



NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING
 June 25, 2013 – 7:30 p.m.
Dance Palace
503 B Street
Point Reyes Station, California

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Est. Time	Item	Subject
7:30 p.m.	CALL TO ORDER	
	1.	GENERAL MANAGER'S REPORT
	2.	OPEN TIME: (Please observe a three-minute time limit) This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
	3.	STAFF/DIRECTORS REPORTS
	4.	PUBLIC HEARING/APPROVE: West Marin Water FY 2013/2014 Budget <i>Resolution</i>
	5.	PUBLIC HEARING/APPROVE: Oceana Marin Sewer FY 2013/2014 Budget <i>Ordinance</i>
	CONSENT CALENDAR The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.	
	6.	Consent – Approve Policy for On-Call and Stand-By Duty
	7.	Consent – Approve Contract for Drafting Services FY13-14 – Aberegg
	8.	Consent – Approve Supporting the Summer 2013 20-Gallon Challenge Water Conservation Public Awareness Program <i>Resolution</i>
	ACTION CALENDAR	
	9.	Approve: Phillips & Associates Agreement Extension
	INFORMATION ITEMS	
	10.	West Marin Capital Improvements Projects - FY11-12 Preliminary Year-End Progress Report
	11.	California Property Tax Repayment to West Marin Districts
	12.	Board Review of District Policies - #13 – Board of Directors Compensation and Procedure

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)

13. **MISCELLANEOUS**

Disbursements

Outstanding Invoice – Rossi

Emergency response in Oceana Marin – Sunday May 26, 2013

Marin County Open Space Non-Conforming Use Thank You letter

News Articles:

NMWD recognized for financial reporting

8:30 p.m.

14. **ADJOURNMENT**

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MEMORANDUM

To: Board of Directors

June 21, 2013

From: David L. Bentley, Auditor-Controller

Subj: Public Hearing/Approve – West Marin Water FY 2013/2014 Budget

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RECOMMENDED ACTION: 1) Approve Rate & Charge Increases;
2) Approve FY14 Budget as Proposed

FINANCIAL IMPACT: 1) Rate Increase would generate \$57,000 annually;
2) FY14 Budgeted Expenditure Plan of \$949,000

Following for your third review, public hearing and approval is the proposed FY2013/2014 (FY14) Budget for the West Marin Water System.

Since the Board's last review on June 18, no changes have been made to the proposed budget.

Proposed for West Marin Water System customers is a rate increase averaging 8%.

A letter was mailed to all West Marin Water customers on May 8, 2013, advising of the proposed rate increase and extending an invitation to attend the public hearing and/or exercise their right to protest the proposed increase (see page 9 of the budget document).

The letter to customers generated one letter and two phone calls:

1. A letter from an Olema customer protests the increase and asks to the District to "back off on project" and economize (Attachment A).
2. An Inverness Park customer left a phone message that they would see a 12.6% increase, not 8% as stated in the letter to customers. Upon investigation, staff found that this customer's water use is about one-third of the typical West Marin customer's use, and that therefore the 20% (\$5) bimonthly service charge increase was a larger share of their bill than most. Staff left a phone message with the customer, explaining these factors, and noted that their increase amounts to \$3 per month, and invited the customer to call back if they had any further questions. No callback was received.
3. A Drakes View Drive customer called asking why the Paradise Ranch Estates (PRE) bimonthly service charge is higher than other areas, and also did not understand the elevation zone surcharge. After explanation she was satisfied with the answers, though expressed concern that the 40-year term of the 1980 PRE revenue bond seemed excessive.

RATE INCREASE PROPOSAL DETAIL

A 9% commodity rate increase was implemented in each of the past eight years, and this year a rate increase averaging 8%, comprised of a 5% commodity rate increase and a 20% service charge increase (to \$30 bimonthly for the typical customer who has a 5/8" meter) is recommended, with the exception that a 12% increase (to \$46 bimonthly) is proposed for the service charge paid by Paradise Ranch Estates customers. The proposed \$46 PRE bimonthly service charge includes the cost of amortizing the \$14,000 annual revenue bond debt service applicable exclusively to customers residing within the PRE subdivision. The proposed West Marin Water increase would total \$51 annually (\$4.25 per month) for the typical residential customer (see Rate Increase Analysis on page 6).

If enacted, the proposed increase will generate \$57,000 in additional revenue next fiscal year.

Commodity Rate Increase	\$29,000
Service Charge Increase	<u>\$28,000</u>
Total	<u>\$57,000</u>

Annual 5% increases are included in the 5-year financial plan for FY15 and beyond (see page 3) to help pay for the \$1.6 million Gallagher Pipeline, designed to mitigate the salinity intrusion experienced during high-tide and low creek flow conditions at the existing well site located adjacent to Lagunitas Creek near the Coast Guard housing facility.

Connection Fees

The \$22,800 connection fee for West Marin Water was increased in August 2009 and phased-in over two years. Two new connections are budgeted for West Marin Water next fiscal year. Staff anticipates reviewing the West Marin Water connection fee calculation again following the FY14 West Marin Water Master Plan update.

BUDGETED SYSTEM IMPROVEMENT PROJECTS

Significant Capital Improvement Projects budgeted for the coming year, from page 1 of the budget package, include:

- \$200,000 for continued work on the \$800,000 project to design and construct a 60,000 gallon solids-handling facility adjacent to the water treatment plant.
- \$100,000 to upgrade the Olema Pump Station for flood protection and to upgrade its SCADA remote terminal units.

The West Marin Water System Five-Year Capital Improvement Project Plan shows the \$500,000 PRE Tank 4A replacement will commence in FY16. The \$1.6 million Gallagher Pipeline project is scheduled to commence in FY17.

WEST MARIN WATER SYSTEM OPERATING BUDGET

You will note from page 2 of the budget that the proposed West Marin Water System Budget projects a deficit next fiscal year of \$95,000. The projected FY14 deficit represents the planned drawdown of the Bank of Marin loan funds borrowed to construct the Solids Handling Facility. West Marin Water customers pay \$71,000 annually for their share of the loan.

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.

FY14 water sales revenue is budgeted to increase 4% compared with the current year estimated actual. The West Marin system is projected to consume 75 million gallons (MG) next fiscal year, which is the average over the past 4 years, but only 90% of the average¹ consumption over the past ten years. The forecast assumes water sales volume will remain flat thereafter at 75MG as conservation programs (including water rate increases) continue to induce more efficient use of water. Historical consumption data is shown on page 7.

Operating expenditures are budgeted to remain consistent with the FY13 adopted budget. A graphical history of operating expenditures is shown on page 8. The 2013 update of the Coastal Area Annual Water Cost Comparison on page 12 shows that, even with the proposed rate increase, the water cost for NMWD's West Marin customers remains below that paid by the customers of the other seven coastal agencies surveyed.

RECOMMENDATION:

1. Approve Resolution 13-XX (Attachment B) amending Regulation 54 effective July 1, 2013 to increase the West Marin Water commodity rates by 5% and the service charge by 20%;
2. Adopt the FY14 West Marin Water System Budget as presented;
3. Authorize the General Manager to pay demands arising from execution of the budgeted FY14 West Marin Water expenditure plan.

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

WRITTEN PROTEST

RECEIVED

MAY 17 2013

North Marin Water District

FROM: J. A. WATT

A/C 2034901

- 9940-9960-9980

STATE RT ONE

Olema

As REGISTERED OWNER OF THE ABOVE
PROPERTY, CALENDAR THIS PROTEST.

IT'S TIME TO BACK OFF ON "PROJECTS"

MOST PEOPLE RECOGNIZE WE ARE IN A
RECESSION AND MUST ECONOMIZE NOT
BORROW MORE MONEY.

GIVE IT A REST AND STOP PUTTING YOUR
HANDS IN OUR POCKETS.

J. A. Watt

5/13/2013

RESOLUTION 13 - XX

**RESOLUTION OF THE BOARD OF DIRECTORS OF
NORTH MARIN WATER DISTRICT
AMENDING REGULATION 54 – WATER RATES**

WHEREAS, the Board of Directors hereby finds and determines that certain of the water rates and charges adjusted herein or previously adopted by the Board are imposed based on the supply of water to be used or consumed by the customer. The Board of Directors also finds and determines that these rates and charges are not imposed upon real property or upon a person as an incident of property ownership, and such rates or charges may be reduced or avoided by a customer by reducing or discontinuing water use; and

BE IT RESOLVED by the Board of Directors of North Marin Water District that Regulation 54 of the North Marin Water District is adopted as follows, effective July 1, 2013:

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
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NMWD Regulation 54, adopted 1/65
Revised: 1/67, 6/67, 1/71, 3/72, 2/74, 5/74, 6/74, 8/75, 3/75, 4/76, 5/77, 7/77, 6/78, 7/78, 7/78, 7/79, 3/80, 7/7/81, 7/21/81, 11/81, 12/82, 4/84, 2/87, 5/88, 7/89, 9/89, 7/90, 8/90, 3/91, 4/92, 6/92, 7/92, 9/92, 10/92, 3/93, 7/93, 7/94, 8/94, 11/94, 3/95, 4/95, 7/95, 2/96, 5/96, 6/96, 2/97, 6/97, 2/98, 6/98, 7/99, 6/00, 7/00, 12/00, 06/01, 07/01, 1/02, 06/02, 7/02, 06/03, 01/04, 06/04, 07/04, 6/05, 7/05, 0606, 0706 12/06, 07/07,6/08, 7/08, 7/09, 6/10, 7/10, 6/11, 7/11, 9/11, 7/12

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

*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 8/1/12 07/1/13

For 5/8 x 3/4-inch meter.....	\$25.00 <u>30.00</u>
For 1-inch meter*.....	\$50.00 <u>60.00</u>
For 1 1/2-inch meter*.....	\$61.00 <u>73.00</u>
For 2-inch meter.....	\$95.00 <u>114.00</u>
For 3-inch meter.....	\$189.00 <u>227.00</u>
For 4-inch meter.....	\$303.00 <u>364.00</u>
For all meters in Paradise Ranch Estates.....	\$41.00 <u>46.00</u>

*(see paragraph f)

PLUS A QUANTITY CHARGE

<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	<u>Effective 8/1/12 7/1/13</u>
First 400 gallons per day (gpd).....	\$6.36 <u>6.68</u>

401 up to 900 gpd	\$8-819.25
Use in excess of 900 gpd.....	\$14.1314.84

Rate Per 1,000 Gallons for All Other Accounts

Commercial, Industrial and Irrigation Accounts Nov 1 – May 31	\$6.426.75
Commercial, Industrial and Irrigation Accounts June 1 – Oct 31	\$8.899.34

PLUS A HYDRAULIC ZONE CHARGE FOR EACH 1,000 GALLONS

<u>Zone</u>	<u>Hydraulic Zone</u>	<u>Effective 8/1/12 7/1/13</u>
1	Point Reyes Station	\$0.00
2	Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0' – 365')	\$0.470.18
3	Olema	\$0.630.66
4	Upper Paradise Ranch Estates (Elevation 365' +)	\$4.254.46

(2) Effective ~~August 1, 2012~~ July 1, 2013, charge for raw water delivered from Lagunitas Creek shall be paid once every two months at the rate of \$0.35-37 per 1,000 gallons.

(3) Effective ~~August 1, 2012~~ July 1, 2013 consumers outside the Improvement District boundary shall pay an additional \$2.542.67 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>	<u>Rate Effective 6/1/11</u>	<u>Rate Effective 6/1/12</u>	<u>Rate Effective 6/1/13</u>
For each 1,000 gallons	\$6.18	\$6.23	\$6.31

West Marin Service Area Effective 8/1/12 7/1/13

For each 1,000 gallons	\$13.1413.80
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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:

<u>Rate Effective 6/1/11</u>	<u>Rate Effective 6/1/12</u>	<u>Rate Effective 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 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
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 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
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 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
Testing, Repair, Replacement	3/4" + 1"	\$22.00	\$28.00	\$34.00
Testing, Repair, Replacement	1 1/2" + 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 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
Testing	3/4" + 1"	\$9.00	\$11.00	13.00
Testing	1 1/2" + 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 6/1/11	Rate Effective 6/1/12	Rate Effective 6/1/13
\$1.80	\$2.30	\$2.80

* * * * *

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 twenty-fifth of June 2013, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

Katie Young, District Secretary
North Marin Water District

(SEAL)

Proposed
BUDGET

Final Review/Public Hearing

West Marin Water

FISCAL YEAR

2013-14

NORTH MARIN WATER DISTRICT

999 RUSH CREEK PLACE, NOVATO, CA

TABLE OF CONTENTS

WEST MARIN WATER

PROPOSED 2013/14 BUDGET

Capital Improvement Projects

West Marin Water 5-Year Plan 1

West Marin Water

Proposed FY14 Budget 2

5-Year Financial Plan 3

Supplementary Charts and Schedules

Rate Increase Analysis 5

Active Service Connections 6

Historical Water Consumption 7

Historical Operating Expenditures 8

Customer Letter Noticing the Proposed Increase 9

2013 Coastal Area Water Cost Comparison 12

Proposed Capital Improvement Projects

6/19/13

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	FY14	FY15	FY16	FY17	FY18	FY14 Project Description
6. WEST MARIN WATER SYSTEM						
a. TP Solids Handling (Note 3)	\$200,000	\$500,000				2nd phase of three year project to permit, design & construct a 60,000 gal solids handling facility.
b. Treatment Plant Control Valve Replacement	\$25,000					Replace 9 Point Reyes Treatment Plant control valves
c. Gallagher Auxiliary Stream Gauge	\$30,000					To record the Gallagher Well impact on Lagunitas Creek flow
d. PB Replace in Sync w/ County Paving			\$50,000			
e. Replace PRE 2" Galvanized Steel Pipe		\$120,000			\$120,000	
f. Olema PS Flood Protection & RTU Upgrade	\$100,000					Modify existing structure to prevent flooding of facilities by Olema Creek.
g. Emergency Generator Connections	\$15,000					For PRE & Olema Pump Stations
h. Pt Reyes Tank #2 & #3 Seismic Piping Upgrad	\$65,000					Install flexible piping connections to improve seismic safety.
i. Replace PRE Tank #4A (25,000 gal w/82,000 gal Tank)			\$250,000	\$250,000		
j. Gallagher Pipeline (Note 4)				\$1,600,000		
	<u>\$435,000</u>	<u>\$620,000</u>	<u>\$300,000</u>	<u>\$1,850,000</u>	<u>\$120,000</u>	
LESS FUNDED BY LOANS/GRANTS/OTHER						
a. WM Treatment Plant Solids Handling (Note 3)	(\$200,000)	(\$500,000)	\$0	\$0	\$0	Funded from FY12 Bank of Marin loan
b. Gallagher Pipeline (Note 4)	\$0	\$0	\$0	(\$1,600,000)	\$0	Funded from Loan
	<u>(\$200,000)</u>	<u>(\$500,000)</u>	<u>\$0</u>	<u>(\$1,600,000)</u>	<u>\$0</u>	
SUMMARY - NET PROJECT OUTLAY						
NET (INTERNALLY FUNDED) PROJECT OUTLAY	<u>\$235,000</u>	<u>\$120,000</u>	<u>\$300,000</u>	<u>\$250,000</u>	<u>\$120,000</u>	
Total Number of Projects	6	2	2	2	1	

Note 3 - \$800,000 West Marin Water Treatment Plant Solids Handling Facility Funded by Bank Loan

Note 4 - \$1.6M Gallagher Pipeline Funded by Loan

WEST MARIN WATER
BUDGET SUMMARY
Fiscal Year 2013/14

	Proposed Budget 2013/14	Estimated Actual 2012/13	Adopted Budget 2012/13
OPERATING INCOME			
1	\$752,000	\$724,000	\$661,000
2	6,000	5,000	5,000
3	\$758,000	\$729,000	\$666,000
OPERATING EXPENDITURES			
4	\$21,000	\$24,000	\$37,000
5	39,000	28,000	39,000
6	33,000	32,000	30,000
7	125,000	104,000	112,000
8	106,000	125,000	105,000
9	26,000	21,000	26,000
10	4,000	4,000	4,000
11	50,000	45,000	51,000
12	150,000	149,000	153,000
13	\$554,000	\$532,000	\$557,000
14	\$204,000	\$197,000	\$109,000
NET OPERATING INCOME (LOSS)			
NON-OPERATING REVENUE/(EXPENSE)			
15	\$43,000	\$45,000	\$45,000
16	4,000	4,000	4,000
17	3,000	3,000	6,000
18	(41,000)	(44,000)	(44,000)
19	(5,000)	6,000	3,000
20	\$4,000	\$14,000	\$14,000
21	\$208,000	\$211,000	\$123,000
OTHER SOURCES/(USES) OF FUNDS			
22	\$150,000	\$149,000	\$153,000
23	46,000	5,000	46,000
24	(435,000)	(475,000)	(670,000)
25	(64,000)	(77,000)	(74,000)
26	(\$303,000)	(\$398,000)	(\$545,000)
27	(\$95,000)	(\$187,000)	(\$422,000)
NET SURPLUS/(DEFICIT)			

WEST MARIN WATER

5-Year Financial Forecast

#	BASIC DATA	Actual 2010/11	Actual 2011/12	Estimated 2012/13	Proposed 2013/14	Projected 2014/15	Projected 2015/16	Projected 2016/17	Projected 2017/18
1	Active Meters	770	777	776	778	780	782	784	786
2	Avg Commodity Rate/1,000 Gal	\$6.59	\$6.97	\$7.60	\$7.79	\$8.17	\$8.57	\$9.00	\$9.45
3	Potable Consumption (MG)	74	74	77	75	75	75	75	75
INCOME									
4	Commodity Charge	\$489,493	\$518,217	\$585,000	\$584,000	\$613,000	\$643,000	\$675,000	\$709,000
5	Minimum Service Charge	94,214	115,584	139,000	168,000	177,000	186,000	196,000	206,000
6	Connection Fee	16,150	36,600	5,000	46,000	46,000	46,000	46,000	46,000
7	PR-2 County Tax Allocation	38,446	40,598	45,000	43,000	44,000	45,000	46,000	47,000
8	PR-3 G.O. Bond Tax	13,803	13,938	0	0	0	0	0	0
9	OL-2 G.O. Bond Tax	3,528	3,757	4,000	4,000	0	0	0	0
10	Interest	0	0	3,000	3,000	2,000	1,000	2,000	2,000
11	Miscellaneous	(18,491)	4,921	11,000	11,000	11,000	11,000	11,000	11,000
12	TOTAL INCOME	\$637,143	\$733,615	\$792,000	\$859,000	\$893,000	\$932,000	\$976,000	\$1,021,000
EXPENDITURES									
13	Operating Expenditures	\$381,224	\$382,948	\$383,000	\$414,000	\$416,000	\$428,000	\$441,000	\$454,000
14	Bond & Loan Debt Service	48,105	55,597	121,000	105,000	106,000	101,000	225,000	223,000
15	Interdistrict Loan Interest	4,969	5,918	0	0	0	0	0	0
16	TOTAL EXPENDITURES	\$434,298	\$444,463	\$504,000	\$519,000	\$522,000	\$529,000	\$666,000	\$677,000
NET INCOME		\$202,845	\$289,152	\$288,000	\$340,000	\$371,000	\$403,000	\$310,000	\$344,000
OTHER SOURCES/(USES)									
17	Capital Improvement Projects	(136,485)	(145,027)	(475,000)	(435,000)	(620,000)	(300,000)	(1,850,000)	(120,000)
18	Loan Proceeds	0	1,000,000	0	0	0	0	1,600,000	0
19	Loan from (Repayment to) Novato	(63,332)	(356,968)	0	0	0	0	0	0
20	Net Change in Working Capital	(13,013)	(4,575)	0	0	0	0	0	0
21	INCREASE (DECREASE) IN CASH	(\$9,985)	\$782,582	(\$187,000)	(\$95,000)	(\$249,000)	\$103,000	\$60,000	\$224,000
CASH BALANCE									
22	Operating Reserve	\$0	\$0	\$0	\$238,000	\$173,000	\$276,000	\$336,000	\$560,000
23	System Expansion Reserve	0	700,680	514,000	181,000	0	0	0	0
24	Liability Contingency Reserve	0	98,885	99,000	99,000	99,000	99,000	99,000	99,000
25	Bond Redemption Reserve	50,313	33,330	33,000	33,000	30,000	30,000	30,000	30,000
26	TOTAL CASH BALANCE	\$50,313	\$832,895	\$646,000	\$551,000	\$302,000	\$405,000	\$465,000	\$689,000
27	Amount Due to Novato Water	\$356,968	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	Depreciation Expense	\$147,002	\$150,169	\$149,000	\$150,000	\$157,000	\$167,000	\$172,000	\$203,000

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.
 - 2 A commodity rate increase of 5% is proposed effective 7/1/13.
 - 3 Projection based on FY13 estimated actual.
 - 5 A 20% increase in the Bimonthly Service Charge consistent with Novato Water is proposed effective 7/1/13. Thereafter a 5% annual increase is proposed.
 - 6 The connection fee was set at \$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. The Legislature 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. See Note 27 regarding the PR-3 GO Bond.
 - 10 Projected available funds invested at 0.40%
 - 11 Turn-on, set-up, backflow device, Horizon CATV site lease & other miscellaneous charges.
 - 13 3% annual increase assumed after FY14.
 - 14 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. In July 2012 WM Water was allocated \$1 million from a Bank of Marin loan to finance construction of a Treatment Plant Solids Handling Facility. Commencing FY13 includes repayment of the \$1 million Bank of Marin loan; commencing FY17 includes repayment of a Gallagher Pipeline loan.
 - 15 Interest on interdistrict Loan to fund the LRIPP. Debt was fully repaid in June 2012 with Bank of Marin loan.
 - 16 Excludes depreciation.
 - 17 Capital Improvement Projects. See 5-year Improvement Projects Forecast.
 - 18 \$1 million loan from Bank of Marin in June 2012. Assumes Gallagher Pipeline loan proceeds offset the \$1.6 million installation cost.
 - 19 Interdistrict loan repayment to fund the West Marin Long Range Improvement Project Plan (LRIPP). Fully repaid in June 2012.
 - 22 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 \$128,000 at June 30, 2013, however the funds have been used to subsidize operating deficits resulting from financing capital improvement projects. Future cash generated will accrue to the emergency operating reserve fund until it is whole.
 - 23 System Expansion Reserve is composed of connection fee revenue and unexpended Bank of Marin loan funds.
 - 24 Liability Contingency Reserve - \$90,000 is West Marin Water's pro-rata share (3.6%) of the District's \$2.5 million liability contingency fund, available to pay liability claims arising within the West Marin water system. \$8,885 was added in Dec 2006 from sale of 2 surplus parcels in Inverness Park.
 - 25 Bond Redemption Reserve is comprised of one year of Revenue Bond debt service (\$30K) for PR-6 & PRE-1 bonds as required by bond covenant plus tax receipts held in the Marin County treasury. The PR-3 GO Bond was fully repaid in January 2013, eliminating the need for its \$15K County Reserve.
 - 27 Amount Due to Novato Water at fiscal year end.

West Marin Water Rate Increase Analysis

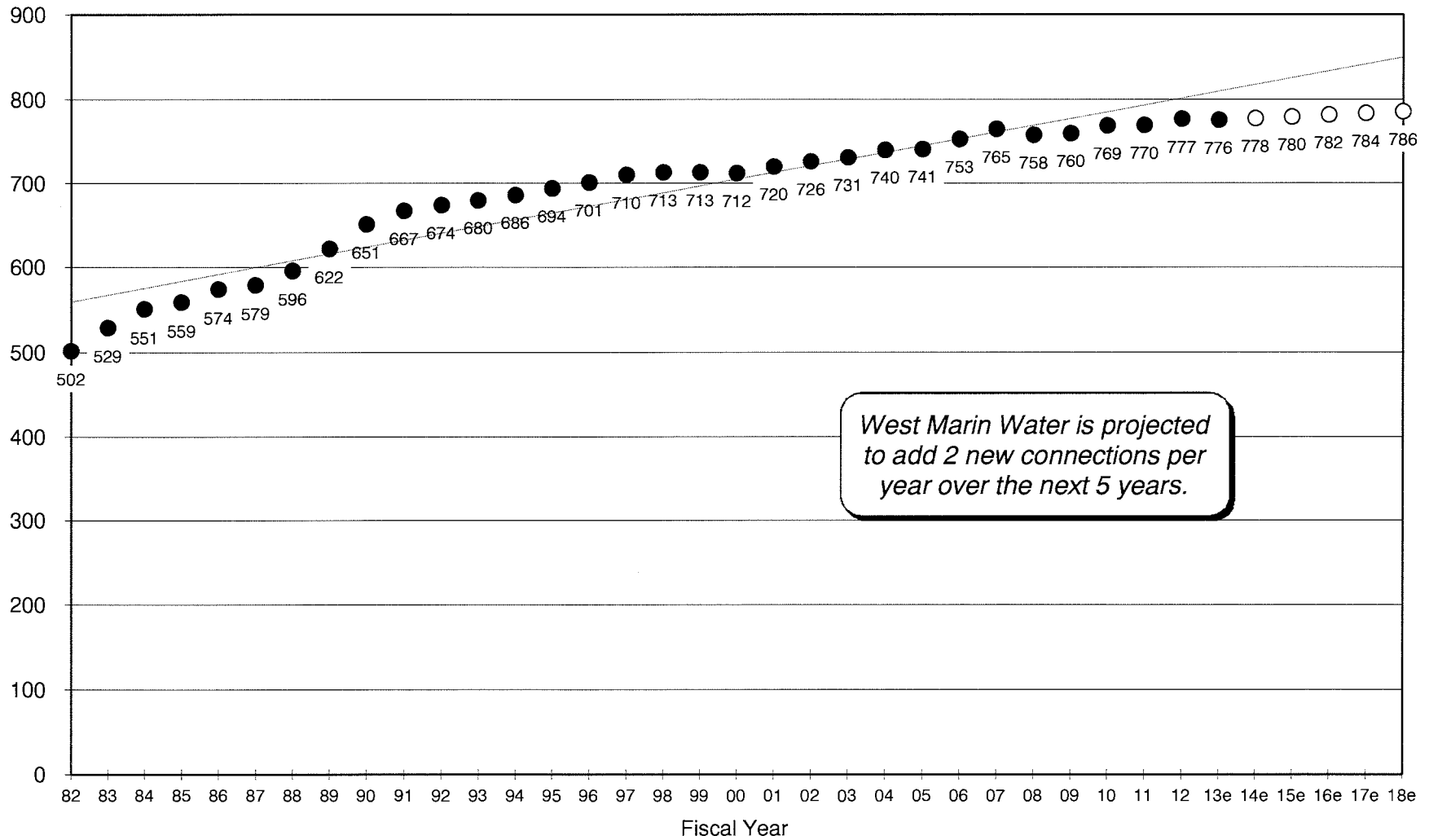
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6/19/13

Annual Residential Impact (based on 59,100 gallons water use

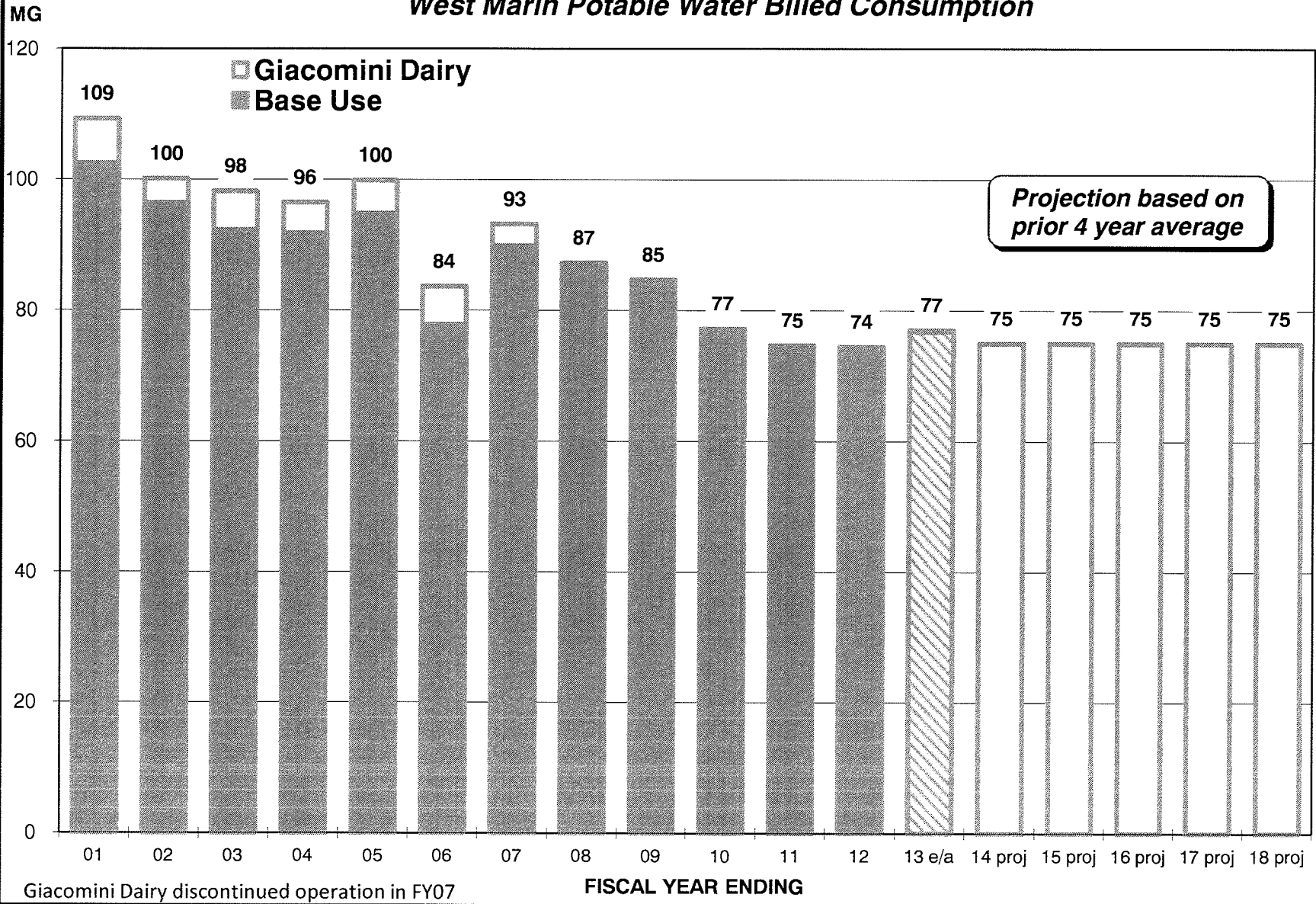
		Commodity	Annual	Annual	Annual	Total	Annual Increase	
		Rate	Use	Service	Tax	Annual	\$	%
Point Reyes Station	Current	\$6.36	\$376	+ \$150	+ \$55	= \$581		
	Proposed	\$6.68	\$395	+ \$180	+ \$55	= \$630	\$49	8%
Inverness Park, Bear Valley, Silver Hills	Current	\$6.53	\$386	+ \$150	+ \$55	= \$591		
	Proposed	\$6.86	\$405	+ \$180	+ \$55	= \$641	\$50	8%
Olema	Current	\$6.99	\$413	+ \$150	+ \$54	= \$617		
	Proposed	\$7.34	\$434	+ \$180	+ \$54	= \$667	\$51	8%
PRE Zone A	Current	\$6.53	\$386	+ \$246	+ \$0	= \$632		
	Proposed	\$6.86	\$405	+ \$276	+ \$0	= \$681	\$50	8%
PRE Zone B	Current	\$10.61	\$627	+ \$246	+ \$0	= \$873		
	Proposed	\$11.14	\$658	+ \$276	+ \$0	= \$934	\$61	7%
Outside Services	Current	\$8.90	\$526	+ \$150	+ \$0	= \$676		
	Proposed	\$9.35	\$553	+ \$180	+ \$0	= \$733	\$57	8%
Weighted Average	Current	\$7.06				\$623		
	Proposed	\$7.42				\$674	<u>\$51</u>	8%

West Marin Water Active Service Connections @ June 30



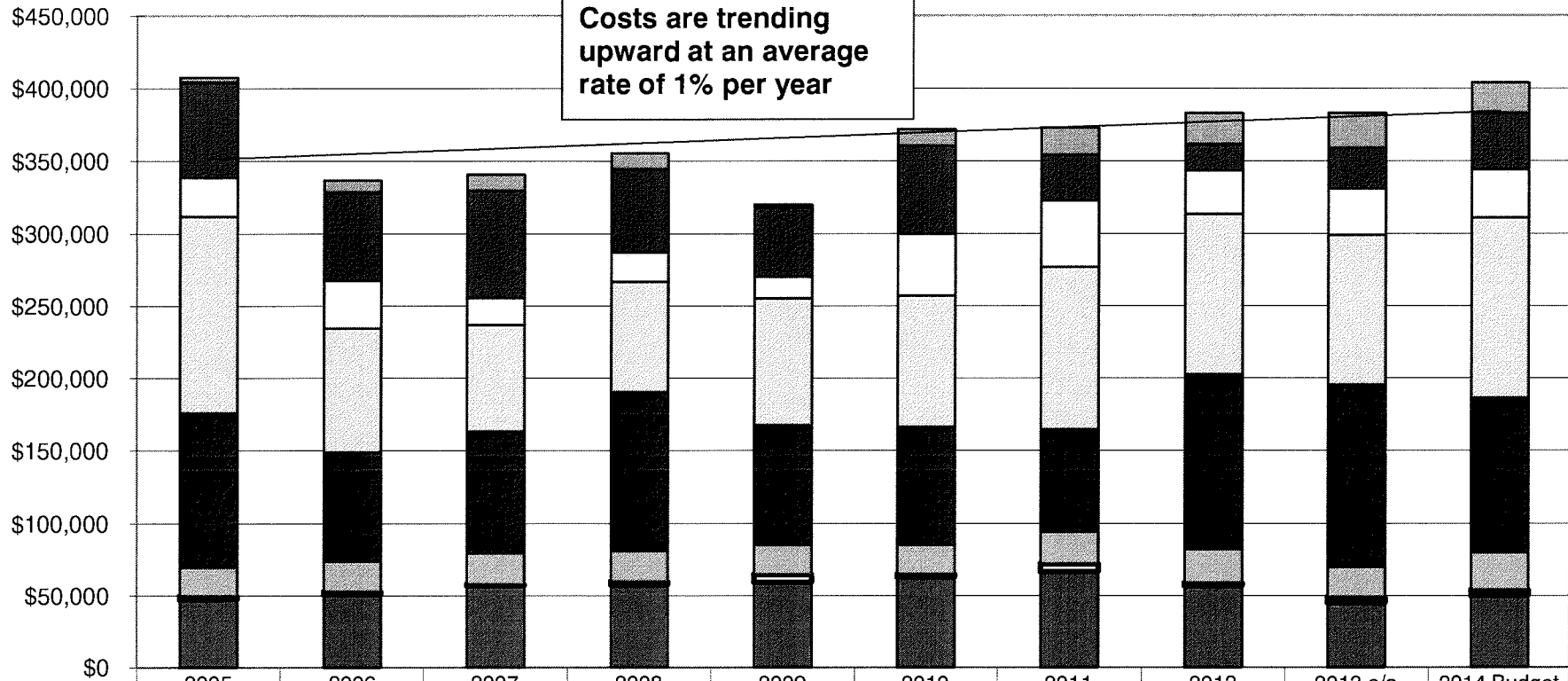
West Marin Water is projected to add 2 new connections per year over the next 5 years.

West Marin Potable Water Billed Consumption



7

West Marin Water Operating Expenditures



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

	2005	2006	2007	2008	2009	2010	2011	2012	2013 e/a	2014 Budget
■ Source	\$3,322	\$8,049	\$11,085	\$11,106	\$2,319	\$11,364	\$18,907	\$21,495	\$24,000	\$21,000
■ Pumping	\$65,592	\$61,001	\$74,108	\$57,375	\$47,801	\$60,516	\$31,092	\$18,226	\$28,000	\$39,000
□ Operations	\$26,753	\$33,329	\$18,925	\$20,340	\$14,970	\$42,962	\$45,965	\$29,609	\$32,000	\$33,000
□ Treatment	\$136,191	\$85,643	\$73,627	\$76,588	\$87,871	\$90,739	\$112,531	\$111,205	\$104,000	\$125,000
■ T & D	\$106,132	\$74,790	\$83,545	\$109,186	\$82,386	\$81,052	\$70,274	\$120,093	\$125,000	\$106,000
□ Cons Acctg	\$19,850	\$21,119	\$21,504	\$21,045	\$20,285	\$20,232	\$22,108	\$23,367	\$21,000	\$26,000
■ Wtr Cons	\$2,213	\$1,700	\$900	\$2,177	\$5,338	\$1,783	\$5,266	\$2,008	\$4,000	\$4,000
■ G & A	\$47,665	\$51,065	\$57,133	\$57,828	\$59,500	\$63,234	\$66,880	\$56,945	\$45,000	\$50,000
Total	\$407,718	\$336,696	\$340,827	\$355,645	\$320,470	\$371,882	\$373,023	\$382,948	\$383,000	\$404,000

May 8, 2013

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

Dear Customer:

This letter is to advise you of **proposed increases to West Marin water rates and charges** that would take effect on July 1, 2013. It also provides information about a **Public Hearing scheduled on June 25, 2013**, at which time written and oral comments will be considered and a vote on the increase will be taken by the North Marin Water District Board of Directors.

How much are the proposed rate increases?

An increase in rates and charges averaging 8% is recommended.

The increase for non-residential customers (commercial, institutional and irrigation accounts) will vary based on water use and meter size. The median non-residential account would also see an 8% increase commencing July 1, 2013.

See Attachment A for a detailed description of the proposed rate increases.

How will the proposed increase affect my water bill?

The proposed increase in the commodity rate and service charge would add \$4.25 per month (\$51 annually) to the cost of water for the typical (median) single-family residential customer who consumes 59,000 gallons of water annually. Those using less than the median will see an increase less than \$51 annually, and those using more would pay more.

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

Why are rates being increased?

Over the next two fiscal years the \$600,000 remaining from borrowed funds will be expended to complete construction of water treatment plant improvements. The next major project is construction of a pipeline from an NMWD well located adjacent to Lagunitas Creek approximately one mile upstream from the water treatment plant on the Gallagher Ranch. Water from the Gallagher Well will mitigate the salinity intrusion now experienced at the existing Point Reyes Wells during high tide and low creek flow conditions. Multiple applications for Federal and State assistance over the past decade to finance the Gallagher Pipeline have been unsuccessful. The District now plans to obtain private financing for this \$1.6 million project. We estimate that a 20-year loan would require annual debt service payments of \$123,000, or about 18% of current annual water revenue. The proposed 8%

increase effective July 1 will fund a portion of the new debt service.

Additional Information

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

A public hearing before the NMWD Board of Directors to consider the proposed rate increase is scheduled for 7:30 pm, Tuesday, June 25, 2013, at the Dance Palace (503 B Street) in Point Reyes Station.

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

Your written protest must be received prior to the close of the June 25, 2013 public hearing. Written protests must be signed by the property owner or customer of record and must include a description of the parcel (parcel number) or NMWD account number. Send or deliver written protests to:

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

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

Sincerely,



Chris DeGabriele
General Manager

Encl: as stated
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West Marin Water Recent Capital Improvement Projects – Status Report

<u>Project</u>	<u>Expenditures thru 3/31/13</u>	<u>Status</u>
1 Replace PRE Tank #3 - 25,000 gal.....	\$91,759	Complete
2 Install 3 Standby Booster Pumps & Controls @ PRE.....	159,990	Complete
3 Bear Valley Pump Station Upgrade.....	88,132	Complete
4 Replace Pt. Reyes 100,000 gal tank w/180,000 gal.....	399,707	Complete
5 Replace Olema 80,000 gal tank w/150,000 gal.....	561,742	Complete
6 Install Parallel 8" Main on Hwy 1.....	180,000	Complete
7 Upgrade Inverness Park PS w/2 150 gpm pumps.....	157,888	Complete
8 Install Pressure Reducing Valve @ Inverness Park PS.....	13,046	Complete
9 Replace 30,000 gal Inverness Park Bolted Steel Tank.....	164,262	Complete
10 Tank Seismic Upgrades.....	106,015	In Progress
11 Replace PRE Tank #4A - 82,000 gallon.....	22,328	In Progress
12 Point Reyes Well Replacement.....	268,809	In Progress
13 Water Treatment Plant Enhancements.....	<u>171,240</u>	In Progress
	<u>\$2,384,918</u>	

PROPOSED

West Marin Water System Rate Changes

EFFECTIVE JULY 1, 2013

	<u>Existing</u>	<u>Proposed</u>	<u>% Increase</u>
BIMONTHLY MINIMUM SERVICE CHARGE			
For 5/8 x 3/4-inch meter.....	\$25.00	\$30.00	20%
For 1-inch residential meter for fire service.....	\$28.00	\$34.00	21%
For 1-inch meter.....	\$50.00	\$60.00	20%
For all meters in Paradise Ranch Estates.....	\$41.00	\$46.00	12%
QUANTITY CHARGE			
<u>Residential Rate Per Dwelling Unit</u>			
First 400 gallons per day.....	\$6.36	\$6.68	5%
From 401 to 900 gallons per day.....	\$8.81	\$9.25	5%
From 901+ gallons per day.....	\$14.13	\$14.84	5%
<u>Commercial, Institutional & Irrigation Rate</u>			
November 1 through May 31.....	\$6.42	\$6.75	5%
June 1 through October 31.....	\$8.89	\$9.34	5%
PLUS A HYDRAULIC ZONE CHARGE/1,000 GAL			
<u>Zone</u>			
1 Point Reyes Station.....	\$0.00	\$0.00	0%
2 Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0' - 365').....	\$0.17	\$0.18	5%
3 Olema.....	\$0.63	\$0.66	5%
4 Upper Paradise Ranch Estates (Elevation 365'+).....	\$4.25	\$4.46	5%
Additional Commodity Rate for Consumers Outside the Improvement District Boundary.....	\$2.54	\$2.67	5%

ATTACHMENT A

2013 COASTAL AREA WATER COST COMPARISON

5/29/13

Comparison of NMWD's Charges with Other Agencies Based on Rates and Charges in Effect on 6/1/13
 "Typical" Single Family Residence (5/8" x 3/4" Meter) Using 59,100 Gallons Annually

Agency	No. of Water Services	Bimonthly Service Charge	Commodity Rate per 1,000 Gallons		Annual Water Cost ¹	Water Bond Tax Rate per \$100/AV	Annual Tax Cost ²	Total Annual Cost
California Water Service Co.	255	\$139.73	\$39.58		\$3,177	-	-	\$3,177
Bolinas Community PUD	580	\$169.67	1.34/\$2.01/\$4.01	(3)	\$1,121	\$0.011	\$446 (4)	\$1,567
Estero Mutual Water District	141	\$167.90	\$7.86/\$11.56	(5)	\$1,400	-	-	\$1,400
Stinson Beach Co Water	725	\$77.10	\$2.61/\$6.26	(6)	\$667	\$0.004	\$532 (7)	\$1,199
Muir Beach Community Services	151	\$49.92	\$9.20	(8)	\$633 (9)	-	\$300 (10)	\$933
Inverness PUD	508	\$100.00	\$3.07/\$4.61	(11)	\$802	-	-	\$802
Bodega Bay PUD	1,056	\$43.07	\$6.06	(12)	\$401	-	\$310 (13)	\$711
→ NMWD West Marin Service Area	776	\$30.00	\$7.35	(14)	\$614	-	\$49 (15)	\$664

Notes:

- (1) Median annual consumption for West Marin Service Area single-family detached home is 59,100 gallons. Use will differ in other areas and microclimates.
- (2) Includes taxes for debt service on outstanding water bonds and loans plus any applicable apportionment of the AB8 1% County levy distributed to compensate for the Prop 13 elimination of the operation and maintenance tax.
- (3) 1st 15 Ccf quarterly @\$1.00/Ccf, 16 to 21 Ccf @\$1.50, 22 - 28 @\$3.00, 29 - 40 @\$6.00, 41 - 60 @\$10, 61 - 75 @\$15 and 76+ Ccf @\$18/Ccf (billed quarterly).
- (4) Based on home with net AV of \$399,657 (average 2012/13 AV on 544 single family homes in Bolinas) and tax rate of \$1.10/\$100 AV. 100% of this tax is allocated to water. Also shares in 1% County levy. This "allocation" is projected by the County of Marin at \$233,659 for Bolinas in 2012/13 of which 100% is credited to the water fund amounting to \$403 per service.
- (5) First 25 cubic meters bimonthly @ \$2.075/cm; next 25 cm @ \$3.051/cm; 51+ cm @ \$4.089/cm.
- (6) First 6 Ccf monthly @ \$1.95/Ccf; 6 to 10 Ccf @ \$4.68/Ccf; 10 to 16 Ccf @ \$7.88/Ccf; 16 to 20 Ccf @ \$10.80/Ccf; 20 to 30 Ccf @ \$16.97/Ccf; 30 to 40 Ccf @ \$21.20Ccf; 40 and above Ccf @ \$27.54/Ccf.
- (7) Based on weighted average tax rate of 0.43¢/\$100 AV and home with net AV of \$983,072 (average 2012/13 AV on 648 single family homes in Stinson Beach less \$7,000 homeowner exemption). Stinson Beach also shares in 1% County levy. This "allocation" is projected at \$507,218 in 2012/13 of which 70% is credited to the water fund amounting to \$490 per service.
- (8) \$49.92/bimonthly flat rate for first 4,500 gallons, plus \$0.92/100 gallons for 4,500 to 10,000, plus \$1.29/100 gallons for 10,000 to 30,000, plus \$1.62/100 gallons for 30,000+ gallons.
- (9) 25% of revenue is allocated to capital improvements.
- (10) The annual \$300 charge is now collected via water billings rather than a parcel tax and is allocated to capital improvements.
- (11) First 12 Ccf bimonthly @ \$2.30/Ccf; 13 to 36 Ccf @ \$3.45/Ccf, 37 to 48 @ \$4.90/Ccf, 49 to 60 @ \$6.75/Ccf, and 61+ @ \$20.15/Ccf.
- (12) \$43.07 bi-monthly water svc charge for 0-800 cubic feet, then \$4.53/100 cubic feet for 801-2,500 cubic feet, then \$5.18/100 cubic feet over 2,500 cubic feet.
- (13) Based on share of 1% County levy. This "allocation" was projected by the County of Sonoma at \$327,155 for 10/11, of which 100% was allocated to water amounting to \$310 per service. FY13 allocation is not available until June.
- (14) Rate shown is weighted average of Point Reyes Station, Olema, Bear Valley/Inverness Park & Paradise Ranch Estates and includes a Proposed 5% commodity & 20% bimonthly service charge increase. Tier rate charges do not apply to the typical residential customer as median use does not exceed the 400 gpd tier rate threshold.
- (15) West Marin Service Area receives allocation of the 1% County levy projected at \$38,188 in 2012/13, amounting to \$49 per service.

5

MEMORANDUM

To: Board of Directors

June 21, 2013

From: David L. Bentley, Auditor-Controller

Subj: Public Hearing/Approve: Oceana Marin Sewer FY 2013/2014 Budget
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RECOMMENDED ACTION: 1) Approve Sewer Service Charge Increase;
2) Approve FY14 Budget as Proposed

FINANCIAL IMPACT: 1) Service Charge Increase would generate \$19,000 annually;
2) FY14 Budgeted Expenditure Plan of \$200,000

Presented for your final review and public hearing is the proposed FY2013/2014 (FY14) budget for the Oceana Marin Sewer System.

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 held a cash balance of \$174,000 at May 31, 2013. The Five-Year Financial Plan includes a \$400,000 project to clean and line the settling and treatment ponds. A 12% (\$7/month) increase is proposed for FY14, which will generate an additional \$19,000 per year. Annual 5% increases are included in the 5-year financial plan (\$3 per month) for FY15 and beyond to help pay for the budgeted FY18 pond relining project.

A letter was mailed to all Oceana Marin Sewer customers on May 8, 2013, advising of the proposed sewer service cost increase and extending an invitation to attend the public hearing and/or exercise their right to protest the proposed increase (see page 7 of the budget document). No response to the letter has been received to date.

An increase in the Sewer Service Charge, which is collected on the Property Tax roll, must be adopted by ordinance, which requires readings at two Board meetings and publication twice. A summary of the ordinance was published in the Point Reyes Light on June 6 and again on June 20, inviting customers to attend the June 25 meeting in Point Reyes Station (Attachment A).

CONNECTION FEES

The connection fee for Oceana Marin Sewer was increased to \$15,200 in August 2009. Staff anticipates reviewing the connection fee calculation again following the FY15 Oceana Marin Sewer System Master Plan update.

BUDGETED SYSTEM IMPROVEMENT PROJECTS

FY14 Projects

Lining 3,150' of cross-country sewer line in three areas of the Oceana Marin subdivision was completed in FY13 at a cost of \$230,000. The coming fiscal year will see \$35,000 expended on installation of a SCADA remote terminal unit upgrade at the Tahiti Way Lift station.

Future Projects

\$15,000 in continued work on infiltration repair is forecast each year into the future. \$100,000 is included, commencing in FY15, for design and installation of an 8th disposal trench. Finally, \$400,000 is included for lining the settling and treatment ponds in FY18.

OCEANA MARIN SEWER OPERATING BUDGET

The proposed Oceana Marin Sewer budget shown on page 2 includes a \$7/month (12% - to \$65) increase in the sewer service charge. Three years ago the sewer service charge was placed on the County property tax rolls, eliminating the monthly billing and collection cost. Two new connections are budgeted for next fiscal year with the anticipated Brown annexation, and one new connection each year thereafter, which is Oceana Marin's average over the past five years. Next year's budget projects operating expenditures, before depreciation, to increase 15% from the current year budget, and 3% from the current year estimated actual expenditures.

The FY14 budget for Phillips is projected at \$67,000. 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 6. The 2013 update of the Coastal Area Annual Sewer Cost Comparison (page 9) shows that, even when the County 1% allocation of AB8 tax revenue is included as a ratepayer cost, Oceana Marin sewer service cost continues to rank third among the six coastal agencies surveyed.

RECOMMENDATION:

- 1) Approve Ordinance No. 26 (Attachment B) amending Regulation 109 (shown in highlight/strikeout mode on Attachment C), effective July 1, 2013, to increase the Oceana Marin sewer service charge by 12% to \$780 per equivalent unit per year, and placing the proposed FY14 Oceana Marin sewer service charge on the tax roll of the County of Marin;

- 2) Adopt the FY14 Oceana Marin Sewer System Budget as proposed;
- 3) Authorize the General Manger to pay demands arising from execution of the budgeted FY14 Oceana Marin expenditure plan.

**PROOF OF PUBLICATION
(2015.5 CCP)**

This space is for the County Clerk's Filing Stamp
RECEIVED

**STATE OF CALIFORNIA
County of Marin**

JUN 18 2013
North Marin Water District

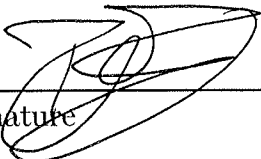
I am a citizen of the United States and a resident of the county aforesaid. I am over the age of eighteen years, and not a party to or interest in the above-entitled matter. I am the publisher of the Point Reyes Light, a newspaper of general circulation, printed and published in the town of Point Reyes Station, County of Marin and which newspaper has been adjudged a newspaper for general circulation by the Superior Court of the County of Marin, State of California, under the date April 26, 1949, Case Number 183007; that the notice of which annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates to wit:

6/6/13

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Date at Inverness, California, this

17 day of June, 2013


Signature

Proof of Publication

NORTH MARIN WATER DISTRICT NOTICE OF PUBLIC HEARING OCEANA MARIN SEWER SERVICE CHARGES FISCAL YEAR 2013-2014 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), intends to amend NMWD Regulation 109, Oceana Marin Sewer Service Rates and Charges, through the adoption of Ordinance No. 26 on June 25, 2013, fixing its charges for sewerage services for the fiscal year 2013-2014 in the amount of \$65 per month (\$780 per year) per parcel (a proposed increase of \$7 per month - \$84 annually), and further intends to elect to collect such charges on this tax roll as it did for fiscal year 2012-2013 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, June 25, 2013 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. Dated: June 3, 2013. Published in the Point Reyes Light June 6, 2013.

ORDINANCE NO. 26

**ORDINANCE OF THE BOARD OF DIRECTORS OF
NORTH MARIN WATER DISTRICT
ELECTING TO HAVE OCEANA MARIN SEWER CHARGES BE COLLECTED ON THE TAX
ROLL OF THE COUNTY OF MARIN, STATE OF CALIFORNIA
COMMENCING FISCAL YEAR 2013-14**

Section 1. The Board of Directors hereby finds, determines and declares as follows:

- a. The District has previously developed and instituted a Sewer Service Charge Program to finance the services and facilities furnished by the District in its Improvement Districts No. OM-1 and OM-3 which are herein referred to as Oceana Marin; and
- b. The Board of Directors has reviewed the present sewer service charge and has determined that the sewer service rate should be \$780 per equivalent unit for fiscal year 2013-14;

Section 2. In adopting this Ordinance, the Board of Directors finds that:

- a. Written notices of the proposed increase in the sewer service charge were sent by first class U.S. mail to every customer in Improvement Districts No. OM-1 and OM-3 at least 45 days prior to the Public Hearing conducted on June 25, 2013 to consider said report and rate increase effective July 1, 2013.
- b. The District prepared and filed a sewer service charge report with the District Secretary.
- c. On June 6, 2013 and June 20, 2013, the District Secretary published a notice of Public Hearing and of the filing of said report in the Point Reyes Light, a newspaper of general circulation printed and published in the County.
- d. At the Public Hearing conducted on June 25, 2013, all written protests against the proposed increase in the sewer service charge, including those provided in person, by facsimile, email and U.S. mail, were considered and tallied, and the District was not presented with protests by a majority of the owners of the identified parcels affected by this change.
- e. The amount of the charge imposed does not exceed the proportional cost of the service attributable to the properties receiving service and the charge is only imposed on those properties actually receiving service or for those which

service is immediately available.

- f. This action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15273 (a) (1-4) of the District CEQA Guidelines.

Section 3. Section c. of that certain Regulation entitled "Regulation 109 – Oceana Marin Sewer Service – Rates and Charges," passed by the Board of Directors of the North Marin Water District on June 21, 1977, as amended, and attached as Exhibit 1 hereto, is hereby amended to read as follows and is hereby adopted:

"c. Sewer Service Rate

For Fiscal Year 2013-14, a sewer service rate of \$780 per equivalent unit per year shall be paid by the owner of the land served. In the case of new construction, said rate shall commence when connection is made to the District sewage facility. Upon written notice by the owner in the event a structure is demolished by fire or otherwise removed from the land, an appropriate adjustment shall be made taking into account the reduced use but excluding any adjustment for infiltration inflow. An appropriate portion of the charges collected during the period that no structure existed shall be refunded. The refund period, however, shall not be greater than one year and shall be measured from the date that the District receives written notice from the owner."

Section 4. The District does hereby elect, pursuant to Section 5473 of the Health and Safety Code of the State of California, to have the sewer service charge, pursuant to its Regulation 109 passed and adopted by the Board of Directors of the North Marin Water District on June 21, 1977, as amended, collected on the tax roll of the County of Marin, State of California, in the manner pursuant to Sections 5471 through 5473.11 of the Health and Safety Code of the State of California.

Section 5. The Secretary shall cause this ordinance to be published in the manner described in Section 31105 of the Water Code.

Section 6. The Secretary of North Marin Water District is hereby directed to file a copy of said report with the Treasurer-Tax Collector of Marin County on or before July 15, 2013, upon which shall be endorsed, over the Secretary's signature, a statement that the report has been adopted by the Board of Directors of the North Marin Water District.

Section 7. The Treasurer-Tax Collector of Marin County shall, upon receipt of said report, enter the amounts of the charges against the respective lots or parcels as they appear on the assessment roll for the fiscal year 2013-2014.

* * * * *

I hereby certify that the foregoing is a true and complete copy of an ordinance duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 25th day of June 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Katie Young, Secretary
North Marin Water District

(SEAL)

t:\ac\word\budget\wm\14\ordinance 26 om tax roll 2013.docx

**NORTH MARIN WATER DISTRICT
REGULATION 109
OCEANA MARIN SEWER SERVICE - RATES AND CHARGES**

a. Applicability

This regulation applies to sewer service within Improvement Districts No. OM-1 and OM-3 of North Marin Water District which are herein referred to as Oceana Marin.

b. Sewage Facilities Connection Charge

A sewage facilities connection charge of \$15,200 for each equivalent unit shall be paid prior to the commencement of sewer service. An equivalent unit is defined as the sewage flow generated by a typical single family home in Oceana Marin. For connection of service to structures projected to generate flows in excess of that generated by a typical single family home, the District shall calculate the number of equivalent units and resulting connection charge. In no event shall connection charge be less than \$15,200. All revenues derived by the District from said sewage facilities connection charge shall be used only for the construction and reconstruction (including, without limitation, enlargement, modification and replacement) and operation and maintenance of the sewage facilities serving said lots or for other purposes authorized by Section 5474.9 of the Health & Safety Code, but shall not be used for acquisition or construction of new local street sewer or laterals. With the exception of property annexed after April 17, 1973, said charge shall not be payable for any lot in Units 3 or 4 of Oceana Marin Subdivision heretofore or hereafter connected to said facilities by reason of the substantial payment for said facilities heretofore made by the owners of said lots.

c. Sewer Service Rate

For Fiscal Year 2013-14, a sewer service rate of \$780 per equivalent unit per year shall be paid by the owner of the land served. ~~Effective August 1, 2011 a sewer service rate of \$58 per month, \$696 per equivalent unit per year shall be paid by the owner of the land served. For Fiscal Year 2011-12, an annual sewer rate of \$693 per equivalent dwelling unit (\$55 for July 2011 and \$58 per month for each month thereafter) per year shall be paid by the owner of the land served shall be in effect. In the case of new construction, said rate shall commence when the structure is connected connection is made to the District sewage facility. Upon written notice by the owner in the event a structure is demolished by fire or otherwise removed from the land, an appropriate adjustment shall be made taking into account the reduced use but excluding any adjustment for infiltration inflow. An appropriate portion of the charges collected during the period that no structure existed shall be refunded. The refund period, however, shall not be greater than one year and shall be measured from the date that the District receives written notice from the owner.~~

Proposed

BUDGET

Final Review/Public Hearing

Oceana Marin Sewer

FISCAL YEAR

2013-14

NORTH MARIN WATER DISTRICT

999 RUSH CREEK PLACE, NOVATO, CA

TABLE OF CONTENTS

OCEANA MARIN SEWER

PROPOSED 2013/14 BUDGETS

Capital Improvement Projects

Oceana Marin Sewer 5-Year Plan 1

Proposed FY14 Budget 2

5-Year Financial Plan 3

Supplementary Charts and Schedules

Active Sewer Connections 5

Historical Operating Expenditures 6

Customer Letter Noticing the Proposed Increase 7

2013 Coastal Area Sewer Cost Comparison 9

Proposed Capital Improvement Projects

6/19/13

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	FY14	FY15	FY16	FY17	FY18	FY14 Project Description
7. OCEANA MARIN SEWER SYSTEM						
a. Infiltration Repair	\$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 (2) (every 5 yrs)				\$20,000	\$20,000	
c. SCADA RTU Upgrade and Install	\$35,000					Upgrade Equipment at Tahiti Way Lift Station
d. Design/Install 8th Disposal Trench (300')		\$50,000	\$50,000			
e. Pond Cleaning & Lining					\$400,000	
	<u>\$50,000</u>	<u>\$65,000</u>	<u>\$65,000</u>	<u>\$35,000</u>	<u>\$435,000</u>	
Total Number of Projects	2	2	2	2	3	

**OCEANA MARIN SEWER
BUDGET SUMMARY
Fiscal Year 2013/14**

	Proposed Budget 2013/14	Estimated Actual 2012/13	Adopted Budget 2012/13
OPERATING INCOME			
1 Monthly Sewer Service Charge	\$178,000	\$158,000	\$158,000
2 Misc Service Charges	0	0	0
3 Total Operating Income	\$178,000	\$158,000	\$158,000
OPERATING EXPENDITURES			
4 Sewage Collection	\$29,000	\$30,000	\$21,000
5 Sewage Treatment	27,000	26,000	20,000
6 Sewage Disposal	7,000	8,000	2,000
7 Contract Operations	67,000	62,000	65,000
8 Customer Accounting	2,000	2,000	2,000
9 General & Administration	19,000	18,000	21,000
10 Depreciation Expense	49,000	43,000	41,000
11 Total Operating Expenditures	\$200,000	\$189,000	\$172,000
12 NET OPERATING INCOME (LOSS)	(\$22,000)	(\$31,000)	(\$14,000)
NON-OPERATING REVENUE/(EXPENSE)			
13 OM-1/OM-3 Tax Allocation	\$46,000	\$48,000	\$46,000
14 Interest Revenue	1,000	1,000	3,000
15 Miscellaneous Revenue/(Expense)	1,000	0	1,000
16 Total Non-Op Income/(Expense)	\$48,000	\$49,000	\$50,000
	NET INCOME/(LOSS)	\$26,000	\$36,000
OTHER SOURCES/(USES) OF FUNDS			
17 Add Depreciation Expense	\$49,000	\$43,000	\$41,000
18 Connection Fees	30,000	19,000	15,000
19 Capital Improvement Projects	(50,000)	(241,000)	(320,000)
20 Total Other Sources/(Uses)	\$29,000	(\$179,000)	(\$264,000)
21 NET SURPLUS/(DEFICIT)	\$55,000	(\$161,000)	(\$228,000)

OCEANA MARIN SEWER

5-Year Financial Forecast

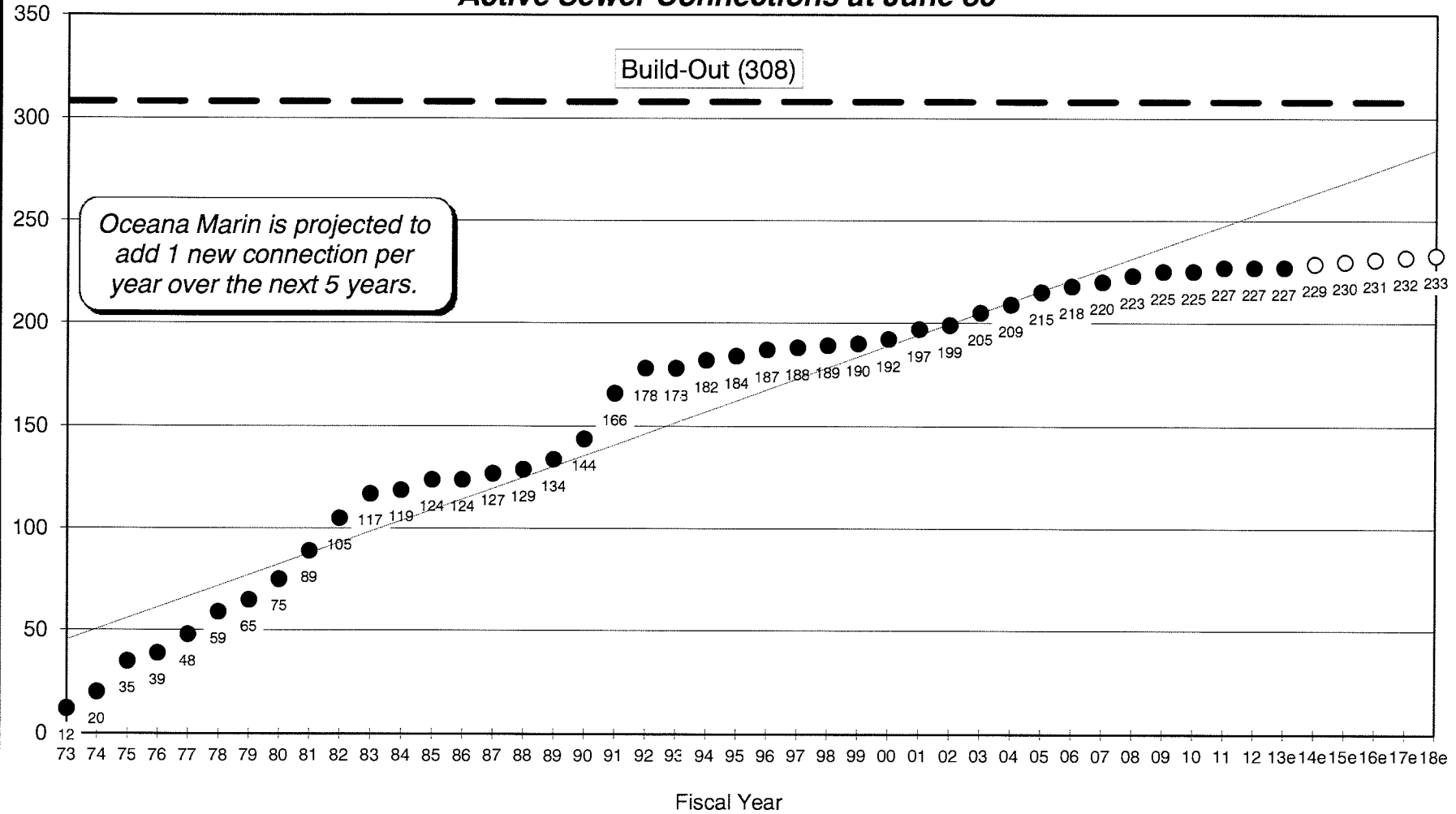
#		Actual 2010/11	Actual 2011/12	Estimated 2012/13	Proposed 2013/14	Projected 2014/15	Projected 2015/16	Projected 2016/17	Projected 2017/18
# BASIC DATA									
1	Number of Connections	227	227	227	229	230	231	232	233
2	Monthly Service Charge	\$55.00	\$58.00	\$58.00	\$65.00	\$68.00	\$71.00	\$75.00	\$79.00
INCOME									
3	Monthly Service Charge	\$149,820	\$157,311	\$158,000	\$178,000	\$187,000	\$196,000	\$208,000	\$220,000
4	OM-1/OM-3 Tax Allocation	40,992	43,266	48,000	46,000	47,000	48,000	49,000	50,000
5	Connection Fees	0	0	19,000	30,000	15,000	15,000	15,000	15,000
6	Interest Revenue	2,555	1,387	1,000	1,000	1,000	1,000	1,000	1,000
7	Miscellaneous Revenue/(Expense)	(156)	10	0	1,000	1,000	1,000	1,000	1,000
8	TOTAL INCOME	\$193,211	\$201,974	\$226,000	\$256,000	\$251,000	\$261,000	\$274,000	\$287,000
9	OPERATING EXPENDITURES	\$128,191	\$137,490	\$146,000	\$151,000	\$156,000	\$161,000	\$166,000	\$171,000
OTHER EXPENDITURES									
10	Capital Imprvmnt Projects/Other	\$26,360	\$58,694	\$241,000	\$50,000	\$95,000	\$65,000	\$35,000	\$435,000
11	TOTAL EXPENDITURES	\$154,551	\$196,184	\$387,000	\$201,000	\$251,000	\$226,000	\$201,000	\$606,000
12	Net Change in Working Capital	\$9,603	\$21,639						
13	INCREASE (DECREASE) IN CASH	\$48,263	\$27,429	(\$161,000)	\$55,000	\$0	\$35,000	\$73,000	(\$319,000)
CASH BALANCE									
14	Operating Reserve	\$238,651	\$293,416	\$182,000	\$232,000	\$237,000	\$272,000	\$345,000	\$26,000
15	Connection Fee Reserve	77,292	49,956	0	5,000	0	0	0	0
16	TOTAL CASH BALANCE	\$315,943	\$343,372	\$182,000	\$237,000	\$237,000	\$272,000	\$345,000	\$26,000
17	Depreciation Expense	\$41,084	\$41,084	\$43,000	\$49,000	\$50,000	\$52,000	\$54,000	\$55,000

OCEANA MARIN SEWER**NOTES**

KEY

- 1 Assumes increase of 2 connection in FY14 with Brown annexation, then 1 per year thereafter, which is the average over the last 5 years.
Capacity is estimated at 308 dwelling units.
- 2 Proposed 12% (\$7/mo) increase commencing 7/1/13, followed by 5% annual increases thereafter to build cash to fund the FY18 \$400,000 Pond Relining Project.
- 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 new connections occur in OM-3 (Units 1 or 5) which are subject to the connection fee.
- 6 Projected available funds invested at 0.40%
- 9 3% annual increase assumed after FY14.
- 10 Capital Improvement Projects. See 5-year Improvement Projects Forecast.
- 11 Excludes depreciation.
- 16 Cash available for operation, maintenance and improvements

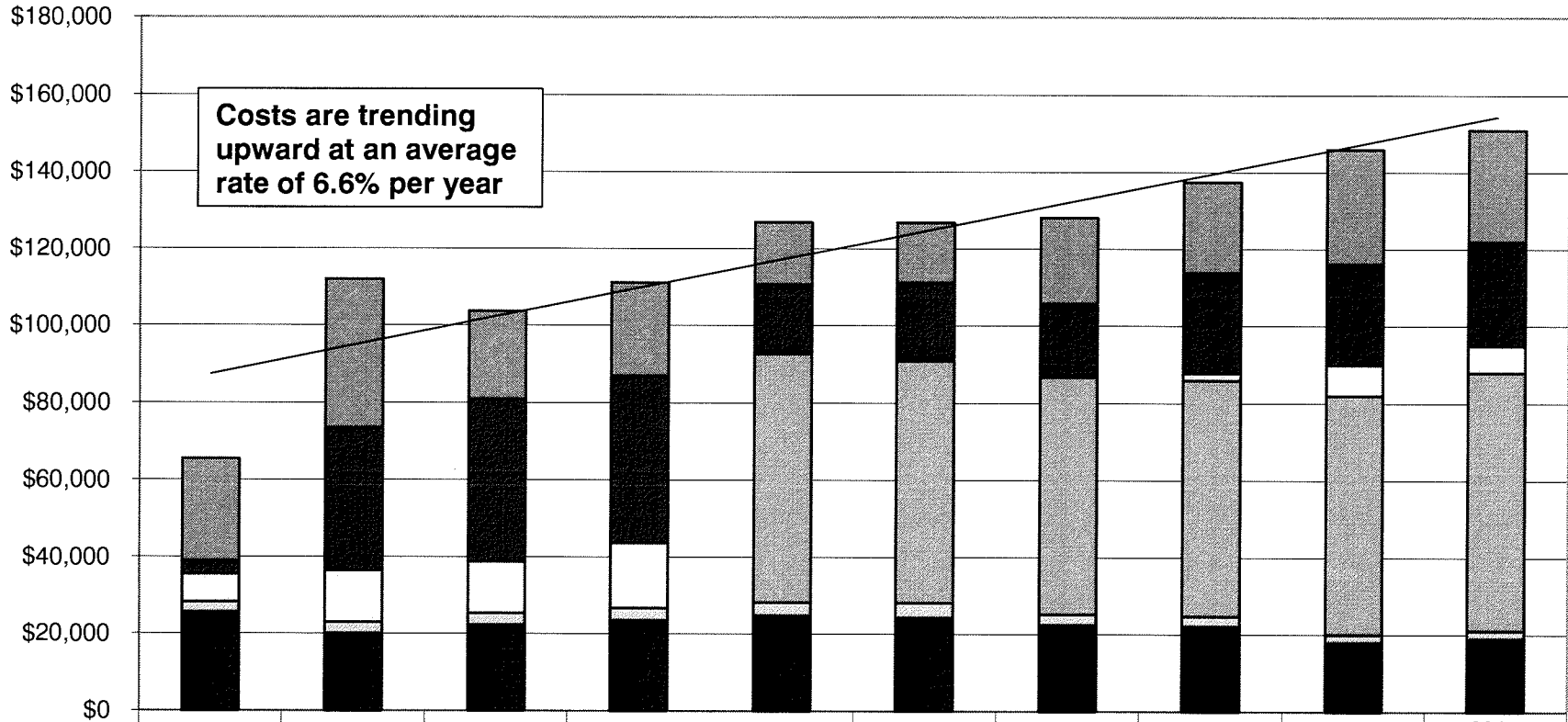
Oceana Marin Growth Active Sewer Connections at June 30



● Connections — Build-Out ○ Projection - - - - Trend

5

Oceana Marin Operating Expenditures



Costs are trending upward at an average rate of 6.6% per year

	2005	2006	2007	2008	2009	2010	2011	2012	2013 e/a	2014 Budget
Collection	\$26,572	\$38,373	\$22,658	\$24,088	\$16,309	\$15,748	\$22,503	\$23,687	\$30,000	\$29,000
Treatment	\$3,423	\$37,086	\$42,187	\$43,307	\$17,142	\$19,474	\$18,470	\$25,928	\$26,000	\$27,000
Disposal	\$7,310	\$13,540	\$13,483	\$17,024	\$797	\$719	\$489	\$1,972	\$8,000	\$7,000
Contract Ops					\$64,467	\$62,745	\$61,592	\$61,215	\$62,000	\$67,000
Cons Acctg	\$2,690	\$2,874	\$3,087	\$3,179	\$3,429	\$3,952	\$2,778	\$2,636	\$2,000	\$2,000
G & A	\$25,549	\$20,023	\$22,197	\$23,491	\$24,801	\$24,228	\$22,359	\$22,052	\$18,000	\$19,000
Total	\$65,544	\$111,896	\$103,612	\$111,089	\$126,945	\$126,866	\$128,191	\$137,490	\$146,000	\$151,000

May 8, 2013

RE: Notice of Proposed Oceana Marin Sewer Service Cost Increase

Dear Customer:

This letter is to advise you of a **proposed increase to the Oceana Marin sewer service charge** that would take effect on July 1, 2013. It also provides information about a **Public Hearing scheduled on June 25, 2013**, at which written and oral comments will be considered and a vote on the increase will be taken by the North Marin Water District Board of Directors.

How much is the proposed rate increase?

Current Oceana Marin sewer service charges are \$58/month (\$696/year). A **12% increase** is proposed (\$7/month, or \$84/year).

How will the proposed increase affect my sewer bill?

Oceana Marin sewer service charges are collected on the Marin County property tax bill, which is rendered annually for the fiscal year period July 1 through June 30. The proposed sewer service charge increase would add \$7 per month to the cost of sewer service for all customers in Oceana Marin, resulting in a total annual charge for the 2013/14 fiscal year of \$780 (\$65 per month for July 2013 through June 2014).

Why are rates being increased?

If approved, the proposed increase would be the second increase in the Oceana Marin sewer service charge since 2004. The District just completed relining 3,100 feet of aging cross-country pipeline. The \$230,000 relining project has reduced Oceana Marin's cash reserve balance to \$125,000 at March 31, 2013. The next major improvement project, budgeted for 2017, is cleaning and lining the settling and treatment ponds, projected to cost \$400,000. The proposed rate increase is needed to pay for the Pond Lining project. If enacted, the rate increase would generate \$19,000 of additional revenue annually. However, this 12% rate increase by itself will not provide enough cash to construct the Pond Lining project in 2017. Additional rate increases will be necessary in future years.

Public Hearing

A public hearing before the NMWD Board of Directors to consider the proposed sewer service charge increase is scheduled for 7:30 pm, Tuesday, June 25, 2013, at the Dance Palace (503 B Street) in Point Reyes Station.

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

Your written protest must be received prior to the close of the June 25, 2013 public hearing. Written protests must be signed by the property owner and must include a description of the parcel (parcel number or service address). Send or deliver written protests to:

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

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

Sincerely,



Chris DeGabriele
General Manager

2013 COASTAL AREA SEWER COST COMPARISON

5/29/13

Comparison of NMWD's Charges with Other Agencies based on Charges in effect on 6/1/13

<u>Agency</u>	<u>No. of Sewer Services</u>	<u>Monthly Service Charge</u>	<u>Annual Tax Revenue</u> ⁽¹⁾	<u>Annual Total</u>
Marshall Community Wastewater System	32	\$100.57 ⁽²⁾	\$0	\$1,207
Bolinas Community PUD	163	\$81.33	\$0 ⁽³⁾	\$976
> NMWD Oceana Marin	227	\$65.00	\$179 ⁽⁴⁾	\$959 <
Tomales Village CSD	107	\$63.00	\$61 ⁽⁵⁾	\$817
Stinson Beach Co Water - Inspection Only	703	\$39.65 ⁽⁶⁾	\$216 ⁽⁷⁾	\$692
Bodega Bay PUD	1,010	\$50.04	\$0 ⁽⁸⁾	\$600

Notes:

- (1) Includes taxes for debt service on outstanding sewer bonds and loans plus any applicable allocation of the AB8 1% County levy distributed to compensate for the Prop 13 elimination of the operation and maintenance tax.
- (2) Community wastewater step-system commenced October 2008. Each parcel has own septic tank, pumped to a community collection tank, then pumped into a community leach field. Rates shown were effective on July 1, 2012 (proposed July 1, 2013 rates are not available yet).
- (3) Based on home with net AV of \$399,657 (average 2012/13 AV on 544 single family homes in Bolinas) and tax rate of \$1.10/\$100 AV none of which is allocated to Sewer. Also shares in 1% County levy. This "allocation" is projected by the County of Marin at \$233,659 for Bolinas in 2012/13 of which 100% is credited to the water fund.
- (4) Based on share of 1% County levy. This "allocation" is projected by the County of Marin at \$40,698 for 2012/13 which equates to \$179.29 per service.
- (5) Based on home with net AV of \$305,329 (average 2012/13 AV on 107 single family homes in Tomales) and tax rate of 2¢/\$100 AV.
- (6) On-Site Wastewater System - no sewer system. Services provided include septic inspections, ground and surface water monitoring and other inspections required by the State Water Quality Control Board. In addition to the cost paid to Stinson Beach Water Co., each customer must purchase and install their own on-site wastewater system.
- (7) Based on allocation of 1% County levy. This "allocation" was projected by the County of Marin at \$507,218 for 2012/13 of which 30% was allocated to sewer amounting to \$216.45 per service.
- (8) Based on share of 1% County levy. This "allocation" was projected by the County of Sonoma at \$327,155 for 2010/11 which 100% was allocated to water (0% to sewer). FY12/13 information is not available until June.

6

MEMORANDUM

To: Board of Directors
From: Chris DeGabriele, General Manager *CD*
Subject: Policy for On-Call and Stand-By Duty
t:\gm\bod misc 2013\policy 26 update.doc

June 21, 2013

RECOMMENDED ACTION: Approve Policy Revision

FINANCIAL IMPACT: None

Revisions to Board Policy Number 26 – Policy for On-Call and Stand-By Duty were approved at the May 7th meeting. Since that time, Field Service Representatives, who typically serve on-call duty in the Consumer Services Department on those nights when water service has been discontinued for non-payment, have requested that their on-call duty not be classified as scheduled overtime and thus will no longer be eligible for compensatory time off. No other revisions to the policy are proposed.

RECOMMENDATION:

Board approve revised policy for On-Call and Stand-By Duty.

Approved by GM *CD*
Date *6/21/2013*

POLICY: POLICY FOR ON-CALL AND STAND-BY DUTY

BOARD POLICY NUMBER: 26

Effective Date: ~~May~~ June 1, 2013

Last Review: ~~January 2010~~ May 2013

Date Approved: ~~May 7~~, 2013

Purpose

The purpose of the on-call and stand-by duty program is to provide immediate attention to water and sewer system problems that occur at times other than during normal working hours.

Duties

On-Call

The duties of the on-call District employees are to respond to all after-hours calls and to resolve all problems as simply and quickly as possible. On-call personnel are expected to resolve problems over the telephone, via computer, in the field and/or to call other District personnel when assistance is needed as appropriate. On-call personnel must possess Distribution Operator certification.

Stand-By

The duties of the stand-by District employees are to respond to the on-call personnel request for assistance on holiday weekends as defined below. Stand-by duty begins at 3:30PM the day before the holiday weekend and ends at 7:00AM on the first working day after the holiday weekend. Stand-by personnel are to resolve problems or make facilities safe and secure for completion during the next regular business day. Stand-by Construction crews may include up to 3 employees from the positions of Pipeline Foreman, Heavy Equipment Operator, Pipe Worker, Pipeworker Assistant, Laborer, Field Service Representative, and Operations/Maintenance employees , at the determination of the Construction/Maintenance Superintendent.

Stand-by will be assigned on the following holiday weekends:

1. New Year's weekend (January 1) when New Year's Day falls on a Monday or Friday
2. Martin Luther King Holiday (3rd weekend in January)
3. President's Day (3rd weekend in February)
4. Memorial Day weekend (last Monday in May)
5. Independence Day weekend when July 4th falls on a Monday or Friday

6. Labor Day weekend (1st Monday of September)
7. Thanksgiving weekend (4th Thursday & Friday in November)
8. Christmas weekend (December 25) when Christmas Day falls on a Monday or Friday

The on-call and stand-by employees must be available at all times while serving this duty. This means the employee must:

1. Remain within 20 miles of the District office.
2. Remain within range of the cell phone signal.
3. On-call employee responds to calls from the answering service or automated alarm system within 15 minutes of receiving the call.
4. Stand-by employee responds to calls from on-call employee within 15 minutes of receiving call.

Construction and Maintenance on-call and stand-by duty is voluntary and any regular, full-time employee of the District that resides within 20 miles of the District, and is Distribution Operator certified, trained and capable of performing the required duties, is eligible, subject to the approval of his/her Department Head and the Construction/Maintenance Superintendent. The weekly assignment (3:30PM Tuesday to 7:00AM the following Tuesday) is rotated among the approved on-call duty employees in accordance with a schedule approved by the Construction/Maintenance Superintendent. Substitutions for the Construction and Maintenance on-call duty may be made between on-call personnel with other employees on the schedule with the prior consent of the Construction/Maintenance Superintendent or a Construction Department Foreman. The employee on the schedule shall be responsible to notify the front desk and the answering service of the substitution. Substitutions should be made only when absolutely necessary. An employee should volunteer to be on the on-call schedule for the purpose of serving on-call duty and will lose eligibility to serve on-call duty if they fail to perform the duty regularly.

Operations/Electrical Mechanical (Ops/EM) on-call and stand-by duty is required of the Distribution Collection System Operator, the Water Distribution & Treatment Plant Operators, and the Electrical Mechanical section personnel and will be rotated in accordance with a schedule approved by the Operations/Maintenance Superintendent. Substitutions for the Ops/EM on-call duty may be made between on-call personnel with other employees on the schedule with the prior consent of the Distribution/Treatment Plant Supervisor. The employee on the schedule shall be responsible to notify the front desk, Lab, Treatment Plant On-call personnel and the Construction and Maintenance on-call personnel. The personnel in this program may utilize a District supplied laptop computer to remotely access the Operations SCADA.

Lab on-call and stand-by duty is required of the Lab personnel and will be rotated in accordance with a schedule approved by the Water Quality Supervisor. Substitutions for the Lab on-call and stand-by duty may be made between Lab personnel with other employees on the schedule with the prior consent of the Water Quality Supervisor. The employee on the schedule shall be responsible to notify the front desk, Treatment Plant, Ops/EM, Construction, and Maintenance on-call personnel.

Consumer Services on-call duty is required of the Field Service Representatives (FSR) on those nights (typically Wednesday) when water service has been discontinued for non-payment. The on-call duty will be rotated in accordance with a schedule approved by the Consumer Services Supervisor. Substitutions for the on-call duty may be made between the FSRs with the prior consent of the Consumer Services Supervisor.

Compensation

On-call and stand-by employees are paid on a daily or weekly basis for serving on-call or stand-by duty. The compensation rates are on file with the Auditor-Controller and adjustments to these rates will be consistent with any adjustments to the District Salary Schedule.


With the prior approval of the Operations/Maintenance Superintendent, Ops/EM employees may take 3 hours of compensating time off in lieu of each day of weekend or holiday on-call duty served.

The on-call or stand-by duty compensation is payment for all on-call or stand-by duty service except for time when the employee must respond in the field. If the assigned on-call or stand-by duty service employee must respond in the field or is called to work, overtime shall be paid in accordance with the District's overtime policy.

~~Lab and Consumer Services on-call duty is scheduled overtime which regularly occurs. Lab and Consumer Services on-call duty may be cancelled at any time (when no scheduled work is required) by the respective Water Quality sSupervisor (Water Quality or Consumer Services) resulting in no on call compensation for the cancelled on-call duty.~~

7

MEMORANDUM

To: Board of Directors
 From: Drew McIntyre, Chief Engineer 
 Subject: Contract for Drafting Services FY13-14 - Aberegg

Date: June 21, 2013

R:\NON JOB No ISSUES\Consultants\Aberegg\FY13-14\Aberegg FY13_14 genl servs contract agmt 6_25_13 BOD memo.doc

RECOMMENDED ACTION: Authorize General Manager to execute a new agreement for drafting services between NMWD and Mr. Aberegg for miscellaneous drafting services

FINANCIAL IMPACT: \$20,000

Attached is an agreement for Michael Aberegg to provide miscellaneous drafting services to help staff meet workload demands. The last contract was approved by the Board at the April 5, 2011 meeting for \$20,000. Since that time, Mr. Aberegg has performed periodic drafting services on an as-needed basis. The determination of whether to use Mr. Aberegg is based upon actual drafting backlog. Since April 2011, Mr. Aberegg has worked on five District projects and five Developer projects.

A summation of contract billings for Mr. Aberegg for the last five years is provided as follows:

TABLE I

Contract Issuance Year	Billing Year	Total Billings
FY12	FY12 & 13	\$15,540
FY10	FY10 & 11	\$19,171
FY08	FY08 & 09	\$17,149
FY07	FY07 & 08	\$21,951

A cost breakdown for the \$20,000 FY10-11 contract by task is summarized as follows:

TABLE 2

Starting Contract Amount	\$20,000
Projects (billings to date)	
Maps & Records	<\$1,650>
Pacheco Tank Mixing System	<\$1,650>
Plum Tank	<\$881>
Crest Tank #2	<\$715>
Stafford Dam Outlet Tower	<\$2,063>
Leveroni Creek Bank Repair	<\$440>
Canyon Green Homes	<\$3,190>
Hamilton Nursery	<\$495>
Chipotle Grill	<\$854>
City Admin Offices	<\$1,596>
WestAmerica Bank	<\$935>
Remaining Balance on Contract	\$4,540

Approved by GM CD

Date 6/21/2013

The total billings under the FY12 contract are \$15,460 leaving a balance of \$4,540 on the contract.

RECOMMENDATION

Authorize General Manager to execute a new agreement for drafting services between NMWD and Mr. Aberegg for miscellaneous drafting services with a not-to-exceed limit of \$20,000.

8

MEMORANDUM

To: Board of Directors June 21, 2013
From: Chris DeGabriele, General Manager *CD*
Subject: Resolution Supporting the Summer 2013 20-Gallon Challenge Water Conservation
Public Awareness Program
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RECOMMENDED ACTION: Adopt Resolution Supporting the 20-Gallon Challenge Water Conservation Public Awareness Program

FINANCIAL IMPACT: None

Sonoma County Water Agency is requesting the Water Contractors and Marin Municipal Water District, all members of the Sonoma-Marin Saving Water Partnership, to adopt a resolution supporting the Summer 2013 20-Gallon Challenge Water Conservation Public Awareness Program.

RECOMMENDATION:

Board adopt the attached Resolution Supporting the Summer 2013 20-Gallon Challenge Water Conservation Public Awareness Program.

Approved by GM *CD*
Date 6/21/2013

RESOLUTION NO. 13-XX

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NORTH MARIN WATER DISTRICT SUPPORTING THE
SUMMER 2013 20-GALLON CHALLENGE WATER CONSERVATION
PUBLIC AWARENESS PROGRAM**

WHEREAS, the NORTH MARIN WATER DISTRICT and the Sonoma-Marín Saving Water Partnership, a partnership of nine North Bay cities and water districts obtaining water from the Russian River, including the North Marin Water District, experienced dry spring weather conditions this year; and

WHEREAS, NORTH MARIN WATER DISTRICT and the Partnership is launching a new public awareness program for summer 2013 called the 20-Gallon Challenge; and

WHEREAS, the Partnership will coordinate with local media outlets to run special public service announcements asking our community to use water wisely; and

WHEREAS, the 20-Gallon Challenge is an immediate response to the dry weather conditions our region has experienced this past year; and

WHEREAS, the Challenge includes a call to action to all Russian River water users to reduce their water use this summer by 20 gallons per day, per person; and

WHEREAS, the outreach effort will include offering tangible conservation tips demonstrating how to save 20 gallons per day, per person; and

WHEREAS, a pledge is available for residents to sign to take the 20-Gallon Challenge and enter into monthly prize drawings;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the NORTH MARIN WATER DISTRICT hereby declares its support for the summer 2013 20-Gallon Challenge Public Awareness Program and pledges to do its part to promote the program.

PASSED AND ADOPTED this 25th day of June 2013, by the following vote of the Board.

AYES:
NOES:
ABSENT:
ATTEST:

President, Board of Directors

(seal)

District Secretary



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City, county officials call for water conservation

By *Jamie Hansen*

ARGUS-COURIER STAFF

Published: Tuesday, June 18, 2013 at 8:00 a.m.

As June's hot, dry weather brings out the inner water guzzler in all of us, city and county officials are asking residents to use some restraint at the tap.

Monday's surprise lightning storm did little to relieve arid conditions brought on by one of the driest springs on record. So, as Sonoma County heads into summer, officials are taking steps to ensure there will be enough water in the county's reservoirs to last until the next rainy season.

Already, people are consuming water at rates equal to peak summertime usage, which usually doesn't occur until the hot months of August and September, said Brad Sherwood, spokesman for the Sonoma County Water Agency.

To address the matter, the agency has issued a 20 Gallon Challenge to county water users, where participants volunteer to consume 20 gallons less water a day. The challenge offers water-saving tips like turning off the tap while brushing teeth, which can save a remarkable 8 gallons a day. Those who take the pledge are entered into a raffle to win prizes like a water-efficient washing machine and \$400 of landscape design.

"Every drop of water that is saved we can keep in our reservoirs, which is crucial for our water supply not just for people, but so that we can release water for salmon in the fall," said Sherwood.

Petaluma, which buys most of the water it supplies to residents from the county water agency, is encouraging people to join the challenge.

"Our main focus is on voluntary water conservation," said Dan St. John, director of Petaluma's Public Works Department. "Residents wear it as a badge of pride to help out when the need arises, as it did (during the drought) in 2009, and as it may again this year," he added. "People don't need to be convinced water conservation is a good thing, but sometimes they need to be reminded how to do it. The 20 Gallon challenge focuses on that."

Petaluma is also encouraging folks to take advantage of the city's own water conservation programs, which have reduced water usage dramatically over the past three years. Those programs include Mulch Madness and a Water-wise home audit program.

Mulch Madness offers residents the opportunity to convert their grassy yards to mulched ones at little or no cost, shrinking their water consumption in the process. About 500 households have taken advantage of the program, said David Iribarne, who is in charge of water conservation for Petaluma.

Indeed, a quick drive around town reveals many front yards covered with mulch and drought-tolerant plants. Yet others are in the process of being converted.



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Leslie Ihrig is one of the many residents who took advantage of the program, converting her family's grassy front yard to mulch last August.

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“In past summers, to save water, we'd just stop watering,” she said. “The grass died and it didn't look all that great.”

She's enjoyed watching her drought-tolerant plants grow in this year, she said, adding that they are nicer than the dead grass of years past.

In addition to encouraging people to conserve, Petaluma will begin pumping recycled water through its “purple pipes” to irrigate numerous grounds around town this summer, including half of Adobe Creek Golf Course, Prince Park, Wiseman Park, the Petaluma airport, and Casa Grande High School.

That will offset the need to buy about 35 million gallons of fresh water each year from the county water agency, Iribarne said.

The city has also has been meeting with the county water agency almost weekly to talk about water levels and ensure there won't be a gap between supply and demand later in the summer, St. John said.

“There's no water gap today,” he said, “but we want to be darn sure there won't be for our customers.”

The city is preparing its wells now, he said, so that if there is a shortfall in the county's supply later in the summer, Petaluma will be ready to provide an additional source of water.

9

MEMORANDUM

To: Board of Directors
From: Robert Clark, Operations & Maintenance Superintendent *RC/sk*
Subject: Extend Oceana Marin Contract Operations and Maintenance Service
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June 21, 2013

RECOMMENDATION: Authorize General Manager to Extend Contract with Phillips and Associates for the Oceana Marin O&M Services

FINANCIAL IMPACT: \$32,640 (FY14)

The District's five-year contract with Phillips and Associates (P&A) to operate and maintain (O&M) the Oceana Marin Sewer facilities will expire at the end of June (Attachment 1). The existing contract agreement includes provision to amend the agreement and extend the contract, and staff would like to exercise that option at this time (see Attachment 2). After a June 2013 performance review with P&A, staff recommends to extend the current contract for six months to allow further evaluation of P&A's effort to improve their level of service, and to consider other potential modifications to the contract.

In an effort to minimize O&M costs for the District's Oceana Marin customers, staff entered into a contract with P&A in 2008. After the initial training, P&A created a Standard Operating Procedure on how they planned to perform their work, which NMWD staff approved in September 2008. As per the contract, P&A is responsible for the everyday operations, emergency response and to make all necessary repairs to the Oceana Marin facilities.

NMWD staff has recently reviewed the O&M costs and determined that the cost difference continues to favor P&A as compared to using NMWD staff for the everyday and emergency operational service. However, over the past five years, there have been occasions when NMWD staff has requested P&A to do additional work to keep the facilities in the condition NMWD expects. Also, during this contract period, the response to emergencies has not been as expected and NMWD staff has been required to take the lead on two spill incidents and has responded to two power outages when P&A was unable to respond in a timely manner.

If approved, the extension period will begin on July 1 and run through December 31, 2013. During this time, staff will work with P&A to ensure the Specifications and Standard Operating Procedures for the Oceana Marin Sewer Facilities are reviewed fully with respect to the issues outlined in the aforementioned performance review to ensure that P&A can meet the needs of the District moving forward.

RECOMMENDATION:

Authorize General Manager to execute Amendment 1 to the Oceana Marin Wastewater Collection and Treatment Systems Operation and Maintenance Contract Agreement with Phillips and Associates, extending the contract term to December 31, 2013.

**OCEANA MARIN WASTEWATER COLLECTION AND TREATMENT SYSTEMS
OPERATION AND MAINTENANCE CONTRACT AGREEMENT**

THIS AGREEMENT is made and entered into this 30 day of June, 2008, by and between North Marin Water District, herein referred to as "District," and Phillips Services, Inc., dba Phillips and Associates herein referred to as "Contractor," in the manner following:

WITNESSETH

WHEREAS, District is responsible for operation and maintenance of certain wastewater treatment storage, and disposal facilities in and around the community of Oceana Marin in Marin County, California; and

WHEREAS, District has prepared *Specifications for Contract Operations and Maintenance Services of Oceana Marin Wastewater Collection and Treatment System After July 1, 2008*, which is attached as Exhibit A; and

WHEREAS, a *Cost Estimate for Wastewater System* is attached as Exhibit B; and

WHEREAS, Contractor specializes in the operation and maintenance of such facilities and has inspected and is familiar with the Oceana Marin Wastewater System facilities,

NOW, THEREFORE, in consideration of the mutual agreements herein contained and subject to the terms and conditions herein stated, the parties hereto agree as follows:

I - SCOPE OF SERVICES

Contractor shall furnish labor, materials, services, and supplies to operate and maintain the District facilities in accordance with *Specifications for Contract Operation and Maintenance of Oceana Marin Wastewater Collection and Treatment Facilities (Specifications) After July 1, 2008* attached as Exhibit A which is hereby incorporated by reference as though fully set forth and made a part of this Agreement.

Contractor acknowledges that provisions described in its proposal to the District to furnish "Operations, Management and Maintenance Services" dated December 21st, 2007 have been incorporated into the "Specifications for Contract Operations and Maintenance Services" Exhibit A.

II - TERM AND DURATION OF AGREEMENT

A. Term - Services under this Agreement shall commence on July 1, 2008 and shall be provided through and including June 30, 2013 unless this Agreement is terminated sooner or extended in accordance with the procedures set forth herein.

B. Termination - Both parties recognize the need to provide an early termination mechanism and agree that this Agreement may be terminated by the District or by Contractor at any time with or without cause in accordance with the procedures established in Section 6.0 of the Specifications.

III - COMPENSATION

A. Except as otherwise noted herein, compensation shall be as described in Exhibit A.

B. Management Fee - The Management Fee for the first year of the Agreement (SPECIFICATIONS FOR CONTRACT OPERATION AND MAINTENANCE SERVICES OF OCEANA MARIN WASTEWATER COLLECTION AND TREATMENT SYSTEMS) shall be \$58,997.

C. One-Time Costs - The One-Time Costs for the first year of this Agreement (SPECIFICATIONS FOR CONTRACT OPERATION AND MAINTENANCE SERVICES OF OCEANA MARIN WASTEWATER COLLECTION AND TREATMENT SYSTEMS) shall be \$5,470.

D. Subsequent Years Compensation - Compensation for services performed in years subsequent to the first year of this Agreement shall be as described in Exhibit B, which is hereby incorporated by reference as though fully set forth and made a part of this Agreement, including the Management Fee.

IV - AMENDMENTS

This document, and all Attachments and Exhibits hereto, expresses the entire Agreement between District and Contractor and supersedes any previous or contemporaneous communications, representations or agreements.

This Agreement may be modified only by written amendment signed by both parties and failure on the part of either party to enforce any provision of the Agreement shall not be construed as a waiver of the rights to compel enforcement of such provision or provisions.

If significant changes in work are required by the District or regulatory agencies, District and Contractor shall meet to adjust contract as necessary for change in work load requirements.

V - ASSIGNMENT

Neither District nor Contractor shall assign, subcontract or transfer their interest in this Agreement without the written consent of the other.

VI - NOTICES

All notices shall be in writing and delivered in person or transmitted by certified mail, return receipt requested, postage prepaid. Notices required to be given to Contractor shall be addressed as follows:

Gary W. Phillips, President
Phillips and Associates
2203 Jefferson Street
Napa, CA 94558

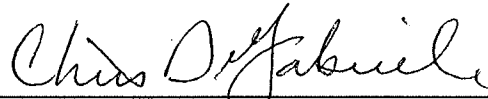
Notices required to be given to the District shall be addressed as follows:

Chris DeGabriele, General Manager
North Marin Water District
999 Rush Creek Place/P.O. Box 146
Novato, CA 94948-0146

or to such other address as may be specified in written notice.

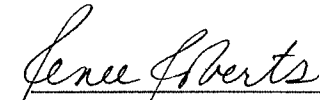
IN WITNESS WHEREOF, the District and Contractor have caused this Agreement to be duly executed as of the day and year first above written.

NORTH MARIN WATER DISTRICT

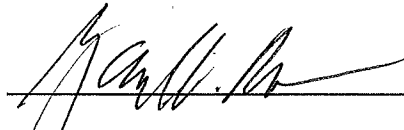


Chris DeGabriele
General Manager

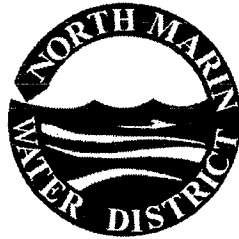
ATTEST:


District Secretary

CONTRACTOR


Gary W. Phillips, President
Phillips Services, Inc.

NORTH MARIN WATER DISTRICT



**SPECIFICATIONS FOR AGREEMENT FOR
OPERATION AND MAINTENANCE
OF
WASTEWATER COLLECTION AND TREATMENT SYSTEM FACILITIES
AT OCEANA MARIN**

Effective July 1, 2008

TABLE OF CONTENTS

SPECIFICATIONS FOR AGREEMENT FOR OPERATION AND MAINTENANCE OF WASTEWATER COLLECTION AND TREATMENT SYSTEM FACILITIES AT OCEANA MARIN

Article	Page
SECTION 1.0 – INTENT	1
SECTION 2.0 – DEFINITIONS	1
2.1 District.....	1
2.2 Contract.....	1
2.3 Contractor.....	1
2.4 District Manager.....	1
2.5 Chief Plant Operator (CPO).....	1
2.6 Plant Employees.....	1
2.7 Regulatory Agencies.....	1
2.8 Facilities.....	1
2.9 Contract Influent Flows.....	1
2.10 Influent COD.....	1
2.11 Influent Total Suspended Solids.....	1
2.12 Oceana Marin Home Owners Association	1
SECTION 3.0 - SCOPE OF WORK	2
3.1 General	2
3.1.1 Relationship	2
3.1.2 Ownership	2
3.2 Facilities Included	2
3.2.1 General	2
3.2.2 Oceana Marin Wastewater System Facilities	3
3.2.3 Additional Facilities	3
3.2.4 Oceana Marin Existing Conditions	3
3.3 Operation of Facilities	3
3.3.1 Oceana Marin Design Capacity	3
3.3.2 Regulatory Agency Requirements	3
3.3.3 District Requirements	4
3.4 Maintenance of Facilities	7
3.4.1 General	7
3.4.2 Definitions	9
3.4.3 Management	9
3.4.4 Performance Standards	10
3.4.5 Special Requirements	10
3.5 Noncompliance	11
3.5.1 General	11

3.5.2	Specific Noncompliance	11
3.5.3	General Noncompliance	11
3.6	Non-Standard Operation	12
3.6.1	General	12
3.6.2	Initiated by Others	12
3.6.3	Emergencies	12
3.7	New Construction	12
3.7.1	General	12
3.7.2	District Responsibilities	12
3.7.3	Contractor Responsibilities	13
3.8	Special Conditions	13
3.8.1	Employee Training	13
Section 4.0	– COMPENSATION	13
4.1	Definitions	13
4.2	Methodology	14
4.2.1	Annual Budget Submittal	14
4.2.2	Direct Cost Budget	14
4.2.3	Management Fee	15
4.2.4	Electricity Cost Budget	15
4.2.5	Major Chemical Cost Budget	15
4.2.6	One-Time Costs	15
4.3	Payment	15
4.3.1	Invoicing	15
4.3.2	End-of-Year Financial Report	16
4.3.3	Time of Payment	16
4.3.4	Disputed Cost and Damages	16
4.4	District Audit	16
SECTION 5.0	- INSURANCE AND HOLD HARMLESS	16
5.1	Insurance	16
5.1.1	General	16
5.1.2	Worker's Compensation Insurance	17
5.1.3	Automobile and Commercial General (CGL) Liability Insurance ...	17
5.1.4	Professional Liability Insurance	17
5.2	Indemnification	17
5.3	Force Majeure	18
SECTION 6.0	- CONTRACT TERMINATION	18
6.1	Termination Procedures	18
6.1.1	General	18
6.1.2	Notice	18
6.1.3	Payment	18
6.2	Contract Transition	18
6.2.1	General	18

ATTACHMENTS

NORTH MARIN WATER DISTRICT

SPECIFICATIONS FOR AGREEMENT FOR OPERATION AND MAINTENANCE OF WASTEWATER COLLECTION AND TREATMENT SYSTEM FACILITIES AT OCEANA MARIN

1.0 INTENT

It is the intent of these specifications to describe, to the extent practical, the scope of work and performance standards for operation and maintenance of District facilities described herein.

2.0 DEFINITIONS

- 2.1 District - The North Marin Water District, a public entity established as a County Water District pursuant to Division 12 of the California Water Code.
- 2.2 Contract - The contract between the District and the Contractor to furnish services in accordance with these Specifications.
- 2.3 Contractor - The person or company, including employees and agents thereof, performing the services described herein under contract to the District.
- 2.4 District Manager - The General Manager or his designee.
- 2.5 Chief Plant Operator (CPO) - The individual or his designee, or such other person as may be authorized by the Contractor to administer the affairs of the Contractor pursuant to these Specifications.
- 2.6 Plant Employees - The on-site personnel employed by the Contractor.
- 2.7 Regulatory Agencies - Those entities which are empowered to regulate the affairs of the District and Contractor including, but not limited to, the California Regional Water Quality Control Board, North Coast Region; the State Water Resources Control Board; the Bay Area Air Quality Management District; the California Department of Health Services; the Marin County Department of Environmental Management; the United States Environmental Protection Agency; and such other entities as may from time to time regulate the activities of the District and the Contractor.
- 2.8 Facilities - Buildings, grounds, structures, mechanical equipment, electrical equipment, instrumentation, computer control and communication systems, collection system, lift stations, underground piping, permanent irrigation piping and controls, tools, roads, fencing, and all appurtenances thereto.
- 2.9 Contract Influent Flows - The flow recorded by magnetic flow meters at the Oceana Marin lift station measuring actual flows being received for treatment.
- 2.10 Influent COD - The chemical oxygen demand based on a weekly grab sample of the plant influent.
- 2.11 Influent Total Suspended Solids - The suspended solids, based on a weekly grab sample of the plant influent flow.
- 2.12 Oceana Marin Homeowners Association – A homeowner's association of Oceana Marin residents.

3.0 SCOPE OF WORK

3.1 General

3.1.1 Relationship - The relationship of Contractor to District shall at all times be that of an operation and maintenance (O&M) contractor. The contractor shall be responsible for turn-key (i.e., complete) O&M of every aspect of the entire sanitary system in accordance with these specifications and District direction.

3.1.2 Ownership

- 1) Facilities, Supplies and Equipment - Property and equipment operated and maintained by Contractor pursuant to these Specifications, as well as tools, furniture, parts, documents, equipment and supplies furnished by the District or purchased by Contractor in accordance with the terms of these Specifications, shall be the sole property of the District. Contractor shall furnish District with serial numbers and other identifying information for each item of equipment with a value greater than \$1,000 and an estimated life greater than one year.

Property, equipment, supplies and other items that may be purchased by the Contractor at his sole expense from funds not associated with this Contract shall remain the property of the Contractor.

- 2) Data - Documents pertaining to laboratory data, operation records, maintenance records, operation procedures, maintenance procedures, including reports, studies, memoranda and other information related to these as may be gathered by the Contractor in the performance of his duties under the terms of the Contract and these Specifications, whether written or stored electronically, shall remain the sole property of the District. Contractor's internal correspondence, personnel records, confidential financial reports and other documents shall remain the property of the Contractor, provided that Contractor shall permit District and its authorized representatives to examine, re-examine, make excerpts, transcribe and copy such correspondence, personnel records, financial reports and other similar documents,
- 3) Computer Software - Computer software owned by the District or licensed to it by a third party shall remain the property of the District. Computer software or modifications to District-owned software which are developed by Contractor's employees whose salary costs are paid under this Contract shall be the property of the District.

During the term of Contract, Contractor shall make available upon request on a nonexclusive basis for use by District staff, copies of any PC computer data used for operation or maintenance activities or Contractor's management thereof.

Once per month, Contractor shall provide to District, in such format(s) as District may request, updates of all data used by Contractor for operation or maintenance activities or Contractor's management thereof. The intent of this section is for the District to have a complete duplicate copy of all historical plant operating and maintenance data.

In the case of Contractor-developed proprietary software, Contractor shall, subsequent to contract termination, make software maintenance and update agreements available to the District at the then prevailing lowest price offered to any other customer of the Contractor.

3.2 Facilities Included

- 3.2.1 General - Contractor shall operate and maintain, in accordance with the specifications, the District facilities described herein.
- 3.2.2 Oceana Marin Wastewater System Facilities – The Oceana Marin Wastewater Improvement District facilities comprising of: all District collection system pipelines, clean-outs and manholes; Ocean View Avenue (Dillon Beach) lift station and force main; Tahiti Way lift station, force main and standby generator; all treatment facilities located on District property accessed from an extension of Ocean View Boulevard including grounds, roads, ponds, piping, monitoring wells, equipment, structures and fencing; treatment pond discharge piping; and all disposal field facilities on District property accessed from an extension of Ocean View Boulevard including grounds, roads, piping, monitoring wells, equipment, structures, and fencing.
- 3.2.3 Additional Facilities - District may request Contractor to provide services for other District Facilities in accordance with the provisions of these Specifications.
- 3.2.4 Oceana Marin Existing Conditions – The District has identified system improvements to address areas of concern within the Oceana Marin Wastewater System Facilities including but not limited to: collection system infiltration study and repair; remote monitoring system for ponds and irrigations field, feed back to Novato Office.
- 3.3 Operation of Facilities
 - 3.3.1 Oceana Marin Plant Design Capacity – For the purposes of these Specifications, the treatment capacity of the Oceana Marin wastewater treatment plant shall be as follows:

Maximum Treatment Plant Design Flow	35,000 gpm
Average Daily Discharge to Disposal Field	28,800 gpd

- 3.3.2 Regulatory Agency Requirements - Contractor shall at all times maintain compliance with applicable requirements of regulatory agencies having jurisdiction over activities covered under these Specifications, including, but not limited to regulatory requirements in effect as described hereinbelow, as they may be amended for time to time.
 - 1) Regional Water Quality Control Board – North Coast Region RWQCB Order 92-57. ID No. 1B80173MAR.
 - 2) Bay Area Air Quality Management District - Permit to Construct and Permits to Operate as issued for individual items of equipment within the facilities described under Paragraph 3.2 above.
 - 3) California Division of Industrial Safety - Cal/OSHA requirements.
 - 4) State of California Wastewater Treatment Plant Operator Certification requirements.
 - 5) The Contractor will perform laboratory analyses and sampling in accordance with Code of Federal Regulations (CFR) 40 Parts 136, dated July 1, 2007, or the current version, or in accordance with such other testing methods as may be specified from time to time by regulatory agencies having jurisdiction. Analyses shall be performed by personnel certified by the appropriate agency for wastewater analyses in on-site laboratory facilities or in a laboratory under contract with Contractor.
 - 6) Contractor shall prepare and submit routine operating reports required by regulatory agencies including Office of Operator Certification (OOC), as well as any required special reports covering activities under Contractor’s control.
 - 7) The Contractor shall respond to conditions that may arise from time to time

and which may result in a noncompliance event. The Contractor is required to report all noncompliance events in accordance with these Specifications, Waste Discharge Requirements and Orders of the North Coast Region RWQCB, or as may otherwise be required by any applicable law, ordinance or regulation.

- 8) The Contractor shall keep the District informed of all regulatory compliance on a monthly basis, but non-compliance should be reported within 24 hours via facsimile or e-mail to the District.

3.3.3 District Requirements

- 1) General - Contractor shall operate facilities in a professional manner at all times in accordance with these Specifications and regulatory agency requirements. In the event that regulatory agency requirements conflict with District requirements, regulatory agency requirements shall prevail, unless the regulatory agency requirements are less protective or less stringent than the District's requirements. Contractor shall immediately notify District if it believes that a conflict exists, or if it learns that a regulatory agency believes that a conflict exists.
- 2) Personnel
 - a) General
 - 1) Competency of Workers - Contractor shall at all times employ skilled personnel adequately trained to handle the responsibilities associated with their assigned duties. Where applicable, workers shall comply with all California Wastewater Treatment Plant Operator Certification requirements. Contractor may employ trainees provided the trainees are adequately supervised by Contractor, and such employment is allowed under applicable laws and regulations.
 - 2) Removal of Workers - When required in writing by the District Manager, the Contractor or any Subcontractor shall each use its best efforts, to the fullest extent legally permitted, to remove from the job site or plant site any person who is, in the opinion of the District Manager, incompetent or disorderly, and once removed shall not return such person except with the consent of the District Manager.
 - 3) Staffing Levels - Contractor shall employ an adequate number of employees, including the State Certified Operators as necessary to perform the work required. If, as determined by the District Manager, the staffing level is below that necessary to insure proper Contractor performance under the terms of these Specifications, Contractor, upon written notice by the District Manager, shall immediately employ additional staff or perform necessary work. Upon failure by the Contractor to do so, the District may cause the work to be done by a third party. The cost of said work shall be the responsibility of the Contractor, and the Contractor agrees that such cost shall be deducted from any monies which the District may owe to the Contractor.
 - 4) Organizational Structure - Contractor shall submit a staffing plan and organizational structure for review by the District Manager and inform District of on-site operator.

b) Chief Plant Operator

- 1) Contractor's Representative - Contractor shall designate a Chief Plant Operator (CPO) who shall be the Contractor's primary agent in all matters pertaining to Contractor. Before proceeding with any Work, Contractor shall submit to the District the name, and shall certify the qualifications, of its proposed CPO.
- 2) Scope of duties - The CPO, or in his absence a qualified designee, shall have responsibility for managing Contractor's activities under these Specifications. Business related to the operation and maintenance of the District facilities shall include all on-site work, and off-site work related to planning, staffing, budgeting, personnel, labor negotiations, and training.
- 3) Qualifications – The CPO shall be certified at a minimum as a Grade II Wastewater Treatment Plant Operator by the California State Water Resources Control Board (SWRCB), and shall have experience in the supervision of wastewater treatment facilities operation and maintenance of size and complexity equivalent to the Oceana Marin wastewater system. The Contractor is required to submit completed Contract Operator Certification of Registration to SWRCB OOC.
- 4) Availability – The CPO or on-site operator shall be available to consult with the District Manager during normal business hours. During non-office hours, the CPO or on-site operator shall be available by telephone. Home telephone numbers of the CPO and on-site operator shall be furnished to the District and updated as required to insure that the list remains current. At least one employee, as designated by the Contractor from time to time, shall be available by telephone seven (7) days per week, 24 hours per day.

Contractor may meet these telephone availability requirements by utilizing a paging system or other means approved by the District Manager.

3) Operational Standards

- a) General - Contractor shall operate the facilities described here in a professional manner and at all times in accordance with requirements of these Specifications and generally accepted practices for municipal wastewater treatment plants. Semi-annually (March and September), the Contractor shall meet with the District's Operations Superintendent and review operations standards and recordkeeping. This review shall include the treatment plant as well as the collection system. Any reported deficiencies in operation or maintenance shall be immediately addressed to the satisfaction of the District.
- b) Operation and Maintenance Manual(s) - Contractor shall maintain District facilities and equipment in accordance with all regulatory agency requirements or in a manner more protective than specified in the facility Operation and Maintenance (O&M) manual(s) described in an District approved SOP, except as otherwise provided herein.

Contractor shall notify the District in writing of errors or omissions in the O&M manual(s), and shall make hand-annotated modifications to same as necessary upon written authorization by the District.

- c) Standard Operating Procedures – Within six (6) months from award of contract, Contractor shall have available and maintain written standard operating procedures (SOPs) as necessary to clarify, refine or supplement procedures provided in the O&M manual(s), or to describe operational practices which do not conform to the O&M manual(s). Contractor shall furnish District with a copy of all current SOPs and shall keep District’s SOP copy current. Changes to the SOPs are subject to the written approval of the District.
 - d) Reporting - On a monthly basis Contractor shall provide District with copies of routine operating reports including lab reports submitted to regulatory agencies showing flows and performance of pumping facilities and unit treatment and disposal processes. Contractor shall prepare special reports as requested by the District to document process upsets, discharge violations, damage to equipment or facilities, handling of emergency situations, and such other matters as related to the operation of District facilities pursuant to Contract.
 - e) Non-degradation - Contractor shall not employ operating practices which in the opinion of the District Manager result in excessive wear or degradation of District facilities.
 - f) Emergency Response - Contractor shall respond promptly, and in accordance with all federal, state, and local laws, ordinances, and regulations, to all SCADA alarms and notification of emergency conditions including but not limited to power failures, pump failures, main breaks and blockage as they may occur from time to time. Emergency response is not considered eligible for reimbursement as a Non-Scheduled Expenditure, except as otherwise established in Section 3.6.3 of these Specifications. Contractor shall be responsible for installing a parallel auto dialer to receive treatment plant alarms and maintain said auto dialer as completely operational within one month of contract award.
 - g) Power failures – Contractor shall be responsible for responding to power outages. The Tahiti Way lift station is equipped with an 80 kW generator with automatic transfer switch. The budget assumes that the Contractor shall respond to six (6) such outages in each fiscal year. Contractor shall be eligible for reimbursement for responding to more than six (6) power outages in each fiscal year. The reimbursement payment will be made in accordance with Section 4.3.1.2 of these specifications.
 - h) Generator Maintenance - shall be provided through a qualified emergency generator contractor. Maintenance is currently performed, under separate contract with the NMWD, by Pacific Power Services Corporation of 1801 Walters Ct, Fairfield Ca. 94933. Contractor is responsible for monthly inspections as defined in separate check list.
- 4) Communications
- a) Contractor shall maintain staffing and procedures as necessary to insure timely, and professional communications with District and the Oceana Marin wastewater customers.

- b) Routine written and oral communication with regulatory agencies concerning day to day operations of the facilities under contract shall be the responsibility of the Contractor. Communication by the Contractor with regulatory agencies shall be reported to the District., Copies of all correspondence with regulatory agencies shall be provided to the District.

Communication with regulatory agencies regarding permit requirements or modifications, capacity of facilities, special studies and monitoring programs shall be the responsibility of the District. The mailing address for replies to any correspondence with regulatory agencies, whether initiated by Contractor or District, shall be as follows:

North Marin Water District
999 Rush Creek Place/P.O. Box 146
Novato, CA 94948-0146

or other such address as from time to time may be designated by the District.

- c) News Media - Contractor shall refer inquiries regarding operation and maintenance of District facilities or other activities of the District to the District Manager.
- d) Informational Documents and Advertising - Contractor may not utilize the name of the North Marin Water District or any of its facilities, employees, officers or directors in any advertising, brochures, public relations documents or news releases without the express written consent of the District Manager.

Contractor may furnish prospective clients with the District's name, address, and telephone number for the purpose of providing client references.

3.4 Maintenance of Facilities and Equipment

3.4.1 General - This section describes the scope of work and standards for maintenance of facilities and equipment under these Specifications.

- 1) Preventive and Corrective Maintenance - Contractor shall provide preventive maintenance and corrective maintenance as defined herein for all facilities and equipment covered by these Specifications and manufacturer's recommendations and shall maintain said facilities in good working order and repair so that they will not deteriorate in appearance and/or condition, with the exception of normal wear and tear.

All required periodic maintenance must be performed at recommended intervals; however, the annual maintenance must be thorough and based on manufacturer's recommendation unless otherwise permitted by the District. Periodic maintenance shall include all systems and equipment such as electrical service and distribution, motors, pumps, grinders, variable frequency drive (VFD), blowers, fans, flow meters, valves, actuators, lighting, instrumentation and sensors.

The Contractor shall pay for all costs of preventive maintenance and the first \$ 1,000 of expense for corrective maintenance of components (as defined in Section 3.4.2) and the first \$1,000 of expense for all collection system maintenance including removing all blockages from the collection system per repair or corrective maintenance procedure as they may occur. During a

fiscal year, these additional corrective maintenance costs to be paid by the Contractor are limited to \$3,000 and shall be documented in monthly reports to the District. If the Contractor estimates that the cost of the corrective maintenance will exceed these thresholds, then he shall immediately submit the proposed method of repair or replacement to the District Manager. The contractor shall not be reimbursed for corrective maintenance if repairs were required to be done due to contractor's non-performance of required maintenance, negligence or poor workmanship.

Contractor is required to maintain District collection system pipelines, cleanouts and manholes. Service laterals or side sewers (the sewer line connecting the building sewer and the sewer main) are not part of District pipelines. In accordance with District Regulations, the maintenance of each side sewer is the responsibility of the property owner served thereby and the cost of inspecting, maintaining, repairing, replacing and relocating the side sewer shall be borne by the property owner. The property owner is required to keep the side sewer free of infiltration. The side sewer ends at the "Y" or "T" connection to the sewer main. The contractor shall participate in annual inspection of the entire collection system and make necessary repairs to minimize intrusion and infiltration (I&I).

The requirements of Section 3.3.3 shall also apply to Contractor's maintenance of District facilities and equipment pursuant to these Specifications.

- 2) Capital Improvements - The District shall be responsible for planning, scheduling, designing, and implementing all capital improvement work. All capital improvements are scheduled to be completed per the District's Budget and System Improvement Projects Plan. This schedule will be annually updated by District while working in close conjunction with the Contractor. Contractor shall review and comment on this schedule at a minimum of once per year.

The District Manager may authorize, in writing, capital improvements to be completed by the Contractor, or will make other arrangements in an expeditious manner so as to minimize impact on plant operation. If capital improvements are not completed by the Contractor, the District will closely coordinate this work with the Contractor.

- 3) Operations and Maintenance Manual(s) - Contractor shall maintain District facilities and equipment in accordance with all regulatory agency requirements or in a manner more protective than specified in the facility Operation and Maintenance (O&M) manual(s) described in an District approved SOP, except as otherwise provided herein. Contractor shall notify the District in writing of errors or omissions in the O&M manual(s), and shall make hand-annotated modifications to same as necessary upon written authorization by the District.
- 4) Standard Maintenance Procedures - Within three (3) months from award of contract, Contractor shall have available and maintain a matrix of Standard Maintenance Procedures (SMPs) as necessary to clarify, refine or supplement procedures provided in the O&M manual(s) or manufacturers' maintenance manual(s), or to describe maintenance practices which do not conform to these manual(s). Contractor may not employ maintenance practices which do not conform to the requirements of the O&M manual(s) or manufacturers' maintenance manual(s) without the express written consent of the District Manager. Contractor shall furnish District with a complete copy of the current SMP matrix and shall keep District's SMP matrix updated as

necessary. District shall review these SMPs periodically and may make modifications, deletions and/or additions.

3.4.2 Definitions

- 1) Corrective Maintenance - Work performed on a component or facility, as a result of breakdown, failure, excessive wear, or safety concerns.
- 2) Component - An individual item of equipment defined for the purpose of determining limits to apply the \$1,000 deductible for corrective maintenance. It is understood that the complexity of the facilities covered by these Specifications prevents establishing clearly defined limits for every situation which may be encountered. It is the intent to present examples which can be used as guidelines in circumstances which are not clearly defined. Components, other than those defined below, are not intended to include stationary facilities such as grounds, roads, ponds, structures and fencing.
 - a) Mechanical Equipment - The prime mover, coupling and drive, and driven element shall be considered together as a single component. For all electric motors, the prime mover shall be understood to include wiring and electric switch gear from the bus side of the motor starter to and including the motor wiring terminals.
 - b) Electrical Equipment - A component shall generally be considered as a single motor control center (MCC) or lighting panel (LP) including associated wiring from the output terminals of the electrical service panel to and including the MCC or LP panel bus and main disconnect switch.
 - c) Variable Frequency Drive (VFD) – Motor Control Board, Power Plate Modules, Power Supply, IO connection, Pulse Amplifier and interface boards shall be considered as a single unit.
 - d) Computer System and Electronics - The process monitoring computers, associated remote terminal units (RTUs) and other independent electronics shall be considered as single components for the purposes of these Specifications.
 - e) Disposal Facilities - Each irrigation trench line shall be considered as a single component and the control valves and controller a separate component.
 - f) Chlorination system - shall be considered as a single component.
 - g) Dosing siphon - shall be considered as a single component.
- 3) Preventive Maintenance - Performance of the manufacturer or District recommended scheduled maintenance, lubrication, inspection, adjustment and replacement of worn parts necessary to prolong the service life of a component of facilities and minimize unscheduled breakdowns.

3.4.3 Management

- 1) Personnel
 - a) The requirements of Section 3.3.3 (2) of these Specifications shall apply to maintenance personnel.
- 2) Maintenance Management System - Contractor shall utilize a maintenance management system which tracks all preventive maintenance and corrective maintenance.
- 3) Contractor shall provide monthly, in the format(s) specified by the District, one or more copies of the preventive maintenance and corrective maintenance status sheets which accurately and succinctly summarize

status of maintenance management.

3.4.4 Performance Standards

- 1) General - Contractor shall perform all work in accordance with accepted industry standards and in a neat and workmanlike manner. Any damage to District facilities caused by failure of the Contractor to exercise due care and follow proper procedures in the performance of his work shall be promptly repaired and the associated costs paid solely by the Contractor.
- 2) Time for Completion - Contractor shall perform all maintenance work in a timely manner. If, the District Manager determines that maintenance work has been unreasonably delayed and that the delay is within the control of the Contractor, District Manager shall so inform Contractor in writing and the Contractor shall complete the necessary work within ten (10) working days of said notification or by a date certain beyond ten (10) working days of notification with the approval of the District Manager. If Contractor fails to comply, District Manager may initiate procedures for dealing with non-compliance under the provisions of Section 3.5 of these Specifications.
- 3) Quality of Workmanship - Work performed by Contractor or subcontractors shall be of the quality normally associated with work of the kind in which Contractor's employees are engaged. When, in the opinion of the District Manager, work performed by Contractor or his subcontractor is of substandard quality, District Manager shall so notify Contractor in writing, and said work shall promptly be brought up to standard at Contractor's expense.

3.4.5 Special Requirements

- 1) Maintenance - Drainage swales, channels and culverts within and surrounding the plant site shall be maintained by Contractor free of excessive vegetation and debris so as to allow unobstructed drainage of the plant site. Rodent holes shall be filled and rodent population controlled by Contractor as needed.
- 2) Road Maintenance - On an annual basis, Contractor shall control weeds as necessary on access way shoulders and shall mechanically level unpaved roads and maintain aggregate or other rock base.
- 3) Buildings - Contractor shall maintain the appearance and cleanliness of the buildings and structures in good condition at all times, and shall provide those custodial services required.
- 4) Disposal Field – On an annual basis, Contractor shall mow Oceana Marin disposal field, to include two-way mowing. Contractor shall be responsible for controlling weed growth at disposal fields which inhibits disposal efficiency and shall maintain all disposal field monitoring features in good repair.

Disposal field mowing is confined to the pathways between the individual piezometers and a circle around the piezometers.
- 5) Ponds - Contractor shall control pond weeds at water's edge.
- 6) Grit chamber and wet well at the Tahiti Way Lift Station – On an annual basis, the Contractor shall clean the grit chamber and remove sludge off the wet well floor.
- 7) Computer Systems - The Contractor will be responsible for monitoring the RTUs and will coordinate with the District so that operations are not adversely impacted. Programming modifications shall be made only upon District authorization.

- 8) Plant Flow Meters - The Contractor shall maintain the plant Effluent Force Main magnetic flow meters and irrigation discharge magnetic flow meters.
- 9) The County of Marin Maintains a weather station located at the Waste Treatment Pond Facility. Access to this weather station must be maintained by the contractor.
- 10) The Contractor shall work with the District to ensure compliance with new State Water Resources Control Board requirements for the Sanitary Sewer Management Plan (SSMP), which will include emergency procedures and measures for controlling and minimizing sanitary sewer overflows.
- 11) The Contractor shall provide monthly reports to the District Operation Superintendent and the State Water Resources Regional Water Quality Control Board. Operations Reports shall include all information required by the Waste Discharge Requirements and SSMP and a summary of the following items (at a minimum):
 - a) Amount of water treated and discharged while discharging to the irrigation field.
 - b) Treatment pond freeboard levels.
 - c) Storage pond freeboard levels.
 - d) Compliance with water quality standards

3.5 Noncompliance with Specifications

3.5.1. General - It is the intent of this section to describe procedures for dealing with failure of Contractor to comply with these Specifications. The District Manager shall determine, in his or her sole discretion, whether to designate a particular failure as Specific or General Noncompliance, and such determination shall be final.

3.5.2 Specific Noncompliance - When, as determined by the District Manager, Contractor fails to comply with a specific requirement or requirements of these Specifications, he shall so inform the Contractor in writing. The Contractor shall, within five (5) working days, prepare a written response outlining the reason(s) for noncompliance and presenting a timetable for reaching compliance within a time period acceptable to the District Manager. If the Contractor fails to achieve compliance with the Specifications within the approved time period, the District Manager may take steps to have the specific items of work which have not been performed by the Contractor done by the District or by a third party. The cost of completing this work shall be deducted from any monies the District may owe the Contractor.

3.5.3 General Noncompliance - When, as determined by the District Manager, Contractor is in general noncompliance with several requirements of the Specifications he shall so notify Contractor, in writing. Should the Contractor fail to correct all of the items of noncompliance within thirty (30) calendar days from receipt of written notice, the District Manager shall have the right to direct the Contractor to replace the Contractor's CPO. Said replacement shall be effective immediately upon receipt of notification from the District and Contractor shall immediately furnish a qualified interim CPO to serve until a permanent replacement can be obtained. In the event of loss by the Contractor of CPO, either through the foregoing mechanism or by other means, Contractor shall provide a permanent replacement within six (6) months.

3.6 Non-Standard Operation

3.6.1 General - It is the intent of this section to provide a mechanism for equitably managing changes in facility operation and maintenance which are considered

beyond the normal scope of facility operation and maintenance as described by these Specifications.

3.6.2 Initiated by Others - When authorized by the District Manager, Contractor may perform additional services necessary for operation and maintenance of District facilities. Compensation for said additional work shall be in accordance with Section 4.3.1.2 of these Specifications.

3.6.3 Emergencies - In the event of an emergency situation which requires Non-Scheduled Expenditures not included in the Direct Cost Budget, Contractor shall make every effort to contact the District Manager to obtain authorization for expenditures. Should he be unable to contact the District Manager, Contractor is authorized to make reasonable and necessary expenditures to alleviate the emergency condition. In the event that such expenditures are made, Contractor shall provide the District Manager with a written report detailing actions taken within 24 hours of their occurrence. Compensation for Non-Scheduled Expenditures shall be in accordance with Section 4.3.1 2 of these Specifications. Emergency Response in accordance with Section 3.3.3.3(f) of these Specifications is not considered a situation eligible for Non-Scheduled Expenditures, unless a disaster is duly declared under State or Federal law.

3.7 New Construction

3.7.1 General - It is the intent of this section to provide a mechanism for addressing changes in operation and maintenance of District facilities which result from new construction or substantial modification of existing facilities. New construction and facility modifications which do not require additional expenditures on the part of the Contractor shall not be governed by the requirements of this subsection, and compensation for operation and maintenance of those expanded or modified facilities shall be deemed to be provided under the Direct Cost Budget. When requested by the District Manager, Contractor shall undertake the operation and maintenance of new or modified facilities under the terms of Section 4.3.1. 2 of these Specifications governing Nonscheduled expenditures. After new or modified facilities have been operated and maintained by the Contractor for twelve (12) months, the annualized Nonscheduled costs associated with the new or modified facilities shall be transferred to the Direct Cost Budget in accordance with the procedures set forth in Section 4.3.1. 2).

3.7.2 District Responsibilities

- 1) Design Review - During design of new construction or facility modifications, District will provide Contractor with an opportunity to review and comment on design provisions.
- 2) Specifications - Prior to the start of construction, District will furnish Contractor with a complete set of construction plans and specifications.
- 3) Inspections – District will inspect all new construction for compliance with contract documents.
- 4) Record Drawings - At the completion of construction (which shall be accomplished by a construction contractor retained directly by District unless otherwise agreed), District will provide Contractor with a set of record drawings of the work which was done.
- 5) Spare Parts - Upon completion of construction, Contractor will be furnished with any spare parts that were specified by the construction contract documents and included in the cost of the construction project. Transfer of spare parts from District to Contractor shall be by letter of transmittal which includes a listing of spare parts.

- 6) Initial Training - When required due to the complexity of the equipment or facilities, District will provide initial training and startup services.

3.7.3 Contractor Responsibilities

- 1) Construction and Startup Coordination - Contractor shall at all times cooperate with the District's construction contractor as necessary to insure the efficient and timely completion of construction work and compliance with permit requirements. Contractor shall also provide coordination of startup and testing of new facilities as required. Nonstandard operation provisions of Section 3.6 shall apply where determined by the District Manager to be appropriate.
- 2) Maintenance Program - Contractor shall incorporate new or expanded facilities into its maintenance program as specified in Section 3.4 of these Specifications.
- 3) Refresher Training of Plant Staff - Following initial training by the District, Contractor shall be expected to maintain competence of plant staff in the operation and maintenance of the new facilities. Competence shall be insured by providing refresher training on a regularly scheduled basis as necessary.
- 4) Standard Operating Procedures – Contractor shall provide Standard Operating Procedures (SOPs) for new and/or modified facilities in accordance with Section 3.3.3. 3 of these Specifications within 90 days after start up of these facilities.

3.8 Special Conditions

- 3.8.1 Employee Training - The Contractor shall be responsible for developing and implementing a comprehensive, ongoing, training program for plant employees to insure that they are continuously instructed on how to operate and maintain the District's facilities. The Contractor shall develop a plan to ensure that training for every process or portion of the facilities is scheduled on a regular recurring basis. The plan, and a report on the previous years training activities shall be submitted to the District for review annually.

4.0 COMPENSATION

4.1 Definitions

- 1) Contractor Direct Costs - Contractor direct costs shall be defined as those costs paid by the Contractor which are directly related to the on site operation and maintenance of the facilities pursuant to the Contract including and expressly limited to the following:
 - a) Employee salaries including payroll taxes
 - b) Employee benefit costs, including vacation, sick leave, health insurance, disability insurance and workers compensation insurance and other similar benefits.
 - c) Utilities including, but not limited to, water and telephones.
 - d) All chemicals, including process chemicals and miscellaneous chemicals and other operating supplies.
 - e) Equipment and Vehicle, motor fuel and lubricants.
 - f) Subcontract services.
 - g) Materials, supplies, and replacement parts for preventive and

corrective maintenance

h) Laboratory supplies, but not including capital equipment

- 2) District Direct Costs - District Direct costs shall be defined as costs of electricity, staff time for contract management, and such other costs that, pursuant to generally accepted accounting principles, are directly related to the operation and maintenance of the facilities that are paid by the District. .
- 3) Management Fee - Management Fee shall be defined as the annual amount paid to the Contractor for off-site services related to the performance of obligations under these Specifications including but not limited to such items as direct costs, insurance, administrative offices, administrative management, engineering, personnel management, legal fees, technical support services, computer services, financial management, bonuses and awards, and profits.
- 4) Nonscheduled Expenditures - Nonscheduled expenditures are defined as any expenditure(s) with the exception of Management Fee and District Direct Costs, which are outside the Contractor budget. With respect to expenditures for corrective maintenance, Contractor shall pay to the thresholds defined in Section 3.4.1.1 for maintenance of a single component. District will pay costs in excess of said thresholds per component. In the event the entire repair is undertaken by the District, the expense up to said thresholds will be subtracted from monies owing Contractor. If several components are damaged by a single event not owing to an act of negligence by Contractor, Contractor shall be responsible for the threshold expense levels defined in Section 3.4.1.1.
- 5) Capital Expenditures - Capital expenditures are defined as expenditures for equipment or additions to existing facilities which have a value greater than or equal to \$1,000 and a useful life in excess of one year.
- 6) CPI - CPI is defined as the U. S. Department of Labor Bureau of Labor Statistics Consumer Price Index for All Urban Consumers for the San Francisco – Oakland – San Jose area (1982-84 = 100 base).
- 7) Workers' Compensation Cost - The workers' compensation cost is defined as payments for workers' compensation insurance and payments for covered injury treatment costs which are less than the workers' compensation insurance deductible amount.

4.2 Methodology

4.2.1 Annual Budget Submittal - On March 1 of each year, Contractor shall provide the District with a proposed annual budget for the contract year commencing July 1 in format substantially identical to the proposal COST ESTIMATING FORM attached hereto as an exhibit. The proposed budget shall be determined by the procedures set forth herein.

4.2.2 Management Fee

- 1) First Year - First year Management Fee shall be as determined by Contract.
- 2) Adjustments in Subsequent Years - Each subsequent year the Management Fee shall be determined by adjusting the current Year Management Fee by the change in the CPI:

$$\text{Management Fee (year } x + 1) = \text{Management Fee (year } x) (\text{CPI year } x)$$

4.2.3 Electricity Cost Budget – At the end of each contract year, an Electricity Cost budget

(Electricity Cost x + 1) shall be established based on the actual cost of electricity in the immediately prior year.

4.2.4 Major Chemical Cost Budget – At the end of each contract year, a Major Chemical Cost Budget shall be established as the actual cost of sodium hypochlorite or alternative as may be applicable, consumed during the immediately prior year.

4.2.5 One-Time Costs - Compensation for One-Time Costs, including but not limited to costs for contractor mobilization, start-up and installation of a parallel auto dialer to receive treatment plant alarms, shall be invoiced at the time of contract award. Should the contract be terminated within the first 10 months, one-half of the One-Time Costs are to be returned to the District and the parallel auto dialer will remain as property of the Contractor.

4.3 Payment

4.3.1 Invoicing - Contractor shall invoice the District on a monthly basis pursuant to these Specifications. Invoices shall be submitted to the District at the beginning of the month for which the invoice is rendered, and shall be itemized as follows:

- 1) One hundred percent (100%) of the budgeted amounts for Direct Costs, and Management Fee for the month for which the invoice is rendered.
- 2) One hundred percent (100%) of actual costs on a time and materials basis for All Nonscheduled Expenditures incurred since submittal of the previous invoice in accordance with the Contractor Schedule of Fees. Invoice shall identify the justifications for, and amount of any Nonscheduled Expenditures, including documentation of authorization for said expenditures.
- 3) At the beginning of each contract year, the budgeted amount for One-Time Costs.

4.3.2 End-of-Year Financial Report - Contractor shall submit an end-of-year financial report and budget reconciliation to District within sixty (60) days after the close of contract year showing a comparison of budget amounts and actual expenditures.

In addition, Contractor shall subdivide all expenditures as applicable in accordance with the following categories:

- Collection System
- Lift Stations
- Treatment Pond (West Pond)
- Effluent Storage (East Pond)
- Disinfection
- Disposal
- Other

4.3.3 Time of Payment - Invoices less any amounts retained by District due to unresolved disputes pursuant to Section 4.3.4 shall be due and payable on the Wednesday following the District Board of Directors meeting on the first Tuesday of the month following services rendered where disbursement is authorized. District and Contractor shall endeavor to settle any disputed items within thirty (30) days.

4.3.4 Disputed Costs and Damages - District reserves the right to withhold payment for amounts in dispute, or costs of damages to the District as determined by the District Manager, arising out of Contractor's obligations and/or performance under the Contract. Payment of amounts invoiced shall not be withheld unreasonably.

4.4 District Audit

District shall have the right to examine Contractor's books, documents, papers, materials, payrolls, records, accounts, computer disks, tapes and any and all data relevant to the Agreement. Such examination shall be made by the District's Auditor-Controller or designee during normal working hours and shall be conducted within ninety (90) days of Contractor's submission of end-of-year financial report. Contractor shall also permit District and its authorized representatives to audit and verify statements, invoices or bills submitted by Contractor pursuant to the Agreement. Contractor shall provide such assistance as may be reasonably required in the course of such examination and audit.

5.0 INSURANCE AND HOLD HARMLESS

5.1 Insurance

5.1.1 General - Contractor shall obtain the following insurance. The insurance policies described below shall, except for professional liability coverage, be on an occurrence basis and shall include the following provisions or shall have them added by endorsement: (a) the coverage shall be primary, and no other insurance or self insurance which may cover the District or other named insured shall contribute to a loss under these policies; (b) the policies shall not be canceled or materially altered without thirty (30) calendar days prior written notice to the District; (c) the certificates and endorsements are to be signed by a person authorized by the insurer to bind coverage on their behalf; and (d) the insurance carrier shall have at least an "A VII" rating in accordance with the current Best's Key Rating Guide. Contractor shall furnish the District with complete copies of all policies including declarations, insuring agreements, definitions, conditions, exclusions and endorsements evidencing the coverages set forth below.

5.1.2 Worker's Compensation Insurance - Contractor shall obtain at its sole cost and keep in full force and effect, during the life of any agreement executed pursuant to these Specifications, worker's compensation insurance as and in the amounts required by California law, and employer's liability insurance (including disease coverages) in the amount of \$1,000,000 per accident or occurrence, for all workers employed pursuant to this contract; in case any work is sublet, Contractor shall require its subcontractor(s) to provide identical worker's compensation and employer's liability insurance for all the latter's employees unless all the employees are covered by such protection afforded by Contractor. The insurance shall contain a waiver of all rights of subrogation against the District. In case the law permits any class of employees engaged in work under this Contract at District facilities not to be protected under any worker's compensation law, Contractor shall provide at least equivalent protection of employees not otherwise protected. Contractor shall hold harmless, indemnify, and defend District, its officers, Board of Directors and employees, for any damages, lawsuits, or claims resulting to District from failure of either Contractor or any subcontractor to obtain or maintain such insurance in the amounts required.

5.1.3 Automobile and Commercial General (CGL) Liability Insurance - Contractor shall obtain at its sole cost and keep in full force and effect during the life of any Agreement executed pursuant to these Specifications, automobile liability insurance including bodily injury for all owned and non-owned vehicles in the amount of \$1,000,000 per occurrence, and auto liability property damage in a minimum amount of \$1,000,000 per occurrence and general (CGL) liability insurance, including products, contractual liability, pollution, personal injury, bodily injury, property damage and independent contractors, in the amount of \$1,000,000 per occurrence. The District, its officers, agents and employees shall be named additional insured under these policies, and each policy shall contain a standard cross-liability clause or endorsement.

5.1.4 Professional Liability Insurance - Contractor shall obtain at its sole cost and keep in

full force and effect during the term of this Agreement professional liability insurance including a pollution endorsement with coverage for any loss arising out of negligent acts, errors or omissions committed in the course of providing professional services in connection with this Agreement. This insurance shall be in an amount of not less than \$1,000,000 per occurrence

5.2 Indemnification

Contractor shall indemnify, hold harmless, release and defend District , its agents and employees from and against any and all actions, claims, damages, liabilities or expenses, including attorney's fees and witness costs that may be asserted by any person or entity, including the Contractor, arising out of the negligent acts, errors or omissions, failure to perform, or willful misconduct of the Contractor in connection with the activities necessary to perform the services, and complete the task provided for herein, but excluding liabilities due to the sole or active negligence, or willful misconduct of District.

Contractor shall defend, indemnify and hold harmless the District from any administrative and/or judicial penalties or fines imposed by a court or regulatory authority, including, but not limited to the Bay Area Air Quality Management District and the California Regional Water Quality Control Board which arise from Contractor's negligent operations, misconduct, or acts whether intentional or unintentional; provided further that Contractor shall not be liable for fines resulting from conditions that the parties agree are beyond the control of the Contractor, as mutually agreed upon by District and Contractor under the next section governing Force Majeure.

District does not and shall not waive any rights against Contractor which it may have by reason of the hold harmless clause because of the acceptance by District of any of the insurance certificates or policies described in Article 5.1 of these Specifications.

The indemnification clause shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid operations, misconduct, and/or acts referred to in this section, regardless of whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

5.3 Force Majeure

Contractor shall not be liable for its failure to perform its obligations under this Agreement if the District determines, in its reasonable exercise of discretion, that such failure was caused by an Act of God, landslide, lightning, earthquake, fire, flood (other than reasonably anticipated weather conditions), explosion, sabotage, acts of public enemy, war, blockade, insurrection, riot, or civil disturbance, and is not in any manner the result of the willful or negligent acts or omissions of Contractor.

6.0 CONTRACT TERMINATION

6.1 Termination Procedures

6.1.1 General. In addition to the foregoing, this Agreement may be terminated without cause by either party prior to normal end-of-contract termination by following the procedure specified in Sections 6.2.2 through 6.2.3.

6.1.2 Notice. Either party shall give the other party at least ninety (90) days written notice of intent to terminate, setting forth the reason for proposed termination, if any, and the date at least ninety (90) days from the date of the notice of intent when it intends

to terminate the Agreement.

6.1.3 Payment. If this Agreement is terminated prior to normal end-of-contract termination by the Contractor or District, District shall pay Contractor on the termination date any payment owing Contractor under the terms of these Specifications or an agreement incorporating these specifications, less any amounts retained pending resolution of unresolved claims or damages against Contractor by District.

6.2 Contract Transition

6.2.1 General. One month prior to end-of-contract termination, a one-Month Contract Transition Period shall begin wherein the Contractor shall cooperate with District in transferring information and District equipment and supplies for continued operation of the wastewater system in the event of a new Contractor or the District becoming the operator.

DRAFT

**OCEANA MARIN WASTEWATER COLLECTION AND TREATMENT SYSTEMS
OPERATION AND MAINTENANCE CONTRACT AGREEMENT**

Amendment 1

This Amendment 1 to the June 30, 2008 Oceana Marin Wastewater Collection and Treatment Systems Operation and Maintenance Contract Agreement is made and entered into this ____ day of June, 2013, by and between North Marin Water District, herein referred to as "District," and Phillips Services, Inc., dba Phillips and Associates, herein referred to as "Contractor," in the manner following:

WITNESSETH

WHEREAS, District is responsible for operation and maintenance of certain wastewater treatment storage, and disposal facilities in and around the community of Oceana Marin in Marin County, California; and

WHEREAS, District has prepared *Specifications for Contract Operations and Maintenance Services of Oceana Marin Wastewater Collection and Treatment System After July 1, 2008*, which is attached as Exhibit A; and

WHEREAS, Contractor specializes in the operation and maintenance of such facilities and has inspected and is familiar with the Oceana Marin Wastewater System facilities.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and subject to the terms and conditions stated in the 2008 contract agreement (Exhibit A), the parties hereto agree to the Amendment 1 as follows:

II. EXTEND TERM AND DURATION OF AGREEMENT

A. Term – Services under this Agreement shall commence on July 1, 2008 and shall be provided through and including December 31~~June 30~~, 2013 unless this Agreement is terminated sooner or extended in accordance with the procedures set forth herein.

IN WITNESS WHEREOF, the District and Contractor have caused this Agreement to be duly executed as of the day and year first above written.

NORTH MARIN WATER DISTRICT

Chris DeGabriele
General Manager

ATTEST:

District Secretary

CONTRACTOR

Gary W. Phillips, President
Phillips Services, Inc.

10

MEMORANDUM

To: Board of Directors
From: Drew McIntyre, Chief Engineer



June 21, 2013

Subject: West Marin Capital Improvement Projects – FY12-13 Preliminary Year-End Progress Report

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RECOMMENDED ACTION: Information Only
FINANCIAL IMPACT: None

The purpose of this memo is to provide a preliminary year-end status report to the Board on the District's performance in completing budgeted FY12-13 Capital Improvement Projects (CIPs) in the West Marin (including Oceana Marin) service territories. A final fiscal year-end report will be presented to the Board at a later meeting once the FY12-13 financial information is complete. This preliminary progress report is being presented to take advantage of the fact that the June 25th meeting is being held in our West Marin service territory.

Performance Status for Capital Improvement Projects

A total of eight CIPs were originally budgeted in FY12-13 for the West Marin and Oceana Marin service areas (Attachment 1). During the year, two were added, two were carried over and one was dropped. Out of the resulting eleven, seven projects have been completed (Attachment 2). Overall progress in completing West Marin CIPs (i.e., 75%) is slightly below the mid-year projected completion percentage of 80%. With the exception of PRE Well #3 Replacement, the FY12-13 remaining West Marin completed projects were within the original budget. Based on a review of total project expenditures for all West Marin CIPs, the combined West Marin Water projects are estimated to be below budget by approximately \$289,000 and the combined Oceana Marin projects are estimated to be approximately \$97,000 below budget.

Point Reyes Treatment Plant Solids Handling Facilities

During FY13, staff has been working on finalizing the design of the Pt. Reyes Treatment Plant Solids Handling project coupled with Marin County Community Development Agency Coastal Development Permit (CDP) approval. The Coastal Development Permit application was submitted October 2012 and since that time NMWD has been working on responding to supplemental requests for information including an expanded biological site assessment, wetlands/riparian delineations and Lagunitas Creek set back mapping. All of the above referenced supplemental information has been completed by the District and/or consultants (i.e., Leonard Charles & Associates and HSe). As a result of this work it has been determined that the proposed project falls within the Marin County's Local Coastal Plan (LCP) 100 foot wetlands buffer. This encroachment violates the County's current LCP requirement but may be allowed with future planned LCP revisions recognizing that the distance between the proposed project

and the identified wetlands is greater than 50 feet. As identified by the General Manager at the June 18, 2013 meeting, staff is continuing outreach with Marin County to determine feasible options for moving forward with the project.

Point Reyes Well #3 Replacement

As previously discussed, costs related to the replacement of Pt. Reyes Well #3 have increased from the budget of \$165,000 to \$182,000. This updated cost includes not only construction of the replacement well but also conversion of existing Well #3 into a monitoring well. All permits are now complete and the replacement well (aka Well #4) has been in operation for approximately two weeks.

West Marin Water System Master Plan

The last West Marin Water Master Plan was prepared in October 2001. Since that time the District has completed nine Capital Improvement Projects contained within the 2001 Master Plan at a cost of approximately \$1,940,000. Since all of the 2001 Master Plan priority projects have been completed, with the exception of PRE Tank #4A and final tank seismic improvements at Pt. Reyes Station Tanks #2 and #3, it is time to update the West Marin Water System Master Plan. This update is budgeted for completion in FY13-14.

FY 12-13
IMPROVEMENTS PROJECTS

PROJECTS BUDGETED	WEST MARIN/ OCEANA MARIN
Original Budget	8
Added	2
FY 11-12 Carryover	2
Deferred/Dropped	1
Adjusted Budget	11

FISCAL YEAR COMPLETION STATUS	WEST MARIN/ OCEANA MARIN
No. of Projects Completed	7
Mid-Year Projected Completion Performance	80%
Year-End Completion Performance	75%

FY11-12 CARRYOVER

Tank Seismic Upgrades
P RTP RTU Upgrade

Date Brought to Board

First Quarter Report
First Quarter Report

DEFERRED/DROPPED

OM Treatment Plant Pond Algae Control Device

First Quarter Report

PROJECTS ADDED

PB Repl – Balboa, Portola, Mesa 2nd (26)
Gallagher Well & Pipeline Design - Survey

Third Quarter Report
Fourth Quarter Report

**WEST MARIN CAPITAL IMPROVEMENT PROJECT SUMMARY FY12-13
AS OF JUNE 30, 2013 (ESTIMATED)**

STATUS	DEPT	ITEM #	PROJECT NO.	DESCRIPTION	PROJECT COSTS		% COMPLETE		EARNED VALUE	
					Budget	Forecast	Baseline	Actual	Planned	Actual
6. West Marin Water System										
System Improvements										
PC	Eng	1	6.a	TP Solids Handling	\$400,000	\$75,000	100	15	\$400,000	\$11,250
C	Eng	2	6.b-c	PRE Well #3 Repl/Rehab/Destruction	\$165,000	\$182,000	100	100	\$165,000	\$182,000
PC	Eng	3	6.d	TP Control Valve Replacement	\$75,000	\$12,000	100	80	\$75,000	\$9,600
PC	GM	4	6.e	Gallagher Auxiliary Stream Gauge	\$30,000	\$1,000	100	5	\$30,000	\$50
PC	Eng	5	6.f	<i>Tank Seismic Upgrades</i>	\$0	\$18,000	100	20	\$0	\$3,600
C	Ops	6	6.g	<i>TP RTU Upgrade</i>	\$0	\$20,332	100	100	\$0	\$20,332
C	Eng	7	6.h	PB Repl: Balboa, Portola, Mesa, 2nd St (26)	\$0	\$58,000	100	100	\$0	\$58,000
C	Eng	8	6.i	Gallagher Well & Pipeline Design - Survey	\$0	\$15,000	100	100	\$0	\$15,000
					\$670,000	\$381,332			\$670,000	\$299,832
7. Oceana Marin Sewer System										
C	Ops	9	7.a	Infiltration Study & Repair	\$15,000	\$6,932	100	100	\$15,000	\$6,932
C	Maint	10	7.b	Tahiti Way Lift Pumps Rebuild	\$20,000	\$16,011	100	100	\$20,000	\$16,011
C	Eng	11	7.c	Cross Country Sewer Line Rehab	\$275,000	\$200,000	100	100	\$275,000	\$200,000
	Ops		7.d	TP Pond Algae Control Device - Dropped	\$10,000	\$0	0	0	\$10,000	\$0
SubTotal					\$320,000	\$222,943			\$320,000	\$222,943
Total West Marin					\$990,000	\$604,275	100	75	\$990,000	\$522,775
1C - Completed										
PROJECT FORECAST REVISED										
PC - Partially completed										
Baseline projects with revised forecast budget increases (indicated by shaded box)										
Baselined projects to be deferred (indicated in strikeout)										
New projects added (indicated in bold)										
<i>Prior year projects carried over indicated in italics</i>										

West Marin Water Long Range Improvement Project Plan – Status Report

<u>Phase 1 Projects</u>		<u>4/30/12</u>	<u>Status</u>
1	Replace PRE Tank #3 - 25,000 gal.....	\$91,759	Complete
2	Install 3 Standby Booster Pumps & Controls @ PRE...	159,990	Complete
3	Bear Valley Pump Station Upgrade.....	88,132	Complete
4	Replace Pt. Reyes 100,000 gal tank w/180,000 gal....	399,707	Complete
5	Replace Olema 80,000 gal tank w/150,000 gal.....	561,742	Complete
6	Install Parallel 8" Main on Hwy 1.....	180,000	Complete
7	Upgrade Inverness Park PS w/2 150 gpm pumps.....	157,888	Complete
8	Install Pressure Reducing Valve @ Inverness Park PS	13,046	Complete
9	Replace 30,000 gal Inverness Park Bolted Steel Tank	164,262	Complete
10	Tank Seismic Upgrades.....	104,319	In Progress
11	Replace PRE Tank #4A - 82,000 gallon.....	22,328	In Progress
		<u>\$1,943,173</u>	

11

MEMORANDUM

To: Board of Directors
From: David L. Bentley, Auditor-Controller 
Subj: California Property Tax Repayment to West Marin Districts
I:\ac\word\memo\13\ca prop tax repayment.docx

June 21, 2013

RECOMMENDED ACTION: Information**FINANCIAL IMPACT:** \$7,209 Repayment

In July 2009 the State Legislature suspended Proposition 1A¹ and "borrowed" \$1.9 billion in property tax revenue from cities, counties and special districts. The legislation called for 8% of total local government property tax revenue to be shifted to a "Supplemental Revenue Augmentation Fund" in each county to be used to backfill a portion of the state's cost for Medi-Cal and to supplement property tax allocations to K-12 school districts.


Eight percent (\$6,760) of North Marin's FY10 property tax revenue was borrowed. The Legislature promised to repay the money with interest by the close of FY13. The State Controller's office disbursed the funds to each County on June 14, 2013, and North Marin received repayment of \$7,209 on June 20, which included interest at 2% per year.

This property tax revenue is divided between West Marin Water and Oceana Marin Sewer on a 48%/52% ratio, in proportion to the operation and maintenance tax levied in those improvement districts prior to Proposition 13, which ended assessment of the operation and maintenance tax.

¹ Proposition 1A passed with 83.7% of votes in November 2004. The proposition protects revenue collected by cities, counties, and special districts from being transferred to the state government for statewide use. Its provisions may be suspended if the governor declares a fiscal necessity and two-thirds of the legislature approves the suspension.

12

MEMORANDUM

To: Board of Directors
From: Chris DeGabriele, General Manager 
Subject: Board Review of District Policies
#13 – Board of Directors Compensation and Procedure
t:\gmbod misc 2013\board compensation changes.doc

June 21, 2013

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None at this time

At the April 16, 2013 meeting the Board reviewed District policy number 13 – Board of Directors Compensation and Procedure (Attachment 1). My understanding as a result of that review pertain to two areas of the policy.

1) The second paragraph of the policy which states "When a Director is authorized by prior approval of the Board to attend a meeting out of the immediate area (beyond a 100 mile radius from the NMWD service territory), the Director may request reimbursement of actual and necessary expenses for travel, meals, lodging and meeting registration as applicable, in lieu of the standard \$100 per day compensation noted above." The 100 mile radius is likely to large and the incurred expenses should be reimbursed along with the standard per diem compensation. A proposed revision to this section would read: "When a Director is authorized by prior approval of the Board to attend a meeting out of the immediate area (beyond Marin or Sonoma Counties) the Director may request reimbursement of actual and necessary expenses for travel, meals, lodging, and meeting registration as applicable, along with the standard per day compensation noted above."

2) Additionally Director compensation was last increased in 1982 to the current \$100 per meeting. Current water code statue enables this amount to increase by 5% per year from that date. The Auditor-Controller has performed an analysis showing that escalating \$100 in 1982 to current using a 5% annual increase equals \$432 (Attachment 2). Using a CPI escalator annual increase equals \$242 (Attachment 3). The Board can use this comparison calculation when reviewing the survey of surrounding Water Agency and non-Water Agency monthly compensation for Agency Directors, also Attached (Attachment 4).

Should the Board desire to consider a change in Director compensation, District legal counsel has provided reference material (Attachment 5) including sections of the Water Code which indicate that any increase beyond the \$100 per day per diem must be adopted by an ordinance, that the increase may not exceed the 5% annual escalation (as shown in

Attachment 2), and that the ordinance shall be adopted following a public hearing, for which a notice shall be published in a newspaper of general circulation. Once an ordinance is adopted, it becomes effective 60 days from the date of its final passage.

NORTH MARIN WATER DISTRICT

POLICY: BOARD OF DIRECTORS COMPENSATION AND PROCEDURE

POLICY NUMBER: 13

Original Date: 2004

Revision Adopted: August 1, 2006

Each director shall receive compensation in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the Board or for each day's service rendered as a director by prior approval of the Board. Such service shall include: attendance at special Board meetings or subcommittee meetings; attendance at workshops/seminars relevant to District activities; attendance at meetings with other public entities where District interests are subject to consideration. Furthermore, compensation shall not exceed ~~\$600~~ a total of six days in any calendar month and any Director shall have the option to decline compensation for attending any special meetings or other activities relevant to the District's interest.

When a Director is authorized by prior approval of the Board to attend a meeting out of the immediate area (beyond a 100 mile radius from the NMWD service territory), the Director may request reimbursement of actual and necessary expenses for travel, meals, lodging and meeting registration, as applicable, in lieu of the standard \$100 per day compensation noted above.

Actual and necessary expenses shall remain within IRS Publication 463 guidelines, except that lodging for conferences or an organized educational activity shall not exceed the maximum group rate published by the conference or activity sponsor. Expenses shall be documented with receipts and attached to the submitted reimbursement voucher.

Procedure:

Compensation for meetings of the Board, including special meetings, will be presented on the first disbursement list of the first meeting of the month following the month of attendance, as is currently the practice.

Compensation for attendance at committee meetings or other meetings attended on behalf of the Board will only be authorized after that Board member has submitted a voucher with justification to the Auditor-Controller.

Voucher Format:

I attended the [describe meeting and purpose of attendance] on [date] and wish to be compensated as provided under the Board compensation policy.

/signature/ /date/

Vouchers must be submitted no later than ~~six~~eight calendar days prior to the Board ~~meeting~~ month end for inclusion in the disbursement package and may be submitted electronically (email/facsimile).

Revised: 2004, 08/06, 04/13

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Directors Compensation

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Compensation is \$100 per meeting up to 6 meetings per month

6/18/2013

Potential compensation per Water Code Section 20202 calculated below

	<u>Fee per Meeting</u>	
previous	\$75.00	
9/1/1982	\$100.00	(maximum \$2,400 per year)
1/1/1984	\$105.00	
1/1/1985	\$110.25	
1/1/1986	\$115.76	
1/1/1987	\$121.55	
1/1/1988	\$127.63	
1/1/1989	\$134.01	
1/1/1990	\$140.71	
1/1/1991	\$147.75	
1/1/1992	\$155.13	
1/1/1993	\$162.89	
1/1/1994	\$171.03	
1/1/1995	\$179.59	
1/1/1996	\$188.56	
1/1/1997	\$197.99	
1/1/1998	\$207.89	
1/1/1999	\$218.29	
1/1/2000	\$229.20	(7/1/00 maximum annual limit removed)
1/1/2001	\$240.66	
1/1/2002	\$252.70	
1/1/2003	\$265.33	
1/1/2004	\$278.60	
1/1/2005	\$292.53	
1/1/2006	\$307.15	
1/1/2007	\$322.51	
1/1/2008	\$338.64	
1/1/2009	\$355.57	
1/1/2010	\$373.35	
1/1/2011	\$392.01	
1/1/2012	\$411.61	
1/1/2013	\$432.19	
1/1/2014	\$453.80	

calculation: 5% annual increases compounded

Directors Compensation

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Compensation is \$100 per meeting up to 6 meetings per month

6/18/2013

Potential compensation based on change in San Francisco Bay Area All Urban Consumer's Price Index

	Fee per Meeting		SF Bay Area CPI-U	
previous	\$75.00			
9/1/1982	\$100.00	(maximum \$2,400 per year)	99.0	8/31/1982
1/1/1984	\$101.01		100.0	12/31/1983
1/1/1985	\$107.07		106.0	12/31/1984
1/1/1986	\$110.51		109.4	12/31/1985
1/1/1987	\$112.93		111.8	12/31/1986
1/1/1988	\$118.59		117.4	12/31/1987
1/1/1989	\$123.84		122.6	12/31/1988
1/1/1990	\$128.69		127.4	12/31/1989
1/1/1991	\$136.46		135.1	12/31/1990
1/1/1992	\$141.21		139.8	12/31/1991
1/1/1993	\$145.76		144.3	12/31/1992
1/1/1994	\$148.48		147.0	12/31/1993
1/1/1995	\$150.91		149.4	12/31/1994
1/1/1996	\$153.64		152.1	12/31/1995
1/1/1997	\$157.58		156.0	12/31/1996
1/1/1998	\$164.24		162.6	12/31/1997
1/1/1999	\$169.09		167.4	12/31/1998
1/1/2000	\$176.26	(7/1/00 maximum annual limit removed)	174.5	12/31/1999
1/1/2001	\$185.96		184.1	12/31/2000
1/1/2002	\$192.53		190.6	12/31/2001
1/1/2003	\$195.15		193.2	12/31/2002
1/1/2004	\$197.27		195.3	12/31/2003
1/1/2005	\$201.52		199.5	12/31/2004
1/1/2006	\$205.45		203.4	12/31/2005
1/1/2007	\$212.53		210.4	12/31/2006
1/1/2008	\$220.69		218.5	12/31/2007
1/1/2009	\$220.74		218.5	12/31/2008
1/1/2010	\$226.50		224.2	12/31/2009
1/1/2011	\$229.96		227.7	12/31/2010
1/1/2012	\$236.69		234.3	12/31/2011
1/1/2013	\$241.95		239.5	12/31/2012
1/1/2014				12/31/2013

calculation: Increased by Change in CPI

NMWD Survey of Surrounding Water Agencies Monthly Compensation for Agency Directors

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July 2012

Agency (No. of Directors)	Stipend/Meeting	No. of Meetings/Mo	Total Paid FY10/11 for All Meetings	FY 10/11 Avg. Monthly Stipend/Director (Total / 12)	Medical/Dental/Vision
East Bay MUD (7)	Monthly Stipend of \$1,120	Req'd to attend min. of 3 mtgs/month, "or 50% of assigned meetings"	\$94,080	\$1,120	Family Coverage
Contra Costa Water District (5)	\$100 (max. \$1,000/mo.)	2 (compensated for up to 8 special mtgs/conf.)	\$41,600	\$693	Family Coverage
Alameda County WD (5)	\$175	1 (compensated for up to 8 special mtgs/conf.)	\$39,725	\$662	Family Coverage
MMWD (5)	\$145	2 (may attend add'l 3-6 committee mtgs)	\$36,798	\$613	Couple Coverage for medical & dental; no vision
North Marin Water District (5)	\$100	2	\$15,100	\$252	No Benefits
Mid-Peninsula County Water District (5)	\$100	1 (compensated for add'l special mtgs. or conf.)	\$7,300	\$122	Family Coverage
Valley of the Moon WD (5)	\$100	1 (compensated for up to 6 special mtgs or conf.)	\$5,600	\$93	No Benefits

**NMWD Survey of Surrounding Non-Water Agencies
Monthly Compensation for Agency Directors**

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July 2012

Agency (No. of Directors)	Stipend/Meeting	No. of Meetings/Mo	Total Paid FY 10/11 for All Meetings	FY 10/11 Avg. Monthly Stipend/Director (Total / No. of Directors / 12)	Medical/Dental/Vision
Las Gallinas Valley Sanitary District (5)	\$253	2 (may attend add'l mtgs/mo up to 6)	\$52,562	\$876	Up to \$200/mo. per Director for long-term care and dental
Ross Valley Sanitary District (5)	\$258	1 (may attend add'l 2-4 committee mtgs/mo)	\$37,796	\$630	No Benefits
NSD (5)	\$225	2-3	\$39,600	\$660	Director Coverage; no vision
Sausalito-Marín City Sanitary District (5)	\$160	1 (may attend add'l 5 committee mtgs/mo)	\$9,600	\$160	No Benefits
Tiburon Sanitary District #5 (5)	\$100	1 (may attend up to 6 committee mtgs)	\$9,500	\$158	No Benefits
Novato Fire District (5)	\$100	2 (plus any special mtgs)	\$12,300	\$205	No Benefits
Central Marin Sanitation Agency (6)	\$100	1 (plus any special mtgs)	\$7,200	\$100	No Benefits

Chris DeGabriele

From: Robert Maddow [RMaddow@bpmnj.com]
Sent: Monday, June 17, 2013 3:35 PM
To: Chris DeGabriele
Cc: Carl Nelson; Doug Coty
Subject: Directors' Compensation
Attachments: WATER CODE 20200.doc.docx; 2-17-12 CCWD comparison chart.pdf

Chris – After your call about the Board’s interest in the possibility of increasing Directors’ compensation, I found a few things very quickly; I will check to see if any of our attorneys has anything more recent or definitive.

Attached please find 2 things – a highlighted copy of the relevant Water Code sections (which are a pretty clear roadmap), and a Power Point slide that was presented to the CCWD Board at a meeting about a year ago that shows some comparisons to other agencies (but none in Marin or Sonoma Counties). I will separately forward to you a copy of the 2003 e-mail exchange between David Bentley and me about this subject.

What appears below is an edited version of some informal advice I gave to another agency in 2009 about this subject:

Water Code sec. 20200 clearly states that this series of provisions applies to all water districts, including county water districts. Under sec. 20201, the Board may adopt an ordinance which would allow it to take action to increase its compensation by an amount not to exceed 5% for each calendar year since the last such amendment. Sec. 20201 starts with the statement that it applies "notwithstanding any other provisions of law..." which means that sec. 20200 *et seq.* would effectively supersede, e.g., the \$100 per meeting limit established for CCWD in Water Code sec. 30507.1. Copies of each of the sections cited here are attached, with my yellow highlighting due to relevance to our phone conversation today. Please note the strongly worded statement of Legislative intent in sec. 20200 (highlighted in green) -- it is relatively rare to find such a statement embedded in an operative statutory provision.

After the legislation for salaries for EBMUD Board members was passed in 1979 (EBMUD's problem was a director who only showed up for one meeting a month but wanted to get paid), several other agencies made a run at the same thing, so in 1984 the Legislature adopted the generally applicable per-meeting increase mechanism for all water agencies that is found in Water Code sec 20200. Since then, the only provision that I know of that has been adopted that singles out a district for special consideration is the Municipal Utility District Act amendment in 1987 or 1988 for SMUD's Board. Peter Detwiler, long-time (but now retired) chief consultant for the Senate Local Government Committee, was the key person in Sacramento on this issue for several decades. When approached by another agency in 2007 re the question of pursuing a bill switching to a salary from a per-meeting payment system, Peter instantly let it be known that such a bill would be a "third rail" matter -- no legislator would want to touch it; I suspect the same would be true now.

Frequently, the key issue for water district boards under Water Code sec. 20200 *et seq.* is whether they are willing to agendize and publicly consider/approve an ordinance that would increase their compensation. In some cases, that has been a deterrent – some water agencies adopted a series of such ordinances back in the 1980's but have not been willing to even consider a further increase to their compensation for quite some time, as rates and charges and some projects became somewhat controversial, and in light of various accounts of a few local jurisdictions that have faced allegations of scandal regarding compensation.

Once you have looked at these materials, please call me if you have any questions or are looking for anything further from us. For example, you said something today that indicated you may be interested in a letter to the Board from us, which we would be happy to provide.

Bob Maddow

(925) 933-7777, voicemail ext. 115

(510) 409-0672 cell

WATER CODE

SECTION 20200-20207

20200. As used in this chapter, "water district" means any district or other political subdivision, other than a city or county, a primary function of which is the irrigation, reclamation, or drainage of land or the diversion, storage, management, or distribution of water primarily for domestic, municipal, agricultural, industrial, recreation, fish and wildlife enhancement, flood control, or power production purposes. "Water districts" include, but are not limited to, irrigation districts, county water districts, California water districts, water storage districts, reclamation districts, county waterworks districts, drainage districts, water replenishment districts, levee districts, municipal water districts, water conservation districts, community services districts, water management districts, flood control districts, flood control and floodwater conservation districts, flood control and water conservation districts, water management agencies, water agencies, and public utility districts formed pursuant to Division 7 (commencing with Section 15501) of the Public Utilities Code.

20201. Notwithstanding any other provision of law, the governing board of any water district may, by ordinance adopted pursuant to this chapter, provide compensation to members of the governing board, unless any compensation is prohibited by its principal act, in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board, or for each day's service rendered as a member of the board by request of the board, and may, by ordinance adopted pursuant to this chapter, in accordance with Section 20202, increase the compensation received by members of the governing board above the amount of one hundred dollars (\$100) per day.

It is the intent of the Legislature that any future increase in compensation received by members of the governing board of a water district be authorized by an ordinance adopted pursuant to this chapter and not by an act of the Legislature.

For purposes of this section, the determination of whether a director's activities on any specific day are compensable shall be made pursuant to Article 2.3 (commencing with Section 53232) of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code.

20201.5. Reimbursement for expenses of members of a governing board of a water district is subject to Sections 53232.2 and 53232.3 of the Government Code.

20202. In any ordinance adopted pursuant to this chapter to increase the amount of compensation which may be received by members of the governing board of a water district above the amount of one

hundred dollars (\$100) per day, the increase may not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted.

No ordinance adopted pursuant to this chapter shall authorize compensation for more than a total of 10 days in any calendar month.

20203. Any water district described in Section 20201 is authorized to adopt ordinances pursuant to this chapter. No ordinance shall be adopted pursuant to this chapter except following a public hearing. Notice of the hearing shall be published in a newspaper of general circulation pursuant to Section 6066 of the Government Code.

20204. An ordinance adopted pursuant to this chapter shall become effective 60 days from the date of its final passage. The voters of any water district shall have the right, as provided in this chapter, to petition for referendum on any ordinance adopted pursuant to this chapter.

20205. If a petition protesting against the adoption of the ordinance is presented to the governing board of the water district prior to the effective date of the ordinance, the ordinance shall be suspended and the governing board shall reconsider the ordinance.

If the number of votes cast for all candidates for Governor at the last gubernatorial election within the boundaries of the water district exceeds 500,000, the ordinance is subject to referendum upon presentation of a petition bearing signatures of at least 5 percent of the entire vote cast within the boundaries of the water district for all candidates for Governor at the last gubernatorial election. If the number of votes cast for all candidates for Governor at the last gubernatorial election within the boundaries of the water district is less than 500,000, the ordinance is subject to referendum upon presentation of a petition bearing signatures of at least 10 percent of the entire vote cast within the boundaries of the water district for all candidates for Governor at the last gubernatorial election.

20206. If the governing board does not entirely repeal the ordinance against which a petition is filed, the governing board shall submit the ordinance to the voters either at a regular election or a special election called for the purpose. The ordinance shall not become effective unless and until a majority of the votes cast at the election are cast in favor of it. If the ordinance is not approved by the voters, no new ordinance may be adopted by the governing board pursuant to this chapter for at least one year following the date of the election.

20207. Except as otherwise provided in this chapter, the provisions

of the Elections Code applicable to the right of referendum on legislative acts of districts shall govern the procedure on ordinances against which a petition is filed.



2012 BOARD PROCEDURES UPDATE

	Meeting Fee	Medical/Dental Premiums	Pension Benefits
CCWD	\$100/meeting; 10 meetings/month	100% paid	No District contribution to pension or deferred comp
ACWD	\$175/meeting; 8 meetings/month	100% paid	District contributes 7.5% to deferred comp plan
CCCS	\$221/meeting; 6 meetings/month	100% paid; can opt out and receive medical expense reimbursement up to \$5,000 per year	No District contribution to pension or deferred comp
DDSD	\$170/meeting; 6 meetings/month (effective 3/11/12)	100% paid	No District contribution to pension or deferred comp
DSRSD	\$146/meeting; 10 meetings/month	100% paid	Up to \$10/month match for deferred compensation
EBMUD	\$1,120/month	100% for Kaiser and 85% for Anthem Blue Cross and Health Net. 100% for all plans if only the director is covered.	District contributes 37.74%
ISD	\$170/meeting; 6 meetings/month	100% paid up to Kaiser Family rate	Up to \$10/month match for deferred compensation
SCVWD	\$286/meeting; 10 meetings/month	100% paid	No District contribution to pension or deferred comp

IRONHOUSE
SANITARY

DELTA-DIABLO SANITARY

13

DISBURSEMENTS - DATED JUNE 20, 2013

Date Prepared: 6/18/13

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	Advanced Aquatic Solutions	Replacement Aeration System for Stafford Lake	\$20,920.03
2	Alpha Analytical Labs	Lab Testing (West Marin-\$325 & Novato-\$1,845)	2,170.00
3	AT&T	Telephone Charges: Voice Lines	226.02
4	Badger Meter	Charger & Power Cord for Meter Reading Device	141.89
5	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 20 of 240)	46,066.67
6	Bay Area Barricade Service	Marking Paint (60-17 oz cans) (\$215) & Spray Chalk (60-17 oz cans) (\$223)	438.45
7	Bucciarelli, Steve & La Ronda	Refund Deposit/New Development/Water Conservation Restriction-West Marin	1,000.00
8	Buck's Saw Service	Weed Eater Line (\$60) & String Holder	92.58
9	Bundesen, Gerald	Retiree Exp Reimb (June Monthly Health Ins)	884.31
10	Butti, Lou	Retiree Exp Reimb (June Monthly Health Ins)	282.55
11	Cagan, Danielle	Novato "Washer Rebate" Program	50.00
12	CDW-Government	Battery Backups for Pt. Reyes Treatment Plant RTU	372.66
13	Diggs, James	Retiree Exp Reimb (June Monthly Health Ins)	884.31
14	Doleman, Ian	Novato "Washer Rebate" Program	50.00
15	Farr, Joyce	Novato "Toilet Rebate" Program	200.00
16	Ferguson, John	Novato "Washer Rebate" Program	50.00
17	Filippi, Connie	Exp Reimb: Excel, Payroll Law & PERS Business Rules Classes. Mileage (\$69), Bridge Toll (\$5) & Parking (\$4)	78.27

Seq	Payable To	For	Amount
18	Golden Gate Petroleum	Gasoline (\$3.87/gal) & Diesel	4,100.68
19	Groeniger	12" Els (4) (\$600) & 6" Pipe (40) (\$696)	1,296.45
20	Don Johnson's Pool & Spa	Vacuum Hose & Pole (STP)	250.69
21	KP Promotions	Jackets for Safety Recognition (11)	599.50
22	Lemos, Kerry	Exp Reimb: Registration for Joe Cilia to Attend Wine Country Water Works Assoc Training on 6/26/13 Needed for his D1 Contract Hours	70.00
23		Cafeteria Plan: Childcare Reimbursement	208.33
24	Maltby Electric	Galvanized Channels (20), Electrical Conduit Pull String (\$86) & Electrical Wire (\$208)	328.94
25	Manshour, Lisa	Novato "Washer Rebate" Program	50.00
26	Matchette, Tim	Retiree Exp Reimb (Monthly Health Ins)	282.55
27	McMaster-Carr Supply	Pump Suction Hose (\$249), Cable Ties (250), Copper Wire (500') (\$50), Aluminum Seals (200) & Aluminum Press (\$88)	447.39
28	Meadow Park Homeowner's Association	Landscape/Irrigation System Repairs & Good Will Regarding Recycled Water Project	7,180.00
29	New Pig	Absorbent Mats for Parking Lot Drains	100.24
30	North Marin Water District SRF	STP State Revolving Fund Loan Principal & Interest (Pyemt 8 of 40)	574,460.90
31	Novato Chevrolet	Water Pump (\$148) & Fan Belts (3) (\$141) ('06 Chevy Colorado)	289.38
32	NTU Technologies	Dry Polymer (55 lbs) (STP)	170.50
33	Office Depot	Paper Trimmer (\$56) (Consumer Services) & Stapler	61.82
34	On Line Resource	Refund Overpayment on Closed Account	159.04
35	Pace Supply	Bushings (30) (\$263), Meter Flanges (3) (\$43), Meter Stops (50) (\$1,228), Els (7) (\$258), Meter Spud, Gate Valves (9) (\$3,493), Gaskets (20) (\$53), Service Saddles (5) (\$401) & Corp Stops (7) (\$1,271)	14,485.14

Seq	Payable To	For	Amount
36	Phillips & Associates	June O & M of O.M. Wastewater Treatment System	5,187.96
37	Radio Shack	Batteries for Data Loggers & RTU Fuses	28.74
38		Cafeteria Plan: Childcare Reimbursement	208.33
39	Roberts, Renee	Retiree Exp Reimb (June Monthly Health Ins)	282.55
40	Roto Rooter	Emergency Services to Clear Sewer System @ O.M. on 5/26/13	1,102.50
41	Sequoia Safety Supply	Safety Glasses (12) & Brief Relief Urine Bags (100) (\$222)	262.78
42	Shelton, Matthew	Novato "Washer Rebate" Program	50.00
43	Siemens Water Technologies	Service on Deionization System	217.78
44	Sonoma County Water Agency	Water Smart Home Surveys	1,879.98
45	SPG Solar	Energy Delivered Under Solar Services Agreement (5/1-5/31/13)	13,394.47
46	Staples Business Advantage	3 x 5 Notepads (6), Binders (14) (\$70), Clasp Envelopes (100), Index Tabs, Copy Paper (400 reams) (\$132), Chairmat (\$40) (McIntyre) & Highlighters (12)	332.37
47	State Water Resources Control	Clean Drinking Water State Revolving Fund Loan Principal & Interest-RW N-Segment 3	96,153.16
48	Univar	Ferric Chloride (20,160 lbs)	6,904.59
49	USA BlueBook	Stir Bars (3), Chlorine Tests, Magnetic Stirrer (\$114) & Buffer (STP)	304.32

Seq	Payable To	For	Amount
50	US Bank	May Safekeeping Fee-Treasury Securities	116.25
51	Verizon California	Telephone Charges: Leased Lines	966.33
52	Workforce Boots & Clothing	Safety Boots (Bynum)	181.84
		TOTAL DISBURSEMENTS	<u>806,023.24</u>

The foregoing payroll and accounts payable vouchers totaling \$806,023.24 are hereby approved and authorized for payment.



Auditor-Controller

6/18/13

Date



General Manager

6/18/2013

Date

MEMORANDUM

To: Board of Directors

June 21, 2013

From: Nancy Holton, Senior Accountant *NH*

Subj: Information - Outstanding Invoice - Rossi
\\nmt:\finance\accountsreceivable\john frank rossi invoice Paid in Full.docx

RECOMMENDED ACTION: Information

FINANCIAL IMPACT: \$4,223 Received

On June 15, 2008, a hydrant at Novato Blvd and Grant Ave was hit by a vehicle driven by John Frank Rossi. An invoice in the amount of \$4,223 was sent to Mr. Rossi on July 25, 2008 for reimbursement of the hydrant repair cost and for 180,000 gallons of lost water. Mr. Rossi, the adult son of a Novato resident, made no payment to the District until April of 2011, when he was released from Marin County Jail. The District worked extensively with County authorities over the five year period that we endeavored to obtain reimbursement, and, as a result, one of the terms of Rossi's probation was a requirement that he make restitution for the damage caused.

Mr. Rossi made a series of 24 payments to the district in varying amounts over a 26 month period. The final payment of \$278 was received this week and the invoice is now paid in full.

MEMORANDUM

To: Chris DeGabriele, General Manager

May 30, 2013

From: Robert Clark, Operations / Maintenance Superintendent *REC*

Subject: Emergency Response in Oceana Marin Sunday May 26, 2013

X:\MAINT SUP\2013\Memo OM spill 5-26-13 GM.doc

At 12:15 on Sunday May 26 our on call staff Miguel Venegas received a call from the Novato Police letting him know that they had received a call from the resident at 220 Ocean Dr. in Dillon Beach about a sewer manhole over flowing. The Notification did not include any specifics about the amounts or where the spill was discharging to. Miguel contacted me at 12:20 and gathered all his information and told him I would call Phillips and Associates (P&A) to follow up and would call him back if more was needed.

I contacted Steve Phillips at 12:22 and passed on the information of the spill and he indicated that he would call in their on-call staff and let me know what was going on. Because Steve Phillips was out of town I agreed to contact Roto-rooter and have them standby. After calling both Roy's Sewer service that did not answer and Roto-rooter who took the call and arranged to have a technician call me back, I called Dale Holmes who lives in Oceana Marin to find out if he had gotten involved with this issue. Dale had not been contacted and also informed me that he was not currently in Oceana Marin but in Petaluma.

I came into the office at 1:45 to follow up with Phillips and Associates (P&A) and begin to make the necessary contacts for the Sanitary Sewer Overflow (SSO) to the North Coast Water Quality Control Board (Regional Board), California Office of Emergency Services (CAOES) and others agencies if necessary. At 2:00 I had not heard back from P&A and reached out to Steve to get an update to find that his staff was in route and had not gotten out to Oceana Marin. I then asked that our on call staff take barricades and sample bottles out to Oceana Marin to see what the situation was. At 2:15 I made the phone calls to the Regional Board and CAOES.

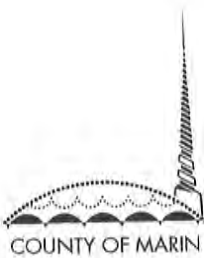
By 2:30 the P&A staff had still not responded so I asked our staff to go to the site to investigate, I also headed out to OM to catch up with the Crew and P&A. I was around 3:15 that I arrived in OM and the Crew and Tim from P&A had arrived just a few minutes prior. They found that MH 27 was over flowing periodically and the ground around the MH was damp with no surface collection, but damp 2-3 feet from the MH. There were no debris on the surface and no smell present.

Tim and I inspected the next down stream MH and found only a slight drainage 3-5 gpm from the upstream MH 27. Because there was no surface drainage and not barricade or customer notification required I sent the Crew back to Novato around 3:45. Tim and I reviewed the

system drawing I had with me and discussed what the Roto-rooter folks should do when they arrived. I also left the site at 4:15.

At 5:30 the Roto Rooter technician called to let me know that the blockage was caused by a clump of rags and diapers in the sewer main 60' up the line from MH 22 to MH 27. The line was cleared and Tim from P&A had inspected the line down to the lift station.

Because of the nature of the response I was not able to put together a Purchase Request for the Roto Rooter call out. Their bill will be approximately \$1,100 and I have asked them to invoice the District for payment.



MARIN COUNTY PARKS

Preservation • Recreation

RECEIVED

JUN 14 2013

North Marin Water District

June 4, 2013

MARIN COUNTY
PARKS
PRESERVATION RECREATION



Chris DeGabriele
North Marin Water District
P.O. Box 146
Novato, California 94948-0146

Subject: North Marin Water District projects on Marin County Open Space District Property

Linda Dahl
DIRECTOR
GENERAL MANAGER

Dear Chris:

Thank you for meeting with Marin County Parks staff to discuss staff's proposed non-conforming use policy. Based on our conversation, it is my understanding that the current draft of the proposed policy addresses your concerns, and you do not object to the adoption of this policy. Thank you for your help and support on this matter.

During our meeting you described two proposed projects that would affect property owned by the Marin County Open Space District: 1) a new pipeline from an existing tank site within the Mount Burdell Open Space Preserve, and 2) a new pipeline across the Indian Valley Open Space Preserve, connecting Indian Valley Road to Ignacio Valley Road. As we discussed in our meeting, Marin County Parks staff is committed to working with you on these projects and is willing to consider the granting of easements for these projects.

Once again, thank you for your support and assistance. If you have any additional questions, please contact James Raives of my staff at (415) 473-3745 or jraives@marincounty.org.

Sincerely,

Ronald Miska
Deputy Director

c: James Raives
Linda Dahl

Marin County Civic Center
3501 Civic Center Drive
Suite 260
San Rafael, CA 94903
415 473 6387 T
415 473 3795 F
415 473 2495 TTY
www.marincountyparks.org

MARIN COUNTY PARKS NONCONFORMING USE POLICIES

The following policies guide the decision-making process whereby County of Marin Parks Department (County) and Marin County Open Space District (District) assess proposals for nonconforming uses (utilities, telecommunications facilities, vehicular access to such facilities, construction of roads, etc.) of County parks and District open space preserves by public utilities, wireless phone companies, special districts, and other public and private entities.

NU 1

The use of parks and open space preserves for other than the protection and enhancement of natural resources, and the support of public recreational opportunities, shall not be permitted, except in limited circumstances approved by the Marin County Board of Supervisors or the Board of Directors of the Marin County Open Space District, and when the person or organization requesting the nonconforming use provides substantial evidence that clearly documents that the nonconforming use:

- a. Provides or supports a direct benefit to the public; and
- b. Cannot feasibly be located in an area outside of the park or open space preserve; and
- c. Will not adversely affect biological, geological, hydrological, cultural, visual, recreational, or other resources of the preserves, parks, and other areas; and
- d. Complies with all appropriate federal, state, and local laws and regulations, including federal, state, and local regulatory permit requirements and the requirements of the California Environmental Quality Act; and
- e. Has received permission from other landowners with a real property interest directly affected by the nonconforming use through a lease, license, easement, or other similar instrument.

NU 2

The County or District may provide revocable permission through a license, lease, or permit, which cannot be sold or otherwise transferred by the beneficiary of such license, lease, or permit, and for which the County or District may require compensation.

Neither the County nor the District shall grant permanent real property interests, such as easement or fee interests, to accommodate nonconforming uses, except that the County or District may enter into an agreement with another public entity to provide an easement for a nonconforming use if the County or District determines that the use will not interfere with the park or open space use and the affected property will remain in substantially its original condition. The County or District may require the public entity to adopted a "resolution of necessity" consistent with California Code of Civil Procedure Section 1245.210 et seq. before proceeding with the agreement.

NU 3

The County and the District shall require the applicant seeking an exception for a nonconforming use to pay all costs associated with the review, approval, and

implementation of the proposed activity, including staff, real estate, regulatory permitting, and environmental review.

NU 4

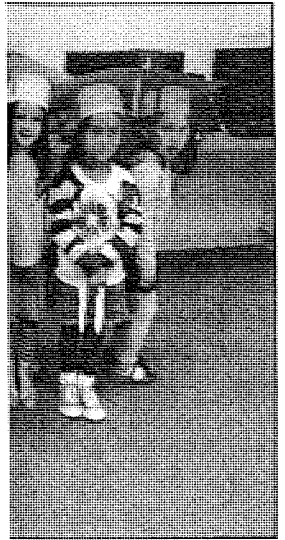
The County and the District may require additional fees to mitigate for impacts to its land, resources, and facilities, and/or to support maintenance of the existing facilities affected by the nonconforming use, and/or to improve County parks or District preserves to reduce the long-term adverse effects of the nonconforming use.

NU 5

The County and the District may require removal of any improvements related to the nonconforming use at the termination of the license, lease or permit, and may require bonds or other financial mechanisms to ensure removal of any such improvements.

Announcements

and the gym was decorated tastefully with large waves done with just the right balance between forcefully compelling forward energy and gentle support. Cresting each wave was a picture of a graduate riding either a surf board or a replica of an ominous looking shark. Each of the seven graduates marched in to a tune presumably of their own choosing while the audience watched them morph on a video screen from an infant to a youngster to an 8th grader. In tandem with the community spirit that makes these graduations so special were the speeches each graduate delivered. They were thoughtful, speckled with humor, and reflective of important people in their lives. I think they could make a book of these speeches; however that wouldn't quite capture the charm of the actual deliveries.



up for their big cere-
hoenix, Isla, Krystal, and

Kim Wallach, who was stepping down after 7 years as President of the Nicasio School Board, delivered a wonderful and



Nancy Holton, Senior Accountant; Dianne Landeros, Accounting/HR Supervisor; and Nancy Williamson, Senior Accountant. *Photo courtesy of NMWD*

NMWD recognized for financial reporting

For the fourth year in a row, the Certificate of Achievement for Excellence in Financial Reporting has been awarded to North Marin Water District by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government agency and its management.

The North Marin Water District's 2012 CAFR has been judged by an impartial panel to meet the high standards of the program, including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

The GFOA is a nonprofit professional association, serving approximately 17,500 government finance professionals, with offices in Chicago and Washington, DC.

West
Marin
Citizen
6/13/13