



NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING
 June 7, 2011 – 7:30 p.m.
 District Headquarters
 999 Rush Creek Place
 Novato, California

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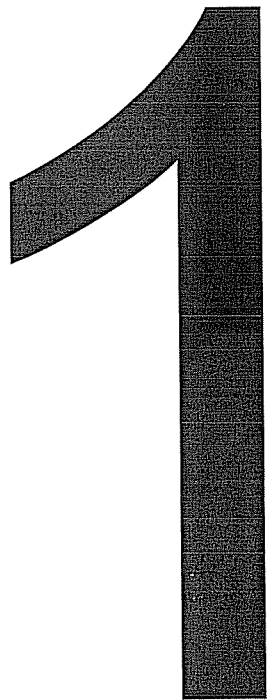
Est. Time	Item	Subject																																																
7:30 p.m.	CALL TO ORDER																																																	
	1.	APPROVE MINUTES FROM REGULAR MEETING , May 17, 2011 and MINUTES FROM SPECIAL MEETING May 24, 2011																																																
	2.	GENERAL MANAGER'S REPORT																																																
	3.	OPEN TIME: (Please observe a three-minute time limit) This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.																																																
	4.	STAFF/DIRECTORS REPORTS																																																
<p>CONSENT CALENDAR</p> <p>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.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Consent - Approve</th> <th style="text-align: left;">Water Agreement</th> <th style="text-align: center;"><u>Type</u></th> <th style="text-align: center;"><u>DU</u></th> <th style="text-align: center;"><u>EU</u></th> <th style="text-align: center;"><u>Resolution</u></th> </tr> </thead> <tbody> <tr> <td>5.</td> <td>Perry's Deli Fire Service</td> <td style="text-align: center;">Comm'l</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">Resolution</td> </tr> <tr> <td>6.</td> <td>Hamilton Nursery, US Army COE</td> <td style="text-align: center;">Comm'l</td> <td style="text-align: center;">0</td> <td style="text-align: center;">2</td> <td style="text-align: center;">Resolution</td> </tr> <tr> <td>7.</td> <td>Consent – Approve Temporary Water Service Request – City of Novato Hamilton Field Building #816</td> <td></td> <td></td> <td></td> <td style="text-align: center;">Resolution</td> </tr> <tr> <td>8.</td> <td>Consent – Approve Miller Pacific Engineering - General Engineering Services Agreement</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>9.</td> <td>Consent – Approve Engineering Services Contract – Edith Robbins</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>10.</td> <td>Consent – Approve Change Order – Third Party Coating Inspection for Crest Tank No. 2 Project - D.B. Gaya Consulting</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>11.</td> <td>Consent – Approve Banking Services</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Consent - Approve	Water Agreement	<u>Type</u>	<u>DU</u>	<u>EU</u>	<u>Resolution</u>	5.	Perry's Deli Fire Service	Comm'l	0	0	Resolution	6.	Hamilton Nursery, US Army COE	Comm'l	0	2	Resolution	7.	Consent – Approve Temporary Water Service Request – City of Novato Hamilton Field Building #816				Resolution	8.	Consent – Approve Miller Pacific Engineering - General Engineering Services Agreement					9.	Consent – Approve Engineering Services Contract – Edith Robbins					10.	Consent – Approve Change Order – Third Party Coating Inspection for Crest Tank No. 2 Project - D.B. Gaya Consulting					11.	Consent – Approve Banking Services				
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ACTION CALENDAR																																																		
	12.	Consider – Request for Bill Adjustment																																																
	13.	Approve - Stafford Treatment Plant GAC Replacement																																																

All times are approximate and for reference only.

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

(Continued)

Est. Time	Item	Subject
	14.	Approve - Change Order – Nute Engineering Contract for Recycled Water North Service Area SMART Crossing at Olive Ave.
	15.	Approve – Recycled Water North Service Area Expansion – Segment 1: Award Construction Contract
8:00 p.m.		<i>INFORMATION ITEMS</i>
	16.	Initial Review – FY 12 West Marin Budgets
	17.	Update for Stafford Treatment Plant Backflow Meter & Check Valve Project
	18.	NBWRA Board Meeting Minutes – May 23, 2011
	19.	Draft 2010 Urban Water Management Plan
	20.	TAC Meeting – June 6, 2011
	21.	SMART Proposed Application and License Fees for Private At-Grade Crossings
	22.	North Bay Watershed Association Meeting – June 3, 2011
	23.	<i>MISCELLANEOUS</i> Disbursements Direct Deposit for Disbursements <u>News Articles:</u> Lucas donation allows MALT protection of Corda Ranch Water district votes increases for next 3 years North Marin District seeks water rate hike of more than 33 percent over three years May rains promise water-rich summer
9:30 p.m.	24.	<i>ADJOURNMENT</i>



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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
May 17, 2011

6 **CALL TO ORDER**

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

12 District employees Robert Clark (Operations/Maintenance Superintendent), Doug Moore
13 (Construction/Maintenance Superintendent), Carmela Chandrasekera (Associate Engineer) and
14 Pablo Ramudo (Water Quality Supervisor) were in the audience.

15 **MINUTES**

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

18 **GENERAL MANAGER'S REPORT**

19 **SMART Real Estate Committee Meeting**

20 The General Manager reported that on Wednesday, May 11th, he attended the SMART Real
21 Estate Committee meeting. He reminded the Board that at the last meeting he reported that
22 SMART has adopted a policy to consolidate private railroad crossings and that Golden Gate Place
23 which borders the District yard, is a private railroad crossing. Mr. DeGabriele stated that when
24 asked if Golden Gate Place was on the SMART list for closure, he was advised that it was not and
25 he asked that that be reflected in the SMART meeting minutes. He said that the SMART Real
26 Estate Committee will look at their policy on private crossings again on June 1st and a public hearing
27 is scheduled for June 15th. He stated that he will continue to monitor this issue.

28 **Marin Democratic Club**

29 Mr. DeGabriele stated that he attended the Marin Democratic Club meeting wherein he
30 provided an overview of the District. He said that the District received a public records request
31 shortly thereafter from a resident for documents related to the North Marin Water District/Novato
32 Sanitary District consolidation proposal and exchange of employees from January 1, 2009 to the
33 present. He informed the Board that District legal counsel has been alerted and will review the
34 documents.

1 County Forum on Public Pensions

2 Mr. DeGabriele reported that he attended the County of Marin Forum on Public Pensions on
3 May 16th and that he and David Bentley will be attending the North Bay Leadership Council Forum
4 on Changing Government to Fit New Realities in two weeks.

5 **OPEN TIME**

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

8 **STAFF / DIRECTORS' REPORTS**

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

11 Algae Bloom in Stafford Lake

12 Robert Clark reported that there was an algae bloom causing taste and odor breakthrough
13 at the treatment plant and production was reduced to give the Granular Activated Carbon filters a
14 chance to capture the taste and odors. He said that the taste and odor is reducing but there is still
15 more to go.

16 Outstanding Invoice

17 Director Baker inquired about an invoice on the list of outstanding invoices that has been
18 outstanding for three years with only \$500 paid. Mr. Bentley said that the person invoiced has had
19 personal troubles and is now making payments.

20 ***MONTHLY PROGRESS REPORT w/Quarterly Customer Service***

21 Mr. DeGabriele reported that in April, water production in Novato was up slightly from a year
22 ago, but well below prior years' production; West Marin production is flat compared to one year ago
23 and down significantly from prior years. He said that Stafford Treatment Plant production is 14%
24 more than one year ago and up from prior years. Mr. DeGabriele reported that there was little
25 recycled water production in April. He said that at Oceana Marin there is good freeboard in both
26 ponds and we are discharging more in the irrigation fields. Mr. DeGabriele noted that the Quarterly
27 Water Quality report will be presented later in tonight's meeting.

28 David Bentley reported that the District's investment portfolio in April was \$5.6M, the Novato
29 water portion fell to \$4.9M, the lowest level Novato Water has had since 1982 (\$4.9M in 1982
30 equals to \$11.5M today).

31

1 **CONSENT CALENDAR**

2 Items 7 and 8 were removed at the request of Director Baker for further discussion.

3 On the motion of Director Fraites, seconded by Director Baker and unanimously carried the
4 following item on the consent calendar was approved:

5 **WARNER CREEK SENIOR HOUSING (AMENDMENT 1)**

6 The Warner Creek Senior Housing project agreement expired because the applicant failed
7 to complete the financial arrangements in accordance with the agreement. The applicant is now
8 ready to move forward and an amendment to the agreement that includes minor revisions to the
9 facilities design and cost estimate is necessary. The agreement will provide water service to 61 new
10 apartments and irrigation of common area landscaping.

11 New Zone 1 water facilities required include 480 feet of pipe, four new commercial fire
12 hydrants, one 6-inch fire service, one 1.5-inch domestic meter and one 5/8-inch irrigation meter.
13 Water demand is 28 equivalent dwelling units; total new water demand is 27 EDUs since one EDU
14 will be credited to the project for the existing service.

15 The Board approved Resolution No. 11-10, entitled "Authorization of Execution of
16 Amendment No. 1 to Water Service Facilities Construction Agreement with Warner Senior Housing,
17 LP."

18 **CONTRACTING BACKFLOW DEVICE TESTING FOR THE NOVATO SERVICE AREA**

19 This item was removed from the consent calendar at the request of Director Baker.

20 Due to the recent retirement of the District Cross Connection Control specialist and after
21 reviewing the Cross connection program, staff is interested in developing the most cost-effective
22 backflow device testing process and is requesting the Board to authorize solicitation of proposals for
23 backflow device testing services in the Novato Service area.

24 Director Baker asked if a special certification is required to perform backflow testing. Mr.
25 Clark responded that a special certification is required to perform backflow testing, and that staff is
26 investigating whether using an outside contractor would be cost-effective.

27 On motion of Director Baker, seconded by Director Rodoni, the Board unanimously voted to
28 authorize staff to solicit proposals for backflow device testing services in the Novato Service area.

29 **MAY 2011 VEHICLE/EQUIPMENT AUCTION**

30 This item was removed from the consent calendar at the request of Director Baker.

1 Director Baker asked if the assets listed for auction will be replaced. Mr. Clark explained
2 that most items on the list had already been replaced and described the reason for each item set for
3 auction; the #10 Hoist Truck is very old and the crane inspector would not certify the crane so the
4 truck is no longer needed, the air compressor has been replaced and the generator no longer meets
5 air quality requirements.

6 On motion of Director Baker, seconded by Director Fraites, the Board voted unanimously to
7 authorize the General Manager to enter into a sales contract with 1st Capitol Auction to dispose of
8 the listed surplus equipment.

9 **ACTION CALENDAR**

10 **RATE INCREASE LETTER TO WEST MARIN WATER AND OCEANA MARIN SEWER**
11 **CUSTOMERS**

12 Mr. Bentley presented rate increase letters for West Marin Water and Oceana Marin Sewer
13 customers as edited by District legal counsel. He said the letters will be printed in-house and mailed
14 by Friday, May 20th, to comply with Proposition 218. Mr. Bentley clarified the sentence on page 2 of
15 the West Marin Water letter that reads, "Assuming continued annual enactment of the proposed 9%
16 average rate increases, the debt is projected to be repaid in 2013." He stated that he is referring to
17 the amount of money that West Marin Water owes to Novato Water; and if the Board approves the
18 proposed 9% rate increases, the debt will be repaid by 2013. He said that during the first review of
19 the capital improvement projects budget, he highlighted a new project, the Point Reyes Water
20 Treatment Plant Solids Handling Facility, for a total cost of \$720,000 and advised that if the money
21 is borrowed from Novato for that project, it will push back the payback date. He said that he is
22 considering revising the language to state that if funds are borrowed from a bank for that project,
23 West Marin Water will still be able to repay Novato Water by 2013. He said he wanted to show
24 confidence that Novato will be repaid by 2013.

25 Director Rodoni suggested that the language include "...unless other long range projects
26 need to be completed." Mr. Bentley stated that he would revise the language in the letter. He
27 advised that the West Marin budgets will be reviewed again in June and that he is hopeful that
28 financing for the project will be secured.

29 Mr. Bentley said that the letter to Oceana Marin is uncomplicated; all accounts are
30 residential and will increase \$3 per month per customer. He noted that this is the first rate increase
31 in Oceana Marin since 2004.

32 On motion of Director Petterle and seconded by Director Baker, the Board unanimously
33 approved mailing the rate increase letters to customers.

1 **INFORMATION ITEMS**

2 **LEVERONI CREEK BANK REPAIR - PROJECT UPDATE**

3 Drew McIntyre stated that Associate Engineer Carmela Chandrasekera is the project
4 engineer on this project and will provide the project update to the Board.

5 Ms. Chandrasekera gave a PowerPoint presentation and described the project area and
6 showed photographs of the creek bank erosion. She said that staff prepared a preliminary design
7 and in December 2010, the Board authorized hiring Prunuske and Chatham to complete the design
8 and permitting process. She reviewed the bank stabilization plan which will include installation of a
9 combination of willow-sprigged rock, erosion control blanket and native plantings. Ms.
10 Chandrasekera informed the Board that the repair will improve winter steelhead habitat by using a
11 thirty-foot log vane and rootwad structure. She further informed the Board that District crews will
12 work in conjunction with Prunuske and Chatham crews on the construction of the project, and staff
13 is confident that necessary permitting will be secured by the end of June.

14 **UPDATE - STAFFORD LAKE SEDIMENT SURVEY PROJECT**

15 Carmela Chandrasekera provided an update on the Stafford Lake Sediment Survey Project
16 performed by Cinquini & Passarino. She said that the purpose of the project was to conduct a
17 topographical survey of Stafford Lake including a sedimentation map for comparison with a
18 topographical map created in 1984 to determine the loss of storage. Ms. Chandrasekera informed
19 the Board that the survey was conducted in two steps: a lake depth survey and an aerial survey.
20 She stated that the comparison shows a loss of approximately 20 AF (0.6% of operational capacity)
21 in water production in 26 years which calculates to approximately 1,240 cubic yards of sediment
22 accumulation per year. Ms. Chandrasekera explained that the loss of storage is most likely due to
23 creek flows, watershed runoff and eroding creek banks. She stated that District crews collect and
24 remove approximately 500 cubic yards of sediment each year at the sediment dam located
25 approximately three-quarters of a mile upstream and that the survey concluded that sedimentation is
26 not significant enough to necessitate dredging the lake for more storage. Ms. Chandrasekera
27 concluded that the survey shows that the total capacity of the lake at spill elevation is 4,272 acre feet
28 compared to 4,287 acre feet in 1984 and the data collected through this project will be beneficial for
29 future projects.

30 Director Baker asked if staff was surprised at the results. Mr. McIntyre said that he thought
31 sediment accumulation would have been greater; however, the results reaffirms that the
32 maintenance performed by the crew at the sediment dam is very important. Director Baker asked if

1 there were any conclusions about sedimentation in the 1984 study. Mr. McIntyre and Ms.
2 Chandrasekera stated that they did not find any documentation of sedimentation in the 1984 study.

3 Mr. DeGabriele stated that because the sedimentation that's accumulated doesn't appear to
4 be that much, there is another opportunity to look at local supply alternatives evaluation. This study
5 has helped staff determine what might be possible.

6 **THIRD QUARTER FY 2010/11 WATER QUALITY REPORT**

7 Pablo Ramudo presented the Third Quarter Water Quality Report. He advised that the rainy
8 period has brought in nutrients and sediment into Stafford Lake, and the watershed monitoring
9 program measured hundreds of tons of contaminants into the lake throughout the year including
10 sediments and nutrients that feed algae blooms. He said the reason for the persistent algae blooms
11 in Stafford Lake is due to the abundance of food (nutrients) for the algae. He stated that the three
12 locations with the highest nutrient loads (two drainages from Grossi dairy and small creek near the
13 park residence) are areas which collect runoff where manure is applied during the year and the
14 excess runoff drains into the lake. Mr. Ramudo said that staff is looking at ways to control excess
15 runoff and will make recommendations on management to provide to the Grossi dairy.

16 Director Fraites asked for more information about the runoff from the Grossi dairy and
17 mitigation implementation. Mr. Ramudo said that he is in constant communication with the Grossi
18 dairy to assist them in improving their waste management plan. He said that if the amounts of
19 manure is managed and spread properly there should not be a problem.

20 Mr. Ramudo advised that Stafford Treatment Plant began producing water on March 4 and
21 problems with sediment and color that have occurred with startup in the past were minimal this year.
22 He further advised that Total Organic Carbon (TOC) removal was 61%, the requirement is 35%, and
23 final TOC removal was 2.25 mg/l close to the goal of 2 mg/l. He said that in the Novato distribution
24 system there were adequate chlorine residual concentrations, no coliform positives, and there has
25 been good success rate in keeping chlorine in the distribution tanks.

26 Mr. Ramudo reported on the Point Reyes Water System and stated that Point Reyes well
27 No. 3 was rehabilitated in November of 2010 and following the rehabilitation, coliform samples
28 tested positive. He said that the well was shut off for most of the quarter and disinfected several
29 times. Mr. Ramudo advised that after the samples tested negative, the well was turned back on. He
30 stated that salinity intrusion is lower than the year before but still ranged 41-50 mg/l and levels have
31 dropped off.

32 Mr. Ramudo informed the Board that in the Point Reyes distribution system, there were no
33 coliform positive samples and chlorine residual concentrations throughout the distribution system

1 were good and disinfection byproducts levels were below the Maximum Contaminant Limit for Total
2 Trihalomethanes (THMs).

3 At the request of Director Rodoni at the previous meeting, Mr. Ramudo provided information
4 on sodium levels in other Bay Area water providers.

5 **THIRD QUARTER FY 2010/11 UPDATE – OPERATIONS/MAINTENANCE**

6 Robert Clark reported that the Stafford Treatment Plant production started at a higher rate to
7 collect overflow water and produced 168 acre feet in March, 63 acre feet more than last year. He
8 said this was due to an agreement with Novato Sanitary on a temporary variance to the discharge
9 permit that allowed the District to produce up to 3.25 mg through the end of April. The final revision
10 to the 5-year risk update for the treatment plant was completed and sent to the EPA addressing the
11 chlorine gas system at STP. Mr. Clark said the West Marin production is the same as a year ago.
12 He reported that the flushing program was completed and the West Marin distribution system was
13 found to be as clean as last year; and staff will skip the flushing next year as a cost-saving measure
14 unless there are any unforeseen changes in the operations. He advised that in Oceana Marin,
15 Phillips and Associates continue to do a great job maintaining the system. He said the collection
16 system still fluctuates with the intake of heavy rain runoffs; engineering has a project in design to
17 reduce the amount of water from coming in from intrusions thereby reducing pumping costs.

18 Mr. Clark reported that the Electrical/Mechanical crew responded to storms and lightning
19 strikes in West Marin; the Building and Grounds crew have removed downed trees and limbs; and
20 Eric Kurfirst has received training to assume the cross-connection control duties since Jim Diggs
21 retired in April. He said that the program is being reviewed for cost-effectiveness.

22 **PRESENTATION RE PROPOSED NOVATO WATER RATE INCREASE**

23 The General Manager conducted a “dry run” of his presentation for the public hearing on
24 May 24, 2011 for the purpose of receiving the Board’s suggestions and comments on the
25 presentation. He advised that to date, 91 written protests, 7 phone calls were received and 1 walk-
26 in and the Board was further advised that customers have been sending in a form letter available on
27 a Novato.Patch.com blog, and an article appeared in the Novato Patch.

28 The Board offered the following comments:

29 Director Petterle suggested that the 20% reduction by 2020 mandate for which the District
30 does not have control be stressed.

1 Director Baker suggested that he mention the amount of storage added with the
2 construction of the Amaroli Tank and to describe the Kastania pump station's significance and its
3 location.

4 Director Fraites commented that it is important to emphasize that the District cannot defer
5 the cost of the Aqueduct Energy Efficiency Project because of Caltrans Highway 101 widening
6 project; that this is a long-term money-saving project.

7 Director Schoonover said that the General Manager should address developing new
8 sources of water so not to be dependent on the Russian River. Mr. DeGabriele stated that he
9 should focus on the recycled water expansion as the District's new source of supply.

10 Director Petterle suggested that the discussion on the reserves include the District's outside
11 auditor's recommendation that the reserve level be increased.

12 Director Fraites stated that it should be pointed out that other water districts will most likely
13 increase their rates and that the District would most likely maintain its place on the Urban Water
14 Comparison Chart. He further stated that it's important that the public know that their neighborhoods
15 are safer than 10 to 15 years ago due to increased storage and reliability. He stated that it's
16 important to emphasize the economic recession and its impact on everything including development.

17 **SECOND REVIEW – PROPOSED FY 2011/12 EQUIPMENT BUDGET**

18 David Bentley presented the second review of the proposed FY 2011/12 Equipment Budget
19 and noted that since the first review, the purchase of one dump truck was eliminated and replaced
20 with a three-quarter ton pick-up. He stated that as a result, the Equipment Budget is now \$188,000,
21 and is identical to the previous fiscal year budget – no increase this year. Mr. Bentley advised that
22 Doug Moore has located a truck rental program, U. S. Communities through Hertz, that will give
23 governmental agencies a rental discount. Mr. DeGabriele said that District has a five-year vehicle
24 and equipment replacement plan and the purchase of the second dump truck has been pushed out
25 to next year.

26 Mr. Bentley advised that the District five-year plan shows \$250,000 per year for new
27 equipment; this year \$180,000 is proposed. He further advised that the next time the Board sees
28 the budget will be at the public hearing scheduled for June 21.

29 **SECOND REVIEW – PROPOSED FY 2011/12 & FY 2012/13 NOVATO WATER IMPROVEMENT**
30 **PROJECTS BUDGET**

31 Mr. Bentley presented the Novato Water Improvement Projects Budget for its second review
32 and stated that the Master Plan Update and Greenhouse Gas Emission Action Plan studies were
33 moved to the Operations Budget (\$95,000) resulting in the Improvement Projects Budget now 100%

1 capital improvements. He noted that the other change in Fiscal Year 2013 \$100,000 was added to
2 the Stafford Treatment Plant Concrete Clearwell project. Mr. Bentley informed the Board that \$1.6M
3 is budgeted for Fiscal Year 2012, \$1.7M for Fiscal Year 2013 and that both are below the five-year
4 financial plan.

5 **SECOND REVIEW – FY 2011/2012 PROPOSED NOVATO WATER OPERATIONS BUDGET**

6 The Auditor presented the second review of the FY 2011/2012 Novato Water Operations
7 budget and advised that it has been increased \$73,000 since the last review due to reallocation of
8 labor. He said that developer and District projects money was put into the operations budget so that
9 ongoing maintenance work can be done. He said the total increase in the proposed budget is
10 \$18,000 and the projected deficit for next fiscal year is \$287,000.

11 **SECOND REVIEW – FY 2011/12 NOVATO RECYCLED WATER OPERATIONS BUDGET**

12 Mr. Bentley stated that the Recycled Water demand is budgeted for 54mg that is equal to
13 the amount budgeted for the current fiscal year. He said the proposed recycled water operations
14 budget projects a small surplus and that connection fee money is transferred into recycled water
15 fund in order to pay for North Bay Water Reuse Authority administrative costs.

16 **MISCELLANEOUS**

17 The Board received the following miscellaneous information: Disbursements, Water Agency
18 Stream Maintenance Program Endorsed by San Francisco Bay Regional Water Quality Control
19 Board and Uncollectable Invoices- Damaged Facilities.

20 The Board also received the following news articles: Huffman’s sewer finance bill clears
21 Assembly and Salt in drinking water baffles.

22 **ADJOURNMENT**

23 President Schoonover adjourned the meeting at 9:34 p.m.

24 Submitted by

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Renee Roberts
District Secretary

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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS
May 24, 2011

6 **CALL TO ORDER**

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

12 Approximately 22 people were in the in the audience.

13 **OPEN TIME**

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

16 **PUBLIC HEARING – Consider Proposed Increase in Water Rates for Novato Service Area**
17 **and Resulting Revisions to District Regulations 54, Water Rates**

18 President Schoonover introduced Mr. DeGabriele who made a presentation regarding the
19 proposed 11% increase in water rates. Mr. DeGabriele stated that over 20,000 individual letters had
20 been sent to the District's Novato customers noticing the proposed rate increase and the rate
21 hearing and directed customers to a Water Rate Increase Model on the District's website. He stated
22 that the District received approximately 281 letters protesting the rate increase, 3 emails, 10 phone
23 calls and one person came into the office and that the Board had received all of the
24 correspondence.

25 President Schoonover opened the public hearing at 7:50 p.m.

26 Bonnie Padrick stated that she lived in Marin County during the 1970's drought and is very
27 conservative with water use. She said the 65.5% water increase over a five year period is
28 intolerable and that many people are struggling to make ends meet. She opined that many people
29 have to leave Marin County and that "we all have to stick together."

30 Ed Mainland stated that he and his wife have lived in Novato for twelve years and has
31 always had wonderful water service in Novato. He said that he and his wife are being "grossly
32 undercharged" for water and said that for the amount of his water bill (\$29.17) he could buy two
33 large pizzas and the water rate increase would be "adding a couple of diet cokes." He further stated
34 that Novato water customers and the District should be praised for the reduction in water

1 consumption and that the District has done a good job promulgating water conservation ethics. Mr.
2 Mainland ended his comments by reading the Awahnee Principles for Water Supply from the
3 California Local Government Commission.

4 Dan Phillips addressed the Board and stated that he did not think the proposed rate
5 increase a small increase and it is not justified. He said that his bill has been as high as \$400 and
6 he has reduced the size of his garden and now he no longer has much turf. He said that because of
7 the lack of water sales, rates are being increased, and that since September 2008, water rates have
8 been increased a total of 75%. He opined that the answer is to make cuts in the budget and focus
9 on expenses. Mr. Phillips further opined that the District employee benefit plan is very generous for
10 a public entity and that employees should contribute to their pension plan and health benefits. He
11 asked if the District was making money on its Recycled Water and Stafford Treatment Plants and
12 suggested that the District close down the Treatment Plant and buy more water from the Russian
13 River if it's more cost-effective.

14 Thomas Tuerke stated that he was opposed to the increases as they are currently
15 structured. He said he is concerned that as the rate is structured now certain ratepayers will be
16 disproportionately impacted and there is a reverse incentive with the way the rate structure is set up.
17 He urged the Board to consider allocating costs on actual use and not on fixed costs. He said that
18 because of a home remodel he was required by the Novato Fire District to install a 1.5-inch meter
19 and with the proposed rate increase his service charge will double and his total increase will be
20 \$250 per year despite his usage being one quarter of the "typical" customer's water use.

21 Ed Grundstrom addressed the Board and stated that he is a 55-year resident of Novato. He
22 said that the North Marin aqueduct has plenty of capacity to service Novato and that Marin Municipal
23 Water District will be the direct beneficiary of the increased sizing and cost of the Aqueduct Energy
24 Efficiency Project. He asked why Novato customers are required to fund the capital for an aqueduct
25 project that does not benefit Novato residents. He stated that there is no agreement with MMWD
26 and asked where is MMWD's share of the project costs? Mr. Grundstrom addressed the Recycled
27 Water Expansion project and stated that the District is about to borrow a great deal of money for the
28 Recycled Water Project that will provide recycled water to the District's biggest commercial water
29 users. He asked why the aqueduct project is necessary if the biggest water users will be using
30 recycled waters. Mr. Grundstrom said that the increased bimonthly charge will exceed the
31 administrative costs and may be a tax increase without an election contrary to Proposition 13. He
32 asked why there are salary increases over and above the cost of living and why the employees can
33 receive loans for houses and computers.

1 Toni Shroyer spoke in opposition to the water rate increase. She stated that the average
2 Novato resident salary is \$62,000 per year and an 11% increase for the next three years, in addition
3 to the most recent increases, is exorbitant. She pointed out that Novato's sales tax is now 9.5% and
4 people are losing their jobs and barely holding onto their homes. Ms. Shroyer suggested a lower
5 rate increase and stated that senior citizens are finding it harder to live in Novato.

6 Joe Correa said he is opposed to the increase in water rates. He said the Board is elected
7 to represent the customers of Novato. He asked why are there two water districts in Marin and why
8 are they not consolidated.

9 Jeff Drust stated that the more the rates are raised, the less customers will be able to pay
10 and the more the District will have to charge. He questioned whether the District is "overachieving"
11 on the 20% reduction per capita mandate and said the District needs to get its costs in line so that
12 increases will not be necessary. He addressed the General Manager's letter of 2010 that said that
13 part of the increase was to build up the reserves, and asked why the reserves are down again. He
14 opined that the letter is not clear.

15 Mr. DeGabriele responded that last year, 2.9BG in sales of water were budgeted and 2.7BG
16 were sold so the budgeted sales were not realized. He stated that the District is striving to reduce
17 costs. He said that there will be negotiations with employees in September and all the things that
18 the public mentioned tonight will be on the table.

19 Hearing nothing further, President Schoonover closed the public hearing.

20 Director Rodoni addressed the employee salary and benefits issue and stated that the
21 District has an agreement with the employee group and negotiations will be coming up in
22 September. He said the District has chosen to not fill seven vacant positions as a cost-cutting
23 measure.

24 Director Rodoni said that many of the topics brought up by the public tonight have been
25 considered by the Board. He said that twice a month the Board looks at budgets and policies to find
26 ways to reduce costs. He explained that the increases are due to little or no rate increases in the
27 1990's and 2000's when developers were paying fees that supported the District reserves. Director
28 Rodoni said the District is catching the brunt of that now. He said Board is committed to continue
29 doing the improvements and maintenance and whatever is needed to provide the best quality of
30 water possible. He agreed that the rate increase is high and the timing is poor, but the District will
31 be in poor shape if the reserves are not increased. He explained the need for the Recycled Water
32 Expansion Program as another source of supply and the Aqueduct Energy Efficiency Project will
33 provide the community with better water service with no power costs for the future. He said that

1 Marin Municipal will benefit from the project but they will pay their fair share; the District does not
2 give its water away.

3 He stated that he was initially resistant to the fixed rate increase but came to realize that the
4 increase in the portion of money you can count on that is a constant in the budget and is a benefit to
5 the District.

6 President Schoonover asked Mr. Bentley to explain the employee housing assistance
7 program and Mr. Bentley stated that the purpose of the program was to encourage employees to live
8 in Novato to provide better service during weekends and after hour emergencies.

9 Director Petterle thanked the public for coming and for making comments. He stated that he
10 wished that the public would attend meetings so that the public can hear the discussion on the
11 issues as they arise. He said that no one, other than Mr. Grundstrom, attends District Board
12 meetings. He said that the District cannot be run as a private business since the Board does not
13 have the latitude to take risks like a private business. Director Petterle stated that it is the District's
14 obligation to provide a safe reliable water supply to the community now and in the future.

15 Director Fraites stated that the District projects are investments that will pay off in the future.
16 He mentioned that the Aqueduct project and solar energy project will help reduce greenhouse gas
17 emissions. He stated that he understands the concern about taxes and rate increases but the
18 country's infrastructure is falling apart and sacrifice is needed to provide a reliable water system in
19 Novato for our children and grandchildren. The District is a "tight ship" and very frugal.

20 President Schoonover stated that the subsequent rate increases are not fixed and can be
21 changed or eliminated if necessary.

22 Director Fraites moved that the Board approve the water rate increase for fiscal years 2011,
23 2012 and 2013 by 11% for the Novato Service Area, and approve Resolution No. 11-11 entitled,
24 Resolution of the Board of Directors of North Marin Water District Amending Regulation 54-Water
25 Rates." Director Petterle provided the second. Director Rodoni requested a roll call vote and the
26 District Secretary called each Director's name. The following vote was recorded

27 Director Baker: Aye

28 Director Fraites: Aye

29 Director Petterle: Aye

30 Director Rodoni: Aye

31 Director Schoonover: Aye

1 **ADJOURNMENT**

2 President Schoonover adjourned the meeting at 8:50 p.m.

3 Submitted by

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Renee Roberts
District Secretary

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MEMORANDUM

To: Board of Directors

June 3, 2011

From: Drew McIntyre, Chief Engineer



Subject: Water Service Agreement – Perry's Deli Fire Service (APN 114-261-10)
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RECOMMENDED ACTION: The Board approve authorization of this agreement.

FINANCIAL IMPACT: None: Developer Funded

The Perry's Deli Project proposes to construct modifications to the existing building housing Perry's Delicatessen at 12301 Sir Francis Drake Boulevard. The site is at the corner of Sir Francis Drake Boulevard and Vallejo Avenue in Inverness Park (see attached vicinity map). The project includes remodel of the existing 3,503 square foot delicatessen, including addition of a disabled accessible restroom, replacement of existing kitchen facilities, addition of fire sprinkling, and building layout modifications within the existing building footprint.

According to County records, the applicant also originally planned to reconstruct the existing roof to allow for addition of 1700 square feet of new office space above the existing store. According to the applicant, that work scope was eliminated due to budget constraints. District staff confirmed County approval for this project, and according to the Marin County Building Department, a building permit for Perry's Deli was issued in 2009 for remodel of 3503 square feet of existing space, and addition of new square footage area is not included in the current building permit.

New water facilities required include one 4-inch fire service assembly installed on Vallejo Avenue to supply the new fire sprinklers.

The property currently receives high pressure water service from the District's Inverness Park tank site through an existing 5/8" water service with a 3/4" copper lateral. This property was part of the small system takeover that became NMWD Improvement District PR-3. The meter was originally set in 1975, after the formation of Improvement District PR-3. District records indicate that paid Connection Fees (based on the first ten years of metered water demand) is 2 Equivalent Dwelling Units (EDUs), and current water usage equates to 1.40 EDUs. The District agreement contains a requirement that additional fees are due at such a time when water usage at this site exceeds two (2) EDUs.

Approved by GM CD

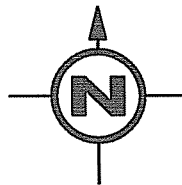
Date 6/3/2011

Environmental Document Review

This project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15301 and 15304.

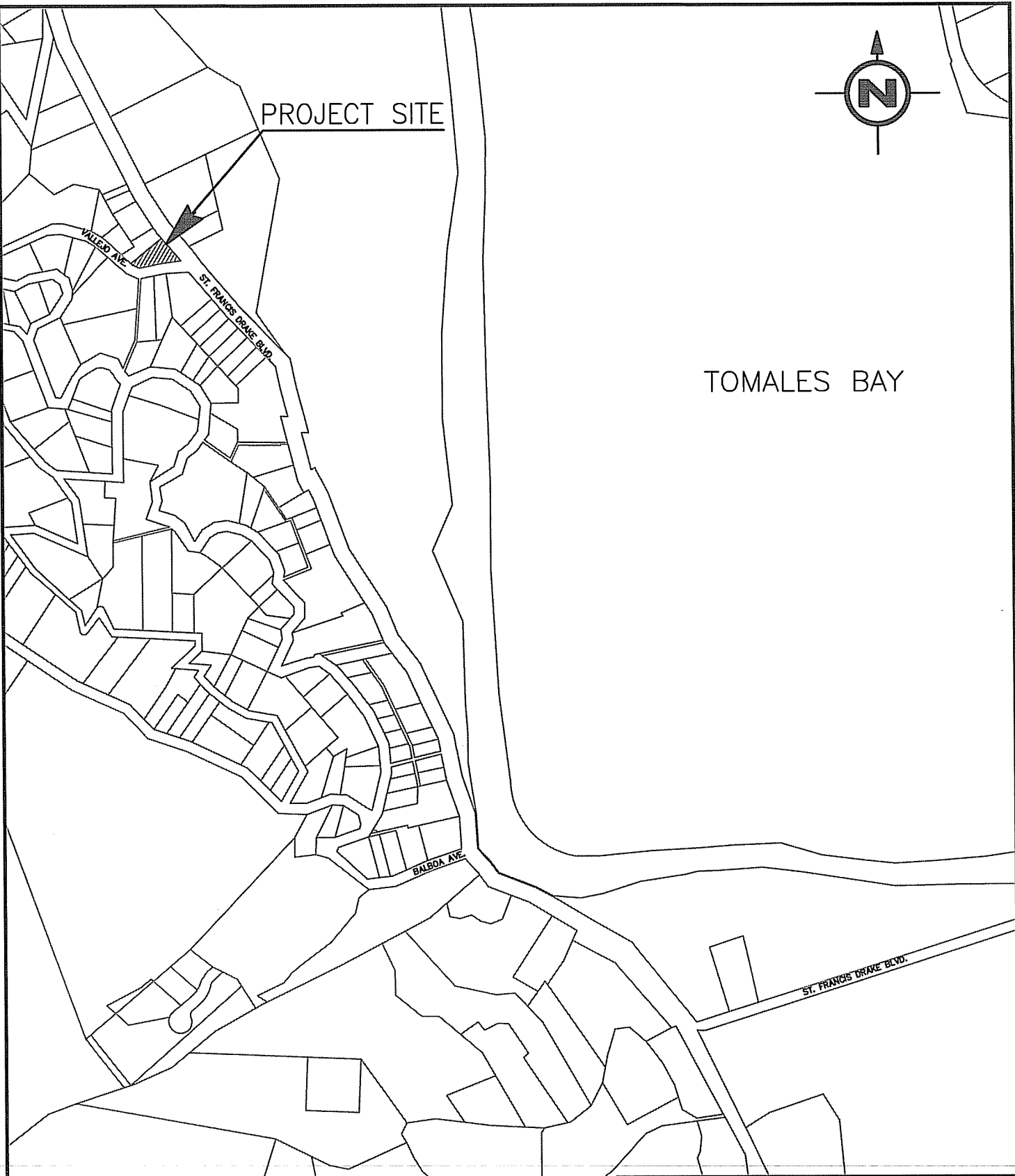
RECOMMENDATION:

That the Board approve authorization of this agreement.



PROJECT SITE

TOMALES BAY



Jun 01, 2011 - 2:41pm W:\JOB\Set-up\MAP_TEMPLATE.DWG User: ACANTILLER

PERRY'S DELI			
APN: 114-261-10			
DATE	SCALE	JOB.NO.	DWG.NO.
6/01/11	NTS	2755	MAP

RESOLUTION NO. 11-
AUTHORIZATION OF EXECUTION
OF
HIGH PRESSURE
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
WITH
DANIEL R. THOMPSON

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 Daniel R. Thompson, an individual, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as 12301 SIR FRANCIS DRAKE BOULEVARD, Marin County Assessor's Parcel Number 114-261-10, 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 7th day of June, 2011, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

(SEAL)

Renee Roberts, Secretary
North Marin Water District

PART ONE
HIGH PRESSURE
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
FOR
PERRY'S DELI FIRE SERVICE

THIS AGREEMENT, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of _____, 2011, by and between NORTH MARIN WATER DISTRICT, herein called "District," and Daniel R. Thompson, An Individual, herein called "Applicant."

WHEREAS, the Applicant, pursuant to District Regulation 1, the State of California Subdivision Map Act and all applicable ordinances of the City of Novato and/or the County of Marin, has pending before the City or County a conditionally approved Tentative Subdivision Map, Precise Development Plan, Tentative Parcel Map or other land use application for the real property in the District commonly known as 12301 Sir Francis Drake Boulevard, Inverness Park, Marin County Assessor's Parcel Number 114-261-10 and the project known as PERRY'S DELI FIRE SERVICE, consisting of one (1) lot commercial development; and

WHEREAS, prior to final approval by the City or County of a Subdivision Map, Precise Development Plan, Parcel Map or other land use application and recording of a final map for the project, the Applicant shall enter into an agreement with the District and complete financial arrangements for water service to each lot, unit or parcel of the project;

WHEREAS, the Applicant is the owner of real property in the District commonly known as 12301 Sir Francis Drake Blvd, Inverness (Marin County Assessor's Parcel 114-261-10); and

WHEREAS, water service to Assessor Parcel Number 114-261-10 was part of the initial District takeover of an existing small system which became NMWD Improvement District PR-3; and

WHEREAS, metered water service of the parcel began on February 19, 1975 and the District installed a 5/8" meter at 12301 Sir Francis Drake Boulevard, currently site of Perry's Delicatessen, of which the first ten year historical use entitlement is two (2) EDUs; and

WHEREAS, water usage at the parcel for the last ten years (2001-2010) has not exceeded two (2) EDU's: and

WHEREAS, the current remodel of existing 3506 square feet of the existing Perry's Deli is not projected to increase water usage, however if water usage exceeds the historical entitlement of two (2) EDUs, additional fees will be due.

NOW THEREFORE, the parties hereto agree as follows:

1. The Applicant hereby applies to the District for water service to said real property and project and shall comply with and be bound by all terms and conditions of this agreement, the District's regulations, standards and specifications and shall construct or cause to be constructed the water facilities required by the District to provide water service to the real property and project. Upon acceptance of the completed water facilities, the District shall provide water service to said real property and project in accordance with its regulations from time to time in effect.

2. Prior to the District issuing written certification to the City, County or State that financial arrangements have been made for construction of the required water facilities, the Applicant shall complete such arrangements with the District in accordance with Section 5 of this agreement.

3. Prior to release or delivery of any materials by the District or 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. 2 2755.001, entitled, "PERRY'S DELI FIRE SERVICE", 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 5 hereof.

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

Initial Charges

Meter Charges (Fire Service) (Included in Estimated District Costs) ...	One 5/8-inch @	\$	0.00	\$	0.00
Subtotal - Initial Charges.....				\$	0.00

Estimated District Costs

Pipe, Fittings & Appurtenances.....	\$ 8,448.00
District Construction Labor.....	\$18,114.00

Engineering & Inspection.....	\$ 2,309.00
Bulk Materials.....	\$ 874.00
Subtotal –Estimated District Costs.....	\$29,745.00

Estimated Applicant Installation Costs

Installation Labor (Installation of 4" PVC across Vallejo Avenue).....	\$ 4,041.00
Contractor Furnished – Pipe Fittings & Appurtenances.....	\$ 0.00
Bulk Materials.....	\$ 1,040.00
Subtotal- Estimated Applicant Installation Costs.....	\$ 5,081.00

TOTAL ESTIMATED WATER FACILITIES COSTS..... \$34,826.00

(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. 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 **\$ 29,745**. If the Applicant provides the two (2) year irrevocable letter of credit, the District shall immediately draw down Initial Charges and shall draw upon the remaining funds guaranteed by the letter at any time the District deems appropriate to recover the Estimated District Costs which normally will be at least thirty (30) days prior to the anticipated start of construction for the ordering of materials to be furnished by the District.

Estimated Installation Costs

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 **\$ 5,081** conditioned upon installation of the facilities and furnishing of bulk materials and a maintenance bond in the amount of **\$ 1,270** 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.

Alternate No. 2 – Installation By District: If the Applicant requests the District to install the facilities and the District consents to do so, the Applicant shall either pay to the District the total Estimated Installation Costs set forth in Section 4 hereof in the amount of \$ 5,081 or shall include such amount in the irrevocable letter of credit provided for the Initial Charges and Estimated District Costs set forth first above. The District shall draw upon installation funds guaranteed by the letter at any time the District deems appropriate which normally will be at least thirty (30) days prior to the anticipated start of construction.

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

6. 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.

7. High pressure water service will be rendered to APN 114-261-10; Water Facilities in accordance with District Regulation 12 entitled "High Pressure Service". The Applicant shall install a private pressure regulating device for each service to said lots as required by local ordinances and plumbing codes prior to occupancy of any structures, shall inform the buyer or buyers of said lots of the water service conditions herein described, and shall provide each buyer a copy of this agreement prior to any final sales transaction. Said private pressure regulating devices shall be in accordance with District Standard 28 but shall not be a part of the District's water system. The maintenance and operation of said devices shall be the responsibility of the property owners.

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 West Marin service area is required to be equipped with high efficiency water conserving equipment specified in Regulation 17 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 non-residential 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 non-turf areas, and is subject to turf limitations. Refer to the aforementioned water conservation regulation for a complete listing of all requirements.

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

11. All extensions of time granted by the County of Marin for the Applicant to comply with conditions of land use approval or to construct improvements pursuant to a subdivision improvement agreement shall require concurrent extensions of this agreement and shall be cause for review and revision of all Initial Charges and estimated costs set forth in Section 4 hereof. The Applicant shall apply to the District for extension of this agreement prior to approval of the Applicant's requests for such extensions by the County of Marin.

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

NORTH MARIN WATER DISTRICT
"District"

ATTEST:

John Schoonover, President

Renee Roberts, Secretary

(SEAL)

Daniel R. Thompson
An Individual
"Applicant"

(SEAL)

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

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

ALL SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.

6

MEMORANDUM

To: Board of Directors

June 3, 2011

From: Drew McIntyre, Chief Engineer



Subject: Water Service Agreement – Hamilton Nursery, US Army COE
737 Todd Road, Novato, APN 157-180-71

R:\Folders by Job No\2700 jobs\2752\2752 BOD Memo.doc

RECOMMENDED ACTION: The Board approve authorization of this agreement.

FINANCIAL IMPACT: None (Developer funded)

The Hamilton Nursery project provides commercial water service and a new fire hydrant for a plant nursery with office space at the currently decommissioned water treatment plant adjacent to Land Fill No. 26 of the Hamilton Airbase Property (APN 157-180-71). The nursery will provide native container-grown plants for the Hamilton Wetland Restoration Project. The project is located at 737 Todd Road in Novato, near the end of Portsmouth Drive (see attached map). The project area is about 1 acre of the 48 acre parcel.

New water facilities required include 360 feet of 8-inch PVC main, 30 feet of 6-inch fire hydrant lateral, 20 feet of 1-inch copper, one commercial fire hydrant, and one 1-inch meter. This project will receive normal pressure water service from the Novato Zone 1. Total new water demand is two equivalent dwelling units. A 6-inch stub-out is provided for possible future fire sprinklering for the building.

This facility will have an on-site sewage pump system and a force main to Novato Sanitary District sewer system.

Environmental Document Review

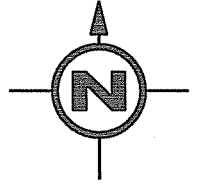
The US Army COE is the lead agency for CEQA compliance this project and has issued a "Finding of No Significant Impact" for this project in 2010.

RECOMMENDATION:

That the Board approve authorization of this agreement.

Approved by GM CD

Date 6/3/2011



AMMO HILL

PROJECT SITE

LANDFILL 26

RESERVOIR HILL

PARCELS A
 BROOK LINE DRIVE
 NEWPORT LANDING
 NEWPORT LANDING
 ASHLAND DRIVE
 ESSEX DRIVE
 CHESAPEAKE DR
 WATERBURY LANE
 MYSTIC LANE
 PORTSMOUTH DRIVE
 PORTSMOUTH DR
 SINNY COVE DRIVE
 PARCELS B

SERRA CT.
 PIZARRO AVE
 MAGELLAN CT W
 BALBOA CT.
 FERDINAND

HAMILTON NURSERY			
APN: 157-180-71			
DATE	SCALE	JOB.NO.	DWG.NO.
6/01/11	NTS	2752	MAP

RESOLUTION NO. 11-
AUTHORIZATION OF EXECUTION
OF
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
WITH
U.S. ARMY CORPS OF ENGINEERS

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 U.S. Army Corps of Engineers, a Federal Agency, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as 737 TODD ROAD, Marin County Assessor's Parcel Number 157-180-71, 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 7th day of June, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

(SEAL)

Renee Roberts, Secretary
North Marin Water District

PART ONE
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
FOR
HAMILTON NURSERY

THIS AGREEMENT, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of _____, 2011, by and between NORTH MARIN WATER DISTRICT, herein called "District," and U.S. ARMY CORPS OF ENGINEERS, A Federal Agency, herein called "Applicant."

WHEREAS, the Applicant, pursuant to District Regulation 1, the State of California Subdivision Map Act and all applicable ordinances of the City of Novato and/or the County of Marin, has pending before the City or County a conditionally approved Tentative Subdivision Map, Precise Development Plan, Tentative Parcel Map or other land use application for the real property in the District commonly known as Marin County Assessor's Parcel Number 157-180-71 and the project known as HAMILTON NURSERY, consisting of one (1) lot for commercial development; and

WHEREAS, prior to final approval by the City or County of a Subdivision Map, Precise Development Plan, Parcel Map or other land use application and recording of a final map for the project, the Applicant shall enter into an agreement with the District and complete financial arrangements for water service to each lot, unit or parcel of the project;

WHEREAS, the Applicant is the owner of real property in the District commonly known as 737 Todd Road, Novato (Marin County Assessor's Parcel 157-180-71): and

WHEREAS, the project site was previously served by the Hamilton Air Base pipelines and that service is no longer available; and

WHEREAS, the Applicant is now requesting that water service to the project site be extended from the District's existing facilities located in Portsmouth Drive; and

WHEREAS, the water demand for the project is calculated to be two (2) Equivalent Dwelling Units (EDUs); and

NOW THEREFORE, the parties hereto agree as follows:

1. The Applicant hereby applies to the District for water service to said real property and project and shall comply with and be bound by all terms and conditions of this agreement, the District's regulations, standards and specifications and shall construct or cause to be constructed the water facilities required by the District to provide water service to the real property and project. Upon

acceptance of the completed water facilities, the District shall provide water service to said real property and project in accordance with its regulations from time to time in effect.

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 2752.001, entitled, "HAMILTON NURSERY", 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-inch @	\$ 0.00	\$ 0.00
Reimbursement Fund ChargesOne 1-inch @	\$ 1,055.00	\$ 1,055.00
Facilities Reserve Charges.....Two @	\$28,600.00	\$ 57,200.00
Subtotal - Initial Charges.....			\$ 58,255.00

Estimated District Costs

Pipe, Fittings & Appurtenances.....	\$ 5,981.00
District Construction Labor.....	\$ 7,268.00
Engineering & Inspection.....	\$ 5,620.00
Bulk Materials.....	\$ 623.00
Subtotal -Estimated District Costs.....	\$ 19,492.00

Estimated Applicant Installation Costs

Installation Labor.....	\$19,838.00
Contractor Furnished – Pipe Fittings & Appurtenances.....	\$ 6,827.00
Bulk Materials.....	\$10,635.00
Subtotal- Estimated Applicant Installation Costs.....	\$ 37,300.00
TOTAL ESTIMATED WATER FACILITIES COSTS.....	\$115,047.00

(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 as stated and shown on Specifications (15100 Valves, 15056 Pipeline Fittings, 15064 Polyvinyl Chloride (PVC) Pressure Pipe) 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 **\$6,827**. 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 **\$ 77,747**. If the Applicant provides the two (2) year irrevocable letter of credit, the District shall immediately draw down Initial Charges and shall draw upon the remaining funds guaranteed by the letter at any time the District deems appropriate to recover the Estimated District Costs which normally will be at least thirty (30) days prior to the anticipated start of construction for the ordering of materials to be furnished by the District.

Estimated Installation Costs

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 **\$ 37,300** conditioned

upon installation of the facilities and furnishing of bulk materials and a maintenance bond in the amount of **\$ 9,325** 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.

Alternate No. 2 – Installation By District: If the Applicant requests the District to install the facilities and the District consents to do so, the Applicant shall either pay to the District the total Estimated Installation Costs set forth in Section 4 hereof in the amount of **\$ 37,300** or shall include such amount in the irrevocable letter of credit provided for the Initial Charges and Estimated District Costs set forth first above. The District shall draw upon installation funds guaranteed by the letter at any time the District deems appropriate which normally will be at least thirty (30) days prior to the anticipated start of construction.

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

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 non-residential 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 non-turf areas, and is subject to turf limitations. Refer to the aforementioned water conservation regulation for a complete listing of all requirements.

10. The District has determined that recycled water may be supplied for irrigation in the future and requires that the Applicant's irrigation system be designed to use recycled water per District regulations and specifications. Provisions shall be made, as directed by the District, to allow for connection of Applicant's irrigation system to the recycled distribution main when it becomes available. In the interim, potable water shall be supplied through a potable irrigation water meter with a reduced pressure principle backflow device. When recycled water becomes available, the irrigation system will be connected to the recycled water distribution main per District requirements at the time the connection is made.

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

12. In the event of sale of this parcel, the Applicant shall provide to the buyer(s) a copy of this Agreement so that there is complete disclosure of the limited nature of the water service. In addition, upon execution of this Agreement, District shall have it recorded.

13. All extensions of time granted by the City of Novato or the County of Marin for the Applicant to comply with conditions of land use approval or to construct improvements pursuant to a subdivision improvement agreement shall require concurrent extensions of this agreement and shall be cause for review and revision of all Initial Charges and estimated costs set forth in Section 4 hereof. The Applicant shall apply to the District for extension of this agreement prior to approval of the Applicant's requests for such extensions by either the City of Novato or the County of Marin.

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

NORTH MARIN WATER DISTRICT
"District"

ATTEST:

John Schoonover, President

Renee Roberts, Secretary

(SEAL)

US ARMY CORPS OF ENGINEERS
A Federal Agency
"Applicant"

(SEAL)

Name

Title

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

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

ALL SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.

7

MEMORANDUM

To: Board of Directors

June 3, 2011

From: Drew McIntyre, Chief Engineer *DM*

Subject: Temporary Water Service Request-City of Novato Hamilton Field Building #816-
APN 157-970-07)

Request For Temporary Service Extension

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RECOMMENDED ACTION: Approve Request for Temporary Service Extension

FINANCIAL IMPACT: None

The temporary water service agreement with the City of Novato for Hamilton Field Building #816 expired on October 1, 2010. The city would like to renew the agreement for another three years (Attachment 1). Since 2007, the District has been providing temporary water service to the old Hamilton Air Base auto shop building (#816) located off State Access Road for the Marin County Sheriff Department's Search and Rescue Operations--(see vicinity map in Attachment 2). The building houses emergency response equipment and vehicles. A new Temporary Water Service Agreement is provided as Attachment 3.

Environmental Document Review

This project is categorically exempt from CEQA review.

RECOMMENDATION:

That the Board approve authorization of this temporary three (3) year water service pursuant to the attached agreement.

Approved by GM *CD*

Date *6/3/2011*

RESOLUTION NO. 11-
AUTHORIZATION OF EXECUTION
OF
TEMPORARY WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
WITH
CITY OF NOVATO

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 City of Novato, a municipality, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as HAMILTON FIELD BUILDING NO. 816, Marin County Assessor's Parcel Number 157-970-07, NOVATO, CALIFORNIA.

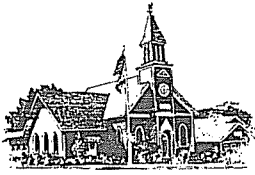
* * *

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 7th day of June, 2011, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

(SEAL)

Renee Roberts, Secretary
North Marin Water District



THE CITY OF
NOVATO
CALIFORNIA

75 Rowland Way #200
Novato, CA 94945-3232
415/899-8900
FAX 415/899-8213
www.cityofnovato.org

Mayor
Madeline Kellner
Mayor Pro Tem
Denise Athas
Councilmembers
Carole Dillon-Knutson
Pat Eklund
Jeanne MacLeamy

City Manager
Michael S. Frank

RECEIVED

APR 28 2011

NORTH MARIN WATER DISTRICT

April 19, 2011

Chris DeGabriel
General Manager
North Marin Water District
999 Rush Creek Place
Novato, CA 94945

Dear Mr. DeGabriel:

The City of Novato would like to request a three year extension of our emergency water service at Building #816 (formerly the auto shop) located off State Access Road across from the skate park at Hamilton. The City originally had planned to demolish this building this summer, however, the current tenant, Marin County Search and Rescue has requested to continue use of the building for up to three years.

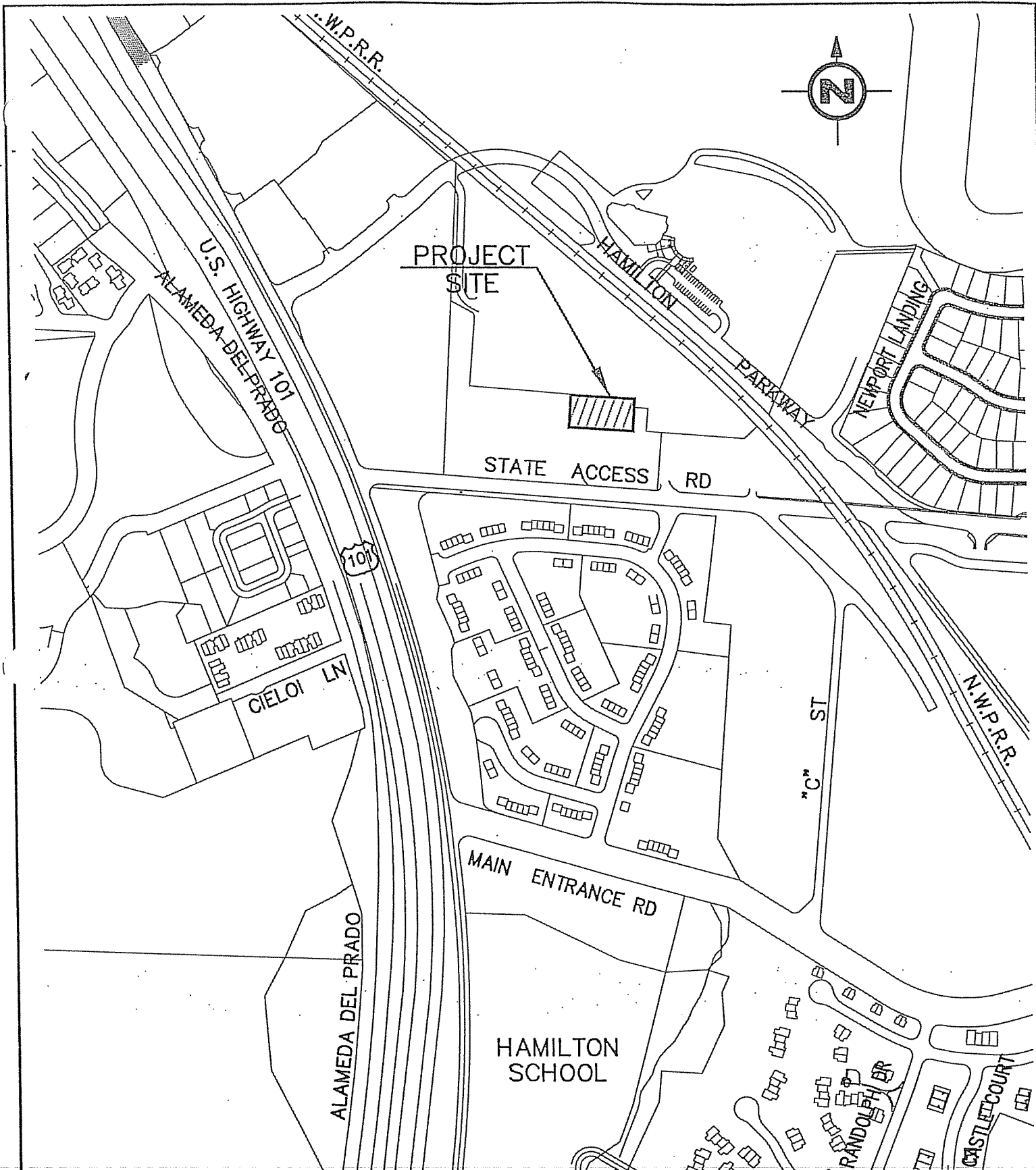
The City appreciates the Water District's assistance in making this space available for another public agency. The Marin County Search and Rescue team provides vital public safety and emergency operations services for Marin residents. The County had intended to vacate the premises by this time, however, the planning for their new public safety building has taken longer than anticipated.

Thank you again for your efforts on behalf of Novato residents. If you have any questions on this matter, please contact me at 415-899-8995.

Sincerely,

Thomas Adams
Property Manager

cc: David Speer, Marin County Facilities and Development Manager
Michael Frank, Novato City Manager
Ron Gerber, Novato Redevelopment Administrator



ATTACHMENT 2

SEARCH AND RESCUE 1" TEMP METER
 APN 157-970-07

DATE	SCALE	JOB.NO.	DWG.NO.
08/28/07	N.T.S.	1049.08	MAP

COUNTY OF MARIN
OFFICE OF THE ADMINISTRATOR

3501 CIVIC CENTER DRIVE, SUITE 325, SAN RAFAEL, CA 94903
415/499-6358 - FAX 415/507-4104

RECEIVED

APR 28 2011

Matthew H. Hymel
County Administrator

Mona Miyasato
Chief Assistant
County Administrator

April 14, 2011

North Marin Water District
Care of:
City of Novato Redevelopment Agency
Ron Gerber
75 Rowland Way, # 200
Novato CA 94945

SUBJECT: EXTENSION OF TEMPORARY WATER SERVICE

To Whom It May Concern:

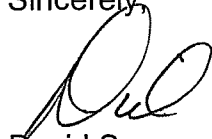
The County of Marin Sheriff Department has been leasing space from the City of Novato to house its Search and Rescue Unit ("SAR") equipment and vehicles. The County and City would like to continue this for up to the next three years and will need the continuation of the water service to this building.

The County is in process of developing its Emergency Operations Facility and expects to have this project completed within that time period. Our Emergency Operations Facility will meet the California Essential Services Code standard, and we will then be able to house the SAR equipment and vehicles with our new facility.

Should you have any questions about the development of the County's Emergency Operation Facility or the SAR, please feel free to contact me at (415) 499-6016 or via email at dspeer@co.marin.ca.us.

Thank you.

Sincerely,



David Speer
Facilities Planning and Development Manager

AGREEMENT FOR TEMPORARY DOMESTIC SERVICE
TO CITY OF NOVATO
(HAMILTON FIELD BUILDING 816), MARIN COUNTY, CALIFORNIA
ASSESSOR'S PARCEL NUMBER 157-970-07

THIS AGREEMENT, made and entered into this date _____, 2011, by and between NORTH MARIN WATER DISTRICT, herein called "District", and CITY OF NOVATO, a Municipality, herein called "Applicant".

The parties hereto agree as follows:

1. The purpose of this agreement is to set forth the terms and conditions under which the District will furnish a temporary domestic service for use by the Applicant at Hamilton Field, (APN 157-970-07), Marin County, California.
2. All the water furnished by the District hereunder shall be used solely for domestic water to support Marin County Sheriff Search and Rescue Operation at Hamilton Field Building No. 816, Marin County, California.
3. All water furnished hereunder shall be delivered, received, used and paid for in accordance with the District's regulations from time to time in effect. The Applicant shall comply with all applicable regulations.
4. All water furnished hereunder shall be metered and delivered to the Applicant at a metered service connection to the District's existing 12-inch main located at State Access Road, Marin County, California. If the meter requires future relocation for any reason, the Applicant shall pay the District for actual meter relocation costs. The Applicant shall pay for all water delivered at the District's rates from time to time in effect for water service within the Novato Service Area.
5. The District reserves the right to curtail, interrupt or suspend deliveries of water hereunder to the extent necessary to meet the reasonable needs of water users within the territory of the District in the event of a water shortage as determined by the District.
6. This agreement shall terminate on June 7, 2014, or upon issuance of a permanent water service agreement, whichever occurs first.
7. Should the Applicant default in the performance of, or breach any provision, term or condition of this agreement, and fail to cure such default or breach within 30 days after notice thereof, the District, in addition to all other remedies available to it, may forthwith terminate delivery of water to the Applicant.

IN WITNESS WHEREOF, the parties hereto have subscribed their names the day and year first above written.

NORTH MARIN WATER DISTRICT
"District"

ATTEST:

John Schoonover, President

Renee Roberts, Secretary

(SEAL)

CITY OF NOVATO
A Municipality
"Applicant"

(SEAL)

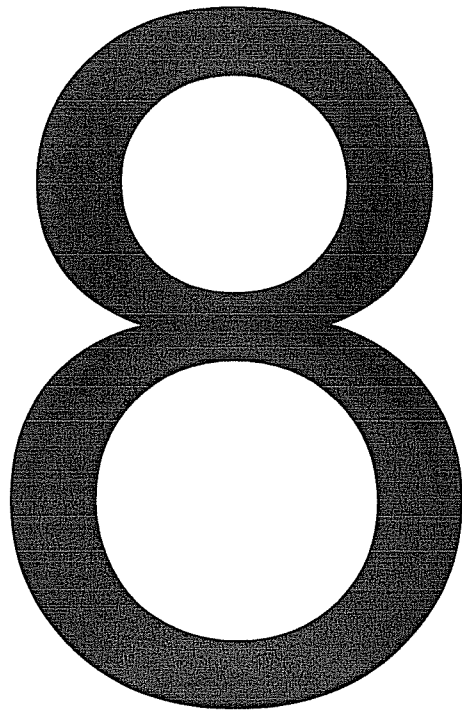
Michael Frank
Its: City Manager

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

This agreement must be executed by the Applicant and delivered to the District within thirty (30) days after it is authorized by the District's Board of Directors. If this agreement is not signed and returned within thirty days, it shall automatically be withdrawn and void.

ALL SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.

r:\jobapp\referrals\apn 157\157-970-07\emporary agreement renewal 2011.doc



MEMORANDUM

To: Board of Directors

June 3, 2011

From: Drew McIntyre, Chief Engineer *DM*

Subject: Miller Pacific Engineering Group – General Engineering Services Agreement
Z:\NON JOB No ISSUES\CONTRACTS\Consultants\MPEG\FY10-11\MPEG genl servs contract agmt 6-11 BOD memo.doc

RECOMMENDED ACTION: That the Board authorize the General Manager to execute a new General Engineering Services agreement for Consulting Geotechnical Services between NMWD and Miller Pacific Engineering Group with a not-to-exceed limit of \$20,000.

FINANCIAL IMPACT: \$20,000

Attached is an agreement for Miller Pacific Engineering Group (MPEG) to provide miscellaneous continuing geotechnical consulting services. MPEG has a long and proven track record with the District of providing high quality and responsive services at reasonable costs. To best meet project demands, a General Engineering Services Agreement is desired with individual task orders on a job-by-job basis.

A summation of contract billings for MPEG general engineering services (exclusive of authorized Recycled Water North Service Area geotechnical services) for the last five years is provided as follows:

TABLE I

Contract Issuance Year	Billing Year	Total Billings
FY10	FY10 & 11	\$16,904 (to date)
FY09	FY10	\$19,052
FY08	FY08 & 09	\$16,120
FY07	FY07	\$15,383
FY06	FY06	\$17,282

A cost breakdown for the \$20,000 FY09-10 contract by task is summarized as follows:

TABLE 2

Starting Contract Amount	\$20,000
Carryover balance from FY09 Contract	\$3,734
Amended Balance	\$23,734
Projects (billings to date)	
Crest Water Tank No. 2 - geotechnical report compaction/concrete testing & rock anchors	<\$6,885>
Lynwood Pump Station MCC Upgrade – soil boring	<\$2,900>
PRE Tank 4A – geotechnical report	<\$2,900>
C Street – compaction testing	<\$2,839>
So. Novato Blvd. at Rowland – AC paving consultation	<\$1,150>
Sieve Test – proposed backfill material	<\$230>
Remaining Balance on Contract	\$6,830

Approved by GM *CD*
 Date 6/3/2011

The current billings under the FY10 contract total \$16,904 leaving a balance of \$6,830 on the contract. Although the contract amount has not been completely expended, additional authorized expenditures coupled with the following upcoming tasks make a new contract necessary:

- Soils Borings at Olive & Railroad (SMART crossing)
- Misc. Geotechnical services related to the District's Aqueduct Energy Efficiency Project

RECOMMENDATION

That the Board authorize the General Manager to execute a new General Engineering Services agreement for Consulting Geotechnical Services between NMWD and Miller Pacific Engineering Group with a not-to-exceed limit of \$20,000.

9

MEMORANDUM

To: Board of Directors

Date: June 3, 2011

From: Drew McIntyre, Chief Engineer



Subject: Approve: Engineering Services Contract – Edith Robbins

Z:\NON JOB No ISSUES\CONTRACTS\Consultants\Edie Robbins\consulting agmt with edie robbins 6-11 BOD memo.doc

RECOMMENDED ACTION: Authorize the General Manager to execute a new Agreement with Ms. Edith Robbins for Miscellaneous Engineering Services with a not-to-exceed limit of \$20,000.

FINANCIAL IMPACT: \$20,000

Attached is a new agreement with Edith Robbins, P.E., to provide miscellaneous engineering services to help staff meet short term workload demands with a not to exceed limit of \$20,000. The need for Ms. Robbins' services is primarily due to work load demands associated with recycled water expansion. The first contract was approved by the Board at the August 5th 2008 meeting for \$20,000. Ms. Robbins' hourly rate is unchanged at \$135 per hour. This is \$15 below the hourly rate of \$150 charged to NMWD while she was working at CSW/Stuber-Stroeh.

A cost breakdown, since February, 2010, by task is summarized as follows:

GENERAL ENGINEERING SUPPORT	
District Projects	
Old Novato Wells Abandonment Study	\$9,990
Aqueduct Relocation – B3 Windhaven Study	\$4,320
Developer Projects	
Perry's Deli Fire Service (West Marin)	\$4,500 (est'd)
Total Amount Expended	\$18,810

Ms. Robbins has a proven track record with the District and is already familiar with NMWD water facilities due to her previous experience. Ms. Robbins will continue to provide engineering support under staff review and will proceed on work only after specific work scope tasks; schedules and estimate of services cost are discussed, agreed upon, and documented between the District and the Consultant.

RECOMMENDATION

Authorize the General Manager to execute a new Agreement with Edith Robbins for Miscellaneous Engineering Services with a not-to-exceed limit of \$20,000.

Approved by GM GD

Date 6/3/2011

10

MEMORANDUM

TO: Board of Directors June 3, 2011
FROM: Drew McIntyre, Chief Engineer *DM*
SUBJ: Approve Change Order: Third Party Coating Inspection for Crest Tank No. 2
Project – D. B. Gaya Consulting
R:\Folders by Job No\6000 jobs\6235\Board-Memos\6235 tank inspection CO MEMO 6-1-11.doc

RECOMMENDED ACTION: Authorize the General Manager to execute a change order with D.B. Gaya Consulting for additional coating inspection services on a time and expense basis with a not to exceed limit of \$8,000

FINANCIAL IMPACT: \$8,000

BACKGROUND:

At the June 2, 2010 meeting, the Board authorized the General Manager to execute an agreement with D.B. Gaya Consulting LLC (DB Gaya) for Crest Water Tank No. 2 project coating inspection services with a not to exceed limit of \$18,360 (includes \$1,700 contingency). The tank is being painted by West Coast Industrial Coating (WCIC) as a subcontractor for Paso Robles Tank (the prime contractor). The above project, in addition to construction of a 0.5 MG new tank (Tank No. 2), also included lead based coating removal and re-coating of the existing Crest Tank (Tank No. 1) exterior. The new tank was put in service in April 2011 and coating of both tanks are complete with the exception of some punch list items that are expected to be completed in June. The coating work was delayed due to unusual and prolonged inclement weather and delays in coordination and transfer of antennas of other agencies that used to be mounted on Tank No. 1 to the new tank (Tank No. 2).

ESTIMATED COATING INSPECTION COSTS:

The coating inspection cost estimated by DB Gaya in their original proposal was 188 hours but the actual hours spent is 255 hours due to afore mentioned delays. The additional inspection time spent is justified since the tank painting schedule was prolonged from initial schedule of 3.5 months to 5 months. The additional cost of \$7,887 is 43% of the original estimate of \$18,360 and on par with the additional 1.5 month extension over the estimated 3.5 months estimated for coating work (40% time extension).

FINANCIAL IMPACT

The total project spending to date is \$807,251 and the new estimate to complete the project is \$1,050,000 (including a \$50,000 contingency). Budget allocated for this project in the FY10-11 is \$1,000,000 of which expended amount to date is \$663,721. The total financial

Approved by GM CD

Date 6/3/2011

impact of \$8,000 is well below the current unused project contingency of \$50,000 and no additional budget allocation is required.

PROJECT SCHEDULE

The project is scheduled to be completed by June 30, 2011 approximately 2 months behind schedule due to aforementioned delays.

RECOMMENDATION:

That the Board authorize the General Manager to execute a change order with D. B. Gaya Consulting for additional coating inspection services on a time and expense basis with a not-to-exceed limit of \$8,000.

NORTH MARIN WATER DISTRICT
 WATER SYSTEM IMPROVEMENTS/SPECIAL PROJECTS
 PROJECT SUMMARY
 AS OF JUNE 1, 2011

Job No.	Title:		
1 6235.00	Crest Tank No. 2		
Facility No.	Facility Type (Pipelines, Pump Stations, etc.) Water Tank		

Description

Construction of 500,000 gal welded steel tank supported on a concrete ringwall and rock anchor foundation and related piping and electrical installations to address the Master Plan identified Crest Zone water storage deficit. Crest Tank No. 1 will also be re-coated as part of this project.

Project Justification

A second 500,000 gallon tank needs to be constructed to address fire storage deficiencies in the Crest service zone (Zone 2).

	Baseline Cost Estimate	Original Budget	Design/ Permit	Constr. Ph Est. 6/1/1011	Spent as of 6/1/2011		Start	Finish (Est.)	Finish (Actual)
1	Development		\$15,000		\$15,000	Project Dev.	Jul-08	Aug-09	Aug-09
2	Prelim. Design		\$27,264		\$27,264	Prelim.	Sep-09	Dec-09	
3	Surveying/Mapping		\$8,335		\$8,335		Feb-09	Mar-09	
4	Geotech. Invest		\$4,000		\$4,000		Feb-09	Mar-09	
5	Permitting		\$15,600		\$15,600	Permitting	Mar-09	Jun-09	
6	Final Design		\$20,349		\$20,349	Final Design	Jan-10	Feb-10	Feb-10
7	Design Phase Other Costs		\$22,624		\$22,624				
8	Bidding Services		\$8,725		\$8,725		Feb-10	Apr-10	Apr-10
9	Construction			\$680,000	\$560,137				
9a	Change Orders			\$9,829	\$9,829				
9b	NMWD const+elec.			\$58,000	\$56,728				
10	Eng. Servs. During Const./Testing Services			\$12,000	\$4,594				
11	Inspection/Admin			\$62,000	\$52,324	Construction Project	May-10	Jun-11	
12	Project Closeout			\$5,000		Closeout	Jun-11	Jun-11	
13	Landscaping est.			\$50,000					
14	Project Subtotal			\$876,829					
15	Project Contingency			\$50,000	\$1,742				
	Sub-Total		\$121,897	\$926,829					
	Grand Total	\$1,350,000		\$1,048,726	\$807,251				

- 9. PRT bid total
- 10. Geotech (\$8,000) x 1.5 for rock anchor work inspection
- 11. In-house costs plus coating inspection
- 13. Estimate for Landscaping work
- 15. Project Construction Contingency

1

1

MEMORANDUM

To: Board of Directors
 From: David L. Bentley, Auditor-Controller
 Subj: Banking Services
t:\acl\word\banking\change in banking services provider.docx

June 3, 2011

RECOMMENDED ACTION: Move Banking Services to US Bank

FINANCIAL IMPACT: \$11,400 per Year

At the April 5, 2011 meeting the Board authorized staff to solicit pricing from nine local banks to provide banking services. Since February 2000 the District has utilized the services of Bank of the West for its day-to-day banking needs. Bank of the West fees have averaged \$750 per month over the past year. Bank of America has provided credit card services since March 2006. Their credit card markup, over and above the fees charged by Visa and MasterCard, has averaged just over \$1,000 per month. The proposals submitted show that the District will save significant money on credit card fees.

Seven of the nine banks provided proposals. The two that did not were:

- 1) Sonoma Bank – who advised their corporate headquarters in Washington does not want to deal with California public agency collateralization requirements; and,
- 2) Citibank - would not return phone calls.

We provided each bank with the District's typical monthly banking activity and received the following proposals, both for existing services and enhanced¹ services.

Monthly Fee	Banking Services		Credit Card Fees	Total w/ Enhanced
	Existing	Enhanced		
U.S. Bank	\$515	\$650	\$150	\$799
Bank of the West	\$655	\$745	\$70	\$815
Circle Bank	\$726	\$801	\$56	\$857
Wells Fargo	\$705	\$803	\$109	\$911
Bank of Marin	\$735	\$1,004	\$15	\$1,019
WestAmerica Bank	\$812	\$1,102	\$0	\$1,102
Bank of America	\$819	\$1,361	\$176	\$1,538

¹ Enhanced services include:

- 1) Remote Deposit uses scanning equipment to create digital images of checks received allowing deposits over the internet, eliminating the need to endorse and encode checks and carry them to the bank. It also allows posting payments to the District's utility billing software using scanned payment stub data.
- 2) Positive Pay is a fraud prevention measure to guard against counterfeit checks. By sending a list of checks to the bank prior to issue, the bank can compare checks received against the authorized list.

Approved by GM CD

Date 6/3/2011

As the enhanced services package (Remote Deposit and Positive Pay) can be purchased for less than the District currently pays, Staff recommends they be added. The Accounting and Consumer Services staff met with U.S. Bank representatives and also participated in a webinar pertaining to their automated deposit equipment. We checked references provided by U.S. Bank and found happy customers. Their pricing is guaranteed for two years, and their proposal includes a \$3,500 incentive credit to be used to offset equipment, training, and monthly service fees at the District's choice.


Recommended Action:

Authorize Staff to move its banking services to U.S. Bank.

12

13

MEMORANDUM

To: Board of Directors
From: Robert Clark, Operations / Maintenance Superintendent 
Subject: Approve – Stafford Treatment Plant GAC Replacement
x:\maint sup\2011\bod\bod gac replacement 611.doc

June 3, 2011

RECOMMENDED ACTION: Approve Budget Augmentation to Purchase Coal-Based Carbon
FINANCIAL IMPACT: \$92,000

The Granular Activated Carbon (GAC) filters at the Stafford Water Treatment Plant are used to remove total organic carbons (TOC) and tastes and odors (T&O) from the treated water before the water is sent into the distribution system. This filter media is separated into four 1,200 cubic foot filter beds. We have been tracking the efficiency of the GAC filters while developing best maintenance practices, use of different carbons, treatments and flow rates.

The focus of the treatment plant operators in 2006 and 2007 was to maximize filter run times while keeping to the minimum-required TOC removal level of 35%. This practice placed stress on the GAC filters with excess TOC and chlorite (a by-product of chlorine dioxide (ClO₂)). Through 2006-2010, the chlorine dioxide generator was not well-regulated, and it continued to place stress on the filters. The filter beds have experienced taste and odor break-through after an average of 610 MG of flow over these past five years.

In 2008, the plant began to change focus to maximize TOC removal, stabilize ClO₂ use and test a less-expensive, coconut-based carbon. In 2010, plant chemical levels were optimized to maximize TOC removal, a new ClO₂ generator was installed and the stress on the carbon was reduced. The coconut-based carbon did not result in any cost avoidance and while staff has determined that the coal-based carbon lasts longer, they have not found any treatments or maintenance practices to extend the life of the carbon.

Coal-based carbon was replaced in two beds last year and with the increased flows the past two years averaging 805 MG, we again find this spring that the older, coconut-based carbon experienced taste and odor break-through and will require new media before the end of the current fiscal year. Absent carbon replacement, we risk further customer taste and odor complaints if another algae bloom occurs.

RECOMMENDATION

The Board of Directors approve a budget augmentation to purchase and install new coal-based carbon for two filter beds at a cost of \$92,000 not in the current fiscal year budget.

14

MEMORANDUM

TO: Board of Directors
FROM: Drew McIntyre, Chief Engineer



June 3, 2011

RE: Approve: Change Order to Nute Engineering Contract for Recycled Water North Service Area SMART Crossing at Olive Ave.

Z:\Folders by Job No\6000 jobs\6056\Change Orders\6056 Nute Change Order 4 to Contract BOD MEMO.doc

RECOMMENDED ACTION: Board authorize the General Manager to execute Change Order No. 4 to Nute Engineering to perform recycled water engineering services for the Novato North Service Area project

FINANCIAL IMPACT: \$22,000 increase

Background

At the July 20, 2010 meeting, the Board approved a contract with Nute Engineering for engineering support services related to the Recycled Water Expansion for the Novato South Service (Hamilton) Area project. The original contract was for an amount not to exceed \$450,000 plus a contingency of \$45,000. Subsequent approved Change Orders to Nute's contract are just below the Boards' authorized \$45,000 contingency as summarized below:

Change Order	Date	Description	Fee Amount	Cumulative Total
1	Dec 2010	To prepare easements and SMART permit applications (authorized at the Dec. 21, 2010 meeting)	\$32,000	\$32,000
2	March 2011	To perform exploratory test pits for the pipeline into and out of Reservoir Hill Tank	\$3,300	\$35,300
3	March 2011	To perform additional surveys for the revised transmission line alignment to eliminate possible wetlands issues and for the new inlet/outlet pipe alignment to the Reservoir Hill Tank	\$7,890	\$43,190

Change Order No. 4

As part of the Novato North Service Area project, a design for extending the new recycled water line west on Olive Avenue and under the Sonoma Marin Area Rail Transit (SMART) tracks at Railroad Avenue (see Attachment 1) is needed. This location is very congested with existing utilities. Due to Nute's recent experience designing a sanitary sewer crossing in this same area staff has requested a cost proposal from Nute for the recycled water crossing.

Per Nute's attached proposal (see Attachment 2), an additional \$22,000 is requested to perform the following engineering services related to the 12" recycled water pipeline crossing SMART tracks at Olive Avenue and Railroad Avenue:

- Task 1: Compile information on underground utilities at site location.
- Task 2: Identify potholing locations.
- Task 3: Coordinate soil boring placement.
- Task 4: Make a survey to confirm the locations and potholed elevations of utilities and boring locations.
- Task 5: Investigate alternative alignments and depths across the SMART tracks.
- Task 6: Prepare a plan and profile and technical specifications for the water line crossing at the location.

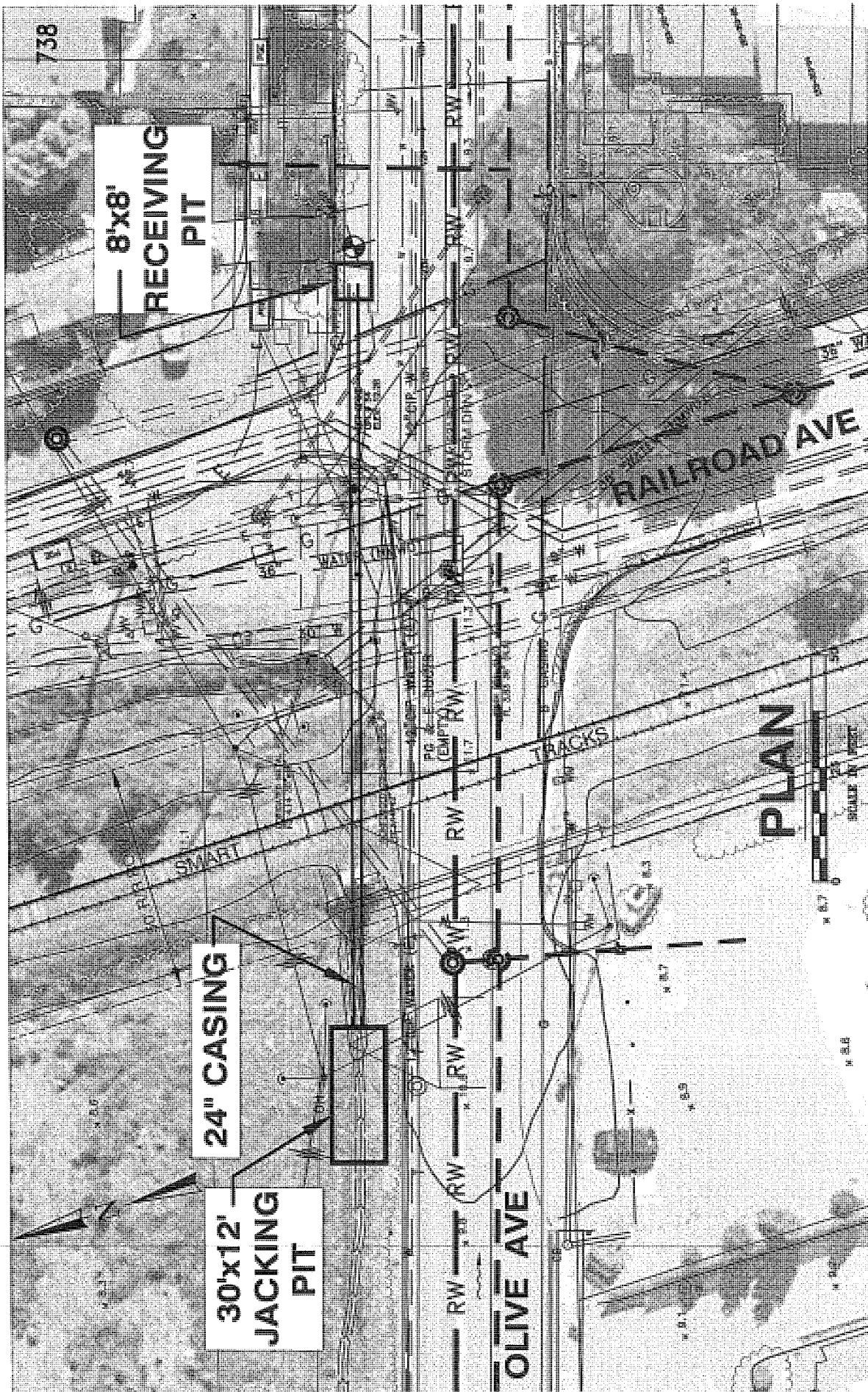
Other costs related to this work include soil borings by Miller Pacific Engineering Group (MPEG) under a General Services Agreement between NMWD and MPEG (estimated at \$9,000) and potholing by District crews (estimated at \$3,500).

Project Cost

With the approval Change Order No. 4, the contract amount for Nute Engineering increases to \$493,190 for this project. These costs are expected to be eligible for 25% federal grant funding and 75% State low interest rate loan financing. Repayment of loan financing will be through Facilities Reserve Charges (FRCs) collected from new developers.

RECOMMENDATION

Board authorize the General Manager to execute Change Order No. 4 to Nute Engineering to perform recycled water design-related tasks for the Novato North Service Area project in the amount of \$22,000.



NORTH MARIN WATER DISTRICT
 RECYCLED WATER SMART CROSSING
BORE AND JACK PIT LOCATIONS

SKETCH 8041-1

05-10-2011



NUTE
ENGINEERING

Civil and Sanitary
Consultants

907 Mission Ave.
San Rafael, CA 94901
(415) 453-4480
Fax (415) 453-0040

May 17, 2011

Mr. Drew McIntyre
North Marin Water District
999 Rush Creek Place
Novato, CA 94947

**Re: North Area Recycled Water Project
SMART Crossing at Olive Ave
Proposal for Engineering Services**

Dear Drew:

Nute Engineering is pleased to submit the following proposal for engineering services in designing the crossing of the SMART tracks at Olive Ave for the 12" recycled water line serving the North area of Novato.

At Olive Ave there are numerous utilities in the vicinity of the SMART tracks, which complicate the installation of a new crossing for the recycled water line. In this area there are two large water transmission lines parallel to the SMART tracks together with a water distribution line, two gravity sewers (one abandoned), a large sewage force main, gas line and other utilities. In order to identify a clear route across the SMART tracks it will be necessary to pothole some key utilities prior to finalizing the plans.

The recycled water line crossing under the tracks must comply with the SMART specifications, which requires a steel casing. In addition NMWD has specific requirements for separation from other utilities.

At this location the improved roadway of Olive Ave occupies the southerly half of an 80 foot wide right of way. The City of Novato has plans for constructing a divided roadway with a new lane in the northerly half of the right of way. It may be possible to bore and jack the welded steel casing for the new recycled water line across the SMART tracks. The bore and jack method will require a relatively large (10'x30') bore pit which can be located in the drainage ditch on the north side of the existing pavement. This drainage ditch will disappear under the City of Novato plan for the future road improvements. If the size of the bore pit becomes an issue then it may be necessary to install the new pipeline by the more specialized methods of microtunneling or horizontal directional drilling, which can use smaller entrance and exit pits.

Another crossing possibility that should be considered is horizontal direction drilling. A directional drilled pipeline will likely need to be installed up to 35 ft deep due to the necessary entry and exit angle of the pilot bore and the total distance of the bore. The depth of a pipeline

will also be affected if SMART requires a steel casing to meet Cooper E80 Railway loading requirements. In lieu of the steel casing it may be possible to demonstrate to SMART that the HDPE pipe meets the railway loading requirements due to the deep installation depth.

For both pipe installation methods a minimum of two (2) soil borings will be required. These borings will need to be 45-50 ft deep to fully characterize soils at the proposed directional drill depth and will augment available shallow soil borings from a recent Sanitary District Project.

In order to design the recycled water line crossing of the SMART tracks it will also be necessary to pothole the utilities in the vicinity of the proposed crossing. Nute Engineering will make a survey of the locations and depths of the utilities. Nute Engineering will also conduct a pre-design analysis of these two proposed alternatives with the assistance of Glen Boyce of Jacobs Associates and prepare a method recommendation for the District's approval. This analysis will include the calculation of the railway loading to meet SMART requirements. Finally, Nute Engineering will prepare a plan and profile of the crossing under the SMART tracks.

SCOPE OF WORK

The scope of work will consist of the following:

1. Compile available information on underground utilities on Olive Ave at the crossing location.
2. Identify potholing locations.
3. Coordinate soil boring placement with Jacobs Associates.
4. Make a survey to confirm the locations and potholed elevations of utilities and boring locations.
5. Investigate alternative alignments and depths across the SMART tracks including an analysis of railway loading requirements for the alternatives. Prepare a written memorandum summarizing the findings and recommending the best construction method between bore and jack methods or horizontal directional drilling.
6. Prepare a plan and profile and technical specifications for the water line crossing at this location including drafting of the profile of the encasement across the SMART tracks together with the necessary notes for the contractor.
7. Prepare final railway loading calculation for the chosen alternative.

WORK NOT INCLUDED

It is understood that the following work is not included in this proposal:

- Preparation of the plans for the recycled water line on either side of the SMART right of way together with the specifications and bid documents for the project.
- Necessary potholing of underground at the Olive Ave crossing.
- Soil borings will be provided through the District's consultant, Miller Pacific Engineering Group, Inc.

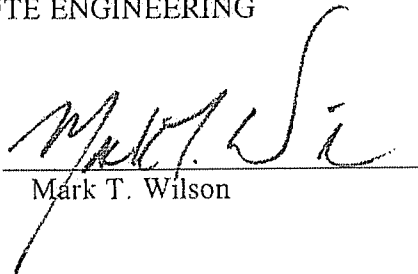
ENGINEERING FEE

We propose to do the work on a time and materials basis in accordance with the attached schedule of hourly rates. For this work we recommend a budget of \$22,000.

Very truly yours,

NUTE ENGINEERING

By



Mark T. Wilson

Attachments:

- Attachment A – Nute Engineering Schedule of Hourly Rates
- Attachment B – Project Estimating Sheet



NUTE
ENGINEERING

Civil and Sanitary
Consultants

907 Mission Ave.
San Rafael, CA 94901
(415) 453-4480
Fax (415) 453-0347

ATTACHMENT A

RATE SCHEDULE

OFFICE PERSONNEL	HOURLY RATE
Principal Engineer	\$198.00
Senior Engineer	170.00
Engineer III	162.00
Engineer II	156.00
Engineer I	132.00
Field Representative (Construction)	127.00
Engineering Technician II	110.00
Engineering Technician I	75.00
Senior CAD Designer	145.00
CAD Drafter	105.00
Technical Word Processing	82.00
Clerical	59.00
LITIGATION SERVICES	
Court Appearance/Deposition	280.00

REIMBURSABLE EXPENSES

Sub-consultants will be charged at 1.10 times cost. Charges for reproductions, blueprinting, outside computer services, rental of special equipment, delivery, express mail, insurance certificates (where client requires to be listed as an additional insured) and meals and lodging will be charged at 1.10 times cost. Mileage will be charged at the IRS approved rate.

EFFECTIVE DATES: January 1, 2009 through
December 31, 2011

ATTACHMENT B
NORTH MARIN WATER DISTRICT
NORTH AREA RECYCLED WATER PROJECT - SMART CROSSING AT OLIVE AVE
PROJECT ESTIMATING SHEET
 May 17, 2011



Task Description	Rate \$/Hr	Principal Engineer	Senior Engineer	Engineer III	Designer	Drafter	Technical Typing	Direct Costs		TOTAL
								Jacobs Associates	Willis Surveying	
SCOPE OF WORK										
Task 1 - Compile info on underground utilities on Olive Ave at crossing		2	4	4	\$145	\$105	\$82			
Task 2 - Identify potholing locations		2	4	4				1,000		
Task 3 - Coordinate soil boring placement with Jacobs Associates				2						
Task 4 - Survey to confirm locations and potholed elevations of utilities		4	4	8				6,000	\$2,400	
Task 5 - Investigate alternate locations and prepare written memorandum			2	8	4	12	2			
Task 6 - Prepare plan & profile, technical specs for water line crossing								3,000		
Task 7 - Prepare railway loading calculation for chosen alternative		8	10	26	4	12	2			
TOTALS		\$1,584	\$1,700	\$4,212	\$580	\$1,260	\$164	\$10,000	\$2,400	\$21,900

15

MEMORANDUM

To: Board of Directors

June 3, 2011

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

Subject: Recycled Water North Service Expansion – Segment 1: Award Construction Contract
Z:\Folders by Job No\6000 jobs\6055\BOD memos\6055 Construction Contract Award to Ghilotti Const 6-7-11.docx

RECOMMENDED ACTION:

1. Allow W.R. Forde to withdraw their bid.
2. Reject Platinum Pipeline's bid as non-responsive.
3. Authorize the General Manager to execute an agreement with Ghilotti Construction.

FINANCIAL IMPACT: \$582,225 plus \$30,000 contingency (5%)

Background

The Segment 1 project includes installation of 5,100 feet of new 8-inch pipeline along 'H' Lane from Valley Memorial Park Cemetery to Fire Station No. 2 on Atherton Avenue where it connects to the existing recycled water pipeline. The Board authorized bid advertisement for the above referenced project on March 1, 2011. The advertised date for this project was March 11, 2011 with a bid opening on April 19, 2011. The District advertised the project in the Marin IJ and mailed contract documents to twenty-five (25) interested contractors and builders exchanges in the greater bay area. Thirteen (13) contractors, including eleven (11) prime contractors, attended the mandatory pre-bid meeting on March 31, 2011. Note that one of the bidders, Platinum Pipeline, failed to attend the mandatory pre-bid conference. The bid period was for approximately five (5) weeks and included two addendums. Four bids were received ranging from a low of \$424,000 to a high of \$583,700.

	CONTRACTOR	BID
1.	W.R. Forde	\$424,000
2.	Platinum Pipeline	\$565,200
3.	Ghilotti Construction	\$582,225
4.	Argonaut Constructors	\$583,700

The Engineer's Estimate was \$600,000. The bid span between the Number 1 and Number 2 low bidders (W.R. Forde and Platinum Pipeline) was substantial at \$141,200 (for a variance of 33%).

Bid Withdrawal

Two days after the bid opening the District received a letter from W.R. Forde (Attachment 1) which stated that they had made a \$70,000 clerical error in preparing their bid and requested that the District allow W.R. Forde to withdraw its bid without forfeiting its bid

bond. Said request letter was forwarded to District legal counsel with supporting background information. District legal counsel subsequently provided an opinion that W.R. Forde should be granted relief under Public Contract Code Section 5103 which governs whether a bidder is appropriately relieved from its bid.

Non-Responsive Bid by Platinum Pipeline

The bid advertisement and contract specifications clearly state that attendance at the pre-bid conference is mandatory. Since Platinum Pipeline, the apparent second low bidder, did not attend the mandatory pre-bid conference their bid is deemed non-responsive and staff recommends it should be rejected. A letter to this effect was prepared in cooperation with legal counsel and sent to Platinum Pipeline (Attachment 2). A subsequent telephone conversation with Platinum Pipeline and NMWD's Chief Engineer occurred on April 26, 2011 wherein this issue was reviewed. No further communication has been received from Platinum Pipeline since the phone call.

Bid Evaluation

Subject to the withdrawal of W.R. Forde's bid and the rejection of Platinum Pipeline's bid, Ghilotti Construction of Santa Rosa, California, submitted the lowest responsive bid of \$582,225 which is \$17,775 (3%) below the Engineer's construction cost estimate of \$600,000. Ghilotti Construction's bid is \$1,475 (0.2%) below the next lowest bidder (Argonaut Constructors). A bid evaluation (Attachment 3) was performed by The Covello Group, the District's recently hired construction manager for said project. The attached analysis shows that the remaining two contractors complied with the bidding requirements in all areas.

Project Financing

The project receives 25% federal grant funding from the American Recovery and Reinvestment Act of 2009 via Bureau of Reclamation awarded to the North Bay Water Reuse Authority. The project will also receive a State Revolving Fund loan to finance the balance cost of the project.

RECOMMENDATION

That the Board:

1. Allow W.R. Forde to withdraw their bid.
2. Reject Platinum Pipeline's bid as non-responsive.
3. Authorize the General Manager to execute an agreement with Ghilotti Construction.



ENGINEERING CONSTRUCTION

984 HENSLEY STREET • RICHMOND, CA 94801-2117 • PHONE: 510.215.9338 • FAX: 510.215.9867

RECEIVED

APR 21 2011

NORTH MARIN WATER DISTRICT

4/21/2011

Drew McIntyre, PE
Chief Engineer
North Marin Water District

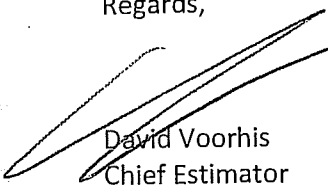
RE: Recycled Water Expansion North Service Area Segment 1 Project

Drew:

Per our discussion, and upon review of our calculations for the referenced job, we discovered that a spreadsheet formula was not returning an accurate total of our figures for the installation of the FPVC by directional bore. Specifically, we erroneously did not include the work required for W.R. Forde to dig, maintain, backfill, and pave the entrance and access pits for the pipe drilling and insertion process. As a result, our bid was \$70,000 lower than our intended total due to this clerical error. We regret any confusion or extra work our error may have caused and reluctantly request that the district withdraw our incorrect bid from consideration.

Please contact me if you have any questions or need additional information.

Regards,


David Voorhis
Chief Estimator
Office: (510) 215-9338
Fax: (510) 215-9867
Cell: (415) 716-2200
W.R. Forde Associates
984 Hensley Street
Richmond, CA 94801



**NORTH MARIN
WATER DISTRICT**

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

PHONE

415.897.4133

FAX

415.892.8043

EMAIL

info@nmwd.com

WEB

www.nmwd.com

April 21, 2011

Manuel DeFreitas
Platinum Pipeline
11501 Dublin Blvd., #201
Dublin, CA 94568

RE: Recycled Water North Segment 1
NMWD File 5 6055.00

Dear Mr. DeFreitas:

The contract for the above referenced project is tentatively scheduled for award at the next Board meeting, May 3, 2011. Staff's recommendation, if for some reason the apparent low bidder declines to enter into a contract, will be to reject Platinum Pipeline's bid (the second lowest) for failure to attend the mandatory pre-bidding conference on March 31, 2011 (as stated in Section VI of the Notice Inviting Bids).

If you have questions on this matter please contact me at 415-897-4133, extension 8510.

Sincerely,

Drew McIntyre
Chief Engineer

cc: Larry, Platinum Pipeline

DM:edb
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The
Covello
Group

cc ✓ 6/4/11

Dm *DM*

F - 5-6055-1

Seg - 1
Bid phase

May 19, 2011

Letter No. 002

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

PROJECT: NMWD – Recycled Water Expansions North Service Area
SUBJECT: Segment 1 Bid Evaluation - Clarifications

Dear Carmela:

This letter provides clarifications to Covello's May 18 letter in response to comments received from the District. (District comments attached.)

1. **Pricing:** There was a typo in the Ghilotti bid amount; the correct amount is \$582,225.
2. **Bid Forms:** Ghilotti has now submitted the name and demonstrated successful experience of the drill rig operator. It appears this information also addresses locator experience. The foreman/driller's resumes are attached. Both proposed foreman/drillers appear to have sufficient years of experience and have experience installing various pipe material types including fusible PVC. It appears that these individuals are qualified to perform the work.
3. **SRF Documentation:** The CM will prepare the SRF "Form 6" for District signature.
4. **Material and Equipment Manufacturers:** Ghilotti listed "North American Pipe Co./Underground Solutions" as the Fusible PVC Pipe manufacturer. Underground Solutions is also listed as a Subcontractor. Ghilotti has confirmed that Underground Solutions will be the supplier of the Fusible PVC Pipe and North American Pipe Company will supply miscellaneous items. This clarification is necessary primarily due to my misunderstanding of Underground Solutions' role.

Please contact me if you have any questions regarding this matter.

Sincerely,
The Covello Group, Inc.

Steven P. Wrightson
Construction Manager

cc:



The
Covello
Group

May 18, 2011

RECEIVED

Letter No. 001

MAY 23 2011

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

North Marin Water District

PROJECT: NMWD – Recycled Water Expansions North Service Area
SUBJECT: Segment 1 Bid Evaluation

Dear Carmela:

Bids for Segment 1 of the subject project were received April 19, 2011 at 3:00 P.M. It is my understanding that four bids were received but that one bid was withdrawn and one bidder was disqualified. As such, two potentially complying bids remained for evaluation. A bid tabulation summarizing the two bids is attached for your use. Our evaluation is summarized as follows:

Pricing: Ghilotti Construction Company (Ghilotti) of Santa Rosa is the apparent low bidder and the second bidder is Argonaut Constructors (Argonaut) also of Santa Rosa. The Bid Schedule includes two options of which the bidder can choose to bid either or both. Schedule A is for the "Open Cut" method and Schedule B is for the Horizontal Directional Drill construction method. Ghilotti bid only Schedule B with a bid amount of \$582,255.00 and Argonaut bid only Schedule A with a bid amount of \$583,700.00. Both bids are slightly below the Engineer's Estimate of \$600,000 and the difference in the bid values is a mere \$1,445 or 0.2%.

There were five bid items. Comparison of bid item values of the two contractors showed consistency except for Bid Item-2, Trenching Sheeting, Shoring and Bracing. Separate listing of this bid item is a requirement of the CA Labor Code and wide variation in bid amounts is typical. In our opinion the amount bid by Ghilotti is more realistic.

Bid Forms: The bid forms for Ghilotti were submitted as required and complete with two exceptions considered to be minor. ARRA forms Attachment A, B, C, and D were not submitted within 5 days of the bid opening as required by Section 00810-D.2. Ghilotti was notified about this omission and forms were subsequently submitted. Secondly, Ghilotti did not submit "*the name and demonstrated successful experience of the drill rig operator and locator...*" as required by Addendum 1 to section 00300 page 12. This information has been requested from Ghilotti but not yet received. The bid forms submitted by Argonaut were generally in order however the SRF "Good Faith" effort process documentation was not submitted, presumably because they were not the apparent low bidder.

ARRA Documentation: As explained above, Ghilotti submitted the required ARRA certification forms (Attachments A, B, C, & D to Section 00810) later than required but otherwise the forms are in order. Argonaut submitted the completed forms with their bid.

SRF Documentation: The required documents include CWSRF "Form 4" and DBE "Good Faith" documents including Forms 1, 2, 3 and 5 and supporting documentation demonstrating compliance with the prescribed steps in Section 00820-10-Section 3. Form 4 is to be submitted with the bid and the other documents are to be submitted within two weeks after the bid opening. Ghilotti submitted the documents within the time required and they appear to be complete, comprehensive, and compliant. As such, it appears the documents are sufficient to allow the

2011.010-01.002.001

District to execute "Form 6" certifying compliance with the "Good Faith" Effort requirements as is required for the Approval Of Award (AOA) process.

Bidder and Subcontractor Experience: Both bidders submitted documents which appear to substantiate that they have the necessary experience to perform the work. Given our knowledge of Ghilotti from prior projects and historically, it is believed that they are a capable contractor and therefore references have not been contacted. Additionally, Ghilotti provided resumes for two of their senior supervisors for the work and both appear to be experienced and qualified. (I have worked with both individuals previously and found them to be capable.) It was confirmed that Ghilotti and Argonaut both have the required valid Class A Contractor's license. Included with Ghilotti's bid is a listing of relevant experience for their named HDD subcontractor, Cross Country HDI. From review of the list it appears that Cross Country has the necessary experience, including fusible PVC, to perform the HDD work. However, as noted above, Ghilotti/Cross Country has not yet submitted the names and experience of the drill rig operator and (head) locator. It is expected that Cross Country HDI will be able to furnish qualified individuals.

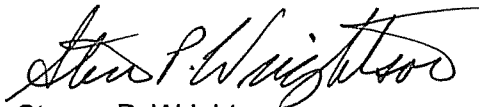
Subcontractors: Ghilotti and Argonaut both identified subcontractors that they expect to perform work valued at more than one-half of one percent (0.5%) as required by the public contract code. Ghilotti listed Delta Grinding as a subcontractor on SRF Form 5 (and noted that they were selected) but not on the bid form. Ghilotti is preparing an explanation for this item but this is not expected to be a problem. When received, the explanation may be satisfactory; otherwise Ghilotti could self-perform this work. The value of this work is very small.

Material and Equipment Manufacturers: Ghilotti listed North American Pipe as the manufacturer of the fusible PVC pipe that they will utilize. Argonaut listed Vynletech as the manufacturer of the PVC push-on joint pipe. From review of the websites of both manufacturers they appear to be capable manufacturers for the respective products and it appears they will meet the ARRA Buy American requirements. A technical review of the product was not performed and is expected to be part of the technical submittal process.

Based on the review of the bids it appears that the apparent low bidder, Ghilotti Construction is responsive and responsible and it is therefore recommended that they be awarded the contract.

Please contact me if you have any questions regarding this matter.

Sincerely,
The Covello Group, Inc.



Steven P. Wrightson
Construction Manager

cc:

Recycled water Expansion - North Service Area Segment 1 Project													
Bid Items From Bid Schedule (00310)				Engineers Estimate		Ghiletti Construction Schedule A (open Cut)		Ghiletti Construction Schedule B (HDD)		Argonaut Constructors Schedule A (open Cut)		Argonaut Constructors Schedule B (HDD)	
Item No.	Qty.	Unit	Description of Items	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1	1	LS	Mobilization/demobilization	0	0	0	0		25,000		20,000		0
2	1	LS	Trenching, sheetpile, shoring & bracing	0	0	0	0		9,425		1,500		0
3	1	LS	All work to construct the 8-inch recycled water pipeline, recycled water service and fire hydrant laterals and appurtenances not included in Bid Items 1, 2, 4 & 5	0	0	0	0		538,200		554,000		0
4	1	LS	Encroachment and environmental permitting compliance	0	0	0	0		9,500		7,500		0
5	1	LS	As-Built drawings	0	0	0	0		100		700		0
Totals :					\$600,000		\$0		\$582,225		\$583,700		\$0
One half of one % =							\$0		\$2,911				

Bid Forms:					
"IN" Stamped before bid closing (00010)				yes	yes
Bid multiplies out and sums correctly				yes	yes
Bid value in word agrees with numerals				yes	yes
License Checks Out (00300)				yes	yes
Bid Form (00300) Addendum 1 & 2 acknowledged				yes	yes
Bid Form - Signed by Authorized Individual (00300)				yes	yes
Bid Form - Board Authorization Resolution (00300)				yes - n/a	n/a
Bid Form - Material and Equipment Manufactures				yes	yes
Bid Form - List of Subcontractors				yes	yes
				number missing but provided on Pg	
Bid Form - Contractor's Licensing Statement				yes 4	yes
Bid Form - Contractor's Experience Statements				no resumes provided	yes
Bid Form - HDD drill rig operator name and Experience Statements				no name	n/a
Bid Form - Contractor's Equipment Available				yes	yes
Bid Bond (00415)				yes	yes
Escrow Agreement (00490)				Not elected	not elected
CWSRF Form 4 Selected M/WBE (00810-BP31)				yes	yes
Bidders Affidavit of Non-Collusion (00480)				yes	yes
ARRA Attachment A - SWIM Business Utilized (00810)				Provided upon inquiry by CM	yes
ARRA Attachment B - Statement of Compliance w/ SWIMBE (00810)				Provided upon inquiry by CM	yes
ARRA Attachment C - Compliance Statement w/ EO 11246 (00810)				Provided upon inquiry by CM	yes
ARRA Attachment D - Cert of Nonsegregated Facilities (00810)				Provided upon inquiry by CM	yes
SRF Loan Provisions - MBE/WBE Goals or Good Faith Effort (00900)				yes	Incomplete

Subcontractors:	Listed	Listed	Listed	Listed
Slurry Seal		Bond Blacktop	Valley Slurry Seal	
Pavement Striping		Bayside Stripe & Seal	Striping Graphics	
Horizontal Directional Drilling		Cross Country HDI		
Pipe Fusing		Underground Solutions		

Material & Equipment Manufacturers:	Specified	Bid	Comply	Bid	Comply	Bid	Comply	Bid	Comply
PVC Pipe, Push-On (if applicable)	none					Confirmed to be USA-based PVC pipe Vynletech manufacturer			
PVC Pipe, Fusible (if applicable)	none			Confirmed to be USA-based North American Pipe Co. PVC pipe manufacturer					

16

MEMORANDUM

To: Board of Directors

June 3, 2011

From: David L. Bentley, Auditor-Controller



Subj: Initial Review – FY12 West Marin Budgets

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RECOMMENDED ACTION: Initial Review & Provide Direction to Staff

FINANCIAL IMPACT: None at this time. Upon adoption in July, the FY12 Budgets would see:

West Marin Water System Rate Increase	\$54,000
WM Water System Expenditure Plan	\$891,000
Oceana Marin Sewer System Rate Increase	\$8,000
Oceana Marin Sewer System Expenditure Plan	\$261,000

Following for your initial review are the budgets for the West Marin Water System and the Oceana Marin Sewer System proposed for FY 2011/12. Proposed for West Marin Water System customers is a rate increase averaging 9%. A 5% increase is proposed for the Oceana Marin monthly sewer service charge.

INCREASE PROPOSAL DETAIL

Water Rates

A 9% commodity rate increase was implemented in each of the past six years, and this year a rate increase averaging 9% (6% commodity rate increase plus a 33% minimum service charge increase (to \$20 bimonthly for the typical customer with a 5/8" meter) is recommended, with the exception that no increase in the minimum service charge is proposed for Paradise Ranch Estates customers. The \$37 bimonthly service charge paid by all PRE customers is adequate to recover the cost of reading, billing and maintaining the meter, plus the cost of amortizing the \$14,000 annual revenue bond debt service applicable to customers within the PRE subdivision. The proposed increase would total \$55 annually (\$9 bimonthly) for the typical residential customer (see Rate Increase Analysis on page 6).

A letter was mailed to all West Marin Water customers on May 20, 2011 advising of the proposed rate increase and extending an invitation to attend the public hearing and/or exercise their right to protest the proposed increase (see page 10).

If enacted, the increases will generate \$54,000 in additional revenue next fiscal year.

6% Commodity Rate Increase	\$31,000	Across-the-Board
33% Service Charge Increase	<u>\$23,000</u>	Excludes PRE
Total	<u>\$54,000</u>	

One more 9% increase is included in the 5-year financial plan for next fiscal year (see page 4). Thereafter, assuming funding is received for \$720,000 Treatment Plant Solids Handling Addition, the \$1.6 million Gallagher Pipeline and the \$2.8 million water treatment plant modifications, the financial plan shows that West Marin Water will generate adequate cash flow to fully repay Novato Water.

Sewer Rates

Oceana Marin Sewer fully repaid its loan from Novato Water in March of 2005, rendering this small improvement district debt free for the first time since 1989. The system now has a cash balance of \$344,000. The Five-Year Financial Plan shows that the \$400,000 project to replace 4,000' of 6" asbestos cement pipe with PVC in steep high-risk areas will draw down the reserve balance. Therefore, a 5% increase (\$3 per month) in the sewer service charge is recommended to help stem falling cash reserves. This will be the first rate increase since August 2004.

A letter was mailed to all Oceana Marin customers on May 20 advising them of the proposed increase and extending an invitation to attend the public hearing and/or exercise their right to protest the proposed increase. The letter is included on page 18.

Connection Fees

Connection fees for West Marin Water and Oceana Marin Sewer were increased in August 2009. The West Marin Water increase was phased over two years. No new connections are budgeted for either West Marin Water or Oceana Marin Sewer next fiscal year. Staff anticipates reviewing the connection fee calculation again following the West Marin Water System Master Plan update scheduled for FY14.

BUDGETED SYSTEM IMPROVEMENT PROJECTS

Significant Improvement Projects budgeted for the coming year, from pages 1 and 2 of the budget package, include:

Water

- \$360,000 for the first phase of a \$720,000 project to design and construct a solids-handling facility adjacent to the water treatment plant. A design and cost estimate for the proposed facility will be received this month to refine the construction cost estimate.

Note that the \$450,000 project to construct an 82,000 gallon concrete storage tank to replace the 25,000 gallon redwood tank atop PRE and the \$60,000 project to complete seismic work on the Point Reyes Station storage tanks have both been deferred, as the Solids Handling Facility is deemed to have higher priority.

Sewer

- \$80,000 to complete replacement of 1,000' of 6" of cross-country sewer line – phase 1 of 4 1,000' replacement projects.

Future Projects

The West Marin Water System Five-Year Financial Plan shows the \$450,000 PRE Tank replacement, the final project in Phase I of the Long Range Improvement Project Plan (LRIPP), will now commence in FY15. \$1.6 million is included for the Gallagher Pipeline commencing in FY16, and \$2.8 million is forecast for design, modification and rehabilitation of the water treatment plant commencing in FY15. Both the pipeline and treatment plant projects assume funding assistance from the federal and state government.

For Oceana Marin Sewer, \$15,000 in continued work on infiltration repair is forecast each year for the next five years. \$100,000 is included every other year (as reserve balances permit) for replacement of 4,000 feet of high-risk cross-country sewer line.

WEST MARIN WATER SYSTEM OPERATING BUDGET

You will note from page 3 of the budget that the proposed West Marin Water System Financial Plan projects a net surplus next fiscal year of zero. This is because the projected \$155,000 cash deficit required to move forward with construction of the Solids Handling Facility will be covered by a loan from Novato water. The West Marin Water System exhausted its cash reserves in May 2005, requiring it to borrow funds from Novato. In accordance with the interdistrict loan policy, West Marin is repaying Novato at the interest rate earned on the District treasury (budgeted at 0.75% for FY12) plus \$50 per month.

The Five-Year Financial Plan on page 4 shows that the total debt to Novato will be fully

repaid in FY15, assuming enactment of this year's proposed rate increase and one additional 9% increase in FY13. The repayment plan is predicated upon 100% federal and or state funds coming available to construct the Gallagher pipeline and rebuild the water treatment plant.

The proposed budget projects no new services to be added to the system next fiscal year, and five per year thereafter, which is the average over the last ten years. A history of West Marin Water system growth is shown graphically on page 7.

FY11 water sales revenue is budgeted to increase 11% compared with the current year estimated actual, as next fiscal year's sales volume is forecast to rise about 1%. Total income is forecast to increase 7%. The West Marin system is projected to consume 80 million gallons (MG) next year, up 1% from FY11 estimated actual, but only 92% of the average¹ over the past ten years. The forecast assumes water sales volume will remain flat thereafter at 82MG as conservation programs (including water rate increases) continue to induce more efficient use of water. Historical consumption data is shown on page 8.

Operating expenditures before improvement projects are budgeted to increase 5% from the FY11 adopted budget. A graphical history of operating expenditures is shown on page 9. The 2012 update of the Coastal Area Annual Water Cost Comparison is not yet finished. However, when complete it will show that even with the proposed rate increase, the water cost for NMWD's West Marin customers will remain below that paid by the customers of other coastal agencies.

OCEANA MARIN SEWER OPERATING BUDGET

The proposed Oceana Marin Sewer budget shown on page 13 includes a \$3 per month increase (5%) in the sewer service charge to \$58 per month. Beginning last July the sewer service charge was placed on the County property tax rolls, eliminating the monthly billing and collection cost. No new connections are budgeted to for next fiscal year. Thereafter, two new connections per year are forecast, which is Oceana Marin's average over the past five years, as shown in the chart on page 16. Next year's budget projects operating expenditures to increase 7% from the current year budget. The District entered into a five year agreement with Phillips and Associates to provide for Operation and Maintenance of the Oceana Marin system commencing July 1, 2008. The agreement allows for a 2% annual fee escalation. The FY12

¹ Average potable use calculated net of the discontinued Giacomini Dairy operation consumption.

budget for Phillips services is \$62,000. An additional \$5,000 is included as a contingency for major equipment repair or replacement as stipulated in the agreement.

A graphical history of Oceana Marin operating expenditures is shown on page 17. The 2012 update of the Coastal Area Annual Sewer Cost Comparison is not yet finalized. When complete it will show that, when the County 1% allocation of AB8 tax revenue is included as a ratepayer cost, Oceana Marin sewer service cost remains above the median of the agencies surveyed.

The West Marin Water and Oceana Marin Sewer budgets will be reviewed again at the June 21 meeting. A public hearing to consider the proposed water rate increases and to adopt the water and sewer budgets is scheduled for July 5, 2011 in Point Reyes Station.

Proposed
BUDGET

Initial Review

**West Marin Water
Operating &
Improvement Project
Budgets**
FISCAL YEAR
2011-12

NORTH MARIN WATER DISTRICT

999 RUSH CREEK PLACE, NOVATO, CA

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&
OCEANA MARIN SEWER**

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Proposed Improvement Projects

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	FY11 Budget	FY11 E/A	FY12	FY13	FY14	FY15	FY16
6 WEST MARIN WATER SYSTEM							
System Improvements:							
a. Tank Seismic Upgrades	\$60,000	\$10,000					
b. TP Solids Handling	\$100,000	\$65,000	\$360,000	\$360,000			
c. Cable Connection to TP	\$13,000	\$0					
d. Replace PRE Tank #4A (25,000 gal w/82,000 gal Tank)	\$55,000	\$25,000				\$200,000	\$200,000
e. Replace Retaining Wall at PRE 2	\$30,000	\$30,000					
f. TP RTU Upgrade			\$20,000				
g. Gallagher Pipeline (Note 8)						\$1,000,000	\$1,800,000
h. Treatment Plant Modifications Design/Construct (Note 9)					\$120,000		
i. Replace PRE 2" Galvanized Steel Pipe					\$75,000		
j. Olema Pump Station Flood Protection Improvements							
k. Point Reyes Well Rehab	\$0	\$15,000	\$15,000				
Special Projects/Studies:							
a. Water System Master Plan Update (every 5 years)	\$10,000	\$0			\$10,000		
	\$268,000	\$145,000	\$395,000	\$360,000	\$205,000	\$1,200,000	\$3,600,000
8. LESS FUNDED BY LOANS/GRANTS							
e. Gallagher Pipeline (Note 8)	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,600,000)
f. WM TP Modifications Design/Construct (Note 9)	\$0	\$0	\$0	\$0	\$0	(\$1,000,000)	(\$1,800,000)
	\$0	\$0	\$0	\$0	\$0	(\$1,000,000)	(\$3,400,000)
NET PROJECT OUTLAY	\$268,000	\$145,000	\$395,000	\$360,000	\$205,000	\$200,000	\$200,000

Total Number of Projects 7 7 3 1 3 2 3

Note 8 - Gallagher Pipeline funded by Federal/State loan/grant funding
 Note 9 - WM TP Project funded by debt and /or grant/stimulus funding

Proposed Improvement Projects

6/2/11

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	FY11 Budget	FY11 E/A	FY12	FY13	FY14	FY15	FY16
7 OCEANA MARIN SEWER SYSTEM							
a. Infiltration Study & Repair	\$15,000	\$0	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
b. Tahiti Way Lift Pumps Rebuild (1/year)			\$20,000	\$20,000			
c. Oceana Marin Remote Alarms	\$15,000	\$8,000					
d. Replace Siphon Dosage Tank	\$11,000	\$5,000					
e. Cross Country Sewer Line Rehab (1,000')	\$100,000	\$15,000	\$80,000	\$100,000			\$100,000
f. Disposal Capacity Engineering Design						\$40,000	
g. Install 8th Disposal Trench (300')						\$30,000	\$30,000
h. Long Range Master Plan Update (every 10 years)						\$30,000	
	\$141,000	\$28,000	\$115,000	\$35,000	\$115,000	\$115,000	\$145,000

Total Number of Projects 4 4 3 2 2 4 3

**WEST MARIN 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>
OPERATING INCOME			
1 Water Sales	\$669,000	\$605,000	\$687,000
2 Misc Service Charges	3,000	3,000	3,000
3 Total Operating Income	\$672,000	\$608,000	\$690,000
OPERATING EXPENDITURES			
4 Source of Supply	\$13,000	\$15,000	\$13,000
5 Pumping	54,000	33,000	37,000
6 Operations	32,000	49,000	28,000
7 Water Treatment	119,000	106,000	106,000
8 Transmission & Distribution	131,000	75,000	123,000
9 Consumer Accounting	26,000	22,000	25,000
10 Water Conservation	4,000	5,000	6,000
11 General Administration	66,000	64,000	76,000
12 Other Operating Expense	0	10,000	10,000
13 Total Operating Expenditures	\$445,000	\$379,000	\$424,000
14 NET OPERATING INCOME (LOSS)	\$227,000	\$229,000	\$266,000
OTHER SOURCES OF FUNDS			
15 PR-2 County Tax Allocation	\$41,000	\$40,000	\$44,000
16 PR-3 Tax - Bond Service	15,000	14,000	15,000
17 OL-2 Tax - Bond Service	4,000	4,000	4,000
18 Interest Revenue	0	0	1,000
19 Connection Fees	0	16,000	46,000
20 Miscellaneous	4,000	4,000	4,000
21 Loan from (repayment to) Novato	155,000	(108,000)	(66,000)
22 Total Other Sources	\$219,000	(\$30,000)	\$48,000
OTHER USES OF FUNDS			
23 Revenue Bond Debt Service	\$27,000	\$27,000	\$27,000
24 G.O. Bond Debt Service	18,000	19,000	19,000
25 EDA Drought Loan Amortization	3,000	3,000	3,000
26 Interdistrict Loan Interest	3,000	5,000	7,000
27 Capital Improvement Projects	395,000	145,000	258,000
28 Total Other Uses	\$446,000	\$199,000	\$314,000
29 NET SURPLUS/(DEFICIT)*	\$0	\$0	\$0
30 Depreciation (not included above)	\$149,000	\$147,000	\$147,000

* Line 14+22-28

WEST MARIN WATER

5-Year Financial Plan

#	BASIC DATA	Actual 2008/09	Actual 2009/10	Estimated 2010/11	Proposed 2011/12	Projected 2012/13	Projected 2013/14	Projected 2014/15	Projected 2015/16
1	Active Services	761	769	769	769	774	779	784	789
2	Avg Commodity Rate/1,000 Gal	\$5.13	\$5.95	\$6.49	\$6.87	\$7.29	\$7.29	\$7.29	\$7.29
3	Potable Consumption (MG)	86	77	79	80	82	82	82	82
INCOME									
4	Commodity Charge	\$440,818	\$459,606	\$511,000	\$552,000	\$597,000	\$597,000	\$597,000	\$597,000
5	Minimum Service Charge	76,120	92,766	94,000	117,000	146,000	175,000	176,000	177,000
6	Connection Fee	74,730	31,350	16,000	0	114,000	114,000	114,000	114,000
7	PR-2 County Tax Allocation	41,843	40,024	40,000	41,000	46,000	47,000	48,000	49,000
8	PR-3 G.O. Bond Tax	12,589	13,631	14,000	15,000	0	0	0	0
9	OL-2 G.O. Bond Tax	4,605	3,910	4,000	4,000	4,000	4,000	0	0
10	Interest	1,338	365	0	0	0	0	0	1,000
11	Miscellaneous	8,846	6,998	7,000	7,000	7,000	7,000	7,000	7,000
12	TOTAL INCOME	\$660,889	\$648,650	\$686,000	\$736,000	\$914,000	\$944,000	\$942,000	\$945,000
EXPENDITURES									
13	Operating Expenditures	\$315,133	\$370,787	\$379,000	\$445,000	\$458,000	\$472,000	\$486,000	\$501,000
14	Replacement/Enhancement Projects	72,251	84,195	0	0	0	10,000	0	0
15	Bond & Loan Debt Service	48,943	47,500	49,000	48,000	49,000	33,000	34,000	29,000
16	Interdistrict Loan Interest	14,250	7,074	5,000	3,000	4,000	4,000	2,000	0
17	TOTAL EXPENDITURES	\$450,577	\$509,556	\$433,000	\$496,000	\$511,000	\$519,000	\$522,000	\$530,000
NET INCOME BEFORE PROJECTS									
		\$210,312	\$139,094	\$253,000	\$240,000	\$403,000	\$425,000	\$420,000	\$415,000
OTHER SOURCES/(USES)									
18	Capital Improvement Projects	(159,619)	(27,581)	(145,000)	(395,000)	(360,000)	(195,000)	(1,200,000)	(3,600,000)
19	Gallagher Pipeline & TP Grant/Loan							1,000,000	3,400,000
20	Loan from (repayment to) Novato	(132,685)	(38,522)	(108,000)	155,000	(58,000)	(230,000)	(179,000)	0
21	Net Change in Working Capital	80,143	(73,858)	0	0	0	0	0	0
22	INCREASE (DECREASE) IN CASH	(\$1,849)	(\$867)	\$0	\$0	(\$15,000)	\$0	\$41,000	\$215,000
CASH BALANCE									
24	Operating Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	System Expansion Reserve	0	0	0	0	0	0	0	165,000
26	Liability Contingency Reserve	0	0	0	0	0	0	45,000	99,000
27	Bond Redemption Reserve	52,964	52,097	52,000	52,000	37,000	37,000	33,000	29,000
28	TOTAL CASH BALANCE	\$52,964	\$52,097	\$52,000	\$52,000	\$37,000	\$37,000	\$78,000	\$293,000
29	Amount Due to Novato Water	\$458,822	\$420,300	\$312,000	\$467,000	\$409,000	\$179,000	\$0	\$0
30	Non-Budgeted Depreciation	\$142,310	\$145,913	\$147,000	\$149,000	\$156,000	\$162,000	\$165,000	\$185,000

WEST MARIN WATER NOTES**# KEY**

- West Marin Water includes the communities of Point Reyes Station, Inverness Park, Olema, Bear Valley, Silver Hills and Paradise Ranch Estates (PRE).
- 1 After FY12 assumes annual increase of 5 connections/year, which is the 10 year average.
 - 2 A commodity rate increase of 6% is proposed effective 8/1/11.
 - 3 FY12 Projection based on prior 3 year average.
 - 5 A 33% increase in the Bimonthly Minimum Service Charge is proposed to \$20 for the typical 5/8" X 3/4" residential meter. No increase is proposed for the existing PRE \$37 bimonthly Minimum Service Charge as it is adequate to cover the cost of reading, billing and maintaining the meter, plus the cost of amortizing the \$14,500 annual revenue bond debt service applicable to customers within the PRE subdivision.
 - 6 The connection fee was increased to \$22,800 per equivalent dwelling unit effective August 1, 2010.
 - 7 In July 2009 the State Legislature voted to "borrow" 8% (approximately \$3,500) of Point Reyes tax revenue. California promises to repay the borrowed money plus 2% interest per annum no later than June 30, 2013. PR2 County Tax allocation is projected to increase 3% per year.
 - 8, 9 GO Bond Taxes are Proposition 13 Exempt property tax levies that fund general obligation bond debt service.
 - 10 Projected available funds invested at 0.75%
 - 11 Turn-on, set-up, backflow device, Horizon CATV site lease & other miscellaneous charges.
 - 13 3% annual increase assumed after FY12.
 - 14 Replacement/Enhancement Projects are comprised of non-capitalized projects.
 - 15 Comprised of four 40-year 5% bonds all purchased by the Farmers Home Administration: 1) 1973 \$250,000 PR-3 GO bond maturing 2013; 2) 1975 OL-2 \$70,000 GO bond due 2015; 3) 1980 PRE-1 \$240,000 revenue bond due 2020; 4) 1981 PR-6 \$217,800 revenue bond due 2021; plus an Economic Development Administration \$46,000 5% 40-year loan in 2017. On 6/1/91 the OL-2 bond was repurchased by Novato Water upon demand by FmHA.
 - 16 Interdistrict Loan Amortization commencing 2005 to fund the LRIPP. Projection assumes interest payments at 0.75% + \$50 per month.
 - 17 Excludes depreciation.
 - 18 Capital Improvement Projects. See 5-year Improvement Projects Forecast.
 - 19 Gallagher Pipeline & Treatment Plant Rehab grant or loan proceeds offset the \$4.4 million cost of installation.
 - 20 Interdistrict loan proceeds & repayment to fund the West Marin Long Range Improvement Project Plan (LRIPP).
 - 24 Operating Reserve should be comprised of a minimum of 4 months of operating expenditures as recommended by the District's financial advisors. This reserve should have a balance of \$152,000 at June 30, 2011, however the funds have been used to subsidize operating deficits resulting from financing the LRIPP. Future cash generated will accrue to the emergency operating reserve fund until it is whole.
 - 25 System Expansion Reserve is composed of connection fee revenue, the \$94,860 Adam's contribution, \$33,500 in Mt. Vision Fire insurance proceeds, and \$8,000 in PRE Improvement Project Reserve Funds. The System Expansion Reserve was exhausted during FY04/05 to fund the LRIPP.
 - 26 Liability Contingency Reserve - \$90,000 is West Marin Water's pro-rata share (3.6%) of the District's \$2.5 million liability contingency fund, available to pay liability claims arising within the West Marin water system. This reserve was exhausted during FY04/05 to fund the LRIPP. \$8,885 derived from sale of 2 surplus parcels in Inverness Park was added to the fund in Dec 2006. Future cash generated will accrue to this reserve until it is whole.
 - 27 Bond Redemption Reserve is comprised of one year of Revenue Bond debt service for PR-6 & PRE-1 bonds as required by bond covenant plus tax receipts held in the Marin County treasury.
 - 29 Amount Due to Novato Water at fiscal year end.

West Marin Water Rate Increase Analysis

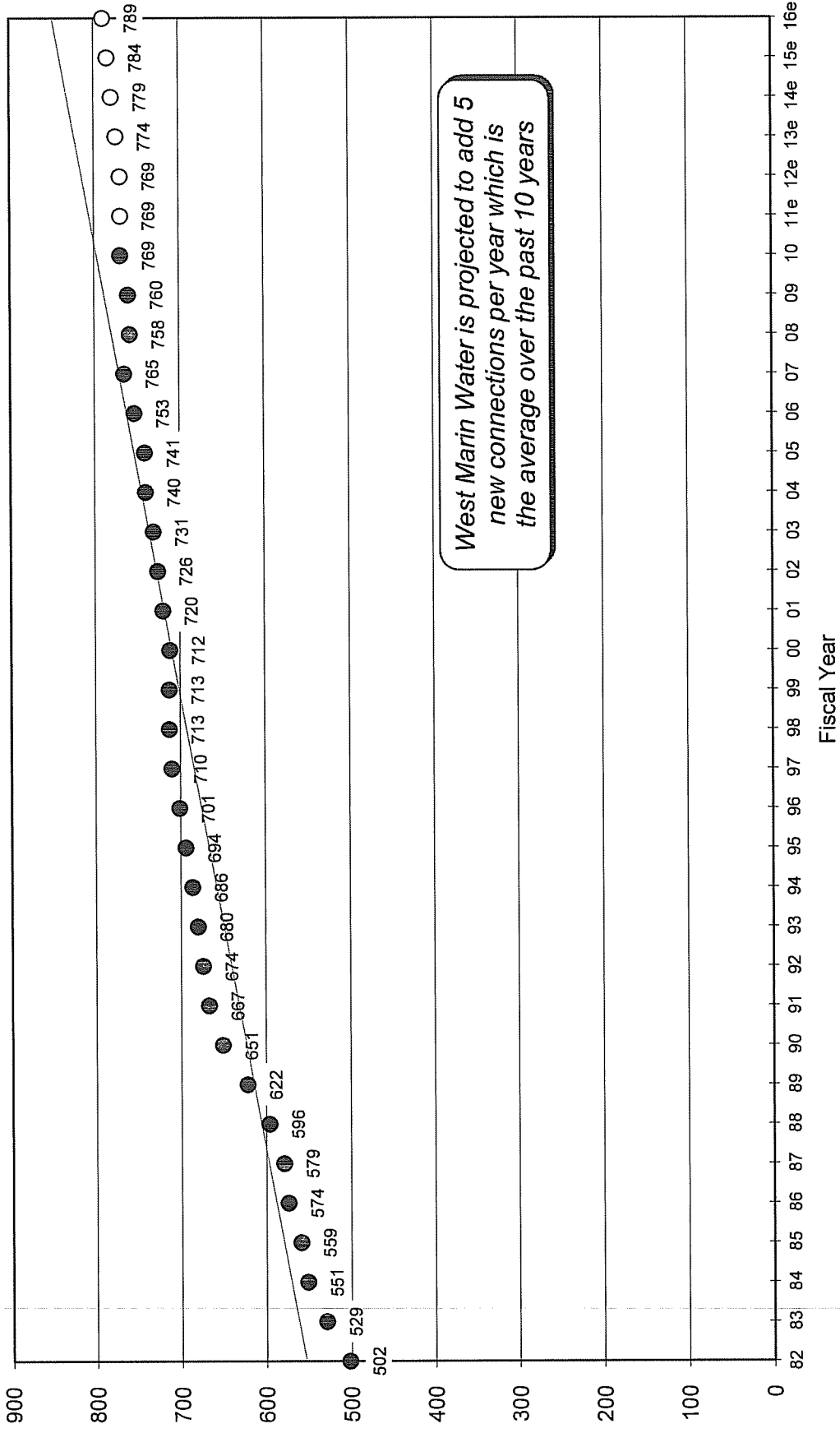
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Annual Impact (based on 65,100 gallons annual water use)

		Commodity	Annual	Annual	Annual	Total	Annual Increase	
		Rate	Use	Service	Tax	Annual	\$	%
Point Reyes Station	Current	\$5.66	\$368	+ \$90	+ \$75	= \$534		
	Proposed	\$6.00	\$391	+ \$120	+ \$75	= \$586	\$52	10%
Inverness Park, Bear Valley, Silver Hills	Current	\$5.81	\$378	+ \$90	+ \$75	= \$544		
	Proposed	\$6.16	\$401	+ \$120	+ \$75	= \$596	\$53	10%
Olema	Current	\$6.22	\$405	+ \$90	+ \$55	= \$550		
	Proposed	\$6.59	\$429	+ \$120	+ \$55	= \$604	\$54	10%
PRE Zone A	Current	\$5.81	\$378	+ \$222	+ \$0	= \$600		
	Proposed	\$6.16	\$401	+ \$222	+ \$0	= \$623	\$23	4%
PRE Zone B	Current	\$9.44	\$615	+ \$222	+ \$0	= \$837		
	Proposed	\$10.01	\$652	+ \$222	+ \$0	= \$874	\$37	4%
Outside Services	Current	\$7.92	\$516	+ \$90	+ \$0	= \$606		
	Proposed	\$8.40	\$547	+ \$120	+ \$0	= \$667	\$61	10%
Weighted Average	Current	\$6.30				\$575		
	Proposed	\$6.68				\$630	\$55	9%

West Marin Water Active Service Connections @ June 30

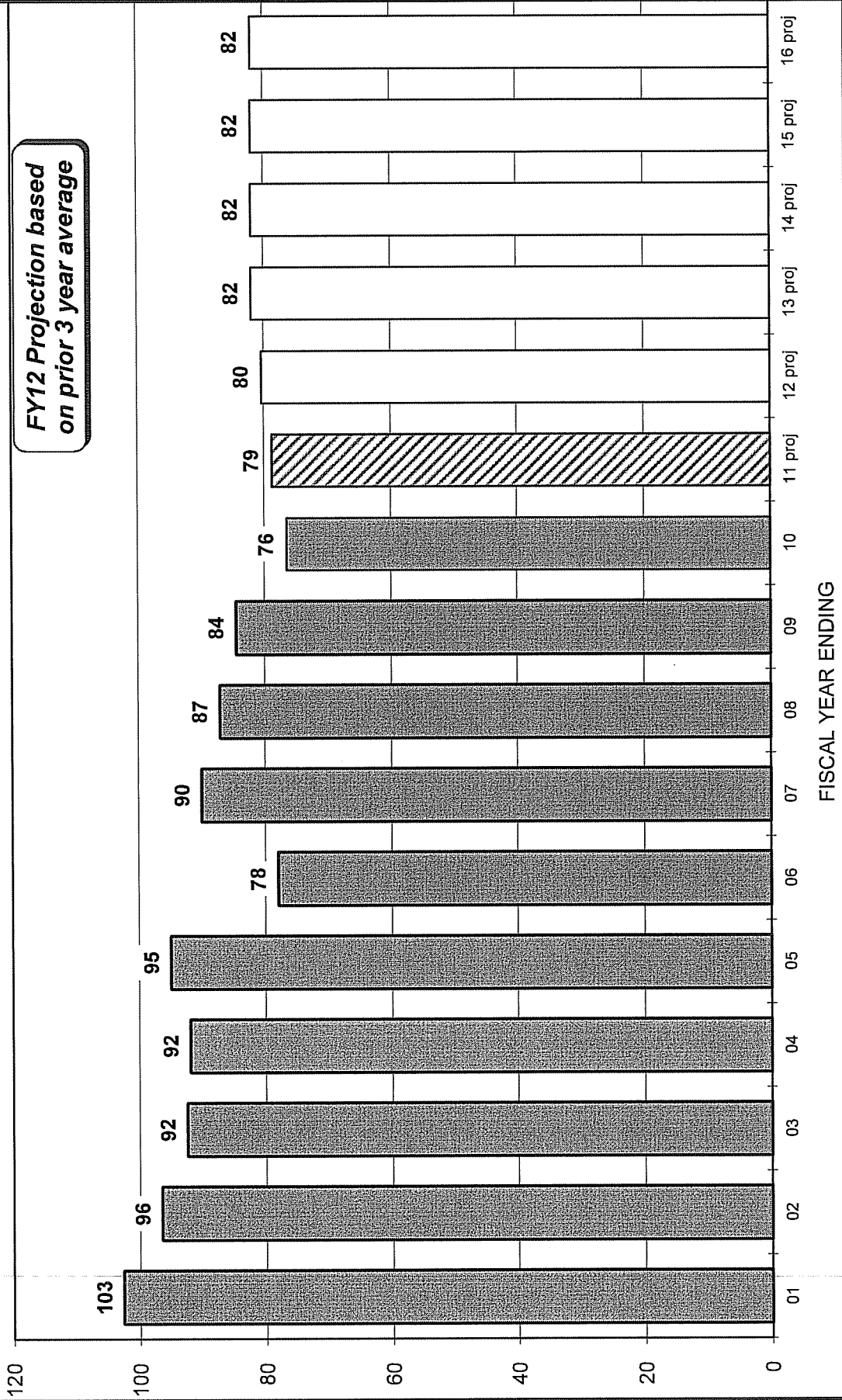


West Marin Water is projected to add 5 new connections per year which is the average over the past 10 years

West Marin Potable Water Billed Consumption Net of Giacomini Dairy

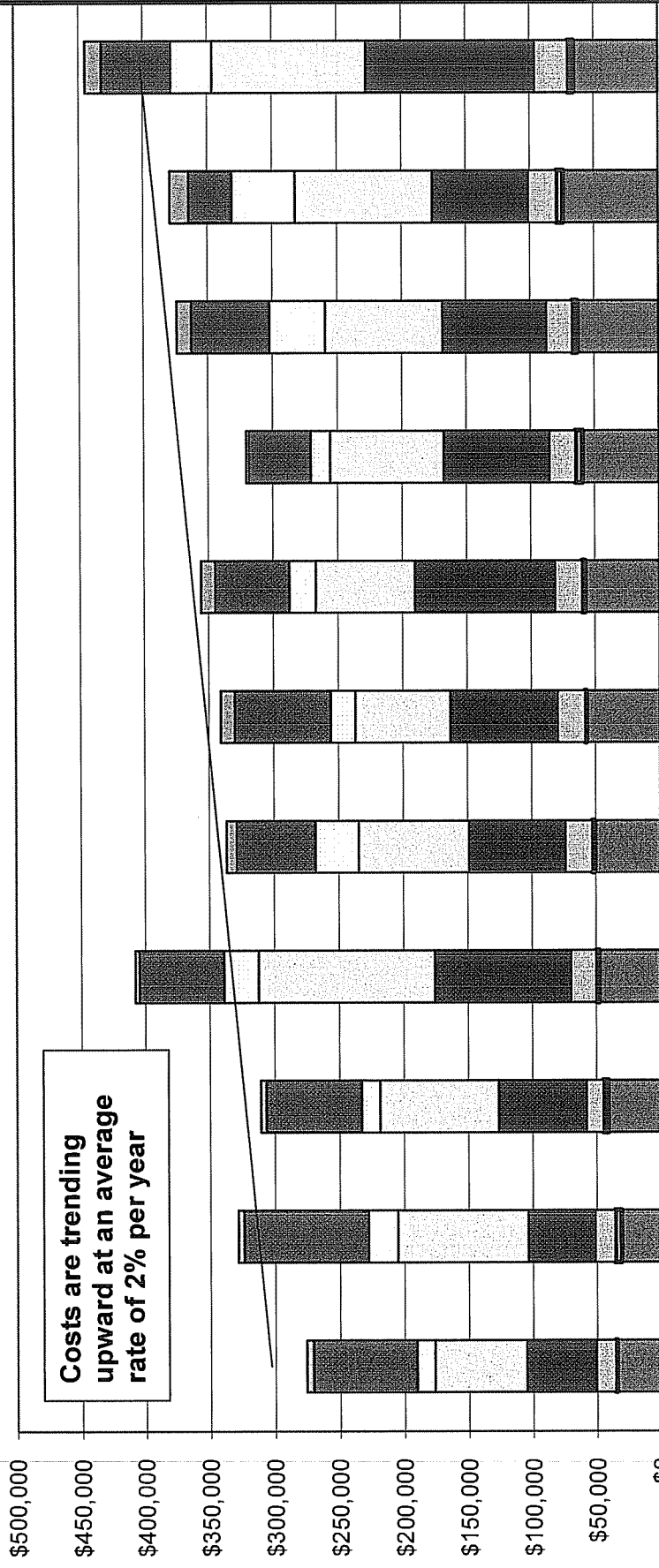
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FISCAL YEAR ENDING

West Marin Water Operating Expenditures



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 e/a	2012 Budget
Source	\$5,417	\$4,604	\$4,386	\$3,322	\$8,049	\$11,085	\$11,106	\$2,319	\$11,364	\$15,000	\$13,000
Pumping	\$80,097	\$96,242	\$73,842	\$65,592	\$61,001	\$74,108	\$57,375	\$47,801	\$60,516	\$33,000	\$54,000
Operations	\$13,649	\$22,618	\$13,915	\$26,753	\$33,329	\$18,925	\$20,340	\$14,970	\$42,962	\$49,000	\$32,000
Treatment	\$71,924	\$101,582	\$92,242	\$136,191	\$85,643	\$73,627	\$76,588	\$87,871	\$90,739	\$106,000	\$119,000
T & D	\$54,089	\$52,046	\$68,458	\$106,132	\$74,790	\$83,545	\$109,186	\$82,386	\$81,052	\$75,000	\$131,000
Cons Acctg	\$15,174	\$15,568	\$13,219	\$19,850	\$21,119	\$21,504	\$21,045	\$20,285	\$20,232	\$22,000	\$26,000
Wtr Cons	\$928	\$4,751	\$3,859	\$2,213	\$1,700	\$900	\$2,177	\$5,338	\$3,680	\$5,000	\$4,000
G & A	\$34,642	\$31,080	\$40,818	\$47,665	\$51,065	\$57,133	\$57,828	\$59,500	\$63,234	\$74,000	\$66,000
Total	\$275,920	\$328,491	\$310,739	\$407,718	\$336,696	\$340,827	\$355,645	\$320,470	\$373,779	\$379,000	\$445,000

May 20, 2011

Account Name
NMWD Account #
Mailing Address
Mailing Address

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

Dear Customer:

This letter is to advise you of **proposed increases to West Marin water rates and charges** that would take effect on August 1, 2011. It also provides information about a **Public Hearing on July 5, 2011**, at which time written and oral comments will be considered and a vote on the increase will be taken by the North Marin Water District Board of Directors.

How much are the proposed rate increases?

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

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.

See Attachment A for details of proposed rate increase.

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.

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. 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 adopted.

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 or call the District Secretary at (415) 897-4133.

Sincerely,



Chris DeGabriele
General Manager

Encl: as stated
t:\aclword\budget\wm\12\increase ltr to customers 2011.docx

West Marin Long Range Improvement Project Plan – Status Report

<u>Project</u>	<u>4/30/11</u>	<u>Status</u>
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.....	<u>22,328</u>	In Progress
	<u>\$1,925,173</u>	

PROPOSED

West Marin Water System Rate Changes

EFFECTIVE AUGUST 1, 2011

	<u>Existing</u>	<u>Proposed</u>	<u>% Increase</u>
BIMONTHLY MINIMUM SERVICE CHARGE			
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%
QUANTITY CHARGE			
<u>Residential Rate Per Dwelling Unit</u>			
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%
<u>Commercial, Institutional & Irrigation Rate</u>			
November 1 through May 31.....	\$5.66	\$6.00	6%
June 1 through October 31.....	\$7.84	\$8.31	6%
PLUS A HYDRAULIC ZONE CHARGE/1,000 GAL			
<u>Zone</u> <u>Hydraulic Zone</u>			
1 Point Reyes Station.....	\$0.00	\$0.00	0%
2 Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0' - 365').....	\$0.15	\$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%

**OCEANA MARIN SEWER
BUDGET SUMMARY
Fiscal Year 2011/12**

	<i>Proposed Budget 2011/12</i>	<i>Estimated Actual 2010/11</i>	<i>Adopted Budget 2010/11</i>
OPERATING INCOME			
1 Monthly Sewer Service Charge	\$157,000	\$150,000	\$150,000
2 Misc Service Charges	0	0	0
3 Total Operating Income	\$157,000	\$150,000	\$150,000
OPERATING EXPENDITURES			
4 Sewage Collection	\$24,000	\$22,000	\$18,000
5 Sewage Treatment	22,000	20,000	18,000
6 Sewage Disposal	4,000	1,000	1,000
7 Contract Operations	67,000	62,000	71,000
8 Customer Accounting	4,000	4,000	4,000
9 General & Administration	25,000	23,000	25,000
10 Total Operating Expenditures	\$146,000	\$132,000	\$137,000
11 NET OPERATING INCOME (LOSS)	\$11,000	\$18,000	\$13,000
OTHER SOURCES OF FUNDS			
12 OM-1/OM-3 Tax Allocation	\$41,000	\$41,000	\$46,000
13 Interest Revenue	3,000	3,000	3,000
14 Connection Fees	0	0	30,000
15 Other Misc Revenue	1,000	1,000	1,000
16 Working Capital - 6/10 Srvc Chrg	0	12,000	0
17 Total Other Sources	\$45,000	\$57,000	\$80,000
OTHER USES OF FUNDS			
18 Capital Improvement Projects	\$115,000	\$28,000	\$141,000
19 Total Other Uses	\$115,000	\$28,000	\$141,000
20 NET SURPLUS/(DEFICIT)*	(\$59,000)	\$47,000	(\$48,000)
21 Depreciation (not included above)	\$43,000	\$42,000	\$42,000

* Line 11+17-19

OCEANA MARIN SEWER
5-Year Financial Plan

#	BASIC DATA	Actual 2008/09	Actual 2009/10	Estimated 2010/11	Proposed 2011/12	Projected 2012/13	Projected 2013/14	Projected 2014/15	Projected 2015/16
1	Number of Connections	225	225	227	227	229	231	233	235
2	Monthly Service Charge	\$55.00	\$55.00	\$55.00	\$58.00	\$58.00	\$58.00	\$58.00	\$58.00
INCOME									
3	Monthly Service Charge	\$147,918	\$148,427	\$150,000	\$157,000	\$159,000	\$160,000	\$161,000	\$163,000
4	OM-1/OM-3 Tax Allocation	44,594	42,654	41,000	42,000	47,000	48,000	49,000	50,000
5	Connection Fees	9,000	9,000	0	0	30,000	30,000	30,000	30,000
6	Interest Revenue	4,496	2,919	3,000	2,000	2,000	2,000	2,000	2,000
7	Miscellaneous Revenue	3,365	798	1,000	1,000	1,000	1,000	1,000	1,000
8	TOTAL INCOME	\$209,373	\$203,798	\$195,000	\$202,000	\$239,000	\$241,000	\$243,000	\$246,000
9	OPERATING EXPENDITURES	\$126,945	\$123,296	\$132,000	\$146,000	\$150,000	\$155,000	\$160,000	\$165,000
OTHER EXPENDITURES									
10	System Improvements/Other	\$35,251	\$40,159	\$28,000	\$115,000	\$35,000	\$115,000	\$115,000	\$145,000
11	TOTAL EXPENDITURES	\$162,196	\$163,455	\$160,000	\$261,000	\$185,000	\$270,000	\$275,000	\$310,000
12	Net Change in Working Capital	\$46,000	(\$2,028)	\$12,000					
13	INCREASE (DECREASE) IN CASH	\$93,177	\$38,315	\$47,000	(\$59,000)	\$54,000	(\$29,000)	(\$32,000)	(\$64,000)
CASH BALANCE									
14	Operating Reserve	\$163,036	\$191,225	\$199,000	\$197,000	\$238,000	\$236,000	\$210,000	\$146,000
15	Connection Fee Reserve	66,329	76,455	77,000	20,000	33,000	6,000	0	0
16	TOTAL CASH BALANCE	\$229,365	\$267,680	\$276,000	\$217,000	\$271,000	\$242,000	\$210,000	\$146,000
17	Non-Budgeted Depreciation	\$36,355	\$41,084	\$42,000	\$43,000	\$46,000	\$47,000	\$50,000	\$53,000

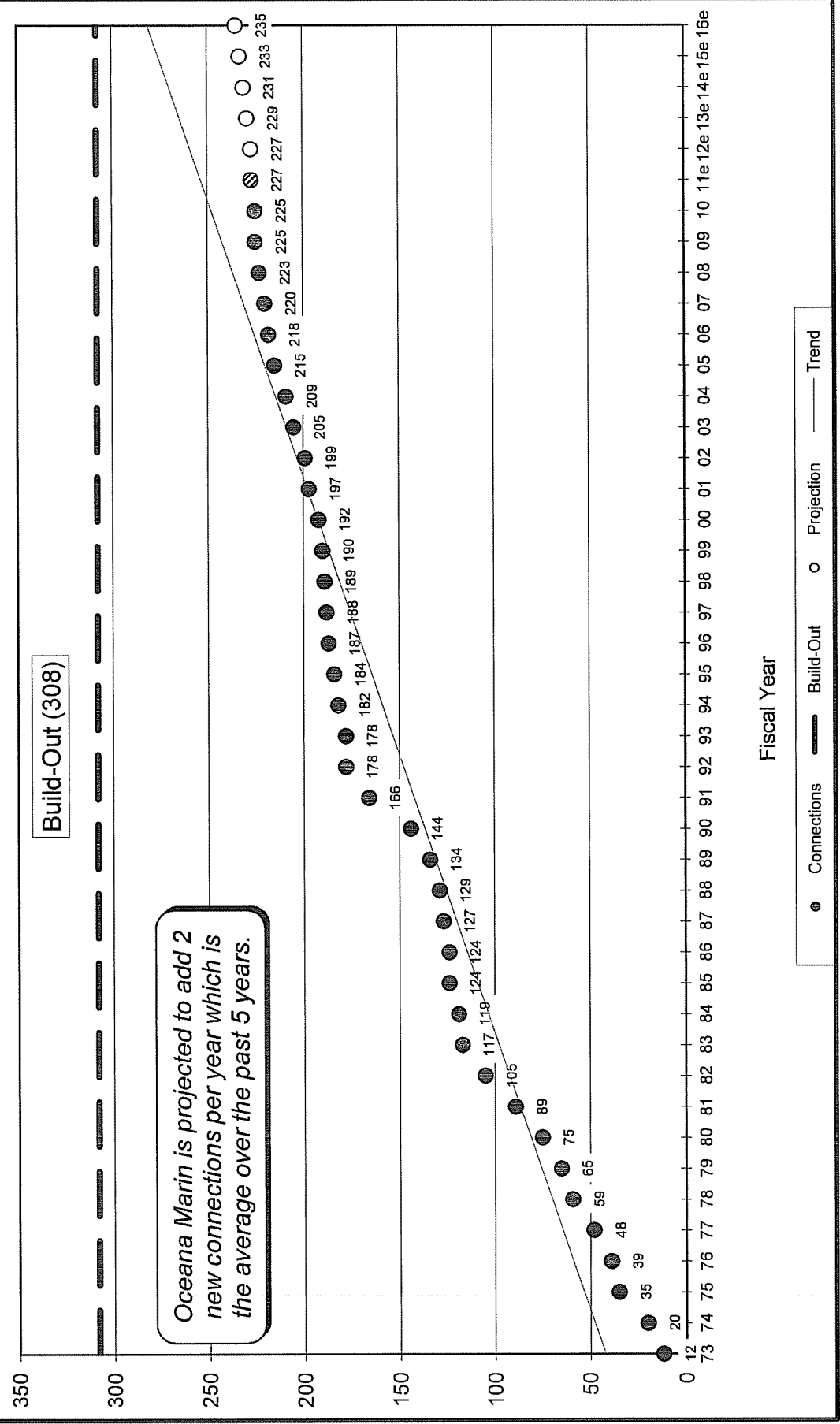
OCEANA MARIN SEWER

NOTES

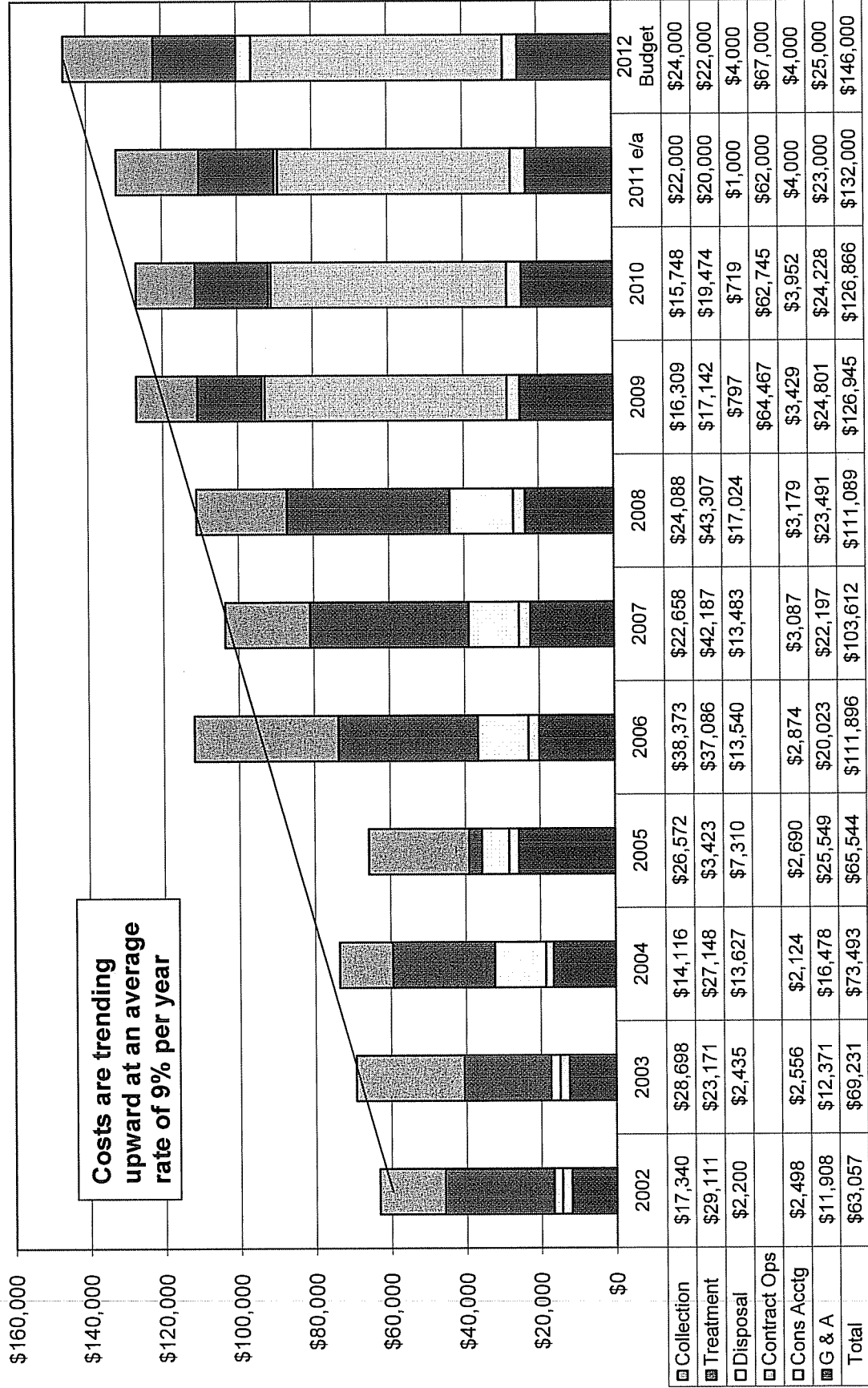
KEY

- 1 Assumes increase of 2 connections/year after FY12, which is the average over the last 5 years. Capacity is estimated at 308 dwelling units.
- 2 Service charge proposed to increase \$3 to \$58/month effective 8/1/11. Last increased \$5 to \$55 per month 8/1/04.
- 4 County tax allocation enacted subsequent to Prop 13 to compensate for O&M tax revenue previously received. In July 2009 the State Legislature voted to "borrow" 8% (approximately \$3,500) of Oceana Marin tax revenue. California promises to repay the borrowed money plus 2% interest per annum no later than June 30, 2013. OM-1/OM-3 County Tax allocation is projected to increase 3% per year.
- 5 Assumes the new connections occur in OM-3 (Units 1 or 5) which are subject to the connection fee.
- 9 3% annual increase assumed after FY12.
- 10 Capital Improvements & Special Projects. See 5-year Improvement Projects Forecast.
- 11 Excludes depreciation.
- 12 The FY09 working capital pertains to \$50K of insurance proceeds received as reimbursement for costs incurred in response to the February 2008 effluent spill. The FY11 increase is derived from the June 2010 sewer service charge billed and collected in FY11.
- 16 Cash available for operation, maintenance and improvements

Oceana Marin Growth Active Sewer Connections at June 30



Oceana Marin Operating Expenditures



Costs are trending upward at an average rate of 9% per year

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 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 or service address). 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 or call the District Secretary at (415) 897-4133.

Sincerely,



Chris DeGabriele
General Manager



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MEMORANDUM

To: Board of Directors

June 3, 2011

From: Drew McIntyre, Chief Engineer 
David Jackson, Associate Engineer 

Subject: Update for Stafford Treatment Plant Backflow Meter & Check Valve Project
Z:\Folders by Job No\6000 jobs\6600 STP jobs\6600.57\6600.57 Update BOD MEMO 06-03-11.doc

RECOMMENDED ACTION: None, information only.

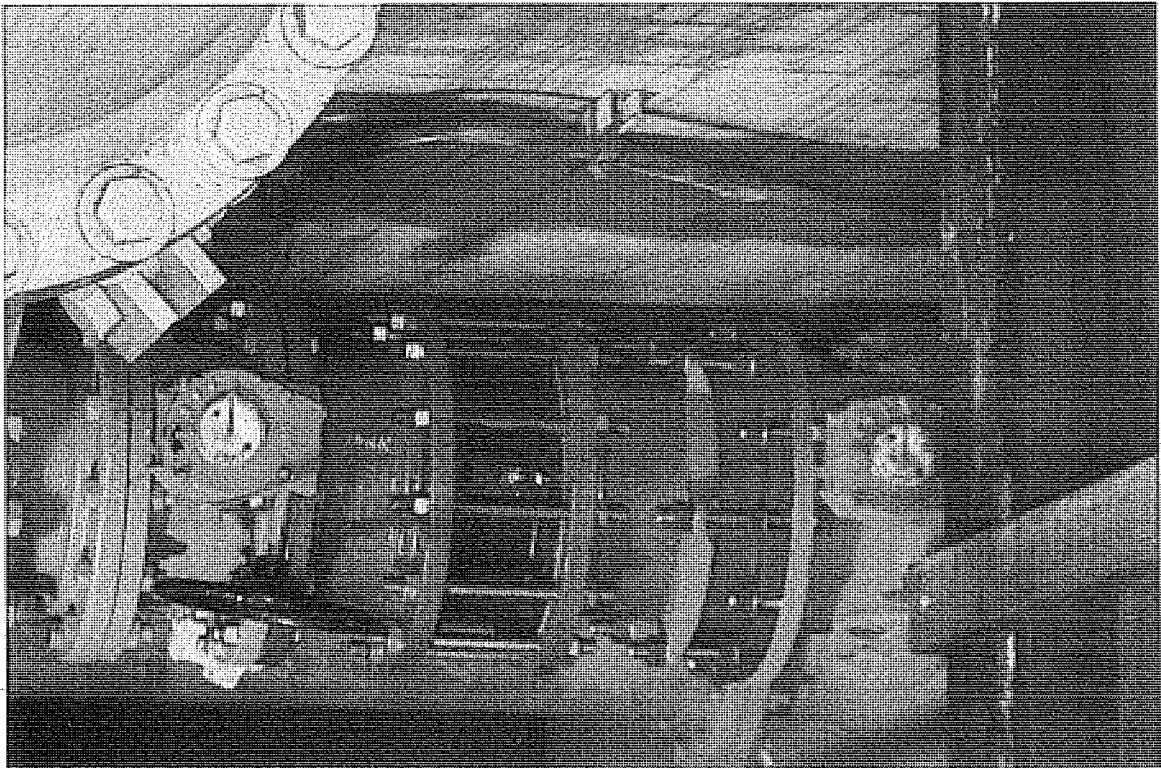
FINANCIAL IMPACT: \$114,800 (paid by ARRA Grant), \$2,900 (paid by District)

During the July 17, 2009 Board meeting, the Board authorized the General Manager to execute a Funding Agreement and other supporting documents with the California Department of Public Health (CDPH) for American Recovery and Reinvestment Act (ARRA) funds for the Stafford Treatment Plant Backflow Meter and Check Valve project. This project consists of installing a check valve and flow meter to the existing STP piping to be used when backfeeding Stafford Lake, as occurred in February 2009. Photos of the installation of the flow meter and the installed check valve in valve vault #1 are included, see Attachment 1. The original estimated project cost was around \$75,000. In September 2009 the funding agreement was executed and included a grant of \$86,286 for the project.

During October through December 2009 District staff received quotes and purchased materials for the project, submitting information to CDPH showing compliance with the Buy American Act. The only flow meter meeting the provisions of the Buy American Act has a longer lay length than the flow meters anticipated in the design. This required a change to the design with continuing effects on the project. A revised budget was submitted and approved by CDPH, increasing the grant funding to \$114,740. (See Attachment 2)

The District hired The Covello Group to provide independent construction inspection services. Construction was performed by District crews between January-March of 2010. It came to light during this period that the District had installed miscellaneous foreign materials in excess of ARRA contract requirements. (i.e., less than 5% of the materials can be foreign made). Consequently, the District purchased U.S. made bolts and nuts to replace the foreign manufactured materials and these were installed in October 2010.

The final claim for the project was submitted December 2010. Total project costs were \$117,700. Of this total \$114,800 (98%) was paid by ARRA Grant funds. The unreimbursed expenses for this project (i.e., \$2,900, or 2%) were primarily associated with labor costs to remove and replace the foreign manufactured materials.



SDWSRF American Recovery and Reinvestment Act (ARRA) Program

BUDGET AND EXPENDITURE SUMMARY

- LOAN FUNDS
 FORGIVENESS OF PRINCIPAL FUNDS
 OTHER SOURCE OF FUNDS
- NEGATIVE INTEREST FUNDS

Name of Water System		North Marin Water District		Funding Agreement Number		AR09FP49	
Contact Person	Drew McIntyre	DUNS Number	47386859	Telephone Number	(415)897-4133	Email Address	drewm@nmwd.com
Claim Number	2	For Period From (Month/Day/Year)	11/24/2009	To (Month/Day/Year)	9/30/2010		
LINE ITEM NO.	DESCRIPTION	BUDGET AMOUNT	TOTAL PRIOR CLAIMS	CURRENT CLAIM	TOTAL CLAIMS TO DATE	BALANCE	
1	Engineering Design	\$7,800.00	\$6,386.00	\$1,407.98	\$7,793.98	\$6.02	
2	ARRA Application & Reporting	\$12,000.00	\$9,101.70	\$2,898.30	\$12,000.00	\$0.00	
3	Materials	\$34,400.00	\$2,407.03	\$31,900.08	\$34,307.11	\$92.89	
4	Construction Labor	\$41,500.00	\$0.00	\$41,331.47	\$41,331.47	\$168.53	
5	Outside Inspection	\$4,040.00	\$0.00	\$4,040.00	\$4,040.00	\$0.00	
6	Construction Administration	\$15,000.00	\$2,903.00	\$12,044.05	\$14,947.05	\$52.95	
					\$0.00	\$0.00	
					\$0.00	\$0.00	
					\$0.00	\$0.00	
					\$0.00	\$0.00	
SUBTOTAL THIS PAGE		\$114,740.00	\$20,797.73	\$93,621.88	\$114,419.61	\$320.39	
SUBTOTAL PAGE							
SUBTOTAL PAGE							
TOTAL		\$114,740.00	\$20,797.73	\$93,621.88	\$114,419.61	\$320.39	
REVIEWED BY SUPPLIER'S AUTHORIZED REPRESENTATIVE (Print Name, Title)		SIGNATURE		DATE			
CALIFORNIA DEPARTMENT OF PUBLIC HEALTH APPROVAL - District Engineer (Print Name)		SIGNATURE		DATE			

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MEMORANDUM

To: Board of Directors

June 3, 2011

From: Drew McIntyre, Chief Engineer 

Subject: North Bay Water Reuse Authority Board Meeting- May 23, 2011

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RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None at this time

The draft minutes from the above referenced meeting are provided in Attachment 1. Supplemental information is provided as follows using items numbers referenced in the meeting minutes.

7. FY 2011/12 Budget

The Board unanimously approved the proposed budget which resulted in a decrease to all members from the initial proposed budget. For North Marin, the initial budget of \$124,115 decreased to \$115,460. This amount is included in the proposed FY 11/12 NMWD Recycle Water Improvement Projects Budget of \$120,000 for Grant Administration.

11. Federal Funding Update

On May 24th, the US Bureau of Reclamation notified NBWRA that an additional \$1.291 M in federal grant funds has been awarded to North Marin Water District and Las Gallinas Valley Sanitary District to complete construction of the planned Recycle Water South Service Area expansion project (\$931,000 to NMWD, \$335,000 to LGVSD and \$25,000 to SCWA). As you may recall, the original \$7.3 M ARRA grant award did not fully fund the South Service Area project. Therefore a subsequent Water SMART grant application was submitted. A copy of the press release summarizing this award is provided as Attachment 2.

12. State Grant Funding Update

On the same day of receiving good news regarding the federal grant award NMWD also received good news at the state level wherein the Department of Water Resources has recommended a grant award to the Bay Area Integrated Regional Water Management Plan

(IRWMP) which includes \$500,000 each for the Novato North and South Service Area projects. These grant funds would be split between NMWD and our respective sanitary district partner resulting in additional grant funds to NMWD of approximately \$240,000 for the North Service Area and \$225,000 for the South Service Area project.

**North Bay Water Reuse Authority
Board of Directors Meeting
Minutes
May 23, 2011**

1. Call to Order

Chair Long called the meeting to order at 9:33 a.m. on Monday, May 23, 2011 at the Novato Sanitary District Boardroom, 500 Davidson Street, Novato, CA 94945.

2. Roll Call

PRESENT: Bill Long, Chair, Novato Sanitary District
Keith Caldwell, Vice-Chair, Napa County
Efren Carrillo, Sonoma Valley County Sanitation District
Larry Loder, Las Gallinas Valley Sanitary District
John Schoonover, North Marin Water District
David Rabbitt, Sonoma County Water Agency
Jill Techel, Napa Sanitation District

ABSENT: None

OTHERS

PRESENT: Chuck Weir, Program Manager	RMC
Kevin Booker	Sonoma County Water Agency
Ginger Bryant	Bryant & Associates
Megan Clark	Las Gallinas Valley Sanitary District
Chris DeGabrielle	North Marin Water District
Tim Healy	Napa Sanitation District
Beverly James	Novato Sanitary District
Pam Jeane	Sonoma Valley County Sanitation District
Andria Loutsch	CDM
Taylor McDaniel	Rauch Communications
Susan McGuire	Las Gallinas Valley Sanitary District
Phillip Miller	Napa County
Monica Oakley	Oakley Water / RMC
Pilar Oñate-Quintana	KP Public Affairs
Jim O'Toole	ESA
Michael Savage	CDM
Renee Webber	Sonoma County Water Agency
Mark Williams	Las Gallinas Valley Sanitary District

3. Public Comment

No members of the public addressed the Board.

4. Introductions

The Board of Directors and others present introduced themselves and the agency or company that they represented.

5. Board Meeting Minutes of February 14, 2011

A motion by Director Caldwell, seconded by Director Schoonover to approve the February 14, 2011 minutes was approved, with Director Techel abstaining.

6. Budget Summary – Period Ending January 31, 2011

The Program Manager reviewed the April 30, 2011 Budget summary and noted that all programs were on target to stay within budget through the end of the fiscal year.

7. Draft Budget and Detailed Scopes and Costs for FY2011/12

The Program Manager described the budget and consultant scopes described in the Agenda packet. All items have been reviewed and recommended for Board approval by the Technical Advisory Committee (TAC). Director Loder asked if the budget included funds to develop customers for the recycled water produced in Phase 1. Michael Savage responded and noted that customers in Phase 1 were included in the EIR/EIS analysis. A more concerted effort could be included in Phase 2 at the pleasure of the Board. A motion by Director Schoonover, seconded by Director Techel, to approve the Budget and Detailed Scopes and Costs for FY2011/12 as presented was unanimously approved. Approval of the budget authorizes Sonoma County Water Agency to enter into contracts with the consultants on behalf of NBWRA.

The Board asked to receive monthly reports from the consultants via email and that the most current report is included in future Agenda packets.

Chair Long thanked the TAC for their efforts in developing the budget.

8. Update on Status of Letter to State Water Resources Control Board Regarding State Revolving Fund Loan Process

The Program Manager reviewed the process that led to improvements in the State Revolving Loan Fund approval process as described in the Agenda packet. The Board expressed its appreciation to all parties involved.

9. American Recovery and Reinvestment Act and Title XVI Projects and Schedule Updates

Andria Loutsch and Kevin Booker reviewed the schedule for the Board. They also described the quarterly audits that are being conducted by SCWA at the member agencies. Kevin Booker indicated that they are considering a training program for federal reporting requirements that would cost approximately \$4,000 for up to twenty people. Susan McGuire described the organization that will conduct the training and noted that it met the requirements for CPA continuing education.

10. Conflict of Interest Policy and Filing of Form 700

A motion by Director Rabbitt, seconded by Director Caldwell to authorize SCWA Legal Counsel to develop a Conflict of Interest Policy as described in the Agenda packet was unanimously approved. It was noted that the Policy should apply to NBWRA and not need approval by the individual member agencies.

11. Federal Funding Update

Ginger Bryant provided a report on the status of federal funding and noted that the award for the Water SMART construction grant should be announced on May 24, 2011. She and Michael Savage also made a presentation on the Phase 2 Membership and Outreach effort as noted in the Agenda Packet. She noted that in FY2011/12 Phase 2 will consist of a project definition study and that the Board will need to consider next steps when the FY2012/13 Budget is considered in May 2012. Letters of interest in participating in Phase 2 have been received from City of American Canyon, County of Marin, and City of Petaluma. The Board requested that a report on the Status of Phase 2 be included in future Agenda packets.

Mike Savage noted that EPA is updating its Guidelines for Recycled Water document and that NBWRA could be included as a potential case study.

12. State Funding Update

Pilar Oñate-Quintana provided an update on the status of State funding as described in the Agenda packet. She noted that an announcement on awards through Proposition 84 for the Integrated Regional Water Management Program should be announced soon. There was a question about funding for the Peacock Gap project and Kevin Booker agreed to check.

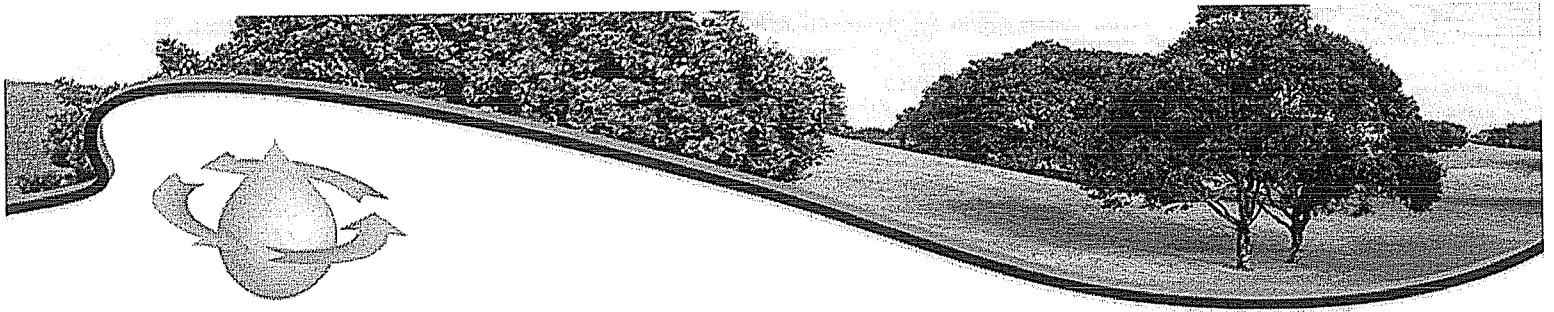
13. Adjournment

A motion by Director Schoonover, seconded by Director Rabbit, to adjourn the meeting was unanimously approved. Chair Long adjourned the meeting at 10:49 a.m.

Minutes approved by the Board on _____

Signature for the record.

Charles V. Weir
Program Manager



North Bay Water Reuse Authority

Las Gallinas Valley Sanitary District | Napa County | Napa Sanitation District | North Marin Water District
Novato Sanitary District | Sonoma County Water Agency | Sonoma Valley County Sanitation District

FOR IMMEDIATE RELEASE

May 25, 2011

Contact: Chuck Weir, Program Manager, 707-547-1923

NBWRA to Receive \$1.29 Million in Federal Funds For Construction in Novato by Las Gallinas Valley Sanitary District and North Marin Water District

North Bay Water Reuse Authority (NBWRA) was one of only eight construction projects in California to receive Federal funding under WaterSMART's Title XVI Water Reclamation and Reuse Program. The Bureau of Reclamation anticipates the NBWRA will be awarded \$1,291,175, earned in part because of the high benefits to the community expected to result from the project.

The grant funding will be used to complete work in the Novato South Service Area, a portion of the North Bay Water Reuse Program in Marin County, which is jointly being carried out by North Marin Water District and Las Gallinas Valley Sanitary District. The project includes construction of a new tertiary treatment plant, rehabilitation of an existing storage tank, and 5.9 miles of new pipeline to expand service to new customers for landscape irrigation. The project will provide 204 acre-feet of recycled water annually.

"The North Bay faces long-term challenges in providing reliable regional water supplies and this funding will assist with the completion of a project that will help to conserve potable supplies and protect against drought by utilizing recycled water," said NBWRA Chair, Bill Long. "We are extremely proud to have been chosen to receive the grant and it is a great boost to the local economy."

"We would also like to once again thank Congressman Mike Thompson and Congresswoman Lynn Woolsey for their long-standing support for this Program; without their efforts none of these projects would have been possible," continued Mr. Long.


WaterSMART is a program of the U.S. Department of the Interior that focuses on improving water conservation and sustainability, and helping water resource managers make sound decisions about water use. The SMART in WaterSMART stands for "Sustain and Manage America's Resources for Tomorrow." For more information on the WaterSMART program, visit <http://www.usbr.gov/WaterSMART/>.

NBWRA is a regional group consisting of seven public agencies in Napa, Marin and Sonoma Counties, with a goal of expanding the use of recycled water in the region. The program has obtained federal authorization, paving the way for \$25 million in grant funding. To date, over \$8 million in funds have been secured for planning and to initiate construction of the six projects that comprise Phase 1.

More information on the North Bay Water Recycling Program can be found by visiting www.nbwra.org, e-mailing info@nbwra.org, or calling 707-547-1923.

19

MEMORANDUM

To: Board of Directors
From: Chris DeGabriele, General Manager 
Subject: Draft 2010 Urban Water Management Plan
T:\GMUWMP 2010\draft plan BOD memo 0611.doc

June 3, 2011

RECOMMENDED ACTION: Information
FINANCIAL IMPACT: None

Attached is the Draft 2010 Urban Water Management Plan prepared by District staff in conjunction with analysis performed by Maddaus Water Management. The Draft Plan will be available for public review at both the District Headquarters and Novato Public Library until Tuesday, June 21st at which time the Board is scheduled to hold a public hearing and consider adoption of the 2010 Urban Water Management Plan.

Any comments the Board may have prior to that time are appreciated. Please contact the General Manager directly.

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



TECHNICAL ADVISORY COMMITTEE

MONDAY: JUNE 6, 2011

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

9:00 a.m. (Note Location)

1. Check In
2. Public Comment
3. UWMP Update
4. Sonoma-Marín Saving Water Partnership Update
5. SCWA Water Supply/Transmission System Operations Status
6. 2010 & 2011 TUCP Status
7. Biological Opinion Status Update
8. Items for next agenda
9. Check Out

Minutes of Water Advisory Committee and Technical Advisory Committee
35 Stony Point Road, Santa Rosa, California
March 7, 2011

Attendees:

- Susan Gorin, City of Santa Rosa
- Miles Ferris, City of Santa Rosa
- Glen Wright, City of Santa Rosa
- Jennifer Burke, City of Santa Rosa
- Sandi Bliss, City of Santa Rosa
- Linda Hall, City of Santa Rosa
- Darrin Jenkins, City of Rohnert Park
- Jake MacKenzie, City of Rohnert Park
- Laurie Gallian, City of Sonoma
- Milenka Bates, City of Sonoma
- Toni Bertolero, City of Sonoma
- Mark Landman, City of Cotati
- Dennis Rodoni, North Marin Water District
- Chris DeGabriele, North Marin Water District
- Paul Helliker, Marin Municipal Water District
- Mike Ban, Marin Municipal Water District
- Mike Healy, City of Petaluma
- Remleh Scherzinger, City of Petaluma
- Pamela Tuft, City of Petaluma
- Robin Goble, Town of Windsor
- Debora Fudge, Town of Windsor
- Richard Burt, Town of Windsor
- Mark Bramfitt, Valley of the Moon Water District
- Krishna Kumar, Valley of the Moon Water District
- Grant Davis, SCWA
- Spencer Bader, SCWA
- Pam Jeane, SCWA
- Michael Gossman, SCWA
- Brad Sherwood, SCWA
- Carrie Pollard, SCWA
- Michael Thompson, SCWA
- Ann DuBay, SCWA
- Jay Jasperse, SCWA

Public Attendees:

- Brenda Adelman, RRWPC
- J. Dietrich Stroeh, CSW/Stuber-Stroeh Engineering
- Bob Anderson, United Wine Growers
- Dawna Gallagher
- Deborah Tavares
- Louis Tavares
- David Keller, FOER/Petaluma River Council
- Bob Norberg, Press Democrat
- Jane Nielsen
- Jim Downey, Penngrove/Kenwood Water District
- Orlean Koehle

1. Check-in
WAC Chairperson, Susan Gorin called the meeting to order at 9:01 a.m.
2. Public Comment
Deborah Tavares of Sebastopol spoke regarding weather modification (cloud seeding) and drinking water test results.
Brenda Adelman spoke regarding the March 15th state board decision regarding irrigation water.
David Keller requested that the water agency's discussion regarding frost control be brought before the WAC.
Orlean Koehle spoke regarding concerns of water contamination in drinking water due to weather modification practices.
3. Recap from February 7, 2011 WAC/TAC Meeting and Approval of Minutes
Moved by Dennis Rodoni, North Marin Water District, seconded by Jake MacKenzie, City of Rohnert Park, carried unanimously to approve the minutes for the February 7, 2011 WAC/TAC meeting as submitted.
4. Approve FY 2011/12 SCWA Budget
Moved by Laurie Gallian, City of Sonoma, seconded by Jake MacKenzie, carried unanimously to recommend approval of proposed FY 2011/12 SCWA budget.
5. UWMP Update and Approve Request for Regional Compliance with SBx7-7
Chris DeGabriele, North Marin Water District, reported that water contractor staff have been working on Urban Water Management Plans which must be completed and submitted to the DWR by June 30, 2011 and include the SBx7-7 requirements. Discussion ensued regarding the merits of a regional/individual approach. Moved by Jake MacKenzie, seconded by Laurie Gallian, for TAC to return to WAC joint WAC/TAC meeting in May with a recommendation that adopts a short term regional approach to meet SBx7-7 requirements in the 2010 UWMP utilizing Sonoma Marin Saving Water Partnership by 2015 and work with NMWD, Sonoma and Windsor on individual targets to meet SBx7-7 by 2015 UWMP.
6. Items for next agenda
Chair Gorin requested a report on the Dry Creek pipeline feasibility study be included with the Biological Opinion Update at the May meeting and that an update on the UWMP be agendized.
Laurie Gallian reminded WAC/TAC that a report on the Temporary Urgency Change Petition for D1610 is due in April and requested an update.
Grant Davis responded that it would likely be available after the May meeting.
7. Check out
The next regular TAC meeting will be held April 4, 2011. The next regular WAC/TAC meeting will be held May 2, 2011.

Chair Gorin adjourned the meeting at 11:11 a.m.

Minutes of Water Advisory Committee and Technical Advisory Committee
35 Stony Point Road, Santa Rosa, California
April 4, 2011

Attendees: Miles Ferris, City of Santa Rosa
Glen Wright, City of Santa Rosa
Jennifer Burke, City of Santa Rosa
Linda Hall, City of Santa Rosa
Sandi Bliss, City of Santa Rosa
Susan Gorin, City of Santa Rosa
Darrin Jenkins, City of Rohnert Park
Milenka Bates, City of Sonoma
Toni Bertolero, City of Sonoma
Damien O'Bid, City of Cotati
Chris DeGabriele, North Marin Water District
Drew McIntyre, North Marin Water District
Remleh Scherzinger, City of Petaluma
Richard Burt, Town of Windsor
Krishna Kumar, Valley of the Moon Water District
Mike Ban, Marin Municipal Water District
Paul Helliker, Marin Municipal Water District
Grant Davis, SCWA
Jay Jasperse, SCWA
Spencer Bader, SCWA
Mike Thompson, SCWA
Pam Jeane, SCWA
Carrie Pollard, SCWA
Brad Sherwood, SCWA
Michael Gossman, SCWA

Public Attendees: Brenda Adelman, RRWPC
Bob Anderson, United Wine Growers
J. Dietrich Stroeh, CSW/Stuber-Stroeh Engineering
Dawna Gallagher
David Keller, FOER/Petaluma River Council
Marge Sorbi
Jennifer Delany

1. Check-in
TAC Chair, Chris DeGabriele, NMWD, called the meeting to order at 9:04 a.m.
2. Public Comment
None.
3. UWMP Update and Approve Letter Agreement for Establishing a Regional Alliance to Comply with SBx7-7
Chair DeGabriele gave an update on the UWMP and the Letter Agreement for Establishing a Regional Alliance to Comply with SB x7-7 the Water Conservation Act of 2009. Discussion regarding the Letter Agreement ensued.
Moved by Miles Ferris, City of Santa Rosa, seconded by Richard Burt, Town of Windsor, carried unanimously to approve the Letter Agreement and request each Board/Council to authorize the respective TAC representative to sign the letter agreement.

4. 2011 Russian River Water Storage
Chair DeGabriele reported on the status of water storage in Lakes Mendocino and Sonoma.
5. 2010 TUCP Status
Pam Jeane, SCWA, announced reporting requirements due to the State by the end of June for unaccounted for water including the amount, proposed programs and existing practices. The Agency is working on Automatic Meter Read (AMR) implementation. She also reported that a TUCP permit would be filed this year.
Jay Jasperse, SCWA, reported that a third party agreement should be in place by early May between IBM, SCWA and Valley of the Moon Water District to participate in a research project and develop a software program that monitors for water leaks.
6. Biological Opinion Status Update
Pam Jeane reported on the Dry Creek demonstration project and that an initial study environmental document would be available for public review this month. She also reported that the Dry Creek Habitat Enhancement draft feasibility and Dry Creek bypass pipeline reports would be available in late April 2011. She reported that the Wohler Pond Modification Project would begin in early summer 2011, the Mirabel screen and fish ladder replacement project had been awarded a \$255,000 grant for design of the project. The Agency's application for Marine Mammal Incidental Harassment Authority was published on March 18th with public comment period closing on April 18 and that three Dry Creek tributary projects would be completed this summer.
7. Items for next agenda
UWMP and SB x7-7 Regional Alliance Update
Biological Opinion Update
Frost Protection Regulations Update
O & M Status Report
8. Checkout
The next regular WAC/TAC meeting is scheduled for May 2, 2011. The next regular TAC meeting is scheduled for June 6, 2011.

The meeting was adjourned at 9:35 a.m.

Minutes of Water Advisory Committee and Technical Advisory Committee
35 Stony Point Road, Santa Rosa, California
May 2, 2011

Attendees: Susan Gorin, City of Santa Rosa
Gary Wysocky, City of Santa Rosa
Miles Ferris, City of Santa Rosa
Glen Wright, City of Santa Rosa
Linda Reed, City of Santa Rosa
Jennifer Burke, City of Santa Rosa
Sandi Bliss, City of Santa Rosa
Linda Hall, City of Santa Rosa
Jake Mackenzie, City of Rohnert Park
Darrin Jenkins, City of Rohnert Park
Laurie Gallian, City of Sonoma
Milenka Bates, City of Sonoma
Toni Bertolero, City of Sonoma
Mark Landman, City of Cotati
Damien O'Bid, City of Cotati
Dennis Rodoni, North Marin Water District
Chris DeGabriele, North Marin Water District
Mike Healy, City of Petaluma
Remleh Scherzinger, City of Petaluma
Pamela Tuft, City of Petaluma
Robin Goble, Town of Windsor
Debora Fudge, Town of Windsor
Richard Burt, Town of Windsor
Mike Ban, Marin Municipal Water District
Mark Bramfitt, Valley of the Moon Water District
Krishna Kumar, Valley of the Moon Water District
Efren Carrillo, SCWA
Mike McGuire, SCWA
Grant Davis, SCWA
Spencer Bader, SCWA
Michael Gossman, SCWA
Carrie Pollard, SCWA
Michael Thompson, SCWA
Ann DuBay, SCWA
Erik Brown, SCWA
David Manning, SCWA
George Lincoln, SCWA

Public Attendees: Brenda Adelman, RRWPC
J. Dietrich Stroeh, CSW/Stuber-Stroeh Engineering
Bob Anderson, United Wine Growers
Dawna Gallagher
David Keller, FOER
Tom Yarish, Friends of the Esteros
Dawn Tuffler, Kennedy/Jenks
Holly Kennedy, HDR
Greg Koonce, InterFluve, Inc.
Mark Hammer, HDR
Gina Cuelis
Natalie Bunamonte, Sonoma County Ag Commissioner's Office

1. Check-in
WAC Chair Susan Gorin called the meeting to order at 9:01 a.m.
2. Public Comment
None
3. Recap from March 7, 2011 WAC/TAC Meeting and Approval of Minutes
Moved by Debora Fudge, Town of Windsor, seconded by Jake Mackenzie, City of Rohnert Park, carried unanimously to approve the minutes of the March 7, 2011 WAC/TAC meeting as submitted.
4. Recap from April 4, 2011 TAC Meeting and Approval of Minutes
Moved by Miles Ferris, City of Santa Rosa, seconded by Milenka Bates, City of Sonoma, carried unanimously to approve the minutes of the April 4, 2011 TAC meeting as submitted.
5. UWMP Update and Approve Request for Regional Compliance with SBx7-7
Chris DeGabriele, North Marin Water District, reported that water contractor staff have been working on Urban Water Management Plans which must be completed and submitted to the DWR by June 30, 2011 and include the SBx7-7 requirements. Discussion ensued regarding the merits of a regional/individual approach. Moved by Dennis Rodoni, seconded by Jake Mackenzie, to notify DWR that the water contractors and Marin Municipal have formed a regional alliance to comply with SBx7-7.
6. Water Supply Coordination Council
The report from the Water Supply Coordination Council Meeting of April 11 included in the meeting packet was reviewed.
7. Biological Opinion Status including Dry Creek Pipeline Feasibility Study Update
Ann DuBay, SCWA, reported updates on the Biological Opinion are published monthly. Links to the Fish Habitat Enhancement and the Pipeline Feasibility studies are on the SCWA website. CDs are available. Greg Koontz gave an overview of the Dry Creek Fish Habitat Enhancement Feasibility Study, and Holly Kennedy and Mark Hammer gave an overview of the Dry Creek Bypass Pipeline Project Feasibility Study.
8. Change Petition Status Update
Grant Davis, SCWA, reported that SCWA has submitted a TVCP to the State Board and is awaiting an answer on the status of the petition. A response is expected later in the month. Pam Jeane will advise WAC/TAC when it is received and will report at the next TAC meeting as well.
9. Update on Frost Protection Requirements
Efren Carrillo, SCWA Board, introduced Natalie Bunamonte who reported on the frost protection issues which are addressed in a county ordinance passed by the Board of Supervisors. Discussion followed regarding the implementation of the two phase schedule for compliance with the ordinance and the arising issues. Water contractors are not affected according to Supervisor Carrillo. Registration of 660 users is under way.
10. Integrated Regional Water Management Plan(s) Update
Jake Mackenzie, City of Rohnert Park, attended a North Coast IRWMP meeting last Friday in Eureka and gave a report. A planning grant has been awarded to NCIRWMP in a statewide competitive process which will enable moving forward in preparing for the next round of Proposition 84 funding implementation. SCWA will continue to take the lead. A response for an additional grant applied for in January should be received this summer.
Chris DeGabriele reported a planning grant was also awarded to the SF Bay Area IRWMP and a summary of the Bay Area process prepared by MMWD was included in the meeting packet.

11. SB34 California Water Resource Investment Act of 2011 (Public Goods Charge)
Chris DeGabriele, NMWD, reported on SB34. He distributed a summary of SB34 written by Paul Helliker, MMWD. This bill is an attempt to raise about \$5 billion statewide immediately from water suppliers throughout California. Chris recommends opposing this bill.

12. Items for next agenda

TAC – June 4

Urban Water Mgmt. Plan

Water Agency update of operations

WAC – August 1

Presentation of Long Range Financial Plan

13. Check out

The next regular TAC meeting will be held June 6, 2011. The next regular WAC/TAC meeting will be held August 1, 2011.

Chair Gorin adjourned the meeting at 11:40a.m.



Russian River Biological Opinion Update – June 2011

The Sonoma County Water Agency is continually planning and implementing the Russian River Biological Opinion requirements. To better communicate the progress and timeline of this work, the Water Agency has provided the below outline of project updates. For more detailed information about these activities, please visit www.sonomacountywater.org.

Dry Creek Demonstration Project

- The Dry Creek Demonstration Project is at a 60% design level. Discussions with landowners regarding access and construction have begun, and permitting requests to regulatory agencies will be made this summer.
- An Initial Study environmental document on the demonstration project was released on June 3. The document is available online, and public comments will be accepted until 5 p.m. July 18, 2011.

Dry Creek Habitat Enhancement Study & Bypass Pipeline Study

- The Dry Creek bypass pipeline and Dry Creek Habitat Enhancement draft feasibility studies were released in April. The WAC, the Dry Creek Advisory Group and Dry Creek residents received briefings on the studies in May.
- The Water Agency, National Marine Fisheries Service, Department of Fish & Game and the U.S. Army Corps of Engineers are working with consultants, ESSA, to develop clear success measures for habitat enhancement. The plan should be completed later this year.
- Three creek restoration/passage projects are slated for construction this summer and fall: Crane Creek, Grape Creek, and Wallace Creek – all in the Dry Creek watershed.
- 2011 fish monitoring activities have begun, with rotary screw traps placed in Dry Creek and in the Russian River.

Wohler Pond Modification Project

- The National Marine Fisheries Service has approved design plans and the Water Agency has received all construction permits. Project implementation will begin in early summer 2011.

Mirabel Screen and Fish Ladder Replacement

- The Water Agency has received confirmation that it will be awarded a \$255,000 California Department of Fish and Game Fishery Restoration Grant for design of the project. Release of those funds will likely not occur until June. In anticipation, the Water Agency has selected a design consultant (HDR), as a result of an RFQ process, which will start work as soon as permitted under the terms of the grant agreement.

Russian River Estuary Management Project

- The Estuary Management Project final Environmental Impact Report will be released this summer.
- The Water Agency received a Marine Mammal Incidental Harassment Authority (IHA) in April. The IHA is a temporary permit that allows the agency to breach the sand bar and implement the lagoon channel management plan. Similar to last year's permit, the new IHA requires rigorous monitoring of seals and other pinnipeds (mammals with flippers) occurs year-round, before, during and after the Water Agency manages the sand bar.
- 2011 fish monitoring activities have begun, with the fyke net placed in the estuary, rotary screw traps installed at the mouths of three creeks that drain into the estuary and invertebrate monitoring and seining underway.
- Water quality monitoring has begun.

Fish Flow Project

- Work is occurring internally on the preparation of the draft Environmental Impact Report for the Fish Habitat Flows and Water Rights Project. Later this year, staff will make a presentation to the Board of Directors summarizing the project status and the comments made during the scoping period.
- EIR Schedule
 - Release Draft EIR in summer 2012
 - Release Final EIR in summer 2013
 - BO requires Board to certify Final EIR by September 24, 2013
 - EIR will be prepared by Water Agency staff, with assistance from consultants on some areas of impact analysis, including recreation, socioeconomics and possibly water quality.

Interim Flow Changes

- In mid-May, the State Water Resources Control Board noticed the Water Agency's petition to modify minimum instream flow requirements for this summer. An order from the State Board is anticipated in June.

Public Outreach

- The Dry Creek Advisory Group met in May to review the habitat enhancement and pipeline feasibility draft studies.
- A Dry Creek Community Meeting was held on May 25 to discuss the habitat enhancement project and the pipeline feasibility draft studies. Approximately 75 members of the public attended.

- o Advertisements were placed in The Press Democrat and Ukiah Daily Journal notifying people about the petition for temporary modifications to D1610 flow requirements this summer.

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MEMORANDUM

To: Board of Directors

June 3, 2011

From: Chris DeGabriele, General Manager 

Subject: SMART Proposed Application and License Fees for Private At-Grade Crossings

T:\GMBOD Misc 2011\smart at-grade crossing board memo.doc

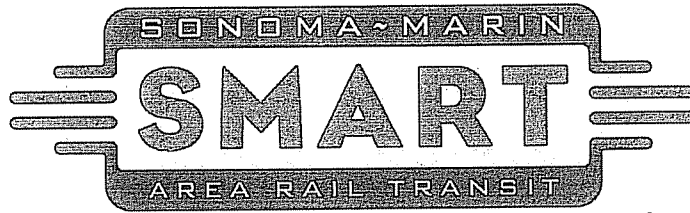
RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: Up to \$6,600 per year

Attachment 1 is a letter received May 31st from SMART informing NMWD of a change in policy regarding closure and consolidation of existing at-grade railroad crossings at the SMART right-of-way. The Board was first made aware of this at the May 3rd meeting. This is the first written correspondence from SMART on the topic.

I had an opportunity to make comments before the SMART Real Estate Committee (Attachment 2) at their June 1st meeting. There were several other property owners who commented expressing concern about the lack of advance notice and the large financial impact that this will have on private property owners. Apparently there are 19 private at-grade crossings in the SMART initial operating system and 119 total on the SMART right-of-way.

SMART intends to delay the enactment of the current policy and develop a better process to work with affected parties. It's expected that by June 15th we'll learn what the new process is. I have a meeting scheduled with the SMART and Golden Gate District staff on June 10th to express our concerns in further detail.



RECEIVED

MAY 31 2011

North Marin Water District

Directors

Valerie Brown, Chair
Sonoma County

Debora Fudge
SCCMC

Barbara Pahre,
GGBHTD

Judy Arnold
Marin County

Al Boro
TAM

Jim Eddie
GGBHTD

Carole Dillon-Knutson
TAM

Joan Lundstrom
MCCMC

Jake Mackenzie
SCCMC

Carol Russell
SCCMC

Shirlee Zane
Sonoma County

**NOTICE OF PUBLIC HEARING
PROPOSED APPLICATION AND LICENSE FEES FOR
PRIVATE AT-GRADE CROSSINGS**

May 26, 2011

North Marin County Water District
Attn: Chris DeGabriele
P.O. Box 146
Novato, CA 94948

RE: Assessor Parcel Number: 143-061-09
Milepost: 5-28.35

Dear Property Owner/Private Crossing User:

On February 16, 2011, the Sonoma-Marín Area Rail Transit ("SMART") Board of Directors ("Board") adopted a Policy Regarding Closure and Consolidation of Existing At-Grade Crossings (hereinafter, the "Policy"). A copy of the Policy is enclosed herewith for your convenience. Pursuant to this Policy, SMART intends to close and consolidate at-grade rail crossings in an effort to reduce hazards along the right of way. As part of the implementation of the Policy, the SMART Board will be adopting application and license fees for Private Crossings.

The Policy allows all affected existing private crossing users interested in keeping their crossing to apply for a Private Crossing License Agreement from SMART. We understand that your property may be benefitted by a private crossing.

This letter is to notify you that SMART will hold a public hearing on Wednesday, June 15, 2011, at 1:30 p.m. or as soon as possible thereafter, in the Glaser Center located at 547 Mendocino Avenue, Santa Rosa, California to consider adoption of a resolution establishing fees for: (1) private crossing license agreements and (2) processing applications for private crossings. In addition to that hearing, the SMART Real Estate Committee will also consider this matter at their regularly scheduled meeting on Wednesday, June 1, 2011, at 10:00 a.m. or as soon as possible thereafter, in the SMART Santa Rosa Project office located 490 Mendocino Avenue, Suite 103, Santa Rosa, California. At the time and place allotted for the hearings, you and all other interested persons may appear and be heard on this matter. If you challenge the fees in court, you may be limited to raising only those issues you or someone else raised at one of the hearings described in this notice, or in written correspondence delivered to SMART at, or prior to, said hearings.

David Heath
Interim General Manager

SMART
750 Lindero Street, Suite 200
San Rafael, CA 94901
415-226-0880
Fax: 226-0881

ATTACHMENT 1

Application Fee

The proposed application fee will reimburse SMART for its actual costs to process each application. Private crossings pose a unique safety risk to the public that will need to be assessed on a case-by-case basis. These crossings increase the possibility of collisions between rail vehicles and parties crossing the rail line (such as pedestrians, motor vehicles, and livestock), and staff will need to conduct an individualized diagnostic engineering review of each proposed private crossing to determine (i) which private crossings should be allowed to remain open and (ii) the appropriate safety devices that must be installed to permit the safe use of those crossings in conjunction with the operation of passenger rail service along the right of way. A table showing the projected staff time to process these applications is attached to this notice for your convenience (Attachment 1).

Application costs will be charged at actual cost and will vary for each private crossing application due to the unique nature and issues involved in assessing the safety and other factors associated with a particular crossing. The proposed fee schedule will establish a minimum deposit of \$1,500 which must be submitted with an application to process your request to maintain a private crossing. If costs to analyze a particular private crossing application are expected to exceed the initial \$1,500 deposit due to the complexity of the individual crossing involved, the applicant will be required to increase the deposit accordingly. If any surplus remains after staff completes its review of the application, that amount will be refunded to the applicant. Similarly, if the actual costs exceed the funds on deposit, the applicant will be invoiced for the remaining balance.

License Fee

If SMART grants an application for a private crossing, the applicant will be required to enter into a private crossing license agreement and will be required to pay an annual licensing fee to SMART for the privilege to use the private crossing. The annual license fee will be established by the Board and will be designed to cover SMART's administrative and maintenance costs associated with the private crossings. The proposed annual license fee will be based on the type of warning devices required for a particular private crossing derived from the diagnostic engineering review during the application process. The proposed annual license agreement fee for the simplest crossings with minimal warning devices is anticipated to be \$2,600 and the more elaborate warning devices are anticipated to be \$6,600.

Insurance and Other Costs

In addition to the fees being established by the resolution discussed above, the holder of a private crossing license will be responsible for (1) the cost to install warning devices, if any, required at the private crossing; (2) obtaining the insurance coverage required by the private crossing license agreement that applies to your particular crossing (Attachment 2 to this letter), and (3) any extraordinary maintenance costs (e.g. replacement of warning devices or repair of damaged tracks necessitated by the use of the private crossing) associated with a particular private crossing.

North Marin County Water District
May 26, 2011
Page 3 of 5

If you have any questions regarding this notice or the Policy, please contact either (i) the undersigned at 415-226-0897 or by e-mail at jthomas@sonomamarintrain.org or (ii) Quentin Green of Associated Right of Way Services, Inc., at (925) 691-8500 or (800) 558-5151 or by e-mail at qgreen@arws.com.

Sincerely,

A handwritten signature in cursive script that reads "Joan Thomas".

Joan Thomas,
Real Estate Assistant
Sonoma-Marin Area Rail Transit District

Enclosures

ATTACHMENT 1

Private Crossings Application Cost Analysis - Estimate of Hours					
Application - Analysis of Crossing	Crossings Consultant	Systems Engineer(s)	Civil Engineer(s)	Legal Counsel	Staff
Preliminary Assessment	1	0	0	0	0
Diagnostic Engineering Review	0	8	4	0	0
Potential Discussions w/ Multiple Users - Consolidation	2-40	0	0	0	0
Ongoing Discussions	2-8	2-4	2-4	0-4	0-4
Conceptual Design	0-2	0-8	0-2	0	0
Application Analysis Hours (Complex crossing)	5-51	10-20	6-10	0-4	0-4

ATTACHMENT 2

INSURANCE REQUIREMENTS

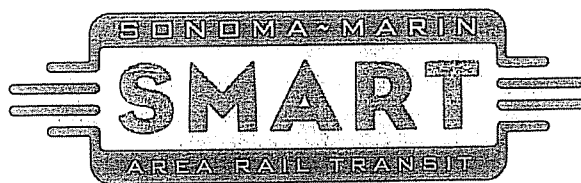
Required Policies of Insurance. Prior to entry upon SMART's Property, Licensee shall procure and maintain in full force and effect the following insurance that apply during the term of this License:

a. Workers' Compensation and Employers' Liability Insurance. Licensee shall, at its own cost and expense, procure and maintain Workers' Compensation Insurance with statutory limits as required by the Labor Code of the State of California and Employers' Liability Insurance coverage for a minimum liability of One Million Dollars (\$1,000,000) covering Licensee's employees engaged.

b. Bodily Injury and Property Damage Liability Insurance. Licensee shall, at its own cost and expense, procure and maintain Bodily Injury and Property Damage Liability Insurance subject to a combined single limit of liability of not less than Five Million Dollars (\$5,000,000).

c. Automobile Bodily Injury and Property Damage Insurance. Licensee shall, at its own cost and expense, procure and maintain Automobile Bodily Injury and Property Damages coverage including owned, hired, and non-owned vehicles. Said insurance shall be subject to a combined single limit of liability of not less than Five Million Dollars (\$5,000,000) for each occurrence.

c. Railroad Protective Liability Insurance. Licensee shall, at its own cost and expense, provide, with respect to the construction activities it or any of its subcontractors perform above the railroad tracks or within fifty (50) feet horizontally of the railroad tracks, Railroad Protective Liability Insurance. The Licensee shall be the named insured and said policy shall cover all other railroads operating on SMART's Property. The policy shall have limits of liability of not less than Five Million Dollars (\$5,000,000) per occurrence, combined single limit, for losses arising out of injury to or death of all persons, and for physical loss or damage to or destruction of property, including the loss of use thereof, and a Five Million Dollars (\$5,000,000) annual aggregate shall apply.



SONOMA-MARIN AREA RAIL TRANSIT DISTRICT
POLICY REGARDING CLOSURE AND CONSOLIDATION
OF EXISTING AT-GRADE CROSSINGS

I. Introduction

This policy supplements the Sonoma-Marin Area Rail Transit District's (SMART) *Policy Regarding Processing of and Action Upon Requests For Conveyance of Property Interests Involving SMART Property* adopted by the SMART Board on September 17, 2003, (herein after "September 2003 Policy") and reaffirms the basic principle that public safety and the protection and preservation of the SMART right of way for a passenger rail system are of paramount importance. To that end, SMART endorses the goal shared by the United States Department of Transportation and the California Public Utilities Commission (CPUC) to enhance highway-rail grade crossing safety through the reduction of the number of at-grade crossings by consolidation, elimination, and grade separation. This goal is articulated in CPUC General Order No. 75-D, Section 3, with an effective date of September 23, 2006.

II. Policy

A. Public At-Grade Crossings: For the purposes of this policy, public at-grade crossings are defined as an at-grade crossing between rail and a roadway open to public use and under the jurisdiction of and maintained by a public entity. At the present time, public at-grade crossings of the SMART right-of-way will be allowed to remain in place, unless SMART, in conjunction with the particular jurisdiction where a public crossing is located and with the oversight of the CPUC, determines that a public at-grade crossing can be eliminated.

B. Private At-Grade Crossings: All existing private at-grade crossings of SMART's right of way will be closed, subject to the procedures set forth hereunder.

1. *Notice to Affected Parties; Application.* Parties known to use a private crossing will be notified of the intended closure and may choose to apply for a terminable license agreement to allow continued use of the crossing. In such instances, the applicant must provide SMART with a completed application and the then-prevailing application fee to offset reasonable costs to SMART resulting from staff's review and processing of the application. If the applicant claims a permanent right to use a particular crossing, the applicant must submit all written documentation alleged to demonstrate this right along with their initial application.

2. *SMART Review of Claims for Exception to Closure.*

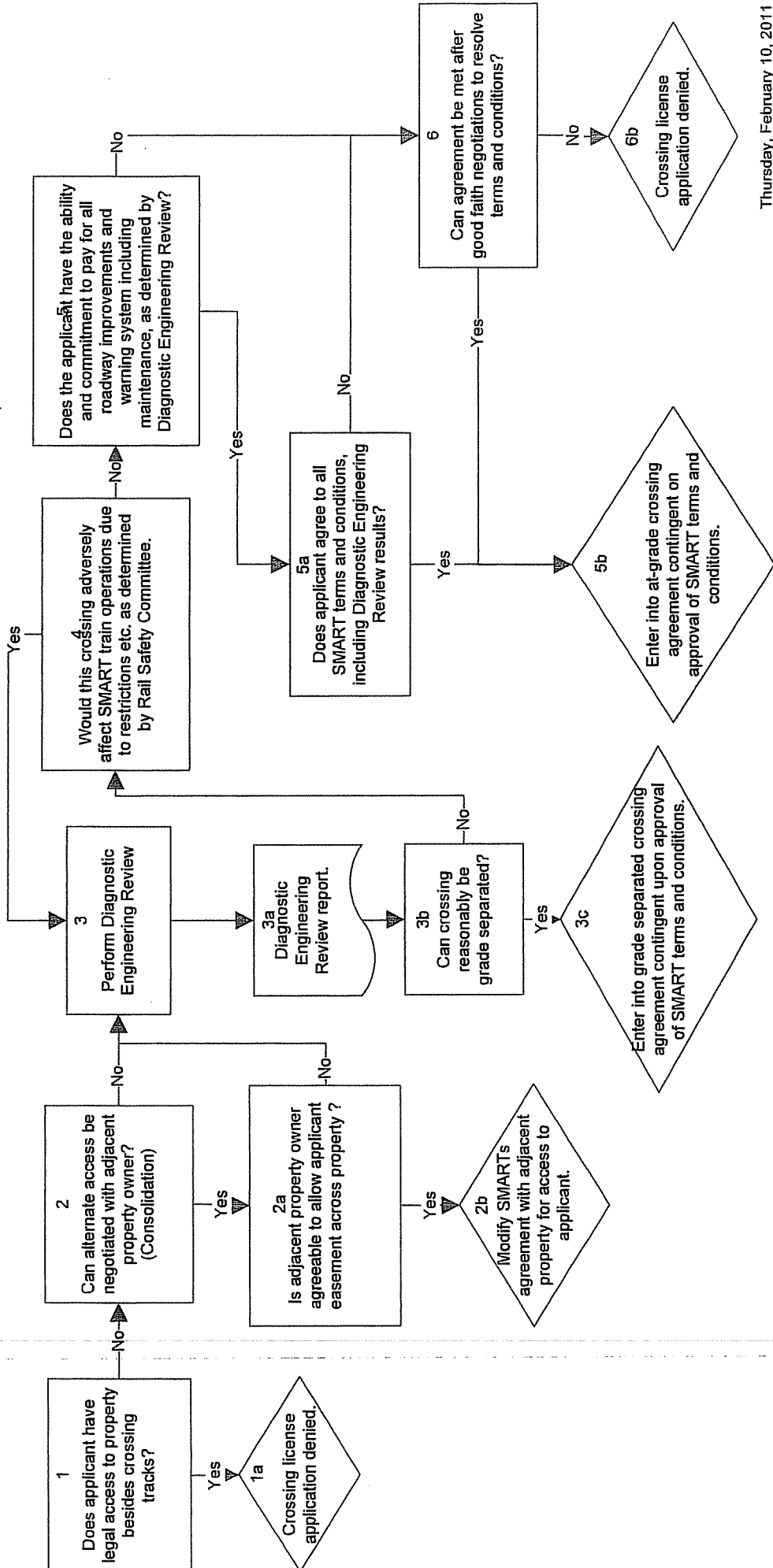
- a. All documentation submitted by an applicant supporting permanent rights to a particular crossing will be reviewed by SMART staff to assess the validity of the claim. If an applicant does not have any documentation to establish a permanent right to cross, but wishes a private crossing to remain open, the applicant must demonstrate to SMART that they have no other reasonably feasible alternative access to their property. Applicants must timely submit all documentation reasonably requested by SMART staff in connection with such claims.
- b. On a case-by-case basis, SMART will review each application submitted to determine which private crossings will be allowed to remain open and under what terms. If SMART determines that the requested crossing is necessary and consistent with SMART's goals to maximize safety along the corridor while minimizing cost and risk to SMART, SMART may grant a private crossing license to the applicant. The attached "Private Crossing Decisions Chart" will be utilized in the review of each at-grade crossing to ensure a fair and consistent process in the review of each crossing. Criteria that may be applied by SMART in review of a particular private crossing application include, but are not limited to:
 - Safety considerations applicable to the crossing, such as line of sight from the crossing relative to any curvature of the tracks and anticipated train speed;
 - Potential adverse impacts of the private crossing on SMART rail operations, including delays, restrictions and other requirements associated with safe operation of the rail system and any regulatory approvals the private crossing necessitates;
 - An applicant's ability and commitment to pay for crossing improvements, such as track panels or paving, signalization, signage, striping or other warning devices deemed necessary by SMART or regulatory agencies;
 - An applicant's ability to provide required insurance;
 - Any additional expense to SMART or increase in liability as a result of a private crossing at a particular location;
 - For any crossing, the number of users and the frequency and type of use that may increase the possibility of train, vehicle, pedestrian, bicycle, or livestock collisions;
 - Whether properties will be landlocked as a result of the closure (rather than by subdivisions or sales of partial property interests);
 - Whether the crossing complies with conditions embodied in grants or funding agreements to which SMART is subject;

- An applicant's willingness to accept the terms and conditions of SMART's standard private crossing license agreement, including, without limitation, SMART's indemnity and maintenance fee requirements;
- The viability and cost of alternatives to the private crossing; and
- Any other considerations deemed relevant by the SMART Board.

The above criteria are further enumerated in the attached "Factors to Consider in Diagnostic Engineering Review of Private Crossing Treatment" ("Factors") which will be part of a Diagnostic Engineering Review (as shown in the Private Crossing Decision Chart) that will be performed by SMART engineering and operating staff.

- c. Staff will convene an ad hoc committee comprised of staff and consultants with expertise in engineering, rail operations, maintenance of way, safety, and real estate matters to review all applications in accordance with the foregoing criteria and "Factors," hereinafter the "Rail Safety Committee" or "RSC." The RSC will decide whether a crossing license will be granted and shall inform the applicant of its determination in writing. The applicant may appeal the RSC's decision to the SMART Board, provided that a written notice detailing all grounds for the appeal is submitted to SMART's offices within 30 days of the applicant's receipt of the RSC's decision. Following SMART's receipt of a timely appeal notice, the matter will be referred to the SMART Board. All decisions by the SMART Board with respect to a particular crossing are final. Any private crossing that SMART allows to remain open will need to comply with the terms and conditions of this Policy.
3. *Costs of Private Crossings.* Because a private crossing does not directly benefit SMART or the general public, the applicant for any at-grade crossing must bear the reasonable costs for installation of track improvements, signalization, striping, signage or other warning devices that SMART or any regulatory agency may require. The applicant shall also bear all reasonable costs incurred by SMART for staff time required to administer these private crossing improvements. Prior to the commencement of any work on the crossing, SMART will advise the applicant of the nature and estimated cost for all crossing improvements and warning devices that will be required. SMART will endeavor wherever practicable to work with the applicant to arrive at the most cost-effective approach to crossing improvements and warning devices. All work will be performed by SMART, its agents, contractors or assignees and will be subject to a funding agreement between SMART and the applicant.
 4. *Standard License Agreement.* For any private crossing permitted by SMART, the applicant must sign SMART's standard revocable, non-transferable license agreement.
 5. *Scope.* Any and all private crossings currently in existence, planned or potentially relocated through a crossing consolidation effort are subject to the provisions of this policy, and to the extent applicable, various regulations and orders, including CPUC General Order No. 75-D.

Private Crossing Decision Chart



Factors to Consider In Diagnostic Engineering Review of Private Crossing Treatment:

- Closure
- Grade separation
- Consolidation
- Federal Regulations and State General Orders
- State, local and industry guidelines (MUTCD, APTA, and AREMA etc.)
- Road geometry
- Vehicular stopping distance
- Approach (corner) sight distance up/down track for vehicles approaching crossing
- Clearing sight distance, can the classes of vehicles utilizing crossing clear tracks before train enters crossing?
- Train speed
- Type of train service (freight only or passenger and freight.)
- Road speed
- Road width
- Number of traffic lanes
- Street lights
- Paved or un-paved road?
- Number of passenger trains per day
- Number of freight trains/switch moves per day
- Number of tracks
- Average daily traffic count
- Total exposure (number of vehicles X number of trains)
- Type of vehicular traffic (cars, trucks, trailers, busses etc.)
- Dangerous or hazardous material traffic?
- Industrial facilities
- Life cycle cost
- Other site specific issues

June 1, 2011

North Marin Water District General Manager Comments to Sonoma-Marín Area Rail
Transit Real Estate Committee Re: Proposed Applications and License Fees for Private
At-grade Crossings

North Marin Water District holds a non-exclusive private roadway agreement (license agreement) for the rail crossing at Golden Gate Place- mile post 5-28.35 in Novato, CA. North Marin has held this license agreement since 1977 and currently pays \$641 a year for this privilege. Golden Gate Bridge Highway and Transportation District also holds a private railroad crossing license agreement at this same crossing. North Marin and the Bridge District have entered into a cost sharing agreement for the signal upgrade which was undertaken in 2008 by North Coast Railroad Authority with the concurrence of SMART.

Yesterday, North Marin received your letter dated May 26, 2011 referring to the February 2011 SMART policy regarding closure and consolidation of existing at-grade crossings. Your letter advised that SMART intends to close and consolidate at-grade rail crossings in an effort to reduce hazards along the right-of-way; and as part of the implementation of that policy the SMART Board will be adopting application and license fees for private crossings. North Marin and the Bridge District have requested to meet with your staff to address specific questions that we have in regard to implementation of the policy. Some of those questions are:

1. We are not sure why another application for a private crossing is necessary since we already hold a license agreement.
2. If another application is necessary we would hope that the estimated fees for the private crossing can be shared between the two public

agencies (North Marin and the Bridge District). Note that you have already told us that the Golden Gate Place Crossing will remain open so there is no need for your staff to do all the work referenced in your letter and policy. As previously mentioned the crossing signal upgrade was installed in 2008 thus any additional safety equipment we expect would be minimal.

3. We are concerned about the proposed application and license costs which are entirely outside of our control yet, pursuant to the policy, we are entirely responsible for paying those costs. North Marin is struggling with the idea that we are going to pay another \$2,000-\$6,000 per year from our existing license fees for the privilege to maintain a new SMART license agreement. Finally, we would like to be more closely included in the evaluation and establishing, the costs since we are a public agency and our use of the crossing does benefit the general public. We suggest the cost increase be phased in or capped to add certainty to our budgets.
4. We would like to know what the responsibility the freight rail operator (NCRA) holds in maintaining the facilities since they were responsible for the upgrade less than 3 years ago.
5. Your letter alludes to the licensee being responsible for obtaining insurance coverage required and any extra ordinary maintenance costs. North Marin is self-insured for Workers Compensation, Liability and Auto Insurance. We request that self insurance be satisfactory to meet your requirements. We are not aware of what a railroad protective liability insurance policy is or what it costs, this is a new

requirement that will add further to the cost of maintaining this access to our facilities.

6. With regard to extraordinary maintenance costs we believe there needs to be some nexus that we've damaged the warning devices or damaged the tracks resulting in extraordinary maintenance.
7. Finally, we desire to review the language in a typical standard revocable non-transferable license agreement.

Thank you for the opportunity to comment.

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**NOTICE OF MEETING OF
NORTH BAY WATERSHED ASSOCIATION**

Notice is hereby given that a meeting of the North Bay Watershed Association will be held as follows:

Date: Friday, June 3, 2011
Time: 9:30 a.m. – 11:30 a.m.
Location: Novato Sanitary District
500 Davidson Street
Novato, CA 94945

AGENDA

<u>Item</u>	<u>Recommendation</u>
1. Call to Order (Jack Gibson, Chair)	
2. Public Comment	
3. Approval of the Agenda (1 min.)	Approve
4. Approval of Minutes	Approve
5. Treasurer's Report (1 min.)	Accept
6. San Francisco Bay Regional Sediment Management Guest Speaker: Brenda Goeden, San Francisco Bay Conservation and Development Commission	Information
7. San Francisco Bay Subtidal Habitat Goals Report (30 min.) Guest Speaker: Marilyn Latta, State Coastal Conservancy	Information
8. Enviro-Leaders Program (15min.) Guest Speaker: Sandi Funke, Sonoma Ecology Center	Information
9. Items of Interest	
10. Items for Next Agenda	

Next Meeting Information:

Next Meeting: July 8, 2011

Marin Community Foundation
5 Hamilton Landing, Suite 200
Novato, CA 94949

NORTH BAY WATERSHED ASSOCIATION

Minutes for the meeting of the North Bay Watershed Association (NBWA) Board of Directors.

Date: Friday, May 6, 2011
Time: 9:30 a.m.
Location: Marin Community Foundation
5 Hamilton Landing, Suite 200
Redwood Room
Novato, CA 94949

Directors Present: Directors present included:

<u>Board Member</u>	<u>Agency/Organization</u>	<u>Board Member</u>	<u>Agency/Organization</u>
Judy Arnold	County of Marin	Kathy Hartzell	Central Marin Sanitation Agency
Jack Baker	North Marin Water District	Mark Luce	Napa Sanitation District
Steve Barbose	City of Sonoma and Sonoma Valley County Sanitation District	Madeline Thomas	Bel Marin Keys Community Services District
Megan Clark	Las Gallinas Valley Sanitary District	Richard Thomasser	Napa County Flood Control and Water Conservation District
Jack Gibson	Marin Municipal Water District	Pamela Tuft	City of Petaluma

Directors present represented 11 out of the 16 agencies signatory to the Association MOU.

Board Actions

1. Call to Order. Jack Gibson, Chair, called the meeting to order at 9:40 a.m.
2. Public Comment. There was no public comment.
3. Approval of the Agenda. (See Handout) The Board unanimously approved the agenda.
4. Approval of Minutes of the Board Meeting held April 1, 2011. (See Handout) The Minutes of the Board Meeting held on April 1, 2011 were unanimously approved.
5. Treasurer's Report. (See Handout) The Treasurer's Report was accepted as presented by Harry Seraydarian.
6. Advanced Modeling Techniques for Flood Reduction and Master Planning Studies. Rick Jorgensen, Winzler & Kelly, used a PowerPoint presentation to provide an overview and first described historic modeling approaches, which are typically one dimensional and include flood reduction analysis and storm drain master planning. He then explained the new approach which includes the use of three applications: MIKE Urban (urban hydrology and hydraulics); MIKE 21 (2 dimensional floodplain hydraulics); and MIKE 11 (1 dimensional channel hydraulics). Rick highlighted the value added by the new approach which includes: for flood reduction analysis – the ability to visualize flooding (extent, timing and duration) and flood reduction and to quantify benefits and costs of alternatives; for storm drain master planning – the ability to identify priorities and impacts of improvements. Carlos Diaz, Winzler & Kelly, then provided more detail on two case studies. He started with Salvador Creek which is on the northern boundary of the City of Napa and includes about 5,000 acres. He illustrated how modeling has evolved and then summarized the alternatives analysis included in their latest effort: detention basins, floodwalls, bypass channel, and flap-gates. Carlos then presented a "Salvador movie" which showed a flooding event of 3-4 hrs. and the impact on city streets. Rick noted an issue that advanced modeling raises with FEMA about drawing mapping lines and several Board Members noted recent issues with FEMA regarding mapping, rainfall data, and structure exemptions. Carlos indicated how the model showed that upland detention was really not feasible, that flood walls and flap-gates had limited benefits downstream and that more effort would now be put into analyzing bypass options. Carlos then presented facts about the City of Sonoma case study. The project included four watersheds and pipes greater than 24". Carlos presented a "Sonoma movie" and then explained some of the work done to support the modeling and ended with a visual on the modeling results for avoided flooding. NBWA Board Members had several questions: Can you include tidal effects? (Yes, we can establish a vertical downstream boundary condition.) Can you set times for tidal effects? (Yes, though better to be conservative and use Mean High Tide, not 100 year tidal event.)
7. Marin County Watershed Program Update. Liz Lewis provided an overview, noting that the program started in 2006 and had a legal challenge in the Ross Valley election that was decided in the State Supreme Court in 2010, which

validated the County process. Liz described why the County was emphasizing a Watershed Approach: momentum and support from partners and communities: to be ready for funding; provide a framework to integrate programs; guide protection of natural resources; and ensure alignment with state and federal resource agency goals. Liz then described a recent effort – Phoenix Lake: An Integrated Retrofit Project – which involves MMWD and Marin Flood Control in developing a 1-E funding proposal that would provide 120 acre feet of flood water retention and other benefits such as water for steelhead. Liz explained the objectives of the program: flood protection, reduction of maintenance costs, development of multiple benefit projects, etc. Liz ended with a summary of the stakeholder process which includes the Board of Supervisors, a Policy Advisory Committee, an Operations and Finance Committee, and a Technical Work Group. Chris Choo then presented the next steps for the program. She described different watershed level planning efforts: habitat assessment, hydraulic and hydrology studies, and watershed master plans. Chris noted that CA F&G had completed a number of creek assessments in 2009 and those reports will be translated into a spatial/GIS analytic tool – emphasizing maps over reports. Chris provided an example from Mill Valley showing a storm drain system and noted the efforts to collect field data and then use a model to show the benefits of proposed alternatives. Chris then displayed the website – <http://www.marinwatersheds.org/> and highlighted the kinds of information available (science, planning resources, landowner resources, etc). Chris summarized efforts in each watershed: Stinson Beach (Easkoot – Hydraulic and Hydrology Study); San Geronimo (next phase of salmon enhancement); Southern Marin (EPA TMDL grant for \$400k Boyle Park Restoration); Ross Valley (1-E grant proposal, draft flood damage study); Gallinas and Miller (pursuing partnerships, CA F&G assessment on Miller, McGinnis project on Gallinas); Novato (RFP out for Hydraulic and Hydrology Study). The Board Members had a number of questions. Can we get the speaker who presented 200 years of history on flood and railroad alignments in Ross Valley recently to come to an NBWA Meeting? (Yes, Laurel Collins will be contacted.) Will Watershed Management Plans be general or include specific projects? (More conceptual to start.) Will plans be funded through parcel assessments? (Fee system only exists in Ross Valley.) Why are there no Sausalito or Marin City maps? (More maps are available.) Are you looking at groundwater and climate change? (Will look at sea level rise, will acknowledge groundwater but no major use.)

8. Student and Landowner Education and Watershed Stewardship (SLEWS) Program. Stephanie Turnipseed provided an overview using PowerPoint. She noted the program began in 2001 with Vintage and Napa High Schools and emphasized hands on ecology lessons. She described how SLEWS works in collaboration with science teachers and established restoration sites (usually NRCS sites) and incorporates three to five restoration field days. She described recent efforts with Napa and the New Tech High School and the types of restoration completed. Steph displayed a number of pictures of the students and various education activities. She presented the accomplishments from the past year and the possibilities for next year (three classes, 13-15 field days, and partnering with the Land Trust of Napa County). The Board Members had several questions. How do you compare to other programs such as STRAW? (Similar.) Do you have any problems approaching schools? (Some issues with time and standardized testing pressure.) Do property owners take on long term maintenance? (Yes, SLEWS part of longer term project.) Will it be harder to recruit teachers given reduction in school days? (Offer three day instead of five day project.)

9. Project Funding. Harry used a PowerPoint presentation to highlight the projects proposed to date for NBWA funding. He then outlined the key elements of the two projects being proposed for funding: 1) KRCB video features for \$12k of NBWA funding and \$24k in SCWA match; 2) Aquatic Invasive Species Workshop (now scheduled for June 22 in San Rafael) for \$2k. The NBWA Board unanimously approved funding for both projects.

10. Items of Interest.

- * San Rafael will have a May Madness event on May 7 highlighting electric recharge stations and Sustainable Novato will host an event on May 21 with electric vehicle presentations.

11. Items for Next Agenda.

- * San Francisco Bay Regional Sediment Management – Brenda Goeden, BCDC
- * San Francisco Bay Subtidal Habitat Goals Report – Marilyn Latta, SCC

Jack Gibson, Chair, adjourned the meeting at 11:28 a.m.

SUBJECT TO APPROVAL

Submitted By: Elizabeth O. Preim-Rohtla

NEXT MEETING INFORMATION

June 3 – Novato Sanitary District, 500 Davidson Street, Novato, CA 94945

July 8 – Marin Community Foundation, 5 Hamilton Landing, Suite 200, Novato, CA 94949

No August

September 9 – Novato Sanitary District, 500 Davidson Street, Novato, CA 94945

October 7 – Petaluma (Lucchesi) Community Ctr., 320 N. McDowell Blvd., Petaluma, CA 94954— Conf. Rm. 2

November 4 – Marin Community Foundation, 5 Hamilton Landing, Suite 200, Novato, CA 94949

December 2 – Petaluma (Lucchesi) Community Ctr., 320 N. McDowell Blvd., Petaluma, CA 94954— Conf. Rm. 2

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DISBURSEMENTS - DATED MAY 18, 2011

Date Prepared: 5/17/11

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:

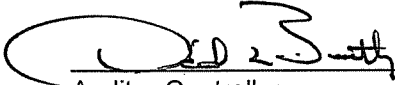
Seq	Payable To	For	Amount
1	Aberegg, Michael	Drafting Services: Plum Street Tank Renovation (\$825) & Hamilton Nursery (\$495) (Balance Remaining on Contract \$22,122)	\$1,320.00
2	Ackerman, Gerald	Retiree Exp Reimb (May Health Ins)	90.69
3	ADTS	Supervisor Training DVD Rental (Moore)	25.00
4	Advanced Reproduction Center	Plans/Specs - Plum Street Tank Rehab Project (14 sets)	581.45
5	Allen, George	Novato "Washer Rebate" Program	75.00
6	Autoworld	Coolant Tank Fill Cap	13.17
7	Basso, Barbara	Novato "Washer Rebate" Program	75.00
8	Bay Area Barricade Service	White Stripping Paint (36-17 oz cans)	169.18
9	Beale, Theresa	Novato "Toilet Rebate" Program	150.00
10	Bradbery, Ronald	Retiree Exp Reimb (May Health Ins)	90.69
11	Bundesen, Gerald	Retiree Exp Reimb (May Health Ins)	704.96
12	Butti, Lou	Retiree Exp Reimb (May Health Ins)	704.96
13	Calif Public Health Services	Water Distribution Operator Certification Fee - Grade 3 (July 2011-June 2014) (Garrett) (Budget 0)	120.00
14	California Water Service	Mar/Apr Water Service (OM) (0 Ccf)	126.28
15	California State Disbursement	Wage Assignment Order (3)	1,478.50
16	CDW-Government	Back-up Power Supplies (4) (STP)	390.21
17	Covad Communications	DSL Internet Service (5/12/11 - 6/11/11)	142.30
18	Cummings Trucking	Sand (49 tons) (\$1,337) & Rock (49 tons)	2,308.66
19	DeBruyn, Claudia	Novato "Washer Rebate" Program	75.00

Seq	Payable To	For	Amount
20	Derby, Richard	Retiree Exp Reimb (May Health Ins)	90.69
21	Doughty, Alison	Novato "Toilet Rebate" Program	300.00
22		Cafeteria Plan - Uninsured Medical Reimbursement	74.33
23	Eyler, John	Retiree Exp Reimb (May Health Ins)	90.69
24	Franchise Tax Board	Wage Assignment Order	217.20
25	Freeman, Mike	Novato "Toilet Rebate" Program	600.00
26	Garcia, Robert & Beverly	Novato "Washer Rebate" Program	75.00
27	Groeniger	Valve Box (8) (\$88), Box Lids (8) (\$117), Meter Spuds (25) (\$234), Brass Plugs (3), Bushings (11), Couplings (5) (\$269) & Hex Bolts (150) (\$690)	1,515.42
28	Hollis, Gisela	Novato "Cash for Grass" Program	250.00
29	Inspection Services & Fire	Publication: National Fire Protection CA Edition Standard (Clark)	50.00
30	Jensen, Janice	Novato "Washer Rebate" Program	75.00
31	Jim-n-i Rentals	Steel Traffic Plate Rental (2) (San Marin Dr & San Carlos Way) (4/18-5/5/11)	272.33
32	Johnstone, Daniel	Retiree Exp Reimb (May Health Ins)	90.69
33	Journey Ford/Lincoln	Novato "Cash for Grass" Program	1,175.00
34		Cafeteria Plan - Uninsured Medical Reimbursement	232.00
35	Klink, Donald	Novato "Toilet Rebate" Program	300.00
36	Lace House Linen	Rags (10 lbs)	20.00
37	Larsengines	Air Filter & Ignition Coil for Gas Powered Pressure Washer (\$95)	112.96
38	Lincoln Life	Deferred Compensation PPE 5/15	9,384.83
39	Lowe, Thomas	Novato "Toilet Rebate" Program	150.00
40	Marin Sanitary Service	Document Shredding (9 bins)	315.00

Seq	Payable To	For	Amount
41	Marin Conservation League	Reg Fee: Business - Environment Breakfast (DeGabriele & Clark)	60.00
42	Matchette, Tim	Retiree Exp Reimb (May Health Ins)	192.87
43	McAghon, Andrew	Sludge Removal (65 yds)	3,250.00
44	Myers, Kenneth	Novato "Toilet Rebate:" Program	150.00
45	National Deferred	Deferred Compensation PPE 5/15	750.00
46	Nelson, John O.	Retiree Exp Reimb (May Health Ins)	90.69
47	New Resources Group	Shower Heads (500) (\$1,495), Spray Nozzles (500) (\$1,190) & Aerator (1,000) (\$730)	3,415.00
48	North Bay Gas	Nitrogen (\$587), Compressed Air (\$165) & April Cylinder Rental (\$270)	1,022.75
49	NSI Solutions	Reference Samples for New IC Unit (Lab)	214.00
50	NTU Technologies	Polymer (2,200 lbs)	6,028.00
51	Office Depot	Mouse Pad, Wrist Rest, Back Rest (\$31) & Foot Rest (\$49)	108.39
52	Pace Supply	Box Lids (67) (\$1,406), Brass Valves (3), Corp Stops (10) & Setter (\$497)	2,290.28
53	Poiani, Pete	Retiree Exp Reimb (May Health Ins)	90.69
54	Ramirez, Alfredo	Novato "Washer Rebate" Program	75.00
55	Redwood Landfill	Trash Dumping (Misc Debris)	111.92
56	Sierra Chemical	Chlorine (2 tons)	1,013.33
57	Silvestri, Valerie & George	Novato "Washer Rebate" Program	75.00
58	Smail, Catherine	Retiree Exp Reimb (May Health Ins)	90.69
59	Sonosky, Norma	Retiree Exp Reimb (May Health Ins)	90.69
60	Syar Industries	Asphalt (2 tons)	162.45
61	Syserco	Tech Support for HVAC System	139.00
62	UPS Store	Delivery Service: Sent RTU to Tesco for Programming (Olema PS)	37.29

Seq	Payable To	For	Amount
63	Velloza, Richard	Retiree Exp Reimb (May Health Ins)	90.69
64	VWR International	Inoculating Loop (\$174) & Petri Dishes (500) (Lab)	331.59
65	Whitman, Daniel & Maureen	Novato "Toilet Rebate" Program	75.00
66	Winzler & Kelly	Engineering Services: Aqueduct Relocation (Bal Remaining on Contract \$32,432)	30,352.88
67	Zerke, Arline	Novato "Washer Rebate" Program	75.00
TOTAL DISBURSEMENTS			<u>75.00</u> <u>\$74,415.39</u>

The foregoing payroll and accounts payable vouchers totaling \$74,415.39 are hereby approved and authorized for payment.



Auditor-Controller

5/17/11

Date



General Manager

5/17/2011

Date

DISBURSEMENTS - DATED MAY 25, 2011

Date Prepared: 5/24/11

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 P/E	\$117,479.40
EFT	Bank of the West	Federal & FICA Taxes	44,027.38
1	AC3	Annual Crane Inspections & Certifications (4)	784.00
2	AirGas NCN	Gas Monitors (10)	4,659.23
3	Alpha Analytical Labs	Lab Testing (Novato)	110.00
4	AT&T	Telephone Charges: Leased Lines	62.76
5	Basic Chemical Solutions	Sodium Hypochlorite (1,260 gals)	4,452.93
6	Borders, Jeff	Novato "Washer Rebate" Program	75.00
7	State of California	Unemployment Ins Claim (Piper) (1/1/11-3/31/11) & State Tax & SDI PPE 5/15 (\$9,099)	9,466.72
8	CDW-Government	Antenna & Accessories for Barcode Scanner	1,475.33
9	Cole-Parmer Instrument	Phosphoric Acid (STP)	12.78
10	Collins, Dorothea	Novato "Washer Rebate" Program	75.00
11	Color Fast	Nylon Bag Strainer (STP Sludge Processing), Paint (3 gal) (\$160) & Paint Supplies	187.49
12	Core Utilities	Consulting Services: April IT Support (\$5,000), SCADA (\$735) & Rate Increase Model (\$2,500)	8,235.00
13	Damico, Tony	Novato "Washer Rebate" Program	75.00
14	Demers, Nobue	Novato "Washer Rebate" Program	75.00
15	Draeger Safety	Annual Fit Test of SCBA for each Operator & Maintenance Check of Related Items	724.80
16	Droubay, Pat	Novato "Toilet Rebate" Program	159.98


Seq	Payable To	For	Amount
17	Dyvad, Michael	Refund of Deposit - New Development Water Conservation Requirement	1,000.00
18	Foust, Bettie	Novato "Toilet Rebate" Program	150.00
19	Golden Gate Petroleum	Gasoline (\$4.25/gal) & Diesel (\$4.36/gal)	3,714.50
20	Grace, Inga	Novato "Toilet Rebate" Program	300.00
21	Grainger	Heat Shrink Tubing (52), Pipe Sealant (24 8 oz) (\$284), Replacement Light Bulbs (15) (\$84), Soft Carrying Case for Pressure Calibrator (\$116), Male Connectors (40) (\$126), Replacement Pressure Calibrator for Tank Level Transmitters (\$3,067) & Thermal Imaging Camera System (\$9,707) (Budget \$8,000)	13,411.51
22	Hall, Mike & Judy	Novato "Washer Rebate" Program	75.00
23	InfoSend	April Processing Fee for Water Bills (\$701) & Postage (\$1,699) (4/20-4/29/11)	2,400.68
24	ITRON Service Center	Quarterly Maintenance for Handheld Meter Reading Devices (6/1-8/31/11)	394.92
25	Jefferson Pilot Financial Ins	June Group Life Ins Premium	664.87
26	Jones, Althea	Novato "Toilet Rebate" Program	150.00
27	Jones, Kris	Novato "Washer Rebate" Program	75.00
28	Keating, Kim	Novato "Pool Cover" Program	29.00
29	Knapp, Gerhard	Novato "Toilet Rebate" Program	216.00
30	Kurfirst, Eric	Exp Reimb: Meals & Gas (Cross-Connection Control Class - 5/9-5/13)	66.07
31	Lab Safety Supply	Round Point Shovels (6)	258.17
32	Landeros, Dianne	Exp Reimb: Mileage, Parking & Bridge Toll (Wiley, Price & Radulovich Social Networking Seminar)	47.45
33	LGVSD	NMWD Share of NBWRA FY11 Budget Amendment Costs	7,358.52
34	Littler, Joyce	Novato "Cash for Grass" Program	93.75

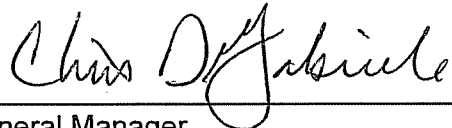
Seq	Payable To	For	Amount
35	Luis, Jose	Novato "Toilet Rebate" Program (6-Commercial)	1,074.60
36	Luis, Dana	Novato "Washer Rebate" Program	75.00
37	Maltby Electric	Pin & Sleeve Connectors for Generator Emergency Power Connections (4) (Budget \$3,000)	1,543.48
38	Novato, City of	Fee for Working on Moratorium Street (825 Delong Ave)	500.00
39	Novato Disposal Service	April Trash Removal	403.40
40	Novato Chamber of Commerce	Reg Fee: Leadership Program (2011 - 2012) (Grisso)	895.00
41	Ongwongsaful, Charoensilp	Refund Alternative Compliance Reg 15 Deposit (\$325) & Novato "Toilet Rebate"	423.00
42	O'Reilly Auto Parts	Wiper Fluid (6 gals) & Car Wash Supplies (\$38)	51.34
43	Pace Supply	Valves (14) (\$87), Motor Holder Assembly (\$497) & Couplings (5) (\$142)	726.43
44	Parkinson Accounting Systems	April Accounting Software Support	2,437.50
45	Paso Robles Tank	Progress Pymt #10: Crest Water Tank Project (Bal Remaining on Contract \$112,658)	30,338.20
46	PERS Retirement System	Pension Contribution PPE 5/15	37,173.60
47	PERS Health Benefits	June Health Ins Premium (Employees \$46,668, Retirees \$10,463 & Employee Contrib \$6,761)	63,892.52
48	NMWD Petty Cash	Petty Cash Reimbursement: Meals, Safety Snacks, Household Supplies, Coffee Filters, Parking, Recycle Fee, Reg Fee for Seminar, Picture Frame & Safety Buck	141.58
49	PG & E	Power: Bldgs/Yard (\$3,390), Rectifier/Controls (\$248), Pumping (\$16,175), Treatment (\$7,391) & Other (\$102)	27,307.22
50	POA of Novato Heights	2011 Annual Dues (DeGabriele) (Budget \$150)	150.00

Seq	Payable To	For	Amount
51	Point Reyes Light	Display Ad; Salinity Intrusion Into Point Reyes Well Supply	64.00
52	Puppo, Rachel & Anthony	Claim Settlement-Reimbursement for Windshield Replacement Damaged by Rock Kicked up by District Vehicle (5/19/11)	423.50
52	Rattenbury, Gwynn	Novato "Pool Cover" Program	35.00
53	Red Wing Shoe Store	Safety Boots (Stafford)	167.52
54	Robin, Michael	Refund Overpayment on Closed Account	19.03
55	Rus, William	Novato "Toilet Rebate" Program	150.00
56	Sansone, Rosanna	Novato "Toilet Rebate" Program	600.00
57	Sonoma County Water Agency	April Contract Water	154,665.32
58	Special District Institute	Reg Fee: Financial Cost Control Workshop 6/10-San Diego (Bentley)	220.00
59	Staples	"E-mailed", "O.K. to Send" & "Received" Stamps	139.03
60	Staples Advantage	Staples (5,000), Parchment Paper (100), Date Stamp, LaserJet Printer (\$142) (Latanszyn), Cable & Toner Cartridge (\$96) (Maintenance Dept)	300.52
61	Sumaruk, Margarita	Novato "Washer Rebate" Program	75.00
62	Syar Industries Inc	Asphalt (6 tons)	538.34
63	Teeters & Schact	Windshield ('08 F350)	397.23
64	Tesco Controls	Reconfigure Spare Liq 4 RTU for Olema P.S.	375.00
65	Township Building Services	April Janitorial Services	1,714.00
66	US Postal Service	Meter Postage	1,000.00
67	Ussery, Steve	Novato "Toilet Rebate" Program	79.00
68	Verizon California	Telephone Charges: Leased Lines	374.18
69	VWR International	Nitrite, Buret Precision Bore (2) (\$263), Electrode Storage Solution & Chlorate Standard (\$57) (Lab)	383.18

Seq	Payable To	For	Amount
70	Whelan, Mary	Novato "Washer Rebate" Program	75.00
71	Wiley Price & Radulovich	Consulting Services: Sensi Investigation (\$3,197), Reorganization (\$54) & Seasonal Employees (\$54)	3,304.73
72	Wine Country Water Works Association	Reg Fee: Wine Country Water Works Training Seminar (Arendell & Moore)	80.00
TOTAL DISBURSEMENTS			<u>554,855.69</u>

The foregoing payroll and accounts payable vouchers totaling \$554,855.69 are hereby approved and authorized for payment.


5/24/11
 Auditor-Controller Date


5/24/2011
 General Manager Date

DISBURSEMENTS - DATED JUNE 1, 2011

Date Prepared: 5/31/11

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:

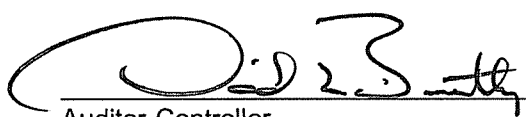
Seq	Payable To	For	Amount
1	Arendell, Tony	Exp Reimbursement: Safety Meeting Snacks	\$27.98
2	AT&T Mobility	Cellular Charges: Monthly (\$448) & Airtime (\$13)	460.55
3	Automation Direct	Touch Panel for OM Alarm Link to Phillips & Assoc (Budget \$1,500)	999.00
4	Baker, Jack	May Director's Fee (\$200), NBWA Meeting - 5/6 (\$100) & Special Meeting-5/24 (\$100)	400.00
5	Baldwin, James	Novato "Washer Rebate" Program	75.00
6	Byrnes, Jeff	Novato "Washer Rebate" Program	75.00
7	California State Disbursement	Wage Assignment Order (3)	1,478.50
8		Cafeteria Plan-Uninsured Medical & Vision Reimbursement	1,030.55
9	C.J. Welding	Welding Services (Maintenance of Valves)	855.00
10	CSW/Stuber-Stroeh Engineering	Progress Pymt #3: Aqueduct Energy Efficiency Project (Bal Remaining on Contract \$204,811)	15,592.76
11	Cummings Trucking	Rock & Sand	1,143.84
12	Dionex	Eluent Bottles for Dionex IC Unit (Lab)	53.97
13	Environmental Express	Chlorite, Chlorate & Nitrite Standards (Lab)	107.61
14	Fraites, Rick	May Director's Fee (\$200) & Special Meeting-5/24 (\$100)	300.00
15	George, Kenneth	Novato "Washer Rebate" Program	75.00
16	Golden Gate Petroleum	Bulk Diesel Engine Oil (99.6gals)	1,345.54

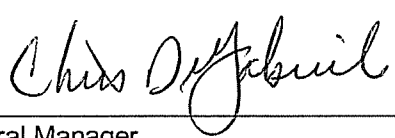
Seq	Payable To	For	Amount
17	Grainger	9 " Magnetic Levels (3), 200' Measuring Tape (\$103), Parts for Tapping Machine (\$208), Radial Ball Bearings (8) (\$32) & Dead Blow Hammer	401.93
18	Graybar	Replacement Influent Pump Variable Frequency Drive (RWF)	1,520.81
19		Cafeteria Plan-Child Care Reimbursement	416.66
20	Gurtner, Eric	Novato "Washer Rebate" Program	75.00
21	Gutierrez, Adora	Novato "Cash for Grass" Program	400.00
22		Vision Reimbursement	158.00
23		Vision Reimbursement	20.79
24	Kemira Water Solutions	Ferric Chloride (9.98 tons)	7,381.01
25	Lincoln Life	Deferred Compensation PPE 5/31	9,384.83
26		Cafeteria Plan - Child Care Reimbursement	416.66
27	Maher, Michael	Novato "Washer Rebate" Program	75.00
28	Maltby Electric	Pins & Sleeve Connectors for Generator Emergency Power Connections (Budget \$3,000)	1,127.02
29	Marinscope	Display Ad: Novato Water Rate Hearing	214.00
30	Drew McIntyre	Exp Reimbursement: Mileage (Jan-May)	432.48
31	Microtech Scientific	Laurel Sulfate Broth	158.94
32		Wage Assignment Order	284.00
33	Moreci, Jason	Novato "Washer Rebate" Program	75.00
34	Morrison, Merry	Novato "Toilet Rebate" Program	239.97
35	NACE	Membership Dues (Jackson) (Budget \$250)	130.00
36	Naranjo, Mary	Novato "Washer Rebate" Program	75.00
37	National Deferred	Deferred Compensation PPE 5/31	750.00

Seq	Payable To	For	Amount
38	Nute Engineering	Engineering & Design Services for Hamilton Area Recycled Water Project (Balance Remaining on Contract \$172,328)	76,212.76
39	Pace Supply	Corp Stop Keys (9)	311.39
40	Petterle, Stephen	May Director's Fee (\$200) & Special Meeting-5/24 (\$100)	300.00
41	Rainin Instrument	Parts & Maintenance on Pipette (Lab)	130.50
42		Cafeteria Plan-Child Care Reimbursement & Uninsured Medical Reimbursement	696.48
43	Rodoni, Dennis	May Director's Fee (\$200), WAC/TAC Meeting - 5/2 (\$100) & Special Meeting-5/24 (\$100)	400.00
44	Schoonover, John	May Director's Fee Less Deferred (\$150), NBWR Workshop - 4/27 (\$100) & Special Meeting - 5/24 (\$100)	350.00
45	Shamrock Materials	Concrete (42 Sacks)	212.46
46	State Water Resources Control	Recycled Water Facility SRF Loan Annual Payment	273,366.91
47	Tap Masters	Install 26" Line Stop on Steel Water Main (San Marin Dr. & San Carlos Dr.)	17,691.00
48	United Parcel Service	Delivery Service: Plans & Specs for Plum St Recycled Water Tank Rehab Project (7 sets) & Lab Samples for STP	55.61
49	United Site Services	Porta Potty Rental (5/10/11-5/16/11) (Sanchez Way-PB Replacement)	19.77
50	Univar	Sodium Hydroxide (25,183 lbs)	7,491.94
51	Van Bebber Bros	Steel for Repairing Front Bucket ('93 Case Loader)	43.23
52	VWR International	Fluoride Standard, Pipette Tips (100), Autoclave Blankets (\$64) & Petri Dishes (100) (\$62)	206.83
53	Walker, Anthony	Novato "Toilet Rebate" Program	450.00

Seq	Payable To	For	Amount
54	Wine Country Water Works Assoc	Reg Fee: Trade Show & Training Symposium 6/8/11 (Lemos & Latanyzsyn)	80.00
55	Yanover, Judith	Novato "Washer Rebate" Program	75.00
56		Cafeteria Plan-Child Care Reimbursement	1,428.54
		TOTAL DISBURSEMENTS	<u>\$427,279.82</u>

The foregoing payroll and accounts payable vouchers totaling \$427,279.82 are hereby approved and authorized for payment.

 _____
 Auditor-Controller Date 5/31/11

 _____
 General Manager Date 5/31/2011

NORTH MARIN WATER DISTRICT CHECK REQUEST

(Check Request form to be used only when payee cannot provide an invoice or statement)

PAYEE: BAKER, JACK 425 CORTE NORTE NOVATO, CA 94949	DATE 5/10/14
	TOTAL 100.00

PURPOSE: DIRECTOR'S FEE

CHARGE TO:

<p>DISPOSITION OF CHECK</p> <p><input type="checkbox"/> MAIL TO PAYEE</p> <p><input type="checkbox"/> HOLD FOR</p> <p><input type="checkbox"/> OTHER</p> <p>REQUESTED BY</p> <p>APPROVED TO PAY BY</p> <p style="font-size: small;">\\NMWDSRV1\ADMINISTRATION\FORMS\CHECK REQUEST.DDC REV. 06/09</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; font-size: x-small;">Prepared By</td> <td style="width: 15%; font-size: x-small;">Accounting Review</td> <td style="width: 15%; font-size: x-small;">POST DATE</td> <td style="width: 15%; font-size: x-small;">Vendor No.</td> <td style="width: 40%; text-align: center;"> NORTH MARIN WATER DISTRICT </td> </tr> <tr> <td style="text-align: center;"><i>[Signature]</i></td> <td></td> <td style="text-align: center;">5/11</td> <td style="text-align: center;">BAKE01</td> <td></td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 30%; font-size: x-small;">Invoice Number</th> <th style="width: 20%; font-size: x-small;">Invoice Date</th> <th style="width: 50%; font-size: x-small;">Invoice Amount</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">CKRQ 051011</td> <td style="text-align: center;">5/10/14</td> <td style="text-align: center;">100.00</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 100%; font-size: x-small;">NMWD Comment</th> </tr> </thead> <tbody> <tr> <td style="text-align: center; padding: 5px;"> NIBWA Meeting - 5/6 (10) </td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 40%; font-size: x-small;">Job Number</th> <th style="width: 30%; font-size: x-small;">GL Account</th> <th style="width: 30%; font-size: x-small;">Amount</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;">56001.01.11</td> <td style="text-align: center;">100.00</td> </tr> <tr> <td colspan="2" style="text-align: right;">TOTAL</td> <td style="text-align: center;">100.00</td> </tr> </tbody> </table>	Prepared By	Accounting Review	POST DATE	Vendor No.	NORTH MARIN WATER DISTRICT	<i>[Signature]</i>		5/11	BAKE01		Invoice Number	Invoice Date	Invoice Amount	CKRQ 051011	5/10/14	100.00	NMWD Comment	NIBWA Meeting - 5/6 (10)	Job Number	GL Account	Amount		56001.01.11	100.00	TOTAL		100.00
Prepared By	Accounting Review	POST DATE	Vendor No.	NORTH MARIN WATER DISTRICT																								
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NIBWA Meeting - 5/6 (10)																												
Job Number	GL Account	Amount																										
	56001.01.11	100.00																										
TOTAL		100.00																										

NORTH MARIN WATER DISTRICT CHECK REQUEST

(DO NOT USE IF THERE IS A VENDOR INVOICE)

PAYEE: JOHN SCHOONOVER	DATE: APRIL 27, 2011
	AMOUNT: \$100.00

PURPOSE: ATTENDANCE AT NBWR WORKSHOP - SONOMA

Date: APRIL 27, 2011

CHARGE TO:

DISPOSITION OF CHECK

MAIL TO PAYEE

HOLD FOR
OTHER

JOB ACCOUNTING REVIEW

REQUESTED BY

APPROVED TO PAY BY

\\NMWDSRV1\ADMINISTRATION\FORMS\CHECK
REQUEST.DOC REV. 0510

Prepared By	Accounting Review	POST DATE	Vendor No
Jed		5/11	Schoon



Invoice Number (CK Req ID)	Invoice (CK Req) Date	Invoice (CK Req) Amount
CKR0050911	5/4/11	100.00

NMWD Comment:


NBWR Workshop - 4/27
(100)

Job Number	GL Account	Amount
	56001.01-11	100.00
TOTAL		100.00

MEMORANDUM

To: Board of Directors

June 3, 2011

From: Dianne Landeros, Accounting/HR Supervisor 

Subj: Direct Deposit of Disbursements

t:\finance\memos\bod vendor direct deposit.docx

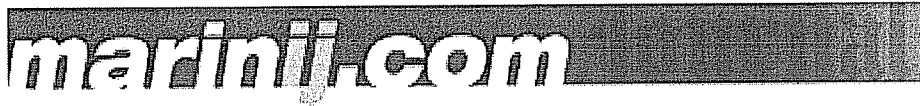
RECOMMENDED ACTION: Information

FINANCIAL IMPACT: \$0.77 per Payment Processed – Goal: \$1,350 annually

The District's accounting software now allows direct deposit of payments to vendors, directors, and employee expense reimbursements. This new feature, which is included in the latest version of our MAS90 Accounting Software just installed, has benefits for both the District and the payee. The District will save on check stock, postage, envelopes, and bank reconciliation time. The payee will receive an email notification of the deposit with a remittance advice attached. The payment will be electronically credited to the payee's account the next banking day (generally Thursday unless it is a holiday) after disbursement approval.

Participants may enroll in Direct Deposit for Disbursements by completing the attached form and returning it to the Accounting Department. Approximately, one week is required for processing. The District's goal is to reduce the 3,500 checks now issued annually by 50%.

BDD misc



Lucas donation allows MALT protection of Corda Ranch

By Rob Rogers
Marin Independent Journal

Posted: 06/01/2011 05:44:54 PM PDT

Thanks to a \$2 million donation by the Lucasfilm Foundation, the Marin Agricultural Land Trust has purchased an agricultural conservation easement on the 1,214-acre Corda Ranch west of Novato.

The donation marks the first time the foundation, a private charitable enterprise founded by filmmaker George Lucas, has provided funding for one of the agricultural trust's endeavors. Many of the 6,100 acres owned by Lucas' Skywalker Properties are protected by MALT easements, which prevent the land they cover from being subdivided or developed for uses other than agriculture.

"As a long-time resident of Marin, the county's natural open spaces are very important to me," Lucas said in a statement. "Since we first made the move here in 1979, we've always worked to preserve the landscape and the environment. We need to respect and protect the land while we're here, so that future generations can also appreciate its beauties and benefits."

The trust's purchase has allowed property owner Fred Corda to consolidate his family's holdings on the ranch. Members of the Corda family have raised beef and dairy cattle on the ranch for four generations, since the early 1900s.

"My brothers and sisters were never on the ranch that much, but they wanted to make

sure that it was kept the way it was, without a lot of buildings around here," Corda said. "We were able to work out a deal where I purchased their property rights from them. It would never have been

done without MALT."

Corda said he plans to continue leasing his pastures to other ranchers, who raise Holstein heifers and beef cattle on the property.

"We're planning on going along the way we've been going, keeping everything the same," Corda said. "My great-grandfather bought the place, and then my grandfather was the first one to live in the house we have here now. We were raised here, and my boys were raised here also, so we've been here a lot of years."

Because the property includes the headwaters of Novato Creek — the primary tributary of Stafford Lake, Novato's drinking water reservoir — North Marin Water District officials have hailed the placement of conservation restrictions on the Corda

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Ranch as a means to preserve the purity of the city's water supply.

Contact Rob Rogers via email at rrogers@marinij.com

"This will be the second ranch on the watershed that will be under a MALT easement," said district General Manager Chris DeGabriele. "We have an agreement with the (Jim) Grossi Ranch to help them fence the riparian area to keep grazing cattle out, and we'll see if that's something the Cordas are interested in doing in the future."

Both Corda and MALT staff members said they had been trying to reach an agreement for several years.

"We'd been working toward closing, had agency funding lined up and then came the bond freeze (in 2008, when the state shut down conservation and restoration projects funded by California park bonds)," said Jeff Stump, easement program director for the land trust. "Then came the downturn in the economy, which had a big impact on the project. So we're very pleased to be able to close the transaction four years later."

The Lucasfilm Foundation provided \$2 million of the \$2.91 million used to purchase the Corda property, with the remainder of the funds coming from the U.S. Department of Agriculture Natural Resources Conservation Service through its Farm and Ranch Lands Protection Program.

Corda, whose home is some eight to 10 miles from Lucas' Skywalker Ranch, said he appreciates the generosity of his neighbor — even though the two have never met.

"I don't really know him," Corda said. "But I know I've got nothing bad to say about him."

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Novato Advance 6/1/11

Water district votes increases for next 3 years

SUBMITTED MATERIAL

On Tuesday, May 24, the North Marin Water District Board of Directors held a public hearing and voted unanimously to enact three annual water rate increases averaging 11 percent each year. The increases will add \$5 per month (\$10 per bimonthly bill) to the cost of water for a typical single-family residence beginning June 2011, another \$5.20 per month beginning June 2012, and an additional \$5.80 per month beginning June 2013.

A survey of 16 Bay Area water agencies shows that the annual cost of water service for the typical NMMWD customer remains below the median of comparison agencies. The district received 281 letters, representing approximately 1 percent of its customer base, protesting the increase. Approximately 20 customers attended the meeting, and six spoke in opposition to the increase. One attendee spoke in favor of the increase.

At the public hearing, NMMWD General Manager Chris DeGabriele provided a 20-minute presentation detailing the need for the rate increase, including:

- The cost of Russian River water, which comprises 80 percent of the district's supply, has doubled over the past 10 years;
- Water sales are at their lowest level since 1983, and significantly below the average over the past 10 years used for prior years budgeting. Additionally, recent legislation now requires that all California urban water agencies reduce per capita water consumption 20 percent by 2020, which means that water demand will never return to earlier levels;
- The district reserve balance fell from \$18.3 million in 2000 to \$4.9 million today, as NMMWD has expended nearly \$50 million on new infrastructure improvements. Improve-

See WATER BOARD A8

WATER BOARD: Absence of connection fees, lower water usage forces board to vote for increased fees

From A5

ments totaling \$25 million were constructed without incurring debt, including four water storage tanks, adding 8.5 million gallons (30 percent) to Novato storage. In addition, the district upgraded and modernized the 50-year-old Stafford Lake Water Treatment Plant and constructed the Deer Island Recycled Water Facility with \$24 million

of low-interest rate state loans. The district's outside auditor has recommended that reserve levels be increased, and NMMWD has set a goal to rebuild its reserves to 90 percent of its annual operating expense (\$10.3 million). DeGabriele informed the public and the board that funds for past projects came principally from new development connection fees. But new construction in Novato has slowed

to a trickle. The board is considering a \$17.6 million budget for next year, and district labor cost comprises 32 percent of that budget. NMMWD's labor force has been reduced 11 percent, and the number of employees per 1,000 water services is now the lowest in district history. Over the next five years the district plans to expand another \$28 million, to both expand the use of recycled water (a new source of supply, funded at

no cost to existing potable water customers, with a 25 percent federal grant and low interest loans); and to enhance NMMWD's water supply reliability with the Aqueduct Energy Efficiency Project (AEEP).

The Cal Trans Marin-Sonoma Narrows Hwy-101 widening project will require relocation of the existing North Marin

Aqueduct, and the AEEP will enlarge the relocated aqueduct to eliminate the need for the Kastania Pump Station, which now operates during the summer to deliver Novato's Russian River water. Caltrans will pay for about 2/3 of the project cost, and NMMWD will finance the remaining \$8 million. Director Dennis Rodoni stated, "The increases we're looking at unfortunately stem from a long time ago. In the '90s and early 2000s we had hardly any or little rate increases. Developers were paying the fees that supported the district reserve. And we're catching the brunt of it now."

For more information, contact DeGabriele at 897-4133.

Director Dennis Rodoni

contact DeGabriele at 897-4133.

BOJ
MISC

North Marin district seeks water rate hike of more than 33 percent over three years

By Rob Rogers
Marin Independent Journal

Posted: 05/23/2011 05:36:43 PM PDT

North Marin Water District officials will weigh a plan to raise customers' water rates by more than 33 percent over three years at their meeting Tuesday.

The increase, if approved, would raise water rates by 11 percent for each of the next three years. Under the plan, residential customers would see their monthly water bill rise by about \$5 a month beginning June 1 — and then jump again by \$5.20 a month on June 1, 2012 and \$5.80 a month on June 1, 2013.

The planned increase follows last year's 9 percent rate hike and a 20 percent increase in 2009.

Water district officials say they need to raise rates in response to lower water use by customers — which, they note, is in part a response to previous rate increases.

"The cost of water for the customers has gone up, so naturally they've taken steps to save money and reduced their demand," said Chris DeGabriele, district general manager. "The last time demand was this low was in the early 1980s. There's been a huge reduction in our water sales volume."

Higher prices aren't the only reason customers have cut back, DeGabriele said. Customers also responded to the district's requests to limit their water usage during

three years of drought. They've also responded to district incentives, such as rebates for low-flow toilets and washing machines.

And while the district plans to cut its rebate program by half this year, its employees will still be encouraging residents

to limit their water use, DeGabriele said — in part because they have to.

"Just as we're raising prices, we're being forced to comply with new state legislation which requires a 20 percent reduction in per capita demand by 2020," DeGabriele said. "There's a real dichotomy in our financial condition. We have to raise our rates, and at the same time, we have to reduce demand in order to meet those state requirements for water conservation. It's a conundrum."

To save money, the district has reduced its workforce by more than 10 percent.

"We're now operating with 2.4 employees for 1,000 services — the lowest ratio in our history," DeGabriele said.



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At the same time, however, the district is on the hook for more than \$25 million in capital improvements, including the rehabilitation of its Stafford Lake treatment plant, the construction of new storage tanks holding more than 8 million gallons and the construction of new water mains.

In the past, many of those projects would have been paid for through fees charged to developers. But new construction in Novato has dwindled to a trickle since the advent of the recession, DeGabriele said. The district's reserve balance has plummeted by 65 percent during the past decade.

"We've made a lot of improvements, but now that \$25 million will have to be financed out of our treasury," DeGabriele said.

And district officials plan to borrow another \$8 million to pay for their aqueduct energy efficiency project. That project, which would allow Novato to receive Russian River water by a more direct route, will save the district money over time by eliminating the need for the Kastania pump station, DeGabriele said. The need to pay for that project is the main reason the district hopes to implement three rate increases at once.

District officials hope that recent efforts to expand the use of recycled water — as well as customer conservation — will help reduce North Marin's demand for Russian River water, which is becoming more expensive. The Sonoma County Water Agency, which provides 80 percent of Novato's water supply, is raising its rates by 5.4 percent effective July 1. The agency previously hiked its rates by 7.5 percent in 2010 and 25 percent in 2009.

"If we can reduce demand, then we can reduce the need for expansion of our supply," DeGabriele said.

Former board member Don Brand said he agrees with the district's need for new revenue — but added that ratepayers may find even one 11 percent increase hard to handle.

"The rates need to be raised, but 11 percent is a little tough to swallow all at once," Brand said. "But certainly, what the people in Sonoma are asking for is what we in Novato are going to have to swallow."

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if you go

The North Marin Water District board will discuss a proposed rate increase at 7:30 p.m. Tuesday, May 24 at district headquarters at 999 Rush Creek Place in Novato.



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May rains promise water-rich summer

By **BOB NORBERG**
THE PRESS DEMOCRAT

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For the third consecutive year, above average rainfall in May has dropped on Santa Rosa and the North Coast, boosting reservoirs and bringing the promise of a water-rich summer.

"Lake Mendocino is basically full," said Sean White, general manager of the Russian River Flood Control and Conservation District in Ukiah. "It is not super full like last year, but hitting the beginning of summer with the reservoir full is great. We have plenty of water this year."

And prospective visitors are aware of the lake's promising condition, said Amanda Hair of the Greater Ukiah Chamber of Commerce.

Calls are coming in daily from people inquiring about camping, hiking and boating at the lake off Highway 101 north of Ukiah.

"We are promoting it to the fullest," Hair said.

Local grocery stores probably get the biggest economic boost from tourism at the lake, she said.

So far in May, Santa Rosa has received 1.17 inches of rain, with the average being 0.88 of an inch. Last year, 2.68 inches of rain fell in May.

For the weather year, which runs July 1 to June 30, Santa Rosa already has received 38.58 inches, well more than the seasonal average of 31.93 inches.

"The wet weather is done for the next seven days," said Steve Anderson, a meteorologist with the National Weather Service in Monterey. "We have high pressure building in as the low moves into the Great Basin, into Utah."

Of the two North Coast reservoirs that Mendocino, Sonoma and Marin counties count on for water, Lake Mendocino is the smallest, but the most important to store water for the fall run of chinook in the Russian River's Ukiah-Cloverdale reach.

A year ago at this time, water covered Lake Mendocino's roads and campgrounds. This year, the level is three to four feet lower and the conditions for camping and boating are ideal.

At 85,864 acre-feet, Lake Mendocino is more than three-quarters of capacity. Lake Sonoma has 242,544 acre-feet, which is almost at capacity.

"The rain has been pretty good, but it hasn't been enough to make us go wow," said Mike Dillabough, an operations chief for the Army Corps of Engineer. "This has helped us keep the levels up, so that there will be more water later in the summer for folks to recreate."

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