

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

CALL TO ORDER

President Rodoni 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 Fraitcs, 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.

Victor Woo, Executive Vice President of Operations, and Mark Kooreny, General Counsel, of The Bay Club Company, Vali Cooper & Associates Employee, Ken Sinclair, and District employees Tony Arendell (Constructions/Maintenance Superintendent) and Robert Clark (Operations/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

Stafford Lake Park Master Plan

Mr. DeGabriele advised the Board that he will be attending a scope meeting next Wednesday with Marin County Parks regarding the Stafford Lake Park Master Plan.

Fluoridation Committee Meeting

Mr. DeGabriele informed the Board that he would be attending the Fluoridation Technical Advisory Committee meeting with the Sonoma County Department of Health on Monday, September 29th.

Friends of the San Francisco Bay Estuary

Mr. DeGabriele informed the Board that he will be attending the Friends of the San Francisco Estuary Conference on Wednesday to learn more about the fresh water flows for the San Francisco Bay-Delta Estuary. He advised the Board that Directors Fraitcs and Petterle drafted a resolution regarding the fresh water flows and he has scheduled to review the resolution with the Board at the October 21st meeting.

Water Bond Collation

Mr. DeGabriele advised the Board that he participated in a conference call on the water bond collation and noted that enabling legislation for the water bond did pass and was signed by the Governor.

Salinity Intrusion in Lagunitas Creek

Mr. DeGabriele informed the Board that staff has received good reports on salinity intrusion all summer in Lagunitas Creek but today's sample showed the level of sodium at 61mg/l. He stated that there will be a notice printed in the Pt. Reyes Light this Thursday and that staff will request Marin Municipal Water District release water from Kent Lake.

OPEN TIME

President Rodoni asked if anyone in the audience wished to bring up an item not on the agenda there was no response.

STAFF / DIRECTORS' REPORTS

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

Mr. McIntyre informed the Board that this afternoon staff had an Atherton Tank Rehabilitation Project pre-construction meeting. He noted that the contractor is getting in the submittals and should commence work within the next two to three weeks. He stated that the completion date for this project is in June. He advised the Board that he would keep them apprised with the progress.

Director Baker asked if there would be issues completing the project during the winter season. Mr. McIntyre stated that the only issue would be the outside portion of the project and that has a short schedule duration. He informed the Board that from an operations stand point, now is the best time to do the work due to the lower demands of water during the winter. .

Director Fraites advised the Board and staff that he would be absent from the next Board meeting on October 7th and would not be able to attend the North Bay Watershed Meeting and Director Baker would attend in his absence.

MONTHLY PROGRESS REPORT

Mr. DeGabriele provided the Board with the August Monthly Progress Report. He stated that in August water production in Novato was down 16% compared to one year ago and in West Marin was down 8%. Robert Clark informed the Board that the Stafford Treatment Plant ceased

production for the season today, and maintenance work will begin. Mr. DeGabriele advised the Board that Stafford Lake is 27% full, at 1,180 acre feet and Lake Mendocino water supply is at 27% (3,585AF). He noted that the storage curve at Lake Mendocino has begun to flatten as a result of reduced releases to meet in stream flow requirements, pursuant to the Temporary Urgency Change Order. Mr. DeGabriele informed the Board that Lake Sonoma water supply is at 62%, holding 150,770 acre feet.

Mr. DeGabriele informed the Board that August saw an extraordinary number of leaks both on the consumer and District side, although the high bill complaints were down significantly from one year ago.

David Bentley reviewed the Auditor Controller's Monthly Report of Investments, showing that the District holds \$13,369,000 in its portfolio, earning 0.47% interest.

CONSENT CALENDAR

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

NOMINATION OF DAVID BENTLEY TO SERVE AS BOARD MEMBER OF ACWA REGION 1

The Board approved nominating David Bentley to serve as a Board member of the Association of California Water Agencies Region 1. The Region 1 Board covers the area from the Northern California border to Marin County, along the coastal range. Current Board Members include representatives from Humboldt Bay Municipal Water District in Eureka, McKinnleyville Community Services District, Hidden Valley Lake Community Services District in Clearlake, Sonoma County Water Agency, City of Santa Rosa, and Marin Municipal Water District. The Board unanimously approved Resolution 14-20 entitled: "A Resolution of the Board of Directors of the North Marin Water District Placing in Nomination David Bentley as a Member of the Association of California Water Agencies Region 1 Board."

CALPERS RESOLUTION TO REDUCE DISTRICT CONTRIBUTION

The Board adopted a resolution to reduce the District's employer paid retirement contribution by 1.6% effective October 1st. The resolution is consistent with the NMWD Employee Association Memorandum of Understanding. Beginning October 1st, employees will pay 4.8% and the District will pay 3.2% of the employer-paid member contributions. The Board unanimously approved Resolution 14-21 entitled: "Resolution of the Board of Directors of North Marin Water District for Employer Paid Member Contributions."

ACTION CALENDAR

STONE TREE GOLF, LLC ASSIGNMENT AGREEMENT

Drew McIntyre reminded the Board that nearly 10 years ago the Board approved the Original Recycled Water Service Agreement with Black Point Partnership and that over three years ago an assignment was made to Stone Tree Golf Course LLC. He advised the Board that Ann Mullroy, Stone Tree owner, provided the District with a letter indicating Stone Tree had been sold to a new entity, The Bay Club Company. Mr. McIntyre informed the Board that District legal counsel drafted a new assignment agreement and would like the Board to authorize the General Manager to execute the agreement. Mr. McIntyre stated that it is his understanding that the new organization's official sale date will be at the end of next month and the District will make sure that the organization is properly licensed by the state. He noted that once those two items were complete, the District would execute the new assignment agreement with The Bay Club Company.

Director Schoonover asked if District legal counsel had reviewed the agreement. Mr. McIntyre informed the Board that District legal counsel prepared the agreement.

Director Baker asked if there were any foreseeable lingering issues that are unique to the operations at Stone Tree. Mr. McIntyre stated that there are no issues as of now and that Stone Tree has a well established reputation at the District, making all of its payments on time and that the District has gone from a total of three recycled water customers to 44 and that Stone Tree is still the largest recycled water customer.

On motion of Director Schoonover, seconded by Director Fraites and unanimously carried, the Board authorized the General Manager to execute the Assignment Agreement subject to payment of District costs associated with processing this request and confirmation from legal counsel that the assignee has legal capacity to execute the Assignment Agreement.

Mr. Victor Woo, Executive Vice President of The Bay Club Company, thanked the Board and staff and stated that he was very excited to work with the District and expects great things for the future.

Mr. Woo and Mr. Kooreny left the meeting.

RESPONSE TO CALIFORNIA POOL & SPA ASSOCIATION

Mr. DeGabriele advised the Board that the District received a request from the California Pool & Spa Association (CPSA) to reconsider prohibitions on pool refilling imposed in the District's Emergency Water Conservation Ordinances. He advised the Board that the Ordinances and the District's Water Shortage Contingency Plan contain variance provisions which provide the General Manager authority for customers to fill or re-fill pools as may be necessary. He stated that staff

recommends the Board to authorize the General Manager to send a response letter to CPSA advising that no changes would be made to the District's Ordinance or requirements and that the variance provision remains available for customers who are in need. Mr. DeGabriele informed the Board that over this past summer the District has received 10 calls regarding filling a new pool or refilling a pool that had maintenance. He noted that all of those customers were referred to the Ordinance and Water Shortage Contingency Plan and it is unknown whether they ignored the plans or followed them, but none of the customers applied for a variance from the General Manager.

On motion of Director Petterle, seconded by Director Schoonover and unanimously carried, the Board authorized the General Manager to send the response letter to the CPSA.

AUTHORIZATION TO AWARD CONTRACT FOR FIRE SERVICE TESTING

Robert Clark reminded the Board about the request for proposals sent out in August for the fire service testing. He stated that 14 contractors received bids and only two responded. He noted that staff contacted that other contractors who didn't respond and asked why they did not want to bid and some expressed the distance was a factor. Mr. Clark stated that the successful bidder was Automatic Sprinkler Testing & Inspection Services, Inc. (ASTI). He stated that staff checked references and received good feedback on the company's performance and reliability. Mr. Clark advised the Board that he noticed in the FY14/15 budget development process, staff reduced the hours allocated for the backflow program with the intent of including maintenance expenses for the contracted fire service work. He stated that staff will be monitoring the Transition and Distribution portion of the Maintenance budget and will provide augmentation requests if needed. Mr. Clark stated that staff requests the Board award the contract to ASTI in the amount of \$24,745 for testing and inspection services for 220 fire service backflow devices.

On motion of Director Fraites, seconded by Director Baker and unanimously carried, the Board authorized the General Manager to enter into an agreement with ASTI for testing and inspection services for 220 fire service backflow devices.

INFORMATION ITEMS

AEEP CONSTRUCTION MANAGEMENT REPORT NO. 1 (VALI COOPER & ASSOCIATES)

Ken Sinclair, from Vali Cooper & Associates provided the Board with a construction management report for the Aqueduct Energy Efficiency Project progress. Mr. Sinclair's presentation covered pipeline installation from the south-end of San Antonio Road north to Kastania Pump Station. He advised that the estimated percent complete by cost is 31% and 34% by time. Mr. Sinclair stated that the boring operations under Highway 101 at Kastania Pump Station and north of San Antonio Creek are completed as is the boring under San Antonio Creek, and that the job is

ahead of schedule. Mr. Sinclair had a number of photographs to share with the Board documenting the work progress.

Drew McIntyre showed the Board a video how the contractor used a tunnel boring machine underneath San Antonio Creek.

President Rodoni thanked Mr. Sinclair for his report.

TECHNICAL ADVISORY COMMITTEE MEETING – SEPTEMBER 8, 2014

Mr. DeGabriele provided the Board with a summary of the Technical Advisory Committee Meeting held on September 8th. He informed the Board that the TAC has agreed to use the 10-year average of gallons per capita per day water use ending in year 2006 as the baseline for the Temporary Urgency Change Water Conservation Provisions measurement.

MISCELLANEOUS

The Board received the following miscellaneous information: Disbursements, FY14 Residential Consumption & Tier-Rate Status Report, STP Solar Power Facility – 2nd Year Status Report, City of Napa Letter, and Letter from a Customer.

The Board received the following news article: Local cities outpace statewide average for water savings.

The Board also received the following miscellaneous item at the meeting: Response Letter and Article from California Pool & Spa Association and the following news article: Water-starved Eel River goes to ground near Fortuna.

President Rodoni requested that for the monthly reports to make a note regarding the Palace Market consumer water leak in West Marin. He stated that water production data with the leak doesn't reflect the true water conservation efforts. Mr. DeGabriele stated that he would at a minimum make a note of it.

ADJOURNMENT

President Rodoni adjourned the meeting at 8:27 p.m.

Submitted by



Katie Young
District Secretary