graduation from Dominican University's leadership program.

Mr. McIntyre thanked the Board for the opportunity to attend the leadership program at Dominican University and said it was a great program with good speakers and well worth his time and the District's expense. He stated that not only did he learn from the different instructors but from his fellow classmates as well.

ADJOURNMENT

President Baker adjourned the meeting at 8:22 p.m.

Submitted by



Katie Young
District Secretary