

**NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
December 4, 2018**

**CALL TO ORDER**

President Fraites called the regular meeting of the Board of Directors of North Marin Water District to order at 6:00 p.m. at the District Headquarters and the agenda was accepted as presented. Present were Directors Jack Baker, Rick Fraites, Michael Joly, James Grossi, and Stephen Petterle. Also present were General Manager Drew McIntyre, District Secretary Terrie Kehoe, Auditor-Controller Julie Blue and Chief Engineer Rocky Vogler.

District employees, Robert Clark (Operations/Maintenance Superintendent), Tony Arendell (Construction/Maintenance Superintendent), and Jeff Corda (Sr. Water Distribution and TP Operator) were also in attendance.

In the audience was Jeff Palmer from Fedak & Brown LLP Certified Public Accountants, and Chris Boucher, Labor Negotiator from Wiley, Price and Radulovich.

**REORGANIZATION OF BOARD**

**Election of President**

On motion of Director Petterle, seconded by Director Joly, the Board elected Director Baker as President of the Board for the ensuing year by the following vote:

AYES: Directors, Baker, Fraites, Grossi, Joly, Petterle

NOES: None

Director Joly expressed his appreciation to Director Fraites for doing a wonderful job directing the Board and District this last year.

**Election of Vice-President**

On motion of Director Petterle, seconded by Director Fraites, Director Joly was elected Vice-President of the Board for the ensuing year by the following vote:

AYES: Directors Baker, Fraites, Grossi, Joly, Petterle

NOES: None

**Establishment of Meeting Times and Place**

Director Baker noted that he felt the gesture to go out to West Marin has outlived its usefulness. He added that it was hard to justify the number of board members and staff that must

travel out to West Marin since the public rarely show up. Director Petterle noted his comment but respectfully made a motion, seconded by Director Joly, the Board set the time and place of regular meetings to be the first and third Tuesday of each month at 6:00 p.m. at the District office, and agreed that the Board will hold one meeting annually in West Marin with additional West Marin meetings to be scheduled on an as-needed basis by the following vote:

AYES: Directors Fraites, Grossi, Joly, Petterle

NOES: Director Baker

On the recommendation of President Baker Items 4, 5 and 6 of the Reorganization of the Board were taken as one vote.

#### Establishes the Manner of Calling Special Meetings

On the same motion of Director Petterle, seconded by Director Fraites, the Board approved special meetings of the Board to be held as provided in Section 54956 of the Government Code by the following vote:

AYES: Directors Baker, Fraites, Grossi, Joly, Petterle

NOES: None

#### Appointment of District Officers

On the same motion of Director Petterle, seconded by Director Fraites, the following District officers were appointed for the ensuing year: Drew McIntyre, General Manager; Terrie Kehoe, District Secretary; Julie Blue, Auditor-Controller; and Rocky Vogler, Chief Engineer by the following vote:

AYES: Directors Baker, Fraites, Grossi, Joly, Petterle

NOES: None

Director Joly stated he was curious as to why all of our Department Supervisors are not officers. Mr. McIntyre stated that California County Water Code defines the organizational make up of Officers who serve at the pleasure of the Board.

#### Confirm Board Meeting Schedule for 2019

On the same motion of Director Petterle, seconded by Director Joly, the Board accepted the proposed meeting schedule for the 2019 calendar year with the understanding that the calendar may be adjusted as needed by the following vote:

AYES: Directors Baker, Fraites, Grossi, Joly, Petterle

NOES: None

### Committee Appointments

President Baker announced that he will reappoint the same appointments unless he hears otherwise. Director Joly asked if this item could be postponed for additional review. President Baker stated he will take committee appointment requests into consideration and will return to the Board with his recommendations at the next meeting.

### **MINUTES**

On motion of Director Joly, seconded by Director Fraites the Board approved the minutes from the November 20, 2018 meeting as presented by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

On motion of Director Fraites, seconded by Director Petterle the Board approved the minutes from the November 28, 2018 special meeting as presented by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

### **GENERAL MANAGER'S REPORT**

Mr. McIntyre congratulated the re-elected Board Members and thanked the Board for re-appointment of the District Officers. He announced that the recent District holiday party was well attended and a fun event. Additionally, Mr. McIntyre noted that since the last Board meeting, the District has received 5.4 inches of rain and total rainfall to-date was 6.6 inches.

### Marin County Parks

Mr. McIntyre notified the Board that he had a meeting with Max Korten, Marin County Parks Director on December 4th. He added that he reviewed North Marin's November 7<sup>th</sup>, 2018 comment letter on the Stafford Lake Park Master Plan and emphasized that the main theme for the comments was to protect Stafford Lake water quality. Mr. McIntyre stated that he believed the meeting was beneficial in helping Mr. Korten understand our position.

### WAC Meeting

Mr. McIntyre announced that Mark Millan did not win re-election on the Windsor City Council therefore he can no longer hold his position as WAC Chair. Susan Harvey (city of Cotati council member) is the current Vice Chair will most likely become the Chair and the WAC will also need to appoint a new Vice Chair at the February 4, 2019 meeting.

### PRE Tank 4 Appeal –Marin County Supervisors

Mr. McIntyre reminded the Board that the PRE Tank 4 appeal with Marin County Board of Supervisors will be on December 18<sup>th</sup> at 1:30 in the afternoon. He added that he will attend the meeting along with Mr. Vogler and Mr. Carl Nelson from District Legal Counsel. Mr. McIntyre noted that he recently made outreach to Marin County Fire Chief Jason Weber and Supervisor Dennis Rodoni to solicit support for the District's appeal.

### **OPEN TIME**

President Baker asked if anyone in the audience wished to bring up an item not on the agenda. Jeff Corda, Employee Association Chair, again stated reasons for the Board to consider the EA's proposals in the negotiations and commented that he hopes the process can be concluded soon. Director Baker thanked Mr. Corda for his comments.

### **STAFF/DIRECTORS REPORTS**

President Fraites asked if staff or Directors wished to bring up an item not on the agenda and the following were discussed. Mr. Vogler announced that he will take Directors Baker and Fraites to visit the PRE 4 tank site later this week. Mr. Vogler also mentioned that we are in contact with the Inverness Ridge Association and the PRE Road Advisory Board. Director Baker questioned if these were a collective group. Mr. Vogler responded that some members are the same, however they are separate groups.

### **ACTION CALENDAR**

### **OUTSIDE AUDITOR'S FY18 REPORT AND MANAGEMENT LETTER**

Under Action Items, Jeff Palmer (Fedak & Brown) presented the District's Outside Auditor's FY18 Financial Report and Management Letter. He stated the District has solid finances and no deficiencies were found. Director Joly had several questions for Mr. Palmer. Mr. McIntyre asked Mr. Palmer if there is any new legislation pending that would affect the District's future reporting requirements. Mr. Palmer replied that GASB 68 related to pensions was the biggest one recently; and as far as any new legislation, the ones he has heard about will only affect cities and local governments rather than special districts. Director Joly asked Mr. Palmer if he was comfortable with

our amount of debt. Mr. Palmer stated he was very happy with the District's overall position. Director Joly sought Mr. Palmer's modified opinion of our ranking, and he replied that it is the highest rating.

On the motion of Director Joly, and seconded by Director Grossi the Board moved to approve the Outside Auditor's FY18 Financial Report and Management Letter by the following vote:

AYES: Director Baker, Fraitas, Grossi, Joly, Petterle

NOES: None

ABSTAIN: None

ABSENT: None

### **NEXGEN ASSET MANAGEMENT –CONSULTING ENGINEERING SERVICES AGREEMENT**

Mr. Vogler presented the NEXGEN Asset Management –Consulting Services Agreement. He reviewed how implementation of the software would help the District automate work order flow and condition assessments so that future capital planning/funding will be improved. Of the three asset management firms NEXGEN was the best fit to meet the District needs. Staff also met with other agencies that use this software to confirm it was a good match. There was much discussion in regards to the types of pipe and their expected longevity. Mr. Vogler pointed out that we need a system such as this to help predict what capital improvements projects need to be addressed first. All Directors concurred that having this information readily available will be an advantage to the District and its staff. Director Joly commented that when comparing the cost of implementation to what we will gain in return, it is an incredible payback. Director Petterle questioned whether additional staff will be needed for this system. Mr. Clark responded that the current Technical Assistant, David Ladd, will be the key person to lead this effort forward. Mr. Corda added that with the current system, paperwork can fall through the cracks, with the new system the data will be entered immediately. Director Grossi stated they have a similar system at his place of employment and questioned if there is an ongoing software subscription fee. Mr. Vogler replied that there is a \$12,000 annual fee. All Directors complemented Mr. Vogler on his presentation and requested a copy to review.

On the motion of Director Petterle, and seconded by Director Fraitas, the Board approved a Consulting Engineering Services Agreement with NEXGEN Asset Management for Asset management Software Procurement and Implementation by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

### **INFORMATION ITEMS**

#### **DRAFT FY18 ANNUAL REPORT**

Under Information Items, Ms. Kehoe gave a brief description of the Draft FY18 Annual Report. She explained that each Department Head contributed towards the report, and the draft is now available for the Board's review. Ms. Kehoe stated that any comments must be received by December 14<sup>th</sup> and will be incorporated into the finished product and submitted for approval at the next meeting on December 18<sup>th</sup>.

#### **DILLON BEACH VILLAGE COMMUNITY MEETING – NOVEMBER 13, 2018**

Also under Information Items, Mr. McIntyre summarized the Dillon Beach Village Community meeting he attended on November 13. He stated that the purpose of the meeting was to address water supply and on-site septic treatment concerns. Mr. McIntyre noted that of the forty or so residents who attended the meeting, most of their concerns were focused on drinking water issues. He added that he had an opportunity to speak at the meeting and reviewed the District's Board Policy 34 – Wastewater (Sewer) Service in West Marin stating that North Marin will only consider expansion into the Village area if there is community wide support; that studies show it is cost effective; and that the costs for an expansion study and implementation is paid by the customers receiving the benefit from the expansion.

#### **NBWA MEETING – DECEMBER 7, 2018**

Director Fraites announced he will be attending the NBWA Meeting on December 7<sup>th</sup>. He noted that they expect to finalize the Strategic Plan and he will report back with his findings. Director Fraites also expressed his interest in being reappointed to this committee.

### **MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements – Dated November 21, 2018, Disbursements – Dated November 29, 2018, and Legal Notice – Board of Supervisors Hearing –NMWD Appeal of Coastal Permit for PRE 4A Tank Replacement.

The Board received the following news articles; Napa to join county, other cities to pay for new drought plan; Housing for public workers vetted; Novato pursues housing for its workforce and Las Gallinas sanitary hires new executive General Manager.

Director Baker commented that Marin Municipal, Ross Valley and Las Gallinas all recently appointed new General Managers. Director Fraites brought to the Board's attention the need for employee housing and that this was an issue brought up during the election. Director Fraites asked if we could explore this topic in more detail with other local agencies. Mr. McIntyre responded that he will discuss this issue at the next local managers meeting which includes the City of Novato and Novato Unified School District.

**CLOSED SESSION**

President Baker adjourned the meeting at 7:29 p.m. and the Board began the closed session at 7:35 p.m. in accordance with Government Code Section 54957 Conference with Labor Negotiators (Christopher Boucher, Drew McIntyre and Julie Blue) to Provide Direction.

**OPEN SESSION**

Upon returning to regular session at 8:18p.m., President Baker stated that during the closed session the Board discussed the issue and no final reportable action had been taken.

**ADJOURNMENT**

President Baker adjourned the meeting at 8:18 p.m.

Submitted by



Theresa Kehoe  
District Secretary