

NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
December 19, 2017

CALL TO ORDER

President Fraites 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, James Grossi, Michael Joly, and Stephen Petterle. Also present were General Manager Drew McIntyre, District Secretary Katie Young, Chief Engineer Rocky Vogler and Auditor-Controller David Bentley.

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

REORGANIZATION OF THE BOARD

Establishment of Meeting Times and Place

Director Petterle made a motion to start the Board meetings at 5:30 p.m. in 2018. Director Grossi said that he has a conflict with starting at 5:30 p.m. as he has a meeting at work the same days as the Board meetings lasting until 5:30 p.m.

Director Petterle amended his motion to a 6 p.m. start time.

Director Joly stated that he feels comfortable with a 6 p.m. start time as it differs from the City of Novato and NUSD Board meetings.

Director Baker stated that 6 p.m. is right in the middle of dinner time and that he believes 7 p.m. is a better time.

Director Joly asked the General Manager if he had any comments from staff. Mr. McIntyre responded that he believes 6 p.m. is a good compromise between staff participation and general public attendance after work.

On motion of Director Petterle, seconded by Director Joly, the Board approved changing the starting time of the meeting to 6:00 p.m. for the 2018 calendar year by the following vote:

AYES: Director Fraites, Grossi, Joly, and Petterle

NOES: Director Baker

ABSTAIN: None

ABSENT: None

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: Director Baker, Fraites, Joly, and Petterle

NOES: None

ABSTAIN: Director Grossi

ABSENT: None

GENERAL MANAGER'S REPORT

Interim General Manager Las Gallinas Valley Sanitary District

Mr. McIntyre advised the Board that the new Interim General Manager at Las Gallinas Valley Sanitary District is Chris DeGabriele and believes he is a good fit for the position and is excited to work with him.

Out of the Office

Mr. McIntyre advised the Board that he will be out of the office starting Thursday and returning after the New Year. He noted that Robert Clark will be acting General Manager.

Mr. McIntyre wished the Board a Merry Christmas and Happy Holidays.

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:

Director Joly inquired about the Auditor-Controller recruitment. Mr. Bentley stated that the recruitment is open through the end of January and staff will bring back candidates in February for an interview.

Director Fraites advised staff and the Board about an inquiry on the Novato Nextdoor. There was a lengthy discussion about social media and the District's need to be proactive on these websites.

MONTHLY PROGRESS

Mr. McIntyre provided the Board with the Monthly Progress Report for November. He stated that water production in Novato is up 8%, West Marin is up 22% and Recycled Water is up 17% compared to one year ago. He informed the Board that Lake Sonoma is at 83% capacity and Lake Mendocino is at 90% capacity. He advised the Board that in Oceana Marin storage ponds remain at good levels and that staff has gone 147 days without a lost time accident. Mr. McIntyre advised the Board that in the Summary of Complaints and Service Orders, the high bill complaints have dropped in numbers and the water quality complaints are tracking similar to last year.

Mr. Bentley provided the Board with the Monthly Report of Investments stating that at the end of November, the District has a cash balance of \$13,992,000 and the average weighted portfolio is 1.15%

Director Baker asked if the Center Road project was completed. Mr. McIntyre responded that the final paving is yet to be complete.

Director Grossi asked if the District receives low bill complaints. Mr. Bentley responded that it is a rare occurrence.

ACTION CALENDAR

AMEND CONTRACT FOR ON-CALL CONSTRUCTION AND REPAIR SERVICES – GHILOTTI CONSTRUCTION

Mr. Vogler reminded the Board of the contract for On-Call Construction and Repair Services with Ghilotti Construction approved last year. He stated that Ghilotti Construction completed the Center Road Project and additional money is needed for the remaining fiscal year budget.

Mr. Vogler provided the Board with a presentation regarding the Center Road project along with the Stafford Dam Concrete Repair project which included maps, drawings and pictures to describe the projects.

Mr. Vogler requested the Board approve adding \$100K to the existing budget for On-Call Construction services with Ghilotti Construction to accommodate the costs associated with Stafford Dam apron and spillway repairs as well as additional funding for future work for rest of the fiscal year.

Director Joly gave praise to Mr. Vogler for his presentation and asked if \$100K was enough. Mr. Vogler responded that he believes it will be sufficient.

On motion of Director Grossi, seconded by Director Baker, the Board authorized the General Manager to amend the On-call Agreement with Ghilotti Construction in the amount of \$100K for FY18 work by the following vote:

AYES: Director Baker, Fraites, Grossi, Joly, and Petterle

NOES: None

RECYCLED WATER CENTRAL PROJECT- EAST: APPROVE CONSTRUCTION CONTINGENCY CEILING INCREASE

Mr. Vogler advised the Board that both the West, East and 101 Crossing projects are essentially complete but there are final issues on the East project that need to be completed and requires an increase in the construction contingency ceiling. He stated that staff is requesting an additional \$65K for hard rock excavation and pavement restoration. He noted that the City of Novato will reimburse the District for the additional work performed on the Novato Creek Bridge in the amount of \$20,407.

Director Baker opined that Mountain Cascade performed terrible traffic control for this project and that staff should have a discussion with them on improving this function on future projects..

On motion of Director Joly, seconded by Director Petterle, the Board approved a construction contingency cost ceiling increase from \$360,000 to \$425,000 by the following vote:

AYES: Director Baker, Fraites, Grossi, Joly, and Petterle

NOES: None

AMI FULL DEPLOYMENT & FINANCING

Mr. Bentley provided the Board with a history of the Automatic Metering Information System and a presentation on the WaterSmart software.

Mr. Bentley advised that the District has a proposal from Ferguson to install/retrofit the remaining 20,500 meters with AMI endpoints. He stated that the projected cost to complete the balance of the work is \$4.7 million, which includes staff time and project management. He stated that the final installation cost will be determined based on the actual quantity of meter models, meter box types, and the quantity of nonstandard installations in the field. He noted that Ferguson estimates that by using 3 crews the work can be completed in 5 months and work would commence in the spring when the rain stops.

Mr. Bentley informed the Board that the District had planned to use a low-cost (2%) State Revolving Fund (SRF) loan to finance the \$5.6 million AMI project (\$900,000 pilot + \$4.7M full meter

installation). He advised the Board that staff filed the initial application with the State Board and received a notice stating that the District would need to pay an additional \$9K for more CEQA related information. He noted that this prompted District staff to call State Board officials to inquire about the availability and timing of SRF financing. He advised that the State officials reported that, assuming all application materials were complete, loan & grant approval is about one year out as long as there is still money available at that time.

Mr. Bentley stated that the District's backup option is to use bank financing, as was done with the \$8 million Aqueduct Energy Efficiency Project. Bank of Marin advises that they still have money available in the 3.5% range, though interest rates are rising. He stated that the bank charges a 1% fee (\$58,000) when the loan is approved and their loan process takes about one month to complete.

Mr. Bentley stated that staff recommendation is to move forward with the bank loan and start the full deployment within the next five months starting with one installation crew and ramping up as conditions warrant.

On motion of Director Petterle, seconded by Director Joly, the Board approved moving forward with bank financing and full deployment of AMI in 2018 by the following vote:

AYES: Director Baker, Fraites, Grossi, Joly, and Petterle

NOES: None

INFORMATION ITEMS

FIRST QUARTER FY 17/18- WATER QUALITY REPORT

Mr. Ramudo provided the Board with the First Quarter Water Quality Report. He stated that algae from the raw water intake were identified and enumerated and that algae numbers were high as is typical in the summer months. He stated that total organic carbon removal remained above the 35% requirement of the Enhanced Surface Water Treatment Rule. Mr. Ramudo informed the Board that of the 243 samples collected for compliance with the Total Coliform Rule none were positive for coliform bacteria. He stated that disinfection byproducts were very low for the quarter and well within standards of the Stage 2 Disinfection By-Product Rule and there were no complaints of taste and odor attributable to algae compounds during the quarter.

Mr. Ramudo stated that in the Pt. Reyes system raw water quality was generally good throughout the quarter although the sodium concentration increased during the quarter. He advised the Board that there were problems with the well casing which made it necessary to stop using Gallagher well as a source of water in July and August. He noted that after repair and maintenance

activities were completed, the well was placed back into service in mid-September. Mr. Ramudo informed the Board that another round of lead and copper monitoring at customer taps was completed in July and the results were good.

Mr. Ramudo advised the Board that the Deer Island Recycled Water Facility produced water for 20 days in August and September.

Director Joly gave kudos to the Water Quality Department for receiving Certificates of Excellence on lab reporting and sampling.

INCREASE IN FACILITY LOCATION UNDERGROUND SERVICE ALERTS (USA)

Mr. McIntyre provided the Board with a chart regarding the increase in facility locating underground service alerts.

POTTER VALLEY PROJECT UPDATE – FERC RESPONSE LETTER TO PROPOSED STUDY PLAN

Director Petterle left the meeting.

Mr. McIntyre provided an update on the Potter Valley Project and advised that a letter was filed Monday with FERC which supports comments from the Sonoma County Water Agency.

NBWRA MEETING – DECEMBER 4, 2017

Mr. McIntyre informed the Board that the North Bay Water Reuse Authority 4th Amended Memorandum of Understanding became effective on November 15th.

MISCELLANEOUS

The Board received the following miscellaneous information: Disbursements, Leak Notification via WaterSmart – Personal Experience, Annual Sick Leave Buy-Back, Certificate of Excellence WP-273 and Certificate of Excellence WS-255.

The Board received the following news articles: In the North Bay fire zone, early tests show no post-fire water contamination, How California's Water Bond is Being Spent, Hate that stinky water?, Marin's 'housing crisis on steroids' focus of San Rafael forum, Editorial: Brown right to take on pension case, FEMA money for \$1.29 million in Marin flood repair at risk, and City to see proposals for Hamilton parcels.

Director Joly asked when the 6pm start time would begin. Mrs. Young responded that the first meeting on January 2, 2018 and she will send an email reminder.

ADJOURNMENT

President Fraites adjourned the meeting at 8:48 p.m.

Submitted by

A handwritten signature in black ink, appearing to read "Katie Young". The signature is written in a cursive style with a large, stylized "Y" at the end.

Katie Young
District Secretary