



**NORTH MARIN  
WATER DISTRICT**

**NORTH MARIN WATER DISTRICT  
AGENDA - REGULAR MEETING**  
April 17, 2012 – 7:30 p.m.  
District Headquarters  
999 Rush Creek Place  
Novato, California

Information about and copies of supporting materials on agenda items are available for public review at 999 Rush Creek Place, Novato, at the Reception Desk, or by calling the District Secretary at (415) 897-4133. A fee may be charged for copies. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District Secretary as soon as possible, but at least two days prior to the meeting.

Est. Time	Item	Subject
7:30 p.m.	<b>CALL TO ORDER</b>	
	1.	<b>APPROVE MINUTES FROM REGULAR MEETING</b> , April 3, 2012
	2.	<b>GENERAL MANAGER'S REPORT</b>
	3.	<b>OPEN TIME: (Please observe a three-minute time limit)</b>  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.	<b>STAFF/DIRECTORS REPORTS</b>
	5.	<b>QUARTERLY FINANCIAL STATEMENT</b>
	6.	<b>MONTHLY PROGRESS REPORT w/ Customer Service Questionnaire</b>
	<b>CONSENT CALENDAR</b>	
	The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.	
		<u>Type</u> <u>DU</u> <u>EU</u>
	7.	<b>Consent - Approve</b> Water Agreement      Gov't   0      0  <b>Resolution</b>
	8.	<b>Consent - Approve</b> Annexation to PRE 1 Improvement District - 12719 Sir Francis Drake Blvd - Inverness
	9.	<b>Consent - Approve</b> Records Retention - Destruction of Records <b>Resolution</b>
	10.	<b>Consent - Approve</b> April 2012 Vehicle/Equipment Auction Request
	11.	<b>Consent - Approve</b> Designate Voting Delegate to the ACWA 2012 Spring Conference and Authorize Vote in Support of Proposed ACWA Bylaws Amendment
	<b>ACTION CALENDAR</b>	
	12.	<b>Consider:</b> Request for Additional Bill Adjustment

All times are approximate and for reference only.

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

(Continued)

<b>Est. Time</b>	<b>Item</b>	<b>Subject</b>
	13.	<b>Approve:</b> Point Reyes Well #3 Replacement - Approve Bid Advertisement
	14.	<b>Approve:</b> Recycled Water Expansion North Service Area Plum Street Tank Rehabilitation Project - Blastco Inc. - Change Order No. 7
8:00 p.m.		<b>INFORMATION ITEMS</b>
	15.	Office ADA Entry Remodel
	16.	Initial Review - Proposed FY 12/13 Equipment Budget
	17.	Initial Review - FY 13 Capital Improvement Projects Budget
	18.	<b>MISCELLANEOUS</b> Disbursements Letter from Ed Grundstrom Ribbon Cutting - Coho Broodstock Building Self Insured Workers Comp - 3 <sup>rd</sup> Quarter Status Report North Marin Water District Flushing Program  <u>News Articles:</u> Sonoma County takes another step toward public power agency The Positives and Negatives of Ionized Water Where in Novato is this? NMWD Recognized for Excellence in Financial Reporting Conventional Local Dairy Closures Expected to Continue
9:00 p.m.	19.	<b>ADJOURNMENT</b>

1

1  
2  
3  
4  
5  
6

**DRAFT**  
**NORTH MARIN WATER DISTRICT**  
**MINUTES OF REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
April 3, 2012

7  
8  
9  
10  
11

**CALL TO ORDER**

12  
13  
14  
15

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

16  
17  
18  
19

Novato resident, Ed Grundstrom, Kevin Canada from URS Corporation and District employees Robert Clark (Operations/Maintenance Superintendent), Doug Moore (Construction/Maintenance Superintendent), and Dave Jackson (Associate Civil Engineer) were in the audience.

20  
21  
22  
23  
24  
25  
26

**MINUTES**

27  
28  
29  
30  
31

On motion of Director Rodoni seconded by Director Baker and unanimously carried, the Board approved the minutes from the previous meeting as presented.

**GENERAL MANAGER'S REPORT**

**Dry Creek Habitat**

Chris DeGabriele informed the Board that Director Rodoni and he met with Sonoma County Supervisor, Efred Carrillo and Sonoma County Water Agency General Manager Grant Davis last week and recommended that the agency not only continue efforts with federal legislators and staff but also try to reach the Secretary of Defense to advocate for Corps of Engineer funding for Dry Creek Habitat enhancements. He stated that SCWA suggested that the District speak with Marin County Supervisor, Judy Arnold to make funding Dry Creek habitat enhancement a top priority for the County's legislative outreach.

**California Youth Energy Services**

Mr. DeGabriele stated that Directors received an email from Ryan Grisso, Water Conservation Coordinator, regarding the inquiry about the California Youth Energy Services, and using them in the District's water conservation program.

1 Marin Conservation League

2 Mr. DeGabriele informed the Board that on Friday, April 20<sup>th</sup>, the Marin Conservation League  
3 is holding their annual dinner and it's suggested that a representative from the District to attend. He  
4 stated that Harry Seraydarian, NBWA Executive Director, will receive the Marin Green Award for  
5 Environmental Leadership and the cost of the dinner is \$75. Director Fraites, the Districts NBWA  
6 representative will attend.

7 OPEN TIME

8 President Petterle asked if anyone in the audience wished to bring up an item not on the  
9 agenda and the following item was discussed:

10 Interdistrict Loan Policy

11 Ed Grundstrom, Novato Resident, addressed his concerns with the Board about the  
12 District's Interdistrict Loan Policy. He expressed his concern that the District has gone away from a  
13 "pay as you go" operation to a "borrow as you go" concern. Mr. Grundstrom stated that the rate  
14 payers are paying a lot of money for interest and debt that should have been paced out better and  
15 not front loaded so heavily. He opined that projects should be put on hold until a time when the  
16 District can afford them.

17 STAFF / DIRECTORS' REPORTS

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

20 SMART

21 Drew McIntyre stated that he and the General Manager met with SMART staff who desire to  
22 use the District easement for the pipeline from Las Gallinas Valley Sanitary District to Hamilton  
23 Field. He said that SMART has an interest in having a bike path to the east of the SMART tracks. He  
24 continued to state that the easement would be non-exclusive and that the District would not be  
25 obligated to restore the pavement above the pipelines along that area. Mr. McIntyre said he would  
26 keep the Board updated on any decisions going forward.

27 Directional Drilling

28 Mr. McIntyre also advised that he sent out an email to the Board about horizontal directional  
29 drilling which included a link to a horizontal directional drilling video. He stated that the Directors are  
30 more than welcome to visit the Segment 2 project to witness the horizontal directional drilling  
31 operation first hand.

1 **CONSENT CALENDAR**

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

4 **APPROVE: TEMPORARY WATER SERVICE REQUEST- NFPD STA. 64 TEMPORARY**  
5 **STRUCTURE**

6 The temporary water service will be on Roblar Drive and serve a mobile trailer providing  
7 living quarters for firefighters as Fire Station 64 on Enfrente Road is demolished and reconstructed.  
8 The temporary location will also include a pre-fabricated garage to store one fire engine.

9 The Board unanimously approved Resolution No. 12-08 entitled "Temporary Water Service  
10 Facilities Construction Agreement with Novato Fire Protection District."

11 **APPROVE : CIMIS STATION #225 LAND USE AGREEMENT**

12 Currently the District is involved with Water Management Technology Education Center in  
13 cooperation with the Marin Community College District and Marin Municipal Water District to develop  
14 and demonstrate new water management practices and technologies, and educate industry leaders  
15 and the workforce in state of the art landscape water management. The District's initial involvement  
16 was to establish a California Irrigation Management Information System (CIMIS) station, to be  
17 located at the College of Marin's Indian Valley Campus.

18 Department of Water Resources would like to execute a new Land Use Agreement with the  
19 Marin Community College District giving the site a formal CIMIS Station number and title. The CIMIS  
20 Station is already installed and in operation as an educational tool for Indian Valley College's Water  
21 Management Technology Center.

22 The Board unanimously authorized the General Manger to negotiate and execute the  
23 updated Land Use Agreement with the State of California, Department of Water Resources and the  
24 Marin Community College District for CIMIS Station #225 (Novato West) at the Marin Community  
25 College District's Indian Valley Campus.

26 **ACTION CALENDAR**

27 **APPROVE: RECYCLED WATER EXPANSION SOUTH SERVICE AREA- PHASE 1A:**  
28 **CONSTRUCTION CONTRACT**

29 Mr. McIntyre informed the Board that the District opened bids for the Recycled Water  
30 Expansion South Service Area- Phase 1A in March. He said that there were a total of seven bidders  
31 and Maggiora & Ghilotti came in as the low bidder at \$884,488, 3.2% below the engineers estimate.

1 Mr. McIntyre stated that Kevin Canada, from URS Corporation, executed a bid analysis and  
2 reviewed all of the information, stating that the bid met all necessary requirements. He said that the  
3 project will receive 25% federal grant funding from a combination of ARRA stimulus funds and  
4 Bureau of Reclamation Water SMART Grant funds, with the remainder of the project costs to be  
5 financed with a low interest SRF loan.

6 On the motion of Director Schoonover, seconded by Director Fraites and unanimously  
7 carried, the Board approved award of the contract and authorized the General Manager to execute  
8 an agreement with Maggiora & Ghilotti.

9 **APPROVE: COOPERATIVE AGREEMENT AND UTILITY AGREEMENT BETWEEN THE STATE**  
10 **OF CALIFORNIA AND NORTH MARIN WATER DISTRICT FOR CALTRANS' MSN B1 AND**  
11 **NMWD'S AEEP REACH E PROJECT**

12 Mr. McIntyre stated that staff has been communicating with the Board on the impacts of the  
13 CalTrans Marin Sonoma Narrows Project requiring relocation of the North Marin aqueduct. He said  
14 that the CalTrans contractor will perform the work since there is a significant cut required in the  
15 Redwood Landfill Interchange area which precludes relocation of the aqueduct prior to CalTrans  
16 work. He stated that the District will pay \$2.6 million for the upsizing of the aqueduct to 42-inch  
17 diameter. Mr. McIntyre informed the Board that the Utility Agreement was standard and will  
18 compensate NMWD for any staff time through the design and construction phase while relocating  
19 the aqueduct. He stated that the Cooperative Agreement is more involved and lays out the roles and  
20 responsibilities for the District financially. He said that Chris DeGabriele and he, along with the  
21 CalTrans staff, the District's legal counsel and CalTrans legal counsel, have reviewed these  
22 agreements for several months. Mr. McIntyre stated that construction is expected to start in the fall  
23 of 2013 and be completed by the spring of 2014.

24 Director Rodoni asked if the District is paying for the pipe upgrade. Mr. McIntyre responded  
25 that the District has been diligently working on the roles and responsibilities to make sure that the  
26 District is only paying for correct items related to the upsizing and that the District will inspect the  
27 work.

28 On the motion of Director Baker, seconded by Director Fraites and unanimously carried, the  
29 Board approved Resolution No. 12-09 entitled, "A Resolution of the Board of Directors of North  
30 Marin Water District Authorizing the General Manager to Execute Cooperative Agreements with  
31 CalTrans and Amendments Thereto" and authorized the General Manager to execute Utility  
32 Agreement No. 1778.4.

1 **APPROVE: CHANGE ORDER TO NUTE ENGINEERING CONTRACT FOR RECYCLED WATER**  
2 **SOUTH SERVICE AREA**

3 Drew McIntyre informed the Board that as the Recycled Water South Service Area project  
4 enters the construction phase, there may be unforeseen conditions and proposed changes to the  
5 design that will require input by the design consultant. He stated that most of the design support will  
6 be handled by the District's Associate Engineer, Dave Jackson, although there will be additional  
7 support needed from Nute Engineering. Mr. McIntyre said that the cost for the change order would  
8 be \$30,000.

9 On the motion of Director Schoonover, seconded by Director Baker and unanimously  
10 carried, the Board authorized Change Order No. 7 to Nute Engineering Contract to perform recycled  
11 water construction engineering support tasks for the Novato South Service Area project in the  
12 amount not to exceed \$30,000.

13 **APPROVE: NOTICE OF COMPLETION- RECYCLED WATER EXPANSION NORTH SERVICE**  
14 **AREA SEGMENT 3**

15 Drew McIntyre informed the Board that Segment 3 of the Recycled Water Expansion North  
16 Service Area has been completed. He said that the project was completed on March 27, 2012 by  
17 Ghilotti Construction Company and has been inspected by District staff, The Covello Group and  
18 consultants Miller Pacific Engineering and Environmental Science Associates, the County of Marin  
19 and the City of Novato. Mr. McIntyre stated that the total cost of the project was approximately \$1.6  
20 million, \$22,000 less than the approved budgeted amount.

21 Mr. McIntyre requested that the Board authorize the General Manager to execute and file a  
22 Notice of Completion for the Recycled Water Expansion North Service Area- Segment 3 project.

23 On the motion of Director Rodoni, seconded by Director Baker and unanimously carried, the  
24 Board authorized the General Manager to execute and file a Notice of Completion for the Recycled  
25 Water Expansion North Service Area- Segment 3 project.

26 **INFORMATION ITEMS**

27 **DIRECTORS' EMAIL ACCOUNTS**

28 David Bentley informed the Board that the three directors who requested District email  
29 accounts are now set up, and they have received their information and password. Mr. Bentley  
30 advised the Board that the emails were put on the District website as well.

31



1 **TAC MEETING- APRIL 2, 2012**

2 Chris DeGabriele informed the Board that the TAC discussed the current water supplies at  
3 the meeting held on April 2<sup>nd</sup>. He said that the Novato received approximately 5 inches of rain in  
4 March and that Stafford Lake is at approximately 188 ft. Mr. DeGabriele said that the treatment plant  
5 will not start-up until July 1<sup>st</sup> and the District continues to use treatment plant operators on other  
6 tasks throughout the District. He stated that Lagunitas Creek will have normal year flows through  
7 summer the months and that the District continues to work through Coastal Commission issues  
8 related to the Well #3 Replacement project.

9 Mr. DeGabriele informed the Board that the Russian River has been classified as "normal"  
10 year conditions as of April 1<sup>st</sup>. He stated that the inflow into Lake Pillsbury exceeded the "normal"  
11 year threshold, so the minimum instream flows in the Russian River Water System will increase. Mr.  
12 DeGabriele said that the water supply conditions will be reviewed again on May 1<sup>st</sup> and June 1<sup>st</sup> to  
13 determine the appropriate flow regime pursuant to Decision 1610 requirements.

14 Mr. DeGabriele said that there was a thorough overview of the Biological Opinion, and that  
15 the Water Agency is making good progress. He stated that the Agency has filed a grant application  
16 with the Department of Fish and Game to obtain funding for the Mirabel fish ladder.

17 **MISCELLANEOUS**

18 The Board received the following miscellaneous information: Disbursements, Sonoma  
19 County Water Agency Press Release- "Miracle March" Rainfall Improves Water Supply Outlook.

20 The Board also received the following news articles: North Marin Water District Recognition  
21 and Rain brings water levels back up.

22 **ADJOURNMENT**

23 President Petterle adjourned the meeting at 8:10 p.m.

24 Submitted by

25

26

27

28

Katie Young  
Acting District Secretary

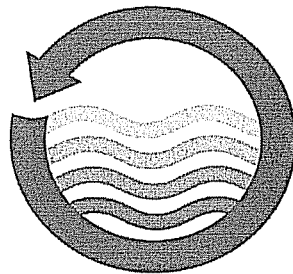
2

3

4

5

# **NORTH MARIN WATER DISTRICT**



## **FINANCIAL STATEMENT FISCAL YEAR 2011-12**

**March 2012**

**NORTH MARIN WATER DISTRICT  
FINANCIAL STATEMENTS  
TABLE OF CONTENTS**

Memo

Financial Statement Memo..... 1

Basic Financial Statements

Statement of Net Assets - All Districts..... 4

Sources and Uses of Funds Statement..... 8

Income Statement & Cash Flow - By Service Area..... 9

Supplementary Information

Detail Income Statement - Novato Water..... 10

Detail Income Statement - Recycled Water..... 14

Detail Income Statement - West Marin Water..... 16

Detail Income Statement - Oceana Marin Sewer..... 19

Equipment Expenditures..... 21

Connection Fee, Workers' Comp & Conservation Incentive Rate Analysis..... 22

Overhead Analysis..... 23

Material Cost Analysis..... 24

Vehicle Fleet Analysis..... 25

Water Conservation Expenditures..... 26

Capital Improvement Project Expenditures ..... 27

Notes to Financial Statements ..... 31

**MEMORANDUM**

To: Board of Directors  
 From: David L. Bentley, Auditor-Controller  
 Subj: Information – FY11/12 March Financial Statement  
t:\accountants\financials\stmtfy12\md&a0312.doc

April 13, 2012

**FISCAL YEAR-TO-DATE PERFORMANCE COMPARED TO THE ANNUAL BUDGET**

**CONSOLIDATED SUMMARY**

<b>Actual vs. Budget</b>	<b>Mar-12</b>	<b>FY11/12 YTD Actual</b>	<b>FY11/12 Budget</b>	<b>FYTD / Budget %</b>
Operating Revenue	\$970,125	\$11,151,881	\$14,949,000	75%
Other Sources of Funds <sup>1</sup>	2,008,238	\$12,121,052	\$8,819,000	137%
<b>Total Funds Received</b>	<b>\$2,978,363</b>	<b>\$23,272,933</b>	<b>\$23,768,000</b>	<b>98%</b>
Operating Expense less depreciation	\$1,026,165	\$9,083,496	\$12,173,000	75%
Other Uses of Funds <sup>2</sup>	546,686	\$6,647,899	\$12,184,000	55%
<b>Total Funds Expended</b>	<b>\$1,572,851</b>	<b>\$15,731,395</b>	<b>\$24,357,000</b>	<b>65%</b>
<b>Net Surplus / (Deficit)</b>	<b>\$1,405,512</b>	<b>\$7,541,538</b>	<b>(\$589,000)</b>	<b>-</b>

<sup>1</sup>Other sources of funds exclude developer 'in-kind' contributions.

<sup>2</sup>Includes capital expenditures and debt service payments.

For the first nine months of the fiscal year the District received 98% of budgeted income and expended 65% of budgeted outlays. On a seasonally adjusted basis, Operating Revenue, at 75%, came in 3% more than budget, and Operating Expense, at 75%, came in on target. An \$8 million loan received in October for the Aqueduct Energy Efficiency Project combined with a \$1.9 million Recycled Water SRF loan received in March, contributed to a fiscal year-to-date surplus of \$7,541,538 compared to a budgeted deficit of \$589,000 for the entire year. 54% of the Capital Improvement Projects Budget has been expended this fiscal year-to-date. The District's total cash balance increased \$1,336,821 during the month and increased \$7,927,999 since July 1st. The March cash increase was due primarily to receipt of SRF loan proceeds, offset by payments for the Recycled Water Expansion Projects (\$223,829), Crest Tank Recoat Project (\$138,544), and 5-yard dump truck (\$101,345). The Debt Service Coverage Ratio at month end was 8.4, significantly exceeding the ratio of 1.2 required under the Bank of Marin AEEP loan covenant (see Financial Statement Note 16).

**SUMMARY INCOME STATEMENTS BY SERVICE AREA  
 PRESENTED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPALS**

**NOVATO WATER**

<b>Year over Year Comparison</b>	<b>Mar-12</b>	<b>FYTD 11/12</b>	<b>FYTD 10/11</b>	<b>FY12 vs 11 Up/(Down)</b>
Operating Revenue	\$920,857	\$10,427,459	\$9,126,568	14%
Operating Expense less depreciation	\$967,686	\$8,613,326	\$8,557,603	1%
Depreciation Expense	\$194,513	\$1,746,258	\$1,738,831	0%
Other Income / (Expense)	(\$41,069)	(\$415,860)	(\$316,696)	31%
Net Income / (Loss)	<u>(\$282,410)</u>	<u>(\$347,985)</u>	<u>(\$1,486,562)</u>	(77%)
Active Accounts	20,479	20,479	20,463	0%
Consumption (MG)	163	2,024	1,971	3%
Average Commodity Rate/1,000 gal	\$4.06	\$4.05	\$3.81	6%
Income / (Loss) / Active Account	(\$13.79)	(\$16.99)	(\$72.65)	(77%)
Income / (Loss) / 1,000 Gal	(\$1.73)	(\$0.17)	(\$0.75)	(77%)
Connection Fee Revenue	\$0	\$911,880	\$179,500	408%
Developer 'In-Kind' Contributions	\$11,173	\$433,547	\$719,052	(40%)



Consumption for the period was 3% greater the prior year same period. Total operating revenue, which includes wheeling and other miscellaneous service charges, increased 14% (\$1,300,891) due to the 11% rate increase commencing June 1, 2011. Total operating expense, before depreciation, was 1% (\$55,723) more than last year same period. The Stafford Treatment Plant produced 586 MG this fiscal year-to-date at a cost of \$2,650/MG<sup>1</sup> versus \$2,119/MG<sup>3</sup> from SCWA. The budget for Stafford is 800 MG at a cost of \$2,783/MG. The plant shut down for the season on December 30.

Salary and benefit cost charged to Novato operations was 2% less (\$64,566) than last year. Staff time (hours) charged to Novato operations was 1% more than last year same period. Salary and benefit cost was \$3,963,381 this fiscal year-to-date, which was 74% of the \$5,369,000 budget for Novato operations.

The fiscal year-to-date net loss (which includes non-operating items such as interest revenue and expense) of \$347,985 compares to a budgeted net loss for the year of \$416,000 and to a net loss of \$1,486,562 for the prior year. \$1,102,044 (26%) of the Novato Water Capital Improvement Project Budget was spent versus \$1,606,843 (32%) for the prior year same period. \$911,880 in connection fees were collected, which is 160% of budget. The Novato cash balance increased \$1,344,780 during the month, and stood at \$11,952,389 at month end.

<b>NOVATO RECYCLED</b>		FYTD	FYTD	FY12 vs 11
<b>Year over Year Comparison</b>	<u>Mar-12</u>	<u>11/12</u>	<u>10/11</u>	<u>Up/(Down)</u>
Operating Revenue	\$0	\$126,456	\$127,786	(1%)
Operating Expense less depreciation	\$7,028	\$88,586	\$88,150	0%
Depreciation Expense	\$13,580	\$122,224	\$122,425	(0%)
Other Income / (Expense)	(\$2,160)	(\$17,773)	(\$16,336)	9%
Net Income / (Loss)	<u>(\$22,769)</u>	<u>(\$102,127)</u>	<u>(\$99,125)</u>	3%
Active Accounts	3	3	3	0%
Consumption (MG)	0	32	35	(8%)
Average Commodity Rate/1,000 gal	\$0.00	\$3.84	\$3.62	6%

The 0.5 MGD Deer Island Recycled Water Facility delivered 32 MG to the Stone Tree Golf Course and the Fire District this fiscal year-to-date. Operating revenue was down 1% due to the 8% consumption decrease offset by the 6% commodity rate increase. Total operating expense before depreciation was about the same as last year same period. The recycled water was produced at a cost of \$8,147/MG<sup>2</sup> versus \$2,119/MG<sup>3</sup> from SCWA. The budgeted production cost of recycled water is \$6,133/MG. The plant shut down for the season October 1st.

The fiscal year net loss of \$102,127 compares to a budgeted net loss of \$93,000 and a net loss of \$99,125 for the prior year same period. \$4,086,792 (80%) of the Improvement Project Budget was expended.

To date, \$5,541,531 has been expended on the North/South Area Expansion Projects. \$2,720,423 has been borrowed from Novato Water pending receipt of Grant (\$250,063 in ARRA Funds received to date) & SRF Loan funds (\$1,925,902 received to date).

<sup>1</sup> Cost of Stafford production = operating expense (\$891,512) + SRF loan interest (\$271,792) + plant depreciation (\$389,489) / 586 MG produced.

<sup>2</sup> Cost of Recycled Water production = operating expense (\$89,219) + SRF loan interest (\$65,091) + plant depreciation (\$106,384) / 32 MG produced

<sup>3</sup> Cost of SCWA production per MG is comprised of O&M charge (\$1,680) + debt service charge (\$156) + Russian River conservation charge (\$222) + Russian River projects charge (\$61)

**WEST MARIN WATER**

**Year over Year Comparison**

	<u>Mar-12</u>	<u>FYTD 11/12</u>	<u>FYTD 10/11</u>	<u>FY12 vs 11 Up/(Down)</u>
Operating Revenue	\$36,101	\$480,154	\$406,356	18%
Operating Expense less depreciation	\$40,788	\$279,332	\$292,262	(4%)
Depreciation Expense	\$12,441	\$112,881	\$109,896	3%
Other Income / (Expense)	(\$2,198)	\$23,573	\$19,510	21%
Net Income / (Loss)	<u>(\$19,326)</u>	<u>\$111,514</u>	<u>\$23,709</u>	370%
Active Accounts	777	777	769	1%
Consumption (MG)	3.9	54.9	51.0	8%
Average Commodity Rate/1,000 gal	\$6.75	\$7.11	\$6.50	9%
Income/ (Loss) / Active Account	(\$24.87)	\$143.52	\$30.83	366%
Income / (Loss) / 1,000 Gal (Potable)	(\$4.96)	\$2.03	\$0.46	337%
Connection Fee Revenue	\$0	\$8,900	\$16,150	(45%)
Developer 'In-Kind' Contributions	\$1,406	\$49,094	\$20,911	-

Potable water consumption was 54.9 MG this fiscal year-to-date, up 8% from the previous year same period. Operating revenue of \$480,154 was \$73,797 (18%) more than last year same period due in part to the 9% rate increase effective 8/1/11. West Marin water was produced at a marginal cost of \$855/MG.<sup>4</sup>

Operating expenditures before depreciation were \$279,332, down \$12,929 (4%) compared to the prior year. The fiscal year net income of \$111,514 compares to a budgeted annual income of \$177,000 and to a net income of \$23,709 for the prior year. \$88,568 (21%) of the Capital Improvement Project Budget was spent. \$8,900 in connection fees were collected (zero was budgeted). The amount borrowed from the Novato Water fund increased \$54,139 during the month, and stood at \$220,647 at month end, compared to a budgeted projection for June 30, 2012 of \$455,000.

**OCEANA MARIN SEWER**

**Year over Year Comparison**

	<u>Mar-12</u>	<u>FYTD 11/12</u>	<u>FYTD 10/11</u>	<u>FY12 vs 11 Up/(Down)</u>
Operating Revenue	\$13,166	\$117,813	\$112,420	5%
Operating Expense less depreciation	\$10,663	\$102,252	\$99,581	3%
Depreciation Expense	\$3,424	\$30,813	\$30,813	0%
Other Income / (Expense)	\$129	\$26,065	\$25,430	2%
Net Income / (Loss)	<u>(\$791)</u>	<u>\$10,813</u>	<u>\$7,456</u>	45%
Active Accounts	227	227	227	0%
Monthly Sewer Service Charge	\$58	\$58	\$55	5%
Income / (Loss) / Active Account	(\$3.49)	\$47.63	\$32.85	-
Connection Fee Revenue	\$0	\$0	\$0	-

Operating revenue of \$117,813 increased 5% over the same period last year due to a 5% rate increase effective August 1st. Operating expenditures before depreciation were 3% more than last year. The fiscal year net income of \$10,813 compares to a budgeted net income of \$30,000 and to a net income of \$7,456 for the prior year. 28% of the Capital Improvement Project Budget was expended.

No connection fees have been collected this fiscal year-to-date. Oceana Marin ended the month with a cash balance of \$307,552, compared to a budgeted projection of \$235,000 for June 30, 2012.

<sup>4</sup> Marginal Cost of West Marin production = water treatment expense (\$42,149) + debt service charge (\$500) + plant depreciation (\$4,293) / 54.9 MG produced

**NORTH MARIN WATER DISTRICT  
STATEMENT OF NET ASSETS  
FOR THE PERIOD ENDING MARCH 31, 2012**

	OCEANA			
	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER
<b>ASSETS</b>				
<b>Cash &amp; Investments</b>				
Unrestricted/Undesignated Cash	\$166,552	\$0	\$0	\$166,552
<b>Restricted Cash (Note 1)</b>				
Connection Fee Fund	\$1,050,236	\$972,549	\$0	\$77,687
Wohler Pipeline Financing Fund	412,149	412,149	0	0
Collector #6 Financing Fund	1,764,423	1,764,423	0	0
Revenue Bond Redemption Fund	30,000	0	30,000	0
Aqueduct Energy Efficiency Project Fund	5,503,095	5,503,095	0	0
Retiree Medical Benefits Fund	3,037,901	3,037,901	0	0
RWF Replacement Fund	0	0	0	0
Tax Receipts Held in Marin Co Treasury	13,758	0	0	13,758
STP SRF Loan Fund-Marlin Co Treasury	262,271	262,271	0	0
<b>Designated Cash (Note 2)</b>				
Liability Contingency Fund	0	0	0	0
Self-Insured Workers' Compensation Fund	1,584	0	0	1,584
Drought Contingency Fund	0	0	0	0
Maintenance Accrual Fund	0	0	0	0
Conservation Incentive Rate Fund	0	0	0	0
Operating Reserve Fund	60,000	0	0	60,000
<b>Total Cash</b>	<b>\$12,301,970</b>	<b>\$11,952,389</b>	<b>\$0</b>	<b>\$307,552</b>
Gain/(Loss) on MV of Investments	18,992	18,992	0	0
<b>Market Value of Cash &amp; Investments</b>	<b>\$12,320,961</b>	<b>\$11,971,380</b>	<b>\$0</b>	<b>\$307,552</b>
<b>Current Assets</b>				
Net Receivables - Consumers	\$1,553,525	\$1,429,229	\$0	\$31,292
Accounts Receivable - Other	998,688	66,140	921,814	\$3,080
Prepaid Expense	40,329	38,301	0	2,028
Reimbursable Small Jobs	0	0	0	0
Interest Receivable	19,710	14,532	5,178	0
Inventories	620,303	620,303	0	0
Deposits Receivable	22,937	22,937	0	0
<b>Total Current Assets</b>	<b>\$3,255,492</b>	<b>\$2,191,443</b>	<b>\$926,991</b>	<b>\$36,399</b>

**NORTH MARIN WATER DISTRICT  
STATEMENT OF NET ASSETS  
FOR THE PERIOD ENDING MARCH 31, 2012**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
<b>Loans Receivable</b>					
Employee Loans (Note 3)	\$1,449,353	\$1,449,353	\$0	\$0	\$0
Due From Other Funds	2,941,069	2,941,069	0	0	0
Other Long Term Receivables	2,525,844	0	2,525,844	0	0
<b>Loans Receivable</b>	<b>\$6,916,983</b>	<b>\$4,390,422</b>	<b>\$2,525,844</b>	<b>\$0</b>	<b>\$0</b>
<b>Property and Plant</b>					
Land & Land Rights	\$1,473,091	\$1,368,872	\$0	\$103,411	\$808
Dam, Lake, & Source Facilities	5,027,081	4,797,638	0	229,444	0
Treatment Facilities	22,162,002	17,374,033	3,962,402	319,913	505,655
Storage Facilities	18,066,603	16,196,307	0	1,870,296	0
Transmission Facilities	5,489,830	5,367,506	0	122,324	0
Distribution Facilities	58,989,407	53,992,623	974,202	4,022,582	0
Sewer Mains, Pumps, & Laterals	853,683	0	0	0	853,683
<b>Sub-Total</b>	<b>\$112,061,698</b>	<b>\$99,096,979</b>	<b>\$4,936,603</b>	<b>\$6,667,969</b>	<b>\$1,360,146</b>
Less Accumulated Depreciation (Note 5)	(35,193,052)	(31,094,672)	(709,122)	(2,670,903)	(718,356)
<b>Net Property and Plant</b>	<b>\$76,868,646</b>	<b>\$68,002,307</b>	<b>\$4,227,482</b>	<b>\$3,997,066</b>	<b>\$641,790</b>
<b>Buildings and Equipment</b>					
Buildings	\$1,783,704	\$1,783,704	\$0	\$0	\$0
Office Equipment	795,063	795,063	0	0	0
Laboratory Equipment	304,815	304,815	0	0	0
Trucks & Automobiles	1,130,236	1,130,236	0	0	0
Construction Equipment	755,536	739,158	16,378	0	0
Tools, Shop Equipment	218,586	218,586	0	0	0
<b>Sub-Total</b>	<b>\$4,987,940</b>	<b>\$4,971,562</b>	<b>\$16,378</b>	<b>\$0</b>	<b>\$0</b>
Less Accumulated Depreciation	(3,334,521)	(3,330,017)	(4,504)	0	0
<b>Net Buildings and Equipment</b>	<b>\$1,653,419</b>	<b>\$1,641,545</b>	<b>\$11,874</b>	<b>\$0</b>	<b>\$0</b>
<b>Construction In Progress</b>					
Developer	\$949,550	\$887,129	\$0	\$62,421	\$0
District	7,548,503	2,014,162	5,274,487	201,610	58,244
<b>Total Construction in Progress</b>	<b>\$8,498,053</b>	<b>\$2,901,291</b>	<b>\$5,274,487</b>	<b>\$264,031</b>	<b>\$58,244</b>
<b>Net Utility Plant</b>	<b>\$87,020,117</b>	<b>\$72,545,143</b>	<b>\$9,513,842</b>	<b>\$4,261,098</b>	<b>\$700,034</b>
<b>TOTAL ASSETS</b>	<b>\$109,512,837</b>	<b>\$91,098,388</b>	<b>\$12,966,678</b>	<b>\$4,403,785</b>	<b>\$1,043,986</b>

**NORTH MARIN WATER DISTRICT  
STATEMENT OF NET ASSETS  
FOR THE PERIOD ENDING MARCH 31, 2012**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current Liabilities</b>					
Trade Accounts Payable	\$873,121	\$864,272	\$4,920	\$0	\$3,929
Reimbursement Prog. Unclaimed Funds	420	420	0	0	0
Bond Debt Principal Payable-Current	35,553	0	0	35,553	0
Loan Debt Principal Payable-Current	547,429	358,341	187,045	2,043	0
Bank of Marin Principal Payable-Current	287,886	287,886	0	0	0
Bond/Loan Debt Interest Payable-Current	5,561	3,504	0	2,057	0
Accrued Interest Payable-SRF Loan	155,166	90,074	65,091	0	0
Deposits/Performance Bonds	189,058	167,428	0	20,130	1,500
Unemployment Insurance Reserve (Note 8)	26,178	26,178	0	0	0
Employee Dental Reserve (Note 9)	168,049	168,049	0	0	0
Payroll Benefits (Note 10)	779,661	729,666	9,648	30,160	10,187
Due To Other Funds	2,941,069	0	2,720,423	220,647	0
Deferred Revenue	210	0	0	210	0
<b>Total Current Liabilities</b>	<b>\$6,009,360</b>	<b>\$2,695,817</b>	<b>\$2,987,127</b>	<b>\$310,799</b>	<b>\$15,616</b>
<b>Restricted Liabilities</b>					
Construction Advances	\$71,870	\$56,594	\$0	\$15,276	\$0
<b>Total Restricted Liabilities</b>	<b>\$71,870</b>	<b>\$56,594</b>	<b>\$0</b>	<b>\$15,276</b>	<b>\$0</b>
<b>Long Term Liabilities (Note 7)</b>					
Bonds Outstanding - PR3 (FmHA)	\$0	\$0	\$0	\$0	\$0
Bonds Outstanding - PR6 (FmHA)	92,000	0	0	92,000	0
Bonds Outstanding - OL2 (NMWD)	7,650	0	0	7,650	0
Bonds Outstanding - PRE1 (FmHA)	82,000	0	0	82,000	0
Drought Loan (EDA)	90,871	79,695	0	11,177	0
STP Rehab SRF Loan	14,521,404	14,521,404	0	0	0
RWF SRF Loan	3,409,691	0	3,409,691	0	0
RWF North/South Expansion SRF Loan	1,925,902	0	1,925,902	0	0
Bank of Marin AEEP Loan	7,594,960	7,594,960	0	0	0
Retiree Health Benefits Payable	449,824	449,824	0	0	0
<b>Total Long Term Liabilities</b>	<b>\$28,174,302</b>	<b>\$22,645,882</b>	<b>\$5,335,593</b>	<b>\$192,826</b>	<b>\$0</b>
<b>TOTAL LIABILITIES</b>	<b>\$34,255,532</b>	<b>\$25,398,293</b>	<b>\$8,322,721</b>	<b>\$518,901</b>	<b>\$15,616</b>

**NORTH MARIN WATER DISTRICT  
STATEMENT OF NET ASSETS  
FOR THE PERIOD ENDING MARCH 31, 2012**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
<b>Net Assets</b>					
<b>Invested in Capital Assets</b>					
Contributions in Aid of Construction	\$61,799,440	\$54,931,685	\$4,104,370	\$2,093,710	\$669,676
Grants in Aid of Construction	2,834,741	100,838	1,350,688	1,383,215	0
Connection Fees (Note 17)	27,347,406	24,706,327	1,278,874	1,026,845	335,360
<b>Total Investment</b>	<b>\$91,981,587</b>	<b>\$79,738,849</b>	<b>\$6,733,932</b>	<b>\$4,503,770</b>	<b>\$1,005,036</b>
<b>Restricted Reserves</b>					
Connection Fee Fund	\$1,296,834	\$972,549	\$0	\$246,598	\$77,687
Wohler Pipeline Financing Fund	412,149	412,149	0	0	0
Collector #6 Financing fund	1,764,423	1,764,423	0	0	0
Revenue Bond Redemption Fund	30,000	0	0	30,000	0
Aqueduct Energy Efficiency Project Fund	7,123,260	7,123,260	0	0	0
Retiree Medical Insurance Fund	2,588,078	2,588,078	0	0	0
RWF Replacement Fund	161,661	0	161,661	0	0
<b>Designated Reserves</b>					
Liability Contingency Fund	414,700	331,815	0	82,885	0
Maintenance Accrual Fund	3,790,681	3,790,681	0	0	0
Self-Insured Workers' Compensation Fund	82,480	77,395	1,030	3,031	1,024
Conservation Incentive Rate Fund	56,922	0	0	56,922	0
Operating Reserve Fund	120,000	0	60,000	0	60,000
Earned Surplus - Prior Yrs	(27,101,599)	(23,594,706)	(2,239,303)	(1,142,819)	(124,771)
Net Income/(Loss)	(327,786)	(347,985)	(102,127)	111,514	10,813
Transfer (To)/From Reserves (see below)	(7,136,085)	(7,156,411)	28,763	(7,017)	(1,419)
<b>Total Restricted &amp; Designated</b>	<b>(\$16,724,282)</b>	<b>(\$14,038,754)</b>	<b>(\$2,089,975)</b>	<b>(\$618,886)</b>	<b>\$23,334</b>
<b>TOTAL NET ASSETS</b>	<b>\$75,257,305</b>	<b>\$65,700,095</b>	<b>\$4,643,957</b>	<b>\$3,884,884</b>	<b>\$1,028,370</b>
<b>Transfer (To)/From Reserves</b>					
Wohler Pipeline Financing	\$48,246	\$48,246	\$0	\$0	\$0
Collector #6 Financing	126,918	126,918	0	0	0
Connection Fee	(16,302)	(45,790)	29,883	0	(395)
Maintenance Reserve	(75,000)	(75,000)	0	0	0
RWF Replacement Fund	(90)	0	(90)	0	0
Retiree Medical Insurance Fund	(10,131)	(10,131)	0	0	0
(Gain)/Loss Self-Insured WC Fund	(82,480)	(77,395)	(1,030)	(3,031)	(1,024)
Aqueduct Energy Efficiency Project Fund	(7,123,260)	(7,123,260)	0	0	0
Conservation Incentive Rate Fund	(3,986)	0	0	(3,986)	0
<b>Total Transfer</b>	<b>(\$7,136,085)</b>	<b>(\$7,156,411)</b>	<b>\$28,763</b>	<b>(\$7,017)</b>	<b>(\$1,419)</b>

**NORTH MARIN WATER DISTRICT  
SOURCES AND USES OF FUNDS STATEMENT - ALL SERVICE AREAS COMBINED  
FOR PERIOD ENDING MARCH 31, 2012**

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>YTD/ Budget %</u>	<u>Prior YTD Actual</u>
<b>OPERATING REVENUE</b>				
Water Sales	\$8,709,537	\$11,651,000	75%	\$7,959,110
Bimonthly Service Charge	2,145,187	2,900,000	74%	1,547,283
Sewer Service Charge	117,813	157,000	75%	112,420
Wheeling & Misc Service Charges	179,343	241,000	74%	154,318
<b>TOTAL OPERATING REVENUE</b>	<u>\$11,151,881</u>	<u>\$14,949,000</u>	75%	<u>\$9,773,130</u>
<b>OPERATING EXPENDITURES</b>				
Source of Supply	\$3,326,414	3,925,000	85%	\$2,960,208
Pumping	219,043	382,000	57%	233,325
Operations	520,185	543,000	96%	478,951
Water Treatment	1,444,056	2,096,000	69%	1,431,573
Sewer Service	83,508	103,000	81%	78,538
Transmission & Distribution	1,790,238	2,388,000	75%	1,813,886
Consumer Accounting	431,091	582,000	74%	423,513
Water Conservation	197,658	404,000	49%	278,366
General & Administrative	1,485,839	2,240,000	66%	1,411,105
Other Operating Expense	(414,537)	(490,000)	85%	(71,867)
Depreciation Expense	2,012,175	2,465,000	82%	2,001,965
<b>TOTAL OPERATING EXPENDITURES</b>	<u>\$11,095,672</u>	<u>\$14,638,000</u>	76%	<u>\$11,039,562</u>
<b>NET OPERATING INCOME (LOSS)</b>	<u>\$56,209</u>	<u>\$311,000</u>	18%	<u>(\$1,266,432)</u>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>				
Tax Proceeds	\$57,496	\$98,000	59%	\$53,968
Interest Revenue	90,096	115,000	78%	115,578
Miscellaneous Revenue	114,182	148,000	77%	57,485
Bond & Loan Interest Expense	(641,387)	(795,000)	81%	(512,174)
Miscellaneous Expense	(4,383)	(20,000)	22%	(3,054)
<b>TOTAL OTHER SOURCES</b>	<u>(\$383,995)</u>	<u>(\$454,000)</u>	85%	<u>(\$288,196)</u>
<b>NET INCOME/(LOSS)</b>	<u>(\$327,786)</u>	<u>(\$143,000)</u>	229%	<u>(\$1,554,628)</u>
<b>OTHER SOURCES/(USES) OF FUNDS</b>				
Connection Fees	\$920,780	\$570,000	162%	\$312,322
Loan Proceeds	9,925,902	6,450,000	154%	0
Grant Proceeds	888,214	1,250,000	71%	202,241
Stone Tree RWF Loan Principal	124,381	188,000	66%	121,438
Add Depreciation Expense	2,012,175	2,465,000	82%	2,001,965
Capital Equipment Expenditures	(186,744)	(182,000)	103%	(89,590)
Capital Improvement Projects	(5,309,287)	(9,942,000)	53%	(2,275,484)
Bond & Loan Principal Payments	(506,098)	(1,245,000)	41%	(379,064)
<b>TOTAL OTHER USES</b>	<u>\$7,869,323</u>	<u>(\$446,000)</u>	-1764%	<u>(\$106,171)</u>
<b>NET SURPLUS/(DEFICIT)</b>	<u>\$7,541,538</u>	<u>(\$589,000)</u>	-1280%	<u>(\$1,660,799)</u>

**NORTH MARIN WATER DISTRICT  
INCOME STATEMENT AND CASH FLOW BY SERVICE AREA  
FOR PERIOD ENDING MARCH 31, 2012**

<b><u>SUMMARY INCOME STATEMENT</u></b>	<b>TOTAL</b>	<b>NOVATO WATER</b>	<b>NOVATO RECYCLED</b>	<b>WEST MARIN WATER</b>	<b>OCEANA MARIN SEWER</b>
Operating Revenue	\$11,151,881	\$10,427,459	\$126,456	\$480,154	\$117,813
Operating Expense	11,095,672	10,359,584	210,810	392,213	133,065
<b>OPERATING INCOME/(LOSS)</b>	<b>\$56,209</b>	<b>\$67,875</b>	<b>(\$84,354)</b>	<b>\$87,940</b>	<b>(\$15,252)</b>
Non-Operating Revenue/(Expense)	(\$383,995)	(\$415,860)	(\$17,773)	\$23,573	\$26,065
<b>NET INCOME/(LOSS)</b>	<b>(\$327,786)</b>	<b>(\$347,985)</b>	<b>(\$102,127)</b>	<b>\$111,514</b>	<b>\$10,813</b>
<b>CAPITAL CONTRIBUTIONS</b>					
Developer In-Kind Contributions	\$482,641	\$433,547	\$0	\$49,094	\$0
Connection Fees	920,780	911,880	0	8,900	0
Capital Grants	888,214	0	888,214	0	0
<b>CAPITAL CONTRIBUTIONS</b>	<b>\$2,291,635</b>	<b>\$1,345,427</b>	<b>\$888,214</b>	<b>\$57,994</b>	<b>\$0</b>
<b>CHANGE IN NET ASSETS</b>					
	\$1,963,849	\$997,442	\$786,087	\$169,508	\$10,813
Net Assets July 1, 2011	73,293,456	64,702,653	3,857,870	3,715,376	1,017,557
Net Assets March 31, 2012	<u>\$75,257,305</u>	<u>\$65,700,095</u>	<u>\$4,643,957</u>	<u>\$3,884,884</u>	<u>\$1,028,370</u>
<b>CASH FLOW STATEMENT</b>					
Net Income/(Loss)	(\$327,786)	(\$347,985)	(\$102,127)	\$111,514	\$10,813
Add Depreciation	2,012,175	1,746,258	122,224	112,881	30,813
<b>Cash Generated From Operations</b>	<b>\$1,684,390</b>	<b>\$1,398,273</b>	<b>\$20,097</b>	<b>\$224,395</b>	<b>\$41,626</b>
<b>Other Sources (Uses) of Funds</b>					
Consumer Receivables Decr (Incr)	\$895,113	\$813,751	\$113,108	(\$3,438)	(\$28,309)
Capital Assets Acquisition	(5,496,038)	(1,288,794)	(4,086,792)	(88,568)	(31,884)
Construction Advances (Decr) Incr	(24,259)	(35,243)	0	10,984	0
Other Assets/Liabilities Decr (Incr)	(359,269)	188,786	(568,373)	11,091	9,227
Trade Accounts Payable (Decr) Incr	(125,117)	(130,987)	4,920	0	950
Loan Proceeds	9,925,902	8,000,000	1,925,902	0	0
Grant Proceeds	888,214	0	888,214	0	0
Connection Fee Revenue	920,780	911,880	0	8,900	0
Stone Tree RWF Loan Principal Pmts	124,381	0	124,381	0	0
Principal Paid on Debt	(506,098)	(470,771)	0	(35,327)	0
Interdistrict Loan Due To (From)	0	(1,409,003)	1,545,325	(136,321)	0
<b>Total Other Sources (Uses)</b>	<b>\$6,243,609</b>	<b>\$6,579,619</b>	<b>(\$53,315)</b>	<b>(\$232,679)</b>	<b>(\$50,016)</b>
<b>Net Cash Provided (Used)</b>	<b>\$7,927,999</b>	<b>\$7,977,891</b>	<b>(\$33,218)</b>	<b>(\$8,284)</b>	<b>(\$8,391)</b>
<b>Cash Balance July 1, 2011</b>	<b>4,373,971</b>	<b>3,974,497</b>	<b>33,217</b>	<b>50,313</b>	<b>315,943</b>
<b>Cash Balance March 31, 2012</b>	<b><u>\$12,301,970</u></b>	<b><u>\$11,952,389</u></b>	<b><u>\$0</u></b>	<b><u>\$42,029</u></b>	<b><u>\$307,552</u></b>



**NOVATO WATER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	MARCH 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>OPERATING REVENUE</b>				
Water Sales	\$668,668	\$8,245,635	76%	\$7,550,382
Bill Adjustments	(6,472)	(50,699)	-	(\$50,504)
Bimonthly Service Charges	228,475	2,056,275	74%	1,474,850
Account Turn-on Charges	7,413	55,971	74%	58,955
New Account Charges	720	6,940	69%	7,535
Returned Check Charges	198	1,251	125%	918
Hydrant Meter Up/Down Charges	560	3,520	88%	3,200
Backflow Service Charges	6,830	56,097	75%	39,478
Lab Service-Outside Clients	9,268	9,268	-	0
Wheeling Charges - MMWD	5,197	43,201	62%	41,753
Reg 15 Forfeiture	0	0	0%	0
<b>TOTAL OPERATING REVENUE</b>	<b>\$920,857</b>	<b>\$10,427,459</b>	<b>75%</b>	<b>\$9,126,568</b>
<b>OPERATING EXPENSE</b>				
<b>SOURCE OF SUPPLY</b>				
Supervision & Engineering	\$752	\$6,883	115%	\$4,648
Operating Expense - Source	156	5,638	94%	5,243
Maint/Monitoring of Dam	2,363	14,841	53%	8,290
Maint of Lake & Intakes	0	8,085	67%	8,211
Maint of Structures	0	0	0%	184
Maint of Watershed	0	114	0%	1,088
Water Quality Surveillance	706	12,679	98%	7,966
Fishery Maint	0	1,864	47%	299
Erosion Control	0	7,358	147%	361
Purchased Water	398,657	3,426,361	85%	3,052,453
Purch Wtr Capital Component (Note 4)	(16,110)	(175,164)	78%	(142,159)
<b>SOURCE OF SUPPLY</b>	<b>\$386,523</b>	<b>\$3,308,660</b>	<b>85%</b>	<b>\$2,946,585</b>
<b>PUMPING</b>				
Operating Expense - Pumping	\$0	\$0	0%	\$641
Maint of Structures & Grounds	1,410	22,577	59%	12,148
Maint of Pumping Equipment	1,938	26,871	46%	16,850
Electric Power	11,053	156,332	68%	177,180
<b>PUMPING</b>	<b>\$14,401</b>	<b>\$205,780</b>	<b>61%</b>	<b>\$206,819</b>
<b>OPERATIONS</b>				
Supervision & Engineering	\$19,880	\$137,357	92%	\$142,972
Operating Expense - Operations	19,782	184,891	99%	125,462
Maintenance Expense	9,867	80,987	93%	73,228
Telemetry Equipment/Controls Maint	9,020	53,141	86%	69,586
Leased Lines	2,371	14,513	69%	14,854
<b>OPERATIONS</b>	<b>\$60,919</b>	<b>\$470,888</b>	<b>93%</b>	<b>\$426,102</b>

**NOVATO WATER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	MARCH 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>WATER TREATMENT</b>				
Supervision & Engineering	\$7,887	\$85,211	81%	\$93,241
Operating Expense - Water Treatment	(3,494)	199,905	57%	222,766
Purification Chemicals	2,034	242,548	57%	301,675
Sludge Disposal	6,327	95,725	129%	60,886
Maint of Structures & Grounds	6,650	64,354	60%	62,322
Maint of Purification Equipment	19,218	96,216	56%	84,125
Electric Power	2,238	107,552	100%	97,336
Water Quality Programs	8,123	70,443	90%	62,956
Laboratory Direct Labor	29,005	249,412	73%	216,756
Lab Service-Outside Clients	12,917	12,917	-	0
Water Quality Supervision	5,427	45,012	107%	39,321
Laboratory Supplies & Expense	3,988	41,848	71%	39,131
Customer Water Quality	2,764	28,675	49%	30,149
Lab Cost Distributed	(2,312)	(19,025)	119%	(15,070)
<b>WATER TREATMENT</b>	<b>\$100,772</b>	<b>\$1,320,793</b>	<b>69%</b>	<b>\$1,295,593</b>
<b>TRANSMISSION &amp; DISTRIBUTION</b>				
Supervision & Engineering	\$38,032	\$320,069	90%	\$351,684
Maps & Records	9,204	73,595	74%	59,889
Operation of T&D System	10,819	120,668	113%	121,239
Facilities Location	6,580	54,496	121%	43,628
Safety: Construction & Engineering	2,035	25,197	38%	22,896
Customer Service Expense	12,452	117,517	73%	112,171
Flushing	19,685	48,347	73%	21,576
Storage Facilities Expense	7,969	100,061	60%	113,846
Cathodic Protection	1,635	12,434	96%	9,011
Maint of Valves/Regulators	26,705	76,423	42%	129,174
Maint of Mains	6,654	37,675	31%	112,396
Backflow Prevention Program	2,775	67,255	67%	103,747
Maint of Copper Services	13,255	147,450	68%	127,771
Maint of PB Service Lines	16,054	359,926	118%	252,204
Single Service Installations	0	4,736	-	1,254
Maint of Meters	12,131	92,002	54%	110,448
Detector Check Assembly Maint	8,460	25,393	56%	17,510
Maint of Hydrants	2,270	17,957	29%	43,792
<b>TRANSMISSION &amp; DISTRIBUTION</b>	<b>\$196,714</b>	<b>\$1,701,201</b>	<b>75%</b>	<b>\$1,754,235</b>
<b>CONSUMER ACCOUNTING</b>				
Meter Reading	\$10,332	\$103,252	81%	\$91,569
Collection Expense - Labor	2,435	20,774	69%	17,393
Collection Expense - Agency	0	1,199	60%	1,761
Billing & Consumer Accounting	23,441	209,713	72%	213,008
Contract Billing	1,500	13,753	72%	13,663
Stationery, Supplies & Postage	4,210	48,339	74%	53,132
Uncollectable Accounts	2,435	20,955	72%	20,956
Office Equipment Expense	638	6,113	87%	7,101
Distributed to West Marin (4.2%)	(1,240)	(11,563)	72%	(13,325)
<b>CONSUMER ACCOUNTING</b>	<b>\$43,751</b>	<b>\$412,535</b>	<b>74%</b>	<b>\$405,260</b>

**NOVATO WATER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	MARCH 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>WATER CONSERVATION</b>				
Residential	\$17,356	\$156,921	55%	\$244,482
Commercial	87	1,027	4%	\$11,863
Public Outreach/Information	2,325	27,873	52%	\$11,060
Large Landscape	530	11,277	38%	\$5,184
<b>TOTAL WATER CONSERVATION</b>	<b>\$20,298</b>	<b>\$197,098</b>	<b>49%</b>	<b>\$272,588</b>
<b>GENERAL AND ADMINISTRATIVE</b>				
Directors Fees	\$1,600	\$11,000	73%	\$10,900
Legal Fees	565	3,993	36%	6,071
Human Resources	1,936	15,580	54%	20,658
Auditing Fees	0	28,900	100%	27,800
Consultants - Master Plan Update	7,314	26,432	28%	0
General Office Salaries	112,853	915,478	75%	852,158
Safety: General District Wide	897	14,327	80%	13,752
Office Supplies	1,484	17,422	36%	27,100
Employee Events	0	5,716	57%	3,812
Other Administrative Expense	1,552	12,879	59%	12,465
Election Cost	0	250	0%	0
Dues & Subscriptions	3,726	48,835	100%	46,395
Vehicle Expense	676	6,084	76%	6,084
Meetings, Conferences & Training	11,039	58,431	38%	81,803
Recruitment Expense	42	882	44%	674
Gas & Electricity	1,550	18,364	71%	18,682
Telephone	541	2,421	61%	2,442
Water	0	879	88%	722
Buildings & Grounds Maint	4,894	28,077	80%	23,969
Office Equipment Expense	2,521	55,835	58%	49,143
Insurance Premiums & Claims	8,972	83,738	63%	87,061
Retiree Medical Benefits	13,919	128,175	74%	117,248
Distributed to Other Operations (6.2%)	(9,714)	(75,919)	69%	(79,516)
<b>GENERAL &amp; ADMINISTRATIVE</b>	<b>\$166,364</b>	<b>\$1,407,777</b>	<b>66%</b>	<b>\$1,329,421</b>
<b>OTHER OPERATING EXPENSE</b>				
Expensed Improvement Projects	\$0	\$0	-	\$93,061
Expensed Equipment Purchases	0	3,383	56%	20,189
G&A Applied to Construction	(18,867)	(243,964)	69%	(187,876)
(Gain)/Loss on Overhead Charges	(25,835)	(123,218)	88%	(4,374)
(Gain)/Loss on Self-Ins Workers' Comp	22,645	(47,608)	-	0
<b>OTHER OPERATING EXPENSE</b>	<b>(\$22,057)</b>	<b>(\$411,407)</b>	<b>84%</b>	<b>(\$79,001)</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>\$967,686</b>	<b>\$8,613,326</b>	<b>75%</b>	<b>\$8,557,603</b>
<b>OPERATING INCOME/(LOSS)</b>				
<b>BEFORE DEPRECIATION</b>	<b>(46,829)</b>	<b>1,814,133</b>	<b>77%</b>	<b>568,965</b>
Depreciation (Note 5)	194,513	1,746,258	76%	1,738,831
<b>OPERATING INCOME/(LOSS)</b>	<b>(\$241,341)</b>	<b>\$67,875</b>	<b>100%</b>	<b>(\$1,169,866)</b>

**NOVATO WATER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	<u>MARCH 2012</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD ACTUAL</u>
<b>NON-OPERATING REVENUE</b>				
Interest:				
General Funds	\$2,950	\$11,595	-	\$6
Facility Reserve Charge Fund	691	4,354	29%	20,023
Wohler Pipeline Financing Fund	340	2,229	74%	4,476
Collector #6 Financing Fund	1,437	9,324	67%	17,826
Retiree Medical Insurance Fund	2,216	10,131	92%	14,969
Self-Insured Workers' Comp Fund	0	33	-	0
Recycled Water Advance (Note 11)	0	0	-	105
West Marin Water Advance (Note 11)	882	3,269	109%	4,192
<b>Total Interest Revenue</b>	<b>\$8,516</b>	<b>\$40,935</b>	<b>89%</b>	<b>\$61,598</b>
Rents & Leases	4,783	53,833	83%	49,952
Other Non-Operating Revenue	(2,417)	41,594	53%	25,984
Gain/(Loss) on MV of Investments	2,154	14,517	-	(22,597)
<b>NON-OPERATING REVENUE</b>	<b>\$13,036</b>	<b>\$150,879</b>	<b>106%</b>	<b>\$114,937</b>
<b>NON-OPERATING EXPENSE</b>				
Bank of Marin AEEP Loan Interest Exp	\$21,467	\$113,179	60%	\$0
STP SRF Loan Interest Expense	30,176	271,792	75%	282,869
Drought Loan Interest Expense	389	3,504	70%	3,995
Wohler Pipeline Debt Service	4,437	48,246	78%	39,152
Collector #6 Debt Service	11,673	126,918	78%	103,007
Other Non-Operating Expense	(14,037)	3,100	16%	2,609
<b>NON-OPERATING EXPENSE</b>	<b>\$54,105</b>	<b>\$566,739</b>	<b>71%</b>	<b>\$431,632</b>
<b>NET INCOME/(LOSS)</b>	<b>(\$282,410)</b>	<b>(\$347,985)</b>	<b>59%</b>	<b>(\$1,486,562)</b>
<b>BEGINNING FUND EQUITY</b>				
NET INCOME/(LOSS)	(282,410)	(347,985)		(1,486,562)
<b>CONTRIBUTED CAPITAL</b>				
CDPH Grant	0	0	-	13,582
Developer 'In-Kind' Contributions	11,173	433,547		719,052
Connection Fees	0	911,880	160%	179,500
<b>ENDING FUND EQUITY</b>		<b>\$65,700,095</b>		<b>\$63,793,795</b>

**NOVATO RECYCLED WATER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	MARCH 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>OPERATING REVENUE</b>				
Recycled Water Sales	\$0	\$123,964	54%	\$125,708
Bimonthly Service Charges	0	2,224	74%	1,885
Backflow Service Charges	0	268	-	194
<b>TOTAL OPERATING REVENUE</b>	<b>\$0</b>	<b>\$126,456</b>	<b>54%</b>	<b>\$127,786</b>
<b>OPERATING EXPENSE</b>				
<b>PUMPING</b>				
Maint of Structures & Grounds	\$0	\$555	-	\$0
Maint of Pumping Equipment	102	319	16%	0
<b>PUMPING</b>	<b>\$102</b>	<b>\$875</b>	<b>44%</b>	<b>\$0</b>
<b>OPERATIONS</b>				
Supervision & Engineering	\$810	\$5,223	-	\$3,507
Operating Expense - Operations	1,538	6,517	217%	9,376
Potable Water Consumed	0	13,121	-	2,006
Maintenance Expense	0	353	35%	951
Telemetry Equipment/Controls Maint	0	3,290	165%	1,744
<b>OPERATIONS</b>	<b>\$2,348</b>	<b>\$28,505</b>	<b>475%</b>	<b>\$17,584</b>
<b>WATER TREATMENT</b>				
Purification Chemicals	\$14	\$13,394	45%	\$26,220
Maint of Structures & Grounds	0	342	-	55
Maint of Purification Equipment	950	1,307	33%	437
Electric Power	0	4,920	55%	5,280
Laboratory Direct Labor	0	14,433	45%	16,303
Lab Expense Distributed from Novato	(3)	7,568	84%	6,011
<b>WATER TREATMENT</b>	<b>\$961</b>	<b>\$41,964</b>	<b>50%</b>	<b>\$54,305</b>
<b>TRANSMISSION &amp; DISTRIBUTION</b>				
Supervision & Engineering	\$1,203	\$1,682	11%	\$969
Maps & Records	0	0	-	227
Operation of T&D System	0	57	6%	1,157
Storage Facilities Expense	146	504	-	0
Maint of Valves/Regulators	0	0	0%	0
Maint of Meters	0	260	-	0
Maint of Mains	0	0	-	79
<b>TRANSMISSION &amp; DISTRIBUTION</b>	<b>\$1,349</b>	<b>\$2,503</b>	<b>15%</b>	<b>\$2,432</b>
<b>GENERAL AND ADMINISTRATIVE</b>				
Distributed from Novato (1.2%)	\$1,967	\$15,373	70%	\$13,829
<b>GENERAL &amp; ADMINISTRATIVE</b>	<b>\$1,967</b>	<b>\$15,373</b>	<b>70%</b>	<b>\$13,829</b>
<b>OTHER OPERATING EXPENSE</b>				
(Gain)/Loss on Self-Ins Workers' Comp	\$302	(\$633)	-	\$0
Expensed Improvement Projects	0	0	-	0
<b>OTHER OPERATING EXPENSE</b>	<b>\$302</b>	<b>(\$633)</b>	<b>-</b>	<b>\$0</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>\$7,028</b>	<b>\$88,586</b>	<b>68%</b>	<b>\$88,150</b>
<b>OPERATING INCOME/(LOSS)</b>				
<b>BEFORE DEPRECIATION</b>	<b>(7,028)</b>	<b>37,869</b>	<b>37%</b>	<b>39,636</b>
Depreciation (Note 5)	13,580	122,224	74%	122,425
<b>OPERATING INCOME/(LOSS)</b>	<b>(\$20,609)</b>	<b>(\$84,354)</b>	<b>136%</b>	<b>(\$82,790)</b>

**NOVATO RECYCLED WATER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	<u>MARCH 2012</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD ACTUAL</u>
<b>NON-OPERATING REVENUE</b>				
Interest:				
General Funds	\$0	\$0	-	\$6
RWF Replacement Fund	\$0	\$90	9%	\$750
Stone Tree RWF Loan	5,178	47,845	76%	51,159
<b>Total Interest Revenue</b>	<u>\$5,178</u>	<u>\$47,935</u>	75%	<u>\$51,915</u>
Other Non-Operating Revenue	0	0	-	0
<b>NON-OPERATING REVENUE</b>	<u>\$5,178</u>	<u>\$47,935</u>	-	<u>\$51,915</u>
<b>NON-OPERATING EXPENSE</b>				
RWF SRF Loan Interest Expense	\$7,338	\$65,091	69%	\$68,145
Other Non-Operating Expense	0	616	-	0
Interest-Advance from Novato (Note 11)	0	0	-	105
<b>NON-OPERATING EXPENSE</b>	<u>\$7,338</u>	<u>\$65,707</u>	69%	<u>\$68,251</u>
<b>NET INCOME/(LOSS)</b>	<u>(\$22,769)</u>	<u>(\$102,127)</u>	65%	<u>(\$99,125)</u>
<b>BEGINNING FUND EQUITY</b>				
NET INCOME/(LOSS)	(\$22,769)	(\$102,127)		(\$99,125)
State Prop 50 Grant	0	0	0%	53,188
Federal ARRA Grant	64,312	888,214	581%	149,052
<b>ENDING FUND EQUITY</b>		<u>\$4,643,956</u>		<u>\$3,806,499</u>

**WEST MARIN WATER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	MARCH 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>OPERATING REVENUE</b>				
Water Sales	\$26,319	\$397,563	74%	\$352,451
Bill Adjustments	0	(6,926)	-	(\$18,927)
Bimonthly Service Charges	9,632	86,688	74%	70,548
Account Turn-on Charges	0	559	62%	719
New Account Charges	0	135	68%	145
Returned Check Charges	0	36	-	18
Backflow Service Charges	0	1,947	102%	1,402
Lab Service-Outside Clients	150	150	-	0
<b>TOTAL OPERATING REVENUE</b>	<b>\$36,101</b>	<b>\$480,154</b>	<b>73%</b>	<b>\$406,356</b>
<b>OPERATING EXPENSE</b>				
<b>SOURCE OF SUPPLY</b>				
Operating Expense	\$779	\$7,938	198%	\$6,222
Operating Supplies & Expense	0	2,341	-	0
Maint of Structures	0	7,475	93%	7,400
Water Quality Surveillance	0	0	0%	0
<b>SOURCE OF SUPPLY</b>	<b>\$779</b>	<b>\$17,754</b>	<b>137%</b>	<b>\$13,622</b>
<b>PUMPING</b>				
Operating Labor	\$0	\$0	0%	\$0
Maint of Structures and Grounds	713	1,668	11%	7,993
Maint of Pumping Equip	(1,000)	467	3%	7,300
Electric Power	857	10,254	68%	11,213
<b>PUMPING</b>	<b>\$570</b>	<b>\$12,389</b>	<b>28%</b>	<b>\$26,506</b>
<b>OPERATIONS</b>				
Supervision & Engineering	\$443	\$2,497	62%	\$0
Operating Expense	929	7,661	128%	6,111
Maint of Telemetry Equipment	163	7,008	44%	25,625
Leased Lines	774	3,625	73%	3,528
<b>OPERATIONS</b>	<b>\$2,308</b>	<b>\$20,792</b>	<b>67%</b>	<b>\$35,265</b>
<b>WATER TREATMENT</b>				
Supervision & Engineering	\$353	\$3,486	116%	\$4,704
Operating Expense	5,704	9,540	53%	10,067
Purification Chemicals	0	5,460	109%	1,804
Maint of Structures & Grounds	0	0	0%	22
Maint of Purification Equipment	1,939	8,049	54%	8,386
Electric Power	1,317	15,614	60%	19,710
Laboratory Direct Labor	2,006	18,871	86%	17,227
Lab Service-Outside Clients	0	0	-	0
Laboratory Services	325	2,400	60%	1,600
Water Quality Supervision	360	3,240	108%	1,475
Customer Water Quality	195	3,478	87%	7,621
Lab Expense Distributed from Novato	2,315	11,161	186%	9,058
<b>WATER TREATMENT</b>	<b>\$14,514</b>	<b>\$81,299</b>	<b>76%</b>	<b>\$81,674</b>

**WEST MARIN WATER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	<u>MARCH 2012</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD ACTUAL</u>
<b>TRANSMISSION &amp; DISTRIBUTION</b>				
Supervision & Engineering	\$2,326	\$11,008	85%	\$7,489
Maps & Records	1,612	1,673	56%	392
Operating Expense	0	186	-	323
Facilities Location - USA	0	1,355	34%	1,625
Customer Service Expense	1,431	10,701	71%	9,548
Flushing	0	0	0%	5,592
Storage Facilities Expense	755	24,578	164%	8,107
Cathodic Protection	0	1,628	-	805
Maint of Valves	0	657	11%	3,170
Valve Operation Program	0	0	0%	0
Maint of Mains	0	0	0%	2,157
Water Quality Maintenance	4,266	6,530	-	0
Maint of Backflow Devices	0	0	0%	973
Backflow Dev Inspection/Survey	0	3,024	101%	3,042
Maint of Copper Services	0	4,189	84%	3,677
Maint of PB Service Lines	2,763	14,949	149%	7,356
Maint of Meters	403	1,126	56%	1,420
Detector Check Assembly Maint	556	1,783	178%	218
Maint of Hydrants	0	0	0%	545
Hydrant Operation	0	0	0%	0
Single Service Installation	(390)	3,149	-	779
<b>TRANSMISSION &amp; DISTRIBUTION</b>	<b>\$13,722</b>	<b>\$86,535</b>	<b>97%</b>	<b>\$57,220</b>
<b>CONSUMER ACCOUNTING</b>				
Meter Reading	\$733	\$5,353	67%	\$3,819
Collection Expense - Labor	167	821	41%	634
Uncollectable Accounts	0	478	-	420
Distributed from Novato (3.6%)	1,067	9,958	71%	10,311
<b>CONSUMER ACCOUNTING</b>	<b>\$1,968</b>	<b>\$16,610</b>	<b>69%</b>	<b>\$15,184</b>
<b>WATER CONSERVATION</b>				
Water Conservation Program	\$248	\$560	14%	\$5,778
<b>TOTAL WATER CONSERVATION</b>	<b>\$248</b>	<b>\$560</b>	<b>14%</b>	<b>\$5,778</b>
<b>GENERAL AND ADMINISTRATIVE</b>				
Buildings & Grounds Maint	0	0	-	0
Distributed from Novato (3.7%)	\$5,791	\$45,259	69%	\$50,883
<b>GENERAL &amp; ADMINISTRATIVE</b>	<b>\$5,791</b>	<b>\$45,259</b>	<b>69%</b>	<b>\$50,883</b>
<b>OTHER OPERATING EXPENSE</b>				
Expensed Improvement Projects	\$0	\$0	-	\$6,129
(Gain)/Loss on Self Ins Workers' Comp	889	(1,866)	-	0
<b>OTHER OPERATING EXPENSE</b>	<b>\$889</b>	<b>(\$1,866)</b>	<b>-</b>	<b>\$6,129</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>\$40,788</b>	<b>\$279,332</b>	<b>74%</b>	<b>\$292,262</b>



**WEST MARIN WATER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	<u>MARCH 2012</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD ACTUAL</u>
<b>OPERATING INCOME/(LOSS)</b>				
<b>BEFORE DEPRECIATION</b>	(\$4,687)	\$200,821	71%	\$114,095
Depreciation (Note 5)	12,441	112,881	76%	\$109,896
<b>OPERATING INCOME/(LOSS)</b>	<b>(\$17,128)</b>	<b>\$87,940</b>	<b>67%</b>	<b>\$4,199</b>
<b>NON-OPERATING REVENUE</b>				
Interest - General Funds	(\$0)	(\$0)	-	\$0
Rents & Leases	\$0	\$3,424	86%	\$3,628
Tax Proceeds - PR-3 G.O. Bond	(1)	7,876	53%	7,482
Tax Proceeds - OL-2 G.O. Bond	0	2,301	58%	1,862
Tax Proceeds - PR-2 Tax Allocation	(167)	22,908	60%	21,602
Other Non-Operating Revenue	(150)	0	-	0
<b>NON-OPERATING REVENUE</b>	<b>(\$318)</b>	<b>\$36,508</b>	<b>60%</b>	<b>\$34,575</b>
<b>NON-OPERATING EXPENSE</b>				
PR-3 G.O. Bond Interest Expense	\$58	\$850	85%	\$1,337
OL-2 G.O. Bond Interest Expense	47	504	50%	627
PRE-1 Revenue Bond Interest Exp	421	3,787	76%	4,125
PR-6 Revenue Bond Interest Exp	417	3,750	75%	4,050
Drought Loan Interest Expense	55	496	50%	568
Interest-Advance from Novato (Note 11)	882	3,269	109%	4,192
Other Non-Operating Expense	0	279	-	164
<b>NON-OPERATING EXPENSE</b>	<b>\$1,880</b>	<b>\$12,935</b>	<b>81%</b>	<b>\$15,064</b>
<b>NET INCOME/(LOSS)</b>	<b>(\$19,326)</b>	<b>\$111,514</b>	<b>63%</b>	<b>\$23,709</b>
<b>BEGINNING FUND EQUITY</b>		\$3,715,376		\$3,580,445
NET INCOME/(LOSS)	(19,326)	111,514		23,709
CONTRIBUTED CAPITAL				
Developer 'In-Kind' Contributions	1,406	49,094		20,911
Connection Fees	0	8,900	-	16,150
<b>ENDING FUND EQUITY</b>		<b>\$3,884,884</b>		<b>\$3,641,216</b>

**OCEANA MARIN SEWER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	MARCH 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>OPERATING REVENUE</b>				
Sewer Service Charges	\$13,166	\$117,813	75%	\$112,420
<b>TOTAL OPERATING REVENUE</b>	<b>\$13,166</b>	<b>\$117,813</b>	<b>75%</b>	<b>\$112,420</b>
<b>OPERATING EXPENSE</b>				
<b>SEWAGE COLLECTION</b>				
Supervision & Engineering	\$533	\$3,714	53%	\$3,911
Inspection	0	0	-	363
Operating Expense	279	1,273	64%	1,160
Facilities Location	0	1,054	105%	1,471
Maint of Lift Stations	814	2,080	-	2,082
Electric Power	629	7,010	70%	7,673
<b>SEWAGE COLLECTION</b>	<b>\$2,254</b>	<b>\$15,130</b>	<b>76%</b>	<b>\$16,661</b>
<b>SEWAGE TREATMENT</b>				
Operating Expense	\$0	\$13,365	103%	\$10,250
Maint of Structures	0	1,213	-	0
Maint of Equipment	186	500	-	326
Laboratory Direct Labor	0	566	-	0
Lab Expense Distributed from Novato	(0)	297	-	0
Electric Power	466	5,473	91%	5,372
<b>SEWAGE TREATMENT</b>	<b>\$652</b>	<b>\$21,413</b>	<b>113%</b>	<b>\$15,947</b>
<b>SEWAGE DISPOSAL</b>				
Maint of Pump Stations	\$0	\$837	84%	\$489
Maint of Irrigation Field	0	218	-	0
<b>SEWAGE DISPOSAL</b>	<b>\$0</b>	<b>\$1,054</b>	<b>105%</b>	<b>\$489</b>
<b>CONTRACT OPERATIONS</b>				
Contract Operations	\$5,101	\$45,911	74%	\$45,441
Equipment Replacements/Upgrades	0	0	0%	0
<b>CONTRACT OPERATIONS</b>	<b>\$5,101</b>	<b>\$45,911</b>	<b>73%</b>	<b>\$45,441</b>
<b>CONSUMER ACCOUNTING</b>				
Collection Expense - County of Marin	\$0	\$341	-	\$0
Distributed from Novato (0.6%)	172	1,605	80%	3,013
Uncollectable Accounts	0	0	-	55
<b>CONSUMER ACCOUNTING</b>	<b>\$172</b>	<b>\$1,946</b>	<b>97%</b>	<b>\$3,068</b>
<b>GENERAL AND ADMINISTRATIVE</b>				
Distributed from Novato (1.2%)	\$1,956	\$15,287	69%	\$14,804
Liability Insurance	225	2,142	71%	2,167
<b>GENERAL AND ADMINISTRATIVE</b>	<b>\$2,181</b>	<b>\$17,429</b>	<b>70%</b>	<b>\$16,971</b>
<b>OTHER OPERATING EXPENSE</b>				
Expensed Improvement Projects	\$0	\$0	-	\$1,004
(Gain)/Loss on Self Ins Workers' Comp	302	(631)	-	0
<b>OTHER OPERATING EXPENSE</b>	<b>\$302</b>	<b>(\$631)</b>	<b>-</b>	<b>\$1,004</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>\$10,663</b>	<b>\$102,252</b>	<b>79%</b>	<b>\$99,581</b>
<b>OPERATING INCOME/(LOSS)</b>				
<b>BEFORE DEPRECIATION</b>	<b>\$2,503</b>	<b>\$15,561</b>	<b>58%</b>	<b>\$12,839</b>
Depreciation (Note 5)	3,424	30,813	72%	30,813
<b>OPERATING INCOME/(LOSS)</b>	<b>(\$921)</b>	<b>(\$15,252)</b>	<b>95%</b>	<b>(\$17,974)</b>

**OCEANA MARIN SEWER  
DETAIL INCOME STATEMENT  
FOR PERIOD ENDING MARCH 31, 2012**

	<u>MARCH</u> 2012	<u>YEAR TO DATE</u> ACTUAL	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD</u> ACTUAL
<b><u>NON-OPERATING REVENUE</u></b>				
Rents & Leases	\$0	\$500	50%	\$500
Interest - Connection Fee Reserve	62	395	-	689
Interest - General Funds	137	830	28%	1,376
Interest - Self Insured WC Fund	1	2	-	0
Tax Proceeds - OM-1/OM-3 Tax Alloc	(179)	24,412	60%	23,022
Other Non-Operating Revenue	108	313	31%	18
<b>NON-OPERATING REVENUE</b>	<u>\$129</u>	<u>\$26,453</u>	58%	<u>\$25,605</u>
<b><u>NON-OPERATING EXPENSE</u></b>				
Other Non-Operating Expense	\$0	\$388	-	\$175
<b>NON-OPERATING EXPENSE</b>	<u>\$0</u>	<u>\$388</u>	-	<u>\$175</u>
<b>NET INCOME/(LOSS)</b>	<u>(\$791)</u>	<u>\$10,813</u>	36%	<u>\$7,456</u>
<b>BEGINNING FUND EQUITY</b>		\$1,017,557		\$993,621
NET INCOME/(LOSS)	(791)	10,813		7,456
CONTRIBUTED CAPITAL				
Contribution in Aid of Construction	0	0		0
Connection Fees	0	0	-	0
PRIOR YEAR ADJUSTMENTS (Note 11d)	0	0		0
<b>ENDING FUND EQUITY</b>		<u>\$1,028,370</u>		<u>\$1,001,077</u>

**NORTH MARIN WATER DISTRICT  
EQUIPMENT EXPENDITURES  
PERIOD ENDING MARCH 31, 2012**

t:\accountants\financials\stmlfy12\cpm0312.xls equip

	MARCH 2012	FYTD TOTAL	FY 11/12 BUDGET	(OVER) UNDER	Notes
<b>1 INFORMATION SYSTEMS</b>					
<b>Administration</b>					
a. Software Licenses		\$14,173	\$25,000	\$10,827	c
b. PC Workstations (2)		1,896	2,000	104	e,1
<b>Engineering</b>					
c. AutoCAD PC (Assoc Engr)		1,487	2,000	513	e,1
<b>Operations</b>					
d. PC Workstation (TP Supervisor)		0	1,000	1,000	e,1
e. Wonderware License Upgrade	15,789	15,789	0	(15,789)	c
<b>Maintenance</b>					
f. PC Workstation (Asst Wtr Dist/TP Op)		0	1,000	1,000	e
	\$15,789	\$33,346	\$31,000	(\$2,346)	
<b>2 CONSTRUCTION</b>					
a. Hydra-Stop Insta-Valve Complete Set, 4"-12"		\$47,241	\$48,000	\$759	c
	\$0	\$47,241	\$48,000	\$759	
<b>3 MAINTENANCE</b>					
a. Coats Tire Machine		\$6,483	\$6,000	(\$483)	c,1
	\$0	\$6,483	\$6,000	(\$483)	
<b>4 VEHICLE &amp; ROLLING EQUIPMENT PURCHASES</b>					
a. 5-Yard Diesel Dump Truck with Radio	\$1,712	\$103,057	\$78,000	(\$25,057)	c,1
b. 3/4-Ton Pickup w/Service Body, Radio & Light Bar		0	25,000	25,000	c,1
	\$1,712	\$103,057	\$103,000	(\$57)	
<b>TOTAL EQUIPMENT EXPENDITURES</b>					
	\$17,501	\$190,127	\$188,000	(\$2,127)	
<b>EQUIPMENT EXPENDITURE SUMMARY:</b>					
<b>Total Capitalized Equipment</b>	\$17,501	\$186,744	\$182,000	(\$4,744)	
<b>Total Expensed Equipment</b>	0	3,383	6,000	2,617	
<b>Total Equipment Expenditures</b>	\$17,501	\$190,127	\$188,000	(\$2,127)	

**Notes:**

- (e) Expensed (c) Capitalized  
(1) Replacement item.

**NORTH MARIN WATER DISTRICT  
ANALYSIS OF WORKER'S COMP, CONNECTION FEE AND CIR FUNDS  
FOR PERIOD ENDING MARCH 31, 2012**

	TOTAL	NOVATO WATER	WEST MARIN WATER	OCEANA MARIN SEWER	RECYCLED WATER
<b><u>WORKERS' COMPENSATION FUND</u></b>					
<b>WC Cash Balance 7/1/11</b>	\$14,400	\$13,512	\$529	\$179	\$180
Less: Projected Prior FY Claims Liability	14,400	13,512	529	179	180
Add: Funds borrowed to subsidize operations	0	0	0	0	0
<b>WC Reserve Balance 7/1/11</b>	\$0	\$0	\$0	\$0	\$0
Add: WC Expense Charged to Operations FYTD	129,543	121,553	4,763	1,609	1,618
Interest Earned	35	35	0	0	0
Subtotal	\$129,578	\$121,588	\$4,763	\$1,609	\$1,618
Less: Claims Expense Paid	3,938	3,696	145	49	49
Excess Insurance Premium	34,160	32,053	1,256	424	427
Administration Fees	9,000	8,445	331	112	112
<b>WC Reserve Balance 3/31/12</b>	\$82,480	\$77,394	\$3,031	\$1,024	\$1,030
Add: Projected Prior FY Claims Liability	14,400	13,512	529	179	180
Projected FY12 Claims Liability	30,708	28,814	1,129	381	384
Funds borrowed to subsidize operations	(126,003)	(119,720)	(4,690)	0	(1,593)
<b>WC CASH BALANCE 3/31/12</b>	<u>\$1,585</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,585</u>	<u>\$0</u>
<b><u>CONNECTION FEE FUND</u></b>					
<b>Connection Fee Cash Balance 7/1/11</b>	\$484,570	\$407,278	\$0	\$77,292	
Add: funds borrowed to subsidize operations	237,698	0	237,698	0	
<b>Connection Fee Reserve Balance 7/1/11</b>	\$722,268	\$407,278	\$237,698	\$77,292	
Add: Connection Fees Collected FYTD	920,780	911,880	8,900	0	
Repayment Prior Year Loan from RWF	1,175,098	1,175,098	0	0	
Interest Earned	4,749	4,354	0	395	
Subtotal	\$2,822,895	\$2,498,610	\$246,598	\$77,687	
Less: Fees Expended FYTD	380,846	380,846	0	0	
Fees transferred to RWF FYTD (Note 17)	1,145,215	\$1,145,215	0	0	
<b>Connection Fee Reserve Balance 3/31/12</b>	\$1,296,834	\$972,549	\$246,598	\$77,687	
Less: Funds borrowed to subsidize operations	246,598	0	246,598	0	
<b>CONNECTION FEE CASH BALANCE 3/31/12</b>	<u>\$1,050,236</u>	<u>\$972,549</u>	<u>\$0</u>	<u>\$77,687</u>	
<b><u>CONSERVATION INCENTIVE RATE FUND</u></b>					
<b>CIR Cash Balance 7/1/11</b>	\$0	\$0	\$0		
Add funds borrowed to subsidize operations	0	0	52,936		
<b>CIR Reserve Balance 7/1/11</b>	\$0	\$0	\$52,936		
Add: CIR Charges Billed FYTD	39,733	32,194	7,539		
Regulation 15 Forfeitures	0	0	0		
Interest Earned	0	0	0		
Subtotal	\$39,733	\$32,194	\$60,475		
Less: CIR Funds Expended FYTD <sup>1</sup>	22,603	22,043	560		
Bill Adjustments	13,143	10,151	2,992		
<b>CIR Reserve Balance 3/31/12</b>	\$3,987	\$0	\$56,923		
Less funds borrowed to subsidize operations	56,923	0	56,923		
<b>CIR CASH BALANCE 3/31/12</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>		

<sup>1</sup> On September 1, 2009 the Board authorized water conservation expenditures to be charged against the Conservation Incentive Rate Fund

**NORTH MARIN WATER DISTRICT  
OVERHEAD ACCOUNT ANALYSIS  
FOR PERIOD ENDING MARCH 31, 2012**

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YTD/ BUDGET %
<b><u>Material Handling</u></b>			
Material Overhead Recovered (15%)	\$49,764	\$110,000	45%
Labor	71,539	99,000	72%
Materials, Supplies & Expense	2,314	6,000	39%
Correction to Inventory Counts	(8,588)	-	-
Depr on Warehouse Equipment	3,593	5,000	72%
	<u>\$68,858</u>	<u>\$110,000</u>	63%
Net Gain / (Loss)	<u>(\$19,094)</u>	<u>\$0</u>	-
<b><u>Construction Supplies</u></b>			
Const Supplies Overhead Recovered (15%)	\$223,665	\$358,500	62%
Labor	46,003	76,000	61%
Materials, Supplies & Expense	53,678	73,000	74%
Small Tools	9,897	19,000	52%
Depreciation	1,975	3,500	56%
	<u>\$111,553</u>	<u>\$171,500</u>	65%
Net Gain / (Loss)	<u>\$112,112</u>	<u>\$187,000</u>	-
<b><u>Vehicle &amp; Equipment</u></b>			
Vehicle & Equipment Recovered	300,554	\$362,000	83%
Labor	68,259	115,000	59%
Materials, Supplies & Expense	36,720	76,000	48%
Fuel	88,196	95,000	93%
Depreciation	80,343	125,000	64%
	<u>\$273,518</u>	<u>\$411,000</u>	67%
Net Gain / (Loss)	<u>\$27,036</u>	<u>(\$49,000)</u>	0%

**NORTH MARIN WATER DISTRICT  
MATERIAL COST ANALYSIS  
FOR PERIOD ENDING MARCH 31, 2012**

OPERATING EXPENSE	Novato	Recycled	West Marin		Oceana Marin		YTD Total	Annual Budget	YTD Budget %	Prior		% Change
			Marin	Marin	Marin	Marin				YTD Actual	YTD Actual	
Salaries & Benefits	\$4,139,374	\$30,160	\$112,904	\$8,095	\$4,290,533	\$5,894,000	73%	\$4,368,710	-2%			
Salaries & Benefits Distributed	(175,993)	0	0	0	(175,993)	(317,000)	56%	(189,604)	-7%			
Water Purchases (net)	3,251,198	0	0	0	3,251,198	3,805,000	85%	2,910,294	12%			
Depreciation	1,746,258	122,224	112,881	30,813	2,012,175	2,465,000	82%	2,001,965	1%			
Op Matl Svcs & Supplies	316,971	38,273	111,826	78,866	545,935	796,000	69%	370,913	47%			
Chemicals	242,548	13,394	5,460	0	261,402	460,000	57%	329,699	-21%			
Electric Power	263,884	4,920	25,868	12,483	307,155	431,000	71%	323,764	-5%			
Vehicles and Equipment	166,046	1,067	11,360	726	179,198	270,000	66%	188,146	-5%			
Tools & Supplies	161,240	1,341	9,556	572	172,709	260,000	71%	161,637	7%			
Retiree Medical Expenses	128,175	0	0	0	128,175	173,000	74%	117,248	9%			
Stationary, Supplies & Postage	65,762	0	0	0	65,762	161,000	41%	80,232	-18%			
Insurance & Claims	83,738	0	0	2,142	85,880	136,000	63%	89,228	-4%			
Inventory Materials	101,862	64	4,225	0	106,151	129,000	82%	98,923	7%			
Water Conservation Rebates	39,349	0	0	0	39,349	115,000	34%	112,728	-65%			
IP Matl Svcs & Supplies	0	0	0	0	0	0	0%	80,053	-100%			
(Gain)/Loss-Overhead Charges	(123,218)	0	0	0	(123,218)	(140,000)	88%	(4,374)	2,717%			
(Gain)/Loss-Self-Ins Workers' Comp	(47,608)	(633)	(1,866)	(631)	(50,738)	0	0%	0	0%			
<b>TOTAL OPERATING EXPENSE</b>	<b>\$10,359,584</b>	<b>\$210,810</b>	<b>\$392,213</b>	<b>\$133,065</b>	<b>\$11,095,672</b>	<b>\$14,638,000</b>	<b>76%</b>	<b>\$11,039,562</b>	<b>1%</b>			
<b>NON-OPERATING EXPENSE</b>												
Interest Expense	\$563,639	\$65,091	\$12,656	\$0	\$641,387	\$704,000	91%	\$512,174	25%			
Other Non-Operating Expense	3,100	616	279	388	4,383	20,000	22%	2,948	49%			
<b>TOTAL NON-OPERATING EXPENSE</b>	<b>\$566,739</b>	<b>\$65,707</b>	<b>\$12,935</b>	<b>\$388</b>	<b>\$645,769</b>	<b>\$724,000</b>	<b>89%</b>	<b>\$515,122</b>	<b>25%</b>			
<b>TOTAL OP &amp; NON-OP EXPENSE</b>	<b>\$10,926,323</b>	<b>\$276,517</b>	<b>\$405,148</b>	<b>\$133,453</b>	<b>\$11,741,441</b>	<b>\$15,362,000</b>	<b>76%</b>	<b>\$11,554,684</b>	<b>2%</b>			
<b>DISTRICT CAPITAL PROJECTS</b>												
Salaries & Benefits	\$263,997	\$273,421	\$14,413	\$3,735	\$555,566	\$812,000	68%	\$296,965	87%			
Indirect Costs	170,834	106,422	5,508	1,682	284,444	361,000	79%	122,571	132%			
Material Services & Supplies	661,945	3,705,706	68,647	26,467	4,462,766	8,719,000	51%	999,272	347%			
<b>TOTAL DISTRICT CAPITAL PROJECTS</b>	<b>\$1,096,776</b>	<b>\$4,085,549</b>	<b>\$88,568</b>	<b>\$31,884</b>	<b>\$5,302,777</b>	<b>\$9,892,000</b>	<b>54%</b>	<b>\$1,418,809</b>	<b>274%</b>			
<b>DEVELOPER PROJECTS</b>												
Salaries & Benefits	\$117,408	\$0	\$23,357	\$0	\$140,766	\$236,000	60%	\$169,904	-17%			
Indirect Costs	91,177	0	25,074	0	116,252	156,000	75%	161,651	-28%			
Material Services & Supplies	102,578	0	662	0	103,240	0	0%	220,554	-53%			
<b>TOTAL DEVELOPER PROJECTS</b>	<b>\$311,164</b>	<b>\$0</b>	<b>\$49,094</b>	<b>\$0</b>	<b>\$360,258</b>	<b>\$392,000</b>	<b>92%</b>	<b>\$552,108</b>	<b>-35%</b>			
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$1,407,940</b>	<b>\$4,085,549</b>	<b>\$137,662</b>	<b>\$31,884</b>	<b>\$5,663,034</b>	<b>\$10,284,000</b>	<b>55%</b>	<b>\$1,970,916</b>	<b>187%</b>			

**NORTH MARIN WATER DISTRICT  
VEHICLE FLEET ANALYSIS  
FOR PERIOD ENDING MARCH 31, 2012**

Year	Description	Veh#	Assigned	Fiscal Year to Date			Vehicle Cost per Mile					
				Mileage	Expense <sup>1</sup>	Recovery <sup>2</sup>	Gain/(Loss)	Life to Date	FYTD	FY11	FY10	
1	1993 Ford F250 4x4	29	Cilia	4,487	\$3,562	\$5,432	\$1,870	132,373	\$0.55	\$0.79	\$1.42	\$1.19
2	1994 GMC C1500	30	Pool	777	\$1,041	\$722	(\$320)	133,164	\$0.30	\$1.34	\$0.81	\$0.21
3	1999 Dodge Ram 1500	32	Pool	2,526	\$1,547	\$2,310	\$763	63,808	\$0.42	\$0.61	\$0.49	\$0.81
4	1999 Ford F250	36	Ortiz	6,563	\$5,350	\$6,650	\$1,299	177,648	\$0.48	\$0.82	\$0.97	\$0.82
5	2000 Dodge Dakota	40	Pool	3,774	\$3,232	\$3,705	\$474	102,012	\$0.46	\$0.86	\$0.70	\$0.54
6	2001 Dodge Ram 1500	41	On-Call	5,115	\$3,247	\$1,715	(\$1,531)	100,186	\$0.53	\$0.63	\$0.62	\$0.44
7	2001 Dodge Dakota	42	Pool	6,927	\$3,034	\$3,963	\$929	108,323	\$0.31	\$0.44	\$0.95	\$0.46
8	2002 Dodge Dakota	45	Bynum	3,186	\$2,581	\$3,869	\$1,288	124,955	\$0.46	\$0.81	\$0.79	\$0.61
9	2002 Chev K1500 4x4	47	Engineering	3,077	\$1,878	\$1,979	\$101	98,609	\$0.33	\$0.61	\$0.72	\$0.60
10	2003 Dodge Dakota 4x4	49	Stompe	4,418	\$3,881	\$2,749	(\$1,131)	68,609	\$0.40	\$0.88	\$0.46	\$0.26
11	2003 Chev C1500	51	Pool	3,312	\$2,205	\$2,072	(\$134)	94,964	\$0.35	\$0.67	\$0.52	\$0.35
12	2004 Chev C1500	53	Kurfirst	6,527	\$4,488	\$6,716	\$2,228	87,934	\$0.39	\$0.69	\$0.45	\$0.88
13	2004 Chev C1500 Xtra Cab	54	Mello	1,638	\$805	\$968	\$163	70,445	\$0.36	\$0.49	\$0.46	\$0.86
14	2005 Honda Civic Hybrid	56	Lab	5,988	\$1,733	\$3,265	\$1,533	46,503	\$0.22	\$0.29	\$0.26	\$0.20
15	2005 Honda Civic Hybrid	57	Engineering	1,924	\$712	\$923	\$210	34,148	\$0.21	\$0.37	\$0.41	\$0.19
16	2005 Ford Ranger	58	Roberto	8,372	\$4,911	\$7,887	\$2,976	81,780	\$0.40	\$0.59	\$0.52	\$0.36
17	2005 Ford Ranger	59	Venegas	8,473	\$4,396	\$6,935	\$2,539	73,811	\$0.42	\$0.52	\$0.52	\$0.36
18	2006 Chev Colorado	501	Moore	12,202	\$4,904	\$9,263	\$4,359	82,843	\$0.36	\$0.40	\$0.46	\$0.33
19	2007 Chev K2500 4x4	502	Corda, Joe	6,135	\$4,554	\$12,909	\$8,355	49,023	\$0.50	\$0.74	\$0.53	\$0.44
20	2007 Chev Colorado	504	Grisso	3,044	\$1,027	\$3,945	\$2,918	24,065	\$0.41	\$0.34	\$0.58	\$0.49
21	2008 Ford F250 4x4	505	Arendell	5,403	\$4,213	\$16,299	\$12,085	47,331	\$0.68	\$0.78	\$0.63	\$0.65
22	2008 Ford F250 4x4	506	STP	4,460	\$3,111	\$5,974	\$2,863	27,338	\$0.84	\$0.70	\$0.58	\$0.83
23	2008 Chev Colorado 4x4	509	Lemos	9,116	\$2,792	\$3,663	\$871	44,542	\$0.33	\$0.31	\$0.36	\$0.29
24	2009 Toyota Prius Hybrid	510	Clark	10,523	\$1,744	\$4,549	\$2,805	47,753	\$0.17	\$0.17	\$0.21	\$1.64
25	2010 Ford F150 4x4	511	STP	8,612	\$3,066	\$7,487	\$4,420	19,755	\$0.45	\$0.36	\$0.58	\$0.39
26	2010 Ford F150	512	Ortiz	11,098	\$5,695	\$5,677	(\$18)	33,060	\$0.43	\$0.51	\$0.37	\$0.44
27	2010 Ford F150	513	LeBrun	4,371	\$2,323	\$3,758	\$1,435	16,363	\$0.49	\$0.53	\$0.48	\$0.51
<b>Total 3/4 Ton &amp; Under</b>				<b>152,048</b>	<b>\$82,031</b>	<b>\$135,382</b>	<b>\$53,352</b>	<b>1,991,345</b>	<b>\$0.41</b>	<b>\$0.54</b>	<b>\$0.54</b>	<b>\$0.51</b>
1	1991 Int'l 4700 5 Yd Dump	5	Sjoblom	5,297	\$8,931	\$12,849	\$3,919	149,994	\$0.86	\$1.69	\$1.28	\$1.46
2	1999 Ford F350 W/Svc Body	19	Pool	707	\$1,088	\$1,085	(\$4)	126,405	\$0.71	\$1.54	\$2.58	\$2.55
3	2002 Int'l 5 Yd Dump	44	Rupp	4,254	\$9,472	\$14,385	\$4,913	65,169	\$1.56	\$2.23	\$1.83	\$1.28
4	2002 Chev 1 Ton Crew	46	Castellucci	6,837	\$5,416	\$14,175	\$8,759	106,455	\$0.92	\$0.79	\$1.02	\$1.16
5	1999 Ford F550 3-Yd Dump <sup>3</sup>	52	Crew	2,481	\$3,354	\$8,031	\$4,677	69,696	\$0.70	\$1.35	\$1.41	\$2.13
6	1999 Int'l 5 Yd Dump <sup>4</sup>	55	Crew	3,225	\$9,263	\$12,134	\$2,871	61,069	\$1.27	\$2.87	\$1.52	\$6.07
7	2006 Int'l 4300 Crew	503	Reed	2,702	\$5,547	\$15,093	\$9,547	18,407	\$2.16	\$2.05	\$2.32	\$1.11
8	2008 Ford F350 4x4	507	Latanyszyn	7,261	\$10,229	\$11,434	\$1,204	45,065	\$0.88	\$1.41	\$0.82	\$0.55
9	2009 Peterbilt 335 Crew	508	Kehoe	2,349	\$6,452	\$18,173	\$11,721	12,727	\$2.05	\$2.75	\$1.88	\$2.17
10	2012 Int'l 5 Yd Dump	514	Sjoblom	1,449	\$1,313	\$946	(\$367)	1,449	\$9.85	\$0.91	\$0.00	\$0.00
<b>Total 1 Ton &amp; Over</b>				<b>36,562</b>	<b>\$61,066</b>	<b>\$108,306</b>	<b>\$47,239</b>	<b>656,436</b>	<b>\$1.01</b>	<b>\$1.67</b>	<b>\$1.35</b>	<b>\$1.74</b>

<sup>1</sup> Expense amount shown excludes depreciation (approximately \$75,000 for FY12).

<sup>2</sup> Recovery is the amount charged to projects and operations to recover the expense of owning and operating the vehicle. Commencing 7/1/07 the recovery rate for vehicles 3/4 ton and under is \$6/hr and the recovery rate for vehicles 1 Ton and over is \$11/hr. An additional 50% recovery rate is charged to developer projects to reflect the fair market value of the vehicle being used.

<sup>3</sup> Purchased used in 2004 with 33,500 miles. Mileage shown is total incurred since District purchase.

<sup>4</sup> Purchased used in 2008 with 30,708 miles. Mileage shown is total incurred since District purchase.



**NORTH MARIN WATER DISTRICT  
WATER CONSERVATION PROGRAM DETAIL  
FOR PERIOD ENDING MARCH 31, 2012**

t:\accountants\financials\stlmfy12\cpm0312.xls\water\_conservation

Description	COST THRU JUNE 2011	MARCH 2012	FYTD TOTAL	FY 11/12 BUDGET	(OVER)		TOTAL COST
					UNDER		
<b>NOVATO</b>							
<b>a. Residential</b>							
1-7700-01 1 Cash for Grass	\$204,398	\$316	\$11,096	\$20,000	\$8,904		\$215,494
1-7700-02 2 Landscape Efficiency Rebates	25,172	116	361	7,500	7,139		25,533
1-7700-03 3 Fixtures Purchases	28,251	0	0	5,000	5,000		28,251
1-7700-06 4 Washing Machine Rebates	271,121	976	15,632	20,000	4,368		286,752
1-7700-07 5 Demonstration Garden Improvements	54,377	0	0	500	500		54,377
1-7700-11 6 Toilet Rebate SF	819,889	1,334	15,417	30,000	14,583		835,306
1-7700-12 7 Toilet Rebate MF	18,081	0	0	4,000	4,000		18,081
1-7700-13 8 Residential Audits	124,520	3,115	28,637	40,000	11,363		153,157
1-7700-16 9 Water Waste Ordinance Monitoring	29,922	0	0	20,000	20,000		29,922
1-7700-17 10 Swimming Pool Cover Rebate	226	0	0	0	0		226
1-7700-19 11 ET Controller Rebate	13,895	0	1,290	5,000	3,710		15,185
1-7700-08 12 Administration	718,373	9,475	76,698	122,000	45,302		795,071
1-7700-20 13 New Development Wtr Cons Program	22,666	2,024	7,303	8,000	697		29,969
1-7700-21 14 Demand Offset Rebate Program	490	0	488	5,000	4,513		978
<b>b. Commercial</b>							
1-7701-02 1 Toilet Rebate Program	63,527	0	200	7,500	7,300		63,727
1-7701-03 2 Commercial Audits	5,073	87	827	21,500	20,673		5,900
<b>c. Public Outreach/Information</b>							
1-8672-16 1 Fall Newsletter	25,474	0	6,314	8,000	1,686		31,788
1-8672-17 2 Spring Newsletter	38,601	0	0	12,000	12,000		38,601
1-8672-18 3 Summer Newsletter	5,139	0	0	8,000	8,000		5,139
1-7700-04 4 Public Outreach / H <sub>2</sub> O Fair	82,459	11	1,005	5,000	3,995		83,464
1-7700-05 5 Marketing	83,300	1,444	12,985	21,000	8,015		96,285
1-7700-22 6 Public Outreach/Leadership Novato	0	870	7,569	0	(7,569)		7,569
<b>d. Large Landscape</b>							
1-8653-02 1 Large Landscape Audits	70,200	0	396	20,000	19,604		70,596
1-7702-01 2 Large Landscape Budgets	20,054	163	1,936	3,000	1,064		21,990
1-7702-02 3 Large Landscape Irrig Efficiency Rebates	11,376	0	0	5,000	5,000		11,376
1-8653-01 4 CIMIS Station Maintenance	18,424	19	172	2,000	1,828		18,596
1-7702-03 6 Administration-Large Landscape	3,579	348	8,774	0	(8,774)		12,353
<b>TOTAL NOVATO WATER CONSERVATION</b>				<b>\$400,000</b>	<b>\$202,902</b>		<b>\$2,955,685</b>
<b>WEST MARIN</b>							
2-5166-00 a. Water Conservation Program	\$35,383	\$248	\$560	\$4,000	\$3,440		\$35,943
<b>TOTAL WATER CONSERVATION EXPENDITURES</b>				<b>\$404,000</b>	<b>\$206,342</b>		<b>\$2,991,628</b>

**NORTH MARIN WATER DISTRICT  
CAPITAL IMPROVEMENT PROJECTS  
PERIOD ENDING MARCH 31, 2012**

t:\accountants\financials\stlmty12\cpm0312.xls\projects

Description	COST THRU JUNE 2011	MARCH 2012	FYTD TOTAL	FY 11/12 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
<b>1 PIPELINE REPLACEMENTS/ADDITIONS</b>						
a. Main/Pipeline Replacements						
1-7130-00 1 STP 18" Transmission Line Assess/Repair (13,200')	\$0	\$0	\$0	\$160,000	\$160,000	\$0
1-7131-00 2 Center Rd Pipeline-Conflict with Private Property	0	5,099	7,302	60,000	52,699	7,302
1-7057-01 3 So Novato/Rowland Main Break #2	96,392	504	277,696	120,000	(157,695)	374,088
b. PB Service Line Replacements						
1-7123-06 1 Cavalla Cay (18 Services)	0	22,625	23,974	36,000	12,026	23,974
1-7123-07 2 Del Oro (26 Services)	0	0	46,664	52,000	5,336	46,664
1-7123-08 3 Glen Hill Ct/Bird Ct/Kenwood Ct (28 Services)	0	8,533	46,666	0	(46,666)	46,666
1-7123-09 4 Lea Drive (13 Services)	0	2,142	15,751	0	(15,751)	15,751
1-7123-10 5 Center Rd/Garner/Oak Forest/Simmons/3rd St	0	438	438	0	(438)	438
c. Relocations to Sync w/City & County C.I.P.						
1-8716-08 1 City Paving Coordination (Measure B)	0	489	23,791	20,000	(3,791)	23,791
1-8737-03 3 Indian Valley Rd-City Improvements	1,047	0	24,460	0	(24,460)	25,507
d. Aqueduct Replacements & Enhancements						
1-7118-01 1 MSN Aqueduct Caltrans Reimb-Segment B1	75,782	6,885	37,457	0	(37,457)	113,239
1-7118-02 2 MSN Aqueduct Caltrans Reimb-Segment B2	7,723	196	13,728	0	(13,728)	21,451
1-7118-03 3 MSN Aqueduct Caltrans Reimb-Segment B3	72,225	633	12,253	0	(12,253)	84,478
1-7118-04 4 AEEP Permitting & Design	446,731	11,603	108,273	2,700,000	2,591,727	555,004
1-7118-05 5 AEEP Legal Challenge/Litigation	5,109	0	5,518	0	(5,518)	10,627
1-7118-06 6 AEEP Loan Procurement	0	0	91,941	0	(91,941)	91,941
1-7118-07 7 AEEP- B1	0	0	0	0	0	0
1-7118-08 8 AEEP- B2	0	0	0	0	0	0
1-7118-09 9 AEEP- B3	0	0	0	0	0	0
<b>TOTAL PIPELINE REPLACEMENTS/ADDITIONS</b>	<b>\$705,008</b>	<b>\$59,148</b>	<b>\$735,913</b>	<b>\$3,148,000</b>	<b>\$2,412,087</b>	<b>\$1,440,922</b>
<b>2 SYSTEM IMPROVEMENTS</b>						
1-7042-00 a. Facility Map Database	\$96,819	\$415	\$9,651	\$20,000	\$10,349	\$106,470
1-6000-41 b. System & Tank Cathodic Protection Maint/Upgrade	0	0	5,233	25,000	19,767	5,233
1-7008-08 c. RTU Upgrades(Cabro Ct, Davies PS, Sunset Tank)	0	88	32,066	15,000	(17,066)	32,066
1-8677-18 d. Flushing Taps at DCV's or Zone Valves	0	4,990	4,990	50,000	45,010	4,990
1-7007-06 e. Detector Check Assembly Upgrade/Replace	0	8,863	48,310	75,000	26,690	48,310
1-7090-02 f. Anode Installations (150/yr)	0	0	0	30,000	30,000	0
1-7132-00 g. Radio Expansion Telemetry Upgrades	0	0	14,046	25,000	10,954	14,046
<b>TOTAL SYSTEM IMPROVEMENTS</b>	<b>\$96,819</b>	<b>\$14,357</b>	<b>\$114,296</b>	<b>\$240,000</b>	<b>\$125,704</b>	<b>\$211,115</b>

**NORTH MARIN WATER DISTRICT  
CAPITAL IMPROVEMENT PROJECTS  
PERIOD ENDING MARCH 31, 2012**

t:\accountants\financials\mty12\cpm0312.xls\projects

Description	COST THRU JUNE 2011	MARCH 2012	FYTD TOTAL	FY 11/12 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
<b>3 BUILDINGS, YARD, &amp; S.T.P. IMPROVEMENTS</b>						
a. Administration Building						
1-6501-35	\$0	\$384	\$513	\$25,000	\$24,487	\$513
1-6501-42	0	0	0	25,000	25,000	0
b. Corp Yard/Warehouse/Construction Office						
1-6502-44	5,316	0	(500)	15,000	15,500	4,816
1-6502-45	0	2,665	2,665	0	(2,665)	2,665
c. Stafford Treatment Plant						
1-6600-70	0	0	9,000	34,000	25,000	9,000
1-6600-60	35,090	1,620	6,647	130,000	123,353	41,737
1-6600-71	0	0	0	25,000	25,000	0
1-6600-69	38,488	0	48,551	10,000	(38,551)	87,039
1-6600-72	0	0	0	47,000	47,000	0
1-6600-62	4,460	862	1,002	25,000	23,999	5,462
1-6600-73	0	0	0	40,000	40,000	0
1-6600-74	0	0	0	122,000	122,000	0
1-6600-77	0	743	743	0	(743)	743
<b>TOTAL BUILDING, YARD, &amp; STP IMPROVEMENTS</b>						
	\$83,354	\$6,274	\$68,620	\$498,000	\$429,380	\$151,974
<b>4 STORAGE TANKS &amp; PUMP STATIONS</b>						
1-6112-24	\$30,003	\$119	\$979	\$275,000	\$274,021	\$30,982
1-6217-20	18,782	1,926	5,747	75,000	69,253	24,530
1-6206-22	0	48,727	176,488	0	(176,488)	176,488
<b>TOTAL STORAGE TANKS &amp; PUMP STATIONS</b>						
	\$48,785	\$50,772	\$183,214	\$350,000	\$166,786	\$232,000
<b>5 RECYCLED WATER</b>						
5-7127-00	\$439,174	\$0	\$115,894	\$125,000	\$9,106	\$555,068
5-6055-01	38,223	0	14,831	0	(\$14,831)	53,054
5-6055-11	91,429	1,116	722,630	3,000,000	2,277,370	814,058
5-6055-12	152,805	116,225	232,439	0	(232,439)	385,244
5-6055-13	124,635	53,265	1,820,932	0	(1,820,932)	1,945,567
5-6055-14	60,319	12,357	463,515	0	(463,515)	523,833
5-6055-20	0	(13,793)	94,867	0	(94,867)	94,867
5-6055-21	0	(308)	32,118	0	(32,118)	32,118
5-6055-01	0	0	788	0	(788)	788
5-6055-11	117,267	36,944	182,322	2,000,000	1,817,678	299,589
5-6055-12	300,707	59,023	250,164	0	(250,164)	550,872
5-6055-13	127,587	238	42,033	0	(42,033)	169,620
5-6055-20	1,338	17,468	95,237	0	(95,237)	96,575

**NORTH MARIN WATER DISTRICT  
CAPITAL IMPROVEMENT PROJECTS  
PERIOD ENDING MARCH 31, 2012**

t:\accountants\financials\stlmfy12\cpm0312.xls\projects

Description	COST THRU		MARCH 2012	FYTD TOTAL	FY 11/12		(OVER)/UNDER	TOTAL COST
	JUNE 2011				BUDGET	BUDGET		
o. RW Expansion S Svc Area-Retrofit-Gov't Property	1,256	780		19,021	0	(19,021)	20,277	
<b>TOTAL RECYCLED WATER</b>	<b>\$1,454,739</b>	<b>\$283,314</b>		<b>\$4,086,792</b>	<b>\$5,125,000</b>	<b>\$1,038,208</b>	<b>\$5,541,531</b>	
<b>6 WEST MARIN WATER SYSTEM</b>								
<i>System Improvements:</i>								
2-6601-32 a. TP Solids Handling & Land Acquisition	\$90,981	\$5,359		\$10,615	\$360,000	\$349,385	\$101,596	
2-6601-34 b. TP RTU Upgrade	0	0		0	20,000	20,000	0	
2-7133-00 c. Viento Way Upsizing	0	0		20,722	21,000	278	20,722	
2-6603-20 d. Pt. Reyes Well #3 Rehab	15,415	13,039		40,529	15,000	(25,529)	55,945	
2-6609-20 e. Pt Reyes Well #4 Construction	0	0		0	0	0	0	
2-6281-21 f. Replace Retaining Wall at PRE 2	28,696	0		16,701	0	(16,701)	45,396	
<b>TOTAL WEST MARIN WATER SYSTEM</b>	<b>\$263,646</b>	<b>\$18,398</b>		<b>\$88,568</b>	<b>\$416,000</b>	<b>\$327,432</b>	<b>\$352,214</b>	
<b>7 OCEANA MARIN SEWER SYSTEM</b>								
8-8672-25 a. Infiltration Study & Repair	\$0	0		\$12,348	\$15,000	\$2,652	\$12,348	
8-7085-01 b. Tahiti Way Lift Pumps Rebuild	0	0		15,691	20,000	4,309	15,691	
8-6001-20 c. Cross Country Sewer Line Rehab	12,546	0		3,844	80,000	76,156	16,390	
<b>TOTAL OCEANA MARIN SEWER SYSTEM</b>	<b>\$12,546</b>	<b>\$0</b>		<b>\$31,884</b>	<b>\$115,000</b>	<b>\$83,116</b>	<b>\$44,430</b>	
<b>TOTAL PROJECT EXPENDITURES</b>	<b>\$2,664,898</b>	<b>\$432,262</b>		<b>\$5,309,287</b>	<b>\$9,892,000</b>	<b>\$4,582,714</b>	<b>\$7,974,185</b>	
<b>8 LESS FUNDED BY GRANTS, LOANS &amp; REIMBURSEMENTS</b>								
<b>(Accrued)/Deferred</b>								
a. RW Expansion - North Service Area Grant <sup>2</sup>	(\$89,504)	(\$182,139)		(\$691,004)	\$0	\$691,004	(\$780,507)	
b. RW - North Service Area Loan <sup>2</sup>	(346,862)	1,788,680		(503,735)	0	503,735	(850,597)	
c. RW Expansion - South Service Area Grant <sup>3</sup>	(131,220)	(23,179)		34,938	0	(34,938)	(96,282)	
d. RW - South Service Area Loan <sup>3</sup>	0	(72,154)		(356,480)	0	356,480	(356,480)	
e. MSN Aqueduct Caltrans Reimb-Segment B1-B3 <sup>5</sup>	(155,730)	(7,714)		(63,438)	0	63,438	(219,168)	
f. AEEP Segment B1-B3	(451,840)	(11,603)		7,794,268	0	(7,794,268)	7,342,428	
<b>FUNDING BY OTHERS (ACCRUED)/DEFERRED</b>	<b>(\$1,175,156)</b>	<b>\$1,491,891</b>		<b>\$6,214,550</b>	<b>\$0</b>	<b>(\$6,214,550)</b>	<b>\$5,039,394</b>	
<b>Received</b>								
g. RW Expansion - North Service Area Grant <sup>2</sup>	\$0	\$0		(\$106,014)	(\$750,000)	(\$643,986)	(\$106,014)	
h. RW - North Service Area Loan <sup>2</sup>	0	(1,925,902)		(1,925,902)	(2,250,000)	(324,098)	(1,925,902)	
i. RW Expansion - South Service Area Grant <sup>3</sup>	0	0		(144,049)	(500,000)	(355,951)	(144,049)	
j. RW - South Service Area Loan <sup>3</sup>	0	0		0	(1,500,000)	(1,500,000)	0	
k. MSN Aqueduct Caltrans Reimb-Segment B1-B3 <sup>5</sup>	0	0		0	0	0	0	
l. AEEP Segment B1-B3	0	0		(8,000,000)	(2,700,000)	5,300,000	(8,000,000)	
<b>FUNDING BY OTHERS RECEIVED</b>	<b>\$0</b>	<b>(\$1,925,902)</b>		<b>(\$10,175,965)</b>	<b>(\$7,700,000)</b>	<b>\$2,475,965</b>	<b>(\$10,175,965)</b>	
<b>NET PROJECT EXPENDITURES</b>	<b>\$1,489,742</b>	<b>(\$1,749)</b>		<b>\$1,347,872</b>	<b>\$2,192,000</b>	<b>\$844,129</b>	<b>\$2,837,614</b>	

**NORTH MARIN WATER DISTRICT  
CAPITAL IMPROVEMENT PROJECTS  
PERIOD ENDING MARCH 31, 2012**

t:\accountants\financials\stnfy12\cpm0312.xls\projects

Description	COST THRU		MARCH 2012	FYTD TOTAL	FY 11/12		(OVER)/UNDER		TOTAL COST
	JUNE 2011				BUDGET	BUDGET			
<b>CIP SUMMARY-GROSS EXPENDITURES:</b>									
Novato Water Capital Projects			Current Month	FYTD Total	FY 11/12 Budget	FYTD/ Budget%			
			\$130,550	\$1,102,044	\$4,236,000	26%			
Novato Recycled Water Capital Projects			\$283,314	\$4,086,792	\$5,125,000	80%			
West Marin Water Capital Projects			\$18,398	\$88,568	\$416,000	21%			
Oceana Marin Sewer Capital Projects			\$0	\$31,884	\$115,000	28%			
<b>Gross Capital Improvement Project Outlays</b>			<b>\$432,262</b>	<b>\$5,309,287</b>	<b>\$9,892,000</b>	<b>54%</b>			
<b>CIP SUMMARY-NET EXPENDITURES:</b>									
Novato Water Capital Projects			Current Month	FYTD Total	FY 11/12 Budget	FYTD/ Budget%			
			\$111,232	\$832,874	\$1,586,000	53%			
Novato Recycled Water Capital Projects			(\$131,380)	\$394,547	\$125,000	316%			
West Marin Water Capital Projects			\$18,398	\$88,568	\$416,000	21%			
Oceana Marin Sewer Capital Projects			\$0	\$31,884	\$115,000	28%			
<b>Net Capital Improvement Project Outlays</b>			<b>(\$1,749)</b>	<b>\$1,347,872</b>	<b>\$2,242,000</b>	<b>60%</b>			

**Notes to Improvement Projects Schedule:**

- (1) To fund the unbudgeted Crest Tank #1 Interior Recoat project, the STP 18" Transmission Line Access/Repair project (\$160,000) and the Service Line Anode Installation project (\$30,000) will be deferred to a future year.
- (2) The District will receive Federal Grant Funding equal to 25% of the project cost less overhead and a low interest State Revolving Fund Loan equal to 75% of the project cost, less 25% of the overhead.
- (3) The District will receive Federal Grant Funding equal to 25% of the project cost and anticipates receiving a low interest State Revolving Fund Loan equal to 75% of the project cost, less 25% of the overhead.
- (4) Non-Grant Funded RWS Expansion Costs will be funded by a low-interest rate State Revolving Fund Loan.
- (5) The District anticipates receiving reimbursement from Caltrans.
- (6) Funding provided by \$8 million Loan from Bank of Marin.

## North Marin Water District Financial Statement Notes

### Note 1 - Restricted Cash

**Connection Fee Fund:** Cash available from collection of Connection Fees. The fee is charged to developers based upon the estimate of cost necessary to construct capacity to serve the new development. These funds are restricted by law for expansion of the water or sewer facilities within the service area where the development occurs. Funds are disbursed from the Connection Fee Reserve as expenditures are incurred to increase system capacity to serve new development. The fund balance accrues interest monthly.

**Wohler Pipeline Financing Fund:** In December 2002 the Sonoma County Water Agency sold \$6.8 million (par) of 30-year revenue bonds to finance the Wohler to Forestville Pipeline. NMWD's share of the debt is \$844,050 ( $\$6,800,000 \times 11.2 / 90.4$ ). In January 2003 the District established this designated cash and corresponding reserve account and transferred \$844,050 of FRC money into the fund. The Wohler Pipeline Financing Fund is credited with interest monthly, and is used to pay the revenue bond debt component of the monthly SCWA invoice for water delivery commencing July 2003.

**Collector #6 Financing Fund:** The Sonoma County Water Agency received a \$15.8 million State Revolving Fund loan commitment at an interest rate of 2.8% repayable over 20 years for construction of Collector #6. NMWD's share of Collector #6 is \$1,950,000 ( $\$15,800,000 \times 11.2 / 90.4$ ). In January 2003 the District established this designated cash and corresponding reserve account and transferred \$1,950,000 of FRC money into the fund. The Collector #6 Financing Fund is credited with interest monthly, and is used to pay the revenue bond debt component of the monthly SCWA invoice for water delivery commencing July 2003.

**Revenue Bond Redemption Fund:** Comprised of one year of debt service as required by West Marin revenue bond covenants. These funds are restricted for payment of bond principal, interest and administration fees. The fund balance does not accrue interest.

**Retiree Medical Benefits Fund:** The District pays the cost of health insurance for retiree (age 55 to 65) and spouse under any group plan offered by PERS. The District's contribution toward the chosen plan is capped in the same manner as all other District employees in the same class. Coverage terminates when the retiree or spouse becomes eligible for Medicare. The retiree must be at least 55 and have a minimum of 12 years of service at the date of retirement. When the retiree or spouse becomes eligible for Medicare, the District pays up to the couple annuitant rate for the rest of the retiree and spouse's lives. In August 2003 the Board of Directors directed staff to transfer \$2.55M (\$2.3M for current retirees plus \$250,000 for future retirees) from unrestricted cash to fund this liability. In 2010 an Actuarial Analysis calculated the District's liability at \$3.5 million. At that time the Board directed staff to add \$1,500 per employee as a payroll cost overhead to be accrued to amortize this liability. This reserve fund accrues interest monthly. Accounting Standards require that the \$3.5M reserve be fully funded in 20 years.

**RWF Replacement Fund:** The State Revolving Fund (SRF) loan agreement required the District to agree to establish and maintain a Water Recycling Capital Reserve Fund (WRCRF) for the expansion, major repair, or replacement of the water recycling facilities. The WRCRF is maintained in compliance with the "Policy for Implementing the State Revolving fund for Construction of Wastewater Treatment Facilities" in effect at the time the agreement was signed by the District. The September 2003 Recycled Water Master Plan prepared by Nute Engineering recommended limiting the reserve to fund replacement of the RWF electrical and mechanical equipment (including transmission pumps) as they wear out. The cost of said equipment was \$1,483,000 which, at Nute's recommended 6% interest rate factor and 25-year life, renders an annual funding requirement \$115,000. The fund balance accrues interest monthly.

**West Marin Tax Proceeds – Marin County Treasury:** Balance of tax proceeds collected and disbursed by the County of Marin for repayment of the Olema (OL-2) and Point Reyes (PR-3) general obligation bond debt. The County credits interest to these funds quarterly.

### Note 2 - Designated Cash

**Liability Contingency Fund:** Established in 1986 when the District first elected to self-insure its general liability risk. This reserve was funded with \$1 million initially and \$200,000 annually thereafter until it reached a balance of \$2 million. Commencing FY93, \$1 million of the reserve was made available to fund loans to eligible employees under the District's Employer Assisted Housing Program. In FY98 the West Marin Water

System was included in the fund and built-up a proportional reserve of \$74,000 over several years. In March 2005, \$652,400 was expended from the fund to purchase a home at 25 Giacomini Road in Point Reyes Station. The home is rented to an employee who provides after-hours presence in the community to respond to emergencies. In 2006, \$8,885 was added from the sale of surplus property in West Marin. In August 2008 \$500,000 was transferred to this reserve from the Self-Insured Workers' Compensation Fund and made available to fund Employer Assisted Housing Program loans. The fund balance does not accrue interest

**Self-Insured Workers' Compensation Fund:** Commencing July 2011, the District began self-insuring its workers' compensation liability. The savings accrued through self-insuring the liability is reserved in this fund for possible future claims expense. The District carries a workers' compensation excess policy for claims that exceed \$750,000. See table on page 21.

**Drought Contingency (Rate Stabilization) Fund:** In August 2008, the Board directed staff to establish this reserve with \$135,000 from the Self-Insured Workers' Compensation Fund for the Novato district to draw upon during dry years. A threshold of 3.2 billion gallons of potable consumption was established as a benchmark for 'normal' years. During any fiscal year that water sales volume exceeds 3.2BG, the incremental revenue generated is deposited into the Drought Contingency Reserve. In those years when sales volume falls below the benchmark, funds are withdrawn from the reserve to maintain the budgeted revenue forecast. The goal is to build a reserve equal to 20% (currently \$2,000,000) of budgeted annual water sales. In FY09 \$50,335 was added to the reserve. The fund balance accrues interest monthly. The fund was expended in FY10.

**Maintenance Accrual Fund:** Established in FY91 to provide a source of maintenance money for replacement of treatment, storage, transmission and distribution facilities as they wear out. The annual contribution from operating reserves was initially \$200,000. Net polybutylene claim settlement proceeds of \$671,060 were closed into the fund in FY 93. In FY 94 the annual contribution was reduced to \$100,000. The District's goal is to build a reserve equal to 10% of the net book value of Novato's existing plant, currently \$6.8M. Funds are borrowed from the Maintenance Accrual Fund to offset the shortfall in unrestricted Cash & Investments. The fund balance does not accrue interest.

**Conservation Incentive Rate Fund:** In 2004 and 2005, a Conservation Incentive Tier Rate was enacted in Novato and West Marin respectively. Monies derived from this tier-rate charge are set aside in the Conservation Incentive Rate Reserve, and used for conservation programs designated by the Board. The fund balance accrues interest monthly.

**Operating Reserve:** This reserve, comprised of four months of budgeted operating expenditures as recommended by the District's financial advisors, serves to ensure adequate working capital for operating, capital, and unanticipated cash flow needs that arise during the year. The fund balance does not accrue interest.

### **Note 3 – Employee Loans**

**Housing Loans:** The District's Employer Assisted Housing Program allows up to \$300,000 to be loaned to an employee for a period of up to 15 years for the purchase of a home within the District service territory that will enable the employee to respond rapidly to emergencies affecting the operation of the District. Repayment is due upon sale, termination of employment, or other event as described in the Program. Interest on the loan is contingent upon and directly proportional to the appreciation in value occurring on the purchased property. There are eight employee-housing loans currently outstanding totaling \$1,441,785: a \$250,000 loan dated August 2004, a \$39,200 loan dated September 2004, a \$300,000 loan dated October 2006, a \$140,000 loan dated September 2007, a \$150,000 loan dated November 2007, a \$125,000 loan dated July 2008, a \$192,585 loan dated October 2008, and a \$245,000 loan dated June 28, 2010.

**Personal Computer Loans:** Up to \$3,500 may be loaned to an employee for a period of up to 36 months under the District's Personal Computer Loan Program. Loans are repaid with interest at the rate earned on the District's investment portfolio at the time of the loan plus one percent. Currently there are 8 employee loans outstanding totaling \$7,934.

### **Note 4 – Purchased Water Capital Component**

In 2003 the Sonoma County Water Agency issued \$6.8 million in 30-year 4.75% revenue bonds to finance the Wohler to Forestville pipeline. That same year the Agency received a \$15.8 million 2.8% 20-year State Revolving Fund loan to finance construction of Collector #6. For these two projects the District pays the Agency a debt amortization surcharge incorporated into its purchased water cost. The FY12 Purchased Water

Capital Cost Component is \$225,000, which is the District's share of the annual debt service for these projects, and is paid as a \$111.31/MG surcharge, based on budgeted water deliveries. The Purchased Water Capital Component is funded from Restricted Cash Reserves established to amortize this debt (see Note 1).

**Note 5 – Depreciation**

Assets are assigned a useful life based on consultations with the District Chief Engineer and a survey of other water agencies. Depreciation is computed on a straight-line basis over the estimated useful life of the various classes of property as follows:

Aqueduct	150 Years
Dam	100 Years
STP & RWF Structures	40 Years
STP & RWF Mains	50 Years
STP & RWF Pumping Equipment	25 Years
STP & RWF Water Treatment Equipment	20 Years
Storage, Transmission Facilities	50 Years
Distribution Facilities	50 Years
Buildings	35 Years
Office, Laboratory, Construction, Shop Equipment, Tools	10 Years
Vehicles 1 ton & greater	10 Years
All other vehicles	5 Years
Sewer Mains	40 Years
Sewer Pumps	10 Years

**Note 6 - Capitalization Policy**

The Government Finance Officers Association *Guide for State and Local Governments* recommends that a capitalization policy incorporate a minimum threshold of \$5,000 and an estimated useful life of at least two years. It also cautions that federal grant and loan requirements prevent the use of capitalization thresholds in excess of \$5,000. Thus NMWD's capitalization threshold is \$5,000.

**Note 7 – Bond & Loan Servicing Schedule for Fiscal Year 2011-2012**

Service Area	Description	Issue Date	Rate	Original Amount	Payment Due	Final Pmt	FY12		6/30/12 Outstanding Balance
							Interest	Principal	
1 Novato	EDA Loan	1977	5.0%	\$351,770	7/1	7/1/17	\$5,327	\$13,097	\$93,437
2 Novato	SRF Loan - STP	2004	2.39%	\$16,528,850	7/1 & 1/1	7/1/29	\$359,366	\$685,108	\$14,521,404
3 Novato	AEEP Loan	2011	3.42%	\$8,000,000	27 <sup>th</sup> /mo	10/27/31	\$180,866	\$187,668	\$7,812,332
							\$545,559	\$885,873	\$22,427,173
4 RWF	SRF Loan	2006	2.4%	\$4,302,560	6/19	6/19/27	\$86,322	\$187,045	\$3,409,691
5 Point Reyes	PR-3 GO	1973	5.0%	\$250,000	1/1	1/1/13	\$1,350	\$13,000	\$14,000
6 Olema	OL-2 GO	1975	5.0%	\$70,000	1/1	1/1/15	\$729	\$3,384	\$11,203
7 Point Reyes	EDA Loan	1977	5.0%	\$46,000	7/1	7/1/17	\$758	\$1,945	\$13,217
8 PRE	PRE-1 Revenue	1980	5.0%	\$240,000	10/1 & 4/1	4/1/20	\$5,050	\$9,000	\$92,000
9 Point Reyes	PR-6 Revenue	1981	5.0%	\$217,800	7/1 & 1/1	7/1/21	\$5,200	\$8,000	\$100,000
							\$13,087	\$35,329	\$230,420
<b>Total</b>							<b>\$644,968</b>	<b>\$1,108,247</b>	<b>\$26,067,284</b>



1. In 1977 the Federal Economic Development Administration issued a 40-year 5% loan of \$351,770 to assist in the funding emergency Novato Water system projects in response to the drought.
2. In April 2004 the California State Department of Water Resources approved a 2.39% 20-year loan for reconstruction of the Stafford Water Treatment Plant. The project was completed in FY09 with repair of the Outlet Tower Sluice Gate. Interest paid during construction totaled \$1,636,378. The loan covenants require an annual reserve fund contribution of \$104,447 (10% of the annual debt service obligation) be deposited into the Marin County Treasury during each of the first ten years of the repayment period. Debt service is funded 25% by Facility Reserve Charges.
3. In October 2011 Bank of Marin made a 20-year 3.42% loan of \$8 million to fund the District's share of the Aqueduct Energy Efficiency Project. See Note 16.
4. In August 2006 the California State Department of Water Resources approved a 2.4% 20-year loan of \$4,264,545 for construction of the Deer Island Recycled Water Facility. The project was completed in June 2007, and the first payment was made June 19, 2008.
5. In November of 1970, by a 70% "yes" vote, voters approved the formation of the PR-3 improvement district and a bonded indebtedness of \$250,000 to acquire and improve the Inverness Park and Point Reyes Water Companies. On 9/5/73 the bond issue was purchased in its entirety by the U.S. Department of Agriculture, Farmers Home Administration Rural Development Administration, on a 5%, 40-year payback basis. System upgrades included replacement of a major portion of the distribution facilities, installation of a treatment plant, addition of a 100,000-gallon storage tank in Point Reyes Station and connection of the Inverness Park System to the Point Reyes Station water source (Lagunitas Creek).
6. In June 1973, after petition and creation of an improvement district (OL-1) for the investigation of water service to Olema and the Point Reyes National Seashore Headquarters, Olema voters, by a 92% "yes" vote, approved formation of an improvement district (OL-2) and a bonded debt of \$70,000 to acquire and improve the Olema Water Company owned by W. Robert Phillips and others and to service that area. The Farmers Home Administration purchased the 1975 bond issue in its entirety. On 6/1/91, at the demand of the FHA, the Novato Water District repurchased the remaining \$56,760 balance in the Olema bond debt. The interest rate paid to Novato Water on the OL-2 bond was thereafter reset to the higher of the rate earned by the District treasury or the stated rate of 5%.
7. In 1977 the Federal Economic Development Administration issued a 40-year 5% loan of \$46,000 to assist in the funding emergency West Marin Water system projects, including temporary diversions from Bear Valley Creek and Lagunitas Creek in response to the drought.
8. The Paradise Ranch Estates private water system was created by David Adams and Sons in 1952 to provide water to 85 homes in the PRE subdivision located north of Inverness Park. Problems with water quality and quantity developed and in 1969 the Marin County Health Department issued a boil-water order to all customers of the company. In 1972 the County declared a moratorium on issuance of building permits. A suit by property owners resulted in an agreement reached in Marin Superior Court in late 1978 directing Adams to finance a District feasibility study for the takeover of the system. This culminated in formation of Improvement District PRE-1 and an election authorizing issue of \$240,000 of 5% 40-year revenue bonds, which, in conjunction with a \$720,000 Farmers Home Administration grant, financed system rehabilitation. Service was provided from the Point Reyes System by installation of an additional well, expansion of the treatment plant, and a 6-inch pipeline connection at the Inverness Park pump station extending 1.6 miles along Sir Francis Drake Boulevard to the newly reconstructed Paradise Ranch Estates distribution system. On 4/22/80 the USDA purchased the revenue bond issue in its entirety.
9. In 1981 work commenced on rehabilitating the Point Reyes Inverness Park water system. 18,865 feet of pipeline was either replaced or installed, a 300,000-gallon tank was added in Point Reyes Station and a 100,000-gallon tank was added in Inverness Park. Total cost of these improvements was \$820,015. A 72% grant combined with a \$217,800 5% 40-year revenue bond acquired 8/28/81 by the Farmers Home Administration financed the project.

#### **Note 8 – Unemployment Insurance Reserve**

NMWD uses the "Reimbursable Method" of paying for Unemployment Costs. Under this method, the District reimburses the State Employment Development Department for all unemployment benefits paid on our behalf. The reserve is maintained at an amount equal to the higher of the average claim amount paid over the last 5

years or 52 times the maximum weekly benefit amount (currently  $\$450 \times 52 = \$23,400$ ).

#### **Note 9 – Employee Dental Reserve**

Since 1980 the District has self-insured its employee dental plan. One half of the savings accrued through self-insuring the plan are contributed by the District to the employee dental reserve to pay for dental benefits not covered in the basic plan, such as 100% coverage for crown, bridge, & denture work, \$1,000 of orthodontia, and two additional cleanings (total 4) per year.

#### **Note 10 – Payroll Benefits**

Payroll Benefits payable includes payroll taxes; vacation, sick, and holiday leave; Section 125 payments; cancer, long term care and disability insurance premiums; union dues; and employee benefit fund.

#### **Note 11 - Interest Policy on Inter-District Loans**

In the event an improvement district expends all of its Undesignated Funds, it shall borrow funds from that improvement district's Board Designated Fund reserves to meet ongoing requirements. In the event an improvement district expends all of its Board Designated Fund reserves, it may receive a loan from the Novato Improvement District in an amount sufficient to meet its ongoing requirements. Restricted Funds shall not be used to finance ongoing normal operating expenses.

No interest shall be paid by an improvement district on funds borrowed from that improvement district's Board Designated Fund reserves. Interest on loans from the Novato Improvement District shall be paid by the recipient district to the Novato district based upon the outstanding loan balance at the close of the previous accounting period. Interest shall be calculated at the average interest rate earned on the District treasury since the close of the previous accounting period plus \$50 per month.

#### **Note 12 – Budget Augmentations**

#### **Note 13 – Prior Period Adjustment**

The threshold for prior period adjustments is determined using the guidelines from the *GCX-8 Planning Materiality Worksheet for Governmental Engagements*. The limit for FY2012 is \$71,000.

#### **Note 14 – CalPERS Unfunded Pension Liability**

NMWD is one of 164 agencies assigned by CalPERS to a pooled-risk group of agencies having less than 100 employees that participate in the 2.5% at 55 benefit plan. The funded ratio for this pool was 63.9% at June 30, 2010 (the most recent data available). The unfunded liability for the combined 164 agencies was \$369M. Based on NMWD's payroll as a percent of total payroll of the 164 agencies, NMWD's share of the unfunded liability was about \$4.2M.

#### **Note 15 – Explanation of Financial Statement Components**

The District's financial statement is comprised of four components: 1) Statement of Net Assets, 2) Sources and Uses of Funds Statement – All Service Areas Combined, 3) Income Statement and Cash Flow by Service Area, and 4) Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**The Statement of Net Assets** (page 4) reports the District's assets and liabilities and provides information about the nature and amount of investments in resources (assets) and the obligations to the District's creditors (liabilities). The difference between assets and liabilities is reported as *net assets*. Over time, increases or decreases in the fund balance may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

**The Sources and Uses of Funds Statement – All Service Areas Combined** (page 8) compares fiscal year-to-date performance against the Board approved annual budget – presented in the adopted budget format. This Sources and Uses of Funds Statement varies from the income statement in that it includes capital expenditures, debt principal repayment, connection fee revenue, and cash infusions from debt issuance.

**The Income Statement and Cash Flow by Service Area** (page 9) presents the net income (loss) for the

fiscal year-to-date (FYTD) period for each of the District's four service areas. The income and expenses on this report are presented in conformity with Generally Accepted Accounting Principals (GAAP) and comply with Governmental Accounting Standards Board pronouncements. Accordingly, all income and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement measures the success of each service area's operations and can be used to determine whether the service area has successfully recovered all costs through user fees and other charges.

Also included at the bottom of page 9 is a statement of Cash Flow by Service Area. The primary purpose of this statement is to reconcile in an informative manner the difference between the net income/(loss) for the period of each service area with the resultant change in cash balance that occurred over the same period.

**Notes to the Financial Statements** (page 31) provide a summary of significant accounting policies and assumptions and other information of value to the financial statement reader.

**Other Supplementary Information** includes Detail Income Statements presented in accordance with GAAP for each of the four service areas (pages 10, 14, 16, 19). These statements present income and expenditures in close detail for further analysis. Other supplementary schedules of note include the Vehicle Fleet Analysis (page 24), Equipment Expenditures (page 26) and Capital Improvement Project Expenditures (page 27), which show outlays to date, compared with budget authority.

**Note 16 –Bank of Marin Aqueduct Energy Efficiency Project Loan Covenant**

Per the loan agreement dated October 27, 2011, each June 30, beginning June 30, 2012, the Debt Service Coverage Ratio shall not be less than 1.2 to 1.

"Debt Service Coverage Ratio" shall mean the ratio of (i) Borrower's change in net assets plus interest, depreciation, and amortization during the fiscal-year period ending on the Determination Date to the sum of the scheduled principal and interest payments on the Loan during the twelve-month period following the Determination Date.

Change in Net Assets	\$1,962,459
Interest Expense	641,387
Depreciation & Amortization	<u>2,012,175</u>
TOTAL	\$4,616,021
 Annual Loan Interest & Principal	 \$552,800
 <b>Coverage Ratio</b>	 <b><u>8.4</u></b>

**Note 17 –Connection Fee Transfers from Novato Water To Recycled Water**

The following Connection Fee (FRC) amounts have been transferred to the Recycled Water fund:

	<u>Expansion Local Share</u>		SRF RWF Loan	TOTAL	Transfer Executed
	South	North			
FY07			\$29,725	\$29,725	
FY08			\$50,478	\$73,273	
FY09			\$150,455	\$173,250	
FY10	\$133,659		\$75,198	\$231,652	\$133,659
FY11			\$133,319	\$156,114	
FY12	\$233,478	\$265,500	\$115,882	\$614,860	\$1,145,215
	<b><u>\$367,137</u></b>	<b><u>\$265,500</u></b>	<b><u>\$555,057</u></b>	<b><u>\$1,278,874</u></b>	<b><u>\$1,278,874</u></b>

6

**NORTH MARIN WATER DISTRICT**  
**MONTHLY PROGRESS REPORT FOR March 2012**  
 April 17, 2012

1.

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

Month	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	12 vs 11 %
July	371	379	360	419	417	-2%
August	373	368	367	417	416	1%
September	347	358	335	393	374	-3%
October	249	278	233	313	268	-10%
November	183	164	176	173	208	12%
December	156	141	149	143	164	11%
January	178	146	140	107*	156	22%
Marchruary	147	134	124	136	142	10%
March	157	151	152	150	206	4%
<b>FYTD Total</b>	<b>2,161</b>	<b>2,119</b>	<b>2,036</b>	<b>2,251</b>	<b>2,350</b>	<b>2%</b>

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

Month	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	12 vs 11 %
July	9.2	9.9	10.0	11.8	11.5	-7%
August	9.4	9.9	10.6	11.9	11.5	-5%
September	8.7	9.2	9.6	10.2	9.8	-5%
October	6.5	7.8	6.9	9.8	7.4	-16%
November	5.1	4.9	5.6	7.2	6.9	4%
December	4.9	4.8	4.5	6.9	5.8	3%
January	4.8	4.3	4.2	6.4	7.1	10%
Marchruary	4.5	3.9	3.9	5.5	4.6	14%
March	4.4	5.6	5.7	5.6	6.1	-21%
<b>FYTD Total</b>	<b>57.6</b>	<b>60.4</b>	<b>60.8</b>	<b>75.3</b>	<b>70.6</b>	<b>-5%</b>

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

Month	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	12 vs 11 %
July	115	109	152	131	131	6%
August	126	108	150	128	121	17%
September	77	112	155	117	106	-32%
October	113	111	80	81	75	2%
November	106	95	0	0	30	11%
December	49	0	0	0	11	-
January	0	0	0	0	0	-
February	0	0	0	0	0	-
March	0	52	32	0	0	-
<b>FYTD Total</b>	<b>586</b>	<b>588</b>	<b>569</b>	<b>458</b>	<b>473</b>	<b>0%</b>

**Recycled Water Production - in Million Gallons - FY to Date**

Month	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	12 vs 11 %
July	11.0	11.9	12.0	13.6	13.4	-8%
August	12.2	11.2	12.9	13.6	12.7	9%
September	9.6	9.5	10.2	10.9	9.4	1%
October	0.0	2.6	2.6	6.4	2.7	-
November	0.0	0.0	0.0	0.0	0.0	-
December	0.0	0.0	0.0	0.0	0.0	-
January	0.0	0.0	0.0	0.0	0.0	-
Marchruary	0.0	0.0	0.0	0.0	0.0	-
March	0.0	0.0	0.0	0.0	0.1	-
<b>FYTD Total</b>	<b>32.8</b>	<b>35.2</b>	<b>37.7</b>	<b>44.5</b>	<b>38.3</b>	<b>-7%</b>

**2. Stafford Lake Data**

	<b>March Normal</b>	<b>March 2011</b>	<b>March 2012</b>
Rainfall this month	3.6 Inches	8.4 Inches	6.0 Inches
Rainfall this FY to date	26.1 Inches	29.1 Inches	15.9 Inches
Lake elevation*	190.6 Feet	196.5 Feet	188.1 Feet
Lake storage**	1,021 MG	1,431 MG	864 MG

\* Spillway elevation is 196.0 feet

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

**Temperature (in degrees)**

	<b>Minimum</b>	<b>Maximum</b>	<b>Average</b>
March 2011	39	88	53
March 2012 (STP)	39	76	60
March 2012 (Novato)	34	85	57

**3. Number of Services**

<b>March 31</b>	<b>Novato Water</b>			<b>Recycled Water</b>			<b>West Marin Wtr</b>			<b>Oceana Marin Swr</b>		
	FY12	FY11	Incr %	FY12	FY11	Incr %	FY12	FY11	Incr %	FY12	FY11	Incr %
Total meters installed	20,746	20,737	0.0%	2	3	-33%	820	815	0.6%	-	-	-
Total meters active	20,479	20,463	0.1%	2	3	-33%	777	769	1.0%	-	-	-
Active dwelling units	23,869	23,857	0.1%	0	0	-	807	802	0.6%	227	227	0.0%

**4. Oceana Marin Monthly Status Report (March)**

<b>Description</b>	<b>FY 10-11</b>	<b>FY 11-12</b>
Effluent Flow Volume (MG)	1.1	0.77
Irrigation Field Discharge (MG)	1.2	0
Treatment Pond Freeboard (ft)	2.6	3.4
Storage Pond Freeboard (ft)	2.3	4.0

**5. Developer Projects Status Report (March)**

<b>Job No.</b>	<b>Project</b>	<b>% Complete</b>	<b>% This month</b>
2754	Hamilton Elementary	75	5

**District Projects Status Report - Const Dept (March)**

<b>Job No.</b>	<b>Project</b>	<b>% Complete</b>	<b>% This month</b>
7007.06	Detector check Assembly Replacement	70	5
7123.09	PB Replacement - Lea Dr	100	5
8716.08	City Paving Coordination	75	8
7131.00	Center Rd Line Conflict	10	10
7123.08	PB Replacement- Glen Hill Ct	100	25
8677.18	Flushing Taps at Zone Valves	50	50
7123.06	PB Replacements - Cavalla Cay	90	90

**Employee Hours to Date, FY 11/12**

As of Pay Period Ending March 31, 2012

Percent of Fiscal Year Passed = 75%

Developer Projects	Actual	Budget	% YTD Budget	District Projects		Actual	Budget	% YTD Budget
Construction	1,352	1,800	75	Construction	3,585	4,944	73	
Engineering	715	1,393	51	Engineering	4,203	5,564	76	

**6. Safety/Liability**

	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) (\$)
FY through March 12	17	7,208	1	1	2	2,994
FY through March 11	8	3,024	2	2	5	9,619

Days without a lost time accident through March 31, 2012 = 78 days

**7. Energy Cost**

FYE		February			Fiscal Year-to-Date thru February		
		Kwh	¢/Kwh	Cost/Day	Kwh	¢/Kwh	Cost/Day
2012	Stafford TP	16,571	13.5¢	\$70	595,213	15.5¢	\$378
	Pumping	74,319	14.9¢	\$368	1,010,612	14.6¢	\$596
	Other*	34,381	17.1¢	\$202	311,779	19.1¢	\$234
		125,271	15.3¢	\$599	1,917,604	15.6¢	\$1,176
2011	Stafford TP	24,343	13.6¢	\$103	577,045	15.9¢	\$375
	Pumping	91,457	14.8¢	\$315	977,423	14.5¢	\$549
	Other*	37,930	16.9¢	\$195	319,289	19.2¢	\$251
		53,730	15.1¢	\$597	1,873,757	15.8¢	\$1,163
2010	Stafford TP	34,506	15.0¢	\$157	567,961	15.8¢	\$323
	Pumping	72,569	14.8¢	\$316	898,287	14.9¢	\$537
	Other*	33,629	16.7¢	\$181	322,114	18.6¢	\$248
		140,704	15.3¢	\$653	1,788,362	15.9¢	\$1,110

\*Other includes West Marin Facilities

t:\excel\pp&e\pg&ecb.xls\mo rpt

**8. Water Conservation Update (March)**

	Month of March 2012	FY to Date	Program Total to Date
High Efficiency Toilet (HET) Rebate (\$150 each)	15	180	2366
Retrofit Certificates Filed	23	190	4373
Cash for Grass Rebates Paid Out	1	33	482
Washing Machine Rebates	16	245	5832
Water Smart Home Survey	27	221	1178

# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Order March 2012

Prepared: 04/06/12

<u>Type</u>	<u>Mar-12</u>	<u>Mar-11</u>	<u>Action Taken March 2012</u>
<b><u>Consumers' System Problems</u></b>			
Consumer Service Line Leaks	13	13	Notified Customer
Meter Leak Consumer's Side	0	0	~
House Plumbing	0	0	~
Noisy Plumbing	0	0	~
Seepage or Other	0	0	~
House Valve / Meter Off	10	9	Turned Back On
Nothing Found	1	7	Notified Customer
Low Pressure	1	0	Pressure at 70 PSI. Valve not turned all the way.
High Pressure	1	0	Pressure at 120 PSI. PRV needs to be replaced.
Water Waster Complaints	0	0	~
<b>Total</b>	<b>26</b>	<b>29</b>	
<b><u>Service Repair Reports</u></b>			
Register Replacements	0	0	~
Meter Replacement	1	0	Replaced
Meter Box Alignment	0	0	~
Meter Noise	0	0	~
Dual Service Noise	0	0	~
Box and Lids	0	1	~
Water Off/On Due To Repairs	2	5	Notified Customer
Misc. Field Investigation	2	4	Notified Customer
<b>Total</b>	<b>5</b>	<b>10</b>	
<b><u>Leak Complaints</u></b>			
Main-Leak	0	0	~
Mains-Nothing Found	0	0	~
Mains-Damage	0	0	~
Service- Leak	3	10	Repaired
Services-Nothing Found	5	1	Notified Customer
Service-Damaged	0	0	~
Fire Hydrant-Leak	1	6	Repaired
Fire Hydrants-Nothing Found	0	0	~
Fire Hydrants-Damaged	0	1	~
Meter Replacement	0	0	~
Meters-Leak	0	0	~
Meters-Nothing Found	0	0	~
Meters Damaged	0	0	~
Washer Leaks	2	6	Replaced
<b>Total</b>	<b>11</b>	<b>24</b>	
<b><u>High Bill Complaints</u></b>			
Consumer Leaks	4	13	Notified Customer
Meter Testing	0	0	~
Meter Misread	2	2	Notified Customer
Nothing Found	12	10	Notified Customer
Projected Consumption	0	0	~
Excessive Irrigation	0	0	~
<b>Total</b>	<b>18</b>	<b>25</b>	



# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Order March 2012

Prepared: 04/06/12

<u>Type</u>	<u>Mar-12</u>	<u>Mar-11</u>	<u>Action Taken March 2012</u>	
<b><u>Low Bill Reports</u></b>				
Meter Misread	0	0	~	
Stuck Meter	0	0	~	
Nothing Found	0	1	~	
Projected Consumption	0	0	~	
Minimum Charge Only	0	0	~	
<b>Total</b>	<b>0</b>	<b>1</b>		
<b><u>Water Quality Complaints</u></b>				
Taste and Odor	0	2	~	
Color	0	0	~	
Turbidity	0	0	~	
Suspended Solids	0	0	~	
Other	0	1	~	
<b>Total</b>	<b>0</b>	<b>3</b>		
	<b>60</b>	<b>92</b>	<b>-35%</b>	
<b><u>Fiscal YTD Summary</u></b>				
Consumer's System Problems	301	248	21%	Increase In Consumer Line Leaks
Service Repair Report	79	132	-40%	Decrease In Replaced Box & Lid
Leak Complaints	217	211	3%	Increase In Service Leaks
High Bill Complaints	316	421	-25%	Decrease In Nothing Found
Low Bills	8	7	14%	Increase In Stuck Meter
Water Quality Complaints	41	47	-13%	Decrease In Color
<b>Total</b>	<b>962</b>	<b>1,066</b>	<b>-10%</b>	

# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Order March 2012

Prepared: 04/06/12

<u>Type</u>	<u>Mar-12</u>	<u>Mar-11</u>	<u>Action Taken March 2012</u>
<b><u>"In House" Generated and</u></b>			
<b><u>Completed Work Orders</u></b>			
<b><u>Check Meter:</u></b> possible consumer/District leak, high bill, flooded, need read, etc.	192	231	
<b><u>Change Meter:</u></b> leaks, hard to read	8	6	
<b><u>Possible Stuck Meter</u></b>	2	12	
<b><u>Repair Meter:</u></b> registers, shut offs	0	0	
<b><u>Replace Boxes/Lids</u></b>	10	69	
<b><u>Hydrant Leaks</u></b>	0	0	
<b><u>Trims</u></b>	50	44	
<b><u>Dig Outs</u></b>	57	192	
<b><u>Letters to Consumer:</u></b> meter obstruction, trims, bees, gate access, etc.	0	0	
<b><u>Misc:</u></b> locate meter, get meter number, cross connection follow ups, kill service, etc.	0	0	
	<b>319</b>	<b>554</b>	

### **Bill Adjustments Under Board Policy:**

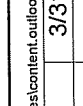
#### **March 12 vs. March 11**

Mar-12	34	\$6,472
Mar-11	30	\$6,046

#### **Fiscal Year to Date vs. Prior FYTD**

11/12 FYTD	252	\$57,055
10/11 FYTD	245	\$68,390

t:\cons srvc\complaint report\complain 12.xls]mar12



Category	Response			Grand Total
	Agree	Neutral	Disagree	
<b>Water Quality</b>				
Courteous & Helpful	2			
Accurate Information	2			
Prompt Service	2			
Satisfactorily Resolved	2			
Overall Experience	10	0	0	
<hr/>				
<b>Leak</b>				
Agree	15	1		
Neutral				
Disagree				
Overall Experience	14	1		
Satisfactorily Resolved	14	1		
Overall Experience	14	1		
Overall Experience	72	3	0	
<hr/>				
<b>Billing</b>				
Agree	4			
Neutral				
Disagree				
Overall Experience	4			
Courteous & Helpful	4			
Accurate Information	4			
Prompt Service	5			
Satisfactorily Resolved	4	1		
Overall Experience	4			
Overall Experience	21	1	0	
<hr/>				
<b>Grand Total</b>	128	4	0	
	97%	3%	0%	
<hr/>				
Questionnaires Sent Out	288	100%		
Questionnaires Returned	41	14%		

**Customer Service Questionnaire Quarterly Report**  
 Quarter Ending 03/31/12

C:\Users\jroberts\appdata\local\microsoft\windows\temporary internet files\content\outlook\60687\9n1\customer service question rep mar12.xls\comments

**Issues NIMWD Should Address In The Future**

**Staff Response to Negative Comments**

**Customer Comments**

**Water Quality**

Very professional & eager to help.

**Leaks**

The men were very helpful & found the leak. Thank you so much for notifying me of the leak. Outstanding. He did more than what he was required.

Corey was prompt and reassuring.

Great Help! Thanks. Miguel was terrific.

The men who came on Christmas day were nice.

The repair was quick & they were courteous.

Good job.

Your technician "Darrell" was prompt & courteous.

He explained the problem & should be commended.

Efficient, polite & competent technician.

**Billing**

Miguel did a great job.

Thank you for your time & attention.

You have a great staff. I recommend you keep them.

**Other**

**Pressure**

Extremely courteous. Explained the problem & took his time to make sure I understood. Thanks for fixing my valve.

Build more storage facilities. This county is not getting smaller.

## MEMORANDUM

To: Board of Directors

April 13, 2012

From: David L. Bentley, Auditor-Controller

Subj: Auditor-Controller's Monthly Report of Investments for March 2012

t:\aclword\invest\12\investment report 0312.doc

**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$12,301,970 (which includes an \$8 million loan from Bank of Marin acquired in October to pay for the Aqueduct Energy Efficiency Project) and a market value of \$12,320,961. During March the cash balance increased by \$1,366,821, due to receipt of \$1.9 million in SRF loan proceeds received toward expansion of the District's Recycled Water System. For the fiscal year, the cash balance increased \$7,927,999. The market value of securities held increased by \$2,154 during the month. The ratio of total cash to budgeted annual operating expense, excluding the \$7,123,260 unexpended balance of the Bank of Marin loan, stood at 43%, up 12% from the prior month. This compares to the District's target ratio of 90%, or \$11 million.

At March 31, 2012, 89% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), and 8% in a Time Certificate of Deposit placed in a Novato bank. The weighted average maturity for the portfolio was 36 days, compared to 43 days at the end of last month. The LAIF interest rate for the month was 0.38%, compared to 0.39% the previous month. The weighted average Portfolio rate was 0.44%, compared to 0.45% in the previous month. The District earned \$13,893 interest revenue during March with 61% earned by Novato Water and the balance distributed to the other improvement districts.

State Controller John Chiang's March report on California's financial position stated: "While revenues continue to fall short, the months ahead will be far more important to the State's finances. More than 35 percent of all revenues are expected in the next three months, making this the most important period for tax collection in the fiscal year."

The State ended last fiscal year with a deficit of \$8.2 billion. The combined current-year cash deficit stands at \$21.5 billion. Those deficits are being covered with \$15.1 billion of internal borrowing (temporary loans from special funds) and \$6.4 billion of external borrowing.

**NORTH MARIN WATER DISTRICT  
AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS  
March 31, 2012**

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis <sup>1</sup>	3/31/2012 Market Value	Yield <sup>2</sup>	% of Portfolio
<b>LAIF</b>	State of CA Treasury	A	Various	Open	\$10,960,239	\$10,978,345	0.38% <sup>3</sup>	89%
<b>Time Certificate of Deposit</b>								
TCD	Bank of Marin	n/a	6/3/11	6/3/13	\$1,000,000	\$1,000,000	1.00%	8%
<b>Other</b>								
Agency	Marin Co Treasury	AA+	Various	Open	\$276,028	\$276,028	0.45%	2%
Bond	Olema G.O. Bond	A+	5/31/91	1/1/15	11,213	12,099	5.00%	0%
Other	Various	n/a	Various	Open	54,489	54,489	0.00%	0%
<b>TOTAL IN PORTFOLIO</b>					<b>\$12,301,970</b>	<b>\$12,320,961</b>	<b>0.44%</b>	<b>100%</b>

Weighted Avg. Maturity = 36 Days

LAIF: State of California Local Agency Investment Fund.

Agency: West Marin General Obligation Bond Fund tax receipts & STP State Revolving Fund Loan Reserve.

Bond: Annual \$4,113 payment is paid by tax levy on Olema residents.

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.

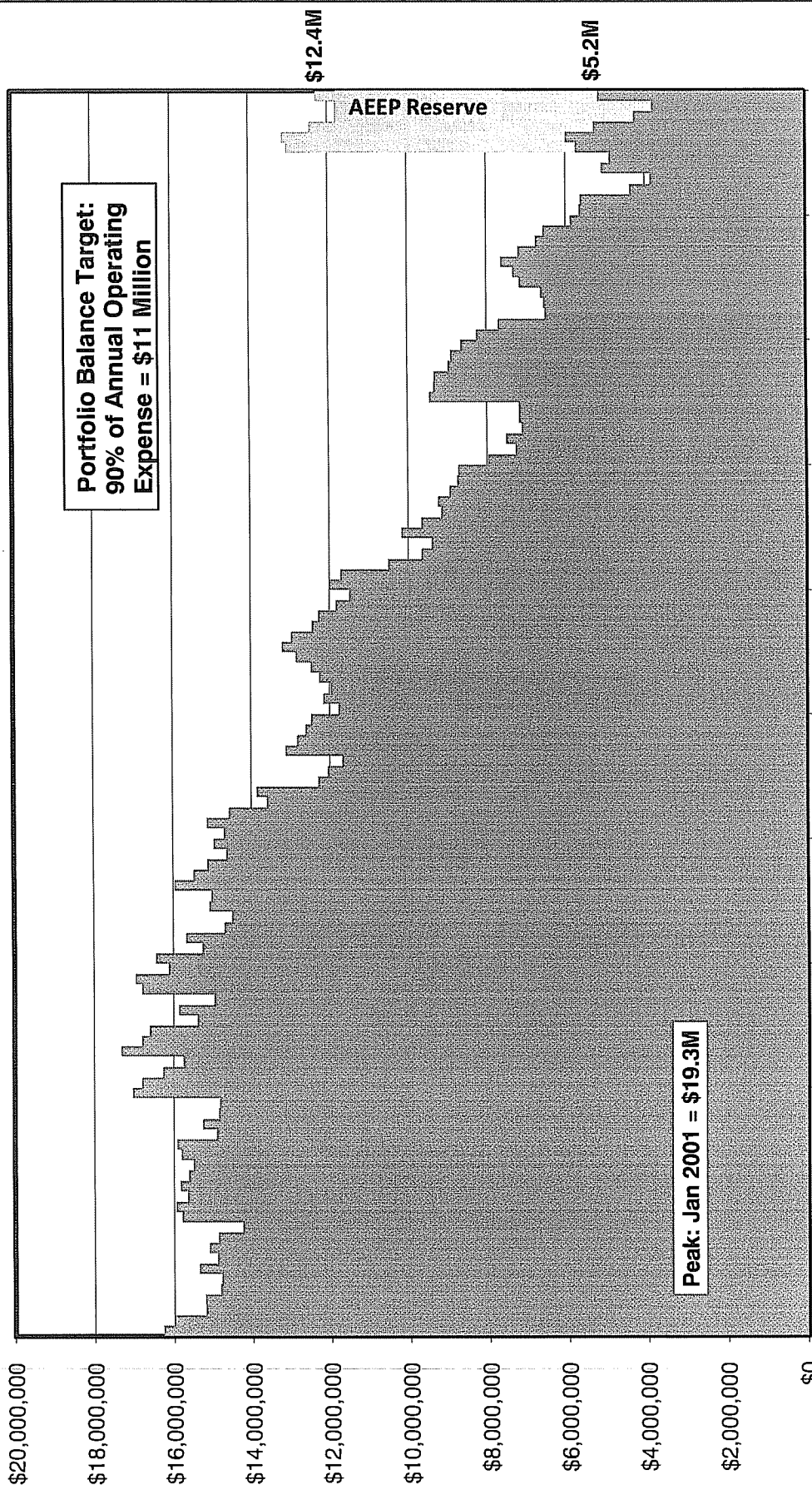
2 Yield defined to be annualized interest earnings to maturity as a percentage of invested funds.

3 Earnings are calculated daily - this represents the average yield for the month ending March 31, 2012.

<b>Interest Bearing Loans</b>	Loan Date	Maturity Date	Original Loan Amount	Principal Outstanding	Interest Rate
Black Point Partners-BPGL	6/30/06	2/28/24	\$3,612,640	\$2,588,784	2.40%
Employee Housing Loans (8)	Various	Various	1,441,785	1,441,785	Contingent
Employee Computer Loans (8)	Various	Various	13,300	7,934	1.26% (avg)
<b>TOTAL INTEREST BEARING LOANS</b>			<b>\$5,067,725</b>	<b>\$4,038,503</b>	

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

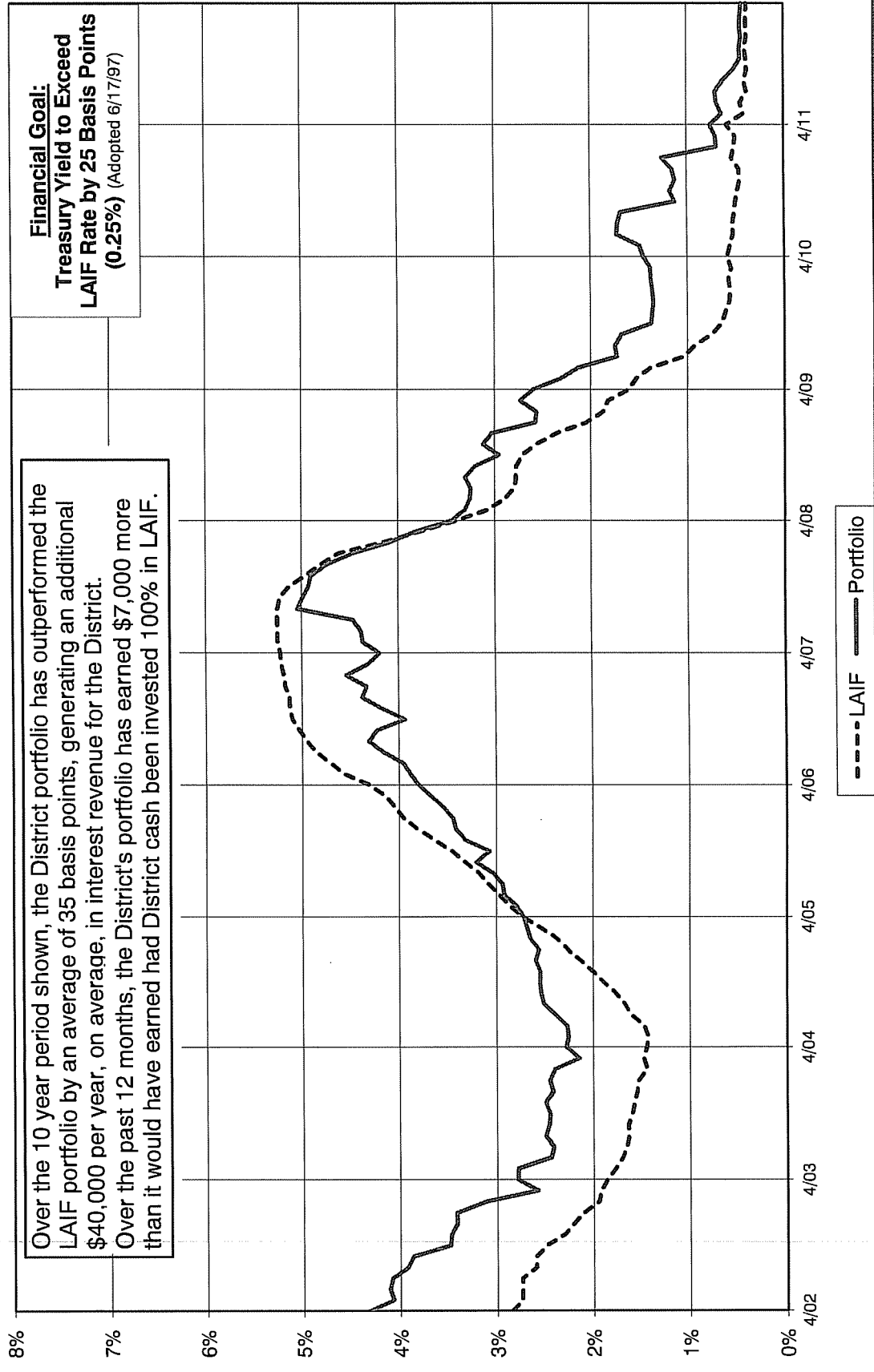
# NMWD Portfolio Balance 10-Year History



\$20,000,000  
\$18,000,000  
\$16,000,000  
\$14,000,000  
\$12,000,000  
\$10,000,000  
\$8,000,000  
\$6,000,000  
\$4,000,000  
\$2,000,000  
\$0

4/02 4/03 4/04 4/05 4/06 4/07 4/08 4/09 4/10 4/11

## NMWD Portfolio Rate of Return State of CA Local Agency Investment Fund vs District Portfolio 10-Year History





7

MEMORANDUM

To: Board of Directors

April 13, 2012

From: Drew McIntyre, Chief Engineer 

Subject: Water Service Agreement– NSD-Del Oro Lagoon Pump Station 12" Water Main Relocation  
z:\folders by job no\2700 jobs\2765\2765 bod memo.doc

**RECOMMENDED ACTION: The Board approve authorization of this agreement.**

**FINANCIAL IMPACT: Developer Funded**

The Novato Sanitary District (NSD) is rehabilitating its Del Oro Lagoon sewage pump station in Bel Marin Keys at the Del Oro Lagoon and Dolphin Isle intersection (see attached vicinity map). The NSD project includes a new sewage pump station wet well over 20 feet in depth located in conflict with NMWD's existing 12-inch water main. This agreement provides construction of a new 12-inch pipeline re-alignment away from the new NSD facilities. New Zone 1 water facilities include 120 feet of 12-inch PVC pipe and abandoning about 55 feet of 12-inch AC pipe. NSD's project will begin construction early summer 2012 and NMWD construction crews will perform the water line relocation prior to NSD's project.

As has been customary with previous city, county and special district projects, North Marin Water District will invoice the Novato Sanitary District for payment of actual costs as costs are incurred.

Environmental Document Review

The NSD project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15302, replacing existing facilities.

RECOMMENDATION:

That the Board approve authorization of this agreement.

Approved by GM CD

Date 4/13/2012

RESOLUTION NO. 12-  
AUTHORIZATION OF EXECUTION  
OF  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
WITH  
NOVATO SANITARY DISTRICT

---

BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain water service facilities construction agreement between this District and Novato Sanitary District (NSD), a Special District, providing for the modification of water distribution facilities to accommodate NSD's Del Oro Lagoon Pump Station Rehabilitation Project.

\* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 17th day of April, 2012, by the following vote:

AYES:

NOES:

ABSENT:

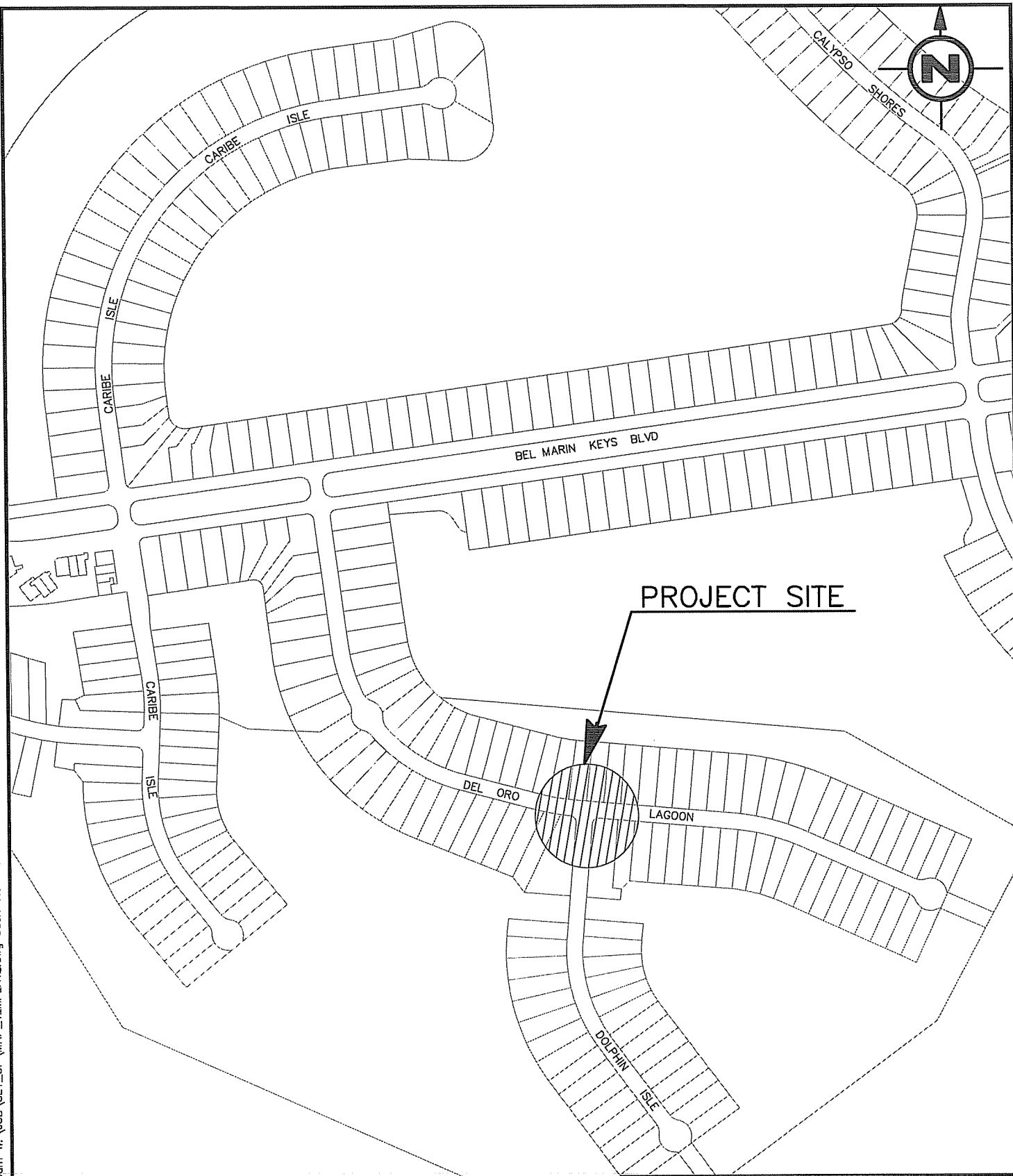
ABSTAINED:

(SEAL)

---

Renee Roberts, Secretary  
North Marin Water District

Apr 12, 2012 - 11:20am W:\JOB\SET\_UP\MAP\_TEMPLATE.dwg User: ACANTILLER



N.S.D. DEL ORO LAGOON P.S.  
12" WATER RELOCATION

DATE	SCALE	JOB.NO.	DWG.NO.
4/12/12	NTS	2765	MAP

PART ONE  
WATER FACILITIES CONSTRUCTION AGREEMENT  
FOR  
NOVATO SANITARY DISTRICT DEL ORO LAGOON PUMP STATION 12" WATER MAIN  
RELOCATION

---

*THIS AGREEMENT*, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of \_\_\_\_\_, 2012, by and between NORTH MARIN WATER DISTRICT, herein called "District," and NOVATO SANITARY DISTRICT, A Special District, herein called "Applicant."

*WHEREAS*, the Applicant, is in the process of completing a sewer rehabilitation project known as the Novato Sanitary District Pump Station Rehabilitation Unit 4 (at Del Oro Lagoon and Dolphin Isle Intersection) Project (2012);

*WHEREAS*, in conjunction with the Applicant's 2012 sewer rehabilitation project, the Applicant requests relocation and modification of water facilities to accommodate new sewer facilities; and

*NOW THEREFORE*, the parties hereto agree as follows:

1. The Applicant hereby applies to the District for installation of approximately 120 feet of 12" water main and shall comply with and be bound by all terms and conditions of this agreement, the District's regulations, standards and specifications and shall construct or cause to be constructed the water facilities required by the District for this project.
  
2. Prior to the District issuing written certification to the City, County or State that financial arrangements have been made for construction of the required water facilities, the Applicant shall complete such arrangements with the District in accordance with Section 5 of this agreement.
  
3. Prior to release or delivery of any materials by the District or installation of the facilities by the District, the Applicant shall:
  - a. deliver to the District vellum or mylar prints of any revised utility plans approved by the City to enable the District to determine if any revisions to the final water facilities construction drawings are required. The proposed facilities to be installed are shown on Drawing No. 2765-C-a, Rev 0, entitled, " NOVATO SANITARY DISTRICT DEL ORO LAGOON PUMP STATION 12" WATER RELOCATION", a copy of which is attached, marked Exhibit "A", and made a part hereof. (For purposes of recording, Exhibit "A" is not attached but is on file in the office of the District.)
  - b. deliver to the District a written construction schedule to provide for timely ordering of materials to be furnished by the District and scheduling of construction pursuant to Section 5 hereof.

4. Except for fire service, new water service shall be limited to the number and size of services for which Initial Charges are paid pursuant to this agreement. Initial Charges for new services, estimated District costs and estimated applicant installation costs are as follows:

<b><u>Initial Charges</u></b>	N/A
<b><u>Estimated District Costs</u></b>	
Pipe, Fittings & Appurtenances.....	\$ 9,725.00
District Construction Labor.....	\$35,110.00
Engineering & Inspection.....	\$ 2,608.00
Bulk Materials.....	\$ 4,244.00
<b>Subtotal –Estimated District Costs.....</b>	<b>\$ 51,687.00</b>
<b>TOTAL ESTIMATED WATER FACILITIES COSTS.....</b>	<b>\$ 51,687.00</b>

5. Financial Arrangements to be made by the Applicant shall consist of the following:

Initial Charges and Estimated District Costs

The Applicant shall either pay to the District or provide a two (2) year irrevocable letter of credit in form satisfactory to the District and payable at sight at a financial institution in the Novato area the sum of Initial Charges and Estimated District Costs as set forth in Section 4 hereof in the amount of **\$ 51,687**. If the Applicant provides the two (2) year irrevocable letter of credit, the District shall immediately draw down Initial Charges and shall draw upon the remaining funds guaranteed by the letter at any time the District deems appropriate to recover the Estimated District Costs which normally will be at least thirty (30) days prior to the anticipated start of construction for the ordering of materials to be furnished by the District.

Estimated Installation Costs

Installation By District: Due to the proprietary nature of construction required to install said facilities, the District reserves the right to install the facilities utilizing District construction forces. The Applicant shall either pay to the District the total Estimated Installation Costs set forth in Section 4 hereof in the amount of **\$51,687** or shall include such amount in the irrevocable letter of credit provided for the Initial Charges and Estimated District Costs set forth first above. The District shall draw upon installation funds guaranteed by the letter at any time the District deems appropriate which normally will be at least thirty (30) days prior to the anticipated start of construction.

Whenever an irrevocable letter of credit is required by this agreement, the Applicant may substitute a certificate of deposit at a financial institution in the Novato area provided the certificate may be cashed at sight by the District at any time.

6. All estimated costs set forth in this agreement shall be subject to periodic review and revision at the District's discretion. In the event the Applicant has not completed financial arrangements with the District in accordance with Section 5 hereof prior to expiration of six (6) months from the date of this agreement, all Initial Charges and estimated costs set forth in Section 4 hereof shall be revised to reflect then current District charges and estimates. In the event the Applicant has not diligently commenced construction of improvements required by those agencies and the District prior to expiration of one (1) year from the date of this agreement, the District may, at its option, either retract financial certifications issued to City, County and State agencies and terminate this agreement or require amendment of this agreement and review of all Initial Charges and estimated costs contained herein. The Applicant shall pay any balance due upon demand or furnish a guarantee of such payment satisfactory to the District.

7 All extensions of time required for the Applicant to construct improvements shall require concurrent extensions of this agreement and shall be cause for review and revision of all Initial Charges and estimated costs set forth in Section 4 hereof.

8 This agreement shall bind and benefit the successors and assigns of the parties hereto; however, this agreement shall not be assigned by the Applicant without the prior written consent of the District. Assignment shall be made only by a separate document prepared by the District at the Applicant's written request.

**NORTH MARIN WATER DISTRICT**  
"District"

**ATTEST:**

\_\_\_\_\_  
Stephen Petterle, President

\_\_\_\_\_  
Renee Roberts, Secretary

(SEAL)

**NOVATO SANITARY DISTRICT**  
"Applicant"

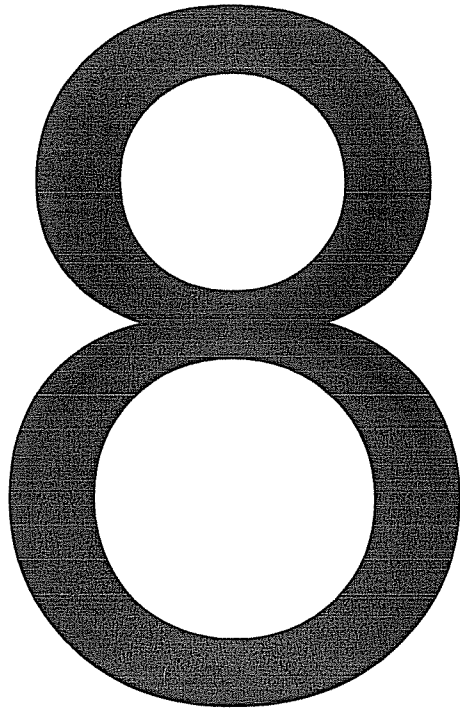
\_\_\_\_\_  
Beverly James, Manager-Engineer

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

*This agreement must be executed by the Applicant and delivered to the District within thirty (30) days after it is authorized by the District's Board of Directors. If this agreement is not signed and returned within thirty days, it shall automatically be withdrawn and void. If thereafter a new agreement is requested, it shall incorporate the Initial Charges (connection fees) and cost estimates then in effect.*

**ALL SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.**





MEMORANDUM

To: Board of Directors

April 13, 2012

From: Drew McIntyre, Chief Engineer



Subject: Annexation to PRE-1 Improvement District  
12719 Sir Francis Drake Boulevard, Inverness (114-071-01)

R:\jobapp\Referrals\APN 114\114-071-01\Donat Annex Memo-4-13-12.doc

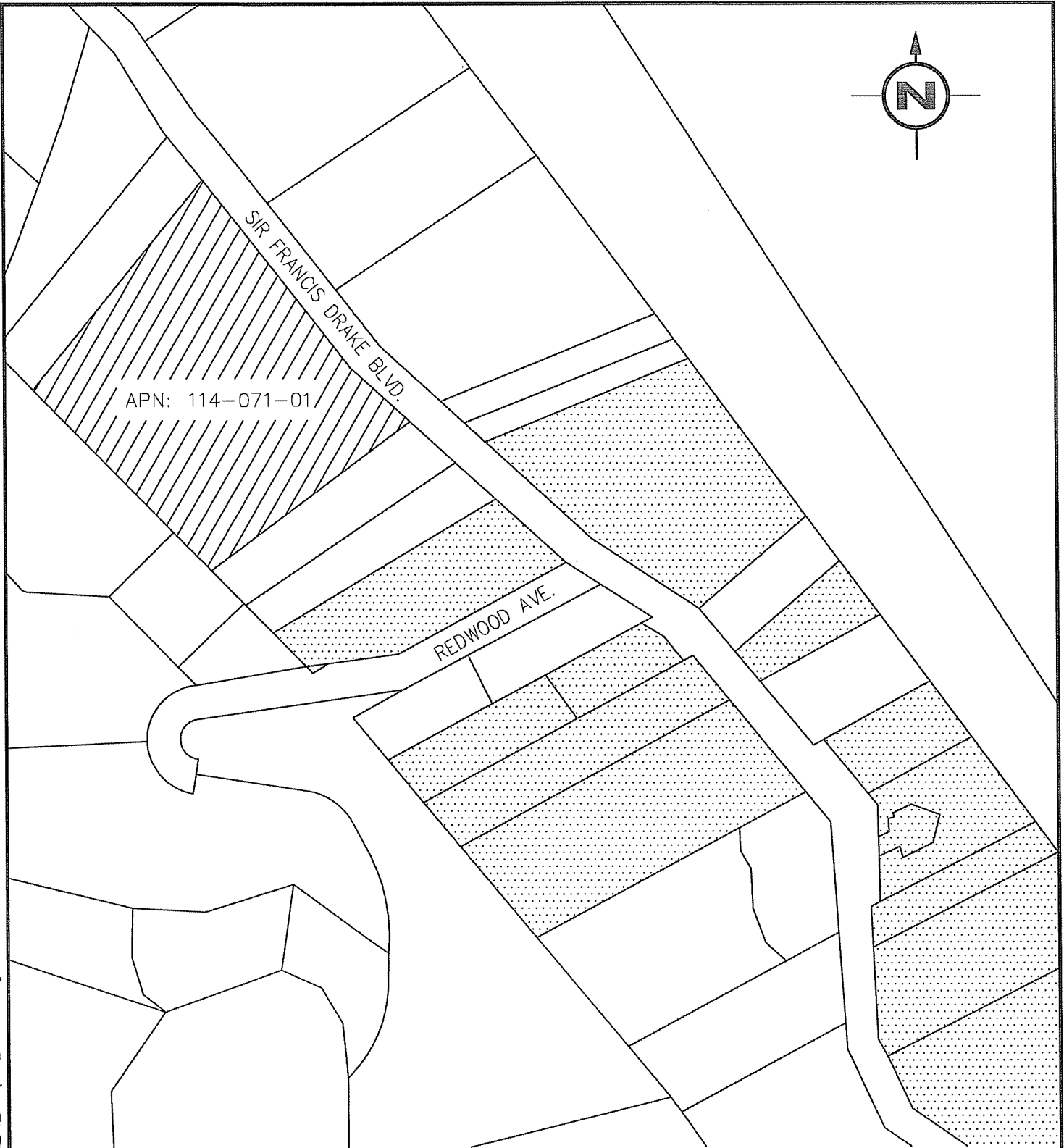
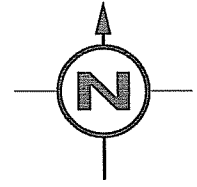
Attached is a letter from Peter and Marijke Donat requesting inclusion of their 5.16 acre parcel located at 12719 Sir Francis Drake Boulevard in the District's PRE Improvement District. The property lies within the District's territorial boundaries (see attached map). The District has previously permitted other individual properties in this area to be annexed within the PRE Improvement District and water service can be provided to this parcel from a connection to the District's water main located in Sir Francis Drake Boulevard. The current 630 square foot residence is now served by the Hamilton Mutual Water Company. The Donats propose to construct a new 3,335 square foot single-family residence and convert the existing residence to a guest house. They understand that both structures must be served by NMWD once annexed to the NMWD improvement district. Per the attached letter they are willing to abandon the current service from the Hamilton Mutual Water Company.

RECOMMENDATION:

That the Board declare intent to proceed with the annexation requested and provide service to the subject parcel pursuant to District regulations including receipt of an application and payment of all charges for annexation and service.

Approved by GM CD

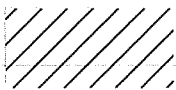
Date 4/13/2012



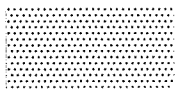
APN: 114-071-01

SIR FRANCIS DRAKE BLVD.

REDWOOD AVE.



PROPOSED ANNEXATION



PREVIOUSLY ANNEXED  
NEARBY PARCELS

SIR FRANCIS DRAKE BLVD.  
ANNEXATION

APN: 114-071-10

DATE	SCALE	JOB.NO.	DWG.NO.
4/20/12	NTS	XXXX	MAP

Peter & Marijke Donat  
1030 Broderick St.  
San Francisco Ca. 94115

28 Mar 2012

RECEIVED

MAR 30 2012

North Marin Water District

Board of Director's  
North Marin Water District  
999 Rush Creek Place  
PO Box 146  
Novato, Ca. 94948

RE: Annexation of 12719 SF Drake Blvd., Inverness, Ca.  
Aka Donat residence, APN 114-071-01

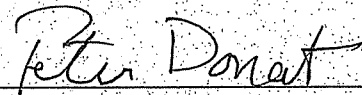
Dear Board Members,

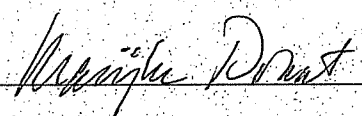
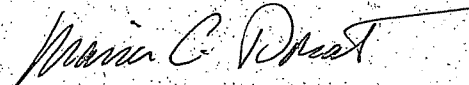
We recently were granted a Coastal Permit for the construction of a new residence on our property at 12719 Sir Francis Drake Blvd. in Inverness. We would ask that the Board grant approval for annexing our property into the North Marin Water District. The annexation would include a principle residence to be constructed after annexation and a guesthouse, which is now served by the Hamilton Water District in Inverness.

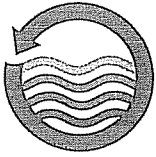
We understand that in order to eliminate the potential of co-mingling water from each district that we will cease receiving water from the Hamilton Water District and will be served only by the NWMD for both primary residence and guesthouse.

Please be advised that we also agree to the conditions of a letter from the district dated 21 Sep 2011. The letter was offered by Drew McIntyre, Chief Eng.

Sincerely,

Peter Donat 

Marijke Donat  a.k.a. Maria C. Donat 



**NORTH MARIN  
WATER DISTRICT**

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

**PHONE**  
415.897.4133

**FAX**  
415.892.8043

**EMAIL**  
info@nmwd.com

**WEB**  
www.nmwd.com

September 21, 2011

Community Development Department  
COUNTY OF MARIN  
Attn: Neal Osborne, Planner  
3501 Civic Center Drive  
San Rafael, CA 94903-4157

Re: Donat Single Family Home and Second Unit  
APN 114-071-01  
12719 Sir Francis Drake Blvd., Inverness

Ladies and Gentlemen:

Please be apprised that this District can provide water service to the proposed single family dwelling subject to the following conditions:

- that the owner shall submit an application to the District and complete financial arrangements for annexation into NMWD's Improvement District; and
- that the District's Board of Director's approve said annexation request; and
- that the owner shall enter into an agreement with the District and complete financial arrangements for the construction of new water facilities; and
- occupancy approval shall not be granted until water service installation is complete.

Should you have any questions regarding this readiness to serve letter, please call 897-4133 and ask for our Engineering Services Representative at extension 8450.

Sincerely,

Drew McIntyre  
Chief Engineer

DM: tk

Cc: Peter and Marijke Donat  
1030 Broderick Street  
San Francisco, CA 94115

Susan Aubert  
163 Tamalpais Avenue  
Mill Valley, CA 94941

Lance Wyeth  
Shelter Systems  
P O Box 311  
Bolin, CA 94924

9

**MEMORANDUM**

To: Board of Directors  
Chris DeGabriele, General Manager

April 13, 2012

From: Renee Roberts, District Secretary and Records Retention Manager

Subject: Records Retention Program – Destruction of Records

T:\GMAAdmin Secty\Record Ret Manual\2012\Board Memo 0412.doc

**RECOMMENDED ACTION:** Approve Destruction of Records

**FINANCIAL IMPACT:** \$400 for document shredding

The District's Policy for the Retention of Documents and Destruction of Specified Documents was approved by the Board in 2002 and revised in 2003. The Policy states that once a year, on or about April 21, the documents designated as eligible will be destroyed in an appropriate manner. This year, destruction of records is scheduled for April 30, 2012. Board and staff are invited to bring in personal records for shredding at a cost of \$6 per box.

Attached is a proposed resolution for the Board to approve destruction of certain records for this year. Exhibit A of the proposed resolution is the Request for Destruction of Records forms for documents to be eliminated. The lists of files to be destroyed have been reviewed and approved by: (1) Department Head, (2) Records Retention Manager, (3) Auditor-Controller and (4) General Manager.

**RECOMMENDATION**

Approve resolution authorizing the Destruction of Certain Records on or about April 21, 2011 in a manner consistent with District Policy.

Approved by GM CD

Date 4/13/2012

**DRAFT  
RESOLUTION 12-XX**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
NORTH MARIN WATER DISTRICT TO  
APPROVE DESTRUCTION OF CERTAIN RECORDS**

---

**WHEREAS**, California Government Code §60200, et seq., authorizes the legislative body of a district to authorize the destruction of certain documents without retaining copies and authorizes the destruction of documents not expressly required by law to be maintained, if conditions are complied with as specified in Government Code §60203, and

**WHEREAS**, The Board of Directors of the North Marin Water District adopted Resolution 02-20 on June 4, 2002 establishing a policy for retention of documents and destruction of specified documents, and

**WHEREAS**, revisions to said policy was approved by the Board of Directors on July 15, 2003, and

**WHEREAS**, the Request for Destruction of Record forms describing the document or documents to be destroyed, with the written approval of the District's Department Heads, Records Retention Manager, Auditor-Controller and General Manager appearing thereon, is attached as Exhibit A.

**NOW, THEREFORE**, be it resolved by the Board of Directors of the North Marin Water District, that the records described in Exhibit A attached are hereby approved for destruction on or about April 21, 2012 in an appropriate manner.

\* \* \* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 17th day of April 2012 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

(SEAL)

---

Renee Roberts  
District Secretary



# 2012

## NORTH MARIN WATER DISTRICT RECORDS RETENTION REQUEST FOR DESTRUCTION OF RECORDS

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.

Dept	RECORD NAME	DATE RANGE		NIMWD Retention Period
		From	To	
A/C	Claims (Vehicle accidents, etc from A/C files)	1999	2004	CY+5
	Treasury Transactions/wire transf	10/03	1/05	CY+6
Acct	Vehicles Lists & Ownership docs (No longer in fleet)	FY89	FY94	ACT +1
	Depreciation Expense Reports	FY76	FY81	CY+3
	Fuel Excise Tax Returns	FY90	FY01	CY+6
	Employee Dental & Vision Benefits (checks & receipts)	2005		CY+6
	Retrofit on Resale Reconciliation	FY05	FY06	CY+4
	Time Sheets	2005		CY+6
	Vehicle Timesheets	FY06	FY08	CY+4
	Inventory Detail Posting Register	2005	2007	CY+4
	Payroll Posting Register	12/05	1/07	CY+4
	F/A Depreciation Expense Reports	7/07	7/08	CY+3
	Banking Reconciliation	7/01	6/07	CY+4
	Inventory Transaction Journals	3/07	12/07	CY+4
	AR Sales Journal	1/07	6/07	CY+4
	AP Invoice Register	1/07	2/07	Cy+4
	AP Posting Register	6/06	1/07	CY+4

Request prepared by: Renee Roberts	Date: 4/10/12
---------------------------------------	------------------

DESTRUCTION APPROVALS SIGNATURES	
Department Head 	Date Approved 4/10/12
Auditor-Controller 	Date Approved 4/10/12
Records Retention Manager 	Date Approved 4/10/12
General Manager 	Date Approved 4/10/2012

BOD Meeting Approval
Date: _____
Certificate of Destruction completed: Date: _____ No. _____ By: _____

SUGGESTED METHOD OF DESTRUCTION
<input checked="" type="checkbox"/> Shredding <input type="checkbox"/> Delete from Computer
<input type="checkbox"/> Waste Paper (Recycled)

# 2012

## NORTH MARIN WATER DISTRICT RECORDS RETENTION REQUEST FOR DESTRUCTION OF RECORDS

**Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.**

Dept	RECORD NAME	DATE RANGE		NMWD Retention Period
		From	To	
Acct	Job Cost Register	1/2007	9/2007	CY+4
	Payroll Data Entry Audit Reports	12/2006	10/2007	CY+4
	F/A Net Book Value Report	7/2008	7/2009	CY+2
	Inventory Detail Posting Reg	2005	2007	CY+4
Billing	Bill Adjustments	2007		CY+4
	APS Bank Draft Corrections	2007		CY+4
	Bankruptcy Report	2007		CY+4
	Corrected Bills	2007		CY+4
	Emergency Ops Plans 2004 & 2008 (Electronic)			SUS/OB
	Emergency Ops Plans 2004-2008			SUS/OB
	Consumer Service Questionnaires	2008	2010	CY+1
	Summary Use by Structure	2005		CY+6
	APS Bank Draft	2007		CY+4
	New Service List	2006		CY+5
	Monthly Adjustment Report	2007		CY+4
	Service Orders (A-R & S-Z)	2007		ACT +4
	Notification Log (NPD)	2010		CY+1
	Water Load Permits	2010		CY+1
	Encoding Tapes	2008		CY+3
	Deposit Slips	12/07	11/08	CY+3
	Customer Serv Questionnaires 2005 & 2007			CY+1

Request prepared by: Renee Roberts	Date: 4/10/12	DESTRUCTION APPROVALS SIGNATURES	
Department Head 	Date Approved 4/10/12		
Auditor-Controller 	Date Approved 4/10/12		
Records Retention Manager 	Date Approved 4/10/12		
General Manager 	Date Approved 4/10/2012		
BOD Meeting Approval			
Date: _____			
Certificate of Destruction completed: _____ No. _____ By: _____			
SUGGESTED METHOD OF DESTRUCTION			
x Shredding		x Delete from computer	
<input type="checkbox"/> Waste Paper (Recycled)			

T:\GMAAdmin\_Sect\Record Ret Manual\2012\2012 destruction forms to board.doc





**NORTH MARIN WATER DISTRICT RECORDS RETENTION  
REQUEST FOR DESTRUCTION OF RECORDS**

**2012**

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.

Dept	RECORD NAME	DATE RANGE		NIMWD Retention Period
		From	To	
Billing	Posted Payment Reports	2007		CY+4
	Meter Edits Cycle 1 to 8	2007		CY+4
	Backflow	2008		CY+3
	Payment Transfer	2008		CY+3
	Bills Over \$100	2010		CY+1
	Collection List	2009		CY+2
	Pay Stubs	2007		CY+4
	2007 Cons apps (electronic)	2007	2007	CY+4
	Hydrant Meter Apps (electronic)	2008	2008	ACT +3
	Past Due Billing Registers	2009	2010	CY+1
Ware-house	Purchase Orders	2009	2009	CY+2
	Receiving Reports	2009	2009	CY+2

Request prepared by: Renee Roberts		Date: 4/10/12
DESTRUCTION APPROVALS SIGNATURES		
Department Head 	Date Approved 4/10/12	
Auditor-Controller 	Date Approved 4/10/12	
Records Retention Manager 	Date Approved 4/10/12	
General Manager 	Date Approved 4/10/2012	
BOD Meeting Approval		
Date: _____ No. _____ By: _____		
Certificate of Destruction completed:		
Date: _____ No. _____ By: _____		
SUGGESTED METHOD OF DESTRUCTION		
<input checked="" type="checkbox"/> Shredding	<input checked="" type="checkbox"/> Delete from computer files	
<input type="checkbox"/> Waste Paper (Recycled)		

2012

NORTH MARIN WATER DISTRICT RECORDS RETENTION  
REQUEST FOR DESTRUCTION OF RECORDS

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.

Dept	RECORD NAME	DATE RANGE		NIMWD Retention Period
		From	To	
GM	Job Applications (Temp Laborer, Pipe worker, WC temp)	2010	2010	CY+1
	Unsolicited Job Apps	2010	2010	CY+1
	Chamber Cable TV Use License Agmt-Atherton Ave Tank Site	Exp 1999		ACT+6

Request prepared by: Renee Roberts Date: 4/10/12

DESTRUCTION APPROVALS SIGNATURES

Department Head	<i>Chris DeGabriels</i>	Date Approved	4/10/2012
Auditor-Controller	<i>[Signature]</i>	Date Approved	4/10/12
Records Retention Manager	<i>[Signature]</i>	Date Approved	4/10/12
General Manager	<i>Chris DeGabriels</i>	Date Approved	4/10/2012

BOD Meeting Approval

Date: \_\_\_\_\_ No. \_\_\_\_\_ By: \_\_\_\_\_

Certificate of Destruction completed:

SUGGESTED METHOD OF DESTRUCTION

Shredding  Delete from computer files

Waste Paper (Recycled)

# 2012

## NORTH MARIN WATER DISTRICT RECORDS RETENTION REQUEST FOR DESTRUCTION OF RECORDS

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.

Dept	RECORD NAME	DATE RANGE		NIMWD Retention Period	Request prepared by: Renee Roberts Date: 4/10/12
		From	To		
Maint	Backflow Prevention Assy Test Rpt	2008		CY+3	<p style="text-align: center;">DESTRUCTION APPROVALS SIGNATURES</p> <p>Department Head <i>[Signature]</i> Date Approved 4/10/12</p> <p>Auditor-Controller <i>[Signature]</i> Date Approved 4/10/12</p> <p>Records Retention Manager <i>[Signature]</i> Date Approved 4/10/12</p> <p>General Manager <i>[Signature]</i> Date Approved 4/10/2012</p> <p>BOD Meeting Approval <i>[Signature]</i></p> <p>Date: _____ Certificate of Destruction completed: _____ Date: _____ No. _____ By: _____</p> <p style="text-align: center;">SUGGESTED METHOD OF DESTRUCTION</p> <p><input checked="" type="checkbox"/> Shredding <input type="checkbox"/> Delete from computer files</p> <p><input type="checkbox"/> Waste Paper (Recycled)</p>
Ops/Lab	Temp Records	2005	2006	CY+5	
	Chem QA	2000	2001	CY+10	
	Micro PE 2006	2006	2006	CY+5	
	WQ Complaints	2006	2006	CY+5	
	WQ Complaints	2000	2003	CY+5	
	Chem PE	1995	1998	CY+10	

2012

**NORTH MARIN WATER DISTRICT RECORDS RETENTION  
REQUEST FOR DESTRUCTION OF RECORDS**

**Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.**

Dept	RECORD NAME	DATE RANGE		NIMWD Retention Period	Request prepared by:	Date:
		From	To			
WC	Flapper Rebate	2007	2010	CY +1	Renee Roberts	4/10/12

**DESTRUCTION APPROVALS SIGNATURES**

Department Head		Date Approved	4/10/12
Auditor-Controller		Date Approved	4/10/12
Records Retention Manager		Date Approved	4/10/12
General Manager		Date Approved	4/10/2012

BOD Meeting Approval

Date: \_\_\_\_\_

Certificate of Destruction completed: \_\_\_\_\_

Date: \_\_\_\_\_ No. \_\_\_\_\_ By: \_\_\_\_\_

**SUGGESTED METHOD OF DESTRUCTION**

Shredding  Delete from computer files

Waste Paper (Recycled)

10

MEMORANDUM

To: Board of Directors

April 13, 2012

From: Robert Clark, Operations / Maintenance Superintendent

Subject: April 2012 Vehicle / Equipment Auction Request

X:\MAINT SUP\2012\BOD\BOD Memo Vehicle Auction 412.doc

**RECOMMENDED ACTION:** Approve disposal of surplus equipment

**FINANCIAL IMPACT:** \$7,600 income (estimated)

In the FY 11/12 budget, staff identified dump truck #5 going to auction after the new dump truck had been received. Also, this year, compressor #85 had a catastrophic failure of the compressor pump end and is cost prohibitive to replace. Staff cannot find suitable replacement parts, and it will require too much time to make required repairs. We can expect to recover at least some of our expenses at auction. Also in the FY 11/12 budget, staff identified the 25 year old tire machine for replacement. The replacement tire machine has been purchased and the old unit may still have value at auction.

Miscellaneous equipment that is no longer in use may still have value at auction. Staff recommends the disposal of the 1972 Homelite 3 in gas-powered diaphragm pump and 1980 pneumatic pavement breaker attachment for the backhoe.

Staff has researched the current value for the surplus equipment listed below and believes that we can sell them through 1st Capitol Auction, a bonded resale agent located in Vallejo. This will be the third year we have sold equipment through this vendor.

The following equipment is proposed to be sold at auction:

<u>Equip. No.</u>	<u>Description</u>
• #4	1991 International 5yd dump truck with 150,577 miles - \$5,000 value
• #85	2009 Airman Compressor with 481 hours - \$1,500 value
•	1987 Coats tire machine - value \$500
•	1973 Homelite 3 in pump - value \$100
•	1980 Backhoe attachment - value \$500

Recommendation

Authorize the General Manager to enter into a sales contract with 1st Capitol Auction to dispose of the surplus equipment.

Approved by GM CD

Date 4/13/2012



11

**MEMORANDUM**

To: Board of Directors

April 13, 2012

From: Chris DeGabriele, General Manager

Subject: Designate Voting Delegate to the ACWA 2012 Spring Conference and Authorize Vote in support of proposed ACWA Bylaws Amendment

T:\GM\ACWA\2012\vote bylaws bod memo 2012.doc

**RECOMMENDED ACTION:** Authorize Auditor-Controller to be the District's Voting Delegate at the upcoming ACWA Spring Conference and Authorize vote in the affirmative for the proposed ACWA Bylaws Amendments

**FINANCIAL IMPACT:** None at this time

Attached is a letter from the ACWA President and Vice-President with information on the upcoming General Session Membership Meeting to be held May 9 at the Spring 2012 ACWA Conference. I plan to attend the Spring Conference for committee meetings on May 8<sup>th</sup> and 9<sup>th</sup>. David Bentley will attend the conference on Wednesday and Thursday including the General Membership Meeting on May 9<sup>th</sup>. The ACWA Board is proposing to revise the ACWA bylaws which were last adopted in December 2010. As the ACWA memo states, the amendments make changes in six areas:

1. Clarifying the respective roles of the Board and the Executive Committee, making clear that the Board retains ultimate authority for the Association.
2. Separating the role of the Executive Director from the Treasurer.
3. Including of a code of conduct for Board Members, to be developed and enforced by the Board
4. Conversion of the Insurance and Personnel Committee into a Personnel and Benefits Committee, in light of HBA's independence from ACWA.
5. Elevation of the Membership Committee from special committee to standing committee status, with a seat on the ACWA Board of Directors.
6. Updating of the qualifications for State Legislative Committee members in light of the Association's focus on regions rather than types of districts.

A copy of the proposed bylaws is enclosed with the Attachment.

RECOMMENDATION

1. Board designate the Auditor-Controller as the District's voting delegate at the ACWA General Session Membership meeting on May 9, 2012, and
2. Authorize the Auditor-Controller to vote in the affirmative of the proposed ACWA Bylaws amendments.

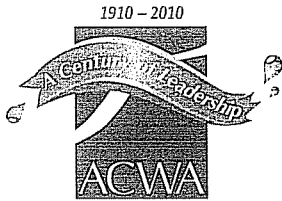
Approved by GM CD

Date 4/13/2012

CD Memo Re Designate Voting Delegate to the ACWA 2012 Spring Conference and Authorize Vote in support of  
proposed ACWA Bylaws Amendment  
April 13, 2012  
Page 2

General Session Membership meeting on May 9, 2012, and

2. Authorize the Auditor-Controller to vote in the affirmative of the proposed ACWA Bylaws amendments.



*Vision for the Future*

**Association of California  
Water Agencies**

**Association of California Water Agencies**  
910 K Street, Suite 100,  
Sacramento, California 95814-3577  
**916.441.4545** FAX 916.325.4849

**Hall of the States**  
400 N. Capitol St., N.W., Suite 357 South,  
Washington, D.C. 20001-1512  
**202.434.4760** FAX 202.434.4763  
[www.acwa.com](http://www.acwa.com)

## MEMORANDUM

**TO:** ACWA Public Agency Members  
General Managers and Board Presidents

**CC:** ACWA Board of Directors

**FROM:** Randy Record, ACWA President  
John A. Coleman, ACWA Vice President

**DATE:** April 3, 2012

**SUBJECT:** General Session Membership Meeting at ACWA's 2012 Spring Conference – May 9, 2012

There will be a General Session Membership Meeting of the ACWA membership at ACWA's 2012 Spring Conference in Monterey, California, on Wednesday, May 9. The purpose of this meeting is to conduct a vote by the membership on proposed amendments to the bylaws recommended by the ACWA Board of Directors at its meeting of March 30. The proposed bylaws amendments are attached hereto. The bylaws amendments represent several clean-up items from the comprehensive amendments approved by the membership on December 1, 2010.

As reviewed and recommended by the Legal Affairs Committee and ACWA Board of Directors, the significant changes in the draft amended bylaws include:

- Per the recommendation from Region 10, clarifying the respective roles of the Board and the Executive Committee, making clear that the Board retains ultimate authority for the Association.
- Per the recommendation from Region 10, separating the role of the Executive Director from the Treasurer.
- Inclusion of a code of conduct for Board Members, to be developed and enforced by the Board.
- Conversion of the Insurance and Personnel Committee into a Personnel and Benefits Committee, in light of HBA's independence from ACWA.

RECEIVED

APR 09 2012

North Marin Water District

- Elevation of the Membership Committee from special committee to standing committee status, with a seat on the ACWA Board of Directors.
- Updating of the qualifications for State Legislative Committee members in light of the Association's focus on regions rather than types of districts.

The Board of Directors recommends adoption of these bylaws amendments through a vote of the membership. Scott Shapiro, chair of the Legal Affairs Committee, is available in advance of the meeting of the membership to answer any questions you may have (916-520-5234 or [sshapiro@downeybrand.com](mailto:sshapiro@downeybrand.com)) and will also provide a brief overview of these changes during the General Session Membership Meeting before the item is called for a vote.

### MEMBERSHIP VOTING PROCESS

Each member agency present will be issued one proxy card for voting purposes. Proxy cards will be available for pick up on **Wednesday, May 9, 2012**, between **9:00 a.m.** and **1:00 p.m.** at the **General Session Proxy Desk** in the **De Anza Foyer** area of the Portola Plaza Hotel, outside of the **De Anza Ballroom** where the luncheon and General Session Membership meeting will be held. Members are allowed one proxy card per agency, and a representative of the agency will be required to register and sign as the proxy holder.

To expedite the sign-in process at the **General Session Proxy Desk**, please indicate your voting designee on the enclosed proxy form and return it by fax (**916-554-2350**) or e-mail (**[donnap@acwa.com](mailto:donnap@acwa.com)**) at your earliest convenience. If there is a last minute change of delegate, please let us know before the meeting date by contacting ACWA's Executive Assistant/Clerk of the Board, Donna Pangborn, at 916-441-4545 or [donnap@acwa.com](mailto:donnap@acwa.com).

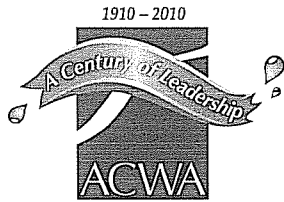
If you have any questions, do not hesitate to contact us by telephone or e-mail.

---

dgp

#### Enclosures:

1. General Session Membership Meeting – Agenda, May 9, 2012
  2. General Session Membership Meeting – Minutes, November 30, 2011
  3. Draft ACWA Bylaws Amendments – Redline Version
  4. Draft ACWA Bylaws Amendments – Clean Version
  5. Proxy Form
-



*Vision for the Future*

**Association of California  
Water Agencies**

**Association of California Water Agencies**

910 K Street, Suite 100,  
Sacramento, California 95814-3577  
**916.441.4545** FAX 916.325.4849

**Hall of the States**

400 N. Capitol St., N.W., Suite 357 South,  
Washington, D.C. 20001-1512  
**202.434.4760** FAX 202.434.4763  
[www.acwa.com](http://www.acwa.com)

---

## GENERAL SESSION MEMBERSHIP MEETING

*Wednesday, May 9, 2012*

*Portola Plaza Hotel, De Anza Ballroom*

*At the Conclusion of the Luncheon Program: 1:30 p.m.*

*Monterey, California*

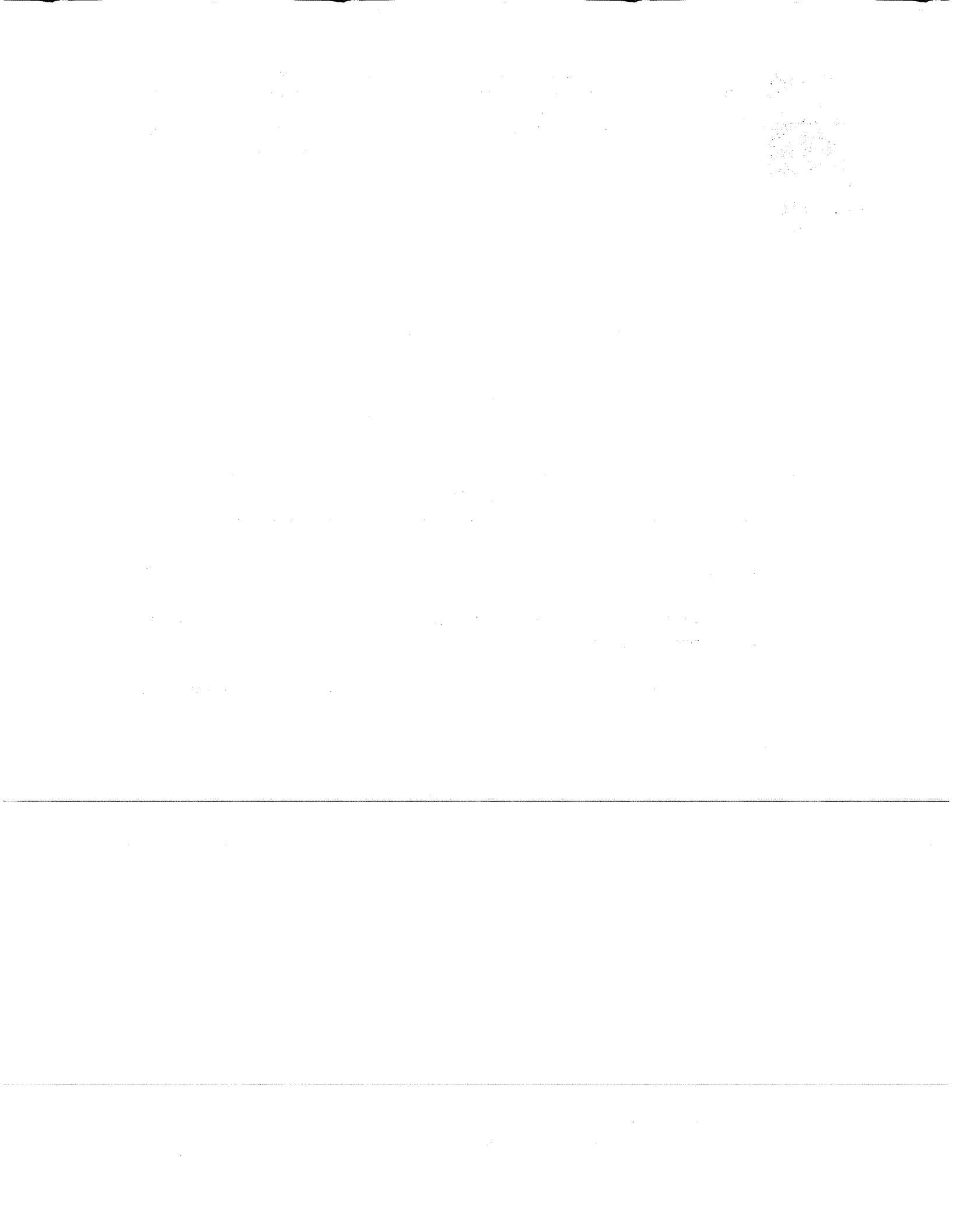
---

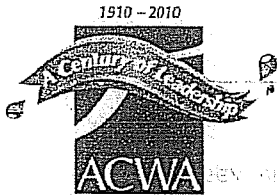
### AGENDA

---

- |   |                                |
|---|--------------------------------|
| I. Call to Order  | Randy Record                   |
| II. Approval of General Session Membership Meeting Minutes: <ul style="list-style-type: none"><li>• November 30, 2011</li></ul> | Randy Record                   |
| III. Proposed Draft ACWA Bylaws Amendments  | Randy Record and Scott Shapiro |
| IV. Adjournment   | Randy Record                   |

*Note: For members not attending the luncheon program, the doors will be open at 1:20 p.m. to allow access to the General Session Membership Meeting.*





Vision for the Future

Association of California  
Water Agencies

Association of California Water Agencies  
910 K Street, Suite 100,  
Sacramento, California 95814-3577  
916.441.4545 FAX 916.325.4849

U.S. Capitol Building  
Hall of the States  
400 N. Capitol St., N.W., Suite 357 South,  
Washington, D.C. 20001-1512  
202.434.4760 FAX 202.434.4763  
www.acwa.com

## GENERAL SESSION MEMBERSHIP MEETING

Wednesday, November 30, 2011

Anaheim Marriott, Platinum Ballroom 5/6

At the Conclusion of the Luncheon Program: 1:30 – 2:00 p.m.

Anaheim, California

---

### MINUTES

---

ACWA President Paul Kelley called the meeting to order at 1:30 p.m.

M/S/C Approved the minutes of December 1, 2010, as presented.

President Kelley provided an overview of the election procedures, and Clerk of the Board Donna Pangborn and Legal Counsel/Legislative Advocate Whitnie Henderson provided a proxy count. Following their count, they determined a quorum had been established, noting that of the 110 delegates who had signed in at the Election Desk, 88 were present to vote.

Robert Nees, Chair of ACWA's Nominating Committee, reviewed the procedures used to select ACWA's slate for President and Vice President, noting the Committee had interviewed the candidates and presented their recommendation to the Board of Directors on September 30, 2011. Mr. Nees stated it was his pleasure to present the slate of Randy Record, Region 9, for President and John Coleman, Region 5, for Vice President.

President Kelly called for nominations from the floor for President. There were none. Nominations for President were closed and upon M/S/C, Randy Record was elected as ACWA's President for the 2012-2013 term.

President Kelly called for nominations from the floor for Vice President. There were none. Nominations for Vice President were closed and upon M/S/C, John Coleman was elected as ACWA's President for the 2012-2013 term.

President Kelley expressed what an honor it had been to serve as ACWA's President and Vice President over the past four years. He thanked his wife and the ACWA members, noting he would not have been able to do the job without their support and assistance.



General Session: Membership Meeting  
Wednesday, November 30, 2011

There being no other business to come before the General Membership, the meeting was adjourned at 12:47 p.m.

Respectfully submitted,

Association of California  
Water Agencies

GENERAL SESSION: MEMBERSHIP MEETING

Donna G. Pangborn  
ACWA Executive Assistant/Clerk of the Board

MINUTES

At the meeting held on Wednesday, November 30, 2011, at the location of the Association of California Water Agencies, the following business was transacted:

1. The minutes of the meeting held on November 10, 2010, as presented by the Secretary, were read and approved.

2. The report of the Executive Assistant/Clerk of the Board, Donna G. Pangborn, was read and approved.

3. The report of the Treasurer, [Name], was read and approved.

4. The report of the Vice President, [Name], was read and approved.

5. The report of the President, [Name], was read and approved.

6. The report of the Board of Directors, [Name], was read and approved.

7. The report of the Executive Committee, [Name], was read and approved.

8. The report of the Finance Committee, [Name], was read and approved.

9. The report of the Nominations Committee, [Name], was read and approved.

10. The report of the Audit Committee, [Name], was read and approved.

11. The report of the Policy Committee, [Name], was read and approved.

12. The report of the Education Committee, [Name], was read and approved.

13. The report of the Public Relations Committee, [Name], was read and approved.

14. The report of the Environmental Committee, [Name], was read and approved.

15. The report of the Safety Committee, [Name], was read and approved.

16. The report of the Health and Welfare Committee, [Name], was read and approved.

17. The report of the Labor Relations Committee, [Name], was read and approved.

18. The report of the Government Relations Committee, [Name], was read and approved.

19. The report of the International Relations Committee, [Name], was read and approved.

20. The report of the Legislative Committee, [Name], was read and approved.

21. The report of the Regulatory Committee, [Name], was read and approved.

22. The report of the Technical Committee, [Name], was read and approved.

23. The report of the Research Committee, [Name], was read and approved.

24. The report of the Development Committee, [Name], was read and approved.

25. The report of the Marketing Committee, [Name], was read and approved.

26. The report of the Information Systems Committee, [Name], was read and approved.

27. The report of the Facilities Committee, [Name], was read and approved.

28. The report of the Security Committee, [Name], was read and approved.

29. The report of the Risk Management Committee, [Name], was read and approved.

30. The report of the Insurance Committee, [Name], was read and approved.

31. The report of the Legal Committee, [Name], was read and approved.

32. The report of the Tax Committee, [Name], was read and approved.

33. The report of the Accounting Committee, [Name], was read and approved.

34. The report of the Human Resources Committee, [Name], was read and approved.

35. The report of the Training Committee, [Name], was read and approved.

36. The report of the Career Development Committee, [Name], was read and approved.

37. The report of the Compensation Committee, [Name], was read and approved.

38. The report of the Benefits Committee, [Name], was read and approved.

39. The report of the Retirement Committee, [Name], was read and approved.

40. The report of the Pension Committee, [Name], was read and approved.

41. The report of the Social Security Committee, [Name], was read and approved.

42. The report of the Medicare Committee, [Name], was read and approved.

43. The report of the Medicaid Committee, [Name], was read and approved.

44. The report of the Long-Term Care Committee, [Name], was read and approved.

45. The report of the Health Care Committee, [Name], was read and approved.

46. The report of the Pharmaceutical Committee, [Name], was read and approved.

47. The report of the Medical Device Committee, [Name], was read and approved.

48. The report of the Biotechnology Committee, [Name], was read and approved.

49. The report of the Nanotechnology Committee, [Name], was read and approved.

50. The report of the Space and Aeronautics Committee, [Name], was read and approved.

51. The report of the Energy Committee, [Name], was read and approved.

52. The report of the Environment Committee, [Name], was read and approved.

53. The report of the Climate Change Committee, [Name], was read and approved.

54. The report of the Global Warming Committee, [Name], was read and approved.

55. The report of the Sustainable Development Committee, [Name], was read and approved.

56. The report of the Green Building Committee, [Name], was read and approved.

57. The report of the Green Design Committee, [Name], was read and approved.

58. The report of the Green Manufacturing Committee, [Name], was read and approved.

59. The report of the Green Retailing Committee, [Name], was read and approved.

60. The report of the Green Services Committee, [Name], was read and approved.

61. The report of the Green Transportation Committee, [Name], was read and approved.

62. The report of the Green Utilities Committee, [Name], was read and approved.

63. The report of the Green Water and Wastewater Committee, [Name], was read and approved.

64. The report of the Green Energy Committee, [Name], was read and approved.

65. The report of the Green Buildings Committee, [Name], was read and approved.

66. The report of the Green Design Committee, [Name], was read and approved.

67. The report of the Green Manufacturing Committee, [Name], was read and approved.

68. The report of the Green Retailing Committee, [Name], was read and approved.

69. The report of the Green Services Committee, [Name], was read and approved.

70. The report of the Green Transportation Committee, [Name], was read and approved.

71. The report of the Green Utilities Committee, [Name], was read and approved.

72. The report of the Green Water and Wastewater Committee, [Name], was read and approved.

73. The report of the Green Energy Committee, [Name], was read and approved.

74. The report of the Green Buildings Committee, [Name], was read and approved.

75. The report of the Green Design Committee, [Name], was read and approved.

76. The report of the Green Manufacturing Committee, [Name], was read and approved.

77. The report of the Green Retailing Committee, [Name], was read and approved.

78. The report of the Green Services Committee, [Name], was read and approved.

79. The report of the Green Transportation Committee, [Name], was read and approved.

80. The report of the Green Utilities Committee, [Name], was read and approved.

81. The report of the Green Water and Wastewater Committee, [Name], was read and approved.

82. The report of the Green Energy Committee, [Name], was read and approved.

83. The report of the Green Buildings Committee, [Name], was read and approved.

84. The report of the Green Design Committee, [Name], was read and approved.

85. The report of the Green Manufacturing Committee, [Name], was read and approved.

86. The report of the Green Retailing Committee, [Name], was read and approved.

87. The report of the Green Services Committee, [Name], was read and approved.

88. The report of the Green Transportation Committee, [Name], was read and approved.

89. The report of the Green Utilities Committee, [Name], was read and approved.

90. The report of the Green Water and Wastewater Committee, [Name], was read and approved.

91. The report of the Green Energy Committee, [Name], was read and approved.

92. The report of the Green Buildings Committee, [Name], was read and approved.

93. The report of the Green Design Committee, [Name], was read and approved.

94. The report of the Green Manufacturing Committee, [Name], was read and approved.

95. The report of the Green Retailing Committee, [Name], was read and approved.

96. The report of the Green Services Committee, [Name], was read and approved.

97. The report of the Green Transportation Committee, [Name], was read and approved.

98. The report of the Green Utilities Committee, [Name], was read and approved.

99. The report of the Green Water and Wastewater Committee, [Name], was read and approved.

100. The report of the Green Energy Committee, [Name], was read and approved.

**BYLAWS OF THE  
ASSOCIATION OF CALIFORNIA WATER AGENCIES**

(As amended by the Members on December 1, 2010)  
with changes recommended by the ACWA Board – March 30, 2012

**ARTICLE #1 – GENERAL**

**Section 1. Name.** The name of this California nonprofit corporation shall be the Association of California Water Agencies (hereinafter referred to as the Association).

**Section 2. Principal Office.** The principal office for the transaction of business of the Association is located at 910 K Street, Suite 100, Sacramento, California; provided, however, that the Board of Directors may change the location of the principal office by resolution and without amendment of these bylaws.

**Section 3. Purposes.** The purposes of the Association shall be to work together with its members and others for the best interests of California and its citizens and landowners who use, need and depend upon water; to encourage the orderly development of the waters of the state; to seek means of obtaining and making available to all of California a dependable water supply of the best possible quality at the lowest possible cost, giving due consideration to environmental factors involved therein; to provide inspiration and leadership in meeting and solving the water supply problems of this state; to propose and advocate such policies and measures—local, state and federal—that serve the best interests of the Association, opposing those of contrary nature; to assist in promoting the health, safety and welfare of the employees of its members; and to do all other things that are in the best interests of its members.

**ARTICLE #2 – MEMBERSHIP AND DUES**

**Section 1. Membership.**

- A. **Members.** Only a public district, public agency, or public organization created and operated for the purpose of controlling, treating, developing, acquiring, using or supplying water for any purpose for inhabitants or lands within the state of California, or for the protection, drainage or reclamation of lands within the state of California, may become a member of the Association. Such an entity will become a member upon written application, approval by the Board of Directors, and the payment of the required dues. Acceptance to membership shall authorize full participation in Association activities. Except as otherwise provided in subsection (B) below, in no case may an organization other than a state, a political subdivision (as defined in § 1.103-1(b) of the Income Tax Regulations) of a state or an entity the income of which is excluded from gross income under § 115 of the Internal Revenue Code be a member of the Association.

- B. Honorary Life Members.** Any person who has rendered conspicuous service in furthering the purposes of the Association may, by vote of the Board of Directors, be granted an honorary life membership in the Association without payment of dues or assessments. All past presidents of the Association shall automatically be honorary life members without vote of the Board of Directors. Honorary life members shall not be entitled to a vote or to hold office automatically because of their status as honorary life members.
- C. Termination of Members.** Membership shall cease upon the failure of any member to pay the dues provided for in Section 2 of this Article. The membership of any member may be terminated at any time by such member sending written notification of its intention to withdraw to the Association's principal office. The Board of Directors may terminate the membership of any member upon 30 days' written notice by first-class mail when it is determined at any regular Board meeting or at any special Board meeting called for that purpose that continuance of such membership would not be in the best interests of the Association. Withdrawal or termination of membership ends any participation in Association activities and shall terminate a member's interest in the Association's assets.

**Section 2. Dues.** The annual dues of each member of the Association shall be established by the Board of Directors; provided, however, that any member may apply for a change in its dues because of conditions that differentiate such applicant from other members.

**Section 3. Liability of Members.** No member shall be liable for any obligation incurred by the Association with the following exception: (1) the payment of the annual dues while it remains a member; and (2) the payment of emergency assessments, which shall not exceed 10 percent of current annual dues for each member in any calendar year while it remains a member. No emergency assessment may be levied against any member during its first two years of membership in the Association.

### ARTICLE III – OFFICERS

#### Section 1. President and Vice President.

- A. General.** The president and vice president of the Association shall be officers of the Association. At the time of their election the president and vice president shall each be an elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association. The president and vice president shall be elected by the members of the Association at its fall conference in each odd-numbered year, shall take office on January 1 of the calendar year following election, and shall hold office until such time as their successors take office or are appointed. An elected president shall not be permitted to succeed himself/herself to that office. Except as provided in this Article, should vacancies occur in either office of the president or vice president, the Board of Directors shall appoint persons to fill such offices for the unexpired terms thereof.

- B. **President.** The president shall preside at all meetings of the Board of Directors, the Executive Committee, and the general membership; shall appoint members of all committees, including the chair and vice chair of each, upon recommendation from members and regions (as communicated by the region chairs), with each such committee chair and vice chair ratified by the Board of Directors; and shall perform all other duties necessary to carry out the functions of the office. The president shall be a non-voting ex officio member of each committee, but shall not be an ex officio member of the Nominating Committee or the region boards.

The president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.

- C. **Vice President.** The vice president shall, in the absence of the president, assume all of the duties of that office and, if a vacancy occurs, succeed thereto for the unexpired term. The vice president shall sit as a member of the ~~Board of Directors~~Executive Committee of the ACWA Joint Powers Insurance Authority and shall perform such other duties as assigned by the president.

**Section 2. Executive Director and Secretary, Controller-Treasurer, and General Counsel.**

- A. **General.** The executive director/secretary and controller-treasurer of the Association shall also be officers of the Association. The executive director-~~and treasurer~~/secretary shall be appointed by and hold office at the pleasure of the Board of Directors of the Association. ~~The offices of the executive director and treasurer may be combined by the Board of Directors.~~
- B. **Executive Director/Secretary.** The executive director/secretary shall: (1) advise and assist the Board of Directors, all committees, the boards of each region, and the workgroups of each region; (2) be responsible for administering the total operations of the Association; (3) employ, direct, and release all employed staff in accordance with the policies adopted by the Board of Directors and consistent with the budget adopted by the Board of Directors; (4) provide relevant information to the Board of Directors needed by the Board to take actions; ~~and (5) give members notice and record minutes of all meetings of the membership, Board of Directors, and Executive Committee; and (6) have such other powers and perform such other duties as may be provided and assigned by the Board of Directors directly or through the president of the Board or the Executive Committee.~~ The executive director/secretary, with the assistance of the controller-treasurer, shall render a report to the Board of Directors at the first meeting following the close of each calendar year showing the membership of the Association, the receipts and expenditures during the year, and the work accomplished during the previous year.
- C. **Controller-Treasurer.** The controller-treasurer shall report to and act under the direction of the executive director/secretary. The controller-treasurer shall be a signatory on all accounts held by the Association and shall act as a fiduciary for all assets of the Association.
- D. **General Counsel.** The general counsel shall advise the Board of Directors and executive director/secretary on all legal issues facing the Association including maintaining and developing

the legal and contractual infrastructure required of a US-based nonprofit and such internal issues as organizational policy, document retention, filing and registration requirements, labor law, contracts, and leases.

**Section 3. Bonds.** The Board of Directors shall require fidelity bonds to be furnished for all officers and/or employees handling the finances of the Association in such amounts as it shall deem desirable or necessary, said bond, or bonds, to be approved by the Board of Directors and premiums paid by the Association.

#### ARTICLE IV – BOARD OF DIRECTORS

**Section 1. Membership.** The Board of Directors shall consist of:

- A. The Association president and vice president.
- B. The chair and vice chair of each region.
- C. The chair of each standing committee.
- D. The most immediate active, affiliated past president.
- E. The vice president of the ACWA/Joint Powers Insurance Authority.
- F. The members of the Council of Past Presidents, who will be non-voting members.

**Section 2. Term of Office.** The term of office of all members of the Board of Directors shall commence on January 1 of the calendar year following election of the president and vice president, except for those persons who serve on the Board of Directors by nature of their position as chairs of standing committees, whose terms shall instead commence upon their ratification by the Board of Directors. Except as provided in Article 4, Section 11, the term of office for all members of the Board of Directors shall terminate on December 31 of the following odd-numbered year two years later, or until their successors take office.

**Section 3. Attendance Requirement.** Any member of the Board of Directors who misses two consecutive regular Board meetings without being excused by the Board will no longer be a member of the Board of Directors.

**Section 4. Regular Meetings.** Regular meetings of the Board of Directors shall be held bimonthly at such times and places as the Board may determine.

**Section 5. Special Meetings.** Special meetings may be called by the president upon the president's own volition or shall be called by the president when requested in writing by five directors. Prior to conducting such a special meeting, the president shall consult with the Executive Committee to ensure that adequate information is available to the Board of Directors for any necessary decisions, and where such meeting is called upon the president's own volition, the president shall also consult with the

Executive Committee as to the necessity of the special meeting. Notice for special meetings shall be provided in the following manner: (1) upon 10 days' written notice sent by mail to each director and addressed to each at the address as shown upon the records of the Association; or (2) upon 48 hours' notice with notice provided by electronic means. When the meeting is called upon the president's own volition, the president shall choose the form of notice; when the meeting is called by a request of five directors, the five directors shall choose the form of notice and the president shall promptly call the meeting. No business except that mentioned those items described in the notice shall be transacted at any special meeting, except by consent of three-fourths of the members of the Board of Directors present.

**Section 6. Meeting Requirements and Quorums.** Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission. At any meeting of the Board of Directors, the attendance of 50 percent of the voting members of the Board of Directors, or their permitted alternates as specified in these bylaws, shall constitute a quorum for the transaction of any business. The Board may hold a closed session for discussion of personnel matters or enforcement of violations of the code of conduct.

**Section 7. Alternates.** Each region shall designate an alternate for each chair and vice chair, who shall meet the qualification requirements for chair and vice chair, to act at meetings of the Board of Directors when the chair or vice chair is unable to attend. The vice chair of each standing committee will be the alternate to act at meetings of the Board of Directors when the chair is unable to attend. An alternate may not act or vote on behalf of more than one member of the Board of Directors. A member of the Board of Directors may not act as an alternate for any other member.

**Section 8. Vacancies for Standing Committee Chairs and Vice Chairs.** Should a vacancy occur in the office of any standing committee chair or vice chair before the end of the term, the president shall appoint a new committee chair or vice chair to fulfill the unexpired term of such committee chair or vice chair subject to ratification by the Board of Directors. A vacancy in the office of any such standing committee chair or vice chair as described in the previous sentence shall be deemed to exist when the chair or vice chair: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

**Section 9. Duties, Authorities, and Delegation.** Subject to the provisions and limitations of California Nonprofit Corporation Law, other applicable laws, and the provisions of these bylaws, the Association's activities and affairs are to be exercised by or under the direction of the Association's Board of Directors. The Board of Directors is responsible for the overall supervision, control, and direction of the Association. The Board of Directors shall: (1) employ and release the executive director/secretary; (2) set performance expectations for the executive director/secretary; (3) receive a report on, review, and consider approval of executive director/secretary recommended compensation, and an annual evaluation of the executive director other terms and conditions of employment, and annual evaluations as prepared by the Executive Committee; (4) annually adopt a budget; and (5) set the level of dues for

the Association. Except as to the duties listed in the previous sentence, and subject to Article 3, Section 2, the Board of Directors may delegate the supervision, control, and direction of the Association's affairs to any person or group, including a committee, provided the Association Board retains ultimate responsibility for the actions of such person or group. Where such powers are delegated, the delegation shall be documented in writing.

**Section 10. Council of Past Presidents.** There shall be a Council of Past Presidents composed of all past presidents of the Association. Each member of the council shall be non-voting members of the Board of Directors, except for the most immediate active past president who shall be a voting member. Past presidents shall serve on the council until each no longer is able to or wishes to serve. The president and/or executive director/secretary, with approval of the Board of Directors, may assign specific responsibilities to the council from time to time.

**Section 11. Code of Conduct of Board Members.**

**A. Code of Conduct: Purpose and Adoption.** The Board of Directors shall establish, and update as appropriate, a code of conduct for its Directors that recognizes the Association's commitment of integrity, respect, and fair representation to its members and the public they serve and establishes minimum ethical standards for the performance of the duties of office. The code shall be consistent with the procedural processes contained in this section. The code shall be distributed to all new Directors and shall be distributed annually to all members of the Association.

**B. Violations and Enforcement Process.** A violation of the code of conduct may result in removal, public censure, or private reprimand of a Director, or such other action as contained in the code of conduct. However, removal and public censure shall be reserved only for serious violations. A Director may not be removed or publically censured absent an affirmative vote of two-thirds of the voting members of the Board of Directors. A Director may be privately reprimanded for a violation of the code of conduct upon the majority vote of the quorum. Complaints of violation of the code of conduct may be filed with the president, or the vice-president if the allegations are made against the president. The president may refer a complaint of violation to the executive director/secretary or the general counsel for investigation. The executive director/secretary or general counsel may retain a special investigator or special counsel to conduct or assist the investigation. A Director accused of a violation shall be provided a copy of the complaint. A Director that takes any hostile or retaliatory action, directly or indirectly, against a complainant is subject to removal from the Board in conformance with the process identified above. Prior to scheduling a Board action on a complaint, the president shall consult with the executive committee, the general Counsel, and the chair of the Legal Affairs Committee. A Director accused of a violation of the code of conduct shall be provided at least 15 days written notice of any meeting of the Board at which a determination of enforcement will be considered. A determination of enforcement may be made only at a regular meeting of the Board and shall be made in closed session. The determinations of the Board under this section

shall not be admissible in any criminal or civil proceeding brought against the Director for conduct that violates any other law.

## ARTICLE V – REGIONS

### Section 1: Boundaries of Each Region.

- A. There shall be a maximum of 10 regions within the state. The Board of Directors shall determine the regional boundaries. Insofar as is practicable, the regions shall have a numerical balance in members of the Association; make geographic sense; and promote regional problem solving.
- B. A member of the Association may file a written petition to the Board of Directors requesting a change in regions. Such petition shall set forth the reasons for such requested change. The Board shall, within a reasonable time, act upon such petition and set forth the reasons for its action. Such action by the Board shall be based on factors in (A) above, as well as others deemed by the Board of Directors to be relevant to the decision.

### Section 2: Officers.

- A. The officers of each region shall be a chair and vice chair and three to five region board members who shall be elected by the region by September 30, or the preceding Friday if September 30 falls on a weekend, of odd-numbered years. By resolution of the region board, the region board may choose to maintain a board of fewer than five to seven members. The officers of the region board shall take office on January 1 of the calendar year following election and shall hold office for two years, or until their successors take office. Regions shall hold elections by electronic ballot. ACWA staff shall verify the legitimacy of the ballots.
- B. The officers of each region shall: (1) exercise the powers and perform duties of the region during the interim between region meetings; and (2) make recommendations to the president regarding appointments to committees. The chair and vice chair shall be the region's representatives to the ACWA Board of Directors.
- C. Each officer of a region shall be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the office, the individual may not serve during the remaining term of that office unless that individual can again meet the criteria for the office and is appointed to complete the term pursuant to the next sentence. The region board, by resolution, may adopt more stringent criteria for the qualifications of its board members.
- D. Should a vacancy occur in any of the region board positions before the end of the term, the remaining members of the region board shall appoint a new member. A vacancy in the office of any region board position as described in the previous sentence shall be deemed to exist when a



region board member: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

**Section 3. Nominating Committees.** There shall be a nominating committee for each region consisting of three or more designees, each representing a member of the Association located within the region; appointed by the chair of the region and approved by the region board. Nominating committees shall be formed by February 28 of each odd-numbered year. The nominating committee shall announce its nominations for chair, vice chair, and region board members by August 1 of an election year. All regions must complete the election process by September 30 of the election year, or the preceding Friday if the September 30 falls on a weekend.

**Section 4. Meetings.** The meetings of each region shall be held at both the spring and fall conferences and at such other times and places as may be determined by the region chair. Representatives of five or more members of the Association from the region present at any region meeting shall constitute a quorum for purposes of conducting the business of the region. Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission.

**Section 5. Workgroups.** Workgroups may be appointed by the region chair as needed.

**Section 6. Rules.** Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association. Each region shall abide by the code of conduct adopted by the Board of Directors of the Association.

## ARTICLE VI – EXECUTIVE COMMITTEE

**Section 1. Membership.** There shall be an Executive Committee consisting of the following: the president of the Association, who shall be the chair thereof; the vice president; the most immediate active past president; the chair of the Finance Committee; and three at-large representatives selected from and by the members of the Board of Directors. The election of the three at-large representatives to the Executive Committee shall occur at the first Board of Directors meeting held in each even-numbered year and the elected representatives shall serve immediately following their election and until such time as their successors take office. To the extent practical, the Executive Committee should be constituted so as to reflect the geographic extent of the Association and the functions of the members of the Association.

**Section 2. Powers.** The Executive Committee shall have the following authority:

- A. Personnel.** Subject to the budget adopted by the Board of Directors, the Executive Committee shall perform the following personnel actions: (1) recommend compensation for the executive director/secretary to the Board of Directors for approval; (2) perform annual reviews of the

executive director/secretary and submit that review to the Board of Directors; (3) review and approve employee classification and compensation levels submitted by the executive director/secretary, which shall be reviewable by the Board of Directors, in closed session, upon request of the Board of Directors; (4) establish personnel policies for the conduct and behavior of employees, which shall be reviewable by the Board of Directors; and (5) undertake such other personnel actions as may be requested by the executive director/secretary in support of his or her oversight of all other personnel matters, which shall be reviewable by the Board of Directors, in closed session, upon request of the Board of Directors.

B. Delegation. The Executive Committee may act pursuant to any authority specifically delegated to it by the Board of Directors. The delegation shall indicate whether the authority is still subject to the ultimate authority of the Board.

AC. Authority to Act Between Meetings. The Executive Committee has authority to: (1) act pursuant to authority delegated to it; and (2) may act for the Board of Directors between Board meetings when calling a special meeting of the Board of Directors is impracticable; provided that except as described in subsection (B) of this paragraph no such action of the Executive Committee is shall be binding on the Board of Directors unless until authorized or approved by the Board. The Executive Committee shall perform such other duties and assume such other responsibilities as are referred to it by the president. The Executive Committee has the authority to authorize actions recommended by the Legal Affairs Committee (such as the filing of letter briefs and amicus curiae briefs) by electronic means without the need for an in-person or telephonic meeting, but such authorized actions shall be ratified by the Board of Directors at its next meeting.

B. Subject to the budget adopted by the Board of Directors, the Executive Committee shall perform the following personnel actions: (1) setting of the compensation for the executive director and the treasurer and reporting that compensation to the Board; (2) performing an annual review of the executive director and reporting on that review to the Board; (3) reviewing and approving employee classification and compensation levels as are recommended by the executive director; (4) establishing personnel policies for the conduct and behavior of employees; and (5) such other actions as may be requested by the executive director in support of his or her oversight of all other personnel matters.

D. Other Duties. The Executive Committee shall perform such other duties and assume such other responsibilities as are referred to it by the president.

**Section 3. Reporting.** The president, or any person designated by the president, shall report to the Board of Directors, at each regular Board meeting, any action taken by the Executive Committee since the last preceding regular Board meeting. The minutes of Executive Committee meetings, which at that time may still be in draft form, shall be mailed (using the U.S. Postal Service, express delivery, electronic means, or otherwise) to each member of the Board of Directors at least five days prior to Board meetings, except in cases in which the Executive Committee meets during or immediately prior to a

conference of the Association or immediately prior to a Board meeting, in which case the minutes, which may still be in draft form, shall be mailed to each director promptly thereafter.

**Section 4. Meetings.** The Executive Committee shall hold regularly scheduled meetings as set by the president. Special meetings of the Executive Committee may be called by the president upon notice to the members of that committee or upon written request of three Executive Committee members. Notice for special Executive Committee meetings shall be provided to the entire Board: (1) upon five days' written notice sent by mail; or (2) upon 24 hours' notice with notice provided by electronic means; and all such meetings shall be open to the Board of Directors. Any meeting, regular or special, may be held in person or by telephone conference, web video conference or other electronic video screen communication or electronic transmission. The meetings of the Executive Committee shall be open to all members of the Board of Directors, but may be closed to others at the discretion of the Executive Committee.

**Section 5. Minutes.** The minutes of the Executive Committee meetings shall be kept by the executive director/secretary at the Association's principal office. Actions of the Executive Committee shall be reported to the Board of Directors as provided in Section 3 of this Article and shall be available to any member of the Board of Directors upon request to the executive director/secretary.

## ARTICLE VII – STANDING COMMITTEES

**Section 1. Qualification.** In order to serve on any ACWA standing committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the appointment, the individual may not serve during the remaining term of that appointment unless that individual can again meet the criteria for appointment and is appointed to complete the term.

**Section 2. Term of Office.** The term of office of standing committee members shall be two years commencing on January 1 of each even-numbered year. The term of office of standing committee chairs, who serve on the Board of Directors, shall be approximately two years and shall commence as soon after January 1 of the even-numbered year as they may be appointed by the president and ratified by the then-seated Board of Directors, and shall terminate on December 31 of the odd-numbered year approximately two years later or until their successors are appointed and ratified.

**Section 3. Meetings.** Meetings of standing committees may be called at such times and places designated by the respective chair thereof except where provided otherwise by these bylaws. Subject to the provisions of these bylaws and any actions that may be taken by the Board of Directors, the chairs of each standing committee may establish their own rules for the efficient operation of the committee they each chair. The chairs of each standing committee are authorized to create subcommittees and workgroups in order to complete the work of the committee.

**Section 4. Communications Committee.** There shall be a Communications Committee whose duty it shall be to develop and make recommendations to the Board of Directors regarding a comprehensive internal and external communications program for the Association and to promote development of sound public information and education programs and practices among members of the Association. The committee shall consist of no more than 40 individuals. Of that number, at least one individual shall be from each region.

**Section 5. Energy Committee.** There shall be an Energy Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one representative from each region.

**Section 6. Federal Affairs Committee.** There shall be a Federal Affairs Committee whose duty it shall be to review all federal legislative proposals and regulatory proposals affecting members of the Association, after consulting with other appropriate committees, and to develop Association positions consistent with existing policy, where it has been established; recommend sponsorship of bills that will resolve problems or improve conditions for members of the Association; and assist in the establishment of the Association's federal legislative program. The committee shall consist of at least one and no more than five individuals from each region.

**Section 7. Finance Committee.** There shall be a Finance Committee whose duty it shall be to make recommendations to the Board of Directors regarding annual budgets, dues formula and schedules and other revenue-producing income, annual audit and selection of an auditor, and investment strategies. The committee shall consist of the president and vice president of the Association as ex officio members, the Finance Committee chair, one member of the region board from each of the Association's 10 regions (either chair or vice chair), and one additional representative from each region with experience in financial matters.

**Section 8. Groundwater Committee.** There shall be a Groundwater Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one representative from each region.

**Section 9. Insurance and Personnel Committee.** There shall be an Insurance and Personnel Committee whose duty it shall be to review, on a regular basis, all group insurance program offerings, make recommendations to the Board of Directors regarding annual contract renewal of all group employee benefit plans, retirement issues, and other personnel and administrative issues pertinent to the management of members of the Association. The committee shall consist of at least one and no more than two individuals from each region; at least one from each region must represent a member enrolled in multiple plan offerings through the Association.

**Section 10. Legal Affairs Committee.** There shall be a Legal Affairs Committee whose duty it shall be to support the mission of the Association, and more particularly to deal with requests for assistance involving legal matters of significance to members of the Association, including but not limited to state

and federal court litigation, water rights matters, selected regulatory and resources agency matters; proposed bylaw revisions; review of legislation as requested by the State Legislative Committee, etc. The committee shall consider matters and issues submitted to it in order to determine which ones are of major significance to the members of the Association and, assuming a finding of major significance, recommend to the Board of Directors the position(s) which the committee believes the Association should take with respect thereto. The committee shall be composed of between 35 and 45 attorneys; each of whom shall be, or act as, counsel for a member of the Association, representing diverse interests within the Association, including but not limited to, different geographical areas throughout the state; large and small agencies, agricultural and urban agencies, agencies created under the various enabling statutes, etc. Further, there shall be at least one representative from each region on the committee.

**Section 1110. Local Government Committee.** There shall be a Local Government Committee whose duty it shall be to recommend policies to the State Legislative Committee, as appropriate, and Board of Directors on matters affecting water agencies as a segment of local government in California. The committee shall consist of at least one and no more than three individuals from each region.

**Section 11. Membership Committee.** There shall be a Membership Committee whose duty it shall be to assist staff in developing membership recruitment and retention programs; make recommendations to the Board of Directors regarding membership policies, eligibility, and applications for membership and review and make recommendations to the Finance Committee regarding an equitable dues structure. The committee shall consist of at least one member from each region.

**Section 12. Personnel and Benefits Committee.** There shall be a Personnel and Benefits Committee whose duty it shall be to review, on a regular basis, membership salary survey, retirement issues, and other personnel, benefits, and administrative issues pertinent to the management of members of the Association. The committee shall consist of at least one and no more than two individuals from each region.

**Section 1213. State Legislative Committee.** There shall be a State Legislative Committee whose duty it shall be to review all state legislative proposals affecting members of the Association and to establish Association positions, consistent with existing policy, where it has been established; sponsor bills that will resolve problems or improve conditions for members of the Association; and assist in the establishment of the Association's legislative program. The committee shall consist of individuals representing a variety of types of districts and at least one and no more than four individuals from each region. There shall be at least one person representing each of the following types of agencies: (1) California water districts; (2) county water districts; (3) irrigation districts; and (4) municipal water districts. The representatives of the above types of agencies shall be a representative from the regions.

**Section 1314. Water Management Committee.** There shall be a Water Management Committee whose duty it shall be to recommend policy and programs to the Board of Directors on any area of concern in water management. The committee shall consist of at least one and no more than four individuals from each region.

**Section 1415. Water Quality Committee.** There shall be a Water Quality Committee whose duty it shall be to develop and recommend Association policy, positions, and programs to the Board of Directors, to promote cost-effective state and federal water quality regulations that protect the public health, to enable interested members of the Association to join together to develop and coordinate with other organizations, and to present unified comments regarding agricultural and domestic water quality regulations. The committee shall consist of at least one individual from each region.

### **ARTICLE VIII – SPECIAL COMMITTEES**

**Section 1. Nominating Committee.** There shall be a Nominating Committee consisting of five or more persons appointed by the president prior to the Association's fall conference in each odd-numbered year. Not later than 48 hours prior to the election of officers of the Association, the nominating committee shall publish its nominations for the offices of president and vice president of the Association. Additional nominations may be made by any member of the Association for candidates for the office of president and vice president.

**Section 2. Membership Committee.** There shall be a Membership Committee whose duty it shall be to make recommendations to the Board of Directors regarding membership policies, eligibility, and applications for membership. The committee shall assist staff in developing membership recruitment and retention programs and review and make recommendations to the Finance Committee regarding an equitable dues structure.

**Section 3. Other Committees and Task Forces.** Other committees and task forces may be appointed by the president from time to time as needed, consistent with and supportive of the mission of the Association.

### **ARTICLE IX – MEETINGS OF MEMBERS**

**Section 1. Meetings:** Meetings of the members of the Association shall be held at the Association's conferences at such times as may be determined by the Board of Directors to conduct necessary business.

**Section 2. Special Meetings.** Special meetings of the members of the Association may be called by the Board of Directors, the president of the Board of Directors, or by 5 percent or more of the members of the Association. Except when called by the Board, a request for a special meeting must be in writing and must be delivered in person or mailed by first-class mail addressed to the president of the Board at the principal office of the Association, with a copy to the executive director/secretary. The request must state the general nature of the business proposed to be transacted at the meeting.

A special meeting that has been called by written request of 5 percent of the member agencies of the Association to the Board of Directors shall be set by the Board of Directors on a date that is not less than 35 or more than 90 days after receipt of the request. The executive director/secretary shall cause notice

## BYLAWS OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES

to be given to all members of the Association, which notice shall state the place, date, and time of the meeting and the general nature of the business to be transacted at the meeting. No business except that specified in the request and notice may be transacted at said special meeting.

**Section 3. Voting.** Each member of the Association shall be entitled to one vote that shall be cast by its authorized representative. All questions, except amendments or revisions of these bylaws, shall be determined by a majority of the members present and voting. A roll call may be requested by any representative.

**Section 4. Amendment of Bylaws.** These bylaws may be amended or revised by two-thirds of the member agencies of the Association present and voting at any meeting.

**Section 5. Quorums.** The presence of 50 members of the Association at any meeting of the members shall constitute a quorum for transacting business.

**Section 6. Amendments, Revisions, and Resolutions.** Before any amendments or revisions to the bylaws, or resolutions, may be considered at any meeting of the Association, any such amendment, revision, or resolution shall be submitted to the executive director/secretary at least 30 days prior to the first day of such meeting. The executive director/secretary shall promptly distribute any proposed amendments or revisions to the Legal Affairs Committee for the Legal Affairs Committee to develop an unbiased analysis of the amendments or revisions. Following development of an analysis for the proposed amendments or revisions, the executive director/secretary shall distribute copies of any resolutions, amendments or revisions, including any applicable analyses, to all members of the Association at least five days prior to presentation at such meeting. The 30-day rule may be suspended at any meeting of the Association by consent of three-fourths of the members present. Voting on resolutions, amendments, or revisions shall proceed as provided by Sections 3 and 4 of this Article.

**Section 7. Nominations for Officers from the Floor.** Additional nominations and seconds, if any, for candidates for the office of president and vice president (as provided for in the last sentence of Article 8, Section 1) will be made from the floor, during the election of the officers of president and vice president, by a member of the Association. Such nominations and seconds must be supported by a resolution of the governing body of the member making and seconding such nomination.

### ARTICLE X10 – MISCELLANEOUS

**Section 1. Conduct of Meetings.** All meetings of the Association shall be conducted in accord with the code of conduct and in substantial accordance with the latest edition of Robert's Rules of Order Newly Revised unless the Board adopts alternate rules of conduct for itself and/or its committees, region boards, and region workgroups.

**Section 2. Funds.** The funds of the Association shall be used to further the aims and purposes of this Association. They shall be kept by the controller-treasurer and paid out by checks or other electronic means, which shall only be valid with two authorized signatures. The Board of Directors shall designate

by resolution which persons, other than the controller-treasurer, may sign for expenditures. The Finance Committee shall implement procedures to ensure necessary internal controls over the receipt and expenditures of Association funds and arrange for an external audit. Audit reports shall be presented to the Board of Directors.

**Section 3. Definitions.** As used in these bylaws, the term "notice provided by electronic means" shall refer to notice given by fax or e-mail.



consistent with the requirements of the contract. The contract requires that the contractor shall provide a summary report of the comparison results to the client within the time frame specified in the contract. The contractor shall also provide a copy of the summary report to the client's designated representative.

**Summary Report:**  
**Litéra® Change-Pro ML 6.5.0.396 Document Comparison done on 3/30/2012**  
**4:28:20 PM**

**Style Name:** Default.Style

**Original Filename:**

**Original DMS:** do://WEST/1214645/1

**Modified Filename:**

**Modified DMS:** do://WEST/1214646/8

<b>Changes:</b>	
Add	80
Delete	41
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
<b>Total Changes:</b>	<b>121</b>

**BYLAWS OF THE  
ASSOCIATION OF CALIFORNIA WATER AGENCIES**

(As amended by the Members on December 1, 2010  
with changes recommended by the ACWA Board – March 30, 2012)

**ARTICLE 1 – GENERAL**

**Section 1. Name.** The name of this California nonprofit corporation shall be the Association of California Water Agencies (hereinafter referred to as the Association).

**Section 2. Principal Office.** The principal office for the transaction of business of the Association is located at 910 K Street, Suite 100, Sacramento, California; provided, however, that the Board of Directors may change the location of the principal office by resolution and without amendment of these bylaws.

**Section 3. Purposes.** The purposes of the Association shall be to work together with its members and others for the best interests of California and its citizens and landowners who use, need and depend upon water; to encourage the orderly development of the waters of the state; to seek means of obtaining and making available to all of California a dependable water supply of the best possible quality at the lowest possible cost, giving due consideration to environmental factors involved therein; to provide inspiration and leadership in meeting and solving the water supply problems of this state; to propose and advocate such policies and measures—local, state and federal—that serve the best interests of the Association, opposing those of contrary nature; to assist in promoting the health, safety and welfare of the employees of its members; and to do all other things that are in the best interests of its members.

**ARTICLE 2 – MEMBERSHIP AND DUES**

**Section 1. Membership.**

- A. **Members.** Only a public district, public agency, or public organization created and operated for the purpose of controlling, treating, developing, acquiring, using or supplying water for any purpose for inhabitants or lands within the state of California, or for the protection, drainage or reclamation of lands within the state of California, may become a member of the Association. Such an entity will become a member upon written application, approval by the Board of Directors, and the payment of the required dues. Acceptance to membership shall authorize full participation in Association activities. Except as otherwise provided in subsection (B) below, in no case may an organization other than a state, a political subdivision (as defined in § 1.103-1(b) of the Income Tax Regulations) of a state or an entity the income of which is excluded from gross income under § 115 of the Internal Revenue Code be a member of the Association.

- B. **Honorary Life Members.** Any person who has rendered conspicuous service in furthering the purposes of the Association may, by vote of the Board of Directors, be granted an honorary life membership in the Association without payment of dues or assessments. All past presidents of the Association shall automatically be honorary life members without vote of the Board of Directors. Honorary life members shall not be entitled to a vote or to hold office automatically because of their status as honorary life members.
- C. **Termination of Members.** Membership shall cease upon the failure of any member to pay the dues provided for in Section 2 of this Article. The membership of any member may be terminated at any time by such member sending written notification of its intention to withdraw to the Association's principal office. The Board of Directors may terminate the membership of any member upon 30 days' written notice by first-class mail when it is determined at any regular Board meeting or at any special Board meeting called for that purpose that continuance of such membership would not be in the best interests of the Association. Withdrawal or termination of membership ends any participation in Association activities and shall terminate a member's interest in the Association's assets.

**Section 2. Dues.** The annual dues of each member of the Association shall be established by the Board of Directors; provided, however, that any member may apply for a change in its dues because of conditions that differentiate such applicant from other members.

**Section 3. Liability of Members.** No member shall be liable for any obligation incurred by the Association with the following exception: (1) the payment of the annual dues while it remains a member; and (2) the payment of emergency assessments, which shall not exceed 10 percent of current annual dues for each member in any calendar year while it remains a member. No emergency assessment may be levied against any member during its first two years of membership in the Association.

## ARTICLE 3 – OFFICERS

### Section 1. President and Vice President.

- A. **General.** The president and vice president of the Association shall be officers of the Association. At the time of their election the president and vice president shall each be an elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association. The president and vice president shall be elected by the members of the Association at its fall conference in each odd-numbered year, shall take office on January 1 of the calendar year following election, and shall hold office until such time as their successors take office or are appointed. An elected president shall not be permitted to succeed himself/herself to that office. Except as provided in this Article, should vacancies occur in either office of the president or vice president, the Board of Directors shall appoint persons to fill such offices for the unexpired terms thereof.

- B. **President.** The president shall preside at all meetings of the Board of Directors, the Executive Committee, and the general membership; shall appoint members of all committees, including the chair and vice chair of each, upon recommendation from members and regions (as communicated by the region chairs), with each such committee chair and vice chair ratified by the Board of Directors; and shall perform all other duties necessary to carry out the functions of the office. The president shall be a non-voting ex officio member of each committee, but shall not be an ex officio member of the Nominating Committee or the region boards.

The president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.

- C. **Vice President.** The vice president shall, in the absence of the president, assume all of the duties of that office and, if a vacancy occurs, succeed thereto for the unexpired term. The vice president shall sit as a member of the Executive Committee of the ACWA Joint Powers Insurance Authority and shall perform such other duties as assigned by the president.

## Section 2. Executive Director/Secretary, Controller-Treasurer, and General Counsel.

- A. **General.** The executive director/secretary and controller-treasurer of the Association shall also be officers of the Association. The executive director/secretary shall be appointed by and hold office at the pleasure of the Board of Directors of the Association.

- B. **Executive Director/Secretary.** The executive director/secretary shall: (1) advise and assist the Board of Directors, all committees, the boards of each region, and the workgroups of each region; (2) be responsible for administering the total operations of the Association; (3) employ, direct, and release all employed staff in accordance with the policies adopted by the Board of Directors and consistent with the budget adopted by the Board of Directors; (4) provide relevant information to the Board of Directors needed by the Board to take actions; (5) give members notice and record minutes of all meetings of the membership, Board of Directors, and Executive Committee; and (6) have such other powers and perform such other duties as may be provided and assigned by the Board of Directors directly or through the president of the Board or the Executive Committee. The executive director/secretary, with the assistance of the controller-treasurer, shall render a report to the Board of Directors at the first meeting following the close of each calendar year showing the membership of the Association, the receipts and expenditures during the year, and the work accomplished during the previous year.

- C. **Controller-Treasurer.** The controller-treasurer shall report to and act under the direction of the executive director/secretary. The controller-treasurer shall be a signatory on all accounts held by the Association and shall act as a fiduciary for all assets of the Association.

- D. **General Counsel.** The general counsel shall advise the Board of Directors and executive director/secretary on all legal issues facing the Association including maintaining and developing the legal and contractual infrastructure required of a US-based nonprofit and such internal

issues as organizational policy, document retention, filing and registration requirements, labor law, contracts, and leases.

**Section 3. Bonds.** The Board of Directors shall require fidelity bonds to be furnished for all officers and/or employees handling the finances of the Association in such amounts as it shall deem desirable or necessary, said bond, or bonds, to be approved by the Board of Directors and premiums paid by the Association.

**ARTICLE 4 – BOARD OF DIRECTORS**

**Section 1. Membership.** The Board of Directors shall consist of:

- A. The Association president and vice president.
- B. The chair and vice chair of each region.
- C. The chair of each standing committee.
- D. The most immediate active past president.
- E. The vice president of the ACWA/Joint Powers Insurance Authority.
- F. The members of the Council of Past Presidents, who will be non-voting members.

**Section 2. Term of Office.** The term of office of all members of the Board of Directors shall commence on January 1 of the calendar year following election of the president and vice president, except for those persons who serve on the Board of Directors by nature of their position as chairs of standing committees, whose terms shall instead commence upon their ratification by the Board of Directors. Except as provided in Article 4, Section 11, the term of office for all members of the Board of Directors shall terminate on December 31 of the following odd-numbered year two years later, or until their successors take office.

**Section 3. Attendance Requirement.** Any member of the Board of Directors who misses two consecutive regular Board meetings without being excused by the Board will no longer be a member of the Board of Directors.

**Section 4. Regular Meetings.** Regular meetings of the Board of Directors shall be held bimonthly at such times and places as the Board may determine.

**Section 5. Special Meetings.** Special meetings may be called by the president upon the president's own volition or shall be called by the president when requested in writing by five directors. Prior to conducting such a special meeting, the president shall consult with the Executive Committee to ensure that adequate information is available to the Board of Directors for any necessary decisions; and where such meeting is called upon the president's own volition, the president shall also consult with the Executive Committee as to the necessity of the special meeting. Notice for special meetings shall be

provided in the following manner: (1) upon 10 days' written notice sent by mail to each director and addressed to each at the address as shown upon the records of the Association; or (2) upon 48 hours' notice with notice provided by electronic means. When the meeting is called upon the president's own volition, the president shall choose the form of notice; when the meeting is called by a request of five directors, the five directors shall choose the form of notice and the president shall promptly call the meeting. No business except those items described in the notice shall be transacted at any special meeting, except by consent of three-fourths of the members of the Board of Directors present.

**Section 6. Meeting Requirements and Quorums.** Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission. At any meeting of the Board of Directors, the attendance of 50 percent of the voting members of the Board of Directors, or their permitted alternates as specified in these bylaws, shall constitute a quorum for the transaction of any business. The Board may hold a closed session for discussion of personnel matters or enforcement of violations of the code of conduct.

**Section 7. Alternates.** Each region shall designate an alternate for each chair and vice chair, who shall meet the qualification requirements for chair and vice chair, to act at meetings of the Board of Directors when the chair or vice chair is unable to attend. The vice chair of each standing committee will be the alternate to act at meetings of the Board of Directors when the chair is unable to attend. An alternate may not act or vote on behalf of more than one member of the Board of Directors. A member of the Board of Directors may not act as an alternate for any other member.

**Section 8. Vacancies for Standing Committee Chairs and Vice Chairs.** Should a vacancy occur in the office of any standing committee chair or vice chair before the end of the term, the president shall appoint a new committee chair or vice chair to fulfill the unexpired term of such committee chair or vice chair subject to ratification by the Board of Directors. A vacancy in the office of any such standing committee chair or vice chair as described in the previous sentence shall be deemed to exist when the chair or vice chair: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

**Section 9. Duties, Authorities, and Delegation.** Subject to the provisions and limitations of California Nonprofit Corporation Law, other applicable laws, and the provisions of these bylaws, the Association's activities and affairs are to be exercised by or under the direction of the Association's Board of Directors. The Board of Directors is responsible for the overall supervision, control, and direction of the Association. The Board of Directors shall: (1) employ and release the executive director/secretary; (2) set performance expectations for the executive director/secretary; (3) receive, review, and consider approval of executive director/secretary recommended compensation, other terms and conditions of employment, and annual evaluations as prepared by the Executive Committee; (4) annually adopt a budget; and (5) set the level of dues for the Association. Except as to the duties listed in the previous sentence, and subject to Article 3, Section 2, the Board of Directors may delegate the supervision, control, and direction of the Association's affairs to any person or group, including a committee,

BYLAWS OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES

provided the Association Board retains ultimate responsibility for the actions of such person or group. Where such powers are delegated, the delegation shall be documented in writing.

**Section 10. Council of Past Presidents.** There shall be a Council of Past Presidents composed of all past presidents of the Association. Each member of the council shall be non-voting members of the Board of Directors, except for the most immediate active past president who shall be a voting member. Past presidents shall serve on the council until each no longer is able to or wishes to serve. The president and/or executive director/secretary, with approval of the Board of Directors, may assign specific responsibilities to the council from time to time.

**Section 11. Code of Conduct of Board Members.**

A. **Code of Conduct: Purpose and Adoption.** The Board of Directors shall establish, and update as appropriate, a code of conduct for its Directors that recognizes the Association's commitment of integrity, respect, and fair representation to its members and the public they serve and establishes minimum ethical standards for the performance of the duties of office. The code shall be consistent with the procedural processes contained in this section. The code shall be distributed to all new Directors and shall be distributed annually to all members of the Association.

B. **Violations and Enforcement Process.** A violation of the code of conduct may result in removal, public censure, or private reprimand of a Director, or such other action as contained in the code of conduct. However, removal and public censure shall be reserved only for serious violations. A Director may not be removed or publically censured absent an affirmative vote of two-thirds of the voting members of the Board of Directors. A Director may be privately reprimanded for a violation of the code of conduct upon the majority vote of the quorum. Complaints of violation of the code of conduct may be filed with the president, or the vice-president if the allegations are made against the president. The president may refer a complaint of violation to the executive director/secretary or the general counsel for investigation. The executive director/secretary or general counsel may retain a special investigator or special counsel to conduct or assist the investigation. A Director accused of a violation shall be provided a copy of the complaint. A Director that takes any hostile or retaliatory action, directly or indirectly, against a complainant is subject to removal from the Board in conformance with the process identified above. Prior to scheduling a Board action on a complaint, the president shall consult with the executive committee, the general Counsel, and the chair of the Legal Affairs Committee. A Director accused of a violation of the code of conduct shall be provided at least 15 days written notice of any meeting of the Board at which a determination of enforcement will be considered. A determination of enforcement may be made only at a regular meeting of the Board and shall be made in closed session. The determinations of the Board under this section shall not be admissible in any criminal or civil proceeding brought against the Director for conduct that violates any other law.

**ARTICLE 5 – REGIONS**

**Section 1. Boundaries of Each Region.**

A. There shall be a maximum of 10 regions within the state. The Board of Directors shall determine the regional boundaries. Insofar as is practicable, the regions shall have a numerical balance in members of the Association; make geographic sense; and promote regional problem solving.

B. A member of the Association may file a written petition to the Board of Directors requesting a change in regions. Such petition shall set forth the reasons for such requested change. The Board shall, within a reasonable time, act upon such petition and set forth the reasons for its action. Such action by the Board shall be based on factors in (A) above, as well as others deemed by the Board of Directors to be relevant to the decision.

**Section 2. Officers.**

A. The officers of each region shall be a chair and vice chair and three to five region board members who shall be elected by the region by September 30, or the preceding Friday if September 30 falls on a weekend, of odd-numbered years. By resolution of the region board, the region board may choose to maintain a board of fewer than five to seven members. The officers of the region board shall take office on January 1 of the calendar year following election and shall hold office for two years, or until their successors take office. Regions shall hold elections by electronic ballot. ACWA staff shall verify the legitimacy of the ballots.

B. The officers of each region shall: (1) exercise the powers and perform duties of the region during the interim between region meetings; and (2) make recommendations to the president regarding appointments to committees. The chair and vice chair shall be the region's representatives to the ACWA Board of Directors.

C. Each officer of a region shall be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the office, the individual may not serve during the remaining term of that office unless that individual can again meet the criteria for the office and is appointed to complete the term pursuant to the next sentence. The region board, by resolution, may adopt more stringent criteria for the qualifications of its board members.

D. Should a vacancy occur in any of the region board positions before the end of the term, the remaining members of the region board shall appoint a new member. A vacancy in the office of any region board position as described in the previous sentence shall be deemed to exist when a region board member: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly



designated by a member of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

**Section 3. Nominating Committees.** There shall be a nominating committee for each region consisting of three or more designees, each representing a member of the Association located within the region, appointed by the chair of the region and approved by the region board. Nominating committees shall be formed by February 28 of each odd-numbered year. The nominating committee shall announce its nominations for chair, vice chair, and region board members by August 1 of an election year. All regions must complete the election process by September 30 of the election year, or the preceding Friday if the September 30 falls on a weekend.

**Section 4. Meetings.** The meetings of each region shall be held at both the spring and fall conferences and at such other times and places as may be determined by the region chair. Representatives of five or more members of the Association from the region present at any region meeting shall constitute a quorum for purposes of conducting the business of the region. Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission.

**Section 5. Workgroups.** Workgroups may be appointed by the region chair as needed.

**Section 6. Rules.** Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association. Each region shall abide by the code of conduct adopted by the Board of Directors of the Association.

## ARTICLE 6 – EXECUTIVE COMMITTEE

**Section 1. Membership.** There shall be an Executive Committee consisting of the following: the president of the Association, who shall be the chair thereof; the vice president; the most immediate active past-president; the chair of the Finance Committee; and three at-large representatives selected from and by the members of the Board of Directors. The election of the three at-large representatives to the Executive Committee shall occur at the first Board of Directors meeting held in each even-numbered year and the elected representatives shall serve immediately following their election and until such time as their successors take office. To the extent practical, the Executive Committee should be constituted so as to reflect the geographic extent of the Association and the functions of the members of the Association.

**Section 2. Powers.** The Executive Committee shall have the following authority:

**A. Personnel.** Subject to the budget adopted by the Board of Directors, the Executive Committee shall perform the following personnel actions: (1) recommend compensation for the executive director/secretary to the Board of Directors for approval; (2) perform annual reviews of the executive director/secretary and submit that review to the Board of Directors; (3) review and approve employee classification and compensation levels submitted by the executive

director/secretary, which shall be reviewable by the Board of Directors, in closed session, upon request of the Board of Directors; (4) establish personnel policies for the conduct and behavior of employees, which shall be reviewable by the Board of Directors; and (5) undertake such other personnel actions as may be requested by the executive director/secretary in support of his or her oversight of all other personnel matters, which shall be reviewable by the Board of Directors, in closed session, upon request of the Board of Directors.

**B. Delegation.** The Executive Committee may act pursuant to any authority specifically delegated to it by the Board of Directors. The delegation shall indicate whether the authority is still subject to the ultimate authority of the Board.

**C. Authority to Act Between Meetings.** The Executive Committee may act for the Board of Directors between Board meetings when calling a special meeting of the Board of Directors is impracticable, provided that no such action of the Executive Committee shall be binding on the Board of Directors until authorized or approved by the Board. The Executive Committee has the authority to authorize actions recommended by the Legal Affairs Committee (such as the filing of letter briefs and amicus curiae briefs) by electronic means without the need for an in-person or telephonic meeting, but such actions shall be ratified by the Board of Directors at its next meeting.

**D. Other Duties.** The Executive Committee shall perform such other duties and assume such other responsibilities as are referred to it by the president.

**Section 3. Reporting.** The president, or any person designated by the president, shall report to the Board of Directors, at each regular Board meeting, any action taken by the Executive Committee since the last preceding regular Board meeting. The minutes of Executive Committee meetings, which at that time may still be in draft form, shall be mailed (using the U.S. Postal Service, express delivery, electronic means, or otherwise) to each member of the Board of Directors at least five days prior to Board meetings, except in cases in which the Executive Committee meets during or immediately prior to a conference of the Association or immediately prior to a Board meeting, in which case the minutes, which may still be in draft form, shall be mailed to each director promptly thereafter.

**Section 4. Meetings.** The Executive Committee shall hold regularly scheduled meetings as set by the president. Special meetings of the Executive Committee may be called by the president upon notice to the members of that committee or upon written request of three Executive Committee members. Notice for special Executive Committee meetings shall be provided to the entire Board: (1) upon five days' written notice sent by mail, or (2) upon 24 hours' notice with notice provided by electronic means; and all such meetings shall be open to the Board of Directors. Any meeting, regular or special, may be held in person or by telephone conference, web video conference or other electronic video screen communication or electronic transmission. The meetings of the Executive Committee shall be open to all members of the Board of Directors, but may be closed to others at the discretion of the Executive Committee.

**Section 5. Minutes.** The minutes of the Executive Committee meetings shall be kept by the executive director/secretary at the Association's principal office. Actions of the Executive Committee shall be reported to the Board of Directors as provided in Section 3 of this Article and shall be available to any member of the Board of Directors upon request to the executive director/secretary.

## ARTICLE 7 – STANDING COMMITTEES

**Section 1. Qualification.** In order to serve on any ACWA standing committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the appointment, the individual may not serve during the remaining term of that appointment unless that individual can again meet the criteria for appointment and is appointed to complete the term.

**Section 2. Term of Office.** The term of office of standing committee members shall be two years commencing on January 1 of each even-numbered year. The term of office of standing committee chairs, who serve on the Board of Directors, shall be approximately two years and shall commence as soon after January 1 of the even-numbered year as they may be appointed by the president and ratified by the then-seated Board of Directors, and shall terminate on December 31 of the odd-numbered year approximately two years later or until their successors are appointed and ratified.

**Section 3. Meetings.** Meetings of standing committees may be called at such times and places designated by the respective chair thereof except where provided otherwise by these bylaws. Subject to the provisions of these bylaws and any actions that may be taken by the Board of Directors, the chairs of each standing committee may establish their own rules for the efficient operation of the committee they each chair. The chairs of each standing committee are authorized to create subcommittees and workgroups in order to complete the work of the committee.

**Section 4. Communications Committee.** There shall be a Communications Committee whose duty it shall be to develop and make recommendations to the Board of Directors regarding a comprehensive internal and external communications program for the Association and to promote development of sound public information and education programs and practices among members of the Association. The committee shall consist of no more than 40 individuals. Of that number, at least one individual shall be from each region.

**Section 5. Energy Committee.** There shall be an Energy Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one representative from each region.

**Section 6. Federal Affairs Committee.** There shall be a Federal Affairs Committee whose duty it shall be to review all federal legislative proposals and regulatory proposals affecting members of the Association, after consulting with other appropriate committees, and to develop Association positions consistent

with existing policy, where it has been established; recommend sponsorship of bills that will resolve problems or improve conditions for members of the Association; and assist in the establishment of the Association's federal legislative program. The committee shall consist of at least one and no more than five individuals from each region.

**Section 7. Finance Committee.** There shall be a Finance Committee whose duty it shall be to make recommendations to the Board of Directors regarding annual budgets, dues formula and schedules and other revenue-producing income, annual audit and selection of an auditor, and investment strategies. The committee shall consist of the president and vice president of the Association as ex officio members, the Finance Committee chair, one member of the region board from each of the Association's 10 regions (either chair or vice chair), and one additional representative from each region with experience in financial matters.

**Section 8. Groundwater Committee.** There shall be a Groundwater Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one representative from each region.

**Section 9. Legal Affairs Committee.** There shall be a Legal Affairs Committee whose duty it shall be to support the mission of the Association, and more particularly to deal with requests for assistance involving legal matters of significance to members of the Association, including but not limited to state and federal court litigation, water rights matters, selected regulatory and resources agency matters, proposed bylaw revisions, review of legislation as requested by the State Legislative Committee, etc. The committee shall consider matters and issues submitted to it in order to determine which ones are of major significance to the members of the Association and, assuming a finding of major significance, recommend to the Board of Directors the position(s) which the committee believes the Association should take with respect thereto. The committee shall be composed of between 35 and 45 attorneys, each of whom shall be, or act as, counsel for a member of the Association, representing diverse interests within the Association, including but not limited to, different geographical areas throughout the state, large and small agencies, agricultural and urban agencies, agencies created under the various enabling statutes, etc. Further, there shall be at least one representative from each region on the committee.

**Section 10. Local Government Committee.** There shall be a Local Government Committee whose duty it shall be to recommend policies to the State Legislative Committee, as appropriate, and Board of Directors on matters affecting water agencies as a segment of local government in California. The committee shall consist of at least one and no more than three individuals from each region.

**Section 11. Membership Committee.** There shall be a Membership Committee whose duty it shall be to assist staff in developing membership recruitment and retention programs, make recommendations to the Board of Directors regarding membership policies, eligibility, and applications for membership and review and make recommendations to the Finance Committee regarding an equitable dues structure. The committee shall consist of at least one member from each region.

**Section 12. Personnel and Benefits Committee.** There shall be a Personnel and Benefits Committee whose duty it shall be to review, on a regular basis, membership salary survey, retirement issues, and other personnel, benefits, and administrative issues pertinent to the management of members of the Association. The committee shall consist of at least one and no more than two individuals from each region.

**Section 13. State Legislative Committee.** There shall be a State Legislative Committee whose duty it shall be to review all state legislative proposals affecting members of the Association and to establish Association positions, consistent with existing policy, where it has been established; sponsor bills that will resolve problems or improve conditions for members of the Association; and assist in the establishment of the Association's legislative program. The committee shall consist of individuals representing a variety of types of districts and at least one and no more than four individuals from each region.

**Section 14. Water Management Committee.** There shall be a Water Management Committee whose duty it shall be to recommend policy and programs to the Board of Directors on any area of concern in water management. The committee shall consist of at least one and no more than four individuals from each region.

**Section 15. Water Quality Committee.** There shall be a Water Quality Committee whose duty it shall be to develop and recommend Association policy, positions, and programs to the Board of Directors, to promote cost-effective state and federal water quality regulations that protect the public health, to enable interested members of the Association to join together to develop and coordinate with other organizations, and to present unified comments regarding agricultural and domestic water quality regulations. The committee shall consist of at least one individual from each region.

**ARTICLE 8 – SPECIAL COMMITTEES**

**Section 1. Nominating Committee.** There shall be a Nominating Committee consisting of five or more persons appointed by the president prior to the Association's fall conference in each odd-numbered year. Not later than 48 hours prior to the election of officers of the Association, the nominating committee shall publish its nominations for the offices of president and vice president of the Association. Additional nominations may be made by any member of the Association for candidates for the office of president and vice president.

**Section 2. Other Committees and Task Forces.** Other committees and task forces may be appointed by the president from time to time as needed, consistent with and supportive of the mission of the Association.

**ARTICLE 9 – MEETINGS OF MEMBERS**

**Section 1. Meetings.** Meetings of the members of the Association shall be held at the Association's conferences at such times as may be determined by the Board of Directors to conduct necessary business.

**Section 2. Special Meetings.** Special meetings of the members of the Association may be called by the Board of Directors, the president of the Board of Directors, or by 5 percent or more of the members of the Association. Except when called by the Board, a request for a special meeting must be in writing and must be delivered in person or mailed by first-class mail addressed to the president of the Board at the principal office of the Association, with a copy to the executive director/secretary. The request must state the general nature of the business proposed to be transacted at the meeting.

A special meeting that has been called by written request of 5 percent of the member agencies of the Association to the Board of Directors shall be set by the Board of Directors on a date that is not less than 35 or more than 90 days after receipt of the request. The executive director/secretary shall cause notice to be given to all members of the Association, which notice shall state the place, date, and time of the meeting and the general nature of the business to be transacted at the meeting. No business except that specified in the request and notice may be transacted at said special meeting.

**Section 3. Voting.** Each member of the Association shall be entitled to one vote that shall be cast by its authorized representative. All questions, except amendments or revisions of these bylaws, shall be determined by a majority of the members present and voting. A roll call may be requested by any representative.

**Section 4. Amendment of Bylaws.** These bylaws may be amended or revised by two-thirds of the member agencies of the Association present and voting at any meeting.

**Section 5. Quorums.** The presence of 50 members of the Association at any meeting of the members shall constitute a quorum for transacting business.

**Section 6. Amendments, Revisions, and Resolutions.** Before any amendments or revisions to the bylaws, or resolutions, may be considered at any meeting of the Association, any such amendment, revision, or resolution shall be submitted to the executive director/secretary at least 30 days prior to the first day of such meeting. The executive director/secretary shall promptly distribute any proposed amendments or revisions to the Legal Affairs Committee for the Legal Affairs Committee to develop an unbiased analysis of the amendments or revisions. Following development of an analysis for the proposed amendments or revisions, the executive director/secretary shall distribute copies of any resolutions, amendments or revisions, including any applicable analyses, to all members of the Association at least five days prior to presentation at such meeting. The 30-day rule may be suspended at any meeting of the Association by consent of three-fourths of the members present. Voting on resolutions, amendments, or revisions shall proceed as provided by Sections 3 and 4 of this Article.

**Section 7. Nominations for Officers from the Floor:** Additional nominations and seconds, if any, for candidates for the office of president and vice president (as provided for in the last sentence of Article 8, Section 1) will be made from the floor during the election of the officers of president and vice president, by a member of the Association. Such nominations and seconds must be supported by a resolution of the governing body of the member making and seconding such nomination.

**ARTICLE 10 – MISCELLANEOUS**

**Section 1. Conduct of Meetings.** All meetings of the Association shall be conducted in accord with the code of conduct and in substantial accordance with the latest edition of Robert's Rules of Order Newly Revised unless the Board adopts alternate rules of conduct for itself and/or its committees, region boards, and region workgroups.

**Section 2. Funds.** The funds of the Association shall be used to further the aims and purposes of this Association. They shall be kept by the controller-treasurer and paid out by checks or other electronic means, which shall only be valid with two authorized signatures. The Board of Directors shall designate by resolution which persons, other than the controller-treasurer, may sign for expenditures. The Finance Committee shall implement procedures to ensure necessary internal controls over the receipt and expenditures of Association funds and arrange for an external audit. Audit reports shall be presented to the Board of Directors.

**Section 3. Definitions.** As used in these bylaws, the term "notice provided by electronic means" shall refer to notice given by fax or e-mail.



Association  
of California  
Water Agencies  
Since 1917  
Leadership  
Advocacy  
Information

---

**PROXY FORM**

ASSOCIATION OF CALIFORNIA WATER AGENCIES  
GENERAL SESSION MEMBERSHIP MEETING

WEDNESDAY, MAY 9, 2012

**TO:** Donna Pangborn, Executive Assistant/Clerk of the Board

**FAX:** 916-554-2350

**E-MAIL:** [donnap@acwa.com](mailto:donnap@acwa.com)

The person designated below will be attending the ACWA General Session Membership Meeting on **Wednesday, May 9, 2012**, as our voting delegate.

Signature of Delegate: \_\_\_\_\_

Printed Name of Delegate: \_\_\_\_\_

Member Agency: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

Date: \_\_\_\_\_

**REMINDER:** Proxy cards will be available for pick up on **Wednesday, May 9, 2012**, between **9:00 a.m.** and **1:00 p.m.** at the General Session Proxy Desk in the De Anza Foyer area of the Portola Plaza Hotel, outside of the De Anza Ballroom where the luncheon and General Session Membership meeting will be held.



Association  
of California  
Water Agencies  
1400  
14th Street  
Sacramento, CA 95811  
916-441-2000



PROXY FORM

ASSOCIATION OF CALIFORNIA WATER AGENCIES  
GENERAL SESSION MEMBERSHIP MEETING

WEDNESDAY, MAY 12, 2010

TO: Board Chairman, Executive Director, Clerk of the Board  
FAX: 916-441-2370  
EMAIL: [donors@acwa.com](mailto:donors@acwa.com)

I, the undersigned, hereby authorize the following persons to attend the ACWA General Session Membership Meeting on Wednesday, May 12, 2010, at the venue designated below.

Name of Delegate	Agency Name	Telephone Number	Address

MEMBER: Proxy cards will be available for pick up on Wednesday, May 12, 2010, at the 9:00 am and 1:00 pm of the General Session Proxy Card Party. It is the policy of the Association that the General Session Proxy Card Party is a non-membership event and the General Session Proxy Card Party is not open to non-members. The Association will be held in a non-membership meeting.

12

**MEMORANDUM**

To: Board of Directors

April 13, 2012

From: Alicia Manzoni, Consumer Services Supervisor *am*

Subj: Request for Additional Bill Adjustment

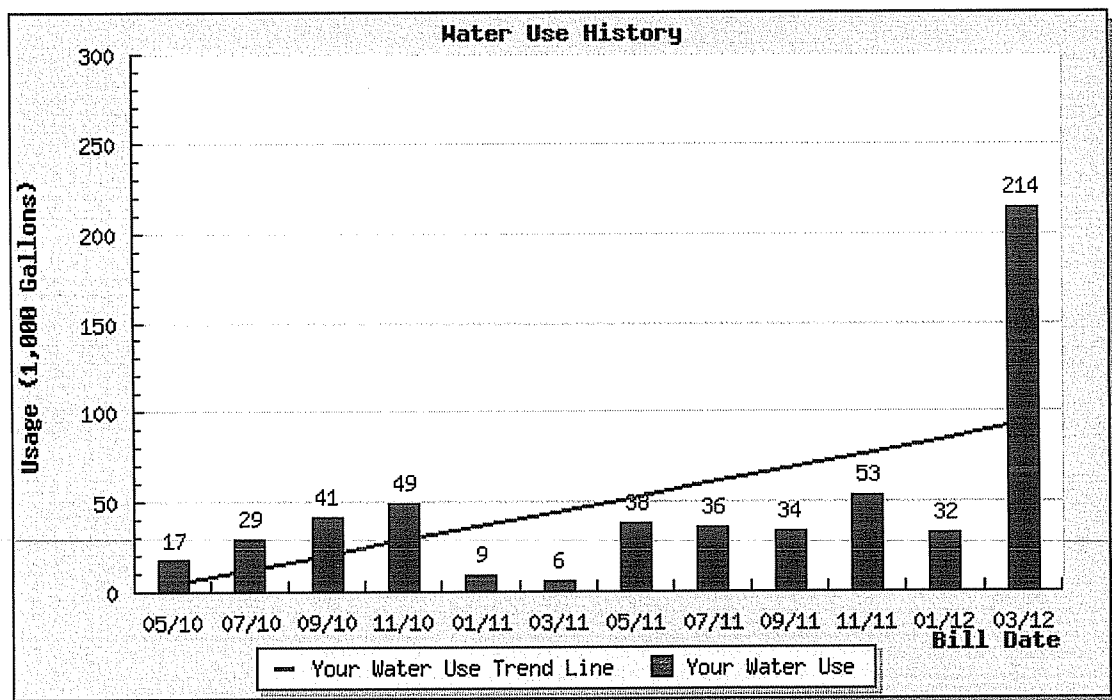
t:\cons srvc\memo\frederick.docx

**RECOMMENDED ACTION:** Deny Request for Additional Bill Adjustment

**FINANCIAL IMPACT:** Up to \$873 if Request is Granted

Mr. J. Frederick, 24 Plata Court, suffered a broken service line between the meter and his house and received an \$1,878 water bill in March. The meter registered 214,000 gallons, compared to 6,000 gallons for the same period in 2011. Mr. Frederick states in his letter (attached) that he first suspected a leak in November 2011, whereupon he promptly contacted the District, but NMWD's Field Service Rep failed to discover a leak. Mr. Frederick asserts that if the leak had been identified in November, he would have repaired it before the pipe burst in January/February, and the high bill and water loss would have been avoided. Therefore, he is requesting an additional bill adjustment amount.

A chart of Mr. Frederick's water use over the past two years shows that his November 2011 use of 53,000 gallons is consistent with his November 2010 use of 49,000 gallons. Thus, the water use record does not readily confirm that a leak had commenced at the time the Field Service Rep visited his home. The January bill shows use of 32,000 gallons, up from 9,000



gallons the prior year, it is fair to surmise that the leak commenced sometime prior to the pipe bursting in January/February.

Mr. Frederick received bill adjustments for both his January and March bills totaling \$1,383 as authorized under the District Bill Adjustment Policy, which splits the cost of the overage with the customer, at the base rate, eliminating tier charges, thereby reducing Mr. Frederick's share of the water use portion of the bill for the four month period to \$630. Mr. Frederick calculates that a fair adjustment would incorporate his November bill also, and be approximately \$2,200, an additional \$873 more than allowed under the Bill Adjustment Policy.

While the District's Field Service Representatives do their best to assist customers in locating leaks on their property, the District has no obligation to find a leak on customers' private property. The District's cost to supply the 246,000 gallons used over the four month period was \$851 (SCWA wholesale rate plus pumping cost to Elevation Zone C), thus the Bill Adjustment Policy calculation renders Mr. Frederick's cost for the water used of \$630 below the District's cost.

**RECOMMENDATION:**

There is no question that the water was used. Staff recommends Mr. Frederick receive the normal credit amount authorized under the Bill Adjustment Policy consistent with that rendered to all other customers.

RECEIVED

MAR 15 2012

North Marin Water District

March 13, 2012

RE: Account # 1191402 - 4392  
24 Plata Ct, Novato, CA 94947  
Water Bill dated 3/1/12 and Adjustment dated 3/5/12

Dear District General Manager NMWD,

I request special consideration and exemption from normal Bill Adjustment Policy #2.

Upon receiving the water bill dated 11/1/11 and noticing the high dollar amount, my wife, Jessica Frederick, promptly contacted your Novato office. A technician was sent to our home to check for leaks. Subsequently, I spoke with NMWD Customer Service and was told that no leaks were found. I thought this perplexing (and stated so to the Cust Serv Rep) and it prompted me to shut off the outdoor irrigation system (it was already set to the wintertime seasonal low usage) and for Jessica to pay particular attention to water conservation measures in the home. (As an elderly couple living alone, we already knew that there would be little extra water saving that we could effect.) The following month our bill dropped to normal Summertime usage, but was still 5 times normal Wintertime usage. We surmised that rates had gone up the way gasoline prices have done and/or our new dishwasher was exceedingly inefficient. However, the unfortunate truth was that we had a leak that had not been identified. The leak got worse and the pipe burst sometime during 1/1/12 and 2/15/12, causing an unfortunate waste of precious water and an unmanageable bill for us.

The way I see it, if a leak had been identified (and fixed) when first alerted, we would have adjusted the bill of 11/1/11 and avoided the high usage and costs of bills dated 1/1/12 and 3/1/12. I calculate the hypothetical "adjusted bill" of 11/1/11 to be in the area of \$150, the bill for 1/1/12 (after fixing the problem shortly after NMWD's first leak inspection) to be approximately \$60 and the bill for 3/1/12 to also be around \$60. Compared to the actual bills, that would result

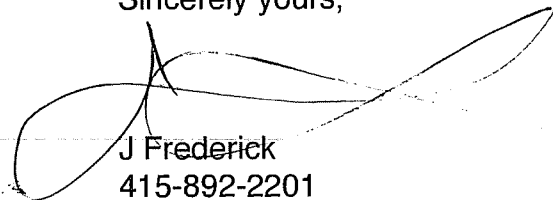
in an adjustment (credit) of approximately \$2200 rather than the \$1326.54 offered by standard calculations in your adjustment.

My wife and I have been residents at the same address for more than 30 years now. A review of our water usage will surely convince you that we are responsible citizens who do their best to conserve water and respond to any problem as quickly as it occurs - as we did when the main intake pipe broke in 2007(photo enclosed.)



I hope that I have stated my logic clearly. Please feel free to call me and discuss this matter in further detail.

Sincerely yours,



J Frederick  
415-892-2201

13

**MEMORANDUM**

To: Board of Directors Date: April 13, 2012  
From: Drew McIntyre, Chief Engineer *DM*  
Robert Clark, Operations/Maintenance Superintendent *RC*  
Subject: Pt. Reyes Well #3 Replacement – Approve Bid Advertisement  
R:\Folders by Job No\6000 jobs\6603.20\6603.20 Bid Advertisement Approval BOD MEMO.doc

**RECOMMENDED ACTION:** That the Board authorize bid advertisement for the Pt. Reyes Well #3 Replacement project.

**FINANCIAL IMPACT:** None at this time. Estimated cost of well installation and District Costs is \$100,000

Background

At the March 6, 2012 meeting the Board certified and adopted the Mitigated Negative Declaration (MND) for the above referenced project and authorized District staff to file a Notice of Determination (NOD) with the Marin County Clerk. The NOD was on file at the County from March 7 thru April 7, 2012. No objections were received during this period. District staff (with consultant GHD, Inc.) is substantially complete with the detailed project design and the District is now ready to move forward with the project bid phase. The following project schedule identifies key milestones:

Schedule

Advertise Project	April 20, 2012
Bid Opening	May 17, 2012
Estimated Coastal Development Permit Approval	June, 2012
Board Authorization of Award	July 2012
Construction Complete	September, 2012

Project Description and Costs

The proposed project encompasses construction of a replacement well that would be drilled and developed approximately 20 feet west of failing Well #3 (see attached Figures A, B & C). Once constructed, the replacement well will be of the same size and operating capacity as existing Well #3. Once the replacement well is placed into production, existing Well #3 would be abandoned pursuant to State standards. This project encompasses construction of the well itself including bore hole, gravel packing, 12 inch casings, annular sanitary seal and concrete well pump base. Once the well is installed and tested, District crews will install a vault around the new well and construct the necessary electrical and mechanical inter-connections to the existing well system.



Estimated costs for well installation has been provided by GHD at approximately \$75,000 and total project costs budgeted for the FY13 construction phase (including well installation, construction management and District crew time) is \$100,000. This estimate will be updated again as soon as bids are received.

#### RECOMMENDATION

That the Board authorize bid advertisement for the Pt. Reyes Well #3 Replacement project.



NOT TO SCALE

**FIGURE A**  
**SITE LOCATION MAP**  
**POINT REYES WELLS**  
**NORTH MARIN WATER DISTRICT**



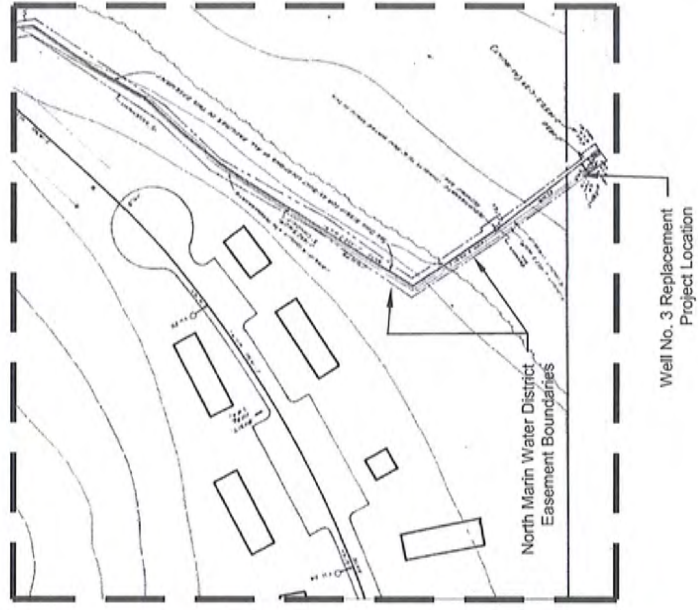
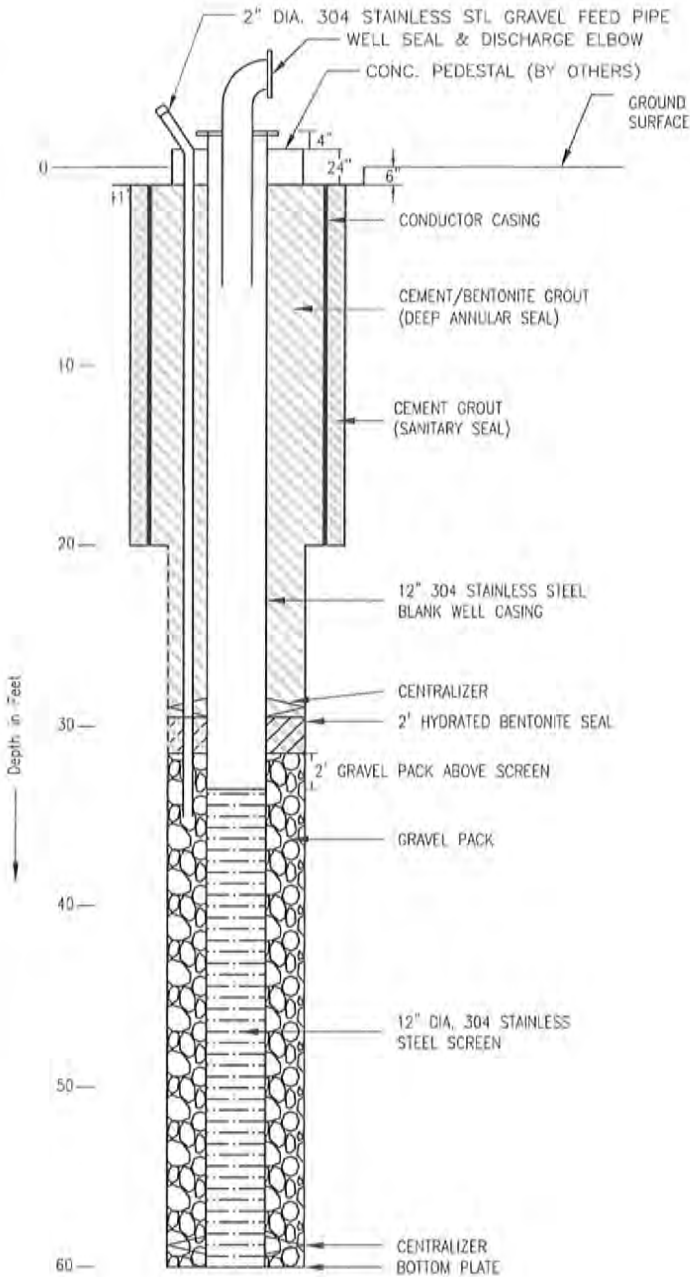


FIGURE B

WELL NO. 3 REPLACEMENT LOCATION MAP  
POINT REYES WELLS  
NORTH MARIN WATER DISTRICT



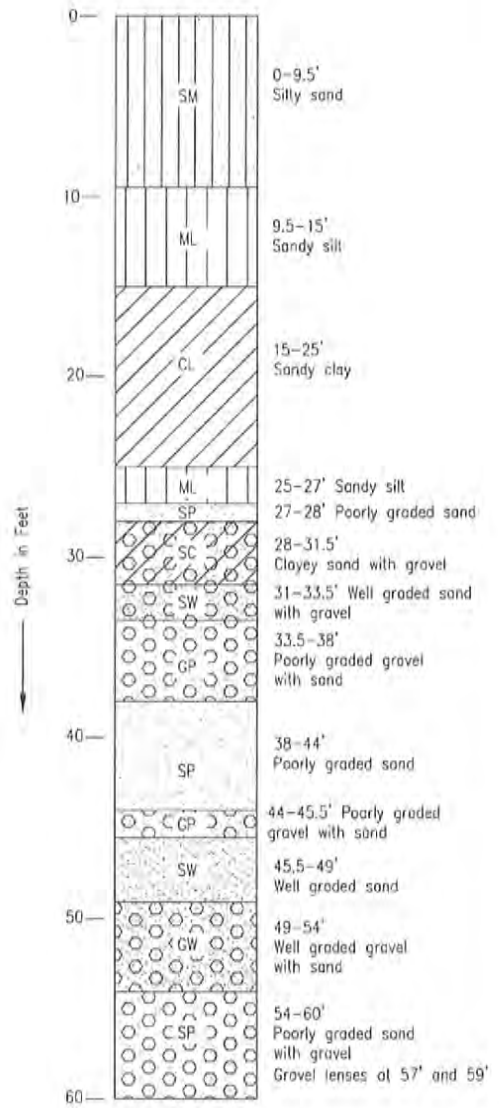
V:\Corpor\projects\SR\02549 - North Marin Water District\02549-07-000 NMWD General Services Agreement\NMWD Point Reyes Wells\99-Drafts\Test Boring And Well Design Tech Memo\Figures\CAD\Figures 05\_05 - Well Details\_1129.dwg  
 4/10/2012 3:08 PM



Depth of gravel and screen based on depth to permeable gravel or sand.

REPLACEMENT WELL DESIGN CROSS SECTION

VERTICAL SCALE: 1" = 10FT  
 HORIZONTAL: NOT TO SCALE



LITHOLOGY FROM TEST BORING REPLACEMENT WELL #3  
 (NOVEMBER 2011)

FIGURE C  
 DESIGN FOR REPLACEMENT WELL #3  
 POINT REYES WELLS  
 NORTH MARIN WATER DISTRICT

14

MEMORANDUM

To: Board of Directors

Date: April 13, 2012

From: Drew McIntyre, Chief Engineer   
Carmela Chandrasekera, Associate Engineer 

Re: Recycled Water Expansion North Service Area Plum Street Tank Rehabilitation Project – Blastco Inc. Change Order No. 7

R:\Folders by Job No\6000 Jobs\6055\BOD memos\6055 Plum Tank Change Order 7 Board memo 4-17-12.doc

**RECOMMENDED ACTION:** Authorize the General Manager to Execute Change Order No. 7 to Blastco Inc.

**FINANCIAL IMPACT:** \$5,000.00

The purpose of this memo is to request Board approval to execute Change Order No. 7 to Blastco, Inc. (**Attachment A**). In keeping with established engineering policy, all individual change orders in excess of \$20,000 and cumulative change orders that exceed the Board approved contingency limit are brought to the Board for approval. In this Board memo, execution of Change order No. 7 will exceed the Board approved contingency of \$20,000 for the Plum Street Tank Rehabilitation Project. A detailed description of the change and reason for the subject Change Order is provided as follows:

Change Order No. 7 Abrasive Blasting Impacts due to Pitting of Tank Shell

The Plum Street Tank had been out of service for nearly two decades prior to its rehabilitation and the condition of the interior of the tank shell was unknown until the coal tar epoxy was removed by blasting. The middle and top rings of the tank shell were found to have extensive "pitting" from corrosion, and the Contractor claims that this pitting significantly inhibited production rates while performing abrasive blasting in these areas.

The Contractor initially requested \$28,156.59 as additional compensation for the reduced production rate resulting in additional expenditures for material, equipment and labor. After initial negotiations, Blastco re-submitted a request for \$19,500. A more in-depth claims analysis was performed by NMWD's Construction Manager, The Covello Group, ultimately determining that actual additional expenses are in the order of \$5,000. Blastco has agreed to a \$5,000 change order which includes compensation for extra labor, additional abrasives, additional abrasive material disposal and equipment.

All current change orders for the project are summarized below:

CO No.	Type	Description	Original Request	Final Amount	Reason
1**					
2	Lump Sum	Coating Hot-Dipped Galvanized Metals	\$3,200.00	\$3,200.00	District requested but not clearly called out in specs
3		Davis Bacon Wage Determination	-	-	No Cost CO
4	Lump Sum	Interior Coating System Change to Tnemec	\$6,415.00	\$6,415.00	To address excessive pitting on the interior tank shell
5	T&M	Extension of Roof Handrail	\$1,609.31	\$1,135.22	Required due to change of location of roof hatch
6	T&M	Repair of Interior Tank Floor	\$9,894.89	\$5,660.93	Found tank floor holes after blasting
7	T&M	Abrasive Blasting Impacts	\$28,256.59	\$5,000.00	Contractor claims that pitting significantly inhibits the production rates while performing abrasive blasting
		<b>TOTAL</b>		<b>\$21,411.15</b>	

Note: \*\* Change Order No. 1 is not included since it pertains to Crest Tank No. 1 (not part of this project)

### Project Summary Update

The final project cost summary as of April 10, 2012 is provided as **Attachment B**. The Board approved the award of the contract with Blastco for \$380,380 for rehabilitation of the Plum Tank Project with a contingency of \$20,000 (5% of contract value). The current Change Order (No. 7) exceeds the approved contingency by \$1,411.15. The additive change orders would amount to \$21,411.15 (5.6% of the contract amount) including Change Order No. 7 (if approved).

With the current Plum Tank project expenditure of \$596,462 there is no change projected in the total estimated North Service Area Recycled Water Expansion cost of \$6.1M. Of this total, approximately 21% is funded in grants from the American Recovery and Reinvestment Act (\$1,269,000), 4% is funded in California Prop 84 grants (\$240,000) and approximately 72% is funded from SRF loans (\$4,364,355). The remaining balance (~\$230,000) is paid by pay-as-you-go funds generated from Facilities Reserve Charges.

### RECOMMENDATION

That the Board authorize the General Manager to execute Change Order No. 7 to Blastco, Inc. in the amount of \$5,000.

**CONTRACT CHANGE ORDER No. 007**

**North Marin Water District  
Recycled Water Expansion  
Plum St Recycled Water Tank Rehabilitation Project  
Project No. 5 6055.04**

**Item: Abrasive Blasting Impacts on Tank Shell**

**DESCRIPTION OF CHANGE:**

While performing abrasive blasting on the interior of the 2<sup>nd</sup> and 3<sup>rd</sup> shell rings of the tank, it was determined that there was unexpected "pitting" of the steel as a result of corrosion over the years. This pitted steel required more time to blast and slowed the Contractor's abrasive blasting operation in these areas. This Change Order shall constitute complete compensation for all impacts (time, equipment and materials) to the Contractor's abrasive blasting operation as a result of the corroded steel on the interior of the tank.

**REFERENCES:**

**COST OF CHANGE:** Add \$5,000.00

**CONTRACT TIME ADJUSTMENT:** 3 Working Days

*This change order constitutes full and complete compensation for all labor, equipment, materials, overhead, profit, any and all indirect costs and time adjustment required to perform the above described change.*

**ACCEPTED:**

**Blastco Incorporated**

Project Manager:

By: SEE ATTACHED SCANNED COPY  
Tony Kulczyk

Date: 4/10/12

**RECOMMENDED FOR ACCEPTANCE:**

**The Covello Group, Inc.**

Construction Manager:

By:  FOR  
Steven Wrightson

Date: 4/10/12

**North Marin Water District**

Chief Engineer

By: \_\_\_\_\_  
Drew McIntyre

Date: \_\_\_\_\_



NORTH MARIN WATER DISTRICT  
WATER SYSTEM IMPROVEMENTS/SPECIAL PROJECTS  
PROJECT SUMMARY  
AS OF APRIL 10, 2012

Job No.	Title:								
5.6055.14	Recycled Water Expansion - North Service Area - Plum Tank Rehabilitation								
Facility No.						Facility Type (Pipelines, Pump Stations, etc.)			
						Pipelines, Tank Improvements			
<b>Description</b>									
Rehabilitation of Plum Street Tank for storage of recycled water - includes interior and exterior re-coating, adding stairs, a shell manway and modification of inlet outlet piping with addition of a flexible connection (flexextend) at the tank.									
<b>Project Justification</b>									
The recycled water expansion project is per NMWD Recycled Water Implementation Plan and is also part of NBWRA regional project Phase 1.									
	Baseline Cost Estimate	2010 Estimate	Aug 2011 Estimate	Nov 2011 Estimate*	Spent as of 4/10/2012		Start	Finish (Est.)	Finish (Actual)
1	Development/Admin				\$7,733	Project Dev.	Jul-10	Aug-11	Oct-10
2	Prelim. Design				\$22,245	Design	Sep-10	Sep-11	Dec-10
3	Fees and Permitting				\$16		Jun-10	Sep-11	
4	Environmental Consultant			\$63,000	\$6,250		Jun-10	Sep-12	
5	Eng. Design - In-house			\$400,000	\$27,189	Permitting	Jun-10	Oct-11	Feb-11
6	Staff Admin/Bid Phase			\$40,000	\$719	Final Design	Jul-10	Jun-11	May-11
7	Construction-NMWD			\$110,000	\$1,217				
8	Rehab. Plum Tank			\$380,380	\$401,791		Aug-11	Dec-12	Mar-12
9	Communication				\$20,000				
	Const. Segment 1			\$582,225					
	Const. Segment 2			\$1,559,900					
	Const. Segment 3			\$1,553,100					
10	On-site Retrofits			\$435,450					
11	Eng. Servs. During Const.			\$60,000	\$26,202				
12	Dist. Provided Material				\$15,658				
13	Const. Inspection/ Mat Testing			\$604,533	\$67,443				
14	Project Closeout			\$5,000		Project Closeout	Apr-12	Sep-12	Apr-12
15	Project Subtotal			\$5,793,588					
16	Project Contingency			\$289,679					
	Sub-Total								
	Grand Total	\$5,100,000	\$6,545,372	\$6,083,267	\$596,462				
*Estimate includes all pipe segments (1, 2 and 3) Plum Tank Rehabilitation on-site retrofit costs									
1. Includes legal costs, RMC, NBWRA, Rauch and Straum payments									
2. Includes Survey, Geotech and CSW Easement Survey									
3. Permit application									
4. ESA									
5. In-house design cost includes Engineering time pre- construction(thru 6/30/2011)									
6. Printing and Bid related costs									
7. District Construction costs (for Misc work)									
8. Blastco Payments to 4/9/2012 is \$342,645. However, the total future payment is \$401,791 including the Change orders									
9. Communication and solar by NMWD - Labor Estimate \$15,000.									
11. Engineering time during construction									
12. District provided material for communication job									
13. Payments to Covello Group									

15

## MEMORANDUM

To: Board of Directors

April 13, 2012

From: Robert Clark Operations / Maintenance Superintendent

Subj: Office ADA Entry Remodel

x:\maint sup\2012\bod\lada entry 417.doc

**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** \$25,000 Included in FY 12 Improvement Projects Budget

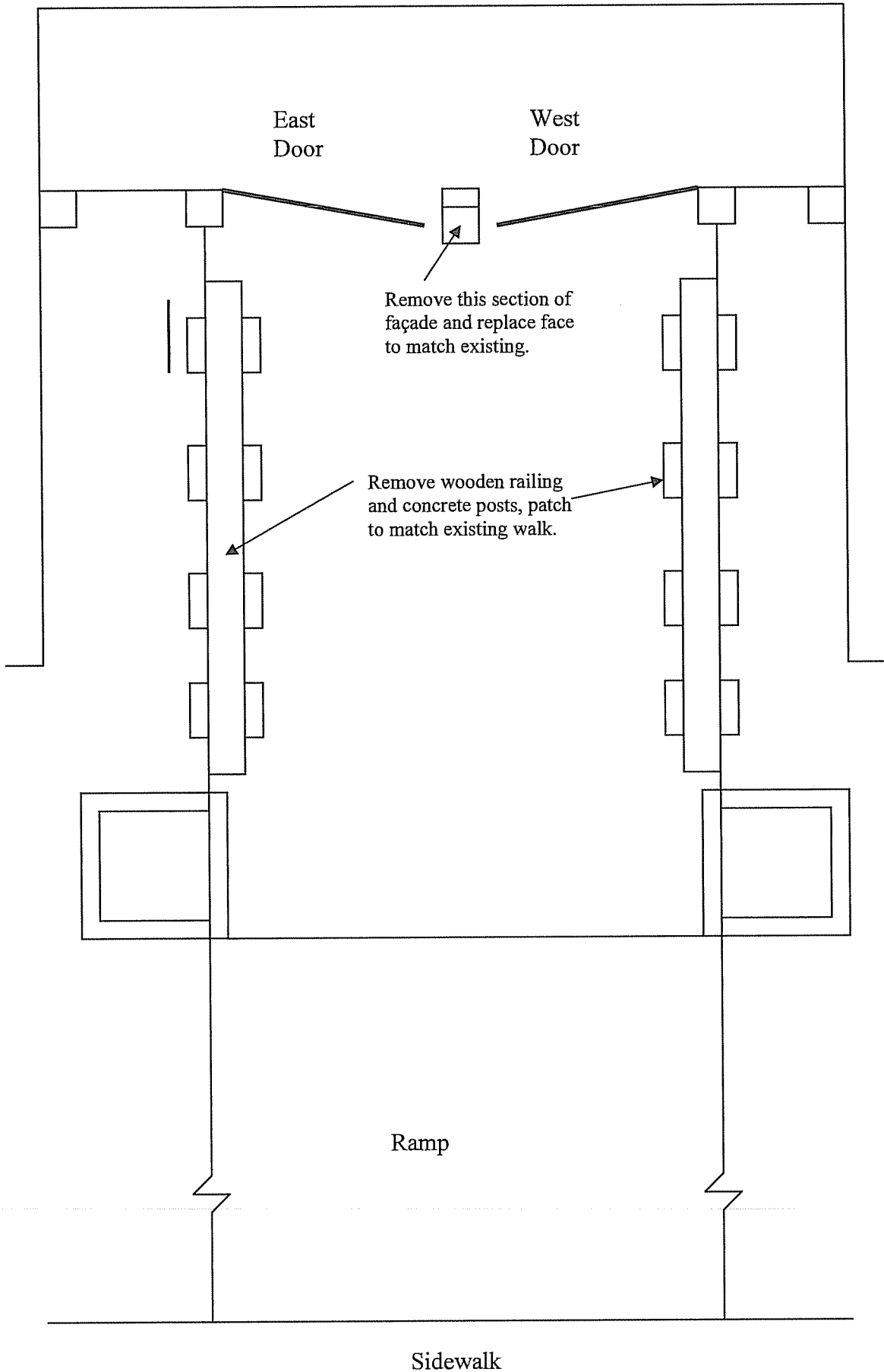
In FY 2006, staff completed design efforts for Americans with Disabilities Act (ADA) building modifications, and in FY 2007, began to identify project funds to make recommended modifications. Over the past five years, work has been delayed due to efforts to relocate District office facilities; however, due to poor economic times, this has not come to fruition. Work on ADA compliance that has been completed during this period includes ramp modifications to the rear office entry, yard access gate and sidewalk modifications.

As part of the District's ongoing efforts to make ADA-compliant modifications to the main office building, staff has identified an entry remodel project in this fiscal year budget. Planned work will include the change-out of the handrail system at the front of the building, removal of the entry door center post façade, and installation of an automatic door. Attached for your review are three outlines of the proposed work, one showing the demolition of existing the hand rail, another showing the new rail and door opener installation; and the third notes a profile of the handrail system.

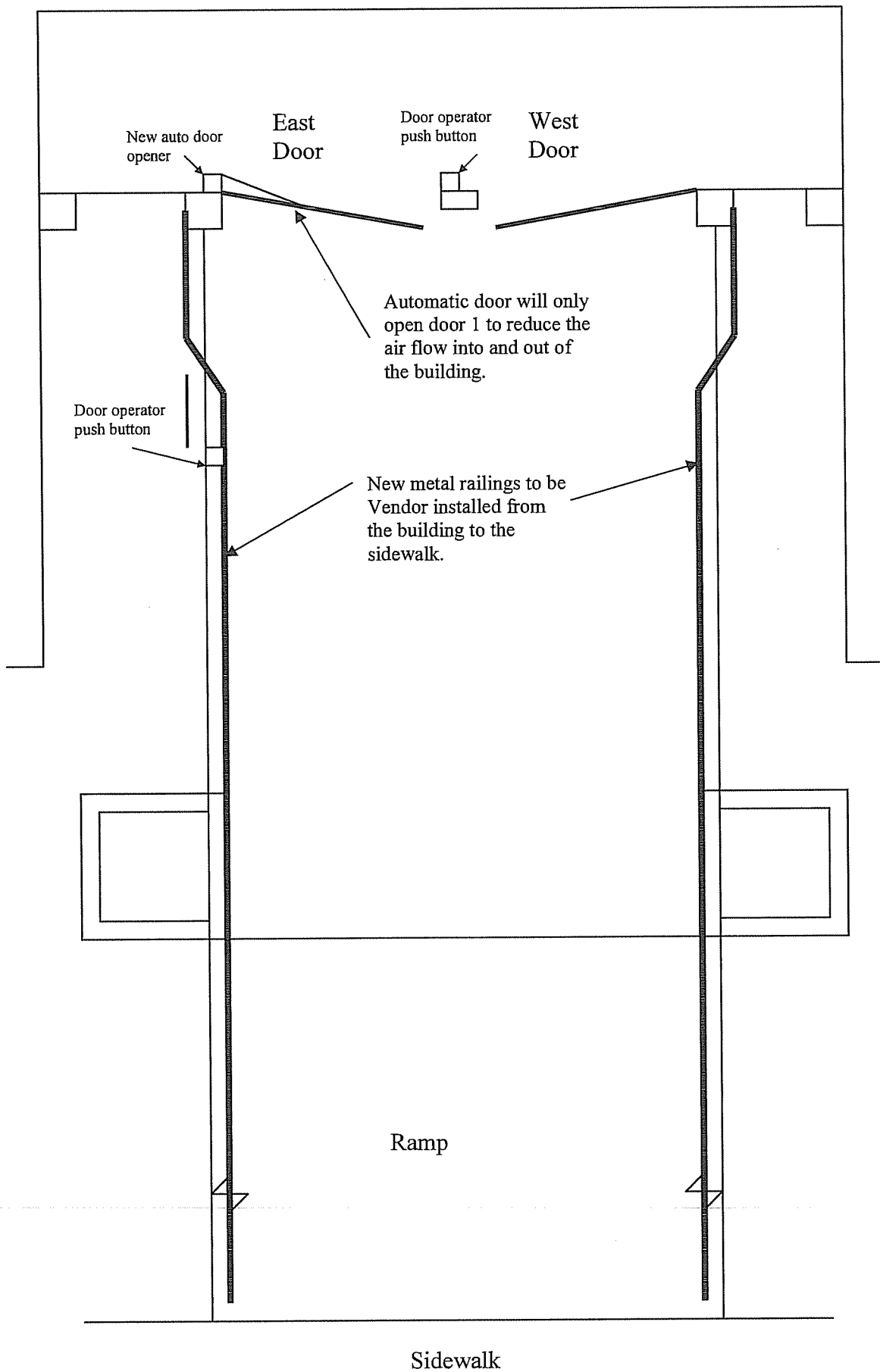
Staff has received and reviewed three proposals to construct these office entry modifications. The proposed work will include: the removal of existing walkway hand rails; entry clearance modifications; installation of an automatic opener for the east door, with push-button operators both inside the building and along the outside rail; and new handrails installed from building-to-sidewalk, with cane guards as well as posted signage and entry notifications.

Proposals were received from two vendors to perform all the work, and the third proposal was to furnish the hand rail and door operator materials only, with District staff performing the installation. After reviewing the various proposals and associated costs, staff has chosen to perform some of the work in-house (demolition of rails, modifications to entry and automatic door hardware) and contract with the vendor to construct and install the hand rail system. This path will allow the project to keep within the original \$25,000 budget.

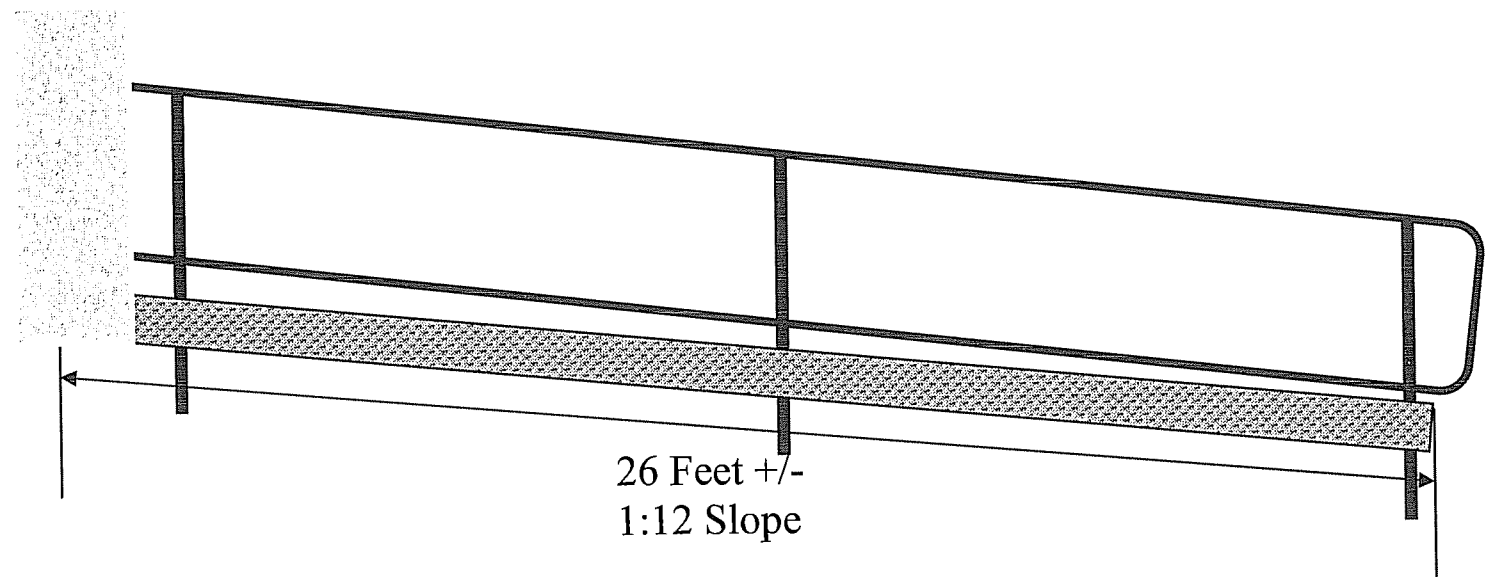
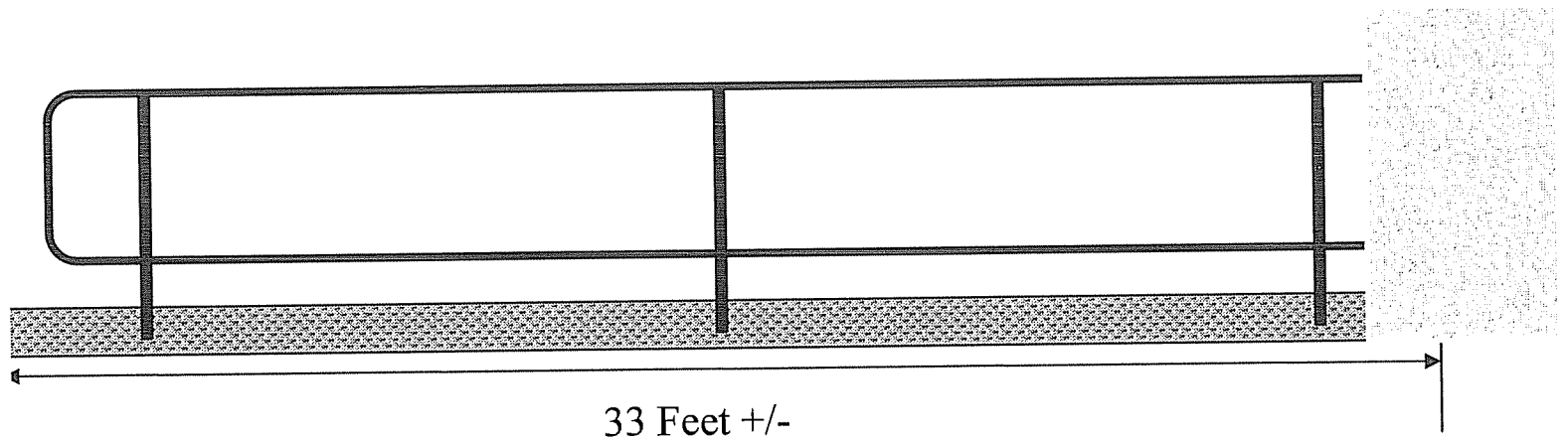
# ADA Compliant Railing Demo



# ADA Compliant Railing Design



## Side Profile of ADA Compliant Railing Design



16

**MEMORANDUM**

To: Board of Directors

April 13, 2012

From: David L. Bentley, Auditor-Controller



Subj: Initial Review – Proposed FY12/13 Equipment Budget

t:\ac\word\budget\13\equip budget review 1.docx

**RECOMMENDED ACTION:** Initial Review and Provide Direction to Staff

**FINANCIAL IMPACT:** None at this time - \$232,900 proposed for June 19 Public Hearing

Presented for your initial review is the proposed FY 2012/13 (FY13) Equipment Budget. The proposed budget totals \$232,900, up 24% from the adopted FY12 Equipment Budget (\$188,000). FY12 estimated actual expenditures are forecast at \$190,000. The 5-Year Financial Plan includes \$250,000 for FY13 Equipment purchases.

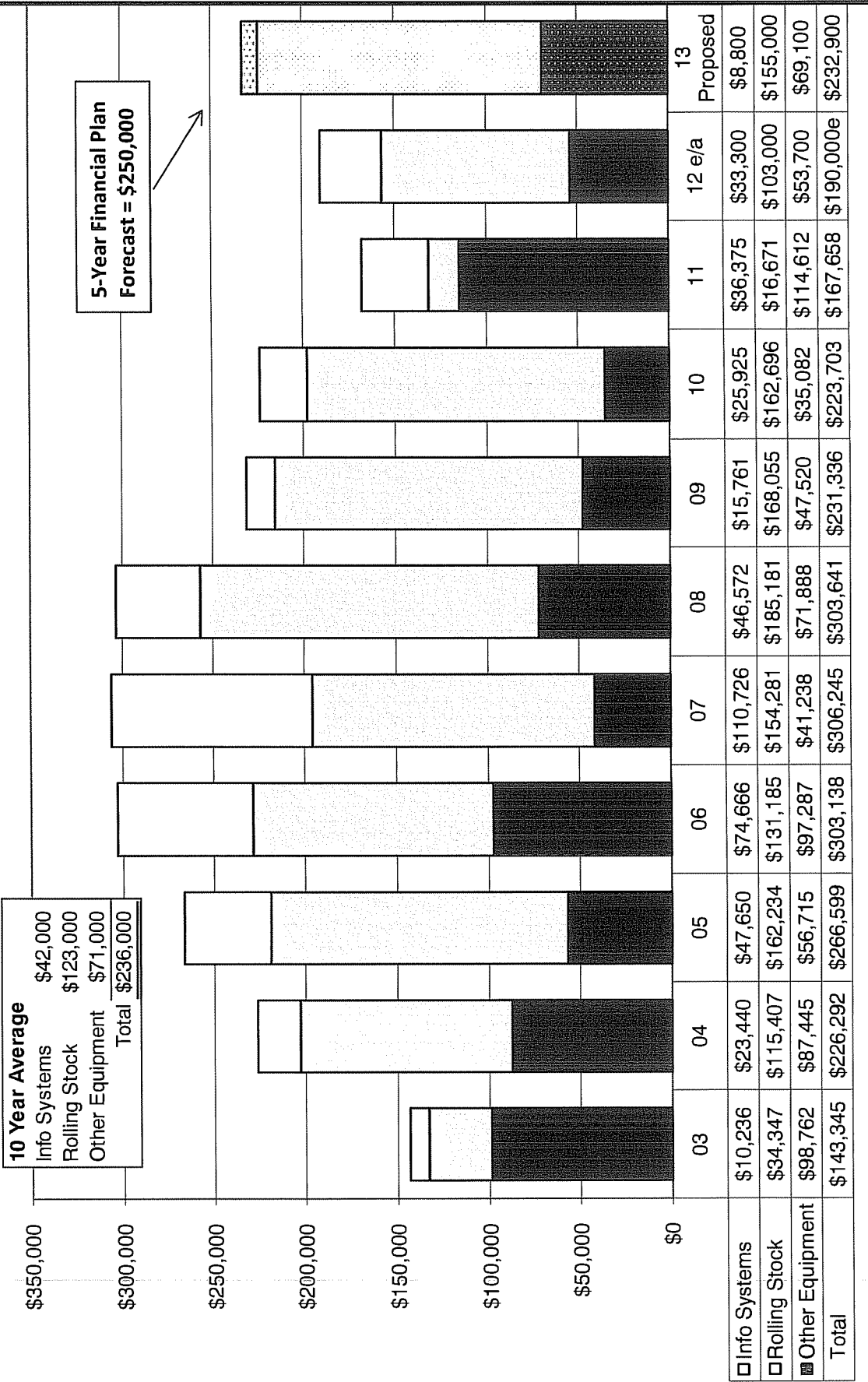
Purchase of rolling stock (a trailer-mounted vacuum, air compressor and two ¾-ton pickups) comprise 67% of the Proposed FY13 Equipment Budget.

On the back side of this memo is a chart showing ten years of equipment purchases history. Following the Proposed Equipment Expenditure Budget is the 5-Year Vehicle and Equipment Replacement Plan (Attachment A).

An additional Equipment Budget review is scheduled for May 15, and a public hearing and approval of the Equipment Budget is scheduled for June 19, 2012. Expression of Board comments and concerns earlier in the process, rather than later, is appreciated.



# History of Equipment Purchases



**Proposed**

**Equipment Expenditures  
Fiscal Year 2012/2013 Budget**

4/10/12

t:\a\excel\budget\13\equip13.xlsx\equip13

	<b>Proposed</b>	Notes	<b>Description</b>
<b>1 INFORMATION SYSTEMS</b>			
<b>Administration</b>			
12101.01.00	\$8,800	1	Upgrade Servers from 2003 to 2008 software. Software already purchased, cost is IT install time.
	<b>\$8,800</b>		
<b>2 ADMINISTRATION</b>			
12101.01.00	\$25,000	1	Existing 7-year old copier has over 2M copies & is experiencing increasing maintenance problems.
12101.01.00	20,000	1	Manufacturer ceased carrying replacement parts for these 7 year old devices
	<b>\$45,000</b>		
<b>3 ENGINEERING</b>			
12102.01.00	\$9,000	1	Parts no longer available for existing obsolete copier
	<b>\$9,000</b>		
<b>4 CONSTRUCTION</b>			
12104.01.00	\$8,600		Additional hose & fittings for trailer-mounted emergency portable pipeline system
	<b>\$8,600</b>		
<b>5 OPERATIONS</b>			
12108.01.00	6,500	1	Existing STP unit no longer provides consistent and reliable test data.
	<b>\$6,500</b>		

**Proposed  
Equipment Expenditures  
Fiscal Year 2012/2013 Budget**

	<b>Proposed</b>	<b>Notes</b>	<b>Description</b>
<b>6 VEHICLE &amp; ROLLING EQUIPMENT EXPENDITURES</b>			
12104.01.00 a.	\$20,000	1	To replace '09 compressor that had an air-end bearing failure (\$6,500 to repair & may not operate correctly)
12104.01.00 b.	65,000	1	To replace '03 Vacuum excavator that is non-compliant w/CARB rules.
12104.01.00 c.	35,000	1	To replace '02 1-ton valve crew truck w/108,000 miles. Engine showing signs of wear, and cab-over design creates back-strain on driver.
12104.01.00 d.	35,000	1	To replace '99 3/4-ton water service response truck w/177,000 miles. Transmission & rear-end worn out.
	<b>\$155,000</b>		
	<b>Total</b>		<b>\$232,900</b>

Notes:

- 1 Replacement item.

	<b>RECAP</b>	<b>Adopted</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>Budget</b>	<b>Actual</b>	<b>2011/12</b>	<b>Budget</b>
	<b>2011/12</b>	<b>2011/12</b>	<b>2012/13</b>	
Equipment	\$85,000	\$87,100	\$77,900	
Rolling Stock	103,000	103,000	155,000	
	<b>\$188,000</b>	<b>\$190,100</b>	<b>\$232,900</b>	

**5-Year Vehicle and Equipment Replacement Plan**

Updated 4/9/2012

x:\fleet\equipment replacement plan\5 year plan.xls\5yr 12-13 r2

FY12/13 New Item Description		Replacement Item Description	Cost
1	180 CFM Portable Air Compressor	#85 2009 Airman that had a failure on the air pump end and was \$6,500 to repair	\$20,000
2	800 Gallon Portable Vac Trailer	#76 Vac Tec Vacuum excavator is non-compliant w/CARB	\$65,000
3	HD 3/4 Ton 2wd Alt fuel, with service body, radio, LED light bar	#46 2002 Chevy 4500, 107K mi	\$35,000
4	HD 3/4 Ton 2wd Alt fuel, with service body, radio, LED light bar	#36 1999 Ford F250, 177K mi	\$35,000
Total			\$155,000

Note: 85, 36, 46 and 76 will go to auction. A Diesel Particulate Filter will be added to 52 to meet CARB regulations by 12/31/12

FY13/14 New Item Description		Replacement Item Description	Cost
1	HD 3/4 Ton 2wd pickup, Alt fuel, tool box,	#505 Ford F250 4x4	\$30,000
2	Forklift	#902C 1997 Hyster, Needs more lift capacity (STP)	\$30,000
3	Hybrid Pickup 2WD	#58 into pool and #40 2000 Dodge Dakota to auction	\$40,000
4	Hybrid Pickup 2WD	#59 into pool, #45 into pool and #30 to auction	\$40,000
5	3/4 Ton 4X4 Pickup, Alt fuel, w/Tool Box,	#29 1993 Ford F250 4X4	\$30,000
Total			\$170,000

Note: The 2 hybrids will replace 58, 59 and 45 will be replace 30. #30 & 40 be auctioned.

FY14/15 New Item Description		Replacement Item Description	Cost
1	Forklift	#902B 1989 Kalmar	\$30,000
2	1/2 Ton Pickup, Tool Box, Radio & Light Bar	#54 2004 Chevy Pick Up	\$25,000
3	4X4 Loader	#62 1993 Case 4X4 Loader	\$65,000
4	1/2 Ton Pickup w/Tool Box and Radio	#42 2001 Dodge Dakota pick-Up	\$25,000
5	HD 3/4 Ton 4x4 pickup, Alt fuel, radio, LED	#506 Ford F250 4x4, bad	\$30,000
Total			\$175,000

Note: 902B, 54, 42 and 62 will be auctioned.

FY15/16 New Item Description		Replacement Item Description	Cost
1	Backhoe 4X4 Diesel	#77 2004 John Deere 310 SG	\$100,000
2	1/2 Ton 4X4, alt fuel w/Tool Box & Radio	#501 2006 Chevy Colorado 4X4	\$25,000
3	Hybrid Car	#56 2005 Honda Civic	\$25,000
Total			\$150,000

05 Honda replacement due to the expected high cost of battery & electronic control repairs.

FY16/17 New Item Description		Replacement Item Description	Cost
1	Hybrid 4X4 SUV	#57 2005 Honda Civic	\$30,000
2	5 Yard Diesel Dump truck	#55 1999 International Dump	\$120,000
3	1/2 Ton Pickup, alt fuel, radio, tool Box &	#53 2004 Chevy Pick Up	\$25,000
Total			\$175,000

05 Honda replacement due to the expected high cost of battery & electronic control repairs.

FY17/18 New Item Description		Replacement Item Description	Cost
1	5 Yard Diesel Dump truck	#52 1996 Ford Super Duty	\$125,000
2	1 Ton Flat Bed, Radio and Emergency Light	#19 1999 Ford F350	\$30,000
3	3/4 Ton 4X4 Pickup with Radio & Emergency	#502 2002 Chevy 2500 4X4	\$30,000
Total			\$185,000

Note: Truck 19 & 52 be auctioned. A diesel particulate filter will be added to the '06 International Crew Truck in FY18 to meet CARB regulations - will be budgeted as a repair expense

17

**MEMORANDUM**

To: Board of Directors

April 13, 2012

From: David L. Bentley, Auditor-Controller 

Subj: Initial Review – FY13 Capital Improvement Projects Budget

t:\acl\word\budget\13\cip review i.docx

**RECOMMENDED ACTION:** Initial Review and Provide Direction to Staff

**FINANCIAL IMPACT:** None at this time - \$9.7 million FY13 & \$5.7 million FY14  
Gross Expenditure Budget Proposed for Consideration

Attached for your initial review is the proposed Fiscal Year 2012-13 (FY13) and FY2013-14 (FY14) Capital Improvement Projects (CIP) expenditure budget for consideration. As in prior years, a comprehensive 2-year plan is presented, which includes the projects recommended for Novato Water, Recycled Water, West Marin Water, and Oceana Marin Sewer. The comprehensive plan is developed to verify that adequate staffing exists to accomplish the 37 budgeted projects planned for FY13. Future presentations will segregate the budget into component parts for the individual enterprise funds.

Below is a summary identifying the significant projects (\$500,000 or more) proposed to be undertaken over the next two fiscal years. An explanation of each FY13 project is incorporated into the detail listing attached.

<b>Project</b>	<b>FY13</b>	<b>FY14</b>
Aqueduct Energy Efficiency Project - Hwy 101 Widening <sup>1</sup>	\$1,300,000	\$2,600,000
Recycled Water Expansion to North Service Area <sup>2</sup>	\$1,200,000	\$0
Recycled Water Expansion to South Service Area <sup>2</sup>	\$4,200,000	\$500,000
Other Projects	<u>\$2,817,000</u>	<u>\$2,580,000</u>
<b>Gross Project Outlay</b>	<b>\$9,717,000</b>	<b>\$5,680,000</b>
Less Loan & Grant Funding <sup>1,2</sup>	<u>(\$6,700,000)</u>	<u>(\$3,100,000)</u>
Net Project Outlay (internally funded)	<u>\$3,017,000</u>	<u>\$2,580,000</u>

<sup>1</sup> The Aqueduct Energy Efficiency Project is funded with a 3.5% \$8M Bank of Marin loan.

<sup>2</sup> The Recycled Water System Expansion is financed 25% with grant funds, 70% with a low-interest State Revolving Fund loan, and a 5% local match (FRC funds).

The proposed FY13 & FY14 combined total project outlay, net of loan and grant funding, comes in at \$5.6 million, up \$1.1 million from the \$4.5 million combined FY12 & FY13 budget adopted last year.

	Net Outlay		
	Proposed FY13 & FY14	Adopted FY12 & FY13	Increase (Decrease)
Novato Water	\$3,737,000	\$3,295,000	\$442,000
Recycled Water	470,000	270,000	200,000
WM Water	1,095,000	776,000	319,000
OM Sewer	295,000	150,000	145,000
	<u>\$5,597,000</u>	<u>\$4,491,000</u>	<u>\$1,106,000</u>

The proposed FY13 CIP budget includes 37 projects, down from 38 approved for FY12. The \$3.7M internally financed CIP amount proposed for Novato Water over the next two fiscal years is 7% less than the \$4M incorporated in the District's 5-Year Financial Plan for the two year period. The Financial Plan calls for an 11% revenue increase on June 1 of 2012 and 2013 to compensate for: 1) the increase in the cost of Russian River water; 2) the state-mandated 20% reduction in per-capita water consumption; and 3) the need to rebuild cash reserves.

An additional review of the Novato Water CIP budget is scheduled for May 15, and a public hearing and approval of the Budget is scheduled for June 19, 2012. Review of the West Marin Water and Oceana Marin Sewer CIP budgets is next scheduled for June 5, with a public hearing planned for July 3 in Point Reyes Station. Expression of Board comments and concerns earlier in the process, rather than later, is appreciated.

### NMWD Improvement Project Expenditures All Districts Combined

Thousands

\$12,000

\$10,000

\$8,000

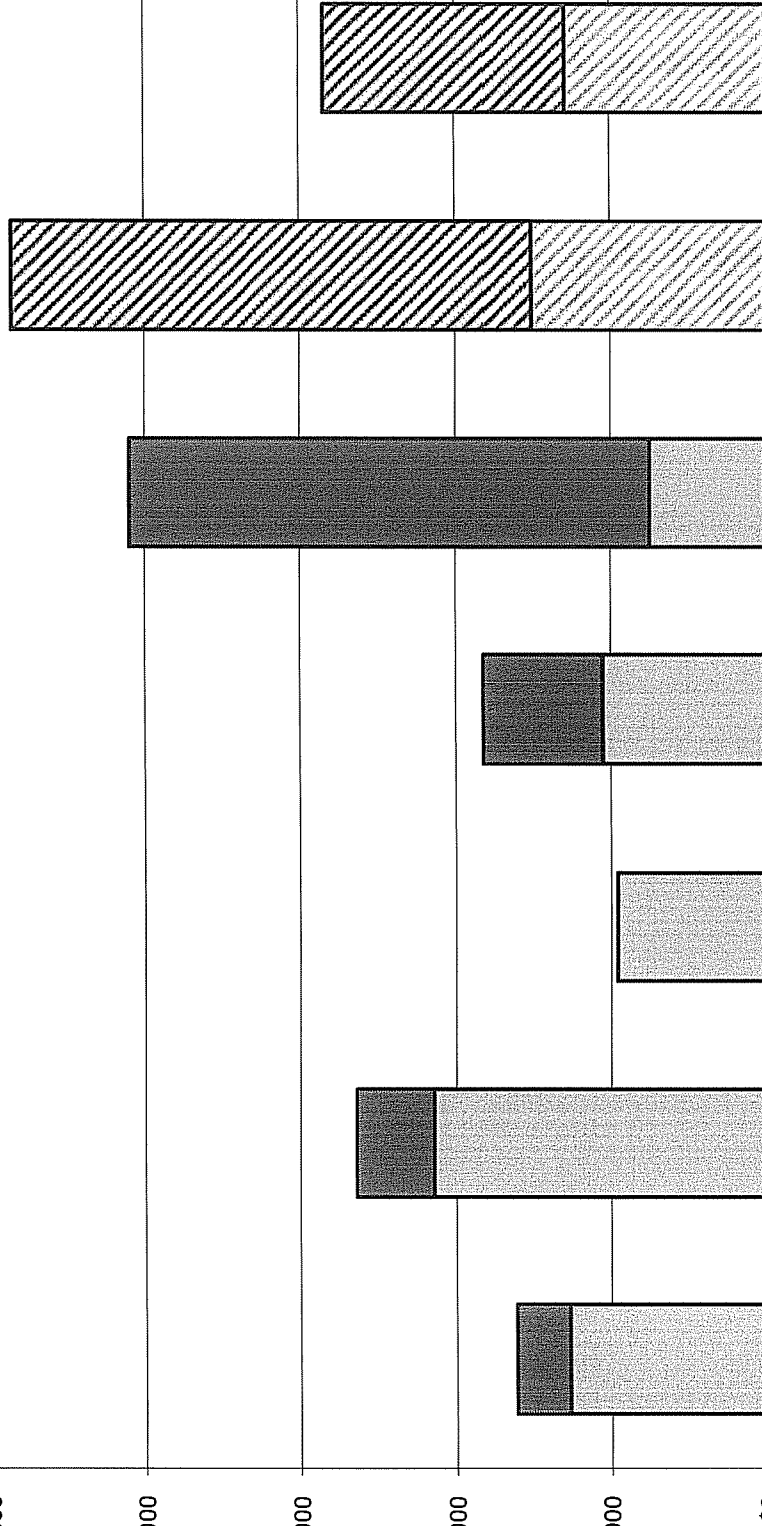
\$6,000

\$4,000

\$2,000

\$0

FY08-12 Average Internally Financed = \$2.5 million  
FY13-14 Average Internally Financed = \$2.8 million



Debt/Grant Financed	\$682	\$990	\$0	\$1,542	\$6,700	\$3,100
Internally Financed	\$2,543	\$4,285	\$1,919	\$2,101	\$1,493	\$2,580
<b>Total</b>	<b>\$3,225</b>	<b>\$5,275</b>	<b>\$1,919</b>	<b>\$3,643</b>	<b>\$8,193</b>	<b>\$5,680</b>



**Proposed Improvement Projects**

4/10/12

\\nmwdsrv1\administration\excel\budget\13\5 yr cip fy13.xlsx\$5 yr ip

		FY13 Budget	FY14 Budget	FY13 Project Description
<b>1. PIPELINE REPLACEMENTS/ADDITIONS</b>				
a. Main/Pipeline Replacements				
1	STP Trans Line Repair (13,200')	\$160,000		Assess condition & spot repair 18" concrete pipe
2	So Novato Blvd - Rowland to Sunset (12"CI@1,500')		\$200,000	
3	Other Pipeline Replacements (60+ years old)	\$160,000	\$175,000	
		\$375,000		
b. Main/Pipeline Additions				
1	Digital to Leveroni Looping (12"@600')	\$130,000		Enhance fire flow and provide additional reliability
2	Delong to Cain Looping (8"@400')	\$100,000		Enhance fire flow and provide additional reliability
3	Other Main/Pipeline Additions		\$200,000	
		\$230,000	\$200,000	
c. Polybutylene Service Line Replacements				
1	Pacheco Valle (42 Services)	\$84,000		Ongoing Polybutylene service line replacement program
2	Replace PB in Sync w/City Paving (45 Svcs)	\$90,000	\$90,000	PB service replacement coordinated with City Overlay Program
3	Other PB Replacements		\$85,000	
		\$174,000	\$175,000	
d. Relocations to Sync w/City & County CIP				
1	City Paving Coordination (Measure B)	\$20,000	\$20,000	Locate and raise street valves in coordination with City paving
2	Other Relocations	\$80,000	\$80,000	Relocate facilities for as yet unidentified City/County Projects
		\$100,000	\$100,000	
e. Aqueduct Replacements/Enhancements				
1	Energy Efficiency Proj-Hwy 101 Widening	\$1,300,000	\$2,600,000	North Marin Aqueduct upsizing/relocation
		<u>\$1,964,000</u>	<u>\$3,450,000</u>	

**Proposed Improvement Projects**

4/10/12

\\nmwdsrv1\administration\acctexcel\budget13\5 yr cip fy13.xlsx\$5 yr ip

	FY13 Budget	FY14 Budget	FY13 Project Description
<b>2. SYSTEM IMPROVEMENTS</b>			
a.	\$10,000	\$10,000	Replace aging and unreliable RTUs at Nunes and Half Moon
b.		\$50,000	DCV & Zone Valve Flushing Taps (12 biennially)
c.	\$150,000	\$150,000	DCA Repair/Replace (~14/yr)
d.	\$30,000	\$30,000	Anode Installations (150/yr)
e.	\$15,000	\$15,000	Radio Telemetry
f.	\$24,000		Install radio transmitters to replace leased lines at Bahia, Nunes, & Half Moon
			Install 6 water quality sample stations. There are 58 permanent sampling stations in the system, and 12 more locations that need a permanent station installed.
g.	\$16,000		Replacement of inaccurate meters based on recommendations in the meter testing study done in FY06.
h.	\$25,000		Security camera monitoring system in the yard to help identify potential intruders for investigation assistance.
i.	\$30,000		Replace DCVs with above grade RPP devices
j.		\$70,000	Backflow Device Upgrade - BMK (14 Svcs)
k.		\$30,000	Crest Pressure Zone Emergency Pump Bypass
		\$300,000	Other System Improvements
		<u>\$300,000</u>	<u>\$355,000</u>

**Proposed Improvement Projects**

4/10/12

\\nmwdsrv1\administration\excel\budget\13\5 yr cip fy13.xls\5 yr ip

		FY13 Budget	FY14 Budget	FY13 Project Description
3.	BUILDING, YARD, STP. IMPROVEMENTS			
a.	Administration Building			
1	Electronic Document Management System	\$50,000		Manage creation, storage, retrieval and expiry of digital documents
2	Other Admin Building Improvements	\$25,000	\$25,000	Repairs/enhancements identified during the year
		\$75,000	\$25,000	
b.	Corp. Yard/Warehouse/Construction Office			
1	SMART Crossing Upgrade (@ Golden Gate Pl)	\$58,000		Shared Cost with Golden Gate Transit
2	Other Yard Improvements	\$15,000	\$15,000	Repairs/enhancements identified during the year
		\$73,000	\$15,000	
c.	Stafford Treatment Plant			
1	Watershed Erosion Control	\$25,000	\$25,000	STRAW Project (\$9K) & Dairy Nutrient Control
2	Leveroni Creek Bank Repair	\$145,000		Creek bank erosion control/restoration
3	Dam Concrete Apron Repair	\$50,000		2nd phase of concrete patch repairs to west face of the dam
4	Start-up Flushing Connection	\$200,000		To allow flushing the Novato Blvd main from Sutro back to STP with Zone 2 water.
5	STP Discharge/Treatment		\$30,000	
6	Coat Concrete Clearwells (Both Units)		\$450,000	
7	Other Treatment Plant Improvements	\$50,000		
		\$420,000	\$555,000	
		\$568,000	\$595,000	
4.	STORAGE TANKS/PUMP STATIONS			
a.	Lynwood P.S. Motor Control Center	\$275,000		Move motor controls above-ground.
b.	Pacheco Tank C12 Mixing System	\$30,000		Balance of work to install pump mixing and chlorine injection system
c.	Relocate School Road/Crest P.S. (Design/Construct)		\$100,000	
		\$305,000	\$100,000	

**Proposed Improvement Projects**

4/10/12

\\nmwdsrv1\administration\laxcell\budget\13\5 yr cip fy13.xlsx\$5 yr ip

	FY13 Budget	FY14 Budget	FY13 Project Description
<b>5. RECYCLED WATER</b>			
a.	\$325,000	\$125,000	Continued support of North Bay Water Reuse Authority to obtain/administer recycled water project Federal/State grants.
b.	\$1,200,000		Pipeline additions and storage improvements to increase recycled water use by 186 AF.
c.	\$4,200,000	\$500,000	Pipeline additions and storage improvements to increase recycled water use by 220 AF.
d.		\$20,000	
	<u>\$5,725,000</u>	<u>\$645,000</u>	
<b>6 WEST MARIN WATER SYSTEM</b>			
a.	\$400,000	\$300,000	Design & construct a 60,000 gal solids handling facility.
b.	\$100,000		Replace failed well
c.	\$75,000		Replace 9 Point Reyes Treatment Plant control valves.
d.		\$120,000	
e.	\$575,000	\$100,000	
	<u>\$575,000</u>	<u>\$520,000</u>	
<b>7 OCEANA MARIN SEWER SYSTEM</b>			
a.	\$15,000	\$15,000	Ongoing work to identify and repair collection pipelines to prevent rainwater from leaking into the system
b.	\$20,000		Rebuild the two lift pumps in 5-year cycles.
c.	\$200,000		Replace 3,000' of 6" ACP with PVC in high-risk areas
d.	\$35,000		Replace the Tahiti Way RTU and add an RTU at Dillon Beach with a link to Tahiti Way
e.	\$10,000		Design, Procure and install Ultrasonic Irradiation Device
	<u>\$280,000</u>	<u>\$15,000</u>	

**Proposed Improvement Projects**

4/10/12

\\nmwdsrv1\administration\acexcel\budget\13\5 yr cip fy13.xlsx\5 yr ip

	FY13 Budget	FY14 Budget	FY13 Project Description
<b><u>SUMMARY - GROSS PROJECT OUTLAY</u></b>			
	\$3,137,000	\$4,500,000	Novato Water
	\$5,725,000	\$645,000	Recycled Water
	\$575,000	\$520,000	West Marin Water
	\$280,000	\$15,000	Oceana Marin Sewer
	<u>\$9,717,000</u>	<u>\$5,680,000</u>	<b>GROSS PROJECT OUTLAY</b>
<b>8 LESS FUNDED BY LOANS/GRANTS</b>			
a.	(\$1,300,000)	(\$2,600,000)	Aq Energy Efficiency Proj - Hwy 101 Widening Funded by \$8M Bank of Marin loan
b.	(\$1,200,000)	\$0	Recycled Water Sys Expansion - North Area Funded 25% by Fed/State Grant; 75% by low-interest State Revolving Fund loan
c.	(\$4,200,000)	(\$500,000)	Recycled Water Sys Expansion - South Area Funded 25% by Fed/State Grant; 75% by low-interest State Revolving Fund loan
	<u>(\$6,700,000)</u>	<u>(\$3,100,000)</u>	
<b><u>SUMMARY - NET PROJECT OUTLAY</u></b>			
	\$1,837,000	\$1,900,000	Novato Water
	\$325,000	\$145,000	Recycled Water
	\$575,000	\$520,000	West Marin Water
	\$280,000	\$15,000	Oceana Marin Sewer
	<u>\$3,017,000</u>	<u>\$2,580,000</u>	<b>INTERNALLY FUNDED PROJECT OUTLAY</b>

Total Number of Projects 37

29

18

## DISBURSEMENTS - DATED APRIL 4, 2012

Date Prepared: 4/3/12

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

Seq	Payable To	For	Amount
1	Aberegg, Michael	Drafting Services: Pacheco Tank Mixing (\$275) & Canyon Green Subdivision (\$935) (Balance Remaining on Contract \$10,625)	\$1,210.00
2	Advanced Reproduction Center	Printing of Conformed Plans/Specs: RW South Phase 1B (15 sets)	826.23
3	American Family Life Ins	March Employee Contrib for Accident, Disability & Cancer Ins	3,561.94
4	Athens Administrators	Replenish Workers' Comp Account (LeBrun)	2,058.17
5	AT&T Mobility	Cellular Charges: Monthly (\$449) & Airtime (\$4) (15)	453.20
6	Baker, Jack	March Director's Fee (\$200) & Exp Reimb: Washington DC Trip with NBWRA 3/7-3/9 (Lodging, Meals, Cab Fare, Luggage Fees & Meeting Attendance Compensation) (\$1,097)	1,297.35
7	Borges & Mahoney	Chlorine Sensor Unit (STP)	788.56
8	Business Card	Internet Pymt Fee (\$118), Large Caddy & Cooler for Lab (\$58), Air Fare (ACWA Water Quality Meeting-Long Beach-Ramudo \$129 & NBWRA Trip-Washington DC-Baker \$797), Reg Fee-AWWA Spring Conf (Goodpaster-\$325), Flower Arrangement-Mello (\$78) & Parking Fees (\$27) (DeGabriele-ACWA Legislative Symposium & ACWA Local Government Committee Meeting.)	1,530.51
9	Clark, Robert E.	Exp Reimb: Safety Snacks	31.44
10		Vision Reimbursement (\$299) & Cafeteria Plan - Uninsured Medical Reimbursement	326.12
11	Core Utilities	Consulting Services: February IT Support (\$5,000), SCADA (\$825), STP (\$150) & Utility Billing (\$450)	6,425.00

Seq	Payable To	For	Amount
12	Creighton, Sheri	Novato "Washer Rebate" Program	50.00
13	DeGabriele, Chris	Exp Reimb: March Mileage	360.75
14	E & M	SCADA Software Upgrades & Service Contract for STP & Distribution System	22,539.96
15	Environmental Express	Filters (100) (Lab)	33.62
16	Fisher Scientific	Pipette Tips (1,000) (Lab)	32.85
17	Fraites, Rick	March Director's Fee (\$200) & North Bay Watershed Assoc Meeting - 3/3 (\$100)	300.00
18	Gallemaert, Renee	Novato "Toilet Rebate" Program	75.00
19	GHD	Engineering Services: Pt Reyes Well #3 (Balance Remaining on Contract \$15,239)	4,267.75
20	Ghilotti Construction	Progress Pymt #5: Recycled Water North Segment 3 Construction (Balance Remaining on Contract \$1,000)	35,902.54
21		Cafeteria Plan - Uninsured Medical Reimbursement	301.30
22	Grainger	Motor Contactor & ON/OFF Switch for Recirculating System @ PRE #2 (\$81), Electrical Enclosure for Controls @ PRE #2 Recirculating Pump (\$121), Pressure Gauges (4), "D" Batteries (24), Replacement Tie Down Chain Hooks (12) (\$164), Copper Tubing (50') & Male Connect Tube	497.02
23	Home Depot	Battery Powered Chain Saw (Construction Crew)	129.12
24	Kaiser Foundation Health Plan	Respirator Clearance Physical Exam (Connolly & Garrett)	290.00
25	Komatsu Forklift	Backup Alarm Switch ('89 Fork Lift)	70.15
26	Lab Safety Supply	Nitrile Gloves (1,500) (\$113) & Disposable Gloves (500)	179.50
27	MacDonald, Heather	Novato "Washer Rebate" Program	50.00
28	Marinscope	Display Ad: Water Smart Home Survey Advertisement	400.00



Seq	Payable To	For	Amount
29	McLellan Co, WK	Misc Paving: Novato Area (449.50 S.F.)	3,239.63
30		Vision Reimbursement	264.46
31		Wage Assignment Order	284.00
32	Nannery, Joseph	Novato "Washer Rebate" Program	50.00
33	On Line Resource	Refund Payment - Account Closed	50.00
34	Pace Supply	4" Clamps (2) (\$382), Couplings (59) (\$498), Brass Nipples (10) (\$340), Plugs (18) & Valves (2) (\$532)	1,767.68
35	PERS Health Benefits	April Health Insurance Premium (Employees \$48,450, Retirees \$10,442 & Employee Contrib \$6,745)	65,636.60
36	Petterle, Stephen	March Director's Fee	200.00
37	POA of Novato Heights	Annual Dues (DeGabriele) (Budget \$150)	150.00
38	Porras, Cynthia	Novato "Washer Rebate" Program	50.00
39	Protection Engineering	Polyguard Tape (48 rolls)	1,581.15
40	Provines, Mary	Novato "Toilet Rebate" Program	75.00
41	Redding, Toni	Novato "Washer Rebate" Program	50.00
42	Rodoni, Dennis	March Director's Fee (\$200) & Special WAC Meeting-3/5 (\$100)	300.00
43	Rowe.com, Don	Auxiliary Battery Charger ('09 Peterbilt)	368.00
44	Schoonover, John	March Director's Fee Less Deferred (\$150) & NBWRA Meeting - 2/27 (\$100)	250.00
45	Shirrell Consulting Services	April Dental Ins Adm Fee	305.10
46	Sierra Chemical	Service Fee on Chlorine Tank Used for Training (STP)	517.75
47	Skillpath Seminars	Reg Fee: Business Writing Basics Seminar (Young) (5/9/12)	149.00
48	Soiland	Fee for Asphalt Recycling (17.21 tons)	60.00
49	SonicSolutions	Rental of Algae Control Unit for 90 Days (4/1- 6/30/12)	917.50



# NORTH MARIN WATER DISTRICT CHECK REQUEST

(DO NOT USE IF THERE IS A VENDOR INVOICE)

<b>PAYEE JACK BAKER</b>	
	<b>DATE:</b> 3/23/12
	<b>AMOUNT:</b> \$1,097.35

Expense Reimbursement - Washington DC Trip with NBWRA - 3/7-3/9/12

Hotel	\$707.62	2 Nights
Airline Luggage Fees	50.00	
Food	23.73	
Cab Fare	16.00	No Receipt
Meeting Attendance Compensation	300.00	3 Days
<b>Total</b>	<b>\$1,097.35</b>	

**CHARGE TO: MTGS/TRAVEL/CONF & BOARD COMPENSATION**

<p><b>DISPOSITION OF CHECK</b></p> <p><input checked="" type="checkbox"/> MAIL TO PAYEE</p> <p><input type="checkbox"/> HOLD FOR _____</p> <p><input type="checkbox"/> OTHER _____</p> <p><b>DISPOSITION OF ATTACHMENTS</b></p> <p><input type="checkbox"/> SEND TO PAYEE</p> <p>_____</p> <p>JOB ACCOUNTING REVIEW</p> <p>_____</p> <p><b>J BAKER</b></p> <p>REQUESTED BY</p> <p></p> <p>APPROVED TO PAY BY</p> <p><small>T:\AC\WORD\MISC\BAKER EXP CLAIM 0312.DOCX REV. 0312</small></p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Prepared By</td> <td style="width: 15%;">Accounting Review</td> <td style="width: 15%;">POST DATE</td> <td style="width: 15%;">Vendor No.</td> <td rowspan="2" style="width: 40%; text-align: center;"> <b>NORTH MARIN WATER DISTRICT</b> </td> </tr> <tr> <td>DLB</td> <td></td> <td>03/12</td> <td></td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <th style="width: 30%;">Invoice Number (CK Req ID)</th> <th style="width: 20%;">Invoice (CK Req) Date</th> <th style="width: 50%;">Invoice (CK Req) Amount</th> </tr> <tr> <td style="text-align: center;">CK Req</td> <td style="text-align: center;">3/23/12</td> <td style="text-align: right;">1,097.35</td> </tr> </table> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><small>NMWD Comment</small></p> <p>Exp Reimb - Washington DC Trip with NBWRA 3/7-3/9 (Hotel \$707.62, Food \$23.73, Cab Fare \$16, Luggage Fees \$50, Meet Attendance Compensation \$300)</p> </div> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 30%;">Job Number</th> <th style="width: 40%;">GL Account</th> <th style="width: 30%;">Amount</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;">56409.01.10</td> <td style="text-align: right;">797.35</td> </tr> <tr> <td></td> <td style="text-align: center;">56001.01.10</td> <td style="text-align: right;">300.00</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="2" style="text-align: right;"><b>TOTAL</b></td> <td style="text-align: right;"><b>1,097.35</b></td> </tr> </tbody> </table> <p style="text-align: right; margin-top: 10px;"><small>T:\FINANCE\Accounts Payable\paytag.xls\Sheet1 Rev. 0510</small></p>	Prepared By	Accounting Review	POST DATE	Vendor No.	<b>NORTH MARIN WATER DISTRICT</b>	DLB		03/12		Invoice Number (CK Req ID)	Invoice (CK Req) Date	Invoice (CK Req) Amount	CK Req	3/23/12	1,097.35	Job Number	GL Account	Amount		56409.01.10	797.35		56001.01.10	300.00										<b>TOTAL</b>		<b>1,097.35</b>
Prepared By	Accounting Review	POST DATE	Vendor No.	<b>NORTH MARIN WATER DISTRICT</b>																																	
DLB		03/12																																			
Invoice Number (CK Req ID)	Invoice (CK Req) Date	Invoice (CK Req) Amount																																			
CK Req	3/23/12	1,097.35																																			
Job Number	GL Account	Amount																																			
	56409.01.10	797.35																																			
	56001.01.10	300.00																																			
<b>TOTAL</b>		<b>1,097.35</b>																																			

# NORTH MARIN WATER DISTRICT CHECK REQUEST

(Check Request form to be used only when payee cannot provide an invoice or statement)

<b>PAYEE:</b>	
FRAITES, RICK	<b>DATE</b> <u>3/14/12</u>
50 FORREST RD	
NOVATO, CA 94947	<b>TOTAL</b> <u>100.00</u>

**PURPOSE:** I

---



---



---



---



---



---

**CHARGE TO:**

**DISPOSITION OF CHECK**

MAIL TO PAYEE

HOLD FOR


OTHER

---

REQUESTED BY

---

APPROVED TO PAY BY

Prepared By <u>Wad</u>	Accounting Review	POST DATE <u>3/12</u>	Vendor No FRAI01	 NORTH MARIN WATER DISTRICT
---------------------------	-------------------	--------------------------	---------------------	--

Invoice Number	Invoice Date	Invoice Amount
<u>CKRQ 031412</u>	<u>3/14/12</u>	<u>100.00</u>

**NMWD Comment**

North Bay Watershed Assoc meeting - 3/3 (\$100)

Job Number	GL Account	Amount
	56001.01.11	<u>100.00</u>
<b>TOTAL</b>		<u>100.00</u>

## Renee Roberts

---

**From:** Rick Fraites [ricfraites@aol.com]  
**Sent:** Tuesday, March 13, 2012 4:19 PM  
**To:** Renee Roberts  
**Subject:** Meeting attendance compensation request

Renee:

I am requesting the regular meeting compensation for attending a meeting of the North Bay Watershed Association on Friday, March 3, 2012. The meeting was held at the Novato Sanitary District offices.

Thank you,

Rick Fraites  
[ricfraites@aol.com](mailto:ricfraites@aol.com)  
415.717.4350

# NORTH MARIN WATER DISTRICT RECEIVED

## CHECK REQUEST

(DO NOT USE IF THERE IS A VENDOR INVOICE) MARCH 20

North Marin Water District

PAYEE: <u>Dennis J. Rodon</u>	DATE <u>3/6/12</u>
	AMOUNT: <u>\$100</u>

PURPOSE:

Attend Special WAC Meeting 3/5/12  
in Santa Rosa

*[Signature]*

CHARGE TO:

**DISPOSITION OF CHECK**


- MAIL TO PAYEE
- HOLD FOR
- OTHER

JOB ACCOUNTING REVIEW

REQUESTED BY

APPROVED TO PAY BY

\\NWDSRV1\ADMINISTRATION\FORMS\CHECK REQUEST.DOC REV 0510

Prepared By <u>Jrd</u>	Accounting Review	POST DATE <u>3/12</u>	Vendor No. <u>R0001</u>	 NORTH MARIN WATER DISTRICT
Invoice Number (CK Req ID) <u>CKRD 030012</u>	Invoice (CK Req) Date <u>3/4/12</u>	Invoice (CK Req) Amount <u>100.00</u>		
NMWD Comment <u>Special WAC Meeting - 3/5</u> <u>(- \$100)</u>				
Job Number	GL Account <u>5600 1.01.11</u>	Amount <u>100.00</u>		
TOTAL		<u>100.00</u>		

# NORTH MARIN WATER DISTRICT CHECK REQUEST

(DO NOT USE IF THERE IS A VENDOR INVOICE)

PAYEE JOHN SCHOONOVER	
	DATE: 3/7/12
	AMOUNT: \$100
Attendance at NBWRA meeting - February 27, 2012	

**CHARGE TO:**

**DISPOSITION OF CHECK**

MAIL TO PAYEE

HOLD FOR  
\_\_\_ OTHER

---


JOB ACCOUNTING REVIEW

*J. Schoonover*  
REQUESTED BY

---

APPROVED TO PAY BY

\\NWDSRV1\ADMINISTRATION\FORMS\CHECK REQUEST.DOC REV. 0510

Prepared By <i>msj</i>	Accounting Review	POST DATE 3/12	Vendor No. Schoonover	 NORTH MARIN WATER DISTRICT																		
Invoice Number (CK Reg ID) CKRQ 030712		Invoice (CK Req) Date 3/7/12	Invoice (CK Req) Amount 100.00																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 100%;">NMWD Comment:</th> </tr> </thead> <tbody> <tr> <td style="height: 40px; vertical-align: middle; text-align: center;"> <i>NBWRA meeting - 2/27 (\$100)</i> </td> </tr> </tbody> </table>					NMWD Comment:	<i>NBWRA meeting - 2/27 (\$100)</i>																
NMWD Comment:																						
<i>NBWRA meeting - 2/27 (\$100)</i>																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Job Number</th> <th style="width: 33%;">GL Account</th> <th style="width: 33%;">Amount</th> </tr> </thead> <tbody> <tr> <td> </td> <td style="text-align: center;"><i>56000-01.11</i></td> <td style="text-align: center;"><i>100.00</i></td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td colspan="2" style="text-align: right;"><b>TOTAL</b></td> <td style="text-align: center;"><i>100.00</i></td> </tr> </tbody> </table>					Job Number	GL Account	Amount		<i>56000-01.11</i>	<i>100.00</i>										<b>TOTAL</b>		<i>100.00</i>
Job Number	GL Account	Amount																				
	<i>56000-01.11</i>	<i>100.00</i>																				
<b>TOTAL</b>		<i>100.00</i>																				

## DISBURSEMENTS - DATED APRIL 11, 2012

Date Prepared: 4/10/12

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

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 3/31	\$119,297.48
EFT*	US Bank	Federal & FICA Taxes PPE3/31	43,546.59
1	Able Tire & Brake	Tires (7) ('07 Trailmax Equip Trailer - \$978, '07 Trailmax Trailer - \$652 & '00 Dodge Dakota - \$244)	1,873.70
2	Alcom Industrial Systems	Freight on Replacement Parts for RWF PC	137.00
3	AT&T	Telephone Charges: Leased Lines (\$273), Local (\$78) & Minimum (\$779)	1,130.45
4	Backflow Distributors	Calibration on Backflow Testers	197.79
5	Bay Alarm	Quarterly Fire Alarm Monitoring Fee (STP)	292.14
6	Bold & Polisner	February Legal Services: AEEP - Non-Reimb (\$1,106), Connection Fee Credit (\$97), Lagunitas Water Rights (\$390), Material Specifications (\$148), Novato Rate Increase (\$319) & RW Exp South Phase 1B (\$380)	2,441.50
7	Building Supply Center	Electrical Supplies for Inverness Park Tank & Locking Hasp for Inverness Park Tank Meter Building	27.79
8	State of California	State Tax & SDI PPE 3/31	8,442.82
9	CA Urban Water Conservation	Annual Dues (Grisso ) (1/12-12/12) (Budget \$3,300)	3,091.97
10	Cook Paging	April Pager Rental (2)	14.70
11	HSBC Business Solutions (Costco)	Lab Supplies, Coffee & Coffee Supplies (\$131)	146.95
12	CSW/Stuber-Stroeh Engineering	Prog Pymt #11: Aqueduct Energy Efficiency Project (Balance Remaining on Contract \$135,569)	9,058.49

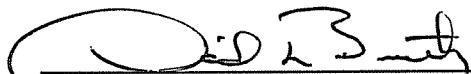


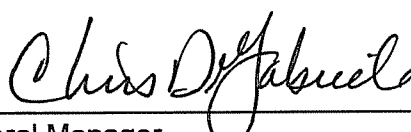
Seq	Payable To	For	Amount
13	Environmental Science Assoc	Prog Pymt #13 & #14: NMWD - SRF Environmental Support Services - Recycled Water Exp (Balance Remaining on Contract \$24,381)	20,040.01
14	Fisher Scientific	Chlorine Reagent (\$42) & Sodium (\$30) (Lab)	72.08
15	Golden Gate Petroleum	Diesel (\$4.32/gal)	1,631.61
16	Grainger	Electrical Cable Ties (400) & Light Fixtures for Maintenance Office (2) (\$90)	94.19
17	Groeniger	Clamps (26)	164.56
18	Integra Chemical	Dechlorination Tablets (70 lbs)	1,187.50
19	Journey Ford/Lincoln	Gear Shifter Indicator ('05 Ford Ranger)	26.91
20	Lab Safety Supply	Calibration Standard (Lab)	45.97
21	Marin Landscape Materials	Rebar (\$48) & Concrete (1yd) (\$192)	240.33
22	McLellan, WK	Misc Paving: Novato Area (501.25 S.F.)	4,036.81
23	North Marin Auto Parts	Back up Alarm (\$56), Oil Filters (7) (\$49), Black & Red Wire (160'), Toggle Switch, Work Lights (2), Valve Stem Extension (4) (\$92) ('07 Trailmax Trailer), Brake Controller for Trailer, Electrical Supplies for Trailer Brake Controller, Water Pump (\$67) ('00 Dodge Dakota), Gear Oil (25 qts) (\$145), Motor Oil (24 qts) (\$108), Emergency Flasher, Grade 8 Bolts for Front Hub (15) (\$31), Weather Strip Adhesive, Bulk Heater Hose (6'), Hose Clamps (40), Brake Pad Set (\$63) ('00 Dodge Dakota), Automotive Electrical Wire (25'), Transmission Fluid (4 qts), Wiper Blades (2) (\$34), Headlight Bulb, Light Bulbs (2), Air Filters (4) (\$79), Stop Light Bulbs (10), Gasket Maker, Brake Shoes (\$35) ('99 Dodge Ram), Hardware & Supplies, Latex Gloves (1,000), Battery for Generator (\$81), Rags (60 lbs) (\$171), Hydraulic Oil (10 gal) (\$108) & Diesel Fuel Treatment	1,654.25

Seq	Payable To	For	Amount
24	Novato Builders Supply	Lumber (\$66), Surveyor Tape & Concrete Nails (1 lb)	76.09
25	Pace Supply	Couplings (50) (\$917), Valve Boxes (12) (\$134), Vault (\$213), Vault Extensions (3) (\$287) & Tracer Box Assembly (19) (\$485)	2,035.72
26	Pape Machinery	Armrest Kits (2) ('09 John Deere Backhoe)	249.59
27	PDM Steel Service Centers	Steel To Make Pipe Gate @ Amaroli Tank Access Road	272.49
28	PERS Retirement System	Pension Contribution PPE 3/31	43,323.14
29	Pini Hardware	Hardware Supplies, Ant Bait (2), Utility Knife, Coupling, Rivets (75), Light Switches (5), Bolts, Washers for New Gate (Amaroli Tank), Cleaner & Wax for Maint Office Floor (\$32), Netting (\$45) (150' X 6') & Acrylic	175.74
30	Rich Readimix Concrete	Concrete (2.5 yds)	482.19
31	Sebastopol Bearing & Hydraulic	Replacement Hydraulic Pump ('02 Int'l Dump Truck)	683.70
32	Shirrell Consulting Services	March Dental Expense	7,106.00
33		Vision Reimbursement	184.00
34	SMART Real Estate	General Easement Access @ Golden Gate Place Crossing (4/1/12-3/31/13)	660.31
35	Soiland	Fee for Asphalt Recycling (5.10 tons)	20.00
36	State Water Resources Control	Fee for Storm Water Pollution Prevention Program (to be Reimbursed by SPG Solar)	200.00
37	Teeters & Schact	Rebuild & Recover Seat ('99 Int'l 5-yd Dump Truck)	481.38
38	USA BlueBook	Valve Key & Extension (STP)	219.84
39	Verizon California	Telephone Charges: Leased Lines (\$827) & Minimum (\$44)	870.33

Seq	Payable To	For	Amount
40	Verizon Wireless	March CIMIS Station Data Transfer Fee (2)	19.10
41	Vion, Christy	Refund Overpayment on Account	52.28
		<b>TOTAL DISBURSEMENTS</b>	<b><u>52.28</u></b>
			<b><u>\$276,005.49</u></b>

The foregoing payroll and accounts payable vouchers totaling \$276,005.49 are hereby approved and authorized for payment.

 \_\_\_\_\_  
 Auditor-Controller Date 4/10/12

 \_\_\_\_\_  
 General Manager Date 4/10/2012

**Katie Young**

---

**From:** Ed Grundstrom [grunds44@gmail.com]  
**Sent:** Tuesday, April 03, 2012 9:20 PM  
**To:** Paul Hutcheson; brent.ainsworth@novatopaych.com  
**Cc:** Katie Young; Stephen Petterle; Rick Fraites; drodoni@gmail.com; John Schoonover  
**Subject:** North Marin Water District

My prior email was in error re the magnitude of the interdistrict loans within the North Marin Water District. There is only one loan in the sum of \$166,508. owed Novato Water. It is being amortized at the rate of \$50.00 per month plus 2.8% interest. The loan still violates the prior boards' promise that Novato Waters' money would not be used to support the Coastal minions of the NMWD.

Ed V, Grundstrom  
2034 Hatch Road  
Novato, Ca

BOD MISC

# Ribbon Cutting - Coho Broodstock Building

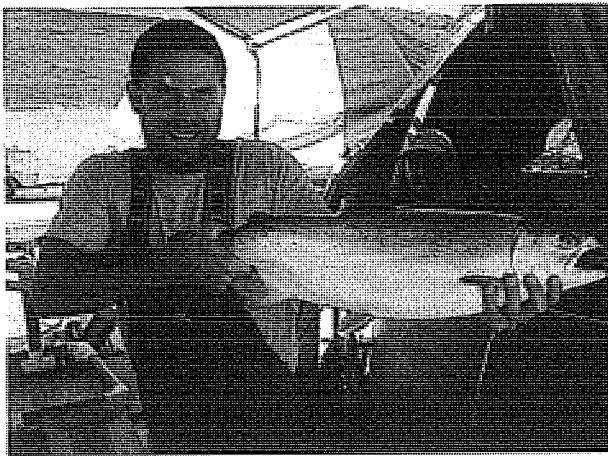
Please join Congressman Mike Thompson, the U.S. Army Corps of Engineers, the National Marine Fisheries Service, the California Department of Fish and Game, University of California Cooperative Extension and the Sonoma County Water Agency for a ribbon cutting of the new building housing the Russian River Coho Salmon Recovery Broodstock Program Hatchery.

**Date/Time:** Wednesday, May 2  
10 a.m. – 11 a.m.

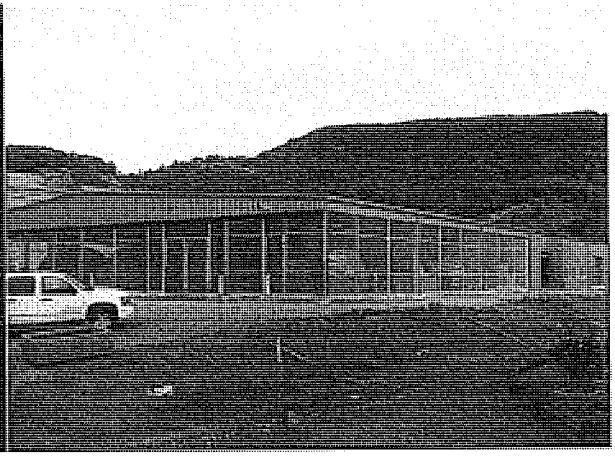
**Location:** Russian River Coho Recovery Broodstock Program, Don Clausen Fish Hatchery, at Lake Sonoma  
4200 Skaggs Springs Road, Geyserville

**Directions from Highway 101:**

- Take **Dry Creek Road exit** north of Healdsburg
- **West** on Dry Creek Road for 12 miles
- Fish hatchery/Visitor's Center on the right after crossing Dry Creek
- **Follow signs** to event

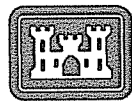
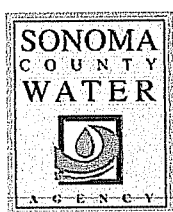


Ben White (USACOE) with adult broodstock coho



coho broodstock building at Lake Sonoma

For questions and RSVPs, please contact Ann DuBay, 524-8378 or [ann.dubay@scwa.ca.gov](mailto:ann.dubay@scwa.ca.gov).



**US Army Corps of Engineers**  
San Francisco District



**NOAA Fisheries**  
National Marine Fisheries Service



**MEMORANDUM**

To: Board of Directors

April 13, 2012

From: David L. Bentley, Auditor-Controller 

Subj: Self-Insured Workers' Comp – 3rd Quarter Status Report

t:\ac\word\personnel\wc\self ins status 1011.docx

**RECOMMENDED ACTION: None**

**FINANCIAL IMPACT: Savings Ranging from \$51,000-\$82,000 thru the 3<sup>rd</sup> Quarter of FY12**

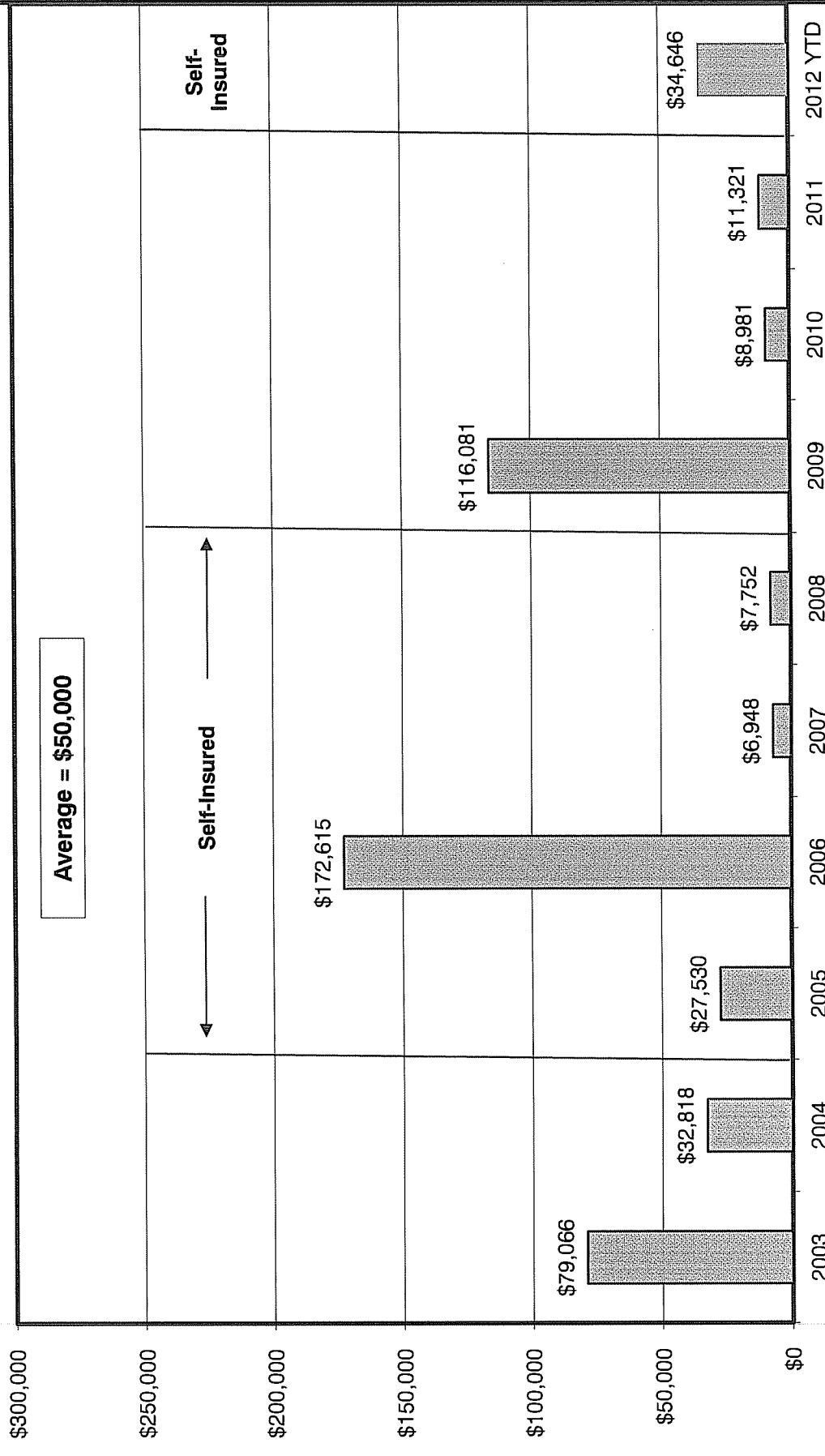
The low-cost proposal for FY12 first-dollar workers' compensation coverage increased 20% over the prior year, to \$159,000. In response, the District returned to self-insurance effective July 1, 2011. A third-party administrator was employed for \$1,000 per month, and an excess (stop-loss) policy to limit the District's liability in the event of a catastrophic claim was purchased for \$45,546, rendering a total fixed cost of self-insuring at just under \$58,000.

Through the third quarter of this fiscal year, the District experienced two on-the-job injuries. Both claims remain open. While \$3,900 has been paid in indemnity and medical benefits on the claims, the third-party administrator has established a reserve of \$31,000 in estimated future cost to close these claims. On a cash basis, the District has saved \$82,000 through March 31 versus the cost of purchasing a standard workers' compensation policy. Assuming the full \$31,000 reserve is required to close the two open claims, the District will have saved \$51,000.

Attached are charts showing a 10-year history of claims cost (average \$50,000 per year) and 10-year history of claims frequency (average 11 claims per year).

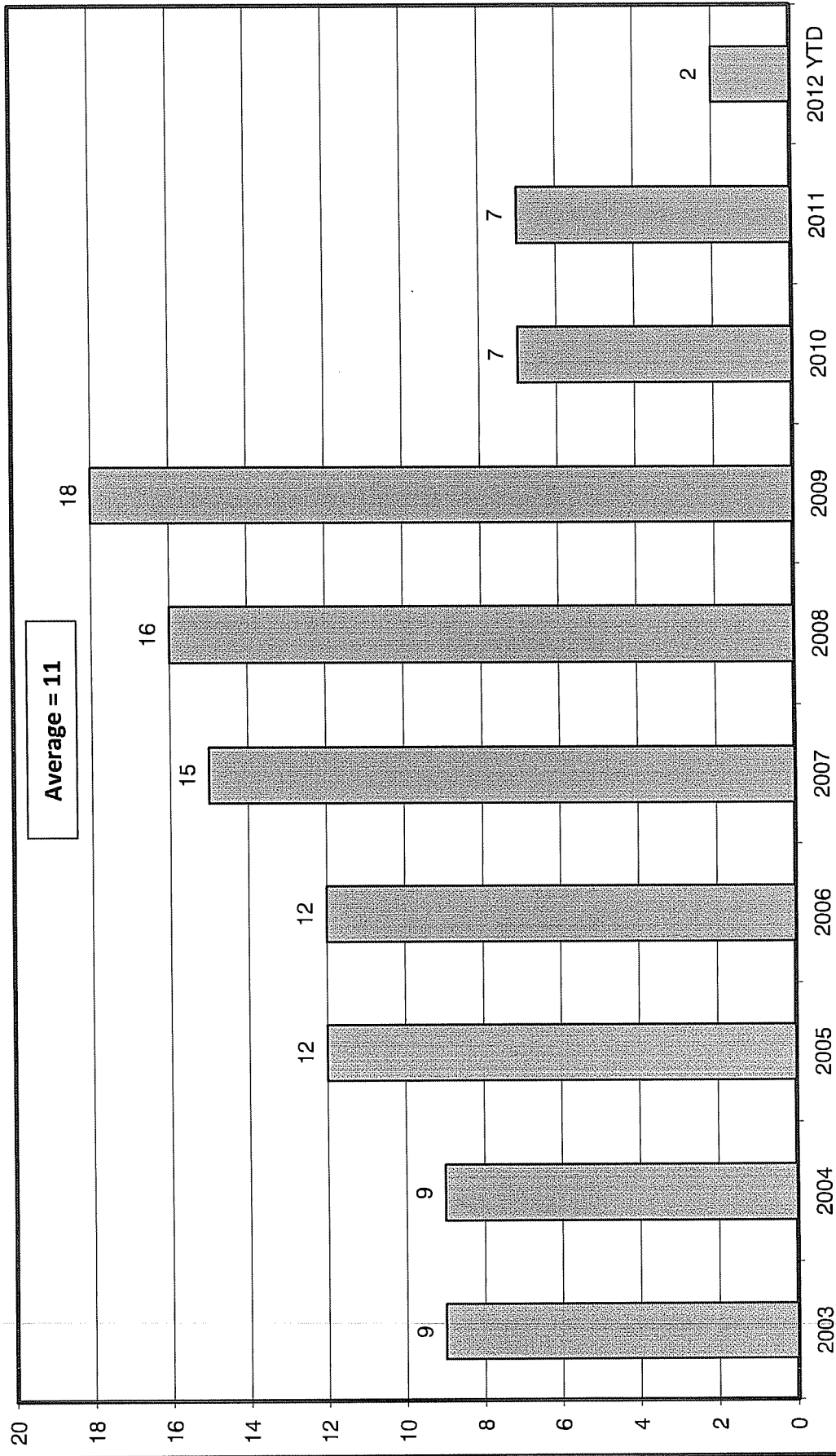
### WC Claim Cost by Year Injury Incurred 10 Year History

Average = \$50,000



Fiscal Year Ending June 30

### WC Claims Filed - Frequency 10 Year History



Fiscal Year Ending June 30



# CLASSIFIEDS

Call the Light at (415) 669.1200 or email david@pti

## Animals

TRAP-NEUTER-RETURN / ADOPTION



**Planned Feralhood.**

For assistance with feral cats

**Call 663-8497**

PO Box 502 Pt. Reyes Sta., CA 94956

## Announcements

### DESIRE TO QUIT?

Nicotine Anonymous Meeting  
Tuesdays 7pm  
Health & Human Services,  
6th & A Streets,  
Point Reyes. (m)

### COCAINE ANONYMOUS North Bay

**Wednesday 7:30 p.m. LARK-  
SPUR LANDING.** 'Kids in the  
Cottage' Pre-School Cottage.  
2900 Larkspur Landing Circle  
Chips to 1 year.

**Friday 8:00 p.m. San Rafael**  
'NEW IDEAS' SPEAKER-DIS-  
CUSSION- CHIPS- RAFFLE.  
First Presbyterian Church  
Upstairs Mission & E.  
Chips every Friday. (m)

## Announcements

**NEW SAN GERONIMO VALLEY**  
Alanon Family Group Speaker  
Meeting on Thurs. 7-8 pm at San  
Geronimo Valley Community  
Presbyterian Church. Sir Francis  
Drake at Nicasio Road. (m)

## Announcements

### North Marin Water District Flushing Program

North Marin Water District will begin its annual water main flushing program for the Novato water system on April 16th. This is a standard practice to ensure good quality water and involves opening certain fire hydrants and "blow-off" pipes to discharge water at high velocity which removes any rust or sediments that may have accumulated in the water pipelines over the year. It also helps maintain a chlorine residual (disinfectant) to prevent bacteria growth in the pipelines. Customers may temporarily experience low water pressure or a slight, but harmless color in their water when the flushing is conducted in their neighborhood. Though the quantities of water used for flushing may appear to be large, the total amount of water used is less than one day's normal consumption. Flushing is performed in the winter months when there is sufficient water supply for the task. Flushing is expected to be completed by the end of April.

## Comp

**MAC/APPLE**  
Steve Bowe  
and he's do  
**Phone: 35**  
(Local Nu  
Macintosh Su-  
Sorry, I d  
Windows any

## Announcements

**COMMUNITY MEDIATION  
BOARD OF WEST MARIN**  
Trained mediators, free, con-  
fidential, effective. 868.0493  
(m)

### Ongoing Conversational Spanish Group

In Point Reyes / Olema area  
Tuesdays, 7 - 8:30 pm  
For information, call Victor:  
707-795-6535  
vicrr@yaho.com

### Point Reyes Community Lunch

At The Dance Palace, 5th & B St.  
Every Thursday at 12:30

**APRIL 12, 2012**

*Baked White Fish,  
Green Salad,  
Egg Noodles,  
& Oranges*

**APRIL 19, 2012**

*Beef Meatloaf,  
Vegetable Saute,  
Brown Rice, & Oranges*

Delicious low cost lunches,  
\$2.00 or pay what you can, made by  
Gloria from the Palace Market  
Please reserve your space by calling  
663-1075 or email: dan@dancepalace.org

Sponsored by the Marin County Division of  
Aging and Adult Services & the Dance Palace

**ZUMA**  
KIMONOS  
JAPAN  
Open Daily ✦ 663-1748 ✦ Pt. Reyes

**Renew C**  
SALES • SER  
PCs • Laptops • Desk  
Printers Mac Specialists  
Refurbished Co  
**LAPTOP REPAIRS**  
www.renewcomp  
**415-457-**  
CALic#100888 • 446 Du Bois S

## Firewo

**FIREWOOD FO**  
Cut locally from tr  
by winter storms. (r  
more info. 707.4  
(1/29)

Channel 22, Broadcast, Satellite, & Cable

These tide heights are

pressdemocrat.com

This copy is for your personal, noncommercial use only. You can order presentation-ready copies for distribution to your colleagues, clients or customers [here](#) or use the "Reprints" tool that appears above any article. [Order a reprint of this article now.](#)

## Sonoma County takes another step toward public power agency

By *BRETT WILKISON*  
THE PRESS DEMOCRAT

Published: Tuesday, April 10, 2012 at 8:15 p.m.

The Sonoma County Board of Supervisors voted Tuesday to push forward toward formation of a countywide public power agency.

The 4-0 vote marked the most significant move yet on the proposal, which has been under review since last year. At least an additional 18 months of work is envisioned before a final decision to launch the effort.

Tuesday's vote signaled the Board of Supervisors is likely to stand behind the initiative, which supporters tout as both a needed alternative to PG&E, which serves most homes and businesses in the county, and as a key way to boost investment in clean, renewable energy sources, create jobs and cut greenhouse gas emissions.

"We still have a lot of homework to do," Board Chairwoman Shirlee Zane said. "But this is a real opportunity for us. A fantastic opportunity."

The board authorized preparation of an implementation plan, including a study of start-up costs estimated at \$2 million to \$6 million — money likely to come from bond financing — and other work geared toward formation of a joint-powers agency between the county and up to eight cities in the county said to be considering participation in the venture.

The two-hour hearing came before a packed audience, most of them supporters of the plan.

The backers included elected leaders of Santa Rosa, Rohnert Park and Windsor as well as environmentalists, labor leaders, developers and energy consultants.

Many cast the issue as boon to economic development and environmental sustainability. PG&E collected more than \$220 million from Sonoma County power customers in 2010, money that supporters argue could be going to closer-to-home, greener energy sources that help meet climate protection goals.

"Santa Rosa residents see the benefit to the community and the environment and are willing to invest in the program," Santa Rosa Mayor Ernesto Olivares told the supervisors.

Union representatives also pledged their support, seeing the venture as a potential source of jobs. While most of the power supply initially would be provided through wholesale contracts with outside suppliers, supervisors endorsed goals that by 2030 would meet about a third of current countywide power demands through local energy projects, including geothermal, solar and biomass.

"We support this program wholeheartedly," said John Lloyd, representative of the International Brotherhood of Electrical Workers Local 551. "We want you to move forward with this."

Several speakers urged the supervisors to shelve the effort, saying the power supply business was better off left to private utilities. Others urged caution, arguing county studies underplayed risks to taxpayers.

May lead to results under par.

Total knee replacement from the Coon Joint Replacement Institute

Find out more.  
Call 877.747.9991

learn more

ST. HELENA  
COON JOINT REPLACEMENT  
INSTITUTE

So far, Marin is the only California county supplying power under a 2002 state law that lets local governments buy energy on the wholesale market. Under those Community Choice Aggregation programs, billing, metering and transmission remains with the existing utility — in the county's case with PG&E — and individual customers are allowed several chances to opt out.

Still, public investments in a volatile energy market could hurt taxpayers, critics say.

“My interest usually gets piqued when I see governments getting into a private enterprise-arena,” said Bob Williamson, a Mark West-area resident active on government fiscal issues and one of several speakers who urged supervisors to take another look at risks.

The envisioned joint-powers agency would shield the county and participating cities from any general fund impacts, county staff noted.

Still, several board members said they shared critics' concerns. Foremost on that list are worries about costs for ratepayers.

A county study last year found the typical customer could pay \$4 to \$10 more a month over 20-year period for county-supplied power. After 20 years, the rates are projected to be nearly equal, with PG&E rates exceeding those for public power thereafter.

Zane called the extended wait time “a really hard sell after three years of economic recession,” adding “we need to get (rates) lower sooner than that.”

Supervisor Mike McGuire echoed his past comments, linking the project's success to achieving comparable rates to PG&E.

Supervisor Efrén Carrillo urged the board to stick to a project goal of providing at least 50 percent renewable power at the outset, more than double the share PG&E now provides. The benchmark is 17 percent higher than a 2020 state mandate for private utilities. County studies suggest it could drive short-term rates up, but Carrillo called the goal a “bold vision.”

Supervisor David Rabbitt voiced the most skepticism, posing questions about county-sponsored polls showing public support for the effort and poking at the estimates on job creation and the ability of the county to pursue energy projects given the lengthy fights often encountered in land use issues.

Rabbitt also urged county staff and consultants to be more upfront with rate estimates and risk assessments in outreach to businesses and cities — moves approved Tuesday as part of an additional \$65,000 in county Water Agency work on the effort. To date, not including staff time, about \$120,000 in Water Agency funds have been spent on studies and surveys.

“I'm fine with proceeding,” Rabbitt said. “I'm not saying we haven't been already, but through this whole process we really need to be open, honest and transparent and ask ourselves the tough questions and not get carried away because we're doing this great, innovative green thing ... Remaining slightly skeptical in that path is going to be healthy. We need to make sure that everything is realistic.”

The issue could come back to board in four months, when the start-up plan is set to be complete. Workshops with city councils could take six months and formation of a joint-powers agency about a year, with purchase of power contracts possible in late 2013 or early 2014. Votes at any of those stages could slow, postpone or shelve the project.

Supervisor Valerie Brown was absent from Tuesday's meeting.

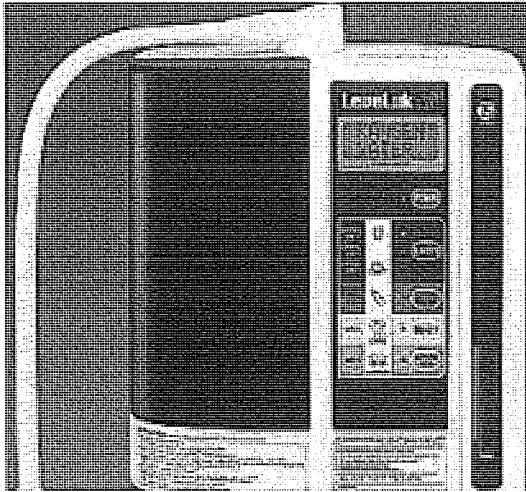
Boano misc

## The Positives and Negatives of Ionized Water

The Wall Street Journal  
By LAURA JOHANNES

April 9, 2012, 6:49 p.m. ET

It would be hard to improve the healthfulness or cleaning power of water without adding any chemicals or supplements to it. But companies are claiming to do just that by "ionizing" water.



Enagic USA's Kangen Water machine

Companies are selling machines that put drinking water through an "ionization" process. According to the companies, the process, also called "electrolysis," is accomplished using negatively and positively charged electrodes. In the process, water atoms give electrons to the electrodes or receive them, according to a graphic on Chanson Water USA Inc.'s website. The result is a chemical reaction that results in water becoming more acid or alkaline. Tap water typically has a pH of around 7, or neutral; alkaline water has a pH of more than 7; acidic water, less than 7.

Companies say alkaline water has a variety of benefits, ranging from giving you energy to counteracting unhealthy effects of acidic foods you eat. Some scientists, however, say there aren't any good studies supporting the ionized-water companies' marketing claims.

Water ionizers, long sold internationally, have been generating increased interest in the U.S. during the past couple of years, says Pauli Undesser, director of regulatory and technical affairs at the Water Quality Association, a nonprofit trade group for the water-treatment industry.

Earth Trade Water Inc., Carlsbad, Calif., posts testimonials from professional athletes who say its ionized alkaline water boosts their performances by providing better hydration and aiding "energy" and "focus."

Chanson Water USA, a Laguna Hills, Calif., unit of Chanson Taiwan LLC, says on its website that its ionized water has smaller clusters of water molecules than ordinary water and these "microclusters" are better able to "penetrate into more places in the body."

In a marketing brochure, Enagic USA Inc., a Los Angeles unit of Japan's Enagic Co., says its "Healthy Kangen Water"—which has a pH of 8.5 to 9.5—"helps your body balance the acidic effects" of eating foods such as meat and eggs. Enagic's Leveluk SD501 model, which sells for \$3,980, uses seven electrodes.

Enagic also says Kangen water tastes better with "superior mouth-feel." In an informal blind taste test at a local spa offering Kangen water, I found the Kangen water tasted soft and velvety, but with a mineral aftertaste, compared with ordinary tap water.

The machines, which typically range from \$1,000 to \$6,000, are generally attached to a faucet, but some models go under the sink. The alkaline water, which the companies say is ideal for drinking and cooking, comes out of one of the machines' spigots, while acid water, which can be used for cleaning, comes out of another. The degree of alkalinity is often adjustable. The machines have a built-in filter, which filters impurities just like any other water filter.

Besides drinking water, Enagic's machines produce four other types of water. Enagic recommends using very acidic "sanitary water" for household disinfecting, such as sanitizing cutting boards and knives. "Beauty water" helps close facial pores after washing with it, the company says. Neutral water is intended for taking medications and making baby formula; and "strong" Kangen water, a very alkaline water, is intended for "cleansing power" in such tasks as removing toilet stains or floor stains.

Some doctors and scientists say the companies' claims aren't backed by good high-quality studies. "Human evidence is lacking, safety profile is lacking and it's very expensive," says Catherine Ulbricht, co-founder of National Standard Research Collaboration, a Cambridge, Mass. scientist-owned group that evaluates natural therapies.

"There is no basis for any health claims at all" for alkaline drinking water, adds Santa Barbara, Calif., gastroenterologist John Petrini, past president of the American Society for Gastrointestinal Endoscopy. After it is digested, food and water goes into the stomach and—no matter what pH it was when it entered—ends up leaving the stomach at a pH of about 6.8, Dr. Petrini says. And no matter what you eat, your body has effective mechanisms to keep your blood in a narrow range between 7.35 and 7.45, he adds.

Chemists say it's logical that acidic or very alkaline water could be useful for cleaning, but there's no evidence that the pH of water has any specific effect on skin or pores, says Washington, D.C., dermatologist Tina Alster.

Roberto Car, a professor of chemistry and physics at Princeton University, says the alkalization process described by Chanson sounds scientifically plausible, though he hasn't examined the machine. But Chanson's claim that alkaline water contains microclusters of molecules more readily absorbable by the body is "nonsense," according to Dr. Car and others.

"Rubbish," adds H. Eugene Stanley, a professor of chemistry and physics at Boston University. The structure of water—including how its molecules cluster—isn't yet fully understood, scientists say.

Chanson Water CEO Ronnie Ruiz says a nuclear magnetic resonance test, the results of which are posted on the company's website, shows that its water microclusters. He says 70% of customers who provide feedback report benefits, such as improvement in diabetes, improvement in depression, lower cholesterol levels. Mr. Ruiz says customers "love it, use it daily and see the absolute value in owning the machines. Science will at one point absolutely validate the health benefits." Many of the benefits are due to the fact that the water has a negative charge and is an antioxidant, he adds.

Arizona physician Horst Filtzer—a paid medical adviser to Enagic and former chief of surgery at Cambridge Hospital, a Harvard teaching hospital—says alkaline water passes into the intestines "without much difficulty" since stomach acid isn't produced in response to water. It doesn't do much good to drink alkaline water with food—such as a steak—that does trigger an acid response, Dr. Filtzer says. He adds that he finds Kangen's alkaline water doesn't make him feel bloated like regular tap water does.

Peter L. Kopko, a chiropractor and chief science adviser to Earth Trade Water, says that alkaline minerals in its water—such as calcium and potassium—improve athletic performance because they help "counteract" acid buildup in the body during exertion. The company hasn't done clinical studies on its water.

Drew  
BOD MISC



Editor Brent Ainsworth [brent.ainsworth@patch.com](mailto:brent.ainsworth@patch.com)

[Patch Newsletter](#) [Nearby](#) [Join](#) [Sign In](#)

# NovatoPatch

44°

- [Home](#)
- [News](#)
- [Events](#)
- [Directory](#)
- [Commute](#)
- [Pics & Clips](#)
- [More Stuff](#)



## WHERE IN NOVATO IS THIS?

By [Brent Ainsworth](#) | [Email the author](#) | April 7, 2012

### The Neighborhood Files

## Awash with Lavender

Take a crack at where this was shot.

[Tweet](#) 0

[Email](#) [Print](#) [6 Comments](#)

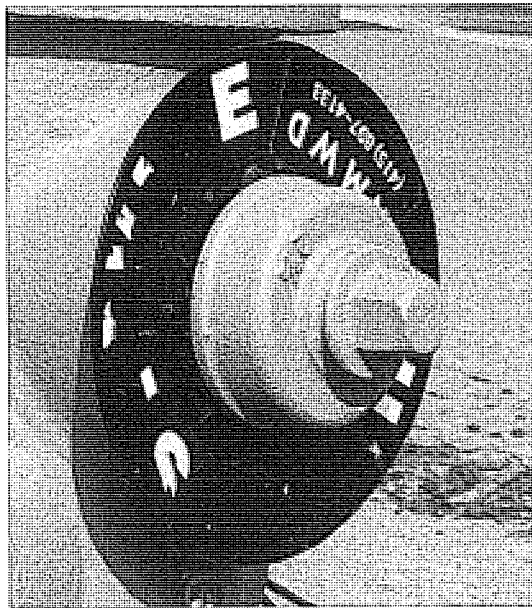
Flag as inappropriate

1 of 3

About this column: We post a photo, you tell everyone else what it is and where it is.

Related Topics: [Photo Contest](#) and [where in novato](#)

Know where it is? [Tell us in the comments.](#)



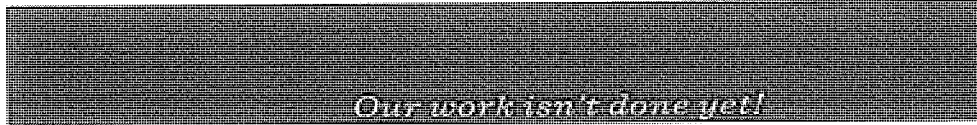
Credit [Brent Ainsworth](#)

How well do you really know your hometown? If you've been here a few years and get out of the house much, this object might look pretty familiar. Can you pinpoint its location?

Each weekend, Novato Patch will take a photo in town and ask you to tell us where it was taken. If you know, enlighten everybody else by sharing your knowledge in the comments section of this story.

What's at stake? The first correct responder gets a prize from the face of Novato Patch. Even after the correct answer is given by posting a comment, you can add to the conversation if you have the inside scoop on the details or history of that spot. Also, make sure to e-mail the editor at [brent.ainsworth@patch.com](mailto:brent.ainsworth@patch.com) so you can arrange a meeting to get the prize. Or it can be popped in the mail.

Think you know where this is? Add a comment below. Take a crack at it!



Editor Brent Ainsworth [brent.ainsworth@patch.com](mailto:brent.ainsworth@patch.com)



[Patch Newsletter](#) [Nearby](#) [Join](#) [Sign In](#)

NovatoPatch 44°



- [Home](#)
- [News](#)
- [Events](#)
- [Directory](#)
- [Commute](#)
- [Pics & Clips](#)
- [More Stuff](#)

Government

## NMWD Recognized for Excellence in Financial Reporting

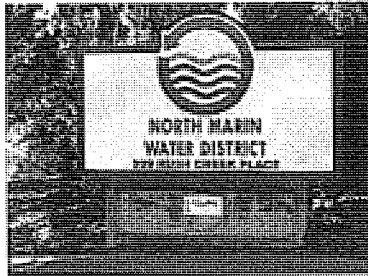
Third year in a row that the North Marin Water District's comprehensive annual financial report has received a certificate of achievement.

April 8, 2012

Tweet 0

- [Email](#)
- [Print](#)
- [Comment](#)

Related Topics: [Chris De Gabriele](#), [David Bentley](#), [North Marin Water District](#), and [financial reporting](#)



The [North Marin Water District](#) keeps super-close tabs on its income and expenses. And there's ongoing proof of that.

For the third year in a row, the Certificate of Achievement for Excellence in Financial Reporting has been awarded to North Marin Water District by the government Finance Officers Association of the United States and Canada for its comprehensive annual financial report.

NMWD's finance department is led by David Bentley and oversee by General Manager Chris De Gabriele.

The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to ready the CAFR.

The GFOA is a nonprofit professional association serving approximately 17,500 government finance professionals with offices in Chicago and Washington, DC.

Email me updates about this story.

Enter your email address

Keep me posted

Tweet 0

- [Email](#)
- [Print](#)

- [Follow comments](#)
- [Submit tip](#)
- [Comment](#)



# Locavore

## Foods of West Marin



### Conventional Local Dairy Closures Expected to Continue

by George Clyde and Robin Carpenter

A KWMR WEST MARIN REPORT AND WEST MARIN CITIZEN COLLABORATION

Four local conventional (non-organic) dairies have closed in the past year, including three in the past few weeks, and it seems that more closures are likely later this year.

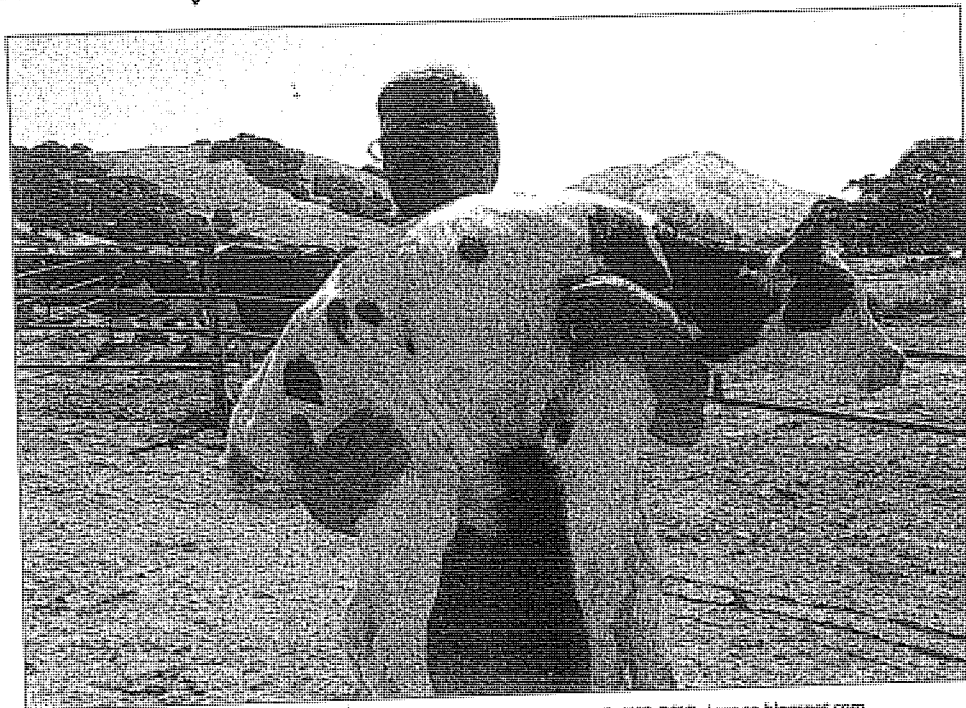
The Leveroni Brothers Dairy, located on Lovato Boulevard near the intersection with the Pt. Reyes Petaluma Road, quietly closed in April last year, and reliable sources say another Marin County dairy along the Pt. Reyes Petaluma Road is in the process of closing and selling the dairy's approximately 400 cows. In addition to these West Marin County dairies, in Bloomfield, near Valley Ford, the Meadows Dairy and the Henry Spaletta Ranch reportedly closed earlier this year.

Paul Leveroni spoke with George Clyde and said that the high prices for feed and the low prices for milk made it impossible for the dairy that he ran with his brother David to remain in business. He said the cost of complying with pollution controls was another factor. He could not convert to organic, because their hilly ranch does not have enough available pasture for an organic herd. He said that when the dairy closed, about 300 milking cows were sold to another dairy in the interior valley.

Dominic Grossi, who heads the Marin County Farm Bureau, shed light on the situation and the likely closure of other conventional dairies this year in an interview with George Clyde.

"Primarily it's the cost of feed versus the price of milk, to put it bluntly. The price for feed has been extremely high for several years now. In the past year the price of alfalfa has jumped on the bandwagon and it's gotten extremely high as well. So this makes it very difficult for conventional to compete in our area, because it costs more to bring that feed over here." Grossi says that the rising cost of feed isn't the only problem. "The price of milk has been relatively low for conventional because we continue to produce more and more (conventional) milk nationally. The price of our milk here locally is still figured based off of commodities that are traded nationally."

Grossi shared the reasons why the closures were happening now, even though the problems have been around for several years. "It's a cumulative effect of the past three years. [The year] 2009 was probably



Dairyman Dominic Grossi with Calf. Photo by Nancy Grossi courtesy www.TheWifeOfADairyman.blogspot.com

the worst year the dairy industry has ever seen in the history of America and most of us here weathered it because a lot of the ranchers own their own ranches and so we are lucky in that respect but at the same time you didn't make any money the next year either. [The year] 2010 took considerable losses again. And that pretty much drained everyone's equity and so as we got through 2011 most guys were breaking even, but the problem is we're looking ahead to 2012 and we see a 2009 type year coming expecting the prices to remain low for milk because of extraordinary milk production. There are so many heifers expected to calve that the outlook for milk production is extremely good and you have good milk production and you're going to have lower milk prices."

According to Grossi, organic dairies can sell their milk at higher prices, so they aren't as greatly affected. But, converting a conventional dairy to organic has its own challenges. "It depends on the location of your ranch, it has a lot to do with it, and you need pasture. There's a lot of dairies, myself included and my neighbor who


went out of business a year ago, that just don't have a ranch that's set up with lots of pastures. We have very steep hills right behind our barns and I have no pastures for my cows. I don't have the nice rolling hills or flat ground that they can go out and graze so it's not really an option for everybody. Just as importantly there are some dairies that are being told, "Look we can't really take any more milk right now because the demand is still limited. You can't just go organic and then hope someone wants to start buying your milk because there's not necessarily someone out there willing to buy it right now."

Nationally the increased demand for organic milk has left shortages on supermarket shelves during the past year. "The market has surged faster than supply," according to George Stemon, CEO of Organic Valley. But while demand is up and shortages are occurring, the soaring costs for organic feed create issues of economic viability for organic dairies. Organic dairies are also being hit with the added expense of rising fuel costs. So regardless of demand becoming organic is

not necessarily the economic silver bullet for conventional dairies.

Grossi commented on his views regarding the future of conventional dairies in our area. "As for the conventional dairies I'm not very optimistic. Clover Stornetta has done a great job of reaching out and trying to help their conventional dairies by increasing the price that they're paying specifically. And they've even started paying for our hauling and so that's going to help and I think that guys that are with Clover should hopefully survive this on the conventional side. But other dairymen might not, I know of a couple of others already that are talking about selling out and it's expected in the next few months that we are going to lose more."

Clover Stornetta has both organic and natural conventional dairy farms in Marin and Sonoma that are marketed as Clover Organic Farms and Clover Stornetta Farms respectively. Robin Carpenter spoke with




### CANTINA & CHEESE COUNTER

415.663.9335 • Open 10-6, Wednesday-Sunday  
80 Fourth Street, Point Reyes Station

**THINK PINK FOR EASTER!**

This week we have brought in a stellar line-up of Rosé wines that would be perfect for your holiday meal or picnic: Paul Matthew and Eric Sussman's County Line. And we'll have a delicious little lamb on the rotisserie!

*Fresh • Local • Organic*



AN OSTERIA IN DOWNTOWN, POINT REYES STATION  
MARK STREET

**LOCAL'S NIGHT AT STELLINA**  
Every Tuesday Night

April 10th - Chile Verde  
April 17th - Spaghetti & Meatballs  
April 24th - Lasagna Bolognese

*while you enjoy live music by David "El Oso"*

Dinner includes Salad and a glass of Wine or Beer \$20

415-663-9988  
Closed Thursdays

**Local business news;**  
**from STELLINA Pt Reyes Station**

- 1) Participated in Taste of the Nation in SF for 600 people...an honor to be included with so many great restaurants helping childhood hunger.  
<http://www.strength.org/sanfrancisco/>
- 2) Alice Waters had dinner there last week.
- 3) Stellina made the SF Chron top 100 list for 3rd straight year...only restaurant West of Mill Valley/Sausalito in Marin.
- 4) Giorgio's lasagna this week!!!  
Congratulations to all the staff of a great local business!





# Locavore

# Foods of West Marin



Marcus Benedetti, President and CEO of Clover Stormetta Farms about the unique ways in which they support their dairy ranchers and why their conventional dairy farmers have an advantage in this harsh economic climate. "Our approach is pretty simple. We saw the dairy industry up here in the North Bay losing ground to areas in the state and in the country that were much more economically feasible given large economies of scale to produce a lower cost per gallon of milk. Obviously I'm biased, but I look at this dairy climate up here and the ranches here on the North Coast as being something unique in having relative-

ly large acreage for a relatively small amount of cows, a mild climate and green pastures for a good part of the year - all of those things add up to in my estimation to give us a unique appellation no different than our wine. But given the difference in economic prospects the story has to be told - it has to be getting into the marketplace to make sure that they remain viable and it's our job to be the facilitator in that process."

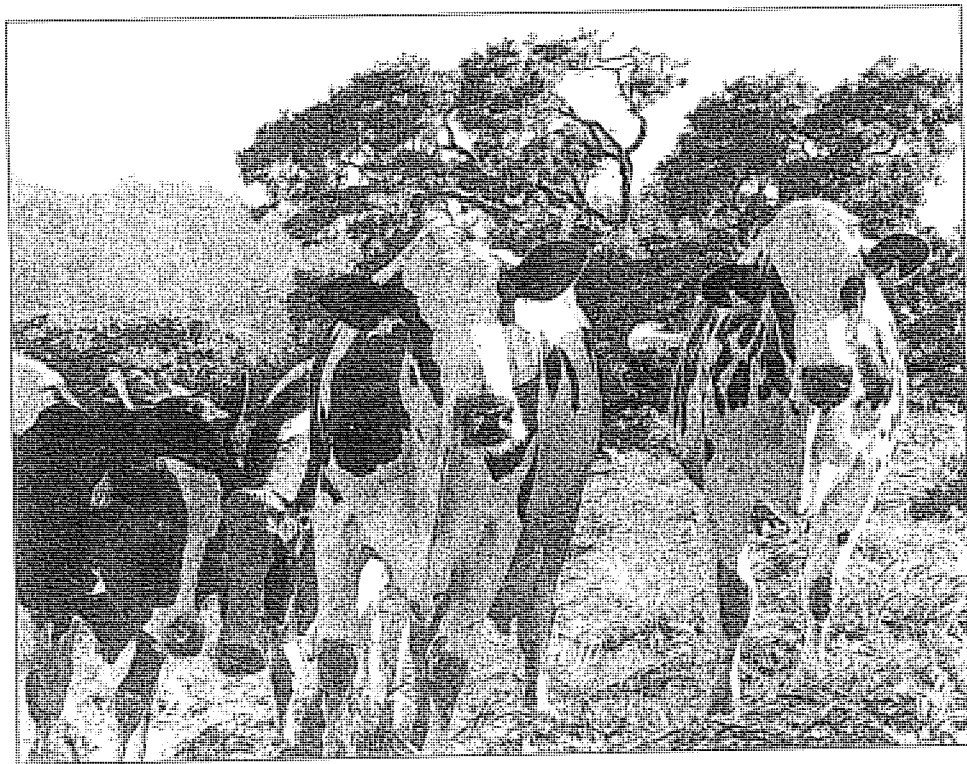
In addition to the value of the terroir of the milk Clover Stormetta Farms took action in 1994 to elevate the milk from a

commodity subject to commodities pricing structures. They established the North Coast Excellence Certified Premium (NCECP) program. "North Coast Excellence Certified Premium is a long winded name for all of the things that they do in addition to what they would otherwise have to do - it's the no-RGBH stance and the no cloning stance. It's complying with the American Humane Society's animal welfare standards and our sustainability standards. You wrap all that up and you have the NCECP - so the premium we pay is attached to that commitment and it's in addition to what the state minimum pricing

for milk is on the conventional side. We also cover the hauling expense to ship the milk to our plant."

Benedetti stressed that it is their job to educate the consumers. "Once consumers are armed with everything these dairies do they are fine paying an extra nickel a day for it every week and twice on Sunday. Because they aren't just paying for the quality and the health, they are paying for a whole social commitment and that's pretty powerful. The premium that we're able to give to our dairies for all of the hard work that they do is substantial. It doesn't always work, because when conventional commodities prices crash down to severe lows it's not enough to offset that by any means and that's kind of the nature of the beast that unfortunately all of California is stuck in right now."

You can listen to George Clyde's West Marin Report on the dairy closures by going to [www.kvnr.org](http://www.kvnr.org) and clicking on the News tab where all of the reports are archived.



Holstein dairy cows. Photo by Nancy Grossi courtesy [www.TheWifeOfADairyman.blogspot.com](http://www.TheWifeOfADairyman.blogspot.com)

### BLACK MOUNTAIN RANCH GRASS FED BEEF



Organically raised, grass fed beef for sale.  
Bred and raised on the ranch!  
Limited supply - Order your whole, half or split quarter TODAY. Substantial savings over store bought beef!  
Call NOW - 415.863.1910  
[blackmountainbeef@yahoo.com](mailto:blackmountainbeef@yahoo.com)

### Hand-Crafted Local Sustainable



Available in West Marin  
at:

- Blackbird Cafe
- Perry's Deli
- Bovine Bakery
- Cowgirl Creamery
- Toby's Feed Barn
- Marshall Store
- Bolinas People's Store
- Stinson Beach Market
- Woodacre Deli

(415) - 663 - 1203

TRY OUR NEW

## Brunch Menu

With old favorites like Crab Benedict!

*Make your weekend special!*

Brunch Served Every Saturday & Sunday 10am - 4pm

RESERVATIONS HIGHLY RECOMMENDED

RESTAURANT | OYSTER BAR | COTTAGES  
23240 HWY 1, Marshall  
[nickscope.com](http://nickscope.com) 415-663-1033

WELCOME

EASTER SUNDAY WORSHIP

9:30 am  
Stinson Beach Community  
Presbyterian Church  
32 Belvedere behind the Fire Station  
Community Choir

11:15 am  
Bolinas Calvary Presbyterian Church  
Corner of Brighton & Wharf Rds  
West Marin Chamber Singers

Good Friday, April 6 noon-2 pm  
Both sanctuaries open for personal meditation and prayer

The Reverend Robert I. Grove - Pastor  
415-868-3603 Stinson  
415-868-2180 Bolinas