

**NORTH MARIN
WATER DISTRICT**

**NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING
January 3, 2012 – 7:30 p.m.
District Headquarters
999 Rush Creek Place
Novato, California**

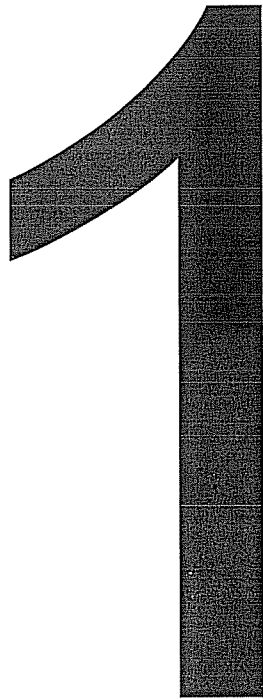
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Est. Time	Item	Subject
7:30 p.m.	CALL TO ORDER	
x	1.	APPROVE MINUTES FROM REGULAR MEETING , December 20, 2011
	2.	GENERAL MANAGER'S REPORT
	3.	OPEN TIME: (Please observe a three-minute time limit) This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
	4.	STAFF/DIRECTORS REPORTS
	CONSENT CALENDAR The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.	
x	5.	Consent – Approve Resolution – Oppose SDG&E's Rate Case Proposing a New Charge Applicable to Solar Customers Resolution
x	6.	Consent - Approve Proposed FY 12/13 Review Schedule
	ACTION CALENDAR	
x	7.	Approve: Temporary Water Service Extension Request - Marin County Flood Control and Water Conservation District – Vineyard Creek Enhancement Project Center Road Enhancement Project Resolution
8:00 p.m.	INFORMATION ITEMS	
x	8.	Recycled Water Update Presentation by The Covello Group
x	9.	North Bay Water Reuse Authority Board Meeting – November 14, 2011
x	10.	TAC Meeting – January 9, 2012
x	11.	NBWA Meeting – January 6, 2012
x	12.	Presentation Effectively Managed Utility Survey Results

All times are approximate and for reference only.
The Board of Directors may consider an item at a different time than set forth herein.

(Continued)

Est. Time	Item	Subject
x	13.	Reorganization Review
	14.	MISCELLANEOUS Disbursements Letter from Novato Fire District Meter Reading Accuracy Note from Customer and Response <u>News Articles:</u>
	15.	CLOSED SESSION: Conference with Real Property Negotiator (Chris DeGabriele) regarding Lagunitas Creek Water Rights (Government Code Section 54956.8) Conference with Real Property Negotiator (Chris DeGabriele) regarding terms of Intertie Agreement between North Marin Water District and Marin Municipal Water District (Government Code Section 54956.8)
9:30 p.m.	16.	ADJOURNMENT



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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
December 20, 2011

6 **CALL TO ORDER**

7 President Petterle called the regular meeting of the Board of Directors of North Marin Water
8 District to order at 7:30 p.m. at the District headquarters and the agenda was accepted as
9 presented. Present were Directors Jack Baker, Rick Fraites, Dennis Rodoni and John Schoonover.
10 Also present were General Manager Chris DeGabriele, Secretary Renee Roberts, Auditor-Controller
11 David Bentley and Chief Engineer Drew McIntyre.

12 Hank Barner, (Black Point Improvement Club), Jim O'Toole (Environmental Sciences
13 Associates), District employees Robert Clark (Operations/Maintenance Superintendent) and Doug
14 Moore (Construction/Maintenance Superintendent) were in the audience.

15 **MINUTES**

16 On motion of Director Schoonover, seconded by Director Baker and unanimously carried the
17 Board approved the minutes from the previous meeting as amended.

18 **GENERAL MANAGER'S REPORT**

19 **Holiday Coverage**

20 Mr. DeGabriele informed the Board that the District will be closed on Monday, December 26,
21 2011 and Monday, January 2, 2012 and that on-call and standby coverage has been scheduled.

22 **Video Production**

23 Mr. DeGabriele reported that the District has begun video production for posting on the
24 District's website, and he advised that the County of Marin informed him that North Bay Watershed
25 Association and the Sonoma County Water Agency are funding watershed-focused videos that will
26 be shown on public television channel KRCB in between shows during its regular programming. He
27 stated that one watershed program will be about Marin and he has been invited to be a speaker
28 representing the District to talk about water supply, reuse and multi-benefits of Stafford Lake for
29 recreation, water supply and incidental flood control. He noted that other speakers will be
30 Supervisor Judy Arnold and Novato Sanitary District Board member Bill Long.

31 **OPEN TIME**

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

1 **STAFF / DIRECTORS' REPORTS**

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

4 **MONTHLY PROGRESS REPORT**

5 Mr. DeGabriele provided the monthly progress report for November. He stated that water
6 production for Novato is down slightly from one year ago and that water production in West Marin is
7 down 6% from a year ago; Stafford Treatment Plant production is right on the mark with last year
8 and 2009. He said that there is no change in recycled water production since the plant was shut off
9 at the end of September. Mr. DeGabriele stated that Stafford Lake storage is on par with one year
10 ago. He stated that December 2011 will most likely be very dry but that Lake Sonoma storage is still
11 ample with 203,000 acre feet of storage and Lake Mendocino has 60,000 acre feet of storage. Mr.
12 DeGabriele said that Oceana Marin storage and treatment ponds are in good shape and irrigation
13 field discharge through December will likely continue. He noted that staff worked 265 days through
14 November without a lost time accident or injury and that no incidents were recorded over the last two
15 years. He said that the Summary of Complaints and Work Orders shows that, even with significant
16 rate increases, high bill complaints are down by about 50% compared to a last November and down
17 40% for the year.

18 Mr. Bentley reported on the Monthly Report of Investments and stated that the end of
19 November, the cash balance was \$13M which includes the \$8M bank loan for the Aqueduct Energy
20 Efficiency Project. He said the cash balance increased \$113,000 in November; the weighted
21 average portfolio rate was 0.46% compared to 0.45% for the previous month. Mr. Bentley advised
22 that the \$8M loan money was put into the Local Agency Investment Fund and is earning 0.4%.

23 **ACTION CALENDAR**

24 **APPROVE: RENEWAL OF PORT SONOMA MARINA TEMPORARY WATER SERVICE**
25 **AGREEMENT**

26 Mr. McIntyre stated that at the last Board meeting, a public hearing was held for the renewal
27 of the Temporary Water Service Agreement for Port Sonoma Marina. He said that the Board took
28 no action and directed staff to make revisions to the agreement and bring the agreement back to the
29 Board for consideration. He stated that there were two revisions to the Temporary Water Service
30 Agreement: 1) added language that provides an annual limit on the amount of water delivered; and
31 2) added language that the District will annually review the amount of water delivered and gives the
32 District the ability to terminate the agreement should water delivered exceed the annual cap of 3

1 MG. Mr. McIntyre advised that Port Sonoma Marina as been apprised of the changes to the
2 language in the agreement.

3 Director Fraites asked if the County of Sonoma changed the land use permit to allow
4 development of the area, would the District be obligated to supply up to 3 MG a year?

5 Mr. McIntyre responded that the agreement is a Temporary Water Service Agreement and
6 the District is not obligated to provide any water service; it is completely at the Board's discretion.

7 Director Fraites asked if once the District signs a one-year agreement, can it terminate water
8 delivery at any time?

9 Mr. DeGabriele said yes, that this is a temporary arrangement, even though it has been
10 going on for thirty years. He said that the agreement states that Sonoma County has the authority to
11 determine what the uses are on the property. He stated that historically, the size of the meter was
12 the restricting element that limited how much water would be used; now there is a numerical quantity
13 to help gauge the effect on the District. Mr. DeGabriele further stated that District facilities are all on
14 the Marin County side of the river and the District's responsibility for maintenance of pipelines stops
15 at the meter. He said the District can interrupt the supply at any time and decide to no longer
16 provide the temporary water service.

17 Director Baker stated that he wanted to thank staff for the extra effort to make refinements to
18 the agreement, and he hopes that the Port will become self-sufficient in the next couple of years.

19 On motion of Director Baker and seconded by Director Rodoni, the Board unanimously
20 approved Resolution No. 11-33 entitled, "Authorization of Execution of Agreement for Temporary
21 Water Service with Port Sonoma Associates LLC".

22 **APPROVE: CHANGE ORDER NO. 3 – ENVIRONMENTAL SCIENCE ASSOCIATES (ESA) FOR**
23 **ENVIRONMENTAL SUPPORT SERVICES CONTRACT (RECYCLED WATER SOUTH SERVICE**
24 **AREA)**

25 Mr. McIntyre stated that approximately one and one-half years ago, the Board initially
26 approved the contract for Environmental Science Associates (ESA) to prepare an addendum to
27 ESA's original North Bay Water Reuse Authority (NBWRA) Environmental Impact Report (EIR) for
28 the Novato North Service Area State Revolving Fund (SRF) loan application. He said that staff
29 believed that the EIR was sufficient for all environmental clearances; however, the state wanted a
30 document that focused on the District's project before authorizing the SRF loan. He said that to
31 comply with the State's request, the Board approved an addendum to ESA's contract focusing on
32 the Novato North Service Area. Mr. McIntyre said that Change Order No. 1 was approved by the
33 Board in December 2010 to do additional CEQA and permit-related work for the SRF loan

1 applications for both the North and South Service Areas. He said that once the design had been
2 developed enough to identify what the permitting issues would be for the South Service Area,
3 Change Order No. 2 was issued for the more definitive environmental work. Mr. McIntyre stated that
4 the addendum for the South Service Area SRF application has been submitted to the State and he
5 listed the necessary permits that have been obtained from various governmental agencies. He said
6 that staff is still waiting for the State Regional Water Quality Control Board 401 permit that has been
7 delayed due to State staffing shortages. He advised that ESA has expended more time and effort
8 than anticipated for the South Service Area Wetlands Delineation/404 Permit that is needed for the
9 transmission pipeline from Las Gallinas traversing through open fields to Hamilton and pipeline
10 alignments in Reservoir Hill. Mr. McIntyre advised that staff is requesting the Board approve
11 Change Order No. 3 in the amount of \$20,000 to cover the costs for the additional permitting
12 required for the South Service Area. He informed the Board that Purple Needlegrass (a Category 2
13 California native plant species) was unexpectedly discovered at the reservoir site and will require a
14 treatment plan to be integrated into the design specifications.

15 On motion of Director Fraites, seconded by Director Baker and unanimously carried, the
16 Board authorized the General Manager to execute Change Order No. 3 to ESA to perform additional
17 CEQA permit-related tasks for the Recycled Water South Service Area project in the amount of
18 \$20,000.

19 **INFORMATION ITEMS**

20 **INCREASE IN SENIOR ACCOUNTANT FTE AND PIPEWORKER PROMOTION**

21 Mr. DeGabriele informed the Board that he has authorized an increase in the Senior
22 Accountant full-time equivalent (FTE) adding .25 FTE or 10 hours per week allocated between the
23 two accountant positions. He said that this will not bring the accountants up to full time (as they had
24 requested) as he did not want to exceed the FTE threshold that the Board authorized in the FY
25 2011-12 budget (52.5 FTE). He stated that this will be a temporary arrangement until 2013 to
26 accommodate the workload generated by grants and loans that the District currently administers
27 including ARRA Grants, State SRF loans, WaterSmart Grant, Prop 84 Grant and an upcoming water
28 conservation grant and the Aqueduct Energy Efficiency Project loan. He advised that after careful
29 consideration, it was decided that redistributing the current workload and increasing the
30 accountants' time was the most cost-effective way to accommodate the increased workload.

31 Mr. DeGabriele stated that it was recommended by the Construction/Maintenance
32 Superintendent that two Assistant Pipeworkers be promoted to the Pipeworker position. He said
33 that Peter Castellucci, hired in 2006, has taken on responsibilities of the maintenance foreman in the

1 valve maintenance program and that Corey Reed, hired in 2005 has passed his D-2 test, another
2 level of Distribution Certification.

3 **STP SOLAR PROJECT - PWRPA POWER**

4 Mr. Bentley reminded the Board that at the November 1st meeting, they authorized staff to
5 send a \$10,000 check to PG&E to maintain the District's place in the queue for the California Solar
6 Initiative credit. He said that at the same time, Sonoma County Water Agency offered to wheel
7 power to the District from Power and Water Resources Pooling Authority (PWRPA) which would be
8 more cost-effective; however, SCWA recently advised that they do not have the authority to provide
9 PWRPA power to the District. He said the District can apply directly to PWRPA and pay a fixed cost
10 estimated to be at least \$100,000. He advised that staff is not confident that the PWRPA pricing will
11 remain attractive.

12 Mr. Bentley stated that he has contacted SPG Solar (the contractor selected to install the
13 solar panels) and they advised that Solar Power Partners has been bought out by NRG Energy and
14 that NRG had expressed enthusiasm about the District's solar project. He advised that SPG will
15 begin geotechnical work at the site.

16 Mr. Bentley informed the Board of a new complication and explained that power utilities have
17 asked the California Public Utilities Commission for an additional fee for customers using solar
18 power. He said that if the CPUC approves this additional fee, it will reduce the District's projected
19 return on investment by an estimated 40%. He said that the District will have an opportunity to
20 comment and staff will draft a letter to the CPUC in opposition to the proposed new charges and
21 bring the letter back to the Board at the next meeting.

22 **MISCELLANEOUS**

23 The Board received the following miscellaneous information: Disbursements, Annual Sick
24 Leave Buy Back, Direct Deposit of Vendor Payments.

25 The Board also received the following news articles: Endangered Russian River coho
26 Salmon, No Drought Fears Yet, Good News for Foodshed, Salinity Notice.

27 President Petterle adjourned the meeting at 8:06 p.m.

28 Submitted by

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Renee Roberts
District Secretary

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MEMORANDUM

To: Board of Directors

December 28, 2011

From: David L. Bentley, Auditor-Controller

Subj: Oppose SDG&E's Rate Case Proposing a New Charge Applicable to Solar Customers
t:\ac\word\stp solar proj\opposition to sdg&e rate proposal.docx

RECOMMENDED ACTION: Approve Attached Resolution

FINANCIAL IMPACT: None at this time

San Diego Gas and Electric has filed an application with the California Public Utilities Commission to revise its rate structure to add additional charges for customers that generate solar power. PG&E and Southern California Edison have joined the proceedings. If approved and adopted by PG&E, the new charges could potentially scuttle the viability of the proposed Stafford Treatment Plant solar project.

A City of San Diego staff report with details of the proposal is attached.

Recommendation:

Approve the attached resolution.

Approved by GM CD
Date 12/28/2011

**DRAFT
RESOLUTION 12-**

**RESOLUTION OF THE BOARD OF DIRECTORS OF
NORTH MARIN WATER DISTRICT
OPPOSING SDG&E'S APPLICATION FOR AUTHORITY TO UPDATE MARGINAL COSTS,
COST ALLOCATION, AND ELECTRICAL RATE DESIGN (A.11-10-002)**

WHEREAS, as the nation's leader in energy efficiency and renewable energy, California has encouraged its residents for decades to reduce their energy use and, more recently, to invest in clean energy, particularly solar power. Implicit in the State's push toward clean energy is an agreement that the basic rules governing the use and costs of renewable generation would not be radically restructured, making previously sound investments uneconomic; and

WHEREAS, on October 3, 2011, San Diego Gas & Electric Company (SDG&E) filed an application with the California Public Utilities Commission for authority to update marginal costs, cost allocation, and electrical rate design (Application); and

WHEREAS, SDG&E's Application proposes a disproportionate hike in collections from those who have invested in renewable generation – with the worst of the impacts to be suffered by solar customers; and

WHEREAS, while residents with solar may struggle with these new charges, the greatest impact will be on those entities with larger systems, such as cities, school districts, water districts and other public agencies that have invested in solar; and

WHEREAS, over the past few years, numerous California public agencies have invested in solar energy, supporting the State's declared clean energy goals and supplementing their general funds with the cost savings generated by solar; and

WHEREAS, in making these investments, San Diego County public agencies relied on the economics of net energy metering (NEM) under SDG&E's Distributed Generation Renewable (DG-R) Tariff, which permits a customer to net out exports of on-premises generation against any utility-provided electricity consumed by the customer. NEM customers receive bill credits for net-produced energy at nearly the same rate SDG&E would have charged the customer had the energy been consumed instead; and

WHEREAS, SDG&E proposes to force NEM customers to pay both for sending electricity into the grid as well as for taking it out. Specifically, SDG&E proposes a "Network Use Charge" – a new billing component that charges for energy that flows through a meter regardless of its direction, drastically reducing the benefits of renewable investments; and

WHEREAS, SDG&E'S Application proposes to unilaterally eliminate an important Legislative subsidy for encouraging the installation of alternative energy, including solar. SDG&E also is inappropriately seeking to discourage customers from feeding generation into the grid, which unfairly targets and undermines the effectiveness of solar installations; and

WHEREAS, SDG&E's new proposed rate design decimates the economics of San Diego County public agencies' solar investments – dramatically reducing the benefit to entities who acted progressively, helping the State meet its goals for reduced fossil fuel dependence, fewer greenhouse gas emissions and cleaner air quality; and

WHEREAS, Pacific Gas & Electric (PG&E) and Southern California Edison are parties to the Application proceeding and would likely submit for approval of similar charges if SDG&E's Application is approved by the CPUC; and

WHEREAS, therefore, if adopted, SDG&E's proposed tariff changes will have a dramatic impact on public agencies Statewide, nearly eliminating the cost savings of solar installations and taking significant amounts of money directly out of public agency operating or general funds through increased electricity costs; and

WHEREAS, on November 2, 2011, Fallbrook Public Utility District, Helix Water District, Lemon Grove School District, Padre Dam Municipal Water District, Poway Unified School District, San Diego County Office of Education of Education, San Diego County Water Authority, Vallecitos Water District and Valley Center Municipal Water District filed a protest of SDG&E's Application contending that various aspects of the Application are illegal and unjustified; and

WHEREAS, the North Marin Water District is concerned that SDG&E's application will have Statewide impacts and, if PG&E adopts a similar approach to charging solar projects, could eliminate the energy cost savings of its solar project; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the North Marin Water District that:

Section 1. The Board hereby finds and determines that the above recitals are true and correct.

Section 2. The Board hereby opposes SDG&E's Application and SDG&E's proposed rate design changes which threaten existing and future renewable investments Statewide.

Section 3. The Board hereby authorizes the General Manager or his designee to file a motion with the Administrative Law Judge in the proceeding (Application) that Official Notice of this Resolution be taken.

* * * * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 3rd day of January 2012 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

APPROVED:

ATTEST:

SECRETARY

STAFF REPORT

SAN DIEGO GAS AND ELECTRIC COMPANY'S PHASE 2 GENERAL RATE CASE BEFORE THE CALIFORNIA PUBLIC UTILITIES COMMISSION.

Time Sensitive Consent

STAFF RECOMMENDATION:

That the Board of Directors adopt the resolution opposing San Diego Gas & Electric's (SDG&E) Phase 2 General Rate Case before the California Public Utilities Commission (CPUC).

BACKGROUND INFORMATION:

On October 3, 2011, San Diego Gas & Electric Company (SDG&E) filed its Phase 2 General Rate Case with the California Public Utilities Commission (CPUC), which would, in part, impose a new charge, a "Network Use Charge," and Public Purpose Program charges on solar customers who use Net Energy Metering (NEM). Under NEM, customers may feed energy into the grid when their solar projects produce energy (thereby, in essence, "rolling their meters backwards") and then draw from the grid when their solar project is not producing, such as at night. NEM solar customers currently receive full retail credit for electricity they supply to the grid (nearly 1:1). SDG&E's proposed new charges on solar will have a detrimental impact on solar customers, especially those with larger sized systems, such as water agencies, school districts, and community college districts.

Eleven public agencies are formally protesting the proceeding: North County Transit District, Alpine Unified School District, Fallbrook Public Utility District, Helix Water District, Lemon Grove School District, Padre Dam Municipal Water District, Poway Unified School District, San Diego County Superintendent of Schools, San Diego County Water Authority, Vallecitos Water District and Valley Center Municipal Water District. California Center for Sustainable Energy is also providing independent rate analysis of the potential impact of SDG&E's proposed rate design.

Other parties who have filed protests in the proceeding are: Californians for Renewable Energy, Inc. (CARE), Center for Accessible Technology (CforAT); City of San Diego; the Division of Ratepayer Advocates (DRA); The Greenlining Institute (Greenlining); San Diego Solar Coalition (SDSC), the Solar Alliance; Utility Consumers' Action Network (UCAN); The Utility Reform Network (TURN); and Vote Solar Initiative. WalMart recently became a party to the proceeding, having missed the deadline to file a protest. On SDG&E's side, Pacific Gas & Electric and Southern California Edison have become parties to the proceeding.

Solar Rate Structure Background

During the last General Rate Case in 2007, SDG&E submitted, and the CPUC approved, a Distributed Generation Renewable Tariff (DG-R), available for solar customers, which was meant to address the detrimental impacts of SDG&E's then-rate structure and, in particular, demand charges on solar projects (e.g.

paying more with solar than without). The DG-R tariff lowered demand charges in exchange for higher energy charges. Combined with NEM, solar customers under the DG-R tariff were able to realize the cost-savings benefits of their solar installations that was contemplated by the State Legislature under the NEM program. Schools had previously been hit particularly hard prior to the adoption of the DG-R tariff because of the particular operational nature of schools and their demand load profiles.

New Solar Rate Structure

Essentially, SDG&E's new rate structure will impose the following charges on solar customers, such as NCTD, broken down as indicated below:

1. Network Use Charge (NUC): New charge for energy flowing through a meter regardless of direction.
 - (a) Maximum demand charge of \$8 per kiloWatt (kW) for "exports." [Schools Exempt]
 - (i) But, SDG&E defines "exports" to include maximum imports (energy taken off of the grid) and maximum exports (energy put on the grid).
 - (ii) For example, if a maximum kW import of 100 kW and a maximum export of 200 kW, then max Network Use Charge of \$2,400 (\$8 x 300 kW).
 - (b) Public Purpose Program (PPP) charge also recovered on the basis of "exports" (as defined by SDG&E to include both exports and imports). [Schools Not Exempt]
2. Distribution Charge: Max demand charge of \$14 per kW applied to energy imports. [Schools Not Exempt]

SDG&E's Arguments in Support of the New Rate Structure

SDG&E argues that its new rate structure is necessary to "charge NEM customers for electric distribution services they are currently able to receive for free" because the current rate structure (which SDG&E agreed to in 2007 in the last General Rate Case) is "contrary to NEM statutory intent and fairness principles." (Nov. 17, 2011, Reply of SDG&E to Protests, pp.3 and 4.) However, California Public Utilities Code section 2827 expressly prohibits SDG&E from introducing new charges that could cause a NEM customer to incur costs that the customer would not incur but for being a NEM customer, such as the Network Use Charge and Public Purpose Program charge proposed by SDG&E (which would in reality be imposed on only those customers who are able to feed energy into the grid).

Why SDG&E's Application Should be Denied or Modified

Most significantly, the State's investor owned utilities, including SDG&E, already tried to persuade the State Legislature to amend California Public Utilities Code section 2827, during the Legislature's consideration of Senate Bill 489 (SB 489) this year, to eliminate the "unfair" subsidy provided by the law to NEM / solar customers.

Despite the utilities' protest, the State Legislature did not amend the law to eliminate the subsidy. In fact, the State Legislature acknowledged that NEM is

a State subsidy, and reaffirmed that, "[d]ue to the intermittent nature of solar and the costs of installation, rooftop systems would not pencil out for most customers without the exemption from transmission and distribution costs provided by full retail NEM. The program is known to be a subsidy but one thought worth its value by the Legislature as part of its effort to stimulate the solar industry and bring down the costs of solar. The capacity of full retail NEM is designed coincide with the capacity goals of the CSI and therefore has a form of sunset." (Senate Floor Analysis of SB 489, May 31, 2011.)

Opponents of SDG&E's Application argue that SDG&E is trying to accomplish through the CPUC what the utilities were unsuccessful in arguing before the State Legislature during the consideration of SB 489. The State Legislature has expressly acknowledged that NEM represents a subsidy and has supported that subsidy, even expanding the subsidy under SB 489 this year. SDG&E should not attempt a backdoor change in the law through the CPUC proceeding.

Statewide Impact of SDG&E's Application

SDG&E's proposed new charges on solar will have a detrimental impact to solar customers around the State, especially because PG&E and SCE are parties to the proceeding and will likely seek to impose similar charges on their customers, such as the North Marin Water District, if SDG&E's Application is approved by the CPUC. SDG&E's proposed new charges will have costly impacts on solar customers, especially those with larger sized systems, such as water agencies, school districts, community college districts, cities and the county. Several public agencies, such as the Valley Center Municipal Water District and the Sweetwater Authority have shelved their plans for their solar projects as their projects no longer pencil under SDG&E's new rate structure.

Next Steps

The assigned Administrative Law Judges will issue a scoping memo setting forth the issues to be considered in the proceeding as well as the procedural schedule within the next few weeks. We also expect a ruling on the legality of SDG&E's application in February.

Board action is being sought to highlight the significance of SDG&E's proposal on entities seeking to build solar projects across the State.

ATTACHMENT: Board Resolution.

BUSINESS PLAN: *Goal/Strategic Direction:* [Text]

Initiative: [# and Text]

FISCAL IMPACT: [Text]

COMMITTEE REVIEW: [Text]

Date

STAFF CONTACT: [Name], [Title]
E-mail:

6

MEMORANDUM

To: Board of Directors

December 28, 2011

From: David L. Bentley, Auditor-Controller

Subj: Proposed FY12/13 Budget Review Schedule
t:\ac\word\budget\13\review sched fy13.docx

RECOMMENDED ACTION: Approve

FINANCIAL IMPACT: None

PROPOSED BUDGET REVIEW SCHEDULE FY 2012-13

Date	Novato Water Budgets			West Marin Budgets ¹	
	Location	Equipment & Capital Improvement Projects	Operations	West Marin Water	Oceana Marin Sewer
April 17	Novato	IR			
May 1	Novato		IR		
May 15	Novato	AR	AR		
June 5	Novato			IR	IR
June 19	Novato	H/A	H/A	AR	AR
July 3	Pt Reyes			H/A	H/A

ACTIVITY CODE

- IR - Initial Review
- AR - Additional Review
- H/A - Hearing, final changes and approval

¹ Capital Improvement Projects and Operations

Approved by GM CD

Date 12/28/2011

7

MEMORANDUM

To: Board of Directors

December 30, 2011

From: Drew McIntyre, Chief Engineer



Subject: Temporary Water Service Extension Request - Marin County Flood Control and Water Conservation District - Vineyard Creek Enhancement Project
Center Road Bridge, APN 140-081-05

r:\jobapp\referrals\apn 140\140-081-05\county of marin flood control temporary service bod memo 12.2011.doc

RECOMMENDED ACTION: Approve Request for Temporary Water Service Extension

FINANCIAL IMPACT: None

The 2008 County of Marin Vineyard Creek Enhancement project involved re-channelization upstream of Center Road and continuing downstream between Center Road Bridge and McClay Road Bridge to reduce flooding potential. As part of this project, the Board approved (October 21, 2008) two temporary water services to irrigate new plantings along riparian creek banks within project limits for a period of three years. Both agreements expired in December 2011.

The County would like to renew the agreement for one of the two locations for another three (3) years (see location map in Attachment 1 and letter as Attachment 2). A new Temporary Water Service Agreement for the meter at Center Road Bridge (Vineyard Creek) is provided as Attachment 3.

Environmental Document Review

A Negative Declaration was approved by the County of Marin on June 12, 2008.

RECOMMENDATION:

That the Board approve authorization of this temporary three (3) year water service pursuant to the attached agreement.



Doc. 35, 2011 - 20:27am 06.14.2011 - Presentation Viewport Location.dwg (User: ACHAMBERLAIN)

TEMPORARY WATER SERVICE
CENTER ROAD BRIDGE

DATE	SCALE	DWG. NO.
12/29/11	N.T.S.	ATTACHMENT 1

DEPARTMENT OF PUBLIC WORKS

P. O. Box 4186, San Rafael, CA 94913-4186 • 415/499-6528 • FAX 415/499-3799 • TTY 415/473-3232

COUNTY OF MARIN
www.co.marin.ca.us/pw

ADMINISTRATION

499-6528

ACCOUNTING

499-7877 • FAX 507-2899

AIRPORT

451-A AIRPORT ROAD
NOVATO, CA 94945
897-1754 • FAX 897-1264

BUILDING MAINTENANCE

499-6576 • FAX 499-3250

CAPITAL PROJECTS

499-7877 • FAX 499-3724

COMMUNICATION MAINTENANCE

499-7313 • FAX 499-3738

DISABILITY ACCESS

499-6528

CALIFORNIA RELAY SERVICE 711

ENGINEERING & SURVEY

499-7877 • FAX 499-3724

FLOOD CONTROL DISTRICT

499-6528

COUNTY GARAGE

499-7380 • FAX 499-7190

LAND DEVELOPMENT

499-6549

PRINTING

499-6377 • FAX 499-6617

PURCHASING

499-6371

REAL ESTATE

499-6578 • FAX 473-2391

ROAD MAINTENANCE

499-7388 • FAX 499-3656

STORMWATER PROGRAM

499-6528

TRANSPORTATION PLANNING & TRAFFIC OPERATIONS

499-6528

WASTE MANAGEMENT

499-6647 • FAX 473-2391

ALL AREA CODES ARE 415

November 22nd, 2011

Mr. Drew McIntyre
North Marin Water District
P.O. Box 146
Novato, CA 94948

RECEIVED
NOV 28 2011
North Marin Water District

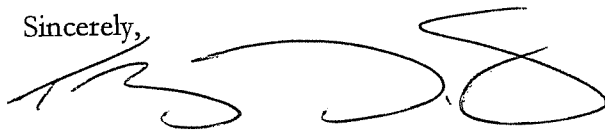
**Re: Agreement for Temporary Irrigation Water with the County of Marin -
Vineyard Creek Enhancement Project at Center Road Bridge, APN: 140-081-
05**

Dear Mr. McIntyre,

The Marin County Flood Control & Water Conservation District requests that the temporary water service agreement at Vineyard Creek be extended an additional three (3) years beyond the expiration date of December 3rd, 2011. Recently planted native vegetation near the intersection of Center Road and Wilmac Avenue still depends on the temporary drip irrigation system that connects to the Center Road Bridge water meter. In three years, all of the native riparian plants that were installed will be established and will no longer require irrigation or water service.

Thank you very much for your continued support of the Vineyard Creek Channel Enhancement Project.

Sincerely,



Tracy J. Clay
Principal Civil Engineer
Marin County Flood Control and Water Conservation District

ATTACHMENT 2

RESOLUTION NO. 12-
AUTHORIZATION OF EXECUTION
OF
TEMPORARY WATER SERVICE FACILITIES AGREEMENT
WITH
MARIN COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain temporary water service agreement between this District and Marin County Flood Control and Water Conservation District, providing for temporary water distribution facilities to provide irrigation water service to that certain real property known as Vineyard Creek at Center Road Bridge, Marin County Assessor's respective Parcel Numbers 140-081-05, MARIN COUNTY, CALIFORNIA.

* * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 3rd day of January, 2012, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

(SEAL)

Renee Roberts, Secretary
North Marin Water District

AGREEMENT FOR TEMPORARY IRRIGATION WATER SERVICE
TO COUNTY OF MARIN – VINEYARD CREEK ENHANCEMENT PROJECT AT
CENTER ROAD BRIDGE
MARIN COUNTY, CALIFORNIA
ASSESSOR'S PARCEL NUMBERS 140-081-05

THIS AGREEMENT, made and entered into this date _____, 2012, by and between NORTH MARIN WATER DISTRICT, herein called "District", and MARIN COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, herein called "Applicant".

The parties hereto agree as follows:

1. The purpose of this agreement is to set forth the terms and conditions under which the District will furnish temporary irrigation service for use by the Applicant on Vineyard Creek at a) Center Road Bridge (APN 140-081-05), Marin County, California.
2. All the water furnished by the District hereunder shall be used solely for landscape irrigation water along the Vineyard Creek Enhancement Project, Marin County, California.
3. All water furnished hereunder shall be delivered, received, used and paid for in accordance with the District's regulations from time to time in effect. The Applicant shall comply with all applicable regulations.
4. All water furnished hereunder shall be metered and delivered to the Applicant through 1-inch metered service connections (including reduced pressure principle backflow preventors (RPP)) to the District's existing 6-inch main located at: a) Vineyard Creek at Center Road Bridge. If any meter requires future relocation for any reason, the Applicant shall pay the District for actual meter relocation costs. The Applicant shall pay for all water delivered at the District's rates from time to time in effect for water service within the Novato Service Area.
5. The District reserves the right to curtail, interrupt or suspend deliveries of water hereunder to the extent necessary to meet the reasonable needs of water users within the territory of the District in the event of a water shortage as determined by the District.
6. This agreement shall terminate in three (3) years from the date of this agreement, or upon issuance of a permanent water service agreement, whichever occurs first.
7. Should the Applicant default in the performance of, or breach any provision, term or condition of this agreement, and fail to cure such default or breach within 30 days after notice thereof, the District, in addition to all other remedies available to it, may forthwith terminate delivery of water to the Applicant.

IN WITNESS WHEREOF, the parties hereto have subscribed their names the day and year first above written.

NORTH MARIN WATER DISTRICT
"District"

ATTEST:

Stephen Petterle, President

Renee Roberts, Secretary

(SEAL)

MARIN COUNTY
FLOOD CONTROL AND WATER
CONSERVATION DISTRICT

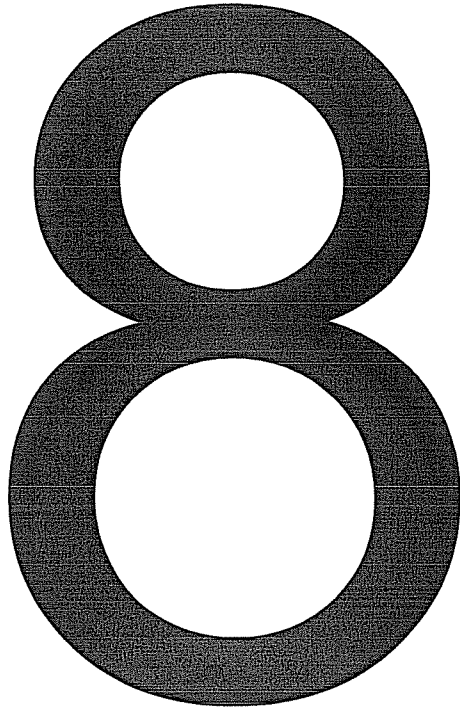
(SEAL)

Tracy J. Clay, Principal Civil Engineer

NOTES: *If the Applicant executing this agreement is a corporation, a certified copy of the bylaws or resolutions of the Board of Directors of said corporation authorizing designated officers to execute this agreement shall be provided.*

This agreement must be executed by the Applicant and delivered to the District within thirty (30) days after it is authorized by the District's Board of Directors. If this agreement is not signed and returned within thirty days, it shall automatically be withdrawn and void.

ALL SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.



**NORTH MARIN WATER DISTRICT
RECYCLED WATER EXPANSION PROJECT
NORTH SERVICE AREA**

**Construction Progress Update
January 3, 2012**



Four Segments / Phases

Segment 1: Bugeia - H Lane – Atherton/Olive Ave

Segment 2: Olive/Summers-Redwood-Wood Hollow

Segment 3: Atherton/Olive – Olive/Summers, Lea

Plum Street Tank Rehabilitation

Four Segments / Phases

Segment	Contractor	Bid \$
Segment 1	Ghilotti Construction	\$582,225
Segment 2	Ranger Pipeline	\$1,559,900
Segment 3	Ghilotti Construction	\$1,553,100
Plum Street Tank	Blastco, Inc	<u>\$ 380,380</u>
		\$4,075,605

Segment 1 - Schedule

- Notice to Proceed = July 11, 2011
- Original Contract Time = 150 Calendar Days
- Time Change = 0 Calendar Days
- Contractual Completion Date = Dec 8, 2011
- Substantial Completion = October 11, 2011
- Acceptance Date = January 17, 2012 (forecasted)

- Percent Complete = 100%

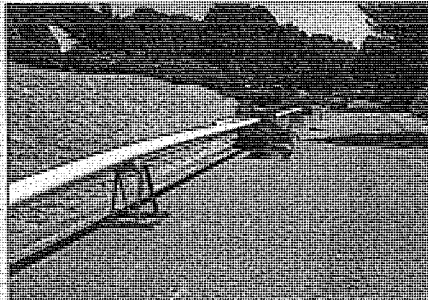
Segment 1 – Cost

- Original Contract Amount = \$582,225
- Approved Change Orders = (\$11,673)
- Potential/Pending Change Orders = \$6,743
- Potential Final Amount = \$577,295

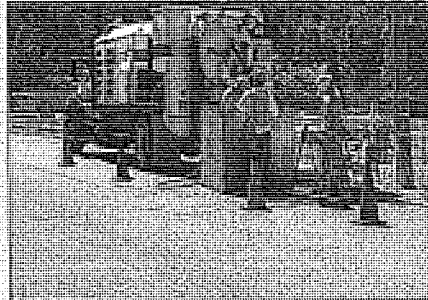
- Percent Approved Change Orders = (2.0%)
- Percent Potential Total Change Orders = (0.8%)

Segment 1 - Photos

Fusing PVC C-900 Pipe

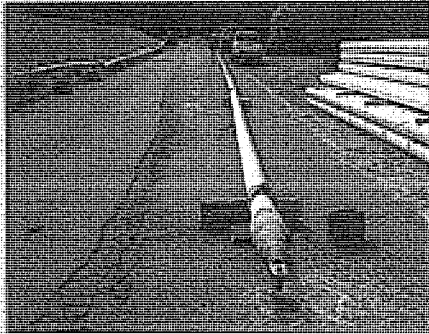


Patholing With Vector

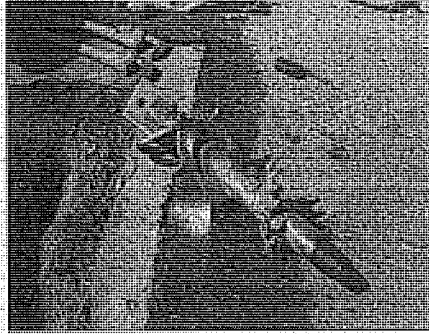


Segment 1 - Photos

Pipe Ready For Pulling

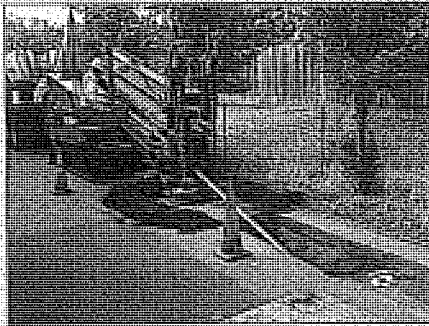


Reamer

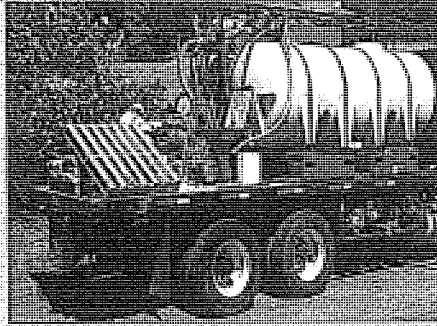


Segment 1 - Photos

HDD Boring Machine

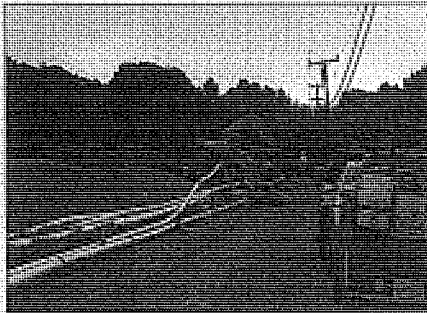


Drilling Fluid - Mud Truck

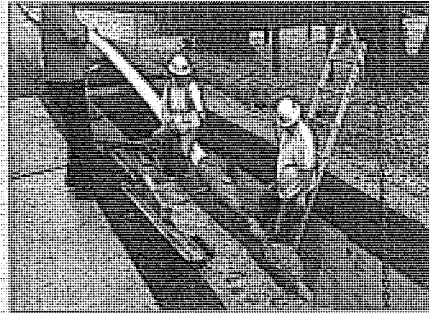


Segment 1 - Photos

Fused Pipe Staging



Drill Rod Connected to Pipe For Pulling



Segment 2 - Schedule

- Notice to Proceed = January 12, 2012
- Original Contract Time = 275 Calendar Days
- Time Change = 0 Calendar Days
- Contractual Completion Date = Oct 12, 2012
- Substantial Completion = tbd
- Acceptance Date = tbd

- Percent Complete = 0%

Segment 2 – Cost

- Original Contract Amount = \$1,559,900
- Approved Change Orders = \$0
- Potential/Pending Change Orders = \$4,800
- Potential Final Amount = \$1,564,700

- Percent Approved Change Orders = 0.0%
- Percent Potential Total Change Orders = 0.3%

Segment 3 - Schedule

- Notice to Proceed = September 19, 2011
- Original Contract Time = 240 Calendar Days
- Time Change = 0 Calendar Days
- Contractual Completion Date = May 16, 2012
- Substantial Completion = tbd
- Acceptance Date = tbd

- Percent Complete = 90% (Estimated – physical)

Segment 3 – Cost

- Original Contract Amount = \$1,553,100
- Approved Change Orders = \$19,277
- Potential/Pending Change Orders = \$30,000
- Potential Final Amount = \$1,602,377

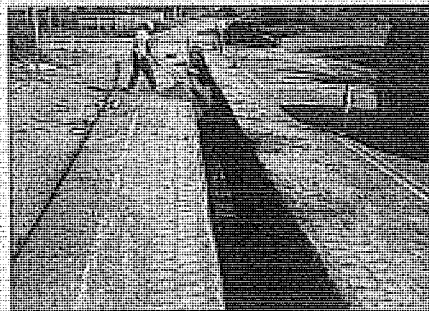
- Percent Approved Change Orders = 1.2%
- Percent Potential Total Change Orders = 3.2%

Segment 3 - Photos

Removing AC with Zipper



Pipe on Olive Ave near Atherton

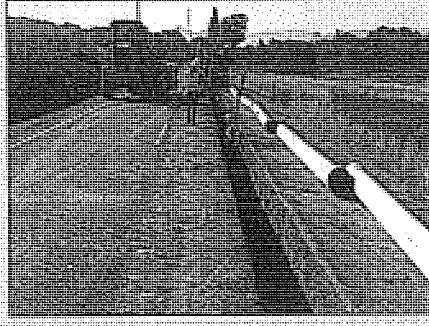


Segment 3 - Photos

Handling Pipe on Olive near Atherton



Pipe on Pavement to Protect Red Legged Frogs

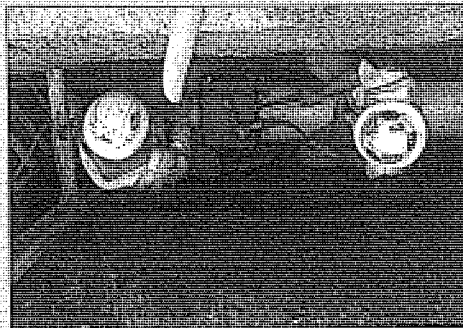


Segment 3 - Photos

Backfill & Cleanup

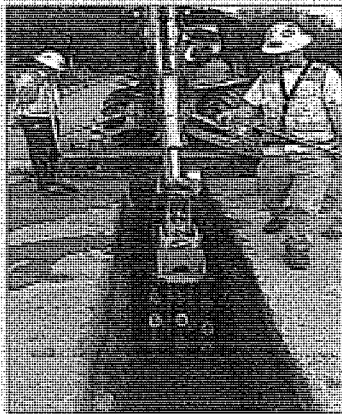


Installing Coupling



Segment 3 - Photos

Compacting with Wheel



Pipe Bend on Ice Drive



Plum Street Tank - Schedule

- Notice to Proceed = August 29, 2011
- Original Contract Time = 120 Calendar Days
- Time Change = 61 Calendar Days
- Contractual Completion Date = February 26, 2012
- Substantial Completion = tbd
- Acceptance Date = tbd

- Percent Complete = 90% (Estimated – physical; excluding Crest Tank)

Plum Street Tank – Cost (1)

- Original Contract Amount = \$380,380
- Approved Change Orders = \$9,615
- Potential/Pending Change Orders = \$39,661
- Potential Final Amount = \$429,656

- Percent Approved Change Orders = 2.5%
- Percent Potential Total Change Orders = 12.9%

(1) Excludes \$166,229 for internal re-coat of Crest Tank #1

Plum Street Tank - Photos

The Beginning

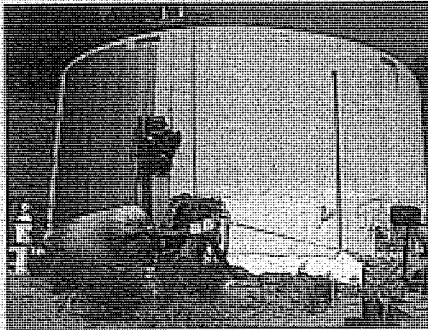


Visit by Bureau of Reclamation -
Confirm Sign



Plum Street Tank - Photos

Blast Track Machine



New Interior Access & Coating

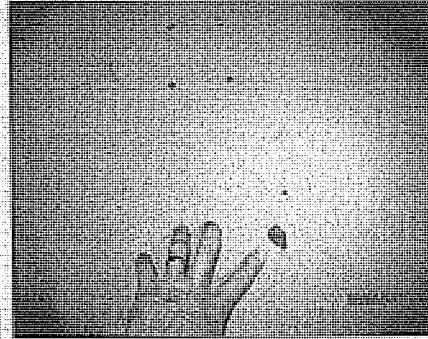


Plum Street Tank - Photos

New Reinforcement Plate for Inlet/Outlet Pipe Penetration

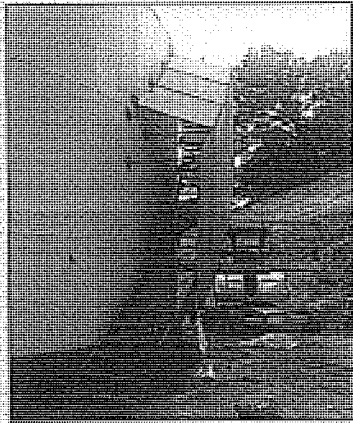


Corroded Floor

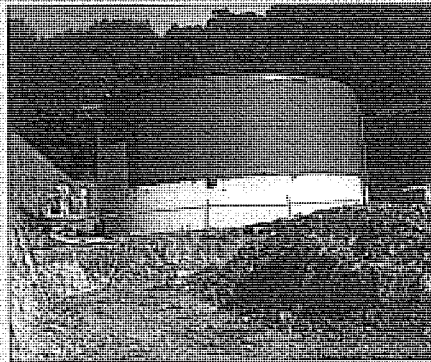


Plum Street Tank - Photos

Stairs Added



Partial Finish Coat



Recycled Water Expansion Project

North Service Area

Construction Progress Update

January 3, 2012

Questions?



9

MEMORANDUM

To: Board of Directors

December 30, 2011

From: Drew McIntyre, Chief Engineer



Subject: North Bay Water Reuse Authority Board Meeting – November 14, 2011

R:\Folders by Job No\7000 jobs\7127\Board Memos\7127 NBRWA Update 1_3_12.doc

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None at this time

Agenda attached.

The draft minutes from the above referenced meeting are provided in Attachment 1. Supplemental information is provided as follows using item numbers referenced in the meeting minutes.

7. Budget Summary Ending September 30, 2011

The Board reviewed an updated budget summary for the period ending September 30, 2011. The budget summary (Attachment 2) tracks initial expenditures by all the consultants for the first three months of the fiscal year in FY11/12. North Marin Water District's baseline assessment for FY11/12 is \$115,460.

8. American Recovery and Reinvestment Act and Title 16 Project and Schedule Updates

To date, the District has received \$78,000 in ARRA grant payments for the North Service Area (SA) and approximately \$100,000 in ARRA payments for the South Service Area (SA). Additional payment requests for June through August 2011 of \$28,000 for the North SA and \$44,000 for the South SA have not yet been received. Furthermore, a payment request for September through November 2011 is being processed for submission by the end of this month for \$256,000 for the North SA and \$71,000 for the South SA. With the submission of this latest payment request, grant reimbursements through November 2011 will total \$362,000 for the North SA and \$215,000 for the South SA (for a combined grant reimbursement request of \$577,000).

9. Conflict of Interest Code

Action of adoption on the Conflict of Interest Code was delayed and will be taken up again at the February 27, 2012 meeting.

13. SCWA Application for WaterSMART Grant on Behalf of the NBWRA Member Agencies

The Board approved a resolution authorizing Sonoma County Water Agency (SCWA) to apply for new grant with a ceiling of \$4M for additional Phase 1 related projects, primarily focused on Sonoma Valley County Sanitary District and Napa County projects. The applications are due January 17, 2012. NMWD is focused on implementing the Recycled Water North and South

SA projects and is not in a position to move forward with grants for any future projects (such as expansion to the Central Service Area) at this time.

14. Federal Funding Update

The District received word in October that an additional \$375,000 has been approved in WaterSMART grant monies to cover additional NMWD costs for the South SA projects bringing NMWD's total WaterSMART grant award from \$931,055 to \$1,306,055. The WaterSMART agreement has been approved by the Bureau of Reclamation, however the actual signed document has not yet been received by the District.

15. State Funding Update

As stated previously, as part of a \$2M Bay Area Integrated Regional Water Management grant (Prop 84 funding), NMWD will receive \$195,000 for the South SA and \$240,000 for the North SA project. This grant agreement is expected to be executed in Spring 2012 and has some potential labor compliance rules and regulations that may require the Board to adopt NMWD's own labor compliance program. More information will be presented by staff on this topic at a later meeting.

**North Bay Water Reuse Authority
Board of Directors Meeting
Phase 1 Minutes
November 14, 2011**

1. Call to Order

Chair Long called the meeting to order at 9:30 a.m. on Monday, November 14, 2011 at the Novato Sanitary District Boardroom, 500 Davidson Street, Novato, CA 94945.

2. Roll Call

PRESENT: Bill Long, Chair, Novato Sanitary District
Keith Caldwell, Vice-Chair, Napa County
Valerie Brown, Sonoma Valley County Sanitation District (arrived at 9:35 a.m.)
Larry Loder, Las Gallinas Valley Sanitary District
John Schoonover, North Marin Water District
David Rabbitt, Sonoma County Water Agency
Jill Techel, Napa Sanitation District

ABSENT: None

OTHERS

PRESENT: Chuck Weir, Program Manager	RMC
Marc Bautista	Sonoma County Water Agency
Kevin Booker	Sonoma County Water Agency
Ginger Bryant	Bryant & Associates
Tim Healy	Napa Sanitation District
Beverly James	Novato Sanitary District
Pam Jeane	Sonoma Valley County Sanitation District
Drew McIntyre	North Marin Water District
Phillip Miller	Napa County
Monica Oakley	RMC
Pilar Oñate-Quintana	KP Public Affairs
Jim O'Toole	ESA
Michael Savage	CDM
Renee Webber	Sonoma County Water Agency
Mark Williams	Las Gallinas Valley Sanitary District

3. Public Comment

No members of the public addressed the Board.

4. Introductions

As there were no new persons in attendance, introductions were not made.

5. Board Meeting Minutes of August 15, 2011

A motion by Director Schoonover, seconded by Director Caldwell to approve the August 15, 2011 minutes was unanimously approved.

6. Report from the Program Manager

6.a Consultant Progress Reports

The Program Manager noted that this month's report included the October 2011 Progress Reports from the consultant team.

7. Budget Summary – Period Ending September 30, 2011

The Board reviewed the first quarter budget summary for the period ending September 30, 2011.

8. American Recovery and Reinvestment Act and Title XVI Projects and Schedule Updates

Michael Savage reviewed the schedule and status of member agency projects funded through ARRA. Chair Long asked for an update on approved federal funds to date. Ginger Bryant and Kevin Booker responded that NBWRA has been approved for approximately \$7.3 million in ARRA funding and \$1.6 million in Water SMART grants.

9. Hearing on Adoption of Conflict of Interest

10. Close Hearing on Adoption of Conflict of Interest Code

11. Resolution Adopting the NBWRA Conflict of Interest

The Program Manager noted that there are still outstanding issues with the Fair Political Practices Commission regarding NBWRA's status and the adoption of a Conflict of Interest Code. He recommended that Item Nos. 9, 10, and 11 be continued to the February 27, 2012 meeting. A motion by Director Schoonover, seconded by Director Caldwell to continue Item Nos. 9, 10, and 11 to the February 27, 2012 meeting was unanimously approved.

12. Report on United States Bureau of Reclamation Commissioner's Tour of North Bay Water Reuse Program

Ginger Bryant gave a PowerPoint presentation of the tour with Commissioner Mike Connor on November 9, 2011. The presentation included pictures of various project sites as well as attendees. She noted that the Commissioner was very impressed with the scale and scope of the projects.

13. Resolution Authorizing Sonoma County Water Agency to apply for a WaterSMART Grant on behalf of the NBWRA Member Agencies.

There was discussion regarding the cost and process for submitting a WaterSMART grant application. Director Brown requested information on the history of funding for the Napa Salt Marsh Project. A motion by Director Techel, seconded by Director Brown approving a Resolution Authorizing Sonoma County Water Agency to apply for a WaterSMART Grant on behalf of the NBWRA Member Agencies was unanimously approved.

14. Federal Funding Update

Ginger Bryant provided an update on federal funding for the Board.

15. State Funding Update

Pilar Oñate-Quintana provided an update on the status of State funding, including the Integrated Regional Water Management Program, and legislation of interest to NBWRA as described in the Agenda packet.

16. Adjournment

There being no further business, Chair Long adjourned the meeting at 10:01 a.m.

Minutes approved by the Board on _____.

Charles V. Weir
Program Manager

NBWRA FY2011/12 Consultant Cost Tracking

Phase 1									
Month	RMC	Bryant	TFG	CDM	ESA	KP	RCC	SCWA	Total
July-11	2,673.92	5,075.07	5,000.00	6,200.00	2,184.45	4,000.00	738.69		25,872.13
August-11	4,002.71	7,110.07	5,000.00	7,817.03	5,810.00	4,000.00	1,436.19		35,176.00
September-11	2,881.25	5,226.25	5,000.00	10,914.15	2,392.00	4,000.00	421.15		30,834.80
October-11									0.00
November-11									0.00
December-11									0.00
January-12									0.00
February-12									0.00
March-12									0.00
April-12									0.00
May-12									0.00
June-12									0.00
Total	9,557.88	17,411.39	15,000.00	24,931.18	10,386.45	12,000.00	2,596.03		91,882.93
FY11/12 Budget	77,640.00	60,000.00	50,000.00	225,900.00	40,000.00	48,000.00	58,000.00	75,000.00	634,540.00
Amt Remaining	68,082.12	42,588.61	35,000.00	200,968.82	29,613.55	36,000.00	55,403.97	75,000.00	542,657.07
% Remaining	87.69%	70.98%	70.00%	88.96%	74.03%	75.00%	95.52%	100.00%	85.52%

Phase 2									
Month	RMC	Bryant	TFG	CDM	ESA	KP	Outreach	SCWA	Total
July-11	1,724.55	7,585.00	-	14,500.00	-	-	-	-	23,809.55
August-11	2,736.98	7,862.50	-	5,006.56	-	-	-	-	15,606.04
September-11	1,370.00	6,752.50	-	4,901.50	-	-	-	-	13,024.00
October-11									-
November-11									-
December-11									-
January-12									-
February-12									-
March-12									-
April-12									-
May-12									-
June-12									-
Total	5,831.53	22,200.00	-	24,408.06	-	-	-	-	52,439.59
FY11/12 Budget	33,360.00	90,000.00	-	155,200.00	-	-	28,600.00	40,000.00	347,160.00
Amt Remaining	27,528.47	67,800.00	-	130,791.94	-	-	28,600.00	40,000.00	294,720.41
% Remaining	82.52%	75.33%	#N/A	84.27%	#N/A	#N/A	100.00%	100.00%	84.89%

Phase 1 & 2 Total									
Month	RMC	Bryant	TFG	CDM	ESA	KP	Outreach	SCWA	Total
July-11	4,398.47	12,660.07	5,000.00	20,700.00	2,184.45	4,000.00	738.69	-	49,681.68
August-11	6,739.69	14,972.57	5,000.00	12,823.59	5,810.00	4,000.00	1,436.19	-	50,782.04
September-11	4,251.25	11,978.75	5,000.00	15,815.65	2,392.00	4,000.00	421.15	-	43,858.80
October-11									-
November-11									-
December-11									-
January-12									-
February-12									-
March-12									-
April-12									-
May-12									-
June-12									-
Total	15,389.41	39,611.39	15,000.00	49,339.24	10,386.45	12,000.00	2,596.03	-	144,322.52
FY11/12 Budget	111,000.00	150,000.00	50,000.00	381,100.00	40,000.00	48,000.00	86,600.00	115,000.00	981,700.00
Amt Remaining	95,610.59	110,388.61	35,000.00	331,760.76	29,613.55	36,000.00	84,003.97	115,000.00	837,377.48
% Remaining	86.14%	73.59%	70.00%	87.05%	74.03%	75.00%	97.00%	100.00%	85.30%

10

FOR ACCESSIBLE
MEETING INFORMATION
CALL: (707) 543-3350
ADD: (707) 543-3031



TECHNICAL ADVISORY COMMITTEE

MONDAY: JANUARY 9, 2012

Utilities Field Operations Training Center
35 Stony Point Road, Santa Rosa, CA

9:00 a.m. (Note Location)

1. Check In
2. Public Comment
3. Recap from December 5, 2011 TAC Meeting and Approval of Minutes
4. L/R/T2 Program Funding for FY 2012/13
5. SCWA Water Supply/Transmission System Operations Status
6. Biological Opinion Status Update (including presentation on Dry Creek Habitat Demonstration Project)
7. ACWA Task Force – Financing the 2009 Comprehensive Water Package
8. Items for next agenda
9. Check Out

MEMORANDUM

To: Technical Advisory Committee

December 28, 2011

From: Chris DeGabriele, Chair

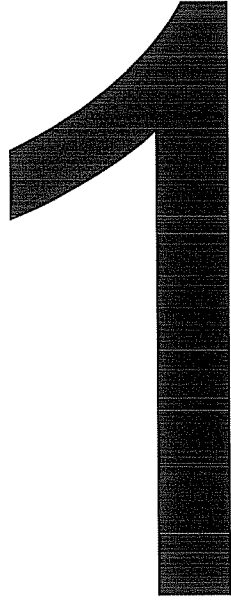
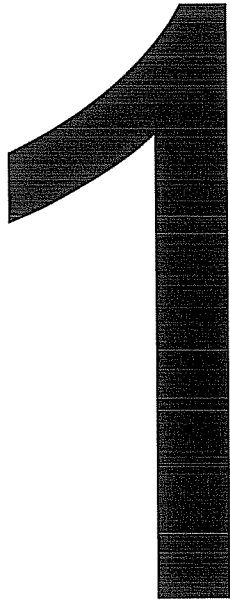
Subject: L/R/T2 Program Funding for FY 2012/13
T:\GMS\SCWA\LRT2 Subcommittee\fy 2012-13 program funding TAC memo.doc

On September 16, 2011 letters were sent to cities of Santa Rosa, Rohnert Park, Cotati, Sonoma and Marin Municipal Water District advising that: 1) those cities/water district have not yet received their full funding allocation under the original SCWA Local Supply/Recycled Water/Tier 2 Conservation funding program, and 2) soliciting project proposals. Two replies have been received - one from Rohnert Park for their full L/R/T2 funding allocation of \$649,629 requesting reimbursement of costs spent on rehabilitation of existing potable well supply. The City of Santa Rosa has also replied advising that Santa Rosa anticipates submitting projects for the remaining balance of their L/R/T2 allocation of \$1,157,233 for FY 2013/14; and recommended that in addition to funding projects submitted for FY 2012/13, additional funds be collected in the upcoming budgets to fully fund the L/R/T2 projects. The total remaining to be collected and allocated among all remaining recipients is ~\$3M.

In FY 2011/12, the SCWA O&M recycled water and local supply sub-charge is less than 3% of the total SCWA wholesale water rate and amounts to \$18.13/AF (acre foot) collecting approximately \$1M per year. SCWA is using those funds for both Agency and consultant services for the Sonoma Valley Groundwater Management Plan and Santa Rosa Plain Groundwater Study and Management Plan development. SCWA staff anticipate that level of funding and expenditure will continue in FY 2012/13.

The L/R/T2 Subcommittee met on December 20 to review the proposal and come up with a recommendation to consider at the January 9 TAC meeting. The L/R/T2 Subcommittee agreed to propose an additional \$8.25/AF this year and next (<1.5% increase this year and next) to provide additional revenue and fulfill the remaining allocations outstanding within a five-year window. This would fully fund the Rohnert Park allocation over two years.

RECOMMENDATION: TAC recommend adding \$8.25/AF to the L/R/T2 sub-charge in the SCWA FY 2012/13 budget with the understanding that this may be adjusted should the overall SCWA rate increase prohibit such an addition.



**NOTICE OF MEETING OF
NORTH BAY WATERSHED ASSOCIATION**

Notice is hereby given that a meeting of the North Bay Watershed Association will be held as follows:

Date: Friday, January 6, 2012
Time: 9:30 a.m. – 11:30 a.m.
Location: Marin Community Foundation,
5 Hamilton Landing,
Suite 200, Redwood Room
Novato, CA 94949

AGENDA

<u>Item</u>	<u>Recommendation</u>
1. Call to Order (Jack Gibson, Chair)	
2. Public Comment	
3. Approval of the Agenda (1 min.)	Approve
4. Approval of Minutes	Approve
5. Treasurer's Report (1 min.)	Accept
6. Legacy Land Use Impacts on Corte Madera/San Anselmo Creeks (45 min.) Guest Speaker: Laurel Collins, Watershed Sciences	Information
7. NBWA Projects – Update (30 min.) – Sea Level Rise Proposal – PRBO (\$49,837) Harry Seraydarian	Action
8. NBWA 2012 Conference Update (15 min.) Harry Seraydarian	Information
9. Items of Interest	
10. Items for Next Agenda	

Next Meeting Information:

Next Meeting: February 3, 2012
Petaluma (Lucchesi) Community Center
320 N. McDowell Boulevard – Conference Room 2
Petaluma, CA 94954

NORTH BAY WATERSHED ASSOCIATION

Minutes for the meeting of the North Bay Watershed Association (NBWA) Board of Directors.

Date: December 2, 2011
Time: 9:30 a.m.
Location: Petaluma (Lucchesi) Community Center
320 N. McDowell Boulevard, Conference Room 2
Petaluma, CA 94954

Directors Present: Directors present included:

<u>Board Member</u>	<u>Agency/Organization</u>	<u>Board Member</u>	<u>Agency/Organization</u>
Judy Arnold	County of Marin	Jack Gibson	Marin Municipal Water District
Jack Baker	North Marin Water District	Mark Luce	Napa Sanitation District
Steve Barbose	City of Sonoma and Sonoma Valley County Sanitation District	Brad Sherwood	County of Sonoma and Sonoma County Water Agency
Megan Clark	Las Gallinas Valley Sanitary District	Pamela Tuft	City of Petaluma
Mike DiGiorgio	Novato Sanitary District		

Directors present represented 11 out of the 16 agencies signatory to the Association MOU.

Board Actions:

1. **Call to Order.** Jack Gibson, Chair, called the meeting to order at 9:40 a.m.
2. **Public Comment.** There was no public comment.
3. **Approval of the Agenda.** (See Handout) The Board unanimously approved the agenda.
4. **Approval of the Minutes of the Board Meeting held November 4, 2011.** (See Handout) The Minutes of the Board Meeting held on November 4, 2011 were approved with one abstention by Mike DiGiorgio, Novato Sanitary District.
5. **Treasurer's Report.** (See Handout) The Treasurer's Report was accepted as presented by Harry Seraydarian.
6. **Upper Petaluma River Flood Control/Groundwater Recharge Project.** Kent Gylfe, Principal Engineer, SCWA, introduced his presentation with a map of the Zone 2a boundaries illustrating the FEMA 100 year floodplain and photos of the 2005-2006 flooding in downtown Petaluma, as a result of a severe New Year's Eve storm. Kent noted that similar studies were underway in Laguna Mark West and Sonoma Valley and the intent was to identify projects for Prop 84 and 1-E funding. Kent first outlined the phases of the project: Scoping, Feasibility, Implementation. He then presented the Scoping Study Schedule and the opportunities for stakeholder input. Kent identified the project participants and the themes identified in the first meeting: a strong desire for broader public outreach; an emphasis on willing property owners and avoiding eminent domain; a need for flood control benefits (multi-benefit o.k.); a perception that urban areas will benefit at the expense of the rural community; and preserve the benefits of existing projects. Kent mentioned that the next meeting will be held on December 8 at the Lucchesi Center where RMC will present draft results of the project screening process. Kent explained the two core objectives for projects: (1) Provide flood hazard reduction and (2) Increase groundwater recharge and then Kent described seven supporting objectives: (1) Water Quality, (2) Water Supply, (3) System Sustainability, (4) Ecosystem, (5) Agricultural Land, (6) Undeveloped Land, and (7) Community Benefits. Kent presented a map depicting conceptual locations and explained location criteria: undeveloped land, relatively flat, relatively close to waterway or floodplain, and relative location to geologic formation (recharge). Kent noted that in Phase 2, the feasibility study, locations will be confirmed based on additional criteria. The 11 project concepts are: managed floodplain; off-stream detention; in-stream detention; floodplain modification; levee/floodwall; channel modification; bypass channel; bridge improvement and debris removal; low impact development; policy review and development; and direct recharge. Three project concepts were screened out (levees/floodwall and bridge improvement and debris removal (no groundwater benefit), and direct recharge (no flood benefit). Kent displayed a detailed graph showing how RMC prioritized projects by introducing weighting factors and mentioned that additional projects such as: LID, ecosystem enhancement, and small scale, may be added later. Kent outlined next steps (after the next meeting) leading to implementation and noted that information is available on the web site: www.sonomacountywater.org
The Board Members and other participants had a number of questions: Is there any coordination with other flood control projects such as Corte Madera and Napa? (Talked to Napa and RMC is involved in other studies.) Is competition for funding a factor? (Spirited discussion since there are three areas within Sonoma.) Is there any modeling in preliminary assessment level? (Will analyze benefits in feasibility study. City has done some modeling already.) If raising bridges provides huge flood benefit can you add project back in? (Focus on multi-benefit funding sources, may add bridges back in for other funding sources.) Will detention facilities be on public land? (Try not to limit projects to publicly owned land – would welcome private property from willing landowners.) Was tidal influence and climate change considered?

(Not considered yet but will in feasibility study.) Will you assess fees as in Marin County? (Not at this point, looking for funding for projects.) Are you doing analysis of sediment going into bay? (Yes, will look into it.)

7. **Friends of Petaluma – Update.** Andy Rodgers and Elizabeth Howland, Friends of the Petaluma River, used PowerPoint to provide an update on the Petaluma watershed and the efforts of Friends. Andy started with a few facts about the Petaluma Watershed: Size – 146 square miles; highest peak elevation – 2,295 ft.; and 11% of watershed (lower 12 miles) is salt marsh. He noted that the Petaluma River is actually a tidal slough or tidewater estuary and that brackish water and tidal influence extends through and upstream of downtown Petaluma. He also provided a map showing the 100 year flood zone. Andy highlighted recent flood events and then provided a brief chronology starting in 1776. He also noted ecological changes and described uses of the river for transportation, commerce, and recreation. Andy then pointed out that the Petaluma Salt Marsh is the single largest and least disturbed example of ancient tidal marsh in California and that species of concern in the watershed are Steelhead Trout and Chinook Salmon. Andy ended the overview with a map showing the best potential restoration areas and listed the main sport fishery species (Striped Bass, Chinook, and Sturgeon). Elizabeth then presented the mission of Friends and the key phrase – “Celebrate and Conserve.” Elizabeth referred to her deceased husband, David Yearsley, who founded the Friends organization and established priorities: River Heritage Center, tours, partnerships, general watershed activities, and to serve as a collaborative resource. Elizabeth then described the many activities at the River Heritage Center: Sunday boat rides, a small boat club, a Rivertown Revival, Workshops (Transitions, Nature Connection) and River Heritage Days. Elizabeth presented a slide showing all the partners and thanked them for their efforts. She highlighted some of the general watershed activities (Spartina removal, river and creek cleanups, and marsh restoration). Elizabeth concluded by noting that Friends, as an established and networked community organization, serves as a collaborative and connecting resource and that Friends believe “A Healthy River is the Heart of a Healthy Community.”
www.friendsofthepetalumariver.org

8. **STRAW/PRBO Projects in the Petaluma Watershed.** Laurette Rogers, STRAW Program Manager at PRBO, began her presentation with some facts about PRBO Conservation Science: grown out of the Point Reyes Bird Observatory founded in 1965; now 130+ staff and seasonal biologists who work from Alaska to Antarctica; and the 2011 budget is ~\$8m. Laurette explained PRBO’s core strategies: adaptive management, long-term studies, an ecosystem approach, training and outreach, and partnerships. Laurette then provided some history on STRAW (Students and Teachers Restoring a Watershed) that began in Laurette’s classroom with a CA freshwater shrimp project. She noted that she has been working with ranchers on private property since 1993 and that one of the first restoration projects was on Stemple Creek. Laurette reported that STRAW now performs about 38 restorations per year working with teachers. She noted that teachers can come from anywhere for “Watershed Week” to learn how to incorporate STRAW projects into their curriculum for hands-on science for children, as well as bringing additional watershed education into the classroom. She suggested checking out the Virtual Summit on the PRBO website to see multimedia presentations showcasing the children’s restoration work. Laurette noted that this is STRAW’s 20th Year out in the field and thanked the many partners who have participated. Laurette presented a number of Petaluma projects: Stemple Creek (Murphy Ranch), Corona Creek, Chilleno Valley (Brazil Ranch), Adobe Creek, Lynch Creek, San Antonio Creek, and San Pablo Bay Wildlife Refuge. Laurette emphasized the importance of maintenance (3 years) and monitoring to assess effectiveness. She also described the relationship between monitoring and research and how that guides their restoration efforts. Laurette then looked forward to the next 20 years and explained how STRAW will use PRBO research on climate change to influence restoration (drought tolerant plants, sea level rise and habitat needs, etc.). Laurette mentioned a PRBO tool on their website that projects sea level rise: www.prbo.org/sfbavslr. Laurette displayed a number of before and after pictures for projects in the Petaluma River drainage and noted STRAW’s accomplishments since 1992: educating over 25,000 students and empowering teachers, coordinating over 9,000 volunteers, conducting over 350 restorations, planting over 27,000 native plants and creating over 24 miles of new habitat. Laurette also shared the news that the National Geographic is planning to create and market a tool kit to establish programs based on the STRAW model. www.prbo.org
Outreach and Education – STRAW.

9. **Items of Interest.** None.

10. **Items for the Next Agenda.**

- * Legacy Land Use Impacts on Corte Madera and San Anselmo – Laurel Collins
- * Project Update – Action

Jack Gibson, Chair, adjourned the meeting at 11:16 a.m.

SUBJECT TO BOARD APPROVAL

Submitted By: Elizabeth O. Preim-Rohtla

NEXT MEETING INFORMATION:


January 6 – Marin Community Foundation, 5 Hamilton Landing, Suite 200, Novato, CA 94949

February 3 – Petaluma (Lucchesi) Community Ctr., 320 N. McDowell Blvd., Petaluma, CA 94954-Conference Room 2

March 2 – Novato Sanitary District, 500 Davidson Street, Novato, CA 94945

12

MEMORANDUM

To: Board of Directors
From: Chris DeGabriele, General Manager 
Subject: Reorganization Review
t:\gm\staff\2012\reorganization review bod memo.doc

December 30, 2011

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None

District staff have reorganized twice over the past three years in response to vacancies resulting from retirements and employees seeking other employment or termination. Robert Clark was instrumental in coordinating the reorganizations both in 2008 and most recently in 2011. I've asked Robert to provide an update and review of said reorganizations. That review is attached for your information.

MEMORANDUM

To: Chris DeGabriele, General Manager
From: Robert Clark, Operations / Maintenance Superintendent
Subject: Reorganization Review 2011

December 23, 2011

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Staff reorganized the Operations, Maintenance and Construction Departments in July of 2008 and most recently the Storekeeper and Assistant Distribution / Treatment Plant Operator (AD/TPO) positions in April of 2011. Senior staff worked together to evaluate the various tasks the departments and affected employees were responsible for and developed a plan that was to accommodate the District's needs moving forward. I have prepared an evaluation report to verify the effectiveness of these efforts. Interviews were conducted with Department heads, Supervisors and affected employees to discuss the key aspects of the reorganizational efforts. The primary aspects of the reorganizational efforts included the consolidation of the Maintenance, Operations and Water Quality into one department, valve and hydrant maintenance program transferred to the Construction Department, Construction Inspector transitioned to Storekeeper in the Accounting Department and the Construction Department Transmission and Distribution Foreman transferred to Operations Department as AD/TPO.

In summary the consolidation efforts have been positive for the Operation/Maintenance (O/M) Department resulting in better communications for field staff. The Construction/Maintenance (C/M) Department continues to find it difficult to maintain schedules for valve and hydrant maintenance tasks and complete on-going construction activities. Over the past nine months Engineering has absorbed the loss of the Inspector position and is satisfied with fewer people making decisions on operational design reviews. Accounting is very pleased with the maturity, institutional knowledge and professionalism of the storekeeper which has resulted in improved material order efficiency and inventory counting. With some focus on scheduling and cooperation from all departments as outlined in the re-organizational documents, the valve, hydrant and flushing maintenance tasks can be maintained. The impacts of these changes have been reviewed by staff and are documented in detail with a list of suggested follow-up tasks below.

Administration

There is an overall improvement in the level of professionalism John Mello has brought to the Storekeeper position. John's knowledge of water systems, materials, standard practices and staff has enabled better communication with District staff, customers, contractors and vendors. This has led to fewer order issues, returns and improved overall efficiency in the warehouse. John did a great job determining how to separate the recycled water materials from other stock items to ensure

that the ARRA "Made in the USA" requirement was not compromised. There could be improvement in how the Field Service Representatives (FSR) are performing the cycle counts. There are some concerns also with potential physical constraints John has with elevated platform activities and Rich's limited lifting work restriction for the various tasks he may need to do in the warehouse. As far as the 2008 re-organization, the Administration Department feels the overall management improvements have reduced the so called "black holes" of information, requested actions are being addressed in a timely fashion and communications are professional. During my conversations with Doug, Kerry, Brad and Alicia there was discussion about the interpersonal skills of human resources support and how items that should be dealt with on an impersonal non-objective approach have taken a more personal objective perspective and perceived influence from the Department Head. There has also been a lack of understanding and support for returning to work after extended time off and retirement planning.

Operations / Maintenance Department

There have been a lot of adjustments over the past three years especially for management and supervision. The O/M Superintendent position may need to be divided into two positions in the future, but for now, one is working well. I have become more familiar with the various regulations, reports and responsibilities that the District has for providing safe drinking water, and there are still specific aspects to these regulatory organizations requirements that are changing on a regular basis that staff needs to keep up with. The O/M staff has managed to transition into a cohesive group that is keeping track of these regulatory requirements and will continue to fine tune these efforts. However, there will be a concerted effort this next year to keep pace with the increased recycled water and cross connection control activities.

Overall the 2008 reorganization is working well and has had little impact on the Operations, Maintenance and Water Quality staffs. Supervision, communications and work coordination has been made easier and information flows much better. There is more information being shared about the state of the distribution system within O/M and with other departments. Problem solving is more collaborative and less "top down".

Efforts to cross-train and develop staff for distribution and treatment operations has been time consuming and, at times, frustrating. The frustration primarily comes from the Department of Public Health, which oversees the certification and registration of water system operators. Because of the time required to work in the specific areas of treatment and distribution separately for certification, our operators will require six years of training before they acquire the minimum

certifications to operate both the Stafford Treatment Plant (T3) and the Novato distribution system (D2). In other organizations similar operators have achieved higher levels in either one of the disciplines with higher pay during the same period of time. We have already seen staff leave the District to obtain higher pay at other utilities. The time we have spent training our staff has taken time away from continuous improvement efforts and has not allowed the Supervisor, Brad Stompe, to step away from the daily operations and take on more of the supervisor activities. We have been continuously training a series of five operators over this period and have seen one leave for other opportunities. The two newest operators will have a year under their belts this next year which should free up Brad to take on more continuous activities.

David expressed concern with the O/M Tech and referred to the position as an administrative assistant position. We discussed that this is not an administrative position but an engineering technician position. However, there is still some of the O/M Tech's time being spent on administrative tasks. The O/M Tech, Sue Kessler, has played a key roll in keeping track of maintenance activities at STP, RWF, CCC, E/M and the valve program. Sue has also been able to assist me, Doug, Brad, Pablo and Kerry with file management, equipment bids, CCC administration, memos, operations plan updates, Risk Management Plan updates and the Emergency Operations Plan updates. Asset management efforts got off to a good start but CCC activities have taken more time than expected, over the next period of time more effort will be placed on asset management to get that back on track. Because of Operator staff turnover, some ongoing maintenance tasks have fallen behind; however tasks should be caught up after the winter shutdown and will continue to stay on track with new hires taking on more responsibilities. Brad will work with Doug and Alicia for assisting in the valve program and using FSR on tank cleaning and flushing activities. The Operations group will also need to focus on developing project skills so that the younger staff can continue to perform these small project tasks in-house.

Construction / Maintenance

All is going well for the most part, the O/M Tech has been a great help for the valve / hydrant program tracking and small administrative tasks. However, the valve and hydrant programs have been difficult to keep up with as had been done in the past; assistance from the O/M department in February and March will help. Direct supervision of Pete Castellucci and determining what is being accomplished is difficult and could use some efficiency improvements. However, valve operations over the period is at 33% which is equivalent to what had been accomplished with two people; that is to say, the valves will all be operated over a three-year period vs. a 1-1/2 year period. Paving

project coverage, main line shut-off support and leak detection is going well. Having John in the warehouse has been an improvement and is working better than ever. Minimum stock and use of the material requirement form (MRF) can be improved because there is still an issue with last minute material needs.

Engineering

There is a feeling that there has been a loss in focus on valve operations for Novato and the aqueduct air valves. Drew and I discussed how the O/M Department was going to have some time in February and March to help get some of this completed. It is forecasted that the Construction/Maintenance Department should have only 20% of their time being spent on engineering projects and 80% of their time available for maintenance programs. We can review tasks, priorities and how work is scheduled to help provide better focus on maintenance activities for the C/M Department. Communications between the Engineering Department and the O/M Department has improved with having only a single department head in O/M to make decisions. John's move to the Storekeeper position has made sense for purchasing and order control. There has been a 15% up-tick of tool and supply orders that we should look into. Because there was no cross-training provided when John took over the position, Drew suggested that we look into developing a plan to train the next warehouse storekeeper. No other people expressed concerns with the changes within the Engineering Department with respect to inspections being completed. We have not had the volume of developer nor in-house projects over this review period.

Follow up Tasks:

1. Review C/M tasks, priorities and how work and materials are scheduled to help provide better focus on maintenance activities.
2. Look into why 15% tool and supply increase.
3. Have the warehouse costs changed since re-org?
4. John to work with Doug and others to make better use of the material request forms (MRF) to ensure we do not run out of stock items during small projects.
5. Develop a plan to train the next storekeeper. Training manuals, how to lists, etc.
6. Review how cycle counts are being performed and suggest improvements. Diane and Alicia will work together to do this.
7. Robert will review how to identify Sue for succession planning purposes.

8. Chris may want to review HR roles and responsibilities; may want to include safety and training activities as presented in the 2008 reorganization efforts.
9. Robert and Brad to develop training for Jeff, Dan and Michael to learn how to work on small projects.
10. Brad suggested that we use an annual activities calendar to keep track of major maintenance activities throughout the year. CCC, tank inspections and cleaning, flushing, valve ops, hydrant ops, etc.
11. Robert, Pablo and Eric need to develop a Regulation 6 revision before the end of the FY.

13

MEMORANDUM

To: Board of Directors
From: Chris DeGabriele, General Manager
Subject: Effectively Managed Utility Survey Results
t:\gm\bod misc 2012\self assessment cover memo.doc

December 30, 2011

RECOMMENDED ACTION: Information Only

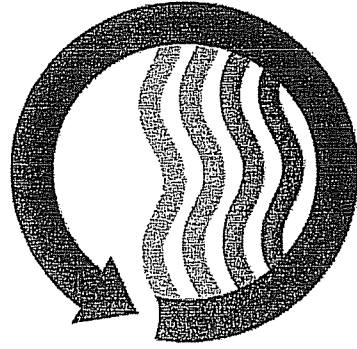
FINANCIAL IMPACT: None

Attached is the presentation material including the results from the Effectively Managed Utility Self-Assessment Survey conducted in December. At Tuesday's Board meeting, I will review the information with the Board and suggest a path forward for continuing with the Effectively Managed Utility program.

NIMWD

Self-Assessment

2011



**NORTH MARIN
WATER DISTRICT**

NORTH MARIN WATER DISTRICT'S MISSION AND VISION STATEMENTS

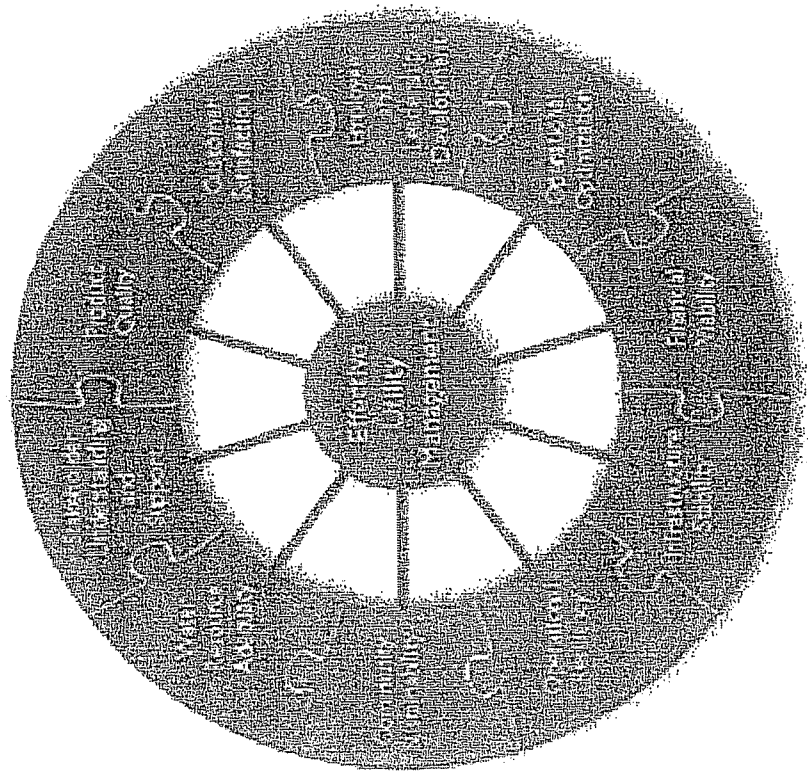
MISSION STATEMENT

"We provide an adequate supply of safe, reliable and high quality water and deliver reliable and continuous sewer service to our customers at reasonable cost consistent with good conservation practices and minimum environmental impact."

VISION STATEMENT

"We carry out our mission with a highly motivated and competent staff empowered to conduct the District's business by placing customer needs and welfare first. We seek continual dialogue from our staff, peers, and all those we serve so that we may continually improve service to our customers."

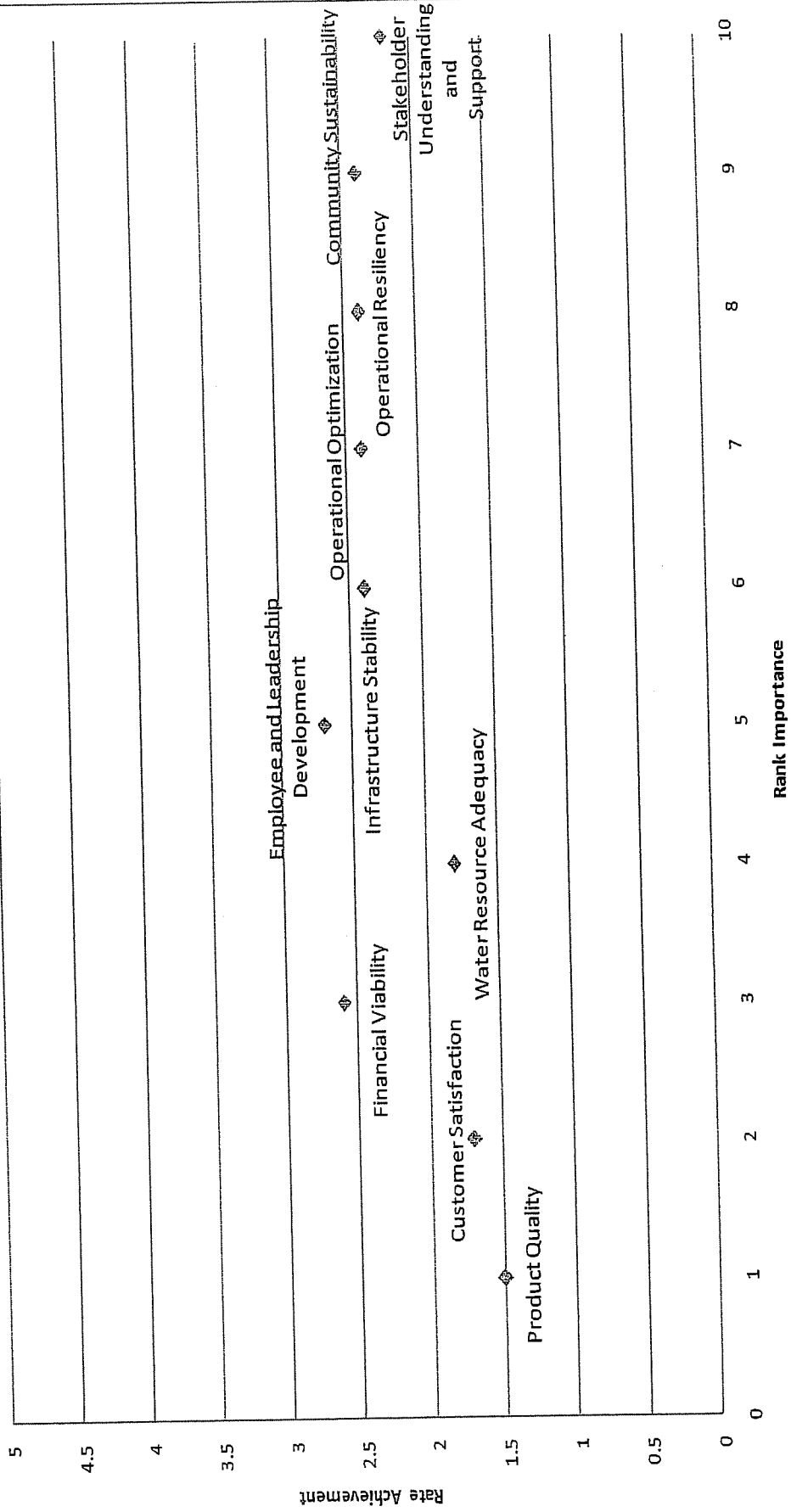
Ten Attributes of Effectively Managed Water Sector Utilities



Ten Attributes of Effectively Managed Water Sector Utilities

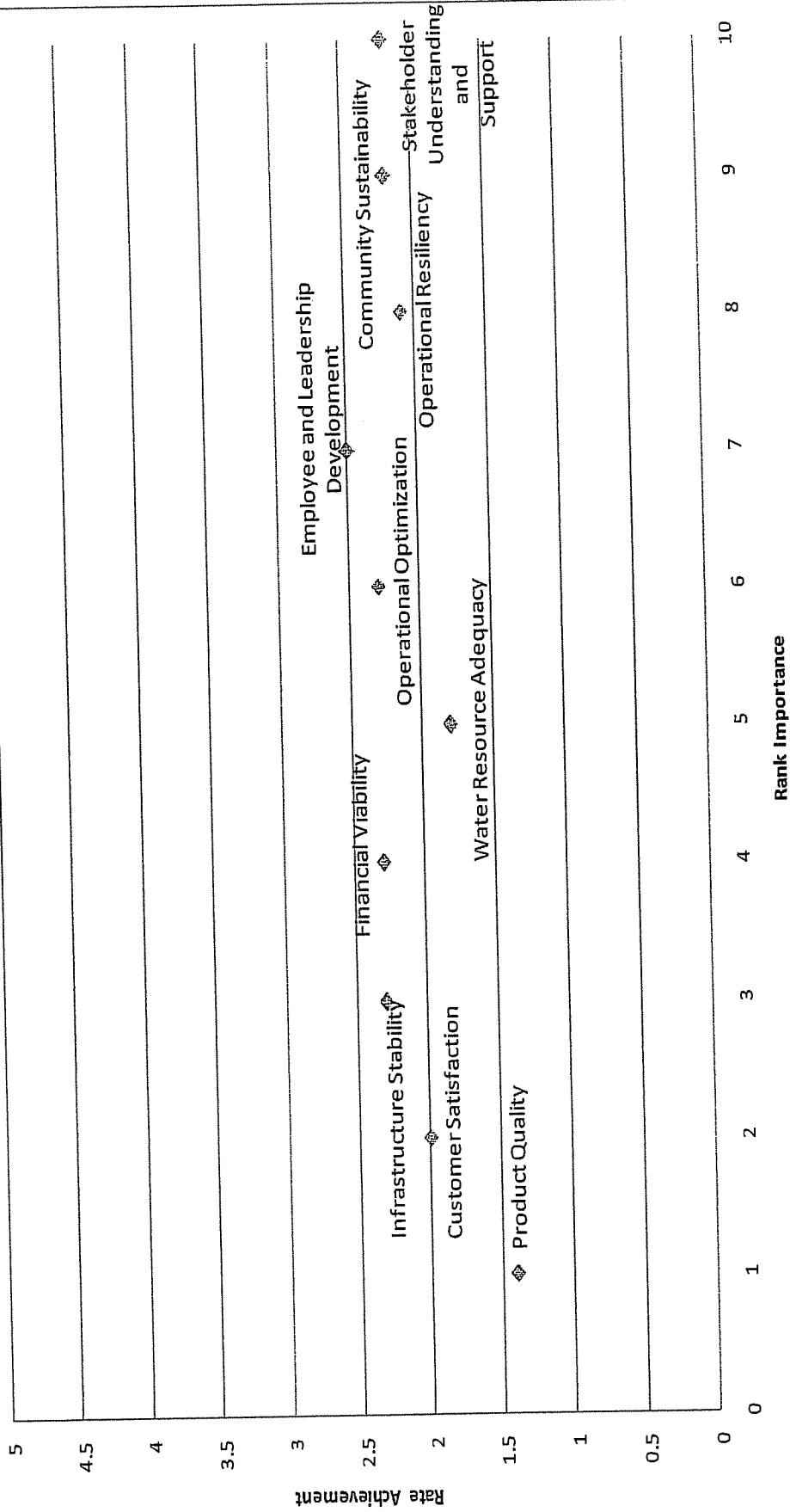
All Departments

Self-Assessment All Departments



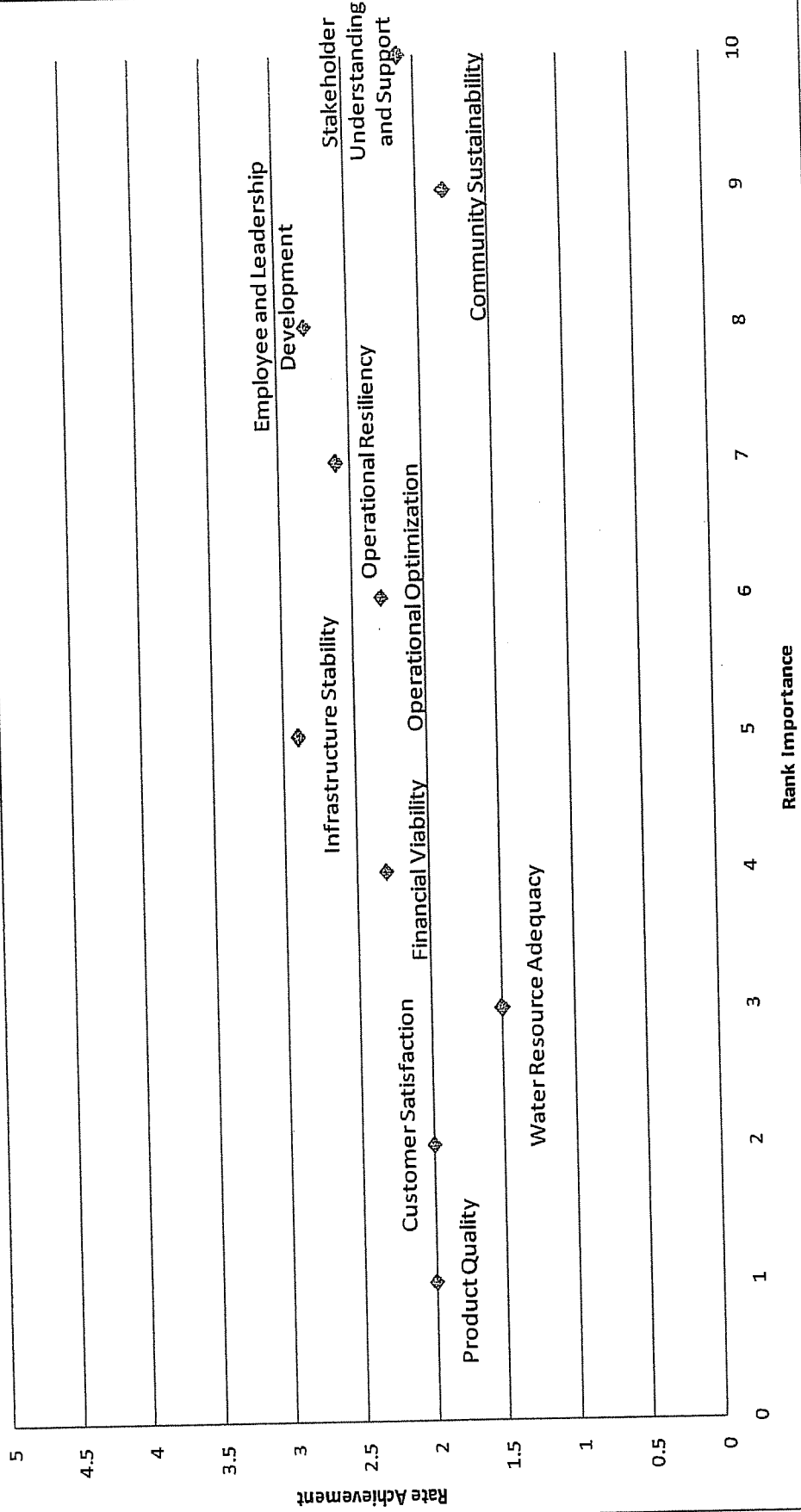
Administration

Self-Assessment Administration



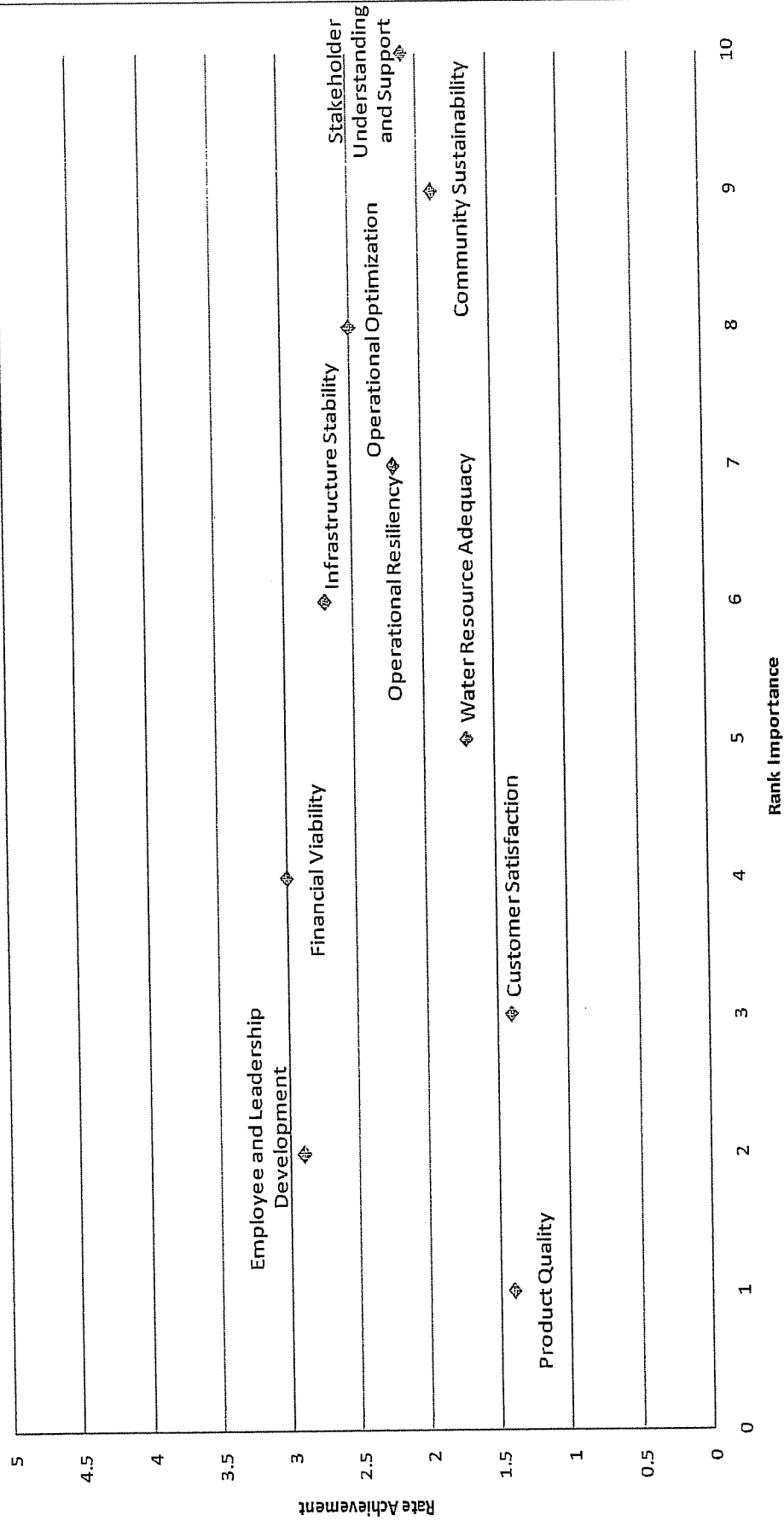
Engineering

Self-Assessment Engineering



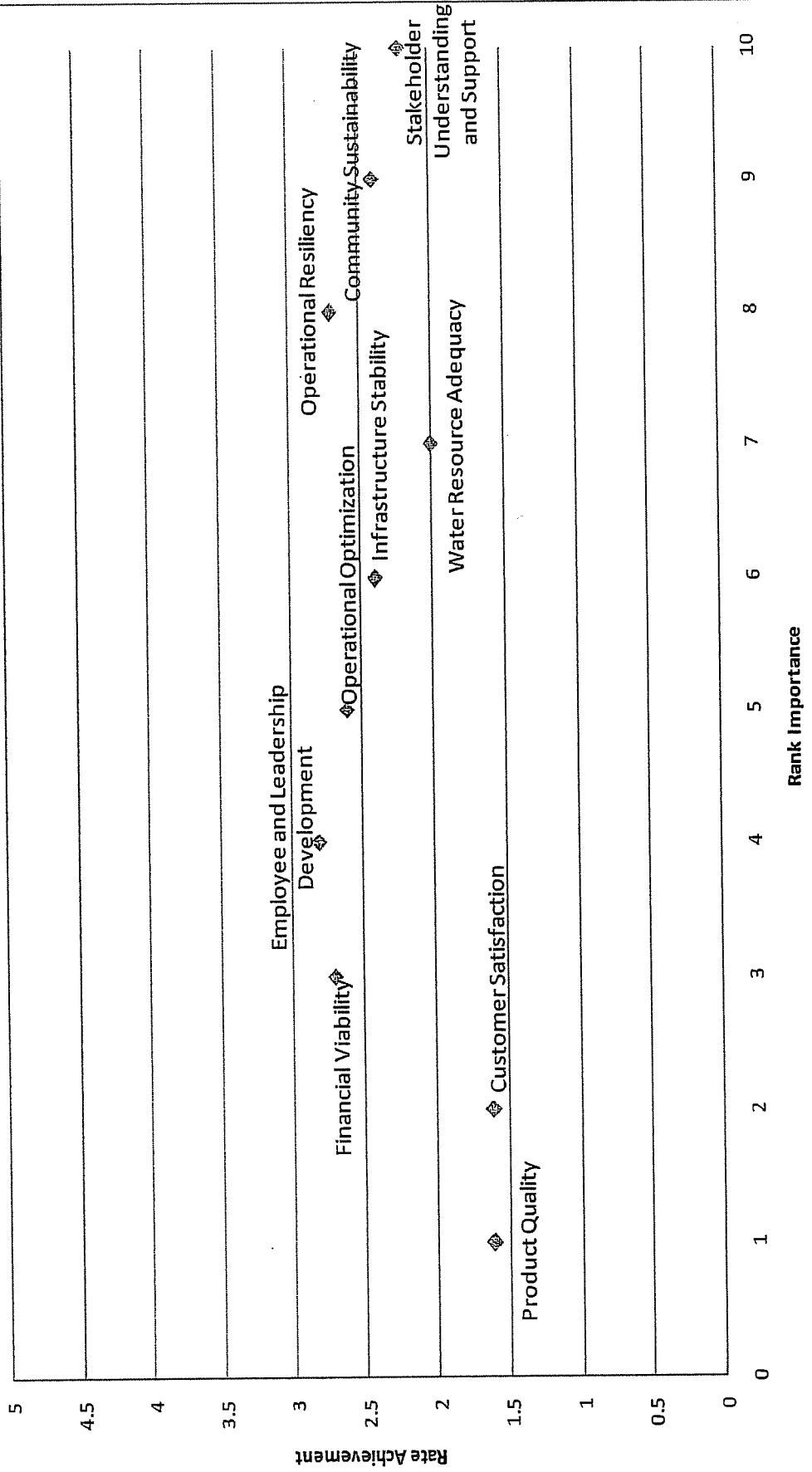
Construction

Self-Assessment Construction



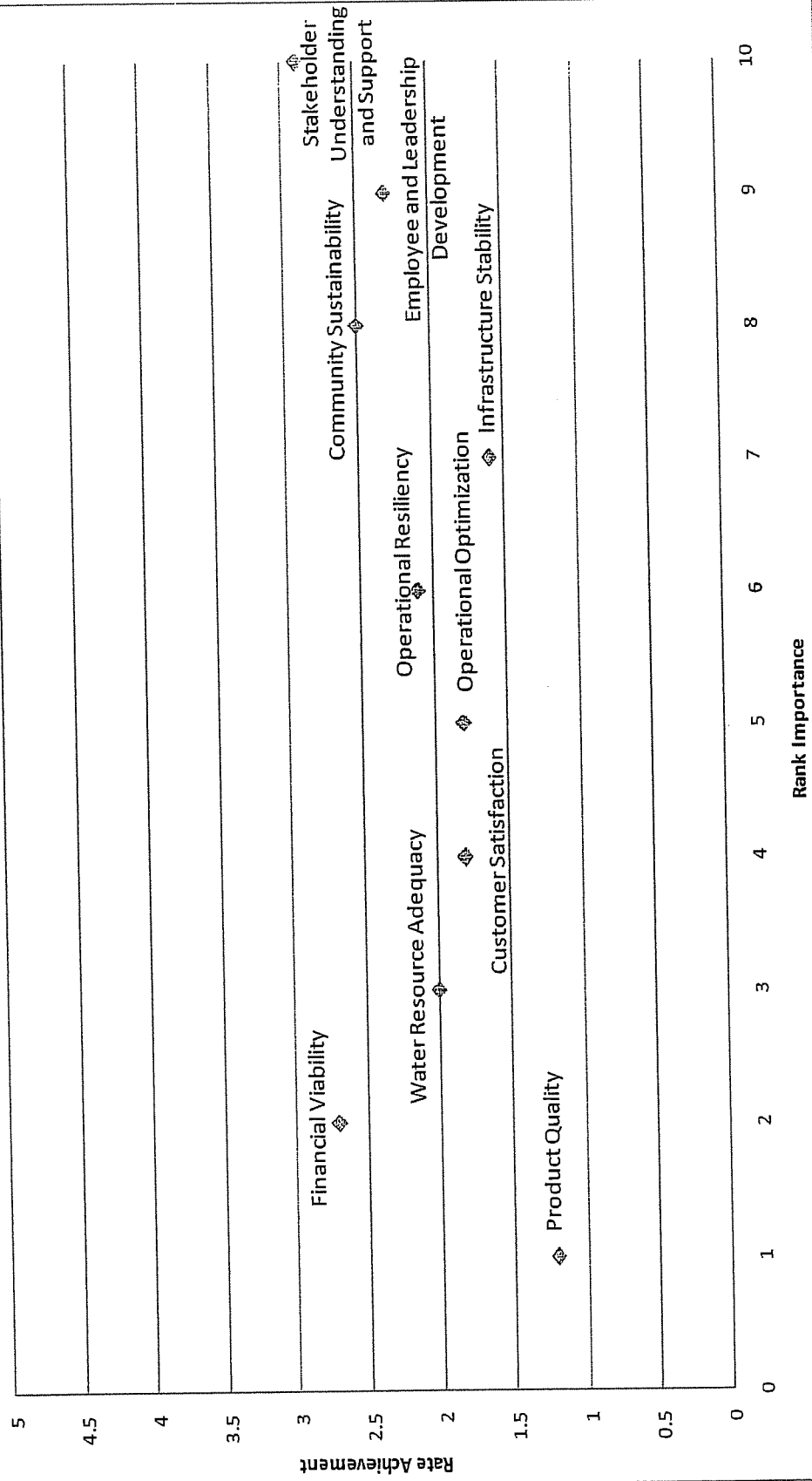
Maintenance/Operations

Self-Assessment Maintenance/Operations



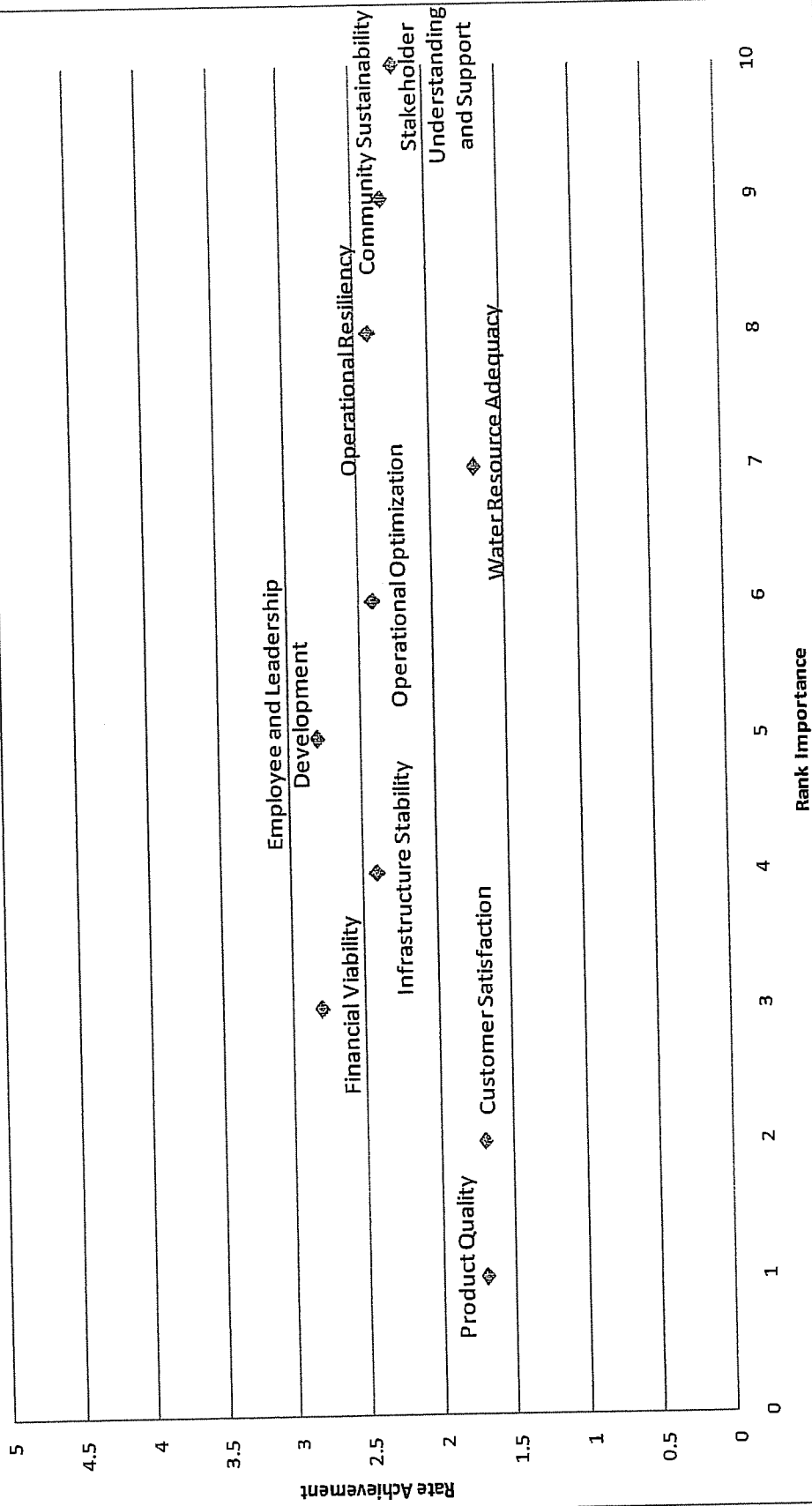
Board of Directors

Self-Assessment Board of Directors



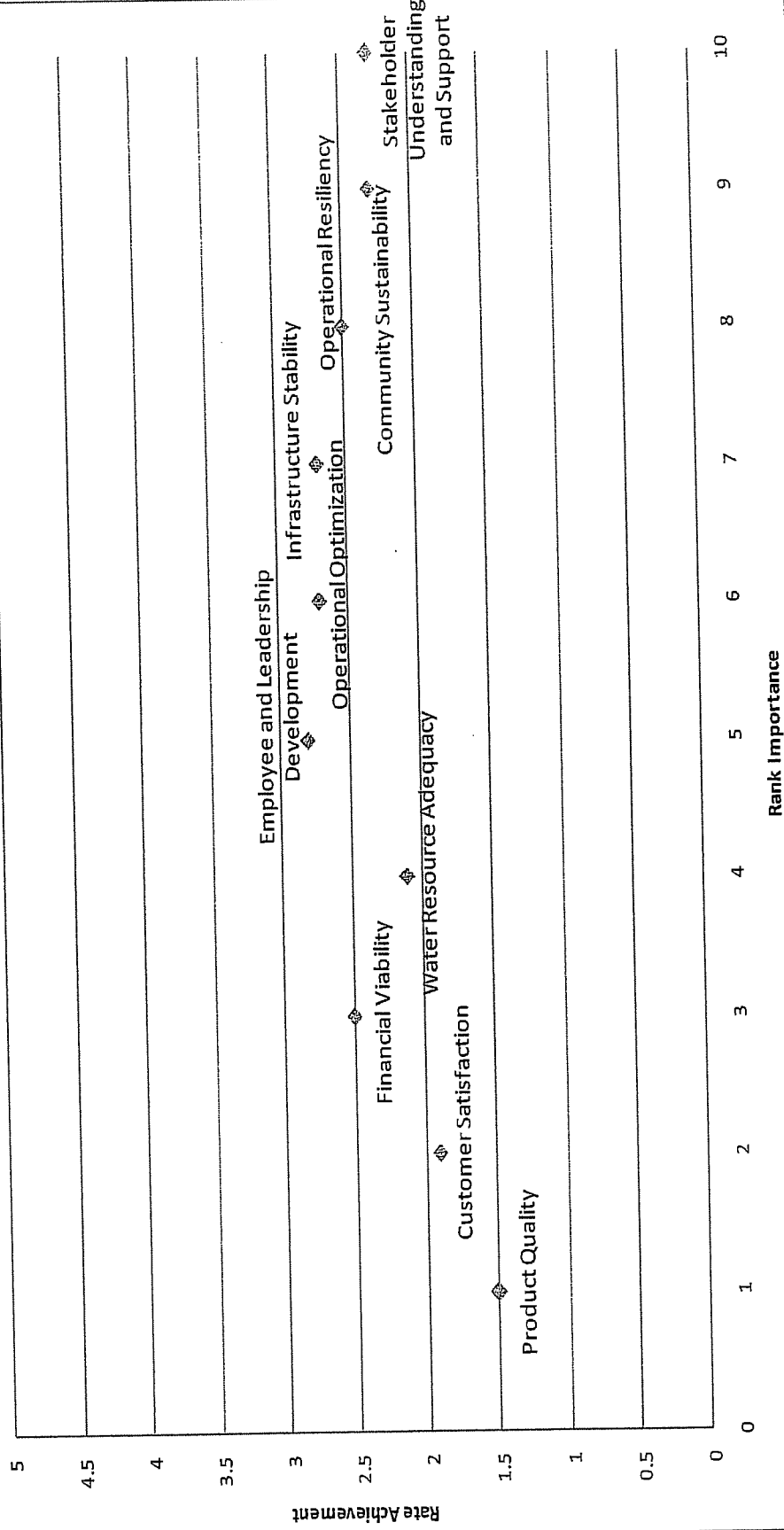
<10 years

Self-Assessment <10 years



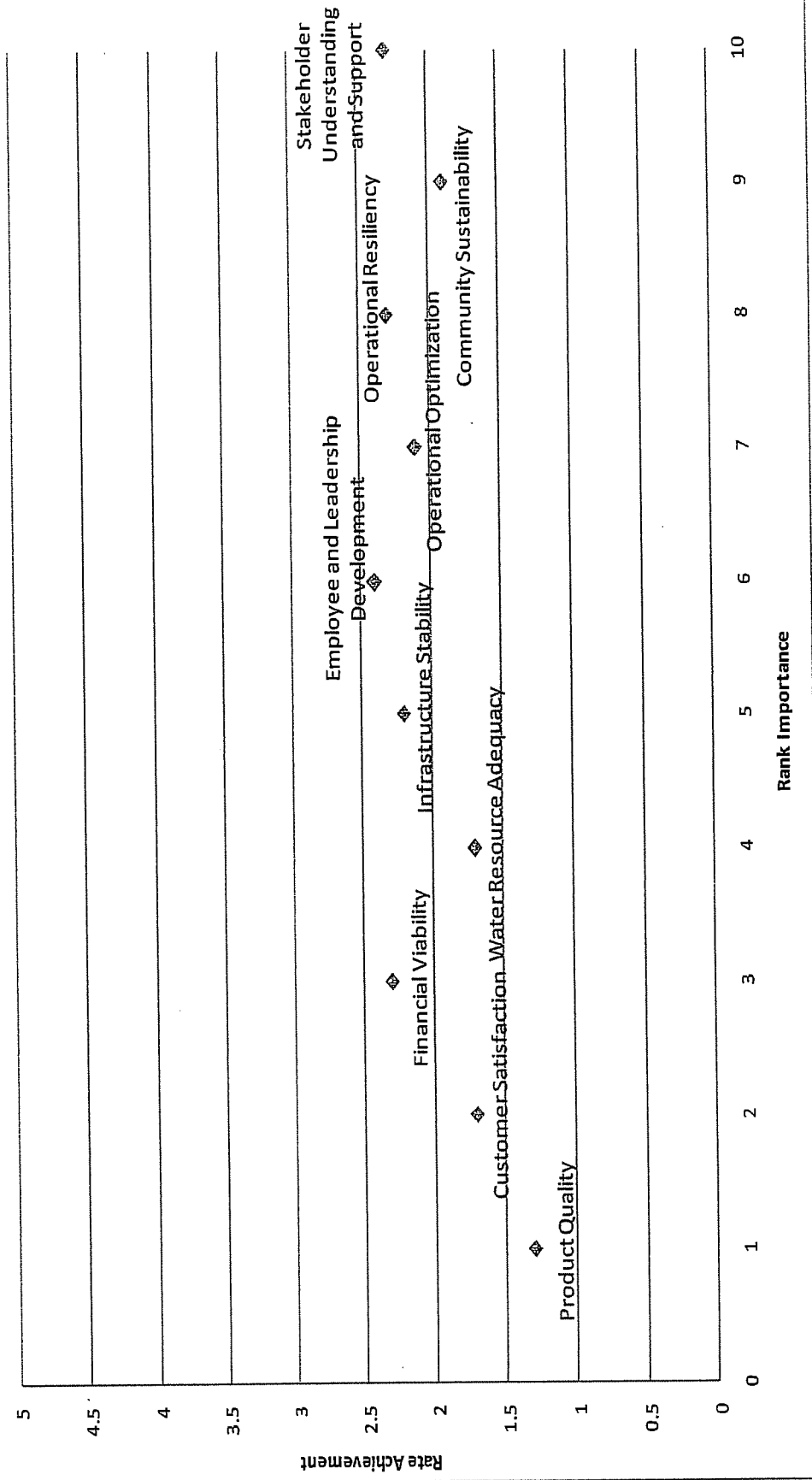
10-20 years

Self-Assessment 10-20 years



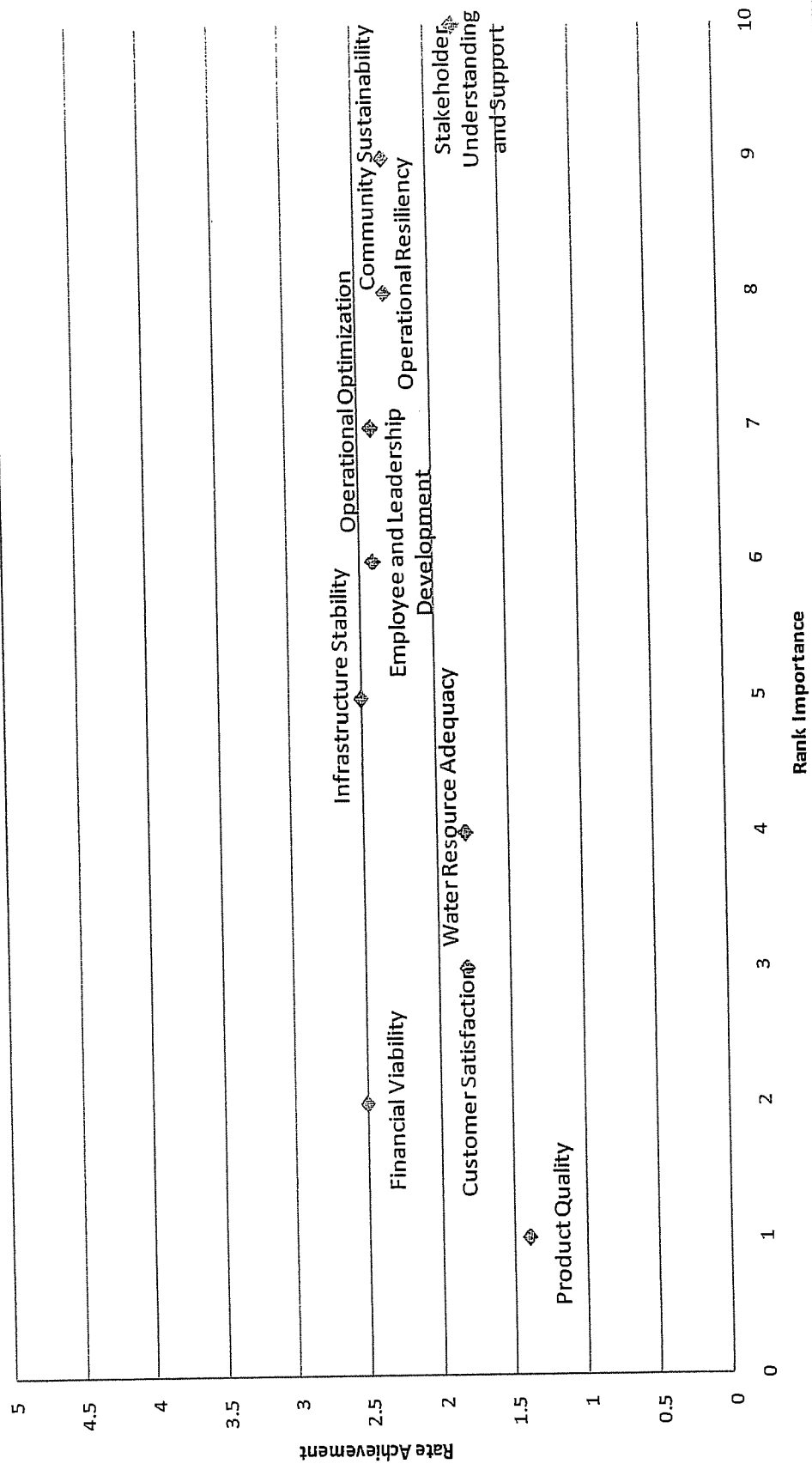
>20 years

Self-Assessment >20 years



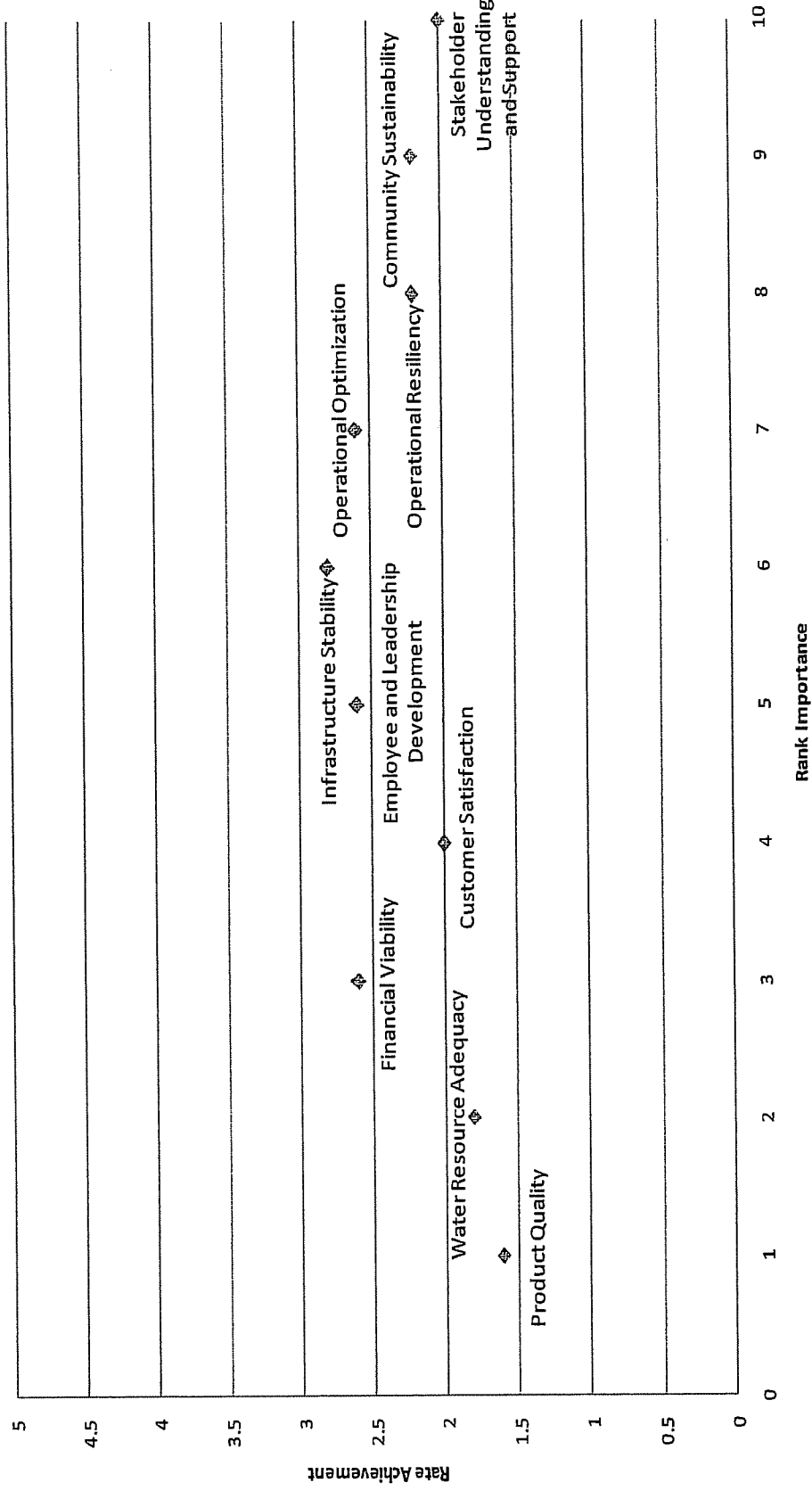
Department Heads & Supervisors

Self-Assessment Department Heads & Supervisors



Department Heads

Self-Assessment Department Heads



14

DISBURSEMENTS - DATED DECEMBER 21, 2011

Date Prepared: 12/20/11

The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

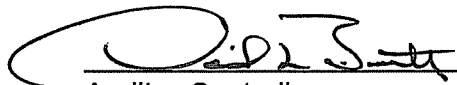
Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 12/15	\$120,084.16
EFT*	US Bank	Federal & FICA Taxes PPE 12/15	39,948.04
1	ABF Freight System	Freight on Pump Sent Out for Inspection (970 lbs)	301.42
2	Ackerman, Gerald	Retiree Exp Reimb (Monthly Health Ins)	90.69
3	Advanced Reproduction Center	Plans/Specs for RW Seg 2 (10 sets)	798.56
4	Anthony, Dan	Novato "Toilet Rebate" Program	75.00
5	AT&T	Telephone Charges: Leased Lines	62.86
6	AT&T	Telephone Charges: Local (\$91) & Minimum (\$95)	186.11
7	Bank of Marin	AEEP Loan Principal & Interest (Payment 2 of 240)	46,066.67
8	Bay Pacific Pipeline	Refund Security Deposit on Hyd Meter Less Final Bill	1,001.39
9	Beyer, Donald	Novato "Washer Rebate" Program	50.00
10	Bradbery, Ronald	Retiree Exp Reimb (Monthly Health Ins)	90.69
11	Bundesen, Gerald	Retiree Exp Reimb (Monthly Health Ins)	704.96
12	Butti, Lou	Retiree Exp Reimb (Monthly Health Ins)	704.96
13	Calif Public Health Services	Large Water System Fees (7/1/10-6/30/11)	6,514.49
14	State of California	State Tax & SDI PPE 12/15	8,201.87
15	California State Disbursement	Wage Assignment Order (3)	1,478.50
16	Castle, C. Terry	Novato "Washer Rebate" Program	50.00
17	City Clerks Association of CA	Reg Fee: 2012 : City Clerks Office Responsibilities Workshop (3/1-3/2/12) (Young)	200.00
18	Derby, Richard	Retiree Exp Reimb (Monthly Health Ins)	90.69

Seq	Payable To	For	Amount
19	Diggs, James	Retiree Exp Reimb (Monthly Health Ins)	704.96
20	Eyler, John	Retiree Exp Reimb (Monthly Health Ins)	90.69
21	Ghilotti Construction	Prog Pymt #2: Recycled Water North Segment 3 Construction (\$550,322) (Balance Remaining on Contract \$834,674) & Refund Security Deposit on Hyd Meter Less Final Bill (\$552)	550,874.51
22		Cafeteria Plan - Child Care Reimbursement	208.33
23	Guthrie, Paul	Novato "Toilet Rebate" Program	75.00
24	Habitat for Humanity	Refund Overpayment on Closed Account	38.05
25	Hoover, Michele	Novato "Toilet Rebate" Program	75.00
26	HSBC Business Solutions	1/2" Torque Wrench (Construction)	66.43
27	Jensen, Wendy	Novato "Washer Rebate" Program	50.00
28	Johnstone, Daniel	Retiree Exp Reimb (Monthly Health Ins)	90.69
29	Litonjua, Rima	Novato "Toilet Rebate" Program	75.00
30	Matchette, Tim	Retiree Exp Reimb (Monthly Health Ins)	192.87
31	Mazza, Marifran	Refund Overpayment on Closed Account	40.88
32	McAghon, Andrew	November Sludge Removal (170 yards)	4,760.00
33	McFall, Kathy	Novato "Washer Rebate" Program	50.00
34	MegaPath	DSL Internet Service (12/12/11-1/11/12)	142.30
35	Minor, Patricia	Novato "Washer Rebate" Program	50.00
36	Montgomery Watson Laboratories	Quality Assurance Test for Lab Certification	300.00
37	Mostofizadeh, Hossang	Novato "Washer Rebate" Program	50.00
38	Mouer, John	Novato "Washer Rebate" Program	50.00
39	Nelson, John O.	Retiree Exp Reimb (Monthly Health Ins)	90.69
40	North Marin Water District	NMWD Employee Assoc Dues - November	940.00
41	OnLine Resource Corporation	Refund Pymt on Closed Account	12.33

Seq	Payable To	For	Amount
42	Pace Supply	Couplings (12) (\$169), Angle Meter Stops (93) (\$3,857), Nipples, (33) (\$128), Ells (5), Unions (4), Meter Spuds (20) (\$200), Hydrant Extensions (2) (\$179) & Double Check Valve (\$205)	4,834.09
43	Penfield, Gail	Novato "Toilet Rebate" Program	75.00
44	PERS	Pension Contribution PPE 12/15	43,034.98
45	PG&E	Refund Security Deposit on Hyd Meter Less Final Bill	430.46
46	Phillips & Associates	December O & M of O.M. Wastewater Treatment System	5,101.24
47	Poiani, Pete	Retiree Exp Reimb (Monthly Health Ins)	90.69
48	Preferred Alliance	Pre-Employment Physicals (Crump, Mackey & Greenwood)	126.00
49	Pumpa, Mathew	Novato "Cash for Grass" Program	200.00
50	Radio Shack Corporation	Solder Tool Kit (\$23) & RTU Cable Ends	34.55
51	Ramudo, Pablo	Exp Reimb: ACWA Water Quality Meeting-11/29 (\$121) (Parking, Car Rental & Meals) & BAWWA Membership Dues & Dinner Tour (\$60) (Budget \$0)	181.48
52		Cafeteria Plan - Uninsured Medical Reimbursement	120.00
53	Republic ITS	Traffic Light Controls (3) (So Novato Blvd & Rowland)	3,090.00
54	Rolovich, Michael	Novato "Washer Rebate" Program	50.00
55	Schulze, Ed	Novato "Toilet Rebate" Program	150.00
56	Smail, Catherine	Retiree Exp Reimb (Monthly Health Ins)	90.69
57	Sonosky, Norma	Retiree Exp Reimb (Monthly Health Ins)	90.69
58	SST Insurance Brokers	Quarterly Pymt: Property, E&O & Fidelity Bond Insurance	21,192.50
59	Stockinger, Anita	Novato "Toilet Rebate" Program	75.00
60	Stompe, Brad	Exp Reimb: Reg Fee & Lunch @ Wine Co Water Works Assoc Training - 12/7 (6 employees)	339.85

Seq	Payable To	For	Amount
61		Cafeteria Plan - Uninsured Medical Reimbursement	39.42
62	SuperMedia	Quarterly Telephone Directory Charge	47.25
63	Velloza, Richard	Retiree Exp Reimb (Monthly Health Ins)	90.69
64	Verizon California	Telephone Charges: Leased Lines	330.98
65	Winzler & Kelly	Engineering Services: Aqueduct Relocation (Balance Remaining on Contract \$4,075)	2,472.00
66		Cafeteria Plan - Child Care Reimbursement	480.45
		TOTAL DISBURSEMENTS	<u>868,496.80</u>

The foregoing payroll and accounts payable vouchers totaling \$868,496.80 are hereby approved and authorized for payment.



Auditor-Controller

12/20/11

Date



General Manager

12/20/2011

Date

DISBURSEMENTS - DATED DECEMBER 28, 2011

Date Prepared: 12/22/11

The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

Seq	Payable To	For	Amount
1	Athens Administrators	Advance for Workers' Compensation Claims Payments	\$10,000.00
2	Bastogne	Refund Pymt on Closed Account	27.58
3		Cafeteria Plan - Uninsured Medical & Vision Reimbursement	114.98
4	Biomerieux Vikek	Supplies for Bacteria Analytical Profile Index Kit (Lab)	334.92
5	Blastco	Prog Pymt #2: Construction of Recycled Water North Plum Tank Rehab Project (Balance Remaining on Contract \$166,370)	136,712.61
6	Bold & Polisner	November Legal Services: AEEP Loan Procurement (Bartle Wells Assistance)	360.00
7	Business Forms Unlimited	Set-Up Art for Biological Analysis Forms (\$50) & Analysis Forms (8,800) (\$542) (Lab)	592.68
8	CA Debt & Investment Advisory	Reg Fee: Municipal Market Outlook Webinar (Landeros, Holton & Williamson)	25.00
9		Cafeteria Plan - Uninsured Medical Reimbursement	300.45
10	Charter Peterbilt	Parking Brake Valve	124.27
11		Cafeteria Plan - Uninsured Medical Reimbursement	45.00
12		Cafeteria Plan - Uninsured Medical & Vision Reimbursement	220.98
13	Cole-Parmer Instrument	Potassium Iodide Reagent (\$198), Phosphoric Acid (\$218), Electrode Storage Solution (\$74) & Phenylarsine Oxide (\$252) (STP)	787.64
14	Covello Group	Prog Pymt #7: Recycled Water Pipeline Expansion (Balance Remaining on Contract \$376,059)	42,886.77

Disbursements - Dated December 28, 2011

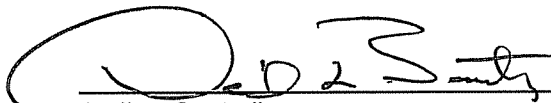
*Prepaid


Seq	Payable To	For	Amount
15	CSW/Stuber-Stroeh Engineering	Prog Pymt #6: Reservoir Hill Tank Rehabilitation (Balance Remaining on Contract \$9,044)	1,680.36
16	Cummings Trucking	Sand & Rock (16 yds ea)	1,254.85
17	Detroit Industrial Tool	Concrete Saw Blades (2)	492.96
18	Farnham, Robert	Novato Washer Rebate" Program	50.00
19	First Missionary Baptist	Donation in Lieu of Flowers for Alvin Bynum (Darrell Bynum's Father)	50.00
20	Kevin Furlong Construction	To Replace Cancelled Check - Wrong Vendor	643.01
21	Golden Gate Petroleum	Gasoline (\$3.47/gal) & Diesel (\$3.86/gal)	1,971.85
22	InfoSend	November Processing Fee for Water Bills (\$1,659) & Postage (\$4,098)	5,757.76
23	Jones, Laura	Engineering Support Services: Novato Water System Master Plan 2012 Update Project (Balance Remaining on Contract \$30,127)	1,625.00
24	Karlovic, Sandra	Novato "Toilet Rebate" Program	225.00
25	LeBrun, Kent	Exp Reimb: Reg Fee-Welding Course	98.00
26	Leighton Stone	New Solenoid for Pump 2 Discharge Valve Controller @ Lynwood P.S.	563.12
27	Lincoln Life	Deferred Compensation PPE 12/31	9,372.33
28	Litonjua, Rima	Novato "Cash for Grass" Program	200.00
29	Maltby Electric	RTU Signal Cable	581.54
30	County of Marin, DPW	Annual Encroachment Permit Renewal	490.00
31	McLellan, WK	Misc Paving: Novato Area (206 S.F.)	1,500.00
32	McGaully, Lynn	Novato "Toilet Rebate" Program	75.00
33	McGrath, Peter	Novato "Washer Rebate" Program	50.00
34	National Fire Protection Assoc.	Membership Dues (McIntyre) (Budget \$150)	165.00
35	National Deferred	Deferred Compensation PPE 12/31	825.00

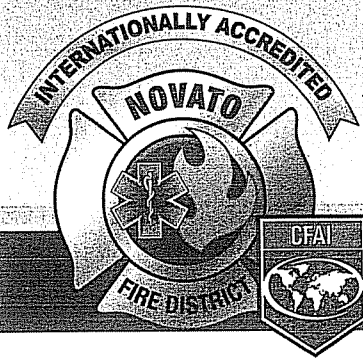
Seq	Payable To	For	Amount
36	Neopost USA	November & December Meter Rental on Postage Machine	130.20
37	North Bay Watershed Assoc.	Sponsorship of NBWA 2012 Conference	1,500.00
38	Novato Disposal Service	November Trash Removal	403.40
39	O'Connor, Donald	Novato "Toilet Rebate" Program	150.00
40	Office Depot	Minute Books (500) (\$368) (Roberts), Chairmat & Copy Paper (20 reams) (\$76)	481.58
41	Pace Supply	Saddles (4) (\$383), Vaults (2) (\$1,116), 3/4" Nipples (24) (\$345), Pipe (12') (\$115), Box Lids (6) (\$309), Nuts (6), Gaskets (3) (\$57), Connecting Rings (40) & Meter Stops (17) (\$705)	3,112.24
42	Pape Machinery	Oil (3) (\$116), Air Filters (3) (\$88) & Filter Element	231.31
43	Perlic, Karen	Novato "Washer Rebate" Program	50.00
44	Petaluma Elks Lodge #901	Rental of Hall for 2011 Holiday Party	1,242.50
45	PG&E	Power: Bldgs/Yard (\$3,000), Rectifier/Controls (\$366), Pumping (\$19,067), Treatment (\$16,311) & Other (\$132)	38,876.69
46	Point Reyes Light	Display Ad: Salinity Intrusion into Pt Reyes Well Supply	30.00
47	Point Reyes Prop Mgmt Assn	December HOA Dues (25 Giacomini Rd)	118.91
48	Protection Engineering	Anode w/ Zinc Wire	3,259.34
49	Pumpa, Mathew	Novato "Toilet Rebate" Program	150.00
50	Roberto, Richard	Cafeteria Plan - Uninsured Medical Reimbursement	16.38
51	Ruben, Richard	Novato "Washer Rebate" Program	50.00
52	Sequoia Safety Supply	Disposable Gloves (1,200) (\$107), Ear Plugs (400) (\$54) & Urine Relief Bags (100) (\$220)	381.13
53	Smith, Robert	Novato "Smart Irrigation Controller" Program	189.57
54	Soiland	Fee for Asphalt Recycling (10.46 tons)	20.00

Seq	Payable To	For	Amount
55	Sonoma County Water Agency	November Contract Water	226,725.71
56	South Bay Foundry	Valve Caps (40)	669.60
57	Township Building Services	November Janitorial Services	1,714.00
58	TTR Substations	Refund Security Deposit on Hyd Meter Less Final Bill	422.13
59	United Parcel Service	Delivery Service: Sent CD of Studies Approval of Award Package (RW Seg 2), Sent Flow Meter for Repair & Returned Damaged Flow Sensors	27.72
60	Univar	Sodium Hydroxide (23,830 lbs)	7,685.18
61	USA BlueBook	Repair Parts for Chlorine Generator @ STP	339.54
62	Van Bebber Bros	Drawers for Heavy Tools ('09 Peterbilt Cab & Chasis)	209.55
63	VWR International	Syringe (\$48), Test Media (25) (\$258) & Hydrochloric Acid (\$105) (Lab)	411.69
64	Watson, Margaret	Novato "Toilet Rebate" Program	75.00
65	Winzer	Nuts (225) (\$73), Bolts (86) (\$198), Flat Washers (\$91), Shrink Tubes, Tubing & Wire Ties	453.30
66	Yu Weng, Ching	Novato "Washer Rebate" Program	50.00
		TOTAL DISBURSEMENTS	<u>\$509,380.33</u>

The foregoing payroll and accounts payable vouchers totaling \$509,380.33 are hereby approved and authorized for payment.

 12/27/11
 Auditor-Controller Date

 12/27/2011
 General Manager Date



NOVATO FIRE DISTRICT

Fire Chief Marc Revere

95 Rowland Way, Novato, CA 94945 • 415.878.2690 • Fax 415.878.2660 • www.novatofire.org

*Robert
Nice work!*

December 20, 2011

DEC 22 2011

North Marin Water District

Mr. Chris De Gabrielle
North Marin Water District
PO Box 146
Novato, CA 94948-0146

Dear Mr. De Gabrielle,

This letter is in reference to Robert Clark, Operations/Maintenance Supervisor at the Stafford Lake water treatment facility. I want to let you know how much we appreciated all the hard work Mr. Clark provided for our organization, Novato Fire Protection District. He provided training for our annual Hazardous Materials first responder's refresher training. Thank you for providing quality instruction concerning handling and safety precautions around the various chemicals at the treatment facility.

Mr. Clark was very knowledgeable in regards to the various chemicals and compounds at the facility. He was able to put the information into simple terms, so that we could clearly understand. The water treatment facility is a remarkable place and you should be proud of Mr. Clark's commitment to providing quality water for the citizens of Novato. The cleanliness of the facility, and pride Mr. Clark takes in the facility is representative of the quality of personnel you have working for your organization.

Thank you again for allowing us into your water treatment plant and providing quality instruction. If there is anything we can offer to further enhance our working relationship please don't hesitate to ask.

We appreciate your time and commitment to keeping our personnel's safety in the forefront of your daily operations.

Sincerely,

Chris Wikeen
Chief Training Officer

MEMORANDUM

To: Board of Directors
From: Alicia Manzoni, Consumer Services Supervisor
Subject: Information – Meter Reading Accuracy
\\nmwdsrv1\administration\cons srvc\letters\dmc summary 2010.doc

December 30, 2011

RECOMMENDED ACTION: None

FINANCIAL IMPACT: None

North Marin Water District's Field Service Representatives read 129,363 meters from December 1, 2010 to November 30, 2011. When tallying misreads versus meters read over the past 12 months we found that the reading error rate was 0.16% or, stated positively, a 99.84% accuracy rate.

In comparison to other water utilities, Marin Municipal Water District's accuracy rate is 99.90%; East Bay Municipal Utility District has an accuracy rate of 99.93%, and San Jose Water accuracy rate was 99.90%.

Although our accuracy rate is lower than other agencies our FSR's do make an effort to read each meter accurately. We will monitor meter reading accuracy over the next several months and endeavor to bring our accuracy rate up. We do strive to do an accurate job.



**NORTH MARIN
WATER DISTRICT**

999 Rush Creek Place
P.O. Box 146
Novato, CA 94948

PHONE
415.897.4133

FAX
415.892.8043

EMAIL
info@nmwd.com

WEB
www.nmwd.com

December 28, 2011

Ms. Veronica Labouré-Slaughter

Novato, CA 94945

Re: Response to your note received December 23, 2011

Dear Ms. Labouré-Slaughter:

Thank you for the note I received on December 23, 2011. Please be assured that your note and this response will be forwarded to the District's Board of Directors.

I apologize for any personal experience that you believe was unprofessional or incorrect in any way. I agree that your billing history overall has been good, and note that in the past three years, there have been infrequent instances where late charges were added to your regular water service and use charges. My review of the most recent instance shows that staff followed District policy and procedures which have been approved by the Board of Directors. Your suggestion for a courtesy call reminder is indeed a gentler approach, but please keep in mind that the District has over 20,000 customers which would make such a policy difficult to carry out. I understand that you have now signed up for Automatic Payment Service which will enable you to avoid any such late payment charges in the future.

Thank you again for your note.

Sincerely,

Chris DeGabriele
General Manager

CD/rr

T:\GM2011 misc\Laboré Slaughter ltr.doc

Hello, I am your customer
because we share the same city.
I am writing to bring to
your attention that I find
your business practices these
past couple of years, absurd
and lacking in humanity -
you can review my history
and see some of the points
I object to: sending someone
to cut off my water after I missed
payment of \$100. And this
last letter you sent 12/14.
Charging me an extra \$6
because my last payment did not

cover the entire bill.

I understand my lovely position -
you have monopoly on the most
precious commodity in town -
But please, understand,
you could be more/least

Peace on Earth and good will

towards all living things.
about the way you wield
your power.

One phone call, would have
gone a long way to remind
me to pay my bill... and in
full ~~to~~ since it seems that
there is never tolerance
your unwilling customers are
people too - you know - People

who struggle more than
others deserves more
respect and more
kindness - Also I suggest
that you raise your
humanitarian skills
11% a year for the next
3 years.

Thank you, and I'm looking
forward to see what changes
will be implemented.

www.dccc.org/holiday

Veronica Laborer-Slaughter

Paid for by the Democratic Congressional Campaign Committee

430 South Capitol Street, S.E., Washington, D.C. 20003 (202) 462-1500 www.dccc.org

Not authorized by any candidate or candidate's committee.

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NOTICE

Salinity intrusion into the Point Reyes well supply serving the West Marin communities of Point Reyes, Olema, Inverness Park, and Paradise Ranch Estates has occurred beginning on August 16, 2011 and has caused sodium levels to increase from background levels of 15-30 milligrams per Liter (mg/L). The table below lists most recent concentrations for sodium and chloride in the West Marin water supply:

Date	Sodium	Chloride	Units
12/27/2011	50	66	mg/l*
12/20/2011	53	77	mg/l*

*milligrams per liter

Chris DeGabriele, General Manager
North Marin Water District

Published in the Point Reyes Light, December 29, 2011