



**NORTH MARIN  
WATER DISTRICT**

**NORTH MARIN WATER DISTRICT  
AGENDA - REGULAR MEETING**

May 17, 2011 – 7:30 p.m.  
District Headquarters  
999 Rush Creek Place  
Novato, California

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<b>Est. Time</b>	<b>Item</b>	<b>Subject</b>
7:30 p.m.	<b>CALL TO ORDER</b>	
	1.	<b>APPROVE MINUTES FROM REGULAR MEETING, May 3, 2011</b>
	2.	<b>GENERAL MANAGER'S REPORT</b>
	3.	<b>OPEN TIME: (Please observe a three-minute time limit)</b>  This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
	4.	<b>STAFF/DIRECTORS REPORTS</b>
	5.	<b>MONTHLY PROGRESS REPORT w/Bacteriological Monitoring Report</b>
	<b>CONSENT CALENDAR</b>  The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.	
		<b>Consent - Approve Water Agreement</b>
		<u>Type</u> <u>DU</u> <u>EU</u> _____
	6.	Warner Creek Senior Housing (Amendment 1)      Apts    61    27      Resolution
	7.	Contracting Backflow Device Testing for the Novato Service Area
	8.	May 2011 Vehicle/Equipment Auction
	<b>ACTION CALENDAR</b>	
	9.	<b>Approve Rate Increase Letter to West Marin Water and Oceana Marin Sewer Customers</b>
8:00 p.m.	<b>INFORMATION ITEMS</b>	
	10.	Leveroni Creek Bank Repair - Project Update
	11.	Update - Stafford Lake Sediment Survey Project
	12.	Third Quarter FY 2010/11– Water Quality Report
	13.	Third Quarter FY 2010/11 Update – Operations/Maintenance

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

<b>Est. Time</b>	<b>Item</b>	<b>Subject</b>
	14.	Presentation re Proposed Novato Water Rate Increase
	15.	Second Review – Proposed FY 2011/12 Equipment Budget
	16.	Second Review – Proposed FY 2011/12 & FY 2012/13 Novato Water Improvement Projects Budget
	17.	Second Review – FY 2011/2012 Proposed Novato Water Operations Budget
	18.	Second Review – FY 2011/12 Novato Recycled Water Operations Budget
	19.	<b>MISCELLANEOUS</b> Disbursements Water Agency Stream Maintenance Program Endorsed by San Francisco Bay Regional Water Quality Control Board Uncollectable Invoices- Damaged Facilities  <u>News Articles:</u> Huffman’s sewer finance bill clears Assembly Salt in drinking water baffles
9:30 p.m.	20.	<b>ADJOURNMENT</b>

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**DRAFT**  
**NORTH MARIN WATER DISTRICT**  
**MINUTES OF REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
May 3, 2011

**CALL TO ORDER**

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

Ann DuBay and David Manning of Sonoma County Water Agency, Steve Wrightson of The Covello Group and District employees Robert Clark (Operations/Maintenance Superintendent), Doug Moore (Construction/Maintenance Superintendent) and Pablo Ramudo (Water Quality Supervisor) were in the audience.

**MINUTES**

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

**GENERAL MANAGER'S REPORT**

**Novato Watershed Policy Advisory**

Mr. DeGabriele reported that he attended the Novato Watershed Policy Advisory group with Director Baker and Director Fraites on Thursday, April 28. He said that the County of Marin is proceeding with a hydrologic analysis of the lower Novato Creek for flood control purposes and the County has hired a hydrologic engineer to assist. He said that the County has obtained the Department of Fish and Game Novato Creek Habitat Assessment conducted in 2009 and will be layering that information into the GIS system for Novato Creek Watershed.

**SMART Real Estate Committee**

Mr. DeGabriele stated that the Real Estate Committee of the SMART Board is meeting tomorrow (May 4); and on May 18, the SMART Board will consider a revised policy on at-grade crossings. He said that the SMART Board will consider consolidating at-grade crossings and minimizing them. He noted that within the immediate area of the District, there are three at-grade crossings: Rush Creek, Golden Gate Place and Olive Avenue. Golden Gate Bridge District and the District hold license agreements for the private crossing at Golden Gate Place. He said that he

1 recently learned of this issue and that he will address the SMART Board and request that they  
2 provide the District with a longer notification period of their Board's proposed plans.

3 League of Women Voters

4 Mr. DeGabriele advised that he will participate in the League of Women Voters video  
5 program on water resources of Marin and was interviewed for two hours today. He said that the  
6 video will be edited and aired on public access TV.

7 **OPEN TIME**

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

10 **STAFF/DIRECTORS REPORTS**

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

13 San Marin Drive 18-Inch Valve Replacement

14 Doug Moore, Construction Superintendent, reported that water on San Marin Drive will be  
15 shut down on Wednesday, May 4<sup>th</sup>, while crews replace the 18-inch valve at the San Marin/San  
16 Carlos intersection.

17 MMWD Rate Increase Workshop

18 David Bentley reported that he attended Marin Municipal Water District's rate increase  
19 workshop wherein six members of the public attended. He said they are experiencing the same  
20 challenges as North Marin – reduced water sales volume and a 4% water rate increase and that the  
21 criticism expressed from the public present focused on Board compensation for additional board  
22 meetings, health insurance and travel. He said that Marin Municipal's reserve goal is six months or  
23 50% of operating expenses compared to North Marin's reserve goal of 90% of operating expenses.

24 Point Reyes HOA

25 Mr. Bentley advised that he attended the Point Reyes Homeowners Association meeting to  
26 convince the association to reduce the \$119 monthly fee. He said that the association has  
27 accumulated \$125,000 over the last five years with plans on spending it over a 20-year period.

28 Aqueduct Energy Efficiency Project Draft EIR

29 Director Fraites requested a copy of the Draft Environmental Impact Report on the Aqueduct  
30 Energy Efficiency Project to give to someone concerned about tree loss at the project site.

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1 **PRESENTATION**

2 The General Manager introduced David Manning, Principal Environmental Specialist and  
3 Ann DuBay, Public Information Officer for the Sonoma County Water Agency and stated that Mr.  
4 Manning will give the Board a presentation on the Biological Opinion findings and requirements and  
5 Russian River fisheries. Mr. Manning stated that the Biological Opinion requirements include six  
6 miles of habitat enhancement in Dry Creek and after completion of the first three miles, its  
7 effectiveness will be evaluated before proceeding with the second three miles. He stated that if the  
8 effort is deemed not effective, a pipeline to convey water supply around Dry Creek to the main stem  
9 of the Russian River will be required. He advised that total costs for the Biological Opinion  
10 compliance are expected to be \$157M with the federal government share at \$60M. Mr. Manning  
11 stated that the coho salmon brood stock program has been successful in increasing the number of  
12 coho salmon in Dry Creek and tributaries and explained the different habitat requirements of the  
13 three protected fish species (coho and Chinook salmon and steelhead trout).

14 Mr. Manning answered questions from the Board and then he and Ms. DuBay left the  
15 meeting.

16 **CONSENT CALENDAR**

17 On motion of Director Petterle, seconded by Director Rodoni and unanimously carried, the  
18 following items were approved on the Consent Calendar:

19 **RESOLUTION OF APPRECIATION TO RETIRING EMPLOYEE – JAMES DIGGS**

20 James Diggs, District Cross Connection Control technician, retired on April 30 after nearly  
21 25 years of service to the District. The Board approved Resolution No. 11-09 entitled, "North Marin  
22 Water District Resolution of Appreciation to James D. Diggs."

23 **TEXT FOR WATERLINE, VOLUME 12, ISSUE 25**

24 The Board authorized the General Manager to approve the final text and design of the  
25 Spring 2011 *WaterLine*, Volume 12, Issue 25. This year, staff has reduced cost of production by  
26 downsizing the publication to two pages and by directing customers to the District website to see a  
27 graph of their water use rather than print individual graphs.

28 **TEXT FOR WEST MARIN'S WATERLINE, VOLUME 9**

29 The Board authorized the General Manager to approve the final text and design of the West  
30 Marin Spring 2011 *WaterLine*, Volume 9.

31

1 **2010 CONSUMER CONFIDENCE REPORT – NOVATO**

2 The Board approved the text of the 2010 Annual Water Quality Report for Novato which will  
3 be mailed with the Spring 2011 *WaterLine* to save approximately \$4,000 in postage.

4 **2010 CONSUMER CONFIDENCE REPORT - POINT REYES**

5 The Board approved the text of the 2010 Annual Water Quality Report for Point Reyes which  
6 will be mailed with the *WaterLine* newsletter to save postage.

7 **REVISION TO INTER AGENCY AGREEMENTS FOR RECYCLED WATER WITH LGVSD AND**  
8 **NSD**

9 The Board authorized Revision 1 to the Inter Agency Agreement between Las Gallinas  
10 Valley Sanitary District and NMWD and authorized the Third Revised Inter Agency Agreement  
11 between NSD and NMWD. The State Water Resources Control Board requested the revisions to  
12 include the minimum annual delivery quantity and a User Connection Schedule.

13 **RECYCLED WATER EXPANSION TO THE NORTH SERVICE AREA – PLUM STREET TANK**  
14 **REHABILITATION PROJECT – APPROVE BID ADVERTISEMENT**

15 The Board authorized bid advertisement of the Recycled Water Expansion North Service  
16 Area – Plum Street Recycled Water Tank Rehabilitation project. The 0.5MG tank which is currently  
17 out-of-service will be retrofit and used for recycled water storage.

18 **ACTION CALENDAR**

19 **RECYCLED WATER EXPANSION TO NORTH SERVICE AREA PROJECT - CONSTRUCTION**  
20 **MANAGEMENT SERVICES CONTRACT AWARD**

21 Mr. McIntyre advised that bids for construction of Segment 1 of the Recycled Water  
22 Expansion to North Service Area Project were opened and the bid evaluation process is ongoing.  
23 He reported that the apparent low bidder made a mistake in their bid and will withdraw it. He further  
24 reported that the second low bidder did not attend the mandatory pre-bid conference making their  
25 bid unresponsive; and staff is reviewing the third low bid. Mr. McIntyre said he will keep the Board  
26 apprised.

27 Mr. McIntyre said that it is important to move forward to hire a construction manager for  
28 Segments 1, 2 and 3 and for the Plum Street Tank rehabilitation. He summarized staff's process for  
29 selection of the construction management firm and stated that The Covello Group received the  
30 highest ranking. He noted that The Covello Group has performed work for both North Marin Water  
31 District and the Novato Sanitary District and has gained valuable experience with the city and county  
32 inspectors and has experience with working in the Olive Avenue corridor where the recycled water  
33 pipe will be installed. Mr. McIntyre said the scope of work and fee schedule includes soils testing

1 and labor compliance pursuant to the stimulus funding requirements. He stated that the contract will  
2 be on a time and expense basis not-to-exceed \$550,000 with a \$55,000 contingency.

3 Mr. McIntyre stated that Steve Wrightson of The Covello Group is in the audience to answer  
4 any questions the Board may have. Mr. Wrightson said that his firm is located in Walnut Creek and  
5 that he is currently working with the Novato Sanitary District on the recycled water plant.

6 On motion of Director Baker, seconded by Director Petterle, the Board unanimously  
7 authorized the General Manager to execute an agreement with The Covello Group for Construction  
8 Management Services on a time and expense basis with a not-to-exceed limit of \$549,533 plus a  
9 \$55,000 contingency.

10 Mr. Wrightson thanked the Board and left the meeting.

11 **POINT REYES WELLS SALINITY INTRUSION NOTICE THRESHOLD**

12 Pablo Ramudo, Water Quality Supervisor, informed the Board that over the last few years,  
13 salinity intrusion has been present in the Point Reyes Wells more frequently and with greater  
14 concentration. He said the most recent threshold requirement for noticing the public is when sodium  
15 levels reach 50mg/l and that recently sodium levels of 50 mg/l or above have been present for the  
16 greater part of the year. He opined that the weekly notification in the Point Reyes Light does not  
17 serve the public well; it provides only the sodium level, and that staff is considering changing the  
18 way the public is notified with more permanent information on the District's website that would  
19 include information on dietary guidance and recommendations to talk with their doctor on sodium  
20 restrictions. Mr. Ramudo said that staff is considering raising the notification threshold level of  
21 sodium to 100 mg/l.

22 Director Rodoni asked why the District had changed its testing constituent from chloride to  
23 sodium. Mr. DeGabriele said that at the time, excess sodium was perceived to be a health issue;  
24 and that in 2003, the noticing constituent was changed to sodium as a result of a settlement  
25 agreement with environmental groups regarding the Change of Place/Purpose of Use for Water  
26 Right License 4324B. He said that staff felt it was more appropriate to alert customers of the  
27 possible health issue even though one would have to drink large volumes of water to be affected by  
28 excess sodium.

29 Director Rodoni opined that it was a good idea to add information to the website because it  
30 is costly to publish a weekly notice and suggested that there be a comparison on the website of the  
31 amount of sodium in the water with sodium levels found in common foods.



1 On motion of Director Fraites, seconded by Director Baker the Board voted unanimously to  
2 authorize staff to meet with environmental groups party to the 2003 settlement agreement and  
3 pursue changing the Salinity Intrusion Notice Threshold.

4 **WEST MARIN RATE INCREASE NOTIFICATION**

5 Mr. Bentley said that it is necessary to notify West Marin water and Oceana Marin sewer  
6 customers of the proposed rate increases no later than May 21, 2011 to comply with Proposition  
7 218. He advised that staff is recommending that commodity water rates be increased 9% in West  
8 Marin and that the increase be structured consistent with that proposed in Novato.

9 Mr. Bentley informed the Board that rates in Oceana Marin have not been raised since 2004  
10 and that a 5% sewer rate increase is proposed. He advised that the replacement of several  
11 thousand feet of six-inch asbestos-cement pipe with PCV in Oceana Marin is a large project and will  
12 drawdown Oceana Marin's reserve balance.

13 On motion of Director Fraites and seconded by Director Baker, the Board unanimously voted  
14 to authorize staff to prepare notification letters for West Marin Water and Oceana Marin Sewer  
15 customers for Board consideration at the May 17, 2011 meeting.

16 **INFORMATION ITEMS**

17 **THIRD QUARTER PROGRESS REPORT – ENGINEERING DEPARTMENT**

18 Mr. McIntyre provided highlights of the third quarter progress for Novato and West Marin  
19 projects. He said that expenditures in Novato are below budget primarily associated with the delay  
20 and financing of the Solar Energy Project and that two projects were added – PB Replacement (in  
21 synch with the city paving projects) and the Stafford Treatment Plant training program development.  
22 He stated that West Marin project expenditures are projected to be approximately 53% of the  
23 approved budget primarily due to the Oceana Marin cross country sewer line replacement project  
24 delay, the West Marin Master Plan being deferred and the tank seismic upgrade construction delay  
25 until next fiscal year. Mr. McIntyre noted that the graph of labor hours expended by the Engineering  
26 Department illustrates that developer work is well below historical levels; however, District projects  
27 are 160% of budgeted forecast.

28 **WATER CONSERVATION QUARTERLY UPDATE (JULY-MARCH 2010/2011)**

29 Mr. McIntyre provided a summary of the Water Conservation activities and stated that  
30 overall participation has been down slightly; however, there has been an increase in the Water  
31 Smart Home Surveys and washing machine rebate participation. He said that there has been a big  
32 decline in the Cash for Grass rebates and that Water Conservation expenditures are less than  
33 budget.

1 **PRESENTATION - FIVE-YEAR FINANCIAL PLAN REVIEW**

2 Mr. Bentley provided a review of the five-year financial plan. He reminded the Board that  
3 two years ago there was a plan to increase the District reserve balance to 90% of operating expense  
4 by FY 14; currently, it is 44% and two years from now it is projected to be 48%. He pointed out that,  
5 pursuant to the plan, the cost to the typical customer is budgeted to rise from \$525 per year to \$870  
6 by FY16. He stated that the cash balance for Novato is projected to drop \$4.8M at the end of this  
7 fiscal year, but as the rate increases go into effect, the cash balance will rise beginning in FY 14.  
8 Mr. Bentley advised that water sales volume has dropped off and will budget 2.7BG per year into the  
9 future. He further advised that the debt service is currently \$1.7M and will rise as the Recycled  
10 Water Project and Aqueduct Energy Efficiency Project begin.

11 Mr. Bentley said that the District budget includes the proposed 11% rate increase and he  
12 reminded the Board that it is staff's recommendation to adopt the next three years' rate increases at  
13 the public hearing on May 24<sup>th</sup>. He reviewed the labor cost assumptions and water purchased cost  
14 increases. Mr. Bentley stated that the capital improvements projects budget has been reduced from  
15 \$2.7 to \$2M annually and the budget for next two fiscal years has approximately \$1.9M and \$1.8M in  
16 proposed capital improvements. He said the connection fee revenue projections have been  
17 reduced; twenty equivalent dwelling units (EDU) have been projected for next fiscal year, sixty EDUs  
18 are projected for the subsequent two years, and ninety EDUs in FY14. He noted that this fiscal year  
19 six EDUs have been collected. Mr. Bentley advised that the office renovation and automated meter  
20 reads projects have been removed from the five-year plan, four positions are budgeted to remain  
21 unfilled, resulting in a total decrease in staffing of 11% since FY08, and the water conservation  
22 budget has been cut by \$100,000. He said the proposed equipment budget is \$243,000 for next  
23 fiscal year.

24 Director Fraites expressed his concern about staff's projections of the amount of connection  
25 fees to be collected. Mr. Bentley stated that historically, the assumption has been over 100 EDUs  
26 and that the District depends upon connection fees for funding improvement projects.

27 Director Petterle opined that twenty or thirty EDUs would be more conservative and it would  
28 be better to have a more conservative assumption.

29 There was a discussion about the level of reserves needed.

30 The General Manager stated that at the last meeting, staff heard the Board's concern about  
31 reducing the equipment and improvement projects budgets and heard suggestions for removing  
32 items not needed. He said that staff can oblige the Board's request but reminded the Board that  
33 budgets presented fall within the five-year financial plan that the Board has reviewed previously. He

1 said that staff needs to know that the Board is comfortable with the parameters of the proposed  
2 budget.

3 Director Petterle stated that he is comfortable with the parameters but he is looking at this  
4 from the public's point of view and wants staff to be able to defend its budget recommendations.

5 Director Rodoni said that public perception is very important; for example, the purchase of  
6 the two dump trucks may fit into the budget but the public may perceive the purchase of two trucks  
7 at this time to be unnecessary. He stated that he is comfortable with a much lower projected EDU  
8 level and stretching the 90% in reserves goal over the years. He added that the cash balance is  
9 skewed when the projected numbers are not achieved.

10 Mr. DeGabriele said staff will address the Board concerns and will come back with a redraft  
11 of the budget. He stated that the District cannot keep postponing the rate increase and reverse the  
12 trend of the cash balance.

13 **INITIAL REVIEW – FY 11/12 PROPOSED NOVATO OPERATIONS BUDGET**

14 Mr. Bentley presented the first review of the FY 11/12 Proposed Novato Operations Budget  
15 and stated that the budget projects a net bottom line deficit of \$269,000 compared to the current  
16 fiscal year's budgeted deficit of \$700,000. He advised that actual deficit this fiscal year will be  
17 \$1.5M because many of the assumptions were not realized. He said that \$2.7M will be borrowed to  
18 fund next year's portion of the Aqueduct Energy Efficiency Project and he provided major highlights  
19 of the proposed operations budget including Stafford Treatment Plant production of 800MG, an  
20 additional \$100,000 in chemical cost, 20% cut in water conservation, \$60,000 budgeted for county  
21 election expense and staffing levels are down 2.8 FTE (5%) from the current year's budget. He  
22 added that a 2% cost of living increase is incorporated into the budget but that the actual increase  
23 will be negotiated with employees this summer. The Calpers retirement contribution will increase to  
24 26.2%.

25 **INITIAL REVIEW – FY 11/12 NOVATO RECYCLED WATER SYSTEM BUDGET**

26 Mr. Bentley presented the initial review of the FY 11/12 Novato Recycled Water System  
27 Budget. He said that recycled water production is forecasted for 51MG, however, the recycled water  
28 sales volume continues to fall with 32MG produced so far this year. He said the StoneTree Golf  
29 Course will see a 6% increase in the cost of water next fiscal year under the rate increase proposal.  
30 He said the additional 6% will add approximately \$11,000 to annual revenue and operating  
31 expenses are budgeted to decrease 6% from the existing budget and recycled water is budgeted to  
32 break even next fiscal year. He advised that Novato FRC fees are transferred to the recycled water

1 fund to pay for the system expansion plus North Bay Water Reuse Authority administration and  
2 \$30,000 for City of Novato license costs to use the Reservoir Hill Tank.

3 **NORTH BAY WATER REUSE AUTHORITY UPDATE – SUMMARY OF PHASE 2 MEMBERSHIP**  
4 **OUTREACH WORKSHOP**

5 Mr. McIntyre provided a summary of the NBWRA workshop that he and Director Schoonover  
6 attended on February 14, 2011. He said the topic of the workshop was Phase 2 Membership  
7 Outreach wherein NBWRA consultants summarized initial membership outreach efforts to-date. He  
8 reminded the Board that the District will stay focused on Phase 1 implementation and will not  
9 participate in Phase 2.

10 **WAC MEETING – MAY 2, 2011**

11 Mr. DeGabriele gave a brief summary of the WAC meeting held on May 2, 2011. He  
12 advised that the WAC agreed to the regional alliance approach to comply with the SBx7-7, Water  
13 Conservation Act of 2009 and authorized sending a letter to the Department of Water Resources  
14 forming the regional alliance. Mr. DeGabriele also updated the Board on the Urban Water  
15 Management Plan and said that the 2005 Plan predicted 101,000 acre feet of Russian River water  
16 supply was needed and the current UWMP predicts less than 80,000 acre feet will be needed.

17 **NORTH BAY WATERSHED ASSOCIATION MEETING – MAY 6, 2011**

18 The North Bay Watershed Association agenda for the May 6, 2011 meeting was presented  
19 and Director Baker stated that he will attend.

20 **MISCELLANEOUS**

21 The Board received the following miscellaneous items: Disbursements, Audit Entrance  
22 Conference, 90% Draft Master Plan Design for Stafford Lake Bike Park – Final Public Meeting,  
23 Letter to Senator Simitian Re Oppose SB 34.

24 The Board received the following news articles: Another Step Forward for Fish Ladder and  
25 Salinity Notices.

26 **CLOSED SESSION**

27 President Schoonover adjourned the Board into closed session for: Conference with Legal  
28 Counsel – Existing Litigation Pursuant to Subdivision (a) of Government Code Section 54956.9 –  
29 Name of Case: North Coast Rivers Alliance v. California Department of Transportation (Named Real  
30 Party in Interest - North Marin Water District).

31 **OPEN SESSION**

32 Upon returning to regular session at 10:02 p.m., President Schoonover stated that during  
33 the closed sessions the Board had discussed the issues and no reportable action had been taken.

1 **ADJOURNMENT**

2 President Schoonover adjourned the meeting at 10:03 p.m.

3 Submitted by

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Renee Roberts  
District Secretary

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**NORTH MARIN WATER DISTRICT**  
**MONTHLY PROGRESS REPORT FOR April 2011**  
 May 17, 2011

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

Month	FY10/11	FY09/10	FY08/09	FY07/08	FY06/07	11 vs 10 %
July	379	360	419	417	484	5%
August	368	367	417	416	481	0%
September	358	335	393	374	415	7%
October	278	233	313	268	333	19%
November	164	176	173	208	190	-7%
December	141	149	143	164	171	-5%
January	146	140	107*	156	173	5%
February	134	124	136	142	143	8%
March	151	152	150	206	211	-1%
April	193	164	227	309	270	18%
<b>FYTD Total</b>	<b>2,313</b>	<b>2,200</b>	<b>2,479</b>	<b>2,659</b>	<b>2,872</b>	<b>5%</b>

\*Jan 2009 Kastania Meter Malfunction - water production understated by est 56MG

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

Month	FY10/11	FY09/10	FY08/09	FY07/08	FY06/07	11 vs 10 %
July	9.9	10.0	11.8	11.5	14.7	-1%
August	9.9	10.6	11.9	11.5	13.9	-6%
September	9.2	9.6	10.2	9.8	12.2	-4%
October	7.8	6.9	9.8	7.4	9.7	14%
November	4.9	5.6	7.2	6.9	6.9	-11%
December	4.8	4.5	6.9	5.8	6.4	6%
January	4.3	4.2	6.4	7.1	7.0	3%
February	3.9	3.9	5.5	4.6	6.5	1%
March	5.6	5.7	5.6	6.1	7.5	-1%
April	4.9	4.3	6.4	7.9	7.7	13%
<b>FYTD Total</b>	<b>65.3</b>	<b>65.1</b>	<b>81.7</b>	<b>78.5</b>	<b>92.6</b>	<b>0%</b>

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

Month	FY10/11	FY09/10	FY08/09	FY07/08	FY06/07	11 vs 10 %
July	109	152	131	131	0	-28%
August	108	150	128	121	8	-28%
September	112	155	117	106	28	-27%
October	111	80	81	75	24	38%
November	95	0	0	30	0	-
December	0	0	0	11	0	-
January	0	0	0	0	0	-
February	0	0	0	0	19	-
March	52	32	0	0	56	64%
April	98	36	0	64	59	175%
<b>FYTD Total</b>	<b>686</b>	<b>604</b>	<b>458</b>	<b>537</b>	<b>194</b>	<b>14%</b>

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

Month	FY10/11	FY09/10	FY08/09	FY07/08	FY06/07	11 vs 10 %
July	11.1	12.0	13.6	13.4	-	-7%
August	11.9	12.9	13.6	12.7	-	-8%
September	11.2	10.2	10.9	9.4	-	10%
October	9.5	2.6	6.4	2.7	-	262%
November	2.6	0.0	0.0	0.0	-	-
December	0.0	0.0	0.0	0.0	-	-
January	0.0	0.0	0.0	0.0	-	-
February	0.0	0.0	0.0	0.0	-	-
March	0.0	0.0	0.0	0.1	-	-
April	0.7	0.0	8.8	2.1	-	-
<b>FYTD Total</b>	<b>47.1</b>	<b>37.7</b>	<b>53.3</b>	<b>40.5</b>	<b>0.0</b>	<b>25%</b>

## 2. Stafford Lake Data

	April Normal		April 2010		April 2011	
Rainfall this month	1.7	Inches	3.6	Inches	0.35	Inches
Rainfall this FY to date	27.8	Inches	28.3	Inches	29.4	Inches
Lake elevation*	196.0	Feet	195.9	Feet	195.4	Feet
Lake storage**	1,395	MG	1,385	MG	1,349	MG

\* Spillway elevation is 196.0 feet

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

## Temperature (in degrees)

	Minimum	Maximum	Average
April 2010	35	87	53
April 2011	40	85	56

## 3. Number of Services

April 30	Novato Water			Recycled Water			West Marin Wtr			Oceana Marin Swr		
	FY11	FY10	Incr %	FY11	FY10	Incr %	FY11	FY10	Incr %	FY11	FY10	Incr %
Total meters installed	20,737	20,704	0.2%	3	3	0.0%	816	816	0.0%	-	-	-
Total meters active	20,464	20,433	0.2%	3	3	0.0%	770	770	0.0%	-	-	-
Active dwelling units	23,858	23,859	0.0%	0	0	-	803	801	0.2%	227	225	0.9%

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

Description	FY 09-10	FY 10-11
Effluent Flow Volume (MG)	724,520	554,622
Irrigation Field Discharge (MG)	725,000	841,650
Treatment Pond Freeboard (ft)	3.7	3.2
Storage Pond Freeboard (ft)	3.1	3.0

## 5. Developer Projects Status Report (April)

Job No.	Project	% Complete	% This month
2732	College of Marin Phase 2	99	1
2744	Novato Disposal	100	3

## District Projects Status Report - Const Dept (April)

Job No.	Project	% Complete	% This month
7122	Bel Marin Keys Looping	99	4
8716.07	City Paving Coordination	82	8
7123.02	PB Replacements Sanchez Way	75	25

## Employee Hours to Date, FY 10/11

As of Pay Period Ending April 30, 2011

Percent of Fiscal Year Passed = 82%

Developer Projects	Actual	Budget	% YTD Budget	District Projects	Actual	Budget	% YTD Budget
Construction	1,899	1,800	106	Construction	2,100	4,315	49
Engineering	865	2,180	40	Engineering	6,301	4,858	130

## 6. Safety/Liability

	Industrial Injury with Lost Time			Liability Claims Paid		
	Lost Days	OH Cost of Lost Days (\$)	No. of Emp. Involved	No. of Incidents	Incurred (FYTD)	Paid (FYTD) (\$)
FY through Apr 11	8	3,024	2	2	5	15,245
FY through Apr 10	78	32,448	1	0	7	16,696

**Days without a lost time accident through April 30, 2011 = 51 days**

## 7. Energy Cost

FYE		March			Fiscal Year-to-Date thru March		
		Kwh	¢/Kwh	Cost/Day	Kwh	¢/Kwh	Cost/Day
2011	Stafford TP	50,434	14.5¢	\$252	627,479	15.8¢	\$362
	Pumping	83,457	15.3¢	\$411	1,060,880	14.6¢	\$534
	Other*	35,043	17.8¢	\$208	354,332	19.1¢	\$247
		168,934	15.6¢	\$973	2,042,691	15.7¢	\$1,144
2010	Stafford TP	n/a	n/a	n/a	567,971	15.8¢	\$324
	Pumping	62,531	15.2¢	\$329	960,818	15.0¢	\$515
	Other*	34,940	16.9¢	\$197	357,054	18.4¢	\$242
		97,481	15.9¢	\$618	1,885,843	15.9¢	\$1,066
2009	Stafford TP	17,111	15.6¢	\$92	553,291	14.6¢	\$294
	Pumping	101,452	13.5¢	\$380	1,282,914	13.9¢	\$628
	Other*	36,912	15.4¢	\$189	386,270	16.4¢	\$234
		155,475	14.2¢	\$648	2,222,475	14.5¢	\$1,145
*Other includes West Marin Facilities							

## 8. Water Conservation Update (April)

	Month of April 2011	FY 2010/2011 to Date	Program Total to Date
High Efficiency Toilet (HET) Rebate (\$150 each)	45	455	2073
Retrofit Certificates Filed	17	232	4135
Cash for Grass Rebates Paid Out	2	33	433
Washing Machine Rebates	30	401	5470
Water Smart Home Survey	22	289	1301

# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Order April 2011

Prepared: 05/10/11

<u>Type</u>	<u>Apr-11</u>	<u>Apr-10</u>	<u>Action Taken April 2011</u>
<b><u>Consumers' System Problems</u></b>			
Consumer Service Line Leaks	17	0	Notified Customer
Meter Leak Consumer's Side	0	13	~
House Plumbing	0	0	~
Noisy Plumbing	0	0	~
Seepage or Other	0	0	~
House Valve / Meter Off	9	8	Turned Back On
Nothing Found	5	4	Notified Customer
Low Pressure	1	1	PRV failing. Customer Notified.
High Pressure	0	1	~
Water Waster Complaints	0	0	~
<b>Total</b>	<b>32</b>	<b>27</b>	
<b><u>Service Repair Reports</u></b>			
Register Replacements	0	0	~
Meter Replacement	3	0	Replaced
Meter Box Alignment	0	0	~
Meter Noise	0	0	~
Dual Service Noise	0	0	~
Box and Lids	2	1	Replaced
Water Off/On Due To Repairs	3	5	Notified Customer
Misc. Field Investigation	0	8	~
<b>Total</b>	<b>8</b>	<b>14</b>	
<b><u>Leak Complaints</u></b>			
Main-Leak	0	0	~
Mains-Nothing Found	0	0	~
Mains-Damage	0	0	~
Service- Leak	11	5	Repaired
Services-Nothing Found	4	4	Notified Customer
Service-Damaged	0	0	~
Fire Hydrant-Leak	2	1	Repaired
Fire Hydrants-Nothing Found	1	0	Notified Customer
Fire Hydrants-Damaged	1	1	Repaired
Meter Replacement	0	0	~
Meters-Leak	0	0	~
Meters-Nothing Found	0	0	~
Meters Damaged	0	0	~
Washer Leaks	11	5	Replaced
<b>Total</b>	<b>30</b>	<b>16</b>	
<b><u>High Bill Complaints</u></b>			
Consumer Leaks	5	7	Notified Customer
Meter Testing	0	0	~
Meter Misread	1	6	Notified Customer
Nothing Found	8	17	Notified Customer
Projected Consumption	0	0	~
Excessive Irrigation	0	0	~
<b>Total</b>	<b>14</b>	<b>30</b>	

# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Order April 2011

Prepared: 05/10/11

Type	Apr-11	Apr-10	Action Taken April 2011
<b><u>Low Bill Reports</u></b>			
Meter Misread	0	0	~
Stuck Meter	0	0	~
Nothing Found	1	1	Notified Customer
Projected Consumption	0	0	~
Minimum Charge Only	0	0	~
<b>Total</b>	<b>1</b>	<b>1</b>	
<b><u>Water Quality Complaints</u></b>			
Taste and Odor	3	0	<p><b>Customer reported bad taste in water. (Green Point Ln)</b>                      New icemaker responsible for bad taste. Advised customer to cycle the icemaker a few times while discarding the ice until normal.</p> <p><b>Customer reported bad taste in water. (Rae Ln)</b>                      No adverse taste or odor detected by lab staff. All chemical &amp; microbiological results normal. Customer was notified of results.</p> <p><b>Customer reported odor in water. (Oliva Ct)</b>                      Adverse odor is due to chlorine. Chlorine level is normal for Novato. Customer was notified of results.</p>
Color	0	0	~
Turbidity	2	0	<p><b>Customer reported cloudy water. (Hampshire Way)</b>                      Cloudy water due to dissolved air in water. All test results normal and typical for Novato. Customer was notified of results.</p> <p><b>Customer reported cloudy water. (Monte Maria Ave)</b>                      Cloudy water due to dissolved air in water. All test results normal and typical for Novato. Customer was notified of results.</p>
Suspended Solids	1	1	<p><b>Customer reported white sediment in the bathroom. (San Carlos Way)</b>                      Sediment is most likely a decomposing dip tube from aging water heater. Customer was notified.</p>
Other	2	0	<p><b>Customer requested testing for lead. (Modoc Pl)</b>                      Lead not detected. Customer was notified of results.</p> <p><b>Customer reported scaling on her fixtures. (Rebelo Ln)</b>                      Chemistry results and hardness normal for Novato. Customer was notified of results.</p>
<b>Total</b>	<b>8</b>	<b>1</b>	
<b>TOTAL FOR MONTH:</b>	<b>93</b>	<b>89</b>	<b>4%</b>

# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Order April 2011

Prepared: 05/10/11

<u>Type</u>	<u>Apr-11</u>	<u>Apr-10</u>	<u>Action Taken April 2011</u>	
<b><u>Fiscal YTD Summary</u></b>			<b><u>Change Primarily Due To</u></b>	
Consumer's System Problems	280	236	19%	Increase In Consumer Line Leaks
Service Repair Report	140	80	75%	Increase In Replace Box & Lids
Leak Complaints	241	240	0%	~
High Bill Complaints	435	359	21%	Increase In "Nothing Found"
Low Bills	8	22	-64%	Decrease In "Nothing Found"
Water Quality Complaints	55	124	-56%	Decrease In Taste and Odor
<b>Total</b>	<b><u>1,159</u></b>	<b><u>1,061</u></b>	<b><u>9%</u></b>	

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

<b><u>Check Meter:</u></b> possible consumer/District leak, high bill, flooded, need read, etc.	238	227
<b><u>Change Meter:</u></b> leaks, hard to read	12	15
<b><u>Possible Stuck Meter</u></b>	9	13
<b><u>Repair Meter:</u></b> registers, shut offs	0	0
<b><u>Replace Boxes/Lids</u></b>	39	32
<b><u>Hydrant Leaks</u></b>	0	1
<b><u>Trims</u></b>	114	96
<b><u>Dig Outs</u></b>	166	183
<b><u>Letters to Consumer:</u></b> meter obstruction, trims, bees, gate access, etc.	0	40
<b><u>Misc:</u></b> locate meter, get meter number, cross connection follow ups, kill service, etc.	0	0
	<b><u>578</u></b>	<b><u>607</u></b>

### Bill Adjustments Under Board Policy:

#### April 11 vs. April 10

Apr-11	22	\$3,541
Apr-10	11	\$880

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

10/11 FYTD	242	\$72,971
09/10 FYTD	181	\$53,269

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**NORTH MARIN  
WATER DISTRICT**

## North Marin Water District- 3rd Quarter FY2010/2011

### Bacteriological Quality Monitoring

Novato: 243 Samples Analyzed. No samples positive for coliform bacteria

Point Reyes: 23 Samples analyzed. No samples positive for coliform bacteria.

### Chemical Quality Monitoring

Constituent	Units	Maximum Contaminant level	SCWA North Marin Aqueduct	Stafford Treatment Plant	Point Reyes Treatment Plant
Conductivity	umhos/cm	900 *	280	310	380
TDS	mg/L	500 *	160	170	220
Hardness	mg/L	-	100	84	77
Alkalinity	mg/L	-	120	72	130
Calcium	mg/L	-	26	17	11
Magnesium	mg/L	-	13	11	13
Copper	mg/L	1.0*	ND	ND	ND
Iron	mg/L	0.3*	ND	ND	ND
Manganese	mg/L	0.05 *	ND	ND	ND
Zinc	mg/L	5.0 *	ND	ND	ND
Sodium	mg/L	-	19	26	49
Chloride	mg/L	250 *	7.0	40	29
Sulfate	mg/L	250 *	10	10	10
Fluoride	mg/L	2.0 (1.4-2.4)	0.14	0.17	0.18
Nitrite as N	mg/L	1.0	ND	ND	ND
Nitrate as N	mg/L	10	ND	0.56	ND
pH	pH units	8.5 *	8.50	8.66	7.39
Turbidity	NTU	5	0.09	0.13	0.06
Color	PCU	15	< 2.5	<2.5	<2.5
Free Chlorine	mg/L	4.0	0.58	1.52	0.84
Total Chlorine	mg/L	4.0	0.66	1.63	0.89
Temperature	° C	-	13.8	12.2	14.1
Odor	TON	3	<1	<1	<1

\*Indicates secondary drinking water standard

ND = Not Detected  
NA = Not Analyzed



**MEMORANDUM**

To: Board of Directors

May 13, 2011

From: David L. Bentley, Auditor-Controller 

Subj: Auditor-Controller's Monthly Report of Investments for April 2011

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**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$5,657,870 and a market value of \$5,663,623. During April the cash balance decreased by \$229,672. For the FY, the cash balance decreased by \$865,173. The market value of securities held decreased by \$999 during the month. The ratio of total cash to budgeted annual operating expense stands at 44%, down 1% from the prior month. This compares to the District's target ratio of 90%, or \$11.7 million.

At April 30, 2011, 64% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), and 35% in Time Certificates of Deposit placed in Novato banks. The weighted average maturity for the portfolio was 35 days, compared to 44 days at the end of last month. The LAIF interest rate for the month was 0.59%, compared to 0.50% in the previous month. The weighted average Portfolio rate was 0.76%, compared to 0.71% in the previous month. The District earned \$9,914 in interest revenue during April with 41% earned by Novato Water and the balance distributed to the other improvement districts.

**NORTH MARIN WATER DISTRICT  
AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS  
April 30, 2011**

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis <sup>1</sup>	4/30/11 Market Value	Yield <sup>2</sup>	% of Portfolio
<b>LAIF</b>	State of CA Treasury	A	Various	Open	\$3,603,993	\$3,608,542	0.59% <sup>3</sup>	64%
<b>Time Certificate of Deposit</b>								
TCD	Bank of Marin	n/a	6/3/10	6/3/11	\$1,000,000	\$1,000,000	1.15%	18%
TCD	Westamerica Bank	n/a	9/20/10	9/20/11	1,000,000	1,000,000	0.95%	18%
					<u>\$2,000,000</u>	<u>\$2,000,000</u>	<u>1.05%</u>	<u>35%</u>
<b>Other</b>								
Agency	Marin Co Treasury	AA+	Various	Open	\$177,694	\$177,694	0.00%	3%
Bond	Olema G.O. Bond	A+	5/31/91	1/1/15	14,594	15,798	5.00%	0%
Other	Various	n/a	Various	Open	(138,411)	(138,411)	0.00%	-2%
<b>TOTAL IN PORTFOLIO</b>					<b><u>\$5,657,870</u></b>	<b><u>\$5,663,623</u></b>	<b><u>0.76%</u></b>	<b><u>100%</u></b>

Weighted Avg. Maturity = **35 Days**

LAIF: State of California Local Agency Investment Fund.

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

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

Other: Comprised of 4 accounts used for operating purposes. Bank of the West Operating Account, Bank of the West STP SRF Loan Account, Union Bank Securities Custodial Account & NMWD Petty Cash Fund.

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

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

3 Earnings are calculated daily - this represents the average yield for the month ending April 30, 2011.

<b>Interest Bearing Loans</b>	Loan Date	Maturity Date	Original Loan Amount	Principal Outstanding	Interest Rate
Black Point Partners-BPGL	6/30/06	2/28/24	\$3,612,640	\$2,743,952	2.39%
Employee Housing Loans (8)	Various	Various	1,441,785	1,441,785	Contingent
Employee Computer Loans (7)	Various	Various	10,931	8,407	1.53% (avg)
Novato Charter School	7/31/09	10/23/11	5,946	623	3.00%
<b>TOTAL INTEREST BEARING LOANS</b>			<b><u>\$5,071,302</u></b>	<b><u>\$4,194,767</u></b>	

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

**NORTH MARIN WATER DISTRICT  
COMPARATIVE FINANCIAL RESERVE SUMMARY  
April 30, 2011**

	April 30, 2011	April 30, 2010	April 30, 2009
<b>Reserves Restricted by Law</b>			
Connection Fee Fund	\$1,299,463	\$2,679,337	\$1,493,179
Wohler Pipeline Financing Fund	478,326	532,717	578,382
Collector #6 Financing Fund	1,934,539	2,048,859	2,113,116
Revenue Bond Redemption Fund	30,000	30,000	30,000
Tax Proceeds-County Treasury	20,370	22,150	23,640
STP SRF Loan Fund-County of Marin	157,323	52,305	0
Retiree Medical Benefit Fund <sup>1</sup>	1,179,669	2,482,378	2,584,084
RWF Replacement Fund	161,478	151,149	39,107
<b>Total Legally Restricted Reserves</b>	<b>\$5,261,168</b>	<b>\$7,998,895</b>	<b>\$6,861,508</b>
<b>Reserves Designated by Board</b>			
Maintenance Accrual Fund <sup>1</sup>	\$0	\$0	\$0
Liability Contingency Fund <sup>1</sup>	0	0	369,125
Conservation Incentive Rate Fund <sup>1</sup>	0	0	437,464
Drought Contingency Fund	0	0	146,752
Operating Reserve <sup>2</sup>	120,000	108,000	60,000
<b>Total Board Designated Reserves</b>	<b>\$120,000</b>	<b>\$108,000</b>	<b>\$1,013,341</b>
Unrestricted /Undesignated Cash <sup>2</sup>	\$276,701	\$154,575	\$99,729
<b>Total Reserves on Hand</b>	<b>\$5,657,870</b>	<b>\$8,261,470</b>	<b>\$7,974,578</b>
<b>Due to/(Due from) Analysis</b>			
	April 30, 2011	April 30, 2010	April 30, 2009
Novato	\$352,156	\$373,716	\$412,953
West Marin Water	(352,156)	(373,716)	(412,953)
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1 Funds were borrowed from the Maintenance Accrual Fund to offset the shortfall in the Novato unrestricted/undesignated cash account in the following amounts: at 4/30/11 \$ 3,699,014 , at 4/30/10 \$3,599,014, and at 4/30/09 \$3,498,710. In addition, funds were borrowed from the Liability Contingency Fund in the following amounts: at 4/30/11 \$414,700, at 4/30/10 \$659,700, at 4/30/09 \$290,575; the Conservation Incentive Rate fund in the following amounts: at 4/30/11 \$52,808, at 4/30/10 \$227,889, at 4/30/09 \$29,965; and the Retiree Medical Benefits Fund in the following amounts: at 4/30/11 \$1,752,095, at 4/30/10 \$239,954.

2 Cash shown in the Operating Reserve and Unrestricted/Undesignated accounts belongs to Oceana Marin Sewer in FY09,10, and 11, and Recycled Water in FY 10 and 11.

6

MEMORANDUM

To: Board of Directors

May 13, 2011

From: Drew McIntyre, Chief Engineer *DM*

Subject: Amendment 1 to Water Service Agreement – Warner Creek Senior Housing, 806 Diablo Ave, Novato -APN 140-131-22, 23 & 24

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**RECOMMENDED ACTION: The Board approve authorization of Amendment 1 to agreement.  
FINANCIAL IMPACT: None (Developer funded)**

The Board approved the water service agreement for the above referenced project on December 15, 2009. The agreement expired as the applicant failed to complete the financial arrangements in a timely manner per the agreement. The applicant is now ready to move forward and requests an amendment to the agreement. The amendment includes minor revisions to the water facility design and revisions to the cost estimate (construction cost estimate and the initial charges).

The Warner Creek Senior Housing (a.k.a. Diablo Senior Housing) project involves building an apartment complex for low-income seniors on three adjacent parcels totaling 2.27 acres. The project is located at 806 Diablo Avenue between Center Road and Novato Boulevard (see attached map). This agreement will provide water service to 61 new apartments and irrigation for the common area landscaping. A previously existing single-family residence was removed from the site some time ago. The existing 5/8-inch service will be killed and abandoned as part of this project.

New Zone 1 water facilities required include 280 feet of 12-inch PVC main, 200 feet of 8-inch PVC main, four new commercial fire hydrants, one 6-inch fire service, one 1.5-inch domestic meter and one 5/8-inch irrigation meter. The lot will receive normal pressure Zone 1 water service. Water demand is 28 equivalent dwelling units (61 apartments @ 0.39 EDU each plus 4 EDUs for irrigation). Total new water demand is 27 EDUs since one EDU will be credited to the project for the existing service. Since this is an affordable housing project, payment of initial charges are eligible to be deferred pursuant to Regulation 1.c. (5).

Sewer service will be provided by the Novato Sanitary District. The Precise Development Plan for this project was approved by the City of Novato on March 17, 2009.

Environmental Document Review

On March 17, 2009, the City of Novato approved a Negative Declaration for the Warner Creek Senior Housing project.

RECOMMENDATION:

That the Board approve authorization of Amendment 1 to the agreement.

Approved by GM *GD*

Date *5/13/11*

RESOLUTION NO. 11-  
AUTHORIZATION OF EXECUTION  
OF  
AMENDMENT No. 1 TO  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
WITH  
WARNER CREEK SENIOR HOUSING, LP

---

BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain water service facilities construction agreement between this District and WARNER CREEK SENIOR HOUSING, LP, a California Limited Partnership, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as , 806 DIABLO AVENUE, Marin County Assessor's Parcel Number 140-131-22, -23, -24, NOVATO, CALIFORNIA.

\* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 17th day of May, 2011, by the following vote:

AYES:

NOES:

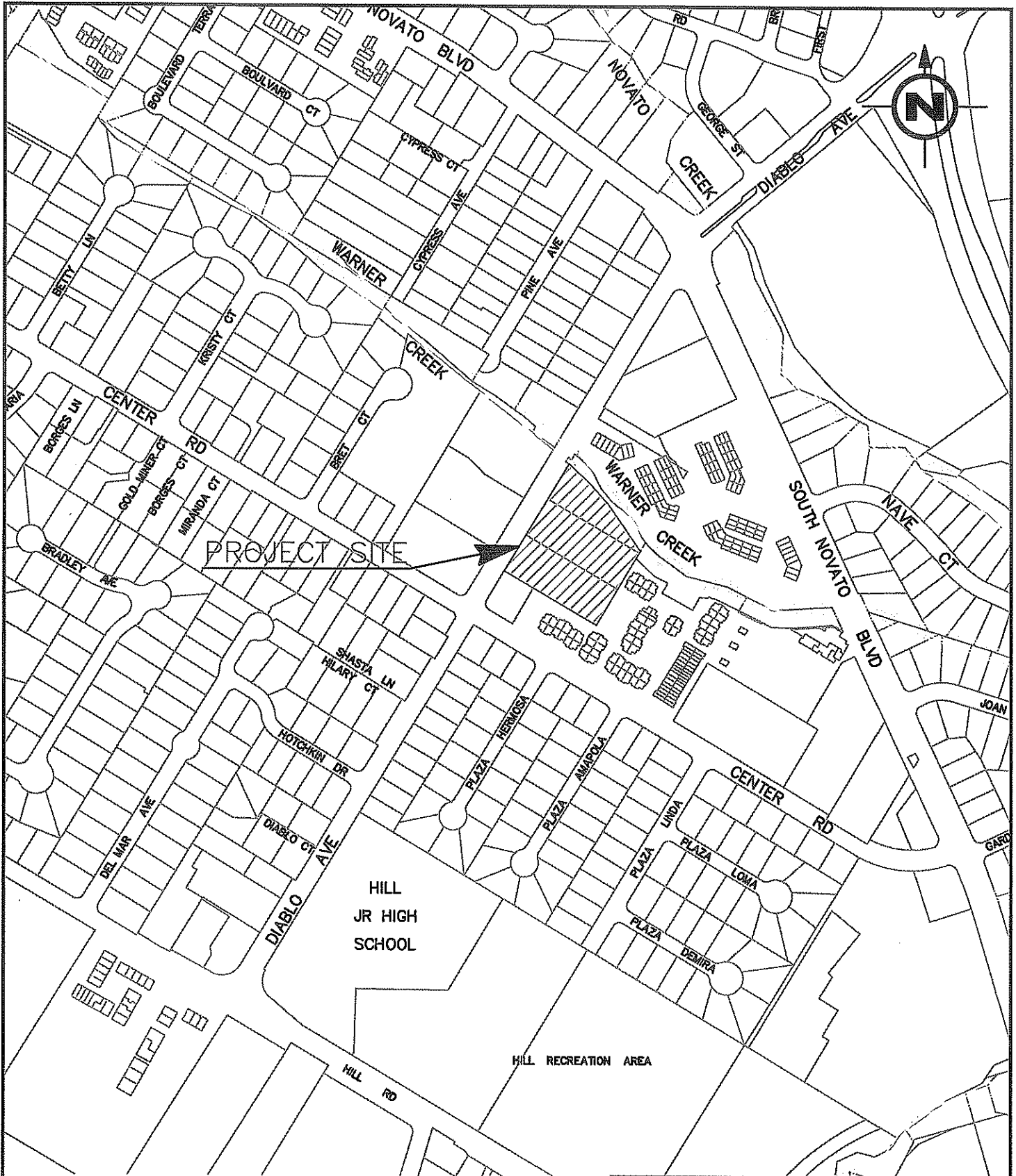
ABSENT:

ABSTAINED:

(SEAL)

---

Renee Roberts, Secretary  
North Marin Water District



WARNER CREEK SR. HOUSING WATER FACILITY			
APN: 140-131-22, 23, 24			
DATE	SCALE	JOB.NO.	DWG.NO.
12/3/09	NTS	2743	MAP

AMENDMENT NO. 1  
TO  
PART ONE  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
FOR  
WARNER CREEK SENIOR HOUSING

---

*THAT CERTAIN* "Part One Water Service Facilities Construction Agreement for WARNER CREEK SENIOR HOUSING," dated January 28, 2010, by and between NORTH MARIN WATER DISTRICT, herein called "District," and WARNER CREEK HOUSING, LP, a California Limited Partnership, herein called "Applicant," is hereby amended as follows:

**Section 4 as set forth on Page 1-2, Section 4,5, and 6 as set forth on Page 1-3, Section 6 as set forth on Page 1-4 of Part One shall be revised and shall read as set forth on replacement Pages 1-2A, 1-3A, 1-4A, attached hereto and made a part hereof.**

*IN WITNESS WHEREOF*, the parties hereto have executed this amendment to their agreement on the \_\_\_\_\_ day of \_\_\_\_\_, 2011.

**NORTH MARIN WATER DISTRICT**  
"District"

\_\_\_\_\_  
John, Schoonover, President

**ATTEST:**

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

(SEAL)

**WARNER CREEK SENIOR HOUSING, LP**  
a California Limited Partnership  
"Applicant"

\_\_\_\_\_  
Linda Mandolini, Executive Director

**NOTES:** *This amendment must be executed by the Applicant and delivered to the District within thirty (30) days after it is authorized by the District's Board of Directors.*

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



2 Prior to the District issuing written certification to the City, County or State that financial arrangements have been made for construction of the required water facilities, the Applicant shall complete such arrangements with the District in accordance with Section 6 of this agreement.

3. Prior to release or delivery of any materials by the District or scheduling of either construction inspection or installation of the facilities by the District, the Applicant shall:

a. deliver to the District vellum or mylar prints of any revised utility plans approved by the City or County to enable the District to determine if any revisions to the final water facilities construction drawings are required. The proposed facilities to be installed are shown on Drawing No. 1 2743.001, entitled, "WARNER CREEK SENIOR HOUSING", a copy of which is attached, marked Exhibit "A", and made a part hereof. (For purposes of recording, Exhibit "A" is not attached but is on file in the office of the District.)

b. grant or cause to be granted to the District without cost and in form satisfactory to the District all easements and rights of way shown on Exhibit "A" or otherwise required by the District for the facilities.

c. deliver to the District a written construction schedule to provide for timely withdrawal of guaranteed funds for ordering of materials to be furnished by the District and scheduling of either construction inspection or construction pursuant to Section 6 hereof.

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

**Initial Charges**

Meter Charges (Domestic) (Included in Estimated District Costs).....	.One 1 1/2-inch @	\$	0.00	\$	0.00
Meter Charges (Irrigation) (Included in Estimated District Costs).....	...One 5/8-inch @	\$	0.00	\$	0.00
Fire Service Bypass Meter (Included in Estimated District Costs)...	....One 5/8-inch @	\$	0.00	\$	0.00
Reimbursement Fund Charges.....	.One 1 1/2-inch @	\$	1,540.00	\$	1,540.00
Reimbursement Fund Charges.....	...One 5/8-inch @	\$	420.00	\$	420.00
Facilities Reserve Charges Apartments (Domestic) ....	.....Sixty-One @	\$	11,200.00	\$	683,200.00
Facilities Reserve Charges (Irrigation) .....	.....Four @	\$	28,600.00	\$	114,400.00
Credit for Existing Reimbursement Fund and Facilities Reserve Charge.....	.....One@	\$	<29,020.00>	\$	<29,020.00>
<b>Subtotal - Initial Charges.....</b>				<b>\$</b>	<b>770,540.00</b>

**Estimated District Costs**

Pipe, Fittings & Appurtenances.....	\$	24,446.00
District Construction Labor.....	\$	22,353.00
Engineering & Inspection.....	\$	8,312.00
Bulk Materials.....	\$	2,323.00

**Subtotal –Estimated District Costs..... \$ 57,434.00**

**Estimated Applicant Installation Costs**

Installation Labor..... \$ 33,339.00

Contractor Furnished – Pipe Fittings & Appurtenances..... \$ 13,324.00

Bulk Materials..... \$ 6,836.00

**Subtotal- Estimated Applicant Installation Costs..... \$ 53,499.00**

**TOTAL ESTIMATED WATER FACILITIES COSTS..... \$ 881,473.00**

(Bulk materials are such items as crushed rock, imported backfill, concrete, reinforcing steel, paving materials, and the like, which are to be furnished by the contractor performing the work.)

5. In addition to the Initial Charges, Estimated District costs and Contributions, and Estimated Applicant Installation costs set forth in Section 4 above, the Applicant shall furnish at no cost to the District all PVC pipe (4-inch diameter and larger), valves and water line fittings shown on Exhibit "A" or otherwise required by the District. The quantities, type and quality of said materials shall be approved by the District prior to purchase by the Applicant and shall conform to District standards and Specifications marked as Exhibit "B" attached hereto and made a part hereof and as otherwise may be required. (For purposes of recording, Exhibit "B" is not attached but is on file in the office of the District.) The cost of said materials is estimated to be **\$13,324**. The District reserves the right to reject and prohibit installation of all nonconforming materials furnished by the Applicant.

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

**Initial Charges and Estimated District Costs**

The Applicant shall either pay to the District or provide a two (2) year irrevocable letter of credit in form satisfactory to the District and payable at sight at a financial institution in the Novato area the sum of Initial Charges and Estimated District Costs as set forth in Section 4 hereof in the amount of **\$827,974**. If the Applicant provides the two (2) year irrevocable letter of credit, the District shall immediately draw down Initial Charges and shall draw upon the remaining funds guaranteed by the letter at any time the District deems appropriate to recover the Estimated District Costs which normally will be at least thirty (30) days prior to the anticipated start of construction for the ordering of materials to be furnished by the District. Pursuant to District Regulation 1(c) (5), this is an affordable housing project and the aforementioned requirements may be modified to allow deferred payment of Initial Charges in the amount of **\$770,540** for a period of up to two (2) years from the date of this agreement or until the date of issuance of a Certificate of Occupancy by the City or County, whichever occurs first.

If this option is exercised, the Applicant shall notify the District in writing and modify payment in accordance with this paragraph and concurrently increase the amount of the financial guarantees specified below by this amount. No water service meters will be installed to any of the lots until full payment of this amount plus applicable interest is received.

#### Estimated Installation Costs

Alternate No. 1 – Installation By Applicant: If the Applicant elects to install the facilities or hire a private contractor to install the facilities, the Applicant shall provide financial guarantees satisfactory to the District in the form of a performance bond in the amount of **\$53,499** conditioned upon installation of the facilities and furnishing of bulk materials and a maintenance bond in the amount of **\$ 13,375** conditioned upon payment of the cost of maintaining, repairing, or replacing the facilities during the period of one (1) year following completion of all the facilities and acceptance by the District. Performance and maintenance bonds shall be executed by a California admitted surety insurer with a minimum A.M. Best rating of A-VII. In lieu of posting bonds, the Applicant may provide an irrevocable letter or letters of credit payable at sight at a financial institution in the Novato area guaranteeing funds in the same amounts. All financial guarantees shall be provided by the Applicant rather than the contractor. The Applicant or contractor, whichever performs the work, shall be properly licensed therefore by the State of California and shall not be objectionable to the District.

7. The applicant shall not resell any water furnished pursuant to this agreement. If multiple services from a single connection to the District's system through a master meter are allowed pursuant to District Regulation 4(b) the Applicant shall not submeter the individual services. The District's bills for water measured by a master meter shall be paid by the Applicant or a responsible homeowner's association. If a rental unit served through a master meter is converted into a separately owned unit the District may require the installation of a separate connecting main and meter for water service to the unit at the cost of the owner of the unit.

8. Water service through the facilities to be installed pursuant to this agreement will not be furnished to any building unless the building is connected to a public sewer system or to a waste water disposal system approved by all governmental agencies having regulatory jurisdiction. This restriction shall not apply to temporary water service during construction.

9. New construction in the District's Novato service area is required to be equipped with high efficiency water conserving equipment specified in Regulation 15 sections e. and f. Applicant shall install front loading, horizontal axis washing machines with a modified water factor of 5.5 or less in all dwelling units. Dishwashers shall be energy star rated and use no more than 5 gallons per load. Toilets shall be District approved High Efficiency Toilets that average no more than 1.28 gallons per flush. Applicant shall install District approved weather-based irrigation controllers, drip irrigation on

7

**MEMORANDUM**

To: Board of Directors

May 13, 2010

From: Robert Clark Operations / Maintenance Superintendent

Subj: Contracting Backflow Device Testing for the Novato Service Area  
x:\maint sup\2011\bod\bod\_ccc\_test\_rfp.doc

**RECOMMENDED ACTION:** Authorize staff to solicit Proposals for Novato Service Area Backflow Device Testing Services.

**FINANCIAL IMPACT:** Cost impact to be determined after proposals are received.

Due to the recent retirement of the District's Cross-Connection Control Specialist, staff has undertaken a review of how the Cross-Connection program is executed. As part of the review process, staff is interested in developing the most cost-effective testing process; and therefore, wants to determine the market cost for performing the testing of our 2,116 backflow devices in the Novato Service Area.

Over the past 17 years, all the testing for these devices has been performed by District regular and temporary staff. From a water quality perspective, this is the preferred method since we consider these devices as our "front-line" protection of the distribution system, not just a maintenance task to complete. Our staff has typically spent over 700 hours completing these tests; however, over the past few years, we have upgraded the devices and believe that the future time will be reduced to less than 600 hours. We also believe that the device failure rate will be less than 20% (compared to 40% historically), hence, reducing the number of hours required for repair.

As part of the Cross-Connection Control Program, we have kept a list of licensed contractors that are certified to test backflow devices. We have selected a short list of contractors from the Marin area that we recommend requesting a proposal for the testing work.

<u>Company</u>	<u>Location</u>
Pedro Femenia & Sons	Mill Valley
Paul Ongaro & Sons	San Anselmo
Gotelli Plumbing	San Rafael
Gene Burch Plumbing	Novato
Burkell Plumbing	Sausalito
A.S.T.I. Services	Vallejo

Approved by GM CD

Date 5/13/2010

In addition to these contractors, we plan to advertise in the IJ and post the Request for Proposals on our website. Requests will go out Wednesday May 18<sup>th</sup> with responses due June 10<sup>th</sup>.

Attached is the proposed Request for Proposal for the Novato Service Area backflow device testing services. In the proposal we have identified the various 2,116 devices is responsible for testing. These devices range from ¾" to 8" double check valve and reverse pressure principal devices and 2" to 6" fire service detector checks.

**Recommendation:**

Authorize staff to solicit proposals for Novato Service Area backflow device testing services

**DRAFT**

REQUEST FOR PROPOSALS  
FOR  
ANNUAL  
BACKFLOW PREVENTION ASSEMBLY  
TESTING & REPAIR SERVICES

RFP11-05

MAY 18, 2011

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## **I. PROPOSAL SUBMISSION**

One (1) printed copy of the Proposal, shall be delivered in a sealed envelope labeled:

Proposal for the North Marin Water District for the Annual Backflow Prevention Assembly  
Testing & Repair Services  
Attention: Mr. Robert Clark, Operation / Maintenance Superintendent  
RFP11-05  
Bidder's name

Sealed proposals will be received no later than 3:00 p.m., local time, on Friday, June 10, 2011, at North Marin Water District's Administrative Office, located at 999 Rush Creek Place, Novato, CA 94945.

## **II. SCOPE OF WORK**

The Scope of Work for the annual backflow prevention assembly testing and repair services being solicited is found in Exhibit A, attached to this RFP. A Notice to Proceed is anticipated to be issued by July 1, 2011 and the scope of work must be completed no later than October 31, 2011. The successful proposal(s) will demonstrate sufficient staff resources, expertise, relevant experience, and lack of disabling professional conflicts to perform the scope of work, along with demonstrated commitment to cost-control and client service that meet the District's needs.

## **III. QUESTIONS/ADDENDA**

Any questions about this RFP shall be submitted in writing (via U.S. mail, facsimile transmission, or e-mail) to Mr. Robert Clark at the following address:

North Marin Water District  
Attn: Mr. Robert Clark  
Operations / Maintenance Superintendent  
999 Rush Creek Place  
PO Box 146  
Novato, CA 94948-0146  
Fax: (415) 892-8043  
E-mail: rclark@nmwd.com

To be considered, questions must be received by the District no later than 5:00 p.m. on May 31, 2011. The District may, if deemed necessary, respond to such questions by issuance of formal written addenda, interpreting or clarifying the requirements of this RFP. The District may also issue addenda to modify the RFP as deemed advisable by the District. All such addenda shall be part of this RFP and binding upon each proposer. The District may, upon inquiry, orally direct a firm's attention to specific provisions of the RFP which cover the subject of the inquiry. However, all supplemental information provided by the District during the RFP process shall not be binding unless communicated by formal written addenda. Addenda to the RFP, if any, will be posted to the District's website ([www.nmwd.com](http://www.nmwd.com)) no later than 5:00 p.m. on June 2, 2011.

## **IV. INFORMATION TO BE SUBMITTED IN PROPOSAL**

### **A. CONTENT**

Each proposal shall be limited to five (5) pages (not including transmittal letter and resumes) and shall follow the outline below:

#### Section 1 – Scope of Work

State in succinct terms your understanding of the scope of work listed in Exhibit A attached hereto.

#### Section 2 – Relevant Experience and Expertise

Describe in narrative form the experience and expertise of your firm and/or project team members in providing the services sought by District. Identify representative clients.

#### Section 3 – Project Team

Identify each individual you expect to work on the project team, including sub-consultants, if any. Provide resumes for each member of the team.

#### Section 4 – Quality Assurance and Control; Conflicts

Describe your approach to Quality Assurance and Control for your firm's performance as well as any performance guarantees you offer.

#### Section 5 – Client References

Provide contact information for representatives of three former or current clients for whom your firm or project team members have performed similar services so that the District may interview these references.

#### Section 6 – Cost Schedule

Provide a completed cost schedule in the form shown in Exhibit B to perform annual testing services. Costs per device shall include all necessary activities within the scope of work including but not limited to services performed at each device as well as all reporting requirements to the District.

#### Section 7 – Contract and Insurance Requirements

All successful proposers will be required to execute a contract and to meet the insurance requirements of Exhibit C. Please indicate your firm's willingness and ability to comply with these requirements.

## **B. COST OF SERVICES**

All proposals must include a complete and current table of all rates and charges to perform all the proposed services with detailed itemization as displayed in the Cost Schedule provided in Exhibit B.

The rates and charges provided shall include all overhead rates to cover costs and other compensation of consultant's officers, executives, principals (of partnership and sole proprietorships), general managers, engineers, architects, specialists, estimators, lawyers, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks and other personnel employed by consultant whether at the site or in its principal or a branch office for general administration of the work and not specifically included in the list of personnel, consultant's principal and branch offices other than consultant's office at the site.

Rates and charges shall also include any part of consultant's capital expenses, including necessary transportation, travel and subsistence expenses of consultant's employees incurred in discharge of duties connected with performance of the services.

The rates and charges shall also include minor expenses connected with performance of the services such as copies, computers, software, on-line legal research, office supplies, postage, faxes, long-distance telephone calls, telephone, and any other expense incurred to accomplish the work. Note that no separate charges for these items will be allowed. Note also that no administrative charges will be allowed, except a markup of five percent (5%) on subconsultants' billings. Any markup shall be explicitly included in the cost schedule provided in Exhibit B.

## **C. NON-DISCLOSURE AND DISCLOSURE OF PROPOSALS**

Proposals will be held in confidence during the evaluation process until District staff issues Notice of Intent to Award the contract. Thereafter, all proposals will be treated as documents subject to disclosure under the California Public Records Act (Act).

## **V. SELECTION CRITERIA**

### **A. GENERAL**

The proposals received shall be subject to an evaluation by the District as deemed appropriate for purposes of selection. The evaluation will be made according to the following criteria:

1. Responsiveness to RFP
2. Experience and expertise
3. Project team makeup and capabilities
4. Rates and charges, affordability and cost control
5. Evaluations from client references

## **B. FINAL SELECTION**

Proposals will be rated based on the merit of the entire proposal. Notice of Intent to Award the professional services contract will be posted at the entry to the District's office at the aforesaid address and on the District's website at [www.nmwd.com](http://www.nmwd.com) upon selection of a consultant to perform the Project.

The District reserves the right to reject any or all proposals and to re-issue this RFP. The District may waive any minor informalities or irregularities in any proposal that are immaterial and inconsequential in nature. The District reserves the right to request additional written or oral information from respondents to obtain clarification of their proposals. All proposals become the property of the District. All costs associated with development of the proposal shall be the sole responsibility of the proposing firm and shall not be charged in any manner to the District.

## **C. PROTEST PROCEDURE**

Any protest concerning the rating of any proposal or award of the contract hereunder must be submitted in writing to the District's Operations/Maintenance Superintendent, at 999 Rush Creek Place, Novato, CA 94945 on or before 5:00 p.m. of the tenth (10th) calendar day following the District's posting of Notice of Intent to Award the professional service contract at the entry to the District's Customer Service Building at the aforesaid address and on the District's website at [www.nmwd.com](http://www.nmwd.com).

The procedure and time limit set forth in this section are mandatory and are proposer's sole and exclusive remedy in the event of a protest of the rating of its proposal or award of the contract and failure to pursue said remedy shall constitute a waiver of any right to further pursue said protest, including filing a Government Code claim or legal proceedings.

## **D. ATTACHMENTS**

EXHIBIT A – Scope of Work

EXHIBIT B – Annual Backflow Prevention Assembly Testing Cost Schedule

EXHIBIT C – Insurance Requirements

**EXHIBIT A**

**SCOPE OF WORK**

1. Conduct annual testing for approximately 2,116 commercial/residential backflow prevention assemblies in the Novato area of Marin County. Assemblies will range in size from 3/4" to 8" with the approximate breakdown as follows:

RPAs (& RPDAs)	3/4"	38
	5/8"	2
	1"	93
	1-1/4"	13
	1-1/2"	140
	2"	120
	2-1/2"	4
	3"	11
	4"	7
	8"	2

PVBs		3
------	--	---

DCDAs	1"	58
	1-1/2"	1
	2"	7
	2-1/2"	6
	3"	1
	4"	111
	6"	210

DCs	5/8"	4
	3/4"	809
	1"	155
	1-1/4"	1
	1-1/2"	37
	2"	26
	3"	2
	4"	1
	6"	1

2. Test procedures shall be those currently recommended by the University of Southern California Foundation for Cross-Connection Control in accordance with District Administrative Regulation 6 which states, "In accordance with Board Policy 6, the District protects its public water system at the service connection against any actual or potential cross-connection between the public water system and any source or system containing used water, industrial fluid, gas or other substance that is not, or cannot be, approved as safe, wholesome and potable for human consumption. Such protection is enforced through California Code of Regulations Title 17 Section 7584, which requires the District to comply with all applicable state and federal laws required by the Safe Drinking Water Act of 1974, as they are now constituted, or as they may hereafter be amended or recodified, and implemented through the District's "Cross-Connection Control and Prevention of Backflow Program."

3. District shall supply to the Consultant blank District test reports and list of all contracted assemblies to be tested for the contract year prior to the beginning of testing.
4. Provide basic onsite cleaning of internal components of assemblies and retest if initial test fails.
5. Consultant shall furnish all labor, materials, tools, equipment, supplies, facilities, vehicle and supervision necessary to provide annual tests and basic onsite cleaning.
6. Consultant shall locate assembly and schedule testing arrangements with customers/occupants. Up to 20% of the contracted assemblies may require a separate visit for scheduling purposes.
7. Notification of service interruption:
  - Residential: Attempt to verbally notify occupants via front door
  - Commercial: Notify authorized onsite representative for each affected suite or building.
8. Consultant will not perform any repairs other than basic onsite cleaning at time of initial test. Consultant shall provide written notification to District daily via email of assemblies that did not pass tests following onsite cleaning and retest.
9. Notify District immediately of illegal cross-connections, incorrect installations, or any other potential hazard to the water system observed during annual backflow prevention assembly test.
10. Provide District accurate and complete individual original hardcopy of test report for each tested assembly for previous week by the last business day of the following week.
11. Hole punch current year on testing tag with Consultant-supplied hole punch tool or tag each assembly with District-supplied tags if missing.
12. Provide District with annual test kit calibration documentation for all test kits used prior to annual expiration date.
13. Any other duties or requirements needed to ensure the satisfactory completion of the aforesaid testing goals.

### **MINIMUM QUALIFICATIONS**

- Current CA/NV AWWA Backflow Prevention Assembly or equivalent District-approved General Tester Certification
- All required certifications expiring during contract period must be renewed and copies supplied to District prior to expiration date
- Test kits must be those approved by the University of Southern California Foundation for Cross-Connection Control

## **OUTCOME AND PERFORMANCE STANDARDS**

Consultant shall provide a monthly performance schedule five working days prior to the beginning of each month showing tests to be completed for that month. All contracted backflow prevention assemblies must be tested no later than October 31, 2011. Consultant shall test no less than 200 assemblies per week beginning July 2011. A copy of the paperwork for this testing must be filed with the District within the timeframes outlined in the scope of work provided in Exhibit A.

## **DELIVERABLES**

A complete list of all testers and a copy of their current certification will be required prior to testing. Annual test kit calibration documentation must be submitted as it comes due. Individual test results for the previous week shall be submitted to District by the last business day of the following week.

**EXHIBIT B**

**ANNUAL BACKFLOW PREVENTION ASSEMBLY TESTING & REPAIR  
COST SCHEDULE**

Type of Device	Device Size	# of Devices	\$ per Device	Extended \$
RPs (& RPDAs)	3/4"	38		
	5/8"	2		
	1"	93		
	1-1/4"	13		
	1-1/2"	140		
	2"	120		
	2-1/2"	4		
	3"	11		
	4"	7		
	8"	2		

DCs	5/8"	4		
	3/4"	809		
	1"	155		
	1-1/4"	1		
	1-1/2"	37		
	2"	26		
	3"	2		
	4"	1		
	6"	1		

PVBs		3		
------	--	---	--	--

DCDAs	1"	58		
	1-1/2"	1		
	2"	7		
	2-1/2"	6		
	3"	1		
	4"	111		
	6"	210		
				<b>TOTAL</b>



## EXHIBIT C

### INSURANCE REQUIREMENTS

**Attachment A** – Example of the Certificate of Liability. This is the main document we require, which shows the General Liability and Automobile policy information. Please note that the District requires at least \$2M limits in each of these areas. Also, the Worker's Comp. policy information should be noted where indicated. (**Attachment G** is State Comp. Ins. Fund's Certificate of Workers' Comp Insurance – this is also acceptable.)

**Attachments B & C** – These are examples of the "Additional Insured" Endorsements for the General Liability policy. NMWD requires that they be named as additional insured, and the District should be named as noted. Either form is acceptable, provided that pertinent information is offered.

**Attachments D, E & F** – These examples are three types of Additional Insured Endorsement forms for the Business Auto policy, any of which is acceptable. The District requires that they be named as additional insured on the auto policy as well, as indicated.

Attachments A, either B or C, and any of D, E or F (total of three forms) must be in place at and approved by the District prior to the commencement of any work on the contractor's part or disbursement of any funds.

ACORD

# CERTIFICATE OF LIABILITY INSURANCE

OP ID KM

DATE (MM/DD/YY)

PRODUCER	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
	<b>INSURERS AFFORDING COVERAGE</b>
INSURED	INSURER A:
	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:

### COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY				EACH OCCURRENCE <b>\$ 1,000,000</b>
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				FIRE DAMAGE (Any one fire) <del>\$ 100,000</del> MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident) <b>\$ 1,000,000</b>
	<input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS				BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	EXCESS LIABILITY				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS <input type="checkbox"/> OTHER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Re: Operations of the Named Insured for the Certificate Holder.

**RECEIVED**

\* Ten day notice will be sent for non-payment of premium cancellations  
30\*XCG2033 7/98/UCA258

NOV 13 2001

CERTIFICATE HOLDER	<input checked="" type="checkbox"/> ADDITIONAL INSURED; INSURER LETTER: _____	CANCELLATION
NORTHMA  North Marin Water District P.O. Box 146 Novato, CA 94948		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED FOR REASON OF THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30*</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE: _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

→ **ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

A. Section II - Who Is An Insured is amended to include as an insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability arising out of your ongoing operations performed for that insured. A person's or organization's status as an insured under this endorsement ends when your operations for that insured are completed.

*contract language*

B. With respect to the insurance afforded these additional insureds, the following additional exclusion applies:

This insurance does not apply to:

"Bodily injury", "property damage", "personal injury" or "advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
2. Supervisory, inspection, architectural or engineering activities.

~~Additional Insured: North Marin Water District  
P.O. Box 146  
Novato, CA 94948~~

Policy Number:

Commercial General Liability

**THIS ENDORSEMENT CHANGES THE POLICY - PLEASE READ IT CAREFULLY.**

**➔ ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS (FORM B)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

**SCHEDULE**

**Name of Person or Organization - Additionally Insured's:**

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

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you.

**POLICY NUMBER:**

**COMMERCIAL AUTO  
CA 20 48 02 99**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

**→ DESIGNATED INSURED**

This endorsement modifies insurance provided under the Following:

- BUSINESS AUTO COVERAGE FORM**
- GARAGE COVERAGE FORM**
- MOTOR CARRIER COVERAGE FORM**
- TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement effective:	Countersigned by:
Named Insured:	

(Authorized Representative)

**SCHEDULE**

**Name of Person(s) or Organization(s):**  
 North Marin Water District  
 P.O. Box 146  
 Novato, CA 94948

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in Section II of the Coverage Form.

→ ADDITIONAL INSURED

This endorsement modifies insurance provided under the following

→ BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
TRUCKERS COVERAGE FORM

SCHEDULE

Name of Organization: North Marin Water District

WHO IS AN INSURED (SECTION II) is amended to include as an insured the organization shown in the schedule, but only with respect to the operation of vehicles owned by the named insured and operated on behalf of the named insured. This endorsement does not apply to any operations for other than the named insured.

The additional insured is not required to pay for any premiums stated in the policy or earned from the policy. Any return premium and any dividend, if applicable, declared by us shall be paid to you.

You are authorized to act for the additional insured in all matters pertaining to this insurance.

We will mail the additional insured notice of any cancellation of this policy. If the cancellation is by us, we will give ten days notice to the additional insured.

The additional insured will retain any right of recovery as a claimant under this policy.

THIS ENDORSEMENT IS A PART OF YOUR POLICY AND TAKES EFFECT ON THE EFFECTIVE DATE OF YOUR POLICY UNLESS ANOTHER EFFECTIVE DATE IS SHOWN BELOW.

POLICY CHANGE NO.	EFFECTIVE DATE OF THIS POLICY CHANGE
POLICY NUMBER	NAMED INSURED:
COUNTERSIGNED DATE	AUTHORIZED REPRESENTATIVE



POLICY NUMBER

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**→ ADDITIONAL INSURED  
DESIGNATED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE FORM
- GARAGE COVERAGE FORM
- TRUCKERS COVERAGE FORM

**SCHEDULE**

Name and Address of Person or Organization:

**NORTH MARIN WATER DISTRICT  
999 RUSH CREEK PLACE #146  
NOVATO CA 94948**

**DISTRICT POLICY & SIMPLE STATE "AS THEIR INTEREST MAY APPEAR"**

- A. The person or organization shown in the Schedule is included as an insured but only if liable for the conduct of an "insured" and only to the extent of the liability.
- B. CANCELLATION
  1. If we cancel the policy, we will mail or deliver notice to such person or organization in accordance with the Common Policy Conditions.
  2. If you cancel the policy, we will mail or deliver notice to such person or organization.
  3. Cancellation ends this agreement.

**BU1114(3-01)**

**STATE  
COMPENSATION  
INSURANCE  
FUND**

P.O. BOX 807, SAN FRANCISCO, CA 94142-0807

**CERTIFICATE OF WORKERS' COMPENSATION INSURANCE**

ISSUE DATE: 10-01-2004

GROUP:  
POLICY NUMBER:  
CERTIFICATE ID:  
CERTIFICATE EXPIRES:

NORTH MARIN WATER DISTRICT  
999 RUSH CREEK ROAD  
NOVATO CA 94945

NC

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

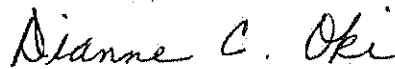
This policy is not subject to cancellation by the Fund except upon 10 days' advance written notice to the employer.

We will also give you 10 days' advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.



AUTHORIZED REPRESENTATIVE



PRESIDENT

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000.00 PER OCCURRENCE.

STANDARD EXCLUSION: INDIVIDUAL EMPLOYERS AND HUSBAND AND WIFE EMPLOYERS ARE NOT ELIGIBLE FOR BENEFITS AS EMPLOYEES UNDER THIS POLICY.

EMPLOYER

LEGAL NAME

RECEIVED  
SEP 21 2004

NORTH MARIN WATER DISTRICT



8

MEMORANDUM

To: Board of Directors  
From: Robert Clark, Operations / Maintenance Superintendent *RC*  
Subject: May 2011 Vehicle/Equipment Auction  
X:\MAINT SUP\2011\BOD\BOD Memo Vehicle Auction 511.doc

May 13, 2011

**RECOMMENDED ACTION:** Approve disposal of surplus equipment  
**FINANCIAL IMPACT:** \$10,000 income (estimated)

The fleet has maintained several assets as spares or back-ups for primary equipment for the past several years. However, with recent emission requirements and FY 2010/11 equipment purchases, staff can no longer justify the continued use and maintenance of this equipment.

Asset #9, a tilt deck trailer, has not been utilized for several years and the breaks are currently inoperable. Asset #10, a flat bed truck used as a hoist truck, is no longer certifiable and needs continuous maintenance. Asset #63 is an air compressor that is no longer emission compliant in California. Asset #65 is an emergency power generator that is no longer emission compliant in California. Asset #10a is a crain/hoist and is not certifiable in its current condition and will cost more then it's worth to upgrade.

Staff has researched the current value for the surplus equipment listed below and believes that we can sell them through 1st Capitol Auction, a bonded resale agent located in Vallejo.

The following equipment will be sold at auction:

- Asset #9A  
1991 Trail King Tilt Deck Trailer TKT-20-2000  
VIN# 1TKC02021KM102518  
Est. Value \$2,000
- Asset #10  
1971 Chevy Flat Bed Truck  
VIN# CE531P115504  
Est. Value \$1,000
- Asset #63  
1992 Ingersoll-Rand 185 Air Compressor  
VIN# 205060U328  
Est. Value \$1,500
- Asset #65  
1986 Caterpillar Generator with Trailer  
VIN# CA467550  
Est. Value \$5,000
- 1990 Auto Crane #10a  
Model # 8005H  
Serial # 480000-002-163-D0-10-90  
Est. Value \$500

Recommendation

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

Approved by GM *CD*

Date 5/13/2011

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## MEMORANDUM

To: Board of Directors May 13, 2011  
From: David L. Bentley, Auditor-Controller  
Subj: Rate Increase Letter to West Marin Water and Oceana Marin Sewer Customers  
t:\acl\word\budget\wm\12\2011 prop 218 ltr cover memo.docx

**RECOMMENDED ACTION:** Approve Letter to Customers

**FINANCIAL IMPACT:** \$1,000

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, July 5, 2011 at 7:30 PM at the Dance Palace in Point Reyes Station. The July 5 date requires that the letters be mailed by May 21, 2011. The letter will be printed in-house and postage, stationary and copying cost for the 997 active customers will be approximately \$1,000.

### **West Marin Water**

The rate increase proposed for West Marin Water customers will generate 9% in additional revenue. Consistent with the structure of the increase proposed for Novato customers, the fixed bimonthly service charge component of the water bill for a 5/8" meter, which comprises 77% of the installed meters, is proposed to increase \$5 (to \$20) effective August 1, 2011. The charge for other meter sizes is proposed to increase proportionally. The commodity rate is proposed to increase 6%.

The percentage increase for each customer will vary based upon their individual water use. The Rate-Increase Model on the District's website will allow 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.

### **Oceana Marin Sewer**

A 5% rate increase (\$3 to \$58 per month) effective August 1, 2011 is proposed for the Oceana Marin sewer service charge, which has been \$55/month since 2004. The increase would generate an additional \$8,000 annually to assist in paying for the replacement of several thousand feet of AC pipe.

The proposed letters are attached for Board review and comment. Legal counsel is reviewing the letters to assure compliance with Prop 218. Staff will have their comments at the meeting.

### **RECOMMENDATION:**

Approve mailing the rate increase letters to customers.

DRAFT

May 20, 2011

Account Name  
NMWD Account #  
Mailing Address  
Mailing Address

**RE: Notice of Proposed 9% Water Cost Increase – West Marin Service Area**

Dear Customer:

This letter is to advise you of **proposed increases to West Marin water rates and charges** that would take effect on August 1, 2011. It also provides information about a **Public Hearing on July 5, 2011**, at which 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 are the proposed rate increases?**

An increase in rates and charges averaging 9% is recommended.

**How will the proposed increase affect my water bill?**

The proposed increase in the commodity rate and service charge would add \$4.50 per month (\$54 annually) to the cost of water for the typical (median) single-family residential customer who consumes 65,000 gallons of water annually. Those using less than the median will see an increase less than \$54 annually, and those using more would pay more.

The increase for non-residential customers (commercial, institutional and irrigation accounts) will vary based on water use. The median non-residential account would see a 10% increase commencing August 1, 2011.

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 (shown above) into the Rate-Increase Model on NMWD's website at <http://www.nmwd.com/accountbalance.php>.

**Why are rates being increased?**

The West Marin Water System exhausted its cash reserves in May 2005 to pay for the Long Range Improvement Project Plan which was developed with community support in 2001. Money has been borrowed from the Novato Water System to continue work on the Improvement Projects and bridge the funding shortfall. The loan from Novato stood at \$352,000 at April 30, 2011. Assuming continued annual enactment of the proposed 9% rate increases, the debt is projected

to be repaid in 2013. Long Range Improvement Projects completed to date are shown on Attachment A.

**Additional Information**

Attachment A also provides detail of the various rates and customer categories. We realize that no one likes to see rates increase. However, we need to be able to adequately finance West Marin operations in order to continue to provide a clean and reliable water supply. We appreciate the opportunity to serve you.

**A public hearing before the NMWD Board of Directors to consider the proposed rate increase is scheduled for 7:30 pm, Tuesday, July 5, 2011, 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 imposed.

Your written protest must be received prior to the close of the July 5, 2011 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 visit NMWD's website at [www.nmwd.com](http://www.nmwd.com) or call the District Secretary at (415) 897-4133.

Sincerely,



Chris DeGabriele  
General Manager

**West Marin Long Range Improvement Project Plan – Status Report**

<b>Project</b>	<b>4/30/11</b>	<b>Status</b>
1 Replace PRE Tank #3 - 25,000 gal.....	\$91,759	Complete
2 Install 3 Standby Booster Pumps & Controls @ PRE...	159,990	Complete
3 Bear Valley Pump Station Upgrade.....	88,132	Complete
4 Replace Pt. Reyes 100,000 gal tank w/180,000 gal.....	399,707	Complete
5 Replace Olema 80,000 gal tank w/150,000 gal.....	561,742	Complete
6 Install Parallel 8" Main on Hwy 1.....	180,000	Complete
7 Upgrade Inverness Park PS w/2 150 gpm pumps.....	157,888	Complete
8 Install Pressure Reducing Valve @ Inverness Park PS	13,046	Complete
9 Replace 30,000 gal Inverness Park Bolted Steel Tank..	164,262	Complete
10 Tank Seismic Upgrades.....	86,319	In Progress
11 Replace PRE Tank #4A - 82,000 gallon.....	22,328	In Progress
	<u>\$1,925,173</u>	

**PROPOSED**

**West Marin Water System Rate Changes**

EFFECTIVE AUGUST 1, 2011

	<b>Existing</b>	<b>Proposed</b>	<b>% Increase</b>	
<b>BIMONTHLY MINIMUM SERVICE CHARGE</b>				
For 5/8 x 3/4-inch meter.....	\$15.00	\$20.00	33%	
For 1-inch residential meter for fire service.....	\$15.70	\$22.00	40%	
For 1-inch meter.....	\$30.00	\$40.00	33%	
For all meters in Paradise Ranch Estates.....	\$37.00	\$37.00	0%	
<b>QUANTITY CHARGE</b>				
<b><u>Residential Rate Per Dwelling Unit</u></b>				
First 400 gallons per day.....	\$5.66	\$6.00	6%	
From 401 to 900 gallons per day.....	\$7.84	\$8.31	6%	
From 901+ gallons per day.....	\$12.58	\$13.33	6%	
<b><u>Commercial, Institutional &amp; Irrigation Rate</u></b>				
November 1 through May 31.....	\$5.66	\$6.00	6%	
June 1 through October 31.....	\$7.84	\$8.31	6%	
<b>PLUS A HYDRAULIC ZONE CHARGE/1,000 GAL</b>				
<b>Zone</b>	<b>Hydraulic Zone</b>			
1	Point Reyes Station.....	\$0.00	\$0.00	0%
2	Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0' - 365').....	\$0.15	\$0.16	6%
3	Olema.....	\$0.56	\$0.59	6%
4	Upper Paradise Ranch Estates (Elevation 365'+).....	\$3.78	\$4.01	6%
Additional Commodity Rate for Consumers Outside the Improvement District Boundary.....				
	\$2.26	\$2.40	6%	

DRAFT

May 20, 2011

**RE: Notice of Proposed 5% Sewer Service Cost Increase – Oceana Marin**

Dear Customer:

This letter is to advise you of a **proposed increase to the Oceana Marin sewer service charge** effective August 1, 2011. It also provides information about a **Public Hearing on July 5, 2011**, at which 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?**

An increase in the sewer service charge of 5% (\$3 per month - \$36 annually) is proposed.

**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 \$3 per month to the cost of sewer service for all customers in Oceana Marin, resulting in a total annual charge for the 2011/12 fiscal year of \$693 (\$55 for July plus \$58 per month for August through June 2012).

**Why are rates being increased?**

The sewer service charge in Oceana Marin has remained unchanged since 2004. The cost to replace several thousand feet of aging 6" asbestos-cement pipe with PVC (at \$100/ft.) in areas where the pipe runs cross-country will draw-down Oceana Marin's \$344,000 reserve balance. The proposed 5% increase would generate an additional \$8,000 annually to assist in paying for the pipeline replacement.

**Public Hearing**

**A public hearing before the NMWD Board of Directors to consider the proposed sewer service charge increase is scheduled for 7:30 pm, Tuesday, July 5, 2011, 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 increase will not be imposed.



Your written protest must be received prior to the close of the July 5, 2011 public hearing. Written protests must be signed by the property owner and must include a description of the parcel (parcel number). Send or deliver written protests to:

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

For more information visit NMWD's website at [www.nmwd.com](http://www.nmwd.com) or call the District Secretary at (415) 897-4133.

Sincerely,

A handwritten signature in black ink that reads "Chris DeGabriele". The signature is written in a cursive, flowing style.



Chris DeGabriele  
General Manager

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## MEMORANDUM

To: Board of Directors

Date: May 13, 2011

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

Subject: Leveroni Creek Bank Repair - Project Update

R:\Folders by Job No\6000 jobs\6600 STP jobs\6600.60\6600.60 Project Update BOD Memo May-11.doc

**RECOMMENDED ACTION:** Information Only.

**FINANCIAL IMPACT:** None at this time, \$130,000 included in FY 2011/12 budget.

### Background

A budget of \$30,000 has been allocated for design and permitting of the Leveroni Creek Bank Repair Project in the FY 2010/11 and a budget of \$130,000 for construction of the project in FY 2011/12. Of the design and permitting budget, \$19,593 is expended to date. Leveroni Creek bank is eroding near the access road leading to the northern area (aka "peninsula") of the Stafford Water Treatment Plant (see **Attachment 1**, Vicinity Map). A vertical 9-ft tall bank on the outside bend of Leveroni Creek is in unstable condition. The perimeter fence and the paved access road to the peninsula area lie within 12-15 feet from the top of the bank. Leveroni Creek provides habitat for steelhead, a federally-listed salmonid and other species and the project requires permit approvals from the US Army Corps of Engineers, California Department of Fish and Game, Regional Water Quality Control Board (RWQCB) and the County of Marin.

The District staff prepared a preliminary design and at the December 21, 2010 meeting, the board authorized hiring Prunuske and Chatham Inc. (PCI), a firm experienced in similar restoration projects to complete the design and permitting process. PCI has so far completed hydrology and hydraulic studies, the design drawings, permit applications and obtained all necessary permits with the exception of the RWQCB permit. PCI is in communication with the RWQCB staff and expects to receive their permit approval by June 2011. The project is categorically exempt from environmental review (Class 4 – Section 15304: minor alterations to land) and the Notice of Exemption was filed on March 7, 2011. **Attachment 2** shows the proposed bank stabilization plan.

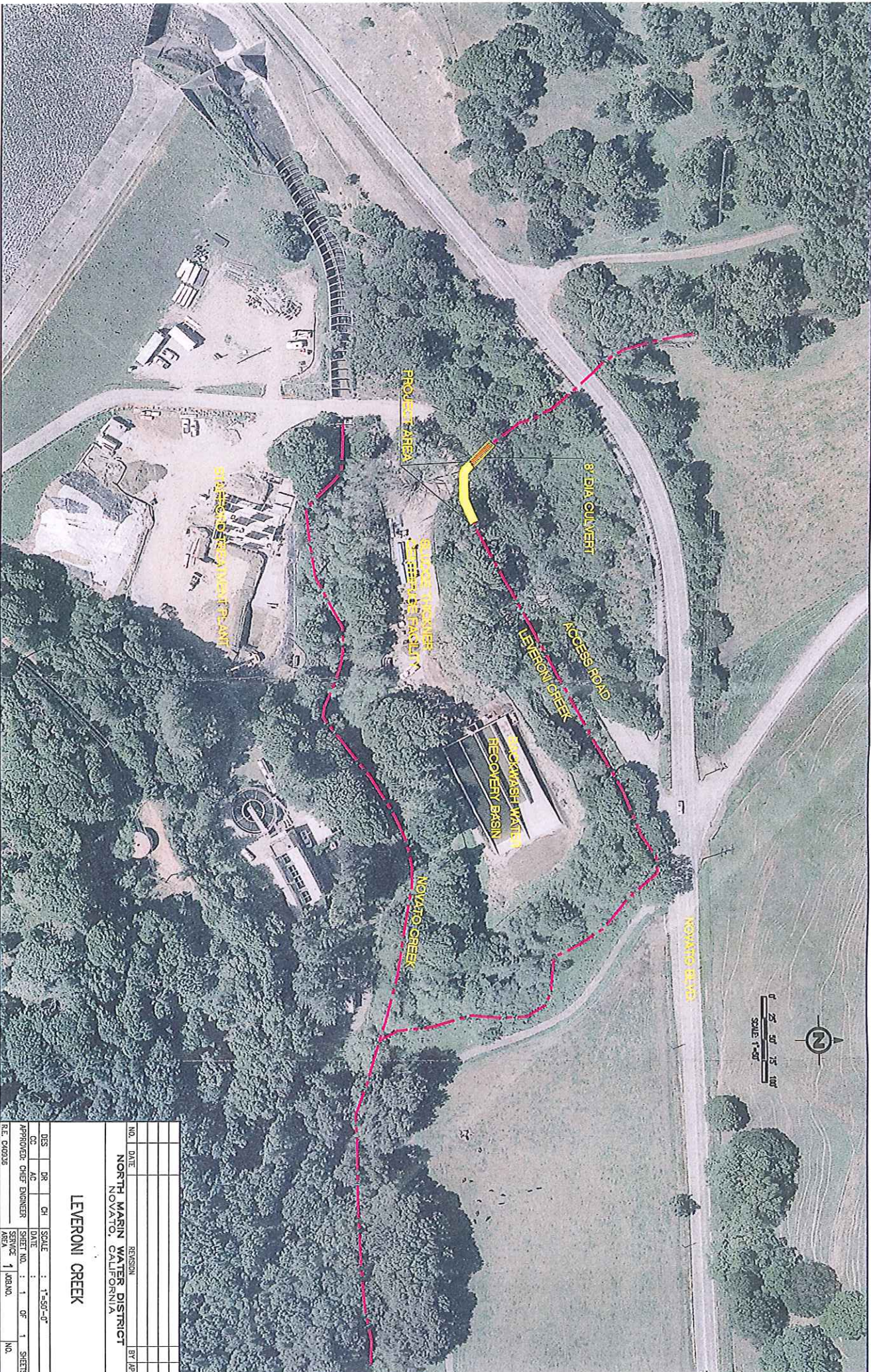
The proposed project will stabilize the eroding bank using a combination of willow-sprigged rock and biotechnical treatments. The design includes a rock toe, a lower bank rock stabilization structure along 70 feet of stream bank, which will extend 3 feet above the channel bed and a 10 foot and 20 foot extension of rock structure at the upstream and downstream

ends, respectively. Throughout the project length, boulders will have willow sprigs planted through them to provide roughness and shade. Above the rock toe, the bank will be laid back at a 1.5:1 angle and the slope will be stabilized with an erosion control blanket seeded with a native grass mix. The upper slope areas will be planted with 30 container plants. In addition to protecting the facility's infrastructure, the repair will improve winter steelhead habitat using a 30-foot log vane and rootwad structure tied into the rock to provide high-flow refugia and channel complexity.

#### Path Forward

The permits limit construction of the project to the period between July and October months. PCI has estimated \$105,000 if their crews are employed for the construction work. Staff recommends using District construction crews in construction of the project (to balance workloads). Since the District crew is not experienced in biotechnical treatments, staff also intends to hire the design engineer (PCI) to provide technical and permit compliance oversight during construction in FY 2011/12. PCI estimates \$10,567 for their oversight services.





**LEVERONI CREEK**

NO.	DATE	REVISION	BY	APP.

**NORTH MARIN WATER DISTRICT**  
NOVATO, CALIFORNIA

DES	DR	CH	SCALE	: 1"=50'-0"
QC	AC	DATE		
APPROVER	CHIEF ENGINEER	SHEET NO.	: 1	OF 1 SHEETS
		SERVICE AREA	: 1	JOB NO.
				NO.





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1

## MEMORANDUM

To: Board of Directors

May 13, 2011

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

Re: Update - Stafford Lake Sediment Survey Project  
Z:\Folders by Job No\6000 jobs\6600 STP jobs\6600.64\6600\_64 Lake\_survey-Status-5-13-11- BOD memo.doc

**RECOMMENDED ACTION:** Information Only.

**FINANCIAL IMPACT:** None.

### BACKGROUND

At the May 18, 2010 board meeting, the board approved a contract with Cinquini & Passarino (C&P) for not to exceed amount of \$32,100 plus a contingency of \$3,200 to perform a topographical survey of the Stafford Lake and sediment quantification. Total project costs are estimated at \$35,000 as reported to the Board in the Engineering Department Third Quarter Progress Report. C&P completed the topographical survey in 2010 and have identified areas of lake sedimentation. **Attachment 1** shows the 2010 topographical survey map and **Attachment 2** shows areas of sedimentation, color coded for sedimentation thickness.

The sedimentation map was produced by C&P by comparing the present topographic map to the 1984 topographic map provided by the District staff. The colored areas on **Attachment 2** show where sediment has accumulated in comparison to 1984 topography. The color coded legend shows the thickness of sedimentation. It should be noted that the accuracy of the comparison is governed by the accuracy of the 1984 data, accuracy of the digitization of that data, accuracy of overlaying the data, accuracy of datum conversions and accuracy of calculation techniques. Overall, the new data and the comparison are valuable for decision making and planning.

In March 2011, C&P was issued a change order for \$2,200 to prepare a stage-storage table (or a capacity curve) using the new survey data. C&P has calculated the inundated surface area and total lake storage at water level increments of one foot starting with the bottom most level and extending to the spill elevation. **Attachment 3** shows the stage-area-storage curve produced by C&P with the 2010 data.

### COMPARISON OF LAKE STORAGE (2010 VS 1984)

For this analysis, existing stage-volume data currently used by the operations staff were compared with the 2010 stage-volume data. Staff assumes that the operations curves reflect 1984 lake topography.



The 2010 survey shows that the lake capacity at spill elevation (196 ft NGVD 1929) is 4,272 Acre Feet (AF) compared to 4,287 AF in 1984. However, the Stafford Treatment Plant operation practice is to stop production when the lake level reaches 177 ft (NGVD 1929) elevation. Therefore the usable capacity is 3,261 AF (per 2010 survey). The lake storage below the 177 ft elevation is left as emergency storage. The boundaries of the operational range for water production in plan view are shown in **Attachment 2** by pink (196 ft) and grey (177 ft) colored lines.

The comparison shows a loss of storage (or sediment accumulation) of approximately 20 AF (0.6% of operational capacity) in water production. The loss of this storage is most likely caused by sediment inflow to the lake by creek flows, watershed runoff and eroding banks. The 20 AF sediment accumulation over 26 years calculates to approximately 1,240 cubic yards (CY) of sediment accumulation per year. On the average, 500 CY of sediment is collected and removed annually at the sediment dam along Novato Creek at the Grossi Marindale Ranch and another 20 CY at an un-named tributary south of the lake passing through the Indian Valley Golf Course. It can be concluded that the upstream sediment removal by the District has played a major role in preventing sedimentation of the lake over the years.

### RECOVERING LOST LAKE STORAGE

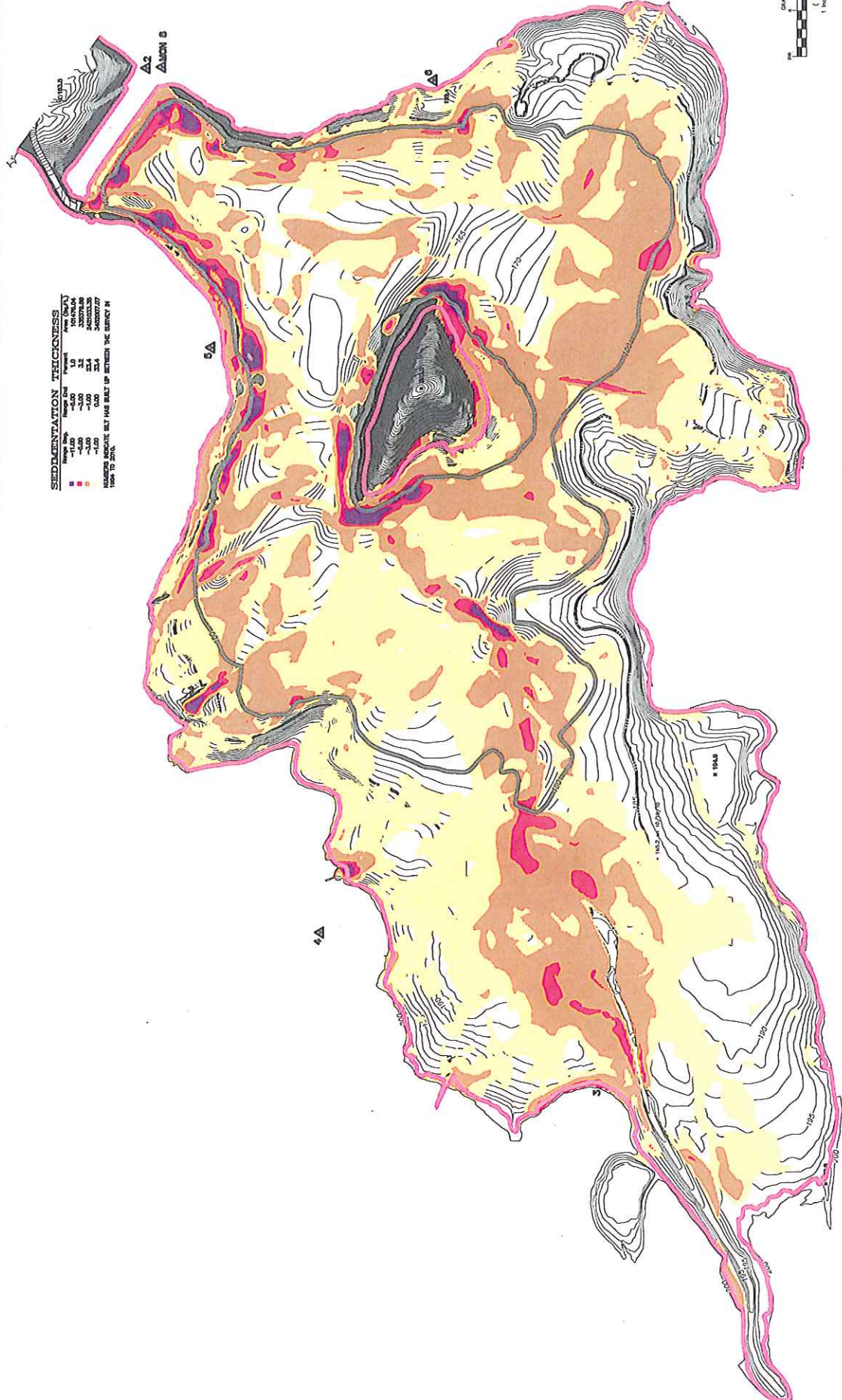
The outcome of the survey demonstrates that the loss of lake storage due to sediment accumulation is not very significant (0.6%) and dredging may not be necessary in the near future. A simple calculation was made using the stage-area curve to gain insight into potential storage recovery by sediment removal at the end of each water production season. Scraping the lake bottom by one foot, uniformly in the area within the 177 ft and 196 ft contour limits will recover approximately 125 AF (3.8%) of storage. If the preference is to dredge in a limited area, Attachment 2 would be helpful in selecting areas to dredge (as opposed to dredging at a uniform thickness in a larger area).

The current practice of routine sediment dam cleaning seems to be adequate in maintaining lake storage. If however, increasing lake storage becomes necessary in the future, there is data available for a dredging project. In addition, the new survey provides a good base map for future surveys projects. High resolution data is now available in three-dimensional coordinates. This project will also be useful as background information for the Local Water Supply Enhancement Study budgeted for FY 2012/13.









**SEDIMENTATION THICKNESS**

Color	Thickness (Feet)
Blue	0.00
Green	0.00
Yellow	0.00
Orange	0.00
Red	0.00
Purple	0.00

NUMBERS INDICATE BENT HAS BEEN UP BETWEEN THE SURVEY IN 1964 TO 2010.

**NOTE:**  
 THIS MAP SHOWS THE DIFFERENCE BETWEEN THE 1964 CONTOURS WHICH WERE COMPUTED BASED ON THE NEW SURVEY DATA AND 1964 SURVEY DATA.  
 THE CONTOURS SHOWN ARE BASED ON THE 2010 SURVEY PREPARED BY TECH, INC. AND WAS PLANNED ON OCTOBER 10, 2010.

**LEGEND**

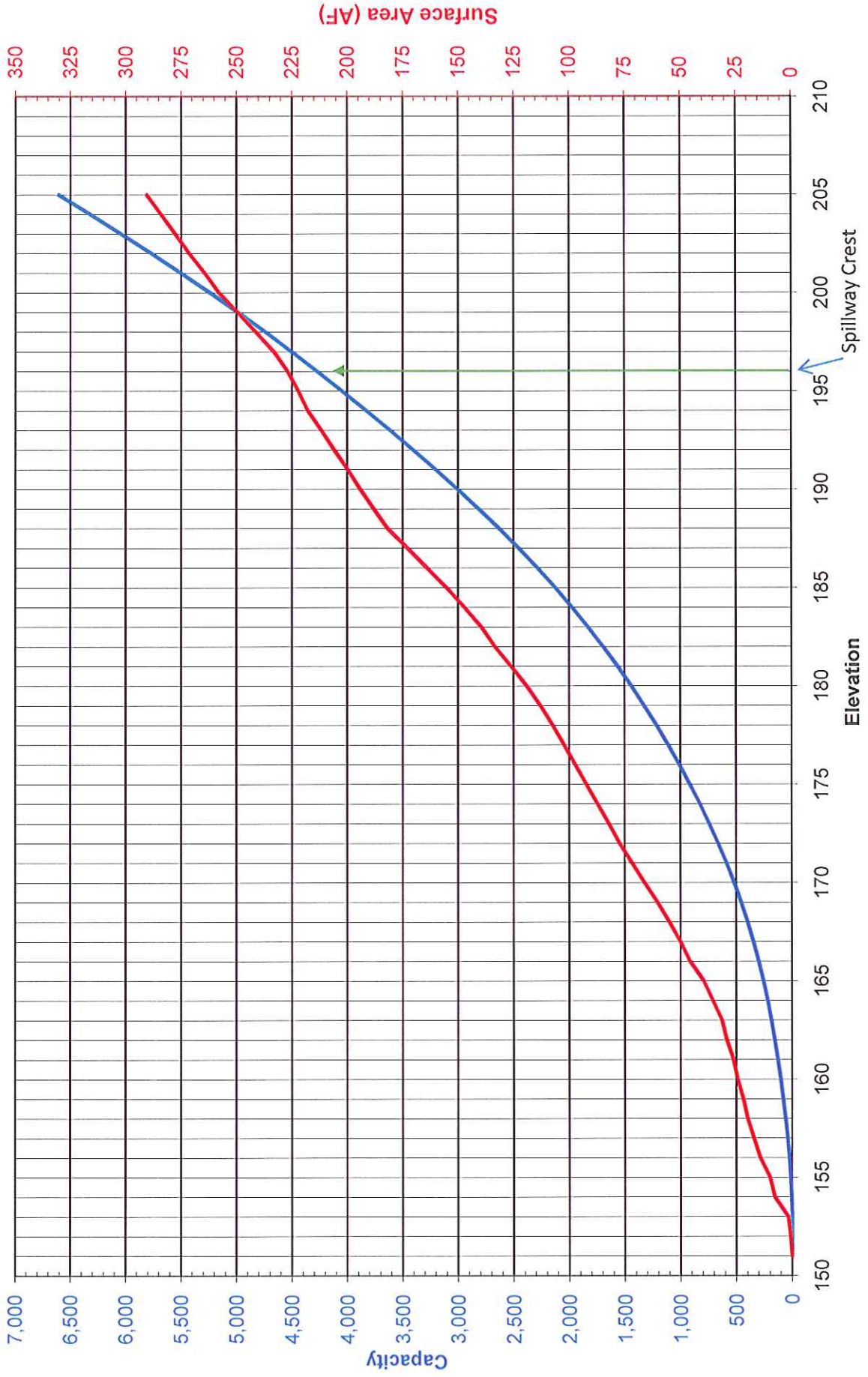
— WATER LEVEL = 184.2% ON OCTOBER 19, 2010

▲ PROJECT CONTROL POINT

JOB NUMBER	STAFFORD LAKE	DRAWN BY	MM	CHECKED BY	JAD
DATE	10/19/10	SCALE	1"=200'	DATE	10/19/10
PROJECT	SEDIMENTATION ANALYSIS	SHEET 1 OF 1		JOB NUMBER	620-0-0
<p><b>CONTRIBUTOR &amp; PUBLISHER, INC.</b></p> <p>1500 N. BAYVIEW AVE. #100 PHOENIX, AZ 85018        (602) 944-2500 FAX (602) 944-2501        WWW.CONTRIBUTOR.COM</p>					


Based on Operations Excel table

### Stafford Lake 2010 Survey



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## MEMORANDUM

To: Board of Directors  
From: Pablo Ramudo, Water Quality Supervisor   
Subject: Third Quarter FY 10/11 – Water Quality Report  
P:\LAB\WQ Supv\WQ Reports\3rd Qtr FY11 WQ Rpt.doc

May 13, 2011

**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** \$0

The water served to the communities of Novato and Point Reyes met federal and state primary and secondary water quality standards during the Third quarter of fiscal year 2010-2011.

Following is a review of the activities and water quality issues in regards to:

- Source Water
- Treatment Performance
- Distribution System Water Quality

### SOURCE WATER

#### Stafford Lake

Stafford Lake water was used as a source of drinking water this quarter beginning on March 4th. Water quality was monitored on a weekly basis for chemical and mineral components and monthly for microbiological activity.

Algae from the raw water intake were identified and enumerated. Total algae numbers were relatively large for winter months. Most abundant were the green filamentous algae *Tribonema*, the Diatoms *Stephanodiscus*, and *Asterionella*, and the blue green species *Microcystis* and *Coelospherium*.

#### Stafford Lake Watershed

During the rainy season, we conduct our monthly watershed monitoring program. Water runoff entering Stafford Lake is sampled at eight different locations (flow permitting). The water is analyzed for fecal coliform bacteria, as well as for nutrients (three forms of nitrogen and two forms of phosphorous) as well as solids. As in years past, these tests show the load of nutrients and sediments entering the lake can be measured in the hundreds of tons. We found high levels of fecal coliform, nitrate and phosphate at several locations. The locations showing the highest concentrations of contaminants: the two drainage culverts below Grossi Dairy, and the creek which flows past the Stafford Lake Park residence.

### **Point Reyes**

Raw water quality was good throughout the quarter. As a result of the saltwater intrusion that began in July of 2009 salinity has not returned to its historical baseline level. Chloride ranged from 25-35 mg/L, sodium ranged from 41-53 mg/L. Hardness did fall within a normal baseline range of 69-80 mg/L. Since monitoring for bromide is new for NMWD there is no consistent historical record. For data collected during the last three years, this quarter's average bromide concentration of 130 ug/L (micrograms per liter) appears to be slightly elevated from the apparent baseline level of below 50 ug/L.

Coliform bacteria present in well #3 following rehabilitation and maintenance work in November kept the well off from service for most of the quarter. The well was disinfected with chlorine and flushed several times while monitoring continued. The well was finally put back into service in late February after tests showed coliform bacteria were no longer present in the well.

## **TREATMENT PERFORMANCE**

### **Stafford Treatment Plant**

Stafford treatment plant began to produce water on March 4th. Startup went well this year and water quality problems with sediment and color that have occurred with startup in the past were minimal.

Total organic carbon (TOC) removal was 61%, well above the 35% required. Final TOC concentration at 2.25 /L was close to the optimal level of 2mg/L, the resulting concentration of disinfection byproducts are below the maximum contaminant limit (MCL).

### **Point Reyes Treatment Plant**

Treatment was optimal throughout the quarter and finished water quality was good. Concentrations of water quality parameters affected by salt water were elevated from baseline levels but were not high enough to necessitate public notification.

## **DISTRIBUTION SYSTEM WATER QUALITY**

### **Novato**

There were no coliform positive samples this quarter. Chlorine residual concentrations throughout our distribution system were good.

Average disinfection by-product concentrations were well below the MCL.

### **Point Reyes**

There were no coliform positive samples this quarter. Chlorine residual concentrations throughout our distribution system were good.

Due to the exceedance of the Maximum Contaminant Limit (MCL) for Total Trihalomethanes (THMs) at one monitoring location in August 2009 and February 2010, the District has been instructed by the California Department of Public Health (CDPH) to conduct increased monitoring for THMS in the Point Reyes system. The Sample collected during the third quarter at the same location was below the MCL for THMs. The increase in THMs recorded in 2009 and 2010 can be attributed to higher concentrations of bromide from salinity intrusion.



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## MEMORANDUM

To: Board of Directors  
From: Robert Clark, Operations / Maintenance Superintendent *REC*  
Subject: Third Quarter 2010/11 Update  
X:\MAINT SUP\2011\BOD\Q3 10-11 O&M update.doc

May 13, 2011

**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** None

The Operations and Maintenance group is comprised of the Water Quality staff, the Water Treatment and Distribution Operators and the Facilities Maintenance Technicians. Together this group ensures the District maintains its high level of water quality provided to its customers in the most cost-efficient manor. The primary objectives for the group include completion of the Stafford Treatment Plant shutdown projects and maintenance tasks and to complete critical water quality reports to our environmental and health regulators.

### **Treatment / Distribution Operations:**

With the wet winter conditions, Operations staff treated 160-acre feet (52 MG) of Stafford Lake water in March. This is an increase of 63 AF over the same period last year and was primarily due to a variance from the Novato Sanitary District enabling waste discharge seasonal flows above 40,000 gallons per day. The lake continued to spill over into April and Stafford Water Treatment Plant production will ramp up to 4 mgd May 1<sup>st</sup>. The annual hydrant operations and distribution system flushing programs were completed at reduced level similar to two years ago, only flushing zones 1, 2 and the dead ends throughout the Novato system. The final revisions to the Stafford Treatment Plant Chemical Risk Management Plan were completed and delivered to the US Environmental Protection Agency.

### **West Marin System:**

Overall flows at Point Reyes Station are only slightly up from where they were last year. Flushing was completed in the West Marin distribution system and was found to be as clean as last year, which is an improvement from past years. With this result staff will again plan to skip the flushing next year unless there are any unforeseen changes in the operations of the systems.

### **Oceana Marin (OM):**

Good performance continued with Phillips and Associates performing operations and maintenance tasks. March had maximum month flow during this quarter with just over 1,090,718 gallons going to the storage and treatment ponds. The maximum day occurred in March with 67,772

gallons. The peak flows continue to be influenced by storm water infiltration throughout the collection system. With the intermittent rain, freeboard levels have been able to be maintained at around 3.9 feet through the end of the period.

**Maintenance:**

E-M staff responded to various storm related outages. At Novato pump stations no extended power or communications downtime was experienced. Pump station controller issues continue as a result of repeated lightning strikes in Paradise Ranch Estates. With help from two vendors we have made changes to the grounding system and installed isolating fuses with varying success. The latest efforts have focused on the grounding of the tank level sensor device and the last set of storms did not have an impact.

Building and Grounds staff took care of several small trees and limbs that came down during the February storms. Staff removed graffiti from the Crest and Air Base tank sites. Local authorities were provided with pictures of these incidents, but staff has not been informed that law enforcement has made any identification of who is doing this.

Cross Connection Control (CCC) Program staff has been preparing for the senior staff retirement; Jim Diggs retired at the end of April. Eric Kurfirst will become our CCC specialist and the Operations / Maintenance staff will review alternatives to managing the program moving forward.

Fleet maintenance staff has kept up with the ever-changing vehicle emission requirements and have identified a few fleet equipment items that we need to surplus. While most of these items have seen limited use as back up equipment, we do have the need moving forward for a field crane / hoist truck that we will rent in the future.

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**MEMORANDUM**

To: Board of Directors  
From: David L. Bentley, Auditor-Controller  
Subj: Presentation for Novato Water Rate Increase Public Hearing  
t:\ac\word\memo\11\2011 rate hearing presentation cover memo.doc

May 13, 2011

**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** None

Staff will make a "dry-run" of the proposed presentation to be given at the rate hearing on May 24 to solicit Board suggestions and comments.

To date 67 written protests have been received, along with 7 phone calls and 1 walk-in regarding the proposed increase.

Also attached is Regulation 54 prepared in strike-out mode that will be presented for Board approval at the May 24 meeting.

**DRAFT**

**NORTH MARIN WATER DISTRICT  
REGULATION 54  
WATER RATES**

a. Rates for Domestic, Commercial and Industrial Users, Novato Service Area

(1) The following minimum service charge and water quantity rates shall be paid for domestic, commercial and industrial water service for each meter once every two months:

**A BI-MONTHLY SERVICE CHARGE OF:**

	Rate Effective <u>6/1/10</u>	Rate Effective <u>6/1/11</u>	Rate Effective <u>6/1/12</u>	Rate Effective <u>6/1/13</u>
Standard 5/8 inch meter	<del>\$14.40</del>	\$20.00	\$25.00	\$30.00
For 1-inch meter (see paragraph F)	<del>\$28.80</del>	\$40.00	\$50.00	\$60.00
1.5-inch meter	<del>\$35.30</del>	\$49.00	\$61.00	\$73.00
2-inch meter	<del>\$54.95</del>	\$76.00	\$95.00	\$114.00
3-inch meter	<del>\$108.55</del>	\$151.00	\$189.00	\$227.00
4-inch meter	<del>\$173.95</del>	\$242.00	\$303.00	\$364.00
6-inch meter	<del>\$364.95</del>	\$507.00	\$634.00	\$761.00
8-inch meter	<del>\$544.15</del>	\$756.00	\$945.00	\$1,134.00

**PLUS A QUANTITY CHARGE OF:**

	Rate Effective <u>6/1/10</u>	Rate Effective <u>6/1/11</u>	Rate Effective <u>6/1/12</u>	Rate Effective <u>6/1/13</u>
<u>Residential Rate for Each 1,000 Gallons</u>				
First 615 gallons per day (gpd)	<del>\$3.29</del>	\$3.49	\$3.73	\$4.03
616 up to 1,845 gpd	<del>\$5.24</del>	\$5.55	\$5.94	\$6.42
Use in excess of 1,845 gpd	<del>\$9.11</del>	\$9.66	\$10.34	\$11.17

Rate for 1,000 Gal for All Other Potable  
Water Accounts

Commercial, Institutional & Irrigation Accounts - Nov 1 – May 31	<del>\$3.62</del>	\$3.84	\$4.11	\$4.44
Commercial, Institutional & Irrigation Accounts - June 1 – Oct 31	<del>\$3.90</del>	\$4.13	\$4.42	\$4.77

Rate for 1,000 Gallons for non-potable  
water

Recycled Water.....	<del>\$3.62</del>	\$3.84	\$4.11	\$4.44
Raw (Untreated) Water from Stafford Lake	<del>\$1.49</del>	\$1.58	\$1.69	\$1.83

**PLUS AN ELEVATION ZONE CHARGE FOR EACH 1,000 GALLONS**

<u>Zone</u>	<u>Elevation</u>	Rate Effective <u>6/1/10</u>	Rate Effective <u>6/1/11</u>	Rate Effective <u>6/1/12</u>	Rate Effective <u>6/1/13</u>
A	0 through 60 feet	\$0.00	\$0.00	\$0.00	\$0.00
B	60 feet – 200 feet	\$0.39	\$0.41	\$0.44	\$0.48
C	200 feet – 400 feet	\$1.26	\$1.34	\$1.43	\$1.54
D*	400 feet +	\$2.25	\$2.05	\$1.81	\$1.54

NMWD Regulation 54, adopted 1/65  
Revised: 1/67, 6/67, 1/71, 3/72, 2/74, 5/74, 6/74, 8/75, 3/75, 4/76, 5/77, 7/77, 6/78, 7/78, 7/78, 7/79, 3/80, 7/7/81, 7/21/81, 11/81, 12/82, 4/84, 2/87, 5/88, 7/89, 9/89, 7/90, 8/90, 3/91, 4/92, 6/92, 7/92, 9/92, 10/92, 3/93, 7/93, 7/94, 8/94, 11/94, 3/95, 4/95, 7/95, 2/96, 5/96, 6/96, 2/97, 6/97, 2/98, 6/98, 7/99, 6/00, 7/00, 12/00, 06/01, 07/01, 1/02, 06/02, 7/02, 06/03, 01/04, 06/04, 07/04, 6/05, 7/05, 06/06, 07/06 12/06, 07/07, 6/08, 7/08, 7/09, 6/10, 7/10

\*Any consumer receiving water through a District owned and maintained hydro-pneumatic system shall be assigned to Zone D irrespective of said consumer's actual elevation.

- (2) ~~Effective June 1, 2010 untreated water provided from Stafford Lake shall be paid once every two months at the following rate:~~  

~~\$1.40 per 1,000 gallons~~
- (3) ~~Consumers outside the Improvement District boundary shall pay an additional 28¢/1,000 gallons the Elevation Zone C Rate.~~

**b. Rates for Service to Privately Owned Fire Protection Systems, All Service Areas**

The rates for service through detector check assemblies owned by the District to privately owned and maintained systems supplying sprinklers, hydrants or other facilities exclusively for fire fighting shall be paid once every two months as follows:

Size of Detector Assembly

	<u>Rate</u> <u>Effective</u> <u>6/1/10</u>	<u>Rate</u> <u>Effective</u> <u>6/1/11</u>	<u>Rate</u> <u>Effective</u> <u>6/1/12</u>	<u>Rate</u> <u>Effective</u> <u>6/1/13</u>
2 inches or less	<del>\$7.20</del>	\$10.00	\$12.50	\$15.00
4 inches	<del>\$13.10</del>	\$18.00	\$23.00	\$28.00
6 inches	<del>\$26.15</del>	\$36.00	\$45.00	\$54.00
8 inches	<del>\$39.25</del>	\$55.00	\$69.00	\$83.00
10 inches	<del>\$52.30</del>	\$73.00	\$91.00	\$109.00

**c. Rates for Domestic, Commercial and Industrial Users, West Marin Service Area:**

- (1) The following minimum service charge and water quantity rates shall be paid for domestic, commercial and industrial water service for each meter once every two months:

**MINIMUM SERVICE CHARGE**

Effective 8/1/10

For 5/8 x 3/4-inch meter .....	\$15.00
For 1-inch meter (see paragraph f) .....	\$30.00
For 1 1/2-inch meter .....	\$36.75
For 2-inch meter .....	\$57.25
For 3-inch meter .....	\$113.00
For 4-inch meter .....	\$181.25
For all meters in Paradise Ranch Estates .....	\$37.00

**PLUS A QUANTITY CHARGE**

<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	<u>Effective 8/1/10</u>
First 400 gallons per day (gpd)	\$5.66
401 up to 900 gpd.....	\$7.84
Use in excess of 900 gpd.....	\$12.58

Rate Per 1,000 Gallons for All Other Accounts

Commercial, Industrial and Irrigation Accounts Nov 1 – May 31	\$5.66
Commercial, Industrial and Irrigation Accounts June 1 – Oct 31	\$7.84

**PLUS A HYDRAULIC ZONE CHARGE FOR EACH 1,000 GALLONS**

<u>Zone</u>	<u>Hydraulic Zone</u>	<u>Effective 8/1/10</u>
1	Point Reyes Station.....	\$0.00
2	Bear Valley, Silver Hills & Inverness Park.....	\$0.15
3	Lower Paradise Ranch Estates (Elevation 0' – 365') .....	\$0.15
4	Olema.....	\$0.56
5	Upper Paradise Ranch Estates (Elevation 365' +).....	\$3.78

- (2) Effective August 1, 2010, charge for raw water delivered from Lagunitas Creek shall be paid once every two months at the rate of \$0.31 per 1,000 gallons.
- (3) Effective August 1, 2010 consumers outside the Improvement District boundary shall pay an additional \$2.26 per 1,000 gallons.

d. Rates for Water Service from Hydrants or Other Temporary Service

The following rates shall be paid for water delivered via hydrant meter or pursuant to permit issued by the District from hydrants or for any temporary service as authorized in Regulation 5 for uses other than fire fighting or fire prevention:

<u>Novato Service Area</u>	Rate Effective 6/1/10	Rate Effective 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
For each 1,000 gallons	<del>-----</del> \$6.15	\$6.18	\$6.23	\$6.31

Effective 8/1/10

West Marin Service Area Zone 1, 2, 3, 4 for each 1,000 gallons ..... \$10.66

West Marin Service Area Zone 5 for each 1,000 gallons ..... \$13.88

The quantity of water delivered as aforesaid shall be determined by the District.

e. Service Arrangements Requiring Assessment of Additional Minimum Service Charges, All Service Areas

A minimum service charge established by this regulation, equal to ~~\$14.40~~ \$15.00 bi-monthly shall be paid for each dwelling unit which includes a kitchen and which is metered pursuant to Regulation 4.b.(5).

f. Minimum Service Charge for Residential Connections with Fire Fighting Equipment

Where a 1-inch meter is installed solely to provide capacity for private fire sprinklers or other fire-fighting equipment in residential connections, the minimum bi-monthly service charge shall be:

	Rate Effective 6/1/10	Rate Effective 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
	<del>-----</del> 15.70	\$22.00	\$28.00	\$34.00

g. Charges for Testing & Maintenance of Backflow Preventers Performed by District

- (1) Each consumer having a backflow prevention device serviced by the District shall pay a bimonthly fee for servicing the device as shown below.

District Owned DCV Devices:

Services Performed by District	Size	Rate Effective 6/1/10	Rate Effective 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
Testing, Repair, Replacement	3/4" + 1"	<del>-----</del> \$5.90	\$8.00	\$10.00	\$12.00
Testing, Repair, Replacement	1 1/2"	<del>-----</del> \$7.15	\$10.00	\$13.00	\$16.00

Privately Owned DCV Devices:

Services Performed by District	Size	Rate Effective 6/1/10	Rate Effective 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
Testing	3/4" + 1"	<del>-----</del> \$3.90	\$5.00	\$6.00	\$7.00
Testing	1 1/2"	<del>-----</del> \$5.90	\$8.00	\$10.00	\$12.00
Testing	2"	<del>-----</del> \$9.15	\$13.00	\$16.00	\$19.00



Testing	3" + 4"	<del>\$12.75</del>	\$18.00	\$23.00	\$28.00
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District Owned RPP Devices:

Services Performed by District	Size	Rate Effective 6/1/10	Rate Effective 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
Testing, Repair, Replacement	3/4" + 1"	<del>\$16.00</del>	\$22.00	\$28.00	\$34.00
Testing, Repair, Replacement	1 1/2" + 2"	<del>\$23.00</del>	\$32.00	\$40.00	\$48.00
Testing, Repair, Replacement	3" + 4"	<del>\$54.95</del>	\$76.00	\$95.00	\$114.00
Testing, Repair, Replacement	6" + 8"	<del>\$119.05</del>	\$165.00	\$206.00	\$247.00

Privately Owned RPP Devices:

Services Performed by District	Size	Rate Effective 6/1/10	Rate Effective 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
Testing	3/4" + 1"	<del>\$6.20</del>	\$9.00	\$11.00	13.00
Testing	1 1/2" + 2"	<del>\$12.10</del>	\$17.00	\$21.00	\$25.00
Testing	3" + 4"	<del>\$24.20</del>	\$34.00	\$43.00	\$52.00
Testing	6" + 8"	<del>\$48.40</del>	\$67.00	\$84.00	\$101.00

If any customer requires that testing or maintenance be performed outside of normal work hours of the District an additional charge equivalent to the overtime charges incurred by the District will be assessed.

(2) Exemptions

Exemptions from the testing program are permitted on a case-by-case basis as may be approved by the District and the California Department of Public Health, Office of Drinking Water, District Sanitary Engineer. All such exemptions are conditioned on periodic inspection to ensure that exemption criteria are still being met. Each consumer that applies for and receives such an exemption shall pay a bimonthly fee of ~~\$1.30~~:

	Rate Effective 6/1/10	Rate Effective 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
	<del>\$1.30</del>	\$1.80	\$2.30	\$2.80

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**MEMORANDUM**

To: Board of Directors

May 13, 2011

From: David L. Bentley, Auditor-Controller



Subj: Second Review – Proposed FY 2011/12 Equipment Budget

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**RECOMMENDED ACTION: Provide Direction to Staff**

**FINANCIAL IMPACT: None at this time. \$188,000 proposed for June 21 Public Hearing**

Since the April 19 review, the proposed purchase of one 5-yard dump truck has been removed from the budget and purchase of a ¾-ton pickup inserted in its place. This change reduces the proposed Equipment Budget to \$188,000, the same as the current fiscal year adopted budget. Staff will rent a truck next fiscal year on those occasions when a 4<sup>th</sup> dump truck is required. The proposed Equipment Budget now totals \$188,000, unchanged from FY11 adopted budget.

Following is a chart showing ten years of equipment purchases history (A). Also attached is a plan for purchase and distribution of new computers (B), and a five-year vehicle and equipment replacement plan (C).

A public hearing and approval of the Equipment Budget is scheduled for June 21, 2011.



**Equipment Expenditures  
Fiscal Year 2011/2012 Budget**

	Proposed	Notes	Description
<b>1 INFORMATION SYSTEMS</b>			
<b>Administration</b>			
59603.01.11	\$25,000		To keep District current on MS Office Suite, MS Server and other software licenses
59603.01.11	2,000	1,e	Field Service Rep/Meter Reading Device & Account Cr Clerk II PCs were rebuilt in 3/07 and will now be retired.
<b>Engineering</b>			
59603.01.21	2,000	1,e	2nd PC able to run AutoCAD Version 10
<b>Operations</b>			
	1,000	1,e	Will trade-down and surplus the 3/06 Lab Staff PC.
<b>Maintenance</b>			
59603.01.51	1,000	1,e	Will trade-down and surplus the 11/01 STP Dedicated Particle Counter
	<b>\$31,000</b>		
<b>2 CONSTRUCTION</b>			
59603.01.41	36,000		Used for tapping pipe to inspect valves without service interruptions to customers. Can be used for flushing as well as sample testing.
	<b>\$36,000</b>		
<b>3 MAINTENANCE</b>			
12101.01.00	6,000	1	Replaces a Coats 340 which cannot be used for the larger 16-17 inch rims found on the newer trucks without damaging the tire pressure sensors.
	<b>\$6,000</b>		

Proposed

**Equipment Expenditures  
Fiscal Year 2011/2012 Budget**

5/13/11

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	Proposed	Notes	Description
<b>4 VEHICLE &amp; ROLLING EQUIPMENT EXPENDITURES</b>			
12104.01.00	\$85,000	1	To replace a '91 international 5-yard dump not compliant with 12/3/10 CARB on-road diesel emission rule. Would cost est \$50K to repower and add an exhaust filter to make compliant. Up to \$10K/day fine.
12104.01.00	30,000	1	To replace a '99 F250 with 170,000 miles that is worn out and was due for replacement last fiscal year.
	<u>\$115,000</u>		
	<u>Total</u>		
	<u>\$188,000</u>		

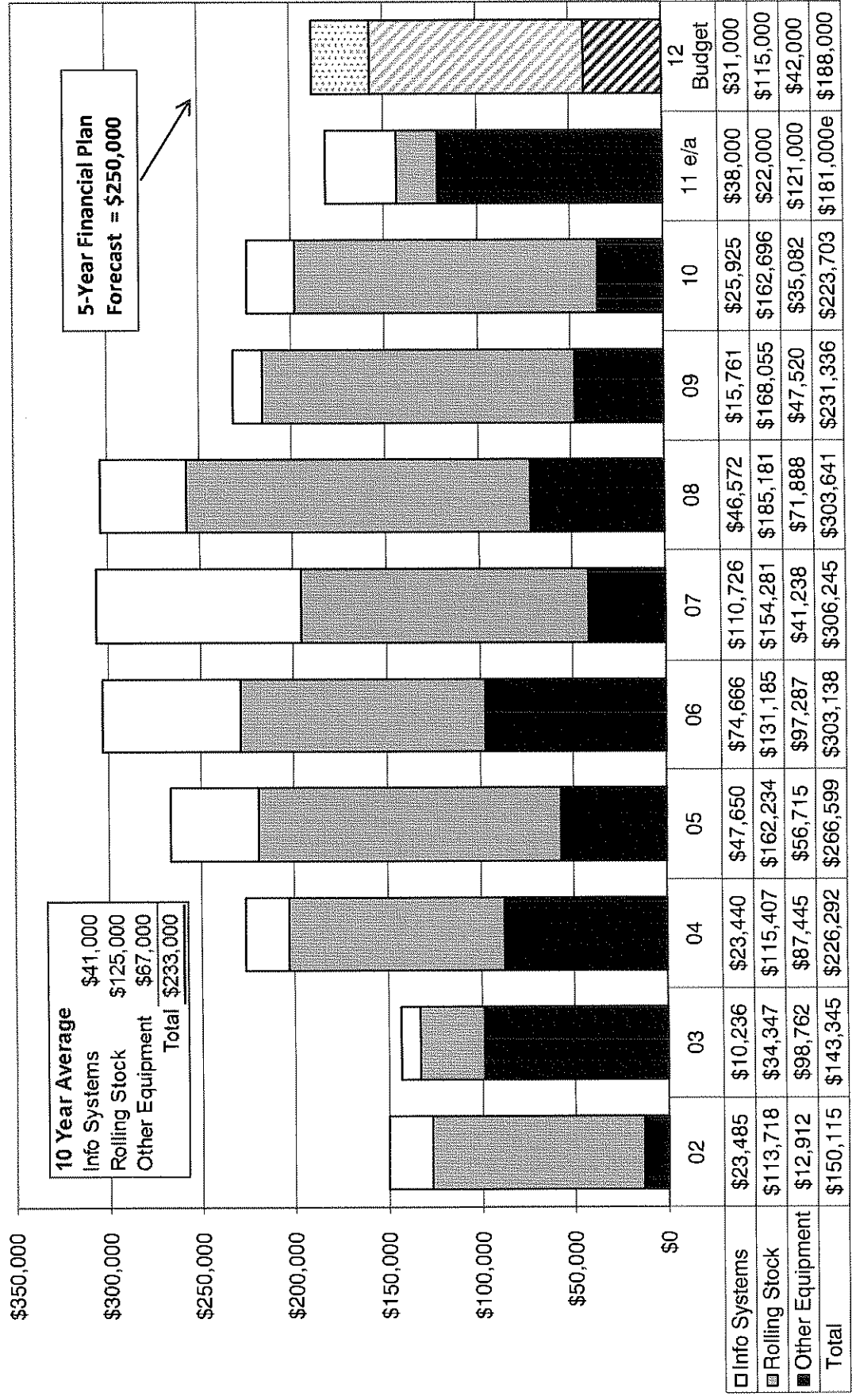
Notes:

c: Capital; e: Expense

1 Replacement item.

	RECAP	Adopted Budget	Estimated Actual	Proposed Budget
		20010/11	20010/12	20011/12
Equipment	\$166,000	\$22,000	\$73,000	
Vehicles	22,000	159,000	115,000	
	<u>\$188,000</u>	<u>\$181,000</u>	<u>\$188,000</u>	

# History of Equipment Purchases



# PC Purchase/Distribution Plan - FY12

4/12/11

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Division	New Computer	Existing Go To	Existing Go To
1 Admin	<b>Price:</b> \$1,000 <b>Type:</b> Dual Core/4GB RAM <b>Go To:</b> Accounting Clerk	Pentium 4 2.8 Ghz/1GB RAM Account Cr Clerk II	Pentium 4 3.2 Ghz/896MB RAM Surplus
2 Admin	<b>Price:</b> \$1,000 <b>Type:</b> Dual Core/4GB RAM <b>Go To:</b> Admin Secretary	Pentium 4 3.4 Ghz/2 GB RAM FSR/Mtr Read Devices	Pentium 4 2 Ghz/512MB RAM Surplus
3 Engr	<b>Price:</b> \$2,000 <b>Type:</b> Core i7/8GB <b>Go To:</b> Assoc Engr	Core2 Duo 3 Ghz/2GB RAM Engr Tech IV	Pentium 4 3.2 Ghz/1GB RAM Constr Supt
4 Oper	<b>Price:</b> \$1,000 <b>Type:</b> Dual Core/4GB RAM <b>Go To:</b> TP Sprvsr	Pentium 4 3.2 Ghz/1GB RAM Pipe Worker	Pentium 4 2 Ghz/1GB RAM Surplus
5 Maint	<b>Price:</b> \$1,000 <b>Type:</b> Dual Core/4GB RAM <b>Go To:</b> Assist Wtr Dstrb/TP Op	Pentium 4 2.8 Ghz/1GB RAM STP Particle Counter	AMD Duron 1 Ghz/248MB RAM Surplus

Pentium 4  
1.8 Ghz/512 MB RAM  
Surplus



5-Year Vehicle and Equipment Replacement Plan				5/11/11
				\\nmwdsrv1\maintenance\fleet\equipment replacement plan\5 year plan.xls\5yr 11-12\2
11-12		New Item Description	Replacement Item Description	
1	5 Yard Diesel Dump Truck		#5 1991 International 5 Yard Dump	\$85,000
2	3/4 Ton 4X2 Pickup with service body, Radio and Emergency Light		#36 1999 Ford F250 W/155k mi	\$30,000
<b>Total</b>				<b>\$115,000</b>
Truck 5 & #36 will go to auction. We will need to add 1 DPF to 503 this year to meet CARB regulations budgeted in the 15220-01-51 MSS				
12-13		New Item Description	Replacement Item Description	
1	3/4 Ton 4X4 Pickup w/Tool Box, Radio & Light Bar		#29 1993 Ford F250 4X4	\$25,000
2	5 Yard Diesel Dump Truck		#52 1999 Ford Super Duty 3-Yard Dump.	\$85,000
3	1 Ton Utility Van		#46 2002 Chevy 4500	\$40,000
<b>Total</b>				<b>\$150,000</b>
Vehicles 29, 46 and 52 will go to auction. We will need to add 1 DPF to 86 to meet carb regulations budgeted in the 15220-01-51 MSS				
13-14		New Item Description	Replacement Item Description	
1	Hybrid Van		#41 2001 Dodge Ram	\$30,000
2	Forklift		#902C 1997 Hyster, Needs more lift capacity (STP)	\$30,000
3	Hybrid Pick Up 2WD		#58 into pool and #40 2000 Dodge Dakota to auction	\$40,000
4	Hybrid Pick Up 2WD		#59 into pool, #45 into pool and #30 to auction	\$40,000
<b>Total</b>				<b>\$140,000</b>
The 2 hybrids will replace 58, 59 and 45 will be replace 30. Vehicles 40 and 30 will go to auction.				
14-15		New Item Description	Replacement Item Description	
1	Forklift		#902B 1989 Kalmar	\$30,000
2	1/2 Ton 4X2 Ex Cab Pick Up with Tool Box, Radio and Light Bar		#54 2004 Chevy Pick Up	\$25,000
3	4X4 Loader		1993 Case 4X4 Loader	\$65,000
4	1/2 Ton Pickup w/Tool Box and Radio		#42 2001 Dodge Dakota pick-Up	\$25,000
<b>Total</b>				<b>\$145,000</b>
15-16		New Item Description	Replacement Item Description	
1	Backhoe 4X4 Diesel		#77 2004 John Deere 310 SG	\$100,000
2	1/2 Ton 4X4 w/Tool Box & Radio		#501 2006 Chevy Colorado 4X4	\$25,000
3	Hybrid Car		#56 2005 Honda Civic	\$25,000
<b>Total</b>				<b>\$150,000</b>
Item 3 is due to the expected high cost of battery and electronic control repairs / replacement.				

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**MEMORANDUM**

To: Board of Directors

May 13, 2011

From: David L. Bentley, Auditor-Controller

Subj: 2<sup>nd</sup> Review - Proposed FY2011/12 & FY2012/13 Novato Improvement Projects Budget  
t:\acl\word\budget\12\ip review 2.docx

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

**FINANCIAL IMPACT:** None at this time. \$4.3 million FY12 & \$4.3 million FY13 Expenditure Budget Proposed for Consideration at June 21 Public Hearing

Presented for your second review is the proposed Improvement Projects Budget for the Novato service area for both FY 2011/12 and FY 2012/13. Since the Board's last review, the total expenditure budget for FY12 decreased \$95,000, and the total for FY13 increased \$100,000, as we fine-tuned the two-year program. The FY12 Master Plan Update (\$80,000) and Greenhouse Gas Emission Action Plan (\$15,000) were both moved to the operating budget. The FY13 project to Coat the STP Concrete Clearwells was increased \$100,000 (to \$300,000) based on an updated estimate.

The only significant project (\$500,000 or more) planned over the next two fiscal years is the Aqueduct Energy Efficiency Project (AEEP), budgeted at \$5.3 million over the next two years, and which will be financed with a 20-year loan.

A description of each FY12 project is incorporated into the detailed project listing attached. The net District outlay for FY12, after deducting \$2.7 million in loan funding for the AEEP Project, stands at \$1.6 million, compared to \$2.2 million approved in FY 2010/11, a 27% reduction.

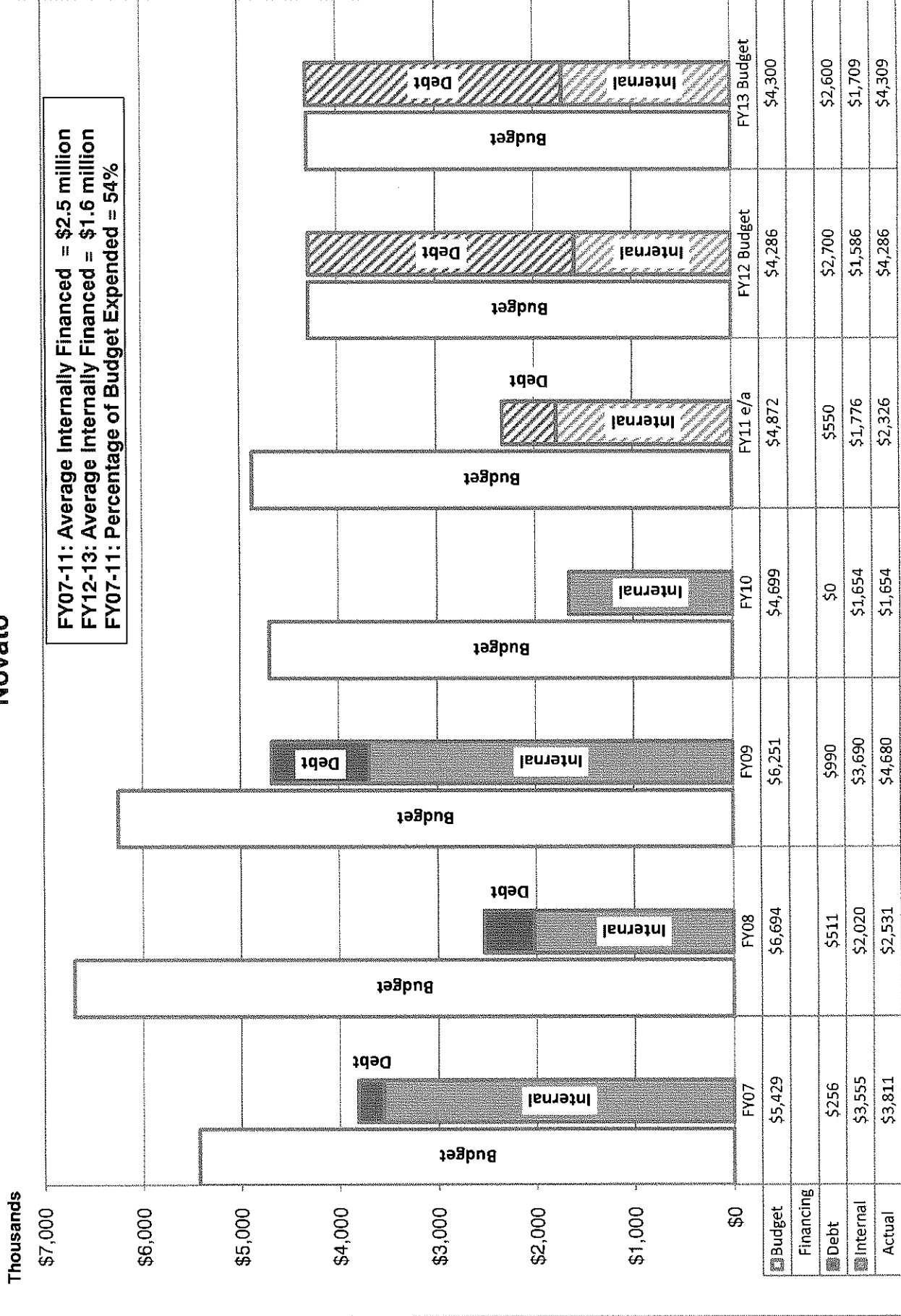
<b>Project</b>	<b>FY12</b>	<b>FY13</b>
Aqueduct Energy Efficiency Project	\$2,700,000	\$2,600,000
Other Projects	<u>\$1,586,000</u>	<u>\$1,709,000</u>
<b>Gross Project Outlay</b>	<b>\$4,286,000</b>	<b>\$4,309,000</b>
* Less Loan Funding	<u>(\$2,700,000)</u>	<u>(\$2,600,000)</u>
<b>Net Project Outlay (Internally Financed)</b>	<b><u>\$1,586,000</u></b>	<b><u>\$1,709,000</u></b>

The \$1.6 million and \$1.7 million proposed budgets are less than the \$2 million per year incorporated into the District's 5-Year Financial Plan.

A public hearing to consider approval of the Improvement Projects Budget is scheduled for June 21, 2011.

# NMWD Improvement Project Expenditures Novato

FY07-11: Average Internally Financed = \$2.5 million  
 FY12-13: Average Internally Financed = \$1.6 million  
 FY07-11: Percentage of Budget Expended = 54%



	FY07	FY08	FY09	FY10	FY11 e/a	FY12 Budget	FY13 Budget
Budget	\$3,811	\$2,531	\$4,680	\$1,654	\$2,326	\$4,286	\$4,309
Financing							
Debt	\$256	\$511	\$990	\$0	\$550	\$2,700	\$2,600
Internal	\$3,555	\$2,020	\$3,690	\$1,654	\$1,776	\$1,586	\$1,709
Actual	\$3,811	\$2,531	\$4,680	\$1,654	\$2,326	\$4,286	\$4,309

**Proposed Improvement Projects**

5/13/11

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		FY12	FY13	FY12 Project Description
<b>1. PIPELINE REPLACEMENTS/ADDITIONS</b>				
a.	Main/Pipeline Replacements			
1	STP 18" Transmission Line Assess/Repair (13,200')	\$160,000		Assess condition & spot repairs to the 18-inch concrete cylinder pipe
2	Center Rd Pipeline in Conflict w/Priv Prop (8"@800')	\$60,000		Abandon pipe in private side yards
		\$220,000	\$0	
b.	Main/Pipeline Additions			
1	12" Extension to Aqueduct @ Novato Builders	\$90,000		Improve fireflow via improved looping in downtown commercial area
2	Indian Valley to IVC 2nd Zone Extension		\$350,000	
3	Bel Marin Keys Looping (12"@900')		\$150,000	
4	Other Main/Pipeline Additions	\$90,000	\$600,000	
c.	PB Service Line Replacements			
1	Cavalla Cay (18 Services)	\$36,000		Ongoing program to replace polybutylene services
2	Del Orro (26 Services)	\$52,000		Ongoing program to replace polybutylene services
3	PB in Sync w/City Paving (45 Services)		\$90,000	
4	Other PB Replacements	\$88,000	\$175,000	
		\$20,000	\$20,000	Locate and raise street valves in coordination with City paving
d.	Relocations to Sync w/City & County C.I.P.			
1	City Paving Coordination (Measure B)	\$80,000	\$80,000	Relocate facilities for as yet unidentified City/County Projects
2	Other Relocations	\$100,000	\$100,000	
e.	Aqueduct Replacements/Enhancements			
1	Aqueduct Energy Efficiency Proj - Hwy 101 Widening	\$2,700,000	\$2,600,000	North Marin Aqueduct upsizing/relocation
		<u>\$3,198,000</u>	<u>\$3,475,000</u>	

**Proposed Improvement Projects**

5/13/11

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	FY12	FY13	FY12 Project Description
<b>2. SYSTEM IMPROVEMENTS</b>			
a.	\$20,000	\$20,000	Staff & consultant time to expand development of a Novato Water System Geographic Information System to improve information management contained within the facility maps and improve access to important asset management information
b.	\$25,000	\$25,000	Miscellaneous cathodic upgrades to protect steel water mains, tanks, & aqueduct (from Atherton to Rowland) from corrosion
c.	\$15,000		Replace aging and unreliable RTUs at Cabro Court, Davies PS & Sunset Tank
d.	\$50,000		Install flushing taps at dead-end zone valves to improve water quality
e.	\$75,000		Detector Check Assembly replacements
f.	\$30,000	\$30,000	Place anodes on copper service laterals for corrosion protection
g.	\$25,000		install radio transmitters to replace leased lines
h.		\$24,000	
i.		\$16,000	
j.		\$100,000	
k.		\$25,000	
l.		\$30,000	
		<u>\$240,000</u>	
		<u>\$270,000</u>	



**Proposed Improvement Projects**

5/13/11

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	FY12	FY13	FY12 Project Description
<b>4. STORAGE TANKS/PUMP STATIONS</b>			
a.	\$275,000		Move motor controls above-ground.
b.	\$75,000		Design/install pump mixing and chlorine injection system
	<u>\$350,000</u>	<u>\$0</u>	
<b>GROSS PROJECT OUTLAY \$4,286,000 \$4,309,000</b>			
<b>8. LESS FUNDED BY LOANS/GRANTS</b>			
a.	(\$2,700,000)	(\$2,600,000)	Aqueduct relocation funded by bank loan or sale of Certificates of Participation
	<u>(\$2,700,000)</u>	<u>(\$2,600,000)</u>	
<b>NET PROJECT OUTLAY \$1,586,000 \$1,709,000</b>			
Total Number of Projects	28	22	



17

## MEMORANDUM

To: Board of Directors

May 13, 2011

From: David L. Bentley, Auditor-Controller

Subj: Second Review - FY 2011/2012 Proposed Novato Operations Budget

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**RECOMMENDED ACTION:** Information Only

**FINANCIAL IMPACT:** \$17.6 million Spending Plan Proposed for June 21 Public Hearing

The Novato Operating Budget increased by \$73,000 since the Board's review at the last meeting due primarily to reallocation of labor charges from projects to operations as the District endeavors to balance the reduced staffing level with the ongoing workload. The operating cost increase was offset by the \$55,000 savings from exchanging the cost of a dump truck with a 1/2-ton pickup as discussed earlier in the Equipment Budget. The net deficit now budgeted for next fiscal year thus increased by \$18,000 to \$287,000.

### **Budget Summary**

The proposed Fiscal Year 2011/12 budget projects a net "bottom line" deficit of \$287,000, which will be funded from reserves. This compares to a current year budgeted deficit of \$700,000 and a projected actual deficit of \$1.1 million.

Water sales volume is budgeted at 2.7 billion gallons, on par with the current year estimated actual, and at level last seen in the early 1980s. Development in Novato is forecast to continue to be slow. A \$2.7 million loan is included in the budget to finance the contemplated Aqueduct Energy Efficiency Project, predicated on the assumption that the environmental review will be approved in July. Looking simply at operating revenue (water sales) less operating expenditures, the budget projects an operating net income of \$2.4 million (before \$2.3 million in depreciation expense) next fiscal year. Total budgeted expenditures, at \$17.6 million, are down 6% from the \$18.8 million budgeted in FY10/11.

Under the proposed budget, residential customers would see a water cost increase of 11%, which equates to \$60 annually for the median single-family-detached residential customer (\$5.00 per month, or \$10.00 per bimonthly bill). The median non-residential customer, who has a larger meter and consumes more water than the typical residential customer, would see a 14% increase, equating to \$99 annually (\$8 per month). Customers using less water than the median would pay less, and who use more would pay more.

**Water Sales**

Water sales volume is budgeted at 2.7 billion gallons, on par with the current fiscal year estimated actual, but 18% below the 10-year average. See the chart on page 6 of the budget document for a history of billed consumption.

The 11% increase is structured as a 39% increase in the fixed service charge (\$2.80 per month for most customers) and a 6% increase in the commodity rate. The proposed rate increase would generate \$1.4 million in additional revenue next fiscal year, compared with leaving rates unchanged.

**Water Supply**

Sonoma County Water Agency's wholesale water rate will increase 5.4% to \$2,119 per MG. The rate increase will add \$210,000 to the District's cost of purchased water. Stafford production, budgeted at 800 MG (2,450 acre-feet), will make up the balance of demand, resulting in a total budgeted potable production of 2,700 MG.

**Water Conservation** expense is budgeted to decrease 20% (\$100,000) as budgeted rebates are cut in half in accordance with the 5-Year Financial Plan.

**Staffing** - The proposed budget includes a staffing level of 52.5 full-time equivalent (FTE) employees, down 2.8 FTE (5%) from the current year budget. This brings total staffing down 6.6 FTE (11%) from the adopted FY08 budget.

<u>FTE Staffing</u>	<u>FY12</u>	<u>FY11</u>	<u>Position Impacted</u>
Administration	7.6	8.6	Storekeeper
Customer Accounting	7.2	7.2	
Construction/Maintenance	10.0	12.0	Pipe Worker (2)
Engineering	8.7	8.7	
Maintenance	8.0	9.0	Pipeworker (DCV program)
Operations	6.0	5.0	Distribution/TP Operator
Water Quality	5.0	4.8	Part-time Lab Tech to Fulltime
	<u>52.5</u>	<u>55.3</u>	

Temporary staffing has been increased by 2,000 hours to 9,190 hours. Temporary hours are budgeted as follows:

<u>Temporary Staffing Hours</u>	<u>FY11</u>	<u>FY10</u>	<u>Reason for Change</u>
Administration	0	0	
Customer Accounting	1,000	1,000	
Construction/Maintenance	3,000	1,000	Add'l Seasonal Labor
Engineering	2,500	2,500	
Maintenance	1,190	1,190	
Operations	1,500	1,500	
Water Quality	<u>0</u>	<u>0</u>	
	<u>9,190</u>	<u>7,190</u>	

For budgeting purposes, a 2% cost-of-living salary increase has been factored into the budget effective October 1, 2011. A 2% adjustment would increase total salaries by \$80,000, pushing up the total overheaded cost of payroll by \$109,000 (1.7%).

Total budgeted operating expenditures are down \$707,000 compared to the adopted FY10/11 budget. An analysis of the significant differences between the FY10/11 budget and the proposed FY11/12 operating budget follows, listed in decreasing order of magnitude.

<u>Component</u>	<u>Increase/ (Decrease) vs. FY11 Budget</u>	<u>% Change</u>
Materials, Services & Supplies	\$99,000	4%
Labor	(36,000)	-1%
Distributed G&A	(140,000)	-19%
Purchased Water Cost	(630,000)	-14%
Net Decrease	<u>(\$707,000)</u>	<u>-6%</u>

This proposed budget will continue to be fine-tuned in conjunction with preparation of the West Marin Budgets, and with additional information regarding insurance costs as they become available, for the scheduled Public Hearing and approval at the June 21 meeting.

Proposed

**BUDGET**

*Additional Review*

**Novato**  
**Operating Budget**

FISCAL YEAR

**2011-12**

***NORTH MARIN WATER DISTRICT***

***999 RUSH CREEK PLACE, NOVATO, CA***

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Novato Water - Operating Expense History.....	7

**NOVATO WATER**  
**BUDGET SUMMARY**  
*Fiscal Year 2011/12*

	<i>Proposed Budget 2011/12</i>	<i>Estimated Actual 2010/11</i>	<i>Adopted Budget 2010/11</i>
<b>OPERATING INCOME</b>			
1	<b>\$13,660,000</b>	\$12,470,000	\$13,940,000
2	<b>238,000</b>	216,000	217,000
3	<b>\$13,898,000</b>	\$12,686,000	\$14,157,000
<b>OPERATING EXPENDITURES</b>			
4	<b>\$3,912,000</b>	\$3,642,000	\$4,544,000
5	<b>335,000</b>	249,000	347,000
6	<b>503,000</b>	569,000	571,000
7	<b>1,880,000</b>	1,724,000	1,640,000
8	<b>2,250,000</b>	2,338,000	2,425,000
9	<b>553,000</b>	540,000	530,000
10	<b>400,000</b>	364,000	500,000
11	<b>2,132,000</b>	1,802,000	1,932,000
12	<b>(478,000)</b>	(341,000)	(295,000)
13	<b>\$11,487,000</b>	\$10,887,000	\$12,194,000
14	<b>NET OPERATING INCOME (LOSS)</b>	<b>\$2,411,000</b>	<b>\$1,963,000</b>
<b>OTHER SOURCES OF FUNDS</b>			
15	<b>\$48,000</b>	\$71,000	\$118,000
16	<b>570,000</b>	290,000	1,140,000
17	<b>2,700,000</b>	550,000	2,522,000
18	<b>143,000</b>	76,000	148,000
19	<b>\$3,461,000</b>	\$987,000	\$3,928,000
<b>OTHER USES OF FUNDS</b>			
20	<b>\$182,000</b>	\$136,000	\$155,000
21	<b>4,286,000</b>	2,326,000	4,931,000
22	<b>1,671,000</b>	1,392,000	1,527,000
23	<b>20,000</b>	10,000	20,000
24	<b>\$6,159,000</b>	\$3,864,000	\$6,633,000
25	<b>NET SURPLUS/(DEFICIT)*</b>	<b>(\$287,000)</b>	<b>(\$742,000)</b>
26	Depreciation (not included above)	\$2,300,000	\$2,312,339

\* Line 14+19-24

# NOVATO WATER OPERATING BUDGET DETAIL

## Fiscal Year 2011/12

	Proposed Budget 11/12	Estimated Actual 10/11	Adopted Budget 10/11	Actual 09/10	Actual 08/09	Actual 07/08	Actual 06/07	Actual 05/06
<b>STATISTICS</b>								
1 Total Meters	20,590	20,750	20,760	20,709	20,693	20,638	20,571	20,485
2 Active Meters	20,520	20,470	20,500	20,438	20,416	20,366	20,325	20,193
3 Active Dwelling Units	20,920	20,860	23,920	23,871	23,848	23,702	23,698	23,522
<b>OPERATING INCOME</b>								
4 Water Sales	\$13,660,000	\$12,470,000	\$13,940,000	\$11,251,832	\$11,067,484	\$10,384,740	\$10,601,455	\$9,351,911
5 Sales to MMWD	0	0	0	0	351,154	0	0	0
6 Wheeling Charges-MMWD	70,000	70,000	75,000	67,180	75,090	76,588	74,962	71,292
7 SCWA Water Conservation Reimb	0	0	0	21,450	0	359,748	283,242	198,976
8 Miscellaneous Service Revenue	168,000	146,000	142,000	140,796	145,663	161,238	234,539	103,104
9 <b>TOTAL OPERATING INCOME</b>	<b>\$13,898,000</b>	<b>\$12,686,000</b>	<b>\$14,157,000</b>	<b>\$11,481,258</b>	<b>\$11,639,391</b>	<b>\$10,982,314</b>	<b>\$11,194,198</b>	<b>\$9,725,283</b>
<b>OPERATING EXPENSE</b>								
<b>SOURCE OF SUPPLY</b>								
10 Supervision & Engineering	\$6,000	\$6,000	\$5,000	\$2,007	\$2,120	\$2,391	\$15,420	\$20,736
11 Operating Expense - Source	6,000	7,000	4,000	5,745	4,702	3,109	6,709	11,695
12 Maintenance/Monitoring of Dam	28,000	11,000	20,000	8,741	7,583	6,078	5,768	7,816
13 Maintenance of Lake & Intakes	16,000	11,000	14,000	8,072	7,990	0	28	975
14 Maintenance of Watershed	38,000	1,000	42,000	7,352	28,126	9,177	12,506	12,213
15 Water Purchased for Resale to MMWD	0	0	0	0	171,447	0	0	0
16 Water Quality Surveillance	13,000	11,000	16,000	13,138	8,448	9,272	9,659	7,955
17 Contract Water - SCWA	4,030,000	3,820,000	4,660,000	3,630,416	3,838,298	3,852,900	4,453,758	4,546,147
18 Reserve Fund Contribution	(225,000)	(225,000)	(217,000)	(189,269)	(110,246)	(114,682)	(1,567)	(107,123)
19 <b>TOTAL SOURCE OF SUPPLY</b>	<b>\$3,912,000</b>	<b>\$3,642,000</b>	<b>\$4,544,000</b>	<b>\$3,486,202</b>	<b>\$3,958,468</b>	<b>\$3,768,245</b>	<b>\$4,502,281</b>	<b>\$4,500,414</b>
<b>PUMPING</b>								
20 Operating Expense	\$7,000	\$1,000	\$10,000	\$8,367	\$8,567	\$13,333	\$27,117	\$24,516
21 Maintenance of Structures/Grounds	38,000	16,000	41,000	18,600	23,080	15,909	17,736	25,120
22 Maintenance of Pumping Equipment	59,000	22,000	32,000	10,751	8,807	61,907	16,966	33,072
23 Electric Power - Pumping	231,000	210,000	264,000	200,318	249,190	227,916	245,797	215,135
24 <b>TOTAL PUMPING</b>	<b>\$335,000</b>	<b>\$249,000</b>	<b>\$347,000</b>	<b>\$238,036</b>	<b>\$289,644</b>	<b>\$319,065</b>	<b>\$307,616</b>	<b>\$297,843</b>
<b>OPERATIONS</b>								
25 Supervision & Engineering	\$148,000	\$191,000	\$138,000	\$176,082	\$168,202	\$188,926	\$155,660	\$146,525
26 Operating Expense	185,000	167,000	280,000	212,126	235,230	127,350	172,985	170,162
27 Maintenance Expense	87,000	98,000	81,000	84,121	89,775	112,461	108,197	83,182
28 Leased Line Expense	21,000	20,000	21,000	20,547	20,342	19,601	41,809	51,094
29 Telemetry Equipment/Controls Maint	62,000	93,000	51,000	67,051	39,201	37,610	19,979	20,201
30 <b>TOTAL OPERATIONS</b>	<b>\$503,000</b>	<b>\$569,000</b>	<b>\$571,000</b>	<b>\$559,927</b>	<b>\$552,750</b>	<b>\$485,948</b>	<b>\$498,630</b>	<b>\$471,164</b>



# NOVATO WATER OPERATING BUDGET DETAIL

## Fiscal Year 2011/12

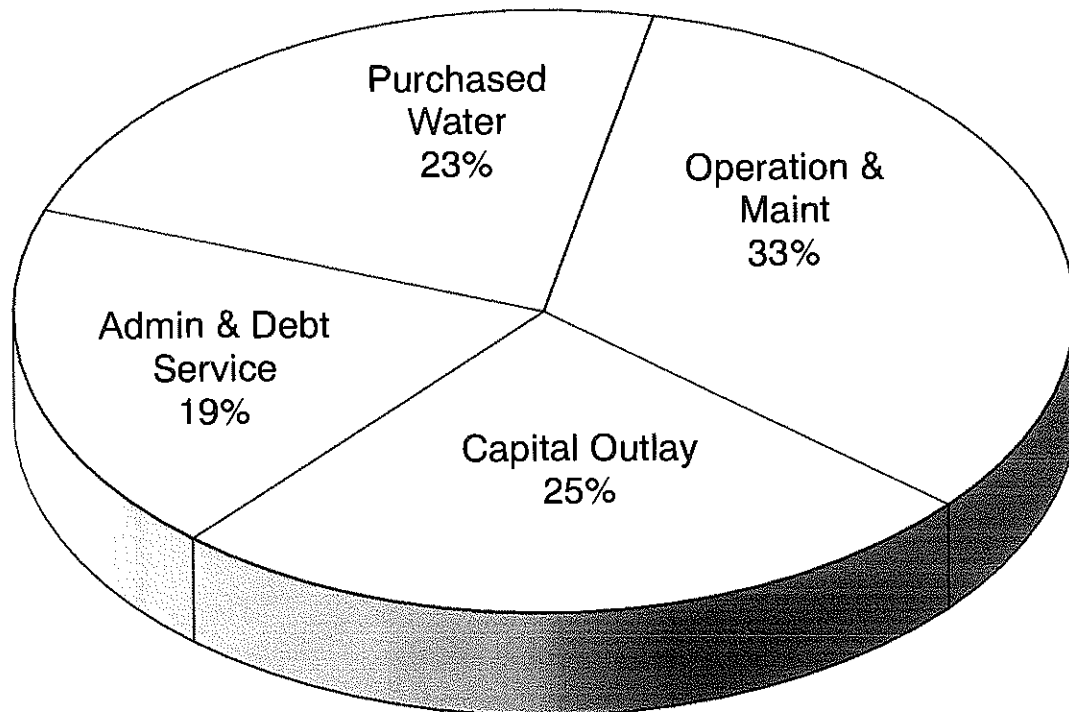
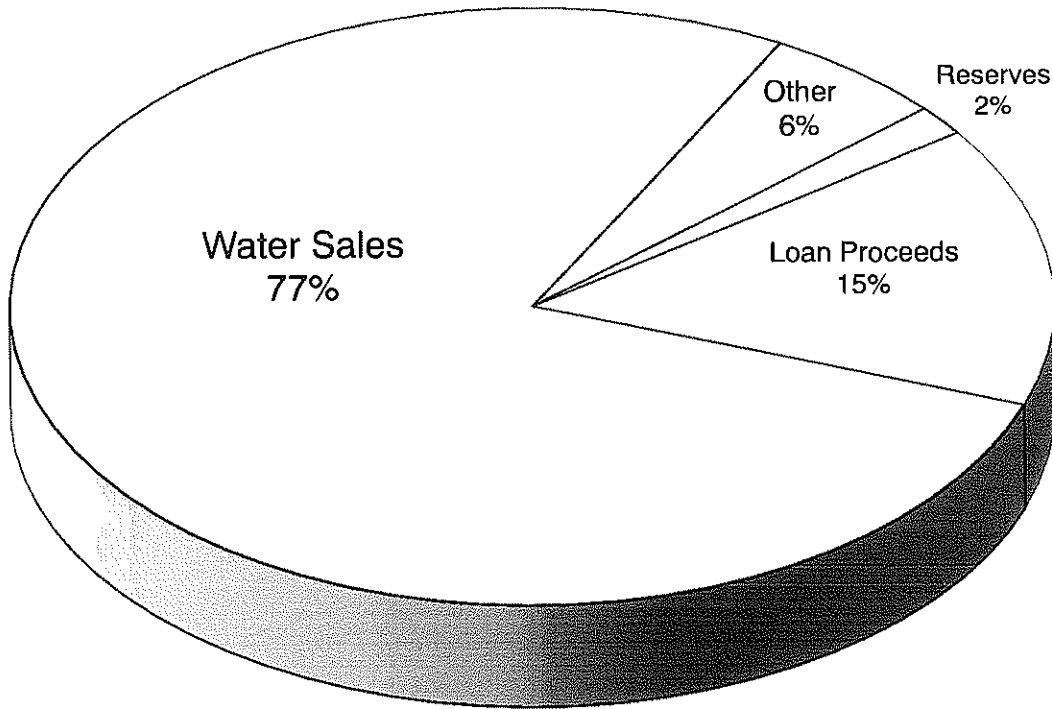
	Proposed Budget 11/12	Estimated Actual 10/11	Adopted Budget 10/11	Actual 09/10	Actual 08/09	Actual 07/08	Actual 06/07	Actual 05/06
<b>WATER TREATMENT</b>								
31	\$104,000	\$124,000	\$102,000	\$122,312	\$113,175	\$99,218	\$101,646	\$105,468
32	332,000	297,000	267,000	365,305	247,309	357,877	363,204	278,396
33	425,000	402,000	325,000	415,486	293,888	221,597	63,179	61,336
34	74,000	81,000	48,000	69,209	40,163	49,299	34,844	2,713
35	108,000	83,000	96,000	83,411	115,686	91,550	79,359	96,146
36	171,000	111,000	168,000	157,642	204,217	203,622	90,608	115,003
37	108,000	128,000	80,000	129,930	99,184	113,732	88,596	43,077
38	558,000	498,000	554,000	495,239	479,970	398,173	401,520	417,745
39	<b>\$1,880,000</b>	<b>\$1,724,000</b>	<b>\$1,640,000</b>	<b>\$1,838,534</b>	<b>\$1,593,592</b>	<b>\$1,535,068</b>	<b>\$1,222,956</b>	<b>\$1,119,884</b>
<b>TOTAL WATER TREATMENT</b>								
<b>TRANSMISSION &amp; DISTRIBUTION</b>								
40	\$352,000	\$469,000	\$519,000	\$528,659	\$560,968	\$524,345	\$522,663	\$490,471
41	91,000	80,000	102,000	98,187	74,786	105,509	48,957	53,594
42	447,000	429,000	466,000	448,650	420,639	439,348	395,866	401,962
43	180,000	164,000	168,000	164,316	149,759	129,944	115,457	122,069
44	179,000	172,000	149,000	190,255	131,094	107,354	165,842	131,770
45	119,000	150,000	102,000	102,633	108,752	143,525	119,713	158,048
46	101,000	138,000	72,000	93,754	86,630	108,835	76,174	64,245
47	215,000	172,000	244,000	199,807	211,630	181,161	233,355	223,527
48	295,000	336,000	310,000	263,714	250,024	287,813	258,788	164,930
49	41,000	23,000	33,000	41,557	30,488	26,483	34,177	16,798
50	170,000	147,000	166,000	143,691	148,112	135,370	125,337	113,891
51	60,000	58,000	94,000	77,038	62,794	74,700	42,474	42,936
52	<b>\$2,250,000</b>	<b>\$2,338,000</b>	<b>\$2,425,000</b>	<b>\$2,352,261</b>	<b>\$2,235,676</b>	<b>\$2,264,387</b>	<b>\$2,138,803</b>	<b>\$1,984,241</b>
<b>TOTAL TRANSMISSION &amp; DISTRIB</b>								
<b>CONSUMER ACCOUNTING</b>								
53	\$160,000	\$148,000	\$162,000	\$142,956	\$140,851	\$132,653	\$146,286	\$133,744
54	291,000	284,000	262,000	260,428	236,740	225,062	221,764	219,236
55	19,000	18,000	19,000	18,590	18,504	18,513	18,292	17,649
56	65,000	71,000	65,000	64,698	58,062	51,960	49,729	44,136
57	29,000	28,000	30,000	35,190	28,022	13,507	10,412	16,280
58	7,000	9,000	8,000	5,048	14,471	14,585	17,208	8,459
59	(18,000)	(18,000)	(16,000)	(15,694)	(15,147)	(14,205)	(14,200)	(13,218)
60	<b>\$553,000</b>	<b>\$540,000</b>	<b>\$530,000</b>	<b>\$511,216</b>	<b>\$481,503</b>	<b>\$442,075</b>	<b>\$449,491</b>	<b>\$426,286</b>
<b>TOTAL CONSUMER ACCOUNTING</b>								

# NOVATO WATER OPERATING BUDGET DETAIL

Fiscal Year 2011/12

	Proposed Budget 11/12	Estimated Actual 10/11	Adopted Budget 10/11	Actual 09/10	Actual 08/09	Actual 07/08	Actual 06/07	Actual 05/06
<b>WATER CONSERVATION</b>								
61 Residential	\$298,000	\$326,000	\$382,000	\$438,668	\$438,588	\$457,600	\$253,540	\$176,965
62 Commercial	18,000	16,000	28,000	2,707	28,344	9,415	11,454	1,232
63 Public Outreach/Information	63,000	15,000	63,000	26,548	20,679	27,483	24,515	17,571
64 Large Landscape	21,000	7,000	27,000	10,695	19,649	26,120	16,751	81,200
<b>TOTAL WATER CONSERVATION</b>	<b>\$400,000</b>	<b>\$364,000</b>	<b>\$500,000</b>	<b>\$478,618</b>	<b>\$507,260</b>	<b>\$520,618</b>	<b>\$306,260</b>	<b>\$276,968</b>
<b>GENERAL &amp; ADMINISTRATION</b>								
65 Director's Expense	\$15,000	\$15,000	\$15,000	\$16,200	\$15,000	\$14,600	\$14,300	\$17,400
66 Legal Fees	11,000	8,000	11,000	59,818	9,933	7,824	34,013	15,395
67 Auditing Services	29,000	28,000	28,000	31,100	30,000	22,000	15,250	15,250
68 Human Resources	31,000	29,000	30,000	33,080	31,848	26,923	37,051	12,970
69 Consulting Services/Studies	96,000	40,000	40,000					
70 General Office Salaries	1,243,000	1,155,000	1,197,000	1,166,410	1,125,232	1,020,823	980,772	940,318
71 Office Supplies	49,000	36,000	50,000	47,363	56,621	32,193	37,525	29,941
72 Employee Events	10,000	5,000	8,000	11,366	3,881	4,585		
73 Other Administrative Expense	22,000	17,000	20,000	20,090	21,313	20,246	23,149	19,675
74 Election Cost	60,000	0	0	250	0	51,262	0	250
75 Dues & Subscriptions	49,000	49,000	49,000	49,208	42,004	40,738	32,203	29,357
76 Vehicle Expense	8,000	8,000	8,000	8,112	8,112	8,193	8,112	8,112
77 Meetings, Conf & Training	153,000	109,000	138,000	114,985	112,985	107,411	108,228	109,126
78 Telephone, Water, Gas & Electricity	31,000	29,000	33,000	27,203	29,595	30,018	35,324	29,073
79 Building & Grounds Maintenance	34,000	32,000	47,000	53,907	44,268	47,389	41,312	44,193
80 Office Equipment Expense	96,000	76,000	101,000	85,550	91,052	78,962	98,577	83,557
81 Insurance Premiums & Claims	133,000	116,000	123,000	117,023	132,928	198,297	182,754	113,664
82 Retiree Medical Benefits	173,000	156,000	154,000	138,105	182,220	182,003	180,771	158,631
83 G&A Distributed to Other Operations	(111,000)	(106,000)	(120,000)	(100,811)	(92,969)	(86,742)	(73,004)	(55,249)
<b>TOTAL GENERAL &amp; ADMINISTRATION</b>	<b>\$2,132,000</b>	<b>\$1,802,000</b>	<b>\$1,932,000</b>	<b>\$1,878,959</b>	<b>\$1,844,023</b>	<b>\$1,806,725</b>	<b>\$1,756,337</b>	<b>\$1,561,663</b>
<b>OTHER OPERATING EXPENSE</b>								
84 Expensed Improvement Projects	\$0	\$0	\$0	\$1,699,235	\$1,785,255	\$1,480,093	\$1,607,599	\$1,067,410
85 Expensed Equipment Purchases	6,000	45,000	33,000	31,266	34,204	8,531	2,427	11,922
86 G&A Applied to Construction Projects	(344,000)	(250,000)	(199,000)	(153,213)	(224,590)	(212,502)	(172,336)	(202,956)
87 (Gain)/Loss on Overhead Charges	(140,000)	(136,000)	(129,000)	(214,770)	(157,888)	(277,413)	(414,082)	(443,118)
<b>TOTAL OTHER OPERATING EXPENSE</b>	<b>(\$478,000)</b>	<b>(\$341,000)</b>	<b>(\$295,000)</b>	<b>\$1,362,518</b>	<b>\$1,436,981</b>	<b>\$998,709</b>	<b>\$1,023,608</b>	<b>\$433,258</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>\$11,487,000</b>	<b>\$10,887,000</b>	<b>\$12,194,000</b>	<b>\$12,706,271</b>	<b>\$12,899,897</b>	<b>\$12,140,840</b>	<b>\$12,205,982</b>	<b>\$11,071,721</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$2,411,000</b>	<b>\$1,799,000</b>	<b>\$1,963,000</b>	<b>(\$1,225,013)</b>	<b>(\$1,260,506)</b>	<b>(\$1,158,526)</b>	<b>(\$1,011,784)</b>	<b>(\$1,346,438)</b>
91 Non-budgeted Depreciation	2,300,000	\$2,320,000	\$2,400,000	\$2,312,339	\$2,087,598	\$1,530,000	\$1,377,612	\$968,939

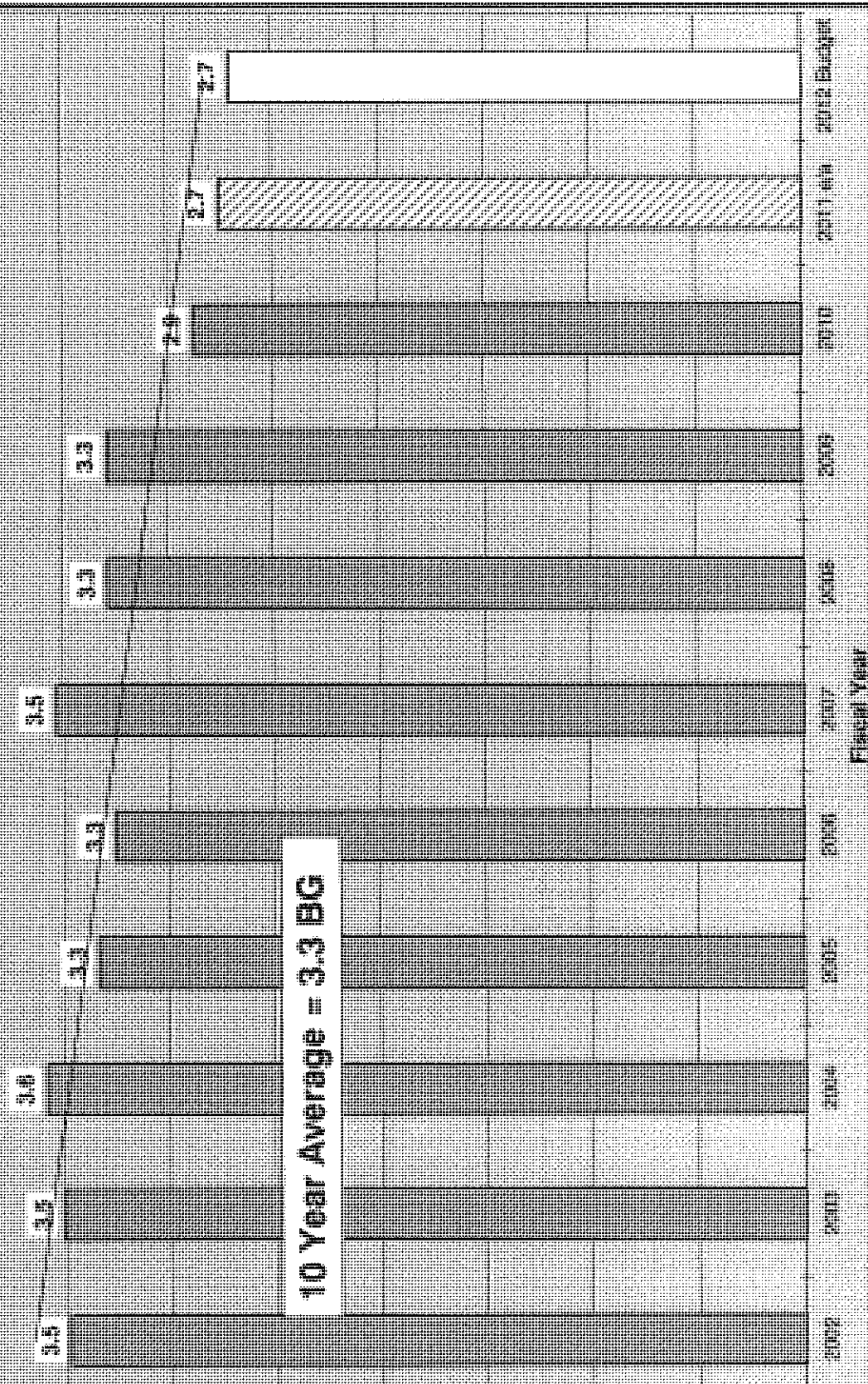
**NORTH MARIN WATER DISTRICT - NOVATO WATER  
FISCAL YEAR 2011-12  
SOURCE OF FUNDS = \$17,646,000**



**USE OF FUNDS = \$17,646,000**

# Novato Water Billed Consumption 10 Year History

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0.5  
1.0  
1.5  
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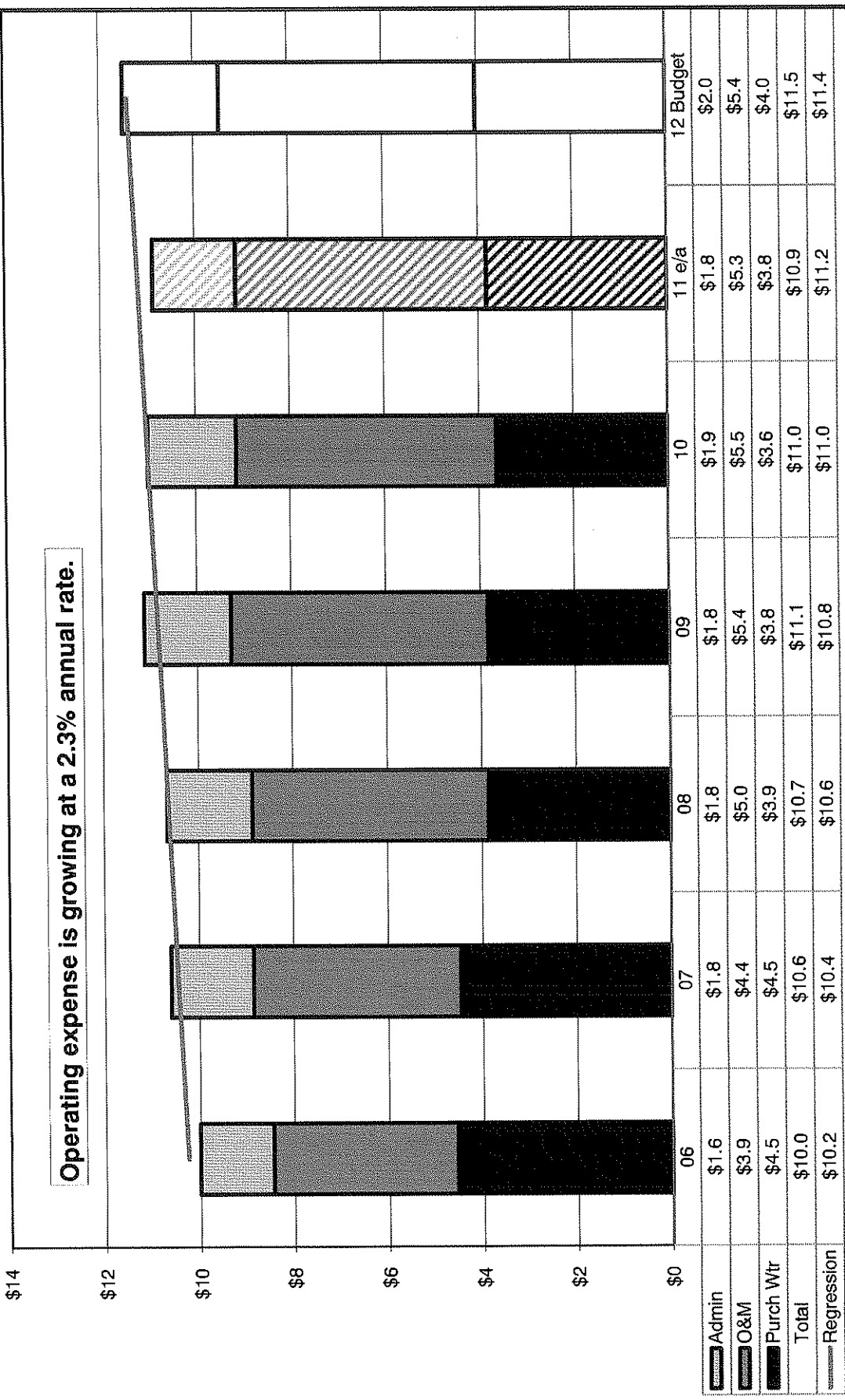


10 Year Average = 3.3 BG

### Novato Water Operating Expense History

Operating expense is growing at a 2.3% annual rate.

Million \$



Fiscal Year

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**MEMORANDUM**

To: Board of Directors

May 13, 2011

From: David L. Bentley, Auditor-Controller

Subj: 2<sup>nd</sup> Review – FY 2011/12 Novato Recycled Water Operations Budget

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**RECOMMENDED ACTION:** Information Only – Initial Review

**FINANCIAL IMPACT:** \$5.6 Million FY12 Expenditure Plan

The FY 2011/12 Recycled Water System (RWS) budget projects demand of 54MG next fiscal year (see chart of historical water use attached), down 17% from the average over the past five years, but equal to projected demand for this fiscal year. Consistent with the potable water rate increase, a 6% commodity rate increase is proposed effective June 1, 2011. The proposed increase would add \$13,000 to annual revenue.

Operating expenses are budgeted to decrease 5% from the existing budget, but are 14% above the current year estimated actual. The budget includes \$5 million for the first phase of the North & South Area Expansion. This project will be funded by Federal and State grant funds (25%) and, we anticipate, a low-interest rate SRF loan.

The proposed FY12 RWS budget projects a small surplus for the fiscal year. The RWS fund carried a cash balance of \$349,000 at April 30, 2011. The annual State Revolving Fund debt service payment of \$273,000 is due on June 19. Through April, \$732,000 of Novato FRC funds have been advanced to the RWS Fund to pay for the North and South Expansion Project cost while we await grant and SRF funding.

As with the Novato potable water budget, staff will continue to fine-tune the RWS budget, and will present it for approval at the June 21 public hearing.

**NOVATO WATER - RECYCLED WATER SYSTEM**  
**BUDGET SUMMARY**  
**Fiscal Year 2011/12**

	<i>Proposed Budget 2011/12</i>	<i>Estimated Actual 2010/11</i>	<i>Adopted Budget 2010/11</i>
<b>OPERATING INCOME</b>			
1 Recycled Water Sales	\$211,000	\$186,000	\$202,000
2 <b>Total Operating Income</b>	<b>\$211,000</b>	<b>\$186,000</b>	<b>\$202,000</b>
<b>OPERATING EXPENDITURES</b>			
3 Pumping	\$2,000	\$0	\$3,000
4 Operations	6,000	23,000	16,000
5 Treatment	84,000	72,000	83,000
6 Transmission & Distribution	17,000	3,000	16,000
7 General Administration	23,000	18,000	21,000
8 <b>Total Operating Expenditures</b>	<b>\$132,000</b>	<b>\$116,000</b>	<b>\$139,000</b>
9 <b>NET OPERATING INCOME (LOSS)</b>	<b>\$79,000</b>	<b>\$70,000</b>	<b>\$63,000</b>
<b>OTHER SOURCES OF FUNDS</b>			
10 Interest Revenue	\$1,000	\$1,000	\$0
11 IRWMP Grant	0	55,000	55,000
12 Fed Grant/SRF Loan	5,000,000	650,000	613,000
13 Connection Fees Transferred In	125,000	150,000	0
14 Black Point Partners Contribution	251,000	251,000	251,000
15 <b>Total Other Sources</b>	<b>\$5,377,000</b>	<b>\$1,107,000</b>	<b>\$919,000</b>
<b>OTHER USES OF FUNDS</b>			
16 Replacement Fund Contribution	\$0	\$0	\$0
17 Capital Improvement Projects	5,125,000	800,000	653,000
18 Loan Repayment to Novato	0	45,000	56,000
19 SRF Loan I Debt Service	273,000	273,000	273,000
20 SRF Loan II Debt Service	45,000	0	0
21 <b>Total Other Uses</b>	<b>\$5,443,000</b>	<b>\$1,118,000</b>	<b>\$982,000</b>
22 <b>NET SURPLUS/(DEFICIT)*</b>	<b>\$13,000</b>	<b>\$59,000</b>	<b>\$0</b>
23 Depreciation (not included above)	\$165,000	\$163,000	\$165,000

\* Line 9+15-21



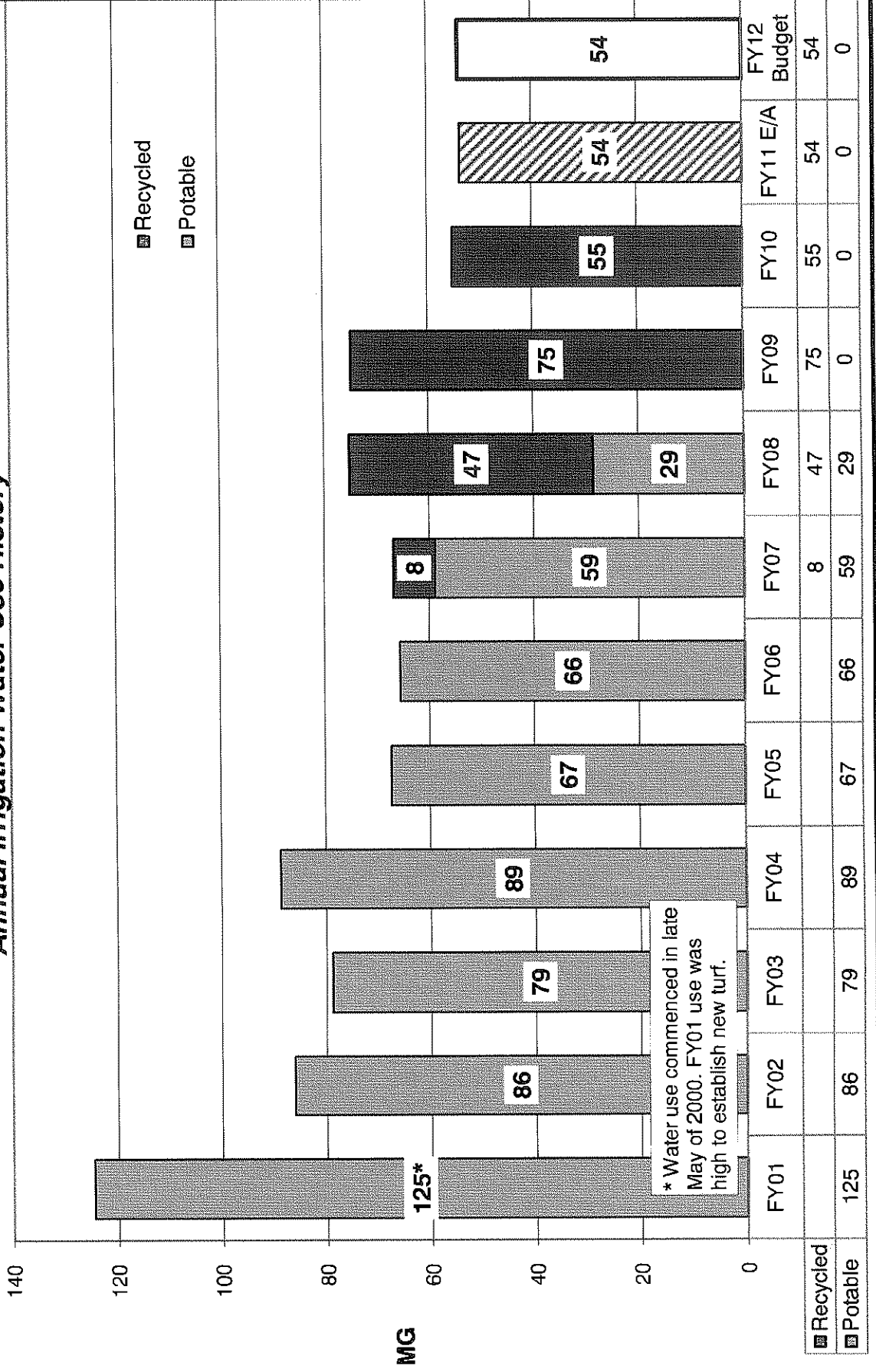
**Proposed Improvement Projects**

5/13/11

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	FY12	FY13	FY12 Project Description
<b>5. RECYCLED WATER</b>			
a. NBWRA Grant Program Administration	\$125,000	\$125,000	Continued support of North Bay Water Reuse Authority to obtain/administer recycled water project Federal/State grants.
b. Expansion to North Area (Note 6)	\$3,000,000	\$1,700,000	Pipeline additions and storage improvements to increase recycled water use by 186 AF.
c. Expansion to South Area (Note 7)	\$2,000,000	\$2,000,000	Pipeline additions and storage improvements to increase recycled water use by 220 AF.
d. Other Recycled Water Expenditures		\$20,000	
	\$5,125,000	\$3,845,000	
	<u>\$5,125,000</u>	<u>\$3,845,000</u>	
<b>GROSS PROJECT OUTLAY</b>	<b>\$5,125,000</b>	<b>\$3,845,000</b>	
<b>8. LESS FUNDED BY LOANS/GRANTS</b>			
b. Recycled Water System Expansion - North Area	(\$3,000,000)	(\$1,700,000)	RW North funded 25% by Fed/State Grant; 75% by low-interest State Revolving Fund loan
c. Recycled Water System Expansion - South Area	(\$2,000,000)	(\$2,000,000)	RW South funded 25% by Fed/State Grant; 75% by low-interest State Revolving Fund loan
	<u>(\$5,000,000)</u>	<u>(\$3,700,000)</u>	
<b>NET PROJECT OUTLAY</b>	<b>\$125,000</b>	<b>\$145,000</b>	
Total Number of Projects	3	4	

## Stone Tree Golf Course Annual Irrigation Water Use History



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## DISBURSEMENTS - DATED MAY 4, 2011

Date Prepared: 5/3/11

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

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 4/30 (Diggs)	\$713.05
EFT*	Bank of the West	Federal & FICA Taxes PPE 4/30 (Diggs)	732.17
1	American Family Life Ins	April Employee Contrib for Accident, Disability & Cancer Ins	3,606.28
2	Arnold, Lucy	Novato "Toilet Rebate" Program	150.00
3	Baker, Jack	April Director's Fee (\$200) & Novato Watershed Program - Policy Advisory Committee Meeting - 4/25 (\$100)	300.00
4	Bold & Polisner	March & April Legal Services: CEQA/NEPA Compliance - North Marin Aqueduct (\$4,400), Aqueduct Reloc-Non-reimb (\$307), Aqueduct Reloc-Litigation (\$105), Dutra Project (\$78), Grossi Property Exchange (\$92), Liability Potential for Water Use (\$97), Novato Rate Increase (\$168), RW Expansion North (\$1,726), RW Ordinance (\$205), SB7X7 Regional Alliance (\$140), STP Solids Disposal (\$55) & UWMP (\$245)	7,620.50
5	Borg, Paulette	Novato "Toilet Rebate" Program	99.00
6	Buffa, Stanley	Novato "Washer Rebate" Program	75.00
7	Business Card	Replacement Battery Cartridge (STP) (\$426), Flower Arrangement (Lemos) (\$76), Internet Pymt Fee (\$94), Back-up Power Supplies (STP) (\$353), Patio Table & Benches (\$219), Rechargeable Battery Pack (\$88), Patio Umbrella (\$97), Water Conservation Ad (\$27), Reg Fee: ACWA 2011 Spring Conference (DeGabriele) (\$555) & Birthday Breakfasts (\$85)	2,020.71
8	State of California	State Tax & SDI PPE 4/30 (Diggs)	129.49


Seq	Payable To	For	Amount
9	California State Disbursement	Wage Assignment Order (3)	1,478.50
10	CDW-Government	Replacement Battery Cartridges (2) (STP)	1,096.62
11	Cinquini & Passarino	Final Pymt: Bathymetric Survey @ Stafford Lake (Total Pymts \$34,280)	15,245.00
12	Cole-Parmer Instrument	Starch Indicator & Phosphate Buffer (STP)	101.14
13	Combs, Danalla	Novato "Washer Rebate" Program	75.00
14	Cook, Lillian	Novato "Toilet Rebate" Program	450.00
15	Cook, Orrin	Refund Alternative Compliance Reg 15 Deposit	945.00
16	Core Utilities	Consulting Services: March IT Support (\$5,000), SCADA (\$50) & Website (\$1,300)	6,350.00
17	Cornelius, John	Novato "Toilet Rebate" Program	300.00
18	Cottrell, Kevin & Jenay	Novato "Washer Rebate" Program	75.00
19	Cummings Trucking	Sand (73 tons)	2,035.37
20	DeGabriele, Chris	Exp Reimb: April Mileage	86.70
21	Enberg, Doris	Novato "Toilet Rebate" Program	150.00
22	Fisher Scientific	Conductivity Calibration Solution (Lab)	106.79
23	Fraites, Rick	April Director's Fee (\$200) & Novato Watershed Program - Policy Advisory Committee Meeting - 4/25 (\$100)	300.00
24	Franchise Tax Board	Wage Assignment Order	520.51
25	Fremouw Environmental Svc	Hazardous Waste Disposal	150.00
26	George, Rita	Novato "Washer Rebate" Program	75.00
27		Cafeteria Plan - Child Care Reimbursement	245.30
28	Groeniger	Bolts (559) (3/4" & 5/8")	1,790.05
29	Hach	Ampule Kit (\$192), Sample Cells (6) (\$45), TOC Standard, Silicone Oil (2) & Glycine Reagent (STP)	347.32


Seq	Payable To	For	Amount
30	Hayes, Kevin	Novato "Toilet Rebate" Program	150.00
31	J & M	Refund Security Deposit on Hydrant Meter Less Final Bill	1,087.73
32		Cafeteria Plan - Uninsured Medical Reimbursement	53.05
33	Lemcke, Dieter	Novato "Toilet Rebate" Program	150.00
34		Cafeteria Plan - Child Care Reimbursement	416.66
35	McLellan, WK	Misc. Paving: Novato Area (502 SF)	3,717.50
36	McJunkin Red Man	Essex Motor Start Relay (To Repair Motor Operated Aqueduct Valve)	373.90
37	Mirviss, Richard	Novato "Washer Rebate" Program	75.00
38		Wage Assignment Order	284.00
39	Novato, City of	Fee for Working on Moratorium Street (Novato Blvd & Center Rd Intersection)	500.00
40	Novato Police Dept	Telephone Answering Service (Feb-Apr)	600.00
41	Nute Engineering	Engineering & Design Services: Hamilton Area Recycled Water Project (Bal Remaining on Contract \$248,541)	56,579.81
42	Office Depot	Ink Cartridges (2) (\$37) & Note Pads (36)	43.53
43	Pace Supply	Meter Stops (9) (\$330), Corp Stops (3) (\$100), Ells (6) (\$173), Couplings (15) (\$248), Gaskets (18), Nipples (4) (\$127) & Plugs (5)	1,044.81
44	Patton, Patricia	Novato "Toilet Rebate" Program	150.00
45	Petterle, Stephen	April Director's Fee	200.00
46	Pollard Water	Disposable Cylinders (24) (Used to Clean Out Novato Sanitary Line @ STP)	109.68
47	Prunuske Chatham	Engineering Services: Final Payment-Leveroni Creek Bank Stabilization (Total Payments \$14,727)	11,435.00

Seq	Payable To	For	Amount
48	Rodoni, Dennis	April Director's Fee (\$100) & WAC Meeting - 3/7 (\$100)	200.00
49	Sacramento Flow Control	Test Valve Kit for Fire Services (\$112) & Rubber Repair Kit for 3" Check Valves (\$50)	162.15
50	Schlosser, Robert	Novato "Washer Rebate" Program	75.00
51	Schoonover, John	April Director's Fee Less Deferred	150.00
52	Sequoia Safety Supply	Safety Glasses (24) (\$84) & Ibuprofen (200)	94.37
53	Shirrell Consulting Services	May Dental Ins Adm Fee	288.15
54		Cafeteria Plan - Uninsured Medical Reimbursement	317.49
55	Strahm Communications	Print Rate Increase Letter (20,000) (\$2,563), Envelopes (20,000) (\$809) & Mailing Services (\$1,565)	4,937.72
56	Tap Masters	Install 12" Gate Valve at So. Novato Blvd & Rowland	9,997.00
57	Testa, Diane & Pete	Novato "Washer Rebate" Program	75.00
58	Thornton, Marylyn & Jeremy	Novato "Washer Rebate" Program	75.00
59	The Transmitter Shop	Repair 2 Tank Level Transmitters (Damaged in March Lightning Storm)	1,216.93
60	Ultra Scientific	Reference Samples (Lab)	148.59
61	United Site Services	Portable Toilet Rental (4/12/11 - 5/9/11) (Pacheco Tank Cl2 Mixing System)	79.06
62	Van Bebber	Rolled Metal to Make Pipe (18" & 19" Diameter)	464.75
63	Viau, Tula	Novato "Washer Rebate" Program	75.00
64	Wiener, Martin	Novato "Toilet Rebate" Program	256.00
65	Wilson, Louise	Novato "Washer Rebate" Program	75.00

Seq	Payable To	For	Amount
66	Winzer	Nuts, Bolts & Grinding Discs	178.09
67	Wooding, Julie	Novato "Washer Rebate" Program	75.00
68	Zunino, Emily	Novato "Washer Rebate" Program	75.00
<b>TOTAL DISBURSEMENTS</b>			<b><u>\$143,355.47</u></b>

The foregoing payroll and accounts payable vouchers totaling \$143,355.47 are hereby approved and authorized for payment.

 5/3/11  
 Auditor-Controller Date

 5/3/11  
 General Manager Date



## DISBURSEMENTS - DATED MAY 11, 2011

Date Prepared: 5/10/11

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

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 4/30	\$114,160.81
EFT*	Bank of the West	Federal & FICA Taxes PPE 4/30	42,304.33
1	Able Tire & Brake	Tires ('00 Dodge Dakota-\$107 & '10 F150-\$810)	917.11
2	Ackenheil, Peter	Novato "Washer Rebate" Program	75.00
3	Aguila, Victor	Novato "Toilet Rebate" Program	276.00
4	Allied Electronics	Electrical Connectors for Lab Instrument @ STP	31.79
5	Alpha Analytical Labs	Lab Testing (Crest Tank)	320.00
6	AT&T	Telephone Charges: Leased Lines (\$413), Local (\$79) & Minimum (\$671)	1,162.93
7	Bank of the West	Quarterly Service Charge on Operating Account	2,287.55
8	Barden, Jim	Refund Security Deposit on Hyd Meter Less Final Bill	484.99
9	Bayshore International	Fuel Level Sender Unit & Trailer Hitch Coupling (\$414) ('02 Int'l 6 yd Dump Truck)	501.39
10	Bender & Co, Matthew	CA Gov't Codes Updates	338.29
11	Bentley, David L.	Exp Reimb: Feb-Apr Mileage	40.80
12	Best Best & Krieger	STP Solar Project - PPA Review	1,476.00
13	Brown, Hully & Glen	Refund Overpayment on Closed Account	58.44
14	Buck's Saw Service	Weed Eater String	60.21
15	Building Supply Center	Concrete	97.29

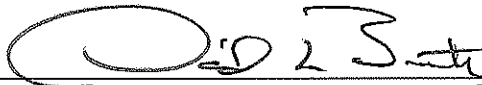
Seq	Payable To	For	Amount
16	State of California	State Tax & SDI PPE 4/30	8,570.06
17	Campos, Jorge & Clara	Refund Overpayment on Closed Account	10.36
18	Cook Paging	May Pager Rental (STP) (2)	16.50
19	HSBC Business Solutions	"C" & "D" Batteries & Snacks for Cleanup Day	111.45
20	CSW/Stuber-Stroeh Engineering	Prog Pymt #2: Aqueduct Energy Efficiency Project (Balance Remaining on Contract \$220,404)	10,520.59
21	Furst, E.	Refund Overpayment on Closed Account	24.24
22	Geminani, Susan	Novato "Toilet Rebate" Program	300.00
23	GFS Chemicals	Turbidity Standards (STP)	338.47
24	Golden Gate Petroleum	Gasoline (\$4.12/gal) & Diesel (\$4.29/gal)	3,634.00
25		Cafeteria Plan - Uninsured Medical Reimbursement	20.39
26	Grainger	Brass Nipples (20), Brass Tees (2), Brass Plugs (11), Brass Ball Valves (9) & Sample Pump for Recycled Water Facility (\$196)	488.37
27	Groeniger	Flanges (5)	70.25
28	Haumer, Deborah	Novato "Cash for Grass" Program	50.00
29	Hopper, Ian & Jessica	Refund Overpayment on Closed Account	66.75
30	InfoSend	April Processing Fee for Water Bills (\$724) & Postage (\$1,825)	2,549.16
31	Jackson, Garry	Novato "Washer Rebate" Program	75.00
32	Journey Ford/Lincoln	Tire Pressure Sensor ('10 F150), Steering Damper Shock ('08 F250) & Front End Repair ('08 F250) (\$190)	322.63
33		Cafeteria Plan - Uninsured Medical Reimbursement	56.53
34	Kemira Water Solutions	Ferric Chloride (10.17 tons)	7,521.53
35	Knapp, Kathleen	Novato "Washer Rebate" Program	75.00
36	Lozano, Julio	Novato "Washer Rebate" Program	75.00

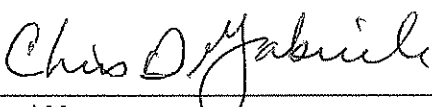
Seq	Payable To	For	Amount
37	Luis, Jose	Novato "Toilet Rebate" Program	450.00
38	Marin Landscape Materials	Concrete & Drain Rock	768.16
39	Maselli & Sons	Spring for Crimpers Hinge (Apt Window), Coupling, Bushings, Drill Bit & Rod	151.65
40	Mays, Lawrence	Novato "Toilet Rebate" Program	300.00
41	McLellan Co, WK	Misc Paving: Novato Area (89 S.F.)	734.25
42	Drew McIntyre	Exp Reimb: Lodging, Meals, Mileage & Parking (CA-NV AWWA Spring Conf)	517.55
43	North Marin Auto Parts	Oil Filters (7), Air Filter, Motor Oil (14 qts), Gear Oil (4 qts) ('03 Dodge Dakota) (\$63), Tailgate Latch Handle (\$33), Washers (6), Toggle Switch for Flashlight, Emergency Light ('89 Fork Lift) (\$132), Clamp for Emergency Light Brackets (2), Oil Seal (\$41), Wheel Bearing Sets (2) (\$71), Clamps for Emergency Light Bracket (4), Rivets, Wheel Bearing, Grease Seals, Fuel Filters (6), Wiper Blades, Axle Seals (4), 10 AMP Fuses (5), Bearing Cap, Dust Caps (2), Nuts & Bolts for Trailer Hitch (\$158) & Tap	763.64
44	North Bay Leadership Council	Reg Fee: Economic Insight Conference 6/2/11 (DeGabriele & Bentley)	60.00
45	North Marin Water District	NMWD Assoc Dues - April	950.00
46	Novato Builders Supply	Water Stop Cement (3), Drill Bit, Lumber & Paint	103.79
47	Novato Unified School District	Diesel Exhaust Filter Cleaning & Service on '02 Int'l 5 yd Dump Truck	250.00
48	NTU Technologies	Polymer (2,300 lbs)	3,358.00
49	Office Depot	Copy Paper (10 reams)	86.99
50	Pace Supply	Meter Stops (22) (\$1,757) & Box Lids (71)	3,210.65
51	Parady, Jaime	Novato "Cash for Grass" Program	1,000.00
52	Perrella, V.A.	Novato "Cash for Grass" Program	1,000.00
53	PERS Retirement System	Pension Contribution PPE 4/30	37,711.39

Seq	Payable To	For	Amount
54	Phillips & Associates	May O&M of OM Wastewater Treatment System	5,049.02
55	Pini Hardware	Extended Reach Pick-up Tool for Fire Services, Pins for Vault Lid, Elbows (2), Faucets (2), Bushings (3), Parts for Caustic Room Emergency Shower (STP), Door Handle (\$39), Weed Block, Hardware Supplies, Rope (100'), Irrigation Supplies, Tubing, Masking Tape (3) (\$26), Break-Away Locks for Fire Service (\$99), Paint Tray Liners (5), Ball Valve & Materials to Make Signs for USA (\$24)	296.69
56	Point Reyes Prop Mgmt Assn	May HOA Dues (25 Giacomini Rd)	118.91
57	Reese, Gerald	Novato "Washer Rebate" Program	75.00
58	Roberts & Brune	Bushings (14)	30.58
59		Cafeteria Plan - Child Care (\$495) & Uninsured Medical Reimbursement (\$440)	935.25
60	Scott's Office Equipment	Quarterly Maintenance Agreement on Engineering Copier (1/16/11-4/15/11)	582.54
61	Sebastopol Bearing & Hydraulic	Hydraulic Hose Assemblies (2) & Hydraulic Hose Coupler	168.36
62	Shirrell Consulting Services	April Dental Expense	1,341.50
63	SMART	SMART Encroachment Permit for Recycled Water Expansion Project @ Main Gate Road, State Access Road & Bolling Circle	900.00
64	South Bay Foundry	Valve Caps (6)	101.37
65	SPH Associates	Engineering Services: Waste Stream Disposal Study @ STP (Balance Remaining on Contract \$3,735)	3,385.82
66	Staples Advantage	File Folders (100)	35.45
67	Verizon California	Telephone Charges: Leased Lines (\$832) & Minimum (\$43)	874.94
68	Verizon Wireless	April CIMIS Station Data Transfer Fee (2)	19.20

Seq	Payable To	For	Amount
69	Western Exterminator	Chemical Treatment of Termites in Renee's Office	495.00
70	Workforce Boots	Safety Boots (Moore)	166.76
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$265,481.67</u></b>

The foregoing payroll and accounts payable vouchers totaling \$265,481.67 are hereby approved and authorized for payment.


5/10/11  
 \_\_\_\_\_  
 Auditor-Controller Date


5/10/2011  
 \_\_\_\_\_  
 General Manager Date

BDD MWSL

(510) 622-2314

## **Water Agency Stream Maintenance Program Endorsed by San Francisco Bay Regional Water Quality Control Board**

(Santa Rosa, CA) The San Francisco Bay Regional Water Quality Control Board (Water Board) has endorsed the Sonoma County Water Agency's (Water Agency) Stream Maintenance Program (Program) within the Petaluma River and Sonoma Creek watersheds. At its April meeting, the Water Board issued water quality certification and a permit to the Water Agency to continue implementing its Program that ensures all stream maintenance activities are done in a manner that is protective and beneficial to the environment, and that maintenance activities are only conducted when necessary. Maintenance activities allowed under the permit include sediment removal, vegetation management, and bank stabilization.

"The state permit supports the Water Agency's goal to help our streams evolve into waterways that not only provide flood protection, but also improve habitat for native plants and wildlife," said Water Agency Director and Sonoma County Supervisor Shirlee Zane. "While stream maintenance activities support a proactive regional approach to flood protection and wildlife habitat restoration, it also offers our community the access and infrastructure needed to enjoy streams for recreational activities."

After the Water Board issued the permit, Bruce Wolfe, Water Board Executive Officer, noted, "This multi-year permit sets the standard for how we'd like to see flood control channels maintained throughout the San Francisco Bay Region. The Water Agency's Program nicely balances environmental protection and restoration while fully addressing public safety."

The Program was initially developed by the Water Agency in 2009 to improve the management and maintenance of flood control channels and streams under its authority while improving wildlife habitat. The Program supports a vision that includes the formation of mature riparian canopies with alders and other trees that grow tall and stretch their branches over streams. The canopies act as umbrellas to the streams, which improves water quality for wildlife by cooling stream water and shading out less desirable species of trees that reduce the water carrying capacity of a stream.

The Association of Environmental Professionals in March selected the Program to receive its Outstanding Environmental Resource Document award for 2011. In 2009, the Floodplain Management Association selected the Program to receive its Award of Excellence.

The Water Agency owns, or has easements to maintain hydraulic capacity on, approximately 75 miles of engineered flood control channels. The channels are primarily located in the vicinity of Santa Rosa, Rohnert Park, Cotati, Petaluma, and Sonoma. The Water Agency also holds easements to maintain hydraulic capacity over approximately 100 miles of modified or natural channels.

"The Stream Maintenance Program reflects a new approach to flood control and stream maintenance. It lays out a vision for how the Water Agency wants streams to look in the future and provides maintenance crews a 'how to' manual for getting there," said Water Agency Stream Maintenance Program Coordinator Jon Niehaus. "This comprehensive vision allows the Water Agency to ask regulatory agencies for multi-year permits, which saves time and money."

The Program may be viewed online at [www.scwa.ca.gov/stream-maintenance-program/](http://www.scwa.ca.gov/stream-maintenance-program/).

###

## MEMORANDUM

To: Board of Directors  
From: David L. Bentley, Auditor-Controller  
Subj: Uncollectable Invoices – Damaged Facilities  
t:\aclword\memo\11\uncollectable invoices.doc

May 13, 2011

### **RECOMMENDED ACTION: Information**

### **FINANCIAL IMPACT: Approximately \$6,700 Annually**

Director Baker inquired as to the open invoice listing provided to the Board monthly, how many invoices ultimately prove uncollectable?

Staff compiled a list going back to January 2008 and found five invoices rendered that were ultimately "written-off" as uncollectable (0.79%). The most significant uncollected invoice pertained to hydrant damage (\$5,378) that occurred in early 2008. The culprit was identified and admitted fault through an interpreter, but shortly thereafter moved without leaving a forwarding address. Invoices that prove to be uncollectable average about \$2,400 annually.

Also included is a listing of damage to District facilities where the perpetrator was not identified – typically hit and run hydrant damage. The loss incurred from unidentified parties averages approximately \$4,300 annually.

**Uncollectable Invoices & Unreimbursed Damage to Facilities**

January 2008 through April 2011

5/9/11

t:\finance\invoices written off.xls\sheet1

Invoice #	Write-off Date	Amount	Customer	Reason Invoice Written-Off
11357	5/22/08	\$5,378	Victor Hugo Villagran	Claim for damaged hydrant. Perpetrator moved without a forwarding address.
11447	12/2/08	\$298	Response Builders	Claim for damage to service - non-responsive - sent to collection
11650	10/2/09	\$974	California Casualty	Damage to District Vehicle - Lost in small claims court
11888	9/21/10	\$594	Marin Community College	Progress Billing-Indian Valley Campus Ph II-Transfer cost to expense per Drew
11933	12/28/10	\$706	J&M Inc.	2" Main-Center Rd Damaged by backhoe - Main incorrectly marked
	Total	<u>\$7,950</u>		
	Annual Average	<u>\$2,400</u>		

**Damage to Facilities - Never Invoiced-Hit & Run**

January 2008-April 2011

Job#	Date	Amount	Description
1.1066.08	4/17/08	\$495	Hangar Ave-Stolen Hydrant Caps
1.1092.09	11/25/08	\$1,044	Damaged Hydrant-Vineyard Rd-Hit & Run
1.1098.09	4/3/09	\$671	Damaged Hydrant-Marion Ave-Hit & Run
1.1009.10	9/30/09	\$740	Damaged Hydrant-Vailey View Ct-Hit & Run
1.1022.10	6/20/10	\$2,357	Damaged Hydrant-Alameda Del Prado-Police interviews unsuccessful
1.1025.11	7/22/10	\$615	Damaged Main by trenching-Cannot locate contractor responsible
1.1032.11	10/30/10	\$4,846	Damaged Hydrant-1000 Cambridge-Hit & Run
1.1034.11	12/20/10	\$2,537	Damaged Service/Stolen PRV-Fireman's Fund-Vandals
1.1036.11	12/24/10	\$905	Damaged Hydrant-Ignacio/Entrada-Hit & Run
	Total	<u>\$14,208</u>	
	Annual Average	<u>\$4,300</u>	



BOD misc



## Huffman's sewer finance bill clears Assembly

By Will Jason  
Marin Independent Journal

Posted: 05/09/2011 04:10:07 PM PDT

The state Assembly on Monday unanimously approved legislation by Assemblyman Jared Huffman that would expand public financing for repairs of private sewer lines.

The bill, AB 741, would allow local wastewater agencies to provide tax-deductible loans to homeowners to finance the repair of sewer laterals, the privately owned pipes that feed into sewer systems. Currently, the loans are only available for properties that have been declared a nuisance or public health hazard.

"This is the type of thing that can make a meaningful difference in preventing sewage spills," Huffman, D-San Rafael, said of the bill.

The bill will move to the Senate.

— Will Jason

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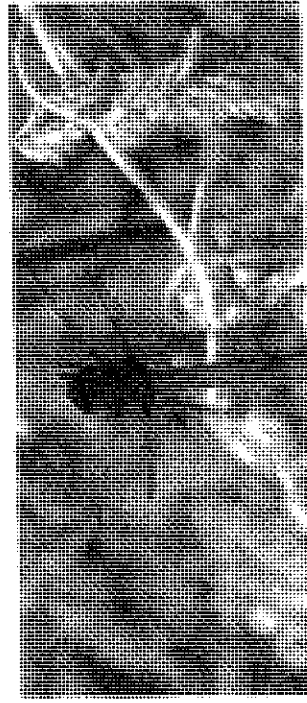
# Solar tech looks forward

Solar technology has come a long way in the last half century. Demand has risen, costs have dropped, and in the process more advanced photovoltaic systems, which use celled panels to convert solar radiation into direct current electricity, have become a viable consumer option. In 1956, it would have taken a million and a half dollars to install a solar system on a typical residential house. Today, it can cost as little as a new car.

Next Friday, Allen Bronstein, a local solar energy consultant and 30-year veteran of the industry, will lead a discussion at the Point Reyes Station Library on the development and use of solar power.

Bronstein's personal history with solar technology dates back to high school,

Please turn to page 18



INSIDE: 2nd annual Point Reyes birding and nature festival.

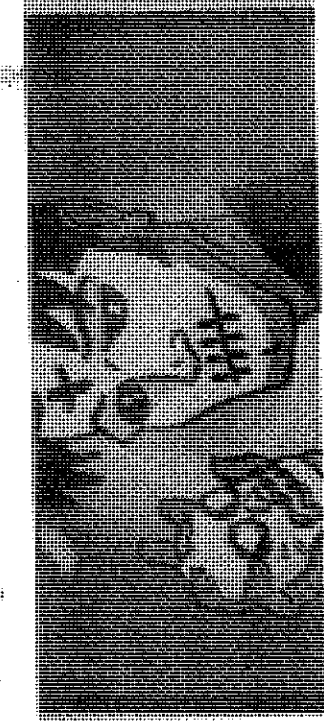
FASHION: Models walked a runway of hay bales at Fibershed's kick-off benefit, raising funds for a future textile mill.

## Salt in drinking water baffles

Responding to unexplained salinity spikes in the Point Reyes Station area's drinking water over the past five years, and the ever-encroaching sea level rise, the North Marin Water District is hoping to lay a new pipeline from an aquifer farther inland to service the community. While saline spikes are hardly unusual along coastal communities, the recent upsurges in sodium have put pressure on the district to access the inland water source and keep our drinking water safe.

Lagunitas Creek and Tomales Bay are engaged in a perpetual dance between saltwater and seawater. When the tide is high and river flow is low, the bay's saltwater pushes its way up the creek. When the tides are low, and rainfall is high, the fresh water pushes the saltwater back out to the bay—usually.

"We've recently had salinity intrusion at times we didn't expect," said Pablo Ramudo, the water quality supervisor of the North Marin Water District (NMWD). "It's gotten worse over the past few years, and [we] have seen salinity intrusion occur when there has been lots of rain, and creek flow at 200 to 500 cubic feet per second. That's a lot of fresh water in the creek, which should be refilling the aquifer and pushing the salinity to the bay.



INSIDE: KWMR's comic art show opens at Toby's this month.

one of NMWD's directors. "In the past, high creek flows have always flushed salinity out of the wells. In the past, elevated salinity has been the product of the time of year and the type of flow."

These irregular spikes contribute to a general increase in saline intrusion, which experts attribute to rising sea levels. As the sea rises, saline travels farther upstream. The salinity spikes have never made local water undrinkable, and it has yet to reach a point that one can taste it. But if the saline levels continue to increase, it could become a big problem in the not-so-distant future. "When you look at the long term, look at sea level rise and climate change, it's going to get worse," Rodoni said.

Recently, the salinity level has been

Please turn to page 19

Around midnight, he realized that his body was still relatively warm, which meant there couldn't be internal bleeding. Harijan managed to shiver his way to sunrise, at which point an alert morning hiker heard him shouting for help and let him know that he would go to get help.

"All the sudden this guy showed up and said that he was going to go get help," Harijan said. "When that happened I just let go of all of the survival instincts and felt so relieved. My whole persona changed."

The man, it was discovered this week, was Trevor Brand, a 29-year-old Point Reyes resident and frequent hiker. "I didn't see him at first; all I heard was this faint sound, which I thought was nothing," Brand said. "Where he was laying is where the beach ends so most people don't go past that point. But I've been down there a bunch of times, and I figured I'd go check it out just to be safe."

After discovering Harijan, Brand ran nearly two miles to the nearest pay phone to call for help. "I just happened to come across him and then I said, 'Hey, look, I'm going to get help, but, you know, this is gonna take a while,'" Brand said. Along the way, he flagged down two groups of hikers, one of which ended up locating and waiting with Harijan on the beach.

Eventually, rescue authorities arrived and transported Harijan to the nearest hospital, all before he had an opportunity to say thank you to the hiker who had found and helped him. "I'd just like to tell him that I appreciate what he did for me," Harijan said on Monday, before learning of Brand identity.

Until Monday, Brand had no idea that Harijan was looking for him. That morning, co-workers alerted him of a recent newspaper article that described the ordeal and the subsequent search. On Tuesday, the two men were reunited on the phone.

"He was thankful," Brand said. "I didn't do anything big, you know? I mean, what else are you gonna do?" Harijan hopes to soon organize a gathering in Point Reyes with Brand and all of the individuals who helped him through his experience.

— Jeremy Blackman

## Salinity

continued from page 1

hovering just below the point where NMWD would have to issue a notification. "It's just below that level, and people should know about that, especially people who can have no salt whatsoever [in their diet]," Ramudo said.

The NMWD has developed a permanent fix to the problem—not by finding and eliminating the source of the contaminant, which would be a long and extremely costly process, but by using a new source of freshwater further upstream. "The solution is to blend the water, to take water from another well. It seems to be a much more practical solution than trying to figure out what's going on here," Rodoni said.

The plan is to lay a new pipeline from the Gallagher well, near the North Bend Ranch about three miles inland, to NMWD's water treatment and dispersal facility near the existing two wells. The project would cost approximately \$1.2 million, and would be funded by state and federal monies. The plan was conceived 19 years ago, but the recent salinity problem has put pressure on the district to find funding—funding that ratepayers could not possibly pay by themselves. "We've spoken with all the representatives in the area—Dianne Feinstein, Jared Huffman, Barbara Boxer...Steve Kinsey, trying to

get money to finance that project," Ramudo said. "It will be a permanent fix; a way to draw water from a source that is out of reach of the tides."

Unfortunately, the project does not rank as a high enough priority for many funders, like the Department of Health Services. "What we've done is identify the project to anybody who can make a decision about grants or funding, and wait our turn in line," Ramudo said.

Using the new well, NMWD would be able to mix the water and dilute the water to safe levels. The well would only be able to supplement the water supply of Point Reyes Station, Olema, Bear Valley, Inverness Park and Paradise Ranch Estates, however; it only produces about one third of the district's consumption. "It wouldn't be enough to support the community, unless there were significant cutbacks [in consumption]," Rodoni said.

Locals will soon be able to monitor the saline content of their drinking water online. "What we're doing is raising the notification level for sodium in the water," Ramudo said. "When sodium reaches 50mg per liter, we notify the public that it has reached that threshold, and people with sodium-restricted diets should take that into account. What we're proposing to do is broaden our communication through the website and other materials, with information about sodium in diet, year-round levels of sodium and salinity intrusion. That way people are better served, and more informed." — Kyle Cashulin

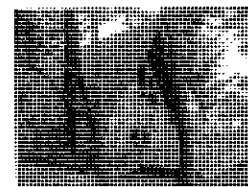


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