



NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING
 February 16, 2016 – 7:00 p.m.
 District Headquarters
 999 Rush Creek Place
 Novato, California

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Est. Time	Item	Subject
7:00 p.m.	CALL TO ORDER	
	1. APPROVE MINUTES FROM REGULAR MEETING , February 2, 2016	
	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	
	5. MONTHLY PROGRESS REPORT	
	ACTION CALENDAR	
	6. Approve: Request to Solicit Financial Audit Proposals	
	7. Approve: Agreement with AMI Meter Upgrade Program Project Manager	
	INFORMATION ITEMS	
	8. Water Conservation Mid-Year Update (July-December 2015)	
	9. Mid-Year Operations/Maintenance 2015/16 Update	
	10. 2016 Urban Area Annual Water Cost Comparison	
	11. Draft Planning Workshop Summary – February 9, 2016	
	12. Marin LAFCo Countywide Water Service Study – Final Report	
	13. MISCELLANEOUS	
	Disbursements	
	Novato Flood Protection and Watershed Program Community Meeting	
	Marin LAFCo Notice of Special Meeting	
	<u>News Articles:</u>	
	Marin water conservation efforts slip in January, but still ahead of goals	
	To make the most of rain, state needs Delta tunnels	
8:00 p.m.	14. ADJOURNMENT	

All times are approximate and for reference only.

The Board of Directors may consider an item at a different time than set forth herein.

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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
February 2, 2016

CALL TO ORDER

President Schoonover called the regular meeting of the Board of Directors of North Marin Water District to order at 7:00 p.m. at the District headquarters and the agenda was accepted as presented. Present were Directors Jack Baker, Rick Fraites, Stephen Petterle, Dennis Rodoni and John Schoonover. Also present were General Manager Chris DeGabriele, District Secretary Katie Young, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre.

Novato Resident Mike Jolly, District employees Jeff Corda (Employee Association Chairman, Robert Clark (Operations/Maintenance Superintendent) and Tony Arendell (Construction/Maintenance Superintendent) were in the audience.

MINUTES

On motion of Director Baker, seconded by Director Petterle, the Board approved the minutes from the previous meeting as presented by the following vote:

AYES: Director Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

GENERAL MANAGER'S REPORT

Division of Drinking Water Fees

Mr. DeGabriele advised the Board that he and Pablo Ramudo are participating in an ACWA working group on Division of Drinking Water Fees and will have the final conference call tomorrow.

Novato Flood Control

Mr. DeGabriele advised the Board that Novato Flood Control Advisory Board will hear a presentation on the Novato Watershed modeling of alternatives on Thursday evening and a public meeting will be held February 22nd.

CSMART Meeting

Mr. DeGabriele informed the Board that he will be attending a CSMART meeting next Wednesday with the primary focus on adaptation strategies for West Marin communities and assets including the water supply system.

1 Marin LAFCO Meeting

2 Mr. DeGabriele advised the Board that he will attend the Marin LAFCo meeting on February
3 11th regarding the comprehensive water study and his understanding is that the recommendation to
4 study community sewer systems in West Marin has been dropped.

5 OPEN TIME

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

8 STAFF / DIRECTORS' REPORTS

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

11 Robert Clark advised the Board that he had been invited by Dominic & George Grossi Dairy
12 to meet with them and the San Francisco Bay Regional Water Quality Control Board staff after a
13 citizen complaint about ranch operations. He informed the Board that Mr. Grossi advised the
14 Regional Water Quality Board that the ranch is discussing a move to organic dairy, which would
15 result in a reduction of herd by 50%. Mr. Clark has told Mr. Grossi that their practices must change
16 because too much nutrient is applied to the watershed land and ends up in Stafford Lake, which is
17 out of compliance with their self-monitored ranch management plan and that next year, when water
18 quality testing data must be submitted with their self-monitoring reports, it won't pass muster.

19 Director Rodoni advised the Board that he saw with his own eyes manure spreading in late
20 November 2015, two days in advance of a rainfall event, and opined that he would not support any
21 more funds to support Grossi operations without the manure moving off the Stafford Lake
22 watershed.

23 Tony Arendell reported that there was a main line leak in front of San Marin High school on
24 January 28th. He stated that crews were working on another leak at that time and were able to
25 respond immediately at 5am, working throughout the day to access the 8-ft main service. Mr.
26 Arendell applauded his crews work.

27 Drew McIntyre advised that the remaining Aqueduct Energy Efficiency Project pipeline
28 segment, approximately 500 lineal feet of 8 inch distribution main south of the Kastania gas station,
29 has been installed by Ghilotti Construction, the AEEP contractor. He stated that the District's
30 construction manager will provide a final report to the Board at a March meeting.

31 Mr. McIntyre informed the Board that he will be absent from the February 16th Board
32 meeting.

David Bentley advised that legislation to transfer the U.S. Coast Guard Pt. Reyes Station Housing Facility to the County of Marin has been passed in Congress and a celebration will be held on-site on Friday, February 5th. Director Rodoni will attend and represent the District.

Mrs. Young reminded the Board and elected officials about the special meeting on February 9th. She stated that Ethics Training would be from 3pm to 5pm from District legal counsel Doug Coty and Mike Nelson and at 6pm the Board Planning Workshop would commence. She also advised the Board that she will be distributing the Fair Political Practice Commission Form 700 at the next meeting for each Board member and elected official to complete.

Director Baker informed the Board that he will be absent at the next regularly scheduled Board meeting on February 16th.

CONSENT CALENDAR

On the motion of Director Petterle, seconded by Director Baker, the Board approved the following items on the consent calendar by the following vote:

AYES: Director Baker, Fraites, Petterle, Rodoni and Schoonover

NOES: None

PROPOSED FY16/17 BUDGET REVIEW SCHEDULE

The Board approved the FY16/17 Budget Review Schedule.

PROPOSED FY16/17 RATE HEARING SCHEDULE

The Board approved the FY16/17 Rate Hearing Schedule.

ACTION CALENDAR

AWARD CONTRACTS FOR ON-CALL CONSTRUCTION AND REPAIR SERVICES – TEAM GHILOTTI AND GHILOTTI CONSTRUCTION

Mr. McIntyre reminded the Board that staff was authorized to proceed with solicitation of proposals for on-call construction services in April 2015. He stated that the services are to provide District staff with flexibility to hire private contractors in the event of an emergency and to accommodate more efficient completion of small District projects. He noted that the District's traditional advertise-bid-award procedure for hiring contractors will continue to be utilized for most projects. Mr. McIntyre stated that staff recommends entering into contracts with the two highest ranked contractors for individual contracts not to exceed \$150,000. He noted that proposals from Team Ghilotti and Ghilotti Construction were ranked the highest.

Jeff Corda, Chairman of the NMWD's Employee Association, read a prepared statement on Employee Association concerns about privatization, regarding Board consideration of the contracts.

1 Director Baker replied that he was sympathetic to the arguments made by the Employee Association
2 and that the intent is not to by-pass District employee staff or take work away, but to respond with
3 supplementary man-power and equipment when an emergency or project workload requires such
4 assistance. Director Rodoni requested that staff come back with status report at mid-point of the
5 contract term.

6 Director Fraites and Schoonover stated that the contracts were not for primary source but for
7 emergency purposes and for when District crews are unable to perform the work.

8 On motion of Director Rodoni, seconded by Director Baker, the Board authorized the
9 General Manager to execute agreements with Team Ghilotti and Ghilotti Construction for on-call
10 construction and repair services with a not to exceed limit of \$150,000 each by the following vote:

11 AYES: Director Baker, Fraites, Petterle, Rodoni and Schoonover

12 NOES: None

13 **INFORMATION ITEMS**

14 **URBAN WATER MANAGEMENT PLAN UPDATE**

15 Mr. McIntyre provided the Board with an update on the 2015 Urban Water Management Plan
16 demand projections. He stated that in summary, the overall net demand is about 2,500AF less than
17 that projected 5 years ago, principally due to reduced population and jobs forecast in current ABAG
18 planning documents. He advised the Board that the District's required Russian River deliveries are
19 expected to be in the range of 9,200 to 8,600AF in the year 2040, much less than the current
20 contractual entitlement of 14,100AF. He noted that now that the demand and supply projections are
21 completed, work on the remainder on the Urban Water Management Plan will continue. Mr. McIntyre
22 informed the Board that the plan must be submitted to the Department of Water Resources by July
23 1st of this year, with a public hearing held prior to its adoption. He advised that District staff is
24 currently noticing other water suppliers, waste water agencies and planning agencies in the District's
25 service area to provide the 60-day notification prior to hearing. He informed the Board that the public
26 hearing is currently scheduled to be held at the June 21st meeting, coincident with Board meeting on
27 that date.

28 **MID-YEAR PROGRESS REPORT – ENGINEERING DEPARTMENT**

29 Mr. McIntyre provided the Board with mid-year progress report for the Engineering
30 Department. He stated that actual performance through 50% of the year is about 35% on a cost
31 basis. He informed the Board that the Engineering Capital Improvement Project hours are tracking
32 right on budget, but developer hours lag behind the forecast, notwithstanding that development work
33 has picked up this year compared to prior years.

1 **SWRCB EXTENDED EMERGENCY URBAN WATER CONSERVATION REGULATIONS**

2 Mr. DeGabriele provided the Board with a report on the State Water Resources Control
3 Board Extended Emergency Urban Water Conservation Regulations. He informed the Board that he
4 testified before the State Board on the afternoon of February 2nd, advocating again for a regional
5 compliance option and requesting that the State Board include a reduced conservation standard for
6 regions with sufficient water storage and not in severe drought conditions that much of California
7 currently endures. He noted that in the end, the State Board maintained their proposed Extended
8 Emergency Urban Water Conservation Regulations. Mr. DeGabriele stated that the District can only
9 hope that when the State Board again reviews the drought status in March and April of this year, that
10 there may be some relief for the District and other agencies in the region.

11 **WAC/TAC MEETING – FEBRUARY 1, 2016**

12 Mr. DeGabriele provided a summary of the WAC/TAC meeting held Monday, February 1st.
13 He stated that Sonoma County Water Agency reported that Lake Mendocino is now at 100% of the
14 current water supply pool and actually encroaching into the flood control pool and Lake Sonoma is
15 at 95% of the water supply pool. He advised the Board that Director Rodoni passed the baton as
16 WAC Chair to Mike Healy from the City of Petaluma and that the new WAC Vice Chair is Lori Gallian
17 from the City of Sonoma. Mr. DeGabriele informed the Board that Director Rodoni was thanked for
18 his efforts as Chair and serving on the WAC and was heartily congratulated on leaving the
19 contractors with full reservoirs. He noted that Director Rodoni introduced Director Rick Fraites as the
20 new District WAC Representative.

21 **NBWA MEETING – FEBRUARY 5, 2016**

22 Director Baker stated that he will be attending the North Bay Water Association Meeting on
23 Friday, February 5, 2016.

24 **SERVICE CHARGE ANALYSIS**

25 Mr. Bentley reviewed the Bi-Monthly Service Charge Analysis. He reminded the Board that
26 the service charge covers fixed costs for debt service, billing and accounting, meter reading and a
27 portion of the cost to maintain and replace the service line to the customer's water meter. He stated
28 that this year's analysis shows that the bi-monthly charge for a 5/8" service is 8% below actual cost,
29 but the bi-monthly service charge revenue generated on 1" and larger meters exceeds the
30 calculated costs and therefore offsets any loss on the 5/8" meters. He informed the Board that no
31 increase in the bi-monthly service charge is recommended at this time.

1 **MISCELLANEOUS**

2 The Board received the following miscellaneous information: Disbursements, FY16 2nd
3 Quarter Labor Cost Report, Reimbursement Program 2015, Equipment Inventory Summary,
4 Increase in Director's Compensation, Calling the Bay Area Home: Tackling the Affordable Housing
5 and Displacement Challenge, Marin LAFCO – Save the Date, 2/17/16 Workshop, Reservoirs rising
6 thanks to El Nino, and MCL Business Breakfast.

7 The Board received the following news articles: Water report rankles Marshall, ponders
8 sewers, Frank Egger runs for Ross Valley Supervisor, and In Your Town: Water Board names
9 Koehler president.

10 The Board also received the following miscellaneous items at the meeting: WAC Meeting –
11 February 1, 2016, Sonoma Marin Saving Water Partnership Annual Report and Attachment C for
12 Item #9 graph. The following news article was also received: Efren Carrillo won't seek re-election to
13 Sonoma County Board of Supervisors.

14 **ADJOURNMENT**

15 President Schoonover adjourned the meeting at 8:06 p.m.

16 Submitted by
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18

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20 Katie Young
21 District Secretary

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NORTH MARIN WATER DISTRICT
MONTHLY PROGRESS REPORT FOR January 2015
February 16, 2016

1.

Novato Potable Water Prod - RR & STP Combined - in Million Gallons - FYTD

Month	FY15/16	FY14/15	FY13/14	FY12/13	FY11/12	16 vs 15 %
July	252	319	385	389	371	-21%
August	274	301	360	396	373	-9%
September	213	276	332	346	347	-23%
October	243	221	313	283	249	10%
November	167	173	229	166	183	-3%
December	136	129	182	146	156	6%
January	131	137	168	151	178	-5%
FYTD Total	1,417	1,556	1,968	1,878	1,857	-9%

West Marin Potable Water Production - in Million Gallons - FY to Date

Month	FY15/16	FY14/15	FY13/14	FY12/13	FY11/12	16 vs 15 %
July	6.6	8.6	9.3	9.8	9.2	-23%
August	7.0	8.5	9.3	9.7	9.4	-18%
September	6.4	7.8	8.5	8.3	8.7	-18%
October	6.5	5.4	8.0	7.4	6.5	21%
November	4.7	4.6	6.8	5.2	5.1	4%
December	3.9	4.7	6.4	4.5	4.9	-16%
January	3.7	4.4	5.9	5.0	4.8	-16%
FYTD Total	38.9	44.0	54.1	49.9	48.7	-12%

Stafford Treatment Plant Production - in Million Gallons - FY to Date

Month	FY15/16	FY14/15	FY13/14	FY12/13	FY11/12	16 vs 15 %
July	108	83	98	49	115	30%
August	79	61	83	83	126	29%
September	38	26	56	72	77	46%
October	50	0	82	88	113	-
November	58	8	5	64	106	672%
December	0	0	2	0	49	-
January	0	0	0	21	0	-
FYTD Total	333	178	326	375	586	87%

Recycled Water Production - in Million Gallons - FY to Date

Month	FY15/16	FY14/15	FY13/14	FY12/13	FY11/12	16 vs 15 %
July	21.3	21.8	27.6	11.2	11.0	-2%
August	26.2	26.0	26.2	10.5	12.2	1%
September	15.7	19.2	18.6	8.5	9.6	-18%
October	15.8	9.4	15.8	0.0	0.0	69%
November	3.2	3.7	6.4	0.0	0.0	-14%
December	0.8	1.6	1.6	0.0	0.0	-51%
January	0.2	0.8	1.2	0.0	0.0	-76%
FYTD Total*	83.2	82.3	97.3	30.2	32.8	1%

*Excludes potable water input into the RW system: FYTD16 = 7.0MG; FYTD15 = 6.9MG; FYTD14 = 7.2MG.

2. Stafford Lake Data

	January Average	January 2015	January 2016
Rainfall this month	5.7 Inches	0.0 Inches	7.6 Inches
Rainfall this FY to date	15.7 Inches	20.5 Inches	14.4 Inches
Lake elevation*	188.0 Feet	196.1 Feet	191.6 Feet
Lake storage**	861 MG	1,400 MG	1,084 MG

* Spillway elevation is 196.0 feet

** Lake storage less 390 MG = quantity available for delivery

Temperature (in degrees)

	Minimum	Maximum	Average
January 2015 (Novato)	45	67	56
January 2016 (Novato)	48	59	53

3. Number of Services

January 31	Novato Water			Recycled Water			West Marin Water			Oceana Marin Swr		
	FY16	FY15	Incr %	FY16	FY15	Incr %	FY16	FY15	Incr %	FY16	FY15	Incr %
Total meters	20,760	20,749	0.1%	48	48	0.0%	785	821	-4.4%	-	-	-
Total meters active	20,524	20,495	0.1%	44	44	0.0%	778	777	0.1%	-	-	-
Active dwelling units	23,971	23,945	0.1%	0	0	-	825	823	0.2%	229	229	0.0%

4. Oceana Marin Monthly Status Report (January)

Description	January 2015	January 2016
Effluent Flow Volume (MG)	0.992	0.883
Irrigation Field Discharge (MG)	0.930	0.153
Treatment Pond Freeboard (ft)	2.6	3.7
Storage Pond Freeboard (ft)	5.8	4.8

5. Developer Projects Status Report (January)

Job No.	Project	% Complete	% This month
1.2774.00	Mt. Burdell Place	75	10
1.2768.00	OMA Village Water Facilities	97	1
1.2778.00	Novato Shell Loop	98	1
1.2782.00	33 Commerical Blvd.	98	1
1.2783.00	Olive Ave. Chevron Car Wash	75	5

District Projects Status Report - Const Dept (January)

Job No.	Project	% Complete	% This month
2.6602.23	PR Well No. 2 Replacement	91	1
1.7123.19	Grandview PB Replacement	100	2

Employee Hours to Date, FY 15/16

As of Pay Period Ending January 31, 2016

Percent of Fiscal Year Passed = 58%

Developer Projects	Actual	Budget	% YTD Budget	District Projects	Actual	Budget	% YTD Budget
Construction	1,310	1,400	94	Construction	2,580	4,949	52
Engineering	527	1,480	36	Engineering	2,721	4,980	55

6. Safety/Liability

FY 16 through January

FY 15 through January

Industrial Injury with Lost Time				Liability Claims Paid	
Lost Days	OH Cost of Lost Days (\$)	No. of Emp. Involved	No. of Incidents	Incurred (FYTD)	Paid (FYTD) (\$)
4	2,304	1	1	3	43,948
146	73,584	1	0	3	2,674

Days without a lost time accident through January 31, 2016= 6 days

7. Energy Cost

FYE	January			Fiscal Year-to-Date thru January		
	Kwh	¢/Kwh	Cost/Day	Kwh	¢/Kwh	Cost/Day
2016 Stafford TP	27,227	15.2¢	\$138	344,446	18.1¢	\$292
Pumping	62,988	18.6¢	\$345	713,133	17.6¢	\$586
Other*	37,848	19.4¢	\$229	275,063	23.1¢	\$300
	128,063	18.1¢	\$726	1,332,642	18.9¢	\$1,181
2015 Stafford TP	42,812	18.1¢	\$250	375,580	17.8¢	\$311
Pumping	73,277	15.6¢	\$346	825,908	16.6¢	\$636
Other*	39,741	17.6¢	\$212	282,623	21.5¢	\$283
	155,830	16.8¢	\$793	1,484,111	17.8¢	\$1,229
2014 Stafford TP	45,665	17.1¢	\$252	412,176	17.1¢	\$327
Pumping	95,178	14.4¢	\$443	1,039,636	15.6¢	\$760
Other*	39,391	16.7¢	\$212	318,349	20.1¢	\$300
	180,234	15.6¢	\$906	1,770,161	16.7¢	\$1,384

*Other includes West Marin Facilities

8. Water Conservation Update

	Month of January 2016	Fiscal Year to Date	Program Total to Date
High Efficiency Toilet (HET) Rebate (\$100 each)	20	168	3,439
Retrofit Certificates Filed	13	129	5,446
Cash for Grass Rebates Paid Out	2	106	800
Washing Machine Rebates	5	68	6,667
Water Smart Home Survey	19	156	2,276

9. Utility Performance Metric

<u>SERVICE DISRUPTIONS</u>	January 2016 No. of Customers Impacted	January 2015 No. of Customers Impacted
PLANNED		
Duration Between 0.5 and 4 hours	5	19
Duration Between 4 and 12 hours		2
Duration Greater than 12 hours		
UNPLANNED		
Duration Between 0.5 and 4 hours	5	14
Duration Between 4 and 12 hours		1
Duration Greater than 12 hours	1 (idle service)	
<u>SERVICE LINES REPLACED</u>	January 2016	January 2015
Polybutylene	7	16
Copper (Replaced or Repaired)	1	5

NORTH MARIN WATER DISTRICT

Summary of Complaints & Service Orders January 2016

2/8/2016

Type	Jan-16	Jan-15	Action Taken January 2016
<u>Consumers' System Problems</u>			
Service Line Leaks	8	0	Notified Consumer
Meter Leak Consumer's Side	0	8	~
House Plumbing	0	0	~
Noisy Plumbing	0	0	~
Seepage or Other	0	0	~
House Valve / Meter Off	7	7	Notified Consumer
Nothing Found	4	5	Notified Consumer
Low Pressure	0	0	~
High Pressure	0	0	~
Water Waster Complaints	0	0	~
Total	19	20	
<u>Service Repair Reports</u>			
Register Replacements	0	0	~
Meter Replacement	1	2	Notified Consumer
Meter Box Alignment	0	0	~
Meter Noise	0	0	~
Dual Service Noise	0	0	~
Box and Lids	0	2	~
Water Off/On Due To Repairs	1	6	Notified Consumer
Misc. Field Investigation	0	1	~
Total	2	11	
<u>Leak NMWD Facilities</u>			
Main-Leak	1	0	Repaired
Mains-Nothing Found	0	0	~
Mains-Damage	0	0	~
Service- Leak	10	11	Repaired
Services-Nothing Found	2	2	Notified Consumer
Service-Damaged	0	0	~
Fire Hydrant-Leak	0	4	~
Fire Hydrants-Nothing Found	1	0	Notified Consumer
Fire Hydrants-Damaged	0	2	~
Meter Replacement	0	2	~
Meters-Leak	0	0	~
Meters-Nothing Found	0	0	~
Meters Damaged	0	0	~
Washer Leaks	4	12	Replaced
Total	18	33	
<u>High Bill Complaints</u>			
Consumer Leaks	8	8	Notified Consumer
Meter Testing	0	0	~
Meter Misread	5	8	Notified Consumer
Nothing Found	6	10	Notified Consumer
Projected Consumption	0	0	~
Excessive Irrigation	0	0	~
Total	19	26	

NORTH MARIN WATER DISTRICT

Summary of Complaints & Service Orders January 2016

2/8/2016

Type	Jan-16	Jan-15	Action Taken January 2016
<u>Low Bill Reports</u>			
Meter Misread	0	0	~
Stuck Meter	0	0	~
Nothing Found	0	0	~
Projected Consumption	0	0	~
Minimum Charge Only	0	0	~
Total	0	0	
<u>Water Quality Complaints</u>			
Taste and Odor	0	0	~
Color	1	0	Customer reported discolored water, hot only. (Alameda Del Prado) Discolor water appears to be from the water heater. Customer flushed the system to clear the water.
Turbidity	0	0	~
Suspended Solids	0	0	~
Other	1	0	Customer complaint of illness. (Olive Ave) No coliforms detected in any samples. Chlorine normal. Customer was notified of results.
Total	2	0	
TOTAL FOR MONTH:	60	90	-33%
<u>Fiscal YTD Summary</u>			
Consumer's System Problems	249	198	26% Increase In Consumer Service Leaks
Service Repair Report	62	74	-16% Decrease In Water Off For Repairs
Leak NMWD Facilities	149	221	-33% Decrease In Service Line Leaks
High Bill Complaints	180	231	-22% Decrease In Nothing Found
Low Bills	1	7	-86% Decrease In Stuck Meter
Water Quality Complaints	23	22	5% Increase In Discolored Water
Total	664	753	-12%
<u>Change Primarily Due To</u>			

NORTH MARIN WATER DISTRICT

Summary of Complaints & Service Orders January 2016

2/8/2016

<u>Type</u>	<u>Jan-16</u>	<u>Jan-15</u>	<u>Action Taken January 2016</u>
<u>"In House" Generated and Completed Work Orders</u>			
<u>Check Meter:</u> possible consumer/District leak, high bill, flooded, need read, etc.	281	170	
<u>Change Meter:</u> leaks, hard to read	7	11	
<u>Possible Stuck Meter</u>	2	0	
<u>Repair Meter:</u> registers, shut offs	0	0	
<u>Replace Boxes/Lids</u>	3	3	
<u>Hydrant Leaks</u>	0	0	
<u>Trims</u>	17	16	
<u>Dig Outs</u>	39	47	
<u>Letters to Consumer:</u> meter obstruction, trims, bees, gate access, etc. get meter number, kill service, etc.	0	0	
	<u>349</u>	<u>247</u>	

Bill Adjustments Under Board Policy:

January 16 vs. January 15

Jan-16	26	\$8,040
Jan-15	16	\$16,673

Fiscal Year to Date vs. Prior FYTD

15/16 FYTD	147	\$46,391
14/15 FYTD	154	\$73,074

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MEMORANDUM

To: Board of Directors

February 12, 2016

From: David L. Bentley, Auditor-Controller

Subj: Auditor-Controller's Monthly Report of Investments for January 2016

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RECOMMENDED ACTION: Information

FINANCIAL IMPACT: None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$11,512,064 and a market value of \$11,511,740. During January the cash balance decreased by \$262,336. The market value of securities held increased \$383 during the month. The ratio of total cash to budgeted annual operating expense stood at 78%, down 2% from the prior month.

At January 31, 2016, 31% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), 37% in Time Certificate of Deposit, 17% in US Treasury Notes, and 9% in Federal Agency Securities. The weighted average maturity of the portfolio was 185 days, compared to 200 days at the end of December. The LAIF interest rate for the month was 0.45%, compared to 0.40% the previous month. The weighted average Portfolio rate was 0.63%, compared to 0.60% the previous month. Including interest paid by The Bay Club on the StoneTree Golf Recycled Water Facilities Loan, the District earned \$9,841 in interest revenue during January, with 46% earned by Novato Water, 43% earned by Recycled Water (by virtue of the StoneTree Golf Loan) and the balance distributed to the two West Marin districts.

NORTH MARIN WATER DISTRICT
AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS
January 31, 2016

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis ¹	1/31/2016 Market Value	Yield ²	% of Portfolio
LAIF	State of CA Treasury	AA-	Various	Open	\$3,593,214	\$3,590,293	0.45% ³	31%
Time Certificate of Deposit								
TCD	Key Bank	n/a	3/19/14	3/21/16	\$248,000	\$248,000	0.45%	2%
TCD	Barclays Bank	n/a	4/15/14	4/15/16	248,000	248,000	0.55%	2%
TCD	Americanwest Bank	n/a	5/30/14	5/31/16	249,000	249,000	0.50%	2%
TCD	Enerbank	n/a	6/30/14	6/30/16	249,000	249,000	0.65%	2%
TCD	Investors Bank	n/a	7/21/14	7/21/16	249,000	249,000	0.70%	2%
TCD	Comenity Capital Bank	n/a	8/18/14	8/18/16	249,000	249,000	0.80%	2%
TCD	Ally Bank	n/a	10/2/14	10/3/16	248,000	248,000	0.95%	2%
TCD	Cardinal Bank	n/a	11/12/14	11/14/16	249,000	249,000	0.80%	2%
TCD	Goldman Sachs	n/a	12/10/14	12/12/16	248,000	248,000	1.00%	2%
TCD	First Niagara Bank	n/a	4/30/15	5/1/17	249,000	249,000	0.75%	2%
TCD	Discover Bank	n/a	5/6/15	5/8/17	248,000	248,000	0.85%	2%
TCD	Capital One Bank	n/a	6/10/15	6/12/17	248,000	248,000	0.90%	2%
TCD	Flagship Cmnty Bank	n/a	6/24/15	6/24/17	249,000	249,000	0.75%	2%
TCD	American Express Bank	n/a	7/8/15	7/10/17	248,000	248,000	1.15%	2%
TCD	Capital One National Assoc	n/a	8/5/15	8/7/17	248,000	248,000	1.20%	2%
TCD	American Express Centurion	n/a	10/7/15	10/10/17	248,000	248,000	1.20%	2%
TCD	BMW Bank	n/a	12/14/15	12/11/17	248,000	248,000	1.20%	2%
					\$4,223,000	\$4,223,000	0.69%	37%
US Treasury Notes								
Treas	1,000 - 0.50%	n/a	3/26/14	6/15/16	\$999,811	\$1,000,143	0.55%	9%
Treas	1,000 - 1.00%	n/a	8/4/14	9/30/16	1,002,371	1,002,734	0.65%	9%
					\$2,002,182	\$2,002,877	0.60%	17%
Federal Agency Securities								
FFCB	1.70% MTN	n/a	9/15/14	10/28/16	\$503,806	\$504,663	0.68%	4%
FHLB	0.58% MTN	n/a	11/7/14	11/14/16	499,744	500,790	0.64%	4%
					\$1,003,550	\$1,005,452	0.66%	9%
Other								
Agency	Marin Co Treasury	AA+	Various	Open	\$682,623	\$682,623	0.32%	6%
Other	Various	n/a	Various	Open	7,495	7,495	0.47%	0%
TOTAL IN PORTFOLIO					\$11,512,064	\$11,511,740	0.63%	100%

Weighted Average Maturity = **185 Days**

LAIF: State of California Local Agency Investment Fund.

MTN: Medium Term Note - Maturity of 5 years or less.

TCD: Time Certificate of Deposit, Treas: US Treasury Notes with maturity of 5 years or less.

FFCB: Federal Farm Credit Bank, FHLB: Federal Home Loan Bank

Agency: STP State Revolving Fund Loan Reserve.

Other: Comprised of 4 accounts used for operating purposes. US Bank Operating Account, US Bank STP SRF Loan Account, Bank of Marin AEEP Checking Account & NMWD Petty Cash Fund.

1 Original cost less repayment of principal and amortization of premium or discount.

2 Yield defined to be annualized interest earnings to maturity as a percentage of invested funds.


3 Earnings are calculated daily - this represents the average yield for the month ending January 31, 2016.

Interest Bearing Loans	Loan Date	Maturity Date	Original Loan Amount	Principal Outstanding	Interest Rate
StoneTree Golf Loan	6/30/06	2/28/24	\$3,612,640	\$1,833,736	2.40%
Employee Housing Loans (5)	Various	Various	934,200	934,200	Contingent
TOTAL INTEREST BEARING LOANS			\$4,546,840	\$2,767,936	

The District has the ability to meet the next six months of cash flow requirements.

6

MEMORANDUM

To: Board of Directors
From: Dianne Landeros, Accounting/HR Supervisor 
Subject: APPROVE: Request to Solicit Financial Audit Proposals
t:\finance\audit\audit12\bod request for audit proposals.doc

February 12, 2016

RECOMMENDED ACTION: Authorize staff to solicit proposals for a four-year audit contract.

FINANCIAL IMPACT: None at this time – Approx. \$25,000/year upon selection of a firm.

The District last solicited financial audit proposals in 2012. At that time, the Board authorized the Auditor-Controller to enter into a four-year agreement with Charles Z. Fedak & Company to perform the annual financial audit of the District for fiscal years 2012 through 2015. It is important that we periodically survey the market to assure our customers an economical and objective audit examination.

Staff proposes to mail a preliminary letter (Attachment A) to firms who have expressed interest over the past four years and all CPA firms who have responded to our requests previously (including Fedak & Brown, formerly Charles Z. Fedak & Company) asking if there is interest in submitting a proposal to the District. A second letter (Attachment B), along with a copy of last year's audited financial statement, will be mailed to those firms expressing interest.

We will again solicit for an audit contract of four years. There is a lot of effort involved in soliciting and evaluating proposals. Also, the first year of each audit contract requires the outside auditor to collect a substantial amount of basic information about the District's financial status. Once they have this data, the subsequent years on the contract require less work for both the outside auditor and District staff. In the subsequent years, the outside auditor is familiar with our accounting system and is better able to offer suggestions for improvement.

RECOMMENDATION

Authorize Staff to solicit proposals to perform the District's annual audit for a four-year period.

February 17, 2016

Re: Financial Audit Proposal

Ladies and Gentlemen:

The North Marin Water District is soliciting proposals to conduct its annual financial audit. We intend to enter into a four-year agreement with the firm selected.

If your firm is experienced in governmental and/or utility accounting, you are invited to submit a short letter indicating interest. A detailed request for proposal and a copy of last year's audited financial statement will then be returned for your review.

Our fiscal year ends June 30th. Please submit your letter of interest to my attention no later than March 4, 2016.

Sincerely,

David L. Bentley
Auditor-Controller

DLB:dl

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Attachment A

March 7, 2016

Re: Request for Audit Proposals

Dear:

The North Marin Water District is requesting proposals to perform the annual audit of the District's financial records for the fiscal year ending June 30th. The District desires to contract for a four-year period subject to annual review for fiscal years 2016 to 2019.

The scope of work to be performed will include a financial audit conducted in accordance with generally accepted auditing standards. Such audit shall be in accordance with the industry audit guide "Audits of State and Local Governmental Units" published by the AICPA. The examination shall encompass all funds of the District, including the Novato Water Fund, the Novato Recycled Water Fund, and two small water and wastewater improvement districts in western Marin County.

The District anticipates receipt of up to \$14.6 million in State Revolving Fund (SRF) Loan monies to finance its Recycled Water Expansion project and its Advanced Metering Infrastructure project over the next four fiscal years. The District also anticipates receiving a Title 16 US Bureau of Reclamation Grant (\$1.5 million) for the Recycled Water Expansion project. Therefore, the audit will require compliance with all requirements of the Office of Management and Budget Circular A-133 issued pursuant to the Single Audit Act of 1984.

Preparation of all financial statements included within the Auditor's Report of Examination shall be the responsibility of the auditor. The Audit Report shall be in CAFR format for submission to GFOA's Excellence in Financial Reporting Program. The Auditor shall provide to District management, under separate cover, a 'management letter' presenting constructive recommendations for enhancing the efficiency and effectiveness of fiscal operations. The Auditor shall prepare and provide to the District the State Controller's annual report of financial transactions on a timely basis.

A trial balance will be available the third week of August. One PDF copy of the Report shall be presented to the Auditor-Controller by the third week of September, and an oral presentation of the report shall be given to the North Marin Water District Board of Directors at its first regularly scheduled meeting (first Tuesday) in October. Upon acceptance by the Board, ten copies of the Report shall be presented to the Auditor-Controller by the week after the Board meeting.

Prior to submitting a proposal, representatives of interested firms may inspect, as thoroughly as is needed, the District's financial records and related systems and procedures with the accounting staff. Interested firms will be expected to familiarize themselves with the District's records sufficiently to submit a responsible proposal.

The District's annual audit for the fiscal year ending June 30, 2015 was conducted by the firm of Fedak & Brown LLP for a fee of \$18,770 (Single Audit was not required for fiscal year 2015).

Proposed by Board

Attachment B

March 7, 2016

Page 2

If your firm is interested in obtaining this engagement, you should prepare a proposal including:

- 1) A review of your governmental and/or utility auditing experience.
- 2) Minimum of three references of current water district clients using CAFR reporting.
- 3) Your standard hourly rates for all personnel classifications that will perform the audit and prepare the related report.
- 4) An audit program with estimated hours to be expended upon each phase of the audit.
- 5) A yearly not-to-exceed quotation for conducting the audit for each year in your proposal.

The District will make monthly progress payments for the percentage of work completed. For purposes of internal cost accounting, all billings must detail the time expended on each phase of the audit program. The audit program submitted to the District shall be updated annually to address each year's specific audit requirements.

Please submit your sealed proposal, clearly marked on the outside of the envelope "Audit Proposal" no later than 4:00 p.m., Friday, April 8th to the District office. Staff will review the proposals and make a recommendation to the District Board of Directors. It is anticipated that the Board will select a firm at its regular meeting on Tuesday, May 3, 2016. The Board reserves the right to accept the proposal of any competent firm and to reject any and all proposals.

Any questions concerning the audit or selection procedures may be addressed to Accounting Supervisor Dianne Landeros (415.761.8911) at the North Marin Water District office.

Sincerely,

David L. Bentley
Auditor-Controller

DLB:dl

7

MEMORANDUM

To: Board of Directors
From: David L. Bentley, Auditor-Controller
Subj: Approve Agreement with AMI Meter Upgrade Program Project Manager
t:\aclword\ami\ami consultant recommendation.docx

February 12, 2016

RECOMMENDED ACTION: Approve**FINANCIAL IMPACT: \$218,700 though the Pilot Project Phase**

The FY15/16 budget includes \$500,000 for a pilot project to install digital water meters and associated infrastructure (the common acronym is AMI – Advanced Metering Infrastructure) at selected sites throughout Novato to test the feasibility of automating the entire District metering/meter reading operation via digital signal directly to the administration office, rather than manually reading each of NMWD's 20,000+ meters. The advantages of AMI are numerous, as discussed in the April 3, 2015 Memorandum to the Board (Attachment B).

In November the District requested proposals from 5 firms¹ that had verbally expressed interest in recommending hardware selection and installation oversight of an AMI system. Responses were due January 15. Of the five firms solicited, only Utiliworks Consulting submitted a proposal. After the RFPs went out, staff disclosed which firms the District was soliciting, which could have influenced the larger firms (often higher cost) to forego submitting a proposal, given that NMWD is a relatively small utility in the AMI world. The other small firm solicited reported that they made a decision at the beginning of 2016 to focus on AMI Software, and move out of the hardware installation side of the business.

Principals of Utiliworks were interviewed extensively regarding their proposal via teleconference by the General Manager, Chief Engineer, Consumer Services Supervisor, Auditor Controller, and District IT Consultant. Utiliworks has a long list of references. We spoke with staff at the City of Santa Rosa, Alameda County Water, Roseville Electric, and Long Beach Gas & Oil. We also spoke with 3 out-of-state agencies². All the agencies surveyed received multiple proposals for their AMI project, and Utiliworks rose to the top during their selection process. All of the agencies we contacted spoke highly of Utiliworks.

While the Request for Proposal was written for both the Pilot Phase and the full Installation Phase of the project, Staff recommends that the District move forward at this time with the Pilot Phase of the project only. Utiliworks advised that the District's proposed time

¹ 3 large firms: Navigant Consulting, Siemens Industries & Johnson Controls. 2 small firms: Utiliworks & Triton AMI.

² Danvers MA, Brownsville TX and Wilson NC.

schedule for completion of the various tasks was too aggressive, as it targeted September 30, 2016 for completion of the entire Pilot Project. Utiliworks counseled that the time schedule should be lengthened and proposed extending the completion date to January 31, 2017 – that the District would be better served to move forward thoroughly, rather than quickly. Staff concurs. A timeline with more detail on the various tasks involved in each phase of the project is included as Attachment A.

Utiliworks is headquartered in Louisiana, but some of the four team members assigned to NMWD live in other states. Their proposal emphasizes that their standard fee was discounted 25% for this project. While that is difficult to confirm, we know that they are working regularly with Santa Rosa, Alameda County Power, Alameda County Water District, and Roseville Electric, so that they are in the Bay Area frequently. There is some economy of scale to taking on another Bay Area utility.

Following is a summary of the cost by project phase.

TOTAL PHASE I - VII	Hours	Cost	Travel Estimate	
Phase I - Assessment	180	\$ 37,185	\$ 3,000	} \$218,700
Phase II - Roadmap	66	\$ 14,303	\$ 1,500	
Phase III - Pilot Project Planning	243	\$ 55,215	\$ 4,500	
Phase IV – Pilot Project Implementation	390	\$ 81,405	\$ 12,000	
Phase V – Pilot Project Assessment	38	\$ 8,093	\$ 1,500	
Phase VI - Full Implementation Planning	165	\$ 37,245	\$ 7,500	
Phase VII – Full Implementation	741	\$ 144,533	\$ 30,000	
Total	1,823	\$ 377,978	\$ 60,000	

Recommendation:

Authorize the General Manager to execute an agreement with Utiliworks to provide project planning services and oversee deployment and assessment of the AMI Pilot Project for a fee not to exceed \$218,700.

ID	CA. NMWD AMI Consulting and Project Management Services	Start	Finish	Duration	Q1 16	Q2 16		Q3 16			Q4 16			Q1 17
					Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
1	Project Management	3/7/2016	1/31/2017	237d										
2	PHASE I – Assessment	3/7/2016	4/13/2016	28d										
3	Mobilization, Kickoff, Data Gathering	3/7/2016	3/18/2016	10d										
4	Task 1 – Conduct an assessment of AMI products and evaluate and summarize the feasibility of the various AMI solutions given NMWD’ s size and topography	3/21/2016	3/25/2016	5d										
5	Task 2 – Complete a business case detailing costs and benefits associated with the AMI project compared to existing District meter reading/utility billing	3/28/2016	3/31/2016	4d										
6	Task 3 – Provide a strategic assessment report of results and recommendations	4/1/2016	4/13/2016	9d										
7	PHASE II – Roadmap	4/14/2016	4/26/2016	9d										
8	Task 4 – Develop possible implementation and deployment scenarios for review with District management	4/14/2016	4/20/2016	5d										
9	Task 5 - Develop a 6-month AMI pilot program system procurement and installation roadmap, include suggested pilot area, plan, and description	4/21/2016	4/26/2016	4d										
10	PHASE III – Pilot Project Planning	4/27/2016	8/9/2016	75d										
11	Task 6 – Pilot project procurement and vendor selection	4/27/2016	6/28/2016	45d										
12	Task 7 – Pilot project vendor contract negotiations	6/29/2016	8/9/2016	30d										
13	PHASE IV – Pilot Project Implementation	8/10/2016	1/3/2017	105d										
14	Task 8 – Pilot project deployment planning-including outreach to pilot customers	8/10/2016	1/3/2017	105d										
15	Task 9 – Pilot project implementation program management including field supervision and quality control	8/10/2016	1/3/2017	105d										
16	Phase V – Pilot Project Assessment	1/4/2017	1/31/2017	20d										
17	Task 10 – Summary and assessment of pilot project implementation	1/4/2017	1/31/2017	20d										

MEMORANDUM

To: Board of Directors
From: David L. Bentley, Auditor-Controller
Subj: Advanced Metering Infrastructure
t:\aclword\meters\ami memo to bod.docx

April 3, 2015

RECOMMENDED ACTION: Information

FINANCIAL IMPACT: None at this time - \$5M Included in Proposed 5-Year CIP Plan

The \$5 million cost of the proposed Advanced Metering Infrastructure (AMI) project prompted staff to approach the Board with a project overview prior to the initial Capital Improvement Project budget review scheduled for the April 21 meeting.

The District has been following the evolution of meter reading technology over the past two decades. We believe the technology has improved to the point where a pilot study at NMWD is now appropriate. The latest innovation, meter read data transmission via the existing cellular network, overcomes the hurdle of Novato's rolling terrain, which heretofore limited use of the Advanced Metering technology to those areas in Novato where each meter had to have line-of-sight to a data collection & sending tower located on one of the District's tank sites. The Advanced Meter collects water use data hourly and transmits a digital signal on demand using a very low-power signal, thus requiring line-of-site proximity for data collection. A propagation study prepared by Badger Meter shows that approximately one-half of Novato's meters are located in areas where line-of-sight access to a collection tower is not available. Use of the cellular network for those meter locations solves that problem.

The advantages of an using Advanced Meters are numerous. Here are six:

1. Reduced water loss - Currently many leaks are found only when a meter is read - which occurs bimonthly. Leaks therefore sometimes continue for weeks with the customer unaware. Palace Market is an extreme example, where over 2.2 million gallons of water was lost, with the customer unaware until being alerted by the District meter reader. With Advanced Meters water use is recorded hourly, allowing the District to be alerted of unusually high use on a real time basis. Such information would allow a phone call to the customer and, if warranted, dispatch of a Field Service Rep to the service location to investigate. In addition, as meters age, the registration slows down and the accuracy decreases, allowing water to pass through the meter without registering. Forty-seven percent of the District's meters are over 20 years old, so replacement with new meters, where warranted, will increase measurement accuracy and revenue.

2. Customer real-time engagement in water use - Advanced Meters allow customers to monitor their water use in real-time over the internet, to compare use to prior periods, and to obtain immediate feedback on, say, a change in irrigation cycles or run-time. Irrigation accounts for half of all residential water use. As calls for increased conservation continue, it is counterproductive to require a customer to wait 60 days until the water bill arrives to see how they have done. Another money saving option for customers can be taken from the cell phone companies, who allow customers to set individual parameters to receive text warnings when they are in danger of exceeding their allotted data use. Water customers, if they desire, could be notified when they are approaching a consumption level that will send them into the next water-use tier.
3. Monthly billing - Bimonthly billing has been the practice of the District since 1961. While the practice reduces labor cost, it also reduces water use feedback to the customer. In addition, as water rates increase, bills become more difficult for some customers to pay, causing them to defer payment or make a series of partial payments. Advanced Meters will allow the District to consider cost-effective monthly billing, which would cut the customer's water payment in half, reduce the accounts receivable balance carried by the District, and increase the District's cash flow.
4. Reduced labor requirement - The District spent \$152,000 last fiscal year reading water meters in Novato. That labor could be used to serve customers in other ways. Tasks such as obtaining a final read on move-out and requests to re-read a meter to investigate a high or low reading are expensive and can cause a payment delay pending a completion of the investigation.
5. Increased customer satisfaction - From time-to time a customer will receive a bill showing abnormally high water use and insist that nothing unusual occurred. If a field visit fails to diagnose a problem, the District policy is to advise the customer that the water passed through the meter sometime during the past two month period, and offer the Bill Adjustment Policy as a partial remedy. With an Advanced Meter, the customer and District can identify exactly when the high use occurred. This can jog a memory (e.g., a hose left running), and can serve to remove the mystery and suspicion that arise when no information is available. Higher customer satisfaction is linked directly to faster payment.
6. Safety - Meter readers must deal with unfriendly dogs and meters that are difficult to access or located adjacent to roadways on a blind curve or with an inadequate shoulder. Advanced meters remedy these concerns.

Industry Adoption

About 10% of California is now equipped with the Advanced Metering technology. San Francisco rolled out the technology to nearly 180,000 homes and businesses in May of 2014. Marin Municipal received a \$1 million grant late last year for a pilot project to install Advanced Meters on their large irrigation accounts. Petaluma is wrapping up installation of "touch-read" meters throughout the City. The touch-read system is an earlier technology that allows a meter reader to touch a wand to the meter box lid to obtain a read. Santa Rosa and Rohnert Park have installed "drive-by" technology meters on most of their accounts, the same meter technology NMWD has installed on 188 difficult to access meters in West Marin. Drive-by technology allows the reader to capture the read when within 10-15 feet of the meter. We will be installing 25 Advanced Meters with cellular transmission capability on the Walnut Meadows (McClay Road) and Mt Burdell Place (4th Street) subdivisions going in this summer, funded by developers.

Budget Proposal

The proposed FY16 budget includes \$500,000 for a pilot program to work through the process of installing 1,000 Advanced Meters on the large user accounts throughout town, to develop the software interface to the billing system, and construct data collection towers for those locations where data transmission via District's SCADA radio transmission system is available. Where data cannot be transmitted to the office by the SCADA network, the cellular network will be utilized. Assuming the pilot project proves successful, \$4.5 million would be expended over the following two fiscal years to install Smart Meters throughout Novato.

Funding

Assuming the pilot project proves the concept feasible, money would be borrowed to complete installation throughout the Novato service area. The State Water Resource Control Board funds Advanced Metering Infrastructure (AMI) projects with State Revolving Fund loans, currently at 1.5% (50% of the California GO Bond rate). Bank of Marin would also fund the project, as they did with the Aqueduct Energy Efficiency Project, at a rate around 3.5%. The District's connection fee (Facilities Reserve Charge) includes a component to pay for debt service on a \$5 million project. Another creative funding idea was enacted by Vallecitos Water District, who is funding their AMI project with revenue derived from their Tier 3 water rate.

Conclusion

The current drought concerns serve to magnify the value of this new technology. District customers are technologically savvy, and this new tool will assist in water conservation efforts. Feedback from the Board will assist staff in planning for a successful implementation.

8

MEMORANDUM

To: Board of Directors

February 12, 2016

From: Ryan Grisso, Water Conservation Coordinator *RG*

Subject: Water Conservation Mid-Year Update (July-December 2015)

V:\Memos to Board\Quarterly Reports\Mid Year Reports\Water Conservation FY 2015_2016 MID Year Report.doc

RECOMMENDED ACTION: Information**FINANCIAL IMPACT:** NoneWater Conservation

This memo provides an update on all water conservation and public outreach activities implemented during the first half of Fiscal Year 2015/2016 (FY 16). Water Conservation participation numbers for the first half of the current and previous two fiscal years are summarized in Table 1 below. Water Conservation program participation has remained fairly steady when compared to the last couple fiscal years with a significant increase in the number of Cash for Grass Rebates.

Table 1: Water Conservation Program Participation (July through December)

Program	FY16	FY15	FY14
Water Smart Home Surveys	137	181	184
Water Smart Commercial Surveys	5	2	3
High Efficiency Toilet Rebates (Residential)	148	163	143
High Efficiency Toilet Rebates (Commercial)	1	8	1
Retrofit on Resale (Dwellings Certified)	116	117	153
High Efficiency Washing Machine Rebates	63	84	166
Cash for Grass Rebates	104 ¹	75 ¹	16
Water Smart Landscape Rebates	5	3	5
Smart Irrigation Controller Rebates	5	2	16
New Development Sign-offs (Residential Units)	19	16	4
New Development Sign-offs (Commercial Units)	10	12	3
Large Landscape Audits (Number of accounts)	5	0	0
Large Landscape Budgets (Number of accounts)	437	437	437

¹ Cash for Grass participants removed 111,308 square feet in FY16 compared to 45,211 square feet in FY15

Water Conservation Programs

Water Smart Home Survey (WSHS) Program: This program provides the customer with an in-depth analysis of both their indoor and outdoor water use with water efficient recommendations

for customers to implement. The WSHS Program also provides staff with an opportunity to present applicable rebate programs to which the participating customer may be eligible for. WSHS participation declined this FY, with 137 WSHS completed during this half of FY 16, compared to 181 completed in FY15.

Water Conservation Fixture Distribution: Staff continues to distribute water conserving fixtures at the front counter of the District Administration Building, on service calls and WSHS, and at various public outreach events (e.g. Novato Farmer's Market). Fixtures include 2.0 gallon per minute (GPM) showerheads, 1.0 and 0.5 GPM sink aerators, hose nozzles (when available) and other related items. The District also offers commercial establishments installation of 0.5 GPM sink aerators on all hand-washing sinks when conducting a Water Smart Commercial Survey.

High Efficiency Toilet (HET) Replacement Program: The District provides \$100 rebates for residential and commercial customers, for purchase and installation of qualified HETs. During the first half of FY 16, the District rebated 148 residential HETs and one commercial HET. Rebate volume has remained steady in the last couple years likely due to the drought and also a state requirement that all toilets sold after January 1, 2014 be a WaterSense (an EPA partnership program) approved HET. The Ultra High Efficiency Toilet (UHET) Rebate program, which offers a \$150 for toilets that flush less than 1.1 gallons per flush, was set up to help transform the market to the next level of toilet efficiency, however, participation numbers in that program have been low during the first half of the fiscal year (one UHET rebated in the first half of FY16). This District also distributed 78 Niagara Stealth UHETs during the first half of FY16.

Retrofit on Resale: The District currently requires toilets, showerheads, and bathroom sinks to be retrofitted to meet current water conservation standards by the seller before the close of escrow of any property sold in the District service area. HET rebates are available and fixtures (showerheads and sink aerators) are free to customers to help ease any potential financial hardships from the requirement. In the first half of FY 16, the District received certificates for 116 dwellings, which is consistent with the previous fiscal year.

High Efficiency Clothes Washer Rebate Program: The District currently offers rebates for qualified high efficiency clothes washing machines through the Sonoma-Marín High Efficiency Clothes Washer Program (with rebates paid directly by the District). During the first half of FY 16 the District rebated 63 clothes washing machines through the program. These numbers are down from previous years likely due to the change to Energy Star Most Efficient status as the qualifying measure which is a more restrictive qualification for rebate eligibility. This eliminated a lot of the previously eligible washing machines from the qualified list.

Cash for Grass Rebate Program: The District's has rebated customers for removing irrigated turf and replacing with low water use landscaping since 1989 and has the longest active Cash for

Grass Program in existence. Participation has dramatically increased during the first half of FY 16, with the District rebating 104 Cash for Grass projects for a total of 111,308 square feet of turf removed (compared to 45,211 square feet and 10,000 square feet in the previous two fiscal years). This increase is directly related to customer's responding to the drought.

Water Smart Landscape Rebate Program: The District currently rebates a percentage of equipment costs (up to \$100) for landscape efficiency upgrade projects such as spray to drip irrigation conversions, and high volume spray head to low volume multi-stream rotating spray head conversions. In the first half of FY 16, the District rebated 5 projects.

Water Smart Irrigation Controller Rebate Program: Rebates are available for purchase, installation and activation of District approved Smart Irrigation Controllers (Smart Controllers) at a minimum level of \$100, or \$30 per active station, up to \$1,200. The District rebated 5 controllers in the first half of FY 16.

Large Landscape Water Conservation Program: The Large Landscape Water Conservation Program consists of the Large Landscape Audit Program, the Large Landscape Budget Program, Water Smart Controller Rebate Program (previously covered in the Water Smart Irrigation Controller Rebate Program section) and the Large Landscape Water Smart Landscape Efficiency Rebate Program. All programs are aimed at assisting large landscape accounts (dedicated irrigation and large mixed use meters) to become more water use efficient in their landscape water management practices. The large landscape activities of FY 16 through the mid-year focused heavily on water waste and non-essential use prohibitions enforcement; however, 5 audits were performed on Novato Fire District sites.

Commercial Water Conservation Program: The Commercial Water Conservation Program currently offers the HET Rebate Program (previously covered in the High Efficiency Toilet Replacement Program), Water Smart Commercial Survey (WSCS), and a High Efficiency Washing Machine Rebate. In the first half of FY16, staff completed 5 WSCS.

Public Outreach and Conservation Marketing

In the first half of FY16, the District distributed a Fall 2015 issue of "Water Line" to Novato and West Marin service areas and continued participation in the Drought 2015 Campaign administered by the Sonoma Marin Saving Water Partnership. The District also actively maintains a Facebook page with regular updates on water use efficiency, construction projects and other District activities. In September, the District participated in the Sonoma Marin Saving Water Partnership organized "Drought Drive-Up Day", to distribute water saving materials and fixtures. This event was held at the front entrance to the District office and was very well attended with over 200 customers to receiving "Drought Kits".

Budget

Table 2 summarizes the mid-year expenditures for the last three fiscal years (July-December). Expenditures in FY16 have increased compared to FY15 and FY14, mainly due to the increase in Cash for Grass participation and drought related expenses including water waste patrolling and the Residential Recycled Water Fill Station.

Table 2: Water Conservation and Public Outreach Expenditures (July-December)

	FY 16	FY 15	FY 14
Total Budget	\$410,000	\$445,000	\$400,000
July-December Expenditures	\$209,056	\$185,833	\$153,831

Staff expects expenditure levels to continue to increase in the second half of the fiscal year due to the potential for continued State mandated drought requirements and associated increase in customer participation, especially in the fourth quarter.

Prop 84 Grant Funding


The District was awarded a Prop 84 Round 1 Grant (\$183,750 allocated to the District) back in 2013, in cooperation with the Sonoma County Water Agency (SCWA) and other Bay Area Agencies, which helped fund HET rebates, Cash for Grass rebates, Smart Controllers, Clothes Washer rebates, and a Commercial Direct Install HET Program. The Grant period ended June 30, 2015, and the District will receive a cumulative total of \$187,000 when all payments are received. The slight increase from our original allocation was due to other participants not fully expending their allocation. The Prop 84 Round 2 Grant (\$33,000 allocated to the District) started July 1, 2015; however, this round only funds Cash for Grass rebates.

Staffing

Water Conservation is currently staffed by one full time Water Conservation Coordinator and one half-time Water Conservation Technician. The District has also partnered with Sonoma County Water Agency through the Sonoma-Marin Saving Water Partnership to implement some of the District Water Conservation Programs including the WSHS program.

9

MEMORANDUM

To: Board of Directors
From: Robert Clark, Operations / Maintenance Superintendent 
Subject: Mid Year Operations / Maintenance, 2015/16 Update
X:\MAINT SUP\2016\Q2 15-16 O&M update.docx

February 12, 2016

RECOMMENDED ACTION: Information**FINANCIAL IMPACT:** None**Safety Committee**

The Safety Committee reviewed thirteen (8) safety incidents, 5 of which were recordable incidents and one with lost work days. Calendar year 2015 ended with 213 days without a lost day incident. Staff participated in seven (7) safety training events and other activities that included Construction tailgate meetings, pre-employment skills testing, City-wide emergency response training, and North Bay Safety Managers' meetings.

Operations and Maintenance Summary

Stafford Treatment Plant treated 333 MG between July and December 2015 and shut down production activities on November 25th. Staff expects to reach 80% of the annual target of 750 MG by the end of June. The 2015 calendar year annual rainfall was 10.42 inches vs. 31.9 inches in 2014.

Elsewhere in Novato staff has installed 11 more of the tank level and intrusion sensors, modified the programmable logic controllers at Ponti, San Antonio, Woodland Heights and Truman pump stations and converted the leased telephone communication line to radio telemetry at Atherton Tank site.

Point Reyes Treatment Plant treated 35.2 MG for the period July 1st – December 31st 2015, tracking 11% lower from last year at 39.5 MG.

Recycled water customers once again continued to use recycled water through the period and the two treatment facilities, Las Gallinas Valley Sanitary District and Novato Sanitary District, continued to produce water. The production volumes for October – December were 19.7 MG for this year compared to 16.6 MG last year during the drought conditions. We were able to perform tank inspections on both the North and South systems with a single day recycled water shutdown in each of the service areas.

Oceana Marin operations and maintenance tasks have successfully been performed by the district throughout the period.

10

MEMORANDUM

To: Board of Directors

February 12, 2016

From: David L. Bentley, Auditor-Controller 

Subj: Information – 2016 Urban Area Water Cost Comparison

t:\aclwordrate survey\16 rate survey.docx

RECOMMENDED ACTION: Information Only**FINANCIAL IMPACT:** None

The 2016 survey shows North Marin ranked 10th out of the 17 agencies, down one position from the 2015 survey. Median Novato single-family residential household annual consumption is calculated at 100,500 gallons¹, down an astounding 7,200 gallons from last year, rendering an annual water cost of \$672. The District's tier rates do not apply to North Marin's typical single-family residential customer, as only 10% of said customers used enough water in 2015 to be subject to a tier rate, thus it is not reflected in the cost comparison.

Fifteen of the sixteen comparison agencies increased their water rates over the past twelve months, and the lone holdout, the City of Vallejo, took a rate increase proposal to their Council on February 9. The average charge for all agencies surveyed, excluding North Marin, increased 2%, primarily because water use declined so dramatically that the higher rates were offset by lower use. North Marin's annual water cost to the typical single-family residence is 3% below the median of agencies surveyed, compared to 34% below the median seven years ago. East Bay Municipal Utility District enacted the largest percentage increase among the comparison agencies last year at 24%, which includes a drought surcharge, followed by the Mid-Peninsula Water District (18%), Valley of the Moon (14%), and the City of San Francisco (12%).

Fifteen of the sixteen comparison agencies have now adopted a tier-rate structure. On January 1, 2016 Rohnert Park finally moved to tier-rates. The one agency maintaining a uniform commodity rate is Contra Costa Water District.

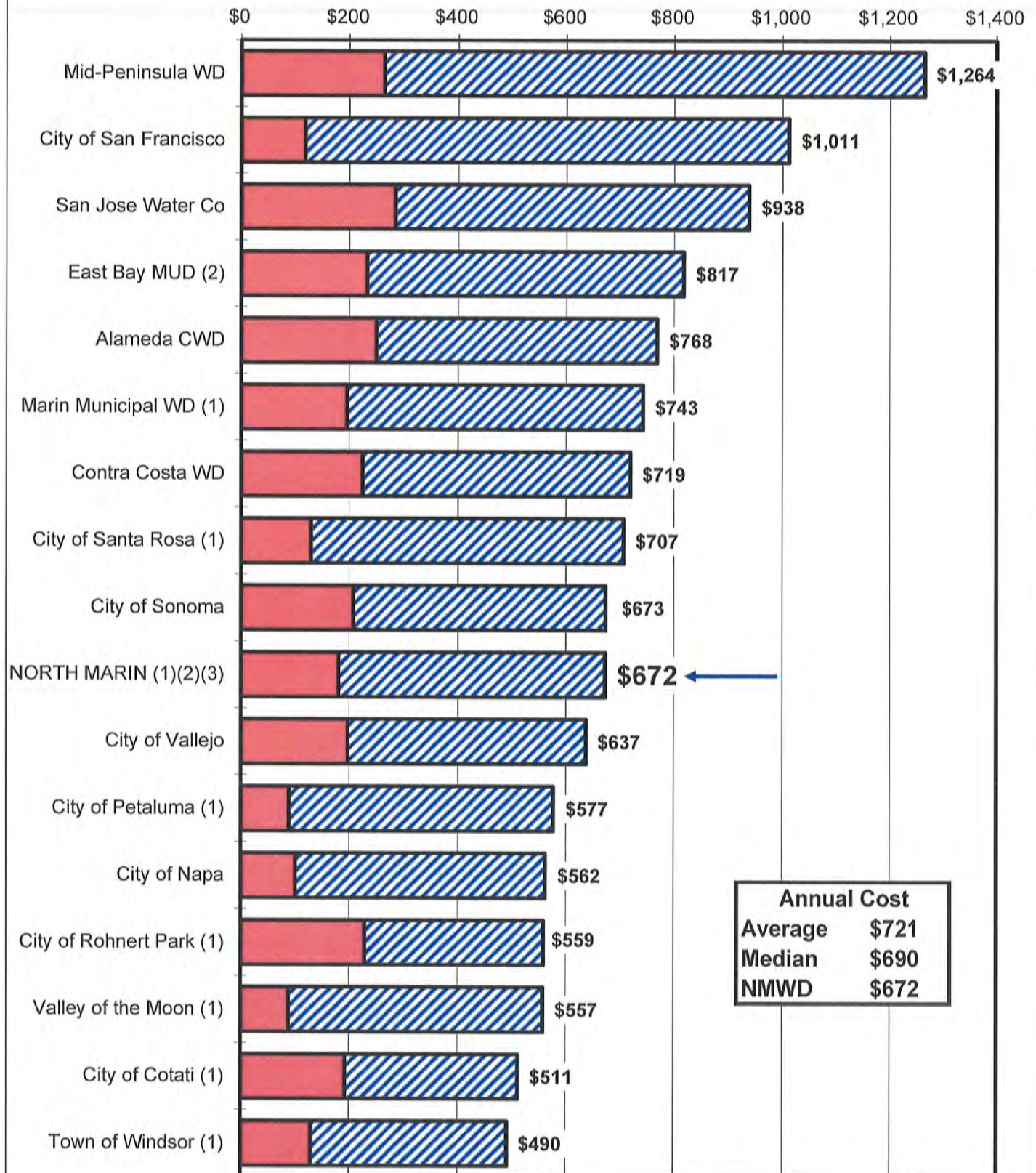
North Marin's \$30.00 bimonthly service charge for a 5/8" meter, applicable to 74% of the customer base, is 8% below the median of comparison agencies. The bimonthly service charge ranges from a low of \$14.64 (Valley of the Moon) to a high of \$47.49 (San Jose Water).

Of interest, both EBMUD and ACWD have drought surcharges in effect, and San Jose Water, Santa Rosa, Windsor and the City of Sonoma have all adopted a pass-through ordinance enabling annual water rate increases to be enacted administratively (i.e., without an annual public hearing) based upon the increase in purchased water cost.

¹ The FY15 exponential moving average of the past five fiscal years median consumption was 100,500 gallons.

2016 URBAN AREA TOTAL ANNUAL WATER COST COMPARISON

Typical Detached Single-Family Home Annual Consumption = 100,500 Gallons



LEGEND

■ Service ■ Commodity

(1) Sonoma County Water Agency Prime Contractor.
(2) Based on weighted average commodity charge - all zones.
(3) Excludes West Marin rates and charges.

Annual Cost	
Average	\$721
Median	\$690
NMWD	\$672

NORTH MARIN WATER DISTRICT

2016 URBAN AREA WATER COST COMPARISON

FOR TYPICAL SINGLE-FAMILY DWELLING IN THE NOVATO SERVICE AREA

As of February 11, 2016

Typical Detached Single-Family Residence Served by a 5/8" x 3/4" Meter
Annual Consumption is Calculated at 100,500 gallons.

Agency	Note	No. of Water Services	Bimonthly Service Charge	Commodity Rate/1,000 Gallons (1)	Annual Commodity Charge (2)	Total Annual Cost
Mid-Peninsula WD	(3)	7,975	\$44.00	\$9.95	\$1,000.37	\$1,264
City of San Francisco	(4)	174,111	\$19.74	\$8.88	\$892.88	\$1,011
San Jose Water Co	(5)	240,773	\$47.49	\$6.50	\$653.50	\$938
East Bay MUD	(6)	381,076	\$38.68	\$5.82	\$584.96	\$817
Alameda CWD	(7)	83,000	\$41.54	\$5.16	\$518.93	\$768
Marin Municipal WD	(8)	55,402	\$32.55	\$5.45	\$547.55	\$743
Contra Costa WD	(9)	61,352	\$37.38	\$4.93	\$495.08	\$719
City of Santa Rosa	(10)	53,194	\$21.56	\$5.75	\$577.55	\$707
City of Sonoma	(11)	2,598	\$34.66	\$4.63	\$465.46	\$673
→ NORTH MARIN	(12)	20,524	\$30.00	\$4.90	\$492.45	\$672 ←
City of Vallejo	(13)	37,490	\$32.90	\$4.37	\$439.28	\$637
City of Petaluma	(14)	20,280	\$14.78	\$4.86	\$488.40	\$577
City of Napa	(15)	25,241	\$16.72	\$5.60	\$461.88	\$562
City of Rohnert Park	(16)	8,889	\$38.06	\$3.29	\$330.36	\$559
Valley of the Moon	(17)	6,923	\$14.64	\$4.67	\$469.54	\$557
City of Cotati	(18)	2,585	\$32.02	\$3.17	\$318.83	\$511
Town of Windsor	(19)	9,160	\$21.60	\$3.59	\$360.64	\$490

Notes:

- (1) Average commodity rate for agencies with tier rate structure calculated using NMWD seasonal consumption pattern.
- (2) Based on NMWD median single-family detached residential consumption of 100,500 gallons per year.
- (3) Four-tier rate structure. First 2 Ccf/month @ \$5.00/Ccf, next 7 @ \$7.50/Ccf, next 13 @ \$9.00, 23+ @ \$10.50. All water is purchased from the SF PUC. 7% increase scheduled for July 1, 2016.
- (4) Two-tier rate structure. First 3 Ccf/mo @ \$5.45/Ccf, excess at \$7.31/Ccf.
- (5) Three-tier rate structure. First 3 Ccf/month at \$3.2103/Ccf, 4-18Ccf at \$3.567, 18+ Ccf at \$3.9237. Rates & charges include 5% Utility User tax & 1.5% PUC tax. Bimonthly Service Charge includes surcharges for Water Rate Assistance Program (\$1.15/mo) & SRF loan repayment (6¢/mo). Commodity Rate includes a \$0.6384 pass-thru charge for SCVWD increases
- (6) Three-tier rate structure with three elevation zones. 1st Zone Charge (0-200') is: 0-172 gpd @ \$2.95/Ccf + \$0.73/Ccf drought surcharge; 173 to 393 gpd @ \$4.06 + \$0.99 drought surcharge; use in excess of 393 gpd @ \$5.36/Ccf + \$1.30. Commodity rate shown is the weighted-average elevation zones charge.
- (7) The base rate is \$3.373/Ccf. Effective 7/21/14 an additional drought surcharge of \$1.48/Ccf was imposed upon bimonthly use between 16-30 Ccf, and \$2/Ccf on bimonthly use exceeding 30 Ccf.
- (8) Four-tier rate structure. Rate/Ccf = \$3.81, \$6.40, \$10.96 & \$18.85. Summer bimonthly tiers (June-Nov) 0-26 Ccf, 27-59 Ccf, 60-99 & 100+. Winter tiers (Dec-May) 0-21 Ccf, 22-48, 49-80 & 81+.
- (9) Commodity rate includes \$0.0767/Ccf Zone 1 Energy Surcharge (applies to 60% of customers) & Bimonthly Service Charge includes surcharge for Public Fire Protection (\$0.0323/day)
- (10) 2-tier rate structure. 1st tier (Up to sewer cap of 3,700 gal/mo) \$5.25/1,000 gal, Tier 2 (use above sewer cap) \$6.14/1,000.
- (11) 4-tier rate structure. 1st 6,000 gal/month @ \$3.73/1,000; next 6,000 @ \$6.55, next 6,000 @ \$7.35, above 18,000 @ \$10.62.
- (12) Three-tier rate structure with three elevation zones. 1st Zone charge (0-60') is: 0-615 gallons per day @ \$4.46/ 1,000 gal, 616 to 1,845 gpd @ \$7.11/1,000, use in excess of 1,845 gpd @ \$12.38. Additional 53¢/1,000 for customers between 60' and 200' elevation; additional \$1.18/1,000 over 200' 1st Zone for customers above 200'. Commodity rate shown is the weighted average charge for all zones in Novato. Excludes West Marin rates and charges.
- (13) Two-tier rate structure. First 22 Ccf bimonthly @ \$2.88/Ccf; 23+ @ 5.40/Ccf.
- (14) Four-tier rate structure. First 8 Ccf/month @ \$3.42/Ccf, 9-16 Ccf @ \$4.09, 17-24 Ccf @ \$5.10, and 25+ @ \$6.63
- (15) Four-tier rate structure. Bimonthly charge includes 3,000 gal. Next 17,000 @ \$5.58/1,000, next 20,000 @ \$5.78, next 35,000 @ \$7.32, additional @ \$9.71. 45% surcharge for use outside city (approx 10%).
- (16) Two Tier rate structure. First 4,000 gallons/month \$2.77, 4,000 gallons and above/month \$3.76
- (17) 4-tier rate structure. 1st 10,000 gal bimonthly @ \$3.71/1,000, next 10,000 @ \$5.57, next 10,000 @ \$8.36, add'l at \$12.54.
- (18) 3-tier rate structure. 1st 10,000 gallons bimonthly \$3.04/1,000, next 10,000 gal \$3.21/1,000, over 20,000 gal \$4.05/1,000.
- (19) 4-tier rate structure. First 4,000 gal/month @ \$3.16/1,000, next 3,000 gallons @ \$3.44, next 10,000 @ \$4.85, add'l @ \$5.87.

Annual Cost	
Average	\$721
Median	\$690
NMWD	\$672

11



DRAFT
NORTH MARIN WATER DISTRICT
 Board of Directors Planning Workshop
 Summary
 February 9, 2016

Key Issues

a. Water Supply

- Reviewed water demand comparison chart showing total water demand now projected in the 2015 UWMP has been reduced from the 2005 UWMP and the 2010 UWMP due to population/employment projections going down, conservation requirements of SBx7-7 and drought.
- 2015 actual water demands are 1909 AF below that projected in 2040 per the 2015 UWMP. Additional conservation, recycled water, and SCWA supply will occur to meet future demand.
- SBx7-7 target for NMWD is 143 GPCD. 2015 actual is 112 GPCD.
- SCWA and all Water Contractors will update Potential Projects for Future Evaluation to consider a new water project. Contractors have proposed a range (High/Low) of water demand to bracket uncertainty. SCWA has many pending important initiatives to consider including: 2015 UWMP, RR Instream Flow Draft EIR, Potter Valley Project FERC Relicensing, and Pending Water Rights Application with SWRCB for re-diversion of RR water above the now authorized 75,000AFA. The discussions among SCWA and the Water Contractors on these initiatives is now ongoing.
- i. Local Supply
 - a. STP Sanitary Discharge

Existing 3" diameter, thin walled plastic force main sanitary discharge from STP to Novato Sanitary District is nearing the end of its' useful life. Budgeted replacement is planned 4 years out. NSD also claims a collection system constraint downstream in the Center Road sewer line due increased STP discharge.
 - b. Stafford Lake Water Quality

Stafford Lake and Water Treatment Taste and Odor Control Study identifies nutrient loading with resultant algae growth and metals release from the lake bed are the biggest challenges to address in the current treatment process. Cooperative efforts to-date to reduce nutrients entering the lake have not materialized in benefit to treatment.
 - c. Novato Creek Water Rights/Fisheries

Review of current NMWD water rights provisions for diversion/storage within Novato Creek indicates time extension is needed for Permit 18800 which will likely trigger fishery agencies review in light of recent steelhead recovery planning effort.
 - d. Gallagher Well #2

Efforts to perfect additional well on Gallagher Ranch and improve WM water supply reliability appear headed in right direction.

ii. Water Conservation

Continuing current water conservation program keeping dialogue open with SWRCB for spring relief from current water conservation standard under the Extended Emergency Urban Water Conservation Regulation.

iii. Recycled Water

Completion of Central Service Area RW Expansion is next milestone.

iv. Russian River

Big picture items regarding SCWA RR supply discussed.

ACTION:

- Continue to work with contractors and SCWA in developing new water project
- Update UWMP in 2015 (schedule likely to be extended to 6/30/2016) and review status at that time.
- Investigate reducing and/or reuse of STP waste stream discharge and modification of NSD permit to increase discharge flow limit.
- Engage Marin County Environmental Health Department and Regional Water Quality Control Board to focus on Stafford Lake private property watershed practices.
- Engage Grossi Dairy to remove confined animal waste from Stafford Lake watershed.
- Move forward with Novato Creek steelhead population density validation and hydrologic analysis. Urge other agencies with SF Bay Coastal steelhead streams to share in population density validation effort.
- Encourage Friends of Novato Creek to expand focus further up watershed and enlist other Novato Creek Watershed Program partners to participate.
- Pursue negotiation for 2nd well at Gallagher Ranch when MALT easement is concluded.
- Consider revised Water Shortage Contingency Plan with drought surcharge based on SWRCB mandated restrictions.
- Consider continued participation in North Bay Water Reuse Authority at the associate level.
- Stay involved and keep BOD apprised of SCWA “big picture” items (B.O./RRIFR EIR/Water Rights/PVP/UWMP).

b. Cooperating Agencies

i. SCWA

- Board has several opportunities to interface with SCWA Board members (TAC, WAC, NBWA, NBWRA, PPFC). Maintaining relationships is important. TAC leadership and WAC involvement provides excellent opportunity to continue

close working relationships. Support of Washington D.C. outreach should continue.

ii. MMWD

- GM's have great relationship. Staff's have good working relationship.

iii. NSD

- Continue cooperation on recycled water, assisting with laboratory services.
- NSD BOD wants assurance NMWD will continue to support NBWRA.
- NSD Treatment expansion necessary for buildout of RW delivery. Revised interagency agreement needed to clean up payment provision.
- RW Subcommittee should continue to meet periodically.

iv. LGVSD

- LGVSD Treatment expansion planned to accommodate MMWD. Revised interagency agreement needed with NMWD to clean up payment provision.

v. City of Novato

- DLB active in Chamber of Commerce Government Affairs Committee and City Measure F Oversight/Citizens Finance Committee.

vi. County of Marin

- Good working relationship with County Supervisors and staff.
- Novato watershed program and Stafford Lake master plan offers opportunity for continuing cooperation.

ACTION:

- **Continue to participate and be involved with SCWA. If another trip to DC occurs, it would be great for Board member to attend.**

c. **Facilities & Financing**

1) Novato Water

- Reviewed District fin
- Annual plan dashboard. Assumptions modified to reflect reduced water sales. Water Shortage Contingency Plan revision enables trigger for drought surcharge to assist with revenue reduction due reduced water sales.
- Bank of Marin loan interest rate still at ~3.5% but likely need more than \$3M for Admin Bldg renovation.
- AMI \$5M cost anticipated to be funded with 1.5% SRF loan.
- Consider adding \$1 to the bimonthly service charge for Watershed Maintenance

2) Recycled water

- Reviewed recycled water system financial plan update.

- Plan continues to look promising at this time with a positive cash balance projected
- 33 connection fees required each year to pay debt service.

3) West Marin Water

Drought surcharge also anticipated for WM Water.

4) Oceana Marin Sewer

- Revenue and expenses stable.
- Major projects added per Master Plan by Nute Engineering triggers proposed rate increase recommendation of 10%/year and proposed doubling of sewer system connection fee. Will likely still need debt financing in future to address all Master Plan projects.

ACTION:

- **January/February workshop is better to look at dashboard when rate adjustment needed.**
- **Add line showing # of RW customer by owner, not meters.**
- **Contact Huffman's office re PRS USCG Housing closure and acquisition of additional property.**

d. Employees

i. Employee Succession Planning/Staffing Update

- Reviewed charts of FTE history and Succession Planning table.

ii. Employee Assisted Housing Program

- Employer Assisted Housing Program loan enabled Pipeworker to purchase Gustafson property.

ACTION:

- **Reach out to County of Marin Fire/Parks/Sheriff, NPS, Shoreline USD, MALT for interest in 25 Giacomini Way rental.**

12

MEMORANDUM

To: Board of Directors

February 12, 2016

From: Chris DeGabriele, General Manager



Subj: Marin LAFCo Countywide Water Service Study – Final Report

t:\gm\lafco\final report memo.docx

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None at this time

Attached please find information from Marin LAFCo on the continued Public Hearing regarding the Countywide Water Service Study (Attachment 1). Changes from the prior report, reported on at our January 15th meeting, include: 1) amended recommendation in response to the East Shore Planning Group request for community input regarding a potential boundary change for North Marin in the Inverness, Tomales Bay and Marshall vicinity, and 2) removal of the recommendation to explore and discuss potential to establish community waste water systems in the small West Marin communities.

I had an opportunity to comment at the Marin LAFCo Meeting on February 11th, advising that the East Shore Planning Group written comment letter misstates that North Marin is considering a merger with Marin Municipal, advising that this is solely a Marin LAFCo initiative. I further requested that Exhibit A of the Resolution accepting the final report and making determinations (Attachment 2) should be formatted consistent with the report since previous comments referenced the report, not the resolution and our comments may be lost without some way to adequately track the determinations in the resolution to the determinations in the report.

In the end, Marin LAFCo voted unanimously to both accept the final report and adopt the Resolution as stated.



Marin Local Agency Formation Commission

Regional Service Planning / Subdivision of the State of California

AGENDA REPORT

February 11, 2016
Item No. 6 (Public Hearing)

February 2, 2016

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: CONTINUED PUBLIC HEARING

**Municipal Service Review on Countywide Public Water Services /
Actions to Accept Executive Officer's Report and Adopt Resolution**

The Commission will return to a public hearing opened on January 14, 2016 and consider taking two final actions to complete the agency's scheduled municipal service review on countywide public water services. This involves accepting the Executive Officer's final report on the municipal service review and adopting a resolution that makes determinative statements on all the factors required for consideration under State law ranging from growth and development projections to infrastructure needs and deficiencies. Both documents return intact with two substantive exceptions as detailed in the agenda report and based on testimony received during the January meeting.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") directs all Local Agency Formation Commissions (LAFCOs) to prepare a series of municipal service reviews every five years for purposes of informing other planning and/or regulatory activities. LAFCOs generally prepare municipal service reviews to inform subsequent sphere of influence determinations. LAFCOs also prepare municipal service reviews irrespective of making any specific sphere determinations in order to obtain and furnish information to contribute to the overall orderly development of local communities. Municipal service reviews vary in scope and can focus on a particular agency, region, or governmental service. LAFCOs may also use the information generated from municipal service reviews to initiate other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies.

A. Background

Study Schedule / Scope of Analysis on Water Study

Marin LAFCO's ("Commission") current five-year cycle for preparing municipal service reviews was adopted in June 2014 in step with establishing a formal study schedule. This schedule includes direction to staff to prepare a countywide municipal service review on public water services ("water study") with guidance from a separately approved scope of analysis outlining content, process, and focus. The scope of analysis divides the water study into multiple presentation phases beginning with individual profiles on all six

B. Discussion

This item is for the Commission to return to its open public hearing and once again consider taking two actions to complete its scheduled water study. The first action is to accept the Executive Officer's final report on the water study and in doing so attest the analysis and recommendations therein have been prepared and presented in a manner consistent with Commission expectations and needs. The second action is to adopt a draft resolution codifying the majority of the written determinations in the Executive Officer's final report that address all of the factors required for consideration by the Commission as part of its municipal service review mandate.¹ These determinations include making independent statements on growth and population projections, infrastructure needs and deficiencies, fiscal standing, and opportunities and merits therein for governance alternatives. Several of the determinations also include recommended actions aimed at either one or more agencies or the Commission. Additional details on both items follow and specific to changes made since January 14th.

Final Report / Changes from January 14th

The Executive Officer's final report returns to the Commission almost entirely intact from its initial presentation on January 14th with the exception of two relatively substantive changes made to the Executive Summary and its recommendations/determinations section. These two substantive changes are summarized below and complimented by a limited number of non-substantive items that include grammar and formatting edits.

- The final report initially included a recommendation for the Commission to work with NMWD and area landowners on a possible reorganization to detach certain unincorporated and unserved lands in the West Marin region. The recommendation also made reference to pursuing special legislation to potentially effectuate the reorganization. The recommendation has been amended in response to testimony received from Lori Kyle with the East Shore Planning Group to further emphasize the need for community input and agreement to proceed forward with the referenced reorganization and potential special legislation as provided below in track-change format.

NMWD and the Commission should collaborate with community members on a potential boundary change to detach approximately 7,700 acres of unincorporated land from the District that includes North Inverness, Tomales Bay, and Marshall. This should include – and if there is sufficient support among stakeholders to proceed forward – consideration of special legislation to expedite the change and avoid the costs and uncertainties in holding protest proceedings.

¹ Close to four-fifths of the determinations in the final report are in the resolution of approval. Nearly all of the remaining determinations not included in the resolution of approval are agency-specific under the infrastructure needs and deficiencies category. These determinations – while merited for inclusion in the final report given its intended use as a data document – have been omitted from the resolution of approval for brevity purposes.

approved work plans. Similarly the draft resolution codifies the central recommendations and determinative statements generated in the course of preparing the final report and specific to addressing all of the factors prescribed for consideration.

D. Alternatives for Action

The following two alternatives are available to the Commission:

Alternative Action One (recommended):

1. Return to the opened public hearing on the final report and draft resolution and invite comments from audience attendees in step with re-initiating membership deliberations; and
2. Consider a motion to close the hearing;
3. Consider motions to do the following:
 - a) accept the final report from the Executive Officer
 - b) direct staff to publish and circulate an accepted final report
 - c) adopt the draft resolution as presented with any desired changes

Alternative Action Two:

1. Return to the opened public hearing on the final report and draft resolution and invite comments from audience attendees in step with re-initiating membership deliberations; and
2. Consider a motion to continue the hearing and provide direction to staff as needed.

E. Recommendation

It is recommended the Commission proceed with Alternative Action One as outlined in the preceding section.



Marin Local Agency Formation Commission

Regional Service Planning / Subdivision of the State of California

MEMORANDUM

February 11, 2016

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Supplement to Agenda Item No. 6 /
Countywide Municipal Service Review on Public Water Services

This memorandum lists all of the recommended actions that are included in the draft resolution presented as part of the water study and drawn from the Executive Officer's final report. These recommended actions – which are organized below by category – are aimed at either one or more of the affected agencies or to the Commission with the latter grouping to be considered as part of future work plans.

- **Category /
Location and Characteristics of Disadvantaged Unincorporated Communities:**
 - The Commission should proactively work with local agencies – and in particular water, sewer, and fire providers – to develop a local definition of “disadvantaged unincorporated community” consistent with Senate Bill 244 to ensure an appropriate and equitable level of municipal services is available to qualifying areas in Marin County.
- **Category /
Infrastructure Needs and Deficiencies:**
 - BCPUD should consider expanding its treatment facility capacity to abate shortfalls in meeting current and projected peak-day demands relative to District resources and priorities as part of a future capital improvement program.
 - MMWD should consider expanding potable storage in the Ross Valley service zone to abate existing shortfalls and accommodate current and projected peak-day demands relative to District resources and priorities as part of a future capital improvement program.
 - The Commission strongly encourages all six affected agencies to establish and or advance supply enhancement efforts to complement the ongoing focus on conservation to remain fully accountable to future constituents given new growth will occur in Marin County.

- The Commission and NMWD should collaborate with community members on a potential boundary change to detach approximately 7,700 acres of unincorporated land from the District that includes North Inverness, Tomales Bay and Marshall. This should include – and if there is sufficient support among stakeholders to proceed forward – consideration of special legislation to expedite the boundary change and avoid costs and uncertainties in protest proceedings.
- **Category /
Matters of Local Interests; Relationship Between Services and Land Use:**
 - Given its mandate and existing deficit therein the Commission should devote resources to develop institutional knowledge about the specific impacts on climate changes as it relates to, and among other areas, community water resources using best available science and incorporate into future studies.

End / KS

Here is what's happening below the surface. I'll use the 3-mile stretch of central Marshall as an example. This stretch gets all its water from springs and wells on upland properties, mostly agricultural lands. Those served include the state-owned Marconi Conference Center and Hog Island Oyster Company, and every household and business in between.

Hog Island's own low-elevation well suffered salinization that intensified over time to a point beyond their ability to treat it. The District has dealt with the same situation at the Lagunitas Wells serving Point Reyes Station; it mitigated the problem by drilling the Gallagher Well.

Hog Island did the same and secured a new well on Leali Ranch two years ago. The community worried that the volume of water drawn for commercial use might impact the other distribution systems. So the new well and two existing wells are professionally monitored for comparison purposes. During this past summer and fall, data from one of the existing wells reflected inexplicable changes in static water levels.

I'd like to expand the context to touch on changes in agricultural land use patterns which may impact potable water for individual and group water systems throughout Marshall.

Ranch practices are changing as ranchers and farmers seek to ensure our area's agricultural viability. Technological innovation, climate change and shifts in market dynamics require diversification and timely modifications. These modifications may include converting grazing land to row crops and orchards.

The Ranch wells vary in elevation, but the aquifers they draw upon all appear to hit shale at sea level. Water-intensive crops may reduce reserves. Increased pumping may deplete groundwater thereby initiating or accelerating salt water intrusion. We've already seen the first salinization without any land use changes at all. Add to this the possibility of interconnected aquifers and many wells could be affected—in succession or simultaneously.

These examples— three of many area observations—may seem anecdotal, mere data dots. But we in Marshall are connecting the dots and view them as an early warning of things to come. It won't happen soon, but it's definitely on the horizon.

A bird's eye view of Tomales Bay shows Walker Creek at the top, Point Reyes Station at the bottom and Marshall midway between them on the East Shore. Eight miles to the east of Marshall is Soulajule Reservoir, which I believe serves the eastern corridor.

Eight miles to the south of us is the Lagunitas source, which serve Point Reyes, Park Headquarters *and* supplies water to three ranch parcels in south Marshall. These large agricultural properties have outside service agreements dating back to the days of the District's formation. The draft Report recommends expanding the District to incorporate them, thereby codifying the service reality of these many years. So there are two water sources within eight miles of us, and water delivery infrastructure in place as close as five miles from downtown Marshall.

District services and boundaries are expanding to accommodate predicted population growth, ABAG housing allotments and outside service customers. It's also considering a merger with Marin Municipal to improve service throughout the combined areas. It seems a

↑ Not True. This is solely a Marin LAFCo initiative.

RESOLUTION NO. ____

**RESOLUTION OF THE
MARIN LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS**

**MUNICIPAL SERVICE REVIEW
COUNTYWIDE PUBLIC WATER SERVICE STUDY**

WHEREAS, the Marin Local Agency Formation Commission, hereinafter referred to as the “Commission”, is a political subdivision of the State of California with regulatory and planning responsibilities to produce orderly growth and development under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Commission is responsible under Government Code Section 56430 to regularly prepare studies to independently assess the availability, performance, and need of governmental services to inform its regulatory and other planning activities; and

WHEREAS, the Commission adopted a study schedule calendaring specific municipal service reviews in Marin County through 2017/2018; and

WHEREAS, the Executive Officer of the Commission, hereinafter referred to as the “Executive Officer”, prepared a countywide municipal service review on public water service with recommendations pursuant to said study schedule; and

WHEREAS, the municipal service review includes an evaluation of the public water services provided in incorporated and unincorporated areas by Bolinas Community Public Water District, Inverness Public Utility District, Marin Municipal Water District, Muir Beach Community Services District, North Marin Water District, and Stinson Beach County Water District, hereafter referred collectively as the “affected agencies”; and

WHEREAS, the Executive Officer’s written report on the municipal service review was presented to the Commission in a manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at public meetings concerning the municipal service review and most recently on September 10, 2015, January 14, 2016, and February 11, 2016; and

WHEREAS, as part of the municipal service review, the Commission is required pursuant to Government Code Section 56430(a) to make a statement of written determinations with regards to certain factors.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. The Commission determines this municipal service review is a project under the California Environmental Quality Act, but qualifies for an exemption from further action as an informational document consistent with Code of Regulations Section 15306.

2. The Commission has duly considered the Executive Officer's written report on the municipal service review and recommendations therein on the adequacy, performance, and need of public water services in Marin County.
3. The Commission adopts the statement of written determinations generated from information presented in the Executive Officer's written report on the municipal service review as set forth in Exhibit "A."
4. The Commission refers the public to the Executive Officer's report on the municipal service review for additional details and important context.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission on February 11, 2016 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

JEFFRY BLANCHFIELD, Chair

ATTEST:

KEENE SIMONDS, Executive Officer

EXHIBIT A


COUNTYWIDE PUBLIC WATER SERVICE STUDY

MUNICIPAL SERVICE REVIEW DETERMINATIONS
GOVERNMENT CODE SECTION 56430

- 1. With respect to growth and population projections for the affected areas as required under Section 56430(a)(1), the Commission independently determines the following.**
 - a. The Commission estimates there are 256,230 total residents directly served by the six agencies' potable water systems as of the term of the study period. It is also estimated the combined service population has modestly increased by 992 or 0.38% over the prior five-year review period.
 - b. The Commission estimates overall resident growth in the five service areas in West Marin has increased by 1.0% over the study period and is more than two times greater than the 0.4% growth rate in the two East Marin service areas.
 - c. Current demographic information shows marked differences between East and West Marin with increasing challenges for the latter residents' ability to fund water operations and improvements in the long-run given relative advanced age, low household incomes, and higher poverty rates.
 - d. The Commission estimates the Bolinas Community Public Utility District is at 89% of the service area's current buildout population with 1,574 residents served by the District's potable water system as of the term of the study period. It is reasonable to assume the resident population will remain stagnant through 2023 given the existing moratorium on new water service connections.
 - e. The Commission estimates the Inverness Public Utility District is at 87% of the service area's current buildout projection with 1,375 residents served by the District's potable water system as of the term of the study period. It is reasonable to assume the annual growth rate will match the study period with an overall yearly change of 0.12% and lead to an increase of 17 to 1,391 by 2023.
 - f. The Commission estimates the Muir Beach Community Services District is at 94% of the service area's current buildout projection with 431 residents served by the District's potable water system as of term of the study period. It is reasonable to assume the growth rate will match the study period with an overall yearly change of 0.40% and lead to an increase of 19 to 448 by 2023.

- g. The Commission estimates the Stinson Beach County Water District is at 92% of the service area's current buildout projection with 1,957 residents served by the District's potable water system as of the term of the study period. It is reasonable to assume the annual growth rate will match the study period with an overall yearly change of 0.14% and lead to an increase of 28 to 1,985 by 2023.
- h. The Commission estimates the Marin Municipal Water District is at 89% of the service area's current buildout projection with 186,048 residents served by the District's potable water system as of the term of the study period. It is reasonable to assume the growth rate will match the study period with an overall yearly change of 0.07% and lead to an increase of 2,038 to 187,399 by 2023.
- i. The Commission estimates the North Marin Water District is at 94% of the service areas' current buildout projection with 64,845 total residents served by the District's two potable water systems as of the term of the study period. It is reasonable to assume the growth rates within the two service areas – Novato and Point Reyes Station – will match the study period with an overall yearly change of 0.08% and lead to an increase of 587 to 65,432 by 2023.

2. With respect to the location and characteristics of disadvantaged unincorporated communities within the affected areas as required under Section 56430(a)(2), the Commission independently determines the following.

- a) Two unincorporated communities in Marin County presently qualify as disadvantaged under the statewide definition based on recent census information: Alto and Marin City. Both communities are located in southern Marin County and lie in MMWD with an estimated joint population of 20,680 with over 90% in Marin City.
-  b) The Commission should proactively work with local agencies – and in particular water, sewer, and fire providers – to develop a definition of “disadvantaged unincorporated community” consistent with Senate Bill 244 to ensure an appropriate and equitable level of municipal services is available for qualifying areas in Marin County.

3. With respect to the capacity of public facilities and infrastructure needs and deficiencies within the affected areas as required under Section 56430(a)(3), the Commission independently determines the following.

- a) The Commission estimates the total combined maximum annual water supply available to the six affected agencies under normal conditions is 119,080 acre-feet. The average and combined annual water demand over the study period

among all six affected agencies equals 31% of the estimated maximum supply under normal conditions.

- b) All six affected agencies have positive annual demand-to-supply ratios under normal conditions based on five-year averages over the study period within their seven service areas. Minimal changes to these ratios are expected through 2023.
- c) The Commission estimates the total combined maximum annual water supply available to the six affected agencies under single dry-year conditions is 37,758 acre-feet; a reduction of (68%) compared to normal conditions. The average and combined annual water demand over the study period among all six affected agencies equals 98% of the estimated maximum supply under single dry-year conditions. Additional distinctions follow.
 - Two affected agencies have negative annual demand-to-supply ratios under projected single dry-year conditions based on annual averages within their service areas over the study period. These agencies are Bolinas Community Public Utility District and Marin Municipal Water District.
 - Two additional affected agencies will also have negative annual demand-to-supply ratios under projected single dry-year conditions based on annual averages within their service areas over the study period by 2023. These agencies are Muir Beach Community Services District and North Marin Water District (Novato).
- d) Overall annual demands have increased for five of the seven service areas belonging to the six affected agencies during the study period. These agencies are Bolinas Community Public Utility District, Inverness Public Utility District, Muir Beach Community Services District, Stinson Beach County Water District, and North Marin Water District (Novato).
- e) Average daily water demand per resident in the two East Marin service areas during the study period has been 128 gallons. This amount is nearly double the average rate of 77 gallons within the five service areas in West Marin over the same five-year period.
- f) Demand trends over the study period show system intensity occurring for four of the five services areas in West Marin with all experiencing rises in per capita demands that exceed their estimated population change. These West Marin agencies are Bolinas Community Public Utility District, Inverness Public Utility District, Muir Beach Community Services District, and Stinson Beach County Water District.


Exhibit A

- g) Going forward the Commission projects an overall combined decrease in annual water demands among all six affected agencies and within their seven service areas of (3.4%) by 2023 based on study period trends; a net savings of (1,268) acre-feet over the baseline year. Additional distinctions follow.
- Marin Municipal Water District, Bolinas Community Public Utility District, and North Marin Water District (Point Reyes) are expected to experience decreases in annual demands within their respective service areas collectively totaling (1,774) acre-feet or (6.4%) by 2023.
 - Inverness Public Utility District, Muir Beach Community Services District, Stinson Beach County Water District, and North Marin Water District (Novato) are expected to experience increases in annual demands within their respective service areas collectively totaling 506 acre-feet or 5.0% by 2023.
- h) Nearly all of the six affected agencies have adequate treatment capacity to accommodate peak-day demands in their service areas based on averages generated over the study period. The lone exception is Bolinas Community Public Utility District with a demand-to-treatment supply ratio of 103% or (3%) during the study period. Two additional agencies – Inverness Public Utility District and Stinson Beach County Water District – are projected to approach their treatment capacity limits by 2023.
- i) All six affected agencies have adequate storage capacity to accommodate peak-day demands within their service areas based on averages over the study period with excess capacity of no less than 50%. Minimal changes in these ratios are expected within the succeeding 10-year period with the lone exception that North Marin Water District (Point Reyes Station) will approach capacity by 2023.
- ➡ j) Bolinas Community Public Utility District should consider expanding its treatment facility capacity to abate shortfalls in meeting current and projected peak-day demands relative to District resources and priorities as part of a future capital improvement program.
- ➡ k) Marin Municipal Water District should consider expanding potable storage in the Ross Valley service zone to abate existing shortfalls and accommodate current and projected peak-day demands relative to District resources and priorities as part of a future capital improvement program.
- ➡ l) The Commission strongly encourages all six affected agencies to establish and or advance supply enhancement efforts to complement the ongoing focus on conservation to remain fully accountable to future constituents given new growth will occur in Marin County.

4. With respect to the financial ability of agencies to provide services within the affected areas as required under Section 56430(a)(4), the Commission independently determines the following.








- a) All six affected agencies experienced moderate to significant gains in their overall financial standing as measured by total net assets or equity during the study period. The collective increase in the agencies combined net assets during the period totaled \$35.4 million and represents a difference of 9.6%.
- b) All six affected agencies finished the study period in generally good position with respect to liquidity and profitability with all finishing with current ratios of no less than 4 to 1 and operating margins that exceed corresponding changes in inflation. Three of the agencies – Stinson Beach County Water District, Marin Municipal Water District, and North Marin Water District – however finished the study period term with relatively high debt ratios that approach 50% of their respective net assets.
- c) Five of the six affected agencies – Bolinas Community Public Utility Districts, Inverness Public Utility District, Stinson Beach County Water District, Marin Municipal Water District, and North Marin Water District – have existing pension obligations through separate contracts with CalPERS. These contracts include mandatory contributions based on annual actuarial reports prepared by CalPERS with the corresponding rates collectively increasing over the most recent five year period (2010-15) by an approximate 20% average and measurably beyond the corresponding change to the consumer price index.
- d) The combined active-to-retiree ratio between the five subject agencies with pension obligation is 0.79 to 1.00 as of the term of the study; an amount meaning there are approximately four active employees contributing to the pension system for every five retired employees.
- e) Four of the five subject agencies – Bolinas Community Public Utility District, Inverness Public Utility District, Stinson Beach County Water District, and North Marin Water District – with pension have experienced no less than a 13.5% increase in the actual pension costs over the last three available years of documentation (2011-13); a change nearly three times greater than the corresponding inflation rate for the region.
- f) Only Bolinas Community Public Utility District has a funded status above 80% as of the last report issuance by CalPERS; a standard threshold used in governmental accounting to identify relatively stable pension plans.
- g) The current average residential cost for potable water service weighted among all seven service areas is \$0.78 for every 100 gallons, and translates to an annual cost of \$1,175 based on consumption rates over the study period.

5. With respect to the status and opportunities therein for shared services within the affected areas as required under Section 56430(a)(5), the Commission independently determines the following.


- a) The five agencies serving West Marin have developed an informal network to communicate current and pending activities within their respective service areas and share best practices that ultimately benefit their constituents.
-  b) The Commission recommends the West Marin agencies jointly invest resources to prepare a water reliability report assessing each system's available supplies under different hydrologic periods based on shared planning assumptions.
- c) Marin Municipal Water District and North Marin Water District have effectively partnered with other local agencies in jointly funding and establishing regional recycled water programs as part of the North Bay Water Reuse Authority. This arrangement provides a mechanism for the Districts to pool resources in securing competitive governmental subventions to implement and expand recycled water services in their service areas to help offset potable demands and have generated a combined annual average savings over the study period of 836 acre-feet.
- d) Near-term opportunities for West Marin agencies to partner and/or develop their own recycled water services to offset potable demands is minimal given the lack of current community wastewater collection systems.
- e) All six affected agencies have their own procurement processes with respect to purchasing supplies and materials in support of providing potable water services within their respective service areas. More recently some of the agencies have also begun developing joint-procurement activities with other agencies. The Commission encourages the continued pursuit of these cooperative relationships and the efficiencies and cost-savings they produce.

6. With respect to accountability and opportunities and merits therein for governance alternatives as required under Section 56430(a)(6), the Commission independently determines the following.


- a) All six affected agencies and their constituents benefit from employing capable and dedicated management that appear to effectively administer day-to-day activities consistent with governing directives and community needs.
- b) The general managers and staff for the six affected agencies have shown timely leadership by proactively engaging their boards and constituents on the ongoing status of their water systems in response to the current statewide drought. This includes partnering together in various cross-community forms to discuss and educate the public on the challenges and opportunities tied to the drought and promotion therein of more sustainable land/water use relationships.

-  c) The Commission notes and requests the five mutual water companies that have not responded to date – Vista Grande, Shallow Beach, Drakes Landing Duck Cove, and Hamilton – in complying with Assembly Bill 54 (Solario) file their service information with LAFCO without further prompting or action by the membership.
-  d) The Commission should consider directing staff to prepare an addendum to this study with participation from area landowners and residents to evaluate local needs and priorities within Dillon Beach and Nicasio with respect to possible governance and related options under LAFCO law involving water services.
-  e) Bolinas Community Public Utility District should prepare an update on the status of the agency's moratorium on new water service connections and efforts therein to address the underlying constraints to help – among other items – inform the County of Marin's ability to effectuate planning policies in the area proceeding ahead. The District has responded it will prepare an update by December 31, 2016.
-  f) Muir Beach Community Services District should engage an outside consultant to prepare audits of the agency's financial statements to attest and, if applicable, identify improvements in the District's fiduciary duty to effectively manage its resources consistent with governmental accounting standards.
-  g) The Commission should incorporate into its pending sphere of influence updates for the affected agencies the policy items marked in the municipal service review and include consideration of expansions to account for standing extraterritorial service contracts belonging to Muir Beach Community Services District and North Marin Water District.
-  h) The Commission should consider directing staff to prepare an addendum to this study with agency participation to assess the viability of any service and cost efficiencies tied to consolidating Marin Municipal Water District and North Marin Water District. The central objective of the addendum would be to inform the membership, agencies, and general public with respect to the merits/demerits of a potential consolidation and to justify any subsequent actions, including maintaining the status quo.
-  i) The Commission and North Marin Water District should collaborate with community members on a potential boundary change to detach approximately 7,700 acres of unincorporated land from the District that includes North Inverness, Tomales Bay and Marshall. This should include – and if there is sufficient support among stakeholders to proceed forward – consideration of special legislation to expedite the boundary change and avoid the costs and uncertainties tied holding protest proceedings.

7. With respect to the matters of local interest and specifically the relationship between services and land use policies as provided under Section 56430(a)(7), the Commission independently determines the following.

-  a) Given its mandate and existing deficit therein the Commission should devote resources to develop institutional knowledge about the specific impacts on climate changes as it relates to, and among other areas, community water resources using best available science and incorporate into future studies.

Note:

 Notes Action-Oriented Determination

13

DISBURSEMENTS - DATED FEBRUARY 11, 2016**ITEM #13**

Date Prepared 2/9/16

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 1/31/16	\$123,409.14
EFT*	US Bank	Federal & FICA Taxes PPE 1/31/16	55,997.70
EFT*	State of California	State Taxes & SDI PPE 1/31/16	9,975.09
EFT*	CalPERS	Pension Contribution PPE 1/31/16	32,419.75
1	All Star Rents	Portable Air Compressor Rental for Hydropneumatic Systems	64.89
2	Alpha Analytical Labs	Lab Testing	48.00
3	Athens Administrators	Replenishment for Worker's Compensation Checks Written (1/1-1/31/16)	1,583.89
4	AT&T	Leased Lines & Data Lines	535.14
5	Automation Direct	Misc Parts to make 2 PLC's for RTU Upgrades	2,001.00
6	AWWA CA-NV SEC	AWWA Conference Registration in Sacramento (3/21-24) (Jennison)	225.00
7	Baird, Karin Dorothy	Novato "Toilet Rebate"	200.00
8	Bastogne	Refund Overpayment on Closed Account	41.20
9	California State Disbursement	Wage Assignment Order	859.87
10	Calpico	Anodes (7)	1,075.83
11	CED of Santa Rosa	PLC Back Panel	99.38
12	Cel Analytical	Lab Testing	473.00
13	Costco Wholesale	Laundry Detergent, Coffee Creamer (2), Baking Soda, Dishwasher Detergent, & Disinfecting Wipes	72.75

Seq	Payable To	For	Amount
14	CSW/Stuber-Stroeh Engineering	Progress Pymt#4: RW Central Service Area Hwy 101 Crossing (Balance Remaining on Contract \$27,250)	11,452.33
15	DeGabriele, Chris	Expense Reimbursement: Jan Mileage	91.80
16	Equipco	Field Cable & pH Probe Replacement	1,406.04
17	Environmental Science Assoc	Project Pymt#43: Engineering Services RW Expansion Project (Balance Remaining on Contract \$16,189)	1,665.00
18	Eurofins Eaton Analytical, Inc	Lab Testing	400.00
19	Farley, Joseph	Novato "Toilet Rebate"	294.00
20	Friedman's Home Improvement	Coupling (2), Adapter (2), PVC Tee & Cap	64.48
21	Grainger	Heat Shrink Label Tubing for PLC Panels (4), Hand Sanitizer(16 - 7oz bottles), Cup Brush (2), Pressure Transducers & Wire Connectors (\$1,085), Toilet Seat Cover Dispenser for Ladies Restroom, Replacement Push-Button spigot (2), 20 Volt Dewalt Power Tools for Construction (Impact Wrench, Combination Kits (2) Cutoff Tool Kit) (\$2,030.30), Utility Pump (Lab)	3,558.92
22	IDI-Dupont	Parts and Service on STP Chlorine Dioxide Generator	5,584.51
23	Jackson, David	Exp Reimb: Civil Engineering License (Budget \$130) (4/16-3/18)	116.00
24	Landeros, Dianne	Exp Reimb: CalPERS Retirement Seminar in Rohnert Park: Mileage (\$26) & Food (\$21)	46.80
25	Lari, Ali	Novato "Washer Rebate"	50.00
26	Larsengines	Chain Saw Chain	88.02
27	Maltby Electric	Wire for PLC Panels	334.49
28		Cafeteria Plan: Uninsured Medical Reimbursement	213.04
29	Marin Landscape Materials	Concrete (42 bags) Crushed Rock (1/2 yd)	269.24

Seq	Payable To	For	Amount
30	Marin County Recorder	December Official Record Copy (4)	48.00
31	Marin County Radio Shop	Install New Base Radio	550.08
32	McMaster-Carr Supply Co	PLC Communications Connectors	37.88
33	NMWD Employee Association	Dues 12/15 through 1/31/16	930.00
34	Novato, City of	Street Excavation Moratorium Fee (1333 Cambridge St)	500.00
35	Novato Disposal Service	January Trash Removal	438.29
36	Novato Chamber of Commerce	2016 Employee Law Posters (3)	153.69
37	Pace Supply	Box Lid Elbow (24), Box Lids (43), Flanges (7), Tee (3) & Valves (7)	1,352.83
38	Pape Material Handling	Replacement Starter Parts, Gaskets, & Throttle Cables ('01 Hyster Forklift)	586.69
39	Parkinson Accounting Systems	December Accounting Support	97.50
40	NMWD Petty Cash	Petty Cash Reimbursement: Safety Snacks (\$57), Mileage & Bridge Toll	77.39
41	Point Blue Conservation Science	Watershed Erosion Control at Stafford Lake (STRAW) (\$12,899), Inspection & Preliminary Design for Vineyard Creek Restoration (\$1,397) (Budget \$15,000)	14,296.14
42	Pollard Water	Dechlorinating Agent (STP)	997.46
43	Prunuske Chatham	Progress Pymt#3: Leveroni Creek Monitoring (Balance Remaining on Contract \$15,623)	78.75
44	Sand, Audrey	Novato "Washer Rebate"	50.00
45	Schnell, Michael	Novato "Washer Rebate"	50.00
46	Scott Technology Group	Quarterly Maintenance on Engineering Copier	517.06
47	Sebastopol Bearing & Hydraulic	Reseal Hydraulic Ram for Dump Bed ('99 Ford F550 3-yd Dump)	174.15

Seq	Payable To	For	Amount
48	Shea Irrevocable Trust	Novato "Toilet Rebate"	200.00
49	Sundberg, Natalie	Novato "Toilet Rebate"	100.00
50	Synectic Technologies	Quarterly Charge for Maintenance Agreement on Phone System (1/16-4/16)	446.70
51	Team Ghilotti	Refund of RW Load Security Deposit less charge for 2 Recycled Water Loads	90.00
52	TelePacific Communications	Telephone Charges (Jan)	611.78
53	The Chemours	Filter Housing for Raw Chemical Filtration (STP)	1,402.57
54	US Postal Service	Meter Postage	1,000.00
55	Vali Cooper & Associates	Progress Pymt#21: Construction Management Services for AEEP Reaches A-D/MSN B3 Project (Balance Remaining on Contract \$4,832)	1,868.26
56	Verizon California	Leased Line	830.92
57	VWR International	Vaccum Tubing for Microbiology Analysis	107.37
TOTAL DISBURSEMENTS			<u>\$282,309.81</u>

The foregoing payroll and accounts payable vouchers totaling \$282,309.81 are hereby approved and authorized for payment.



Auditor-Controller

Date

2/9/16



General Manager

Date

2/9/2016

DISBURSEMENTS - DATED FEBRUARY 4, 2016

Date Prepared 2/2/16

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:

<u>Seq</u>	<u>Payable To</u>	<u>For</u>	<u>Amount</u>
1	Aberegg, Michael	Progress Pymt #2: Drafting Services: RW Central Service Area - Norman Tank (Bal Remaining on Contract \$13,510)	\$880.00
2	Allied Heating & Air Conditioning	Replacement Check (Original Lost in Mail)	29,664.00
3	Alpha Analytical Labs	Lab Testing	1,507.00
4	American Family Life Ins	Jan Employee Contribution for Accident, Disability & Cancer Insurance	3,654.93
5	Arendell, Tony	Exp Reimb: Bagels & Coffee for Crew That Worked All Night During Jan 28th Main Line Break at San Marin Drive and Novato Blvd	41.28
6	Asset Works	Progress Pymt#1: Property Appraisal of District Assets (Balance Remaining on Contract \$11,550)	26,950.00
7	Athens Administrators	Feb Workers' Comp Admin Fee	1,000.00
8	AT&T	Internet Service @ PRTP (12/20-1/19)	75.00
9	Backflow Distributors	Freeze Wrap (3); DCDA Check Repair Parts; Rubber Kit	568.20
10	Badger Meter	Dec Cellular Meter Monthly Charge (13)	11.44
11	Baker, Jack	January Director's Fee (\$424), North Bay Watershed Assoc Meeting on 1/18/16 (\$212)	636.00
12	Bastogne	Refund Overpayment on Closed Account	107.68
13	Bentley, David	Expense Reimb: Jan Mileage & Calendar	121.23

Seq	Payable To	For	Amount
14	Bold & Polisner	Dec Legal Fees: Construction Agreement (\$161), Ethics Training (\$37), Materials Specifications (\$56), NSD (\$53), Public Records Act (\$434), RW Exp Central-Financing (\$148), Credit For 50% of Cost of Silveira Agreement (\$242), Water Conservation (\$18)	662.87
15	CalPERS	February Health Insurance Premium (Employees \$51,583, Retirees \$10,514 & Employee Contribution \$13,356)	75,453.41
16	Cel Analytical	Lab Testing	961.00
17	Clark, Robert	Exp Reimb: Lunch for Crew During Jan 28th Main Line Break at San Marin Drive and Novato Blvd	110.26
18	Coast Counties Peterbilt	Fuel Filters (3) ('09 Peterbilt 335 Crew)	122.76
19	Core Utilities	Consulting Services: December IT Support (\$5,000), Cabro Hill Tank Alarm (\$50), SCADA Ridge Road (\$275), Resolve Crest Radio Problems (\$400), Reprogram PLC @ Tahiti Way (\$775), Program PLC Reservoir Hill Tank (\$600), Modify Water Service Internet Sign-in Form (\$325), Utility Billing Programming (\$100), Revision to Customer Water Use Graph (\$200), Troubleshoot Ebill Link to History Graph (\$50), Voicemail Server Crash (\$1,450), LIMS Server Crash (\$2,725) & Replacement Drive for Voicemail Server (\$119)	11,794.06
20	CSW/Stuber-Stroeh Engineering	Progress Pymt#34: Marin Sonoma Narrows AEEP Project (Balance Remaining on Contract \$47,498)	7,066.20
21	CWEA	Certification Renewal Lab Analyst Grade 1 (Bena) (Budget \$80) (4/16-3/17)	81.00
22	Egide, Sandy	Novato "Washer" Rebate	50.00
23	Environmental Express	Standards (3) (Lab)	129.73
24		Vision Reimbursement	126.54
25	Fraites, Rick	January Director's Fee	424.00

*Prepaid

Seq	Payable To	For	Amount
26	Ghilotti Construction	Progress Pymt#20: Construct AEEP Reaches A-D/MSN B3 Project (Balance Remaining on Contract \$225,113)	187,455.84
27	Golden Gate Petroleum	Gas (\$2.34/gal) & Diesel (\$1.94/gal)	1,355.90
28		Cafeteria Plan: Uninsured Medical Reimbursement	62.72
29	Grainger	Ice Bags for Ice Machine in Warehouse (1,000) (\$161), Fluorescent Light Bulbs (36) (\$109), Fire Extinguisher ('08 Ford F350 4x4) (\$302), Dewalt 18 Volt Batteries (2), ('08 Ford F350 4x4) (\$193), Industrial Headlamps (5) (\$125), Shelving for Janitorial Supplies (\$429), Electrical Wire Fish Tape (\$96), Trailer Chain Hooks (8) & High Pressure Hose for Pressure Washer (\$249), Fire Department Connection Sign for STP, Pilot Drill Bit for Shell Cutter, Hole Cutter (2) ('08 Ford F350 4x4) (\$81), Nipples (6) (\$148), Coupling (6) (\$161), Oil for Pump Motor on Chlorine Dioxide Generator & STP Flasher Mixer (\$151)	2,220.55
30	Groeniger	Box Lid (2) & 3/4" Copper Pipe (600ft)	1,588.13
31	Kessner, Herb & Sue	Refund Overpayment on Closed Account	154.10
32		Cafeteria Plan: Uninsured Medical Reimbursement	49.00
33	LeBrun, Kent	Exp Reimb: Safety Boots	200.00
34	Lettinger, Andy	Novato "Toilet" Rebate	100.00
35	Lincoln Life	Deferred Compensation PPE 1/31/16	13,839.26
36		Childcare Reimbursement	208.33
37		Vision Reimbursement	184.00
38	Marin County Registrar of Voters	Election Setup Fee (11/3/15)	250.00
39	McLellan, WK	Misc Paving	20,003.90
40	Medora Corporation	Repair SolarBee	1,535.27
41	Micsky, Jeffrey	Refund Overpayment on Closed Account	90.71

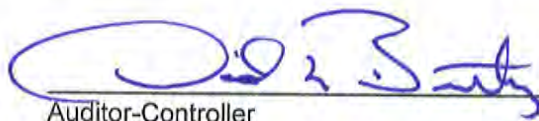
*Prepaid

Seq	Payable To	For	Amount
42	Nationwide Retirement Solutions	Deferred Compensation PPE 1/31/16	1,400.00
43	Novato Police Dept	Telephone Answering Service (Nov-Jan)	600.00
44	Pace Supply	Vault, Meter Spud (20), Elbow (4), Coupling (4), Nipple (6) & Union (2)	1,020.59
45	Petterle, Stephen	January Director's Fee	424.00
46	PG&E	Engineering Advance for New PG&E Service at Reservoir Hill Tank	2,500.00
47	Plotkin, Rita	Novato "Washer" Rebate	50.00
48	RMC Water & Environment	Progress Pymt#6: RW Production Evaluation (Balance Remaining on Contract \$21,532) & #7: Central Service Area Connection @ STP (Balance Remaining on Contract \$23,250)	8,559.50
49	Rodoni, Dennis	January Director's Fee	424.00
50		Cafeteria Plan: Uninsured Medical Reimbursement	595.00
51	Schloesser, Paul & Kathleen	Novato "Washer" Rebate	50.00
52	Schoonover, John	January Director's Fee Less Deferred (\$374), & NBWRA Meeting on 1/25/16 (\$212)	586.00
53	Shamash, Elias	Novato "Toilet Rebate"	200.00
54	Shirrell Consulting Services	Dental Insurance Admin Fee (Sept 2015 & Jan 2016) & Adjustment for Employee Erroneously Removed From Coverage	598.90
55	South Bay Foundry	6" Valve Caps (17)	319.81
56	SRT Consultants	Final Payment: Taste & Odor Control Strategy (Total Project Cost \$40,758)	280.00
57	State Water Resources Control Board	D1 Certification Renewal (Cilia) (Budget \$60) (9/16-8/18)	70.00
58	Tamagno Green Products	Sludge Removal (STP) (63 yds)	1,575.00
59	United Parcel Service	Delivery Services: Pipette Sent in for Rebate	31.90
60	Univar	Sodium Hypochlorite (220 gal)	760.84

*Prepaid

Seq	Payable To	For	Amount
61	U.S. Bank Card	Target Gift Cards (\$1,000), Business Lunch (DeGabriele) (\$39), Marin IJ Public Hearing Notice-Reg15&17 (\$119), GPS Navigation System (Grisso) (\$93), Utility Handles (4) (\$179), Minute & Resolution Books (Young) (\$364), Facebook Garden Tour Information (\$40), Pressure Gauges (10) (\$359), Marin Conservation League Breakfast (DeGabriele & McIntyre) (\$44), Publication of Reg 15&17 Public Hearing Results (\$130), Adobe Acrobat Software (T. Kehoe) (\$200), NBWA Conference Registration (Baker & Fraites) (\$178), Starbucks Gift Cards (\$1,000), Temperature Gauge (Lab) (\$184), Candy & Resolution Frames for Holiday/Retirement Party (\$60), Paint The Town Red Tickets (2) (Bentley & Guest) (\$80), W-2 & 1099 Processing (\$166)	3,774.03
62	Velloza, May	Replacement ACH Payment-(Original Returned Due to Incorrect Bank Acct)	565.92
63	Verizon Wireless	Jan CIMIS Station Data Transfer Fee	35.55
64	Winzer Corporation	Sheetmetal Screws, Washers, Zip Ties, Shrink Tube, & Grinding Discs	341.59
TOTAL DISBURSEMENTS			<u>\$416,258.93</u>

The foregoing payroll and accounts payable vouchers totaling \$416,258.93 are hereby approved and authorized for payment.



Auditor-Controller

Date

2/1/16



General Manager

Date

2/1/2016

Connie Filippi

From: David Bentley
Sent: Monday, January 11, 2016 8:03 AM
To: Connie Filippi
Cc: 'jack baker'
Subject: RE: Mtg. compensation

Connie
Please compensate Director Baker accordingly.....David

From: jack baker [<mailto:jckbaker@gmail.com>]
Sent: January 09, 2016 3:00 PM
To: David Bentley
Subject: Mtg. compensation

David,

I represented our District at the 1/8/16 mtg. of the North Bay Watershed Assoc. held at the Marin Community Foundation office in Hamilton. Pls. initiate compensation for my participation in said mtg.

Thanks

Jack B.

Novato Flood Protection and Watershed Program COMMUNITY MEETING

MONDAY, FEBRUARY 22, 2016

6:30 - 8:30 p.m.

Novato City Hall Chambers
901 Sherman Ave., Novato, CA 94945



Please join us for an informative look at the [Novato Flood Protection and Watershed Program](http://www.marinwatersheds.org/novato.html) and efforts underway to improve the level of flood protection and resiliency to sea level rise.

- ◆ Learn about potential projects to reduce flood risk from Stafford Lake to San Pablo Bay
- ◆ Learn about next steps required to fund these projects
- ◆ Ask questions, share ideas and concerns, and be part of the solution

For more information, visit us online at www.marinwatersheds.org/novato.html or contact Laurie Williams, Senior Watershed Planner at 415-473-4301 or lwilliams@marincounty.org.

The Novato Flood Protection and Watershed Program is a collaboration of Marin County Public Works, City of Novato, North Marin Water District, Novato Sanitary District, and Flood Control Zone #1.

All public meetings and events sponsored or conducted by the County of Marin are held in accessible sites. Requests for accommodations may be made by calling 415- 473-4381 (Voice), 415-473-3232 (TDD/TTY) or by e-mail at disabilityaccess@marincounty.org at least five business days in advance of the event. Copies of documents are available in alternative formats, upon request.

Department of Public Works
3501 Civic Center Drive, Suite 304
San Rafael, CA 94903

415 473 6528 T
415 473 3799 F
CRS Dial 711

www.marinwatersheds.org/novato.html



300 MISC

Marin Local Agency Formation Commission
Regional Service Planning / Subdivision of the State of California

NOTICE OF SPECIAL MEETING AND AGENDA

Marin Local Agency Formation Commission

Wednesday, February 17, 2016

555 Northgate Drive, 1st Floor Conference Room
San Rafael, California 94903

8:30 A.M. – DOORS OPEN

Light breakfast offerings will be available for all attendees during this informal networking opportunity with Commissioners and staff members.

9:00 A.M. – CALL TO ORDER AND ROLL CALL

OPEN TIME

This portion of the meeting is reserved for persons desiring to address the Commission on any matter not listed on this agenda. Speakers are limited to three minutes unless otherwise provided by the Chair.

ANNUAL WORKSHOP

The Commission will hold its annual workshop with William Chiat from the Alta Mesa Group. Scheduled topics are listed below with approximate starting and ending times.

- **LAFCO Primer | Part II (9:00 A.M. to 9:50 A.M.)**

This session will be a big-picture overview of LAFCOs' existing and emerging duties/responsibilities in providing regional growth management services. The session expands on the primer provided at the prior year's workshop with additional focus on LAFCOs' authority to impose terms and directive to prepare service reviews.

- **Marin LAFCO Snapshot | Structure and Capacity (9:50 A.M. to 10:10 A.M.)**

This session compliments the preceding big-picture overview on LAFCOs and summarizes trends specific to Marin LAFCO's organizational structure and capacity. This includes reviewing past and current staff and budget resources.

Comfort Break (10:10 A.M. to 10:20 A.M.)

- **Strategic Planning | 2015 Review and 2016 Preview (10:20 A.M. to 11:20 A.M.)**

This session will review progress made in addressing goals and implementing objectives in the strategic plan adopted for 2015. The Commission will also discuss potential changes in advance of adopting a new strategic plan for 2016.

- **Study Schedule | Progress Report (11:20 A.M. to 11:50 A.M.)**

This session will review the current adopted study schedule calendaring municipal service reviews through 2017/18. This review will provide the Commission an opportunity to discuss potential changes – if any – to the current schedule as well as related items of importance now and going forward.

Comfort Break (11:50 A.M. to 12:00 P.M.)

ANNUAL WORKSHOP CONTINUED...

- **Regular Meeting Options (12:00 P.M. to 12:30 P.M.)**

This session will review options with regard to setting the date, time, and location of regular meetings going forward relative to Commission preferences. This item will be conducted over lunch with boxed items available to Commissioners; other attendees are welcome to bring a bag lunch.

- **Committee Assignments (12:30 P.M. to 12:45 P.M.)**

The Commission will consider making appointments/reappointments to the agency's (a) Budget, (b) Policy, (c) Legislative, and (d) Public/Technical Information Committees. Commission may also consider identifying specific Committee projects.

- **Meeting Recap (12:45 P.M. to 1:00 P.M.)**

The facilitator will engage Commissioners in summarizing key takeaways generated during the workshop and discuss potential next steps.

ADJOURNMENT

Attest :

Keene Simonds
Executive Officer

Copies of all staff reports and documents subject to disclosure that relate to each item referred to on the agenda are available for public inspection at least 72 hours before each scheduled regular meeting at the LAFCO office at 555 Northgate Drive, Suite 230, San Rafael.

Pursuant to GC Section 84308, if you wish to participate in the above proceedings, you or your agent are prohibited from making a campaign contribution of \$250 or more to any Commissioner. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until 3 months after a final decision is rendered by LAFCO. If you or your agent have made a contribution of \$250 or more to any Commissioner during the 12 months preceding the decision, in the proceeding that Commissioner must disqualify himself or herself from the decision. However, disqualification is not required if the Commissioner returns that campaign contribution within 30 days of learning both about the contribution and the fact that you are a participant in the proceedings.

Any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or a copy of all the documents constituting the agenda packet for a meeting upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting. Please contact the LAFCO office at 415-446-4409 at least three (3) working days prior to the meeting for any requested arrangements or accommodations.

Marin Independent Journal (<http://www.marinij.com>)

Marin water conservation efforts slip in January, but still ahead of goals

By Mark Prado, Marin Independent Journal

Monday, February 8, 2016



Marin residents slipped below state water conservation goals in January, but cumulatively remain ahead of targets established last June.

State orders issued in May require the Marin Municipal Water District to cut use by 20 percent and the North Marin Water District by 24 percent. The state developed those percentages by looking at per-capita water use. The higher the water use, the more a community has to cut back.

The latest figures show that in January, Marin Municipal customers saved 12.1 percent compared with September 2013, the baseline year the state is using to measure conservation efforts. That was the last year California was not in drought.

But the district's cumulative decrease is 20.7 percent since June, above the state conservation standard of 20 percent.

"It is definitely more difficult to cut back in the winter because indoor water use is already low due to water-efficient appliances and fixtures," said Libby Pischel, water district spokeswoman. "Even so, it's clear our customers are continuing to make the effort, and we appreciate that."

The agency has 190,000 customers between Sausalito and San Rafael.

January data for the North Marin Water District's Novato service area shows a 21 percent decrease, short of its mandated 24 percent. But since the state order went into place, the district's customers have averaged a 30 percent savings, ahead of the goal.

The North Marin Water District serves 60,000 customers in Novato and West Marin.

Since July 1, Marin Municipal has recorded 31.32 inches of rain at Lake Lagunitas. The average for this time of the year is 32.15. Last year, 34.23 inches had been recorded in this period.

The district reservoirs are at 98.49 percent of capacity, with some reservoirs spilling their banks. The average storage for this time of year is 83.11 percent. Last year at this time it was 97.45 percent.

The state's water-saving rules were to remain in effect until February 2016, but in November Gov. Jerry Brown announced an executive order that would continue the conservation measures through October 2016 if drought conditions continue through January. Then last week, the state water board voted to extend the mandates through October.

“If we continue to receive a lot of rain and snow in February and March, we may scale back the conservation requirements further, drop them, or move to another approach,” said Felicia Marcus, chairwoman of the state Water Resources Control Board.

The Sonoma Marin Saving Water Partnership — which include the two Marin districts — had asked for a regional compliance option to the state rules. It also sought a 4 percent conservation standard in regions that have water storage at or above 90 percent of reservoir capacity on April 1, noting it has made efforts to ask customers to conserve water.

“The results achieved from this effort are customers who are savvy and question the validity of a continued drought declaration when reservoirs are full in our region,” read a letter to the state water board from Chris DeGabriele, who heads the North Marin Water District.

But the requests were not taken into consideration by the state.

“I made the same pitch before the state board at their meeting last Tuesday and informed them of current water storage conditions in Marin and Sonoma, all to no avail,” DeGabriele said.

URL: <http://www.marinij.com/environment-and-nature/20160208/marin-water-conservation-efforts-slip-in-january-but-still-ahead-of-goals>

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SOAPBOX FEBRUARY 4, 2016 8:00 AM

BOD
MISC

To make the most of rain, state needs Delta tunnels

HIGHLIGHTS

Reservoirs and other water storage projects can capture rainfall

But the aging pumping system in the Delta prevents even more storage

The current system also threatens fish, even during wet times



Gov. Jerry Brown holds up the measure he signed to place a \$7.5 billion water plan on the November 2014 ballot. **Rich Pedroncelli** - Associated Press file

BY JOHN LAIRD
Special to The Bee

This week I testified at a legislative hearing on implementing the \$7.5 billion water bond passed by voters in November 2014. One legislator asked me if the state was positioned to capture extra rainwater if El Niño brings a strong rainy season.

I pointed out that many California reservoirs are empty enough to capture much of the runoff from this year's rainstorms, but that isn't the full story.

California depends upon capturing water when it's available. Between Jan. 5 and Jan. 31, we missed the opportunity to capture 290,000 acre-feet of water – enough to supply 580,000 homes for a year. The volume of water we have failed to store this month continues to rise.



Similarly, in the winter of 2012-13 – which turned dry after a wet start – we missed the chance to capture at least 700,000 acre-feet of water in the Sacramento-San Joaquin Delta.

That's because the pumping system in the Delta for California's major water projects is outdated. It poses a risk to native fish and frequently must be restricted, even in the winter when flows are high.

The federal and state pumping plants, built more than half a century ago, are in the south Delta. They pull water through channels in unnatural directions. These "reverse flows" pull fish into dead-end zones in the Delta, where they must be trucked out to safer habitat to survive.

The intakes and tunnels proposed by the Brown and Obama administrations to modernize Delta water infrastructure are the subject of lively debate. Yet the discussion seldom includes the point that without them, we cannot maximize the storage of extra water in wet years.

If the proposed project had been in place last month, additional water could have been drawn into the San Luis Reservoir without violating water-quality standards or rules to protect threatened and endangered fish. The water would be available to serve homes and businesses from San Jose to San Diego and to supply farms from Tracy to Bakersfield.

Much of the debate over the proposed tunnels project revolves around whether it will take additional water from the Delta. Truth be told, in years of below-normal precipitation, there would not be much difference from the amount of water that is taken now.

Yet in wet years, when environmental needs are fully met, some of the high flows could be taken for water supply and routed through screened intakes that minimize harm to Delta smelt, salmon, sturgeon and other native species. We can improve how we move water from the Delta. New intakes in the northern Delta on the Sacramento River would provide a physical fix to the "reverse flows" problem by not drawing fish to places they otherwise wouldn't be.

This is a polarized debate, yet the status quo in the Delta is far worse. It involves continued risk to species already at their lowest recorded population levels and increasingly erratic water deliveries.

Any proposal to improve the current situation must allow us to capture high flows in the rainiest of years. We need to continue our heavy investment in the conservation, water recycling, groundwater recharge, stormwater capture and desalination that will help make each region of California as self-reliant as possible.

But the 25 million Californians who depend upon the Delta pumping system also need those peak flows from wet years, especially as climate change renders our weather increasingly unpredictable.