

**NORTH MARIN  
WATER DISTRICT**

**NORTH MARIN WATER DISTRICT  
AGENDA - REGULAR MEETING  
June 19, 2012 – 7:30 p.m.  
District Headquarters  
999 Rush Creek Place  
Novato, California**

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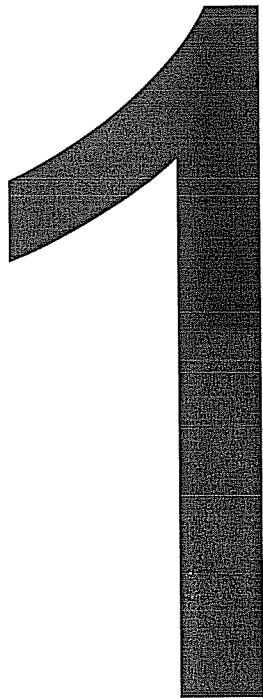
<b>Est. Time</b>	<b>Item</b>	<b>Subject</b>
7:30 p.m.		<b>CALL TO ORDER</b>
	1.	<b>APPROVE MINUTES FROM REGULAR MEETING</b> , June 5, 2012
	2.	<b>GENERAL MANAGER'S REPORT</b>
	3.	<b>OPEN TIME: (Please observe a three-minute time limit)</b>  This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
	4.	<b>STAFF/DIRECTORS REPORTS</b>
	5.	<b>HEARING/APPROVE:</b> Proposed FY 13 Capital Equipment Budget
	6.	<b>HEARING/APPROVE:</b> FY 13 & 14 Novato Capital Improvement Projects Budget
	7.	<b>HEARING/APPROVE:</b> FY 12/13 Proposed Novato Water Operations Budget
	8.	<b>HEARING/APPROVE:</b> FY 13 Proposed Recycled Water System Budget
	9.	<b>MONTHLY PROGRESS REPORT</b>
		<b>CONSENT CALENDAR</b>  The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.
		<b>Consent - Approve</b> Water Service Agreement <u>Type</u> <u>DU</u> <u>EU</u>
10.	Canyon Green Subdivision	SFR    25    32 <i>Resolution</i>
11.	<b>Consent – Approve</b> Revised Resolutions Setting Water Conservation Rebate Amounts	
		<b>ACTION CALENDAR</b>
12.	<b>Approve:</b> Recycled Water North Service Area - Onsite Retrofit Construction Project (Group 1) Award Construction Contract	
13.	<b>Approve:</b> West Marin Loan and Repayment	<i>Resolution</i>

All times are approximate and for reference only.

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

(Continued)

<b>Est. Time</b>	<b>Item</b>	<b>Subject</b>
8:30 p.m.		<b><i>INFORMATION ITEMS</i></b>
	14.	Additional Review – FY 13 West Marin Budgets
	15.	North Bay Water Reuse Authority Board Meeting - May 21, 2012
	16.	Point Reyes Well #3 Replacement Project - California Coastal Commission Consideration
	17.	<b><i>MISCELLANEOUS</i></b> Disbursements Water Bill Terminology - "Service Charge" April 2012 Vehicle/Equipment Auction Sale Report Recycled Water Sub-Committee Meeting Agenda (6/19/12)  <u>News Articles:</u> State fish and game fines help finance variety of Marin nature programs Marin Voice: Keeping our drinking water safe
	18.	<b><i>Closed Session:</i></b> In accordance with California Government Code Section 54957 for Public Employee Performance Evaluation (One), Title: General Manager
9:00 p.m.	19.	<b><i>ADJOURNMENT</i></b>



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**DRAFT**  
**NORTH MARIN WATER DISTRICT**  
**MINUTES OF REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
June 5, 2012

6 **CALL TO ORDER**

7 President Petterle 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, Dennis Rodoni and John  
10 Schoonover. Also present were General Manager Chris DeGabriele, Secretary Renee Roberts,  
11 Auditor-Controller David Bentley and Chief Engineer Drew McIntyre.

12 Novato customer Anne Ferguson, Leonard Charles of Leonard Charles & Associates,  
13 District employees Robert Clark (Operations/Maintenance Superintendent), Doug Moore  
14 (Construction/Maintenance Superintendent), Pablo Ramudo (Water Quality Supervisor) and  
15 Dave Jackson (Associate Engineer) were in the audience.

16 **MINUTES**

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

19 **GENERAL MANAGER'S REPORT**

20 **Valley of the Moon Water District 50<sup>th</sup> Anniversary**

21 Chris DeGabriele reported that he attended the Valley of the Moon Water District 50<sup>th</sup>  
22 Anniversary Open House on Friday, June 1. He said that the event was well-attended and he  
23 will forward the anniversary brochure to the Board for their perusal.

24 **Recycled Water Sub-Committee Meeting Scheduled**

25 Mr. DeGabriele advised that on June 19, the Recycled Water Sub-Committee meeting  
26 will be held at Novato Sanitary District (NSD) and will include representatives from the District,  
27 NSD and Las Gallinas Valley Sanitary District.

28 **General Manager Vacation**

29 Mr. DeGabriele informed the Board that he will be on vacation on June 7 and June 8  
30 and that David Bentley will be Acting General Manager.

1 Customer Request to Address the Board

2 The General Manager informed the Board that Anne Ferguson, is in the audience and  
3 asked for the Board's consideration in removing Agenda Item No. 6, Response to Customer  
4 Complaint Re Bi-Monthly Service Charge, from the consent calendar so that she may address  
5 the Board. The Board concurred.

6 OPEN TIME

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

9 STAFF/DIRECTORS REPORTS

10 President Petterle asked if staff or Directors wished to bring up an item not on the  
11 agenda and there was no response.

12 CONSENT CALENDAR

13 On motion of Director Schoonover, seconded by Director Baker and unanimously  
14 carried, the following item was approved on the Consent Calendar:

15 RECYCLED WATER SOUTH SERVICE AREA - ON-SITE RETROFIT CONSTRUCTION  
16 PROJECT (GROUP 1S) - APPROVE BID ADVERTISEMENT

17 The Board authorized the bid advertisement of the Recycled Water South Service Area -  
18 On-site Retrofit Construction Project (Group 1S). This project will convert six customer sites  
19 from current potable water use for irrigation to recycled water use.

20 RESPONSE TO CUSTOMER COMPLAINT RE BI-MONTHLY SERVICE CHARGE

21 This item was removed from the consent calendar at the request of the General  
22 Manager and with the Board's concurrence, because the customer was in the audience and  
23 wished to address the Board.

24 Mr. DeGabriele stated that Ms. Ferguson wrote a letter to the Board with a complaint  
25 about the bi-monthly service charge. He stated that it was appropriate to respond with a letter  
26 under the President's signature and requested that the Board authorize the President to sign the  
27 draft response letter to the District customer.

28 Anne Ferguson addressed the Board and stated that her concern is with the annual  
29 increases in the water rates and the bi-monthly service charge. She asked why it is necessary  
30 to read the meter every two months, who decides how much to increase the service charge,  
31 what is the increase dependent upon and how is it regulated.

32 President Petterle responded and addressed Ms. Ferguson's questions and concerns.

1 Mr. DeGabriele added that the District has a five-year financial plan to make certain that  
2 costs are recovered and reserves are increased in case of emergency. He explained that the  
3 bi-monthly meter reading of the meter is essential for maintaining the meters and detecting  
4 leaks.

5 On motion of Director Schoonover and seconded by Director Rodoni and unanimously  
6 carried, the Board authorized the President to sign the response letter to Ms. Ferguson.

7 President Petterle asked staff to consider using another word or words to describe the  
8 "bi-monthly service charge" that would be less confusing to customers.

9 ***ACTION CALENDAR***

10 **APPROVE: PURCHASE OF FY13 INSURANCE**

11 Mr. Bentley stated that for the past four years the District purchased an insurance  
12 package policy from Travelers Insurance and that this year the District received a package  
13 proposal from Gallagher Insurance Services to utilize Argonaut Insurance with a lower premium  
14 that will save the District \$47,000 compared to the Travelers policy. He advised that the new  
15 policy will also save the County of Marin \$13,000 because they share in the cost of liability  
16 coverage for the Stafford Dam, and the Operations Budget will also be reduced by \$40,000. Mr.  
17 Bentley stated that the proposed coverage does not include the \$1M limited cybercrime  
18 coverage that would protect the District from electronic fraud; however, the proposed Argonaut  
19 policy does include \$500,000 in computer and fraudulent funds transfer coverage which he  
20 believes to be satisfactory. He advised that only one carrier of seven solicited, New York  
21 Marine and General, provided a proposal for Excess Workers Compensation coverage. Mr.  
22 Bentley stated that the insurance package totals \$120,043 down \$33,000 from last year. He  
23 advised that he sent the policies to the District's risk consultant, Dan Blanquie, for review, and  
24 he concurred that the Argonaut policy is a good policy.

25 On motion of Director Baker, seconded by Director Schoonover and unanimously  
26 carried, the Board authorized the Auditor Controller to enter into an agreement with Gallagher  
27 Insurance Services for Argonaut Insurance Policy and renew the New York Marine and General  
28 Workers Comp Excess Policy for a total of \$120,043.

29 **APPROVE: MARIN CLEAN ENERGY PARTICIPATION**

30 Robert Clark reviewed the Board's past action to approve the District's electrical  
31 services outside of Novato move to Marin Clean Energy (MCE), excluding the Treatment Plants.  
32 He advised that recently, the City of Novato adopted a resolution to join MCE that has allowed

1 the District to choose to have its electrical services within the Novato city limits be included in  
2 the MCE program. Mr. Clark presented a list of the District's 42 electrical services that are now  
3 eligible for the MCE program, and highlighted fifteen services that staff proposes to move to the  
4 MCE program at the light-green option.

5 Mr. Clark provided an analysis of the electricity cost that was incurred over the last 12  
6 months as compared to the proposed Novato MCE energy plan and including Stafford  
7 Treatment Plant solar electricity costs. He stated that although the total cost per kilowatt hour  
8 does not change (average of 17¢/KWH) when moving services to MCE, the renewable energy  
9 supply increases from 8% to 41% of District power coming from a clean renewable source. He  
10 said that staff is recommending that the fifteen proposed District electrical services move to  
11 MCE at the light green option.

12 The Board had several questions that generated a lengthy discussion.

13 Mr. DeGabriele stated that Mr. Clark's recommendation is cost neutral to the District  
14 with the fifteen services at the light green option; and theoretically, there would be no cost  
15 increase for the District's energy billing for the next year. He further stated that were the District  
16 to go to any other alternative, there would be a cost increase; the deep green option would  
17 increase cost to \$78,000 and staff cannot recommend that. He said that what staff is proposing  
18 now is a cost neutral option where the District will participate in MCE in a manner that would be  
19 supportive of MCE but would not add cost to the District's customers.

20 Mr. DeGabriele recommended to the Board that this item be held over to a future  
21 meeting and staff will come back with clearer alternatives for the Board to consider.

22 The Board concurred that no action would be taken at this time.

23 **APPROVE: DISTRICT LABOR COMPLIANCE PROGRAM FOR PROP 84 PROJECTS**

24 Drew McIntyre stated that part of the requirement for the Prop 84 State Bond-funded  
25 projects is that agencies receiving these funds follow certain labor compliance programs as part  
26 of the bond language. He said that the Board has in front of it an application to the State  
27 Department of Industrial Relations outlining the District's Labor Compliance Program. He said  
28 that when the grant funds are ready to be dispersed, the District's Labor Compliance Program  
29 will have already been approved by the District Board. He advised that Novato Sanitary District  
30 will be bringing a similar Labor Compliance Program to their Board this month and the Las  
31 Gallinas Valley Sanitary District has already approved their Labor Compliance Program. Mr.  
32 McIntyre advised the Labor Compliance Program has been reviewed by legal counsel.

1 On motion of Director Schoonover, seconded by Director Baker and unanimously  
2 carried, the Board approved Resolution No. 12-13 entitled, "Resolution of the Board of Directors  
3 of North Marin Water District Approving District Labor Compliance Program."

4 **APPROVE: OCEANA MARIN SEWER LINING PROJECT - APPROVE BID**  
5 **ADVERTISEMENT**

6 Mr. McIntyre stated that the construction phase of Oceana Marin Sewer Lining Project is  
7 included in the proposed FY 12/13 budget. He said that three cross-country sewer lines have  
8 experienced leaks due to root intrusion at the joints. He said that the District has considered  
9 different methods to address the problem. Mr. McIntyre said that because segments of the  
10 pipeline are asbestos-cement (A-C) pipe, the replacement options are limited due to State and  
11 federal regulations prohibiting pipe bursting of A-C pipe. He said the method that is being  
12 considered is cured-in-place pipe lining that will be a continuous internal liner without joints. He  
13 said that the project was originally broken into three individual projects but the mobilization costs  
14 are such that it is more cost-effective to perform the work on all three pipelines at one time. He  
15 said it is anticipated that the bid opening would be in early July with construction completed in  
16 October 2012.

17 On motion of Director Baker, seconded by Director Schoonover and unanimously  
18 carried, the Board authorized the bid advertisement of the Oceana Marin Sewer Lining Project.

19 **APPROVE: PT. REYES WATER TREATMENT PLANT SOLIDS HANDLING FACILITIES**  
20 **PROJECT - REQUEST FOR AUTHORIZATION TO CONDUCT CEQA PUBLIC REVIEW**

21 Mr. McIntyre provided an overview of the Pt. Reyes Water Treatment Plant Solids  
22 Handling Facilities Project and stated that District Associate Engineer Dave Jackson is present  
23 to answer any questions the Board may have and Leonard Charles of Leonard Charles &  
24 Associates will speak about the environmental impacts of the project. He said that the existing  
25 Pt. Reyes Treatment Plant sits on U.S. Coast Guard property and the new facilities will be  
26 constructed on the District-owned property adjacent to the treatment plant and recently acquired  
27 from the Northwestern Pacific Railroad. He stated that this large piece of property will  
28 accommodate the expansion of the treatment plant that includes constructing solids storage  
29 tanks that will hold backwash water and eliminate off-site discharge.

30 Leonard Charles addressed the Board and stated that the solids handling facilities  
31 project is "benign" and the environmental impacts are restricted to the construction phase. He  
32 further stated that once the project is implemented, it will have a beneficial impact to the  
33 environment. He said the construction impacts are straightforward, and a cultural and



1 archeological resource study was conducted and none were found. Mr. Charles stated that a  
2 consulting biologist determined that there was no biological concerns at the site.

3 Director Rodoni asked what are the permitting requirements.

4 Mr. Charles responded that only a Marin County coastal permit would be required  
5 because the project it is not on Coast Guard property.

6 On motion of Director Frites, seconded by Director Baker and unanimously carried, the  
7 Board authorized staff to initiate the CEQA 30-day public review period for the project and to  
8 schedule a public hearing for the August 7, 2012 Board meeting at which time the Board will  
9 consider adoption of the Mitigated Negative Declaration.

10 **APPROVE: POINT REYES WELL #3 REPLACEMENT PROJECT - AWARD CONTRACT**

11 Mr. McIntyre stated that bids were received for the Point Reyes Well #3 Replacement  
12 Project on May 22, 2012, and that he will update the Board on the permitting process before  
13 discussing the bids. He said that the District has the permit approvals from the U.S. Coast  
14 Guard and that the California Coastal Commission (CCC) staff has recommended a Coastal  
15 Development Permit Waiver, a copy of which he received today, and it is expected to be  
16 approved at the CCC June 15 meeting. Mr. McIntyre said that once the waiver is approved, the  
17 County of Marin will issue a permit for the drilling of the well, and stated that District staff is  
18 recommending that the Board move forward with the award of the contract at this time. Mr.  
19 McIntyre summarized the project and reasons why a typical rotary well driller with drilling fluid  
20 was not recommended (due to the close proximity to well No. 2). He advised that a cable tool-  
21 drill method is recommended, however there are no local drillers having the expertise needed.  
22 He said that the rarely used technology as well as mobilization costs resulted in the engineer's  
23 estimate (\$71,000) being significantly lower than the low bid of \$108,885 received from NorCal  
24 Pump & Well Drilling of Yuba City. He further advised that staff would not issue the Notice to  
25 Proceed until official word is received that the Coastal Development Permit Waiver was  
26 approved.

27 On motion of Director Rodoni, seconded by Director Baker and unanimously carried, the  
28 Board approved award of the contract to NorCal Pump & Well Drilling and authorized the  
29 General Manager to execute an agreement with NorCal Pump & Well Drilling.

1 **INFORMATION ITEMS**

2 **PERMITTING FOR DELIVERY OF RECYCLED WATER TO EXISTING CUSTOMERS**

3 Mr. McIntyre stated that as the delivery of recycled water to existing District customers  
4 expands, it is staff's intent that future existing District customers that undergo new or retrofit  
5 recycled water projects be issued a permit but not a separate Recycled Water Service  
6 Agreement. He said that the permit process will be through the District's approved program  
7 from the San Francisco Bay Regional Water Quality Control Board. He advised that in cases  
8 where a new recycled water user is not an existing District customer, a Recycled Water Service  
9 Agreement will be brought before the District Board of Directors for approval.

10 Mr. McIntyre advised the Board that roles and responsibilities of District staff are being  
11 re-assigned, and he presented a table to show the change in departments' responsibilities for  
12 the recycled water retrofits.

13 Director Schoonover asked if there will be a change in labor costs. Mr. McIntyre  
14 responded no, the budgets have already been prepared.

15 President Petterle requested that staff provide the Board a periodic accumulative list of  
16 recycled water customers.

17 **THIRD QUARTER FY 11/12 - WATER QUALITY REPORT**

18 Pablo Ramudo presented the third quarter Water Quality Report. He said that during  
19 this quarter Stafford Lake was not used as a water source, but its water quality was continually  
20 monitored. He said that the lake's algae numbers were high for this time of year. Mr. Ramudo  
21 advised that through the watershed monitoring program, high concentration of nutrients were  
22 detected coming into the lake from the dairy operations, and staff took samples from the creeks  
23 and tributaries to gauge the risk of impacts to water quality. He further advised that staff has  
24 had conversations with the Grossi Ranch about their waste management practices and  
25 requested that manure be spread further away from the creeks that would delay runoff into the  
26 lake.

27 Mr. Ramudo reported that Novato distribution system had good results; there were no  
28 coliform positive samples during this quarter. He said that Crest Tank No. 1 was taken off-line  
29 due to taste and odor problem resulting from the recoating and is now back online.

30 Mr. Ramudo stated that in Point Reyes, raw water quality was adequate, the salt water  
31 intrusion constituents fell slightly and sodium was below notification levels. He advised that a  
32 few complaints of milky water were received, and it was believed to be a naturally occurring

1 event after the rainy season. He said the public was notified that there was no risk to health and  
2 that the cause was due to dissolved oxygen in the water. Mr. Ramudo stated that later it was  
3 discovered that a few feet of pipe had been previously removed from the well during  
4 maintenance. He said the pipe has been replaced (and lowering the pump depth), and  
5 problems with dissolved air has been resolved.

6 Mr. Ramudo advised that Point Reyes Treatment Plant performance was optimal  
7 throughout the quarter and there were no coliform positive samples in the distribution system.

8 **RESPONSE TO MARIN IJ ARTICLE - DR. JASON EBERHART-PHILLIPS: ARE TOXINS ON**  
9 **TAP IN OUR DRINKING WATER?**

10 Mr. DeGabriele stated that the article, "Are Toxins on Tap in Our Drinking Water?" that  
11 appeared recently in the Marin IJ deserves a response from both the District and Marin  
12 Municipal Water District since the article claimed that water from both water districts did not  
13 meet public health goals. He said that staff is collaborating with Marin Municipal on a response;  
14 however, staff has not received authorization from Marin Municipal to submit the response to  
15 the newspaper yet. He opined that the response should come from the water quality staff rather  
16 than from management or the Board. Mr. DeGabriele advised that there have not been any  
17 calls from customers about the article, but staff still intends to respond to the IJ, likely in the  
18 Marin Voice section of the newspaper.

19 **INITIAL REVIEW - FY13 WEST MARIN BUDGETS**

20 David Bentley presented the first of three reviews of the West Marin Water and Oceana  
21 Marin Sewer budgets. He said that a 9% water rate increase is proposed for West Marin Water  
22 and no increase is proposed for Oceana Marin Sewer. He said that a notification letter was  
23 mailed to all West Marin Water customers advising of the rate increase and public hearing and  
24 the District received two protest letters thus far; no phone calls have been received. Mr. Bentley  
25 stated that the significant project, at \$730,000, is the Point Reyes Treatment Plant Solids  
26 Handling Facility and \$400,000 is in the budget for next year for this project. He further stated  
27 that \$140,000 is budgeted for the Well No. 3 Replacement project and that he just learned that a  
28 new Lagunitas Creek Stream Gage will be required to prepare a hydrologic design plan for the  
29 future Gallagher Well project and the cost for that will be included for the next budget review.

30 Mr. Bentley informed the Board that staff is working with Bank of Marin on how to  
31 finance the expenditures for the West Marin projects. He said that Bank of Marin may allow the  
32 District to use a portion of the \$8M loan for the Aqueduct Energy Efficiency Project since that  
33 project is not moving as fast as anticipated; therefore, funds are not being expended as

1 expected. He said that the \$1M loan will be used by West Marin to fully repay the balance of  
2 funds due Novato Water (\$200,000) and finance construction of the Pt. Reyes Treatment Plant  
3 Solids Handling Facility; West Marin Water will then be responsible for 1/8 of the debt service to  
4 Bank of Marin. Mr. Bentley advised that operations expenses are going up about 1% and the  
5 proposed budget projects a net deficit of \$345,000 because of planned draw-down of West  
6 Marin Water cash reserves to construct the solids handling facility.

7 Mr. Bentley reported that the major project for Oceana Marin Sewer is the relining of the  
8 cross-country sewer lines at a budgeted cost of \$275,000. He said that Oceana Marin has  
9 \$350,000 in cash, and this project will draw-down the cash reserves; and depending upon the  
10 bids received for the project, the project cost may generate the need for a rate increase next  
11 year.

12 Mr. Bentley advised that the Coastal Area Cost Comparison still shows West Marin  
13 Water as the low-cost provider, and the Coastal Area Sewer Cost Comparison shows Oceana  
14 Marin ranked third out of six providers.

15 Director Rodoni expressed his concern that the accelerated sewer lining project may  
16 draw down the cash reserves in Oceana Marin and was it too late to consider a rate increase  
17 this year?

18 Mr. Bentley confirmed that it was too late to increase sewer rates this coming fiscal year.

19 **YOUTUBE VIDEO - ABOUT NORTH MARIN WATER DISTRICT**

20 The Board viewed the YouTube video, "About North Marin Water District."

21 **NBWA MEETING - JUNE 1, 2012**

22 Director Fraites provided a brief report on the North Bay Watershed Authority meeting  
23 held on June 1, 2012.

24 **MISCELLANEOUS**

25 The Board received the following miscellaneous items: Disbursements, Letter from City  
26 of Novato Re Clean & Green Day, Water is *Still* Cheap: Demonstrating the True Value of Water,  
27 Accepting the Affordability Challenge, Letter to editor re Water Bill.

28 The Board received the following news articles: We're in Good Shape Water-Wise  
29 Despite Dry Winter, Eel River will see extra water release, and Hearing on water rate increase.

1 **ADJOURNMENT**

2 President Petterle adjourned the meeting at 9:26 p.m.

3 Submitted by

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Renee Roberts

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District Secretary

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**MEMORANDUM**

To: Board of Directors

June 15, 2012

From: David L. Bentley, Auditor-Controller 

Subj: Public Hearing/Approve - Proposed FY13 Capital Equipment Budget  
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**RECOMMENDED ACTION: Approve**

**FINANCIAL IMPACT: \$233,000**

Presented for your third and final review, public hearing and approval is the proposed FY 2012/13 (FY13) Equipment Budget. There have been no changes since the Board's last review of the Equipment Budget on May 15.

FY12 estimated actual expenditures are forecast at \$190,000. The proposed FY13 budgeted equipment expenditures is \$233,000. The 5-Year Financial Plan includes \$250,000 for FY13 Equipment purchases.

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

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

**Recommendation:**

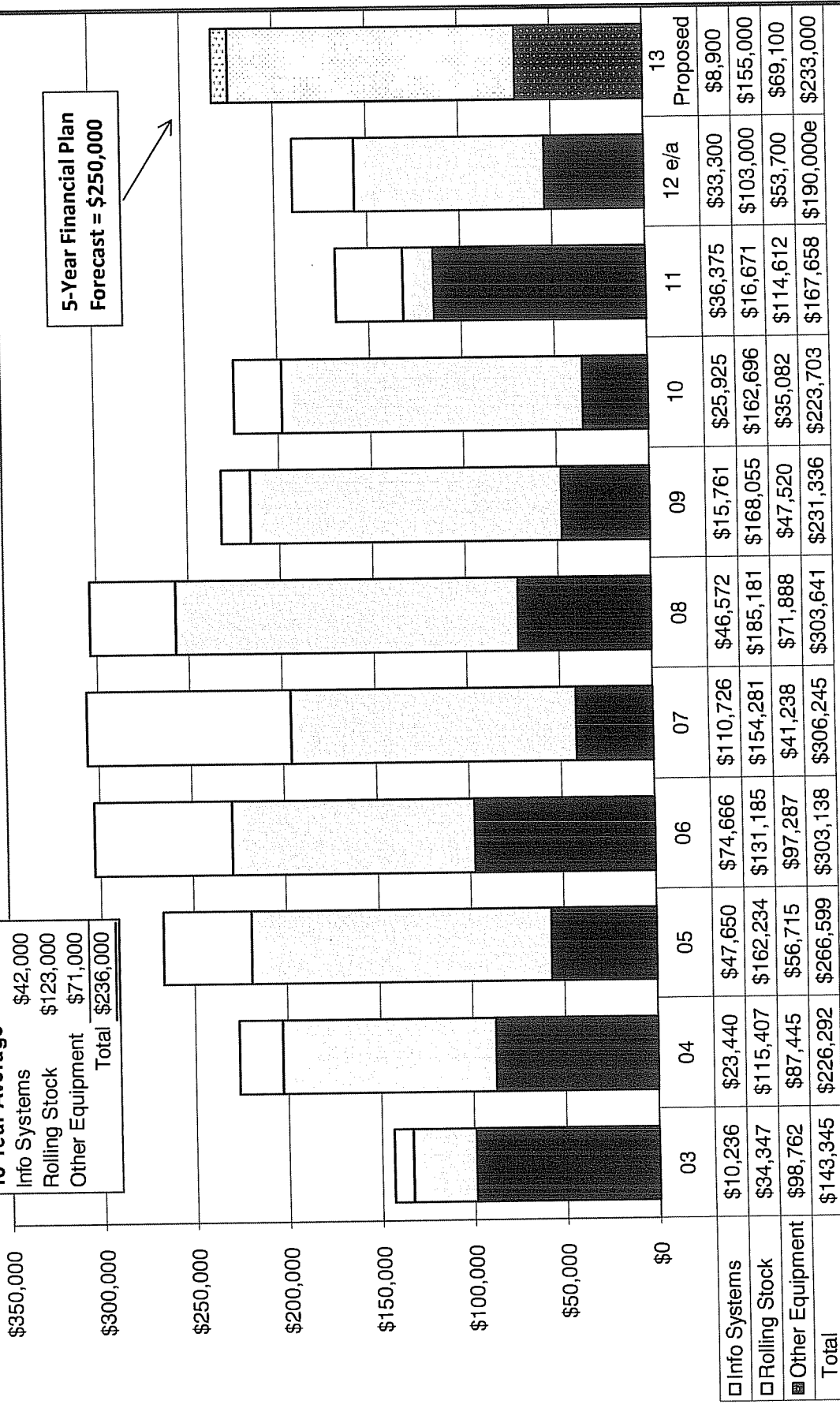
Approve the FY13 Equipment Budget as presented.

# History of Equipment Purchases

4/20/12

<b>10 Year Average</b>	
Info Systems	\$42,000
Rolling Stock	\$123,000
Other Equipment	\$71,000
<b>Total</b>	<b>\$236,000</b>

5-Year Financial Plan  
Forecast = \$250,000



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

	<b>Proposed</b>	<b>Notes</b>	<b>Description</b>
<b>1 INFORMATION SYSTEMS</b>			
<b>Administration</b>			
12101.01.00	\$8,900	1	Upgrade Servers from 2003 to 2008 software. Software already purchased, cost is IT install time.
	<u><b>\$8,900</b></u>		
<b>2 ADMINISTRATION</b>			
12101.01.00	\$25,000	1	Existing 7-year old copier has over 2M copies & is experiencing increasing maintenance problems.
12101.01.00	20,000	1	Manufacturer ceased carrying replacement parts for these 7 year old devices
	<u><b>\$45,000</b></u>		
<b>3 ENGINEERING</b>			
12102.01.00	\$9,000	1	Parts no longer available for existing obsolete copier
	<u><b>\$9,000</b></u>		
<b>4 CONSTRUCTION</b>			
12104.01.00	\$8,600		Additional hose & fittings for trailer-mounted emergency portable pipeline system
	<u><b>\$8,600</b></u>		
<b>5 OPERATIONS</b>			
12108.01.00	6,500	1	Existing STP unit no longer provides consistent and reliable test data.
	<u><b>\$6,500</b></u>		

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

	<b>Proposed</b>	<b>Notes</b>	<b>Description</b>
<b>6 VEHICLE &amp; ROLLING EQUIPMENT EXPENDITURES</b>			
12104.01.00	\$20,000	1	To replace '09 compressor that had an air-end bearing failure (\$6,500 to repair & may not operate correctly)
12104.01.00	65,000	1	To replace '03 Vacuum excavator that is non-compliant w/CARB rules.
12104.01.00	35,000	1	To replace '02 1-ton valve crew truck w/108,000 miles. Engine showing signs of wear, and cab-over design creates back-strain on driver.
12104.01.00	35,000	1	To replace '99 3/4-ton water service response truck w/177,000 miles. Transmission & rear-end worn out.
	<u>\$155,000</u>		
	<u><b>Total</b></u>		<u><b>\$233,000</b></u>

Notes:

- 1 Replacement item.

	<b>RECAP</b>	<b>Adopted</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>Budget</b>	<b>Actual</b>	<b>2011/12</b>	<b>Budget</b>
	<b>2011/12</b>	<b>2011/12</b>	<b>2011/12</b>	<b>2012/13</b>
Equipment	\$85,000	\$87,000	\$78,000	\$78,000
Rolling Stock	103,000	103,000	155,000	155,000
	<u><b>\$188,000</b></u>	<u><b>\$190,000</b></u>	<u><b>\$233,000</b></u>	<u><b>\$233,000</b></u>

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

Updated 4/9/2012

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

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

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

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

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

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

FY15/16	New Item Description	Replacement Item Description	Cost
1	Backhoe 4X4 Diesel	#77 2004 John Deere 310 SG	\$115,000
2	1/2 Ton 4X4, alt fuel w/Tool Box & Radio	#501 2006 Chevy Colorado 4X4	\$25,000
3	Hybrid Car	#56 2005 Honda Civic	\$25,000
Total			\$165,000

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

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

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

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

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

6

**MEMORANDUM**

To: Board of Directors

June 15, 2012

From: David L. Bentley, Auditor-Controller 

Subj: Public Hearing/Approve - FY13 & FY14 Novato Capital Improvement Projects Budget  
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**RECOMMENDED ACTION:** Approve

**FINANCIAL IMPACT:** \$3.1M FY13 & \$4.5M FY14 Gross Expenditure Budget

Presented for your final review, public hearing and approval is the proposed Novato Service Area FY2012/2013 (FY13) and FY2013/2014 (FY14) Capital Improvement Projects Budget. Since the Board's last review on May 15 there has been no change to the recommended budget.

The only significant project (\$500,000 or more) planned over the next two fiscal years is continued work on the Aqueduct Energy Efficiency Project (AEEP), budgeted at \$3.9 million over the next two years, and which is financed with a with a 20-year loan.

A description of each FY13 project is incorporated into the detailed listing attached. The net District outlay for FY13, after deducting \$1.3 million in loan funding for the AEEP Project, stands at \$1.8 million, compared to \$1.6 million approved in FY12.

<b>Project</b>	<b>FY13</b>	<b>FY14</b>
Aqueduct Energy Efficiency Project - Hwy 101 Widening <sup>1</sup>	\$1,300,000	\$2,600,000
Other Projects	<u>\$1,807,000</u>	<u>\$1,880,000</u>
<b>Gross Project Outlay</b>	<b>\$3,107,000</b>	<b>\$4,480,000</b>
Less Loan Funding <sup>1</sup>	<u>(\$1,300,000)</u>	<u>(\$2,600,000)</u>
<b>Net Project Outlay (internally funded)</b>	<b><u>\$1,807,000</u></b>	<b><u>\$1,880,000</u></b>

Both the \$1.8 million and \$1.9 million proposed budgets are less than the \$2 million per year incorporated into the District's 5-Year Financial Plan.

**RECOMMENDATION:**

Approve the FY13 & FY14 Capital Improvement Projects Budget as presented.

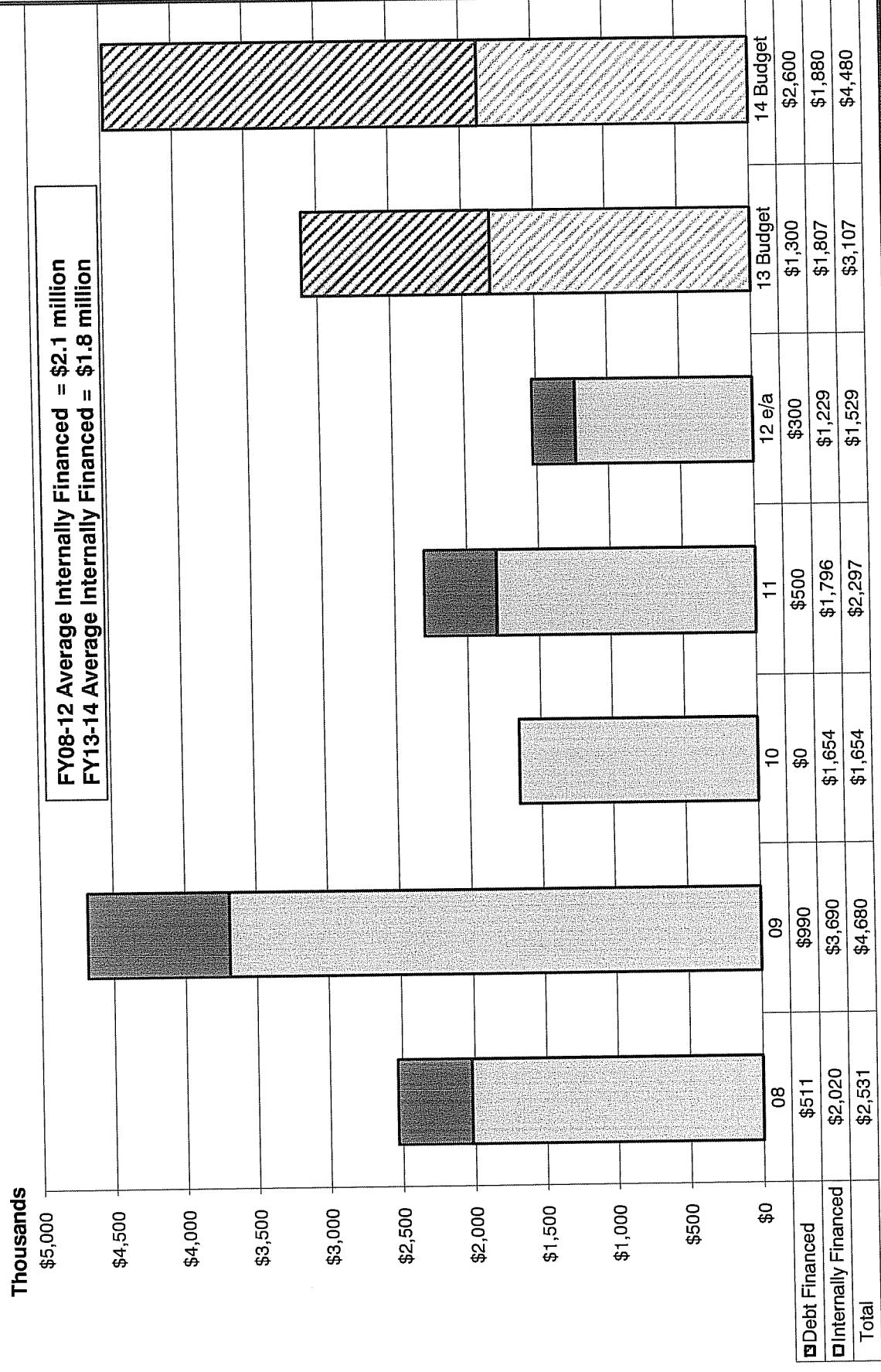
<sup>1</sup> The Aqueduct Energy Efficiency Project is funded with a 3.5% \$7M 20-year Bank of Marin loan.



### Novato Water Capital Improvement Project Expenditures

6/14/12

FY08-12 Average Internally Financed = \$2.1 million  
 FY13-14 Average Internally Financed = \$1.8 million



Debt Financed  
 Internally Financed  
 Total

**Proposed Capital Improvement Projects**

6/8/12

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**FY13 Budget FY14 Budget FY13 Project Description**

1. PIPELINE REPLACEMENTS/ADDITIONS		
a. Main/Pipeline Replacements		
1	STP Trans Line Repair (13,200')	Assess condition & spot repair 18" concrete pipe
		\$160,000
2	So Novato Blvd - Rowland to Sunset (12"CI@1,500')	\$200,000
3	Other Pipeline Replacements (60+ years old)	\$175,000
		\$375,000
b. Main/Pipeline Additions		
1	Digital to Leveroni Looping (12"@600')	Enhance fire flow and provide additional reliability
		\$130,000
2	Delong to Cain Looping (8"@400')	Enhance fire flow and provide additional reliability
		\$100,000
3	Other Main/Pipeline Additions	\$200,000
		\$230,000
c. Polybutylene Service Line Replacements		
1	Pacheco Valle (42 Services)	Ongoing Polybutylene service line replacement program
		\$84,000
2	Replace PB in Sync w/City Paving (45 Svcs)	PB service replacement coordinated with City Overlay Program
		\$90,000
3	Other PB Replacements	\$85,000
		\$174,000
d. Relocations to Sync w/City & County CIP		
1	Other Relocations	Relocate facilities for as yet unidentified City/County Projects
		\$80,000
		\$80,000
e. Aqueduct Replacements/Enhancements		
1	Energy Efficiency Proj-Hwy 101 Widening	North Marin Aqueduct upsizing/relocation
		\$1,300,000
		\$2,600,000
		\$1,944,000
		\$3,430,000

**Proposed Capital Improvement Projects**

6/8/12

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**FY13 Budget FY14 Budget FY13 Project Description**

**3. BUILDING, YARD, STP, IMPROVEMENTS**

a.	Administration Building	\$50,000	Manage creation, storage, retrieval and expiry of digital documents
1	Electronic Document Management System	\$50,000	
2	Other Admin Building Improvements	\$25,000	Repairs/enhancements identified during the year
		\$75,000	
b.	Corp. Yard/Warehouse/Construction Office		
1	SMART Crossing Upgrade (@ Golden Gate Pl)	\$58,000	Shared Cost with Golden Gate Transit
2	Other Yard Improvements	\$15,000	Repairs/enhancements identified during the year
		\$73,000	
c.	Stafford Treatment Plant		
1	Watershed Erosion Control	\$25,000	STRAW Project (\$9K) & Dairy Nutrient Control
2	Leveroni Creek Bank Repair	\$145,000	Creek bank erosion control/restoration
3	Dam Concrete Apron Repair	\$50,000	2nd phase of concrete patch repairs to west face of the dam
4	Start-up Flushing Connection	\$200,000	To allow flushing the Novato Blvd main from Sutro back to STP with Zone 2 water.
5	STP Discharge/Treatment	\$30,000	
6	Coat Concrete Clearwells (Both Units)	\$450,000	
7	Other Treatment Plant Improvements	\$50,000	
		\$420,000	
		\$568,000	
		\$595,000	

**4. STORAGE TANKS/PUMP STATIONS**

a.	Lynwood P.S. Motor Control Center	\$265,000	Move motor controls above-ground.
b.	Pacheco Tank C12 Mixing System	\$30,000	Balance of work to install pump mixing and chlorine injection system
c.	Relocate School Road/Crest P.S. (Design/Construct)	\$100,000	
		\$295,000	

**GROSS PROJECT OUTLAY \$3,107,000 \$4,480,000**

7

**MEMORANDUM**

To: Board of Directors

June 15, 2012

From: David L. Bentley, Auditor-Controller 

Subj: Final Review/Public Hearing – FY12/13 Proposed Novato Water Operations Budget  
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**RECOMMENDED ACTION:** Approve

**FINANCIAL IMPACT:** \$18.3 Million Expenditure Plan for FY12/13

The Public Hearing to consider the FY2012/2013 (FY13) Novato Potable Water budget was advertised in the June 13 edition of the Novato Advance (Attachment A), inviting the public to attend or submit comments. No comments have been received to date.

**Budget Changes**

Since the Board's last review on May 15, the projected FY13 Novato surplus has decreased by \$177,000, to \$940,000. The detail is as follows:

Reduce FY13 Water Sales based on Spring 2012 Data	(\$80,000)
Reduce Insurance Premium based on Argonaut Proposal	\$39,000
FY13 Repayment from West Marin Water Reduced (paid in FY12)	(\$200,000)
1/8th of \$8M Bank of Marin Loan Payment to West Marin Water	\$69,000
CalPERS Health Care 9.6% Rate Increase	(\$5,000)
	<u>(\$177,000)</u>

**Budget Summary**

The FY13 budget proposed herein projects a net "bottom line" surplus of \$940,000. The June 1, 2012 11% rate increase adds \$1.5 million to budgeted revenue during FY13. Total budgeted outlay, at \$17.4 million, is down 3% from the \$17.9 million budgeted in FY12.

The \$940,000 budgeted surplus compares to a FY12 budgeted deficit of \$583,000 and projected FY12 actual surplus of \$3.9 million. The \$4.5 million difference between the budgeted deficit and projected actual surplus is attributable primarily to the Aqueduct Energy Efficiency Project, for which \$8 million<sup>1</sup> was borrowed during FY13, and only \$300,000 of the anticipated FY12 \$2.7 million expenditure plan was realized.

Water sales volume is again conservatively budgeted at 2.7 billion gallons, slightly below the 2.8 billion gallons estimated for the current year. Consumption remains 25% below the pre-recession level, and is on par with consumption last seen in the early 1980s.

On a standardized accounting basis, the budget projects a Net Income of \$884,000.

<sup>1</sup> \$1 million of the \$8 million Bank of Marin loan will be credited to the West Marin Water System.

**Budget Detail**

Water sales volume is budgeted at 2.7 BG, which is 3.5% below the current fiscal year estimated actual, but 16% below the 10-year average. The chart on page 6 of the budget document shows a 10-year history of billed consumption.

The 11% rate increase is structured as a 25% increase in the service charge and a 7% increase in the commodity rate. The service charge increased on June 1, 2012, from \$20 bimonthly to \$25 (\$2.50 per month) for 70% of the customer base that has a 5/8" meter. The rate increase will generate \$1.5 million in additional revenue next fiscal year.

**Other Revenue** – Connection Fee revenue is budgeted at \$860,000, or 30 equivalent dwelling units, consistent with the District's 5-Year Financial Plan. This budget projection compares with \$969,000 revenue estimated for the current fiscal year.

<b>FY13 PROJECTS</b>	<b>Description</b>	<b>DU</b>	<b>EDU</b>	<b>Projected FRC Contribution</b>
Canyon Green	SF Residential	25	17	\$486,000
Other / Unidentified	SF/Govt/Commercial		13	372,000
			30 <sup>1</sup>	\$860,000

<sup>1</sup> 30 EDU is consistent with the five-year financial plan.

The wheeling charge to Marin Municipal Water District is budgeted at \$252,000 (\$40/AF for 6,600AF, or 2.15 billion gallons). While negotiations with MMWD concerning the wheeling charge have not yet concluded, the \$40 rate has been incorporated into MMWD's FY13 budget. This is a 4-fold increase over the current rate, and represents NMWD's beneficial enjoyment of the Aqueduct Energy Efficiency Project. Historically, about 75% of the Russian River water wheeled to MMWD is taken off-season (November through May).

Funds in the District's treasury are budgeted to earn an average interest rate of 0.4%. Miscellaneous Revenue includes income from the cellular phone tower lease on Little Mountain (\$15,900), Indian Valley Golf Club lease (\$9,700), a grazing lease (\$1,800), rental of the District's security apartment (\$10,400), rental of the Point Reyes home (\$25,200 – which amount includes in-lieu labor), and rental of the Pacheco Valle tennis courts (\$2,000).

The Recycled Water System is budgeted to repay \$1.7 million to Novato Water in FY13 for monies loaned in FY12 to expand the recycled water distribution system pending receipt of grant and SRF loan funds.

## **Operating Expenditures**

**Total Operating Expenditures** are projected to increase 3% (\$467,000) from the FY12 budget and are down 1% from the FY12 estimated actual operating expense. Details of some of the individual components of the Operating Expenditure Budget follow.

**Source of Supply** is budgeted to increase 14% (\$549,000) from this year's budget. Volume purchased from Sonoma County Water Agency is forecast to increase by 4% to offset a projected decrease in Stafford Lake production. SCWA's wholesale water rate will increase 4% to \$2,203 per MG. The wholesale rate increase and additional purchase volume will add \$310,000 to the District's cost of purchased water. In addition, the Wohler Pipeline and Collector #6 debt service component of the SCWA water rate will henceforth be accounted for as purchased water cost, rather than debt service, to enhance the District's debt coverage ratio, a metric that lenders watch closely. This change adds \$225,000 to purchased water cost, but reduces debt service expense by the same amount. Stafford Lake production, budgeted at 750 MG (2,300 acre-feet), will make up the balance of demand, resulting in a total budgeted potable production of 2.7 BG.

**Water Treatment** is budgeted to decrease 9% (\$173,000) from this year's budget. A reduction in regular employee time (1,215 hours), overtime (250 hours) and temporary employee time (1,500 hours) devoted to operating the treatment plant combine to generate the budgeted savings. Power cost is budgeted at 17¢/kWh in accord with the Photovoltaic Power Purchase Agreement. Normal rainfall is assumed for next winter allowing the Stafford Treatment Plant to produce 750 MG (2,300 AF) next fiscal year.

**Transmission & Distribution** is budgeted to increase 11% (\$254,000) from this year's budget. Approximately half of the increase derives from the return of engineering staff time to their normal transmission and distribution duties. This year's budget saw significant Engineering staff time redirected toward the initiation of the recycled water system expansion. The other half of the increase is primarily additional materials, supplies and paving to respond to an increase in failed polybutylene services lines, which cost over the past two years has significantly exceeded budgeted projections.

**Water Conservation** expense is budgeted to remain flat at \$400,000 in accordance with the 5-Year Financial Plan. The District is eligible for State grant funding (Proposition 84) to increase water conservation rebate amounts in FY13, which will not impact the expenditure plan.

**General Administration** is budgeted to decrease 14% (\$228,000) from this year's budget. FY13 is an off-year for elections, allowing elimination of \$60,000 for County Election Department expense. A \$52,000 reduction in the budget for Consulting Services/Studies is attributable to partial completion of the Master Plan (updated every five years). \$44,000 is carried over to complete the plan in FY13. Two retirements in the Administration division (District Secretary and Accounting Clerk II) are anticipated and will allow for reorganization in the office that will result in a staffing reduction. Insurance expense (Property, liability, etc.) will decrease 24% (\$32,000) compared with the current budget based on the insurance package approved at the last meeting.

**Staffing** - The proposed budget includes a staffing level of 51.5 full-time equivalent (FTE) employees, down 1.0 FTE (2%) from the current year budget. Two Administration Department employees are anticipated to retire mid-way through the fiscal year. By fiscal year end total staffing will be 50.5 FTE, which is down 8.6 FTE (15%) from the adopted FY08 budget.

<u>FTE Staffing</u>	<u>FY13</u>	<u>FY12</u>	<u>Position Impacted</u>
Administration	7.6	7.6	
Customer Accounting	6.2	7.2	Account Credit Clerk
Construction/Maintenance	10.0	10.0	
Engineering	8.7	8.7	
Maintenance	8.0	8.0	
Operations	6.0	6.0	
Water Quality	<u>5.0</u>	<u>5.0</u>	
	<u>51.5</u>	<u>52.5</u>	

Temporary staffing has been reduced by 43%, to 5,260 hours, budgeted as follows:

<u>Temporary Staffing Hours</u>	<u>FY13</u>	<u>FY12</u>	<u>Reason for Change</u>
Administration	0	0	
Customer Accounting	1,750	1,000	Lunch/vacation phone coverage
Construction/Maintenance	750	3,000	Assistance from Ops Department
Engineering	2,500	2,500	
Maintenance	260	1,190	Assistance from Ops Department
Operations	0	1,500	
Water Quality	<u>0</u>	<u>0</u>	
	<u>5,260</u>	<u>9,190</u>	



For budgeting purposes, a 3% cost-of-living salary increase has been factored into the budget effective October 1, 2012. A 3% adjustment would increase total salaries by \$88,000, pushing up the total overheaded cost of payroll by \$121,000 (1.9%).

The CalPERS retirement contribution rate will increase 0.8% (to 26.974%), adding \$33,000 to the payroll. The CalPERS Board approved a 9.6% group health insurance increase effective January 1, 2013. This exceeds the 7% average rate of increase over the past 5 years, and increases budgeted labor cost by \$31,000. The cost for first dollar worker's compensation insurance is projected to remain unchanged at \$159,000, consistent with the low-cost proposal received last June. This market value factor is used to calculate savings (or loss) accrued through self-insuring workers' compensation coverage.

Total budgeted operating expenditures are up \$467,000 compared to the adopted FY12 budget. An analysis of the significant differences between the FY12 budget and the proposed FY13 operating budget follows, listed in decreasing order.

<b>Component</b>	<b>Increase/ (Decrease) vs. FY12 Budget</b>	<b>FY13 % Change</b>
Purchased Water Cost	\$535,000	14%
Depreciation Expense	60,000	3%
Distributed G&A	(7,000)	-1%
Vehicle Expense	(33,000)	-14%
Labor	(34,000)	-1%
Materials, Services & Supplies	(54,000)	-2%
Net Increase	<u>\$467,000</u>	<u>3%</u>

**Staff Recommendation:**

- 1) Approve the FY12/13 Novato Operating Budget as presented;
- 2) Authorize the General Manager to pay demands arising from execution of the budgeted expenditure plan.

*Novato Advance*

*6/13/12*

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## PUBLIC NOTICES

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**NORTH MARIN WATER  
DISTRICT -  
NOTICE OF PUBLIC  
HEARING**

A Public Hearing will be held to consider adoption of the Fiscal Year 2012-2013 North Marin Water District Budgets for the Novato Service Area on Tuesday, June 19, 2012 at 7:30 p.m. at District Headquarters, 999 Rush Creek Place, Novato, CA.

The proposed Novato Water budgets total \$23 million and reflect the water rate increases approved at a Special Meeting of the District Board of Directors held on May 24, 2011.

**INVITATION/  
INFORMATION:**

You are cordially invited to attend the hearing or mail your written comments. Should you have any questions or wish more detailed information, please call 897-4133 and ask for Renee Roberts.  
#20387

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Proposed

**BUDGET**

*Final Review/Public Hearing*

**Novato**  
**Operating Budget**

FISCAL YEAR

**2012-13**

***NORTH MARIN WATER DISTRICT***

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

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NORTH MARIN WATER DISTRICT  
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Novato Water - Operating Expense History..... 7

**NOVATO WATER  
BUDGET SUMMARY  
Fiscal Year 2012/13**

	<b>Proposed Budget 2012/13</b>	<b>Estimated Actual 2011/12</b>	<b>Adopted Budget 2011/12</b>	
<b>OPERATING INCOME</b>				
1	<b>Water Sales</b>	\$15,150,000	\$14,130,000	\$13,660,000
2	<b>Wheeling &amp; Misc Service Charges</b>	<b>443,000</b>	233,000	238,000
3	<b>Total Operating Income</b>	<b>\$15,593,000</b>	\$14,363,000	\$13,898,000
<b>OPERATING EXPENDITURES</b>				
4	<b>Source of Supply</b>	<b>\$4,461,000</b>	\$5,160,000	\$3,912,000
5	<b>Pumping</b>	<b>337,000</b>	291,000	335,000
6	<b>Operations</b>	<b>523,000</b>	628,000	506,000
7	<b>Water Treatment</b>	<b>1,732,000</b>	1,602,000	1,905,000
8	<b>Transmission &amp; Distribution</b>	<b>2,536,000</b>	2,269,000	2,282,000
9	<b>Consumer Accounting</b>	<b>542,000</b>	550,000	556,000
10	<b>Water Conservation</b>	<b>400,000</b>	262,000	400,000
11	<b>General Administration</b>	<b>1,409,000</b>	1,340,000	1,637,000
12	<b>Depreciation Expense</b>	<b>2,360,000</b>	2,330,000	2,300,000
13	<b>Total Operating Expenditures</b>	<b>\$14,300,000</b>	\$14,432,000	\$13,833,000
14	<b>NET OPERATING INCOME (LOSS)</b>	<b>\$1,293,000</b>	(\$69,000)	\$65,000
<b>NON-OPERATING INCOME/(EXPENSE)</b>				
15	<b>Interest Revenue</b>	<b>\$60,000</b>	\$68,000	\$48,000
16	<b>Bond &amp; Loan Interest Expense</b>	<b>(582,000)</b>	(546,000)	(781,000)
17	<b>Miscellaneous Revenue/(Expense)</b>	<b>113,000</b>	146,000	123,000
18	<b>Total Non-Operating Income/(Expense)</b>	<b>(\$409,000)</b>	(\$332,000)	(\$610,000)
19	<b>NET INCOME/(LOSS)</b>	<b>\$884,000</b>	(\$401,000)	(\$545,000)
<b>OTHER SOURCES/(USES) OF FUNDS</b>				
20	<b>Add Depreciation Expense</b>	<b>\$2,360,000</b>	\$2,330,000	\$2,300,000
21	<b>Connection Fees</b>	<b>860,000</b>	969,000	570,000
22	<b>Capital Equipment Expenditures</b>	<b>(233,000)</b>	(190,000)	(182,000)
23	<b>Capital Improvement Projects</b>	<b>(3,107,000)</b>	(1,529,000)	(4,286,000)
24	<b>Bond &amp; Loan Principal Payments</b>	<b>(1,069,000)</b>	(990,000)	(890,000)
25	<b>Loan Proceeds - AEEP</b>	<b>0</b>	7,000,000	2,700,000
26	<b>Loan (To)/Repayment From WM Water</b>	<b>0</b>	357,000	(125,000)
27	<b>Loan (To)/Repayment From RWS</b>	<b>1,712,000</b>	(2,434,000)	0
28	<b>Connection Fee Transfer to RWS</b>	<b>(467,000)</b>	(1,168,000)	(125,000)
29	<b>Total Other Souces/(Uses)</b>	<b>\$56,000</b>	\$4,345,000	(\$38,000)
30	<b>NET SURPLUS/(DEFICIT)</b>	<b>\$940,000</b>	\$3,944,000	(\$583,000)

# NOVATO WATER OPERATING BUDGET DETAIL

Fiscal Year 2012/13

	Proposed Budget 12/13	Estimated Actual 11/12	Adopted Budget 11/12	Actual 10/11	Actual 09/10	Actual 08/09	Actual 07/08	Actual 06/07
<b>STATISTICS</b>								
1 Active Meters	20,550	20,500	20,520	20,464	20,438	20,416	20,366	20,325
2 Avg Commodity Rate/1,000 Gal	\$4.31	\$4.03	\$4.03					
3 Potable Consumption (BG)	2.70	2.81	2.70	2.79	2.87	3.29	3.29	3.53
<b>OPERATING INCOME</b>								
4 Water Sales	\$15,150,000	\$14,130,000	\$13,660,000	\$12,661,401	\$11,251,832	\$11,067,484	\$10,384,740	\$10,601,455
5 Sales to MMWD	0	0	0	0	0	351,154	0	0
6 Wheeling Charges-MMWD	252,000	65,000	70,000	53,662	67,180	75,090	76,588	74,962
7 SCWA Water Conservation Reimb	0	0	0	0	21,450	0	359,748	283,242
8 Miscellaneous Service Revenue	191,000	168,000	168,000	145,787	140,796	145,663	161,238	234,539
<b>9 TOTAL OPERATING INCOME</b>	<b>\$15,593,000</b>	<b>\$14,363,000</b>	<b>\$13,898,000</b>	<b>\$12,860,850</b>	<b>\$11,481,258</b>	<b>\$11,639,391</b>	<b>\$10,982,314</b>	<b>\$11,194,198</b>
<b>OPERATING EXPENSE</b>								
<b>SOURCE OF SUPPLY</b>								
10 Supervision & Engineering	\$15,000	\$9,000	\$6,000	\$8,965	\$2,007	\$2,120	\$2,391	\$15,420
11 Operating Expense - Source	11,000	8,000	6,000	5,927	5,745	4,702	3,109	6,709
12 Maintenance/Monitoring of Dam	28,000	25,000	28,000	8,290	8,741	7,583	6,078	5,768
13 Maintenance of Lake & Intakes	16,000	11,000	16,000	8,619	8,072	7,990	3,063	28
14 Maintenance of Watershed	39,000	0	38,000	2,152	7,352	28,126	9,177	12,506
15 Water Purchased for Resale to MMWD	0	0	0	0	0	171,447	0	0
16 Water Quality Surveillance	12,000	17,000	13,000	12,377	13,138	8,448	9,272	9,659
17 Contract Water - SCWA	4,340,000	5,090,000	3,805,000	3,790,789	3,441,147	3,728,052	3,738,218	4,452,191
<b>19 TOTAL SOURCE OF SUPPLY</b>	<b>\$4,461,000</b>	<b>\$5,160,000</b>	<b>\$3,912,000</b>	<b>\$3,837,119</b>	<b>\$3,486,202</b>	<b>\$3,958,468</b>	<b>\$3,771,308</b>	<b>\$4,502,281</b>
<b>PUMPING</b>								
20 Operating Expense	\$7,000	\$0	\$7,000	\$641	\$8,367	\$8,567	\$13,333	\$27,117
21 Maintenance of Structures/Grounds	37,000	30,000	38,000	17,153	18,600	23,080	15,909	17,736
22 Maintenance of Pumping Equipment	62,000	36,000	59,000	17,354	10,751	8,807	61,907	16,966
23 Electric Power - Pumping	231,000	225,000	231,000	233,222	200,318	249,190	227,916	245,797
<b>24 TOTAL PUMPING</b>	<b>\$337,000</b>	<b>\$291,000</b>	<b>\$335,000</b>	<b>\$268,370</b>	<b>\$238,036</b>	<b>\$289,644</b>	<b>\$319,065</b>	<b>\$307,616</b>
<b>OPERATIONS</b>								
25 Supervision & Engineering	\$143,000	\$183,000	\$149,000	\$185,361	\$176,082	\$168,202	\$188,926	\$155,660
26 Operating Expense	199,000	247,000	187,000	191,713	212,126	235,230	127,350	172,985
27 Maintenance Expense	92,000	108,000	87,000	94,633	84,121	89,775	112,461	108,197
28 Telemetry Equipment/Controls Maint	68,000	71,000	62,000	83,047	67,051	39,201	37,610	19,979
29 Leased Line Expense	21,000	19,000	21,000	20,841	20,547	20,342	19,601	41,809
<b>30 TOTAL OPERATIONS</b>	<b>\$523,000</b>	<b>\$628,000</b>	<b>\$506,000</b>	<b>\$575,595</b>	<b>\$559,927</b>	<b>\$552,750</b>	<b>\$485,948</b>	<b>\$498,630</b>

# NOVATO WATER OPERATING BUDGET DETAIL

Fiscal Year 2012/13

	Proposed Budget 12/13	Estimated Actual 11/12	Adopted Budget 11/12	Actual 10/11	Actual 09/10	Actual 08/09	Actual 07/08	Actual 06/07
<b>WATER TREATMENT</b>								
31	Supervision & Engineering	\$102,000	\$105,000	\$121,459	\$122,312	\$113,175	\$99,218	\$101,646
32	Operating Expense	273,000	220,000	320,882	365,305	247,309	357,877	363,204
33	Purification Chemicals	425,000	263,000	464,140	415,486	293,888	221,597	63,179
34	Sludge Disposal	83,000	110,000	84,618	69,209	40,163	49,299	34,844
35	Maintenance of Structures/Grounds	82,000	82,000	71,772	83,411	115,686	91,550	79,359
36	Purification Equipment Maintenance	132,000	137,000	105,217	157,642	204,217	203,622	90,608
37	Electric Power - Treatment	108,000	114,000	128,913	129,930	99,184	113,732	88,596
38	Laboratory Expense (net)	560,000	574,000	517,044	495,239	479,970	398,173	401,520
39	<b>TOTAL WATER TREATMENT</b>	<b>\$1,732,000</b>	<b>\$1,602,000</b>	<b>\$1,814,045</b>	<b>\$1,838,534</b>	<b>\$1,593,592</b>	<b>\$1,535,068</b>	<b>\$1,222,956</b>
<b>TRANSMISSION &amp; DISTRIBUTION</b>								
40	Supervision & Engineering	\$490,000	\$427,000	\$466,110	\$528,659	\$560,968	\$524,345	\$522,663
41	Maps & Records	131,000	98,000	74,154	98,187	74,786	105,509	48,957
42	Operation of T&D System	411,000	488,000	422,375	448,650	420,639	439,348	395,866
43	Storage Facilities Expense	155,000	150,000	158,247	164,316	149,759	129,944	115,457
44	Maintenance of Valves & Regulators	256,000	102,000	190,866	190,255	131,094	107,354	165,842
45	Maintenance of Mains	154,000	50,000	146,814	102,633	108,752	143,525	119,713
46	Backflow Prevention Program	88,000	90,000	124,121	93,754	86,630	108,835	76,174
47	Maintenance of Copper Services	202,000	203,000	164,388	199,807	211,630	181,161	233,355
48	Maintenance of PB Service Lines	377,000	480,000	347,802	263,714	250,024	287,813	258,788
49	Maintenance of Meters	158,000	123,000	146,170	143,691	148,112	135,370	125,337
50	Detector Check Assembly Maint	54,000	34,000	36,509	41,557	30,488	26,483	34,177
51	Maintenance of Hydrants	60,000	24,000	50,354	77,038	62,794	74,700	42,474
52	<b>TOTAL TRANSMISSION &amp; DISTRIB</b>	<b>\$2,536,000</b>	<b>\$2,269,000</b>	<b>\$2,327,910</b>	<b>\$2,352,261</b>	<b>\$2,235,676</b>	<b>\$2,264,387</b>	<b>\$2,138,803</b>
<b>CONSUMER ACCOUNTING</b>								
53	Meter Reading & Collection	\$167,000	\$167,000	\$142,581	\$142,956	\$140,851	\$132,653	\$146,286
54	Billing & Accounting	270,000	280,000	282,046	260,428	236,740	225,062	221,764
55	Contract Billing	19,000	18,000	18,285	18,590	18,504	18,513	18,292
56	Postage & Supplies	67,000	64,000	70,347	64,698	58,062	51,960	49,729
57	Uncollectible Accounts	28,000	28,000	32,723	35,190	28,022	13,507	10,412
58	Office Equipment Expense	6,000	8,000	9,835	5,048	14,471	14,585	17,208
59	Distributed to Other Operations	(15,000)	(15,000)	(15,762)	(15,694)	(15,147)	(14,205)	(14,200)
60	<b>TOTAL CONSUMER ACCOUNTING</b>	<b>\$542,000</b>	<b>\$550,000</b>	<b>\$540,055</b>	<b>\$511,216</b>	<b>\$481,503</b>	<b>\$442,075</b>	<b>\$449,491</b>

# NOVATO WATER OPERATING BUDGET DETAIL

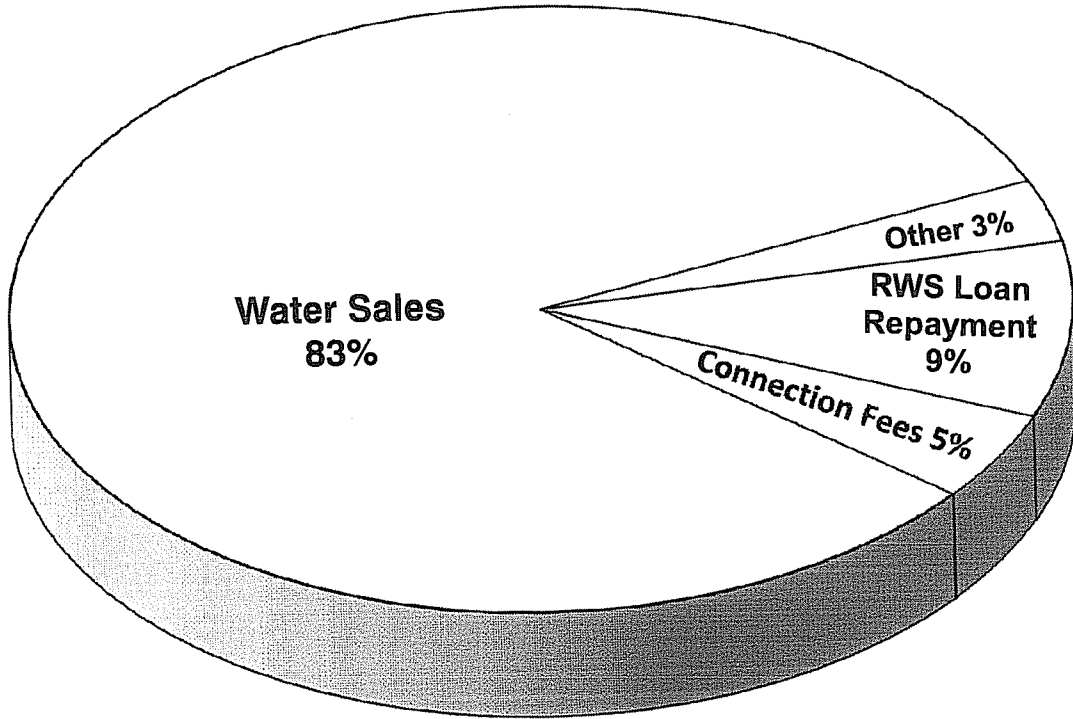
Fiscal Year 2012/13

	Proposed Budget 12/13	Estimated Actual 11/12	Adopted Budget 11/12	Actual 10/11	Actual 09/10	Actual 08/09	Actual 07/08	Actual 06/07
<b>WATER CONSERVATION</b>								
61 Residential	\$298,000	\$209,000	\$287,000	\$338,093	\$438,668	\$438,588	\$457,600	\$253,540
62 Commercial	25,000	1,000	29,000	15,423	2,707	28,344	9,415	11,454
63 Public Outreach/Information	50,000	37,000	54,000	19,047	26,548	20,679	27,483	24,515
64 Large Landscape	27,000	15,000	30,000	10,337	10,695	19,649	26,120	16,751
<b>TOTAL WATER CONSERVATION</b>	<b>\$400,000</b>	<b>\$262,000</b>	<b>\$400,000</b>	<b>\$382,900</b>	<b>\$478,618</b>	<b>\$507,260</b>	<b>\$520,618</b>	<b>\$306,260</b>
<b>GENERAL &amp; ADMINISTRATION</b>								
65 Director's Expense	\$15,000	\$15,000	\$15,000	\$15,100	\$16,200	\$15,000	\$14,600	\$14,300
66 Legal Fees	11,000	5,000	11,000	8,572	59,818	9,933	7,824	34,013
67 Auditing Services	21,000	29,000	29,000	27,800	31,100	30,000	22,000	15,250
68 Human Resources	31,000	22,000	31,000	32,112	33,080	31,848	26,923	37,051
69 Consulting Services/Studies	44,000	35,000	96,000					
70 General Office Salaries	1,196,000	1,253,000	1,236,000	1,177,170	1,166,410	1,125,232	1,020,823	980,772
71 Office Supplies	50,000	24,000	49,000	38,870	47,363	56,621	32,193	37,525
72 Employee Events	8,000	8,000	10,000	4,469	11,366	3,881	4,585	0
73 Other Administrative Expense	16,000	17,000	22,000	17,414	20,090	21,313	20,246	23,149
74 Election Cost	0	0	60,000	0	250	0	51,262	0
75 Dues & Subscriptions	50,000	50,000	49,000	47,775	49,208	42,004	40,738	32,203
76 Vehicle Expense	8,000	8,000	8,000	8,112	8,112	8,112	8,193	8,112
77 Meetings, Conf & Training	154,000	98,000	153,000	101,472	114,985	112,985	107,411	108,228
78 Telephone, Water, Gas & Electricity	31,000	29,000	31,000	29,012	27,203	29,595	30,018	35,324
79 Building & Grounds Maintenance	34,000	37,000	35,000	35,902	53,907	44,268	47,389	41,312
80 Office Equipment Expense	87,000	78,000	96,000	74,325	85,550	91,052	78,962	98,577
81 Insurance Premiums & Claims	101,000	112,000	133,000	118,451	117,023	132,928	198,297	182,754
82 Retiree Medical Benefits	172,000	171,000	173,000	147,084	138,105	182,220	182,003	180,771
83 G&A Applied to Construction Projects	(331,000)	(325,000)	(356,000)	(269,439)	(153,213)	(224,590)	(212,502)	(172,336)
84 G&A Distributed to Other Operations	(89,000)	(101,000)	(110,000)	(104,515)	(100,811)	(92,969)	(86,742)	(73,004)
85 Expensed Improvement Projects	0	0	0	122,785	1,220,617	1,277,995	959,475	1,301,339
86 Expensed Equipment Purchases	0	3,000	6,000	29,993	31,266	34,204	8,531	2,427
87 (Gain)/Loss on Overhead Charges	(200,000)	(228,000)	(140,000)	(172,628)	(214,770)	(157,888)	(277,413)	(414,082)
<b>TOTAL GENERAL &amp; ADMINISTRATION</b>	<b>\$1,409,000</b>	<b>\$1,340,000</b>	<b>\$1,637,000</b>	<b>\$1,489,836</b>	<b>\$2,762,859</b>	<b>\$2,773,744</b>	<b>\$2,284,816</b>	<b>\$2,473,685</b>
88 <b>DEPRECIATION EXPENSE</b>	<b>\$2,360,000</b>	<b>\$2,330,000</b>	<b>\$2,300,000</b>	<b>\$2,309,166</b>	<b>\$2,312,339</b>	<b>\$2,087,598</b>	<b>\$1,530,000</b>	<b>\$1,377,612</b>
89 <b>TOTAL OPERATING EXPENSE</b>	<b>\$14,300,000</b>	<b>\$14,432,000</b>	<b>\$13,833,000</b>	<b>\$13,544,996</b>	<b>\$14,539,992</b>	<b>\$14,480,235</b>	<b>\$13,153,285</b>	<b>\$13,277,334</b>
90 <b>NET OPERATING INCOME/(LOSS)</b>	<b>\$1,293,000</b>	<b>(\$69,000)</b>	<b>\$65,000</b>	<b>(\$684,146)</b>	<b>(\$3,058,734)</b>	<b>(\$2,840,844)</b>	<b>(\$2,170,971)</b>	<b>(\$2,083,136)</b>

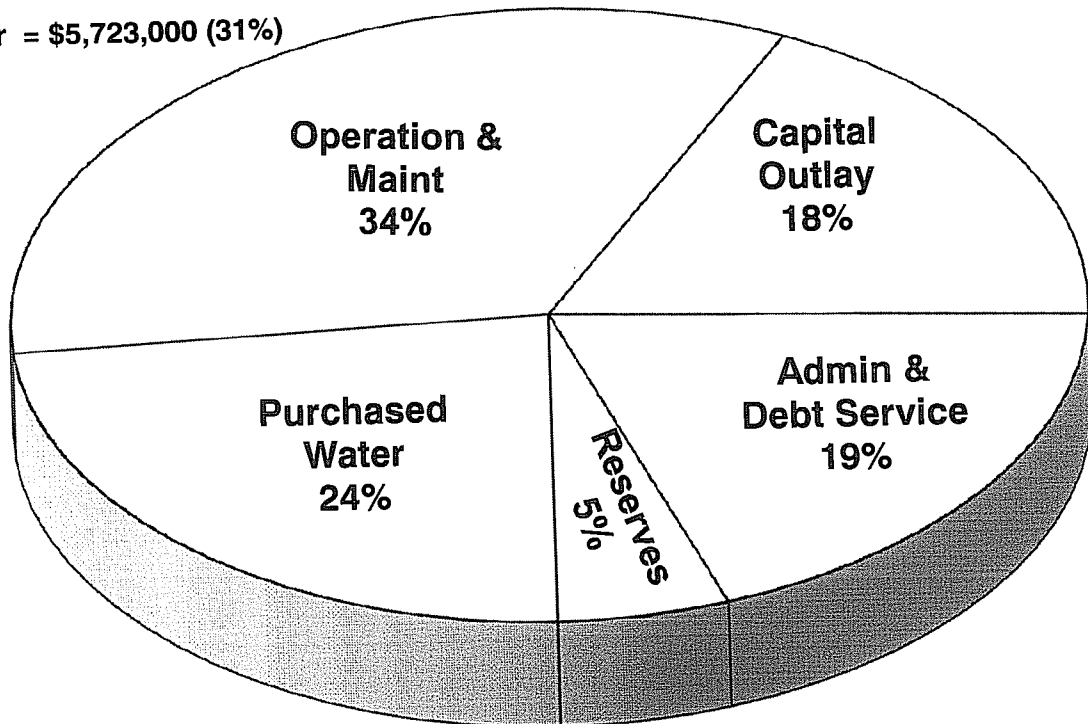


**NORTH MARIN WATER DISTRICT - NOVATO WATER  
FISCAL YEAR 2012-13**

**SOURCE OF FUNDS = \$18,338,000**



Labor = \$5,723,000 (31%)

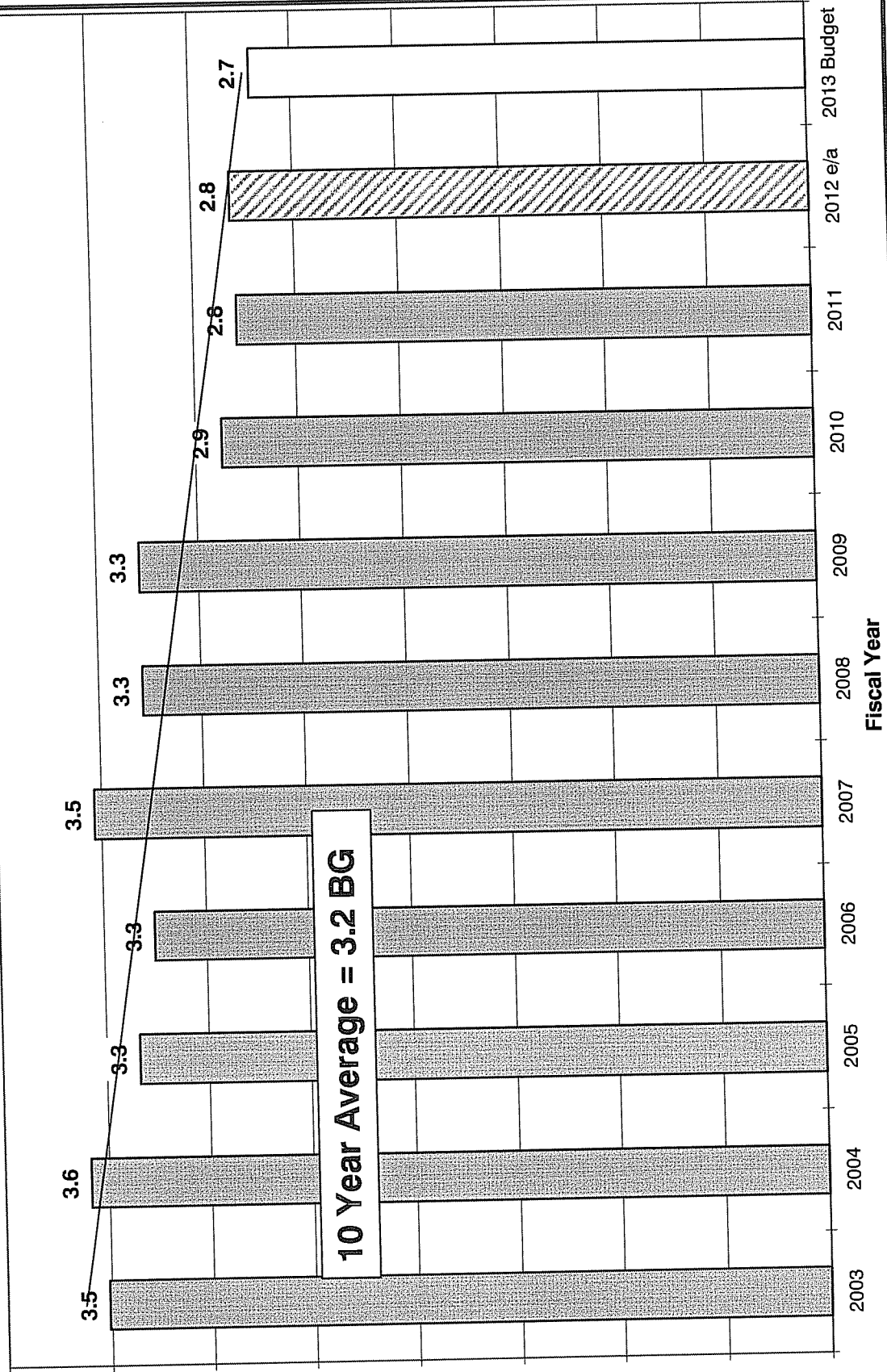


**TOTAL EXPENDITURE PLAN = \$18,338,000**

### Novato Water Billed Consumption 10 Year History

6/13/12

Billion  
Gal  
4.0

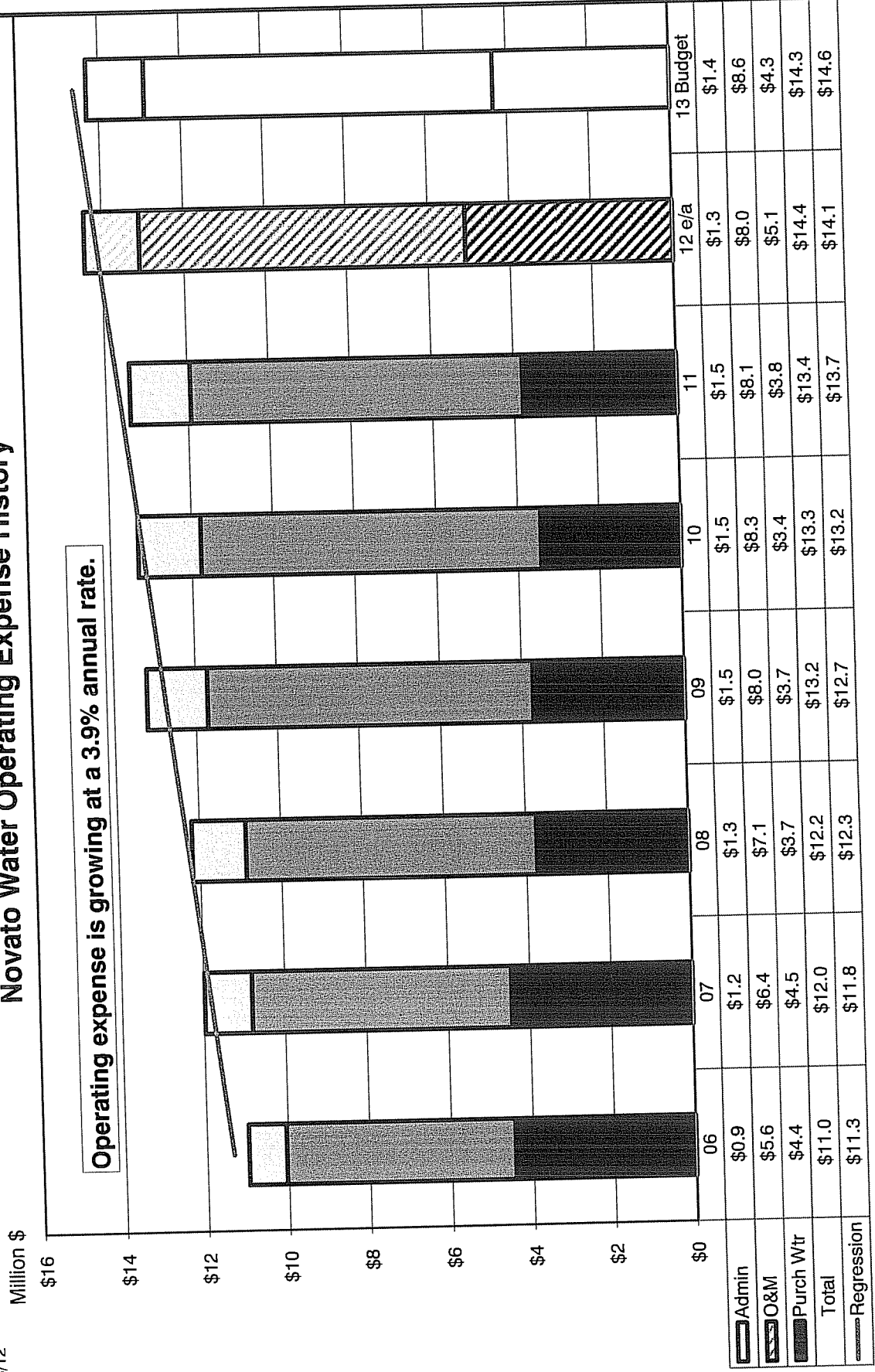


10 Year Average = 3.2 BG

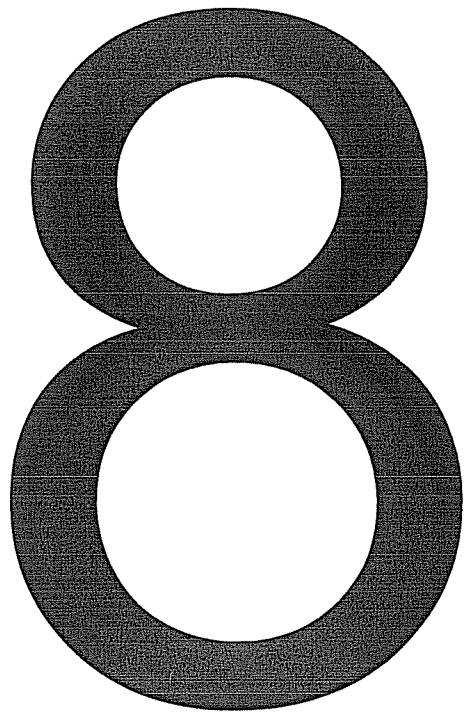
# Novato Water Operating Expense History

6/13/12

Operating expense is growing at a 3.9% annual rate.



Fiscal Year



## MEMORANDUM

To: Board of Directors  
From: David L. Bentley, Auditor-Controller   
Subj: Final Review/Public Hearing – FY13 Proposed Recycled Water System Budget  
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June 15, 2012

**RECOMMENDED ACTION:** Approve

**FINANCIAL IMPACT:** \$7.8 Million FY12 Expenditure Plan

The FY 2012/2013 (FY13) Recycled Water System (RWS) budget projects demand of 62MG next fiscal year (see chart of historical water use attached), up 24% from the current year estimated actual, as 14 new accounts are projected come online during the coming fiscal year. Consistent with the potable water rate increase, a 7% commodity rate increase was enacted effective June 1, 2012. The 7% increase will add \$17,000 to annual revenue.

Operating expenses are budgeted to increase 26% (\$78,000) from the existing FY12 budget, as start-up costs for operating the expanded distribution system are undertaken, and 39MG (\$59,000) of tertiary treated water from Novato Sanitary District and Las Gallinas Valley Sanitary District are purchased. We anticipate the Deer Island Plant to run through September, after which water will be purchased from NSD and LGVSD at anticipated pricing of \$1,500/MG.

The proposed budget includes \$5.5 million for continued expansion of the North & South Service Areas. The expansion project is funded by Federal and State grant funds (25%) and 2.6% 20-year SRF loans (75%).

The proposed FY13 RWS budget shows an accounting loss of \$256,000 for the fiscal year, but grant and loan funds will allow the operation to show a break-even plan for the year. The RWS expansion has required borrowing over \$2.5 million from the Novato district. As grant and loan monies are received, the loan will be repaid to Novato. \$1.7 million is budgeted to be repaid to Novato in FY13.

### **Staff Recommendation:**

- 1) Approve the FY13 Novato Recycled Water System Budget as presented;
- 2) Authorize the General Manger to pay demands arising from execution of the budgeted expenditure plan.

**NOVATO RECYCLED WATER  
BUDGET SUMMARY  
Fiscal Year 2012/13**

	<i>Proposed Budget 2012/13</i>	<i>Estimated Actual 2011/12</i>	<i>Adopted Budget 2011/12</i>
<b>OPERATING INCOME</b>			
1 Recycled Water Sales	\$255,000	\$192,000	\$230,000
2 Bimonthly Service Charge	6,000	4,000	4,000
3 <b>Total Operating Income</b>	<b>\$261,000</b>	<b>\$196,000</b>	<b>\$234,000</b>
<b>OPERATING EXPENDITURES</b>			
4 Purchased Water - NSD	\$41,000	\$0	\$0
5 Purchased Water - LGVSD	18,000	0	0
6 Pumping	2,000	1,000	2,000
7 Operations	22,000	39,000	6,000
8 Water Treatment	81,000	56,000	84,000
9 Transmission & Distribution	27,000	3,000	17,000
10 General Administration	18,000	20,000	22,000
11 Depreciation	165,000	163,000	165,000
12 <b>Total Operating Expenditures</b>	<b>\$374,000</b>	<b>\$282,000</b>	<b>\$296,000</b>
13 <b>NET OPERATING INCOME (LOSS)</b>	<b>(\$113,000)</b>	<b>(\$86,000)</b>	<b>(\$62,000)</b>
<b>NON-OPERATING INCOME/(EXPENSE)</b>			
14 Interest Revenue	\$0	\$0	\$1,000
15 Stone Tree Golf Interest Payments	59,000	63,000	63,000
16 RWF SRF Loan Interest Expense	(82,000)	(86,000)	(86,000)
17 RW Expansion SRF Loan Interest Exp	(120,000)	0	(45,000)
18 <b>Total Non-Operating Income/(Expense)</b>	<b>(\$143,000)</b>	<b>(\$23,000)</b>	<b>(\$67,000)</b>
19 <b>NET INCOME/(LOSS)</b>	<b>(\$256,000)</b>	<b>(\$109,000)</b>	<b>(\$129,000)</b>
<b>OTHER SOURCES/(USES) OF FUNDS</b>			
20 Add Depreciation Expense	\$165,000	\$163,000	\$165,000
21 Fed Grant/SRF Loan - RWS Expansion	6,860,000	3,059,000	5,000,000
22 Connection Fees Trsf'd from Novato	467,000	1,168,000	125,000
23 Stone Tree Golf Principal Repayment	192,000	188,000	188,000
24 Capital Improvement Projects	(5,525,000)	(6,716,000)	(5,125,000)
25 RWF SRF Loan Principal Payments	(191,000)	(187,000)	(187,000)
26 Loan From/(Repayment) to Novato	(1,712,000)	2,434,000	0
27 <b>Total Other Souces/(Uses)</b>	<b>\$256,000</b>	<b>\$109,000</b>	<b>\$166,000</b>
28 <b>NET SURPLUS/(DEFICIT)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$37,000</b>

**Proposed Capital Improvement Projects**

6/8/12

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**FY13 Budget FY14 Budget FY13 Project Description**

<b>5. RECYCLED WATER</b>				
a.	NBWARA Grant Program Administration	\$325,000	\$125,000	Continued support of North Bay Water Reuse Authority to obtain/administer recycled water project Federal/State grants.
b.	Expansion to North Area	\$1,000,000		Pipeline additions and storage improvements to increase recycled water use by 186 AF.
c.	Expansion to South Area	\$4,200,000	\$300,000	Pipeline additions and storage improvements to increase recycled water use by 220 AF.
d.	Other Recycled Water Expenditures	\$5,525,000	\$20,000	
			<u>\$445,000</u>	
<b>LESS FUNDED BY LOANS/GRANTS</b>				
a.	Recycled Water Sys Expansion - North Area	(\$1,000,000)	\$0	Funded 25% by Fed/State Grant; 75% by low-interest State Revolving Fund loan
b.	Recycled Water Sys Expansion - South Area	(\$4,200,000)	(\$300,000)	Funded 25% by Fed/State Grant; 75% by low-interest State Revolving Fund loan
		<u>(\$5,200,000)</u>	<u>(\$300,000)</u>	

**SUMMARY - NET PROJECT OUTLAY**

INTERNALLY FUNDED PROJECT OUTLAY	\$325,000	\$145,000
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Total Number of Projects      3      3

9



**NORTH MARIN WATER DISTRICT**  
**MONTHLY PROGRESS REPORT FOR May 2012**  
 June 19, 2012

1.

Month	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	12 vs 11 %
July	371	379	360	419	417	-2%
August	373	368	367	417	416	1%
September	347	358	335	393	374	-3%
October	249	278	233	313	268	-10%
November	183	164	176	173	208	12%
December	156	141	149	143	164	11%
January	178	146	140	107*	156	22%
February	147	134	124	136	142	10%
March	156	151	152	150	206	4%
April	171	194	164	227	309	-12%
May	311	291	228	303	382	7%
<b>FYTD Total</b>	<b>2,642</b>	<b>2,605</b>	<b>2,428</b>	<b>2,781</b>	<b>3,041</b>	<b>1%</b>

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

Month	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	12 vs 11 %
July	9.2	9.9	10.0	11.8	11.5	-7%
August	9.4	9.9	10.6	11.9	11.5	-5%
September	8.7	9.2	9.6	10.2	9.8	-5%
October	6.5	7.8	6.9	9.8	7.4	-16%
November	5.1	4.9	5.6	7.2	6.9	4%
December	4.9	4.8	4.5	6.9	5.8	3%
January	4.8	4.3	4.2	6.4	7.1	10%
February	4.5	3.9	3.9	5.5	4.6	14%
March	4.4	5.6	5.7	5.6	6.1	-21%
April	5.4	4.9	4.3	6.4	7.9	11%
May	7.1	6.9	5.9	7.5	9.7	2%
<b>FYTD Total</b>	<b>70.1</b>	<b>72.2</b>	<b>71.1</b>	<b>89.2</b>	<b>88.2</b>	<b>-3%</b>

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

Month	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	12 vs 11 %
July	115	109	152	131	131	6%
August	126	108	150	128	121	17%
September	77	112	155	117	106	-32%
October	113	111	80	81	75	2%
November	106	95	0	0	30	11%
December	49	0	0	0	11	-
January	0	0	0	0	0	-
February	0	0	0	0	0	-
March	0	52	32	0	0	-
April	0	98	36	0	64	-
May	0	97	94	12	92	-
<b>FYTD Total</b>	<b>586</b>	<b>783</b>	<b>698</b>	<b>470</b>	<b>628</b>	<b>-25%</b>

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

Month	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	12 vs 11 %
July	11.0	11.9	12.0	13.6	13.4	-8%
August	12.2	11.2	12.9	13.6	12.7	9%
September	9.6	9.5	10.2	10.9	9.4	1%
October	0.0	2.6	2.6	6.4	2.7	-
November	0.0	0.0	0.0	0.0	0.0	-
December	0.0	0.0	0.0	0.0	0.0	-
January	0.0	0.0	0.0	0.0	0.0	-
February	0.0	0.0	0.0	0.0	0.0	-
March	0.0	0.0	0.0	0.0	0.1	-
April	2.5	0.0	0.0	8.8	2.1	-
May	10.8	11.2	6.0	9.5	0.6	-3%
<b>FYTD Total</b>	<b>46.1</b>	<b>46.4</b>	<b>43.8</b>	<b>62.8</b>	<b>41.0</b>	<b>-1%</b>

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**2. Stafford Lake Data**

	May Normal	May 2011	May 2012
Rainfall this month	0.6 Inches	1.1 Inches	0.0 Inches
Rainfall this FY to date	28.4 Inches	30.5 Inches	17.1 Inches
Lake elevation*	193.5 Feet	193.9 Feet	188.9 Feet
Lake storage**	1213 MG	1259 MG	913 MG

\* Spillway elevation is 196.0 feet

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

**Temperature (in degrees)**

	Minimum	Maximum	Average
May 2011	42	102	61
May 2012 (STP)	46	92	62
May 2012 (Novato)	41	100	65

**3. Number of Services**

May 31	Novato Water			Recycled Water			West Marin Wtr			Oceana Marin Swr		
	FY12	FY11	Incr %	FY12	FY11	Incr %	FY12	FY11	Incr %	FY12	FY11	Incr %
Total meters installed	20,746	20,737	0.0%	2	3	-33%	820	816	0.5%	-	-	-
Total meters active	20,489	20,464	0.1%	2	3	-33%	776	769	0.9%	-	-	-
Active dwelling units	23,941	23,858	0.3%	0	0	-	810	802	1.0%	227	227	0.0%

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

Description	FY 10-11	FY 11-12
Effluent Flow Volume (MG)	459,248	416,000
Irrigation Field Discharge (MG)	459,000	0
Treatment Pond Freeboard (ft)	4.6	3.1
Storage Pond Freeboard (ft)	4.0	3.0

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

Job No.	Project	% Complete	% This month
2754	Hamilton Elementary	80	5

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

Job No.	Project	% Complete	% This month
8716.08	City Paving Coordination	92	10
7007.06	Detector check Assembly Replacement	95	25
7131.00	Center Rd Waterline Conflict	60	50
8677.18	Flushing Taps at Zone Valves	100	75

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

As of Pay Period Ending May 31, 2012  
Percent of Fiscal Year Passed = 92%

Developer Projects	Actual	Budget	% YTD Budget	District Projects			
				District Projects	Actual	Budget	% YTD Budget
Construction	1,717	1,800	95	Construction	3,973	4,944	80
Engineering	923	1,393	66	Engineering	5,124	5,564	92

**6. Safety/Liability**

Industrial Injury with Lost Time				Liability Claims Paid		
Lost Days	OH Cost of Lost Days (\$)	No. of Emp. Involved	No. of Incidents	Incurred (FYTD)	Paid (FYTD) (\$)	
FY through May 12	17	7,208	1	1	3	3,994
FY through May 11	8	3,024	2	2	6	16,668

Days without a lost time accident through May 31, 2012 = 139 days

**7. Energy Cost**

Not Available

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

	Month of May 2012	FY to Date	Program Total to Date
High Efficiency Toilet (HET) Rebate (\$150 each)	17	224	2410
Retrofit Certificates Filed	45	256	4439
Cash for Grass Rebates Paid Out	2	37	486
Washing Machine Rebates	26	285	5872
Water Smart Home Survey	17	249	1206

## NORTH MARIN WATER DISTRICT

### Summary of Complaints & Service Order May 2012

Prepared: 06/08/12

Type	May-12	May-11	Action Taken May 2012
<b><u>Consumers' System Problems</u></b>			
Consumer Service Line Leaks	23	24	Notified Customer
Meter Leak Consumer's Side	0	0	~
House Plumbing	0	0	~
Noisy Plumbing	0	0	~
Seepage or Other	0	0	~
House Valve / Meter Off	7	4	Turned Back On
Nothing Found	15	6	Notified Customer
Low Pressure	1	0	Pressure @ 45 PSI. House valve not turned fully on.
High Pressure	1	1	Pressure is good @ 60 PSI.
Water Waster Complaints	0	0	~
<b>Total</b>	<b>47</b>	<b>35</b>	
<b><u>Service Repair Reports</u></b>			
Register Replacements	0	0	~
Meter Replacement	0	1	~
Meter Box Alignment	0	0	~
Meter Noise	0	0	~
Dual Service Noise	0	0	~
Box and Lids	3	0	Replaced
Water Off/On Due To Repairs	8	12	Notified Customer
Misc. Field Investigation	5	4	Notified Customer
<b>Total</b>	<b>16</b>	<b>17</b>	
<b><u>Leak Complaints</u></b>			
Main-Leak	0	0	~
Mains-Nothing Found	0	0	~
Mains-Damage	0	0	~
Service- Leak	3	11	Repaired
Services-Nothing Found	7	2	Notified Customer
Service-Damaged	0	0	~
Fire Hydrant-Leak	0	3	~
Fire Hydrants-Nothing Found	0	0	~
Fire Hydrants-Damaged	1	0	Repaired
Meter Replacement	0	0	~
Meters-Leak	0	0	~
Meters-Nothing Found	0	0	~
Meters Damaged	0	0	~
Washer Leaks	7	6	Replaced
<b>Total</b>	<b>18</b>	<b>22</b>	
<b><u>High Bill Complaints</u></b>			
Consumer Leaks	2	7	Notified Customer
Meter Testing	0	0	~
Meter Misread	1	4	Notified Customer
Nothing Found	16	15	Notified Customer
Projected Consumption	0	0	~
Excessive Irrigation	2	0	Notified Customer
<b>Total</b>	<b>21</b>	<b>26</b>	

# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Order May 2012

Prepared: 06/08/12

Type	May-12	May-11	Action Taken May 2012
<b><u>Low Bill Reports</u></b>			
Meter Misread	0	0	~
Stuck Meter	0	1	~
Nothing Found	0	0	~
Projected Consumption	0	0	~
Minimum Charge Only	0	0	~
<b>Total</b>	<b>0</b>	<b>1</b>	
<b><u>Water Quality Complaints</u></b>			
Taste and Odor	1	20	<p><b>Customer reported bad chemical taste. (Montura Way)</b> Bad taste due to backflow from pressurized garden hose. Customer was notified of results.</p>
Color	2	0	<p><b>Customer reported black water. (Bolling Cir)</b> No unusual results from samples collected by NMWD staff. Black water may be due to flushing or plumbing. Customer was notified.</p> <p><b>Customer reported dirty water. (Indian Valley Rd)</b> Dirty water due to hit hydrant. Water had cleared by the time results were given. Customer notified.</p>
Turbidity	0	0	~
Suspended Solids	0	0	~
Other	1	2	<p><b>Customer reported film forming in cup of tea. (Country Club Dr)</b> Results were normal for NMWD water. Film can be formed from calcium ions in the water and organic chemicals in the tea leaves. Customer was notified of results.</p>
<b>Total</b>	<b>4</b>	<b>22</b>	
	<b>106</b>	<b>123</b>	<b>-14%</b>

### Fiscal YTD Summary

Consumer's System Problems	386	315
Service Repair Report	104	157
Leak Complaints	270	263
High Bill Complaints	348	461
Low Bills	8	9
Water Quality Complaints	48	77
<b>Total</b>	<b>1,164</b>	<b>1,282</b>

### Change Primarily Due To

23%	Increase In Consumer Line Leaks
-34%	Decrease In Replaced Box & Lid
3%	Increase In Service Leaks
-25%	Decrease In Nothing Found
-11%	Decrease In Meter Misread
-38%	Decrease In Taste & Odor
<b>-9%</b>	

## NORTH MARIN WATER DISTRICT

### Summary of Complaints & Service Order May 2012

Prepared: 06/08/12

Type	May-12	May-11	Action Taken May 2012
<b><u>"In House" Generated and Completed Work Orders</u></b>			
<b><u>Check Meter:</u></b> possible consumer/District leak, high bill, flooded, need read, etc.	196	242	
<b><u>Change Meter:</u></b> leaks, hard to read	16	8	
<b><u>Possible Stuck Meter</u></b>	2	8	
<b><u>Repair Meter:</u></b> registers, shut offs	0	0	
<b><u>Replace Boxes/Lids</u></b>	5	23	
<b><u>Hydrant Leaks</u></b>	0	0	
<b><u>Trims</u></b>	98	131	
<b><u>Dig Outs</u></b>	72	83	
<b><u>Letters to Consumer:</u></b> meter obstruction, trims, bees, gate access, etc.	0	0	
<b><u>Misc:</u></b> locate meter, get meter number, cross connection follow ups, kill service, etc.	0	0	
	<b>389</b>	<b>495</b>	

### Bill Adjustments Under Board Policy:

#### May 12 vs. May 11

May-12	16	\$2,069
May-11	37	\$9,692

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

11/12 FYTD	285	\$62,361
10/11 FYTD	279	\$82,663

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## MEMORANDUM

To: Board of Directors

June 15, 2012

From: David L. Bentley, Auditor-Controller 

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

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**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$11,592,077 (which includes an \$8 million loan from Bank of Marin acquired in October to pay for the Aqueduct Energy Efficiency Project) and a market value of \$11,609,774. During May the cash balance decreased by \$830,375. For the fiscal year, the cash balance increased \$7,218,106. The market value of securities held decreased by \$1,105 during the month. The ratio of total cash to budgeted annual operating expense, excluding the \$7,110,640 unexpended balance of the Bank of Marin loan, stood at 37%, down 7% from the prior month. This compares to the District's target ratio of 90%, or \$11 million.

At May 31, 2012, 88% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), and 9% in a Time Certificate of Deposit placed in a Novato bank. The weighted average maturity for the portfolio was 33 days, the same as the previous month. The LAIF interest rate for the month was 0.36%, compared to 0.37% the previous month. The weighted average Portfolio rate was 0.42%, compared to 0.41% in the previous month. Including interest paid by Black Point Partners on the StoneTree Golf Club Recycled Water Facilities Loan, the District earned \$13,136 in interest revenue during May with 60% earned by Novato Water and the balance distributed to the other improvement districts.

State Controller John Chiang's May report on California's financial position stated:

"While May revenues were steady, June revenues are the ones to watch. The last month of the fiscal year is now the biggest, and will signal how well the 2012-2013 budget gets out of the gate.

The State ended last fiscal year with a deficit of \$8.2 billion. The combined current-year cash deficit stands at \$17 billion. Those deficits are being covered with \$11.1 billion of internal borrowing (temporary loans from special funds) and \$5.9 billion of external borrowing."

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

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis <sup>1</sup>	5/31/2012 Market Value	Yield <sup>2</sup>	% of Portfolio
<b>LAIF</b>	State of CA Treasury	A	Various	Open	\$10,155,028	\$10,171,804	0.36% <sup>3</sup>	88%
<b>Time Certificate of Deposit</b>								
TCD	Bank of Marin	n/a	6/3/11	6/3/13	\$1,000,000	\$1,000,000	1.00%	9%
<b>Other</b>								
Agency	Marin Co Treasury	AA+	Various	Open	\$283,031	\$283,031	0.45%	2%
Bond	Olema G.O. Bond	A+	5/31/91	1/1/15	11,214	12,136	5.00%	0%
Other	Various	n/a	Various	Open	142,805	142,805	0.00%	1%
<b>TOTAL IN PORTFOLIO</b>					<b>\$11,592,077</b>	<b>\$11,609,774</b>	<b>0.42%</b>	<b>100%</b>

Weighted Avg. Maturity = 33 Days

LAIF: State of California Local Agency Investment Fund.

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

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

Other: Comprised of 4 accounts used for operating purposes. US Bank Operating Account, US Bank STP SRF Loan Account, Bank of Marin AEEP Checking Account & NMWD Petty Cash Fund.

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

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

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

<u>Interest Bearing Loans</u>	Loan Date	Maturity Date	Original Loan Amount	Principal Outstanding	Interest Rate
Black Point Partners-BPGL	6/30/06	2/28/24	\$3,612,640	\$2,557,378	2.40%
Employee Housing Loans (8)	Various	Various	1,441,785	1,441,785	Contingent
Employee Computer Loans (8)	Various	Various	13,300	7,169	1.22% (avg)
<b>TOTAL INTEREST BEARING LOANS</b>			<b>\$5,067,725</b>	<b>\$4,006,332</b>	

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



10

MEMORANDUM

To: Board of Directors

June 15, 2012

From: Drew McIntyre, Chief Engineer



Subject: Water Service Agreement – Canyon Green Subdivision, Novato  
APN 140-341-14

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

**FINANCIAL IMPACT: \$676,624 (Developer funded)**

The Canyon Green Subdivision project subdivides a vacant 7.47-acre parcel into 25 lots for 25 one and two-story single family homes at the southwest corner of Hill Road and Canyon Road, the location of the former Novato Community Hospital (see attached map). This agreement will provide normal and high pressure water service to 25 new residences and an irrigation service for the common area landscaping.

New on tract water facilities include 1,060 feet of 8-inch PVC main, 60-feet of 8-inch welded steel pipe for lowerings, 60 feet of 6-inch PVC pipe for 3 new residential fire hydrants, 400 feet of 1-inch copper laterals for 25 1-inch meters (for home lots) and one 1-inch meter with 1-inch RPP backflow (for landscaping irrigation). Twenty-two lots will receive normal pressure Zone 1 water service and three lots will receive High Pressure Zone 2 water service. Total water demand for the project is 32 equivalent dwelling units (25 EDUs domestic and 7 EDUs irrigation). The new demand is 16 EDUs after receiving credit for 16 EDUs for the historical water use entitlement for the parcel. A 6-inch fire service, one 2-inch meter and one 5/8-inch meter installed in the 1960s will be killed. The District requires that this project use recycled water per District regulations and specifications when available in the future with no additional cost to the District than providing recycled water to this parcel.

Sewer service will be provided by the Novato Sanitary District. The Precise Development Plan and Tentative Map for this project were approved by the City of Novato on October 9, 2007. The design review hearing was held on September 7, 2011.

Environmental Document Review

On October 9, 2007, the City of Novato approved a Negative Declaration for the Canyon Green Homes Subdivision project.

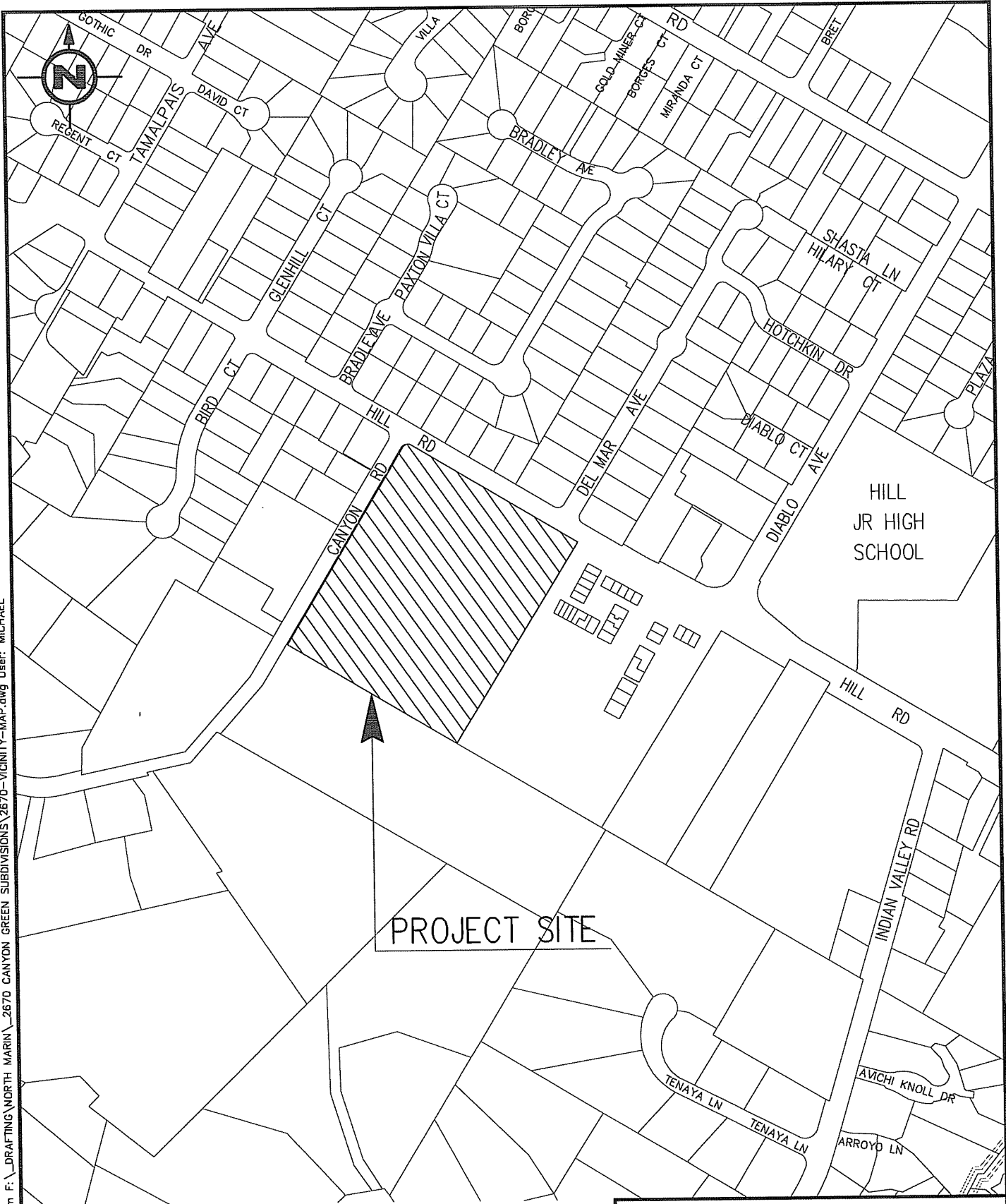
RECOMMENDATION:

That the Board approve authorization of this agreement.

Approved by GM GD

Date 6/15/2012

Apr 05, 2012 - 3:58pm F:\DRAFTING\NORTH MARIN\2670 CANYON GREEN SUBDIVISIONS\2670-VICINITY-MAP.dwg User: MICHAEL



CANYON GREEN SUBDIVISION			
1625 HILL ROAD			
DATE	SCALE	JOB NO.	DWG. NO.
04/02/12	N.T.S.	2670	MAP

RESOLUTION NO. 12-  
AUTHORIZATION OF EXECUTION  
OF  
HIGH PRESSURE  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
WITH  
GREEN VALLEY CORPORATION

---

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 Green Valley Corporation, a corporation, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as 1625 HILL RDOAD, Marin County Assessor's Parcel Number 140-341-14, 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 19th day of June, 2012, 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  
CANYON GREEN SUBDIVISION

---

*THIS AGREEMENT*, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of \_\_\_\_\_, 2012, by and between NORTH MARIN WATER DISTRICT, herein called "District," and GREEN VALLEY CORPORATION, A California Corporation, 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 140-341-14 and the project known as CANYON GREEN SUBDIVISION, consisting of one (1) lot for residential 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 1625 Hill Road, Novato (Marin County Assessor's Parcel 140-341-14): and

*WHEREAS*, water service to the parcel first began in 1960 for the Novato General Hospital with the District installing a 2-inch meter. In 1965, a 5/8-inch meter was added. The first ten year historical water use entitlement is sixteen (16) equivalent dwelling units (EDU); 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 2670.001, entitled, "CANYON GREEN SUBDIVISION", 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) ..	Twenty-Five 1-inch @	\$ 0.00	\$ 0.00
Meter Charges (Irrigation) (Included in Estimated District Costs) ...	.....One 1-inch @	\$ 0.00	\$ 0.00
Reimbursement Fund Charges (domestic at 5/8").....	.....Twenty-five @	\$ 420.00	\$ 10,500.00
Reimbursement Fund Charges (Irrig.).....	.....One @	\$ 1,055.00	\$ 1,055.00
Facilities Reserve Charges(25 EDUs,domestic+7 EDUs Irrig.)	.....Thirty-two@	\$ 28,600.00	\$ 915,200.00
Facilities Reserve Charge Credits (16 EDUs).....	.....Sixteen@	\$ <28,600.00>	\$ <457,600.00>

**Subtotal - Initial Charges..... \$ 469,155.00**

**Estimated District Costs**

Pipe, Fittings & Appurtenances.....	\$ 29,791.00
District Construction Labor.....	\$ 43,377.00
Engineering & Inspection.....	\$ 18,383.00
Bulk Materials.....	\$ 1,513.00

**Subtotal –Estimated District Costs..... \$ 93,064.00**

**Estimated Applicant Installation Costs**

Installation Labor.....	\$ 81,139.00
Contractor Furnished – Pipe Fittings & Appurtenances.....	\$ 18,390.00
Bulk Materials.....	\$ 14,876.00
<b>Subtotal- Estimated Applicant Installation Costs.....</b>	<b>\$ 114,405.00</b>
<b>TOTAL ESTIMATED WATER FACILITIES COSTS.....</b>	<b>\$ 676,624.00</b>

(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 (6-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 **\$18,390**. 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 **\$562,219**. 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 **\$114,405** conditioned

upon installation of the facilities and furnishing of bulk materials and a maintenance bond in the amount of **\$28,601** 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 **\$114,405** 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. High pressure water service will be rendered to Lots 13, 14, and 15 of the Canyon Road 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.



9. 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.

10. New construction in the District's Novato service area is required to be equipped with high efficiency water conserving equipment and landscaping 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. Dishwashers shall be energy star rated and use no more than 5 gallons per load. Toilets shall be District approved High Efficiency Toilets that meet the EPA water sense specification. 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.

11. 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.

12. 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 the 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.

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:**

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

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

(SEAL)

**GREEN VALLEY CORPORTION**  
A California Corporation  
"Applicant"

(SEAL)

\_\_\_\_\_  
Lee Ann Woodard, CFO

**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.**

1

1

MEMORANDUM

To: Board of Directors

June 15, 2012

From: Ryan Grisso, Water Conservation Coordinator *RG*

Subject: Revised Resolutions Setting Water Conservation Rebate Amounts  
\\Nmwdsrv1\water conservation\Memos to Board\Resolution for Rebate Amounts 060712.doc

**RECOMMENDED ACTION:** Approve revised Resolutions 06-01 and 06-02

**FINANCIAL IMPACT:** None at this time

Staff is requesting Board approval of revisions to Resolution 06-01 and Resolution 06-02 (Attachments 1 and 2) setting rebate amounts for the various water conservation programs. The District was awarded a Prop 84 Grant (\$183,750 allocated to the District), in cooperation with the Sonoma County Water Agency (SCWA) and other Bay Area Agencies, which will help fund future HET rebates, Cash for Grass rebates, Smart Controllers, Clothes Washer rebates, and a Commercial Direct Install HET Program. The Prop 84 Grant has minimum rebate amount requirements and the District's current rebate levels for the Residential HET Rebate and the Weather Based Irrigation Controller Rebate Programs must be raised to meet the minimum amounts. The proposed changes are shown in the table below. Overall, the District will see a rebate budget reduction, even with the proposed rebate increases, resulting from the Prop 84 Grant funding. Estimated rebate amounts for Prop 84 funded rebate programs in FY 2012/13 total \$80,000 of which \$52,000 is expected to be covered by Prop 84 funding. More information will be provided to the Board on the Prop 84 Grant funding when the SCWA Funding Agreement is brought before the Board, likely sometime in July or August 2012. Prop 84 Grant funding is projected for multiple years and will be retroactive to July 1, 2012.

Table of Water Conservation Rebates

Rebate	Current	Proposed
Residential HET	\$75 ea	\$100 ea
Commercial HET	\$100 ea	\$100 ea
HE Washing Machine	\$50 ea	\$50 ea
Weather Based Irrigation Controller	\$25/Station	\$30/Station
Landscape Water Efficient Rebates	\$100 ea	\$100 ea
Cash for Grass	\$50/sf	\$50/sf

RECOMMENDATION

Board approve proposed changes to Resolution 06-01 and Resolution 06-02, as noted in Attachments 1 and 2.

Approved by GM *GD*

Date *6/15/2012*

**DRAFT**  
**REVISED RESOLUTION 06-01**  
**OF THE NORTH MARIN WATER DISTRICT**  
**BOARD OF DIRECTORS**  
**SETTING WATER CONSERVATION REBATE AMOUNTS**  
**FOR NOVATO SERVICE AREA**

---

BE IT RESOLVED by the Board of Directors of North Marin Water District that following rebate amounts are available to customers of the Novato Service Area of the North Marin Water District effective July 1, ~~2011~~2012:

- Residential High Efficiency Toilet (HET) rebate amount to be set at up to ~~\$75~~100 for District approved HETs.
- Commercial High Efficiency Toilet (HET) rebate amount to be set at up to \$100 for District approved HETs.
- High Efficiency washing machine rebate set at up to \$50.
- Residential and Commercial Weather-Based Irrigation Controller (Smart Control) rebate amount to be set at \$100 or ~~\$25~~30 per active station up to ~~\$1,000~~1,200 on qualified controller purchase. Rebate amount not-to-exceed cost of controller.
- Landscape Water Efficient Rebates shall cover up to 50% of the actual cost of District specified items up to a maximum of \$100 for residential customers and up to a maximum of \$1,000 for non-residential customers.
- Cash for Grass Rebates (in accordance with Regulation 15, Section H) are available at the rate of up to \$50 per 100 square feet of formal lawn area(s) removed and replaced with eligible replacement plant materials but shall not exceed the following values:
  - Single family detached residences and duplexes, each dwelling unit - \$400
  - Townhouses, condominiums, triplexes and fourplexes, each dwelling unit - \$100
  - Apartments (5 unites or more), each dwelling unit - \$50
  - Senior citizen unit or second unit with kitchen, each unit - \$40

\* \* \* \* \*

Date Approved: January 17, 2006

Date of Revision: June 20, 2006

Date of Revision: July 15, 2008

Date of Revision: December 1, 2009

Date of Revision: June 21, 2011

Date of Revision: June 19, 2012

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 19th day of June, 2012, by the following vote:

AYES: Directors

NOES:

ABSENT:

ABSTAINED:

(SEAL)

---

Renee Roberts, District Secretary  
North Marin Water District

DRAFT

**REVISED RESOLUTION 06- 02**  
**OF THE NORTH MARIN WATER DISTRICT**  
**BOARD OF DIRECTORS**  
**SETTING WATER CONSERVATION REBATE AMOUNTS**  
**FOR WEST MARIN SERVICE AREA**

---

BE IT RESOLVED by the Board of Directors of North Marin Water District that following rebate amounts are available to customers of the West Marin Service Area of the North Marin Water District effective July 1, ~~2014~~2012:

- Residential High Efficiency Toilet (HET) rebate amount to be set at up to ~~\$75~~\$100 for District approved HETs.
- Commercial High Efficiency Toilet (HET) rebate amount to be set at up to \$100 for District approved HETs.
- High Efficiency washing machine rebate set at up to \$50.
- Residential and Commercial Weather-Based Irrigation Controller (Smart Control) rebate amount to be set at \$100 or ~~\$25~~\$30 per active station up to ~~\$1,000~~\$1,200 on qualified controller purchase. Rebate amount not-to-exceed cost of controller.
- Landscape Water Efficient Rebates shall cover up to 50% of the actual cost of District specified items up to a maximum of \$100 for residential customers and up to a maximum of \$500 for non-residential customers.
- Cash for Grass Rebates (in accordance with Regulation 15, Section H) are available at the rate of up to \$50 per 100 square feet of formal lawn area(s) removed and replaced with eligible replacement plant materials but shall not exceed the following values:
  - Single family detached residences and duplexes, each dwelling unit - \$400
  - Townhouses, condominiums, triplexes and fourplexes, each dwelling unit - \$100
  - Apartments (5 units or more), each dwelling unit - \$50
  - Senior citizen unit or second unit with kitchen, each unit - \$40

\* \* \* \* \*

Date Approved: January 17, 2006  
Date of Revision: July 27, 2006  
Date of Revision: July 15, 2008  
Date of Revision: December 1, 2009  
Date of Revision: June 21, 2011  
Date of Revision: June 19, 2012

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 19th day of June 2012 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAINED:

---

Renee Roberts, District Secretary  
North Marin Water District

(SEAL)



12

MEMORANDUM

To: Board of Directors

June 15, 2012

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

Subject: Recycled Water North Service Area – On-Site Retrofit Construction Project (Group 1):  
Award Construction Contract

R:\Folders by Job No\6000 jobs\6055\BOD memos\6055 Onsite Retrofit Group1 Contract Award to Ashlin Pacific Construction Inc 6-19-12.docx

**RECOMMENDED ACTION:** Approve award of the contract to Ashlin Pacific Construction, Inc. and authorize the General Manager to execute an agreement with Ashlin Pacific Construction, Inc.

**FINANCIAL IMPACT:** \$159,636 plus \$10,000 contingency

Background

The Recycled Water North Service Area On-site Retrofit Construction Project (Group 1) consists of on-site retrofits to convert seven customer sites from current potable water use for irrigation to recycled water use (see Attachment 1 for a map of the sites). The Board authorized bid advertisement for the above referenced project on May 1, 2012. The advertised date for this project was May 11, 2012 with a bid opening on June 5, 2012. The District advertised the project in the Marin IJ and mailed contract documents to eight (8) interested contractors and builders exchanges in the greater bay area. Six (6) contractors, all of them prime contractors, attended the mandatory pre-bid meeting on May 24, 2012. The bid period was for twenty five (25) days and included one addenda. As identified below, three bids were received ranging from a low of \$159,636 to a high of \$251,340.

	<b>CONTRACTOR</b>	<b>BID</b>
1.	Ashlin Pacific Construction Inc., Petaluma, CA	\$159,636
2.	W. R. Forde Associates, Richmond, CA	\$244,100
3.	Fieldstone Construction, Santa Rosa, CA	\$251,340

The Engineer's Estimate was \$190,000. The bid span between the Number 1 (Ashlin Pacific Construction, Inc.) and Number 2 low bidders (W. R. Forde Associates) was at \$81,464 (for a variance of 51%).

Bid Evaluation

Ashlin Pacific Construction, Inc. of Petaluma, California (Ashlin) submitted the lowest responsive bid of \$159,636 which is \$30,364 (16%) below the Engineer's construction cost estimate of \$190,000. A bid evaluation (Attachment 2) was performed by the District staff for said project. Staff checked references for Ashlin's previous work and the references were

positive, expressing satisfaction with Ashlin's quality of work and work ethic. The bid evaluation confirmed Ashlin's construction bid to be responsive and responsible.

#### Project Description

The Group 1 Retrofit Construction project includes seven sites for restoration. These are: Valley Memorial Park Cemetery, Green Point Nursery, Tranquility Home Owner Association (HOA), Olive Elementary School/ Hamann Baseball Field (Novato Unified School District), Redwood Crossroads Offices, Fireman's Fund Campus and Wood Hollow Office Building. The contractors' work includes disconnecting the customer irrigation system from the potable water meter, installation of new piping from the recycled water meter to the irrigation system connection points, installation of signage, markers and tagging that identify the potable and recycled water appurtenances and other tasks as specified in the design drawings. Valley Memorial Park Cemetery (VMPC) retrofit is not part of the award since the District is currently negotiating with the VMPC owner regarding performing retrofit work by the owner.

#### RECOMMENDATION

That the Board approve award of the Recycled Water North Service Area On-site Retrofit Construction Project (Group 1) contract to Ashlin Pacific Construction, Inc. and authorize the General Manager to execute an agreement with Ashlin Pacific Construction, Inc.

**NORTH AREA RETROFIT SITES**

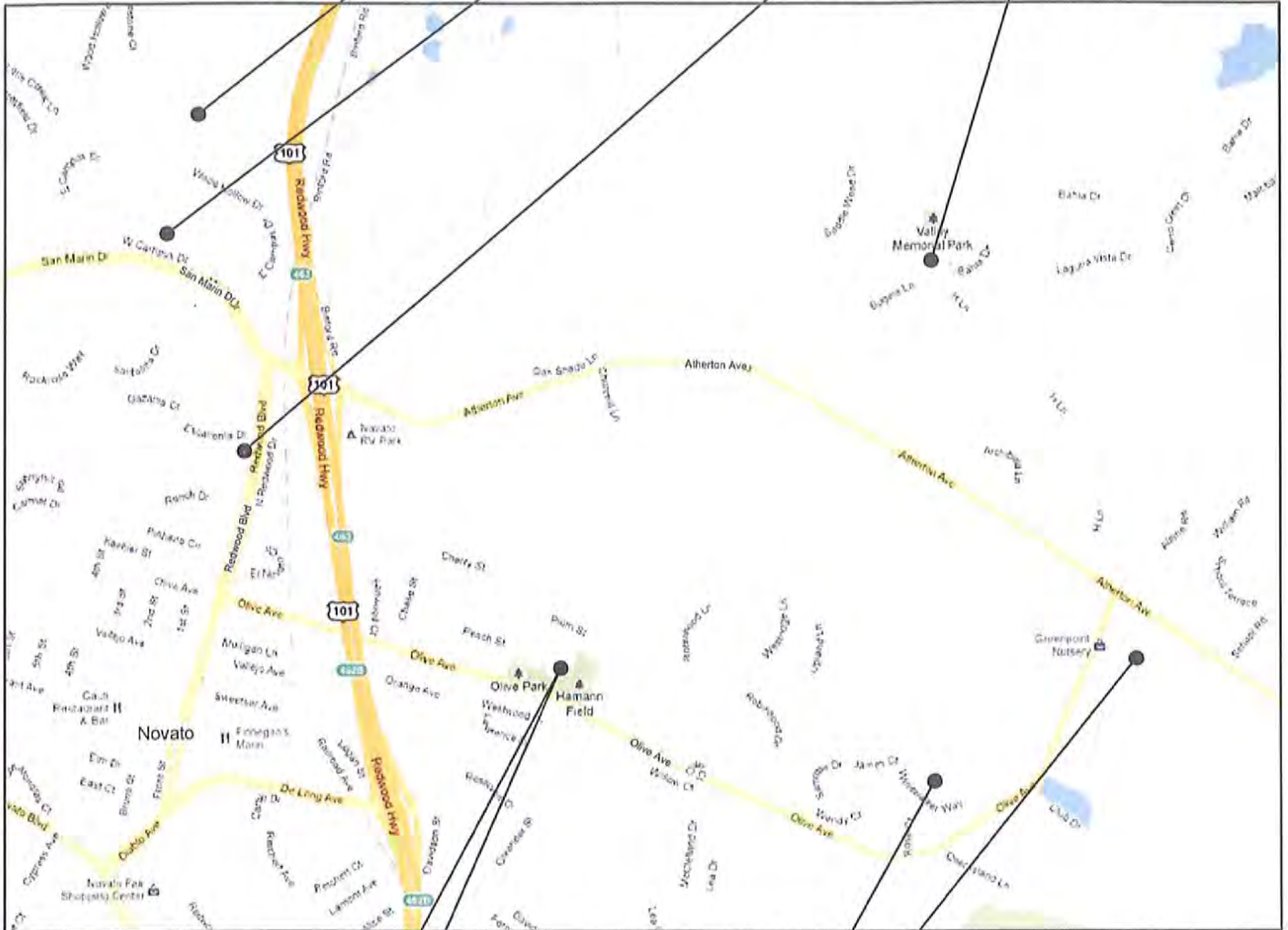


N6 – WOOD HOLLOW OFFICE BUILDING

N1 – FIREMAN'S FUND INSURANCE

N5 – REDWOOD CROSS ROAD

N8 – VALLEY MEMORIAL PARK CEMETERY



N13 – OLIVE ELEMENTARY SCHOOL

N12 – HAMANN BASEBALL FIELD (CITY OF NOVATO)

N18 – TRANQUILITY HOA

N10 – GREEN POINT NURSERY

**RECYCLED WATER EXPANSION  
NORTH AREA RETROFIT SITES**

DATE	SCALE	JOB NO.	DWG. NO.
4/26/12	N.T.S.	6055	MAP

Apr 27, 2012 - 8:45am W:\JOB\5\_RECYCLED\_WATER\6055\3\_ISSUED\RW\_ON-SITE\_RETROFIT\_PROJECT\North Service Area\Design Package 1 - Final Files\01 - Front\_end\stickiness\map.dwg User: ACANTILLER

**North Marin Water District** Project No. 5.6055.22

Recycled Water North Service Area- On-Site Retrofit Construction Project (Group 1)											
Bid Items From Bid Schedule (00310)			Engineer's Estimate		Ashlin Pacific Construction, Inc.		W. R. Forde Associates		Fieldstone Construction		
Item No.	Qty.	Unit	Description of Items	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1	1	LS	Firemans Fund Insurance Retrofit				71,636		129,000		122,500
2	1	LS	Wood Hollow Office Retrofit				14,000		14,300		21,240
3	1	LS	Green Point Nursery Retrofit				22,000		35,000		19,500
4	1	LS	Olive School and Hamann Field Retrofit				28,000		38,500		44,400
5	1	LS	Tranquility HOA Retrofit				11,000		16,800		18,600
6	1	LS	Redwood Cross Roads Retrofit				11,000		8,500		23,100
7	1	LS	As-Built Drawings				2,000		2,000		2,000
<b>Total Base Bid :</b>					\$190,000		\$159,636		\$244,100		\$251,340

Bid Forms:	Yes	No	Comments
"IN" Stamped before bid closing (00010)	yes		
Bid multiplies out and sums correctly	yes		
Bid value in word agrees with numerals	yes		
License Checks Out (OC Possesses valid Class A	yes		
Bid Form (00300)Addendum 1 acknowledged	yes		
Bid Form - Signed by Authorized Individual (00300-4)	yes		
Bid Form - Board Authorization Resolution (00300)	Not required		
Bid Form - Material and Equipment Manufactures	Not required		
Bid Form - List of Subcontractors	none		
Bid Form - Contractor's Licensing Statement	yes		
Bid Form - Contractor's Equipment Available	Not required		
Bid Bond (00415)	yes; provided;		
Bidders Experience and Qualifications (00460)	yes; provided; Experience in pipeline projects (water and sewer mainly). Later mentioned a project on installing purple pipe for a farmland to be irrigated with recycled water. References were checked. Financial Quails submitted.		Experience in concrete work, storm drain and some landscaping and irrigation experience. References not checked. financial quails to be submitted within 5 days not requested.
Escrow Agreement (00490)	Not filled in		
Bidders Affidavit of Non-Collusion (00480)	yes; provided		

Subcontractors:	Listed	Listed	Listed
Excavating and Backfill			R. D. Construction
Patch paving, signage (paint, decals) and demo existing appurtanances			R. D. Construction

13

## MEMORANDUM

To: Board of Directors  
From: David L. Bentley, Auditor-Controller  
Subj: West Marin Water Loan from Bank of Marin  
t:\ac\word\bank of marin\wm water board memo.docx

June 15, 2012

### **RECOMMENDED ACTION: Approve**

### **FINANCIAL IMPACT: \$10,000 Loan Issuance Cost Savings**

The need to construct a \$700,000 Solids Handling Facility at the West Marin Water Treatment Plant will require this small improvement district to borrow money. Over the past decade the West Marin Water System has borrowed money internally from the Novato Water improvement district in accordance with the Inter-District Loan Policy to fund its capital improvement project program. The debt owed by West Marin Water to Novato Water rose to \$600,000 in 2008. West Marin Water has been repaying this debt at about \$100,000 per year on average plus interest, and owes a little over \$200,000 now.

The magnitude of the Solids Handling Facility cost makes it imprudent to borrow the funds internally, as Novato Water is raising rates in part to rebuild its reserve balance. In October of 2011 Bank of Marin provided an \$8 million 20-year loan at 3.5% to finance the Aqueduct Energy Efficiency Project (AEEP). That project timeline has been extended by Caltrans and is now forecast to be completed in 2016. Thus, some of the \$8 million Bank of Marin loan funds will sit idle for longer than previously anticipated.

The District could apply for an additional \$1 million loan from Bank of Marin to fund the Solids Handling Facility and other West Marin Water capital improvement projects. The bank fee is 1% of the loan amount (\$10,000). Another course of action would be to utilize \$1 million of the existing \$8 million Bank of Marin loan.

Staff has talked with Bank of Marin officials, who provided verbal assurance that the District can utilize the \$8 million loan however it sees fit. They caution, however, that in 2016 there is no guarantee the Bank will provide additional loan funding to complete the AEEP. Staff believes the risk is minimal, as the series of water rate increases the District has enacted should generate sufficient reserves by 2016 to complete the AEEP project without further borrowing.

The District provided a written request to Bank of Marin in draft form to document this use of the loan funds, asking them to comment. Bank officials asked that the District provide additional information concerning the Solids Handling Facility project and the Caltrans timeline changes for their file, but again expressed support of the concept, indicating this is a District

Board decision. Staff will provide the documentation requested by Bank of Marin in a formal letter.

**RECOMMENDATION:**

Approve Resolution 12-XX authorizing the transfer of \$1 million of Bank of Marin loan funds to West Marin Water effective June 30, 2012, and transferring a proportionate share of the repayment obligation to West Marin Water.



**DRAFT  
RESOLUTION 12-**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
NORTH MARIN WATER DISTRICT  
AUTHORIZING THE TRANSFER OF \$1 MILLION IN LOAN FUNDS AND  
THE ASSOCIATED REPAYMENT OBLIGATION  
FROM NOVATO WATER TO WEST MARIN WATER  
EFFECTIVE JUNE 30, 2012**

---

WHEREAS, on October 27, 2011, Bank of Marin provided an \$8 million 20-year loan at 3.5% to the North Marin Water District (NMWD) to finance the District's Aqueduct Energy Efficiency Project; and

WHEREAS, completion of said Aqueduct Energy Efficiency Project has been delayed and is now forecast to be completed in 2016; and

WHEREAS, NMWD's West Marin Water Improvement District has borrowed funds from the Novato Water Improvement District in accordance with the Inter-District Loan Policy to finance improvements undertaken to complete the West Marin Water Long Range Improvement Project Plan; and

WHEREAS, at May 31, 2012, the West Marin Water Improvement District owed the Novato Water Improvement District \$248,531 for funds borrowed; and

WHEREAS, the Capital Improvement Project Plan for the West Marin Water Improvement District includes construction of a \$700,000 Solids Handling Facility at the Point Reyes Water Treatment Plant, as well as \$140,000 for Rehabilitation of Point Reyes Well #3; and

WHEREAS, a cost-effective way to finance these West Marin capital improvement projects is to utilize a portion of the \$8 million Bank of Marin loan funds; and

NOW, THEREFORE, be it resolved that the Board of Directors of the North Marin Water District hereby:

- 1) Directs staff to transfer \$1 million of the aforesaid Bank of Marin loan funds from the Novato Water Improvement District ledger to the West Marin Water Improvement District ledger effective June 30, 2012;
- 2) Directs staff to utilize said \$1 million to repay monies owed to Novato Water and to finance impending West Marin Water Capital Improvement Projects;
- 3) Find that \$1 million is equal to 12.8% of the outstanding balance of the \$8 million Bank of Marin loan at June 30, 2012;

- 4) Directs staff to charge 12.8% of any and all of the \$8 million Bank of Marin Loan repayment obligations to the West Marin Water Improvement District until said loan is fully repaid.

\* \* \* \* \*

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 19th day of June 2012 by the following vote:

AYES: Directors  
NOES:  
ABSENT:  
ABSTAINED:

---

Renee Roberts, Secretary  
North Marin Water District

(SEAL)

14

**MEMORANDUM**

To: Board of Directors

June 15, 2012

From: David L. Bentley, Auditor-Controller



Subj: Additional Review – FY13 West Marin Budgets

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**RECOMMENDED ACTION:** Additional Review & Provide Direction to Staff

**FINANCIAL IMPACT:** None at this time. Upon adoption in July, the FY13 Budgets would see:

West Marin Water System Rate Increase .....	\$60,000
WM Water System Expenditure Plan .....	\$1,167,000
Oceana Marin Sewer System Rate Increase .....	\$0
Oceana Marin Sewer System Expenditure Plan.....	\$451,000

Following for your second review are the budgets for the West Marin Water System and the Oceana Marin Sewer System proposed for FY 2012/13 (FY13). Proposed for West Marin Water System customers is a rate increase averaging 9%. No increase is proposed for the Oceana Marin monthly sewer service charge.

Since your initial review on June 1, \$30,000 has been added to the West Marin Water Capital Improvement Project Budget for construction of a stream gauge on Lagunitas Creek to monitor the impact of the Gallagher Well, plus \$23,000 as an additional ongoing operating expense for the US Geological Survey to maintain the gauge and analyze the data. In addition, both West Marin Water and Oceana Marin Sewer operating expense was decreased \$1,000 as their allocated share of the reduced FY13 insurance premiums approved by the Board at the last meeting.

**INCREASE PROPOSAL DETAIL**

**Water Rates**

A 9% commodity rate increase was implemented in each of the past seven years, and this year a rate increase averaging 9% (6% commodity rate increase for residential and 7% for non-residential) plus a 25% service charge increase (to \$25 bimonthly for the typical customer with a 5/8" meter) is recommended, with the exception that an 11% increase (to \$41 bimonthly) in the service charge is proposed for Paradise Ranch Estates customers. The \$41 bimonthly service charge paid by 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

\$54 annually (\$9 bimonthly) for the typical residential customer.

A letter was mailed to all West Marin Water customers on May 18, 2012 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.

If enacted, the proposed increases will generate \$60,000 in additional revenue next fiscal year.

Commodity Rate Increase	\$31,000
Service Charge Increase	<u>\$29,000</u>
Total	<u>\$60,000</u>

One more 9% increase is included in the 5-year financial plan for FY14 (see page 3) to help pay for the \$69,000 annual debt service increase undertaken to fund the Treatment Plant Solids Handling Project and repay Novato Water for the balance of funds borrowed to construct the Long Range Improvement Projects Plan facilities.

### **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 had a cash balance of \$377,000 at April 30, 2012. The Five-Year Financial Plan shows that the FY13 \$275,000 project to line 3,150' of 6" & 8" bell and spigot pipe with a continuous resin lining in steep high-risk areas will draw down the reserve balance. A 5% increase (\$3 per month) in the sewer service charge was enacted August 1, 2011. No increase is recommended for FY13.

A Public Hearing Notice will be published in the Point Reyes Light on June 14 and June 21 inviting interested customers to attend the July 3 meeting in Point Reyes Station.

### **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. Two new connections are budgeted for West Marin Water and one new connection for 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 FY15.

### **BUDGETED SYSTEM IMPROVEMENT PROJECTS**

Significant Improvement Projects budgeted for the coming year, from page 1 of the

budget package, include:

**Water**

- \$400,000 for the first phase of a \$730,000 project to design and construct a 60,000 gallon solids-handling facility adjacent to the water treatment plant.
- \$140,000 to complete the \$190,000 project to replace Point Reyes Well #3.

**Sewer**

- \$275,000 to replace 3,150' of 6" of cross-country sewer line.

**Future Projects**

The West Marin Water System Five-Year Financial Plan shows the \$400,000 PRE Tank 4A replacement, the final project in Phase I of the Long Range Improvement Project Plan (LRIPP), will commence in FY15. \$1.6 million is included for the Gallagher Pipeline commencing in FY17. Construction of the pipeline project assumes funding assistance from the federal and state government.

For Oceana Marin Sewer, \$15,000 in continued work on infiltration repair is forecast each year into the future, and \$100,000 is included commencing in FY15 for design and installation of an 8th disposal trench.

**WEST MARIN WATER SYSTEM OPERATING BUDGET**

You will note from page 2 of the budget that the proposed West Marin Water System Financial Plan projects a net deficit next fiscal year of \$397,000. The budget assumes transferring \$1 million of the \$8 million Bank of Marin Aqueduct Energy Efficiency Project loan to West Marin Water at the end of June 2012. This \$1 million loan will be used by West Marin to fully repay the balance of funds due Novato Water (\$249,000 at May 31, 2012) and finance construction of the \$700,000 Solids Handling Facility. The projected FY13 deficit represents the planned drawdown of West Marin Water cash reserves (loan funds) to construct the Solids Handling Facility. West Marin Water customers will then be responsible paying \$69,000 annually (1/8 of the payment obligation) the District is now making to Bank of Marin.

The proposed budget projects two new services to be added to the system each year into the future, which is the average over the last five years. FY13 water sales revenue is budgeted to increase 9% compared with the current year estimated actual. The West Marin

system is projected to consume 73 million gallons (MG) next year, consistent with the current year, but only 84% of the average<sup>1</sup> consumption over the past ten years. The forecast assumes water sales volume will remain flat thereafter at 73MG as conservation programs (including water rate increases) continue to induce more efficient use of water. Historical consumption data is shown on page 5. Operating expenditures are budgeted to increase 5% from the FY12 adopted budget, due principally to the addition of \$23,000 for the Gallagher gauge maintenance. A graphical history of operating expenditures is shown on page 6.

### **OCEANA MARIN SEWER OPERATING BUDGET**

The proposed Oceana Marin Sewer budget shown on page 7 maintains the existing \$58 per month sewer service charge. Two years ago sewer service charge was placed on the County property tax rolls, eliminating the monthly billing and collection cost. One new connection is budgeted for next fiscal year, and each year thereafter, which is Oceana Marin's average over the past five years. Next year's budget projects operating expenditures to decrease 1% 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 FY13 budget for Phillips services is \$64,000. An additional \$1,000 is included as a contingency for major equipment repair or replacement. A graphical history of Oceana Marin operating expenditures is shown on page 10.

A final review and public hearing to consider enactment of the proposed water and sewer rate increases and to adopt the water and sewer budgets is scheduled for July 3, 2012 in Point Reyes Station.

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<sup>1</sup> Average potable use calculated net of the discontinued Giacomini Dairy operation consumption.

NORTH MARIN WATER DISTRICT. NOTICE OF PUBLIC HEARING OCEANA MARIN SEWER SERVICE CHARGES FISCAL YEAR 2012-2013

NOTICE IS HEREBY GIVEN that pursuant to Section 5471 et seq. of the California Health and Safety Code and Section 31101 et seq. of the California Water Code, the Board of Directors of North Marin Water District (NMWD), having amended NMWD Regulation 109, Oceana Marin Sewer Service - Rates and Charges, through the adoption of Ordinance No. 25 on July 5, 2011, has fixed its charges for sewerage services for the fiscal year 2012-2013 in the amount of \$58 per month (\$696 per year) per parcel (no increase in the sewerage service charge is proposed), and further intends to elect to collect such charges on the tax roll as it did for fiscal year 2011-2012 in the same manner as general taxes. NMWD has caused to be filed with its Secretary a written report

containing a description of each parcel of real property receiving sanitary sewerage service from said District and the anticipated amount of charges on each such parcel.

NOTICE IS HEREBY GIVEN THAT ON Tuesday, July 3, 2012 at 7:30 p.m. at a regular Board Meeting of NMWD held at The Dance Palace, 503 B Street, Point Reyes Station, California said Board will hear and consider all protests and objections to said report. Published in the Point Reyes Light June 14, 21, 2012.



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

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

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

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

	Rate Effective <u>6/1/11</u>	Rate Effective <u>6/1/12</u>	Rate Effective <u>6/1/13</u>
Standard 5/8 inch meter .....	\$20.00	\$25.00	\$30.00
For 1-inch meter* .....	\$40.00	\$50.00	\$60.00
1.5-inch meter* .....	\$49.00	\$61.00	\$73.00
2-inch meter .....	\$76.00	\$95.00	\$114.00
3-inch meter .....	\$151.00	\$189.00	\$227.00
4-inch meter .....	\$242.00	\$303.00	\$364.00
6-inch meter .....	\$507.00	\$634.00	\$761.00
8-inch meter .....	\$756.00	\$945.00	\$1,134.00

\*(see paragraph f)

**PLUS A QUANTITY CHARGE OF:**

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

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

Commercial, Institutional & Irrigation Accounts - 11/1 – 5/31	\$3.84	\$4.11	\$4.44
Commercial, Institutional & Irrigation Accounts - 6/1 – 10/31	\$4.13	\$4.42	\$4.77

Rate For 1,000 Gallons For Non-Potable Water

Recycled Water .....	\$3.84	\$4.11	\$4.44
Raw (Untreated) Water from Stafford Lake .....	\$1.58	\$1.69	\$1.83

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

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

NMWD Regulation 54, adopted 1/65

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

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

(2) Consumers outside the Improvement District boundary shall pay the Elevation Zone C Rate.

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

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

Size of Detector Assembly

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

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

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

**MINIMUM SERVICE CHARGE**

Effective 8/1/11-8/1/12

For 5/8 x 3/4-inch meter .....	<del>\$20.00</del> <u>25.00</u>
For 1-inch meter* .....	<del>\$40.00</del> <u>50.00</u>
For 1 1/2-inch meter* .....	<del>\$49.00</del> <u>61.00</u>
For 2-inch meter .....	<del>\$76.00</del> <u>95.00</u>
For 3-inch meter .....	<del>\$151.00</del> <u>189.00</u>
For 4-inch meter .....	<del>\$242.00</del> <u>303.00</u>
For all meters in Paradise Ranch Estates.....	<del>\$37.00</del> <u>41.00</u>

\*(see paragraph f)

**PLUS A QUANTITY CHARGE**

Residential Rate for Each 1,000 Gallons Per Dwelling Unit Effective 8/1/11-8/1/12

First 400 gallons per day (gpd).....	<del>\$6.00</del> <u>6.36</u>
401 up to 900 gpd .....	<del>\$8.34</del> <u>8.81</u>
Use in excess of 900 gpd.....	<del>\$13.33</del> <u>14.13</u>

Rate Per 1,000 Gallons for All Other Accounts

Commercial, Industrial and Irrigation Accounts Nov 1 – May 31	<del>\$6.00</del> <u>6.42</u>
Commercial, Industrial and Irrigation Accounts June 1 – Oct 31	<del>\$8.34</del> <u>8.89</u>

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

<u>Zone</u>	<u>Hydraulic Zone</u>	<u>Effective 8/1/11-8/1/12</u>
1	Point Reyes Station.....	\$0.00
2	Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0' – 365')	<del>\$0.46</del> <u>17</u>
3	Olema .....	<del>\$0.59</del> <u>63</u>
4	Upper Paradise Ranch Estates (Elevation 365' +) .....	<del>\$4.04</del> <u>14.25</u>

(2) Effective August 1, 2011-2012, charge for raw water delivered from Lagunitas Creek shall be paid once every two months at the rate of ~~\$0.33~~35 per 1,000 gallons.

(3) Effective August 1, 2011-2012 consumers outside the Improvement District boundary shall pay

an additional \$2.54 per 1,000 gallons.

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

The following rates shall be paid for water delivered via hydrant meter or pursuant to permit issued by the District from hydrants or for any temporary service as authorized in Regulation 5 or for use through a fire service meter.

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

<u>West Marin Service Area</u>	<u>Effective 8/1/11</u>
For each 1,000 gallons.....	<del>\$12.32</del> <u>\$13.14</u>

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

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

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

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

Where a meter larger than is otherwise required is installed solely to provide capacity for private fire sprinklers or other fire-fighting equipment in single-family detached residential connections, the minimum bi-monthly service charge shall be:

Rate Effective <u>6/1/11</u>	Rate Effective <u>6/1/12</u>	Rate Effective <u>6/1/13</u>
\$22.00	\$28.00	\$34.00

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

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

District Owned DCV Devices:

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

Privately Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>6/1/11</u>	Rate Effective <u>6/1/12</u>	Rate Effective <u>6/1/13</u>
Testing	3/4" + 1".....	\$5.00	\$6.00	\$7.00
Testing	1 1/2".....	\$8.00	\$10.00	\$12.00
Testing	2".....	\$13.00	\$16.00	\$19.00
Testing	3" + 4".....	\$18.00	\$23.00	\$28.00

District Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>6/1/11</u>	Rate Effective <u>6/1/12</u>	Rate Effective <u>6/1/13</u>
Testing, Repair, Replacement	3/4" + 1".....	\$22.00	\$28.00	\$34.00

Testing, Repair, Replacement	1 ½" + 2".....	\$32.00	\$40.00	\$48.00
Testing, Repair, Replacement	3" + 4".....	\$76.00	\$95.00	\$114.00
Testing, Repair, Replacement	6" + 8".....	\$165.00	\$206.00	\$247.00

Privately Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>6/1/11</u>	Rate Effective <u>6/1/12</u>	Rate Effective <u>6/1/13</u>
Testing	¾" + 1".....	\$9.00	\$11.00	13.00
Testing	1 ½" + 2".....	\$17.00	\$21.00	\$25.00
Testing	3" + 4".....	\$34.00	\$43.00	\$52.00
Testing	6" + 8".....	\$67.00	\$84.00	\$101.00

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

(2) Exemptions

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

Rate Effective <u>6/1/11</u>	Rate Effective <u>6/1/12</u>	Rate Effective <u>6/1/13</u>
\$1.80	\$2.30	\$2.80

Proposed  
**BUDGET**

*Second Review*

**West Marin Water  
&  
Oceana Marin Sewer**

FISCAL YEAR

**2012-13**

***NORTH MARIN WATER DISTRICT***

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

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&  
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**Proposed Capital Improvement Projects**

	FY12 Budget	FY12 Est Actual	FY13 Budget	FY14 Budget	FY15	FY16	FY17	FY13 Project Description
<b>6 WEST MARIN WATER SYSTEM</b>								
a. TP Solids Handling	\$360,000	\$30,000	\$400,000	\$300,000				Design & construct a 60,000 gal solids handling facility.
b. Replace Retaining Wall at PRE 2	\$20,000	\$17,000						Replace obsolete TESCO RTU
c. TP RTU Upgrade	\$21,000	\$20,000						Upsize 360' of 6" pipeline to 8" from Viento to State Rt 1 in conjunction with the Meadery Project
d. Viento Way Upsizing		\$21,000						Replace failed well
e. Point Reyes Well #3 Rehab	\$15,000	\$50,000	\$140,000					Replace 9 Point Reyes Treatment Plant control valves
f. Treatment Plant Control Valve Replacement		\$75,000						To record the Gallagher Well impact on Lagunitas Creek flow
g. Gallagher Auxiliary Stream Gauge		\$30,000						
h. Replace PRE 2" Galvanized Steel Pipe			\$120,000					
i. Oleria PS Flood Protection & RTU Upgrade			\$100,000					
j. Tank Seismic Upgrades					\$70,000			
k. Replace PRE Tank #4A (25,000 gal w/82,000 gal Tank)					\$200,000	\$200,000		
l. Gallagher Pipeline (Note e)					\$1,600,000	\$1,600,000		
	<b>\$416,000</b>	<b>\$138,000</b>	<b>\$645,000</b>	<b>\$520,000</b>	<b>\$270,000</b>	<b>\$200,000</b>	<b>\$1,600,000</b>	
<b>7 OCEANA MARIN SEWER SYSTEM</b>								
a. Infiltration Repair	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	Ongoing work to identify and repair collection pipelines to prevent rainwater from leaking into the system
b. Tahiti Way Lift Pumps Rebuild (1/year)	\$20,000	\$16,000	\$20,000				\$20,000	Rebuild the two lift pumps in 5-year cycles.
c. Cross Country Sewer Line Rehab (3,150')	\$80,000	\$15,000	\$275,000					Line 3,150' of 6"-8" pipe in high-risk areas
d. Treatment Pond Algae Control Device		\$10,000						Design, Procure and install Ultrasonic Irradiation Device
e. SCADA RTU Upgrade and Install			\$35,000					
f. Design/Install 8th Disposal Trench (300')	\$115,000	\$46,000	\$320,000	\$50,000	\$50,000	\$50,000	\$50,000	
	<b>\$115,000</b>	<b>\$46,000</b>	<b>\$320,000</b>	<b>\$50,000</b>	<b>\$65,000</b>	<b>\$65,000</b>	<b>\$35,000</b>	

**WEST MARIN WATER  
BUDGET SUMMARY  
Fiscal Year 2012/13**

	<b>Proposed Budget 2012/13</b>	<b>Estimated Actual 2011/12</b>	<b>Adopted Budget 2011/12</b>
<b>OPERATING INCOME</b>			
1 Water Sales	\$661,000	\$630,000	\$657,000
2 Misc Service Charges	5,000	4,000	3,000
3 <b>Total Operating Income</b>	<b>\$666,000</b>	<b>\$634,000</b>	<b>\$660,000</b>
<b>OPERATING EXPENDITURES</b>			
4 Source of Supply	\$37,000	\$24,000	\$13,000
5 Pumping	39,000	17,000	45,000
6 Operations	30,000	27,000	31,000
7 Water Treatment	112,000	109,000	107,000
8 Transmission & Distribution	105,000	112,000	89,000
9 Consumer Accounting	26,000	22,000	24,000
10 Water Conservation	4,000	1,000	4,000
11 General Administration	51,000	58,000	66,000
12 Depreciation Expense	153,000	151,000	149,000
13 <b>Total Operating Expenditures</b>	<b>\$557,000</b>	<b>\$521,000</b>	<b>\$528,000</b>
14 <b>NET OPERATING INCOME (LOSS)</b>	<b>\$109,000</b>	<b>\$113,000</b>	<b>\$132,000</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>			
15 PR-2 County Tax Allocation	\$45,000	\$40,000	\$38,000
16 PR-3 / OL-2 Bond Tax	4,000	18,000	19,000
17 Interest Revenue	6,000	0	0
18 Interdistrict Loan Interest	0	(5,000)	(3,000)
19 Bond & Loan Interest Expense	(44,000)	(13,000)	(13,000)
20 Miscellaneous Revenue/(Expense)	3,000	3,000	4,000
21 <b>Total Non-Operating Income/(Expense)</b>	<b>\$14,000</b>	<b>\$43,000</b>	<b>\$45,000</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$123,000</b>	<b>\$177,000</b>
<b>OTHER SOURCES/(USES) OF FUNDS</b>			
22 Add Depreciation Expense	\$153,000	\$151,000	\$149,000
23 Connection Fees	46,000	9,000	0
24 Loan Proceeds	0	1,000,000	0
25 Capital Improvement Projects	(645,000)	(138,000)	(416,000)
26 Bond & Loan Principal Payments	(74,000)	(35,000)	(35,000)
27 Loan from (repayment to) Novato	0	(357,000)	125,000
28 <b>Total Other Souces/(Uses)</b>	<b>(\$520,000)</b>	<b>\$630,000</b>	<b>(\$177,000)</b>
29 <b>NET SURPLUS/(DEFICIT)</b>	<b>(\$397,000)</b>	<b>\$786,000</b>	<b>\$0</b>



North Marin Water District

# WEST MARIN WATER

## 5-Year Financial Plan

#	BASIC DATA	Actual 2009/10	Actual 2010/11	Estimated 2011/12	Projected 2012/13	Projected 2013/14	Projected 2014/15	Projected 2015/16	Projected 2016/17
1	Active Meters	769	770	776	778	780	782	784	786
2	Avg Commodity Rate/1,000 Gal	\$5.95	\$6.56	\$7.07	\$7.49	\$7.95	\$7.95	\$7.95	\$7.95
3	Potable Consumption (MG)	77	75	73	73	73	73	73	73
<b>INCOME</b>									
4	Commodity Charge	\$459,606	\$489,493	\$516,000	\$547,000	\$580,000	\$580,000	\$580,000	\$580,000
5	Minimum Service Charge	92,766	94,214	114,000	114,000	137,000	137,000	137,000	137,000
6	Connection Fee	31,350	16,150	9,000	46,000	46,000	46,000	46,000	46,000
7	PR-2 County Tax Allocation	40,024	38,446	40,000	45,000	43,000	44,000	45,000	46,000
8	PR-3 G.O. Bond Tax	13,631	13,803	14,000	0	0	0	0	0
9	OL-2 G.O. Bond Tax	3,910	3,528	4,000	4,000	4,000	0	0	0
10	Interest	365	0	0	6,000	3,000	2,000	2,000	2,000
11	Miscellaneous	6,998	(10,290)	7,000	8,000	8,000	8,000	8,000	8,000
12	<b>TOTAL INCOME</b>	<b>\$648,650</b>	<b>\$645,344</b>	<b>\$704,000</b>	<b>\$770,000</b>	<b>\$821,000</b>	<b>\$817,000</b>	<b>\$818,000</b>	<b>\$819,000</b>
<b>EXPENDITURES</b>									
13	Operating Expenditures	\$370,787	\$373,023	\$370,000	\$404,000	\$416,000	\$428,000	\$441,000	\$454,000
14	Replacement/Enhancement Projects	84,195	8,201	0	0	0	0	0	0
15	Bond & Loan Debt Service	47,500	48,105	48,000	49,000	33,000	34,000	29,000	30,000
16	New Loan Debt Service	0	0	0	69,000	69,000	69,000	69,000	177,000
17	Interdistrict Loan Interest	7,074	4,969	5,000	0	0	0	0	0
18	<b>TOTAL EXPENDITURES</b>	<b>\$509,556</b>	<b>\$434,298</b>	<b>\$423,000</b>	<b>\$522,000</b>	<b>\$518,000</b>	<b>\$531,000</b>	<b>\$539,000</b>	<b>\$661,000</b>
<b>NET INCOME BEFORE PROJECTS</b>									
		<b>\$139,094</b>	<b>\$211,046</b>	<b>\$281,000</b>	<b>\$248,000</b>	<b>\$303,000</b>	<b>\$286,000</b>	<b>\$279,000</b>	<b>\$158,000</b>
<b>OTHER SOURCES/(USES)</b>									
19	Capital Improvement Projects	(27,581)	(136,485)	(138,000)	(645,000)	(520,000)	(270,000)	(200,000)	(1,600,000)
20	Loan/Grant Proceeds	0	0	1,000,000	0	0	0	0	1,600,000
21	Loan from (repayment to) Novato	(38,522)	(63,332)	(357,000)	0	0	0	0	0
22	Net Change in Working Capital	(73,858)	(13,013)	0	0	0	0	0	0
23	<b>INCREASE (DECREASE) IN CASH</b>	<b>(\$867)</b>	<b>(\$1,784)</b>	<b>\$786,000</b>	<b>(\$397,000)</b>	<b>(\$217,000)</b>	<b>\$16,000</b>	<b>\$79,000</b>	<b>\$158,000</b>
<b>CASH BALANCE</b>									
24	Operating Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$345,000
25	System Expansion Reserve	0	0	687,000	305,000	88,000	108,000	137,000	0
26	Liability Contingency Reserve	0	0	99,000	99,000	99,000	99,000	99,000	99,000
27	Bond Redemption Reserve	52,097	50,313	50,000	35,000	35,000	31,000	31,000	31,000
28	<b>TOTAL CASH BALANCE</b>	<b>\$52,097</b>	<b>\$50,313</b>	<b>\$836,000</b>	<b>\$439,000</b>	<b>\$222,000</b>	<b>\$238,000</b>	<b>\$317,000</b>	<b>\$475,000</b>
29	Amount Due to Novato Water	\$420,300	\$356,968	\$0	\$0	\$0	\$0	\$0	\$0
30	Depreciation Expense	\$145,913	\$147,002	\$151,000	\$153,000	\$164,000	\$173,000	\$178,000	\$181,000

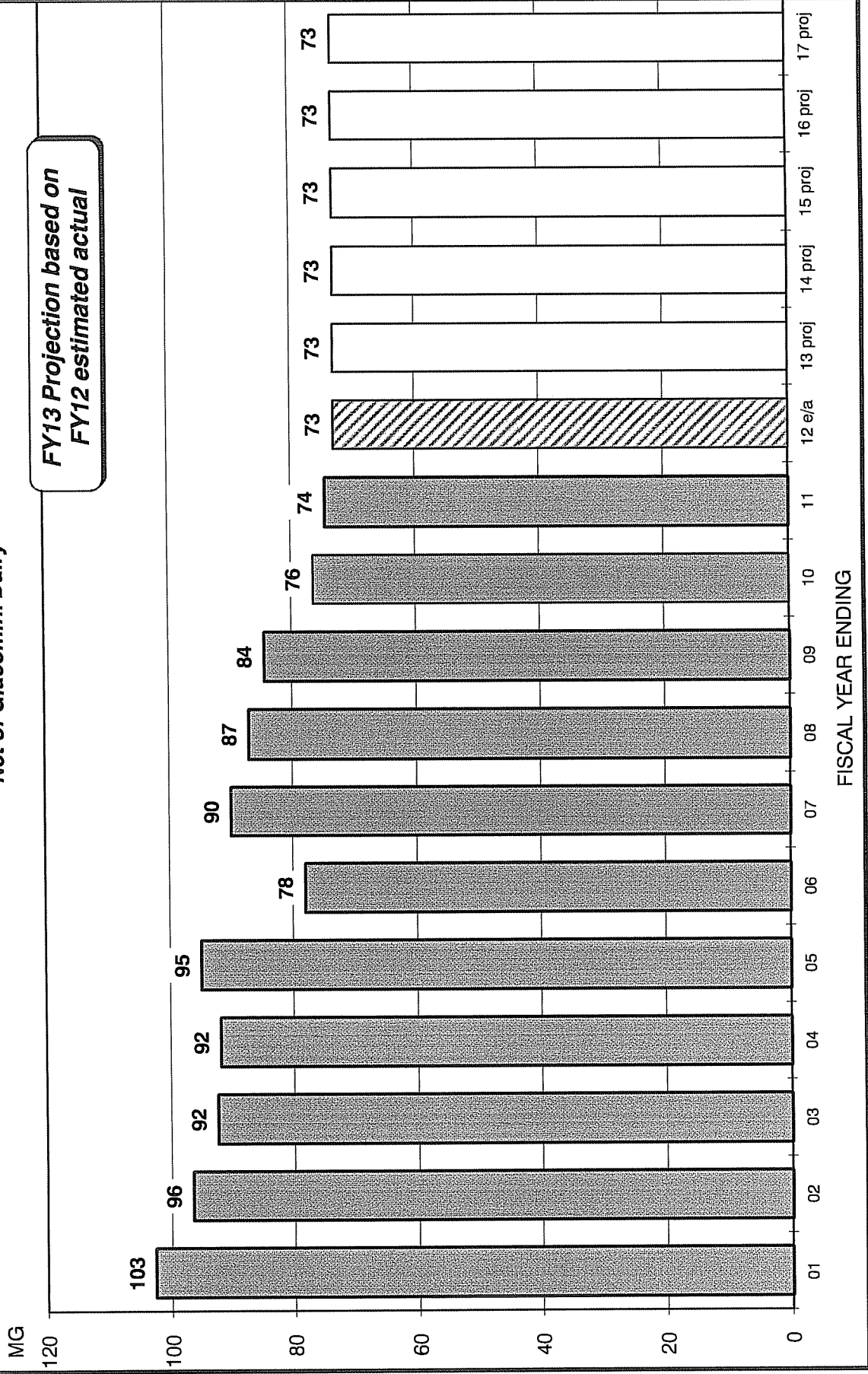
**WEST MARIN WATER NOTES**

## # KEY

- West Marin Water includes the communities of Point Reyes Station, Inverness Park, Olema, Bear Valley, Silver Hills and Paradise Ranch Estates (PRE).
- 1 Assumes annual increase of 2 connections per year, which is the 5 year average.
  - 2 A commodity rate increase of 6% for residential, and 7% for non-residential, is proposed effective 8/1/12.
  - 3 Projection based on FY12 estimated actual.
  - 5 A 25% increase in the Bimonthly Minimum Service Charge to \$25 for the typical 5/8" X 3/4" residential meter is proposed effective 8/1/12. An 11% increase is proposed for the PRE bimonthly Minimum Service Charge (to \$41 per month) which is adequate to cover 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.
  - 6 The connection fee was increased to \$22,800 per equivalent dwelling unit effective August 1, 2010.
  - 7 In July 2009 the State Legislature "borrowed" 8% (approximately \$3,500) of Point Reyes tax revenue. California promised to repay the borrowed money plus 2% interest per annum no later than June 30, 2013. Said repayment is incorporated into the FY13 budget. 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 FY13.
  - 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 FY13-FY16 is interest and principal payment on \$1 million loan from Bank of Marin; FY17 includes debt service on loan for Gallagher Pipeline.
  - 17 Interest on interdistrict loan to fund the LRIPP. Projection assumes interdistrict debt will be fully repaid in June 2012 with loan from Bank of Marin.
  - 18 Excludes depreciation.
  - 19 Capital Improvement Projects. See 5-year Improvement Projects Forecast.
  - 20 Assumes \$1 million loan from Bank of Marin in June 2012. Gallagher Pipeline grant or loan proceeds offset the \$1.6 million cost of installation.
  - 21 Interdistrict loan 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, 2012, 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 and the Bank of Marin loan funds.
  - 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.
  - 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. The PR-6 Revenue Bond will be fully repaid in January 2013, eliminating the need for the \$15K Reserve.
  - 29 Amount Due to Novato Water at fiscal year end.

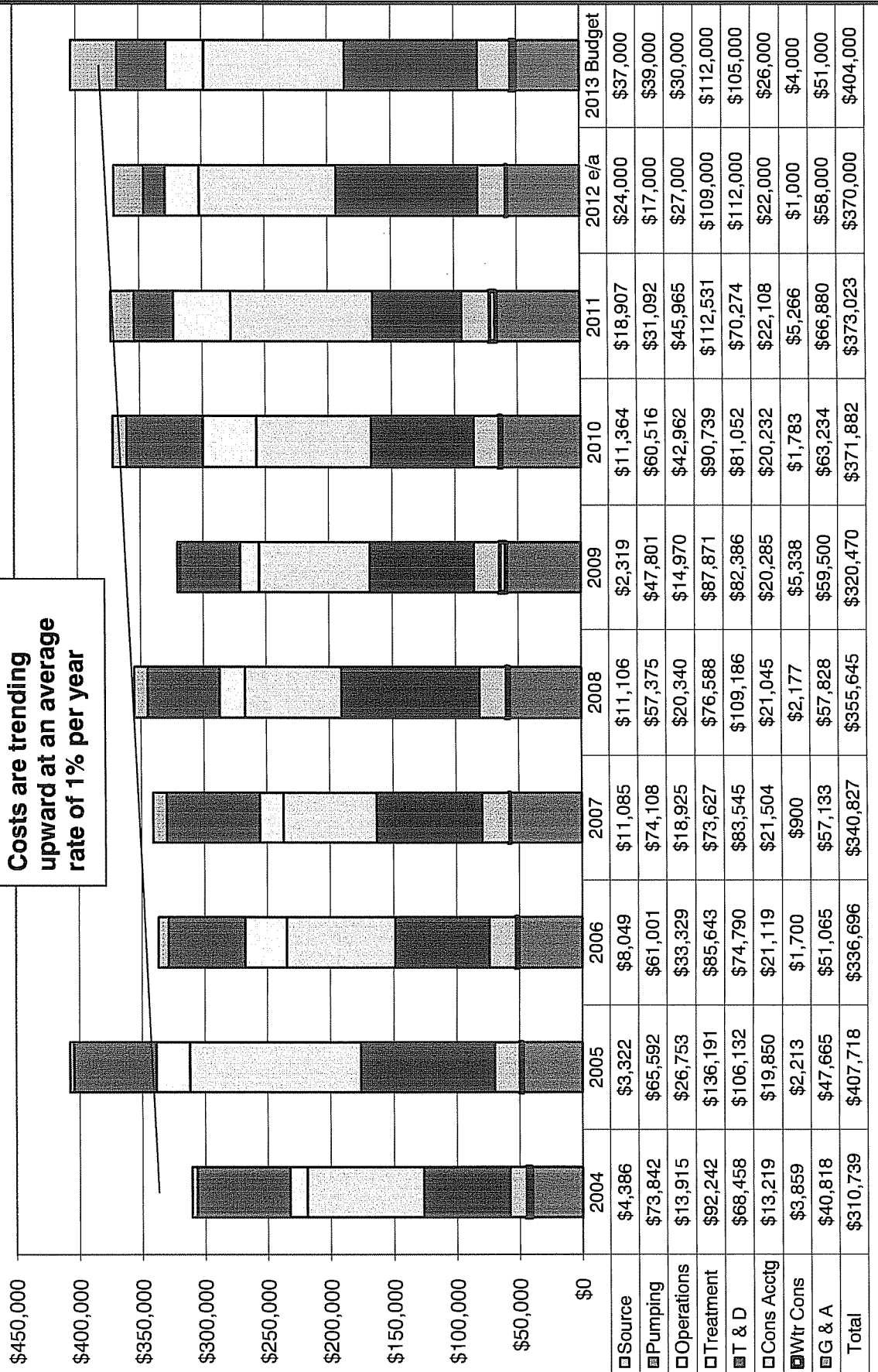
# West Marin Potable Water Billed Consumption Net of Giacomini Dairy

**FY13 Projection based on  
FY12 estimated actual**



### West Marin Water Operating Expenditures

Costs are trending upward at an average rate of 1% per year



**OCEANA MARIN SEWER  
BUDGET SUMMARY  
Fiscal Year 2012/13**

	<b>Proposed Budget 2012/13</b>	<b>Estimated Actual 2011/12</b>	<b>Adopted Budget 2011/12</b>
<b>OPERATING INCOME</b>			
1 Monthly Sewer Service Charge	\$158,000	\$157,000	\$157,000
2 Misc Service Charges	0	0	0
3 <b>Total Operating Income</b>	<b>\$158,000</b>	<b>\$157,000</b>	<b>\$157,000</b>
<b>OPERATING EXPENDITURES</b>			
4 Sewage Collection	\$21,000	\$20,000	\$20,000
5 Sewage Treatment	20,000	27,000	19,000
6 Sewage Disposal	2,000	2,000	1,000
7 Contract Operations	65,000	61,000	63,000
8 Customer Accounting	2,000	2,000	2,000
9 General & Administration	21,000	22,000	25,000
10 Depreciation Expense	41,000	41,000	43,000
11 <b>Total Operating Expenditures</b>	<b>\$172,000</b>	<b>\$175,000</b>	<b>\$173,000</b>
12 <b>NET OPERATING INCOME (LOSS)</b>	<b>(\$14,000)</b>	<b>(\$18,000)</b>	<b>(\$16,000)</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>			
13 OM-1/OM-3 Tax Allocation	\$46,000	\$41,000	\$41,000
14 Interest Revenue	3,000	2,000	3,000
15 Miscellaneous Revenue/(Expense)	1,000	0	1,000
16 <b>Total Non-Op Income/(Expense)</b>	<b>\$50,000</b>	<b>\$43,000</b>	<b>\$45,000</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$25,000</b>	<b>\$29,000</b>
<b>OTHER SOURCES/(USES) OF FUNDS</b>			
17 Add Depreciation Expense	\$41,000	\$41,000	\$43,000
18 Connection Fees	15,000	0	0
19 Capital Improvement Projects	(320,000)	(46,000)	(115,000)
20 <b>Total Other Souces/(Uses)</b>	<b>(\$264,000)</b>	<b>(\$5,000)</b>	<b>(\$72,000)</b>
21 <b>NET SURPLUS/(DEFICIT)</b>	<b>(\$228,000)</b>	<b>\$20,000</b>	<b>(\$43,000)</b>

North Marin Water District

# OCEANA MARIN SEWER

## 5-Year Financial Plan

#	BASIC DATA	Actual 2009/10	Actual 2010/11	Estimated 2011/12	Projected 2012/13	Projected 2013/14	Projected 2014/15	Projected 2015/16	Projected 2016/17
1	Number of Connections	225	227	227	228	229	230	231	232
2	Monthly Service Charge	\$55.00	\$55.00	\$58.00	\$58.00	\$58.00	\$58.00	\$58.00	\$58.00
3	<b>INCOME</b>								
	Monthly Service Charge	\$148,427	\$149,820	\$157,000	\$158,000	\$159,000	\$160,000	\$160,000	\$161,000
	OM-1/OM-3 Tax Allocation	42,654	40,992	41,000	46,000	44,000	45,000	46,000	47,000
	Connection Fees	9,000	0	0	15,000	15,000	15,000	15,000	15,000
	Interest Revenue	2,919	2,555	2,000	3,000	1,000	1,000	1,000	1,000
	Miscellaneous Revenue/(Expense)	798	(156)	0	1,000	1,000	1,000	1,000	1,000
8	<b>TOTAL INCOME</b>	<b>\$203,798</b>	<b>\$193,211</b>	<b>\$200,000</b>	<b>\$223,000</b>	<b>\$220,000</b>	<b>\$222,000</b>	<b>\$223,000</b>	<b>\$225,000</b>
9	<b>OPERATING EXPENDITURES</b>	<b>\$123,296</b>	<b>\$128,191</b>	<b>\$134,000</b>	<b>\$131,000</b>	<b>\$135,000</b>	<b>\$139,000</b>	<b>\$143,000</b>	<b>\$147,000</b>
	<b>OTHER EXPENDITURES</b>								
	Capital Imprvmnt Projects/Other	\$40,159	\$26,360	\$46,000	\$320,000	\$50,000	\$65,000	\$65,000	\$35,000
10	<b>TOTAL EXPENDITURES</b>	<b>\$163,455</b>	<b>\$154,551</b>	<b>\$180,000</b>	<b>\$451,000</b>	<b>\$185,000</b>	<b>\$204,000</b>	<b>\$208,000</b>	<b>\$182,000</b>
12	Net Change in Working Capital	(\$2,028)	\$9,603	\$20,000	(\$228,000)	\$35,000	\$18,000	\$15,000	\$43,000
13	<b>INCREASE (DECREASE) IN CASH</b>	<b>\$38,315</b>	<b>\$48,263</b>	<b>\$20,000</b>	<b>(\$228,000)</b>	<b>\$35,000</b>	<b>\$18,000</b>	<b>\$15,000</b>	<b>\$43,000</b>
	<b>CASH BALANCE</b>								
	Operating Reserve	\$191,225	\$238,651	\$258,000	\$108,000	\$143,000	\$161,000	\$176,000	\$219,000
	Connection Fee Reserve	76,455	77,292	78,000	0	0	0	0	0
16	<b>TOTAL CASH BALANCE</b>	<b>\$267,680</b>	<b>\$315,943</b>	<b>\$336,000</b>	<b>\$108,000</b>	<b>\$143,000</b>	<b>\$161,000</b>	<b>\$176,000</b>	<b>\$219,000</b>
17	Depreciation Expense	\$41,084	\$41,084	\$41,000	\$42,000	\$50,000	\$51,000	\$53,000	\$55,000

North Marin Water District

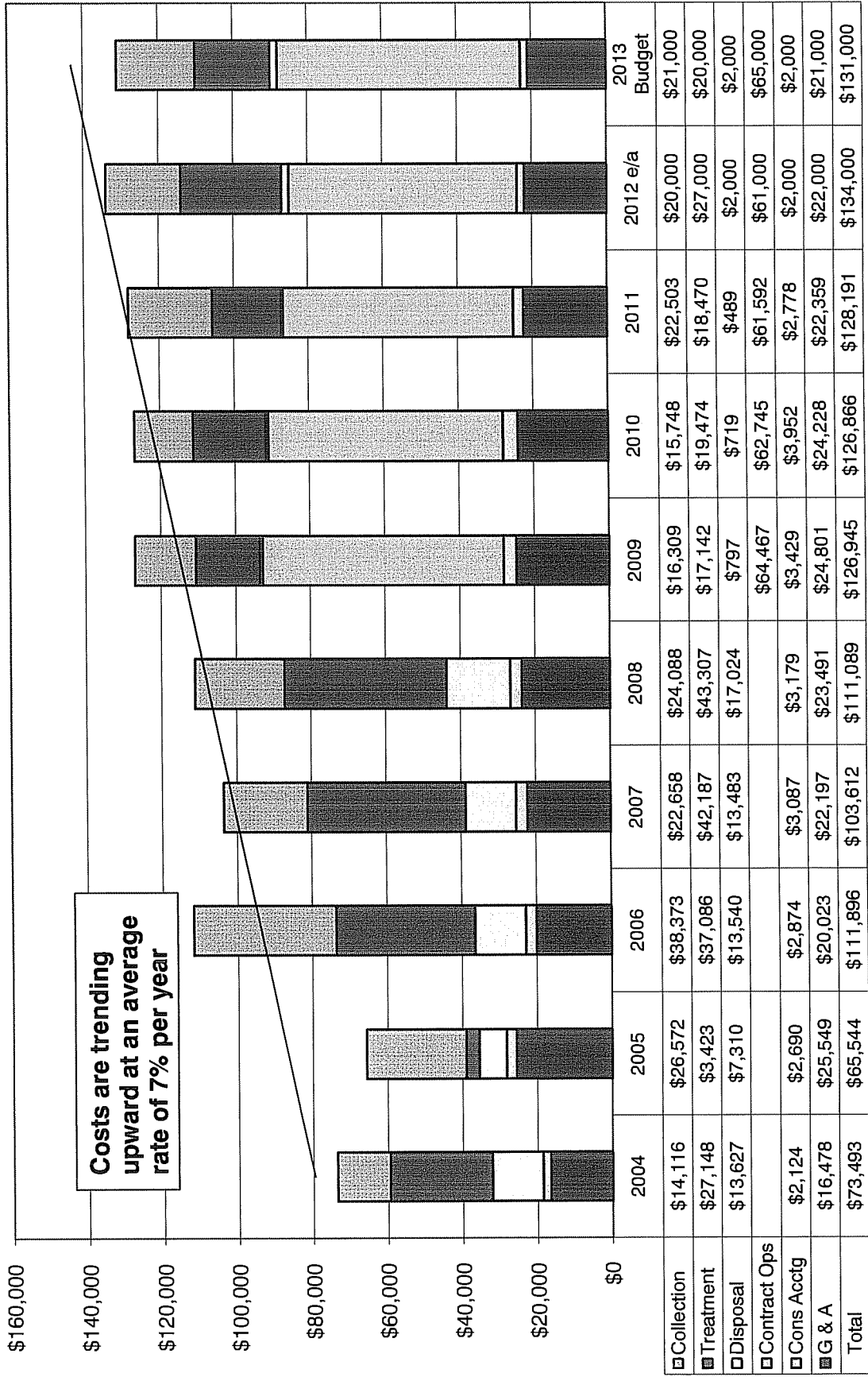
## **OCEANA MARIN SEWER**

### **NOTES**

# KEY

- 1 Assumes increase of 1 connection per year, which is the average over the last 5 years. Capacity is estimated at 308 dwelling units.
- 2 Service charge of \$58/month effective 8/1/11.
- 4 County tax allocation enacted subsequent to Prop 13 to compensate for O&M tax revenue previously received. In July 2009 the State Legislature "borrowed" 8% (approximately \$3,500) of Oceana Marin tax revenue. California promised to repay the borrowed money plus 2% interest per annum no later than June 30, 2013. Said repayment is incorporated into the FY13 budget. OM-1/IOM-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 FY13.
- 10 Capital Improvement Projects. See 5-year Improvement Projects Forecast.
- 11 Excludes depreciation.
- 16 Cash available for operation, maintenance and improvements

## Oceana Marin Operating Expenditures



Costs are trending upward at an average rate of 7% per year



15

**MEMORANDUM**

To: Board of Directors

June 15, 2012

From: Drew McIntyre, Chief Engineer



Subject: North Bay Water Reuse Authority Board Meeting – May 21, 2012

Z:\Folders by Job No\7000 Jobs\7127\Board Memos\7127 NBRWA Update 6\_19\_12.doc

**RECOMMENDED ACTION:** Information Only

**FINANCIAL IMPACT:** \$206,036 (Included in proposed FY2012-13 Recycled Water Operations Budget)

Agenda attached.

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

**7. Budget Summary Ending March 31, 2012**

The Board reviewed an updated budget summary for the period ending March 31, 2012. The budget summary (Attachment 2) tracks initial expenditures by all the consultants for the 9 months of the fiscal year FY2011-12. NMWD's assessment for FY2011-12 remains unchanged at \$128,161 (\$115,460 for baseline assessment plus \$12,707 for Ohlone Red-Legged Frog Conservation Bank).

**Reconciliation and Reassessment of Costs for Phase 1 from FY2005-06 to FY2010-11**

The Board approved the reconciliation and reassessment costs for Phase 1 from FY2005-06 to FY2010-11 which essentially results in a "true up" cost. The second amended MOU (MOU) has a provision which states that "member agencies shall be afforded the opportunity to receive reimbursement for previously allocated costs not based on benefits received during the period from the date of the MOU (e.g., FY2010-11) back to FY2005-06" (aka "true up"). The MOU states that reimbursement shall be equal to: (1) actual costs paid by a member agency during the reimbursement period minus (2) the amount of costs that would have been allocated to that member agency during the reimbursement period if the percentages had been in effect. In essence, the "true up" is included in the MOU to fairly distribute costs for NBWRA participation based upon the assessments received through grants. Based on the Board approved tabulation shown in Attachment 3, it can be seen that NMWD is required to make a payment to Sonoma County Water Agency (NBWRA's administrative agency) of \$602,073. However, this substantial payment does not take into account past payments made by NMWD to both Las Gallinas Valley Sanitary District (LGVSD) and Novato Sanitary District (NSD) as also shown in Attachment 3. The payments made to-date to NSD equal \$280,440 and payments to-date made to LGVSD equal \$115,597. Accordingly, the resulting balance

that will need to be paid by NMWD is \$206,036. This amount is included in the proposed FY2012-13 budget for recycled water. Discussions have been ongoing with both NSD and LGVSD staff wherein NMWD will invoice both agencies for reimbursement of past due payments and upon receipt of said payments NMWD will then issue a check to SCWA for a total of \$602,073. This process is expected to occur during the next two months.

**10. Draft Budget and Detailed Scopes and Costs for Phase 1 and Phase 2 for FY2012-13 and FY2013-14**

As the attached minutes identify, there is uncertainty by both Napa County and Napa Sanitation District Directors regarding their level of support for Phase 2 scoping studies at this time. As a result of these uncertainties, the Phase 2 budget was not approved in its entirety as originally submitted. I'll provide an updated report after the August 20, 2012 NBWRA Board meeting.

**13. Federal Funding Update**

The meeting minutes make reference to an award of \$3,836,750 in additional WaterSmart Grant funds. These grant funds will be utilized by Napa Sanitation District and Sonoma Valley Community Services District.

**14. State Funding Update**

NBWRA support for AB2398, the WaterReuse legislation, is still pending since there are some member agency concerns related to the exact wording of the legislation.

**North Bay Water Reuse Authority  
Board of Directors Meeting  
Phase 1 Minutes  
May 21, 2012**

**1. Call to Order**

Chair Caldwell called the meeting to order at 9:35 a.m. on Monday, May 21, 2012 at the Novato Sanitary District Boardroom, 500 Davidson Street, Novato, CA 94945.

**2. Roll Call**

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

**ABSENT:** None

**OTHERS**

<b>PRESENT:</b> Chuck Weir, Program Manager	RMC
Marc Bautista	Sonoma County Water Agency
Kevin Booker	Sonoma County Water Agency
Ginger Bryant	Bryant & Associates
Grant Davis	Sonoma County Water Agency
Barry Dugan	Data Instincts
Tim Healy	Napa Sanitation District
Beverly James	Novato Sanitary District
Liz Lewis	Marin County
Andria Loutsch	CDM Smith
Susan McGuire	Las Gallinas Valley Sanitary District
Drew McIntyre	North Marin Water District
Mark Millan	Data Instincts
Phillip Miller	Napa County
Monica Oakley	RMC
Pilar Oñate-Quintana	The Oñate Group
Jim O'Toole	ESA
Michael Savage	CDM Smith
Jeff Tucker	Napa Sanitation District
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**

No introductions were necessary.

#### **5. Board Meeting Minutes of February 27, 2012**

A motion by Director Long, seconded by Director Schoonover to approve the February 27, 2012 minutes was approved with Directors Carrillo and Techel abstaining.

#### **6. Report from the Program Manager**

##### **6.a Consultant Progress Reports**

The Program Manager noted that this month's report included the April 2012 Progress Reports from the consultant team.

#### **7. Budget Summary – Period Ending March 31, 2012**

The Board reviewed the third quarter budget summary for the period ending March 31, 2012.

#### **8. Reconciliation and Reassessment of Costs for Phase 1 from FY2005/06 to FY2010/11**

The Program Manager described the reconciliation and reassessment as provided in the Memorandum of Understanding and that the methodology had been reviewed by the Technical Advisory Committee's (TAC) Finance Committee and recommended for Board approval by the TAC. A motion by Director Long, seconded by Director Schoonover to approve the Reconciliation and Reassessment of costs for Phase 1 from FY2005/06 to FY2010/11 was unanimously approved.

#### **9. Recap of Phase 1 and Phase 2 Issues from April 30, 2012 Workshop**

The agenda report included a summary of the Workshop, including attendance. Michael Savage, CDM Smith gave a presentation of the issues from the Workshop, focusing on Phase 2 issues. Recently approximately \$450,000 in funds from United States Bureau of Reclamation (USBR) has become available to fund 50% of the cost of scoping studies over the next two years. FY2012/13 will include a study on new user assessments and FY2013/14 will include a study on storage requirements as well as a summary report on the scoping studies conducted from FY2011/12 to FY2013/14. The full feasibility study would occur following the scoping studies. Normally there would only be \$150,000 available through the Water SMART program.

#### **10. Draft Budget and Detailed Scopes and Costs for Phase 1 and Phase 2 for FY2012/13 and FY2013/14**

The Program Manager reviewed the proposed two-year budget and explained that the intent was to develop two-year agreements with the consultants to save administrative costs. If the Board approved the two-year budget, only the funds for the first year would be authorized. The Board would consider the second year in May 2013. Board members expressed either their support for the two-year budget or their concerns with uncertainty regarding Phase 2. Napa County and Napa Sanitation District Directors indicated that they could not support Phase 2 scoping studies at this time and requested a delay until August 2012 to make a final decision. The Program Manager suggested that the Board consider approving Phase 1 Support, Phase 2 Support, and Joint Use Tasks and that the Phase 2 Scoping Studies and Workshops be continued to the August 2012 meeting. Following additional discussion the Board took the following actions:

- a. A motion by Director Long, seconded by Director Rabbitt to approve FY2012/13 Phase 1 Support and Joint Use Tasks was unanimously approved.
- b. A motion by Director Long, seconded by Director Rabbitt to approve FY2012/13 Phase 2 Support Tasks was approved with Director Schoonover abstaining.
- c. A Motion by Director Long, seconded by Director Techel, to continue the FY2012/13 Phase 2 Scoping Studies and Workshops and the FY2013/14 Budget to the August 20, 2012 meeting was unanimously approved.

**11. Meeting Schedule for FY2012/13 and FY2013/14**

The Board reviewed the proposed meeting schedule for the next two fiscal years. There was discussion about possibly modifying the schedule to accommodate Marin County Supervisor Judy Arnold's conflict with the third Monday at 9:30 a.m. regular meeting time. A motion by Director Long, seconded by Director Rabbitt to approve the meeting schedule for FY2012/13 and FY2013/14 was unanimously approved.

**12. American Recovery and Reinvestment Act and Title XVI Projects and Schedule Updates**

The Board reviewed the ARRA projects and schedule as updated by Andria Loutsch, CDM Smith.

**13. Federal Funding Update**

Ginger Bryant noted that NBWRA has been awarded a \$3,836,750 WaterSMART grant. The Board expressed its thanks to all who participated in working with USBR and in preparing the grant application.

**14. State Funding Update**

Pilar Oñate-Quintana provided an update on the status of State funding, several bills of interest, and the status of AB2398, the WateReuse legislation. The bill was last amended April 16, 2012 and has passed through two Assembly committees. Beverly James gave an update on concerns raised by Bay Area Clean Water Agencies (BACWA) and NBWRA, including continuation of secondary effluent for suitable projects, eligibility for state funding, and the fee structure. James and Onate-Quintana noted that WateReuse has expressed a willingness to amend the bill to address the concerns raised by BACWA and NBWRA. A motion by Director Long, seconded by Director Loder, for NBWRA to send a letter of support for AB3298 if amended to address BACWA and NBWRA issues was unanimously approved.

**15. Outreach Program Update**

Mark Millan, Data Instincts, demonstrated the recent changes to the website.

**16. Adjournment**

There being no further business, Chair Caldwell adjourned the meeting at 11:43 a.m.

Minutes approved by the Board on \_\_\_\_\_.

Charles V. Weir  
Program Manager

# North Bay Water Reuse Authority

Monthly Project Cost Summary

Period Ending: Through March 31, 2012

## 3. MEMBER AGENCIES FY 2011/2012

Member Agency	Total Assessments	Assessments Paid	Assessments Due	Budgeted Expenses	Expense Ratio	Interest Earned	Expenses Paid	Member Balance
<b>NBWRA Agencies</b>								
City of American Canyon	9,250.00	9,250.00	-	9,250.00	0.9%	21.43	-4,814.25	4,457.18
City of Petaluma	9,250.00	9,250.00	-	9,250.00	0.9%	21.43	-4,814.25	4,457.18
City of Sonoma	4,150.00	4,150.00	-	4,150.00	0.4%	21.43	-2,159.91	2,011.52
County of Marin	9,250.00	9,250.00	-	9,250.00	0.9%	3.24	-4,814.25	4,438.99
Valley of the Moon Water District	1,400.00	1,400.00	-	1,400.00	0.1%	9.61	-728.64	680.97
Las Gallinas Valley Sanitary District	97,282.67	97,282.67	-	97,282.67	9.5%	258.58	-51,649.45	45,891.81
Napa Sanitation District	259,200.34	259,200.34	-	259,200.34	25.4%	1,055.63	-118,324.06	141,931.90
Novato Sanitary District	106,264.67	106,264.67	-	106,264.67	10.4%	268.90	-55,325.61	51,207.97
Sonoma Valley CSD	251,184.88	251,184.88	-	251,184.88	24.6%	611.02	-130,052.27	121,743.63
Sonoma County Water Agency	73,278.66	73,278.66	-	73,278.66	7.2%	199.67	-41,803.22	31,675.11
County of Napa	73,278.00	73,277.67	0.33	73,278.00	7.2%	-75.12	-41,803.21	31,399.34
North Marin Water District	128,161.11	128,161.11	-	128,161.11	12.5%	311.88	-59,517.25	68,955.75
<b>Total</b>	<b>1,021,950.33</b>	<b>1,021,950.00</b>	<b>0.33</b>	<b>1,021,950.33</b>	<b>100.0%</b>	<b>\$2,707.70</b>	<b>-515,806.37</b>	<b>508,851.33</b>

Item No. 7

NBWRA Agencies	Total		(Using total %s) Total		Amount Under Paid / Over Paid
	Assessment s Paid	Exhibit B Total Percentages	Reallocated Assessment	Under Paid	
Las Gallinas Valley Sanitary District	\$522,420	7.24%	\$247,071	\$275,349	
Novato Sanitary District	\$741,263	8.61%	\$293,908	\$447,355	
North Marin Water District	<\$396,038>	17.64%	\$602,073	(\$602,073)	
Sonoma Valley County San District	\$694,849	27.47%	\$937,681	(\$242,832)	
Sonoma County Water Agency	\$404,512	3.57%	\$121,897	\$282,615	
Napa Sanitation District	\$1,050,079	31.89%	\$1,088,596	(\$38,517)	
Napa County	\$0	3.57%	\$121,897	(\$121,897)	
<b>Total</b>	<b>\$3,413,123</b>	<b>100.00%</b>	<b>\$3,413,123</b>	<b>(\$0)</b>	

**Member Agency Deposits FY05/06 through FY10/11**


	LGVSD	Novato San	NMWD <sup>(1)</sup>	SVCSD	SCWA	Napa San	Napa County	Total
FY05/06	\$60,616	\$81,743	\$0	\$96,302	\$49,497	\$116,843	\$0	\$405,001
FY06/07	\$82,030	\$59,449	<\$29,724>	\$96,504	\$62,690	\$156,435	\$0	\$457,108
FY07/08	\$81,263	\$176,901	<\$50,000>	\$112,509	\$63,135	\$228,657	\$0	\$662,465
FY08/09	\$117,135	\$167,472	<\$137,898>	\$153,889	\$90,558	\$215,946	\$0	\$745,000
FY09/10	\$73,111	\$104,529	<\$54,657>	\$96,052	\$56,521	\$134,786	\$0	\$464,999
FY10/11	\$108,265	\$151,169	<\$123,759>	\$139,593	\$82,111	\$197,412	\$0	\$678,550
<b>Total</b>	<b>\$522,420</b>	<b>\$741,263</b>	<b>&lt;\$396,038&gt;</b>	<b>\$694,849</b>	<b>\$404,512</b>	<b>\$1,050,079</b>	<b>\$0</b>	<b>\$3,413,123</b>

<sup>(1)</sup> <paid to NSD/LGVSD> and not included in Total



16

## MEMORANDUM

To: Board of Directors June 15, 2012  
From: Chris DeGabriele, General Manager   
Subject: Point Reyes Well #3 Replacement Project- California Coastal Commission Consideration  
t:\gml\bod misc 2012\pt. reyes well #3-coastal commission.doc

**RECOMMENDED ACTION: Information Only**

**FINANCIAL IMPACT: None for this item (BOD awarded construction contract for Well #3 Replacement at the June 5<sup>th</sup> meeting.)**

Attached is a copy of the North Central Coast District Deputy Director's Report for the June 15<sup>th</sup> meeting of the California Coastal Commission (CCC). The Deputy Director is recommending a De Minimis wavier for the North Marin Water District application to replace the failing Well #3 at Pt. Reyes Station with a new well immediately adjacent to the existing facility. This is good news; however, the wavier is not valid until it is reported to the Coastal Commission which is scheduled for Friday, June 15, 2012 at their meeting in Huntington Beach. District staff have been in contact with CCC staff to urge approval of the waiver and the Environmental Action Committee of West Marin has sent a letter of support (also attached).

Staff will report Tuesday at the Board meeting, on the Coastal Commission consideration of this proposed permit waiver.

## CALIFORNIA COASTAL COMMISSION

NORTH CENTRAL COAST DISTRICT OFFICE  
45 FREMONT, SUITE 2000  
SAN FRANCISCO, CA 94105-2219  
(415) 904-5260 FAX (415) 904-5400

F16



# NORTH CENTRAL COAST DISTRICT DEPUTY DIRECTOR'S REPORT

*For the*

*June Meeting of the California Coastal Commission*

MEMORANDUM

Date: June 15, 2012

TO: Commissioners and Interested Parties  
FROM: Dan Carl, North Central Coast District Deputy Director  
SUBJECT: *Deputy Director's Report*

Following is a listing for the waivers, emergency permits, immaterial amendments and extensions issued by the North Central Coast District Office for the June 15, 2012 Coastal Commission hearing. Copies of the applicable items are attached for your review. Each item includes a listing of the applicants involved, a description of the proposed development, and a project location.

Pursuant to the Commission's direction and adopted procedures, appropriate notice materials were sent to all applicants for posting at the project site. Additionally, these items have been posted at the District office and are available for public review and comment.

This report may also contain additional correspondence and/or any additional staff memorandum concerning the items to be heard on today's agenda for the North Central Coast District.

***DE MINIMIS WAIVERS***

1. 2-12-007-W North Marin Water District (Point Reyes Station, Marin County)

***IMMATERIAL AMENDMENTS***

1. A-2-SMC-07-026-A1 Barry & Wendela Schiffman; (Pescadero, San Mateo County)

**TOTAL OF 2 ITEMS**

**DETAIL OF ATTACHED MATERIALS**

**REPORT OF DE MINIMIS WAIVERS**

The Executive Director has determined that the following developments do not require a coastal development permit pursuant to Section 30624.7 of the California Coastal Act of 1976.

<i>Applicant</i>	<i>Project Description</i>	<i>Project Location</i>
2-12-007-W North Marin Water District	Proposal to replace a failing water well (well No. 3) at its Point Reyes Well Site. The project includes drilling a new well adjacent to the existing Well No. 3	off end of Commodore webster Dr., Point Reyes Station (Marin County)

**REPORT OF IMMATERIAL AMENDMENTS**

The Executive Director has determined that there are no changes in circumstances affecting the conformity of the subject development with the California Coastal Act of 1976. No objections to this determination have been received at this office. Therefore, the Executive Director grants the requested Immaterial Amendment, subject to the same conditions, if any, approved by the Commission.

<i>Applicant</i>	<i>Project Description</i>	<i>Project Location</i>
A-2-SMC-07-026-A1 Barry & Wendela Schiffman	A single family residence	10721 Cabrillo Highway, Pescadero (San Mateo County)

**CALIFORNIA COASTAL COMMISSION**

NORTH CENTRAL COAST DISTRICT OFFICE  
45 FREMONT STREET, SUITE 2000  
SAN FRANCISCO, CA 94105  
PHONE: (415) 904-5460  
FAX: (415) 904-5400  
WEB: WWW.COASTAL.CA.GOV

**NOTICE OF PROPOSED PERMIT WAIVER**

**Date:** June 1, 2012  
**To:** All Interested Parties  
**From:** Madeline Cavaliere, North Central Coast District Manager *M. Cavaliere*  
Susan Craig, Supervising Planner  
**Subject:** Coastal Development Permit (CDP) Waiver 2-12-007-W  
Applicant: North Marin Water District

**Proposed Development**

Drill new water well (Well No. 3) to replace failed water well at the North Marin Water District's well site on U.S. Coast Guard property at Point Reyes Station in Marin County.

**Executive Director's Waiver Determination**

Pursuant to Title 14, Section 13238 of the California Code of Regulations, and based on project plans and information submitted by the applicant regarding the proposed development, the Executive Director of the California Coastal Commission hereby waives the requirement for a CDP for the following reasons:

The proposed well will replace failed Well No. 3 (which failed because its 12-inch steel casing had rusted away, causing the well to collapse) and will ensure continued potable water service for the community of Point Reyes Station. The proposed well will be located in the immediate vicinity (about 20 feet west) of failed Well No. 3 and will draw water from the same source, at a rate of approximately 300 gallons per minute, which is the same as Well No. 3's draw rate before it failed. The well will be 60 feet in depth, comparable to the depths of failed Well No. 3 and the one remaining operating well (Well No. 2) at the site. The proposed well will be installed in an existing cleared location and will be setback appropriately from the nearby riparian area. The project includes construction best management practices (BMPs) designed to contain soil and prevent sediment from entering the waters of nearby Lagunitas Creek. These BMPs include installation and maintenance of a silt fence along the downhill side of the construction area, removing earth materials that result from the well boring activities to an offsite location, reseeding any disturbed areas upon completion of construction, etc. For all these reasons, the proposed project is consistent with the Coastal Act.

**Coastal Commission Review Procedure**

This waiver is not valid until the waiver has been reported to the Coastal Commission. This waiver is proposed to be reported to the Commission on Friday, June 15, 2012 in Huntington Beach. If four Commissioners object to this waiver at that time, then the application shall be processed as a regular CDP application.

If you have any questions about the proposal or wish to register an objection, please contact Susan Craig in the Central Coast District office.



QuickTime™ and a  
decompressor  
are needed to see this picture.

May 31, 2012

Charles Lester, Executive Director  
California Coastal Commission  
Via email: [charles.lester@coastal.ca.gov](mailto:charles.lester@coastal.ca.gov)

Re: Support for North Marin Water District's Application For Well Replacement

Dear Charles,

The Environmental Action Committee of West Marin (EAC) would like to express its support for the North Marin Water District's application to replace its Well No. 3 in Point Reyes Station. As you may know, Well No. 3 has been failing for a number of years, and the Water District proposes to replace it with a well located in close proximity to the existing well. Once the replacement well is online, Well No. 3 would be properly abandoned.

EAC has met with representatives of the Water District and understands that there will be very minimal, if any, impact to coastal resources from the proposed well replacement. EAC supports the efforts of the Water District to provide a safe and reliable drinking water supply to its West Marin customers.

Thank you for your consideration of our comments.

Sincerely yours,



Amy Trainer, Executive Director  
Environmental Action Committee of West Marin

Cc: Dennis Rodoni, North Marin Water District

1

7



## DISBURSEMENTS - DATED JUNE 6, 2012

Date Prepared: 6/5/12

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

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 5/31	\$123,045.75
EFT*	US Bank	Federal & FICA Taxes PPE 5/31	46,357.18
1	American Family Life Ins	May Employee Contrib for Accident, Disability & Cancer Ins	3,591.14
2	AT&T Mobility	Cellular Charges: Monthly (\$449) & Airtime (\$14) (15)	462.60
3	AT&T	Telephone Charges: Leased Lines (\$273), Local (\$3) & Minimum (\$639)	914.77
4	Badger Meter	2" Water Meters (13)	6,654.23
5	Baker, Jack	Director's Fee (\$200) & NBWRA Meeting-5/9 (\$100)	300.00
6	Baker, Daniel & Jane	Novato "Washer Rebate" Program	50.00
7	Barton, Donald	Novato "Washer Rebate" Program	50.00
8		Cafeteria Plan - Uninsured Medical Reimbursement	36.07
9	Bold & Polisner	April Legal Services: AEEP-B1 (\$97), RW Expand No-Private Retrofit (\$157) & RW Exp South Phase 1B (\$37)	292.00
10	Borges & Mahoney	Connector (\$87), Polyfex Belt (\$299) & Gear Oil (\$329) (PT Reyes Chemical Pump Repairs)	715.59

Seq	Payable To	For	Amount
11	Business Card	Cake, Plates & Forks for Clean-Up Day (\$41), Notary Training Class & Bond-4 yrs (Young) (\$295), Internet Pymt Fee (\$110), Franklin Covey Binder Cover (Manzoni) (\$61), Desk Calculator (\$174) (Bentley), Work Lights (4) (\$123), Tank Circulating Eductors (4) (\$298), Backflow Training Manual (\$100), Water Conservation Advertising (\$6), Repair Wind Speed Sensor @ STP Weather Station (\$323), Memorial Donation-Roberta Amato, Mother of Employee (\$50), Birthday Breakfasts (\$174), Parking (\$7), Meals (\$38), Lodging (\$188) (DeGabriele), Display Ads: Pt Reyes Well #3 Replacement (\$191), Display Ads: RW North On-Site Retrofit (\$462) & Leveroni Creek Bank Stabilization (\$201)	2,842.61
12	State of California	State Tax & SDI PPE 5/31	9,297.59
13	CDW-Government	Replacement Backup Drives (25) (\$2,575)	2,575.52
14	Clark, Robert E.	Exp Reimb: Manage for Success Seminar - Effective Utility Leadership Practices Enrollment & Manual	108.55
15	Conroy, John	Novato "Washer Rebate" Program	50.00
16	Core Utilities	Consulting Services: April IT Support (\$5,000), SCADA (\$1,200) & Utility Billing (\$75)	6,275.00
17	CPI International	Graphite Tubes (10) (Lab)	398.40
18	De Gabriele, Chris	Exp Reimb: May Mileage	316.35
19	Charles Z. Fedak	Prog Pymt #1: FY12 Financial Statement Audit (Balance Remaining on Contract \$18,403)	2,197.00
20	Fraites, Rick	Director's Fee (\$200) & North Bay Watershed Assoc Meeting-5/4 (\$100)	300.00
21	Galli, Roland	Novato "Washer Rebate" Program	50.00
22	Golden Gate Petroleum	Gasoline (\$4.35/gal) & Diesel (\$4.10/gal)	5,019.15
23	Groeniger	Brass Nipples (10)	321.49
24	Hach	Regent (STP)	347.53

Seq	Payable To	For	Amount
25	Hertz Equipment Rental	Dump Truck Rental (3 Days)	648.83
26	Johnson, Barbara	Novato "Washer Rebate" Program	50.00
27	Jones, Laura	Engineering Support Services: Novato Water System Master Plan 2012 Update Project (Balance Remaining on Contract \$20,199)	3,022.50
28	Kishi, Hannah	Novato "Washer Rebate" Program	50.00
29	LeBrun, Don	Novato "Washer Rebate" Program	50.00
30		Cafeteria Plan - Child Care Reimbursement	416.66
31	Lustenberger, J.	Refund Overpayment on Closed Account	46.70
32	Marin Reprographics	Full Size Drawings - Recycled Water South Phase 1A (4 sets)	77.17
33	Marota, Salvatore	Novato "Washer Rebate" Program	50.00
34	McLellan, WK	Misc Paving: Novato Area (286 S.F.)	1,828.00
35		Wage Assignment Order	284.00
36	MSC Industrial Supply	Self-Priming Centrif Utility Pumps (2) (STP)	493.35
37	Novato Builders Supply	Lumber (\$76), Tie Wire, & Rebar (\$89)	169.28
38	Office Depot	Copy Paper (100 reams) (\$378), Scotch Tape (8 rolls), Door Stops (4), Long Reach Stapler (\$39), Adding Machine Tape (25), Stapler & Card Stock	491.98
39	On Line Resource	Refund Pymt on Closed Account	50.00
40	Pace Supply	Clamps (8) (\$2,600) & Coupling (5) (\$2,143)	4,743.38
41	Pape Machinery	Window Latch ('04 John Deere Backhoe), Oil Filters (2), Filter Elements (5) (\$135) ('04 & '09 John Deere Backhoe) & Air Filters (2) (\$58) ('04 John Deere Backhoe)	252.03
42	PERS Retirement System	Pension Contribution PPE 5/31	43,697.17
43	Peterson Trucks	Front Axle King Pin Repair ('02 Int'l 5 yd Dump Truck)	562.70

Seq	Payable To	For	Amount
44	Petrides, Kristin	Novato "Washer Rebate" Program	50.00
45	Petterle, Stephen	Director's Fee	200.00
46	PVS Minibulk	Sodium Hypochlorite (962.89 gals)	1,475.08
47		Cafeteria Plan - Uninsured Medical Reimbursement	279.07
48	Rodoni, Dennis	Director's Fee (\$200) & WAC Meeting - 5/7 (\$100)	300.00
49	Rosson, Robert	Novato "Washer Rebate" Program	50.00
50	Schoonover, John	Director's Fee Less Deferred (\$150), NBWRA Workshop - 4/30 (\$100) & NBWRA Board Meeting - 5/21 (\$100)	350.00
51	Sequoia Safety Supply	Respirators (2), Ear Plugs (\$55) & Safety Glasses (24) (\$80)	154.85
52	State Water Resources Control	Petition Fee to Modify Lagunitas Creek Water Rights License	1,044.64
53	Syar Industries	Asphalt (6.14 tons)	749.33
54	Taylor, Claudia	Novato "Washer Rebate" Program	50.00
55	United Parcel Service	Delivery Services: Sent Financial Plan Approval Agreement & Return Turbidimeter for Repair	35.18
56	Verizon California	Telephone Charges: Leased Lines (\$329) & Minimum (\$66)	395.49
57	VWR International	Sterilizers for Autoclave & Oven (500) (Lab)	133.79
58	Wine Country Water Works Association	Reg Fee: Annual Trade Show & Training Symposium (Arendell, Latanyshyn, Lemos, Mello & Moore)	250.00



# NORTH MARIN WATER DISTRICT CHECK REQUEST

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

<b>PAYEE:</b>	
BAKER, JACK	<b>DATE</b> <u>5/14/12</u>
425 CORTE NORTE	
NOVATO, CA 94949	<b>TOTAL</b> <u>100.00</u>

**PURPOSE:** DIRECTOR'S FEE

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**CHARGE TO:**

<p><b>DISPOSITION OF CHECK</b></p> <p><input type="checkbox"/> MAIL TO PAYEE</p> <p><input type="checkbox"/> HOLD FOR</p> <hr/> <p><input type="checkbox"/> OTHER</p> <hr/> <p>REQUESTED BY</p> <hr/> <p>APPROVED TO PAY BY</p> <hr/> <p><small>\\NMWDSRV1\ADMINISTRATION\FORMS\CHECK REQUEST.DOC REV. 06/09</small></p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="font-size: small;">Prepared By</th> <th style="font-size: small;">Accounting Review</th> </tr> <tr> <td style="text-align: center;"><u>msk</u></td> <td></td> </tr> </table>	Prepared By	Accounting Review	<u>msk</u>		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="font-size: small;">POST DATE</th> <th style="font-size: small;">Vendor No.</th> </tr> <tr> <td style="text-align: center;"><u>5/12</u></td> <td style="text-align: center;">BAKE01</td> </tr> </table>	POST DATE	Vendor No.	<u>5/12</u>	BAKE01											
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<b>TOTAL</b>		<u>100.00</u>																			
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## MaryAnn Dowden

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**From:** David Bentley  
**Sent:** Monday, May 14, 2012 2:08 PM  
**To:** Connie Filippi; MaryAnn Dowden  
**Cc:** Jack Baker  
**Subject:** FW: 5/9 mtg between Judy Arnold and NBWRA reps)

Connie  
Please compensate Director Baker accordingly.....David

---

**From:** jack baker [mailto:jckbaker@gmail.com]  
**Sent:** May 10, 2012 8:30 AM  
**To:** David Bentley  
**Subject:** Fwd: 5/9 mtg between Judy Arnold and NBWRA reps)

David,

Per the attached email to Chris, yesterday I attended the referenced mtg with Supervisor Arnold and accordingly request that you initiate compensation per District policy.

Jack B.

----- Forwarded message -----  
**From:** jack baker <jckbaker@gmail.com>  
**Date:** Thu, May 10, 2012 at 8:24 AM  
**Subject:** 5/9 mtg between Judy Arnold and NBWRA reps)  
**To:** Chris DeGabriele <cdegabriele@nmwd.com>  
**Cc:** Drew McIntyre <drewm@nmwd.com>

Chris,

Yesterday I joined Bill Long (Novato Sanitary Dist) and Ginger Bryant (consultant to North Bay Water Reuse Authority) in a mtg. with Supervisor Judy Arnold and her aide (Tanya ?). As you know, the mtg. was held to update Judy about the progress of the NBWRA in utilizing recycled water, including various projects, either completed or underway in the Novato area. We also discussed the trip to Washington by NBWRA representatives in early March and some benefits (re both funding and project prioritization) resulting from same. Bill suggested to Judy that it would be helpful if Marin County would also participate in NBWRA (as do Sonoma and Napa counties) - Judy expressed interest, however noted a scheduling conflict between her current commitments and planned NBWRA mtgs. Ginger said that she'd she what she could do to adjust the NBWRA schedule to also include Judy if possible.

Jack

# NORTH MARIN WATER DISTRICT CHECK REQUEST

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

<b>PAYEE:</b> FRAITES, RICK 50 FORREST RD NOVATO, CA 94947	<b>DATE</b> 5/10/12
	<b>TOTAL</b> 100.00

**PURPOSE:** DIRECTOR'S FEE

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**CHARGE TO:**

**DISPOSITION OF CHECK**

- MAIL TO PAYEE
- HOLD FOR
- OTHER

REQUESTED BY

APPROVED TO PAY BY

Prepared By <i>Tom</i>	Accounting Review	POST DATE 5/12	Vendor No. FRA101	 NORTH MARIN WATER DISTRICT
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Invoice Number	Invoice Date	Invoice Amount
<i>CKRG051012</i>	<i>5/10/12</i>	<i>100.00</i>

NMWD Comment
<i>North Bay Watershed Assoc Meeting - 5/4</i>

Job Number	GL Account	Amount
	56001.01.11	<i>100.00</i>
<b>TOTAL</b>		<i>100.00</i>



## MaryAnn Dowden

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**From:** Renee Roberts  
**Sent:** Thursday, May 10, 2012 8:05 AM  
**To:** MaryAnn Dowden  
**Subject:** FW: Meeting attendance compensation request

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**From:** Rick Fraites [mailto:[ricfraites@aol.com](mailto:ricfraites@aol.com)]  
**Sent:** May 09, 2012 6:47 PM  
**To:** Renee Roberts  
**Subject:** Meeting attendance compensation request

Renee:

I am requesting the usual compensation for attending the May 4 North Bay Watershed Association meeting held in Napa.

Thank you,

Rick Fraites  
[ricfraites@aol.com](mailto:ricfraites@aol.com)  
415.717.4350

# NORTH MARIN WATER DISTRICT CHECK REQUEST

(DO NOT USE IF THERE IS A VENDOR INVOICE)

PAYEE DENNIS RODONI	
	DATE: 5/8/12
	AMOUNT: 100.00
WAC Meeting 5/7/12	

**CHARGE TO:**

**DISPOSITION OF CHECK**

MAIL TO PAYEE

HOLD FOR  
OTHER

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JOB ACCOUNTING REVIEW


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REQUESTED BY

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APPROVED TO PAY BY

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

Prepared By <i>MD</i>	Accounting Review	POST DATE <i>5/12</i>	Vendor No. <i>R00001</i>	 NORTH MARIN WATER DISTRICT
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Invoice Number (CK Req ID) <i>CKRQ 050812</i>	Invoice (CK Req) Date <i>5/12</i>	Invoice (CK Req) Amount <i>100.00</i>
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NMWD Comment:

*WAC meeting - 5/7*

Job Number	GL Account	Amount
	<i>56001.01.71</i>	<i>100.00</i>
<b>TOTAL</b>		<i>100.00</i>

# F A X

**Rodoni Construction Company**

PO Box 872  
Pt. Reyes Station Ca  
94956  
415.663.9223

To *NMWO / Renee*  
Fax number:

From: Dennis J. Rodoni djrodoni@gmail.com  
Fax number: 415.663.8017

Date: *5/8/12*

Regarding: *WAC/meeting*

Attn: *Renee*  
Pages:

**Comments:**

*Renee, Attached request for  
payment.*



# NORTH MARIN WATER DISTRICT CHECK REQUEST

(DO NOT USE IF THERE IS A VENDOR INVOICE)

PAYEE: JOHN SCHOONOVER	
	DATE: 5/1/12
	AMOUNT: \$100.00

PURPOSE: ATTENDANCE AT NBWRA WORKSHOP (NAPA)

Date: 4/30/12

**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
MD		5/1/12	SCHOON



Invoice Number (CK Req ID)	Invoice (CK Req) Date	Invoice (CK Req) Amount
C/NB050912	5/1/12	100.00

NMWD Comment:

NBWRA Workshop - 4/30

Job Number	GL Account	Amount
	5601 01.11	100.00
<b>TOTAL</b>		100.00

# NORTH MARIN WATER DISTRICT CHECK REQUEST

(DO NOT USE IF THERE IS A VENDOR INVOICE)

PAYEE: JOHN SCHOONOVER	DATE: 5/25/12
	AMOUNT: \$100.00

PURPOSE: ATTENDANCE AT NBWRA BOARD MFG	RECEIVED
Date: MAY 21, 2012	MAY 30 2012

North Marin Water District

**CHARGE TO:**

**DISPOSITION OF CHECK**

- MAIL TO PAYEE
- HOLD FOR OTHER

JOB ACCOUNTING REVIEW

REQUESTED BY

APPROVED TO PAY BY

\\NWDSRV1\ADMINISTRATION\FORMS\CHECK REQUEST.DOC REV. 0510

Prepared By <i>MD</i>	Accounting Review	POST DATE 5/12	Vendor No. School
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Invoice Number (CK Reg ID) C K R Q 493012	Invoice (CK Reg) Date 5/31/12	Invoice (CK Reg) Amount 100.00
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NMWD Comment:  
*NBWRA Board Meeting - 5/21/12*

Job Number	GL Account	Amount
	56001-01-11	100.00
<b>TOTAL</b>		100.00

## DISBURSEMENTS - DATED JUNE 13, 2012

Date Prepared: 6/12/12

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

Seq	Payable To	For	Amount
1	25 Hamilton Drive	Claim Settlement-Reimbursement for Damage to Industrial Park Office Baseboard & Carpet Allegedly Caused by Water From Broken PB Pipe	\$1,049.79
2	Aberegg, Michael	Drafting Services: City Adm Offices (\$302), Canyon Green Subdivision (\$55) & Plum St Tank Renovation (\$302) (Balance Remaining on Contract \$7,985)	660.00
3	Able Tire & Brake	Tires (4) ('04 Chevy 1500 Silverado)	623.46
4	Alioto, Anthony	Novato "Washer Rebate" Program	50.00
5	All Star Rents	High Weed Mower Rental (Tank Sites) (3 days)	391.99
6	Barco Products	Floor Mats for Office Building (5)	288.85
7	Borges & Mahoney	Power Supply for STP Chlorine Monitor	427.59
8	Calif Public Health Services	Novato Water System Fees (7/1/11 - 12/31/11)	1,827.00
9	California State Disbursement	Wage Assignment Order (3)	1,478.50
10	Cash, Pat	Vineyard Road Maintenance	375.00
11	Cline, William	Novato "Toilet Rebate" Program	75.00
12	Cook Paging	June Pager Rental (2)	14.70
13	HSBC Business Solutions	Detergent, Liquid Gel, Sugar, Coffee (\$56) & Sponge	97.69
14	Cramer, Philip	Novato "Toilet Rebate" Program	225.00
15	CSW/Stuber-Stroeh Engineering	Prog Pymt #13: Aqueduct Energy Efficiency Project (Balance Remaining on Contract \$144,308)	7,665.85
16	Davenport, Sophia	Novato "Washer Rebate" Program	50.00

Seq	Payable To	For	Amount
17		Cafeteria Plan - Uninsured Medical Reimbursement	149.34
18	Ferreira, Manuel	Novato "Washer Rebate" Program	50.00
19	Fisher Scientific	Germicidal Lamp (2) (\$56) & Chlorine Reagent (3) (Lab)	76.79
20	Fremouw Environmental Svc	Recycle Used Oil Filters (Shop)	75.00
21	Grafeld, Bobbie	Novato "Washer Rebate" Program	50.00
22	Grainger	Small Fluorescent Light Bulbs (2), STP Lab Supplies (\$130), Electrical Tape (12 rolls) (\$47) & Precision Driver Sets (2) (\$39)	232.75
23	Guthertz, Alvin	Novato "Washer Rebate" Program	50.00
24	Hach	Repair of Turbidimeter (\$515) & Rental of Loaner (Lab) (\$335)	850.29
25	Irish & Son's Welding	Weld 12" Tie-In Connection for Hamilton Project	840.00
26	Jacobs Associates	Review & Comment of SMART Xing Horizontal Directional Drilling of Recycled Water North Seg 2 Project (Balance Remaining on Contract \$322)	967.50
27	Johnston, Kate	Novato "Washer Rebate" Program	50.00
28	Journey Ford/Lincoln	Transmission Fluid (4 qts), Trans Filters (2) (\$97), Fuel Filter, Rubber Floor Mat ('08 F250) (\$267), Rear Brake Pads ('08 F350) (\$71), Gasket, Oil (12 qts) (\$68), Brake Pad Kit (\$83) & Brake Rotors (\$174)	844.26
29	Juarez, James	Refund Alternative Compliance Reg 15 Deposit	945.00
30	Kelly-Moore Paint	Paint (\$48) & Rollers (2)	53.35
31	Kramer, Greg	Novato "Washer Rebate" Program	50.00
32	Lamri, Renee	Novato "Washer Rebate" Program	50.00
33		Cafeteria Plan - Uninsured Medical Reimbursement	177.60
34	LaPoint, Sally	Novato "Washer Rebate" Program	50.00
35	Lincoln Life	Deferred Compensation PPE 6/15	10,413.33


Seq	Payable To	For	Amount
36	Lonson, Erik	Novato "Washer Rebate" Program	50.00
37	Marin Landscape Materials	Concrete (4 yds) (\$823), Rock (1 yd) (\$53), Mortar & Crushed Rock (1 yd) (\$53)	945.80
38	Maselli & Sons	Pipe for Well #2 Pump Lowering @ Pt Reyes T.P. (\$423) & Pipe for Well Pump #3 @ Pt Reyes T.P. (\$397)	820.64
39	Mattos, Robert	Novato "Washer Rebate" Program	50.00
40	McPhail Fuel	Replaced Earthquake Valve (\$365) & Propane (145 gals) (\$392) (OM Emergency Generator)	757.30
41	Miller Pacific Engineering	Geotechnical Services: Recycled Water Exp to North Service Area Project (\$1,481) & Inspection & Testing of Trench Backfill (\$3,137) (West Marin) (Balance Remaining on Contract \$4,203)	4,618.41
42	National Deferred	Deferred Compensation PPE 6/15	1,025.00
43	North Marin Auto Parts	Head Light, Oil Filters (8) (\$95), Air Filter (8) (\$268), Spark Plugs (8), Light Switches (2) \$36), Carpet & Upholstery Cleaner, Bolts, Nuts, Washers, Heavy Duty Jumper Cables (\$105), Paint (6 12oz cans), Wiper Blades, Motor Oil (35 qts) (\$150), Tail Light, Rubber Grommets, Rear End Additive, Rags (30 lbs) (\$104), Fuel Hose, Hose Ends, Tire Valve, Steering Shock (\$44), Tail Lights, Brackets (3), Trailer Light Plugs (2) (\$22), Brake Line, Brake Fluid, Hitch Ball, Air Brake Coupler Seals, Stop/Turn Signal (\$87), Fuel Filter (2) (\$79), Market Light Bracket, License Plate Light, U-Bolts for Springs, Socket & Outside Mirror (\$57)	1,344.40
44	North Marin Water District SRF	Safe Drinking Water State Revolving Fund Loan Principal & Interest (pymt 6 of 40)	574,460.90
45	North Bay Gas	Oxygen (\$137) & Acetylene (\$205) & May Cylinder Rental (\$307)	649.60
46	Novato Sanitary District	Reimburse Unemployment Ins Claim (\$1,117) (Siragusa) Under Mutual Aid Agreement	1,137.00
47	Novato Chevrolet	Lower Seat Cover ('04 Chevy Silverado)	256.10




Seq	Payable To	For	Amount
48	Office Depot	Steno Pads (24), Binder Clips (108), Paper Clips, Staples (15) & Folders w/ Fasteners (50) (\$73)	102.38
49	O'Reilly Auto Parts	Auto Cleaning Supplies & Brake Cleaner (\$130)	165.91
50	Pace Supply	Victualic Couplings (7) (\$3,535), Ells (7) (\$181), Meter Boxes (7) (\$412), Meter Lids (3) (\$316), Bushings (5), Couplings (4) (\$1,595), Flanges (7) (\$182), Nipples (16) (\$136), PVC Pipe (460') (\$1,363), Plugs (20), Reducer, Tees (4) (\$98), Brass Valves (25) (\$217), Adapters (5), Hyd Extension (\$168), Gasket Flanges (2) & Angle Meter Stops (15) (\$351)	9,324.83
51	Peterson Trucks	Air Filter	24.07
52	Pini Hardware	Wheel Barrow (\$60), Bolts, Washers, GFCI Plug for STP Restroom, Light Bulbs for Office Lamps, Vinegar, Spray Paint, Dish Detergent, Sponge, Safety Chain Hooks (2), Washers (56) (\$54), Caulk, Super Glue, Battery, Trowel, Hardware Supplies (\$44), Saw Blade (\$34) & Liquid Electric Tape	297.26
53	Porter, Judy	Novato "Washer Rebate" Program	50.00
54	Ranger Pipelines	Prog Pymt #4: RW North Seg 2 Project (Balance Remaining on Contract \$775,339)	242,586.00
55	Sebastopol Bearing & Hydraulic	Air Compressor Hose Ends (8) (\$98), Hydraulic Hose Ends (2) (\$148), Hose Clamps (12) (\$77), Relief Valve (\$83), Hitch Assembly (\$147), Safety Chain Loop, Hitch Pin, Leaf Springs (4) (\$109), Bolts (\$68) & Brake Hose Kit (\$65)	803.58
56	Semorile, Randy	Novato "Water Smart Landscape Efficiency" Program	27.40
57	Shaw, Patricia	Novato "Toilet Rebate" Program	75.00
58	Shirrell Consulting Services	June Dental Ins Adm Fee	299.45
59	Shirrell Consulting Services	May Dental Expenses	4,489.00
60	Spectraflow	Commercial "Toilet Rebate" Program	200.00
61	State Water Resources Control	Safe Drinking Water Revolving Fund Loan Interest	273,366.91

Seq	Payable To	For	Amount
62		Cafeteria Plan - Uninsured Medical Reimbursement	39.16
63	Strahm Communications	Printing (\$4,956), Mailing (\$1,286) of Spring Water Line & Water Quality Reports (12,375) (Novato) & West Marin Spring Water Line & Water Quality Report (\$2,427) (976)	8,668.55
64	Syar Industries	Asphalt (5.07 tons)	618.74
65	UNUM Life Insurance	June Group Life Ins Premium	686.12
66	USA BlueBook	Valves for Pacheco Tank Cl2 Mixing System	206.97
67	Verizon Wireless	May CIMIS Station Data Transfer Fee	19.10
68	Wilson Bohannan	Brass Padlocks (36)	299.62
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$1,159,740.83</u></b>

The foregoing payroll and accounts payable vouchers totaling \$1,159,740.83 are hereby approved and authorized for payment.

 \_\_\_\_\_  
 Auditor-Controller Date 6/12/12

 \_\_\_\_\_  
 General Manager Date 6/12/2012

## MEMORANDUM

To: Board of Directors  
From: David L. Bentley, Auditor-Controller  
Subj: Water Bill Terminology - "Service Charge"  
t:\ac\word\memo\12\service charge terminology.docx

June 15, 2012

### **RECOMMENDED ACTION: Information**

### **FINANCIAL IMPACT: None**

At the previous meeting President Petterle inquired about alternatives to the term "Service Charge" used on the water bill. As described in the 2005 Board memorandum attached, seven years ago the District changed to "Service Charge" from "Minimum Charge" in an effort to reduce customer confusion. The change successfully reduced the number of customer calls on the subject. We now receive 1-2 per month inquiring about the Service Charge, versus 4-6 with Minimum Charge. The Customer Service Supervisor advised that most of the calls now concern the amount of the charge, rather than the nature of the charge.

Terminology used by other water agencies was researched and included in the attached memorandum. Terminology used by other utilities includes: AT&T Wireless and Phone: Monthly Charge; Verizon Phone: Monthly Service; Verizon Internet: Monthly Charges; Comcast: Bundled Services.

Staff will continue to be stay informed of alternative verbiage used by peer agencies. In the meantime, we will continue to direct customers to the definition printed on the back side of the water bill.

Approved by  
Consent CALENDAR  
10/4/05

## MEMORANDUM

To: Board of Director  
From: Alicia Manzoni, Customer Service Supervisor  
Subject: Change in Billing Language  
\\server\administration\cons srvc\bod memo re bill lang.doc

September 30, 2005

**RECOMMENDED ACTION: Approve Water Bill Terminology Change**

**FINANCIAL IMPACT: None**

The term "Minimum Charge" has, we believe, been used on the District's water bills since inception of the District in 1948. Due to the number of customer calls (4-6 inquires per month) on this subject, we recommend the language on North Marin Water District's billing statements regarding "Minimum Charge" (see Attachment 1) be changed to "Service Charge." We are scheduled to order additional bill stock in November 2005, and this change can be made at that time at no charge. It is our hope that this change will alleviate customer confusion as to the purpose of this charge.

Note that Marin Municipal uses the term "Meter Service Charge," East Bay MUD uses "Water Service Charge," the City of Petaluma uses "Fixed Bimonthly Service Charge," City of Santa Rosa uses "Fixed Fee," Contra Costa Water District uses "Service and Demand Charge," and Cal Water uses "Metered Service Charge."

### RECOMMENDATION

Approve change of "Minimum Charge" to "Service Charge" effective December 1, 2005

**MEMORANDUM**

To: Board of Directors  
From: Robert Clark, Operations / Maintenance Superintendent  
Subject: April 2012 Vehicle / Equipment Auction Sale Report  
X:\MAINT SUP\2012\BOD\BOD Memo Vehicle Auction sale 6 15.doc

April 15, 2012



**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** \$9,824 income

At the April 17, 2012 Board meeting staff presented an estimated request to approve an auction sale of surplus equipment. The 1991 dump truck #5, air compressor #85, tire machine, 3" pump and a pneumatic back hoe attachment were estimated to sell for \$7,600. All items have been sold and the district has received a check for \$9,824.

NORTH MARIN WATER DISTRICT  
NOVATO SANITARY DISTRICT  
LAS GALLINAS VALLEY SANITARY DISTRICT

RECYCLED WATER SUB-COMMITTEE

AGENDA

Novato Sanitary District  
500 Davidson Street, Novato, CA  
10 a.m.  
June 19 2012

1. Construction Progress Updates on the North and South Projects
2. Status on Grant Awards (Federal and Prop 84)
3. Return of NMWD Past Payments in advance of SCWA True-Up Allocation
4. NBWRA MOU Expiration in November 2013
5. Phase 1 vs Phase 2 Participation
6. Review of Planned Dedication Ceremonies

Sub-committee Members:

NMWD

Jack Baker

John Schoonover

NSD

Bill Long

Mike Di Giorgio

LGVSD

Megan Clark

Larry Loder

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## State fish and game fines help finance variety of Marin nature programs

Posted:

marinij.com

Violators of fish and game laws are helping finance a variety of Marin programs nurturing fishery, wildlife and nature projects this year.

County supervisors on Tuesday approved \$20,000 in grants for 11 programs as recommended by the county Fish and Wildlife Commission, which distributes the county's share of funds that flow from fish and game citations. This year, the allocation includes a \$5,000 grant from the North Bay Watershed Association.

The commission "annually reviews grant requests from local organizations to fund projects that promote restoration, sustainable use, management and related educational programs of the fish and wildlife resources in Marin County," noted David Lewis, director of the University of California Cooperative Extension in the county farm advisor's office.

This year, grants range from \$570 for North Bay Trout Unlimited to continue water monitoring work at Devil's Gulch Creek to \$3,860 for equipment for Students and Teachers Restoring a Watershed.

Other grants: Department of Fish and Game, spotting scope, night vision and camera equipment, \$3,230; Point Reyes National Seashore, educational newsletter for middle school teachers and park visitors, \$1,900; Tyee Foundation, Tiburon salmon project, \$1,783; Dance Palace, nature program, \$1,790; Marin Audubon Society, native plant purchase for Bahia project, \$1,600; WildCare, laptop, \$1,250; Friends of Corte Madera Creek Watershed, interpretive signs, \$1,100; Mill Valley Streamkeepers, newsletter, \$700; and commission staff support, \$2,200.

Ed Schulze of Novato, head of the commission, said the panel gets about 18 percent of fish and game fine revenue to distribute after the state and courts take the lion's share of citation revenue generated in Marin. Some funding also comes from a public works stormwater pollution program.

"We try to fund materials, not labor," Schulze said of the seven-member commission.

Contact Nels Johnson via email at [ij.civiccenter@gmail.com](mailto:ij.civiccenter@gmail.com)

## Marin Voice: Keeping our drinking water safe

marinij.com

Posted:

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WHILE WE SUPPORT the goal of the May 28 Plus Health & Fitness column — "Are toxins on tap in our drinking water?" — of educating the public about the safety of our water systems, the essay contained several misleading statements that need to be corrected.

While experts and non-experts alike may agree or disagree on the EPA's method and intensity of drinking water regulation, the author's claim related to a lack of recent regulation is not substantiated. California drinking water is highly regulated and transparent, with test results consistently provided to regulators, customers and watchdog groups, including the Environmental Working Group.

The EPA already has added a new class of disinfection byproducts, including five chemicals, to its list of regulated contaminants, beginning in 2002. This year, "Stage 2" of the disinfection byproduct regulation has been implemented to further tighten the allowable concentrations of these chemicals in drinking water.

More recently, the EPA has required nationwide monitoring of drinking water in order to generate chemical occurrence data for potential emerging contaminants. The chemicals monitored, totaling 80 in number, are being considered for future regulation.

Closer to home, the author states that the "two largest suppliers in Marin County" — Marin Municipal Water District and the North Marin Water District — "had eight unregulated chemicals detected in their water at levels exceeding established health guidelines."

Unfortunately, the Environmental Working Group web page summaries contain a significant amount of erroneous information.

MMWD had only three and North Marin four, not the stated eight, chemicals in excess of unregulated "health guidelines." These guidelines are actually called "Maximum Contaminant Level Goals." They are non-enforceable goals, based solely on possible health risks and exposure over a lifetime, with an adequate margin of safety built in.

The three chemicals noted on the Environmental Working Group's summaries for both MMWD and North Marin are those formed during the process of drinking water disinfection (disinfection employed to reduce the risk of bacterial contamination and protect public health). These chemicals do not have a regulatory limit by themselves, but only in summation with other related disinfection byproducts. The levels in our systems are far below any regulatory limit.

None of the other chemicals found in MMWD or North Marin water had any concentration of any health significance, and this fact was noted as such by EWG.

MMWD and North Marin diligently monitor for a host of contaminants — both regulated and unregulated. Our monitoring far exceeds those required by law, in breadth and frequency. In areas where water quality has presented any risk, however moderate, we have enacted treatment and purification practices that are unmatched in our region. We employ a multiple-barrier approach to water quality protection that begins on our watersheds and ends at our consumers' taps.



North Marin has been in early compliance (since 2009) with the most recent rules of the federal Safe Drinking Water Act regarding disinfection by-products set to take effect this year. The Stafford Lake Water Treatment Plant is a state-of-the-art facility that is capable of removing a wide range of chemical and biological contaminants and includes activated carbon filters that vastly improve the water's taste and odor.

MMWD has implemented several treatment changes which have drastically reduced disinfection byproducts, the chemicals noted in the EWG report, and which have also reduced leaching of metals from household plumbing.

In fact MMWD's treatment to prevent leaching of customer plumbing has been defined as "optimized" by the EPA.

We, along with our partners, the Sonoma County Water Agency, deliver some of the safest, best-tasting, highest-quality water supplies in the nation.

Pablo Ramudo is water quality supervisor for North Marin Water District. Larry Grabow is laboratory manager for Marin Municipal Water District. For more information, visit [www.nmwd.com](http://www.nmwd.com) and click on "water quality" in the "Your Water/Services" tab. MMWD customers can visit [www.marinwater.org](http://www.marinwater.org) and click on the "water" tab.

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