



**NORTH MARIN WATER DISTRICT**  
**AGENDA – SPECIAL MEETING**  
 April 23, 2019 – 6:00 p.m.  
 District Headquarters  
 999 Rush Creek Place  
 Novato, California

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Est. Time	Item	Subject
6:00 p.m.	<b>CALL TO ORDER</b>	
	1. <b>APPROVE MINUTES FROM REGULAR MEETING</b> , April 2, 2019	
	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>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.	
	6. <b>Consent - Approve:</b> General Services Agreement – Rauch Communications Consultants	
	<b>ACTION CALENDAR</b>	
	7. <b>Consider:</b> Adoption of Resolution Declaring North Marin Water District's Intent to Transition from an At-large to District-based System of Electing Directors	<b>Resolution</b>
	8. <b>Approve:</b> Oceana Marin Sewer System Financial Plan Update	
	9. <b>Approve:</b> West Marin Water System Financial Plan Update	
	<b>INFORMATION ITEMS</b>	
	10. Initial Review – Capital Project FY20 & FY21 & Equipment Budget FY20	
	11. NBWA Meeting– April 5, 2019	
	12. <b>MISCELLANEOUS</b>	
	Disbursements – April 4, 2019	
	Disbursements – April 11, 2019	

All times are approximate and for reference only.

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

(Continued)

Est. Time	Item	Subject
		Disbursements – April 18, 2019 Right of Entry Permit – PG&E Technical Advisory Committee Meeting – March 4, 2019
		<u>News Articles:</u> California's Monster Snow Year... 'It's Been a Wild Ride' Marin experiencing near-record rain Snow Survey Boosts Runoff Predictions Talks sought in water tank dispute MMWD benefits, salaries debated Editorial – Pension trust worthy; more should be done Yes, we need clean water. But it must remain tax-free Obituary – Joseph “Joey” Corda
8:00 p.m.	13.	<b>ADJOURNMENT</b>

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**DRAFT**  
**NORTH MARIN WATER DISTRICT**  
**MINUTES OF REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
April 2, 2019

**CALL TO ORDER**

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

District employees, Robert Clark (Operations/Maintenance Superintendent) and Tony Arendell (Construction/Maintenance Superintendent) were also in attendance. Also in the audience was Novato resident Michael Sherwood.

District legal counsel representative, Doug Coty, was available by phone for the Closed Session.

**CLOSED SESSION**

President Baker adjourned the Board into closed session at 6:00 p.m. in accordance with CONFERENCE WITH LEGAL COUNSEL- Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (one case).

**OPEN SESSION**

Upon returning to regular session at 7:10 p.m., President Baker stated that during the closed session the Board had discussed the issue and no reportable action had been taken.

**MINUTES**

On motion of Director Joly, seconded by Director Fraites the Board approved the minutes from the March 5, 2019 meeting as presented by the following vote:

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Grossi

On motion of Director Fraites, seconded by Director Petterle the Board approved the minutes from the March 19, 2019 meeting as presented by the following vote:

AYES: Director Baker, Fraites, Joly and Petterle



NOES: None

ABSTAIN: None

ABSENT: Director Grossi

## **GENERAL MANAGER'S REPORT**

### **Meetings**

Mr. McIntyre reported that he will be attending SCWA's Regional Water Supply Resiliency Study kickoff meeting on Wednesday. The objective of the Study is to improve coordination between the Agency and Water Contractors to share collective water supplies and infrastructure during times of water shortages.

Mr. McIntyre also advised the Board that on Wednesday afternoon he will be attending a Marin County Parks meeting to discuss the County's Cross Marin Trail Feasibility Study. He stated that the current focus is to finish the hike-bike trail segment between Sir Francis Drake at Platform Bridge Road to downtown Point Reyes Station. Director Fraites asked if the trail would go along the railroad. Mr. McIntyre replied that this was the original intent but there are obstacles trying to cross private property, so county staff is evaluating other feasible alternative routes. Director Baker commented that in the 1970's the County Board of Supervisors approved a bike trail but it was a very simplistic plan. Director Petterle added that Samuel P. Taylor Park was part of it and the trail was bits and pieces and the whole project was never completed.

Mr. McIntyre also announced that on April 8<sup>th</sup> there will be a special WAC meeting to approve SCWA's FY20 Water Transmission System budget. Immediately thereafter, there will be a tour of the Agency's water facilities and Director's Baker, Grossi and Joly all plan to attend.

Mr. McIntyre also added that on April 15<sup>th</sup> he will be attending a meeting at the Gallagher Ranch with Marin Agricultural Land Trust, Marin Resource Conservation District and Gallagher Ranch family members. He stated that the purpose of the meeting is to inspect the severe erosion that recently occurred in Lagunitas Creek due to high creek flow events associated with recent wet weather storms. Mr. McIntyre added that a potential mitigation project to protect the bridge abutments is most likely. Director Baker commented that it is not much of a bridge, and Mr. McIntyre replied that the bridge supports our Gallagher Well pipeline and also provides access to our Gallagher well.

Mr. McIntyre also reminded the Board that the next NBWRA meeting will be on April 5<sup>th</sup>, at 9:30 a.m. at Marin Municipal Water District.

### **OPEN TIME**

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

**STAFF/DIRECTORS REPORTS**

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

Mr. Vogler announced that Novato resident Michael Sherwood was here to discuss the relocation of his service with the Board during Open Time but left the meeting during Closed Session. Before Mr. Sherwood left, Mr. Vogler offered to look at his file and would get back to him. Director Fraites asked when the District's document shredding day will be. Ms. Kehoe replied that it is on April 15<sup>th</sup> and the shredding company has been booked and the estimate given was based on the total number of boxes. Director Fraites stated he had one box to add, and Ms. Kehoe said that it wouldn't be a problem if he wanted to bring it in.

**CONSENT CALENDAR**

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

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Grossi

**NOTICE OF COMPLETION STP COAT CLEARWELLS PROJECT**

The Board approved the Notice of Completion for the STP Coat Clearwells Project.

**RECORD RETENTION PROGRAM – DESTRUCTION OF RECORDS**

The Board approved the Destruction of Certain Records in the manner consistent with District Policy.

**ACTION CALENDAR**

**EXECUTION OF SETTLEMENT AGREEMENT BETWEEN YOUNG FAMILY AND NMWD – PRE TANK 4A REPLACEMENT**

Mr. Vogler requested the Board authorize the execution of the Settlement Agreement between the Young Family and NMWD for the PRE Tank 4A replacement. He stated that District council recommends that a Settlement Agreement be developed between Young and the District to

capture the agreed upon shift in tank location along with additional minor stipulations. Mr. Vogler advised the Board that the new location would move the tank south by 1 foot 9 inches and west 5 feet and that the Settlement Agreement requires the Young's to withdraw their appeal to the California Coastal Commission and forego their right to any future legal action related to PRE Tank 4A project.

Director Baker inquired about access easements to the project site and Mr. Vogler responded that we have existing pipeline and access rights but are in discussions with an adjacent property owner to obtain an improved access easement. Director Joly commented about the added cost of \$10,000, and asked if moving the tank would not compromise others in the community. Mr. Vogler replied that the adjacent property at 420 Drakes View would be the only one that would be impacted. Mr. Joly asked if we have a buffer to secure the integrity of the tank. Mr. Vogler responded that the proposed shift would not make any difference to fencing around the tank site if we chose to do so; however the area is very remote and there shouldn't be any problems. Director Joly asked if we have a provision if vandalism occurred. Mr. Vogler stated installing a fence would be a challenge because it is adjacent to an earthen berm, and the visual effect would cause push back from the resident at 420 Drakes View. Director Baker added that even though there is currently no problem with graffiti that could change, it is a very large tank and that could change the circumstance. Mr. Vogler stated that our original location had five feet of working space and the fence would limit our working room. Mr. Baker stated that we need to keep a good relationship with the neighbor at 420 Drakes View since she has cooperated and may provide us with a better access easement to the tank. Mr. Fraites stated that most people that do graffiti usually want to be in the public view; this tank is so remote no one would see it. Director Baker praised Mr. Vogler for a job well done and asked when the project is expected to start. Mr. Vogler estimated February 2020, due having to complete several environmental surveys first.

On the motion of Director Fraites, and seconded by Director Joly the Board authorized the General Manager to execute a Settlement Agreement between the Young Family and NMWD for the PRE Tank 4A replacement in a form approved by District legal counsel by the following vote:

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Grossi

#### **INFORMATION ITEMS**

128 **2018 ELECTION COSTS**

129 Ms. Blue presented a summary of the 2018 election costs for the three Board seats. She  
130 stated the cost of this election was \$18,915 and was much lower than prior years. Ms. Blue added  
131 that the amount is based on the number of jurisdictions and voter turnout and was less than 50  
132 cents per voter. She noted that due to the unforeseen nature of these costs there was no specific  
133 amount budgeted for this expense.

134 **WAC/TAC MEETING – FEBRUARY 4, 2019**

135 Mr. McIntyre presented information to the Board on the WAC/TAC meeting that was held on  
136 February 4, 2019. He commented on the new WAC leadership with the appointment of Susan  
137 Harvey (Cotati) as Chair and Dave King (Petaluma) as Vice Chair. Mr. McIntyre advised the Board  
138 on the revised 2019 WAC/TAC meeting schedule and also commented on the Potter Valley Project  
139 noting that PG&E filed a "Notice of Withdrawal" on January 25, 2019 regarding their Potter Valley  
140 Project FERC relicensing efforts and subsequently filed for bankruptcy on January 29, 2019.

141 **2019 FLUSHING PROGRAM UPDATE**

142 Mr. Arendell gave an update on the 2019 Flushing Program. He stated that all the upper  
143 zones in Novato were flushed this year and there were no problems except for when the crew had to  
144 delay flushing due to flooding caused by the recent rains. Mr. Arendell added that there was no  
145 flushing in West Marin this year due to salinity intrusion concerns, except for the PRE Tank 4 Zone  
146 to reduce disinfection by-products by reducing water age in PRE Tank 4A. There were no water  
147 quality complaints reported with a total of five customer calls about flushing.

148 **POINT REYES STATION COMMUNITY MEETING WORKSHOP NO. 1 – MARCH 25, 2019**

149 Mr. McIntyre reported that he attended the Point Reyes Station Community Meeting  
150 Workshop No. 1 on March 25<sup>th</sup>. He stated that the purpose of the meeting was to obtain input from  
151 the community regarding issues primarily related to water supply, on-site septic treatment concerns,  
152 and sea level rise. Mr. McIntyre commented that there were approximately 40 residents that  
153 attended the meeting and most of the comments received were centered on on-site septic issues.  
154 Mr. McIntyre added that there is also community concern regarding the lack of public restrooms in  
155 downtown Point Reyes Station and that the County has had to add six portable restroom to  
156 accommodate the volume of public use. Mr. McIntyre stated that he plans on attending the  
157 additional workshops as they occur.

158 Director Petterle added that there are a lot of tourist buses that stop in Point Reyes Station to  
159 utilize the bathrooms and it is beginning to be quite a problem.

160 **MISCELLANEOUS**

161 The Board received the following miscellaneous items: Disbursements – Dated March

21, 2019, Disbursements – Dated March 285, 2019, Rate Increase Notice on Water Bill, Notice of Proposed Water Rate Increase – Letter and SB332 (Hertzberg & Wiener): Recycled Water Mandate for Ocean and Bay Dischargers- Oppose.

The Board received the following news articles: Las Gallinas plans big plant upgrade; Novato elections change will spark greater opportunity; CalTrout wants old Scott Dam on Eel River removed to help salmon and steelhead; Water rate hike, new fee advance; Fee sought to clean up tainted water; Novato schools plan district elections; Property owners appeal to state in water tank battle; Editorial - MMWD should reconsider its fee hike plan; Novato working on options for district elections and Editorial - Board can take election process that works best.

**ADJOURNMENT**

President Baker adjourned the meeting at 7:42 p.m.

Submitted by

Theresa Kehoe

District Secretary

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**NORTH MARIN WATER DISTRICT**  
**MONTHLY PROGRESS REPORT FOR *March 2019***  
 April 12, 2019

**Item #5**

1.

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

Month	FY18/19	FY17/18	FY16/17	FY15/16	19 vs 18 %
July	341.1	331.0	310.3	227.2	3%
August	300.9	303.0	299.6	235.2	-1%
September	255.0	292.4	302.3	210.0	-13%
October	265.6	273.7	202.8	298.6	-3%
November	170.1	163.9	143.8	145.4	4%
December	157.8	152.1	147.6	145.1	4%
January	114.7	130.6	120.8	129.8	-12%
February	110.9	134.8	118.6	111.3	-18%
March	119.6	130.2	145.8	149.1	-8%
<b>FYTD Total</b>	<b>1,835.6</b>	<b>1,911.6</b>	<b>1,791.5</b>	<b>1,651.9</b>	<b>-4%</b>

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

Month	FY18/19	FY17/18	FY16/17	FY15/16	19 vs 18 %
July	10.2	9.5	7.9	6.6	8%
August	9.9	8.8	7.4	7.0	13%
September	9.5	8.4	6.4	6.4	14%
October	8.3	7.9	5.2	6.5	5%
November	7.3	5.4	4.2	4.7	34%
December	5.7	5.1	3.7	3.9	12%
January	5.0	4.5	3.6	3.7	9%
February	3.5	4.5	3.3	3.8	-23%
March	4.4	5.1	4.4	4.2	-14%
<b>FYTD Total</b>	<b>63.8</b>	<b>59.2</b>	<b>46.1</b>	<b>46.8</b>	<b>8%</b>

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

Month	FY18/19	FY17/18	FY16/17	FY15/16	19 vs 18 %
July	78.6	112.6	69.9	107.6	-30%
August	79.3	81.5	90.4	79.4	-3%
September	60.5	122.7	96.9	38.3	-51%
October	74.5	102.3	93.9	49.5	-27%
November	0.0	53.6	63.8	58.3	-
December	0.0	0.0	0.0	0.0	-
January	0.0	0.0	0.0	0.0	-
February	0.0	0.0	0.0	0.0	-
March	0.0	0.0	38.9	0.0	-
<b>FYTD Total</b>	<b>292.9</b>	<b>472.6</b>	<b>453.8</b>	<b>333.0</b>	<b>-38%</b>

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

Month	FY18/19	FY17/18	FY16/17	FY15/16	19 vs 18 %
July	30.0	27.7	27.1	21.3	8%
August	30.6	26.1	26.0	26.2	17%
September	33.5	25.0	23.5	15.7	34%
October	20.1	19.1	8.3	15.8	5%
November	12.7	2.5	1.2	3.2	406%
December	1.5	0.8	0.4	0.8	85%
January	0.9	1.0	0.3	0.2	-8%
February	0.3	3.3	0.0	0.6	-90%
March	0.1	1.7	0.5	0.3	-92%
<b>FYTD Total*</b>	<b>129.7</b>	<b>107.2</b>	<b>87.4</b>	<b>84.1</b>	<b>21%</b>

\*Corrected July- September water delivery data to use SCWA billing meter records not process flow meter records.

\*\*Excludes potable water input to the RW system: FY 19=19.8 MG; FY 18=15.35MG; FY 17=1.4MG; FY 16=7.4MG

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## 2. Stafford Lake Data

	March Average	March2018	March2019
Rainfall this month	3.56 Inches	6.33 Inches	5.64 Inches
Rainfall this FY to date	24.39 Inches	16.92 Inches	34.79 Inches
Lake elevation*	193.5 Feet	188.1 Feet	196.6 Feet
Lake storage**	1213 MG	864 MG	1443 MG

\* Spillway elevation is 196.0 feet

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

## Temperature (in degrees)

	Minimum	Maximum	Average
March 2018 (Novato)	36	94	58
March 2019 (Novato)	42	82	57

## 3. Number of Services

March 31	Novato Water			Recycled Water			West Marin Water			Oceana Marin Swr		
	FY19	FY18	Incr %	FY19	FY18	Incr %	FY19	FY18	Incr %	FY19	FY18	Incr %
Total meters installed	20,752	20,778	-0.1%	96	57	68.4%	791	789	0.3%	-	-	-
Total meters active	20,543	20,556	-0.1%	91	53	71.7%	783	781	0.3%	-	-	-
Active dwelling units	24,075	24,013	0.3%	-	0	-	833	829	0.5%	234	234	0.0%

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

Description	March 2018	March 2019
Effluent Flow Volume (MG)	0.634	1.004
Irrigation Field Discharge (MG)	0.546	0.869
Treatment Pond Freeboard (ft)	6.5	4.0
Storage Pond Freeboard (ft)	7.3	5.3

## 5. Developer Projects Status Report (March)

Job No.	Project	% Complete	% This month
1.2784.00	Novato Village (801 State Access)	99	0
1.2817.01	College of Marin – Admin Bldg. 11	99	0
1.2817.02	College of Marin – Organic Farm	90	10
1.2807.00	Hamilton Cottages	90	30
1.2786.00	Binford Road Storage	50	0
1.2824.00	Park-a-Pup Novato	10	0
1.2817.03	College of Marin – New Miwok Center	0	0
1.2816.00	Oakmont Senior Living	0	0

## District Projects Status Report - Const. Dept. (March)

Job No.	Project	% Complete	% This month
1.6600.89	STP Coat Concrete Clearwells	100	5
1.6112.24	Lynwood Pump Station MCC	15	0

## Employee Hours to Date, FY 18/19

As of Pay Period Ending March 31, 2019

Percent of Fiscal Year Passed = 75%

Developer Projects	Actual	Budget	% YTD Budget	District Projects	Actual	Budget	% YTD Budget
Construction	701	1,400	64%	Construction	1771	4,654	38%
Engineering	934	1,404	67%	Engineering	1757	3,370	52%

**6. Safety/Liability**

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FY 19 through March

FY 18 through March

Days without a lost time accident through March 31, 2019 2 Days

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) (\$)
7	\$2,540	2	1	7	\$8,476
54	\$26,420	3	2	4	\$1,965

**7. Energy Cost**

FYE	kWh	March		Fiscal Year-to-Date thru March		
		¢/kWh	Cost/Day	kWh	¢/kWh	Cost/Day
2019 Stafford TP	43,108	24.0¢	\$334	446,564	20.7¢	\$338
Pumping	57,965	20.9¢	\$418	1,051,534	20.7¢	\$786
Other*	49,016	20.2¢	\$341	424,275	23.8¢	\$365
	150,090	21.6¢	\$1,093	1,922,372	21.4¢	\$1,488
2018 Stafford TP	53,190	19.7¢	\$373	484,449	19.5¢	\$346
Pumping	98,405	20.0¢	\$497	1,075,448	21.0¢	\$825
Other*	34,437	22.5¢	\$262	372,803	24.7¢	\$339
	186,032	20.4¢	\$1,108	1,932,700	21.3¢	\$1,510
2017 Stafford TP	58,262	19.1¢	\$360	463,632	19.0¢	\$321
Pumping	55,785	20.7¢	\$399	887,213	20.4¢	\$660
Other*	39,362	21.6¢	\$303	368,132	24.1¢	\$325
	153,409	20.3¢	\$1,062	1,718,977	20.8¢	\$1,306

\*Other includes West Marin Facilities

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**8. Water Conservation Update**

	Month of March 2019	Fiscal Year to Date	Program Total to Date
High Efficiency Toilet (HET) Rebates	8	131	4013
Retrofit Certificates Filed	23	134	6204
Cash for Grass Rebates Paid Out	1	13	916
Washing Machine Rebates	1	8	6789
Water Smart Home Survey	12	190	3396

**9. Utility Performance Metric**

<b>SERVICE DISRUPTIONS</b> (No. of Customers Impacted)	March 2019	March 2018	Fiscal Year to Date 2019	Fiscal Year to Date 2018
<b>PLANNED</b>				
Duration Between 0.5 and 4 hours	11	1	268	67
Duration Between 4 and 12 hours			98	83
Duration Greater than 12 hours				
<b>UNPLANNED</b>				
Duration Between 0.5 and 4 hours	28	1	57	73
Duration Between 4 and 12 hours		2	90	
Duration Greater than 12 hours				
	1	1	1	3
<b>SERVICE LINES REPLACED</b>				
Polybutylene	11	4	77	86
Copper (Replaced or Repaired)	1	0	10	8

Note: Main leak at 38 Gann, 19 services for 2 hours

# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Orders March 2019

4/10/2019

Type	Mar-19	Mar-18	Action Taken March 2019
<b><u>Consumers' System Problems</u></b>			
Service Line Leaks	30	3	Notified Consumer
House Valve / Meter Off	7	1	Notified Consumer
Nothing Found	15	2	Notified Consumer
Low Pressure	1	0	Pressure @ 45 PSI. Normal pressure reported.
High Pressure	1	0	Defective gauge-Customer will need plumber.
<b>Total</b>	<b>54</b>	<b>6</b>	
<b><u>Service Repair Reports</u></b>			
Meter Replacement	5	4	Replaced
Box and Lids	3	1	Replaced
Water Off/On Due To Repairs	11	2	Notified Consumer
Misc. Field Investigation	9	2	Notified Consumer
<b>Total</b>	<b>28</b>	<b>9</b>	
<b><u>Leak NMWD Facilities</u></b>			
Main-Leak	1	0	Repaired
Service- Leak	9	2	Repaired
Services-Nothing Found	1	1	Notified Consumer
Fire Hydrant-Leak	1	2	Repaired
Meter Replacement	1	0	Replaced
Meter Leak	2	0	Repaired
Meters-Nothing Found	1	0	Notified Consumer
Washer Leaks	8	2	Repaired
<b>Total</b>	<b>24</b>	<b>7</b>	
<b><u>High Bill Complaints</u></b>			
Consumer Leaks	3	4	Notified Consumer
Meter Testing	1	0	Notified Consumer
Meter Misread	0	1	Notified Consumer
Nothing Found	3	9	Notified Consumer
Excessive Irrigation	1	0	Notified Consumer
<b>Total</b>	<b>8</b>	<b>14</b>	
<b><u>Low Bill Reports</u></b>			
Stuck Meter	1	0	Notified Consumer
Nothing Found	3	0	Notified Consumer
<b>Total</b>	<b>4</b>	<b>0</b>	
<b><u>Water Quality Complaints</u></b>			
Other	0	2	<b><i>Customer wanted water tested, concerned about toxins. (Blanca Dr.)</i></b> Tested water quality of home and results normal for NMWD supply. Customer was notified. <b><i>Customer complained that soap is not staying sudsy as before. (Marin Valley Mobile CC.)</i></b> Measured water hardness and was normal for NMWD supply. Customer was notified.
<b>Total</b>	<b>0</b>	<b>2</b>	
<b>TOTAL FOR MONTH:</b>	<b>118</b>	<b>38</b>	<b>211%</b>

# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Orders March 2019

4/10/2019

Type	Mar-19	Mar-18	Action Taken March 2019	
<b><u>Fiscal YTD Summary</u></b>				<b><u>Change Primarily Due To</u></b>
Consumer's System Problems	677	267	61%	Increase In Service Line Leaks
Service Repair Report	240	85	65%	Increase In Water Off/On Due To Repairs
Leak NMWD Facilities	177	154	13%	Increase In Service Leaks
High Bill Complaints	230	439	-91%	Decrease In Nothing Found
Low Bills	7	2	71%	Increase in Nothing Found
Water Quality Complaints	23	30	-30%	Decrease In Other
<b>Total</b>	<b><u>1,354</u></b>	<b><u>977</u></b>	<b><u>24%</u></b>	

## **"In House" Generated and Completed Work Orders**

<b><u>Check Meter:</u></b> possible consumer/District leak, high bill, flooded, need read, etc.	64	181
<b><u>Change Meter:</u></b> leaks, hard to read	51	7
<b><u>Repair Meter:</u></b> registers, shut offs	3	0
<b><u>Replace Boxes/Lids</u></b>	6	0
<b><u>Trims</u></b>	0	12
<b><u>Dig Outs</u></b>	1	42
	<b><u>125</u></b>	<b><u>242</u></b>

## Bill Adjustments Under Board Policy:

### **March 19 vs. March 18**

Mar-19	19	\$7,213
Mar-18	36	\$12,325

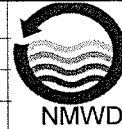
### **Fiscal Year vs Prior FY**

18/19 FY	254	\$92,863
17/18 FY	328	\$135,135

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# Customer Service Questionnaire Quarterly Report

Quarter Ending 03/31/2019



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	Response		
Water Quality	Agree	Neutral	Disagree
Courteous & Helpful	1		
Accurate Information		1	
Prompt Service	1		
Satisfactorily Resolved		1	
Overall Experience	1		
	3	2	0

	Agree	Neutral	Disagree
Leak			
Courteous & Helpful	46	1	
Accurate Information	44	2	1
Prompt Service	45		1
Satisfactorily Resolved	36	9	1
Overall Experience	45	1	1
	216	13	4

	Agree	Neutral	Disagree
Billing			
Courteous & Helpful	2		
Accurate Information	2		
Prompt Service	2		
Satisfactorily Resolved	2		
Overall Experience	2		
	10	0	0

	Response		
Pressure	Agree	Neutral	Disagree
Courteous & Helpful	3	1	
Accurate Information	4		
Prompt Service	4		
Satisfactorily Resolved	4		
Overall Experience	4		
	19	1	0

	Agree	Neutral	Disagree
Noisy Pipes			
Courteous & Helpful	2		
Accurate Information	1	1	
Prompt Service	2		
Satisfactorily Resolved	1	1	
Overall Experience	2		
	8	2	0

	Agree	Neutral	Disagree
Other			
Courteous & Helpful	2		
Accurate Information	1		
Prompt Service	2		
Satisfactorily Resolved	2		
Overall Experience	2		
	9	0	0

Grand Total	265	18	4
	92%	6%	1%

Questionnaires Sent Out	134	100%	
Questionnaires Returned	59	44%	

Customer Service Questionnaire Quarterly Report										t:\cons srvc\cust_quest reports\2019\mar19.xls\comments									
Quarter Ending 03/31/2019																			
Customer Comments										Staff Response to Negative Comments									
Issues NMWD Should Address In The Future																			
<b>WATER QUALITY</b>																			
Water pressure seems too low.										Water pressure tested and showing normal results; let consumer know.									
<b>PRESSURE</b>																			
The technician who came out was wonderful.																			
Darrell was very efficient and courteous.																			
<b>NOISY PIPES</b>																			
Still have noise but rep gave us good ideas to help.																			
<b>LEAK</b>																			
Chris was on time, frindly, & knowledgeable.																			
Service very helpful and professional.																			
Inconsistent reporting from a faulty meter.										Meter has been replaced and customer sent WaterSmart portal.									
Customer service rep was very helpful during phone call.																			
The new meter are very helpful in finding leaks.																			
New technology to identify water leaks is cool.																			
Love the quick response, thanks!																			
Thank you for letting us know that our water was running.																			
Great working with NMWD-solved our water issue.																			
Chris was a really nice guy-over the top!																			
Abnormal readings since meter was installed-excess water use.										Billing correction to reflect wrong meter serial number.									
Darrell is a hard worker and cares about your customers!																			
Rich is extremely knowledgeable and helpful-lucky to have him!																			
We were very pleased with the quick response to our issue.																			
<b>OTHER</b>																			
New meter did not fit but tech fixed it!																			
Very satisfied with the service I received. Great job NMWD!																			
Meter box damaged-caused the meter to run continuously.										Bill adjusted to reflect water loss from damage.									



## MEMORANDUM

To: Board of Directors

April 12, 2019

From: Julie Blue, Auditor-Controller *JB*  
Nancy Holton, Senior Accountant *NH*

Subj: Auditor-Controller's Monthly Report of Investments for March 2019  
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**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$17,972,282 and a market value of \$17,967,720. During March the cash balance increased by \$59,286. The market value of securities held decreased \$4,562 during the month. The ratio of total cash to budgeted annual operating expense stood at 102%, the same as the prior month.

At March 31, 2019, 37% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), 32% in Time Certificates of Deposit, 11% in Federal Agency Securities, 13% in US Treasury Notes, 6% in the Marin County Treasury, and 0% retained locally for operating purposes. The weighted average maturity of the portfolio was 193 days, compared to 168 days at the end of February. The LAIF interest rate for the month was 2.44%, compared to 2.39% the previous month. The weighted average Portfolio rate was 2.36%, compared to 2.11% the previous month.

**NORTH MARIN WATER DISTRICT**  
**AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS**  
**March 31, 2019**

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis <sup>1</sup>	3/31/2019 Market Value	Yield <sup>2</sup>	% of Portfolio
<b>LAIF</b>	State of CA Treasury	AA-	Various	Open	\$6,682,984	\$6,676,643	2.44% <sup>3</sup>	<b>37%</b>
<b>Time Certificate of Deposit</b>								
TCD	Morgan Stanley Private Bank	n/a	11/22/17	5/22/19	248,000	248,000	1.60%	1%
TCD	Capital One Bank	n/a	7/19/17	7/19/19	247,000	247,000	1.70%	1%
TCD	Capital One NA	n/a	8/9/17	8/9/19	247,000	247,000	1.70%	1%
TCD	American Express FSB	n/a	9/6/17	9/6/19	247,000	247,000	1.75%	1%
TCD	Goldman Sachs Bank USA	n/a	10/11/17	10/11/19	247,000	247,000	1.70%	1%
TCD	Morgan Stanley Bank	n/a	11/9/17	11/12/19	247,000	247,000	1.75%	1%
TCD	American Express Centurion	n/a	12/5/17	12/5/19	247,000	247,000	1.90%	1%
TCD	Sallie Mae Bank	n/a	1/10/18	1/10/20	247,000	247,000	2.20%	1%
TCD	Discover Bank	n/a	2/13/18	2/24/20	247,000	247,000	2.35%	1%
TCD	Wells Fargo Bank	n/a	3/28/18	3/30/20	248,000	248,000	2.55%	1%
TCD	Citibank	n/a	4/11/18	4/13/20	246,000	246,000	2.55%	1%
TCD	UBS Bank	n/a	5/30/18	6/1/20	249,000	249,000	2.70%	1%
TCD	Enerbank	n/a	6/18/18	5/18/20	249,000	249,000	2.75%	1%
TCD	BMW Bank	n/a	6/15/18	6/15/20	246,000	246,000	2.75%	1%
TCD	Bank of America	n/a	8/15/18	8/17/20	246,000	246,000	2.75%	1%
TCD	Ally Bank	n/a	9/28/18	9/28/20	246,000	246,000	2.80%	1%
TCD	Barclays Bank	n/a	11/14/18	11/16/20	246,000	246,000	3.00%	1%
TCD	CIT Bank	n/a	12/17/18	12/17/20	246,000	246,000	3.00%	1%
TCD	Reliance Bank	n/a	1/11/19	1/11/21	249,000	249,000	2.70%	1%
TCD	Iberia Bank	n/a	1/25/19	1/25/21	246,000	246,000	2.70%	1%
TCD	TIAA Bank	n/a	1/18/19	7/19/21	246,000	246,000	2.75%	1%
TCD	Merrick Bank	n/a	2/8/19	2/8/21	249,000	249,000	2.60%	1%
TCD	Eaglebank	n/a	3/15/19	3/15/21	249,000	249,000	2.60%	1%
					<b>\$5,685,000</b>	<b>\$5,685,000</b>	<b>2.38%</b>	<b>32%</b>
<b>US Treasury Notes</b>								
Treas	1.380%	n/a	1/10/18	7/31/19	499,176	498,184	1.87%	3%
Treas	2.250%	n/a	7/26/18	3/31/20	996,926	998,555	2.56%	5%
Treas	2.750%	n/a	3/5/19	9/30/20	1,003,199	1,006,328	2.75%	6%
					<b>\$2,499,301</b>	<b>\$2,503,067</b>	<b>2.50%</b>	<b>13%</b>
<b>Federal Agency Securities</b>								
FHLB	1.625% MTN	n/a	11/21/17	6/14/19	\$999,928	\$998,238	1.70%	6%
FFCB	2.00 MTN%	n/a	4/12/18	5/8/19	999,877	999,579	2.24%	6%
					<b>\$1,999,804</b>	<b>\$1,997,817</b>	<b>1.97%</b>	<b>11%</b>
<b>Other</b>								
Agency	Marin Co Treasury	AAA	Various	Open	\$1,019,651	\$1,019,652	2.37%	6%
Other	Various	n/a	Various	Open	85,542	85,543	0.41%	0%
<b>TOTAL IN PORTFOLIO</b>					<b>\$17,972,282</b>	<b>\$17,967,720</b>	<b>2.36%</b>	<b>100%</b>

Weighted Average Maturity = **193 Days**

LAIF: State of California Local Agency Investment Fund.

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

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

Agency: STP State Revolving Fund Loan Reserve.

Other: Comprised of 5 accounts used for operating purposes. US Bank Operating Account, US Bank STP SRF Loan Account, US Bank FSA Payments 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, 2019.

<b>Interest Bearing Loans</b>	Loan Date	Maturity Date	Original Loan Amount	Principal Outstanding	Interest Rate
StoneTree Golf Loan	6/30/06	2/28/24	\$3,612,640	\$1,155,531	2.40%
Marin Country Club Loan	1/1/18	11/1/47	\$1,265,295	\$1,216,745	1.00%
Marin Country Club Loan	1/1/18	11/1/27	\$430,463	\$0	2.80%
Employee Housing Loans (4)	Various	Various	714,200	714,200	Contingent
<b>TOTAL INTEREST BEARING LOANS</b>			<b>\$6,022,598</b>	<b>\$3,086,476</b>	

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

6

## MEMORANDUM

To: Board of Directors  
From: Drew McIntyre, General Manager   
Re: Approve General Services Agreement – Rauch Communications Consultants  
r:\non job no issues\consultants\martin rauch\gen services agreement memo 04\_19\_19.doc

**RECOMMENDED ACTION:** Authorize General Manager to execute a General Consulting Services Agreement with Rauch Communications Consultants.

**FINANCIAL IMPACT:** \$15,000 (no FY19 budget augmentation required)

The purpose of this memo is to request approval of a General Consulting Services (GCS) Agreement with Rauch Communications Consultants. From time to time, the District is in need of specialized marketing campaign expertise not readily available within the District's in-house staff. The District has a long history with using Rauch Communication Consultants (RCC), a full-service strategic planning, marketing and public outreach firm located in Campbell (near San Jose). The most recent work was development of the District's 2018 Strategic Plan.

Attached is an agreement for RCC to provide miscellaneous marketing and public outreach services on an as needed basis based on individual task orders with a combined not-to-exceed limit of \$15,000 (Exhibit 1). Martin is familiar with NMWD and has worked with Novato Sanitary District and other agencies in and around Marin County for many years. He is currently working for Novato Sanitary District on their public outreach campaign regarding transition from At-large to District-based elections.

RECOMMENDATION

That the Board authorize the General Manager to execute a General Consulting Services Agreement between NMWD and Rauch Communication Consultants with a not-to-exceed limit of \$15,000.

Approved by GM 

Date 4.19.19

## AGREEMENT FOR CONSULTING SERVICES

The following is an agreement between **North Marin Water District**, hereinafter "**NMWD**", and **Rauch Communications Consultants, Inc.**, hereinafter, "**Consultant**".

**WHEREAS**, Consultant is a duly qualified consulting firm, experienced in developing marketing and communication campaigns for public sector clients,

**WHEREAS**, in the judgment of the Board of Directors of the NMWD, it is necessary and desirable to employ the services of the Consultant for as needed marketing and public relation services.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

### PART A -- SPECIFIC PROVISIONS:

1. **DESCRIPTION OF SERVICES AND PAYMENT:** Except as modified in this agreement, the services to be provided and the payment schedule are:
  - a. The scope of work and fee amount covered by this agreement shall be negotiated on a task by task basis.
  - b. The fee for the work shall utilize the fee schedule included in Attachment A of this agreement and shall not exceed \$15,000 without prior written authorization by NMWD.

### PART B -- GENERAL PROVISIONS

1. **ASSIGNMENT/DELEGATION:** Except as above, neither party hereto shall assign, sublet or transfer any interest in or duty under this agreement without written consent of the other, and no assignment shall be of any force or effect whatsoever unless and until the other party shall have so consented.
2. **STATUS OF CONSULTANT:** The parties intend that the Consultant, in performing the services hereinafter specified, shall act as an independent contractor and shall have the control of the work and the manner in which it is performed. The Consultant is not to be considered an agent or employee of NMWD, and is not entitled to participate in any pension plan, insurance, bonus or similar benefits NMWD provides its employees.
3. **INDEMNIFICATION:** NMWD is relying on the professional ability and training of the Consultant as a material inducement to enter into this agreement. The Consultant hereby warrants that all its work will be performed in accordance with generally accepted professional practices and standards, as well as the requirements of applicable federal, state and local laws, it being understood that neither acceptance of the Consultant's work by NMWD nor Consultant's failure to perform shall operate as a waiver or release.

- a. With respect to design professional services provided under this agreement, Consultant shall assume the defense of and defend NMWD, its directors, officers, agents, and employees in any action at law or in equity to the extent that liability is claimed or alleged to arise out of, pertain to, or relate to, either directly or indirectly, the intentional or willful misconduct, recklessness, or negligent act, error, or omission of Consultant (or any person or organization for whom Consultant is legally liable) in the performance of the activities necessary to perform the services for District and complete the task provided for herein. In addition, Consultant shall indemnify, hold harmless, and release NMWD, its directors, officers, agents, and employees from and against any and all actions, claims, damages, disabilities or expenses, including attorney's fees and witness costs, that may be asserted by any person or entity including the Consultant, to the extent arising out of, pertaining to, or relating to, the negligent acts, errors or omissions, recklessness, or intentional or willful misconduct of the Consultant (or any consultant or subcontractor of Consultant) in connection with the activities necessary to perform the services and complete the task provided for herein, but excluding liabilities due to the sole negligence or willful misconduct of NMWD.
- b. With respect to all services other than design professional services provided under this agreement, Consultant shall indemnify, hold harmless, release and defend NMWD, its agents and employees from and against any and all actions, claims, damages, disabilities or expenses, including attorney's fees and witness costs that may be asserted by any person or entity, including the Consultant, arising out of or in connection with the activities necessary to perform those services and complete the tasks provided for herein, but excluding liabilities due to the sole negligence or willful misconduct of NMWD.

This indemnification is not limited in any way by any limitation on the amount or type of damages or compensation payable by or for the NMWD or its agents under workers' compensation acts, disability benefit acts or other employee benefit acts.

**4. PROSECUTION OF WORK:** The execution of this agreement shall constitute the Consultant's authority to proceed immediately with the performance of this contract. Performance of the services hereunder shall be completed by December 31, 2019, provided, however, that if the performance is delayed by earthquake, flood, high water or other Act of God or by strike, lockout or similar labor disturbance, the time for the Consultant's performance of this contract shall be extended by a number of days equal to the number of days the Consultant has been delayed.

**5. METHOD AND PLACE OF GIVING NOTICE, SUBMITTING BILLS AND MAKING PAYMENTS:** All notices, bills and payment shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail should be addressed as follows:

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

Consultant:  
Rauch Communication Consultants, Inc.  
936 Old Orchard Road  
Campbell, CA 95008  
Attention: Martin Rauch

and when so addressed, shall be deemed given upon deposit in the United States Mail, postage prepaid. In all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills and payments are to be given by giving notice pursuant to this paragraph.

**6. MERGER:** This writing is intended both as the final expression of the agreement between the parties hereto with respect to the included terms of the agreement, pursuant to California Code of Civil Procedure Section 1856 and as a complete and exclusive statement of the terms of the agreement. No modification of this agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

**7. SEVERABILITY:** Each provision of this agreement is intended to be severable. If any term of any provision shall be determined by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, such provision shall be severed from this agreement and shall not affect the validity of the remainder of the agreement.

**8. TERMINATION:** At any time and without cause the NMWD shall have the right in its sole discretion, to terminate this agreement by giving written notice to the Consultant. In the event of such termination, NMWD shall pay the Consultant for services rendered to such date.

**9. TRANSFER OF RIGHTS/OWNERSHIP OF DATA:** The Consultant assigns to NMWD all rights throughout the work in perpetuity in the nature of copyright, trademark, patent, and right to ideas, in and to all versions of any plans and specifications, reports and document now or later prepared by the Consultant in connection with this contract.

The Consultant agrees to take such actions as are necessary to protect the rights assigned to NMWD in this agreement, and to refrain from taking any action which would impair those rights. The Consultant's responsibilities under this contract will include, but not be limited to, placing proper notice of copyright on all versions of any plans and specifications, reports and documents as NMWD may direct, and refraining from disclosing any versions of the reports and documents to any third party without first obtaining written permission of NMWD. The Consultant will not use, or permit another to use, any plans and specifications, reports and document in connection with this or any other project without first obtaining written permission of NMWD.

All materials resulting from the efforts of NMWD and/or the Consultant in connection with this project, including documents, reports, calculations, maps, photographs, computer programs, computer printouts, digital data, notes and any other pertinent data are the exclusive property of NMWD. Re-use of these materials by the Consultant in any manner other than in conjunction with activities authorized by NMWD is prohibited without written permission of NMWD. Consultant may share non-proprietary, non-privileged materials with others for educational purposes and as models. Likewise, RCC will share non-proprietary, non-privileged work products with NMWD when it can benefit the District and/or lower costs.

Consultant shall deliver requested materials to NMWD in electronic format including but not limited to engineering calculations, plans (AutoCad, current edition) and specifications (MS Word, current edition).

**10. COST DISCLOSURE:** In accordance with Government Code Section 7550, the Consultant agrees to state in a separate portion of any report provided NMWD, the numbers and amounts of all contracts and subcontractors relating to the preparation of the report.

**11. NONDISCRIMINATION:** The Consultant shall comply with all applicable federal,

state and local laws, rules and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition or physical handicap.

**12. EXTRA (CHANGED) WORK:** Extra work may be required. The Consultant shall not proceed nor be entitled to reimbursement for extra work unless it has been authorized, in writing, in advance, by NMWD. The Consultant shall inform the District as soon as it determines work beyond the scope of this agreement may be necessary and/or that the work under this agreement cannot be completed for the amount specified in this agreement. Said review shall occur before consultant incurs 75% of the total fee approved for any phase of the work. Failure to notify the District shall constitute waiver of the Consultant's right to reimbursement.

**13. CONFLICT OF INTEREST:** The Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Consultant further covenants that in the performance of this contract no person having any such interest shall be employed.

#### **14. INSURANCE REQUIREMENTS FOR CONSULTANTS**

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the consultant, his agents, representatives, employees or subcontractors.

##### **Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. Commercial General Liability coverage
2. Automobile Liability
3. Workers' Compensation insurance as required by the State of California.

##### **Minimum Limits of Insurance**

Consultant shall maintain limits no less than:

1. General Liability (including operations, products and completed operations.): **\$1,000,000** per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: **\$1,000,000** per accident for bodily injury and property damage.
3. Workers' Compensation Insurance: as required by the State of California.

##### **Verification of Coverage**

Consultant shall furnish the District with original certificates and amendatory endorsements effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the District before work commences. The District reserves the right to require at any time complete and certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

##### **Subcontractors**

Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor to the District for review and approval. All coverage for subcontractors shall be subject to all of the requirements stated herein.



## **Self-Insured Retentions**

Any self-insured retentions must be declared to and approved by the District. At the option of the District, either: the insurer shall reduce or eliminate such self-insured retentions as respects the District, its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the District (such as a surety bond) guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **Other Insurance Provisions**

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The District, its officers, officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the District, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the District.

## **Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII.

**15. DISPUTE RESOLUTION:** Any dispute or claim in law or equity between District and Consultant arising out of this agreement, if not resolved by informal negotiation between the parties, shall be mediated by referring it to the nearest office of Judicial Arbitration and Mediation Services, Inc. (JAMS) for mediation. Mediation shall consist of an informal, non-binding conference or conferences between the parties and the judge-mediator jointly, then in separate caucuses wherein the judge will seek to guide the parties to a resolution of the case. If the parties cannot agree to mutually acceptable member from the JAMS panel of retired judges, a list and resumes of available mediators numbering one more than there are parties will be sent to the parties, each of whom will strike one name leaving the remaining as the mediator. If more than one name remains, JAMS arbitrations administrator will choose a mediator from the remaining names. The mediation process shall continue until the case is resolved or until such time as the mediator makes a finding that there is no possibility of resolution.

At the sole election of the District, any dispute or claim in law or equity between District and Consultant arising out of this agreement which is not settled through mediation shall be decided by neutral binding arbitration and not by court action, except as provided by California law for judicial review of arbitration proceedings. The arbitration shall be conducted in accordance with the rules of Judicial Arbitration Mediation Services, Inc. (JAMS). The parties to an arbitration may agree in writing to use different rules and/or arbitrators.

**16. BILLING AND DOCUMENTATION:** The Consultant shall invoice NMWD for work performed on a monthly basis and shall include a summary of work for which payment is requested. The invoice shall state the authorized contract limit, the amount of invoice and total amount billed to date. The summary shall include time and hourly rate of each individual, a narrative description of work accomplished, and an estimate of work completed to date.

**17. REASONABLE ASSURANCES:** Each party to this agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise, with respect to performance of either party, the other may, in writing, demand adequate assurance of due performance and until the requesting party receives such assurance may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of the party with respect to performance under this agreement but also conduct with respect to other agreements with parties to this agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, not to exceed 30 days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance.

**18. PREVAILING WAGE REQUIREMENTS:** Prevailing Wage Rates apply to all Consultant personnel performing work under the Agreement for which wage determinations have been made by the Director of Industrial Relations pursuant to California Labor Code Sections 1770– 1782,. Consultant shall comply with all applicable prevailing wage labor code requirements.

**NORTH MARIN WATER DISTRICT  
"NMWD"**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Drew McIntyre, General Manager

**RAUCH COMM. CONSULTANTS  
"CONSULTANT"**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Martin Rauch

**Rauch Communication Consultants, Inc.****Rate Sheet**

Effective January 1, 2019, these rates will apply to all clients.

Existing contracts will remain billable at the agreed upon rate until completion.

- ❑ Strategy Planning and Management Consulting rates for the senior consultants are \$245.00 per hour.
- ❑ Outreach and Public Involvement Programs rate for the senior consultants is \$175 per hour.
- ❑ Outreach and Public Involvement Programs rate for associate consultants is \$115 per hour.
- ❑ Graphic Designer and webmaster rate is \$90 to \$105 per hour.
- ❑ Media and Writing Specialist's rate is \$60 to \$90 per hour.
- ❑ Administration and Production Manager's rate is \$70 per hour

For meetings involving travel, the minimum charge is four hours.

Major material costs, including printing, mailing and advertising expense are billed directly to the client.

Minor expenses, including, travel expense, office printing and sales tax are additional, and are passed on at cost.

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## MEMORANDUM

To: Board of Directors

April 19, 2019

From: Drew McIntyre, General Manager

Subj: Consider Adoption of Resolution No. 19-XX Declaring North Marin Water District's Intent to Transition from an At-large to District-based System of Electing Directors, Outlining Specific Steps to Be Undertaken to Facilitate the Transition, and Specifying a Timeline within which the Necessary Actions Would Be Taken.

t:\gmlbod misc 2019\cvra transition memo final bpmnj.docx

**RECOMMENDED ACTION:** Adoption of Resolution No. 19-XX Declaring North Marin Water District's Intent to Transition from an At-large to District-based System of Electing Directors

**FINANCIAL IMPACT:** Estimated at \$75,000 (no FY19 budget augmentation necessary)

**BACKGROUND:**

North Marin Water District (District) currently has an "at-large" election system. Each of the District's five (5) Directors are elected by voters throughout the District's service area. Directors are each elected for a four-year term, and are divided into two classes, one with three members, whose respective terms expire in 2020, and the other with two members, whose respective terms expire in 2022. On February 13, 2019, the City of Novato received a letter from attorney Kevin I. Shenkman asserting that the City's at-large election system violates the California Voting Rights Act of 2001 (Elections Code §§14025-14032) ("CVRA") and threatening to sue the City unless the City voluntarily transitions to a district-based election system for its city council. Under California Elections Code Section 14028(a), a CVRA violation is established if it is shown that racially polarized voting occurs in elections in a particular jurisdiction, and under the CVRA, "racially polarized voting" means voting in which there is a difference in the choice of candidates or other electoral choices that are preferred by voters in a protected class, and in the choice of candidates and electoral choices that are preferred by voters in the rest of the electorate (Elections Code Section 14026(e)). Although the District has service areas in various locations in West Marin, the District's Novato service area encompasses all of the city, and the boundaries of the Novato service area are similar, but not identical to, the city boundaries.

The Board of Directors met in closed session on April 2, 2019 to consider the potential for any threatened CVRA litigation. While the District denies that its at-large system for electing its Directors violates the CVRA or any other provision of law, after weighing the legal implications and potential costs of such litigation, the Board of Director's directed staff to

draft a resolution of intention to transition from at-large to district-based elections in order to take advantage of the "safe harbor" allowances under Elections Code Section 10010. The "safe harbor" allowances require the District to hold at least four public hearings within the allotted time frame to give the community an opportunity to weigh in on the composition of the districts and provide input regarding the content of the draft maps and proposed sequence of elections.

### **California Voting Rights Act**

The CVRA was signed into law in 2002. The CVRA prohibits an at-large method of election that impairs the ability of a protected class to elect candidates of its choice or its ability to influence the outcome of an election. The law's intent is to expand protections against vote dilution over and above those provided by the Federal Voting Rights Act of 1965 ("FVRA"). The law was also motivated, in part, by the lack of success by plaintiffs in California lawsuits brought under the FVRA challenging "at-large" electoral systems. The passage of the CVRA made it easier for plaintiffs to prevail in lawsuits against public entities that elected their members to its governing body through "at-large" elections. A plaintiff need only prove the existence of "racially polarized voting" to establish liability under the CVRA, although other factors are also relevant in determining liability. Proof of intent on the part of voters or elected officials to discriminate against a protected class is expressly not required.

As a result, agencies throughout California (including water and wastewater agencies) have increasingly been facing legal challenges to their "at-large" systems of electing city council and board members. Almost all agencies that have received a legal challenge settled claims out of court by agreeing to voluntarily shift to district-based elections. Those that have defended CVRA challenges in courts have ultimately either voluntarily adopted, or have been forced to adopt, district-based elections. The CVRA grants a prevailing plaintiff the right to recover reasonable attorneys' fees and expert witness fees. This has resulted in payment of huge amounts of money in attorneys' fees by agencies that have chosen to litigate the CVRA challenge. Also, the agency would remain vulnerable to subsequent litigation brought under the CVRA by different plaintiffs. To date, District legal counsel is unaware of any agency that has prevailed in defending its "at-large" system of election against a claim filed by any individual or group under the CVRA.

On September 28, 2016, the Governor signed AB 350 into law.<sup>1</sup> This legislation attempts to provide a "safe harbor" from CVRA litigation for agencies that choose to voluntarily transition to a district-based election system. The legislation sets out a number of steps a district must take in the effort to assess and transition to a district-based election system, which are described in further detail below.

<sup>1</sup> Codified as Elections Code Section 10010 (effective January 1, 2017). Section 10010 was revised by AB2123 (effective January 1, 2019).

## **DISCUSSION**

### ***Transition from At-large to District-based***

Under AB 350, the District is required to hold at least four public hearings within the allotted 90-day "safe harbor" period. The first two public hearings will give NMWD customers an opportunity to weigh in on the composition of the districts. Subsequently, draft district maps will be drawn and two additional public hearings (hearings three and four) will be held for the public to provide input regarding the content of the draft maps and proposed sequence of elections. The maps must be published at least seven days before the third public hearing, and if the maps are modified after the third public hearing, then the modified maps must be published before the fourth public hearing.

Finally, at a fifth public hearing, the Board will consider adoption of an ordinance that establishes NMWD's district-based elections. This process does not authorize the District to cut short or extend the terms of sitting Directors.

The District's General Counsel, Bold, Polisner, Maddow, Nelson & Judson, will assist the District in conducting the election transition process in concert with various consulting including Remcho Johansen & Purcell LLP (special legal counsel), Redistricting Partners, LLC/Political Data Inc. (demography) and Martin Rauch (public affairs).

## **PROCESS AND TIMING**

Should the Board choose to adopt the resolution of intent to establish district-based elections, it will have the opportunity over the next three months to determine how the

boundaries of the districts are defined, and the timing and sequence of by-district elections. The proposed schedule of public meetings would be held on regularly scheduled Board meeting dates listed as follows:

<b>DATE</b>	<b>EVENT</b>	<b>COMMENT</b>
Tuesday, April 23, 2019	Board adopts Resolution declaring its intention to transition from at-large to by-district (zone) elections. (Special Meeting).	
Tuesday, May 7, 2019	1st Public Hearing (Regular Meeting)	No maps for review, but take public comments on composition of districts (zones) and preference for zone lines.
Tuesday, May 21, 2019	2nd Public Hearing (Regular Meeting)	No maps for review, but take public comments on composition of districts (zones) and preference for zone lines.
Tuesday, May 28, 2019	Publish draft map(s) for at least seven (7) days before 3 <sup>rd</sup> public hearing.	Publication can be on website and posting in other places.
Tuesday, June 4, 2019	3rd Public Hearing (Regular Meeting)	Take public comments on proposed maps; engage in line drawing as desired.
Tuesday, June 11, 2019	Publish for review new or amended district election maps, if any.	Maps must be available for review at least 7 days before consideration at the 4th public hearing.
Tuesday, June 18, 2019	4 <sup>th</sup> Public Hearing (Regular Meeting)	Take public comments on proposed maps; final line drawing as desired.
Tuesday, July 9, 2019	Publish for review new or amended district election maps (if any) and proposed sequence of elections.	If selected map is amended, ordinance cannot be adopted until 7 days after amended map is published.
Tuesday, July 16, 2019	5th Public Hearing (Regular Meeting)	Board adopts ordinance establishing by-district elections.



**RECOMMENDATION:**

That the Board adopt Resolution No. 19-XX declaring North Marin Water District's intent to transition from an at-large to district-based system of electing directors, outlining specific steps to be undertaken to facilitate the transition, and specifying a timeline within which the necessary actions would be taken.

RESOLUTION NO. 19-XX

DECLARING INTENT TO TRANSITION FROM AN AT-LARGE ELECTION SYSTEM TO A DISTRICT-BASED SYSTEM FOR ELECTING DIRECTORS, OUTLINING SPECIFIC STEPS TO BE UNDERTAKEN TO FACILITATE THE TRANSITION, AND SPECIFYING A TIMELINE WITHIN WHICH THE NECESSARY ACTIONS WOULD BE TAKEN

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WHEREAS, North Marin Water District ("District") is a County Water District duly organized under the County Water District Law of the State of California. The District's Board of Directors is comprised of five Directors currently elected in "at-large" elections, in which each Director is elected by the registered voters of the entire service area; and

WHEREAS, on February 13, 2019, the City of Novato received a letter from attorney Kevin I. Shenkman asserting that the City's at-large election system violates the California Voting Rights Act of 2001 (Elections Code §§14025-14032) ("CVRA") and threatening to sue the City unless the City voluntarily transitions to a district-based election system for its city council; and

WHEREAS, under California Elections Code Section 14028(a), a CVRA violation is established if it is shown that racially polarized voting occurs in elections in a particular jurisdiction, and under the CVRA, "racially polarized voting" means voting in which there is a difference in the choice of candidates or other electoral choices that are preferred by voters in a protected class, and in the choice of candidates and electoral choices that are preferred by voters in the rest of the electorate (Elections Code Section 14026(e)); and

WHEREAS, the District's service area in the Novato area is similar, but not identical to, the city boundaries; and

WHEREAS, the District denies that its at-large system for electing its Directors violates the CVRA or any other provision of law and asserts the District's election system is legal in all respects and further denies any wrongdoing in connection with the manner in which it has conducted its elections; and

WHEREAS, California Water Code sections 30730 through 30733, part of the County Water District Law, authorize county water districts like the District to utilize an election process specified therein to transition to a "by-division" system from electing Directors, and specify a criterion to be considered by the Board in creating the divisions; and

WHEREAS, California Elections Code Sections 10010 and 10650 provide an alternative procedure for political subdivisions, including county water districts, to transition to a by-division system from electing Directors in furtherance of the purposes of the California Voting Rights Act of 2001 (Chapter 1.5 (commencing with Section 14025) of Division 14 of the California Elections

Code), by holding a series of public hearings to obtain public input before completing the transition by adopting an ordinance; and

WHEREAS, California Elections Code Section 10010 also provides a "safe harbor" wherein a jurisdiction that adopts an ordinance establishing district-based elections within 90 days after first passing a resolution of intent to transition to district-based elections may transition to district-based elections without the threat of CVRA litigation, and potentially avoid exposure to a \$30,000 award to potential plaintiffs and their attorney(s) for reimbursement of costs incurring in bringing about the transition; and

WHEREAS, based on the foregoing, the Board of Directors has determined that the public interest would be best served by transitioning to a district-based election system and avoiding the risks and costs of defending against a CVRA lawsuit or a transition initiated in response to a letter such as that received by the City of Novato; and

WHEREAS, California Elections Code Section 10010 requires that a District that is changing from an at-large to district-based election do all the following before the Board of Directors votes to approve or defeat an ordinance establishing district-based elections:

1. Prior to drawing one or more draft maps of the proposed boundaries of the districts, the District shall hold at least two public hearings within 30 days of each other, at which the public is invited to provide input regarding the composition of the districts.

2. After all draft maps are drawn, the District shall publish and make available for release at least one draft map and, if members of the Board of Directors will be elected in their districts at different times to provide for staggered terms of office, the potential sequence of the elections shall also be published.

3. The District shall hold at least two additional hearings over a period of no more than 45 days, at which the public is invited to provide input regarding the content of the draft map or maps and the proposed sequence of elections. The first version of a draft map shall be published at least seven days before consideration at a hearing. If a draft map is revised at or following a hearing, it shall be published and made available to the public for at least seven days before being adopted; and

WHEREAS, the District has retained special legal counsel (who in turn has retained an experienced demographer) [and an outreach specialist] to assist the District with transitioning to a district-based election system; and

WHEREAS, the adoption of a district-based election system will not affect the term of any sitting Director, each of whom will serve out his/her current term.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF NORTH MARIN WATER DISTRICT, a public agency located in the Counties of Marin and Sonoma, California, as follows:

1. The Board hereby resolves to consider adoption, on or before July 16, 2019, of an ordinance to transition to a district-based election system, consisting of five divisions, as authorized by Government Code Section 10010, to be used in the District's next election in which three members of its Board of Directors are up for election, on November 3, 2020;

2. The Board hereby declares that this change in the method of electing members of the governing body is being proposed in furtherance of the purposes of the California Voting Rights Act of 2001;

3. Staff is directed to work with the District's special legal counsel, the demographer, and other appropriate consultants as needed, to provide a detailed analysis of the District's current demographics and any other information or data necessary to prepare a draft map that divides the District into voting districts in a manner consistent with the intent and purpose of the California Voting Rights Act and all other federal and state laws;

4. The tentative timeline, as set forth in Exhibit A, attached to and made a part of this resolution, for conducting a public process to solicit public input and testimony on proposed district-based maps before adopting any such map, is hereby approved;

5. The General Manager is hereby authorized to adjust the tentative timeline set forth in Exhibit A to facilitate preparation of materials and outreach while complying with the safe harbor deadlines and other provisions of Elections Code Section 10010; and

6. Staff is hereby directed to assist with outreach to the public regarding the proposed transition to a district-based election system, including posting maps, notices, agendas, and other information on the District's website, and to establish a means of electronic communication to answer questions from the public.

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 23rd day of April, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

(SEAL)

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Susan Kessler, Acting District Secretary  
North Marin Water District


## Exhibit A

### Tentative Timeline

Board Meeting	Actions	Date [& Location]
1	Public Hearing without maps to provide input on criteria to be used for drawing voting districts	<b>On or before May 7, 2019</b>  North Marin Water District 999 Rush Creek Place Novato, CA 94945
2	Public Hearing without maps to provide input on criteria to be used for drawing voting districts  Board to provide direction to demographer on desired criteria to be used for drawing maps	<b>On or before May 23, 2019</b>  North Marin Water District 999 Rush Creek Place Novato, CA 94945
3	Public Hearing with maps produced by the demographer for consideration and feedback by the public and Board	<b>On or before June 7, 2019</b>  North Marin Water District 999 Rush Creek Place Novato, CA 94945
4	Public Hearing with revised map(s) produced by the demographer for consideration and selection of one of the published maps and sequencing of voting districts	<b>On or before July 1, 2019</b>  North Marin Water District 999 Rush Creek Place Novato, CA 94945
5	Public Hearing to adopt the ordinance to establish voting districts on second reading	<b>On or before July 16, 2019</b>  North Marin Water District 999 Rush Creek Place Novato, CA 94945

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## MEMORANDUM

To: Board of Directors  
 From: Julie Blue, Auditor-Controller   
 Subj: Oceana Marin Sewer System Financial Plan Update  
t:\ac\budget\fy-2019.20\board memos\om wtr update 5-year fy19.20.docx

April 19, 2019

**RECOMMENDED ACTION: Approve Drafting a Letter to Oceana Marin Sewer Customers Regarding a Sewer Rate Increase**

**FINANCIAL IMPACT: None at this time**

Attached is an update of the Oceana Marin Water System 5-Year Financial Forecast. Significant assumptions include:

- 1) Capital Improvement Project Program: Within the upcoming 5-year financial plan window one major project is scheduled. In FY21 \$150,000 is budgeted towards the Treatment Pond Rehabilitation project with completion of the project in FY22 for \$1,050,000. The complete proposed Capital Improvement Projects (CIP) budget is under review by the Board and can be found in a separate item included in this agenda.
- 2) Rate Increase: A 3.5% increase to the sewer service charge is incorporated into FY20 and 5% for each of the subsequent years. If the Board approves a 3.5% increase at its June 25 public hearing, the sewer service charge would increase to \$93/month effective July 1, 2019, which is \$1,116 annually billed on the property tax bill.
- 3) Connection Fee: A new connection every other year is forecasted. Growth in the past 3 years has remained relatively stable. Prior years there had been an average of one connection per year.

In contrast to the 10% rate increases adopted in 2016 and 2017 to finance the CIP plan on a pay-go basis, the 5-year financial plan presented herein includes a rate increase of 3.5% for FY20 and 5% rate increases annually thereafter. The forecast also includes borrowing \$250,000 to complete the CIP plan. Included in the CIP plan, as referenced above, is \$1.2 million for rehabilitation of the Oceana Marin Treatment Ponds, originally constructed in 1970. The ponds rehab project is anticipated to be 75% grant funded, and to commence in FY21. The financial plan shows that the annual increases, along with the loan, will keep the Oceana Marin System solvent through FY24.

**RECOMMENDATION:**

Direct Staff to draft a letter to Oceana Marin Sewer customers for Board review noticing a public hearing In Point Reyes Station on June 25 to consider a 3.5% increase in the sewer service charge.

**OCEANA MARIN SEWER****FY 2019/20 Five-YEAR FINANCIAL FORECAST**

#		Actual 2017/18	Est Actual 2018/19	Budget 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24
<b># BASIC DATA</b>								
1	Number of Connections	232	234	234	234	235	235	236
2	Monthly Service Charge	\$86.00	\$90.00	\$93.00	\$98.00	\$102.00	\$107.00	\$112.00
<b>OPERATING REVENUE</b>								
3	Monthly Service Charge	\$239,890	\$252,000	\$261,000	\$275,000	\$288,000	\$302,000	\$317,000
4	Miscellaneous Service Charges	600	-	-	-	-	-	-
5	<b>Total Operating Revenue</b>	<b>\$240,490</b>	<b>\$252,000</b>	<b>\$261,000</b>	<b>\$275,000</b>	<b>\$288,000</b>	<b>\$302,000</b>	<b>\$317,000</b>
<b>OPERATING EXPENSE</b>								
6	Operating Expenditures	\$193,417	\$194,000	\$199,000	\$204,000	\$210,000	\$216,000	\$222,000
7	Depreciation Expense	37,282	37,000	37,000	37,000	38,000	39,000	40,000
8	<b>Total Operating Expense</b>	<b>\$230,699</b>	<b>\$231,000</b>	<b>\$236,000</b>	<b>\$241,000</b>	<b>\$248,000</b>	<b>\$255,000</b>	<b>\$262,000</b>
9	<b>NET OPERATING INCOME</b>	<b>\$9,791</b>	<b>\$21,000</b>	<b>\$25,000</b>	<b>\$34,000</b>	<b>\$40,000</b>	<b>\$47,000</b>	<b>\$55,000</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>								
10	Interest Revenue	\$7,000	\$7,000	\$2,000	\$3,000	\$3,000	\$4,000	\$2,000
11	Interest Expense	-	-	-	-	(9,000)	(8,000)	(8,000)
12	OM-1/OM-3 Tax Allocation	56,700	59,000	60,000	62,000	64,000	66,000	68,000
13	Miscellaneous Revenue	2,187	500	-	-	-	-	-
14	Miscellaneous Expense	(812)	(800)	(800)	(800)	(800)	(800)	(800)
15	<b>Total Non-Op Revenue/(Expense)</b>	<b>\$65,075</b>	<b>\$65,700</b>	<b>\$61,200</b>	<b>\$64,200</b>	<b>\$57,200</b>	<b>\$61,200</b>	<b>\$61,200</b>
	<b>Net Income</b>	<b>\$74,866</b>	<b>\$86,700</b>	<b>\$86,200</b>	<b>\$98,200</b>	<b>\$97,200</b>	<b>\$108,200</b>	<b>\$116,200</b>
<b>OTHER SOURCES/(USES)</b>								
16	Add Depreciation Expense	\$37,282	\$37,000	\$37,000	\$37,000	\$38,000	\$39,000	\$40,000
17	Connection Fees	-	-	-	-	30,000	-	30,000
18	Capital Improvement Projects	(45,045)	(441,000)	(155,000)	(190,000)	(1,110,000)	(320,000)	(140,000)
19	Grant/Loan Proceeds	-	-	69,000	113,000	1,038,000	-	-
20	Debt Principal Payments	-	-	-	-	(9,000)	(9,000)	(24,000)
21	Net Change in Working Capital	70,120	-	-	-	-	-	-
22	<b>Total Other Sources/(Uses)</b>	<b>\$62,357</b>	<b>(\$404,000)</b>	<b>(\$49,000)</b>	<b>(\$40,000)</b>	<b>(\$13,000)</b>	<b>(\$290,000)</b>	<b>(\$94,000)</b>
23	<b>Cash Increase/(Decrease)</b>	<b>\$137,223</b>	<b>(\$317,300)</b>	<b>\$37,200</b>	<b>\$58,200</b>	<b>\$84,200</b>	<b>(\$181,800)</b>	<b>\$22,200</b>
24	<b>ENDING CASH BALANCE</b>	<b>\$561,000</b>	<b>\$244,000</b>	<b>\$281,000</b>	<b>\$339,000</b>	<b>\$423,000</b>	<b>\$241,000</b>	<b>\$263,000</b>



**OCEANA MARIN SEWER**

**NOTES**

# KEY

- 1 Assumes 1 connection every other year due to slow growth in the area. Capacity is estimated at 294 dwelling units.
- 2 Proposed 3.5% increase for FY20 and annual increases of 5% to build cash to fund the CIP budget including phase 1 of the \$500,000 Parallel Force Main project commencing in FY24.
- 6 Operating expenditures projected to increase 3% annually after FY19. Excludes depreciation expense.
- 10 Projected available funds invested at 1.00%
- 12 County tax allocation enacted subsequent to Prop 13 to compensate for O&M tax revenue previously received. OM-1/IOM-3 County Tax allocation is projected to increase 3% per year.
- 17 Connection fee increased to \$30,000 on 7/1/17. Assumes connections occur in OM-3 Units 1 or 5 which are subject to the connection fee
- 19 Grant/Loan - Pond Treatment Rehab capital projects to be funded at 75% by grants. Includes loans for capital projects of \$250K in FY22, budgeted with an interest rate of 3.5% for 20 years.
- 24 Cash available for operation, maintenance and improvements.

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## MEMORANDUM

To: Board of Directors  
From: Julie Blue, Auditor-Controller JB  
Subj: West Marin Water System Financial Plan Update  
t:\aclbudget\fy-2019-20\board memos\wm wtr update 5-year fy19-20.docx

April 19, 2019

**RECOMMENDED ACTION: Approve drafting a letter to West Marin Water customers regarding a water rate increase**

**FINANCIAL IMPACT: None at this time**

Attached is an update of the West Marin Water System five year financial plan. A significant expenditure of this plan include capital projects totaling \$930,000 for FY20. This contains the continued work on the \$750,000 project to replace the Paradise Ranch Estates Tank 4A which is scheduled to be completed next fiscal year (FY20). Also in FY20, the District will commence the Lagunitas Creek Bridge Pipe Replacement project with a total budget of \$650,000. The complete proposed Capital Improvement Projects (CIP) budget is under review by the Board and can be found in a separate item included in this agenda.

Significant assumptions include:

- 1) Rate Increase: Consistent with the Novato financing plan, annual water rate increases of 3.5% for FY20 and 4.5% are projected through fiscal year 2023. For next fiscal year the increase is structured similarly to the Novato increase, with a 3.5% commodity rate increase and 3.5% increase in the bimonthly service charge, proposed effective July 1, 2019;
- 2) Water Sales Volume: FY20 sales volume is projected at 66 MG and is based on the average of the last three years of actual and projected use (FY17-FY19);
- 3) New Connections: A new connection every other year is forecasted. Growth in the past 3 years has stabilized at 783 active meters. Prior years there had been an average of one connection per year.

**Recommendation:**

Direct Staff to draft a letter to West Marin Water customers for Board review noticing a public hearing in Point Reyes Station on June 25 to consider a 3.5% increase in the cost of water.

# **WEST MARIN WATER**

## **FY 2019/20 Five-YEAR FINANCIAL FORECAST**

#		Actual 2017/18	Est Actual 2018/19	Budget 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24
<b># BASIC DATA</b>								
1	Active Meters	783	783	783	784	784	785	785
2	Avg Commodity Rate/1,000 Gal	\$10.40	\$10.64	\$11.01	\$11.51	\$12.03	\$12.57	\$13.13
3	Potable Consumption (MG)	67.4	68.4	66.0	66.0	66.0	66.0	66.0
<b>OPERATING REVENUE</b>								
4	Commodity Charge	\$700,452	\$728,000	\$727,000	\$760,000	\$794,000	\$829,000	\$867,000
5	Bimonthly Service Charge	177,210	185,000	185,000	192,000	199,000	206,000	213,000
6	Miscellaneous Service Charges	7,398	8,000	7,500	7,500	7,500	7,500	7,500
7	<b>Total Operating Revenue</b>	<b>\$885,060</b>	<b>\$921,000</b>	<b>\$919,500</b>	<b>\$959,500</b>	<b>\$1,000,500</b>	<b>\$1,042,500</b>	<b>\$1,087,500</b>
8	Operating Expenditures	\$534,268	\$518,000	\$533,600	\$550,000	\$567,000	\$584,000	\$602,000
9	Depreciation Expense	191,949	187,000	191,000	207,000	220,000	225,000	228,000
10	<b>Total Operating Expense</b>	<b>\$726,217</b>	<b>\$705,000</b>	<b>\$724,600</b>	<b>\$757,000</b>	<b>\$787,000</b>	<b>\$809,000</b>	<b>\$830,000</b>
11	<b>NET OPERATING INCOME</b>	<b>\$158,843</b>	<b>\$216,000</b>	<b>\$194,900</b>	<b>\$202,500</b>	<b>\$213,500</b>	<b>\$233,500</b>	<b>\$257,500</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>								
12	Interest Revenue	\$21,754	\$35,000	\$17,000	\$12,000	\$8,000	\$9,000	\$12,000
13	Interest Expense	(30,730)	(28,000)	(25,000)	(23,000)	(20,000)	(17,934)	(17,934)
14	PR-2 County Tax Allocation	53,204	55,000	56,000	58,000	60,000	62,000	64,000
15	Miscellaneous	4,279	4,000	4,000	4,000	4,000	4,000	4,000
16	<b>Total Non-Op Revenue/(Expense)</b>	<b>48,507</b>	<b>66,000</b>	<b>52,000</b>	<b>51,000</b>	<b>52,000</b>	<b>57,066</b>	<b>62,066</b>
17	<b>Net Income</b>	<b>\$207,350</b>	<b>\$282,000</b>	<b>\$246,900</b>	<b>\$253,500</b>	<b>\$265,500</b>	<b>\$290,566</b>	<b>\$319,566</b>
<b>OTHER SOURCES/(USES)</b>								
18	Add Depreciation Expense	\$191,949	\$187,000	\$191,000	\$207,000	\$220,000	\$225,000	\$228,000
19	Connection Fees	68,400	8,000	-	23,000	-	23,000	-
20	Capital Improvement Projects	(169,070)	(235,000)	(930,000)	(760,000)	(275,000)	(150,000)	(1,077,000)
21	Loan Proceeds	-	-	-	-	-	-	-
22	Debt Principal Payments	(68,042)	(69,000)	(69,000)	(70,000)	(79,000)	(81,000)	(72,000)
23	Net Change in Working Capital	(57,612)	67,000	-	-	-	-	-
24	<b>Total Other Sources/(Uses)</b>	<b>(\$34,375)</b>	<b>(\$42,000)</b>	<b>(\$808,000)</b>	<b>(\$600,000)</b>	<b>(\$134,000)</b>	<b>\$17,000</b>	<b>(\$921,000)</b>
25	<b>Cash Increase/(Decrease)</b>	<b>\$172,975</b>	<b>\$240,000</b>	<b>(\$561,100)</b>	<b>(\$346,500)</b>	<b>\$131,500</b>	<b>\$307,566</b>	<b>(\$601,434)</b>
26	Operating Reserve	\$178,100	\$177,900	\$183,300	\$189,000	\$194,700	\$200,700	\$200,700
27	System Expansion Reserve	1,168,887	1,409,100	842,600	490,500	631,800	948,866	347,866
28	Liability Contingency Reserve	99,000	99,000	99,000	99,000	99,000	99,000	99,000
29	Bond Redemption Reserve	30,000	30,000	30,000	15,000	-	-	-
30	<b>ENDING CASH BALANCE</b>	<b>\$1,476,000</b>	<b>\$1,716,000</b>	<b>\$1,155,000</b>	<b>\$809,000</b>	<b>\$941,000</b>	<b>\$1,249,000</b>	<b>\$648,000</b>

## **WEST MARIN WATER NOTES**

### **# KEY**

- West Marin Water includes the communities of Point Reyes Station, Inverness Park, Olema, Bear Valley, Silver Hills and Paradise Ranch Estates (PF)
- 1 Assumes annual increase of 1 connection every other year.
  - 2 Commodity rate and Bimonthly Service Charge increased 3.5% 7/1/19. Annual 4.5% increases shown thereafter for financial forecasting purposes on not yet - considered by the Board of Directors.
  - 3 Consumption projection assumes 66MG in FY20 and 66MG annually thereafter.
  - 4 Average Commodity Rate multiplied by Potable Consumption.
  - 5 Bimonthly service charge shown to increase 4.5% annually after FY20. Details of the rate increase structure to be determined at budget rate hearings
  - 8 Operating Expense projected to increase 3% per year.
  - 12 Projected available funds invested at 1.00%
  - 14/22 Interest and principal payments comprised of two 40-year 5% bonds all purchased by the Farmers Home Administration:
    - 1) 1980 PRE-1 \$240,000 revenue bond fully amortized in 2020; 2) 1981 PR-6 \$217,800 revenue bond fully amortized in 2021;
  - 19 The connection fee was set at \$22,800 per equivalent dwelling unit effective August 1, 2010.
  - 20 Capital Improvement Projects. See 5-year Capital Improvement Projects Plan.
  - 26 Operating Reserve should be comprised of a minimum of 4 months of operating expenditures as recommended by the District's financial advisors.
  - 27 System Expansion Reserve is composed of connection fee revenue, unexpended Bank of Marin loan funds, and funds for 5-year Capital Plan.
  - 28 Liability Contingency Reserve - \$90,000 is West Marin Water's pro-rata share (3.6%) of the District's \$2.5 million liability contingency fund, available to pay liability claims arising within the West Marin water system. \$8,885 was added in Dec 2006 from sale of 2 surplus parcels in Inverness Park.
  - 29 Bond Redemption Reserve is comprised of one year of Revenue Bond debt service (\$30K) for PR-6 & PRE-1 bonds as required by bond covenant plus tax receipts held in the Marin County treasury.

10

# MEMORANDUM

To: Board of Directors

April 19, 2019

From: Julie Blue, Auditor-Controller *JB*

Subj: Initial Review – Capital Project FY20 & FY21 & Equipment Budget FY20

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

**FINANCIAL IMPACT:** None at this time – *CIP* - \$5.1M FY20 & \$6.7M FY20  
Gross Expenditure Budget Proposed for Consideration  
Equipment - \$324K FY20

## Capital Improvement Project Budget (CIP)

Attached for review is the proposed Fiscal Year 2019/20 (FY20) and FY2020/21 (FY21) Capital Improvement Project (CIP) expenditure budget. As in prior years, a comprehensive 2-year plan is presented (Attachment A), which includes the projects recommended for Novato Water, Recycled Water, West Marin Water, and Oceana Marin Sewer. Also included is a debt service schedule detailing the principal and interest payment required to fund prior CIPs. This comprehensive plan is developed to verify that adequate funding and staffing exists to accomplish the 32 budgeted projects planned for FY20. For reference, Attachment B shows the District wide 10-year history of capital improvement projects which averages \$9M per year including \$2.7M of internally (or “Pay-Go”) financed projects.

Below is a summary identifying the significant projects (totaling \$400,000 or more) proposed to be undertaken over the next two fiscal years. An explanation of each FY20 project is incorporated into the attached CIP detail listing.

<u>Project</u>	<b>FY20</b>	<b>FY21</b>
Office/Yard Building Refurbish	\$900,000	\$3,000,000
Crest PS/Relocate School Rd PS	635,000	-
Replace PRE Tank 4A	550,000	-
Cherry Hill #2 Recoat	400,000	-
Lagunitas Creek Bridge Pipe Replacement	200,000	450,000
Old Ranch Rd. Tank #2	150,000	480,000
San Mateo 24" Inlet/Outlet Pipe (2,200')	50,000	742,000
New Gallagher Well #2	75,000	260,000
Other Projects	<u>2,153,000</u>	<u>1,736,000</u>
<b>Gross Project Outlay</b>	<b>5,113,000</b>	<b>6,668,000</b>
Less Loan/Grant Funding	(0)	(4,013,000)
<b>Net Project Outlay (internally funded)</b>	<b><u>\$5,113,000</u></b>	<b><u>\$2,655,000</u></b>

The proposed two-year combined total project outlay, net of grant/loan rate funding, totals \$7.8 million, down from the \$8.5 million combined two-year budget adopted last year. The proposed FY20 CIP budget includes 32 projects, up from 31 projects approved for FY19.

	Net Outlay		
<b>District</b>	<b>Proposed FY20 &amp; FY21</b>	<b>Adopted FY19 &amp; FY20</b>	<b>Increase (Decrease)</b>
Novato Water	\$5,606,000	\$5,925,000	(\$319,000)
Recycled Water	240,000	240,000	(0)
WM Water	1,690,000	1,775,000	(85,000)
OM Sewer	232,000	573,000	(341,000)
<b>Total</b>	<b><u>\$7,768,000</u></b>	<b><u>\$8,513,000</u></b>	<b><u>(\$745,000)</u></b>

Novato Potable Water's CIP expenditure plan, when viewed over the current fiscal year and the next five years, averages \$2.5 million annually in internally funded projects, which approximates the \$2.5 million approved by the Board and incorporated into the 5-Year Financial Plan.

An additional review of the Novato Water & Recycled Water CIP budget is scheduled for May 7, with budget approval scheduled for June 18, 2019. The West Marin Water and Oceana Marin Sewer CIP budgets will be reviewed on June 4, with budget approval scheduled for June 25 (at Point Reyes Station). Board comments and concerns are valued and will be addressed and incorporated into the budget where applicable.

### **Equipment Budget**

Also attached for your initial review is the proposed FY 2019/20 (FY20) Equipment Budget (Attachment C). The proposed budget totals \$339,000, which is \$16,000 lower than the FY19 Equipment Budget of \$355,000. FY19 estimated actual expenditures are forecast to come in at \$145,000. The five-year financial plan included \$250,000 for equipment purchases for FY20.

A significant purchase included in the proposed budget is \$130,000 for a 5-yard diesel dump truck. This truck will replace a 2002 International truck. Additionally, a metals analyzer for \$105,000 to replace a 20-year old piece of equipment is included for the lab. Accompanying this memo is a chart showing ten years of equipment purchases history (Attachment D). The Equipment Budget will also be reviewed at the May 7 board meeting with approval of the Equipment Budget scheduled for June 18, 2019.



**CAPITAL IMPROVEMENT PROJECTS**

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		FY20	FY21	FY20 Project Description
1.	PIPELINE REPLACEMENTS/ADDITIONS			
	a. Main/Pipeline Replacements			
	1 Replace 12" CI Pipe S. Novato Bl (btwn Rowland/Adele)	-	\$100,000	
	2 Replace Plastic Thin Walled Pipe < 4-inch	\$150,000	\$150,000	Ongoing systematic replacement of all plastic TW pipe < 4-inch.
	3 Other Main Replacements (60+ years old)	\$200,000	\$200,000	Unplanned repairs/replacements for failing mains.
		\$350,000	\$450,000	
	b. Main/Pipeline Additions			
1.7150.00	1 San Mateo 24" Inlet/Outlet Pipe (2,200')	\$50,000	\$742,000	Multiyear project to install 1,600 feet of 24-inch pipe from San Mateo Tank to the end of San Mateo Way to improve northern Zone 2 fire flow.
	2 Other Main/Pipeline Additions	-	\$150,000	
		\$50,000	\$892,000	
	c. Polybutylene Service Line Replacements			
1.7139.xx	1 Replace PB in Sync w/City Paving (30 Services)	\$70,000	\$70,000	Ongoing systematic replacement of PB services in advance of City paving projects.
1.7123.xx	2 Other PB Replacements (80 Services)	\$80,000	\$80,000	Ongoing systematic replacement of PB services.
		\$150,000	\$150,000	
	d. Relocations to Sync w/City & County CIP			
1.8737.xx	1 Other Relocations	\$70,000	\$70,000	Relocate facilities for yet to be identified City/County Projects.
		\$70,000	\$70,000	
	TOTAL PIPELINE REPLACEMENTS/ADDITIONS	\$620,000	\$1,562,000	

**CAPITAL IMPROVEMENT PROJECTS**

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		FY20	FY21	FY20 Project Description
2.	SYSTEM IMPROVEMENTS			
1.7007.11	a. DCA Repair/Replace (~14/yr)	\$100,000	\$60,000	Detector Check Assembly replacements.
1.7090.04	b. Anode Installations (150/yr)	\$10,000	\$10,000	Place anodes on copper laterals for corrosion protection.
1.7178.00	c. Asset Management Software Procure/Implement	\$163,000	-	Software to eliminate paper records and improve efficiencies for ranking capital expenditures .
1.7136.00	d. Facilities Security Enhancements	\$25,000	\$25,000	Tanks & PS security improvements.
	e. San Marin Aqueduct Valve Pit (STP to Zone 2)	-	\$110,000	
	TOTAL SYSTEM IMPROVEMENTS	\$298,000	\$205,000	
3.	BUILDING, YARD, STP IMPROVEMENTS			
	a. Administration Building			
1.6501.43	1 Electronic Document Management System	\$70,000	\$70,000	Manage digital document creation, storage, retrieval & expiration.
1.6501.44	2 Office/Yard Building Renovation (Note 1)	\$900,000	\$3,000,000	50-year-old building requires significant upgrading.
1.6502.47	3 Yard Roof Repairs	-	\$100,000	
		\$970,000	\$3,170,000	
	b. Corp Yard/Warehouse/Construction Office			
1.6502.47	4 Other Yard Improvements	\$30,000	-	Ongoing building repairs that arise unexpectedly. Ex - Roof leaks, HVAC replacements, etc.
		\$30,000	-	
	c. Stafford Treatment Plant			
	1 Dam Concrete Repair (Apron)	\$50,000	-	Ongoing periodic repair of Lake Stafford dam face (apron).
1.4064.00	2 Leveroni Creek Embankment Repair	\$191,000	-	Repair/stabilize culvert embankment under access road to STP/IVGC.
1.6600.92	3 Other Treatment Plant Improvements	\$114,000	\$50,000	Miscellaneous plant improvements
1.4060.00	4 Efficiency Improvements	\$100,000	\$100,000	Improvement of sludge treatment process as suggested in the Efficiency Study.
	7 Adjustable Lake Intake			
		\$455,000	\$150,000	
	TOTAL BUILDING, YARD, STP IMPROVEMENTS	\$1,455,000	\$3,320,000	

**CAPITAL IMPROVEMENT PROJECTS**

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		FY20	FY21	FY20 Project Description
4.	STORAGE TANKS/PUMP STATIONS			
	a. Tank Construction			
1.6207.20	1 Old Ranch Rd Tank No. 2 (100k gal)	\$150,000	\$481,000	Replace and upsize existing redwood tank due to the current tank approaching end of useful life.
		\$150,000	\$481,000	
	b. Tank Rehabilitation			
1.7170.00	1 Hydropneumatic Tank Repairs	\$30,000	\$30,000	Ongoing program to inspect/Repair the 7 tanks in compliance with State Code.
1.6205.22	2 Cherry Hill #2 Recoat (0.2 MG)	\$400,000	-	Remove and replace coating system to extend tank life.
		\$430,000	\$30,000	
1.6112.24	c. Lynwood P.S. Motor Control Center	\$320,000	-	Move motor controls above-ground.
1.6141.00	d. Crest PS (Design/Const) /Reloc School Rd PS	\$635,000	-	Replace School Rd PS with new facility on Bahia Drive.
		\$955,000	-	
	TOTAL STORAGE TANKS/PUMP STATIONS	\$1,535,000	\$511,000	
5.	RECYCLED WATER			
5.7127.00	a. NBWRA Grant Program Administration	\$20,000	\$20,000	Continued support of NBWRA to obtain/administer recycled water project Federal/State grants for the Central Project.
5.7162.xx	b. Other Recycled Water Expenditures	\$100,000	\$100,000	Retrofit existing potable irrigation customers to RW.
		\$120,000	\$120,000	

**CAPITAL IMPROVEMENT PROJECTS**

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		FY20	FY21	FY20 Project Description
6.	WEST MARIN WATER SYSTEM			
2.6263.20	a. Replace PRE Tank #4A (25K gal w/82K gal)	\$550,000	-	Replace and upsize redwood tank destroyed in Vision Fire with concrete tank.
2.6609.20	b. New Gallagher Well #2	\$75,000	\$260,000	Permit and construct 2nd well at Gallagher Ranch.
2.8829.00	c. PB Replace in Sync w/ County Paving	\$50,000	\$50,000	For 25 replacements.
2.8912.00	d. Lagunitas Creek Bridge Pipe Replacement (Caltrans)	\$200,000	\$450,000	Relocate/replace 8-inch water main across Lagunitas Creek Bridge (bridge project 2021).
	e. Olema Creek Bridge Pipe Replacement (County)	\$35,000	-	Relocate/replace 8-inch water main across Olema Creek Bridge (bridge project 2022).
	f. Olema PS Wireless to Tank	\$20,000	-	Installation of radio communications link.
		<u>\$930,000</u>	<u>\$760,000</u>	
7.	OCEANA MARIN SEWER SYSTEM			
8.8672.28	a. Infiltration Repair (Manhole Relining)	\$40,000	\$40,000	Ongoing work to identify and repair collection pipelines to prevent rainwater from leaking into the system.
8.7085.02	b. Tahiti Way Lift Pumps Rebuild (2) (every 5 yrs)			
8.7166.00	c. ACP Sewer Reline (6"@ 3,000')			
8.7171.00	b. Pond Dredging & Solids Disposal			
8.7173.00	b. OM Treatment Pond Rehab (Note 2)	-	\$150,000	
86607.22	d. OM Treatment Pond-Storm Damage (Note 6)			
	c. Tahiti Way Lift Pump 1 Assembly	\$115,000	-	Replacement of lift pump.
	h. Connect MH 104 to MH 5			
	i. Parallel Force Main (1st of 3 Segments) (Note 8)			
		<u>\$155,000</u>	<u>\$190,000</u>	

**CAPITAL IMPROVEMENT PROJECTS**

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	FY20	FY21	FY20 Project Description
<b><u>SUMMARY - GROSS PROJECT OUTLAY</u></b>			
Novato Water	\$3,908,000	\$5,598,000	
Recycled Water	\$120,000	\$120,000	
West Marin Water	\$930,000	\$760,000	
Oceana Marin Sewer	\$155,000	\$190,000	
GROSS PROJECT OUTLAY	<u>\$5,113,000</u>	<u>\$6,668,000</u>	
LESS FUNDED BY LOANS/GRANTS/OTHER			
a. Office/Yard Building Refurbish (Note 1)	-	(\$3,900,000)	
b. OM Treatment Pond Rehab (Note 2)	-	(\$113,000)	
TOTAL LOAN/GRANT FUNDS	-	<u>(\$4,013,000)</u>	
<b><u>SUMMARY - NET PROJECT OUTLAY</u></b>			
Novato Capital Improvement Net Project Outlay	\$3,908,000	\$1,698,000	
Recycled Water	\$120,000	\$120,000	
West Marin Water	\$930,000	\$760,000	
Oceana Marin Sewer	\$155,000	\$77,000	
NET PROJECT OUTLAY	<u>\$5,113,000</u>	<u>\$2,655,000</u>	
Total Number of District Projects	32	26	
	<b>\$2,530,000</b>		

**CAPITAL IMPROVEMENT PROJECTS**

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	FY20	FY21	FY20 Project Description
<b>NOVATO POTABLE WATER DEBT SERVICE</b>			
a. STP SRF Loan	\$1,044,000	\$1,044,000	
b. AEEP Bank Loan	\$482,000	\$482,000	
c. Advanced Meter Info Retrofit Loan	\$377,000	\$380,000	
d. Admin Building Renovation Loan (Note 1)	\$844,000	\$844,000	
	\$2,747,000	\$2,750,000	
<b>NOVATO RECYCLED WATER DEBT SERVICE</b>			
e. Deer Island Facility SRF Loan	\$273,000	\$273,000	
f. RW North Expansion SRF Loan	\$282,000	\$282,000	
g. RW South Expansion SRF Loan	\$332,000	\$332,000	
h. RW Central Exp SRF Loan (Net of MCC)	\$227,000	\$227,000	
	\$1,114,000	\$1,114,000	
<b>WEST MARIN WATER DEBT SERVICE</b>			
i. PRE-1 Revenue Bond	\$14,000	-	
j. PR-6 Revenue Bond	\$12,000	\$13,000	
k. TP Solids Handling Bank Loan	\$71,000	\$71,000	
	\$97,000	\$84,000	
<b>OCEANA MARIN SEWER DEBT SERVICE</b>			
l. CIP Financing	-	\$18,000	
	-	\$18,000	
<b>TOTAL DEBT SERVICE</b>	<b>\$3,958,000</b>	<b>\$3,966,000</b>	
<b>NET PROJECT OUTLAY &amp; DEBT SERVICE</b>	<b>\$9,071,000</b>	<b>\$6,621,000</b>	

**CAPITAL IMPROVEMENT PROJECTS**

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		FY20	FY21	FY20 Project Description
<b>STUDIES &amp; SPECIAL PROJECTS</b>				
1.4057.00	a. Local Water Supply Enhancement Study	\$25,000	\$100,000	
1.4076.00	b. CVRA - Transition from At-Large Elections	\$15,000		
1.4077.00	c. PG&E Potter Valley FERC Relicensing	\$10,000		
1.4059.00	d. Stafford Lake Water Rights Update	\$50,000	-	
1.4058.20	e. Water Rate Study	\$50,000	-	
	f. Stafford Dam Emergency Action Plan Update	\$10,000	-	
	g. Stafford Lake Sediment Survey (every 10 yrs)	-	\$50,000	
1.4050.00	h. Urban Water Management Plan (every 5 yrs)	\$20,000	\$30,000	
		<u>\$180,000</u>	<u>\$180,000</u>	

Note 1 - \$12M Office/Yard Renovation is proposed to be funded by 20 year 3.5% Bank Loan.

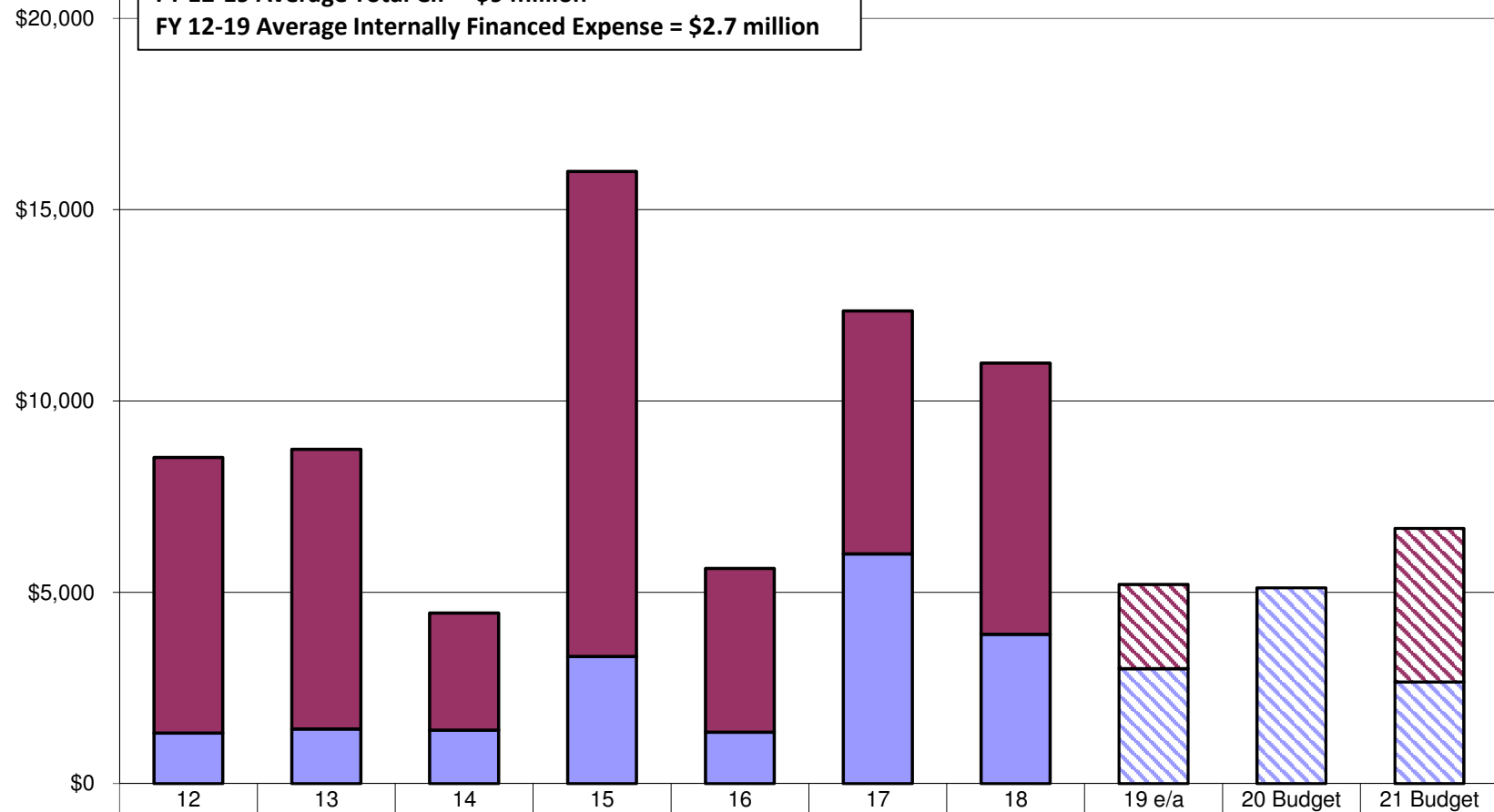
Note 2 - \$1.2M OM Treatment Project funded by debt and /or grant funds.

4/15/19

### NMWD Capital Improvement Project Expenditures All Districts Combined

Thousands

FY 12-19 Average Total CIP = \$9 million  
FY 12-19 Average Internally Financed Expense = \$2.7 million



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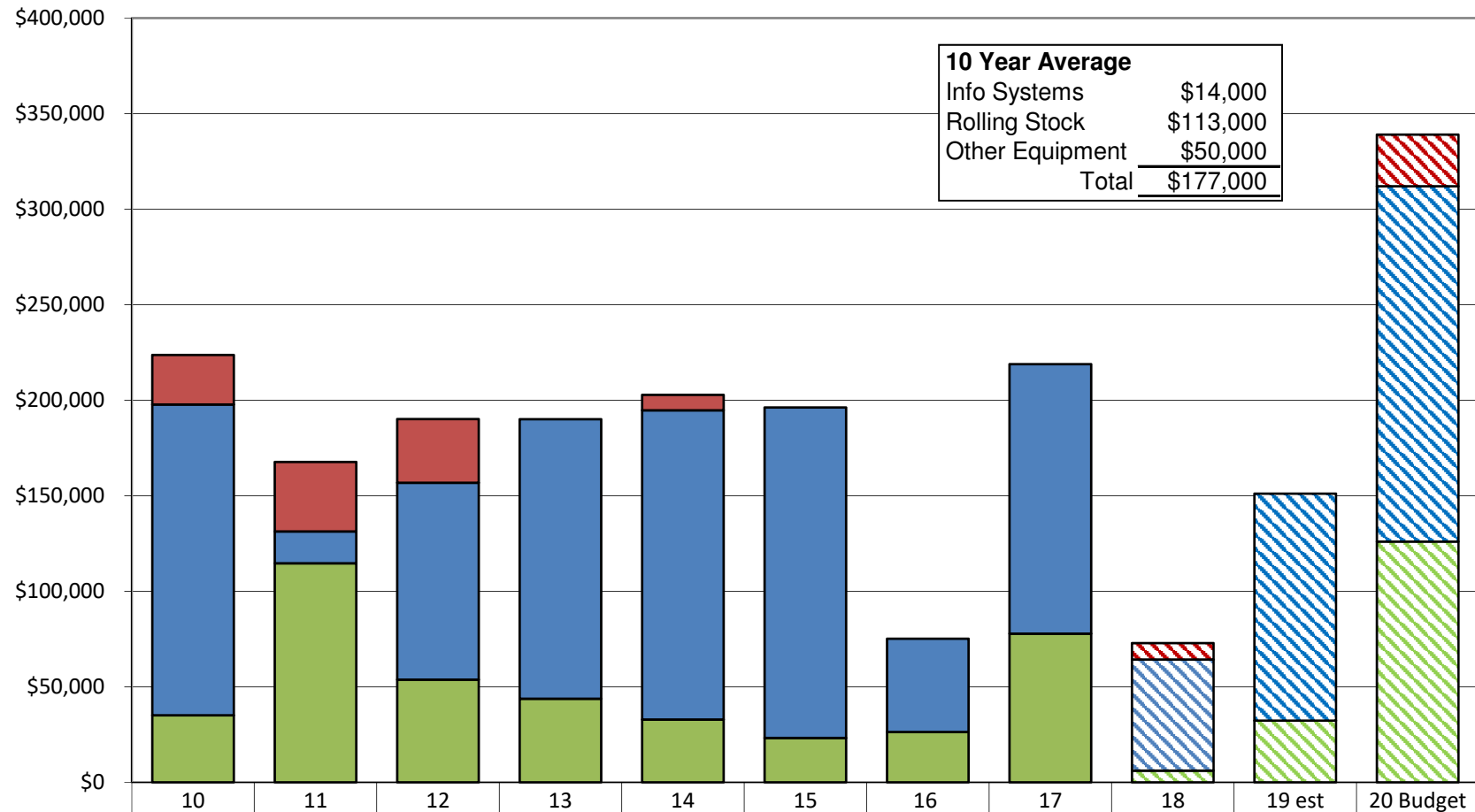
**EQUIPMENT EXPENDITURES****Fiscal Year 2019/2020 Budget**

		<b>Approved</b>	<b>Description</b>
<b>1 ADMINISTRATION</b>			
12101.01.00	a. Website Upgrade	\$10,000	Modernize website to a current design making it more mobile and multiple browser
12101.01.00	b. Exchange Server Upgrade	\$7,000	Required Microsoft Exchange server upgrade to receive ongoing support.
12101.01.00	c. Timekeeping Software Upgrade	\$10,000	Upgrade timekeeping system from slow outdated unsupported software.
		<b>\$27,000</b>	
<b>2 OPERATIONS/MAINTENANCE</b>			
12106.01.00	a. Metals Analyzer	\$105,000	Replace 20-year old metals analyzer as its repair components are no longer available.
		<b>\$105,000</b>	
<b>3 CONSTRUCTION/MAINTENANCE</b>			
12106.01.00	b. Fittings & Hose for Emergency Hose Trailer	\$21,000	Potable Water Hose 660' (6")
		<b>\$21,000</b>	
<b>4 VEHICLE &amp; ROLLING EQUIPMENT EXPENDITURES</b>			<u>Rolling Stock to be Transferred &amp; Auctioned or Description</u>
12104.01.00	a. 1/2 ton 2WD Pick-Up w/Tool Box & Radio	\$28,000	Replace #47 2000 Chevy K1500.
12104.01.00	b. 5-Yard Diesel Dump Truck	\$130,000	Replace #44 2002 International.
12104.01.00	c. Hybrid SUV w/Radio	\$28,000	Replace #56 2005 Honda Civic.
		<b>\$186,000</b>	
<b>Total</b>		<b>\$339,000</b>	
	Adopted	Estimated	<b>Proposed</b>
	Budget	Actual	<b>Budget</b>
<b>RECAP</b>	2018/19	2018/19	<b>2019/20</b>
Equipment	\$180,000	\$32,303	\$153,000
Rolling Stock	\$175,000	\$118,800	\$186,000
	<b>\$355,000</b>	<b>\$151,104</b>	<b>\$339,000</b>

4/17/2019

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# 10 Year History of Equipment Purchases



	10	11	12	13	14	15	16	17	18	19 est	20 Budget
Info Systems	\$25,925	\$36,375	\$33,346	\$0	\$8,050	\$0	\$0	\$0	\$8,600	\$0	\$27,000
Rolling Stock	\$162,696	\$16,671	\$103,057	\$146,305	\$161,834	\$172,989	\$48,812	\$141,044	\$58,143	\$118,800	\$186,000
Other Equipment	\$35,082	\$114,612	\$53,724	\$43,764	\$32,884	\$23,231	\$26,374	\$77,802	\$6,131	\$32,303	\$126,000
Total	\$223,703	\$167,658	\$190,127	\$190,069	\$202,768	\$196,220	\$75,187	\$218,846	\$72,874	\$151,104	\$339,000

**11**



## North Bay Watershed Association

Board Meeting Notice

### April 5, 2019

9:30 am– 11:30 pm  
Marin Municipal  
Water District,  
220 Nellen Ave.,  
Corte Madera

### Next Meeting

May 3rd, 2019  
Novato Sanitary District  
9:30 am – 11:30 pm

## Board Meeting Agenda

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- |  |          |
|--|----------|
| <b>1. Call to Order</b>  | 9:30 am  |
| <i>Jack Gibson, Chair</i>  |          |
| <b>2. Public Comment</b>   |          |
| <b>3. Approval of Agenda</b>   | 1 min.   |
| <i>Action: Approve</i>   |          |
| <b>4. Treasure's Report</b>  | 1 min.   |
| <i>Action: Accept</i>  |          |
| <b>5. JTC Update Report</b>  |          |
| <i>Chris Choo, Chair JTC: Information</i>                                |          |
| <b>6. Information Sharing</b>  | 9:45 am  |
| Member agency delegates share items of Interest to NBWA                  |          |
| <i>Information</i>   |          |
| <b>7. NBWA Strategic Direction 4</b>                                     | 10:00 am |
| Presenter will review current NBWA communications and get Board feedback |          |
| <i>Mark Millan, Principal, Data Instincts</i>                            |          |
| <i>Action: Board Recommendations</i>                                     |          |
| <b>8. February Floods: Results/Lessons</b>                               | 10:25 am |
| <i>Speaker, Sonoma Co. Water</i>   |          |
| <i>Richard Thomasser, Napa Co. Flood</i>                                 |          |
| <b>9. Chair and Vice Chair</b>   | 10:50 am |
| <i>Information and Board Recommendations</i>                             |          |
| <i>Jack Gibson, NBWA Chair</i>   |          |
| <b>10. Distribution of NBWA Strategic Plan</b>                           | 11:15 am |
| <i>Information</i>   |          |
| <b>11. Announcements</b>   | 11:25 am |
| <b>Items for next meeting</b>  |          |
| Solano County Water Agency Overview                                      |          |
| NBWA 2020 Conference Plans   |          |
| NBWA 2019-2020 Budget, MOU   |          |

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**DISBURSEMENTS - DATED APRIL 4, 2019**

Date Prepared 4/2/19



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

Seq	Payable To	For	Amount
*90161	CalPERs	March Health Insurance Premium (Employees \$51,931, Retirees \$12,130 & Employee Contribution \$9,927)	\$73,988.56
*90162	State of California	SDI PPE12/31/18 (4th Quarter True-up)	328.18
*90163	US Bank Card	Portable Sterilizer (\$290) (Lab), Adaptor for HVAC PC (\$8), Spare Monitor for IT Room (\$150), Coffee, Toaster (\$34), Coffee Creamer (\$32), Laundry Detergent for Const (\$75)(3-206 oz), Society for HR Mgmt Membership (Blue) (\$189) (2/19-2/20 - Budget \$200), Calif Society of Municipal Finance Officers Membership Fee (\$110) (Blue) (1/19-1/20 - Budget \$110), CalGOV HR Conference Registration Fee (Blue) (\$349) in Rohnert Park on 2/27	\$1,244.33
1	Allquip Universal	Control Level for Vac Trailer	419.56
2	All Star Rents	Propane for Forklift (20 gal)	64.88
3	Alphagraphics Marin	Postage for Novato Rate Increase Letters (\$3,230) (19,000), Postage for Novato Spring 2019 Waterline (\$3,141) & W.M. Spring 2019 Waterline (\$188)	6,559.25
4	Amazon/Genuine-Hardware	AC Adaptor for Radio Chargers (\$42), Sample Labels & Printer Ribbons Cartridges (\$147) (Lab), Entry Controller for STP Gate (\$88), Sign Holder Stands (2) (\$71), Germicidal Tube Lamps (6) (\$40) (Lab) & Staplers (2) (\$32)	420.15
5	AT&T	March Internet Connection	90.00
6	AT&T	Telephone (\$62), Fax (\$75), Data (\$270) & Leased Lines (\$140)	547.99
7	Automation Direct	Switching Power Supply	274.00
8	Bay Alarm	Quarterly STP Fire Alarm Monitoring Fee (4/1/19-7/1/19)	338.19

Seq	Payable To	For	Amount
9	Bold & Polisner	March Legal Fees	3,528.00
10	Bryant, Leslie & Robert	Novato "Toilet Rebate" Program	450.00
11	Buck's Saw Service	Weedline for Trimmer & Muffler Screen (\$31)	49.89
12	Cinquini & Passarino	Prog Pymt #1: San Mateo Tank I/O Project (Balance Remaining on Contract \$25,100)	4,900.00
13	Fireman's Fund	Refund Overpayment on Closed Account	178.52
14	Fishman Supply	Rain Jacket	66.11
15	Goodpaster, Stacie	Exp Reimb: Parking, Lunch & Mileage (\$102) for CA/NV AWWA Meeting in Sacramento	137.65
16	Grainger	Lockout Tags for Backflows (25), Doorstop Wedge, Replacement Battery Back-up for Gallagher Well (\$107), Grease Gun, Hydrant Caps (2) & Replacement Light for E/M Truck (\$107) (Less Credit of \$195 Received for Returned Air Flow Switch)	86.31
17	Hardy Diagnostics	Media (Lab)	120.57
18	Home Depot	Push Broom Heads (6)	201.14
19	Industrial Scientific	Gas Monitor Repairs	228.33
20	Industrial Vacuum Equipment	Filters for Vac Trailer	326.11
21	Intellaprint Systems	Ink Cartridges for Office Copier (2)	301.28
22	Daniel Macdonald AIA Architects	Review & Answer Design Questions for Lynwood Pump Station Motor Control (Balance Remaining on Contract \$2,915)	265.08
23	Marin County Tax Collector	Install Radio, Speaker & Antenna ('19 Chevy Colorado)	700.53
24	McLellan, WK	Misc Paving (Balance Remaining on Contract \$110,958)	28,294.06
25	Miu, Adrian	Novato "Cash for Grass" Rebate Program	400.00
26	Novato Lock	Repair Lock on Office Door	90.00
27	Office Depot	Sheet Protectors (400) & Card Stock (750)	54.48
28	Ortman, Norma	Refund Overpayment on Closed Account	252.59

Seq	Payable To	For	Amount
29	Pace Supply	Replacement Pressure Relief for Center & Western Regulator Station (\$2,525), Elbows (6), Bolts (8), Nipples (10) & Reducer (\$67)	2,639.85
30	POA of Novato Heights	2019 Dues (Budget \$200) (1/9-12/19)	200.00
31	S Collins Construction	Refund Security Deposit on Hydrant Meter Less Final Bill	375.85
32	Soiland	Asphalt Recycling (7 tons)	33.75
33	Staples Business Credit	Copy Paper (50 reams) (\$218), Toner Cartridges (6) (\$491), Packaging Tape (2) (\$66), Banker Boxes (80) (\$239) & Misc Office Supplies (\$77)	1,092.12
34	State Water Resources Control	D1 Certification Exam Fee (Williamson)	50.00
35	Veolia Water Technologies	Sand Pump & Hydrocyclone Parts for STP	11,778.05
36	VWR International	Lab Coat	24.76
37		Vision Reimbursement	304.95
38	Wilson Bohannon	Brass Locks (10)	355.38
39	West Yost Associates	Prog Pymt #1: STP Process Efficiency Improvement Study (Balance Remaining on Contract \$55,442)	19,558.00
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$161,318.45</u></b>

The foregoing payroll and accounts payable vouchers totaling \$161,318.45 are hereby approved and authorized for payment.

 _____ Auditor-Controller	4/4/19 _____ Date
 _____ General Manager	4/3/19 _____ Date



## ***DISBURSEMENTS - DATED APRIL 11, 2019***

Date Prepared 4/9/19


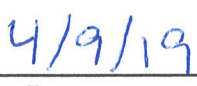
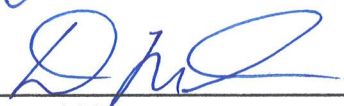
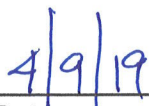
The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 3/31/19	\$141,502.40
EFT*	Internal Revenue Service	Federal & FICA Taxes PPE 3/31/19	60,291.42
EFT*	State of California	State Taxes & SDI PPE 3/31/19	12,667.88
EFT*	CalPERS	Pension Contribution PPE 3/31/19	35,356.39
1	Able Tire & Brake	Tires (8) ('16 Nissan Frontier-\$565, '15 Ford Escape 4 x 4-\$558) & Service Call for Mounting 2 New Tires ('15 JD Skip Loader) (\$762)	1,885.58
2	Alpha Analytical Labs	Lab Testing	172.50
3	Athens Administrators	April Monthly Fees & Replenishment for Checks Written (\$1,918)	2,917.85
4	Automation Direct	Switching Power Supply	274.00
5	AWWA CA-NV SEC	Cross Connection Specialist Certification Renewal Fee (5/19-4/20) (Budget \$80) (Kurfirst)	80.00
6	Basile, Richard	Refund of Deposit/New Development/WC Restriction-Novato	1,000.00
7	Bay Area Air Quality Mgmt Dist	Annual Permit Renewal Fee (Dillon Beach)	589.00
8	Becker, Kenneth	Refund of Deposit/New Development/WC Restriction-Novato	1,000.00
9	Clark, Robert E.	Exp Reimb: Lodging for AWWA CA-NV Conference in Sacramento 3/25-3/27	320.22
10	DataTree	March Subscription to Parcel Data Info	100.00
11	Diesel Direct West	Diesel (489 gal) (\$1,878) & Gasoline (552 gal) (\$1,857)	3,735.36
12	Direct Line	April Telephone Answering Service	243.78
13	Downtown Ford Sales	2019 Ford F550 Cab & Chassis	43,889.62

Seq	Payable To	For	Amount
14	Eurofins Eaton Analytical	Lab Services for UCMR4 Monitoring	1,470.00
15	Roy Foster	Exp Reimb: Parking - AWWA Conference	30.00
16	Grainger	Battery for Chlorine Gas Alarms (2-12 Volt), Respirator Filters (4), Knob for Transfer Switch, Bulbs for Walkway Lights (6), Outlets for Gallagher Well Site, 1/2 HP Utility Pump (\$265), Hose & Nozzle for Wash Rack (\$93), Parts for Pressure Washer Wand ('13 Vac Excavator & Trailer) (\$426) & Lights for STP (38) (\$409)	1,431.95
17	Hach	Salt Bridges for pH Probes @ STP	366.79
18	Irving, Dan	Refund Overpayment on Closed Account	56.40
19	Lincoln Life	Deferred Compensation PPE 3/31/19	10,419.31
20	Marin County Treasurer	Semi Annual Bond Service - PR6 Revenue	11,875.00
21	McLellan, WK	Misc Paving	16,855.06
22	Minuteman Press	Recycled Water Program Posters (2)	175.16
23	Mitchell, Cheryl & Jason	Refund Overpayment on Closed Account	40.67
24	Nationwide Retirement Solution	Deferred Compensation PPE 3/31/19	1,750.00
25	Neopost USA	Cleaning & Maintenance of Postal Meter Including Parts & Labor	635.82
26	North Marin Auto Parts	Service Parts (Generator & Light Tower, '17 Nissan Frontier, '02 Chevy Silverado) (\$206), Misc Gaskets, Battery ('10 F150) (\$118), Fuse, 1.5" Wrench (\$67) & Terry Towels for Construction (6 lbs) (\$127)	560.26
27	Novato Builders Supply	Concrete & Posts for Front Office Sign & Concrete (College of Marin) (1 yd) (\$217)	307.10
28	NSI Solutions	QC Samples (Lab)	328.00
29	Office Depot	Banker Boxes-Legal (12) (\$95) & Packaging Tape (6)	122.57
30	Pace Supply	Meter Boxes (28) (\$640), Test Valves (8) & Service Saddles (6) (\$306)	984.62

Seq	Payable To	For	Amount
31	R & B	Fire Check Assemblies (4) (\$8,311), Flange Spools (3) & 3" Hex Bolts (400) (\$694)	9,396.10
32	RDS Contracting	Refund Security Deposit on Hydrant Meter Less Final Bill	851.24
33	Recology Sonoma Marin	March Trash Removal	480.66
34	Red Wing Shoe Store	Safety Boots (Pearce)	200.00
35	Robertson, Richard	Refund Overpayment on Closed Account	232.48
36	Soiland	Asphalt (5 tons)	26.95
37	Thomas Scientific	Flip Top Bottles (132) (Lab)	143.06
38	The Transmitter Shop	Calibrate & Rebuild Spare Dall Transducer	273.00
39	USA BlueBook	Low Lead Corp Stop, Nozzle (\$367) & Electrode (\$323) (STP)	690.41
40	Valentine, Keith	Refund Overpayment on Closed Account	72.16
41	Verizon Wireless	Cellular Charges: Data (\$609) & Airtime (\$93)	702.39
42	Verizon Wireless	AMI Gateways, SCADA, Novato (\$643) & CIMIS Station	658.14
43	VWR International	Filtration Assemblies (2)	317.47
44	Winzer	Hardware/Parts for Auto Shop	469.88
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$367,948.65</u></b>

The foregoing payroll and accounts payable vouchers totaling \$367,948.65 are hereby approved and authorized for payment.

	
Auditor-Controller	Date
	
General Manager	Date

## ***DISBURSEMENTS - DATED APRIL 18, 2019***

Date Prepared 4/16/19

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

<u>Seq</u>	<u>Payable To</u>	<u>For</u>	<u>Amount</u>
1	Alpha Analytical Labs	Lab Testing	\$2,900.00
2	Athens Administrators	Bill Review Fees	59.79
3	Backflow Distributors	Repair Kits for Double Check Assemblies (16)	476.66
4	Brelje & Race	Prog Pymt #4: NMWD Clearwell Coating Inspection (Balance Remaining on Contract \$12,725)	1,836.25
5	Building Supply Center	Thermometer	10.38
6	Charles Custom Welding	Welding Services (College of Marin-Organic Farm)	1,040.00
7	Cilia, Joseph	Retiree Exp Reimb (April Health Ins)	333.79
8	Clipper Direct	Commuter Benefit Program (2)	414.00
9	Correa, Jim	Novato "Washer Rebate" Program	50.00
10	CSW/Stuber-Stroeh Engineering	Consulting Services: Lagunitas Creek Bridge Utility Conflict	4,371.47
11	CT Promotions	Rubber Duckies w/NMWD Logo for Give-away at Various Events (1,200)	1,593.30
12	DeGabriele, Chris	Progress Pymt#4: Consulting Services Office/Yard Building Renovation (Balance Remaining on Contract \$11,486)	1,608.00
13	Dell Computers	Replacement PC's (Roberto & Atkinson)	1,600.31
14	Diesel Direct West	Gasoline (315 gals) (\$2.81/gal)	1,109.25
15	Diggs, James	Retiree Exp Reimb (April Health Ins)	311.19
16	Fishman Supply	Ear Plugs (400) & Safety Supplies for Construction	73.00
17	Frontier Communications	Leased Lines	1,431.41

Seq	Payable To	For	Amount
18	Grainger	Valve Rebuild Kit (\$297), Connectors for Pump Motor Splicers @ P RTP (\$408), Ballast & Light Fixtures for Admin Yard & STP (\$298), Batteries (4) & Padlocks for Backflows (10)	1,079.12
19	Jackson, David	Retiree Exp Reimb (April Health Ins)	986.81
20	Latanyshyn, Roman	Retiree Exp Reimb (April Health Ins)	333.79
21	Lemos, Kerry	Retiree Exp Reimb (April Health Ins)	986.81
22	Las Gallinas Valley Sanitary District	Recycled Water Deliveries (10/1/18-12/31/18)	26,626.23
23	Marin Landscape Materials	Rebar (4), Crushed Rock (2 yds) (\$126) & Concrete (42 bags) (\$285)	436.07
24	Marin County Ford	Service Parts ('10 F150- \$119 & 2017 Ford F350-\$105)	223.56
25	McLellan Co, WK	Misc Paving	1,996.06
26	North Bay Gas	Nitrogen for TOC Monitors (STP) (\$623), Welding Respirator & Filters (\$65), March Cylinder Rental (\$98) & Wire for Welding Shop (\$65)	850.85
27	NMWD Employee Association	Dues (1/31/19-3/31/19)	1,200.00
28	Office Depot	Laser Address Labels (2,000) (\$39) & Post-It Pads (16)	67.31
29	Pace Supply	Couplings (4), Backflow Bag (\$101), Cam Checks for Fire Services (2) (\$468), Ells (10), Nipples (40) (\$982), 2" PVC Plugs (20), Angle Meter Stops (50) (\$2,339), Brass Hand Valves (2) & 2" Check Valve (Olema P/S P1 & P2) (\$149)	4,231.42
30	Peterson Trucks	Intake Hose ('15 Int'l 5 yd Dump Truck)	24.96
31	PG&E	Power Charges for 3015 Novato Blvd (STP)	221.49
32	Pini Hardware	Hose for O.M. Lift Pumps (\$33), Tools & Supplies for Maintenance (\$205), Parts for STP Turbimeter Sample Line (\$42), Plumbing Supplies (STP & Construction)	351.69

Seq	Payable To	For	Amount
33	Plasencia, Veronica	Refund Overpayment on Closed Account	32.02
34	Shah, Tejas	Novato "Washer Rebate" Program	50.00
35	Soiland	Asphalt Recycling (7 tons)	35.75
36	Stafford, Vernon	Retiree Exp Reimb (April Health Ins)	333.79
37	State Water Resources Control Board	Renewal of Lab Certification by California State Water Resources Control Board Lab Accreditation Program	6,145.00
38	Syar Industries	Asphalt (18 tons)	2,900.61
39	TPx Communications	March Telephone Charges	521.18
40	VWR International	Chlorite & Nitrile Gloves (20) (\$163)	226.67
41	Waste Management	Wood Waste from Tank Sites (4 yds)	176.97
42	Zaich, Dan	Novato "Landscape Water Efficiency Rebate" Program (\$100) & Novato "Cash for Grass Rebate" Program (\$300)	400.00
<b>TOTAL DISBURSEMENTS</b>			<b><u>\$69,656.96</u></b>

The foregoing payroll and accounts payable vouchers totaling \$69,656.96 are hereby approved and authorized for payment.

  
Auditor-Controller

4/16/19  
Date

  
General Manager

4/16/19  
Date

## MEMORANDUM

To: Board of Directors  
From: Robert Clark, Operations and Maintenance Superintendent  
Subject: Right of Entry Permit – PG&E  
R:\Folders by Job No\EASEMENT\Right of Entry Permit\PG&E ROE Permit BOD Memo.doc

Date: April 19, 2019

**RECOMMENDED ACTION:** None, for information only

**FINANCIAL IMPACT:** \$500 compensation from PG&E

Pacific Gas and Electric (PG&E) has requested a Right of Entry Permit on North Marin Water District (NMWD) property in Novato (map is provided as Exhibit A). The purpose of the Right of Entry Permit is for a helicopter landing area for refueling during maintenance on PG&E utility lines for their Wildfire Safety Inspection Project. PG&E is requesting the permit to be valid for a 6 month period, with an option to extend if necessary. A Draft Right of Entry Permit is attached as Exhibit B. Ongoing discussion with Marin County Parks, Sheriff's Office, California Highway Patrol and Novato Fire Protection District must be finalized before any Right of Entry Permit would be issued to PG&E.



## Exhibit "A"

North Marin Water District  
999 Rush Creek Place  
Novato, Ca 94948  
APN: 125-100-13

TCE Area is approximately 40,000 sqft (outlined in red)  
A 5 wire T-post cattle fence is required to keep cows out of area.

## Legend

Line Measure

W122°38'2.4"

Novato Blvd

N38°07'13.44"

N

500 ft

Google Earth

©2018 Google



FOR DISTRICT USE ONLY

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## **RIGHT-OF-ENTRY PERMIT**

**April 1, 2019 –October 1, 2019**

**NORTH MARIN WATER DISTRICT** ("Permitter") hereby permits Pacific Gas and Electric, to enter upon Permitter's property located at 125-100-13, in Novato, County of Marin, California, as shown on the attached Exhibit A Site Plans ("Premises"), incorporated by this reference, subject to all existing licenses, easements, encumbrances, and claims of title affecting Premises and upon the following terms and conditions:

1. Permit. No work shall commence on Premises until Permittee accepts this permit ("Permit"). The doing of any work under this Permit shall constitute acceptance of these Permit provisions.
2. Exclusive Use. This Permit is for Permittee's exclusive use and is not assignable without the prior consent of Permitter.
3. Purpose. The permitted purpose of Permit shall be solely for entry upon Premises for helicopter landing for refueling during maintenance on the utility lines for the PG&E Wildfire Safety Inspection Project on Permitter's property, APN 125-100-13, Novato, California, including bringing all necessary personnel and equipment onto Premises as necessary for the permitted purpose ("Project").
4. Term. This Permit shall be effective at such time as the fees identified in Section 6 have been paid and shall continue until October 1, 2019, and then shall automatically terminate unless extended by mutual written agreement. If the fees are not received within fifteen (15) days from the date of this Permit, then Permit shall be null and void.

Permitter reserves the right to revoke or modify this Permit at any time prior to the termination date upon forty-eight (48) hours advance notice from Permitter to Permittee.

If Permittee requires use of Premises prior or subsequent to the foregoing dates, then Permittee shall request approval from Permitter at least forty-eight (48) hours prior to the time requested.

5. Permit Shall Remain On-Site. A copy of this Permit must be kept on the site of Premises at all times during the term of this Permit and shall be shown to any representative of Permitter upon demand. Project may be suspended if this Permit is not at Premises.
6. Processing Fee and Compensation. A \$500 processing fee for preparation of the permit and inspection authorized by this permit, including, but not limited to, expenses incurred by Permitter, which costs and expenses Permittee shall pay upon demand.

7. Cost of Work, Protection of Traffic, and Working Procedures. All costs related to Permittee's operations upon Premises shall be at Permittee's expense. All work upon or in connection with the use of Premises shall be done at such times and in such manner as not to interfere with the current or future use of Premises. Permittee shall be responsible for the provision of barriers, directions, signage, and other forms of notice to the general public to assure the safe, smooth, and uninterrupted flow of traffic around Project site and on and about Premises. Permittee shall keep Permitter's Premises in a reasonably neat and safe condition failing which Permitter, after twenty-four (24) hours' prior notice to Permittee, may do so at Permittee's expense.

Permittee agrees to reimburse Permitter for the cost and expense to Permitter of furnishing any materials or performing any labor in connection with the use of Premises, including, but not limited to the furnishing of such security persons, flaggers, and inspectors as Permitter deems necessary. Prior to incurring any cost or expense, Permitter shall reasonably notify Permittee of the same. Said reimbursement shall be paid by Permittee to Permitter within thirty (30) days after presentation of a bill.

8. No Hazardous Materials. No hazardous materials shall be handled at any time upon Premises.
9. Indemnity and Insurance. Permittee shall release, defend (with counsel reasonably satisfactory to Permitter) and indemnify Permitter, Permitter's directors, officers, employees, and agents (collectively, "Indemnitees") from and against all liability, cost, and expense for loss of, or damage to, property and for injuries to, or death of, any person (including, but not limited to, the property) when arising or resulting from the use of Premises by Permittee, its agents, employees, contractors, subcontractors, or invitees; or Permittee's breach of these provisions. The duty of Permittee to indemnify and save harmless the Indemnitees includes the duties to defend as set forth in Section 2778 of the Civil Code. It is the express intent of the parties under this Section 10, that Permittee will indemnify and hold harmless the Indemnitees from any and all claims, suits, or actions arising from any cause whatsoever as set forth above, other than the active negligence, willful misconduct, or criminal acts of the Indemnitees. Permittee waives any and all rights to any type of express or implied indemnity against the Indemnitees arising out of Permittee's use of or activities on Premises. This indemnity shall survive termination of this Permit. It is the intention of the parties that should any term of this indemnity provision be found to be void or unenforceable; the remainder of the provision shall remain in full force and effect.

Prior to entry upon Premises, Permittee shall provide Permitter with satisfactory evidence, in the form of a Certificate of Insurance, that Permittee is insured in accordance with the following, which insurance shall remain in effect throughout the term of this Permit:

- a. Workers' Compensation and Employers' Liability Insurance. Permittee shall procure and maintain Workers' Compensation Insurance and Employers' Liability Insurance in accordance with the laws of the State of California. Employers' Liability Insurance shall have coverage for a minimum liability of Two Million Dollars (\$2,000,000) covering Permittee's employees engaged in the work. Permittee shall insure the procurement and maintenance of such insurance by all contractors or subcontractors engaged on Project.

Prior to commencement of any work hereunder, Permittee shall deliver to Permitter a Certificate of Insurance, which shall stipulate that thirty (30) days advance written notice of cancellation, or non-renewal shall be given to Permitter.

- b. Personal Injury and Property Damage Liability Insurance. Permittee shall also procure and maintain Personal Injury and Property Damage Liability Insurance, including, but not limited to, what is commonly referred to as coverage for "XCU Hazards" (Explosion, Collapse, and Underground Property Damage) which shall include as additional insureds Permitter, Permitter's directors, officers, employees and agents (collectively, "Insureds"), as they now or as they may hereafter be constituted, singly, jointly, or severally. Such insurance shall include Automobile Bodily Injury and Property Damages coverage including owned, hired, and non-owned vehicles.

Said insurance shall be subject to a combined single limit of liability of not less than Five Million Dollars (\$5,000,000).

Prior to entering onto Premises, Permittee shall file Certificate(s) of Insurance with Permitter evidencing the required coverage and endorsement(s) and upon request, a certified duplicate original of any of those policies. Said Certificate(s) shall stipulate:

- 1) The insurance company(ies) issuing such policy(ies) shall give written notice to Permitter of any material alteration, cancellation, non-renewal, or reduction in aggregate limits, if such limits apply, and provide at least thirty (30) days notice of cancellation.
- 2) That the policy(ies) is Primary Insurance and the insurance company(ies) providing such policy(ies) shall be liable thereunder for the full amount of any loss or claim which Permittee is liable for under Sections 10 and 11, up to and including the total limit of liability, without right of contribution from any other insurance effected or which may be effected by the Insureds.
- (3) The policy shall also stipulate: Inclusion of the Insureds as additional insureds shall not in any way affect its rights either as respects any claim, demand, suit or judgment made, brought or recovered against Permittee. Said policy shall protect Permittee and the Insureds in the same manner as though a separate policy had been issued to each, but nothing in said policy shall operate to increase the insurance company's liability as set forth in its policy beyond the amount or amounts shown or to which the insurance company would have been liable if only one interest had been named as an insured.

The insurance policy(ies) shall be written by an insurance company or companies acceptable to Permitter. Such insurance company shall be authorized to transact business in the state of California.

11. Permits from Other Agencies; Hazardous Materials. Permittee shall comply, at Permittee's expense, with all applicable laws, regulations, rules and orders with respect to the use of

Premises, and shall obtain all required licenses, permits or other approvals in connection with Permittee's use of Premises. Permittee shall furnish satisfactory evidence of such compliance upon request of Permitter.

Should any discharge, leakage, spillage, emission or pollution of any type occur upon or from Premises due to Permittee's use and occupancy thereof, Permittee, at Permittee's expense, shall clean all affected property to the satisfaction of Permitter and any governmental body having jurisdiction.

Permittee shall indemnify, hold harmless and defend the Indemnitees against all liability, cost, and expense (including, without limitation, any fines, penalties, judgments, litigation costs, reasonable attorneys' fees and consulting, engineering and construction costs) incurred by Permitter as a result of Permittee's breach of this section or as a result of any such discharge, leakage, spillage, emission, or pollution by Permittee, regardless of whether such liability, cost, or expense arises during or after the term of this Permit.

12. Assumption of Risk. Permittee shall assume all risk of damage to any and all other property of Permittee, or any property under the control or custody of Permittee while upon or near Premises of Permitter incident to the use of Premises; provided, however, such assumption by Permittee shall not include any damage caused by the active negligence and/or willful misconduct of Permitter. Permittee releases Permitter from any liability, including claims for damages or extra compensation, arising from operational delays due to any activities by Permitter or any operations by any agency as authorized by Permitter.
13. Subcontractors. Any person, firm or corporation Permittee authorizes to work upon Premises, including any contractor(s) and subcontractor(s), shall be deemed to be Permittee's agent and shall be subject to all the applicable terms hereof.
14. Restoration of Premises. Upon termination of this Permit, Permittee, at its own expense, shall remove from Premises all property it owns or controls, all debris and other materials, and restore Premises to its condition prior to entry or to a condition reasonably satisfactory to Permitter. Upon Permittee's failure to do this, Permitter, upon forty-eight (48) hours prior notice to Permittee, may perform such work at Permittee's expense.
15. Severability. If any provision of this Permit shall be for any reason unenforceable, in any respect, such unenforceability shall not affect the other provisions of this Permit.
16. Attorneys' Fees. If any legal proceeding should be instituted by either of the parties to enforce the terms of this Permit or to determine the rights of the parties under this Permit, the prevailing party in the proceeding shall receive, in addition to all court costs, reasonable attorneys' fees.

If the endorsed copy of this Permit is not received within fifteen (15) days from the date of this Permit, then this Permit shall be null and void.

IN WITNESS WHEREOF, the parties have executed this Permit as of the day and year first above written by their duly authorized representatives.

**“PERMITTOR”**  
**NORTH MARIN WATER DISTRICT**

**“PERMITTEE”**  
**PACIFIC GAS AND ELECTRIC**

By: \_\_\_\_\_  
Drew McIntyre, General Manager

By: \_\_\_\_\_

ATTEST:

Title: \_\_\_\_\_

By: \_\_\_\_\_

## EXHIBIT "A"

\*DRAFT Minutes of Technical Advisory Committee  
35 Stony Point Road, Santa Rosa, California  
March 4, 2019

Attendees: Easter Ledesma, City of Santa Rosa

Mike Ban, Marin Municipal Water District  
Mary Grace Pawson, City of Rohnert Park  
Colleen Ferguson, City of Sonoma

Paul Piazza, Town of Windsor  
Jon Foreman, Valley of the Moon Water District  
Matt Fulmer, Valley of the Moon Water District  
Grant Davis, SCWA  
Pam Jeane, SCWA  
Craig Scott, City of Cotati  
Rocky Vogler, North Marin Water District  
Drew McIntyre, North Marin Water District  
Jennifer Burke, City of Santa Rosa  
Chris Petlock, Valley of the Moon Water District  
Kent Carothers, City of Petaluma

Staff: Colin Close, City of Santa Rosa  
Barry Dugan, SCWA  
Don Seymour, SCWA  
Carrie Pollard, SCWA  
Lynne Rosselli, SCWA  
David Manning, SCWA  
Kimberly Zunino, City of Santa Rosa

Public Attendees: Brenda Adelman, RRWPC  
Bob Anderson, United Wine Growers  
Margaret DiGoneva, California American Water  
David Keller, FOER

1. Check-in  
Drew McIntyre, TAC Chair, called the meeting to order at 9:08 a.m.
2. Public Comments  
No public comments
3. Approve- FY20 Draft SCWA Water Transmission System Budget  
Kimberly Zunino, City of Santa Rosa- TAC Finance Subcommittee meets each year. This year it consists of: Paul Piazza, Town of Windsor, Julie Blue, North Marin Water District, Chris Petlock, Valley of the Moon Water District, Michael Ban, Marin Municipal Water District, Craig Scott, City of Cotati, Jennifer Burke, City of Santa Rosa and Kimberly Zunino (Chair), City of Santa Rosa. The subcommittee met twice this year. The proposed increase was 5.99%, the Budget subcommittee asked SCWA (aka Sonoma Water) to answer questions and review the long range CIP plan. After more

subcommittee interactions, Sonoma Water agreed to reduce the proposed rate increase to 4.6%. The subcommittee unanimously agreed to move the draft budget forward and is now presenting to TAC. Lynne Roselli, SCWA staff presented the draft budget, refer to handout. Action item for TAC today is to recommend approval so the WAC can take action at a Special WAC Meeting on April 8. Motion from Craig Scott, City of Cotati and seconded by Colleen Ferguson, City of Sonoma; unanimously approved.

4. Sonoma Marin Saving Water Partnership

- a. Water Production sheet not available at this time. There will be an update at the next meeting.

5. Water Supply Conditions

Pam Jeane, SCWA; Lake Mendocino and Lake Sonoma are very full. Lake Mendocino has about 85,500 acre feet of water. Releasing about 2700 CFS and Army Corps of Engineers (ACOE) are working to reduce down to about 850 CFS. ACOE staff are making some changes and keeping Sonoma Water updated on water release changes. They have also been making adjustments in the releases to not increase flooding potential in Guerneville. Lake Sonoma has about 291,000 acre feet of water and ACOE is releasing 5,000 CFS. ACOE staff are making adjustments throughout the day to reduce releases to 1,000 CFS. Healdsburg flow is 8300 CFS and Hacienda is about 60,000 CFS. Wastewater facilities upstream of the Agency's water supply wells were impacted from the storms, Sonoma Water was monitoring the situation as far as Water Quality goes. One of the water supply wells (Collector 5) is considered under the influence of surface water, and hasn't been operational since last Fall.

6. Biological Opinion Status Update

Pam Jeane, SCWA-Refer to handout

- a) Fish Flow-Internal meetings continue regarding development of an outreach program to help others better understand the Fish Flow Habitat and Water Rights Project and Agency staff continues to move forward with responses to comments.
- b) Dry Creek Habitat Enhancement Project- The third of the 3 sites in Reach 14 will begin construction in June 2019, Sonoma Water and ACOE are moving ahead with Phases IV, V and VI of the habitat enhancement project, which will make up the last three of six miles required by the Russian River Biological Opinion. Celebration of completion of ACOE's Reach 4 segment will be April 22, 2019 at 12:30pm and ribbon cutting will be at 1:00pm as well as the signing of an agreement to move forward with the three next phases of the project.
- c) Fish Monitoring-Includes placement of antennas in newly-created off-channel areas to evaluate whether tagged salmon and steelhead are taking advantage of these habitats. They are observing coho, steelhead and chinook as well as juvenile steelheads in the habitats.
- d) Russian River Estuary Management Project- Estuary has been open for a while and is predicted to stay open.
- e) Interim Flow Changes- We are in a normal year this year and a decision will be made in the next couple of months about the need to file a petition for interim flow changes whether it be for drought or Biological Opinion Compliance.

7. Regional Water Supply Resiliency Study

Don Seymour, SCWA- Refer to memorandum



Sonoma Water has executed an agreement with Jacobs Engineering Group, Inc (Jacobs) to prepare a regional water supply reliability study. The primary goal of the study is to develop an integrated water supply planning process that takes into account the sources of water supply for Sonoma Water and its Retail Customers, and their specific vulnerabilities (hydro-climatic, seismic, regulatory and/or infrastructure related). Phase One is to be completed by fall 2019 and will be the roadmap and workplan to be implemented in Phase Two which is slated to begin in early 2020. The second phase will involve assisting in the implementation of the plan.

8. Potter Valley Project

Pam Jeane, SCWA-PG&E submitted a Notice of Withdrawal regarding their initial intent to file a FERC license application and pre-application document on January 25, 2019. They essentially have terminated their relicensing process, cancelled their Request for Offers (auction) solicitation process and subsequently immediately filed for bankruptcy protection on January 29, 2019. By PG&E deciding to not relicense the project, they are now entering in an "Orphan Process" as defined by FERC. On March 1, 2019, FERC issued a Notice Soliciting Applications for any other interested parties to file a license application for the Potter Valley Project. Interested parties have 120 days (June 29, 2019) to file a notice of intent with FERC and must submit a license application by April 14, 2020. The latest Huffman Ad Hoc meeting discussed PG&E's bankruptcy, the FERC Orphan Process and studies that have already been done in accordance with the study plan. The Ad Hoc working groups showed interest and agreement to complete their work.

9. Special WAC Budget Meeting on April 8 (including tour of Agency Facilities)

Drew McIntyre, North Marin Water District- Meeting will be held at 10am. After the meeting, interested WAC representatives will be touring Agency water infrastructure.

10. Items for WAC/TAC Meeting on May 6

No special requests

11. Check out

Meeting adjourned at 10:14am.

# California's Monster Snow Year ... 'It's Been a Wild Ride'

Craig Miller

Apr 1



Heavy snow from an atmospheric river storm in February covers evergreen trees in the Sierra Nevada near Phillips Station meadow, about 90 miles east of Sacramento. *(Ken James/California Department of Water Resources)*

It's been a big year for snow in the Sierra Nevada range.

This is the time of year—April 1—when the snowpack is typically at its peak and on Tuesday, when surveyors do their monthly manual survey, they're likely to find a [snowpack at about 160 percent](#) of the average.

Ski slopes are still expecting to be open this summer on the 4th of July.

Mammoth Mountain, which soars to 11,000 feet in the central Sierra, has had 50 feet of snow pile onto its sweeping inclines. The nearby Mammoth ski resort tweeted that it had broken its snowfall record for February—and it was only two weeks into the month.

"Absolutely fantastic," is how Ben Hatchett sums up the snow season. Hatchett is an atmospheric scientist at the Western Regional Climate Center in Reno, but he'll rhapsodize at length about how the storm sequence lined up to produce a "dream

season" on the slopes, with few intermittent melts and little rain at high elevations to create the fabled "Sierra cement" snow conditions.

"We never got those storms that end and then the sun comes out and it goes to 42 degrees, and everything gets cooked," Hatchett recalls. "It just really stayed incredible for what we were hoping would be days, but then turned into weeks and then even to months."

"It's been a wild ride," admits Lara Kaylor, who works in the tourism office in Mammoth Lakes. She lives in a lower-elevation part of town, known locally as the Banana Belt.

"Our snow banks are probably only about 20 feet high," she muses, "versus 40 to 50 feet high." And she's not kidding.

Kaylor says some extra snow shoveling is a fair trade-off for the obvious benefits. Tax collections from the tourist economy have already topped \$3 million in the town of Mammoth Lakes, setting a local record. The town is nestled just below California's highest ski slopes, which are projected to be open on the Fourth of July this year.

"It's just kind of mind-blowing to people that you can come and ski in June," says Kaylor.



Tabletops outside of Smokeyard Restaurant in the Village at Mammoth. (*Mammoth Lakes Tourism/Dakota Snider*)

The string of cold storms was also a boon to California's water supply, increasing snow cover even at lower elevations.

"We had such low [elevation] snow levels that we were able to accumulate snow over a humongous area of the Sierra Nevada," notes Hatchett. "There's a snowpack at two-or-three-thousand feet this year."

Californians count on Sierra snow for about a third of their water supply.

For flood managers, though, it's right on the brink of having too much of a good thing. An abrupt warm-up at this point could melt much of that accumulated snow and send it cascading into reservoirs that are already brimming—or at least at the point where operators are required to start releasing water to maintain room for flood control.

It was a pulse of runoff two years ago that caused the collapse of both the primary and emergency spillways at Oroville Dam in Butte County. The state's Department of Water Resources says the first test of the newly rebuilt spillway could come as early as this week.

And Hatchett says that, unlike the winter just passed, the outlook for this spring is for above-average temperatures throughout most of California.

Science  
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## Marin experiencing near-record rain

### Rain

#### WEATHER

Second wettest water season since records began in 1880

**RAIN » PAGE 2**

**By Will Houston**

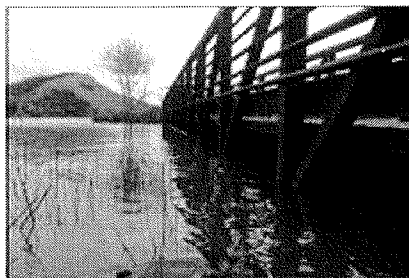
*[whouston@marinij.com](mailto:whouston@marinij.com) @Will\_S\_Houston on Twitter*

If it seems like Marin County's been more rainy than usual, that's because it's been experiencing its second-wettest year on record so far, according to the National Weather Service.

Nearly 52 inches of rain have been recorded at the weather service's Kentfield gauge since the start of the water year on Oct. 1, making it the second-highest amount for that six-month period since 1880, when records began. Normally the area records about 42 inches at this time of year.

Marin's wettest year at this six-month juncture was in 1983, when there was a whopping 82.1 inches of rain, according to National Weather Service meteorologist Steve Anderson.

Meanwhile, the most important snowpack survey of the season in the Sierra Nevada was recorded Tuesday at 161 percent of



Water comes up to the bottom of a pedestrian bridge at Stafford Lake in Novato. The lake has seen 34.8 inches of rain since Oct. 1.

ALAN DEP — MARIN INDEPENDENT JOURNAL

## Marin experiencing near-record rain

### Rain

#### FROM PAGE 1

the historic average, the fourth-best reading in 40 years and good news for the entire state. That puts California's water supply for the next year in almost ideal shape.

water managers use that to judge what type of melt-off we're going to get as we get into the warmer, drier summer months."

The 161 percent statewide average is the fourthlargest April snowpack since 1981, according to data from the department. The statewide snow water equivalent averaged 45 inches.

All seven of the Marin Municipal Water District's reservoirs are spilling, with the total water supply about 8 percent above normal, according to its latest water storage report. The district has about 79,566 acre-feet — about 26 billion gallons — in its reservoirs now; normally it has about 73,440 acre-feet this time in the water year, according to the storage report. Some reservoirs in the Mount Tamalpais watershed have been spilling for close to a month.

Stafford Lake near Novato, which provides about 20 percent of the North Marin Water District's supply, has seen 34.8 inches of rain since Oct. 1. That's about 28 percent above the average 27.3 inches and more than double the 16.1 inches it received last year during this time period, according to district General Manager Drew McIntyre.

"As we all have experienced, this has been a bountiful wet weather season, which has allowed our local and regional reservoirs to fill to capacity," McIntyre said. "That said, we continue to thank our customers for their ongoing efforts to use water efficiently and quickly fix leaks."

Marin's supply of imported water from the Sonoma County Water Agency is also bountiful, according to McIntyre. The agency's reservoirs at Lake Mendocino and Lake Sonoma — which provide about 75 percent of the supply to NMWD and about 20 percent of the supply to MMWD — are filled, McIntyre said.

After a slight break on Wednesday, the wet weather is set to return with a weak atmospheric river on Thursday through Friday. Around 1 to 2 inches of rain is expected, Anderson said, and there will be on-and-off showers through the weekend.

Having these types of storms at this time of year is perfectly normal.

"We really don't start drying out until the middle of May," Anderson said.

Since 1980, the statewide snowpack through the start of April has measured 160 percent of normal or higher just four times, according to data from the department. The largest snowpack over the last nearly 40 years was 1983 at 227 percent; in 2017, the snowpack measured at 159 percent of average.

The snowpack is an important factor in determining how the department manages California's water supply. The Sierra snowpack supplies about 30 percent of California's water needs as it melts in the spring and early summer to meet water demands in the summer and fall.

Every winter, around the start of each month, state water officials and other scientists from more than 50 local, state, and federal agencies collect data from more than 300 locations throughout California.

State water officials said this year's snowpack was fueled by more than 30 "atmospheric river" storms, including six in February that blanketed the Sierra Nevada with as much as 25 feet of snow.

In some years, California only sees six such storms, according to Kristopher Tjernell, the deputy director for integrated watershed management.

However, Tjernell offered a reminder that California is just four years removed from the driest early April snowpack on record, just 5 percent in 2015. "These highs and lows are anticipated to be even more extreme as climate change increasingly affects our communities," Tjernell said.

Tuesday, the state's largest six reservoirs were at between 81 percent (Oroville and Don Pedro) and 132 percent (Melones) of their historical average capacities for this date.

Lake Shasta, California's largest surface reservoir, was 89 percent full, or 112 percent of its historical average.

There are no drought conditions in Marin County, according to the U.S. Drought Monitor.

“With full reservoirs and a dense snowpack, this year is practically a California water supply dream,” California Department of Water Resources Director Karla Nemeth said in a statement. “However, we know our long-term water supply reliability cannot rely on annual snowpack alone. It will take an all-of-the-above approach to build resiliency for the future.”

State water officials consider the annual early April snowpack reading in the Sierra Nevada to be the most important of the year for planning summer water supplies across California.

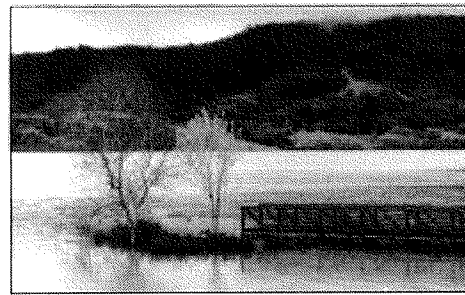
Tuesday’s snowpack measurement at the Phillips Station in El Dorado County off Highway 50 was done in front of journalists and broadcast live on the department’s Facebook page. Officials measured 106.5 inches of snow depth; the snow water equivalent, meaning the amount of water in any given area if the snow was all melted, was 51 inches.

“Our April survey is very significant because this is typically when we see the deepest snowpack with the most water content,” said Chris Orrock, a spokesman for the department. “Our

Tuesday, state water managers for the first time opened the doors of the newly rebuilt main spillway on the Oroville Dam, which failed two years ago and caused the evacuation of 188,000 people in Butte County.

Lake Oroville, which is nine miles long and a key water supply for California cities and farms, was 81 percent full Tuesday (106 percent above normal for this time of year) and rising.

*Bay Area News Group contributed to this report.*



Stafford Lake in Novato has received more than double the 16.1 inches it received last year during this time period.

ALAN DEP — MARIN INDEPENDENT JOURNAL

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Wednesday, 04/03/2019 Pag.A01

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# Snow Survey Boosts Runoff Predictions

Published: Apr 02, 2019

**SACRAMENTO, Calif.** – The Department of Water Resources (DWR) today conducted the fourth Phillips Station snow survey of 2019. The manual survey recorded 106.5 inches of snow depth and a snow water equivalent (SWE) of 51 inches, which is 200 percent of average for this location.

Statewide, the Sierra Nevada snowpack is 162 percent of average. California has experienced more than 30 atmospheric rivers since the start of the water year, with six in February alone, and statewide snow water equivalent has nearly tripled since February 1. Snow water equivalent is the depth of water that theoretically would result if the entire snowpack melted instantaneously. It is an important tool used by water managers across the state to estimate anticipated spring runoff.

“With full reservoirs and a dense snowpack, this year is practically a California water supply dream,” said DWR Director Karla Nemeth. “However, we know our long-term water supply reliability cannot rely on annual snowpack alone. It will take an all-of-the-above approach to build resiliency for the future.”

Snowpack is an important factor in determining how DWR manages California’s water resources each year to meet demands. On average, the Sierra snowpack supplies about 30 percent of California’s water needs as it melts into streams and reservoirs in the spring and early summer to meet water demands throughout the year. The April results are a key indicator for the rest of the year’s water supply. The snowpack’s water content typically peaks around April 1, after which the sun’s higher position in the sky begins to accelerate snow melt.

While the April 1 snowpack data is good news for water supply, state officials warn there could be flooding risks later this spring.

“With great water supply benefits comes some risk,” said Jon Ericson, DWR Chief of the Division of Flood Management. “Based on snowpack numbers, we have the potential for some minor flooding due to melting snow so we remind folks to always stay vigilant and aware.”

The state’s largest six reservoirs currently hold between 106 percent (Oroville) and 132 percent (Melones) of their historical averages for this date. Lake Shasta, California’s largest surface reservoir, is 109 percent of its historical average and sits at 89 percent of capacity.



DWR conducts up to five snow surveys each winter – near the first of January, February, March, April and, if necessary, May – at Phillips Station in the Sierra Nevada just off Highway 50 near Sierra-at-Tahoe. The Phillips snow course is one of hundreds that is surveyed manually throughout the winter. Manual measurements augment the electronic readings from about 100 snow pillows in the Sierra Nevada that provide a current snapshot of the water content in the snowpack.

### **Additional Resources**

[Video of Phillips survey](#)

[Digital photos of Phillips survey](#)

[Snowpack readings](#) (*View readings for current regional snowpack and historical snowpack comparison*)

[CDEC precipitation data](#) (*View current charts for the Northern Sierra 8-station index for updated rainfall readings in the critical northern portion of the state, as well as the San Joaquin 5-station index and Tulare Basin 6-station index.*)

###

*For more information, follow us on [Twitter](#) or [Facebook](#) and read our [news releases](#) and [DWR updates](#).*

### **Contact:**

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916-651-7012 | [Chris.Orrock@water.ca.gov](mailto:Chris.Orrock@water.ca.gov)

## INVERNESS

### Talks sought in water tank dispute

The North Marin Water District board voted to enter into settlement negotiations over a disputed water tank project in Paradise Ranch Estates.

The property owners, Jesse Colin Young and his wife Connie Young, appealed the proposed

construction of the 125,000-gallon storage tank last year, citing visual impacts to the property. The California Coastal Commission is set to consider on April 10 whether to hear Young's appeal, with commission staff recommending against it.

The water district board voted 4-0 this week for the settlement talks, with director James Grossi absent.

## MMWD benefits, salaries debated

### MMWD

#### GROWING EXPENSES

Proposed rate hike, fee prompt extra public scrutiny

**By Will Houston**

*[whouston@marinij.com](mailto:whouston@marinij.com) @Will\_S\_Houston on Twitter*

As the Marin Municipal Water District gears up to consider another rate and fee hike this year, some of the public debate has turned to whether the district is paying too much in salaries and benefits to its employees.

While the district has reduced its staff size by about 26 positions since 2010, district officials say health care benefits and pension costs have continued to rise.

The annual 4 percent water rate increase being proposed for the next four years would be used, in part, to keep up with these rising costs as well as overall inflation. Much of the public's attention has also focused on a proposed "capital maintenance fee," which could cost either \$163 or \$409 per year for most district customers and would be used to replace and repair aging pipes, tanks and treatment plants.

The district is set to hold a workshop April 25 at the Mill Valley Community Center, 180 Camino Alto. A final vote on the fee and rate hike is scheduled for May 28.

"Employee health care benefits and health care benefits to MMWD retirees are a further large and growing operating expense for MMWD — ultimately borne by its customers," said Paul Premo, a Coalition of Sensible Taxpayers board member who has spoken against the district's rate increase.

The water district treasurer Charles Duggan

**MMWD >>PAGE 4**

## MMWD benefits, salaries debated

### MMWD

#### FROM PAGE 1

said the district has worked to balance the ability to retain skilled staff of various career fields, from chemists to utility maintenance crews, while also balancing the impact to ratepayers.

go to salaries and benefits, he said that wage and salary expenses haven't changed much. Salaries and wages in 2018-19 were budgeted for \$24,344,110, up by about \$17,000 from the \$24,326,636 expenses incurred in 2017-2018.

Total benefit payments such as pension and health care saw a larger increase of about \$110,000, jumping from \$16,254,673 in 20172018 to \$16,364,275 in 20182019, Duggan said.

“We don’t pride ourselves to be top of the market or the bottom of the market. We shoot to be in the middle,” Duggan said. “We think that gives us a good mixture of value for our employees and value for our ratepayers.”

## Pensions

Like many public agencies in the state, the water district is facing mounting pension costs.

The district’s unfunded liability is about \$92 million and the costs are expected to rise, Duggan said. That’s because the state’s retirement system, the California Public Employees’ Retirement System or CalPERS, has also been lowering its discount rate since 2017. The discount rate essentially indicates how much CalPERS investments of employer and employee pension payments are expected to earn in the future. This results in employers, like the district, and employees being required to contribute more to the pension system, Duggan said.

“That has an impact and as we see our costs growing we’re trying to do everything we can to provide great service,” Duggan said.

If the discount rate was 1 percentage point higher, Duggan said the district’s liability would shrink to about \$60 million.

Pension costs are expected to make up more than 9 percent of the district’s total budget by 2020, or about \$9.7 million, according to district general manager Ben Horenstein. For the current fiscal year, the district’s pension costs are about \$6.7 million or about 7 percent of the budget, and are expected to rise to about \$7.7 million for the upcoming 2019-2020 fiscal year, according to Horenstein.

In 2017, the average employee with the district received \$38,102 in pension benefits.

To address the pension costs, the district board created a fund last year which has about \$2 million in it. Duggan said the board is exploring how it plans to use the fund, such as using it to pay down the liability or saving it to cushion the

Premo says the employee salaries come with other costs, like pensions.

“Certainly MMWDs employee salaries which are high, and which earn pension benefits whose formulas are based on salaries, are a huge and growing cost of MMWDs operating expenses,” Premo said.

At the last meeting on the rate proposal on March 19, board members and district employees went on the defense after employee pay concerns were raised.

“They’re highly qualified and highly competent staff,” board president Larry Bragman said at the district’s March 19 meeting.

“Employees are probably the district’s most important assets and often overlooked in these discussions about pensions and salaries,” said Mariette Shin, an 18-year district employee said.

If the district lowered salaries, Director Armando Quintero said that would lead to a loss of institutional knowledge and result in a less-skilled staff.

“Lowering our salaries would turn us into a training ground where you’re always having turnover and also less skilled and less knowledgeable folks working on your water system,” he said at the meeting.

Other members of the public also praised district staff for their responsiveness.

## Board benefits

Though not discussed in recent meetings, the district board also receives benefits.

In the 2017-18 fiscal year, each board member received either \$4,200 or \$4,600 for its regular board meetings, between \$2,400 to \$5,600 for its committee and special meetings, between \$200 to \$6,600 for participating in advisory committees, councils and forums, and up to \$3,800 for conferences, trainings and memberships, according to a compensation report. They also

district from potential large spikes in pension costs in the future.

But following the passage of a statewide pension reform legislation in 2013, the district's pension costs are expected to decrease through time, Duggan said. All new employees hired after 2013 will fall under these new pension plans in which employees have to pay more into their pension benefits. About 88 of the 240 district employees are under these new plans, but the district expects to increase to 110 of 240 employees by 2021.

### **Employees, pay**

Since 2010, the water district has slashed 26 fulltime positions to its current level of 240 full-time employees. Some members of the public have questioned whether the district could reduce salaries and benefits so as to not pass on too much cost to customers.

The average salary among the district's 240 employees is about \$105,000 per year and the median pay is about \$99,000. Under the current contract with unionized employees, the district increases wages based on increases to the consumer price index for Bay Area urban areas with a cap at 3 percent each year, Duggan said.

Duggan said the district's salaries are in the middle of the market. While Duggan said it would be difficult to parse out exactly how much of the new revenue from the rate hike would

received nearly \$550 that year for their iPad data plans.

Then there are the health care benefits paid to each of the district board members, ranging between \$20,609 to \$22,257 per year for each member, according to the report. Director Armando Quintero is the only board member who does not receive the medical and dental benefits. Attempts to contact Quintero were unsuccessful.

Duggan said the health care benefits are administered through CalPERS and are not lifetime benefits unless the director has served 30 years or more on the board. The intent of this was to ensure no one would receive lifetime health care benefits, Duggan said, and that's been successful so far.

Other regional districts also offer their board members health insurance including the East Bay Municipal Utility District, the Contra Contra Water District, Alameda County Water District, the Dublin San Ramon Water Services and the Santa Clara Valley Water District, Duggan said.

Premo called the tax-free health care benefits "both outrageous, and obviously compromise those directors in evaluating and approving like health care benefits for MMWD employees in periodic union contract negotiations."

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Sunday, 04/07/2019 Pag.A01

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## *Pension trust worthy; more should be done*

### **Editorial**

Novato's creation of a trust fund to manage its pension contributions could prove helpful, but it's not the kind of cost-cutting reform that's going to lift taxpayers out of a swirl of rising payments and predictable pressure to raise local taxes or reduce public services.

The City Council has decided to create a trust fund with a private investment management firm to help it manage its pension contributions. The hope is the firm's success in managing those funds will generate investment returns that can help the city defray the cost to taxpayers.

The city already is using a similar strategy for money set aside to cover employee and retiree medical insurance coverage.

It could be a financially advantageous move.

Novato, just like every city and public agency that is part of the California Public Employees' Retirement System, is facing rising annual costs for employee pensions. The city — or taxpayers — face an estimated \$47 million tab in unfunded liabilities.

The city's annual general fund budget is about \$40 million.

Between this year and 202324, the city's contribution to CalPERS is expected to increase by 64 percent.

That means the \$4.5 million the city contributes yearly to CalPERS to cover its pensions is expected to rise to \$7.3 million.

For example, the local sales tax voters approved in 2015 generates about \$2 million per year. That was a tax voters approved to preserve police protection and other city services.

The projected increase translates into ongoing pressure to raise taxes and fees, reduce public

costs. In addition, CalPERS reduced its rosy estimated returns to 7 percent, which some critics maintain is still too optimistic.

Reducing that estimated return translated into increasing the contributions from member agencies, including Novato.

In addition, CalPERS leadership has stressed that it is not the one that negotiates pay and pension benefits; each member agency is responsible for the ramifications of those local decisions.

Cities have looked to Sacramento for an answer, a remedy that would apply statewide rather than creating hiring and retention problems for municipalities that do take significant steps to rein in their pension costs.

But pension costs have continued to rise, even after the state Legislature approved much of then-Gov. Jerry Brown's reforms. It was a first step, but lawmakers have refused to take another.

Gov. Gavin Newsom has hardly mentioned pensions. Labor opposition to significant reforms has been fierce and parts of Brown's reforms are still tied up in legal fights launched by public workers' unions.

Workers should be treated fairly and professionally; their pensions are part of that equation. But the rising cost to taxpayers has to be addressed, not shrugged off as politically too hot to handle, both locally and statewide.

Novato's move to hire a private investment firm to help it manage its pension bill may help, but it is a far cry from a solution to a fiscal challenge that promises to grow worse in the coming years.

services and programs and cut back on City Hall's payroll.

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At one time, cities didn't sweat their pension bills. CalPERS investments were regularly generating double-digit returns, typically covering a large part of each agency's expense.

But that was before the recession, and CalPERS' returns weren't covering the projected long-term

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## Yes, we need clean water. But it must remain tax-free

 [calmatters.org/articles/commentary/water-tax/](https://calmatters.org/articles/commentary/water-tax/)

Guest Commentary

Guest Commentary: [Find out more](#) about submitting a commentary.

**By Sharon Quirk-Silva**, *Special to CALmatters*

Most states don't tax milk, bread, fruit or vegetables because they are essential to human life. Food tax exemptions have been in place since the Great Depression, part of a social covenant formed to help the neediest afford life's essentials.



But Democratic Sen. William Monning of Carmel is leading an effort to tax something even more essential than groceries. Tax bills now under consideration seek to tax the water we use in our homes.

Five years ago, the California Legislature passed a law declaring that water is a basic human right. But the truth is that not everyone in California can count on the safety or reliability of water coming out of their taps or wells.

This proposed water tax seeks to levy taxes on all water users as a way to fund improvements for failing water systems. Proponents argue that water ought to be taxed as a "public good" such as electricity and natural gas.

I applaud the ultimate goal of the water tax to help these inadequate and neglected water systems, but there are better approaches to fix this difficult problem.

Much is at stake. Depending on whom you ask, between 200,000 to 1 million Californians do not have regular access to safe drinking water.

Many of these deficient systems are in the Central Valley. According to the State Water Resources Control Board's database of chronically failing water systems, nearly half of the suppliers who cannot meet basic drinking water safety standards are single well owners.

Local water districts and very small mutual water companies comprise the remainder. There is no doubt we must address this. But the key question is funding. How much will it cost and who will pay?

Sen. Monning's bill, [Senate Bill 200](#), is based on a previous bill he proposed in 2018, that would raise funds through a monthly tax ranging between \$1 to \$4 depending on each household and business meter size.



That proposal stands in stark contrast not just to our collective desire to keep life's essentials free from tax, but to other bills that seek to exempt even more public goods such as diapers and women's sanitary products from taxation.

There is a different approach.

Democratic Sen. Ana Caballero of Salinas is proposing [SB 669](#) which would create a trust fund with seed money from the state budget surplus. The Safe Drinking Water Trust fund would provide the opportunity for collective action without new taxation by using the state's budget surplus as a source of seed funding.

Funding could be expanded or reduced depending on the results of the State Water Resource Control Board's needs assessment of chronically failing water systems.

Trust fund money also could be applied to help community water systems afford water treatment systems in order to meet future drinking water regulations.

The budget surplus need not be the only source of funding for the trust fund. Assembly Speaker Anthony Rendon has tasked Democratic Assemblyman Eduardo Garcia from the Coachella Valley to evaluate different options for solutions to the safe drinking water funding question.

Assemblyman Garcia has been reaching far and wide to collect ideas from stakeholders throughout the state. We'll begin to see the results of his efforts and informational hearings as his [Assembly Bill 217](#) makes its way through the legislative process.

We share basic needs for food, water, and products that keep us healthy. Through our collective action, we must pull together to make meeting those basic needs a priority.

Taxing water, food and other essential needs would limit their affordability and betray our collective resolve that no one should be denied the essentials for health, sanitation and freedom from hunger and thirst.

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*Sharon Quirk-Silva is a Democrat who represents Assembly District 65 in northern Orange County, [email protected] She wrote this commentary for CALmatters.*

## Parent-Sorensen Mortuary and Crematory

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### Joseph "Joey" Corda

( April 07, 1976 - April 05, 2019 )

Joseph A. "Joey" Corda passed away suddenly on April 5, 2019 in Novato at the age of 42 years. Devoted fiancé of Sara Bowman. Adored father of Harper and Camby Corda. Beloved son of Nettie and Fred Corda. Cherished brother of Janeen Brady (Kevin) and Jeff Corda (Sara). Dear brother-in-law of Joe Bowman (Stephanie) and Cayleb Bowman. Loving uncle of Caitlin, Maegin, Hugh, Will, Owen, Ellie, Evelyn, and Wyatt. Treasured Godson of Eddie Cardoza and Elenore Renati and Godfather of Bruno Moreda and Matthew Corda.



A member of pioneer families of Sonoma and Marin Counties, Joey was born in Petaluma but reared in Novato. He worked for North Marin Water District for over 20 years. He was a member of the Corda Brothers Gun Club and enjoyed hunting, riding motorcycles, working on his family ranch, and hanging out with his friends. Above all, he loved spending time with Sara, dancing with his girls and raising them to love the outdoors. He was a wonderful man and will be greatly missed.

Friends and family are invited to attend the Vigil Service and Funeral Mass on Tuesday, April 16, 2019 at 5:30 pm at St. Vincent de Paul Catholic Church, 35 Liberty St., Petaluma. In lieu of flowers, contributions may be made to your favorite charity or in care of Janeen Corda for contribution to the education fund we are setting up for Joey's girls. Contact Janeen for details. Private Inurnment.