



NORTH MARIN WATER DISTRICT
AGENDA
REGULAR MEETING
 May 2, 2017 – 7:00 p.m.
 District Headquarters
 999 Rush Creek Place
 Novato, California

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Est. Time	Item	Subject
7:00 p.m.	CALL TO ORDER	
	1.	APPROVE MINUTES FROM REGULAR MEETING , April 18, 2017
	2.	GENERAL MANAGER'S REPORT
	3.	OPEN TIME: (Please observe a three-minute time limit)
		This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
	4.	STAFF/DIRECTORS REPORTS
		ACTION CALENDAR
		CONSENT CALENDAR
		The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.
	5.	Consent – Approve: GHD Consulting Engineering Services Agreement – PRE Tank 4A
	6.	Consent – Approve: Prunuske Chatham, Inc. – Consulting Engineering Services Agreement – Feasibility Analysis for Pipe Crossing Repairs at Rush Creek and Novato Creek, and Bank Repairs at Leveroni Creek
	7.	Consent – Approve: Rate Increase Letter to West Marin Water and Oceana Marin Sewer Customers
	8.	Consent – Approve: Response to Consumer Inquiry – Sonoma County Water Agency, Possible Merger
	9.	Consent – Approve: Approve Press Release Regarding NMWD Management Changes
	10.	Consider: Additional Bill Adjustment – Emily Morris
	11.	Approve: Presentation from Architect Noll & Tam and Approve Headquarter Master Plan

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
	12.	Approve: Approve General Manager Appointment
	13.	Approve: Approve General Manager Employment Conditions Resolution Resolution
	14.	Approve: RW Central - West – Increase Construction Contingency (Ghilotti Construction)
	15.	Approve: NBWRA Update and Approval of Reconciliation and Reassessment
		INFORMATION ITEMS
	16.	Quarterly Progress Report – Water Conservation
	17.	Quarterly Progress Report – Engineering
	18.	Initial Review – FY 2017/18 Proposed Novato Operations Budget
	19.	Initial Review – FY 2017/18 Novato Recycled Water System Budget
	20.	WAC/TAC Meeting – May 1, 2017
	21.	MISCELLANEOUS
		Disbursements
		Self-Insured Workers' Comp – 3 rd Quarter Status Report
		FY17 – 3 rd Quarter Labor Cost Report
		Press Release - Rohnert Park Mayor Jake Mackenzie Receives Leadership Award from the North Coast Resource Partnership
		<u>News Articles:</u>
		Sewer rate hike in Tomales would help pay off debt
9:00 p.m.	22.	ADJOURNMENT

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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
April 18, 2017

CALL TO ORDER

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

District employees Pablo Ramudo (Water Quality Supervisor), Robert Clark (Operations/Maintenance Superintendent) and Tony Arendell (Construction/Maintenance Superintendent) were in the audience.

MINUTES

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

AYES: Director Baker, Fraites, Petterle, and Schoonover

NOES: None

ABSENT: Director Joly

GENERAL MANAGER'S REPORT

Director Joly arrived to the meeting.

Baker's Dozen

Mr. DeGabriele advised the Board that he, Director Fraites and Mr. McIntyre met with the Baker's Dozen group on April 5th.

Inverness Public Utilities District

Mr. DeGabriele informed the Board that he and Mr. McIntyre met with IPUD General Manager Ken Eichstaedt on April 6th to review the idea of regularizing our boundaries in that area.

1 City of Santa Rosa Water Department

2 Mr. DeGabriele advised the Board that he met with the new City of Santa Rosa Water
3 Department Director Ben Horenstein on April 13. He stated that he's a very bright guy, comes from
4 EBMUD and will do a fine job at Santa Rosa.

5 Grossi Ranch

6 Mr. DeGabriele informed the Board that he, Mr. McIntyre, Robert Clark and Pablo Ramudo
7 met with Dominic Grossi on Monday to receive his comments on the SRT report regarding Stafford
8 Treatment Plant's taste and odor control. He noted that staff will update the report, give Mr. Grossi
9 another opportunity to see proposed changes and bring back to the Board for review and approval.

10 **OPEN TIME**

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

13 **STAFF / DIRECTORS' REPORTS**

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

16 Mrs. Young reminded the Board of Friday's open house. She stated that there have been
17 110 RSVP's received and demonstrations, food and the General Manager's retirement recognition
18 are on the agenda.

19 Mrs. Young previewed a promotional Marin Clean Energy video featuring Board President
20 Steve Petterle.

21 Mr. McIntyre advised the he, Mr. DeGabriele and Director Fraites met with Congressman
22 Huffman who advised he is proposing a facilitated process to develop a consensus with
23 stakeholders of the Potter Valley Hydroelectric Project to present to FERC. He stated that PG&E
24 has recently initiated the Potter Valley Hydroelectric Project relicensing process with FERC.

25 **QUARTERLY FINANCIAL STATEMENT**

26 Mr. Bentley reviewed the 3rd Quarter Financial Statement. He stated that combined the
27 District shows an operating loss of \$533K. He predicts the District should break even this FY but will
28 not make the budgeted \$600K net income. Mr. Bentley expressed concern with an apparent 15%
29 water loss as we are on track to produce 2.7BG but sell only 2.3BG.

1 **MONTHLY PROGRESS**

2 Mr. DeGabriele reviewed the Monthly Progress Report for March. He stated that water
3 Production is up 12% compared to a year ago and up 20% for the period from June through March.
4 March water production is down 20% compared to this same period in 2013. He noted that at the
5 end of March, Stafford Lake was still spilling and Novato had received 39" of rainfall. Mr. DeGabriele
6 advised the Board that on the Russian River, Lake Mendocino holds over 92,000AF and Lake
7 Sonoma over 252,000AF. He stated that the customer service compliant numbers are right on track
8 with the exception on an increase in water quality complaints due to Stafford Treatment Plant
9 startup.

10 Mr. Bentley reviewed the Auditor-Controller's Monthly Report of Investments, during March
11 the cash balance decreased by \$929,000 due primarily to payment of \$838,000 for the RW Central
12 project and the weighted average portfolio is earning 0.95%.

13 **CONSENT CALENDAR**

14 On the motion of Director Fraites, seconded by Director Joly the Board approved the
15 following items on the consent calendar by the following vote:

16 AYES: Director Baker, Fraites, Joly, Petterle, and Schoonover

17 NOES: None

18 **BINFORD STORAGE WATER SERVICE AGREEMENT**

19 The Board approved a water service agreement for The Binford Road Self Storage Project.
20 Proposed water facilities for this project include: approximately 940 feet of 12-inch PVC pipe, 340
21 feet of 12-inch PVC pipe, 140 feet of 6-inch PVC pipe, one 6-inch above grade fire service, and 4
22 commercial fire hydrants. The project will connect to the existing system at one location fronting the
23 property on Binford Road. The Board approved Resolution 17-5 entitled "Authorization of Execution
24 of High Pressure Water Facilities Construction Agreement with Binford Road Self-Storage – Phase
25 1."

26 **REGULATION 52- METER READING**

27 The Board approved revisions to Regulation 52- Meter Reading. As the District moves to
28 gallon meter registers from cubic foot registers with the AMI project, it is appropriate to remove the
29 District Regulation 52 reference to "cubic feet". The Board approved Resolution 17-06 entitled
30 "Revision of North Marin Water District Regulation 52-Meter Reading."

1 **CONSOLIDATIONS OF ELECTIONS (SONOMA COUNTY)**

2 The Board adopted Resolution 17-07 entitled "Resolution Requesting The Board Of
3 Supervisors Of Sonoma County To Authorize Consolidation Of Future North Marin Water District
4 Board Member Elections With November Statewide General Elections During Even Numbered
5 Years."

6 **RECORD RETENTION PROGRAM – DESTRUCTION OF RECORDS**

7 The District's Policy for the Retention of Documents and Destruction of Specified
8 Documents was approved by the Board in 2002 and revised in 2003. The Policy states that once a
9 year, on or about April 21, the documents designated as eligible will be destroyed in an appropriate
10 manner. This year, destruction of records is scheduled for April 19, 2017. The Board approved
11 Resolution 17-08 entitled: "Resolution of the Board of Directors of North Marin Water District to
12 Approve Destruction of Certain Records."

13 **ACTION CALENDAR**

14 **BILL ADJUSTMENT POLICY**

15 Mr. Bentley advised the Board that a customer stated that the District's bill adjustment policy
16 was difficult to understand and that it should be simplified. He stated that the policy was reviewed in
17 2013 and had been in effect since 1967. He advised the Board that there is no proposed change in
18 the policy but the language has been revised to improve readability. Mr. Bentley stated that there is
19 now an equation as well to illustrate how the credit is calculated.

20 Director Baker requested staff to come back at a future meeting with information on how
21 other local water agencies handle bill adjustments.

22 On motion of Director Baker, seconded by Director Schoonover, the Board approved
23 Revision to Bill Adjustment Policy #2 by the following vote:

24 AYES: Director Baker, Fraites, Joly, Petterle, and Schoonover

25 NOES: None

26 **RESOLUTION OF APPRECIATION FOR GENERAL MANAGER – CHRIS DEGABRIELE**

27 Mr. McIntyre requested that Board approve the Resolution of Appreciation for General
28 Manager Chris DeGabriele after 26 years of service for the Novato Marin Water District.

29 On motion of Director Schoonover, seconded by Director Fraites, the Board adopted
30 Resolution 17-09 entitled: "North Marin Water District Resolution of Appreciation To Chris
31 DeGabriele" by the following vote:

32 AYES: Director Baker, Fraites, Joly, Petterle, and Schoonover

1 NOES: None

2 **WEST MARIN WATER SYSTEM FINANCIAL PLAN UPDATE**

3 Mr. Bentley reviewed the West Marin Water System Financial Plan and advised the Board
4 that staff is prepared to draft a letter to West Marin Water customers for Board review noticing a
5 public hearing in Point Reyes Station on June 27 to consider a 5 % increase in the cost of water.

6 Mr. Bentley advised that there are three major projects in the future, replacement of the
7 Paradise Ranch Estates Tank, construction of the solids handling and future treatment plant
8 rehabilitation projects at Point Reyes.

9 On motion of Director Fraites, seconded by Director Baker, the Board directed staff to draft a
10 letter to West Marin Water customers for Board review noticing a public hearing in Point Reyes
11 Station on June 27 to consider a 5% increase in the cost of water by the following vote:

12 AYES: Director Baker, Fraites, Joly, Petterle, and Schoonover

13 NOES: None

14 **OCEANA MARIN SEWER SYSTEM FINANCIAL PLAN UPDATE**

15 Mr. Bentley reviewed the Oceana Marin Sewer Financial Plan and advised the Board that
16 staff is prepared to draft a letter to Oceana Marin Sewer customers for Board review noticing a
17 public hearing in Point Reyes Station on June 27 to consider a 10 % increase in the sewer service
18 charge. He stated that in January 2016 the updated master plan from Nute Engineering identified
19 \$3.1M for future improvement projects.

20 Director Joly asked if the customers will be able to see the data as to why there might be a
21 10% increase. Mr. Bentley responded that the agenda packet is posted in which they can review.

22 Mr. McIntyre advised that he has been going to bi-annual homeowner association meetings
23 with Mr. DeGabriele for a couple years now and have repeatedly discussed the need for continued
24 rate increases.

25 Director Baker asked what the rate of development is in Oceana Marin. Mr. Bentley
26 responded approximately one new connection per year.

27 On motion of Director Baker, seconded by Director Joly, the Board authorized staff to draft a
28 letter to Oceana Marin Sewer customers for Board review noticing a public hearing in Point Reyes
29 Station on June 27 to consider a 10% increase in the sewer service charge by the following vote:

30 AYES: Director Baker, Fraites, Joly, Petterle, and Schoonover

31 NOES: None

1 **MARIN COUNTRY CLUB RECYCLED WATER SERVICE AGREEMENT AMENDMENT NO. 1**

2 Mr. McIntyre advised the Board that the original Marin Country Club Recycled Water service
3 agreement was approved using estimated construction costs and state/federal grants and loans. He
4 noted that it is appropriate to amend the agreement now that bids have been opened more definitive
5 construction costs are known and agreements with state/federal agencies for grants and loans have
6 been executed.

7 On motion of Director Baker, seconded by Director Fraites, the Board authorized
8 Amendment No. 1 to the Marin County Country Club Recycled Water Service Agreement and
9 approved Resolution 17-10 entitled: "Resolution No. 17-Authorization Of Execution Of Amendment
10 No. 1 To Recycled Water Service Agreement With Marin Contry Club, Inc" by the following vote:

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

12 NOES: None

13 **INFORMATION ITEMS**

14 **INITIAL REVIEW – FY 18 & FY 19 CAPITAL IMPROVEMENT PROJECTS BUDGET**

15 Mr. Bentley provided the Board with the initial review of the Fiscal Year 18 & 19 Capital
16 Improvement Project Budget. He noted that additional reviews will be held on May 16th, with a
17 public hearing and approval scheduled for June 20th for the Novato Water and Recycled Water
18 Improvement Districts. He advised the Board that for West Marin District's additional reviews will be
19 held on June 6th, with a public hearing planned in Pt. Reyes Station on June 27th.

20 Mr. Bentley stated that a total of 32 projects are proposed for FY18 with the major projects
21 being the Recycled Water Expansion project, the Radio Read Meter Retrofit and the Office
22 Renovation.

23 **INITIAL REVIEW – PROPOSED FY 17/18 EQUIPMENT BUDGET**

24 Mr. Bentley provided the Board with the initial review of the Fiscal Year 17 & 18 Equipment
25 Budget. He noted that additional reviews will be held on May 16th, with a public hearing and
26 approval scheduled for June 20th.

27 Mr. Bentley stated that the equipment budget is \$210K and includes \$105K for replacement
28 of labs metals analyzer, \$63K for a hybrid SUV and half ton pick-up.

29 **CALIFORNIA DROUGHT STATE OF EMERGENCY TERMINATED**

30 Mr. DeGabriele reported that Governor Brown has terminated the Drought State of
31 Emergency enacted in January 2014 and rescinded orders in previous proclamations requiring
32 mandatory water use restrictions other than the common water waste provisions.

1 **MISCELLANEOUS**

2 The Board received the following miscellaneous information: Disbursements, Copy of Rate
3 Increase Letter, and Robert B Maddow: Anne's New Paradigm for Sound Water and Natural
4 Resources Policy— Creative Thinking Needed.

5 The Board received the following news articles: Fate of flows in Russian and Eel rivers rests
6 in big fight over small hydroelectric project, Gov. Jerry Brown declares California drought over, but
7 urges conservation, 109-year-old Potter Valley Project the controversial link between Russian and
8 Eel rivers, Sonoma County Water rates will likely raise despite drought-busting rainfall, and Water
9 Transmission Budget includes funds for pipeline replacement and tank maintenance.

10 The Board also received the following miscellaneous items at the meeting: How vulnerable
11 is Marin to sea level rise? And the following news article: Upcoming documentary focuses on Eel
12 River salmon, dams, pot and more.

13 **ADJOURNMENT**

14 President Petterle adjourned the meeting at 8:17 p.m.

15 Submitted by
16
17

18 Katie Young
19 District Secretary
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MEMORANDUM

To: Board of Directors April 28, 2017

From: Rocky Vogler, Chief Engineer *RV*
Carmela Chandrasekera, Associate Engineer *AC*

Subject: Approve GHD – Consulting Engineering Services Agreement (PRE Tank No. 4A)
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RECOMMENDED ACTION: That the Board authorize the General Manager to execute an agreement with GHD for the PRE Tank 4A project

FINANCIAL IMPACT: \$97,500 plus \$5,000 contingency (~5%) included in the current FY16/17 budget

Background

North Marin Water District's (District) PRE #4A Tank Replacement project consists of constructing a new 83,000 gallon above grade potable water concrete storage tank in Paradise Ranch Estates (PRE), next to the existing 50,000 gallon PRE Tank #4B redwood tank (see Attachment 1). The proposed tank will replace the 25,000 gallon redwood water tank destroyed by the Mount Vision Fire in 1995. The District's 2001 West Marin Long Range Plan identified upsizing the replacement tank to 83,000 gallons to address the deficient fire protection storage for PRE service area.

The Capital Improvement Projects budget for the West Marin water system includes \$100,000 in FY16/17 and \$550,000 in FY17/18 for the PRE Tank 4A replacement project. PRE Tank 4A project planning and permitting work started in 2010 but was not continued due to funds being diverted to other projects such as Point Reyes Well No. 3 replacement and Gallagher Well Pipeline.

The District has recently installed story poles at the tank site to locate the proposed PRE Tank 4A, sent letters out to all residents in PRE, and is in close communication with the immediate neighbor regarding the project. Staff is now ready to move forward with design (parallel with environmental work), and has procured proposals from two consulting firms to provide engineering design services - GHD of Santa Rosa, CA (formerly known as Winzler & Kelly) and TJC and Associates Inc. of Rancho Cordova, CA.

The two proposals are attached (Attachment 2) and costs are summarized as follows:

	Engineering Consultant	Cost
1.	GHD, Santa Rosa, CA	\$97,455
2.	TJC and Associates, Rancho Cordova, CA	\$138,154

Approved by GM *LD*

Date *4/28/2017*

Staff has evaluated the proposals based on understanding of the project, cost, expertise, experience, and ability to provide required services efficiently.

Consulting Agreement

Staff recommends GHD to provide consulting engineering services to prepare a preliminary design report, design drawings and technical specifications, and provide engineering services during bidding and construction. GHD is an experienced engineering firm and has provided professional services to the District in the past.

RECOMMENDATION

That the Board authorize the General Manager to execute an agreement with GHD of Santa Rosa, CA. for the PRE Tank 4A replacement project for a not to exceed fee of \$97,500, plus a contingency of \$5,000 for unanticipated expenses to be charged on an approved hourly basis.

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NO.	DATE	REVISION	BY	APP.
NORTH MARIN WATER DISTRICT NOVATO, CALIFORNIA				
NORTH MARIN WATER DISTRICT PARADISE RANCH ESTATE TANK 4A AND 4B				
DES	DR	CH	SCALE	1"=30'-0"
DM	AC		DATE	3/14/16
APPROVED: CHIEF ENGINEER		SHEET NO. 1 OF 1 SHEETS		
R.E. C40636		SERVICE AREA	JOB NO. 2000	NO. 001



April 25, 2017

Rocky Vogler, PE
Chief Engineer
North Marin Water District
999 Rush Creek Place
Novato, CA 94945

Subject: Proposal for Tank 4A

Dear Mr. Vogler,

We are pleased to submit this proposal to provide engineering services for the North Marin Water District (NMWD) Tank 4A project (project).

BACKGROUND

NMWD currently has an existing 50,000 gallon redwood storage tank located at 420 Drakes View Drive in Inverness, CA. The redwood storage tank is 22 feet in diameter and has an overflow height of 20 feet above the floor. The pad elevation is 1066 feet. NMWD is proposing to construct a second tank, Tank 4A, adjacent to the redwood tank. Tank 4A would be constructed of concrete, have an approximate capacity of 80,000 gallons with a diameter of 28 feet and an overflow height of approximately 20 feet above the floor elevation to match the redwood tank.

NMWD has finalized the new Tank 4A location, which is proposed to be located immediately north of the existing redwood tank. Because of aesthetic concerns from the adjacent property owner, some property transfers may be required prior to tank construction. The new tank will have a cast-in-place concrete roof of similar design to other NMWD tanks. A retaining wall may be needed to accommodate the proposed tank location.

This proposal is based on previous email and telephone correspondence between GHD and Carmela Chandrasekera dating back to June 2016 and recent email correspondence with you in March and April 2017.

SCOPE OF WORK

Due to the smaller capacity, the scope assumes that Tank 4A will be a circular, cast-in-place concrete structure with concrete roof and mild steel reinforcing. Tank appurtenances include an exterior ladder with



security enclosure, roof tie-offs, manway, roof access hatch, roof vent, interior ladder, piping connections, sample tap, and level gage. A pre-stressed concrete structure was not considered.

TASK 1: PRELIMINARY DESIGN

Task 1.1 - Review Background Information

GHD will review the geotechnical investigation report for the project, which is currently being updated to reflect new seismic design requirements. GHD will review the survey prepared for the project and designs of previously constructed and similar NMWD concrete tanks.

Task 1.2 - Preliminary Design Report

GHD will prepare a preliminary design report, primarily focusing on the tank location and describing the key structural design elements, design approach, codes and standards, appurtenances and related design basis. GHD will submit the report to the NMWD for review. Following review, comments will be discussed and addressed, and the report will be finalized. This task assumes one teleconference call to discuss the review comments prior to finalizing the report.

Deliverables

- Three (3) hard copies and one (1) electronic copy (PDF) of the draft and final Preliminary Design Report.

TASK 2: DRAWINGS

GHD will develop construction plans for the site grading, tank foundation, and tank, including details. Plans for a 50%, 90%, and 100% / Final submittal will be developed.

Task 2.1 - Site Grading

Site grading will be required to provide a level pad matching the elevation of the existing tank. Site grading plans will be developed based on recommendations in the geotechnical investigation report, constraints of the existing topography, and any local ordinances or codes.

Task 2.2 - Tank and Tank Foundation

The new foundation, tank, and concrete roof will be designed in accordance with 2016 California Building Code (CBC), ASCE 7-10, and ACI 318/350/350.3-06. Functional requirements for the replacement storage tank and foundation, tank piping and appurtenances will be to have the water storage facility remain in service following a 475-year earthquake and conformance with the appropriate AWWA standard and the 2013 CBC / ASCE 7-10. Design loads will be based on the most stringent criteria of the Building Codes and Standards listed above, and loads discussed below. In all cases, the minimum criteria will conform to the minimum requirements of the 2016 CBC with any local amendments. Key considerations of the design include durability and providing a watertight structure taking into account ACI environmental factors, crack control, joint detailing, appropriate waterstop details and concrete admixtures; and seismic



loads, taking into account embankment, structure inertia and sloshing of water (impulsive, convective and vertical acceleration modes).

Foundation Design

Detailed preliminary design tasks for the tank foundation are expected to include the following:

- Review of subsurface soil conditions at tank site.
- Determine seismic and wind loading parameters.
- Determine design dead and live loading for tank foundation.
- Selection of appropriate tank foundation type using geotechnical recommendations – driven or drilled pile elements, concrete slab on grade, ring wall, soil anchors.
- Consideration of design water levels and top of base slab elevations for the tank.
- Perform elastic response spectrum analysis to estimate seismic load/displacement demands on foundation elements.
- Perform storage tank stability check consisting of review of sliding and overturning.
- Review any soil/slope retaining structures required for the tank site.
- Perform slope stability analysis if required.
- Structural concrete for tank foundation, sidewalls, roof and other elements will be designed for the appropriate environmental condition and structural load demands. Specifications for the concrete mix will include appropriate admixtures including air-entrainment and NSF 61 certification.

Preliminary and Detailed Tank Design

The preliminary and detailed design will include the following:

- Review available information and facility functional requirements.
- Review subsurface material site conditions and confirm design criteria with geotechnical engineer.
- Confirm operational requirements - facility to remain in service following 475-year return period earthquake and conformance with 2016 California Building Code (CBC) and appropriate AWWA and ACI standards.
- Review tank siting and storage parameters (base elevation, required height and dimensions for required storage capacity, etc.).
- Perform preliminary structural design for tank.



- Selection of appropriate tank foundation type to achieve stability and reduce settlement issues — driven or drilled pile elements, concrete slab on grade, ring wall, soil anchors, etc.
- Perform tank stability check consisting of review of sliding and overturning.
- Include soil, seismic and surcharge pressures from adjacent soil embankment.
- Perform linear elastic response spectrum analysis using FEM to estimate seismic load/displacement demands - objective of determining stress distribution in concrete structure, particularly tension stresses.
- Perform slope stability analysis if required.

Seismic Safety and Design

Seismic design of the new tank will conform to 2016 California Building Code (CBC) and appropriate AWWA and other design standards including NSF 61. Seismic portions of the current AWWA standard are derived from ASCE 7-10 and are based on the Maximum Considered Earthquake (MCE) for the tank location. MCE ground motion is defined as an event with a 2 percent probability of being exceeded over 50 years (mean return period of 2,475 years). Functional requirements for the replacement tank, piping and appurtenances will be to have the water storage facility remain in service following a 475-year return period earthquake (10 percent probability of being exceeded within 50 years) and in conformance with appropriate AWWA standards, 2015 International Building Code (2015 IBC / ASCE 7-2010), and environmental concrete provisions in ACI 350-06 / ACI 350.3-06.

Deliverables

- Three (3) half-size (11x17) hard copies and one (1) electronic copy (PDF) for the 50% and 90% submittals.
- One (1) full-size hard copy (22x34), three (3) half-size (11x17) copies and one (1) electronic copy (PDF) for the 100%/Final submittal.
- Tank and foundation seismic and structural design calculations, stamped by a registered civil or structural engineer licensed in the State of California.

TASK 3: TECHNICAL SPECIFICATIONS

GHD will review and edit NMWD's technical specifications to be specific to the requirements for Tank 4A, and provide any additional specifications as needed for a complete and constructible project. Edits to NMWD technical specifications will be made electronically in track changes mode. Specifications to include concrete tank and appurtenances, piping requirements up to 5 feet beyond the tank wall, and earthwork. Specifications for the 50%, 90%, and 100% / Final submittals will be developed. NMWD will provide one set of consolidated comments for each submittal. Submittal comments will be incorporated into the subsequent submittal. GHD will attend a design review meeting for each submittal (to occur concurrently with discussion of the design plans) to discuss NMWD comments.



TASK 4: OPINION OF PROBABLE CONSTRUCTION COST

GHD will prepare an opinion of probable construction cost (cost estimate) for Tank 4A. The cost estimate will be developed in an itemized bid schedule format with back-up documentation on quantity, material, labor and equipment estimates. The cost estimate for the 50%, 90%, and 100% / Final submittals will be developed. NMWD will provide comments for each cost estimate submittal. Submittal comments will be incorporated into the subsequent submittal. GHD will review the comments with NMWD for each submittal concurrently with review of the design plans and technical specifications.

TASK 5: BID PERIOD SUPPORT

Task 5.1 – RFIs and Addenda

It is assumed that questions will be received by and subsequent responses will be communicated through NMWD. Questions from prospective bidders directed to GHD will be re-directed to NMWD for proper documentation. It is assumed that GHD will respond to three (3) RFIs.

GHD will assist NMWD with preparing Addenda as appropriate to clarify, correct, or change site grading, tank, or tank foundation related items in the Bid Documents in response to questions and clarification requests received during the project's bid phase. It is assumed that NMWD will issue all Addenda to prospective bidders. This scope item assumes assistance in the preparation of no more than two (2) addenda.

Deliverables

- Response to up to three (3) RFIs in electronic (Word) format.
- Assistance in preparation of up to two (2) addenda in electronic (Word) format.

TASK 6: ENGINEERING SERVICES DURING CONSTRUCTION

Task 6.1 – Submittal Review

GHD will review submittals and provide responses to submittals. Components expected to be reviewed include concrete mix design, shop drawings, and product data sheets. This scope assumes that GHD will review and provide responses for up to 5 submittals, including resubmittals.

Task 6.2 – RFI Review

GHD will review and respond to Contractor's Request for Information (RFI). This scope assumes GHD will respond up to a total of three (3) RFIs.

Task 6.3 – Site Visits

GHD will make up to four (4) site visits to observe construction progress. This task does not include field inspection services.



TASK 7: PROJECT COORDINATION

The Project Manager will coordinate and manage the project through all phases, including field investigations, design, bid period support, and construction. This task includes setting up the project in the GHD system; preparing monthly invoices; coordinating internal team communication; conducting regular progress meetings (bi-weekly by phone) during design to keep NMWD updated of progress, key issues and the schedule; attending a kick-off meeting to be led by NMWD; tracking schedule and budget.

TASK 8: OPTIONAL TASKS

The following optional tasks are included with the proposed scope of work as services which may be needed as a part of the project. These tasks would be completed only when authorized in writing by the NMWD.

Task 8.1 – Pre-Bid Meeting

GHD's Project Manager will attend a pre-bid meeting convened by NMWD. It is assumed that NMWD will prepare the agenda and minutes and facilitate the meeting. GHD will assist NMWD with preparing agenda items.

Task 8.2 – Design Retaining Wall

GHD will develop construction plans, details, technical specifications and opinion of probable construction cost for a retaining wall which may be needed to support the tank foundation and achieve site grading. Plans, technical specifications and opinion of probable construction cost for the retaining wall would be included with the 50%, 90%, and 100% / Final submittals.

Task 8.3 – Construction Inspections

GHD and subconsultants will perform inspections of concrete and steel during construction. These inspections will be for steel reinforcing, field bolted connections and field welds. GHD will retain a materials testing subconsultant to observe concrete pours, obtain concrete samples and perform concrete strength testing (compressive strength testing) during construction. This task assumes three (3) site visits each for steel inspection and concrete pours requiring inspection and testing including laboratory testing and travel time to and from the site.

Budget

GHD proposes to perform the scope of services on a time and materials basis in accordance with our Standard Fees and Conditions. The total fee for Tasks 1 through 7, is \$80,048. The fee for Optional Task 8 services is \$17,407. GHD has provided a breakdown of the total compensation into tasks and such breakdowns are estimates only. GHD may reallocate funds between tasks. The breakdown of fee by task is summarized in the following table:



Task	Description	Cost
1	Preliminary Design	\$3,721
2	Drawings	\$45,250
3	Technical Specifications	\$8,600
4	Opinion of Probable Construction Cost	\$3,368
5	Bid Period Support	\$2,459
6	Construction Engineering Services	\$10,218
7	Project Coordination	\$6,432
	SUBTOTAL	\$80,048
8	Optional Tasks	\$17,407
	TOTAL	\$97,455

Assumptions:

- The scope does not include inspection services.
- The scope does not include preparation of record drawings, contract change order evaluation, or project close-out activities such as final walk-through or development of punch list.
- NMWD to provide the geotechnical investigation report and tank foundation recommendations for the selected site location.
- NMWD to provide topographic survey in CAD.
- GHD to design tank piping and appurtenances to extend 5 feet beyond the tank wall. NMWD is responsible for civil/mechanical work greater than 5 feet beyond the tank wall and tying into existing site piping. It is assumed that the reservoir will utilize flexible piping and other connections to mitigate damage during a seismic event.
- NMWD is responsible for instrumentation and electrical associated with the tank and site.



- NMWD will provide one set of consolidated comments for each submittal. Submittal comments will be incorporated into the subsequent submittal. GHD will attend a design review meeting for each submittal to discuss NMWD comments.
- Tank roof shall be cast-in-place concrete designed by GHD based on previous NMWD concrete tank roof designs.
- It is assumed that NMWD will retain a third party construction inspector to provide necessary continuous inspections during construction.
- Construction inspections assume prevailing wage rates apply.
- NMWD to provide specifications in Word (.doc) format.

Schedule

We will work with NMWD to complete the design within the desired timeframe.

We welcome the opportunity to work with you on this important project for the NMWD, and look forward to contributing to its success. Should you have any questions, please do not hesitate to contact me directly at 707.540.9687 (office) or 707.540.3376 (cell).

Sincerely,

GHD, Inc.

A handwritten signature in black ink, appearing to read 'Matt Kennedy', with a long, sweeping underline that extends to the right.

Matt Kennedy, PE, TE, ENV SP
Project Manager

Attachment

1. Fee Estimate

cc: Alex Culick



GHD - PROJECT FEE ESTIMATING SHEET

Project Name: Tank 4A

Prepared by: Matt Kennedy

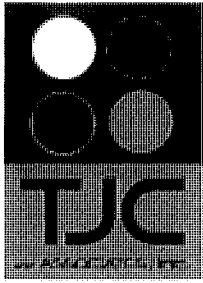
Job Number: 11136856

Client: North Marin Water District

Date: April 25, 2017

		LABOR COSTS									FEE COMPUTATION			
	LABOR CATEGORY > RATE >	Proj. Principal \$250 /Hr	Job Mgr. \$195 /Hr	Civil Eng. \$160 /Hr	Sr. Struct. \$180 /Hr	Struct. Eng. \$170 /Hr	Inspect \$145 /Hr	CAD Designer \$125 /Hr	WP \$100 /Hr	PA \$100 /Hr	TOTAL HOURS	*OTHER DIRECT COSTS	Sub- con- sultant(s)	TOTAL FEE
TASK- 1.0 Preliminary Design														
1.1 Review Background Information			2	2		2					6	\$36		\$1,086
1.2 Preliminary Design Report		1	1	4		8			1		15	\$90		\$2,635
SUBTOTAL TASK 1.0		1	3	6	0	10	0	0	1	0	21	\$126	\$0	\$3,721
TASK- 2.0 Drawings														
2.1 Site Grading		2	12	40				64			118	\$708		\$17,948
2.2 Tank and Tank Foundation		2	6		24	120					152	\$912		\$27,302
SUBTOTAL TASK 2.0		4	18	40	24	120	0	64	0	0	270	\$1,620	\$0	\$45,250
TASK- 3.0 Technical Specifications														
3.1 Technical Specifications		2	8	16	2	16			6		50	\$300		\$8,600
SUBTOTAL TASK 3.0		2	8	16	2	16	0	0	6	0	50	\$300	\$0	\$8,600
TASK- 4.0 Opinion of Probable Construction Cost														
4.1 Opinion of Probable Construction Cost		1	6	4	1	6					18	\$108		\$3,368
SUBTOTAL TASK 4.0		1	6	4	1	6	0	0	0	0	18	\$108	\$0	\$3,368
TASK- 5.0 Bid Period Support														
5.1 RFIs and Addenda			1	4	1	8					14	\$84		\$2,459
SUBTOTAL TASK 5.0		0	1	4	1	8	0	0	0	0	14	\$84	\$0	\$2,459
TASK- 6.0 Construction Engineering Services														
6.1 Submittal Review			1	4	2	16					23	\$138		\$4,053
6.2 RFIs			1	3	1	6					11	\$66		\$1,941
6.3 Site Visits						24					24	\$144		\$4,224
SUBTOTAL TASK 6.0		0	2	7	3	46	0	0	0	0	58	\$348	\$0	\$10,218
TASK- 7.0 Project Coordination														
7.1 Project Coordination			32								32	\$192		\$6,432
SUBTOTAL TASK 7.0		0	32	0	0	0	0	0	0	0	32	\$192	\$0	\$6,432
TASK- 8.0 Optional Tasks														
8.1 Attend Pre-Bid Meeting			6								6	\$36		\$1,206
8.2 Design Retaining Wall			2	6	2	24		24			58	\$348		\$9,138
8.3 Construction Inspections							18				18	\$198	\$4,255	\$7,063
SUBTOTAL TASK 8.0		0	8	6	2	24	18	24	0	0	82	\$582	\$4,255	\$17,407
PROJECT TOTALS		8	78	83	33	230	18	88	7	0	545	\$3,360	\$4,255	\$97,455

*OTHER DIRECT COSTS include telephone, mileage, printing, photocopies and other miscellaneous direct expenses.



March 31, 2017

Ms. Carmela Chandrasekera
Associate Engineer
North Marin Water District
999 Rush Creek Place
Novato, CA 94945

Structural
Engineering

SCADA

Electrical
Engineering

Instrumentation

Controls

Control Systems
Programming

Subject: North Marin Water District PER Tank 4A Replacement Project
Structural and Civil Engineering Design
(TJCAA Project No. 116076)

Dear Ms. Chandrasekera:

TJCA and Associates, Inc. (TJCAA), is pleased to submit our Proposal to North Marin Water District (District) for engineering services associated with the PER Tank 4A Potable Water Reservoir Project (Project). TJCAA will provide the District with a team of experienced structural and civil design engineers. Our comprehensive team has all the skills and background necessary to deliver a design expeditiously and with functionality to meet the District's needs.

Project Understanding

It is proposed to design a new 80,000 gallon above-ground, cast-in-place concrete tank east of an existing 50,000 gallon above-ground tank. It is our understanding that this tank will be placed on fill (due to an existing slope in grade) and that a retaining wall may be required to support the new fill.

Due to stringent service requirements, environmental engineering concrete structures should be designed and detailed with care. Design of environmental engineering structures, including individual members are in accordance 2016 California Building Code reference standard, ACI 350, *Code Requirements for Environmental Engineering Concrete Structures* and companion standard ACI 350.3, *Seismic Design of Liquid-Containing Concrete Structures*.

TJCAA's application of ACI 350 in the design of environmental engineering concrete structures and their detailed understanding of the active earthquake faults in the Bay Area makes them highly qualified for the proposed work.

I. Scope of Services

Task 1. Preliminary Design

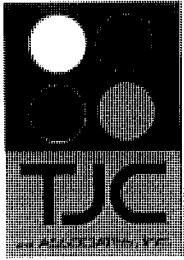
Task 1.1. Surveying and Mapping

TJCAA does not anticipate any involvement with surveying and mapping activities associated with the Project. These activities have not been included within the Scope of Work detailed here or the Design Fee quoted.

Task 1.2. Geotechnical Investigation

3206 Luyang Dr.
Rancho Cordova,
California 95742
p 916.853.9658
f 916.853.9432

www.tjcaa.com



TJCAA has assumed that the District will provide a site specific geotechnical investigation report specifically addressing the geotechnical aspects of this project. While TJCAA does not anticipate any direct involvement with geotechnical investigations associated with the Project, TJCAA personnel will be available to coordinate with project Geotechnical Engineer(s) on issues/questions directly relating to structural elements within TJCAA's Scope of Work.

Task 1.3. Develop Draft PDR

During the preliminary design stage, mechanical processes and structural systems shall be identified. Mechanical process elements will be completed to a level that will ensure that they can be integrated into the existing system. Drawings, to a 10% submittal level, will be developed to communicate the design concepts.

A Preliminary Design Report will be developed that will include conceptual drawings describing the structural components and mechanical process elements of the Project. The PDR will include an outline of materials and equipment specifications which will be used as the basis for a construction cost estimate.

Task 1.4. Final Preliminary Design Report

TJCAA shall address/incorporate the District comments on the Draft PDR. After which, TJCAA will finalize the PDR.

Task 2. Design

Task 2.1. Structural Design

TJCAA will provide structural engineering and drafting services necessary to define the structural elements of the Project.

Task 2.2. Civil Design

TJCAA will provide civil engineering and drafting services necessary to define the civil elements of the Project.

Task 2.3. Mechanical

TJCAA will provide mechanical engineering and drafting services necessary to define the mechanical elements of the Project.

Task 2.4. Engineer's Opinion of Probable Construction Costs

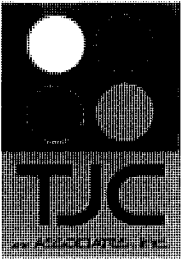
TJCAA will provide an Engineer's Opinion of Probable Construction Cost (EOPC) with each submittal. Costs will be based on engineering judgement and estimates of the quantities and cost for construction effort and equipment based on publish values found within RS-Means.

TJCAA does not profess to be an expert in construction cost estimating and the accuracy of the EOPC should be viewed accordingly. If construction cost budgeting is a major factor in the decision-making process, the District may wish to engage the services of a specialist firm near the completion of the final design to develop a more accurate construction cost estimate.

Task 2.5. Design Submittals

TJCAA will provide engineering and drafting services necessary to define the elements of the Project. Design submittals will be provided to the district in the following packages:

- 50% design package



- 90% design package
- Draft 100% design package
- Final design package

Each design package will incorporate appropriate District comments based on previous submittals and will update presented information consistent with the level of completion for that submittal. Design submittals will include elements defined in the table below.

Deliverables Included in Submittals					
Submittal	Calculations (PDF)	Structural Drawings ¹ (PDF)	Specs ³ (PDF)	Engineer's Opinion of Probable Cost (PDF)	Signed Copies ⁴ (PDF)
50%		✓	✓	✓	
90%		✓	✓	✓	
100%		✓	✓	✓	
Final	✓	✓	✓	✓	✓
Notes: <ol style="list-style-type: none"> 1. Drawings will be provided in half-size (11 x 17) PDF format and delivered via e-mail. 2. Submittal includes Major Plans, Primary Sections, Standard Details, and General Notes. 3. Specifications will be provided in traditional CSI format using MS-Word and delivered via e-mail. 4. Drawings will be provided in full-size (22 x 34) PDF format, electronically stamped and signed and delivered via e-mail. 					

Task 2.6. Project Management

TJCAA will provide Project Management associated with the structural elements of the project, including but not limited to the following:

- Coordination with the District throughout the duration of the project as well as Quality Assurance/Quality Control (QA/QC) activities for project deliverables.
- Management of team and structural activities consistent with the direction from the District to meet Project schedule and budgets.

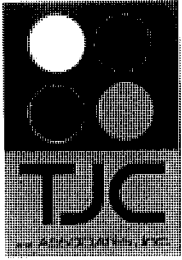
Task 2.7. Project Meetings

TJCAA personnel anticipate attending three (3) Project meetings at the District's offices.

TJCAA personnel anticipate participating in five (5) teleconference calls for Project coordination. These calls will be in addition to one-on-one phone calls with members of the design team.

Task 3. Bid Period Assistance

TJCAA engineers will be available to answer questions and clarify issues associated with aspects of the design within its Scope of Work. If required, a representative of TJCAA can be present at the pre-bid meeting and/or site walk-through. TJCAA does not anticipate any involvement in bid evaluations; however, TJCAA will be available for consultation on an as-needed basis.



Task 4. Engineering Services During Construction

Engineering Services During Construction are not included within the scope of work. However, as a budgetary number, on past projects of this nature, TJCAA's ESDC fees range between 35 and 45 percent. This does not include construction management services associated with final construction.

II. Assumptions

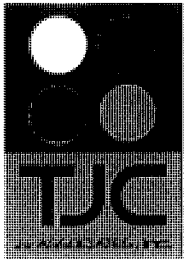
The scope of work detailed above is based on our current understanding of the project requirements and is based on the following assumptions.

1. Items that are included within the Scope of Work:

- Structural, Civil, and Mechanical design will comply with the requirements of the 2016 California Building Code.
- Design fees quoted assume that the design portion of the project will be completed in 2017.
- Drawings will be provided in TJCAA's standard format, developed using AutoCAD.
- The title block will be provided by the District in AutoCAD format suitable for use as a Reference File.
- Drawings will be provided to the District in electronic format for publishing and distribution by the District. Printing costs are not included in this proposal.
- Special foundations systems (e.g., piers/piles) are not required and are not included within the Scope of Work or Design Fee quoted.
- Material Specifications will conform to CSI Traditional format, developed in MS-Word, and will be provided to the District via e-mail.
- Design calculations will be provided with the Bid Documents. Interim design calculations will not be provided.

2. Items that are NOT included within the Scope of Work:

- Hydraulic modeling or hydraulic transient analysis of the connecting pipe system is not included. It is assumed that any modelling required will be provided by the District.
- Responding to questions and/or comments generated during the permitting process or generated by the local jurisdiction.
- Geotechnical Services associated with the design of the proposed elements. TJCAA assumes that geotechnical information is available for the Project area and will be provided to TJCAA before commencement of the work.
- Utility coordination and design, including potholing.
- Dewatering plan is not included but will be specified to be required by the Contractor if needed.



- CEQA review or other environmental consulting including cultural review or clearances (may be coordinated under a separate contract).
- Site security facilities and equipment, including monitoring and alarms are not included.
- Landscape architecture, including planting, irrigation, and other site aesthetic features are not included.
- Front end documents, including bidding documents, construction contract, general and special conditions, bond forms, etc. are assumed to be provided by the District.
- Legal review of bidding documents.
- Obtaining NPDES permits for discharges from site.
- Hazardous materials permits or approvals.
- Entry into private properties.
- Engineering services during construction.
- Assistance with obtaining construction permitting.
- Surveying and/or mapping.
- Construction inspections, including but not limited to Special Inspections.
- Supervision of Construction.
- Material testing.
- Maintaining and/or updating Construction Drawings and documents with changes made during construction.
- Record Drawings.

III. Additional Services

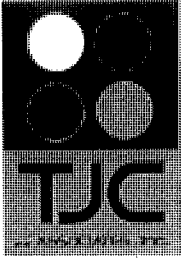
No "Additional Services" are anticipated at this time. Should "Additional Services" be identified, TJCAA will perform such "Additional Services" services only if mutually agreed to in writing by the District and TJCAA.

Moreover, TJCAA does not anticipate any involvement and/or support for Environmental Documentation filing activities. These activities have not been included within the Scope of Work detailed here or the Design Fee quoted.

IV. Deliverables

The Consultant will provide the items shown in the "**Deliverables Included in Submittals**" table above to the District as part of this agreement.

TJCAA will provide monthly project progress reports including budget status, schedule status, and summary of key activities performed during the billing period to the District for inclusion in the Project's overall status report.



V. Schedule

TJCAA will coordinate the design schedule with the District before the start of design. It is anticipated that the design will be completed in 2017.

VI. Consultant's Compensation

TJCAA will provide structural, civil, and mechanical engineering services on a time and materials basis with the following upper limits:

- 1. Tank element – \$112,000.**
- 2. Retaining wall element - \$5,000.**

TJCAA will invoice services on a monthly basis.

TJCAA looks forward to working with the District on this important project. Please feel free to call me at (916) 853-9658 should you have any questions or require any additional information.

Sincerely,

Terence Cavanagh, S.E. – S3107
Senior Vice President
TJC and Associates, Inc.

file: 116076 - 1.02

Carmela Chandrasekera

From: Terry Cavanagh <terry@tjcaa.com>
Sent: Wednesday, April 19, 2017 2:36 PM
To: Rocky Vogler
Cc: Carmela Chandrasekera; 116076 - NMWD, Tank Replacement; Richard Thow
Subject: RE: NMWD PRE Tank 4A Replacement Proposal
Attachments: Summary of Fees.pdf

Rocky,

Please see my comments below:

Terry

Terry J. Cavanagh, S.E.
Phone [916] 853-9658

The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, transmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited and may be unlawful. If you received this in error, please notify the sender and delete the material from your system.

From: Rocky Vogler [mailto:rvogler@nmwd.com]
Sent: Friday, April 7, 2017 1:12 PM
To: Terry Cavanagh <terry@tjcaa.com>
Cc: Carmela Chandrasekera <cchandra@nmwd.com>; 116076 - NMWD, Tank Replacement <116076@tjcaa.com>; Richard Thow <richard@tjcaa.com>
Subject: RE: NMWD PRE Tank 4A Replacement Proposal

Terry –

Please provide the following updates to your proposal dated 3/31/17. Note: the attached geotech report originally prepared in 2010 is currently undergoing minor revision primarily to reflect updated seismic codes, and to depict the new tank location (shown in the attached pdf sketch with circumference highlighted in red) which has shifted slightly to the southeast by approx. 30-feet. Also, the updated geotech report will reflect the correct 28-foot diameter tank (not 26-foot diameter as originally shown).

- Provide up to four (4) site visits during construction

[TJC] Please note that our original estimate did not have Engineering Services During Construction (ESDC). These services run between 35% and 45% of the design fee. Adding 4 site visits will impact this statement. Therefore, with the current Design fee, we're looking at \$41,000 to \$53,000 in ESDC. Please note, TJCAA is not set up to act as a construction administrator. Our services are limited to responding to Submittals, RFI's site visits to review the work we've designed and help with change orders if any. If these services are needed for this project, we'll be happy to contract with a local CM firm to get this work done.

- Structural/mechanical work to also include (but not limited to) ladder w/ security enclosure, manway, roof access hatch, internal ladder, vent, overflow connection/piping, sample tap, level gage, etc. Include design for any pipe extending up to five (5) feet from tank wall.

[TJC] Agreed.

- I've attached some older specs we've used previously for another concrete tank job that may have some value as a starting point, but will need appropriate updating. Also, see the link below for our Standard Specs. District to provide front end docs/specs.

http://www.nmwd.com/business_DesignConstruction.php

[TJC] Thank you. As we get into the project, we'll work with the District to develop what's needed.

- Provide retaining wall (if necessary) as an optional bid item.

[TJC] I've added some funds for the effort associated with developing two bid packages. I assume these will be separate packages but go out at the same time.

- Include design of cast-in-place piers or rock anchors if required (as stated in geotech report).

[TJC] I've included time for the cast-in-place piers. I don't think we'll need rock anchors but if we do, we'll look to the Geotech for design parameters and possibly make this a deferred submittal item so a local specialty contract can design/build them. This will be the best "bang for the buck".

- Provide labor cost breakdown by labor category and provide associated hourly rates/hours.

[TJC] Please see the attached worksheet.

- Provide special inspections as required as an optional bid item.

[TJC] We are not a special inspection firm. I'm betting Miller Pacific offers this service but if not, I'm sure there are local firms that can provide these services. I don't think there will be much "special inspection" but clearly, we'll need some during construction. I can contract with a sub to do this but until we have the final design done, we won't be completely sure what these services will cost.

I understand this will affect the fee. Can you update by 4/19/17?

[TJC] The new fee is:

Predesign -	\$20,435
Design -	\$95,113
PM work -	\$15,191
Retaining Wall	\$7,415 (optional).
Total -	\$138,154.

This is \$21,154 above the fee we previously sent. Some of this is our bump in rates from 2016 to 2017 which I accidentally did not include in my last proposal.

I'm sorry but I'm running out of the country today and won't be back until Tuesday. I can formalize our letter proposal then but I'm opting this breakdown will serve your current needs.

Thank you!!

Terry

Thanks.

Rocky

From: Rocky Vogler
Sent: Friday, March 31, 2017 2:38 PM
To: 'Terry Cavanagh'
Cc: Carmela Chandrasekera; 116076 - NMWD, Tank Replacement; Richard Thow
Subject: RE: NMWD PRE Tank 4A Replacement Proposal

Terry – acknowledge received. We'll review and get back to you in 1-2 weeks.

Thanks.

Rocky

6

MEMORANDUM

To: Board of Directors Date: April 28, 2017

From: Rocky Vogler, Chief Engineer *RV*
Carmela Chandrasekera, Associate Engineer *CC*

Subject: Approve Prunuske Chatham, Inc. – Consulting Engineering Services Agreement (Feasibility Analysis for Pipe Crossing Repairs at Rush Creek and Novato Creek, and Bank Repair at Leveroni Creek)

R:\NON JOB No ISSUES\Consultants\Prunuske Chatham\Agmts_BOD Memos\PCI Eng Services BOD Memo April 2017.doc

RECOMMENDED ACTION: That the Board authorize the General Manager to execute an agreement with Prunuske Chatham, Inc. for the Feasibility Analysis for Pipe Crossing Repairs at Rush Creek and Novato Creek and Bank Repair at Leveroni Creek

FINANCIAL IMPACT: \$65,000 plus \$6,000 contingency included in the current FY16/17 budget

Background

The District's 30-inch steel pipeline crossing Rush Creek south of Golden Gate Place is partially exposed and a second 12-inch steel pipe encased in concrete crossing Novato Creek underneath Diablo Avenue is fully exposed due to creek bed erosion. At the third site, the northern bank of Leveroni Creek near the access road leading to the Stafford Water Treatment Plant has shown signs of continued erosion. The southern bank downstream of the access road was previously repaired in 2012 using a design provided by Prunuske Chatham, Inc., (PCI). Although the southern bank is holding up well, the northern bank and the creek bed immediately downstream of the 96-inch culvert downstream of the access road are slowly eroding.

NMWD staff has requested PCI to provide a cost proposal to conduct a feasibility analysis for repairing the eroded pipe crossings at Rush and Novato Creeks and bank repair at Leveroni Creek (see Attachment 1). The purpose of the feasibility analysis is to help NMWD identify the best repair options considering environmental benefits, regulatory restrictions, and cost.

Consulting Agreement

PCI is recommended to provide consulting engineering services to perform a feasibility analysis and provide preferred conceptual designs with preliminary cost estimates. PCI is an experienced environmental planning, design, and consulting firm. They also have a proven track record working with regulatory agencies and have successfully worked with NMWD in the past. Their scope includes:

Approved by GM *LD*

Date *4/28/2017*

- Rush and Novato Creek Site, Biological and Regulatory Analysis
- Rush and Novato Creek Site, Design Alternative Analysis
- Leveroni Creek Bank Repair Alternative Analysis, and Regulatory Assessment

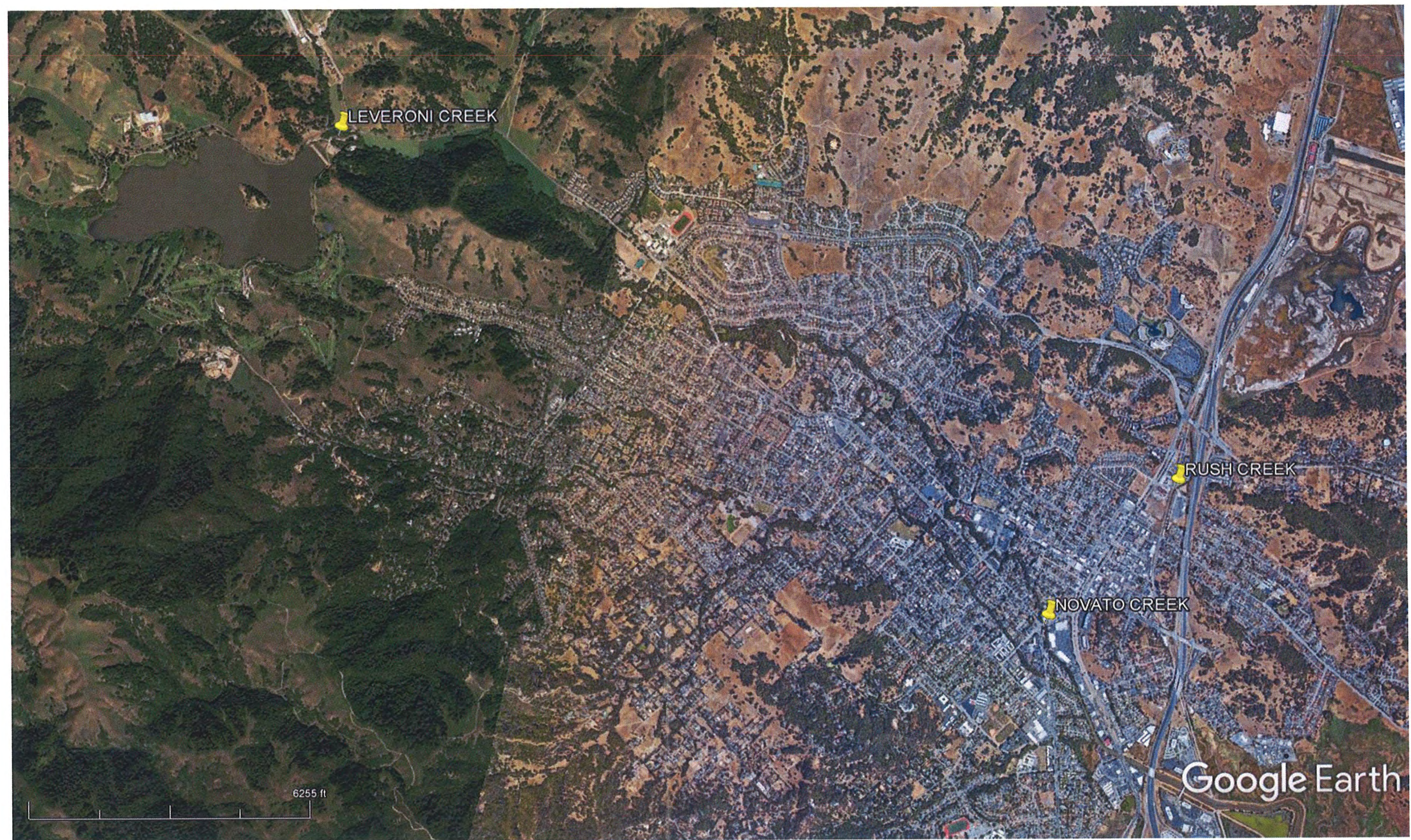
The PCI proposal is provided in Attachment 2. The total consulting services cost estimate for PCI is \$64,647. The complete feasibility analysis report with background summary is scheduled for completion in September 2017.

Financial Impact

PCI's cost estimate for \$64,647 was not originally anticipated in the FY16/17 budget. However, project 1.6501.46 (Office Emergency Generator) will be deferred, and the funds available for this project are sufficient to cover the expense for PCI to prepare the proposed feasibility analysis.

RECOMMENDATION

That the Board authorize the General Manager to execute an agreement with Prunuske Chatham, Inc. for Feasibility Analysis of the Rush Creek and Novato Creek pipe crossing repairs and the Leveroni Creek bank repair feasibility analysis for a not to exceed fee of \$65,000 plus a contingency of \$6,000.



SITE PLAN – PIPE CREEK CROSSING LOCATIONS AND LEVERONI CREEK BANK REPAIR LOCATION



PRUNUSKE CHATHAM, INC.

March 30, 2017

Rocky Vogler, P.E.
Drew McIntyre, P.E.
North Marin Water District
999 Rush Creek Place
Novato, CA 94945

Subject: Revised Proposal for Project Feasibility and Recommendation Analysis for Two Stream Crossing Repairs and One Bank Repair Owned by North Marin Water District in Novato, California.

Dear Rocky,

On October 20, 2016, I met with Carmela Chandrasekera P.E. to assess two North Marin Water District (NMWD) pipeline stream crossings that have become exposed due to erosion and are in need of repair in Novato, California. NMWD's primary interest is to develop cost effective repair solutions that work with the natural creek environments and will satisfy the environmental regulatory agencies and other governing jurisdictions. Since that meeting Carrie Lukacic and I from Prunuske Chatham, Inc. (PCI) talked with you on March 17, 2017 about including a feasibility assessment for a bank repair on Leveroni Creek on NMWD property to our proposed scope. A description of site conditions and the revised scope follow.

The first pipe of concern is a 30-inch steel water main crossing Rush Creek just south of the NMWD yard and south of Golden Gate Place Road crossing. To the west of Rush Creek and running parallel is the Northwestern Pacific Railroad (NWPRR) track and railroad right-of-way. The top of the pipe is exposed approximately 6 inches or more and can be seen approximately 6 inches below the water surface of a backwater pool that extends downstream through the double barrel box culvert road crossing. In the vicinity of the NMWD exposed pipe, a 36-inch Marin Municipal Water District (MMWD) pipe crosses Rush Creek (actual location will need to be verified). The creek is flanked with riparian vegetation consisting mainly of willow and tules. At this time it appears that the pipe does not impede any fish or aquatic species from passage.

The second pipe is a 12-inch concrete encased steel water pipe crossing Novato Creek at Diablo Avenue near the intersection of South Novato Boulevard. The pipe crosses at the downstream end of the Diablo Avenue road crossing, and the concrete encasing is approximately 5 feet wide and 30 to 36 inches high. The concrete pipe protection includes a low flow weir notch for fish passage on the west side of the creek that appears to have an approximate 18-inch leap height

(height to be verified) that is above the recommended range for juvenile and adult salmonids at least at the lowest of flows.

The stream channel has downcut or scoured downstream of the crossing to the point that daylight can be seen below the concrete encased pipe at one location on the east side of the channel. Low stream flows are being directed beneath the pipe. It appears that the exposed concrete is likely a partial leap barrier to some fish and life stages; however, at some flows fish may be able to go below the pipe. A 36-inch stormdrain with floodgate enters just downstream of the NMWD pipe crossing from the east concrete wall; the stormdrain may be contributing to scour below the pipe crossing.

It appears the concrete pipe protection provided grade stability of the gravel bed below the Diablo Avenue road crossing for many years. The alluvial bed surface seems to be lowering in elevation as gravel migrates downstream below the concrete pipe protection during larger flow events. At the upstream end of the road crossing is a Novato Sanitary District (NSD) sewer pipe encased in concrete with the top of concrete currently flush with the streambed. There is concern that if the gravel continues to migrate out below the NMWD pipe crossing the sewer pipe and associated concrete will become a barrier to fish while leaving the NMWD pipe more exposed.

On Leveroni Creek a 96-inch RCP crosses the access road to NMWD Stafford Lake Treatment Plant and has caused bank erosion on both the left and right banks looking downstream. In 2011, NMWD had PCI design a bank repair for the right bank on the outside bend of the creek and NMWD implemented the project during the summer of 2012. The left bank immediately downstream of the culvert outfall has been over-steepened and subject to high flow scour since the culvert was originally installed. In recent years, the toe of bank has slowly eroded through scour and the plunge pool at the toe of bank appears to have deepened. There is concern from NMWD staff that if the erosion continues, the over-steepened bank could fail and damage the Plant access road.

Both NMWD pipe crossing repair sites and the bank repair site will likely require work in the active stream channel and may need dewatering with special protections in place for potential threatened and endangered species found on site or nearby. Instream pipeline repairs will require permits from the U.S. Army Corps of Engineers (Corps), San Francisco Bay Regional Water Quality Control Board (SFRWQCB), Department of Fish and Wildlife (CDFW), and Marin County Department of Public Works (MCP). Because fill (rock, concrete, soil or other material) will likely be required below the ordinary high water mark to protect the pipes, the Corps will need to consult with the National Marine Fisheries Service (NMFS) and possibly the United States Fish and Wildlife and Service (USFWS) during permit processing. Other stakeholders may need to be consulted depending on the repair options selected including the Marin County

Flood Control and Water Conservation District, the California Department of Water Resources, NSD, City of Novato Public Works, MMWD, and NWPRR.

NMWD has requested Prunuske Chatham, Inc. (PCI) conduct a feasibility analysis for repairing the eroded pipe crossings at Rush and Novato Creeks and the bank repair at Leveroni Creek. The purpose of the feasibility analysis is to help NMWD identify the best repair options considering the natural resources at each site along with the regulatory environment and potential repair option costs.

SERVICES BY PRUNUSKE CHATHAM, INC.

The following task descriptions outline the steps for developing the scope of services described above. The steps will generally be the same for both creek crossings and the bank repair; however, the Novato Creek pipe will need to consider fish passage requirements for salmonids based on NMFS and CDFW guidelines. The Novato Creek crossing is also located in the FEMA flood map as Zone "AO" and "AE" considered "high risk zones" requiring additional hydraulic analysis for maintained channel capacity. Rush Creek is in Zone "X" considered to be between the 100- and 500-year flood limits. Work in Leveroni Creek won't likely require flood flow or fish passage analysis being a much smaller repair; however, the repair will likely result in placement of fill material into an existing intermittent pool that likely supports steelhead trout during the wet season. Based on the project location and the information gathered so far, our scope includes the following items:

Rush and Novato Creek Site, Biological and Regulatory Analysis

- Perform topographical survey of the two pipe crossing sites including a long profile to determine average channel slopes with a total station and RTK unit. Survey includes known utilities using USA markings, road crossings, trees over 6" DBH and other site features that might impact the design or construction access.
- Create topographical base maps in ACAD with 1-foot contours for each crossing location.
- Create long profile and section for design study for each crossing location.
- Review and use existing hydrology for Novato and Rush Creek projects. If required develop design flows for Rush Creek (see assumptions). Develop fish passage flows for Novato Creek as necessary.
- Review and analyze FEMA National Flood Insurance Rate Maps (FIRMs) and project requirements.
- Run existing condition single section Hydraulic Models for both sites to guide design and determine existing channel conditions and capacity.
- Conduct a site visit with the project team to determine site opportunities and constraints.
- Conduct an initial biological resources evaluation of the project sites to distinguish ecological constraints and potential opportunities. If special status species (plants or

animals listed as endangered, threatened, or of concern, etc.) are found to be present or potentially present, additional biological assessment may be needed.

- Conduct a review of the cultural resources database at the Northwest Information Center.
- Review the two project sites for regulatory and jurisdictional requirements that will be critical considerations for design options, and identify permits and consultation requirements for the design options
- Prepare existing condition and background summaries for use by the design team.

Rush and Novato Creek Site, Design Alternative Analysis

- Conduct an in-house design team jam to brainstorm alternative repair designs based on background studies and analysis of biologic, hydraulic, and regulatory considerations. Select two concepts for each site for further design development.
- Develop two alternative concept designs for hydraulic modeling effort in ACAD for the Novato Creek and one alternative design for the Rush Creek site.
- Run proposed conditions, single section hydraulic models for both sites to guide design and determine existing and proposed conditions and capacity.
- Prepare design package including title sheet with vicinity and location maps, plan view, long profile and design sections for preferred alternative after evaluated and modeled.
- Develop planning level estimated cost ranges to construct preferred alternative crossing repairs.
- Review project feasibility analysis and alternative designs with NMWD staff.
- Summarize feasibility analysis and examined design alternatives in a technical report with final recommendations and considerations.

Leveroni Creek Bank Repair Alternative Analysis, and Regulatory Assessment

- Create study sections and a base map using exiting topography from the 2011 bank repair design.
- Conduct an in-house onsite design team jam to brainstorm alternative repair designs based on background studies and analysis of biologic, hydraulic, and regulatory considerations. Hydraulics from the 2011 bank repair design will be used for the analysis.
- Develop two alternative concept designs for the bank repair. One with a traditional armored repair approach and one with a softer repair approach if feasible using bioengineering technics favored by agencies.
- Review the project site for regulatory and jurisdictional requirements that will be critical considerations for design options.
- Develop planning level estimated cost ranges to construct preferred alternative.
- Summarize feasibility analysis for the bank repair and examined design alternatives in a technical memo with final recommendations and considerations.

DELIVERABLES

- Preferred concept designs for crossing repairs and bank repair
- Feasibility analysis report
- Preliminary cost estimates

SERVICES BY OTHERS

The following project activities and tasks will be performed by NMWD:

- Provide site access for survey and onsite evaluations
- Coordinate USA for pre survey/ repair utilities mapping
- Attend design review meeting
- Review and comment on PCI submittals

ASSUMPTIONS

- A single section analyzer will be used to determine hydraulics for each site. If more in-depth hydraulic analyses (1D or 2D hydraulic modeling) are required, they will be conducted under a separate scope and fee.
- Design flows from the, *Hydraulic Assessment of Existing Conditions Novato Creek Watershed Project prepared for the County of Marin Public Works by Kamman Hydrology and Engineering, Inc. and WRECO June 2014* will suffice for the Novato Creek pipe crossing assessment.
- Design flows for Rush Creek will be available from Marin County. If not readily available PCI will need to perform hydrologic analysis for the Rush Creek drainage area within our proposed budget. We assume a simple watershed analysis will suffice and will not need to include a detailed storm drain analysis for the Rush Creek watershed.
- Fish passage analysis will not be required for the pipe crossing at Rush Creek nor will analysis of downstream culverts or tide gates be necessary.
- PCI can provide a detailed scope for any of the service listed above at NMWD request.

SERVICES NOT INCLUDED

- Geotechnical investigation
- Structural analysis
- Construction drawings and specification
- Permit applications
- Construction

PCI can provide a detailed scope for services listed above at NMWD's request.

SCHEDULE

Following is an estimated schedule. It may need to be adjusted as the project progresses.

May 2017	Agreement formation between PCI and NMWD
June 2017	Topographic survey Initial biological assessment Hydrology and existing conditions hydraulics assessment
July 2017	Complete existing condition and background review for each site Design team site visit Develop alternative designs for model Develop hydraulic model
Aug 2017	Complete hydraulic models Develop design alternative package Complete preliminary cost estimates Review design alternatives with NMWD
Sept 2017	Complete feasibility analysis report with background summary for each site

PERSONNEL

Mike Jensen, Principal Landscape Architect, will be PCI's project manager. Carrie Lukacic, Principal Planner will serve as PCI's project principal and will determine regulatory requirements. Luke Walton, PE, will serve as project engineer. Steve Chatham, Founding Principal and Lauren Hammack, Principal Geomorphologist will consult on design alternatives and provide quality control. Jennifer Michaud, Senior Biologist will conduct the biologic resource review. Other PCI personnel will participate as needed.

Luke Walton, P.E. # C79859 is licensed by the California Board for Professional Engineers and Surveyors. Mike Jensen, P.L.A. #4727, is licensed by the California Landscape Architects Technical Committee.

FEES AND BUDGET ESTIMATE

PCI estimates that the cost for Rush Creek will be approximately \$28,509. PCI estimates that the cost for Novato Creek will be approximately \$30,934. The estimated cost for Leveroni Creek is \$5,205. A budget summary is attached. The total cost estimated cost is \$64,647. PCI's actual fees will be on a time and materials basis in accordance with the attached Fee Schedule. Final cost may vary depending on the actual time and materials required. We will not exceed the total estimate by more than 10% without authorization from you.

PCI will typically submit monthly invoices for progress payments for work completed. PCI may choose to not submit an invoice every month. Please notify PCI's project manager if you need an invoice every month. Invoices will be billed to you at the above address.

ACCEPTANCE AND TERMINATION

This proposal combined with your email response accepting it can serve as our agreement. This proposal is valid for 60 days.

Please feel free to contact me at your convenience. I can be reached by telephone at (707) 824-4601, extension 107, or via email to Mike@pcz.com. Alternately, Carrie Lukacic can be contacted at extension 112. PCI appreciates this opportunity to offer our services, and we look forward to working with you on this project.

Sincerely,
PRUNUSKE CHATHAM, INC.



Mike Jensen
Principal Landscape Architect

Enclosure: Budget Worksheet
Fee Schedule

Prunuske Chatham, Inc.
 Cost Estimate for
 North Marin Water District Pipeline Crossings and Bank Repair Analyses

NMWD Pipe Xing Analysis and Leveroni Bank Repair Analysis	Founding Principal	Principal Landscape Architect	Principal Geomorphologist	Civil Engineer	Principal Planner	Senior Biologist	Engineer Tech/ EIT/ Hydraulic Modeler	Prevailing Wage Survey Rodperson	Travel	Survey Equip. Total Station and RTK	Sub consultants	Line Item Subtotal
	\$180	\$170	\$150	\$150	\$150	\$120	\$105	\$109	\$75	\$300	1.15	Cost
Rush Creek Site, Biological and Regulatory analysis												
Site survey		2		9				9	1	1		\$3,046
Create topo				4			10					\$1,650
Create study sections and profile							2					\$210
Channel hydrology for 1.5, 2, 100- year flows			1	2			6					\$1,080
Existing channel hydraulics and channel capacity (Single section)			1	2			4					\$870
Onsite team visit		2	2		2				1			\$1,015
Biological resource site and data base evaluation					2	5			1			\$975
Cultural Resources initial evaluation					1						\$450	\$668
Regulatory analysis					6							\$900
Prepare existing conditions and background summary		2	2	10	5	6	4					\$4,030
Project Management, Mark USA, correspondence	1	5			1							\$1,180
subtotal	1	11	6	27	17	11	26	9	3	1	\$450	\$15,624
Rush Creek Design Alternatives												
Design Jam	1	1	1	1	1							\$800
Concept design development		2		8								\$1,540
Channel hydraulic analysis for 2 proposed conditions (2 Hec Ras runs)			1	4			8					\$1,590
Title sheet with location and vicinity maps		1					3					\$485
Plan and Profile (preferred alternative)		2		10			2					\$2,050
Design section (preferred alternative)		2		1			2					\$700
Preliminary cost estimate to construct	3	8					4					\$2,320
Meet with NMWD to review Alternatives	2	2			2				1			\$1,075

North Marin Water District Pipeline Crossings and Bank Repair Analyses

NMWD Pipe Xing Analysis and Leveroni Bank Repair Analysis												
	Founding Principal	Principal Landscape Architect	Principal Geo-morphologist	Civil Engineer	Principal Planner	Senior Biologist	Engineer Tech/ EIT/ Hydraulic Modeler	Prevailing Wage Survey Rodperson	Travel	Survey Equip. Total Station and RTK	Sub consultants	Line Item Subtotal
	\$180	\$170	\$150	\$150	\$150	\$120	\$105	\$109	\$75	\$300	1.15	Cost
Feasibility analysis design report		3	2	6	2		3					\$2,325
subtotal	6	21	4	30	5	0	22	0	1	0	0	\$12,885
Total Rush Creek												\$28,509
Novato Creek Site, Biological and Regulatory Analysis												
Site survey		2		9				9	1	1		\$3,046
Create topo				4			10					\$1,650
Create study sections and profile							2					\$210
review Channel hydrology for 1.5, 2,10, 25 and 100- year flows from others				1								\$150
Fish Passage flow analysis				4								\$600
FEMA and flood district research				1								\$150
Existing channel hydraulics and channel capacity (single section analysis)			1	2			4					\$870
Onsite team visit		2	2		2				1			\$1,015
Biological resource site and data base evaluation					2	5						\$900
Cultural Resources initial evaluation					1						\$450	\$668
Regulatory analysis					6							\$900
Prepare existing conditions, fish passage, biological and background summary		2	2	10	5	8	4					\$4,270
Project Management, correspondence	1	5			1							\$1,180
subtotal	1	11	5	31	17	13	20	9	2	1	\$450	\$15,609
Novato Creek Design Alternatives												
Design Jam	2	2	2	2								\$1,300
Concept design development 2 alternatives		4		10								\$2,180

Prunuske Chatham, Inc.
Cost Estimate for
North Marin Water District Pipeline Crossings and Bank Repair Analyses

NMWD Pipe Xing Analysis and Leveroni Bank Repair Analysis	Founding Principal	Principal Landscape Architect	Principal Geomorphologist	Civil Engineer	Principal Planner	Senior Biologist	Engineer Tech/ EIT/ Hydraulic Modeler	Prevailing Wage Survey Rodperson	Travel	Survey Equip. Total Station and RTK	Sub consultants	Line Item Subtotal
	\$180	\$170	\$150	\$150	\$150	\$120	\$105	\$109	\$75	\$300	1.15	Cost
Channel hydraulic analysis for proposed conditions (single section)			1	3			4					\$1,020
Fish Passage hydraulic analysis		1	2	6								\$1,370
Title sheet with location and vicinity maps		1					3					\$485
Plan and Profile (preferred alternative)		2		8			3					\$1,855
Design section (preferred alternative)		1		2			1					\$575
Preliminary cost estimate to construct	3	10					4					\$2,660
Meet with NMWD to review Alternatives	2	2			2							\$1,000
Feasibility analysis design report		3	2	8	3		4					\$2,880
subtotal	7	26	7	39	5	0	19	0	0	0	0	\$15,325
Total Novato Creek												\$30,934
Leveroni Bank Repair and Permit Assessment												
Create study section and plan.							2					\$210
Onsite team visit (design jam) on day of other site visits		1	1	1	1							\$620
Review preliminary channel hydraulics				1								\$150
Develop design repair sections (2 alternatives)		4					4					\$1,100
Plan view (preferred alternative)		1		4			1					\$875
Regulatory analysis					2							\$300
Preliminary cost estimate to construct	1	4										\$860
Summarize in feasibility memo.		2		3	2							\$1,090
subtotal	1	12	1	9	5	0	7	0	0	0	0	\$5,205
TOTAL ALL TASKS	16	81	23	136	49	24	94	18	6	2	\$900	\$64,647



PRUNUSKE CHATHAM, INC.

FEE SCHEDULE 2016

<u>Classification</u>	<u>Hourly Rate</u>	<u>Overtime Hourly Rate</u>
<i>Design & Planning Services</i>		
Founding Principal	\$180	
Principal Civil Engineer	\$170	
Principal Landscape Architect	\$170	
Principal Environmental Planner	\$150	
Principal Geomorphologist	\$150	
Sr. Civil Engineer	\$150	
Registered Civil Engineer	\$140	
Registered Professional Forester/ CPESC/ QSD	\$140	
Registered Landscape Architect	\$130	
Sr. Environmental Planner	\$140	
Professional Land Surveyor	\$140	\$168
Sr. Botanist/ Vegetation Ecologist	\$120	\$144
Sr. Wildlife Biologist	\$120	\$144
Sr. Engineering Tech./ Sr. CAD Operator	\$105	\$126
Certified Planner/ Planner II	\$105	\$126
Botanist/ Vegetation Ecologist/ Biologist	\$95	\$114
EIT/ Assistant Engineer	\$95	\$114
Environmental Planner I	\$85	\$102
GIS Technician	\$83	\$100
Staff Scientist, Designer or Planner I	\$77	\$92
Project Administrator	\$77	\$92
Clerical	\$60	\$72
<i>Construction Services</i>		
Construction Superintendent	\$125	
Construction Foreman	\$115	
Construction Planner / Foreman	\$95	\$114
Equipment Operator	\$75	\$90
Construction Journeyman	\$68	\$82
Skilled Laborer	\$57	\$68
Laborer	\$43	\$52
Project Consumed Materials	cost plus 15%	
Rented Vehicles and Equipment	cost plus 15%	
Subconsultants/ Subcontractors	cost plus 15%	
PCI-owned Vehicle	\$75 per day	
Employee-owned Vehicle	IRS rate per mile	
PCI-owned Tractor 15-35 hp	\$160 per day	
PCI-owned Strawblower, Water Trailer	\$200 per day	
PCI-owned Trailer	\$40 per day	
PCI-owned Small Equipment	\$25 per day	
PCI-owned Survey or GPS Equipment	\$150 per day	

Invoicing occurs monthly for 100% of the work completed during the invoice period unless otherwise arranged. Fees are calculated on a time and materials basis in accordance with this fee schedule. Payment is due upon receipt.

400 MORRIS STREET, SUITE 100, CHATHAM, MA 01928. TEL: 508-781-1111 FAX: 508-781-1112

7

MEMORANDUM

To: Board of Directors
From: David L. Bentley, Auditor-Controller
Subj: Rate Increase Letter to West Marin Water and Oceana Marin Sewer Customers
t:\aclword\budget\wm\18\2017 prop 218 ltr cover memo.docx

April 28, 2017

RECOMMENDED ACTION: Approve Letter to Customers**FINANCIAL IMPACT:** \$750

California law requires that customers be notified of a water or sewer rate increase at least 45 days prior to the public hearing where the Board considers adoption of said increase. A public hearing is scheduled for Tuesday, June 27, 2017 at 7:00 PM at the Dance Palace in Point Reyes Station. The June 27 public hearing date requires that the notification letters be postmarked no later than May 13, 2017. The letters will be printed in-house and the marginal postage, stationary and copying cost for the 1,012 active customers will be approximately \$750.

West Marin Water

The rate increase proposed for West Marin Water customers will generate 5% (\$40,000 annually) in additional revenue. Consistent with the structure of the increase proposed for Novato customers, both the commodity rate and the bimonthly service charge component of the water bill are proposed to increase 5% effective July 1, 2017.

The dollar amount of the increase for each customer will vary based upon their individual water use. The Annual Water Cost Calculator on the District's website allows each customer to see the impact of the proposed increase on their annual water cost based upon their water use over the past 12 months. The median residential customer, assuming no change in water use, would see a 5% increase, amounting to \$2.67 per month (\$32 annually).

Oceana Marin Sewer

A 10% rate increase (an \$8 increase to \$86 per month) effective July 1, 2017 is proposed for Oceana Marin sewer service. The increase would generate \$22,000 annually to begin to accumulate funds to pay for projects identified in the 2016 Oceana Marin Master Plan Update.

The proposed letters are attached for Board review and comment. Legal counsel is reviewing the letters to assure compliance with the notification requirements of California law.

RECOMMENDATION:

Approve mailing the rate increase letters to customers.

Approved by GM LD
Date 4/28/2017

May 12, 2017

RE: Notice of Proposed Water Cost Increase – West Marin Service Area

Dear Customer:

This letter is to advise you of **proposed increases to West Marin water rates** that would take effect on July 1, 2017. It also provides information about a **Public Hearing scheduled on June 27, 2017**, at which time written and oral comments will be considered and a vote on the increase will be taken by the North Marin Water District Board of Directors.

HOW MUCH IS THE PROPOSED RATE INCREASE?

A 5% increase in the cost of water is proposed, which would result in an average increase of \$2.67 per month (\$32 annually) for the typical (median) single-family residential customer who consumes 51,600 gallons of water annually. Those using less than the median would see an increase less than \$32 annually, and those using more would pay more. The increase for non-residential customers (commercial, institutional and irrigation accounts) would vary based on water use and meter size. The median non-residential account would also see an annual 5% cost increase. A detailed description of the proposed water rate increases is included on page 3.

You can determine the increase in your annual water cost based on your water use over the past year from our website. Insert your NMWD account number and the name on your account into the Rate-Increase Model on NMWD's website at <http://www.nmwd.com/accountbalance.php>.

REASON FOR THE PROPOSED INCREASE

The District's mission is to provide an adequate supply of safe, reliable and high-quality water at reasonable cost consistent with good conservation practices and minimum environmental impact. Maintaining and renovating the infrastructure of the rural West Marin Water System is expensive. Today the system includes 26 miles of pipeline, over 1 million gallons of finished water storage distributed across 13 tanks, 7 pump stations, 168 fire hydrants, a multitude of valves, 3 wells, and a water treatment plant, all designed to serve 781 customers. Sufficient revenue to finance the ongoing system operation and renovation must be generated.

ADDITIONAL INFORMATION

Greater detail of the various rates and customer categories is provided on page 3.

A public hearing before the NMWD Board of Directors to consider the proposed rate increase is scheduled for 7:00 pm, Tuesday, June 27, 2017, at the Dance Palace (503 B Street) in Point Reyes Station.

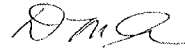
You are invited to present oral or written testimony on the proposal at the public hearing. You have the right to protest this proposed rate increase. If you do, you must submit your protest in writing, even if you plan to attend the public hearing. If written protests are submitted by a majority of the affected property owners or customers, the proposed increases will not be adopted.

Your written protest must be received prior to the close of the June 27, 2017 public hearing. Written protests must be signed by the property owner or customer of record and must include a description of the parcel (parcel number) or NMWD account number. Send or deliver written protests to:

District Secretary
North Marin Water District
PO Box 146
Novato, CA 94948

For more information about the North Marin Water District, including the history of the West Marin Water System, or to view the most recent Coastal Area Water Cost Comparison or the District's audited financial statement, visit NMWD's website at www.nmwd.com or call the District Secretary at (415) 897-4133.

Sincerely,



Drew McIntyre
General Manager

PROPOSED			
West Marin Water System Rate Changes			
EFFECTIVE JULY 1, 2017			
BIMONTHLY SERVICE CHARGE	<u>Existing</u>	<u>Proposed</u>	<u>% Increase</u>
For STANDARD 5/8 x 3/4-INCH METER.....	\$30.00	\$31.50	5%
For 1-inch residential meter for fire service.....	\$34.00	\$35.70	5%
For 1-inch meter.....	\$60.00	\$63.00	5%
For all meters in Paradise Ranch Estates.....	\$46.00	\$47.50	3%
QUANTITY CHARGE			
<u>Residential Rate Per Dwelling Unit</u>			
First 400 gallons per day.....	\$8.14	\$8.55	5%
From 401 to 900 gallons per day.....	\$11.28	\$11.84	5%
From 901+ gallons per day.....	\$18.09	\$18.99	5%
<u>Commercial, Institutional & Irrigation Rate</u>			
November 1 through May 31.....	\$8.23	\$8.64	5%
June 1 through October 31.....	\$11.38	\$11.95	5%
PLUS A HYDRAULIC ZONE CHARGE/1,000 GAL			
<u>Zone</u>			
1 Point Reyes Station.....	\$0.00	\$0.00	0%
2 Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0' - 365').....	\$0.21	\$0.22	5%
3 Olema.....	\$0.80	\$0.84	5%
4 Upper Paradise Ranch Estates (Elevation 365'+).....	\$5.44	\$5.71	5%
Additional Commodity Rate for Consumers Outside the Improvement District Boundary.....	\$3.26	\$3.42	5%

May 12, 2017

RE: Notice of Proposed Oceana Marin Sewer Service Cost Increase

Dear Customer:

This letter is to advise you of a **proposed increase to the Oceana Marin sewer service charge** that would take effect on July 1, 2017. It also provides information about a **Public Hearing scheduled on June 27, 2017**, at which time written and oral comments will be considered and a vote on the increase will be taken by the North Marin Water District Board of Directors.

How much is the proposed rate increase?

Current Oceana Marin sewer service charges are \$78/month (\$936/year). A **10% increase** is proposed equaling \$8/month (\$96/year).

How will the proposed increase affect my sewer bill?

Oceana Marin sewer service charges are collected on the Marin County property tax bill, which is rendered annually for the fiscal year period July 1 through June 30. The proposed sewer service charge increase would add \$8 per month to the cost of sewer service for all customers in Oceana Marin, resulting in a total annual charge for fiscal year 2017/18 of \$1,032 (\$86 per month for July 2017 through June 2018).

Why are rates being increased?

In January 2016 the District concluded a Master Plan Update that identified over \$3 million in projects necessary to improve the reliability and redundancy of the Oceana Marin Wastewater System. Constructing these improvements will be financially challenging for the 231 customers of the Oceana Marin utility. Even if the projects are constructed over a 20-year period, the cost would still average \$150,000 annually. The Oceana Marin system held a cash balance of \$369,000 at March 31, 2016. The proposed rate increase, if enacted, would generate \$22,176 of additional revenue annually (\$96/year X 231 customers). As you can likely surmise, additional rate increases will be necessary in future years as the District continues to improve the reliability of the existing facilities and to construct redundant facilities in order to protect against potential system failure and sewage spills. The entire Master Plan Update is available for review at: <http://www.nmwd.com/pdfs/agenda/011916.pdf>.

Included in next fiscal year's proposed budget is a hazard mitigation plan which, when completed, may assist in allowing the District to obtain low-interest rate loan and grant funds to assist in paying for some of the improvements.

Public Hearing

A public hearing before the NMWD Board of Directors to consider the proposed sewer service charge increase is scheduled for 7:00 pm, Tuesday, June 27, 2017, at the Dance Palace (503 B Street) in Point Reyes Station.


You are invited to present oral or written testimony on the proposal at the public hearing. You have the right to protest this proposed rate increase. If you do, you must submit your protest in writing, even if you plan to attend the public hearing. If written protests are submitted by a majority of the affected property owners the proposed increase will not be imposed.

Your written protest must be received prior to the close of the June 27, 2017 public hearing. Written protests must be signed by the property owner and must include a description of the parcel (parcel number or service address). Send or deliver written protests to:

District Secretary
North Marin Water District
PO Box 146
Novato, CA 94948

For more information about the North Marin Water District, including a history of the Oceana Marin Sewer System, or to view the most recent Coastal Area Sewer Cost Comparison or the District's audited financial statement, visit NMWD's website at www.nmwd.com or call the District Secretary at (415) 897-4133.

Sincerely,



Drew McIntyre
General Manager

8

MEMORANDUM

To: Board of Directors

April 28, 2017

From: Chris DeGabriele, General Manager 

Subj: Response to Consumer Inquiry – Sonoma County Water Agency, Possible Merger

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RECOMMENDED ACTION: Board authorize the President to respond to the consumer's letter**FINANCIAL IMPACT:** None at this time

Attached is a letter from a Novato consumer (Attachment 1) asking why the North Marin Water District is needed when Sonoma County Water Agency supplies most of Novato's water needs? The consumer suggest that the Board consider a merger and states that "In the present situation, the NMWD has no leverage with SCWA on how high SCWA sets rates".


I have drafted a response (Attachment 2) to the consumer's letter and am asking the Board to authorize the President to sign said letter and reply.

RECOMMENDED ACTION:

Board authorize the President to sign the letter of reply to the consumer regarding Sonoma County Water possible merger.

Approved by GM 

Date


4/28/2017

James A. Gray
730 Arlington Circle
Novato, CA 94947-4906
415-382-9194
NMWD Account No. 1123702
Parcel Number 150-541-11

RECEIVED
APR 20 2017
North Marin Water District

April 19, 2017

Board of Directors
North Marin Water District
P.O. Box 146
Novato, CA 94948

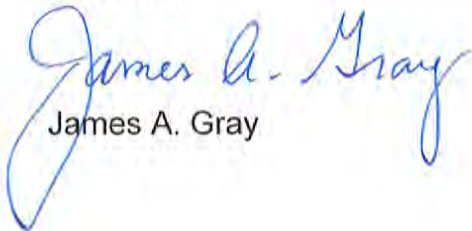
Subject: Sonoma County Water Agency, Possible Merger

In a water rate increase letter from the North Marin Water District general manager dated 31 Mar 2017, water customers are told that the Sonoma County Water District provides 80% of Novato's water supply. As a customer, I have an important question to ask the Board of Directors.

Why do we need the North Marin Water District (NMWD) when Sonoma County Water Agency (SCWA) is supplying most of Novato's water needs? The Board of Directors of the NMWD should consider whether a merger is needed; and if not, how does the board justify the costs of an independent water agency for Novato. In the present situation, the NMWD has no leverage with SCWA on how high SCWA sets rates.

This question of having an independent water agency for Novato should be addressed at the public hearing on 16 May 2017.

Sincerely,


James A. Gray

DRAFT

May 3, 2017

James A. Gray
730 Arlington Circle
Novato, CA 94947-4906

Re: Sonoma County Water Agency, Possible Merger

Dear Mr. Gray:

Thank you for your letter dated April 19, 2017 asking why North Marin Water District is needed when Sonoma County Water Agency supplies most of Novato's water needs. NMWD was formed in 1948 when the private Novato Water Company could not keep up with water demand from its groundwater wells located in the low lying areas of Novato. After the NMWD formation, Stafford Lake and Stafford Treatment Plant were constructed to meet the community's growing water demands.

By the late 1950's it was apparent that Novato would keep growing and additional sources of supply would be needed. In 1961, NMWD contracted with SCWA (they were then known as the Russian River Flood Control and Water Conservation District) to import Russian River supply into the Novato area. NMWD and the City of Petaluma paid for extension of an aqueduct pipeline from Santa Rosa, and NMWD constructed its own aqueduct pipeline from Petaluma to Novato which remains in use today.

The cost of wholesale water purchased from SCWA is based on a prescriptive formula in the agreement among SCWA and its eight retail water agencies (Town of Windsor, Cities of Santa Rosa, Rohnert Park, Sonoma, Cotati and Petaluma, and the Valley of the Moon and North Marin Water Districts).

Regarding your question of an independent water agency for Novato and considering a merger, it is noted that Marin LAFCo (Local Agency Formation Commission) in its January 2016 Countywide Water Service Study, did recommend that

LAFCo “consider preparing a study to assess the viability of any service and cost efficiencies tied to consolidating Marin Municipal Water District and NMWD, with the central objective to inform LAFCo, the agencies and the general public, with respect to the merits/demerits of a potential consolidation and to justify any subsequent actions including maintaining the status quo”.

Once again, thank you for your letter.

Sincerely,

Stephen Petterle
President North Marin Water District
Board of Directors

CD/kly

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9

MEMORANDUM

To: Board of Directors

April 28, 2017

From: Chris DeGabriele, General Manager



Subj: Approve Press Release regarding NMWD Management Changes

t:\gm\bod misc 2017\press release.docx


RECOMMENDED ACTION: Board Approve Subject Press Release

FINANCIAL IMPACT: None at this time

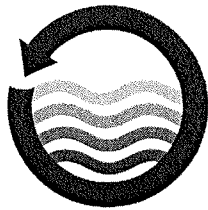
Attached is a proposed press release informing the local newspapers of Drew McIntyre's appointment as the North Marin Water District General Manager and advising that Rocky Vogler has succeeded Drew as Chief Engineer at North Marin.

RECOMMENDED ACTION:

Board approve the subject press release.

Approved by GM 

Date 4/28/2017



**NORTH MARIN
WATER DISTRICT**

mprado@marinij.com
localnews@marinij.com
editor@ptreyeslight.com
Kimmey.samantha@gmail.com
shermdrederick@gmail.com
scope@marinscope.com

May 3, 2017

Contact: Drew McIntyre, General Manager, (415) 897-4133

PRESS RELEASE

North Marin Water District Management Changes

The North Marin Water District Board of Directors appointed Drew McIntyre the new General Manager at their meeting on Tuesday night, May 2, 2017. Mr. McIntyre succeeds former General Manager Chris DeGabriele, who retired after 26 years with the District.

Mr. McIntyre was hired as North Marin's Chief Engineer in October 1998 and was promoted to Assistant General Manager in July 2015. He holds a California Professional Engineers License in Civil Engineering, a Grade 5 Wastewater Treatment Plant Operator Certification and Grade 3 Water Treatment Operator Certification. Mr. McIntyre currently serves as the Vice-Chair of Marin County Flood Control Zone 1 (Novato) Advisory Board, and is the past Committee Chair, Division Chair and current Trustee of the California-Nevada American Waterworks Association. He is the past president of the Bay Area Waterworks Association and past president of Rotary Club of Novato Sunrise.

Succeeding Mr. McIntyre as North Marin's Chief Engineer is Rocky Vogler, a resident of Kenwood in Sonoma County. Mr. Vogler is a Registered Professional Civil Engineer in the State of California and worked previously for the City of Santa Rosa as its Senior Water Resources Planner and for the Town of Windsor as a Sr. Civil Engineer, responsible for master planning and design/construction of capital projects for water, wastewater, recycled water and storm drain infrastructure. Mr. Vogler also worked for 8 years as an Engineering Consultant designing pump stations water/sewer infrastructure and treatment plant process improvements.

10

MEMORANDUM

To: Board of Directors
From: David L. Bentley, Auditor-Controller
Subj: Request for Additional Bill Adjustment – Emily Morris
t:\aclword\billing\morris bill adj.docx

April 28, 2017

RECOMMENDED ACTION: No Further Adjustment**FINANCIAL IMPACT: Up to \$175**

Ms. Morris, 1108 Mirabella Avenue, briefly attended the April 4 Board meeting to request an additional bill adjustment, but left the meeting upon learning that under the Brown Act the Board could not take action without her request being on the agenda.

Ms. Morris received a \$183 water bill in December followed by a \$400 bill in February (total \$583). Her typical December and February bills run around \$85. She received a \$238 bill adjustment under Board policy, leaving her to pay \$345, which is \$175 more than she would typically pay for the four month period. Ms. Morris would like the Board to grant an additional adjustment.

Background

The District's record shows that after reading the meter in December, billing staff observed high use and proactively dispatched a Field Service Rep to the home to check for a leak. The FSR noted that the leak detector on the meter was turning, but as no one was home, he left a door hanger advising of a possible leak and a dye-tab packet (used to check for toilet leaks). Ms. Morris found the dye-tab packet, but no door hanger.

When the meter was next read in February, billing staff again noted high use and again dispatched a FSR. No leaks were found, but the FSR documented his conversation with Ms. Morris wherein she stated that she had found an irrigation leak the prior week and shut it off at the valve. When the \$400 bill arrived, Ms. Morris called the District and a third FSR was dispatched, who noted that he checked all of the irrigation valves, and noted a slight spin of the meter that stopped when the irrigation valve was shut off. He also found a small drip on the back sink, but noted it was not significant enough to explain the high bills received. The District then offered a bill adjustment. The Sonoma County Water Agency water audit team, who performs the Water Smart Home Survey required as a condition of receiving a bill adjustment, reported on March 22 that no leak was visible at their appointment, and that both the tenant (Ms. Morris) and the property owner expressed concern about the high bill.

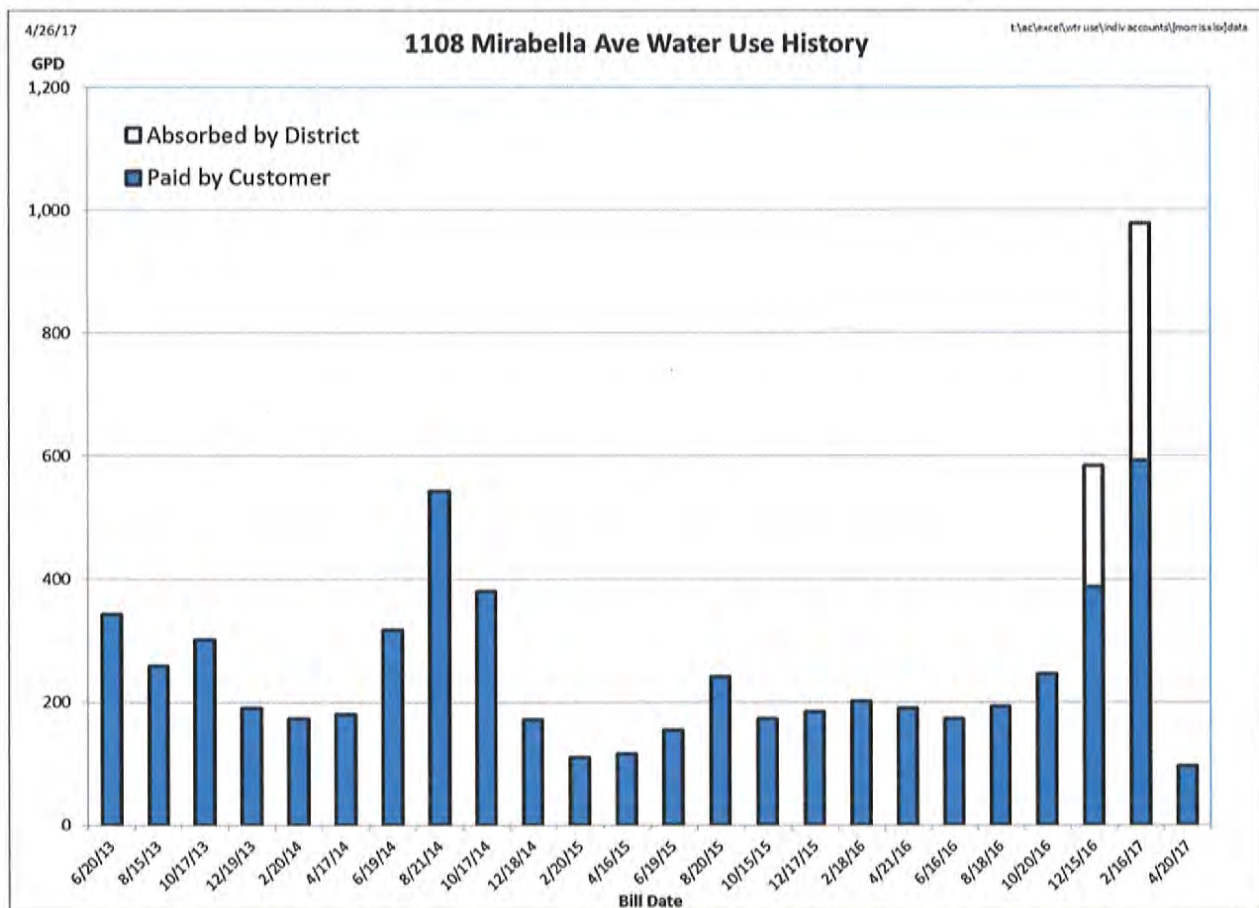
I spoke with Ms. Morris by phone on April 5. She stated that as a tenant she does not feel responsible for the home's irrigation system. I suggested she pursue the issue with her landlord, as the District had already granted an adjustment, and she agreed to do so. Attached is an email from Ms. Morris expressing her thoughts and requesting additional consideration.

Options to Consider

- 1) No further adjustment;
- 2) Grant an additional \$175 adjustment, reducing the amount to the normal \$170 charge for the four month period.
- 3) Split the difference – grant a further adjustment of \$87.50 ($\$175 / 2$);

Staff Recommendation:

Option 1



From: Emily Garvie Morris <egmorris1268@gmail.com>
Date: April 16, 2017 at 1:27:39 PM PDT
To: dbentley@nmwd.com
Subject: Board Meeting 5/2/17 re High Water Bill

Dear Mr. Bentley

Thank you for taking the time to talk Tuesday April 4th and thank you for the reminder call last Friday. Since seeing you in person I've been going full speed and back to work after vacation.

I would like to give you a quick written synopsis of what has transpired over the last six months and what compensation I would like for your records and to present to your board.

The dates are fuzzy as I didn't think, back then, I'd need to recant any of this....

In October or November of 2016 I received small mint sized packets at my front door. I didn't think much of them and later found them on my desk. Packets said "You may have a leak. Place in your toilet tank and in 15-20 minutes see if any blue color has seeped into your toilet bowl". No color was present in the toilet bowl. So I further disregarded the issue.

Early in 2017 I saw a water meter guy (Rich) checking the meter. He told me the water company had been watching my meter for some time because there may be a leak at the house. I told him about the tablets and I told him in December I noticed an emitter dribbling (normal dribble for an emitter) but had turned that off at the main source and had not see any water issues. He (Rich) then walked the property and concluded he also couldn't see anything suspicious or evidence of a leak. I informed my landlords of what was transpiring and they made efforts to check the meter and check the irrigation system. All showed to be normal. March 14th I met with Chad from Sonoma who came to survey the issue as well. He found nothing unusual.

In conclusion I understand the water district has adjusted to my water bill but I feel I am not responsible for the balance beyond my normal water usage. If there'd been a leak how does it all of a sudden cease?? That doesn't make any sense.

Thanks for your consideration and I understand I will be on your agenda May 2nd at 7pm.

--

Emily Garvie Morris
415.509.3205
egmorris1268@gmail.com

11

MEMORANDUM

To: Board of Directors
From: Chris DeGabriele, General Manager
Subj: Headquarters Upgrade Master Plan

April 28, 2017

RECOMMENDED ACTION: Board receive a presentation from architect Noll & Tam and approve concept proposal for one of two options presented

FINANCIAL IMPACT: None at this time (Noll & Tam's contract for the master plan update concept proposal is \$98,980, estimated cost of the upgrade is projected to range from \$13M to \$16M)

At the November 15, 2016 Board of Directors meeting the Board authorized a general services consulting agreement with Noll & Tam Architects to conduct the space planning and concept proposal (master plan) for the District's headquarters upgrade. Noll & Tam held a kick off meeting with NMWD staff on January 27, 2017 to clarify the project goals and conducted an assessment of the operations, site and gathered information on existing facilities. Surveys were solicited from the various departments on space planning needs and programming (relationship between departments). Noll & Tam reviewed the information gathered with District staff on February 24, then evaluated the site constraints and zoning and prepared five conceptual plans based on this input. Staff reviewed the conceptual plans with Noll & Tam on March 31 and narrowed them to two options. Noll & Tam then refined the two plans after consultation with staff for presentation to the Board tonight (attached). Staff participating in the project throughout the process included myself, Assistant General Manager Drew McIntyre, Auditor-Controller David Bentley, Chief Engineer Rocky Vogler, District Secretary Katie Young, Operations/Maintenance Superintendent Robert Clark, Construction/Maintenance Superintendent Tony Arendell and Water Quality Supervisor Pablo Ramudo.

Tonight we are asking the Board to receive the master plan presentation from Noll & Tam and provide guidance on the selection of the preferred alternative. Staff members mentioned previously have weighed in and unanimously prefer Option A - Renovation & Addition. Once the preferred option is identified by the Board, Noll & Tam will finalize the Master Plan and staff will begin work on a financing plan.

RECOMMENDATION

Board receive the District Headquarters Master Plan Upgrade presentation and identify the preferred option.



**GOOD WATER
GOOD SERVICE
GOOD VALUE
AND A SAFE PLACE TO WORK**

2nd MAY 2017

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HEADQUARTERS MASTERPLAN | NORTH MARIN WATER DISTRICT

NOLL & TAM ARCHITECTS

CHRIS NOLL, AIA

Principal in Charge

SCOTT SALGE

Project Manager

ANDREW RUSSELL

Architect Lab Planner

JANE CATALANO

Interior Designer

2nd MAY 2017

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SPACE NEEDS ASSESSMENT

- KICK OFF MEETING TO SET NWMD GOALS
- INDIVIDUAL DEPARTMENT HEAD INTERVIEWS
- SPACE NEEDS SURVEYS FOR EACH DEPARTMENT
- SUMMARY PRESENTATION OF NEEDS ASSESSMENT

PUBLIC SPACE / EDUCATION



BOARD ROOM / PUBLIC SPACE

- Provide an appropriately sized board room with current audio / video systems
- Training / Education space for internal staff and public outreach
- Enhanced connection between the Entrance Garden, lobby and reception
- Provide barrier free access to all public spaces and dedicated restrooms
- Clear security design for reception to control visitors to administration and engineering

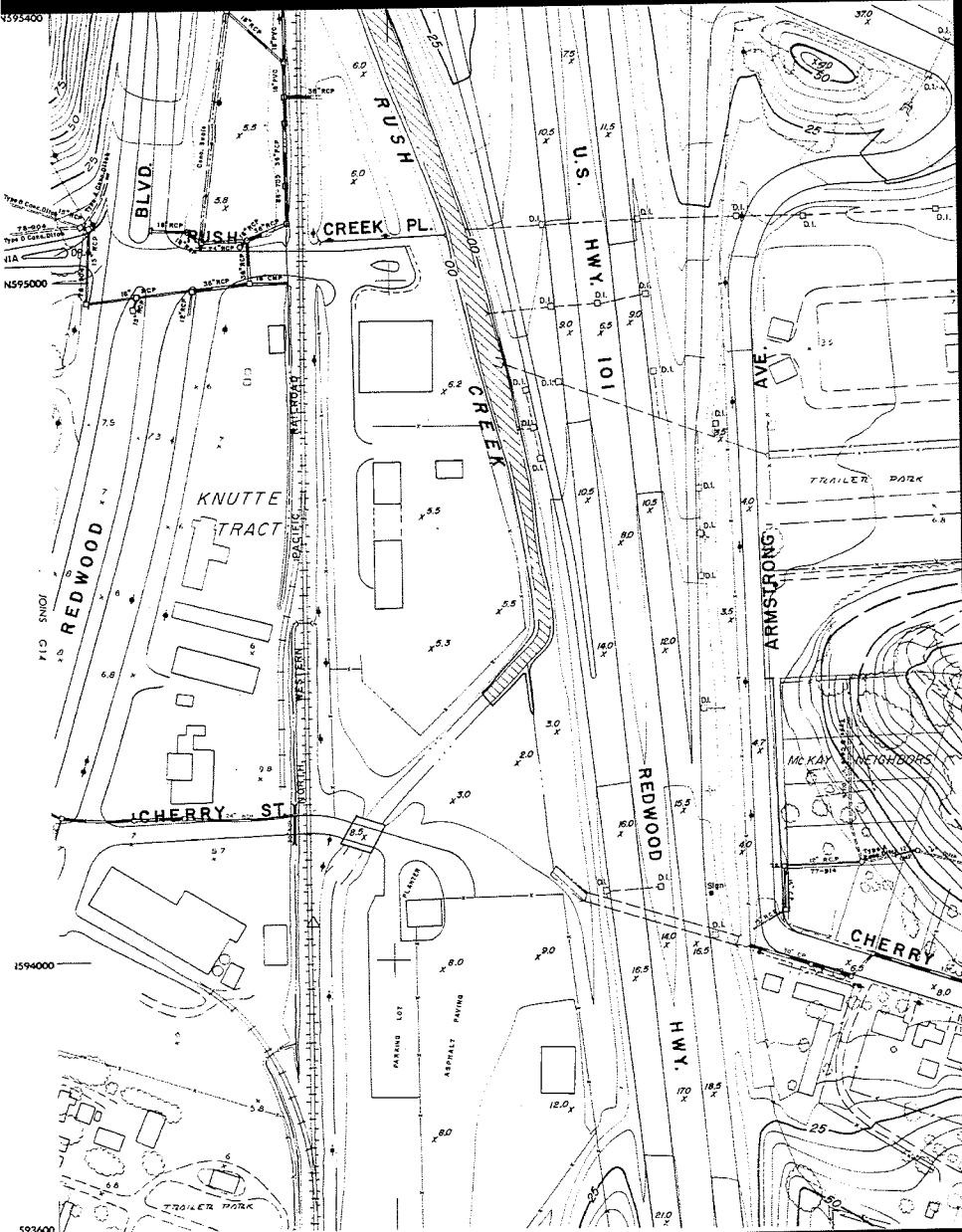
ADMINISTRATION



DEPARTMENT GOALS

- Provide enhanced collaborative and conference spaces for a variety of group sizes
- Consolidate filing and storage spaces
- Provide acoustic controls between departments to support concentration for tasks at hand
- Create community focused work place through “Hub” spaces and shared conference rooms

ENGINEERING



DEPARTMENT GOALS

- Improve adjacencies to facilitate communication of Engineering, field supervisors and construction group
- Flexible co-working space for informal group meetings
- Create a common “Library” to support the engineering, operations and maintenance departments
- Filing and storage approach to allow daily access to documents

OPERATIONS & MAINTENANCE



DEPARTMENT GOALS

- Consolidate filing and “Library” storage
- Create an OPS conference room to support Emergency operations team planning
- Create a Mud room for department, including lockers and storage for field equipment
- New technology space for servers, SCADA equipment and radios with dedicated conditioning
- Provide improved site lighting and security for the facility

WATER QUALITY LAB



DEPARTMENT GOALS

- Existing and new lab to maintain continuous operation and ELAB accreditation
- Update lab facilities to modern standards
- Provide dedicated stations to support separation of incompatible process and to provide an efficient workflow
- Layout, equipment and finish materials, to support contamination control
- Separate lab functions and office workstations
- Team office environment to promote collaboration with associated departments

CONSTRUCTION



DEPARTMENT GOALS

- Provide acoustic control to other administration functions
- Durable and cleanable materials
- Upgraded locker and shower facilities for large “Fireman” style lockers and accessible restrooms
- Improved/Larger video displays to provide access to digital maps and plans
- Space for staff to sleep during long shifts or overnight repairs

CORPORATION YARD



YARD GOALS

- Consolidation of construction materials, racked storage and moving sand/gravel to back lot
- Covered protection for materials to reduce UV exposure
- Provide dedicated vehicle washing station to suit largest apparatus
- Upgraded storage for chlorine, de-chlorination supplies
- Provide dirt and dust management at yard entries
- Canopies for maintenance vehicles

WORK SPACE DESIGN & SUSTAINABILITY GOALS

2nd MAY 2017

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WORK PLACE DESIGN

APPROACH

- Natural light & well ventilated spaces
- Mitigation of noise from adjacent freeway, SMART Train and industrial neighbors
- Co-location of NMWD staff to facilitate communication and community work place
- Provide offices, conference rooms, and open office space to suit individual departments
- Barrier free facilities
- Planning for digital archiving and a reduced paper office

SUSTAINABILITY / STEWARDSHIP

APPROACH

- Cal Green Mandatory Measures
- Proposed LEED Gold
- High performance building envelope
- Right size mechanical & electrical for a efficient building
- Site water management
- Increase site shade elements and planting to reduce heat island
- Onsite Solar generation

CIVIL ENGINEERING ASSESSMENT

2nd MAY 2017

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CIVIL ASSESSMENT



EXISTING CONDITIONS

- Utility constraints on west side of building (30" NMWD water line & 36" MMWD water line)
- Flooding in Yard during large rain events
- Non-Compliant Accessible parking
- On-Site parking hard to maneuver

CIVIL APPROACH



PROPOSED APPROACH

- **Resolve Drainage issues**
(Clean out debris from drainage structures. Install or repair flap gates at pipe outfalls. Install berms at breached creek locations)
- **Resolve parking and circulation issues**
(Restripe parking stalls on west side of building to be 90 degree stalls. Provide on-site accessible parking stalls. Provide accessible path of travel from parking lot to main entry).
- **Incorporate site sustainability features**
(PV panels over parking stalls, storm water management)

STRUCTURAL ASSESSMENT

2nd MAY 2017

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STRUCTURAL ASSESSMENT

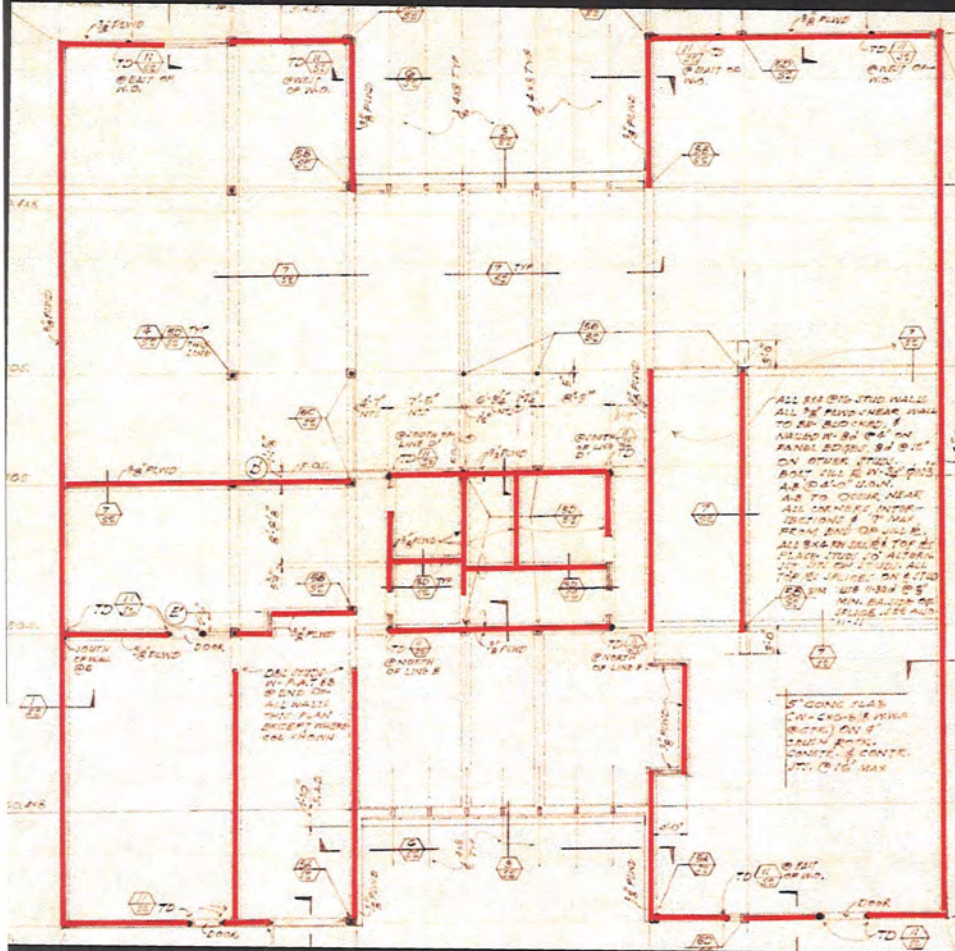


EXISTING CONDITIONS: 1965 BUILDING

- The building is in good condition:
 - Lots of plywood shear walls
 - No decay or distress observed
 - Good seismic performance expected
 - No requirements or triggers for seismic upgrade if there are no changes to the structural system



STRUCTURAL ASSESSMENT



EXISTING CONDITIONS: 1965 BUILDING

- More efficient use of the building will likely require removal of walls:
 - Structural alterations will require seismic evaluation and modifications for code compliance (CBC Part 10, Section 403)
 - Removal of wall in some locations can be compensated by additional wall(s) at other locations, strengthening of existing walls, or a combination
 - Removal of bearing walls will require added beams and posts, with possible foundation work.

STRUCTURAL ASSESSMENT

EXISTING CONDITIONS: CONSTRUCTION GROUP BUILDING

- Mixed construction
 - Structural alteration may trigger a seismic upgrade, which could be costly
 - Building is a composite of two separate structures, retrofit and renovation is likely to be more complex



SITE CONSTRAINTS & CORPORATION YARD

- **ZONING AND PLANNING OVERLAY FOR BUILDING SETBACKS**
- **STREAM PROTECTION ZONE: RUSH CREEK 50' SETBACK**
- **ANALYSIS OF SITE CONSTRAINTS AND OPPORTUNITIES**
- **OPTIONS FOR SITE CIRCULATION AND CORP YARD FUNCTION**

REDWOOD BLVD

RUSH CREEK PL

GOLDEN GATE PL

SMART BAY

101 CORRIDOR

North

□ □ □ □



— *Continued*

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North

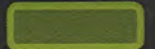


SITE OPPORTUNITIES EDUCATION AND EXPLORATION

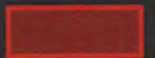
SITE WATER MANAGEMENT
BIOSWALE TREATMENT



DEMONSTRATION GARDEN



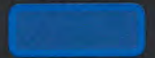
PUBLIC ENTRY AND
TRAINING SPACE



RUSH CREEK EDGE



ROOF OR CANOPY MOUNTED
SOLAR ARRAY



ONSITE WATER STORAGE



101
CORRIDOR

North

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CORPORATION YARD PROGRAM



PRIMARY SITE VEHICLE



PRIMARY ENTRANCE



SERVICE ENTRANCE



EXISTING CORP BLDG / STORAGE



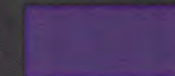
BUILDING REMOVED FOR
OPTION A AND B



SIGNIFICANT RENOVATION
SHOWN IN OPTION A



RELOCATED PRE-FAB METAL
BLDG, SHOWN IN OPTION B



NEW STORAGE FACILITIES

- 1 FUEL STATION
- 2 VEHICLE WASHING STATION
- 3 GRAVEL / SAND
- 4 PIPE/MISC RACK STORAGE
- 5 PAINT / MISC SUPPLIES STORAGE

BUILDING/SITE CONCEPT PLANS

- **5 CONCEPT SITE PLAN / BUILDING PLAN OPTIONS**
- **DEVELOPED OPTION A – RENOVATION+ADDITION**
- **DEVELOPED OPTION B – NEW BUILDING**



1

RENOVATION + ADDITION

OPTION - A



2

RENOVATION + NEW



3

RENOVATION + NEW

OPTION - B



4

NEW BUILDING



5

NEW BUILDING

ADDITION + RENOVATION



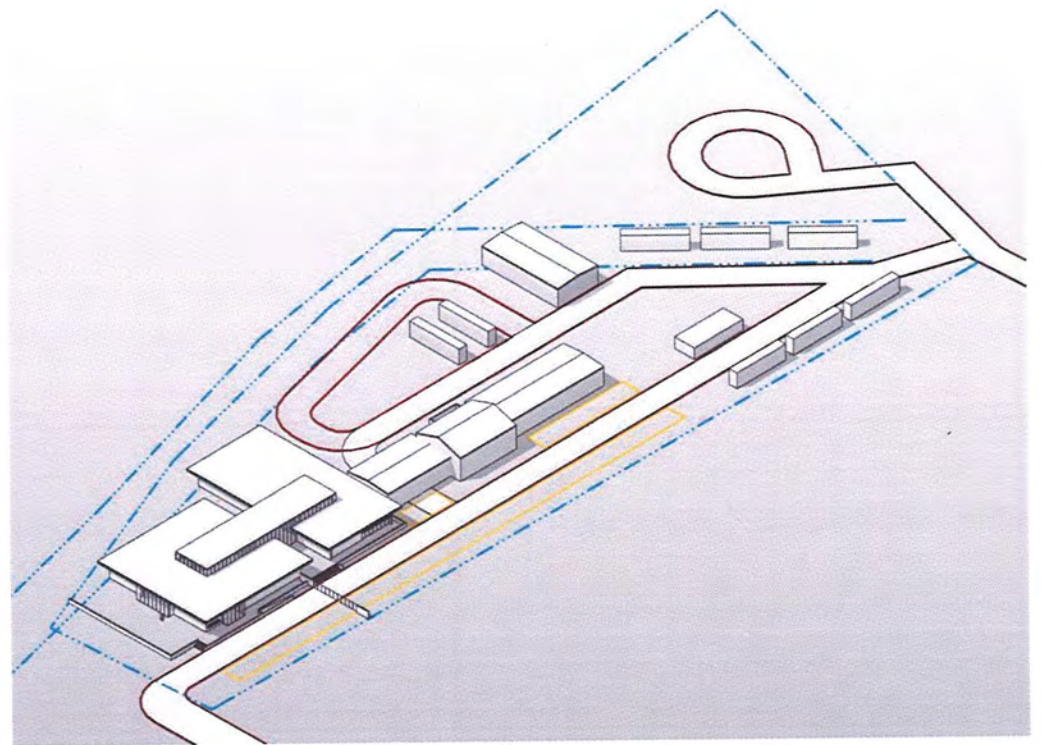
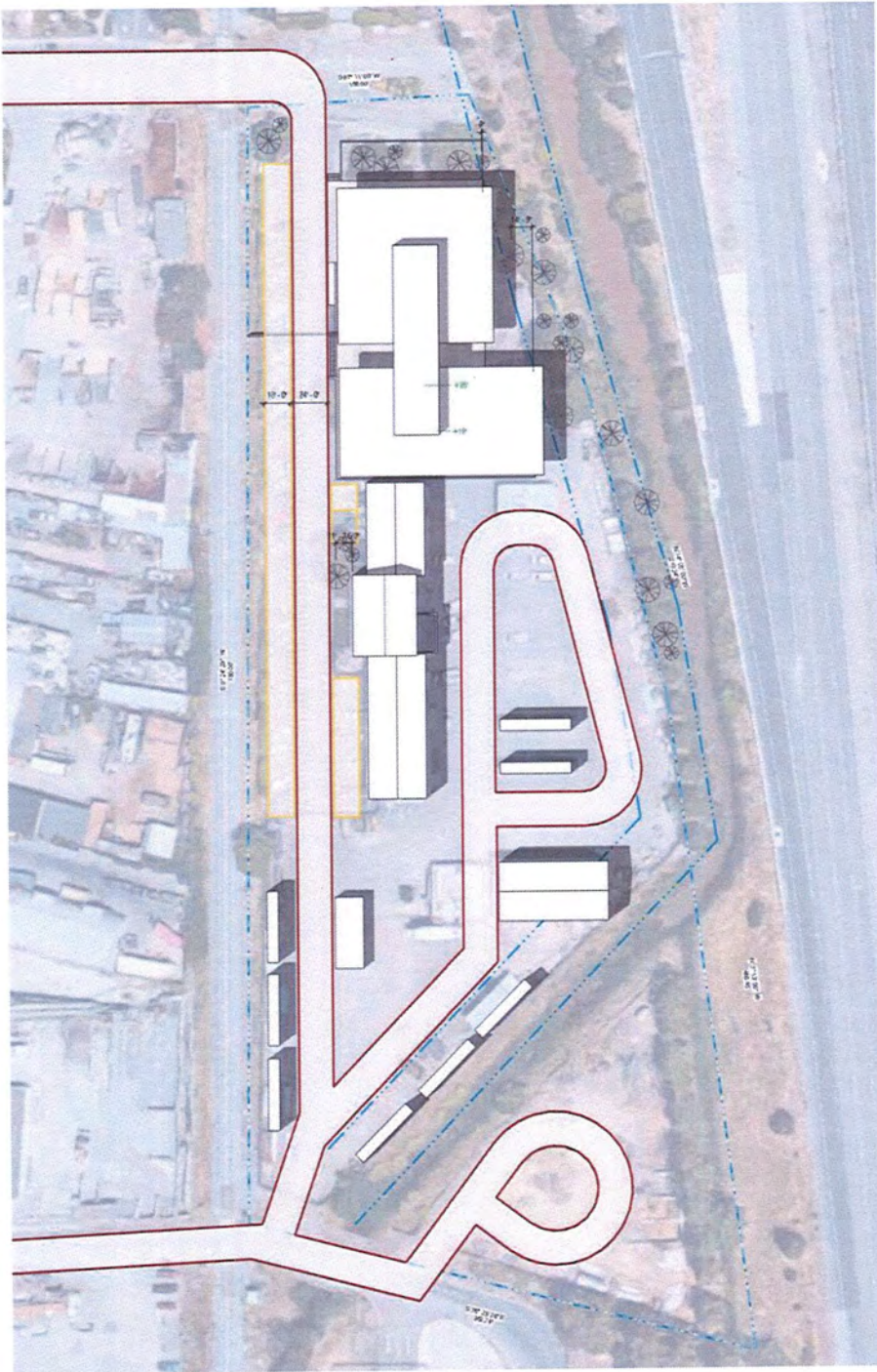
- ▼ PUBLIC ENTRANCE
- SIGNIFICANT RENOVATION
- MINOR RENOVATION
- BUILDING REMOVAL
- NEW BUILDING FOOTPRINT
- NEW STORAGE FACILITIES
- OUTDOOR SPACE
- SHADE/PV CANOPY
- 50' STREAM PROTECTION ZONE

A

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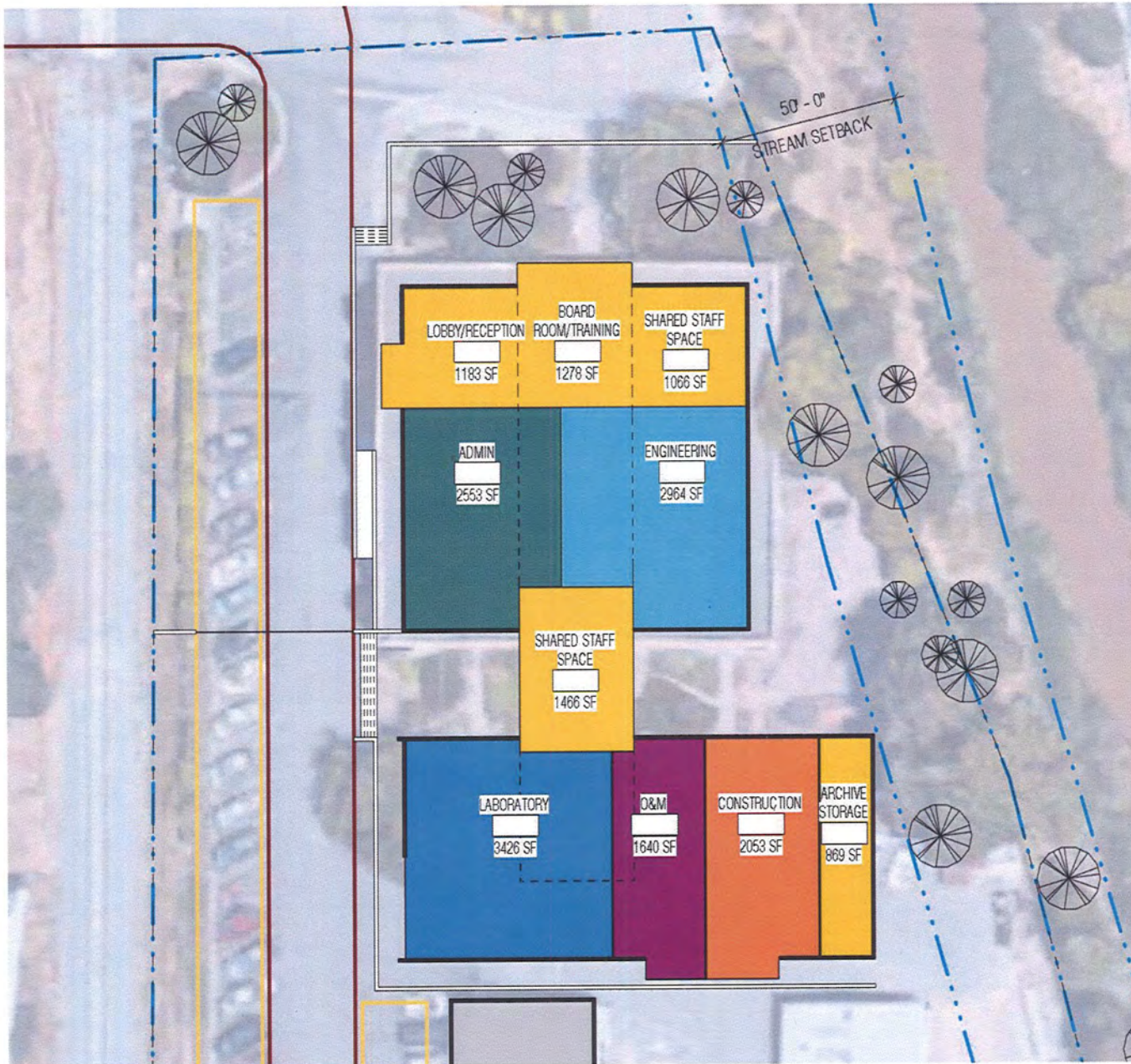
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2nd MAY 2017

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A



Department Legend

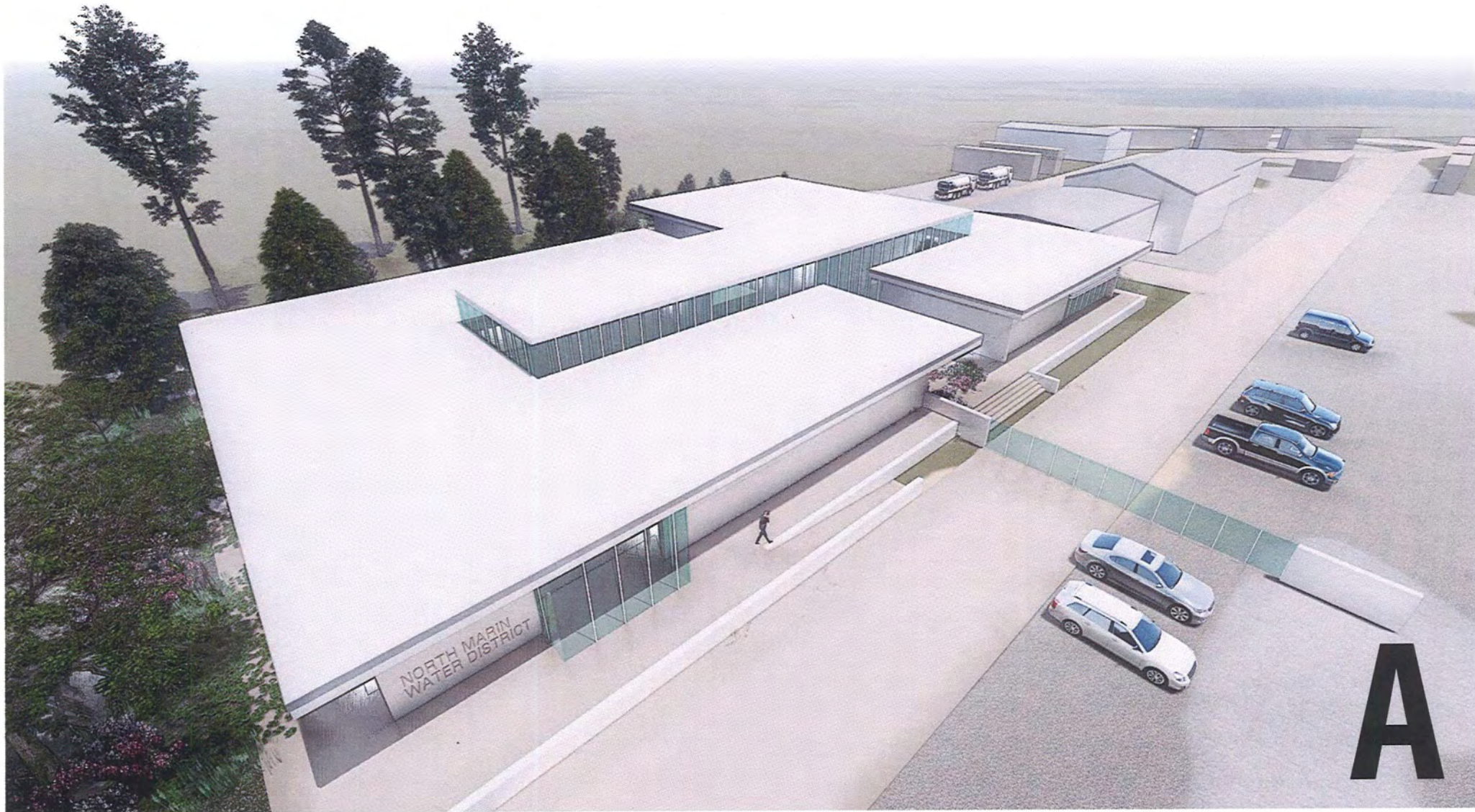
- Admin
- Construction
- Engineering
- Lab
- O&M
- Shared
- Yard



VIEW AT ENTRY

2nd MAY 2017

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2nd MAY 2017

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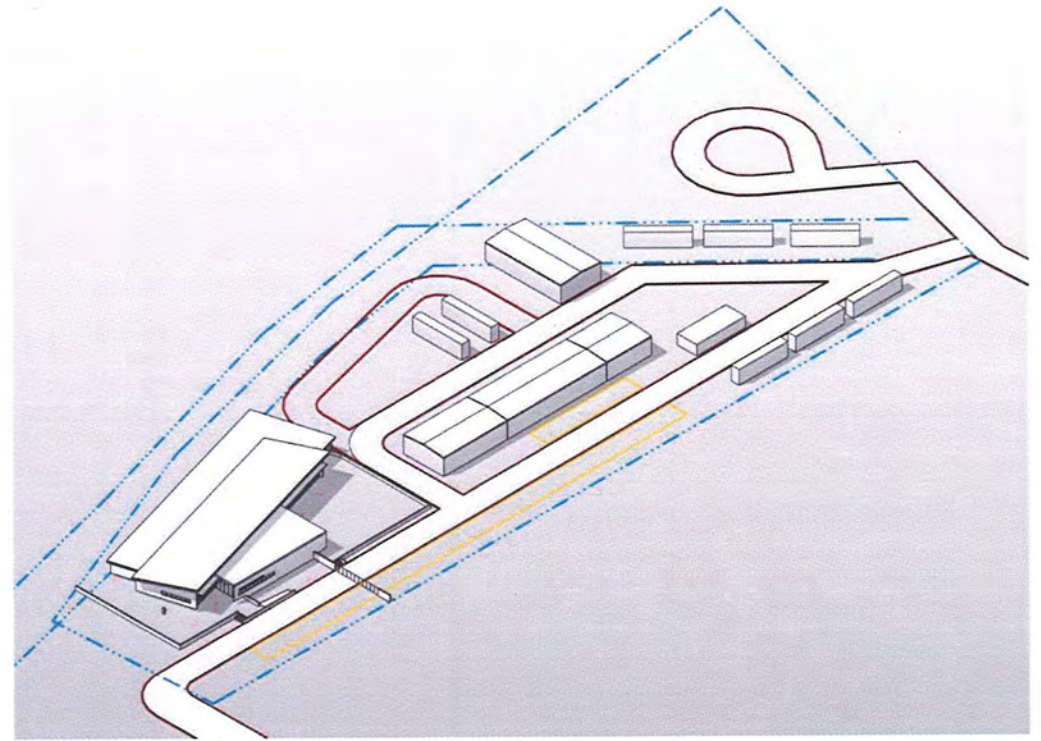
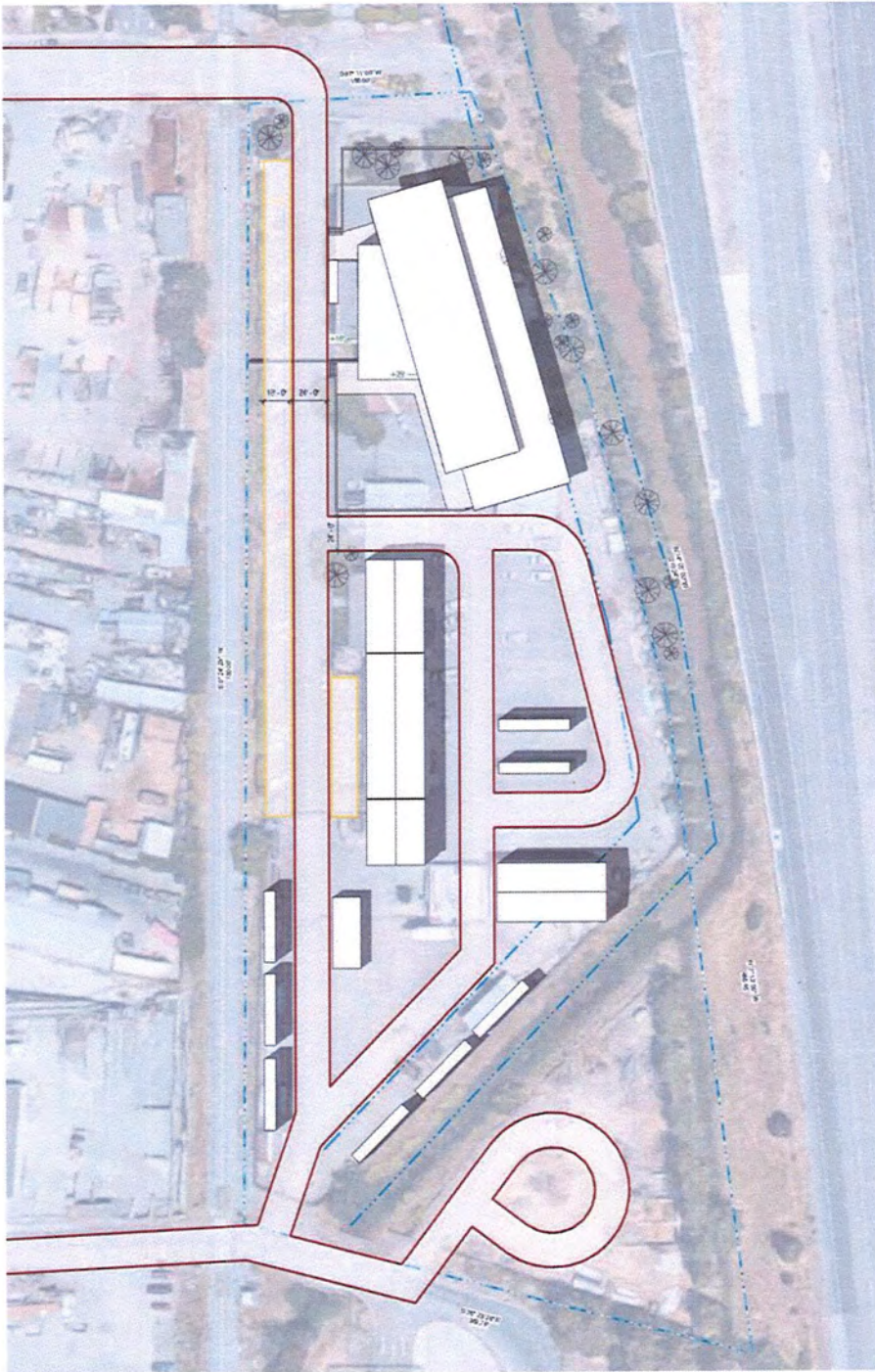


NEW BUILDING

-  PUBLIC ENTRANCE
-  SIGNIFICANT RENOVATION
-  MINOR RENOVATION
-  BUILDING REMOVAL
-  NEW BUILDING FOOTPRINT
-  NEW STORAGE FACILITIES
-  OUTDOOR SPACE
-  SHADE/PV CANOPY
-  50' STREAM PROTECTION ZONE

B

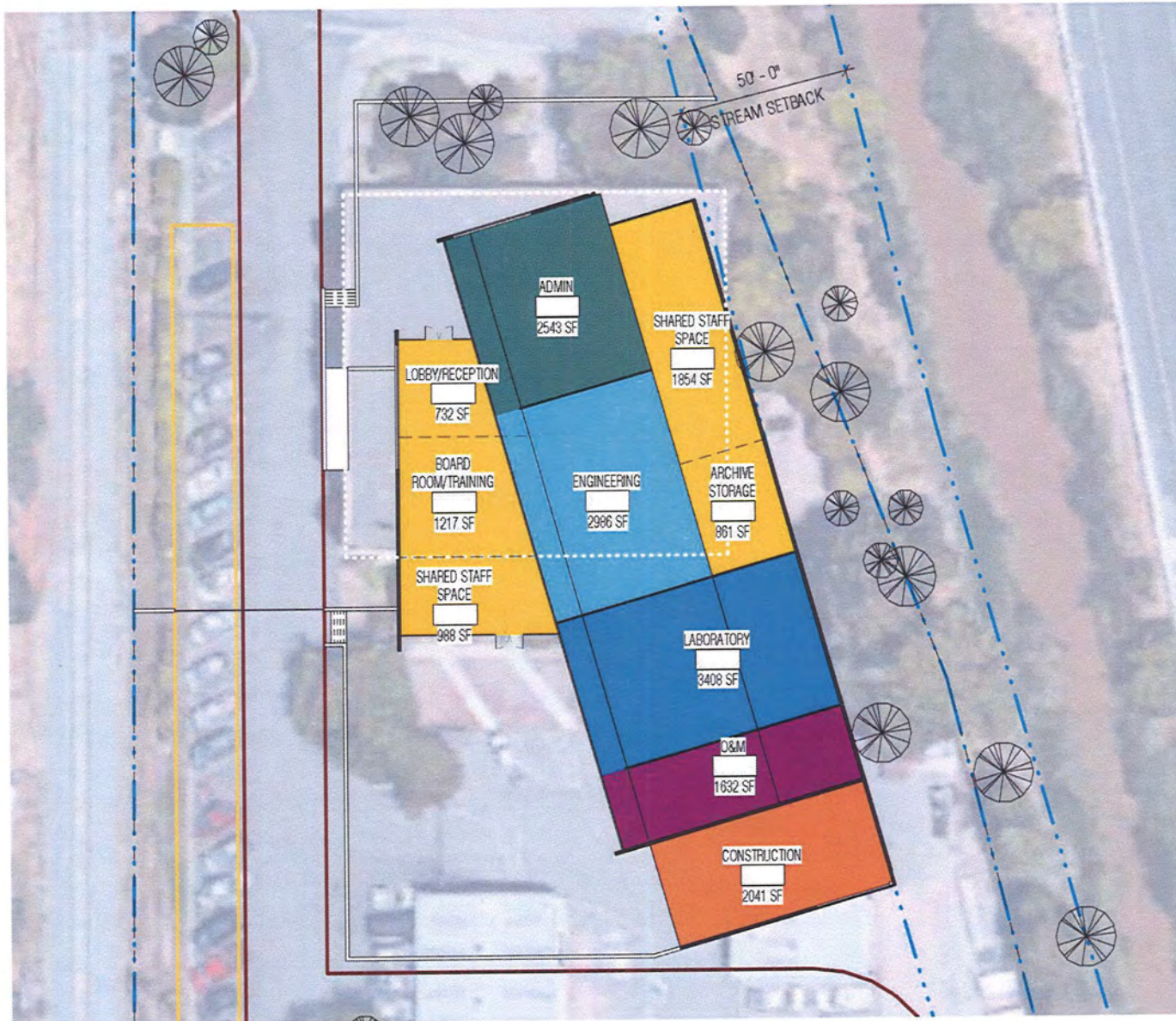
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2nd MAY 2017

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B



Department Legend

- Admin
- Construction
- Engineering
- Lab
- O&M
- Shared
- Yard



VIEW AT ENTRY

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2nd MAY 2017

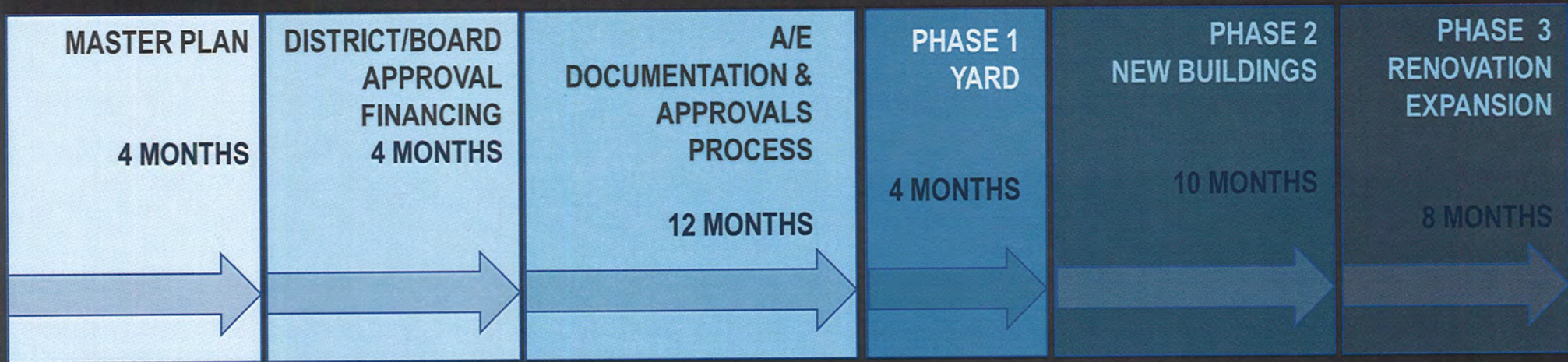
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PROJECT SCHEDULE & PHASING

2nd MAY 2017

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CONSTRUCTION PHASES



- CEQA
- PLANNING/DESIGN REVIEW
- PERMITTING
- FIRE MARSHAL REVIEW

PHASED PROJECT CONSIDERATIONS:

LAB CERTIFICATION: MAINTAIN EXISTING LAB UNTIL NEW LAB COMPLETE PRIOR TO PHASE 3 CONSTRUCTION

OFFICE CONTINUITY: TEMPORARY OCCUPANCY OF NEW BUILDING PRIOR TO PHASE 3 CONSTRUCTION

OFFSITE OR ONSITE TEMPORARY OFFICE SPACE IF NECESSARY

RESTROOMS: PROVIDE NEW RESTROOMS AS PART OF PHASE 2 PRIOR TO PHASE 3 CONSTRUCTION

TECHNOLOGY/SERVERS: COMPLETE NEW IT/SERVER SPACE PRIOR TO PHASE 3 CONSTRUCTION

12

MEMORANDUM

To: Board of Directors

April 28, 2017

From: Chris DeGabriele, General Manager

CD

Subj: General Manager Appointment

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RECOMMENDED ACTION: Board of Directors appoint Assistant General Manager Drew McIntyre to the General Manager position effective May 3, 2017

FINANCIAL IMPACT: None at this time

Over the past several years, the Board and General Manager have discussed my desire to retire from the District and have been apprised of transition planning. The Board approved an Assistant General Manager position to which Drew McIntyre was appointed on July 21, 2015. At the March 7, 2017 meeting, I offered my resignation and intent to retire from NMWD effective May 3, 2017.


Mr. McIntyre He has been the Chief Engineer since October 1998 and Assistant General Manager since July 2015. He is a registered professional civil engineer in the State of California. He holds both a Grade 5 Waste Water Treatment Operator certification and Grade 3 Water Treatment Operator certification from the State. He is the Vice-Chair of the Marin County Flood Control Zone 1 Advisory Board and past committee chair, division chair and current trustee of the California-Nevada American Waterworks Association. He is the past president of the Bay Area Waterworks Association and past president of the Rotary Club of Novato Sunrise.

RECOMMENDED ACTION:

Board appoint Drew McIntyre as General Manager of the North Marin Water District effective May 3, 2017.

13

MEMORANDUM

To: Board of Directors
From: Chris DeGabriele, General Manager 
Subj: Conditions of Employment General Manager
t:\gm\bod misc 2017\gm resolution dm.docx

April 28, 2017

RECOMMENDED ACTION: Approve Resolution 17-XX Conditions of Employment General Manager

FINANCIAL IMPACT: \$200,000 per year salary + benefits (reduction of approximately \$10,000 per year from current GM salary)

The Draft Resolution 17-XX Conditions of Employment for the new General Manager has been reviewed by the General Manager and the Board of Directors. Historically, the North Marin Water District General Manager has been engaged by a Resolution of Employment and not a contract. Included in the resolution is a provision, as has been our practice, that the new General Manager will annually agendize a closed session to meet with the Board and discuss his performance evaluation and any potential salary/benefit adjustments.

RECOMMENDED ACTION:

Board authorize Resolution 17-XX North Marin Water District Conditions of Employment – General Manager.

DRAFT
RESOLUTION No. 17-XX
OF
THE NORTH MARIN WATER DISTRICT
CONDITIONS OF EMPLOYMENT - GENERAL MANAGER

WHEREAS: Drew Douglas McIntyre was hired as Chief Engineer of the District on October 12, 1998; and

WHEREAS: Mr. McIntyre was appointed Assistant General Manager/Chief Engineer of the District by unanimous vote of the Board of Directors on July 21, 2015; and

WHEREAS: Mr. McIntyre's appointment as General Manager became effective by unanimous vote of the Board of Directors on May 2, 2017; and

WHEREAS: Effective May 3, 2017 the following provisions apply:

WHEREAS: Mr. McIntyre serves at the pleasure of the Board and shall:

- a. Have full charge and control of the maintenance, operation and construction of the water and wastewater systems of the District,
- b. Have full power and authority to employ and discharge all employees at pleasure (excluding the District Secretary, Auditor and Chief Engineer),
- c. Have full power to determine the duties of employees,
- d. Set the compensation of employees subject to Board policy,
- e. Represent the District at various public entities/private groups and perform other duties imposed by the Board, and
- f. Report to the Board in accordance with Board policy.

NOW, THEREFORE, BE IT RESOLVED that the conditions of Mr. McIntyre's employment, remuneration and benefits are:

1. Annual salary of \$200,000 per year to be paid in semi-monthly installments. Said salary shall be reviewed annually.
2. Reimbursement of business or business related mileage incurred on privately owned vehicle at the normal rate per mile authorized by the District plus payment by District of \$338 per month. General Manager's use of privately owned vehicle is for the convenience of the District and required as a condition of employment. General Manager shall maintain in force liability insurance on private vehicle of not less than \$300,000 for one individual and \$500,000 for two or more individuals.
3. Reimbursement of all reasonable expenses incurred in connection with the conduct or furtherance of District business and affairs.
4. Other benefits as are from time to time afforded all District unrepresented employees with the exception of overtime compensation. Except for vacation, such benefits, which are a function of time in service, shall be calculated from the date first employed by the District.
5. The right to reside in any area within the District territorial boundaries.
6. The General Manager will timely cause to be placed on the Board's agenda each year a "closed session" for the purpose of his performance evaluation.

* * * * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and

regularly adopted/amended by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 2nd day of May, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Katie Young, District Secretary
North Marin Water District

(SEAL)

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14

MEMORANDUM

To: Board of Directors April 28, 2017

From: Rocky Vogler, Chief Engineer *RV*

Subject: Recycled Water Central Project - West: Approve Construction Contingency Ceiling Increase

R:\Folders by Job No\6000 jobs\6058\BOD Memos\6058 BOD Ghilotti Contingency Increase 5-2-17.docx

RECOMMENDED ACTION: Approve an increase in the construction contingency from 7% to 10% for Ghilotti Construction Company's contract

FINANCIAL IMPACT: Increase contingency from \$400,000 to \$600,000 (10%)

Background

At the September 2, 2016 meeting the Board approved award of a contract to Ghilotti Construction Company for \$5,878,611.50 for construction of the Recycled Water Expansion Central Service Area – West project. At the time of Board approval a construction contingency of \$400,000 (7% of total contract value) was also authorized. Through the end of April 2017, approved changed orders total \$189,198 (3% of the total contract value) for the West project. The District's Construction Manager, The Covello Group, expects that additional change orders will exceed the 7% authorization limit within the next couple of months and recommends increasing the construction contingency ceiling limit to \$600,000 (see letter in Attachment 1). The bulk of these new anticipated change orders are associated with various work items listed in the table below. Substantial completion of the contract work is expected by August of this year.

Executed Change Orders	
Alignment Revisions Station 10+00 to 25+00	\$28,307
Alignment Revisions Station 25+00 to 35+00	\$30,775
Redwood Blvd. Crossing	\$58,000
Pending Change Orders	
Alignment Revisions Station 50+00 to 60+84	\$33,470
Potential Change Orders (in review)	
Treatment and Disposal Contam. Groundwater	\$21,000
S. Novato Bike Path Subgrade Failure	\$93,000
Additional Potholes (45 @ \$600 each)	\$27,000
Potential Change Orders (forecast)	
Alignment Revisions Station 85+00 to 95+00	\$20,000

Note: Only Change Orders ≥ \$20,000 shown in table

Project Costs Update

Total project payments submitted by Ghilotti Construction as of April 6, 2017 equals \$2,461,360, leaving a balance remaining equal to \$3,417,251.

RECOMMENDATION

Board approve a construction contingency cost ceiling increase from \$400,000 to \$600,000 (10%).



April 26, 2017

Mr. Rocky Vogler, Chief Engineer
North Marin Water District
999 Rush Creek Place
Novato, CA 94948

Subject: Construction Contingency Authorization
Project: Recycled Water Expansion – Central Service Area Expansion – West Project
Project No.: 5 6058.40

Dear Mr. Vogler:

The West Project, as of March 31, 2017, is approximately 72% earned and paid. As of April 26, 2017, there are Contract Change Orders totaling \$189,198.00, or approximately 3.2% of the Contract value. There remains approximately \$1.6 million in the Contract to be earned and paid, or 28% of the Contract value.

The North Marin Water District, via force account direction provided by Field Order, has authorized an additional \$46,200.00, or 0.8% of the Contract value, related to differing site conditions and contaminated groundwater.

The Contractor, Ghilotti Construction Company, has submitted change requests (potential change orders, or PCO's) for claimed differing site conditions totaling approximately \$163,000, or 2.8% of the Contract value, as of April 26, 2017. These are under review for merit and accuracy.

The Covello Group has forecast an additional exposure of approximately \$100,000, or 1.7% of the Contract value, for potential differing site conditions where investigation is underway or where major items of work have not yet been completed.

Please refer to Table 1. West Project Changes Summary for tabulated data

Table 1. West Project Changes Forecast

Central Service RW Expansion – West Project Changes Forecast		
Contract Value	\$5,878,611.50	
Contingency	\$400,000.00	
Changes		
Change Orders	\$189,198.00	3.2%
Field Orders	\$46,200.00	0.8%
Contractor PCO's	\$162,839.00	2.8%
Forecast Exposure	\$100,000.00	1.7%
Contingency Forecast	\$498,237.00	8.5%

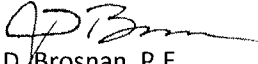
April 26, 2017

Central Service Area – West Project – Construction Contingency Authorization

A contingency is a future event or circumstance that is possible but cannot be predicted with certainty. We completed our forecast as requested based upon existing project documentation, industry experience and with input from District Staff and the West Project Contractor. The known and remaining potential exposure together have been forecast in such a way that it should not be considered a guaranteed maximum, rather a guideline for budgeting purposes as requested.

In our experience, a 10% contingency on pipeline work in City streets is reasonable. Therefore, it is the Construction Manager's recommendation for the North Marin Water District Board to authorize an additional \$200,000 in construction contingency for the West Project. This will result in a total authorization of \$600,000, or 10.2% of the Contract amount.


Sincerely,
The Covello Group, Inc.


J.D. Brosnan, P.E.
Construction Manager

cc: Carmela Chandrasekera – North Marin Water District
Gary Skrel – Covello Group

15

MEMORANDUM

To: Board of Directors
 From: Drew McIntyre, Assistant General Manager 
 Subject: North Bay Water Reuse Authority Board Meeting – March 27, 2017 – Approve Reconciliation and Reassessment Payment

R:\Folders by Job No\7000 jobs\7127\Board Memos\7127 NBRWA Update 3_27_17.doc

April 28, 2017

RECOMMENDED ACTION: Approve \$173,000 reassessment payment to SCWA

FINANCIAL IMPACT: \$173,000 (no FY18 budget augmentation is required and action results in a \$1,243,995 increase in federal grant authorization to NMWD)

Supplemental information is provided as follows using item numbers referenced in the attached meeting agenda and draft minutes (Attachment 1). A complete agenda packet is available via www.nbwra.org.

2. Roll Call

NMWD Board was represented by Director Schoonover. Director Baker was also in attendance as NMWD's Board Alternate. Note that Napa County's new NBWRA Director is Ms. Belia Ramos.

6. Elections of Officers

By unanimous vote, Director David Rabbit continues as Chair for 2017 and Director Jill Techel is the newly appointed Vice Chair.

9. Approval of City of American Canyon as a Title XVI Phase 2 Member Agency

Good news that the City of American Canyon has joined as a Phase 2 member. You will recall that staff reported at the January 17, 2017 NMWD Board meeting that MMWD recently rejoined as a Phase 2 member as well.

10. FY16/17 Budget

With participation of two new Phase 2 member agencies, NMWD's FY16/17 budget will decrease from \$58,229 to \$41,249.

11. Consideration of Approval of the Phase 1 Reconciliation and Reassessment

The Third Amended Memorandum of Understanding (approved by the NMWD Board on April 16, 2013) has a provision which states that "member agencies shall be afforded the opportunity to receive reimbursement for previously allocated costs not based on benefits received during the term of the MOU (aka "true up"). In essence the "true up" is included in the MOU to fairly distribute costs for NBWRA participation based on upon the grants received through the Title XVI program. The NBWRA Board approved tabulation in Attachment 2 shows that NMWD is required to make a payment to Sonoma County Water Agency (NBWRA's administrative agency) of \$173,000. This payment is needed to "true-up" allocation costs associated with increasing NMWD's Title XVI grant allocation from \$4,689,504

to \$5,933,499. This additional grant allocation has already been reported to the Board at previous meeting when summarizing overall grants and loans allocated to NMWD's Recycled Water Central Service Area Expansion project.

12. Review of NBWRA Title XVI Program Alternatives 1 and 2

Approval of the FY17/18 budget will occur at the May 22, 2017 NBWRA meeting. At the NMWD March 21, 2017 meeting, the Board approved participation at the Alternative 2 level (Basic plus limited program level support).

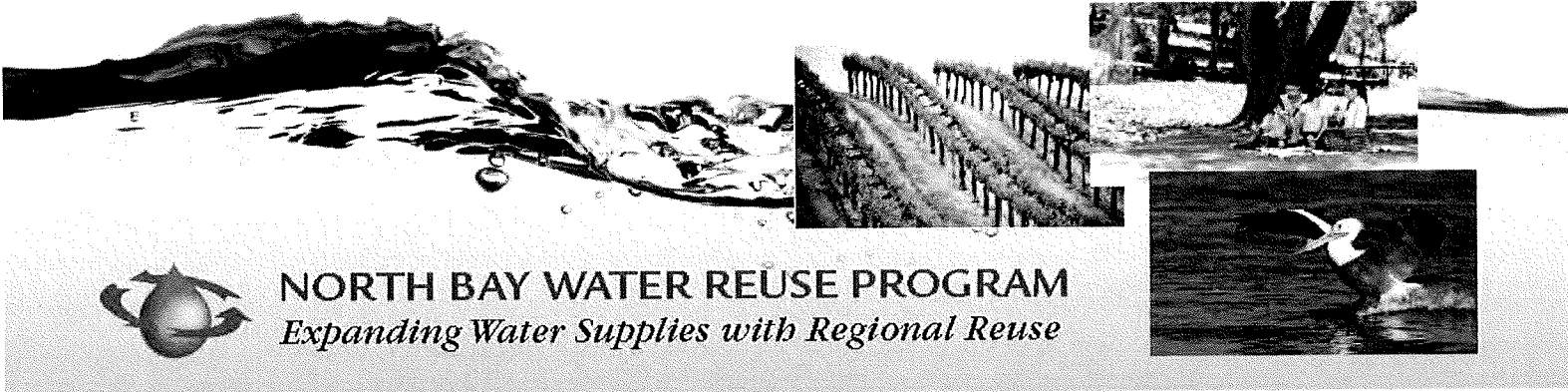
13. Program Development, Federal and State Advocacy

Ginger Bryant summarized the recent meeting in Washington D.C. and reported that Pres. Trump's advance team appeared to be very supportive of NBWRA.

Pilar Onate-Quintana summarized NBWRA Day in Sacramento on March 22, 2017 for which I attended. The Sacramento meeting included a visit to Assemblymember Marc Levine's and Senator Mike McGuire's offices and include a lunch meeting with Jennifer West, Director of California WaterReuse.

RECOMMENDATION

Board approve \$173,000 reassessment payment to Sonoma County Water Agency.



BOARD OF DIRECTORS MEETING

AGENDA

Monday, March 27, 2017
9:30 AM

Novato City Hall Council Chambers
901 Sherman Avenue, Novato, CA 94945

Members and Consultants unable to attend in person may call in: 1 (602)567-4030 (Local dial in) 1 (888)227-0011 (Toll Free) Access code: 1980
<https://conferencing.brwncaid.com/conference/1980>

- 1. Call to Order (1 minute)**
- 2. Roll Call (1 minute)**
- 3. Public Comment (3 minutes)**
 (Any member of the public may address the Board at the commencement of the meeting on any matter within the jurisdiction of the Board. This should not relate to any item on the agenda. It is the policy of the Authority that each person addressing the Board limit their presentation to three minutes. Non-English speakers using a translator will have a time limit of six minutes. Any member of the public desiring to provide comments to the Board on an agenda item should do so at the time the item is considered. It is the policy of the Authority that oral comments be limited to three minutes per individual or ten minutes for an organization. Speaker's cards will be available in the Boardroom and are to be completed prior to speaking.)
- 4. Introductions (2 minutes)**
- 5. Board Meeting Minutes of December 19, 2016 and January 23, 2017 (2 minutes)**
 (The Board will consider approving the minutes from the December 19, 2016 and January 23, 2107 Board meetings.)
- 6. Election of Officers**
 (The Board will elect a Chair and Vice Chair for 2017)

Action
 Pages 6 – 12

Action
 Pages 13 – 14

North Bay Water Reuse Authority • c/o Sonoma County Water Agency, 404 Aviation Boulevard, Santa Rosa, CA 95403
707-235-8965 • NBWRA.org

Las Gallinas Valley Sanitary District • Napa County • Napa Sanitation District • North Marin Water District
 City of Petaluma • Marin County • Novato Sanitary District • Sonoma County Water Agency
 Sonoma Valley County Sanitation District • Marin Municipal Water District • City of American Canyon

- | | |
|---|--|
| Information and Discussion
Pages 17 – 25
Pages 26 – 35 | 7. Report from the Chair (10 minutes)
(The Chair will report on the following items.)
7.a Consultant Progress Reports
7.b Financial Reports |
| Information and Discussion
Pages 36 – 37 | 8. Board Information Requests (2 minutes)
(The Board will be provided with a brief update on their information requests.) |
| Action
Pages 38 – 42 | 9. Approval of City of American Canyon as a Title XVI Phase 2 Member Agency (5 minutes)
(The Board will consider approval of City of American Canyon as a Title XVI Phase 2 Member Agency.) |
| Action
Pages 43 – 46 | 10. FY2016/17 Budget – Amend to Include New Member Projects (10 minutes)
(The Board will consider the recommended FY 2016/17 Budget Amendment to include new member projects.) |
| Action
Pages 47 – 52 | 11. Consideration of Approval of the Phase 1 Reconciliation and Reassessment (10 minutes)
(The Board will consider approval of the Reconciliation and Reassessment of Costs for Phase 1 from FY 05/06 to FY 16/17.) |
| Information
Pages 53 – 63 | 12. Program Development, Federal, and State Advocacy Update (15 minutes)
(The Board will be updated on Program Development, Federal and State Advocacy activities.) |
| Information
Pages 64 – 68 | 13. Engineering, Environmental, and Public Involvement Services Report (5 minutes)
(The Board will be updated on Engineering, Environmental, and Public Involvement Services activities) |
| Information and Discussion
Pages 69 – 79 | 14. Review of NBWRA Title XVI Program Alternatives 1 and 2
(The Board will provide direction regarding Alternative 1 or 2 for preparation of the FY2017/18 Budget for consideration on May 22, 2017.) |
| Information and Discussion
Pages 80 – 96 | 15. New Water Management Program (15 minutes)
(The Board will be updated on and discuss a proposed New Water Management Program.) |
| Discussion
Pages 97 – 98 | 16. Items for Future Discussion and Action (5 minutes)
(The Board will consider items for future discussion and action.) |
| Information
Page 99 | 17. Comments from Chair and Board Members (5 minutes)
(The Chair and Board members may make brief announcements or reports on his or her own activities, pose questions for clarification, and/or request that items be placed on a future agenda. Except as authorized by law, no other discussion or action may be taken.) |
| Page 100 | 18. Adjournment (1 minute) |

Next Board Meeting
Monday, May 22, 2017, 9:30 A. M., Novato City Hall

(In compliance with the Americans with Disabilities Act of 1990, if you need special assistance to participate in a Board meeting, or you need a copy of the agenda, or the agenda packet, in an appropriate alternative format, please contact the Program Manager at (510) 410-5923. Notification of at least 48 hours prior to the meeting or time when services are needed will assist in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service. A copy of all the documents constituting the agenda packet is available for public inspection prior to the meeting at 500 Davidson Street, Novato, CA 94945. Any person may request that a copy of the agenda or the agenda packet be mailed to them for a fee of \$.10 per page plus actual mailing costs. If you wish to request such a mailing, please contact Chuck Weir, Weir Technical Services, 3026 Ferndale Court, Pleasanton, CA 94588, 510-410-5923, chuckweir@sbcglobal.net. The agenda for each meeting is also available on-line at www.nbwra.org and will be available at the meeting.)

**North Bay Water Reuse Authority • c/o Sonoma County Water Agency, 404 Aviation Boulevard, Santa Rosa, CA 95403
707-235-8965 • NBWRA.org**

Las Gallinas Valley Sanitary District • Napa County • Napa Sanitation District • North Marin Water District
City of Petaluma • Marin County • Novato Sanitary District • Sonoma County Water Agency
Sonoma Valley County Sanitation District • Marin Municipal Water District • City of American Canyon

**North Bay Water Reuse Authority
Board of Directors Meeting
Minutes
March 27, 2017**

1. Call to Order

Chair Rabbitt called the meeting to order at 9:45 a.m. on Monday, March 27, 2017. Consultants and others who were unable to attend participated via telephone, 1 (602) 567-4030, access code 2231; and the internet at: <https://Conferencing.brwncaid.com/conference/2231>

2. Roll Call

PRESENT:	David Rabbitt, Chair	Sonoma County Water Agency
	Bill Long, Vice Chair	Novato Sanitary District
	Rabi Elias	Las Gallinas Valley Sanitary District
	Jack Gibson	Marin Municipal Water District
	David Glass	City of Petaluma
	Susan Gorin	Sonoma Valley County Sanitation District
	Steve Hartwig	City of American Canyon
	Belia Ramos	Napa County
	John Schoonover	North Marin Water District
	Jill Techel	Napa Sanitation District

ABSENT: Marin County

OTHERS

PRESENT:	Chuck Weir, Program Manager	Weir Technical Services
	Jack Baker	North Marin Water District
	Kevin Booker	Sonoma County Water Agency
	Ginger Bryant	Bryant & Associates
	Anne Crealock	Sonoma County Water Agency
	Grant Davis	Sonoma County Water Agency
	Brad Elliott	Sonoma County Water Agency
	Rene Guillen	Brown and Caldwell
	Tim Healy	Napa Sanitation District
	Pam Jeane	Sonoma Valley County Sanitation District
	Sandeep Karkal	Novato Sanitary District
	Susan McGuire	Las Gallinas Valley Sanitary District
	Drew McIntyre	North Marin Water District
	Mark Millan	Data Instincts
	Phil Miller	Napa County
	Jim O'Toole	ESA
	Pilar Oñate-Quintana	The Oñate Group (by phone)
	Larry Russell	Marin Municipal Water District (by phone)
	Dan St. John	City of Petaluma
	Mike Savage	Brown and Caldwell
	Brad Sherwood	Sonoma County Water Agency

Jake Spaulding
Paul Sellier
Dawn Taffler
Jeff Tucker
Rocky Vogler
Leah Walker

Sonoma County Water Agency
Marin Municipal Water District
Kennedy Jenks Consultants (by phone)
Napa Sanitation District
North Marin Water District
City of Petaluma

3. Public Comments

There were no comments from the public

4. Introductions

For the benefit of new Director Belia Ramos, Napa County, Board members introduced themselves. .

5. Board Meeting Minutes of December 19, 2016 and January 23, 2017.

A motion by Director Schoonover, seconded by Director Techel, to approve the minutes of the December 19, 2016 and January 23, 2017 meetings was unanimously passed with director Ramos abstaining.

6. Election of Officers

A motion by director Long, seconded by Director Glass, to nominate David Rabbitt as Chair and Jill Techel as Vice Chair for 2017 was passed unanimously.

7. Report from the Chair

a. Consultant Progress Reports

The Board reviewed the consultant progress reports for January and February 2017.

b. Financial Reports

The Board reviewed the Financial Reports for the period ending February 28, 2017.

8. Board Information Requests

Chair Rabbitt provided an update to the Membership Brochure development. The brochure will include: program information, costs on general membership and study and project funding. Its status is pending a resolution on Phase 2 participation and budget issues.

9. Approval of City of American Canyon as a Title XVI Phase 2 Member Agency

Chair Rabbitt summarized City of American Canyon's request to become a Title XVI Phase 2 Member Agency. On February 21, 2017 the City Council agreed to participate in Phase 2 for FY2016/17. A motion by Director Ramos, Seconded by Director Techel to approve City of American Canyon as a Title XVI Phase 2 member was unanimously approved.

10. FY2016/17 Budget – Amend to Include New Member Projects

The FY2016/17 Budget has been modified to include projects for City of American Canyon and Marin Municipal Water District. This includes an increase in costs for engineering to modify the Phase 2 Feasibility Study and a redistribution of cost sharing based on two additional agencies. A motion by director Glass, seconded by Director Gorin, to approve an amendment to the FY2016/17 Budget was unanimously approved.

11. Consideration of Approval of the Phase 1 reconciliation and Reassessment

Jake Spaulding summarized the changes in assessments for Phase 1 based on redistribution of federal funds for project support. A motion by Director Long, seconded by Director Gorin, to approve the Phase 1 Reconciliation and Reassessment was unanimously approved.

12. Program Development, Federal, and State Advocacy Update

Ginger Bryant provided a summary of Program Development and Federal Advocacy, including funding for Title XVI, Title XVI Phase 2 authorization, Title XVI Phase 2 construction grants and NBWRA activities to support Title XVI. She also discussed proposed reductions for the Department of Interior and EPA in the President's FY18/19 budget. She also provided a summary of recent meetings in Washington D.C.

Pilar Oñate-Quintana provided a summary of State Advocacy activities. There are two \$3 billion bonds in the Legislature. One is parks focused and the other is a parks/water hybrid that included \$25 million for recycled water. She discussed efforts by the governor's office to develop long-term statewide water conservation plans and mandates. She has been working with ACWA and WaterReuse to develop legislative language to recycled water separately from conservation mandates on potable water. She also discussed AB574 (Quirk) which is intended to better define recycled water use. Lastly she summarized NBWRA Day in Sacramento on March 22, 2017.

13. Engineering, Environmental, and Public Involvement Services Report

Mike Savage discussed the status of the Feasibility Study and which sections would be revised based on the addition of projects for City of American Canyon and Marin Municipal Water District. The next section to be drafted is the Financial Capability section. He also discussed the schedule. Jim O'Toole provided an update on the EIR/EIS process and schedule, with a goal of having the Record of Decision issued by July 2018. Mark Millan summarized outreach activities including assistance with recent trips to Washington D.C. and Sacramento, as well as updates to the brochure and website. There have been major redesigns of the website.

14. Review of NBWRA Title XVI Program Alternatives 1 and 2

Ginger Bryant summarized the differences between Alternatives 1 and 2, including the level of effort for program development, state advocacy, and federal advocacy. She discussed the differences in the budgets for each alternative. Following discussion she requested guidance from the Board for development of the FY2017/18 Budget. Board members all expressed support for Alternative 2, which will be the basis of the FY2017/18 Budget that will be considered at the May 22, 2017 Board meeting. With the program focusing on Title XVI, quarterly meetings will be adequate. Proposed dates for FY17/18 include: July 24, 2017, October 23, 2017, January 22, 2018, and April 23, 2018. Director Gorin noted a potential conflict with the July 24, 2017 meeting.

Chair Rabbitt noted that with the approval of new members and finalization of Phase 2's list of projects, that it is time to revise the Memorandum of Understanding (MOU). He directed staff (Weir, Savage, Booker, and Spaulding) to draft revisions for the May 22, 2016 meeting that reflects: completion of Phase 1, addition of new Phase 2 members, and cost sharing for Phase 2.

15. Review of NBWRA Title XVI Program Alternatives 1 and 2

Ginger Bryant discussed the New Water Management Program. The program would be separate from Title XVI activities and would focus on regional water issues such as surface water supplies, storage, groundwater, stormwater, and habitat enhancement. Activities could include similar activities such as Sonoma County Water Agency's (SCWA) efforts on the North Bay Basin Study and Drought Contingency Plans. Efforts to obtain state and federal funding for projects and studies would be key to the program. She further described potential federal and state funding opportunities. Lastly she discussed next steps, including development of a membership brochure, drafting budget and new member materials, and continuing work with SCWA and the Bureau of Reclamation. She noted that additional information will be presented at the May 22, 2017 meeting.

Mike Savage noted that the Drought Contingency Plan application is due April 19, 2017 and that member agencies could participate by providing a list of in-kind services. He will be contacting them soon on this matter.

16. Items for Future Discussion and Action

Items for the next meeting on May 22, 2017 include the following: regular reports, discussion and approval of the FY2017/18 Title XVI Budget, discussion of MOU revisions, and continued discussion on the Water Management Program.

17. Comments from Chair and Board Members

There were no additional comments.

18. Adjournment

Chair Rabbitt adjourned the meeting at 11:41 a.m. The next meeting will be Monday, May 22, 2017 at 9:30 a.m. at Novato City Hall Council Chambers.

Minutes approved by the Board _____.

Charles V. Weir
Program Manager

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PHASE 1 AUTHORIZATION TOTALS AND ALLOCATION PERCENTAGES

AGENCY	FEDERAL AUTHORIZATION, PHASE 1		ALLOCATION CHANGE INCREASE/ (DECREASE)	PERCENTAGE		PHS 1 TRUE-UP AMOUNT OVERPAID/ (UNDERPAID)
	March 2013	April 2017		March 2013	April 2017	
Las Gallinas Valley Sanitary District	\$1,222,473	\$2,225,876	\$1,003,403	4.89%	10.249%	(\$139,542)
Novato Sanitary District	\$1,689,893	\$1,898,888	\$208,995	6.72%	9.268%	(\$30,456)
North Marin Water District	\$4,689,504	\$5,933,499	\$1,243,995	18.76%	21.372%	(\$173,000)
Snoma Valley County Sanitation District	\$7,967,134	\$4,583,250	(\$3,383,884)	31.87%	17.321%	\$470,595
Sonoma County Water Agency	\$0.00	\$0.00	\$0.00	0.00%	3.571%	\$0.00
Napa Sanitation District	\$9,440,996	\$10,358,487	\$917,491	37.76%	34.647%	(\$127,597)
Napa County	\$0.00	-	\$0.00	0.00%	3.571%	\$0.00
Marin Municipal Water District	\$0.00	-	\$0.00	0.00%	0.000%	NA
City of Petaluma	\$0.00	-	\$0.00	0.00%	0.000%	NA
TOTALS	\$25,000,000	\$25,000,000		100%	100%	

16

MEMORANDUM

To: Board of Directors
 From: Ryan Grisso, Water Conservation Coordinator *RG*
 Subject: Quarterly Progress Report - Water Conservation (July-March 2016/2017)
V:\Memos to Board\Quarterly Reports\Water Conservation FY 2016_2017 QTR 3 Summary Report.doc

April 28, 2017

RECOMMENDED ACTION: Information

FINANCIAL IMPACT: None

Water Conservation:

This memo provides an update on water conservation and public outreach activities implemented during the first three quarters of Fiscal Year 2016/2017 (FY 17). Water Conservation participation numbers for the first three quarters of the current and previous two fiscal years are summarized in Table 1 below.

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

Program	FY17	FY16	FY15
Water Smart Home Surveys	312	187	238
Water Smart Commercial Surveys	3	8	7
High Efficiency Toilet Rebates (Residential)	165	217	211
High Efficiency Toilet Rebates (Commercial)	1	1	9
Retrofit on Resale (Dwellings Certified)	205	163	197
High Efficiency Washing Machine Rebates	50	82	111
Cash for Grass Rebates	49 ¹	116	96
Water Smart Landscape Rebates	7	6	3
Smart Irrigation Controller Rebates	9	7	4
New Construction Sign-offs (Residential)	10	25	25
New Construction Sign-offs (Commercial)	18	18	15

(1) Cash for Grass participants removed 41,707 square feet of turf (vs. 119,118 square feet in FY 16).

Water Conservation program participation has remained fairly steady when compared to the previous two fiscal years with the exception of a significant increase in Water Smart Home Surveys (WSHS) and a decrease in the Cash for Grass participation. This WSHS increase is likely due to higher post-drought water use (without the water use restrictions present) coupled with an increase in unexplained high water use calls between July and December due to the meter reading issue. Cash for Grass participation, although lower than the last two fiscal years, is consistent with participation in prior "non-drought" years. In addition to the program participation numbers listed in Table 1 above, the District rebated three pool covers and three "Lawn be Gone" projects in the first three quarters of the current fiscal year.

Public Outreach and Conservation Marketing

In the first three quarters of FY17, the District distributed the Fall 2016 issue of “Water Line” to Novato and continued its participation in the “Drought 2016” campaign administered by the Sonoma Marin Saving Water Partnership. The District continues to maintain a Facebook page with regular updates on water use efficiency, construction projects and other District activities. The District is also researching effective use of “Nextdoor”, which is an emerging popular social media outlet that provides a more granular neighborhood level social engagement.

Budget

Table 2 summarizes the first three quarter expenditures between the three fiscal years for (July-March). FY17 expenditures have continued to decline like due to lower Cash for Grass program participation.

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

	FY17	FY16	FY15
Total Budget	\$460,000	\$410,000	445,000
July-March Actual	\$234,190	\$294,631	273,318

17

MEMORANDUM

To: Board of Directors

Date: April 28, 2017

From: Rocky Vogler, Chief Engineer *RV*

Subject: FY16-17 Third Quarter Progress Report – Engineering Department

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The purpose of this memo is to provide a third quarter status report to the Board on the District's performance in completing budgeted FY16-17 Capital Improvement Projects (CIP). The following information supplements the progress report summary provided to the Board each month.

SUMMARY

<u>Service Areas</u>	<u>Project Costs (\$)</u>		<u>% Complete</u>		<u>Earned Value (\$)</u>	
	Budget (\$)	Forecast (\$)	Planned	Actual	Planned	Actual
Novato Water	8,341,000	2,270,000	80	53	5,737,150	1,240,750
Novato Recycled	7,680,000	7,808,000	63	61	5,685,000	5,227,000
West Marin	835,000	329,320	72	52	518,500	221,250
TOTAL	16,856,000	10,407,320	71	55	11,940,650	6,689,000

The above table summarizes the detailed tabulation of CIPs for both Novato and West Marin (including Oceana Marin) systems provided in Attachment A. In summary, CIP expenditures for Novato, Novato Recycled Water and West Marin service areas will not exceed approved FY16-17 budget levels. For the Novato Water system, the above tabulation shows that CIP expenditures are forecast to be \$2,270,000 (27% of the approved budget versus a forecast of 55% at this time last year). Actual performance for the Novato Water system (51%) is trailing planned performance for project completion (79%). This is primarily due to delays in the office refurbishment and AMI projects. For the Novato Recycled Water System, the above tabulation shows that CIP expenditures are forecast to be \$7,808,000 (\$128,000 above the approved budget). Costs have increased for the Recycled Water Central West Service Area due to unforeseen conditions in the field. Actual performance (61%) for the Novato Recycled Water system is right on track for planned performance for project completion (63%). With respect to West Marin (including Oceana Marin), CIP expenditures of \$329,320 are forecast to be below (39%) the approved FY16-17 budget value (versus a forecast of 75% at this time last year). The Tahiti Way Pump Rebuild project has been advanced from FY18 due to premature pump failure. Planned performance through the third quarter for West Marin was projected to be 72% and actual completion performance is at 52%. Overall, for the Novato Water, Novato Recycled Water and West Marin water systems, combined actual performance (55%) is below planned performance (71%).

Novato Service Area Project Variances

As shown in Attachment A, all FY16-17 Novato CIPs are currently projected to be completed at or below original budget. A detailed milestone schedule update is provided in Attachment B.

No projects have been added or deferred/dropped during the third quarter.

Novato Recycled Water Service Area Project Variances

As shown in Attachment A, all FY16-17 Novato Recycled Water CIPs with the exception of the Recycled Water Central Service Area Project are currently projected to be completed at or below original budget.

No projects have been added or deferred/dropped during the third quarter.

West Marin Service Area (including Oceana Marin) Project Variances

As shown in Attachment A, all but one of the FY16-17 West Marin CIP expenditures are currently projected to be completed within the original budget. A detailed milestone schedule update is provided in Attachment B. One West Marin project has been deferred during the third quarter – Design/Install 8th Disposal Trench at Oceana Marin.

Engineering Department Labor Hours

The Engineering Department provides a multitude of functions supporting overall operation, maintenance and expansion of water facilities. The major work classifications are: (1) General Engineering, (2) Developer Projects and (3) District (i.e., CIP) Projects. Out of the approximately 14,900 engineering labor hours available annually (less Conservation), the FY16-17 labor budget for Developer Projects and District Projects is 1,480 (10% of total) and 4,032 (27% of total), respectively. A chart of actual hours expended versus budgeted hours for both Developer and District projects during FY16-17 is provided in Attachment C. At the end of the third quarter, actual engineering labor hours expended for Developer work was 59% (659 hours) versus 75% (1,110 hours) budgeted. With respect to District Projects, 2,701 engineering labor hours (67% of budget) have been expended on Capital Improvement Projects when compared against a third quarter estimate of 3,024 hours (75% of budget).

NOVATO SYSTEM CAPITAL IMPROVEMENT PROJECTS SUMMARY FY16-17										
AS OF MARCH 31, 2017										
STATUS	DEPT	ITEM #	PROJECT NO.	DESCRIPTION	PROJECT COSTS		% COMPLETE		EARNED VALUE	
					Budget	Forecast	Baseline	Actual	Planned	Actual
1. PIPELINE REPLACEMENTS/ADDITIONS										
PC	Eng	1	1.a.1	Ridge Rd 6" ACP (8" @ 1,400')	\$315,000	\$100,000	75	50	\$236,250	\$50,000
PC	Eng	2	1.a.2	Center Rd 6" CIP (8' @ 1,200')	\$0	\$100,000	75	5	\$0	\$5,000
			1.b.1	San Mateo 24" Inlet/Outlet Pipe DEFER	\$150,000	\$0				
			1.c.1	Repl PB in Sync w/City Paving	\$70,000	\$0				
			1.c.2	Other PB Replacements	\$200,000	\$0				
PC	Eng	3	1.c.3	Country Lane Pipeline Repl (6"@ 400')	\$0	\$100,000	0	0	\$0	\$0
C	Eng	4	1.d.1	Meter Relocations: PlumSt (14 servs, 1 FH)	\$0	\$70,000	100	100	\$0	\$70,000
C	Eng	5		Replace PB in Sync w/County Project No. 2017-01	\$0		100	100	\$0	\$0
			1.d.2	Other Relocations	\$80,000	\$0				
				SubTotal	\$815,000	\$370,000				
2. SYSTEM IMPROVEMENTS										
C	Maint	6	2.a	RTU Upgrades	\$15,000	\$15,000	99	100	\$14,850	\$15,000
TBC	Eng	7	2.b	DCDA Repair/Replace	\$190,000	\$50,000	75	20	\$142,500	\$10,000
C	Eng	8	2.c	Anode Installations	\$30,000	\$30,000	100	100	\$30,000	\$30,000
C	Maint	9	2.d	Radio Telemetry	\$25,000	\$25,000	99	25	\$24,750	\$6,250
C	Maint	10	2.e	Tank Access Hatch/Level Alarms (10)	\$40,000	\$40,000	99	100	\$39,600	\$40,000
			2.f	Automate Zone Valve (Slowdown Ct) DEFER	\$100,000	\$0				
PC	Admin	11	2.g	AMI Retrofit (Pilot Study/Install)	\$3,000,000	\$820,000	75	75	\$2,250,000	\$615,000
TBC	Maint	12	2.h	Facilities Security Enhancements	\$25,000	\$0	75	90	\$18,750	\$0
TBC	Maint	13	2.i	25 Giacomini Exterior Paint	\$8,000	\$8,000	25	0	\$2,000	\$0
C	Eng	14	2.j	<Zone A Pressure Improvements - BMK Intertie>	\$0	\$65,000	100	100	\$0	\$65,000
				SubTotal	\$3,433,000	\$1,053,000				
3. BUILDINGS, YARD, & S.T.P. IMPROVEMENTS										
	Admin	15	3.a.1	Electronic Document Management System	\$150,000	\$0	75	0	\$112,500	\$0
			3.a.2	Office Emergency Generator - DEFER	\$150,000	\$0				
	Admin	16	3.a.3	Office/Yard Building Refurbish Design (1st yr)	\$3,000,000	\$200,000	75	75	\$2,250,000	\$150,000
C	Eng	17	3.b.1	SMART Crossing Upgrade (Golden Gate Pl)	\$58,000	\$47,000	100	100	\$58,000	\$47,000
C	Eng	18	3.c.1	Dam Concrete Repair	\$70,000	\$10,000	100	100	\$70,000	\$10,000
PC	Maint	19	3.c.2	STP Emergency Power Generator	\$150,000	\$150,000	75	0	\$112,500	\$0
TBC	Ops	20	3.c.3	Lake Backfeed DeChlorination System	\$50,000	\$50,000	39	25	\$19,500	\$12,500
C	Eng	21	3.c.4	Dam Monitoring Well Repairs	\$0	\$30,000	100	100	\$0	\$30,000
C	Ops	22	3.c.5	Rebuild Centriscys Centrifuge @ STP	\$0	\$37,000	100	100	\$0	\$37,000
				SubTotal	\$3,628,000	\$487,000				
4. STORAGE TANKS & PUMP STATIONS										
PC	Eng	23	4.a	San Mateo Recoat (1st year)	\$120,000	\$75,000	75	60	\$90,000	\$45,000
PC	Maint	24	4.b	Lynwood PS Motor Control Center	\$165,000	\$165,000	75	0	\$123,750	\$0
TBC	Maint	25	4.c	San Marin PS Can Rehab	\$30,000	\$30,000	99	0	\$29,700	\$0
PC	Maint	26	4.d	Lynwood Pump Station Can Rehab	\$30,000	\$30,000	75	0	\$22,500	\$0
PC	Eng	27	4.e	Crest PS (design/const)/Reloc School Rd PS	\$120,000	\$60,000	75	5	\$90,000	\$3,000
				SubTotal	\$465,000	\$360,000				
				Novato Water Total	8,341,000	\$2,270,000	80	53	\$5,737,150	\$1,240,750
5. RECYCLED WATER FACILITY										
PC	Eng	28	5.a	NBWRA Grant Program Administration	\$80,000	\$80,000	75	75	\$60,000	\$60,000
PC	Eng	29	5.b-j	Recycled Water Central Service Area	\$7,500,000	\$7,700,000	75	67	\$5,625,000	\$5,159,000
C	Ops	30	5.k	<Deer Island Wet Well Drain>	\$0	\$8,000	100	100	\$0	\$8,000
PC	Ops	31	5.l	PG&E Power to Reservoir Hill Tank	\$0	\$20,000	0	0	\$0	\$0
		32	5.m	Other Recycled Water Expenditures	\$100,000	\$0				
				Novato Recycled Total	\$7,680,000	\$7,808,000	63	61	\$5,685,000	\$5,227,000
				Total Novato	\$16,021,000	\$10,078,000	71	57	\$11,422,150	\$6,467,750
PROJECT FORECAST REVISED										
C - Completed				Baseline projects with revised forecast budget increases (indicated by shaded box)						
PC - Partially completed				Baselined projects to be deferred (indicated in strikeout)						
TBC - To be completed				New projects added (indicated in bold)						
				Prior year projects carried over indicated in italics and brackets <>						

FY16_17 CAPITAL IMPROVEMENT PROJECTS

ID	Task Name	Start	Finish	% Complete	Resp	Qtr 1, 2017			Qtr 2, 2017			Qtr 3, 2017			Qtr 4, 2017		
						Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1	1 A PIPELINE REPLACEMENTS/ADDITIONS	Fri 7/1/16	Fri 6/30/17	0%													
2	1A1 Ridge Rd 6" ACP (8"@1,400')	Fri 7/1/16	Fri 6/30/17	50%	ENG / CC												
3	1A2 Center Rd 6" CIP (8" @1,300') (NEW)	Fri 7/1/16	Fri 6/30/17	5%	ENG / DJ												
4	1B MAIN/PIPELINE ADDITIONS	Fri 7/1/16	Fri 6/30/17	0%													
5	1B1 San Mateo 24" Inlet/Outlet DEFER	Fri 7/1/16	Fri 6/30/17	0%	ENG / DJ												
6	2 SYSTEM IMPROVEMENTS	Fri 7/1/16	Fri 6/30/17	0%													
7	2A RTU Upgrades	Fri 7/1/16	Fri 3/31/17	100%	MAINT/RC												
8	2B DCA Repair/Replace (14/yr)	Fri 7/1/16	Fri 6/30/17	20%	ENG / DJ												
9	2C Anode Installations (150/yr)	Fri 7/1/16	Thu 3/30/17	100%	ENG / CC												
10	2D Radio Telemetry	Fri 7/1/16	Fri 3/31/17	25%	MAINT/RC												
11	2E Tank Access Hatch/Level Alarms	Fri 7/1/16	Fri 3/31/17	100%	MAINT/RC												
12	2F Automate Zone Valve (Slowdown Ct) DEFER	Fri 7/1/16	Fri 6/30/17	0%	ENG / DJ												
13	2G AMI Retrofit (Pilot Study/Install)	Fri 7/1/16	Fri 6/30/17	75%	ADMIN / DB												
14	2H Facilities Security Enhancements	Fri 7/1/16	Fri 6/30/17	90%	MAINT/RC												
15	2I 25 Giacomini Exterior Paint	Wed 3/1/17	Fri 6/30/17	0%	MAINT/RC												
16	3 BUILDING, YARD, STP IMPROVEMENTS	Fri 7/1/16	Fri 6/30/17	0%													
17	3A ADMIN BUILDING	Fri 7/1/16	Fri 6/30/17	0%													
18	3A1 Electronic Document Management System	Fri 7/1/16	Fri 6/30/17	0%	ADMIN / KY												
19	3A2 Office Emergency Generator DEFER	Fri 7/1/16	Fri 6/30/17	0%	MAINT/RC												
20	3A3 Office/Yard Building Refurbish Design	Fri 7/1/16	Fri 6/30/17	75%	ADMIN / CD												
21	3B SMART Crossing Upgrade (Golden Gate Pl)	Fri 7/1/16	Fri 6/30/17	100%	ADMIN / CD												
22	3C STAFFORD TREATMENT PLANT	Fri 7/1/16	Fri 6/30/17	0%													



Current

Baseline

Inactive Task

Inactive Task

Inactive Milestone



Inactive Summary

Manual Task

Duration-only

Manual Summary Rollup

Manual Summary



Start-only

Finish-only

Progress



FY16_17 CAPITAL IMPROVEMENT PROJECTS

ID	Task Name	Start	Finish	% Complete	Resp	Qtr 1, 2017			Qtr 2, 2017			Qtr 3, 2017			Qtr 4, 2017		
						Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
23	3C1 Dam Concrete Spillway Repair	Wed 2/1/17	Thu 6/29/17	100%	ENG / DM												
24	3C2 STP Emergency Power Generator	Fri 7/1/16	Fri 6/30/17	0%	OPS / RC												
25	3C3 Lake Backfeed De-Chlorination System	Wed 2/1/17	Fri 6/30/17	25%	OPS / RC												
26	4 STORAGE TANKS/PUMP STATIONS	Fri 7/1/16	Fri 6/30/17	0%													
27	4A San Mateo Tank Recoat	Fri 7/1/16	Fri 6/30/17	60%	ENG / CC												
28	4B Lynwood Pump Station Motor Control Center	Fri 7/1/16	Fri 6/30/17	0%	MAINT/RC												
29	4C San Marin & Lynwood PS Can Rehab	Tue 11/1/16	Fri 3/31/17	0%	MAINT/RC												
30	4D Crest PS (Design/Const)/Reloc School Rd PS	Fri 7/1/16	Fri 6/30/17	5%	ENG / DJ												
31	5 RECYCLED WATER	Fri 7/1/16	Fri 6/30/17	0%													
32	5A NBWRA Grant Program Admin	Fri 7/1/16	Fri 6/30/17	75%	ENG / DM												
33	5B RW Central	Fri 7/1/16	Fri 6/30/17	75%	ENG / CC/DI												
34	6 WEST MARIN WATER SYSTEM IMPROVEMENTS	Fri 7/1/16	Fri 6/30/17	0%													
35	6A Replace PRE Tank #4A	Fri 7/1/16	Fri 6/30/17	25%	ENG / CC												
36	6B Green Sand Filter Media Replace	Mon 1/16/17	Fri 3/31/17	100%	OPS / RC												
37	6C New Gallagher Well #2	Wed 3/1/17	Fri 6/30/17	0%	ENG / DM												
38	7 OCEANA MARIN SEWER SYSTEM	Fri 7/1/16	Fri 6/30/17	0%													
39	7A Infiltration Study & Repair	Fri 7/1/16	Fri 6/30/17	90%	OPS / RC												
40	7B Design/Install 8th Disposal Trench (300')	Mon 1/2/17	Fri 6/30/17	49%	ENG / RV												
41	7C Tahiti Way Lift Pumps Rebuild	Mon 10/3/16	Tue 2/28/17	100%	MAINT/RC												
42	7D Tahiti Way Power Relocation DEFER	Fri 7/1/16	Fri 6/30/17	0%	MAINT/RC												
43	7E North St Lift Station Communication Upgrade	Fri 7/1/16	Fri 6/30/17	0%	MAINT/RC												
44	7F ACP Sewer Reline (6" @ 3,000') DEFER	Mon 1/2/17	Fri 6/30/17	0%	ENG / DM												
45	7G OM Dosing Siphon Repairs	Fri 7/1/16	Fri 12/30/16	100%	ENG / JK												



Current

Baseline

Inactive Task

Inactive Task

Inactive Milestone



Inactive Summary

Manual Task

Duration-only

Manual Summary Rollup

Manual Summary



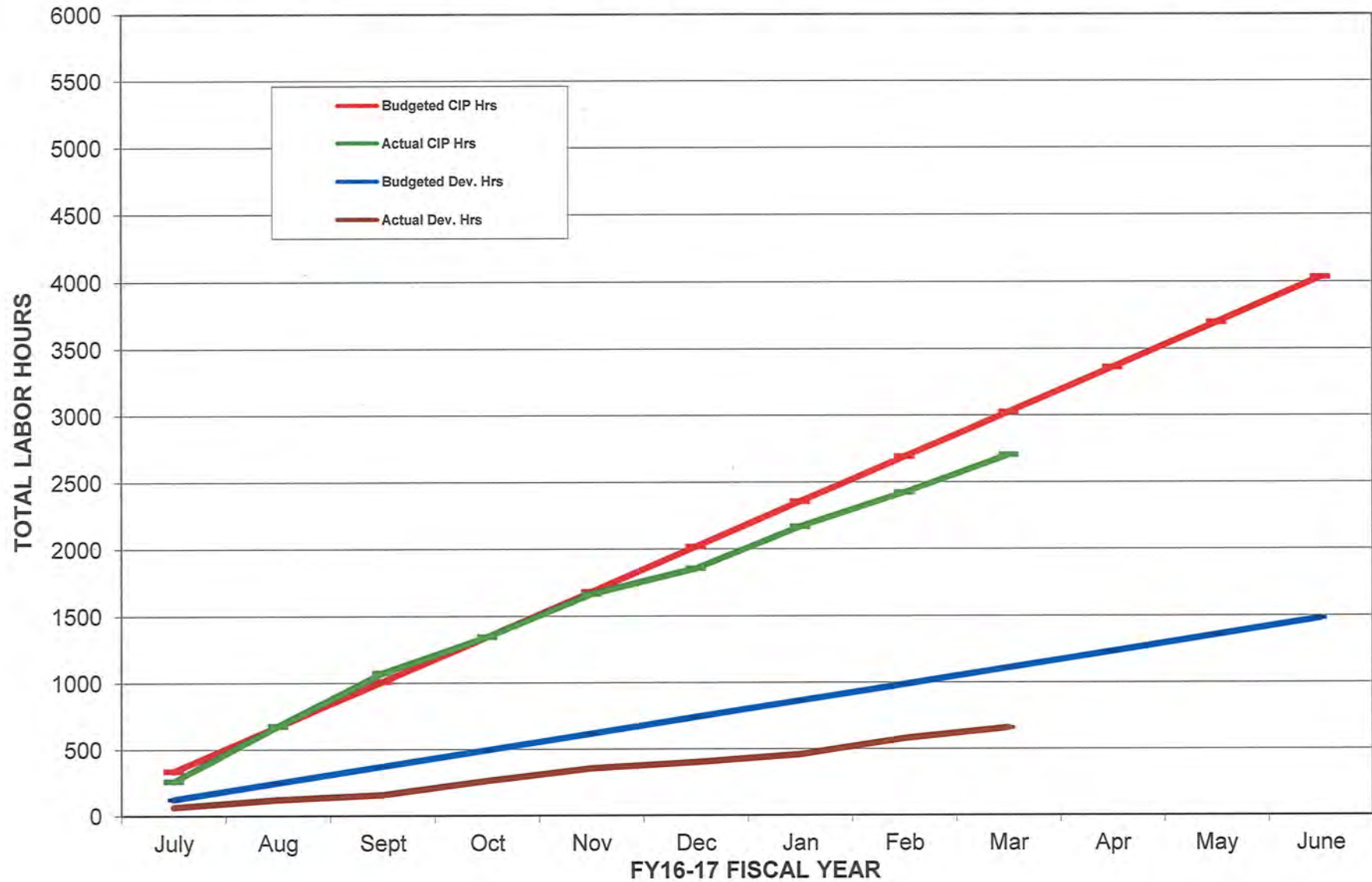
Start-only

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Progress



ENGR. DEPT DEVELOPER & DISTRICT CAPITAL IMPROVEMENT PROJECTS (CIPs)



18

MEMORANDUM

To: Board of Directors

April 28, 2017

From: David L. Bentley, Auditor-Controller Subj: Initial Review – FY 2017/18 Proposed Novato Operations Budget
t:\ac\word\budget\18\ops review 18 1.docx**RECOMMENDED ACTION:** Information Only – Initial Review**FINANCIAL IMPACT:** None at this time - \$28.4 Million Expenditure Plan for FY18**Budget Summary**

The fiscal year 2017/18 (FY18) budget proposed herein projects a net “bottom line” cash deficit of \$665,000. A rate increase of 5% is factored into the budget effective June 1, 2017. The 5% increase adds \$770,000 to FY18 budgeted revenue.

FY18 water sales volume is budgeted at 2.3 BG, consistent with the FY17 projected sales volume, but significantly below the 2.7 BG regularly budgeted prior to the drought. The first decade of this century saw an average annual potable water demand of 3.5 BG.

Looking simply at operating revenue (water sales) less operating expenditures, the proposed FY18 budget projects a net operating income of \$514,000, which compares to this year's projected net operating income of \$817,000. Total budgeted outlay, which includes capital improvement projects and debt service, is budgeted at \$28.4 million, up 12% from the FY17 budget.

Budget Detail

Water Sales - Water sales volume is budgeted at 2.3 BG, which is in line with the current fiscal year estimated actual, and 18% below the 10-year average. The chart on page 6 of the budget document shows a 10-year history of billed consumption.

The proposed 5% rate increase is structured as a 5% increase in the commodity rate and 5% increase in the fixed service charge. If approved, the median residential customer would see an average monthly increase of \$2.75. The proposed rate increase would generate \$830,000 in additional revenue next fiscal year.

Other Revenue – Connection Fee revenue is budgeted at \$780,000. The Novato Village 48-unit senior apartment project at 801 State Access Road in Hamilton has an agreement already approved by the Board that includes \$680,000 in connection fees which we anticipate receiving this summer. The Connection Fee budget projection compares with \$973,000 of Connection Fee revenue collected during the current fiscal year.

The wheeling charge to Marin Municipal Water District is budgeted at \$91,000

(\$18.18/AF for 5,000 AF, or 1.6 BG). In addition, MMWD will pay the annual fixed AEEP capital contribution of \$245,000 in accord with the terms of the 2014 Interconnection Agreement. The combination of these two payments is almost a 7-fold increase over the prior annual wheeling charge, and represents compensation for MMWD's beneficial enjoyment of the AEEP. Funds in the District's treasury are budgeted to earn an average interest rate of 1.0%. Miscellaneous Revenue includes income from the rental of the Point Reyes home (\$35,000), the Little Mountain cell phone tower lease (\$18,000), Indian Valley Golf Club lease (\$11,000), two grazing leases (\$2,700), rental of the District's security apartment (\$12,000), and rental of the Pacheco Valle tennis courts (\$2,700).

Other Sources of Funds – A State Revolving Fund loan of \$4.7 million is included for the FY18 work on the AML project (total project cost spread over 3 fiscal years is estimated at \$5.5 million) and a \$1.5 million bank loan is anticipated to commence work for renovation of the District headquarters buildings.

Operating Expenditures

Total Operating Expenditures are projected to increase 2% (\$386,000) from the FY17 budget. Details of some of the individual components of the Operating Expenditure Budget follow.

Source of Supply is budgeted to increase 4% (\$176,000) from this year's budget. The volume of water purchased from the Sonoma County Water Agency is forecast at 1.7 BG, a 50 MG increase from the current budget. SCWA's wholesale water rate will increase 6.8% to \$2,720/MG on July 1. Including Stafford production at 750 MG (2,300 acre-feet), total budgeted potable production is 2.5 BG.

Water Treatment is budgeted to increase 7% (\$139,000) from this year's budget. Power cost is budgeted at 19.7¢/kWh, up 3% per kWh, consistent with the Photovoltaic Power Purchase Agreement. Normal rainfall is assumed for next winter allowing the Stafford Treatment Plant to produce 750 MG (2,300 AF).

Transmission and Distribution is budgeted to remain flat, due in part to the current budget including employment of a new Chief Engineer to assume the department-head duties as the

Assistant General Manager/Chief Engineer transitioned into the role of the General Manager.

General Administration again includes a series of studies. Six are included in the FY18 Administrative Budget, totaling \$455,000, an increase of \$165,000 from the FY16 budget, as follows:

	Project	Cost	Description
1	Local Water Supply Enhancement Study	\$150,000	Increase Local Yield (\$200K total)
2	Novato Master Plan Update	\$45,000	5-Year Update
3	Cost of Service Study Peer Review	\$30,000	Outside Review of Water Rate Structure
4	Stafford Lake Water Rights Update	\$50,000	Legal Review and Update of Entitlements
5	STP Efficiency Improvements	\$75,000	Increase Finished Water Throughput
6	Novato Asset Management Study	\$75,000	Formalize Asset Replacement Program
		<u>\$425,000</u>	

Staffing - The proposed budget includes a staffing level of 55.2 full-time equivalent (FTE) employees, down 0.5 FTE (1%) from the current year budget. A 3% spot adjustment is included for the Operations/Maintenance Superintendent, the Water Conservation Coordinator, and the District Secretary. Promotion of a Distribution and Water Treatment Plant Operator to Senior Distribution and Water Treatment Plant Operator is also included. The proposed staffing level of 55.2 FTE is down 3.9 FTE (7%) from the level adopted in the FY08 budget.

FTE Staffing	FY18	FY17	Reason for Change
Administration	8.0	8.0	
Consumer Services	6.0	6.0	
Construction/Maintenance	12.0	12.0	
Engineering	8.2	8.7	Overlapping Staff Reduction
Maintenance	10.0	10.0	
Operations	6.0	6.0	
Water Quality	<u>5.0</u>	<u>5.0</u>	
	<u>55.2</u>	<u>55.7</u>	

Temporary staffing is proposed to decrease by 440 hours (5%), to 8,346 hours, budgeted as follows:

<u>Temporary Staffing Hours</u>	<u>FY18</u>	<u>FY17</u>
Administration	416	416
Customer Accounting	1,750	1,750
Construction/Maintenance	1,760	1,760
Engineering	1,000	1,000
Maintenance	1,220	1,220
Operations	700	700
Water Conservation	1,000	1,440
Water Quality	<u>500</u>	<u>500</u>
	<u>8,346</u>	<u>8,786</u>

For budgeting purposes, a 3.5% cost-of-living salary increase, based on the projected increase in the consumer price index, has been factored into the budget effective October 1, 2017, in accordance with the Memorandum of Understanding, pushing up the total FY18 overheaded payroll cost by \$118,000 (1.8%).

The District's average CalPERS retirement contribution rate will increase 0.7% (to 20.6%) from the amount budgeted last year. All employees now pay 100% of the CalPERS employee contribution. The CalPERS Board is scheduled to approve 2018 group health insurance rates in June. For budgeting purposes, a 5.5% increase in group health insurance rates effective January 1, 2018 is assumed, which is the average rate of increase over the past 10 years, and which would increase budgeted labor cost by \$24,000. The cost for first dollar worker's compensation insurance is budgeted to increase 6.5%. While the District intends to continue self-insuring this coverage, proposals have been requested for standard first dollar workers' compensation insurance to provide a current calculation of savings (or loss) accrued through self-insuring this coverage.

Total budgeted operating expenditures are up \$395,000 (2%) compared to the adopted FY17 budget. An analysis of the significant differences between the FY17 budget and the proposed FY18 operating budget follows, listed in decreasing order of magnitude.

Component	Increase/ (Decrease) vs. FY17 Budget	FY18 % Change
Purchased Water Cost	\$170,000	4%
Labor	118,000	2%
Materials, Services & Supplies	108,000	3%
Vehicle Expense	-2,000	-1%
Distributed G&A & Overheads	-8,000	1%
Net Decrease	<u>\$386,000</u>	<u>2%</u>

This budget draft will be fine-tuned in conjunction with preparation of the West Marin Budgets, additional review of the Capital Improvement Projects budget, and with updated information regarding medical and insurance costs as they become available, and will be presented for additional review at the May 17 meeting.

Proposed
BUDGET

Initial Review

**Novato Potable Water
Operating Budget**

FISCAL YEAR

2017-18

NORTH MARIN WATER DISTRICT

999 RUSH CREEK PLACE, NOVATO, CA

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NORTH MARIN WATER DISTRICT
NOVATO POTABLE WATER
PROPOSED 2017/18 OPERATING BUDGET

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NOVATO POTABLE WATER
BUDGET SUMMARY
Fiscal Year 2017/18

	<i>Proposed Budget 2017/18</i>	<i>Estimated Actual 2016/17</i>	<i>Adopted Budget 2016/17</i>
OPERATING INCOME			
1 Water Sales	\$17,366,000	\$16,513,000	\$17,550,000
2 Wheeling & Misc Service Charges	352,000	319,000	340,000
3 Total Operating Income	\$17,718,000	\$16,832,000	\$17,890,000
OPERATING EXPENDITURES			
4 Source of Supply	\$4,834,000	\$4,629,000	\$4,658,000
5 Pumping	351,000	285,000	323,000
6 Operations	704,000	745,000	744,000
7 Water Treatment	2,190,000	2,010,000	2,051,000
8 Transmission & Distribution	3,096,000	2,764,000	3,100,000
9 Consumer Accounting	652,000	596,000	627,000
10 Water Conservation	441,000	312,000	460,000
11 General Administration	2,136,000	1,963,000	2,055,000
12 Depreciation Expense	2,800,000	2,711,000	2,800,000
13 Total Operating Expenditures	\$17,204,000	\$16,015,000	\$16,818,000
14 NET OPERATING INCOME (LOSS)	\$514,000	\$817,000	\$1,072,000
NON-OPERATING INCOME/(EXPENSE)			
15 Interest Revenue	\$100,000	\$100,000	\$52,000
16 Miscellaneous Revenue	133,000	139,000	132,000
17 Interest Expense	(452,000)	(466,000)	(481,000)
18 Miscellaneous Expense	(20,000)	(\$2,000)	(20,000)
19 Total Non-Operating Income/(Expense)	(\$239,000)	(\$229,000)	(\$317,000)
20 NET INCOME/(LOSS)	\$275,000	\$588,000	\$755,000
OTHER SOURCES/(USES) OF CASH			
21 Add Depreciation Expense	\$2,800,000	\$2,711,000	\$2,800,000
22 Connection Fees	780,000	973,000	779,000
23 Caltrans AEEP Capital Contribution	0	17,000	0
24 MMWD AEEP Capital Contribution	245,000	245,000	245,000
25 Loans	6,200,000	0	6,000,000
26 Capital Equipment Expenditures	(210,000)	(237,000)	(245,000)
27 Capital Improvement Projects	(10,315,000)	(2,475,000)	(8,341,000)
28 Debt Principal Payments	(1,093,000)	(1,078,000)	(1,063,000)
29 Connection Fee Transfer to RWS	(1,917,000)	(1,851,000)	(1,328,000)
30 Working Capital Increase/(Decrease)	2,570,000	(2,570,000)	0
31 Total Other Sources/(Uses)	(\$940,000)	(\$4,265,000)	(\$1,153,000)
32 CASH INCREASE/(DECREASE)	(\$665,000)	(\$3,677,000)	(\$398,000)

NOVATO POTABLE WATER OPERATING BUDGET DETAIL**Fiscal Year 2017/18**

	Proposed Budget 17/18	Estimated Actual 16/17	Adopted Budget 16/17	Actual 15/16	Actual 14/15	Actual 13/14	Actual 12/13	Actual 11/12
STATISTICS								
1 Active Meters	20,560	20,545	20,560	20,535	20,498	20,505	20,492	20,490
2 Avg Commodity Rate/1,000 Gal (Net)	\$5.65	\$5.35	\$5.36	\$5.25	\$4.87	\$4.81	\$4.32	\$4.05
3 Potable Consumption (BG)	2.30	2.30	2.50	2.15	2.44	2.95	3.02	2.82
OPERATING INCOME								
4 Water Sales	\$17,280,000	\$16,657,000	\$17,620,000	\$15,489,903	\$16,101,706	\$18,385,017	\$16,626,526	\$14,220,429
5 Bill Adjustments	86,000	(144,000)	(70,000)	(64,461)	(82,790)	(95,470)	(104,567)	(58,770)
6 Sales to MMWD	0	0	0		0	432,294	0	0
7 Wheeling Charges-MMWD	91,000	75,000	88,000	90,217	119,144	100,527	251,980	58,802
8 Miscellaneous Service Revenue	261,000	244,000	252,000	277,479	276,388	265,496	223,619	197,752
9 TOTAL OPERATING INCOME	\$17,718,000	\$16,832,000	\$17,890,000	\$15,793,138	\$16,414,448	\$19,087,864	\$16,997,558	\$14,418,213
OPERATING EXPENSE								
SOURCE OF SUPPLY								
11 Supervision & Engineering	\$20,000	\$10,000	\$18,000	\$10,586	\$11,641	\$9,698	\$9,103	\$9,064
12 Operating Expense - Source	10,000	10,000	10,000	11,928	11,044	10,497	6,821	11,488
13 Maintenance/Monitoring of Dam	62,000	30,000	63,000	22,796	11,635	19,438	38,295	25,716
14 Maintenance of Lake & Intakes	17,000	7,000	18,000	6,299	511	11,701	14,481	10,377
15 Maintenance of Watershed	50,000	41,000	43,000	17,325	15,151	17,015	23,405	8,188
16 Water Purchased for Resale to MMWD	0	0	0	0	0	253,539	0	0
17 Water Quality Surveillance	25,000	1,000	26,000	3,137	7,467	13,713	12,776	16,385
18 Contract Water - SCWA	4,650,000	4,530,000	4,480,000	3,997,030	4,333,100	5,698,211	5,135,330	5,047,469
19 TOTAL SOURCE OF SUPPLY	\$4,834,000	\$4,629,000	\$4,658,000	\$4,069,101	\$4,390,549	\$6,033,812	\$5,240,211	\$5,128,687
PUMPING								
20 Operating Expense	\$3,000	\$0	\$3,000	\$0	\$237	\$0	\$0	\$0
21 Maintenance of Structures/Grounds	28,000	32,000	34,000	26,347	51,544	46,502	24,115	29,042
22 Maintenance of Pumping Equipment	68,000	15,000	66,000	13,507	51,013	27,696	35,637	50,797
23 Electric Power - Pumping	252,000	238,000	220,000	212,207	213,909	255,711	263,471	204,927
24 TOTAL PUMPING	\$351,000	\$285,000	\$323,000	\$252,061	\$316,703	\$329,909	\$323,223	\$284,766
OPERATIONS								
25 Supervision & Engineering	\$172,000	\$231,000	\$164,000	\$256,231	\$241,264	\$219,520	\$187,986	\$185,838
26 Operating Expense	363,000	332,000	401,000	304,897	244,900	274,893	264,400	255,272
27 Maintenance Expense	58,000	47,000	79,000	34,755	37,667	79,906	101,036	105,545
28 Telemetry Equipment/Controls Maint	94,000	117,000	83,000	68,674	86,544	62,223	44,349	67,936
29 Leased Line Expense	17,000	18,000	17,000	17,704	17,986	17,675	17,921	18,930
30 TOTAL OPERATIONS	\$704,000	\$745,000	\$744,000	\$682,261	\$628,361	\$654,217	\$615,692	\$633,521

NOVATO POTABLE WATER OPERATING BUDGET DETAIL**Fiscal Year 2017/18**

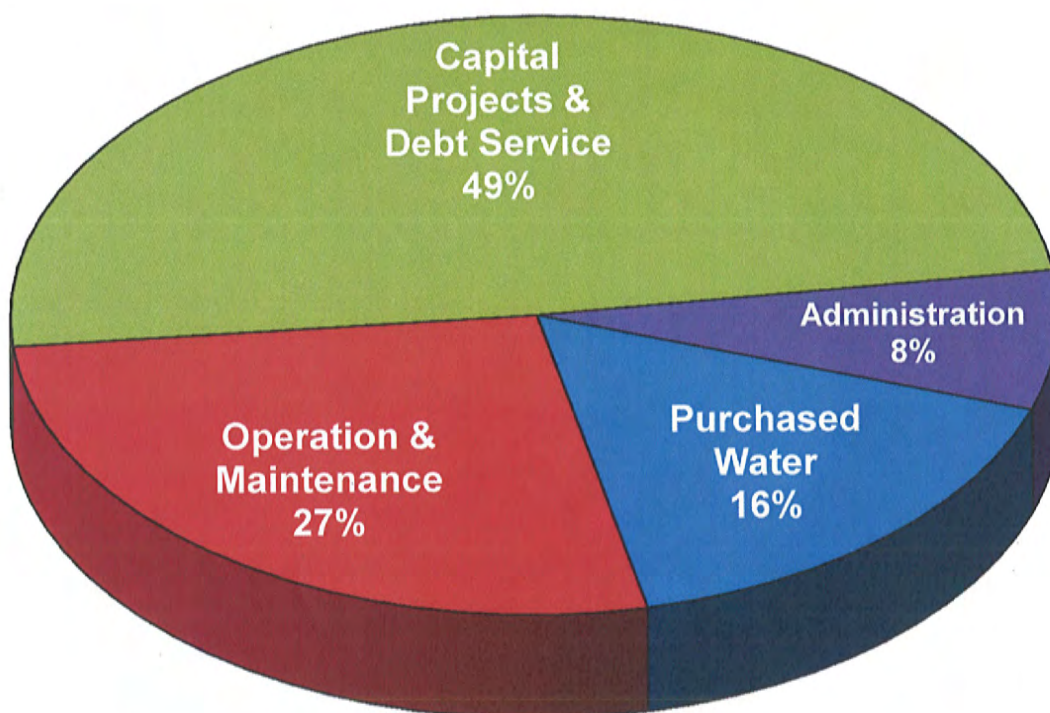
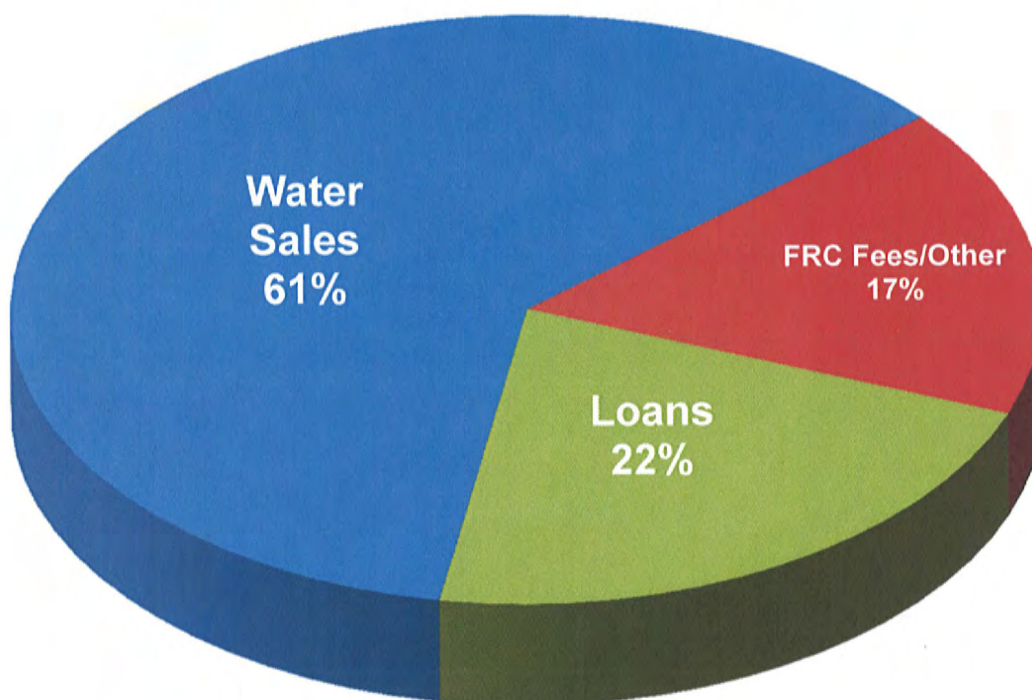
	Proposed Budget 17/18	Estimated Actual 16/17	Adopted Budget 16/17	Actual 15/16	Actual 14/15	Actual 13/14	Actual 12/13	Actual 11/12
WATER TREATMENT								
31 Supervision & Engineering	\$107,000	\$125,000	\$92,000	\$130,358	\$112,433	\$111,096	\$112,612	\$100,916
32 Operating Expense	371,000	323,000	296,000	313,024	333,020	285,050	308,301	206,957
33 Purification Chemicals	425,000	270,000	425,000	378,562	358,907	316,762	400,627	253,797
34 Sludge Disposal	103,000	104,000	84,000	90,043	72,720	66,085	103,196	100,861
35 Maintenance of Structures/Grounds	76,000	90,000	88,000	68,351	79,728	60,148	52,242	82,839
36 Purification Equipment Maintenance	179,000	218,000	159,000	150,989	104,290	137,838	137,793	136,782
37 Electric Power - Treatment	138,000	127,000	134,000	113,223	120,592	135,637	112,767	114,184
38 Laboratory Expense (net)	791,000	753,000	773,000	705,212	691,990	655,315	602,901	568,124
39 TOTAL WATER TREATMENT	\$2,190,000	\$2,010,000	\$2,051,000	\$1,949,762	\$1,873,680	\$1,767,931	\$1,830,439	\$1,564,460
TRANSMISSION & DISTRIBUTION								
40 Supervision & Engineering	\$591,000	\$567,000	\$749,000	\$559,007	\$562,934	\$486,544	\$427,430	\$423,813
41 Maps & Records	171,000	160,000	141,000	110,877	108,956	77,995	106,669	96,058
42 Operation of T&D System	616,000	571,000	629,000	509,160	404,243	511,708	460,489	478,959
43 Storage Facilities Expense	178,000	141,000	158,000	150,066	167,362	134,352	87,843	140,564
44 Maintenance of Valves & Regulators	215,000	157,000	220,000	189,372	151,691	91,709	117,299	132,239
45 Maintenance of Mains	132,000	147,000	133,000	215,077	149,898	72,176	86,906	49,922
46 Backflow Prevention Program	306,000	162,000	170,000	150,298	156,590	147,878	102,338	84,714
47 Maintenance of Copper Services	180,000	162,000	182,000	142,083	202,193	141,987	175,880	190,698
48 Maintenance of PB Service Lines	459,000	489,000	458,000	532,436	432,820	411,357	483,006	443,509
49 Maintenance of Meters	107,000	63,000	106,000	100,402	100,401	94,418	93,360	135,900
50 Detector Check Assembly Maint	64,000	93,000	73,000	54,586	65,749	52,369	7,581	38,361
51 Maintenance of Hydrants	77,000	52,000	81,000	34,311	25,655	22,154	28,531	33,980
52 TOTAL TRANSMISSION & DISTRIB	\$3,096,000	\$2,764,000	\$3,100,000	\$2,747,675	\$2,528,492	\$2,244,647	\$2,177,332	\$2,248,717
CONSUMER ACCOUNTING								
53 Meter Reading & Collection	\$247,000	\$185,000	\$222,000	\$189,262	\$166,919	\$182,216	\$180,030	\$170,589
54 Billing & Accounting	277,000	288,000	265,000	281,010	269,054	256,653	247,897	282,702
55 Contract Billing	18,000	17,000	18,000	17,160	16,946	17,561	18,110	18,231
56 Postage & Supplies	55,000	57,000	63,000	58,903	60,032	61,791	64,497	63,359
57 Credit Card Fees	31,000	31,000	25,000	24,592	23,893	14,149		
58 Lock Box Service	11,000	11,000	11,000	10,944	10,080			
59 Uncollectible Accounts	14,000	15,000	17,000	15,382	14,818	19,500	23,230	26,685
60 Office Equipment Expense	15,000	9,000	22,000	23,091	16,743	23,905	8,290	8,690
61 Distributed to Other Operations	(16,000)	(17,000)	(16,000)	(16,959)	(16,233)	(15,276)	(13,961)	(15,726)
62 TOTAL CONSUMER ACCOUNTING	\$652,000	\$596,000	\$627,000	\$603,385	\$562,252	\$560,499	\$528,093	\$554,530

NOVATO POTABLE WATER OPERATING BUDGET DETAIL**Fiscal Year 2017/18**

	Proposed Budget 17/18	Estimated Actual 16/17	Adopted Budget 16/17	Actual 15/16	Actual 14/15	Actual 13/14	Actual 12/13	Actual 11/12
WATER CONSERVATION								
63 Residential	\$362,000	\$254,000	\$381,000	\$320,620	\$410,154	\$362,499	\$222,637	\$213,883
64 Commercial	19,000	1,000	19,000	3,711	5,352	2,605	1,169	1,414
65 Public Outreach/Information	40,000	19,000	40,000	32,287	34,148	51,638	28,477	41,251
66 Large Landscape	20,000	38,000	20,000	24,877	10,747	12,702	13,966	13,780
TOTAL WATER CONSERVATION	\$441,000	\$312,000	\$460,000	\$381,495	\$460,401	\$429,444	\$266,249	\$270,328
GENERAL & ADMINISTRATION								
67 Director's Expense	\$41,000	\$33,000	\$33,000	\$34,222	\$30,400	\$25,300	\$14,400	\$15,000
68 Legal Fees	17,000	20,000	13,000	20,488	9,956	20,906	10,112	7,098
69 Human Resources	31,000	33,000	30,000	25,036	33,977	28,386	35,917	21,860
70 Auditing Services	17,000	16,000	17,000	18,770	18,380	21,050	20,600	28,900
71 Consulting Services/Studies	425,000	205,000	455,000	138,735	107,015	0	53,327	34,731
72 General Office Salaries	1,352,000	1,442,000	1,337,000	1,309,502	1,191,792	1,184,164	1,214,210	1,252,684
73 Office Supplies	47,000	36,000	47,000	37,709	36,877	46,174	37,232	22,743
74 Employee Events	12,000	12,000	12,000	10,143	7,379	7,227	6,204	5,931
75 Other Administrative Expense	17,000	14,000	13,000	10,427	13,390	13,240	18,150	17,254
76 Election Cost	0	0	0	250	0	250	0	250
77 Dues & Subscriptions	69,000	61,000	60,000	59,271	53,296	47,842	45,607	49,260
78 Vehicle Expense	8,000	9,000	8,000	8,112	8,112	8,112	8,112	8,118
79 Meetings, Conf & Training	240,000	169,000	205,000	139,858	136,863	117,425	112,402	97,626
80 Telephone, Water, Gas & Electricity	49,000	50,000	41,000	42,458	38,580	33,328	32,995	26,172
81 Building & Grounds Maintenance	55,000	59,000	54,000	63,344	48,891	35,642	41,194	36,438
82 Office Equipment Expense	117,000	103,000	95,000	87,141	97,868	90,231	82,349	92,674
83 Insurance Premiums & Claims	117,000	85,000	118,000	140,366	102,073	72,192	76,473	113,556
84 Retiree Medical Benefits	172,000	170,000	173,000	168,935	175,580	159,691	166,699	160,725
85 (Gain)/Loss on Overhead Charges	(97,000)	(120,000)	(122,000)	(89,626)	(85,682)	(222,710)	(136,354)	(297,783)
86 G&A Distributed to Other Operations	(164,000)	(146,000)	(155,000)	(126,771)	(113,218)	(76,538)	(77,443)	(101,630)
87 G&A Applied to Construction Projects	(389,000)	(288,000)	(379,000)	(359,689)	(353,998)	(389,569)	(392,205)	(327,881)
TOTAL GENERAL & ADMINISTRATION	\$2,136,000	\$1,963,000	\$2,055,000	\$1,738,681	\$1,557,531	\$1,222,343	\$1,369,981	\$1,263,726
88 Depreciation Expense	\$2,800,000	\$2,711,000	\$2,800,000	\$2,577,081	\$2,507,124	\$2,445,634	\$2,417,032	\$2,372,380
89 TOTAL OPERATING EXPENSE	\$17,204,000	\$16,015,000	\$16,818,000	\$15,001,502	\$14,825,093	\$15,688,436	\$14,768,252	\$14,321,115
90 NET OPERATING INCOME/(LOSS)	\$514,000	\$817,000	\$1,072,000	\$791,636	\$1,589,355	\$3,399,428	\$2,229,306	\$97,098

**NOVATO POTABLE WATER
FISCAL YEAR 2017-18**

SOURCE OF FUNDS = \$28.4 MILLION



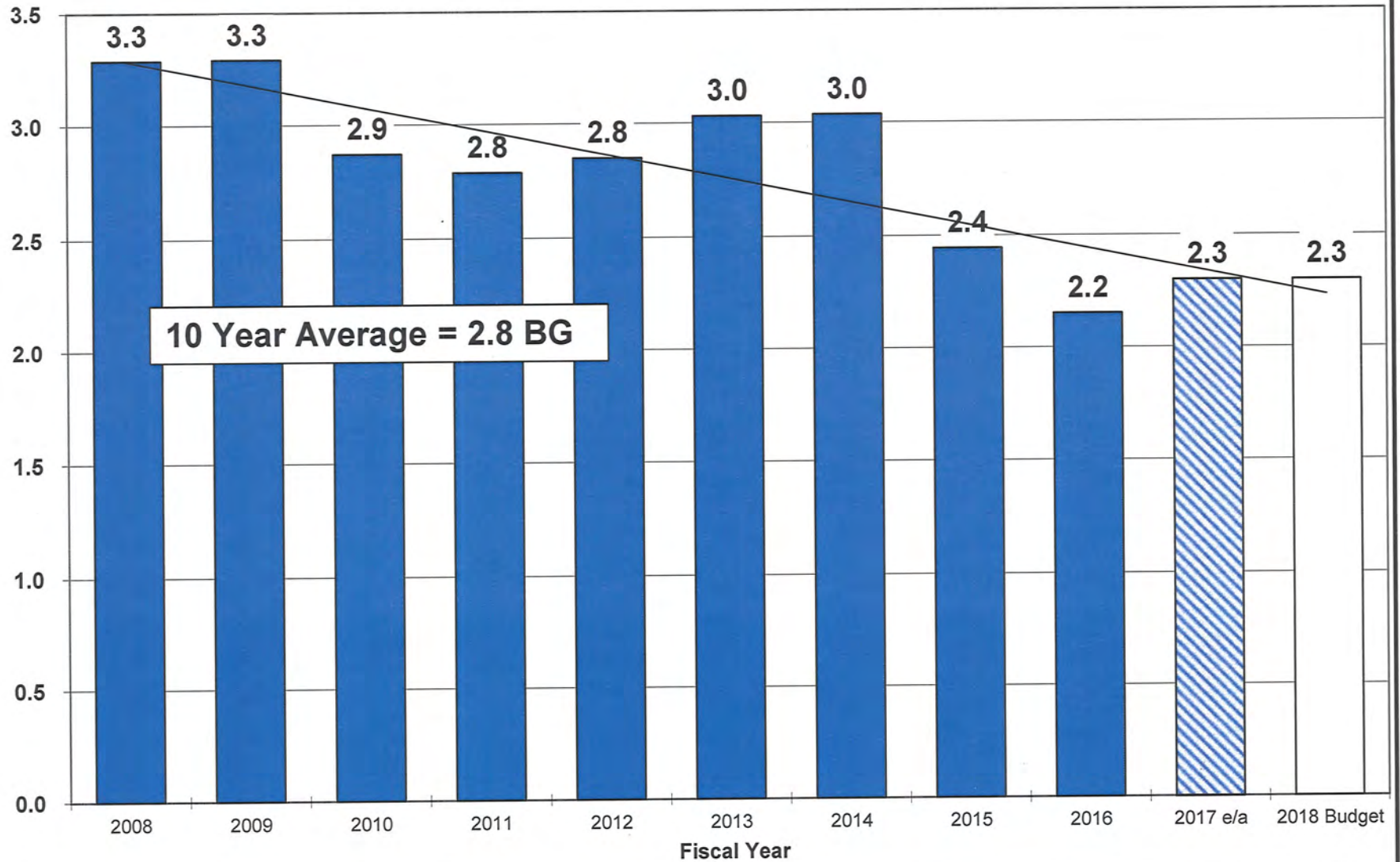
USE OF FUNDS = \$28.4 MILLION

4/25/17

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Novato Water Billed Consumption 10 Year History

Billion
Gallons



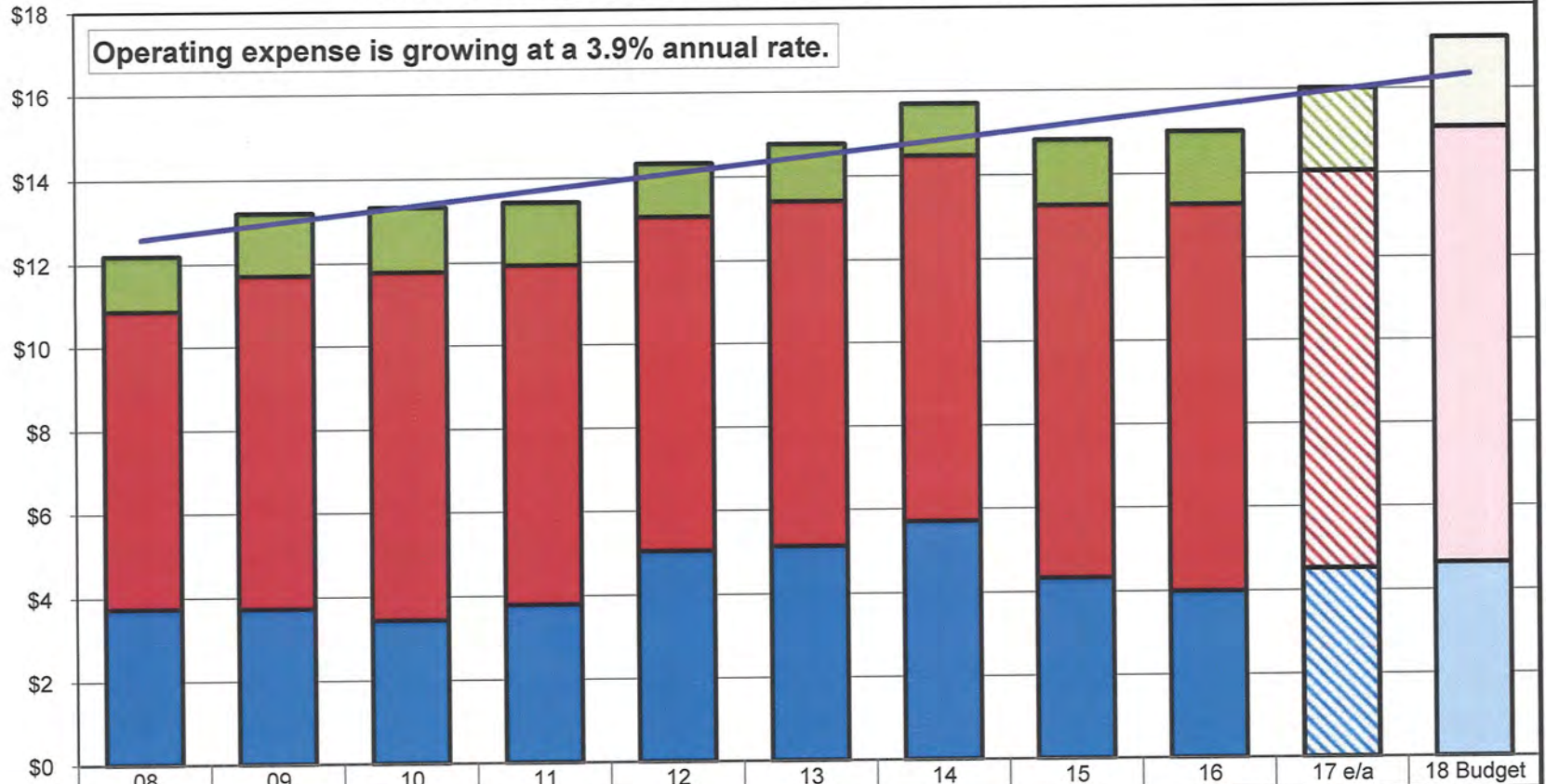
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Million \$

Novato Water Operating Expense History

Operating expense is growing at a 3.9% annual rate.



Fiscal Year

North Marin Water District
Memberships/Certifications
Sorted by Organization & Dept

4/25/17

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	Organization	Employee	Dept	Last Renewed	Renewal Period	Last Paid	FY18 Budget
1	ADTS Drug Testing Program	Arendell	41	12/29/16	1/17-12/17	\$860	\$890
2	Alliance for Water Efficiency	Grisso	21	8/18/16	8/16-9/17	\$500	\$520
3	American Water Works Association	McIntyre*	10	12/1/16	1/17-12/17	\$3,923	\$4,040
4	American Water Works Association	Chandrasekera	21	12/1/16	1/17-12/17	\$0	\$0
5	American Water Works Association	Goodpaster	61	8/25/16	9/16-8/17	\$255	\$260
6	Assoc of State Dam Safety Officials	McIntyre	21	11/10/16	10/16-9/17	\$52	\$50
7	Association of CA Water Agencies	McIntyre	10	1/26/17	1/16-12/16	\$18,710	\$19,270
8	AWWA - Backflow Assembly Tester	Kurfirist	51	2/19/15	10/15-9/18	\$180	\$0
9	AWWA - Cross Connection Control Spec	Kurfirist	51	1/19/17	5/17-4/19	\$80	\$0
10	AWWA - G1-WQ Analyst	Bena	61	10/16/14	5/15-5/17	\$55	\$60
11	AWWA - G3-WQ Analyst	Lucchesi	61	1/3/13	6/13-6/15	\$55	\$60
12	AWWA - G3-WQ Analyst	Ramudo	61	3/31/06	3/08-3/10	\$46	\$50
13	AWWA - G3-WQ Analyst	Reischmann	61	10/9/14	9/14-9/17	\$55	\$60
14	AWWA - G4-WQ Analyst	Goodpaster	61	2/16/17	9/17-9/19	\$55	\$0
15	AWWA Water Conservation Practitioner	Grisso	21	12/5/12	1/15-12/16	\$50	\$50
16	Bay Area Water Works Association	Chandrasekera	21	7/5/12	1/12-12/12	\$20	\$20
17	Bay Area Water Works Association	McIntyre	21	10/29/15	1/16-12/16	\$20	\$20
18	Bay Area Water Works Association	Ramudo	61	12/21/11	1/12-12/12	\$60	\$20
19	Baywork (FBO San Jose Water)	Landeros	11	10/27/16	7/16-6/17	\$765	\$790
20	Board of Prof Engineers & Surveyors	Chandrasekera	21	9/29/16	10/16-9/18	\$115	\$120
21	Board of Prof Engineers & Surveyors	Jackson	21	2/11/16	4/16-3/18	\$116	\$120
22	Board of Prof Engineers & Surveyors	McIntyre	21	4/2/15	4/15-3/17	\$115	\$120
23	CA Urban Water Conservation Council	Grisso	21	5/14/15	1/15-12/15	\$3,219	\$3,320
24	CWEA - Membership	Bena	61	10/20/16	10/16-9/17	\$172	\$180
25	CWEA - Membership	Reischmann	61	7/7/16	7/16-7/17	\$164	\$170
26	Contractor's State License Board	Arendell	41	2/18/16	4/16-4/18	\$690	\$710
27	Costco Wholesale Membership	McIntyre	10	11/23/16	1/17-12/17	\$110	\$110
28	CWEA-Laboratory Analyst Grade 1	Bena	61	2/23/17	4/17-3/18	\$83	\$90
29	CWEA-Laboratory Analyst Grade 2	Reischmann	61	12/9/16	1/17-12/17	\$88	\$90
30	Dept Pesticide Reg-Qualified Applicator License	Cilia	51	8/25/16	1/17-12/17	\$60	\$60
31	DHS - Distrib Op Certification I	Roberto	12	12/15/16	5/16-5/20	\$70	\$0
32	DHS - Distrib Op Certification I	Bergstrom	41	10/27/16	6/16-8/19	\$70	\$0
33	DHS - Distrib Op Certification I	Breit	41	2/16/17	6/17-5/19	\$70	\$0
34	DHS - Distrib Op Certification I	Lemos, James	41				\$70
35	DHS - Distrib Op Certification I	Rupp	41	12/22/16	5/17-5/20	\$70	\$0
36	DHS - Distrib Op Certification I	Sjoblom	41	2/7/13	8/13-8/16	\$70	\$70
37	DHS - Distrib Op Certification I	Cilia	51	2/4/16	9/16-8/18	\$70	\$0
38	DHS - Distrib Op Certification II	Foster	31	7/28/16	12/16-12/17	\$60	\$80
39	DHS - Distrib Op Certification II	Castellucci	41	11/10/16	5/17-5/20	\$60	\$0
40	DHS - Distrib Op Certification II	Corda, Joe	41	11/19/15	12/15-12/18	\$80	\$0
41	DHS - Distrib Op Certification II	Kane	11	12/29/16	7/17-7/20	\$80	\$0
42	DHS - Distrib Op Certification II	Kehoe, Chris	41	10/1/15	11/15-11/17	\$180	\$190
43	DHS - Distrib Op Certification II	Kurfirist	51	1/24/13	6/13-6/16	\$80	\$80
44	DHS - Distrib Op Certification II	Latanyszyn	51	9/4/14	2/15-2/18	\$80	\$80
45	DHS - Distrib Op Certification II	LeBrun	51	10/29/15	11/15-11/18	\$80	\$0
46	DHS - Distrib Op Certification II	Bena	61	10/6/16	3/17-2/20	\$80	\$0
47	DHS - Distrib Op Certification II	Goodpaster	61	2/16/17	4/17-4/20	\$130	\$0
48	DHS - Distrib Op Certification II	Lucchesi	61	3/26/15	10/15-10/18	\$60	\$0
49	DHS - Distrib Op Certification II	Ramudo	61	4/15/15	9/15-8/18	\$80	\$0
50	DHS - Distrib Op Certification II	Reischmann	61	4/19/15	10/15-10/18	\$60	\$0
51	DHS - Distrib Op Certification III	Garrett	31	2/27/14	8/14-8/17	\$90	\$90
52	DHS - Distrib Op Certification III	Jennison	31	2/23/17	8/17-8/20	\$90	\$90
53	DHS - Distrib Op Certification III	Clark	51	7/30/15	12/15-12/18	\$90	\$0
54	DHS - Distrib Op Certification III	Lemos, Kerry	51	1/28/16	6/16-6/19	\$120	\$0
55	DHS - Distrib Op Certification III	Arendell	41	12/11/14	1/15-1/18	\$120	\$120
56	DHS - Distrib Op Certification III	Reed	41	2/1/12	7/14-7/17	\$80	\$80
57	DHS - Distrib Op Certification IV	Corda, Jeff	31	10/13/10	11/13-11/16	\$90	\$90
58	DHS - Distrib Op Certification V	Stompe	31	1/5/17	3/16-3/19	\$105	\$0
59	DHS - Treatment Operator Certif II	Reed	41	8/25/16	9/16-9/19	\$60	\$0
60	DHS - Treatment Operator Certif II	Foster	31	8/25/16	1/17-1/20	\$60	\$0

North Marin Water District
Memberships/Certifications
Sorted by Organization & Dept

4/25/17

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	Organization	Employee	Dept	Last Renewed	Renewal Period	Last Paid	FY18 Budget
61	DHS - Treatment Operator Certif II	Clark	51	2/19/15	7/15-7/18	\$60	\$0
62	DHS - Treatment Operator Certif II	Lucchesi	61	4/10/14	2/15-2/18	\$60	\$60
63	DHS - Treatment Operator Certif II	Reischmann	61	4/17/14	9/14-9/17	\$60	\$60
64	DHS - Treatment Operator Certif III	Corda, Jeff	31	6/27/13	11/13-11/16	\$90	\$90
65	DHS - Treatment Operator Certif III	Garrett	31	12/15/16	12/17-12/20	\$120	\$0
66	DHS - Treatment Operator Certif IV	Jennison	31	1/19/17	6/17-6/20	\$105	\$0
67	DHS - Treatment Operator Certif IV	Reed	31	1/5/17	9/16-8/19	\$105	\$110
68	DHS - Treatment Operator Certif IV	Stompe	31	8/26/14	2/15-2/18	\$104	\$110
69	GFOA - Financial Stmt Review	Landeros	11	11/5/15	7/14-7/15	\$435	\$450
70	GFOA - Membership	Landeros	11	8/18/16	9/16-8/17	\$160	\$160
71	HCC-Contractor's Bond	Arendell	41	2/11/16	3/16-3/17	\$690	\$710
72	Irrigation Association	Grisso	21	12/15/16	1/17-12/17	\$100	\$100
73	LAFCO (Co of Marin)	McIntyre	10	8/4/16	7/16-6/17	\$14,117	\$17,030
74	National Fire Protection Assoc	McIntyre	21	11/23/16	1/17-12/17	\$175	\$180
75	National Notary Association (Dues)	Young	11	8/18/16	9/16-8/18	\$99	\$100
76	National Notary Association (Dues)	Kehoe, Terrie	21	6/15/11	9/11-1/16	\$129	\$130
77	National Notary Association (Ins)	Young	11	11/6/14	2/15-2/18	\$78	\$80
78	National Notary Association (Ins)	Kehoe, Terrie	21	8/1/13	1/14-1/18	\$98	\$100
79	National Notary Association (License)	Young	11	10/27/16	1/17-1/21	\$414	\$0
80	National Notary Association (License)	Kehoe, Terrie	11				\$0
81	National Safety Council	Clark	51	9/22/16	8/16-7/17	\$450	\$460
82	NACE - Natl Assoc Corrosion Engineers	Jackson	21	3/16/17	4/17-4/18	\$215	\$220
83	No American Lake Management Soc	Stompe	31	2/10/15	3/15-2/16	\$110	\$110
84	North Bay Watershed Association	McIntyre	10	10/10/16	7/16-6/17	\$6,216	\$6,400
85	Novato Chamber of Commerce	Bentley	11	11/23/16	11/16-10/17	\$850	\$880
86	Novato Heights Property Owners	McIntyre	10	4/21/16	1/16-12/16	\$150	\$200
87	Rotary - Novato Sunrise	McIntyre	21	7/14/16	7/16-6/17	\$150	\$150
88	Rotary - Point Reyes Station	Clark	51	9/15/16	7/16-6/17	\$170	\$130
89	Rotary Club of Novato	Chandrasekera	21	8/11/16	7/16-6/17	\$175	\$180
90	Society for HR Management (SHRM)	Landeros	11	8/25/16	9/16-8/17	\$190	\$200
91	Sorptomist	Young	11	6/30/16	7/16-6/17	\$175	\$180
92	Special District Leadership Foundation	McIntyre	10	1/28/09	1/09-6/16	\$50	\$50
93	Steel Structures Painting Council	McIntyre	21	6/30/16	7/16-6/17	\$95	\$100
94	Tomales Bay Watershed Council	Clark	31	2/8/12	1/12-12/12	\$1,000	\$1,000
95	Underground Service Alert - Membership	Arendell	41	8/18/16	7/16-6/17	\$1,465	\$1,510
96	USC Foundation-Cross Connect Control	Kurfist	51	3/3/16	1/16-12/16	\$500	\$520
97	Water Education Foundation	McIntyre	10	12/24/15	1/16-12/16	\$140	\$140
98	Wine Country Water Works Assoc.	Garrett	31	6/20/12	1/12-12/12	\$25	\$25
99	Wine Country Water Works Assoc.	Jennison	31	6/20/12	1/12-12/12	\$20	\$25
100	Wine Country Water Works Assoc.	Arendell	41	8/20/15	7/15-6/16	\$25	\$25
101	Wine Country Water Works Assoc.	Breit	41	8/18/16	7/16-6/17	\$70	\$70
102	Wine Country Water Works Assoc.	Castellucci	41	8/18/16	7/16-6/17	\$70	\$70
103	Wine Country Water Works Assoc.	Corda, Joe	41				\$25
104	Wine Country Water Works Assoc.	Foster	31	8/18/16	7/16-6/17	\$70	\$70
105	Wine Country Water Works Assoc.	leMorini	51	8/18/16	7/16-6/17	\$70	\$70
106	Wine Country Water Works Assoc.	Kane	11	8/18/16	7/16-6/17	\$70	\$70
107	Wine Country Water Works Assoc.	Kehoe, Chris	41	8/18/16	7/16-6/17	\$70	\$70
108	Wine Country Water Works Assoc.	Kurfist	51	8/18/16	7/16-6/17	\$70	\$70
109	Wine Country Water Works Assoc.	Latanyshyn	51	6/13/13	7/13-6/14	\$45	\$25
110	Wine Country Water Works Assoc.	LeBrun	51	8/18/16	7/16-6/17	\$45	\$25
111	Wine Country Water Works Assoc.	Lemos	51	6/13/13	7/13-6/14	\$45	\$25
112	Wine Country Water Works Assoc.	Lucchesi	61	8/11/16	7/16-6/17	\$70	\$70
113	Wine Country Water Works Assoc.	Reed	41	8/18/16	7/16-6/17	\$70	\$70
114	Wine Country Water Works Assoc.	Reischmann	61	8/20/15	7/15-6/16	\$25	\$25
115	Wine Country Water Works Assoc.	Rupp	41	8/18/16	7/16-6/17	\$70	\$25
116	Wine Country Water Works Assoc.	Sjoblom	41	8/20/15	7/15-6/16	\$25	\$25
117	Wine Country Water Works Assoc.	Steele	31	8/18/16	7/16-6/17	\$70	\$70
118	Wine Country Water Works Assoc.	Stompe	31	8/18/16	7/16-6/17	\$70	\$70
						\$63,433	\$65,210

North Marin Water District
Memberships/Certifications
Sorted by Organization & Dept

4/25/17

t:\accountants\data\dues and subscriptions.xls\fy18 budget

	Organization	Employee	Dept	Last Renewed	Renewal Period	Last Paid	FY18 Budget
119	Bender, Matthew (Government Codes)	McIntyre	10	1/26/17	1/17-12/17	\$1,027	\$1,060
120	Marin Independent Journal	McIntyre	10	9/1/16	9/16-9/17	\$452	\$470
121	Marinscope (Advance)	McIntyre	10	12/15/16	9/16-8/17	\$49	\$50
122	Point Reyes Light	McIntyre	10	2/16/17	12/17-12/19	\$119	\$0
123	AICPA Journal of Accountancy	Bentley	11	8/18/16	9/16-8/17	\$69	\$70
124	Novato Chamber (Lbr Law Posters)	Bentley	11	2/2/17	1/17-12/17	\$153	\$160
125	Engineering News Record (ENR)	McIntyre	21	11/3/16	2/17-2/18	\$87	\$90
126	The Climate Registry	Clark	51	12/22/16	1/17-12/17	\$750	\$770
127	Cal/OSHA Compliance Advisor	Clark	51	8/20/15	9/15-8/16	\$299	\$310
						\$3,005	\$2,980

Software Subscriptions

128	Parkinson (Hightower/SWK)	Bentley	11	7/28/16	8/16-7/17	\$940	\$970
129	Parkinson (DCD)	Bentley	11	7/28/16	8/16-7/17	\$320	\$330
130	Sage Accounting Software (100c-Advanced + Payroll)	Bentley	11	7/21/16	7/16-6/17	\$6,373	\$7,330
131	Parkinson (Accounting Customization)	Bentley	11	7/28/16	8/16-7/17	\$4,558	\$4,690
132	Sage Software (Fixed Assets)	Bentley	11	7/14/16	7/16-7/17	\$771	\$850
133	Sage Software (HR ABRA Network)	Bentley	11	7/14/16	7/16-7/17	\$936	\$1,070
134	Veriato Web Filter	Bentley	11	9/29/16	10/16-9/17	\$1,170	\$1,170
135	CDW Govt Trend Anti-Virus Software	Bentley	11	12/3/15	11/15-10/16	\$1,080	\$1,080
136	NeoGOV HR Software	Bentley	11	7/25/16	7/21/16-7/20/17	\$3,083	\$3,990
137	Itron MVRs (Meter reading device hardware)	Bentley	12	1/7/16	1/16-12/16	\$1,534	\$1,580
138	Itron MVRs (Software Maint Agreement)	Bentley	12	4/20/17	3/1/17-12/31/17	\$700	\$880
139	Mitchell1 (Trailer/Automobile Fleet Diagnostic Scanners)	Watkins	51	4/27/17	3/27/17-3/26/18	\$4,468	\$4,600
140	Parcel Quest	Vogler	21	6/30/16	7/16-6/17	\$1,799	\$1,900
141	Open Spatial GIS Software Suite	Vogler	21	10/20/16	10/16-10/17	\$8,760	\$9,020
142	DLT Solutions - AutoCAD Licenses	Vogler	21	12/8/16	12/16-12/17	\$2,888	\$2,970
143	E&M - Wonderware - Distrib SCADA	Clark	31	3/24/16	3/16-3/17	\$7,808	\$8,040
144	ShopKey (Fleet Maintenance Software)	Clark	51	5/12/16	4/18/16 - 4/17/17	\$4,780	\$4,920
145	AWWA-Target Solutions (Training/Certification Tracking)	Bentley	12	5/19/16	1/16-12/16	\$537	\$550
146	AWWA-Target Solutions (Training/Certification Tracking)	Clark	31	5/19/16	1/16-12/16	\$1,074	\$1,110
147	AWWA-Target Solutions (Training/Certification Tracking)	Arendell	41	5/19/16	1/16-12/16	\$2,148	\$2,210
148	AWWA-Target Solutions (Training/Certification Tracking)	Clark	51	5/19/16	1/16-12/16	\$1,253	\$1,290
149	AWWA-Target Solutions (Training/Certification Tracking)	Clark	61	5/19/16	1/16-12/16	\$895	\$920
150	Accelerated Tech (LIMS)	Clark	61	12/31/15	12/15-12/16	\$5,552	\$5,720
151	Standard Methods	Ramudo	61	10/30/14	9/14-8/15	\$295	\$300
						\$63,722	\$67,190
						\$130,160	\$135,380

Dues & Subscriptions Expense Distribution

Dues & Subscriptions	56402-01-10	10	\$45,063	\$48,820
Dues & Subscriptions	56402-01-11	11	\$3,538	\$3,140
Dues & Subscriptions	56402-01-12	12	\$70	\$0
Dues & Subscriptions	56402-01-21	21	\$5,431	\$5,590
Dues & Subscriptions	56402-01-31	31	\$2,384	\$2,030
Dues & Subscriptions	56402-01-41	41	\$4,965	\$4,730
Dues & Subscriptions	56402-01-51	51	\$3,344	\$2,625
Dues & Subscriptions	56402-01-61	61	\$1,713	\$1,255
			\$66,508	\$68,190

Software Subscription Expense Distribution

Admin Equip	56701-01-11	11	\$19,231	\$21,480
Cons Svcs Equipment	55601-01-12	12	\$2,771	\$3,010
Maps & Records	54004-01-21	21	\$13,447	\$13,890
Maint Telemetry Equip	52502-01-31	31	\$8,882	\$9,150
Maint of Mains	54511-01-41	41	\$2,148	\$2,210
Maintenance Exp	52406-01-51	51	\$10,501	\$10,810
WQ Exp	53702-01-61	61	\$6,742	\$6,940
			\$63,722	\$67,490
			\$130,230	\$135,680

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MEMORANDUM

To: Board of Directors
 From: David L. Bentley, Auditor-Controller
 Subj: Initial Review – FY 2017/18 Novato Recycled Water System Budget
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April 28, 2017

RECOMMENDED ACTION: Information Only – Initial Review

FINANCIAL IMPACT: \$7.8 Million FY18 Expenditure Plan

The FY 2017/18 (FY18) Recycled Water System (RWS) budget projects demand of 160MG next fiscal year (see chart of historical water use attached), an increase from FY18 as the Central expansion project will bring on new customers. Consistent with the potable water rate increase, a 5% commodity rate and bimonthly service charge increase is proposed to be effective June 1, 2017. The proposed increase is projected to generate \$45,000 in additional revenue next fiscal year.

Operating expenses (excluding depreciation) are budgeted to increase 4% (\$34,000) from the existing FY17 budget. The FY18 budget projects purchase of 110MG (\$154,000) of tertiary treated water from Novato Sanitary District and 45MG (\$63,000) from Las Gallinas Valley Sanitary District, both at \$1,400/MG. The Deer Island Plant is budgeted to produce 5MG during the summer to keep it in good running order, and will continue to serve as a backup facility.

The \$15.6M project to expand recycled water distribution facilities to central Novato will be completed in FY18, with \$6.4M anticipated to be expended over the 12-month period. The project is funded with a 1% \$6.6M State Revolving Fund loan, along with a \$5.8M in federal and state grants and a \$1.7M contribution from Marin Country Club for their share of the expansion.

The RWS is budgeted to receive \$1.9M in Connection Fee monies from the Novato potable water system in FY18 to pay for the expansion loan debt service, the \$80,000 cost of NBWRA's grant administration, and the District's local share obligation of the Central Expansion project. With the Connection Fee monies, the proposed budget projects a cash surplus next fiscal year of \$594,000.

The RWS construction is premised on financing via Connection Fees paid by new development. Since FY07, the Novato potable system has paid \$5.8M to the RWS for 1) debt service (\$2.9M); 2) the grant funding local share obligation (\$1.8M); and 3) NBWRA grant procurement fees (\$1.1M). During this same period, only \$300,000 in Connection Fee receipts has been available to finance the RWS. Thus the Connection Fee Reserve is now \$5.5 million in

arrears, as funds have been transferred to the RWS in anticipation of future Connection Fee receipt. The proposed FY18 Novato Potable Water System Budget projects receipt of \$780,000 in Connection Fees, and a transfer of \$1.9M to the RWS. Thus the FY18 Novato water budget projects an increase in the arrearage of an additional \$1.1M. When the RWS Central Expansion is complete, annual RWS debt service will require an average of 30 equivalent dwelling units¹ of new development annually (\$858,000). Clearly, future development in Novato is key to successful long-term funding of the RWS.

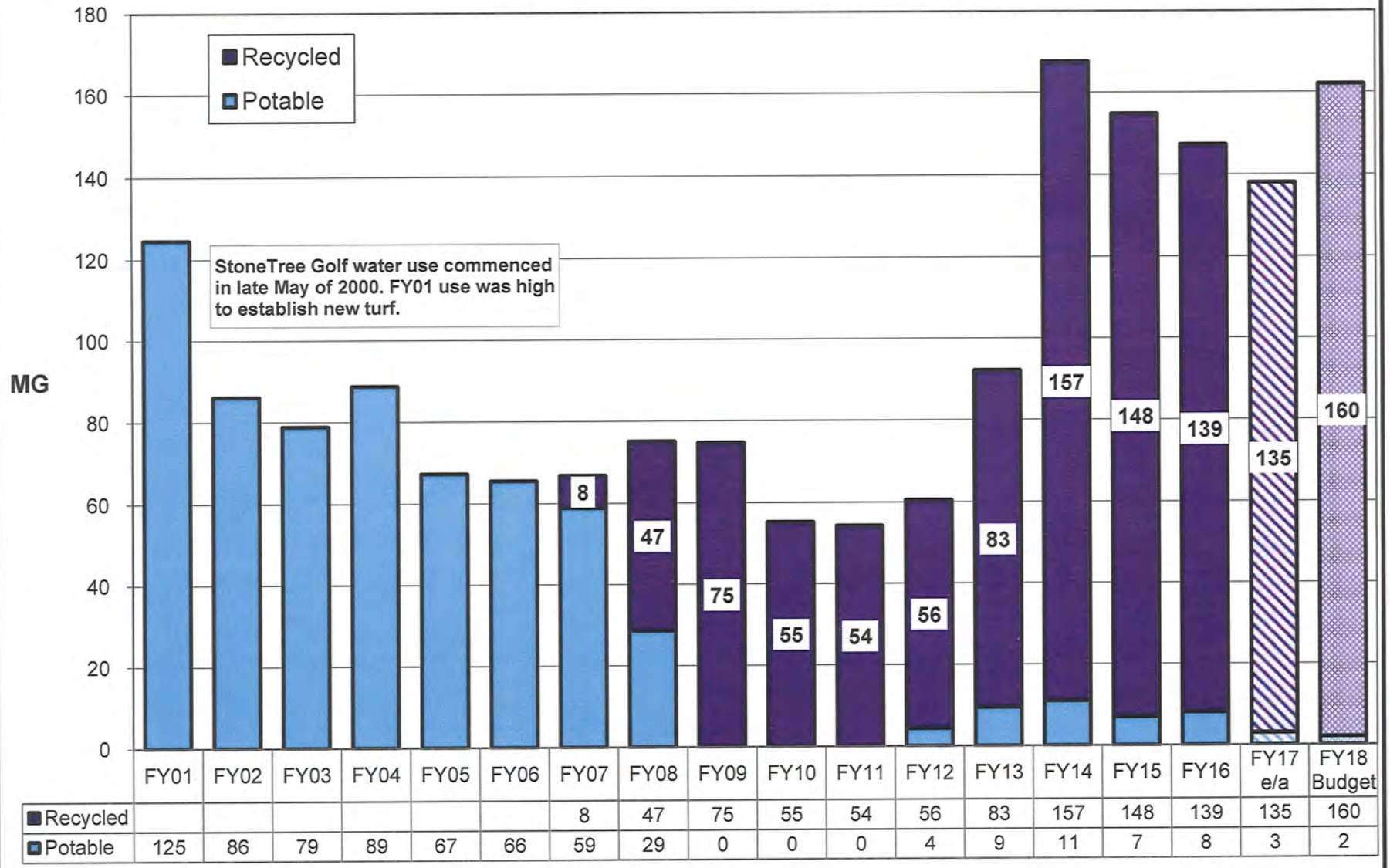
As with the Novato budget, staff will continue to fine-tune the RWS budget, and return it for further review at the May 16 meeting.

¹ \$1,143,000 annual debt service plus \$20K annual NBWRA contribution less \$251K StoneTree & \$49K Marin Country Club contribution = \$863,000 divided by the FRC charge of \$28,600 per EDU = 30 EDUs.

NOVATO RECYCLED WATER
BUDGET SUMMARY
Fiscal Year 2017/18

	<i>Proposed Budget 2017/18</i>	<i>Estimated Actual 2016/17</i>	<i>Adopted Budget 2016/17</i>
OPERATING INCOME			
1 Recycled Water Sales	\$884,000	\$684,000	\$737,000
2 Bimonthly Service Charge	34,000	29,000	29,000
3 Total Operating Income	\$918,000	\$713,000	\$766,000
OPERATING EXPENDITURES			
4 Purchased Water - NSD	\$154,000	\$115,000	\$126,000
5 Purchased Water - LGVSD	63,000	\$33,000	63,000
6 Pumping	6,000	4,000	6,000
7 Operations	64,000	55,000	57,000
8 Water Treatment	24,000	15,000	25,000
9 Transmission & Distribution	33,000	58,000	32,000
10 Consumer Accounting	1,000	1,000	1,000
11 General Administration	56,000	60,000	57,000
12 Depreciation	480,000	472,000	480,000
13 Total Operating Expenditures	\$881,000	\$813,000	\$847,000
14 NET OPERATING INCOME (LOSS)	\$37,000	(\$100,000)	(\$81,000)
NON-OPERATING INCOME/(EXPENSE)			
15 Interest Revenue	\$10,000	\$3,000	\$6,000
16 Stone Tree Golf Interest Payments	34,000	40,000	39,000
17 Deer Island SRF Loan Interest Expense	(58,000)	(63,000)	(63,000)
18 Distrib System SRF Loans Interest Exp	(191,000)	(197,000)	(201,000)
19 Total Non-Operating Income/(Expense)	(\$205,000)	(\$217,000)	(\$219,000)
20 NET INCOME/(LOSS)	(\$168,000)	(\$317,000)	(\$300,000)
OTHER SOURCES/(USES) OF FUNDS			
21 Add Depreciation Expense	\$480,000	\$472,000	\$480,000
22 Fed Grant/SRF Loan - Central Expansion	5,333,000	6,284,000	6,987,000
23 Connection Fees Transferred from Novato	1,917,000	1,851,000	1,328,000
24 Stone Tree Golf Principal Repayment	217,000	211,000	212,000
25 Capital Improvement Projects	(6,545,000)	(7,620,000)	(7,680,000)
26 Deer Island SRF Loan Principal Payments	(215,000)	(210,000)	(210,000)
27 Distrib System SRF Loan Principal Pmts	(425,000)	(413,000)	(412,000)
28 Total Other Sources/(Uses)	\$762,000	\$575,000	\$705,000
29 CASH INCREASE/(DECREASE)	\$594,000	\$258,000	\$405,000

Recycled Water Production History



CAPITAL IMPROVEMENT PROJECTS

4/14/17

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		FY17 Budget	FY17 Est Actual	FY18	FY19	FY20	FY21	FY22
6.	RECYCLED WATER							
5.7127.00	a. NBWRA Grant Program Administration	\$80,000	\$80,000	\$80,000	\$20,000	\$20,000	\$20,000	\$20,000
5.6058.10	b. Expansion to Central Area (Note 4)	\$7,500,000	\$7,500,000	\$6,365,000				
5.7155.00	c. Deer Island Wet Well Drain	\$0	\$20,000					
5.7162.01	d. PG&E Power to Reservoir Hill Tank	\$0	\$20,000					
	e. Upgrade Auto-fill Valve at Reservoir Tank			\$50,000				
5.7162.xx	f. Other Recycled Water Expenditures	\$100,000	\$0	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000
		<u>\$7,680,000</u>	<u>\$7,620,000</u>	<u>\$6,545,000</u>	<u>\$120,000</u>	<u>\$120,000</u>	<u>\$120,000</u>	<u>\$120,000</u>

LESS FUNDED BY LOANS/GRANTS/OTHER

d. RW Sys Expansion (Note 4)	(\$6,987,000)	(\$6,284,000)	(\$5,333,000)	\$0				
NET PROJECT OUTLAY	<u>\$693,000</u>	<u>\$1,336,000</u>	<u>\$1,212,000</u>	<u>\$120,000</u>	<u>\$120,000</u>	<u>\$120,000</u>	<u>\$120,000</u>	<u>\$120,000</u>

Novato Recycled Water Debt Service

f. Deer Island Facility SRF Loan	\$273,000	\$273,367	\$273,000	\$273,000	\$273,000	\$273,000	\$273,000	\$273,000
g. RW North Expansion SRF Loan	\$282,000	\$279,840	\$282,000	\$282,000	\$282,000	\$282,000	\$282,000	\$282,000
h. RW South Expansion SRF Loan	\$332,000	\$333,632	\$332,000	\$332,000	\$332,000	\$332,000	\$332,000	\$332,000
i. RW Central Expansion SRF Loan (Note 4 - Net of MCC)			\$256,000	\$256,000	\$256,000	\$256,000	\$256,000	\$256,000
	<u>\$887,000</u>	<u>\$886,839</u>	<u>\$1,143,000</u>	<u>\$1,143,000</u>	<u>\$1,143,000</u>	<u>\$1,143,000</u>	<u>\$1,143,000</u>	<u>\$1,143,000</u>

Note 4 - \$15.6M RW Central Expansion funded by \$2.5M Federal Grant, \$6.6M SRF Loan (\$1.3M will be paid by Marin Country Club), \$3.3M SRF Grant & \$2.4M local contribution. Debt Service paid from FRC Funds.

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



**WATER ADVISORY COMMITTEE
AND
TECHNICAL ADVISORY COMMITTEE**

MONDAY: MAY 1, 2017

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

9:00 a.m. Note location

This is a combined WAC and TAC meeting.

1. Check In
2. Public Comment
3. Recap from the April 3, 2017 WAC/TAC Meeting and Approval of Minutes
4. Water Supply Coordination Council
5. Election of TAC Chair and Vice Chair
6. SCWA Climate Adaptation Plan
7. Water Supply Conditions and Temporary Urgency Change Petition
8. Sonoma Marin Saving Water Partnership
 - a. Water Production Relative to 2013 Benchmark
 - b. Governor Rescinds Emergency Drought Declaration – “Make Water Conservation a California Way of Life”
 - c. Eco Friendly Garden Tour
9. Biological Opinion Status Update
10. PVP Relicensing Update
11. SCWA Washington D.C. Visit
12. Integrated Regional Water Management Plan(s) Update
13. Water Bond Coalition
14. Items for Next Agenda
15. Check Out

*Draft Minutes of Water Advisory Committee and Technical Advisory Committee
35 Stony Point Road, Santa Rosa, California
April 3, 2017

Attendees: Tom Schwedhelm, City of Santa Rosa
Jennifer Burke, City of Santa Rosa
Casey Rainey, City of Santa Rosa
Colin Close, City of Santa Rosa
Susan Harvey, City of Cotati
Craig Scott, City of Cotati
Mark Millan, Town of Windsor
Toni Bertolero, Town of Windsor
Jake MacKenzie, City of Rohnert Park
Mary Grace Pawson, City of Rohnert Park
Mike Healy, City of Petaluma
Dan St. John, City of Petaluma
Kent Carothers, City of Petaluma
David Cook, City of Petaluma
Dan Takasugi, City of Sonoma
Jack Baker, North Marin Water District
Chris DeGabriele, North Marin Water District
Drew McIntyre, North Marin Water District
Rocky Vogler, North Marin Water District
Mark Heneveld, Valley of the Moon Water District
Dan Muelrath, Valley of the Moon Water District
Jack Gibson, Marin Municipal Water District
Mike Ban, Marin Municipal Water District
James Gore, Board of Supervisors
Grant Davis, SCWA
Pam Jeanne, SCWA
Michael Thompson, SCWA
Carrie Pollard, SCWA
Lynne Rosselli, SCWA

Public Attendees: Bob Anderson, United Winegrowers
J. Dietrich Stroeh, Stuber-Stroeh Engineering Group
Brenda Adelman, RRWPC
Dawna Gallagher Stroeh, SRBPGW, Clean Water Sonoma Marin

1. Check-in

- a. Mike Healy, WAC Chair, called the meeting to order at 9:07 a.m.

2. Public Comments

Brenda Adelman commented on Fish Flow DEIR and would like information on the number of comments and schedule included on a WAC. Comments followed by Grant Davis.

3. Recap from the February 6, 2017 WAC/TAC Meeting and Approval of Minutes
Moved by Susan Harvey, City of Cotati, seconded by Mark Millan, Town of Windsor, to approve the minutes of the February 6, 2017 WAC/TAC meeting; unanimously approved.

4. Recap from the March 6, 2017 TAC Meeting and Approval of Minutes
Moved by Dan Muelrath, Valley of the Moon and seconded by Dan Takasugi, City of Sonoma, to approve the minutes of the March 6, 2017 TAC meeting; unanimously approved.

5. Water Supply Coordination Council

Mike Healy, City of Petaluma, advised that the water supply coordination council met last week.

6. Water Supply Conditions
Pam Jeanne, SCWA gave update on Water Supply Conditions. Pam reported there are normal water supply conditions this year on the Russian River. There will be a Temporary Urgency Change petition filed later this month to lower minimum flow in the river to comply with Biological Opinion requirements. Comments followed by Brenda Adelman.

7. Sonoma Marin Saving Water Partnership

- a. Water Production Relative to 2013 Benchmark

Chris DeGabriele, North Marin Water District reviewed the handout of the monthly water production relative to 2013 benchmark that was made available to the committee members.

- b. DWR 2016 IRWM Water-Energy Grant

Carrie Pollard, SCWA, gave update on IRWM Water-Energy Grant. There will be a \$370,500 grant awarded in the next 6-9 months for water and energy efficient restaurant equipment replacement. The grant is available to all SMSWP members.

- c. Approve Water Advisory Committee Resolution Supporting May as Water Awareness Month

Chris DeGabriele, North Marin Water District, recommended that the WAC adopt the subject resolution. Moved by Mark Millan, Town of Windsor and seconded by Susan Harvey, City of Cotati, unanimously approved.

8. Approve FY 2017/18 Draft SCWA Budget

Lynne Rosselli, SCWA gave a presentation on the proposed budget to the committee. Comments followed by City of Cotati and City of Rohnert Park. Motion moved by Susan Harvey, City of Cotati and seconded by Jake MacKenzie, City of Rohnert Park; unanimously approved.

9. SCWA Climate Adaptation Plan

Update given by Grant Davis, SCWA. The committee acknowledged the retirement of Cordell Stillman and noted the excellent work he had done. A presentation on the Climate Adaptation Plan will be included on a future WAC agenda.

10. Biological Opinion State Update

Pam Jeanne, SCWA gave an update on the report provided to the committee. Comments followed by City of Windsor and North Marin Water District.

11. SCWA Washington D.C. Visit

Grant Davis, SCWA gave update on visit to D.C. Comments followed by City of Rohnert Park, City of Petaluma and North Marin Water District.

12. Integrated Regional Water Management Planning

The North Coast Resource Partnership will hold a group meeting/open house on April 20, 2017 in the evening. There is a full day scheduled on April 21, 2017 at the SCWA Water Education Facility.


13. Items for next Agenda on May 1

Mike Healy, City of Petaluma would like to keep the May 1, 2017 WAC meeting on schedule.

14. Check Out

- a. Next WAC TAC meeting is May 1
- b. Next TAC meeting is June 5
- c. Meeting was adjourned at 10:00 a.m.

MEMORANDUM

To: Technical Advisory Committee
From: Chris DeGabriele, TAC Chair 
Subj: Election of TAC Chair and Vice Chair
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April 28, 2017

I have had the pleasure of being the Technical Advisory Committee Chairperson since October 2006. Thank you for the opportunity to lead this fine group of individuals representing the Water Contractors in our dealings with Sonoma County Water Agency. I have thoroughly enjoyed this opportunity.

I am retiring from North Marin Water District effective May 3, 2017, thus it's appropriate to elect a new TAC Chair and Vice Chair. My recommendation is to elect Drew McIntyre, the new General Manager of North Marin Water District as Chair and Ben Horenstein, the new Director of Utilities from the City of Santa Rosa as Vice Chair. My belief is that it's appropriate to have an individual with the time, commitment and understanding such as Mr. McIntyre to lead the organization and it's always appropriate to have someone from the largest water contractor, the City of Santa Rosa, in a leadership role at the TAC and/or WAC.

Some TAC members have expressed concern that North Marin Water District has held the TAC Chair position for an extended period, and that it may be appropriate to consider the TAC Chair and Vice Chair positions on a more regular basis. I believe that the later consideration may be appropriate from time to time. I would caution that identifying a regular timeframe for review of the TAC leadership may be problematic as circumstances may arise which could make the transition from one individual to another a more difficult process and interrupt some important work of the committee. An Ad-Hoc committee of the TAC could be established to propose a solution to this issue.

RECOMMENDED ACTION:

TAC elect Drew McIntyre from North Marin Water District as TAC Chair and Ben Horenstein from City of Santa Rosa as Vice Chair and establish an Ad-Hoc committee of the TAC to define the future TAC leadership succession planning process.

State Water Resources Control Board Conservation Standard Tracking for the Sonoma-Marín Saving Water Partnership

Table 1: Monthly Water Use Relative to 2013 Benchmark

Water Retailer	March 2017 (Gallons)	2013 Benchmark (Gallons)	Savings Relative to 2013 Benchmark	March 2017 GPCD*	FY 2015/2016 Conservation Standard
Cal Am	16,149,000	18,771,000	14%	58	25%
Cotati	13,783,497	20,756,709	34%	61	20%
Marin Municipal	460,349,259	619,824,809	26%	78	20%
North Marin	162,703,595	211,000,000	23%	86	24%
Petaluma	155,105,076	203,357,922	24%	81	16%
Rohnert Park	98,178,906	103,000,000	5%	73	16%
Santa Rosa	303,584,721	412,723,300	26%	57	16%
Sonoma	34,312,110	45,716,955	25%	96	28%
Valley of the Moon	45,586,555	61,077,591	25%	62	20%
Windsor	56,963,968	75,753,288	25%	67	16%
SMSWP Total	1,346,716,688	1,771,981,574	24%	71	19%

* GPCD is provided as information only

Table 2: Aggregate June 2015 to Current Month Relative to 2013 Benchmark

Water Retailer	Aggregate June 2015 to Date (Gallons)	2013 Benchmark (Gallons)	Savings Relative to 2013 Benchmark	FY 2015/2016 Conservation Standard
Cal Am	445,210,514	562,067,000	21%	25%
Cotati	465,836,941	597,154,543	22%	20%
Marin Municipal	13,391,645,180	16,650,890,613	20%	20%
North Marin	4,530,731,265	5,922,000,000	23%	24%
Petaluma	4,467,140,237	5,787,591,896	23%	16%
Rohnert Park	2,499,596,504	3,038,000,000	18%	16%
Santa Rosa	9,900,599,042	12,978,377,605	24%	16%
Sonoma	1,016,992,245	1,356,469,309	25%	28%
Valley of the Moon	1,400,737,479	1,905,901,738	27%	20%
Windsor	1,803,470,911	2,312,865,731	22%	16%
SMSWP Total	39,921,976,839	51,153,005,912	22%	19%

21

MEMORANDUM

To: Board of Directors

From: David L. Bentley, Auditor-Controller

Subj: Self-Insured Workers' Comp – 3rd Quarter Status Report
t:\aclword\personnel\wclself ins status 0317.docx

April 28, 2017

RECOMMENDED ACTION: None

FINANCIAL IMPACT: Cumulative Savings of \$700,808

The District returned to self-insuring its workers compensation liability effective July 1, 2011, after the low-cost proposal for first-dollar workers' compensation coverage increased 20% over the prior year, to \$159,331. The avoided-cost since returning to self-insurance is calculated at \$608,856. When the Reserve for Future Medical (which is the estimated cost to fully resolve open claims) is added, the total cash outlay avoided to date, including interest earned on the cost avoided, is \$700,808. This cash is set-aside in a reserve for future claims.

Through the first nine months of FY17, the District incurred five claims. Attached are charts showing a 10-year history of annual claims cost (average \$45,000 per year) and 10-year history of claims frequency (average 8 claims per year).

	FY12 through FY14	FY15	FY16	FY17 through 3/31/17	Cumulative
Premium Avoided	\$641,669 ¹	\$203,722 ²	\$212,135 ³	\$143,250 ⁴	\$1,200,776
Self-Insurance Cost					
Medical/Indemnity Cost	(173,381)	(1,324)	(7,772)	(25,449)	(207,926)
Third Party Administration	(36,000)	(12,000)	(12,000)	(9,000)	(69,000)
Excess Insurance Premium ⁵	(142,584)	(50,708)	(54,462)	(41,546)	(289,300)
Legal/Miscellaneous	(20,597)	(1,048)	(2,946)	(1,102)	(25,694)
Net Cost Avoided	\$269,106	\$138,642	\$134,955	\$66,152	\$608,856
Reserve for Future Medical	0	0	0	73,745	73,745
Total Cash Outlay Avoided	\$269,106	\$138,642	\$134,955	\$139,897	\$682,601
Interest on Cash Outlay Avoided	1,478	3,953	6,022	6,754	18,207
Savings	\$270,584	\$142,595	\$140,977	\$146,651	\$700,808

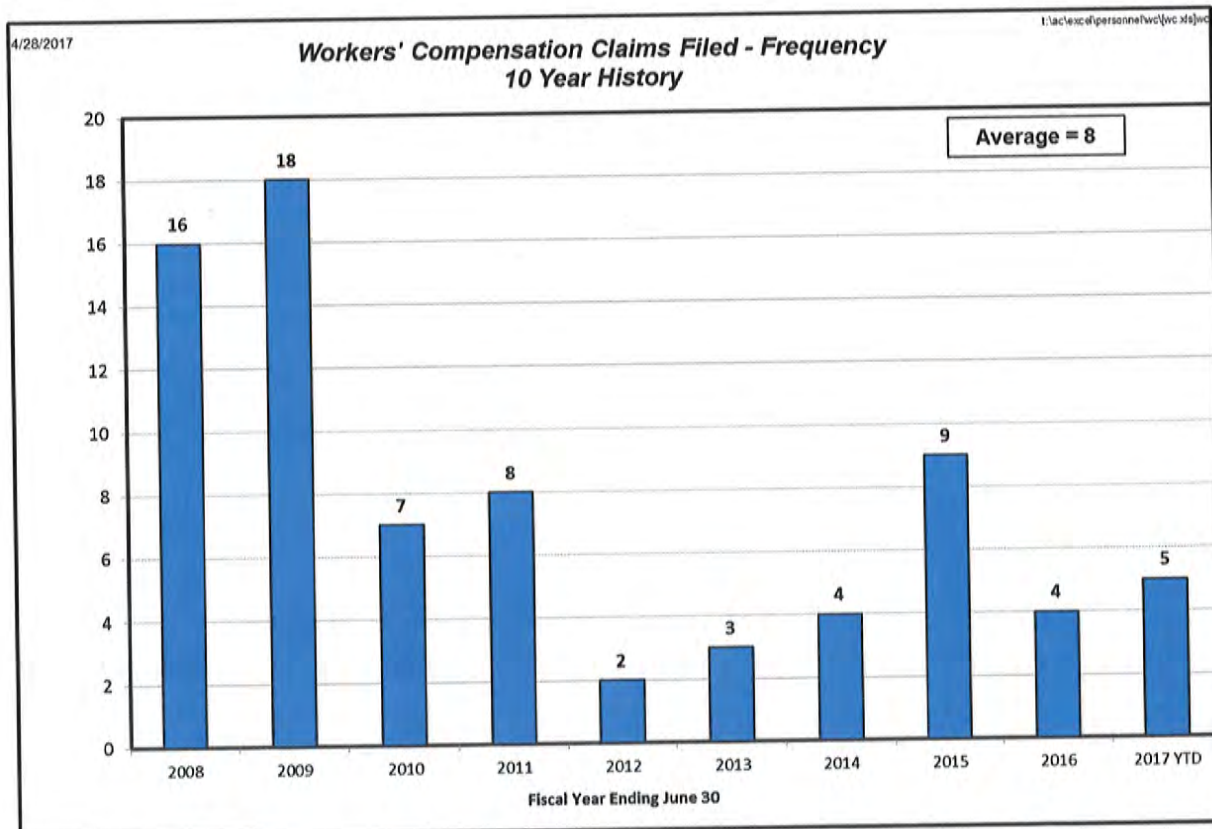
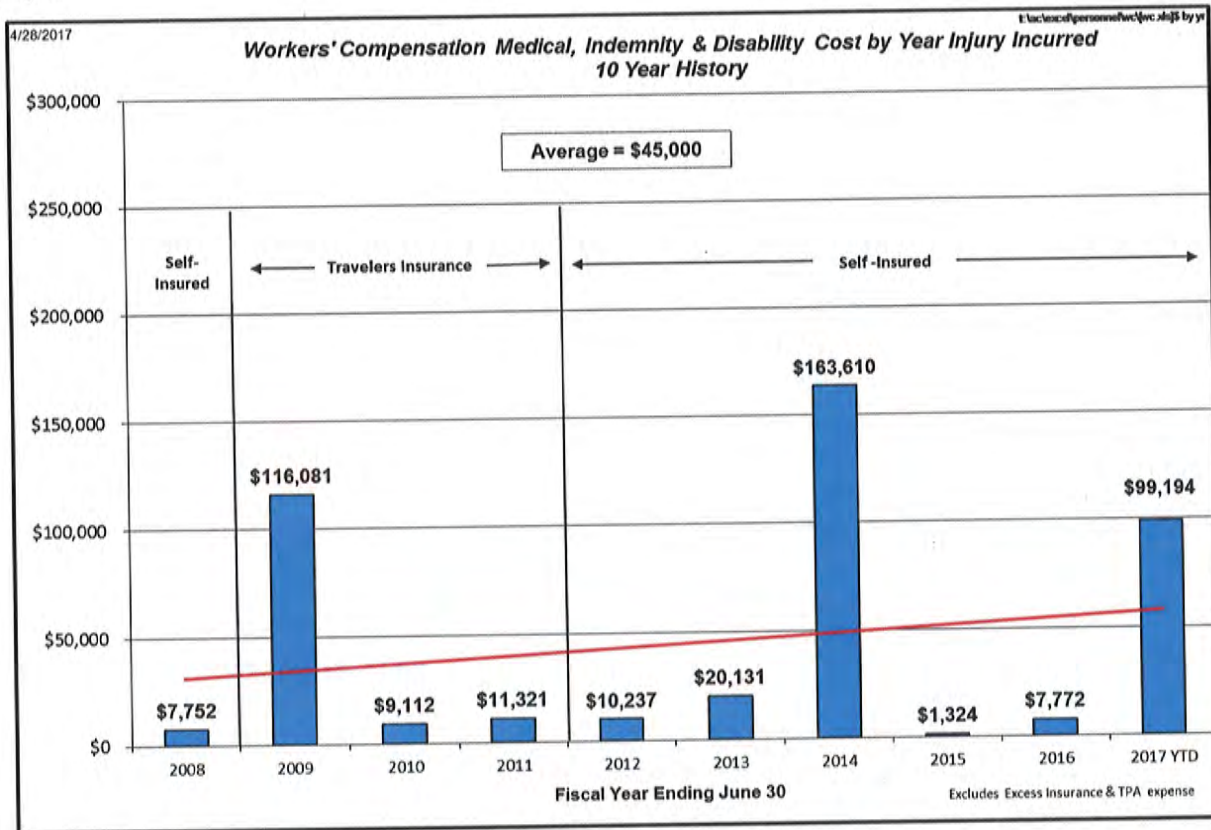
¹ Proposed annual premium of \$159,331 (FY12), \$170,574 (FY13) and \$311,764 (FY14).

² Alaska National Insurance Company was the low cost proposal with an annual premium of \$203,722.

³ New York Marine and General Insurance Company was the low cost proposal with an annual premium of \$212,135.

⁴ Allied World Assurance was the low cost proposal with an annual premium of \$191,000.

⁵ Excess Insurance Protects the District against Catastrophic Loss Exceeding \$750,000.



DISBURSEMENTS - DATED APRIL 27, 2017

Date Prepared 4/25/17

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>
P/R*	Employees	Net Payroll PPE 4/15/17 PPE	\$134,180.27
EFT*	US Bank	Federal & FICA Taxes 4/15/17 PPE	62,065.77
EFT*	State of California	State Taxes & SDI 4/15/17 PPE	11,162.66
EFT*	CalPERS	Pension Contribution 4/15/17 PPE	36,266.37
1	Aberegg, Michael	Drafting Services: Hamilton Cottages (Balance Remaining on Contract \$32,510)	1,100.00
2	All-American Printing Services	Customer Service Questionnaires (600)	199.78
3	All Star Rents	Propane (15 gal)	57.18
4	Alpha Analytical Labs	Lab Testing	131.00
5	Alphagraphics	Print Novato Rate Increase Letters (\$4,169) (18,500), Envelopes (\$935), Mailing Service (\$1,948) & Postage (\$3,036)	10,088.83
6	Automation Direct	P/C Power Supply & Terminal Block Jumper Bar	102.00
7	Badger Meter	March Cellular Meter Charge (18)	15.84
8	Bold & Polisner	Consolidated Election (\$294), Connection Fee (\$126), FPPC Filings (\$378), GM Employment Agreement (\$126), LAFCO (\$336), RW Central Exp (\$525), Prop 218 Letter (\$231), Public Records Act (\$21) & SCWA (\$105) (Less Credit of \$420 for Prior Erroneous Billing)	1,806.00
9	Caltest Analytical Laboratory	Lab Testing	35.00
10	CDW-Government	ID Cards	353.34
11	C. H. Robinson	Transportation of 45,000 lbs of Microsand from Idaho (STP)	1,720.00
12	Clark, Robert E.	Expense Reimbursement - AWWA Conference	956.96
13	Dell Computers	PC's - Eng (1), Lab (2) & Maint (1)	3,357.25


Seq	Payable To	For	Amount
14	Equarius Waterworks	AMI Fiberlyte Meter Box Lids (99) (\$4,169), Install 26 AMI Gateways (\$113,750) & AMI Meter Interface Units (2)	118,217.50
15	Evoqua Water Technologies	Service on Deionization System (Lab)	227.50
16	Fedak & Brown	Progress Billing #1 on FY17 Audit: Bal Remaining on Contract (\$14,970)	1,600.00
17	Ferguson Waterworks	Valves (2) (\$928), 1" Combination Valve (\$564), Fiberlyte Meter Box Lids (14) (\$889), Meter Boxes (4) (\$132), Nipple, Meter Stops (4) (\$234), Couplings (13) (\$247), Spools (2) (\$260) & Ground Rods (2)	3,309.47
18	Golden Gate Petroleum	Gasoline (\$2.48/gal), Diesel (\$2.28/gal) (\$2,362) & Gasoline (\$2.48/gal) & Diesel (\$2.27/gal)	4,038.88
19		Uninsured Medical Reimbursement	120.00
20	Grainger	Flat Water Discharge Hose (4"-50ft) (STP) (\$663), Check Valves (2) (\$431), Electronic Ball Valve (2) (\$786), Free Chlorine Test Strips, Female Electrical Connector for Irrigation Valve, Digging Bar, Male Connector for Irrigation Valve, Barricade Tape (4) (\$194), Hard Hat Liners (10) (\$36) & Wire Brushes (12)	2,126.76
21	Hardy Diagnostics	Medium (3) (Lab)	665.10
22	HERC Rentals	Arrow Board Rental (1 Week) & Mini-Excavator Rental (1 week) (Novato Theatre)	1,345.43
23	ICF International	Prog Pymt#1: Consulting Service for Steelhead Habitat Survey in Upper Novato Creek (Balance Remaining on Contract \$10,267)	10,535.55
24	Idexx Laboratories	Colilet Media Pack, Vessels (\$1,209) & Coliform Test Comparator (Lab)	1,225.68
25	International Dioxide	Parts for Chlorine Dioxide Generator (STP)	979.27
26	Kaiser Foundation Health Plan	Pre-Employment Physical (Stickle)	65.00
27		Uninsured Medical Reimbursement	50.00
28	McAghon, Andrew	Lawn-Be-Gone Mulching Program (2)	1,144.00
29	Mettler-Toledo Rainin	Annual Pipet Calibration (Lab)	130.00

Seq	Payable To	For	Amount
30	Mitchell 1	Annual Software Subscription for Fleet Diagnostic Scanner (Budget \$4,780)	4,467.60
31	Mitchell, Russ & Associates	Prog Pymt #8: Recycled Water Retrofit Design (Bal Remaining on Contract \$22,228)	37,865.00
32	MSC Industrial Supply	Plumbing Supplies (STP)	366.73
33	Noll & Tam Architects	Prog Pymt#2: NMWD Headquarters Upgrade Master Plan (Balance Remaining on Contract \$84,445)	9,100.00
35	NSI Solutions	QC Sample (Lab)	49.25
36	Nute Engineering	Prog Pymt#1: Engineering Services-Ignacio West RW Ext (Balance Remaining on Contract \$49,505)	495.00
37	Pace Supply	Elbows(8)	1,037.78
38	Point Reyes Prop Mgmt Assn	April HOA Fee (25 Giacomini Rd)	75.05
39	Red Wing Shoe Store	Safety Boots/ Shoes (Kurfirst)	200.00
40	Rising Sun Energy Center	CYES Green House Calls (194) (Balance Remaining on Contract \$6,732)	4,268.00
41	Roy's Sewer Service	Clean Out Tahiti Way Lift Station (Oceana Marin)	2,187.50
42	Sequoia Safety Supply	Rain Gear (Lab) (\$193), Brief Relief Urine Bags (100) (\$259), Safety Vests (3), Sweat Bands & Jacket (\$63) (Lucchesi)	617.42
43	Shape Incorporated	Feed Pump Repair Parts for the Centrysis	1,201.89
44	Shirrell Consulting Services	March Dental Expense	5,202.20
45	SMART	General Easement Access at GG Transit Crossing (4/1/17-3/31/18)	757.31
46	Soiland	Asphalt (6 tons)	17.28
47	Sonoma County Water Agency	March Contract Water	315,387.78
48	Sonoma County	Pest Control Seminar (Cilia)	75.00
49	TelePacific Communications	March Telephone Charges	684.83
50	Township Building Services	March Janitorial Services	1,822.84

Seq	Payable To	For	Amount
51	United Rentals	Jackhammer Diggers (2) & Spades (4)	2,181.90
52	US Bank Credit Card	Business Lunch (\$18) (DeGabriele), Ethernet Cable (\$23), Get Well Bouquet for Employee (\$59), Ethernet Equipment (\$73), "Making the Single Audit Transition Moving Smoothly" Webinar (\$249) (Accountants), E-Filing (941 & DE9 Forms) (\$32), Shutterfly Retirement Book (\$97) (DeGabriele), Lab Coat (Lucchesi) (\$41), General Manager Leadership Summit 6/25-6/27 (McIntyre) (\$625), Safety Relief Valve (\$20) & Craigslist Ad for Temp Laborers (\$75)	1,310.54
53	VWR International	Steam Indicator (250 pk)	19.10
54	Wilson Bohannon	Brass Padlocks (50)	433.37
		TOTAL DISBURSEMENTS	<u>\$799,201.76</u>

The foregoing payroll and accounts payable vouchers totaling \$799,253.63 are hereby approved and authorized for payment.


4/24/17
 Auditor-Controller
 Date


4/24/2017
 General Manager
 Date

DISBURSEMENTS - DATED APRIL 20, 2017

Date Prepared 4/18/17


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


Seq	Payable To	For	Amount
1	Automation Direct	PLC Parts	\$75.50
2	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 66 of 240)	46,066.67
3	Clipper Direct	May Commuter Benefit Program (2)	46.00
4	Comcast	April Internet Connection	151.12
5	CSW/Stuber-Stroeh Engineering	Prog Pymt #10: RW Hwy 101 & Smart Crossings (Balance Remaining on Contract \$8,901)	333.00
6	Curtis & Tompkins Analytical	Soil Analysis (Lab)	358.00
7	Diggs, James	Retiree Exp Reimb (Monthly Health Ins)	356.39
8	Draeger	Annual Operator Fit Test for SCBA Masks (STP) (6)	842.00
9	Environmental Express	Filters (100 pk) (Lab)	163.94
10	Equarius Waterworks	Prog Pymt #5 - AMI Project Dual Meter Box Lids (26)	1,833.65
11	Fastenal	Tape Dispenser, Nuts (700) & Bolts (760)	1,773.00
12	Fisher Scientific	Petri Dish (600 pk) (Lab)	209.06
13	Frontier Communications	Leased Lines	1,429.46
14	GHD	Final Pymt: AMI CEQA Assistance (Total \$27,593)	8,798.00
15	Grainger	Painter's Tool, Aqueduct Valve Pit Sump Pump Replacement (\$239), Waterproof Boots, Roll Down Hip Waders, Halogen Light Bulbs (6), Saw Blades (\$127), Gooseneck Glass Filler (\$148), 4 Pair Boot Drying Rack (\$140) & Construction Tools (\$420)	1,280.36
16	Hach	Reagents & Safety Vented Goggles (STP)	427.42

Seq	Payable To	For	Amount
17	Hardy Diagnostics	Culture (Lab)	77.06
18	ITRON Service Center	Software Upgrade for WM Radio Read Meters & 2 Year Phone Support	950.00
19		Vision Reimbursement	158.00
20		Vision Reimbursement	368.00
21	Kessler, Sue	Retiree Exp Reimb (Monthly Health Ins)	304.16
22	Kruger: Veolia Water	Tips for Hydrocyclone Sand Return Line & Replacement Pump Parts (STP)	2,509.64
23	Leighton Stone	3 Way Solenoid Valve	360.33
24	Lincoln Life	Deferred Compensation PPE 4/15/17	15,100.58
25		Cafeteria Plan: Uninsured Medical & Vision Reimbursement	336.88
26	Marin County Radio Shop	2-Way Radio Repair ('10 F150)	145.35
27	Martrano Enterprises	Front Access Gate Drive Belt	55.94
28	McLellan, WK	Misc Paving	26,810.33
29	Moore, Doug	Retiree Exp Reimb (Monthly Health Ins)	927.54
30	Mountain Cascade	Prog Pymt#3: RW Expansion Central Service Area Phase B (Balance Remaining on Contract \$3,266,500)	120,175.00
31	Nationwide Retirement	Deferred Comp 4/15/17 PPE	1,364.00
32	Northern Safety	Respirators w/Valve (10) (Lab)	33.60
33	Open Spatial	Annual GIS/AutoCAD Service Agreement (10/16-10/17) Budget (\$260)	1,200.00
34	Pace Supply	Meter Stops (85) (\$5,311), Box Lids, Gaskets (30) (\$191), Double Check Detector Assemblies (4) (\$9,737), 6" Setter (\$702), Elbows (4), Bushings (10), Caps (3), Couplings (2) (\$125), Nipples (26) (\$766), Plugs (20), Unions (4) & Valves (4)	17,463.85
35	PG&E	Power: Bldgs/Yard (\$3,210), Rectifier/Controls (\$549), Pumping (\$16,709), Treatment (\$114) & Other (\$67)	20,649.94

Seq	Payable To	For	Amount
36	Sebastopol Bearing & Hydraulic	High Pressure Hoses for Air Compressors (2)	287.48
37	Stafford, Vernon	Retiree Exp Reimb (Monthly Health Ins)	304.16
38	Syar Industries	Asphalt (6 tons)	963.84
39	Syserco	Maintenance on HVAC System	766.33
40	Thatcher of California	Ferric Chloride (10 tons) (STP)	4,180.16
41	Tichy, W D	Refund Overpayment on Open Account	704.05
42	Unimin	Microsand for STP Antifloc Coagulation Process (23 tons)	2,319.79
43	VWR International	Auto-Clave/Biohazard Bags (200-14"x19")	103.99
44	Wine Country Balance	Clean & Calibrate Balances (Lab)	499.00
TOTAL DISBURSEMENTS			<u>\$283,262.57</u>

The foregoing payroll and accounts payable vouchers totaling \$283,262.57 are hereby approved and authorized for payment.


4/18/17
 Auditor-Controller
 Date


4/18/2017
 General Manager
 Date

MEMORANDUM

To: Board of Directors
From: Nancy Williamson, Senior Accountant *NW*
Subj: Information – FY17 3rd Quarter Labor Cost Report
t:\aclword\memo\17\3rd qtr labor cost rpt.doc

April 28, 2017

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None

Total labor cost increased \$181,532 (3.2%)¹ from the prior year same period. Attached in graphical format is a five-year comparative summary of total labor cost (Attachment A), overtime cost (Attachment B) and temporary employee cost (Attachment C) expended during the first 9 months of each fiscal year. Also attached is a summary of total labor cost vs. budget (Attachment D), which shows that labor cost came in 5.8% under budget for the fiscal year-to-date, due primarily to the vacant Pipe Worker and EM Tech Apprentice 1 positions.

Department	Increase / (Decrease) in Labor Cost vs prior FY	% Change ¹
Administration	\$150,368	9.9%
Engineering	\$13,455	1.5%
Operations/Maint	\$39,922	1.9%
Construction/Maint	(\$22,213)	(2.1%)
Net Increase/(Decrease)	\$181,532	3.2%

Comment on Change from Prior Year

Administration: Labor Cost increased \$150,368, or 9.9%. The increase is primarily due to the 5 step/spot adjustment increases, the move of the Assistant General Manager Position to the Administrative Division on January 15, 2017, the move of Laborer Nicholas Barrilleaux to Consumer Accounting as of January 16, 2017 to fill in for FSR Darrell Bynum who is out on medical leave, and the 2.6% labor cost increase effective October 1 of 2016.

Engineering: Labor Cost increased \$13,455, or 1.5%. The increase is primarily due to the aforesaid 2.6% labor cost increase.

Operations/Maintenance: Labor Cost increased \$39,922, or 1.9%. The increase was primarily due to the addition of David Ladd to the Operations/Maintenance Program Assistant I position on October 19, 2015, Roy Foster and Benjamin Steele to the Assistant Distribution/TP Operator positions on February 16, 2016, 9 step increases, and the 2.6% labor cost increase.

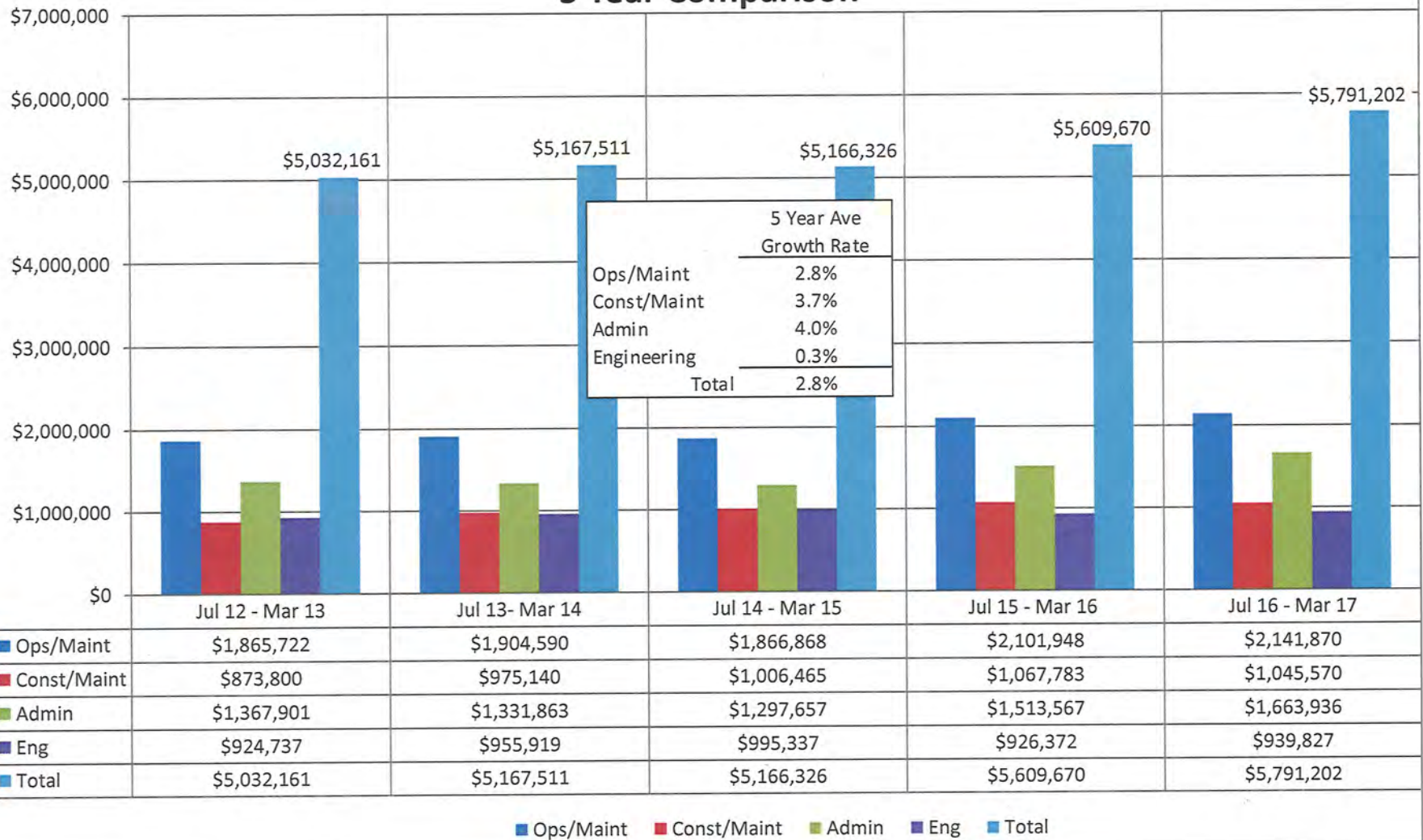
Construction/Maintenance: Labor Cost decreased \$22,213, or 2.1%. The decrease was due to the move of Laborer Nicholas Barrilleaux to Consumer Accounting as of January 16, 2017 to fill in for FSR Darrell Bynum and the pipewoker position remaining vacant. The decrease was offset by 8 step-increases and the 2.6% labor cost increase.

¹ Labor cost for FYTD16 (July through December) was adjusted from \$3,497,699 to \$3,736,977 to correct for erroneous number of sick leave days used when calculating the FY16 overhead rate (error was corrected in November 2015). January through March 2016 was not adjusted.

4/28/17

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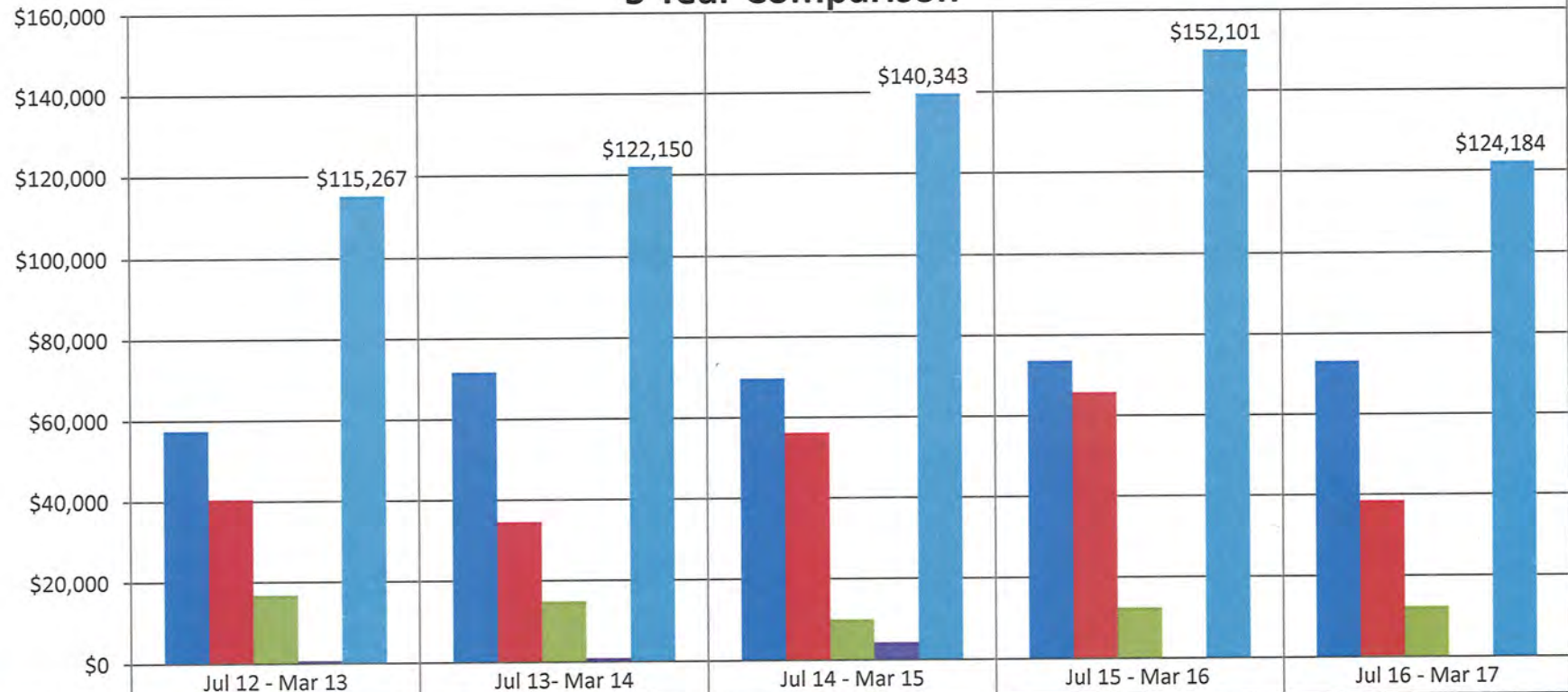
Total Labor Cost NMWD Fiscal Year through March 5 Year Comparison



4/28/17

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Overtime Cost NMWD Fiscal Year through March 5 Year Comparison



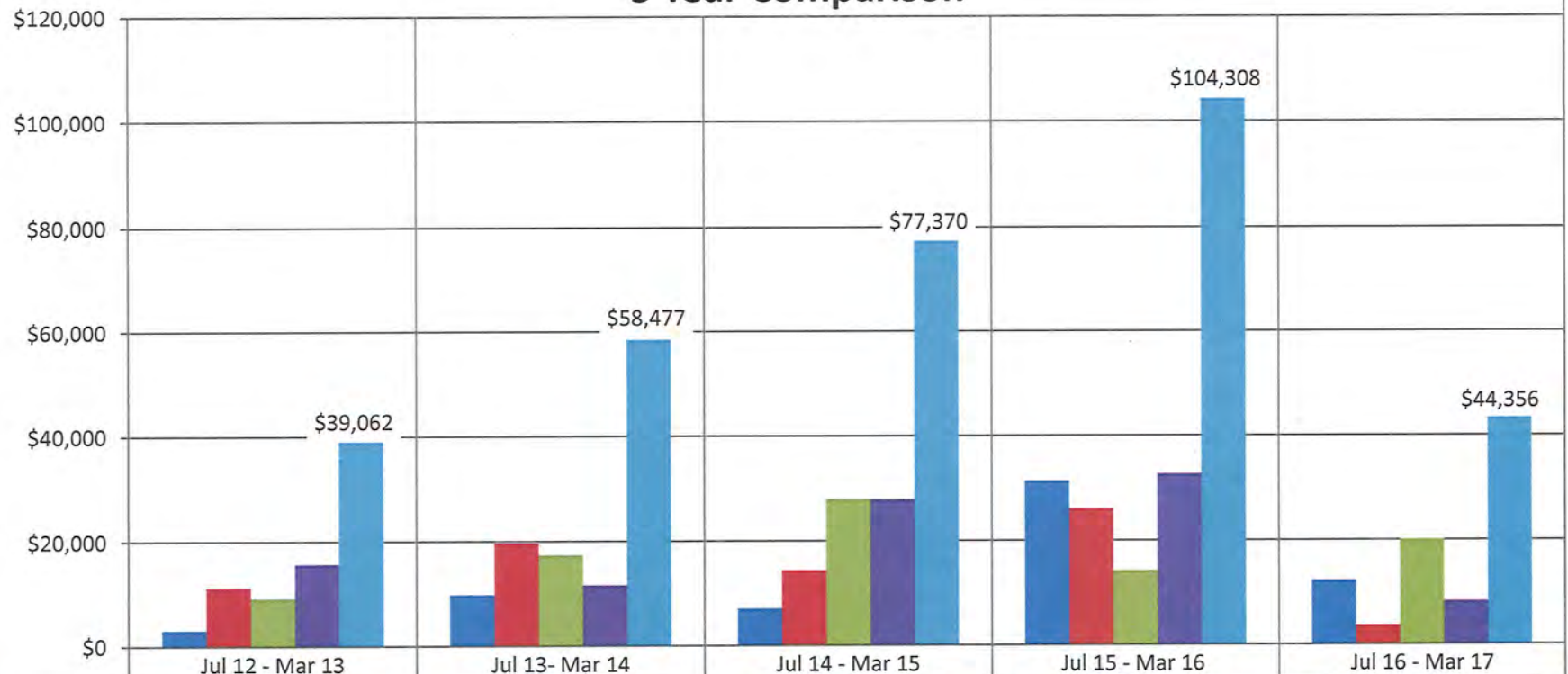
■ Ops/Maint	\$57,447	\$71,704	\$69,744	\$73,759	\$73,285
■ Const/Maint	\$40,438	\$34,531	\$56,184	\$65,758	\$38,475
■ Admin	\$16,822	\$15,005	\$10,062	\$12,501	\$12,425
■ Eng	\$561	\$910	\$4,353	\$84	
■ Total	\$115,267	\$122,150	\$140,343	\$152,101	\$124,184

■ Ops/Maint ■ Const/Maint ■ Admin ■ Eng ■ Total

4/28/17

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Temporary Employee Cost NMWD Fiscal Year through March 5 Year Comparison



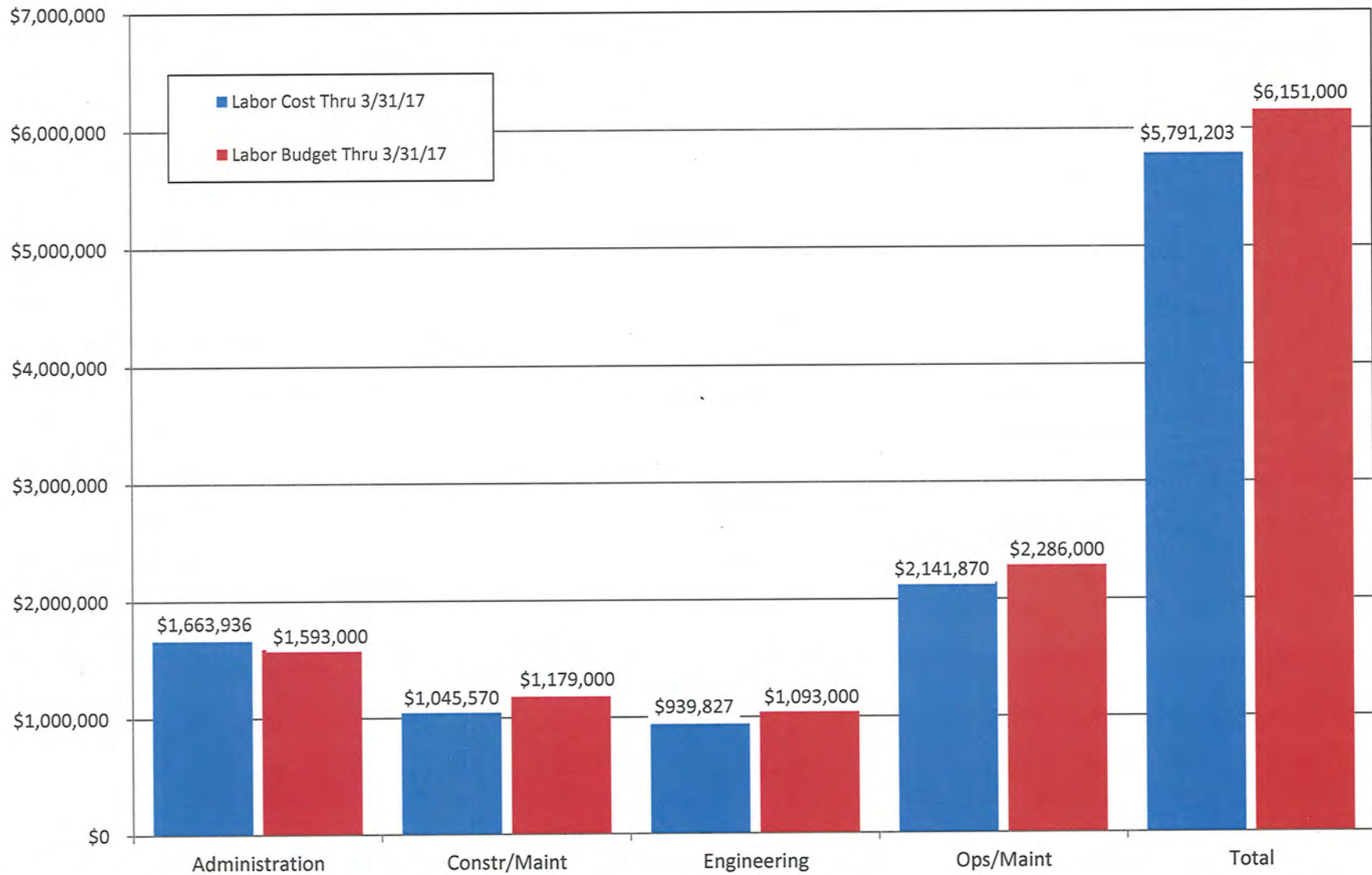
■ Ops/Maint	\$3,042	\$9,822	\$7,136	\$31,416	\$12,298
■ Const/Maint	\$11,132	\$19,654	\$14,311	\$25,982	\$3,564
■ Admin	\$9,252	\$17,438	\$28,021	\$14,252	\$20,153
■ Eng	\$15,636	\$11,564	\$27,902	\$32,659	\$8,341
■ Total	\$39,062	\$58,477	\$77,370	\$104,308	\$44,356

■ Ops/Maint ■ Const/Maint ■ Admin ■ Eng ■ Total

4/28/17

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Total Labor Cost vs. Budget NMWD Fiscal Year through March





POINT REYES LIGHT

Sewer rate hike in Tomales would help pay off debt

By Silas Valentino
04/20/2017

A backlog of debt has led the Tomales Village Community Services District to propose its first sewer rate increase in 11 years.

The special district, which operates and manages both the town's community park and a wastewater treatment plant for nearly 100 customers, is proposing to tack on an extra \$9.45 per month to bills beginning this July; an additional \$9.45 would be implemented in 2018.

The district says it must pay nearly \$300,000 over the next nine years for debts resulting from sewer plant improvements. Solar bonds obtained in 2009 helped fund the installation of solar panels at the treatment plant and irrigation field, and two loans from the State Water Resources Control Board assisted further improvements in 2010.

The district has previously used cash reserves to pay off those debts, but the current board speculates its \$245,000 in cash reserves will be depleted in three years if it does not find other sources of revenue.

Although a general rate increase hasn't been approved since 2006, a special 15-year rate increase of \$5 per month was approved in 2009. The proceeds went into a restricted fund to help pay the lease on the solar panels.

The increase would not fund operations, maintenance or capital improvements, as the district has projected a balanced budget for those for the next decade.

A special meeting to discuss the rate hike will be held on April 25 at the Tomales Town Hall, when customers can ask questions and give feedback to the board. A public hearing and board vote on the increase will be held on June 14, but first customers must indicate enough support for the hike.

This week, the board sent a mailer notifying all ratepayers of the proposal and inviting them to respond within 45 days if they choose to object. Each written protest will be counted as a nay, while each no-response will be viewed as a vote in favor. A 51 percent majority approval is required.

The district's debt was assessed earlier this year as part of a 10-year financial plan. It was the district's first long-term financial plan since it formed in 1999, and the board got help from the Rural Community Assistance Corporation in the effort.

Donna Clavaud, the district's vice president, said the district's previous administration, headed by general manager Karl Drexel, had not devised a forward-looking budget, but instead used comparison budgeting that referred to past income and expense reports for future planning.

“They weren’t doing any long-range financial planning,” Ms. Clavaud said. “With all due respect, they were looking very short-term, and had looked backwards when developing the budget.” And, she said, “There was no strategy to pay the debts except to use cash reserves.”

The district’s income is limited. Most is generated through service charges, which are projected to reap over \$177,000 next year. Shoreline Unified School District, which uses about a third of the district’s services, provides over \$70,000 a year.

Annual sewer services for residents currently cost about \$756 a year.

But the district is small, and has only had four new customers, who pay a \$10,000 fee to connect to the system, since 2000. According to the mailer that went out this week, the past administration had anticipated funds from a proposed development that would have brought more than two dozen new homes, but the plan never came to fruition. And for five years, P.G.&E. issued a yearly \$15,000 rebate for the solar bonds, but the program recently ended.

Ms. Clavaud said the board looked at all potential ways to reduce costs before suggesting the rate increase. In 2015, it split the role of the general manager into three part-time contract positions, which cut expenses by nearly \$30,000.

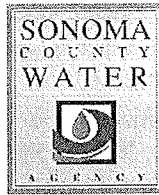
Mr. Drexel, who also oversaw secretarial and financial duties, drew a yearly salary of about \$91,000. Jose Ortiz, the district’s new general manager, now earns \$45,550 a year, while financial manager Melinda Bell earns \$10,220 and secretary Cynthia Hammond earns \$6,856.

“We’ve cut every line item, from office supplies to legal fees—you name it,” Ms. Clavaud said. “We have created a really modest budget because we’re tiny.”

The breakup of administrative and secretarial roles also improved the district’s accountability, according to board member Bill Bonini. During a board meeting last week, he said splitting the position had increased checks and balances for the district.

In the past, Ms. Clavaud said, “there was not a lot of transparency. You shouldn’t have the same person doing the books, taking notes and managing the overall district. Last year’s accomplishments were developing a policy manual and restricting our staffing by creating contract positions. We’ve come a long way and [the rate increase] is a major piece in increasing the district’s sustainability.”

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Rohnert Park Mayor Jake Mackenzie Receives Leadership Award from the North Coast Resource Partnership

(Forestville, CA) – At its April 21 meeting in Forestville, the North Coast Resource Partnership awarded its first biennial Jimmy Smith Leadership Award to Mayor Jake Mackenzie from Rohnert Park. The award recognizes Mackenzie's achievements as former Chair of the Partnership working to build communication and understanding among the seven counties and 34 Tribal entities of California's North Coast Region.

"It is an honor for me to be recognized by the Partnership and I am very pleased to see this organization continue the valuable work that was so effectively led by the late Supervisor Jimmy Smith of Humboldt County who was my mentor and dear friend," said Mayor Mackenzie. "The Partnership has made very valuable contributions to protecting public health, securing clean water supplies and restoring fisheries vital to the regional economy."

Sonoma County and the Sonoma County Water Agency helped develop the North Coast Resource Partnership in 2005 as a way to develop an integrated regional water management plan for the northwest part of California.

"The effort has been highly successful in building regional consensus on priorities and capturing state funding for local needs," noted Sonoma County Supervisor James Gore.

Supervisor Jimmy Smith led development of the North Coast Resource Partnership, a team of counties and Tribal governments that worked to develop the North Coast Integrated Regional Water Management

plan and has secured more than \$69 million in funding for planning and implementation of water and energy sustainability projects in the region. More than \$13 million of these funds came to projects located in Sonoma County.

The North Coast Resource Partnership established the Jimmy Smith Leadership Award to recognize individuals that continue the effort begun by Jimmy Smith to build consensus on sometimes difficult regional issues through mutual respect and honest communication.

“We are very grateful for the time, effort and talent that Mayor Mackenzie gave to building the North Coast Resource Partnership and could have no more fitting candidate for the Jimmy Smith Leadership Award,” said Supervisor Judy Morris of Trinity County currently serving as Chair of the Partnership.

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The Sonoma County Water Agency is working to secure our future by investing in our water resources, environment, and community. The Water Agency provides water supply, flood protection and sanitation services for portions of Sonoma and Marin counties. Visit us on the Web at www.sonomacountywater.org