



NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING
 June 27, 2017 – 7:00 p.m.
Dance Palace
503 B Street
Point Reyes Station, California

Information about and copies of supporting materials on agenda items are available for public review at 999 Rush Creek Place, Novato, at the Reception Desk, or by calling the District Secretary at (415) 897-4133. A fee may be charged for copies. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District Secretary as soon as possible, but at least two days prior to the meeting.

Est. Time	Item	Subject
7:00 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:	Resolutions
	1. West Marin Water Rate Increase	
	2. West Marin Water FY 2017/2018 Budget	
	5. PUBLIC HEARING/APPROVE:	Resolutions
	1. Ocean Marin Sewer Service Charge Increase	
	2. Oceana Marin Sewer FY18 Budget	
	ACTION CALENDAR	
	6. Approve: Assistant Auditor-Controller Job Description and Authorize Recruitment	
	7. Approve: Response Letter to City of Novato 2017 Urban Growth Boundary Draft Ordinance for Ballot	
	INFORMATION - WEST MARIN	
	8. West Marin Capital Improvements Projects - FY16-17 Preliminary Year-End Progress Report	
	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.	
	9. Consent – Approve: Miller Pacific Engineering Group Consulting Services Agreement for Erosion Control Pursuant to Cooperative Agreement for Water Quality Protection on Marindale Ranch	
	10. Consent – Approve: Granular Activated Carbon Replacement Purchase	

All times are approximate and for reference only.

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

(Continued)

Est. Time	Item	Subject
	11.	MISCELLANEOUS Disbursements <u>News Articles:</u> Marin IJ Editorial: Report provides pension facts public should know Marin home prices hit record \$1.25M for May California: beyond the drought
8:00 p.m.	12.	ADJOURNMENT

1

2

3

4

MEMORANDUM

To: Board of Directors

June 23, 2017

From: David L. Bentley, Auditor-Controller 

Subj: Public Hearing/Approve – West Marin Water FY 2017/2018 Budget

t:\ac\word\budget\wm\17\wm17_wtr_public_hearing.docx

RECOMMENDED ACTION: 1) Approve the Proposed Rate Increase;
2) Approve the Proposed FY18 Budget

FINANCIAL IMPACT: 1) Rate Increase Would Generate \$40,000 in Annual Revenue;
2) FY18 Budgeted Expenditure Plan of \$1,289,000

Presented for your third and final review, public hearing and approval is the proposed FY2017/2018 (FY18) Budget for the West Marin Water System. There have been no changes to the proposed budget since the Board's June 20th review.

WATER RATE INCREASE: A public hearing to consider adoption of a 5% increase in the cost of water effective July 1, 2017, is scheduled for June 27 at 7:00 PM. Customers were notified individually of the proposed rate increase by letter dated May 12, 2017 (included on page 9 of the budget document) and a notice of the Public Hearing was published in the June 15 edition of the Point Reyes Light (Attachment A), extending an invitation to attend the hearing and/or exercise the right to protest the proposed increase. A customer protest of 50% plus one would invalidate the proposed increase.

The outreach to customers generated one phone call and one letter. The caller asked that any increase be designed to reward customers with low consumption. The customer letter simply registered a protest. Both are included as Attachments B.

After Staff's presentation on the proposed water rate increase and budget, public comment can be taken. Attachment C is a draft of Regulation 54 incorporating the proposed changes in strike-out mode for easy reference.

RATE INCREASE PROPOSAL DETAIL

A 5% increase is recommended in both the commodity rate and the bimonthly service charge, which would increase to \$31.50 bimonthly for the typical customer with a 5/8" meter. The proposed West Marin Water increase would total \$32 annually (\$2.67 per month) for the typical residential customer (see Rate Increase Analysis on page 5 of the budget document). If enacted, the proposed increase is budgeted to generate \$40,000 in additional in revenue next fiscal year, as follows:

Commodity Rate Increase	\$31,000
Bimonthly Service Charge Increase	9,000
Total	<u>\$40,000</u>

Annual 5% increases are included in the 5-year financial plan for FY18 and beyond (see page 3) to help pay for \$5.85 million in capital improvement projects scheduled to be constructed over the next five years.

CONNECTION FEES

The West Marin Water connection fee was last increased in August 2009. In November 2014 the Board reviewed this charge based on the updated West Marin Water Master Plan, and found the existing connection fee adequate. One new connection is budgeted for West Marin Water next fiscal year.

BUDGETED SYSTEM IMPROVEMENT PROJECTS

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

- \$550,000 to complete the bulk of the work on the \$625,000 replacement of PRE Tank #4A burned in the Vision Fire.
- \$75,000 to replace the green-sand filter media in the second of two treatment plant filters (\$75,000 was expended in FY17 to replace the media in the first filter).

The West Marin Water 5-Year Financial Plan includes a \$1.3 million Treatment Plant Solids Handling Facility to be constructed over a two-year period commencing in FY19. Rehabilitation of Coast Guard Well #2 is also scheduled for FY19 at a cost of \$275,000. Rehabilitation of the Water Treatment Plant, budgeted at \$2.8 million, is scheduled for FY22.

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 cash deficit next fiscal year of \$380,000. This deficit assumes 100% of the \$675,000 Capital Improvement Project Budget is expended, which typically does not occur. The proposed budget projects one new service to be added to the system each year into the future, in line with the slow growth we have seen recently.

FY18 water sales volume is budgeted to increase 3% compared with the current year estimated actual. Unlike the current fiscal year, FY18 will not include mandatory water use restrictions. The West Marin system is projected to consume 62 million gallons (MG) next year,

compared to 60MG estimated for the current fiscal year. Average annual consumption over the past decade is 74MG. The forecast assumes water sales volume will rise to 65MG in FY20 and remain static into the future 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, before depreciation, are budgeted to decrease 4% from the FY17 adopted budget, a decrease of \$22,000, and to increase 6% from the FY17 estimated actual expense. A graphical history of operating expenditures is included on page 8. The 2017 update of the Coastal Area Annual Water Cost Comparison (page 12) shows that, even with the proposed 5% 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.

STAFF RECOMMENDATION

After closing the public hearing:

1. Approve Resolution 17-XX (Attachment D) amending Regulation 54 pertaining to Water Rates and Charges to reflect a 5% increase for the typical residential customer in the West Marin Water Service Area effective July 1 of 2017;
2. Adopt the FY18 West Marin Water System Budget as presented;
3. Authorize the General Manager to pay demands arising from execution of the budgeted FY18 West Marin Water expenditure plan.

PUBLIC HEARING NOTICE
PROPOSED NORTH MARIN WATER DISTRICT WATER RATE INCREASE

Purpose: Consider FY 2017/18 Budget and Proposed Rate Increase
Impact Area: West Marin Water Service Area
Date and Time: Tuesday, June 27, 2017 at 7:00 p.m.
Place: Dance Palace, 503 B Street, Point Reyes Station, CA

BACKGROUND: Water meters are read and customers receive a bill bimonthly. The bill is comprised of 1) a "Water Use Charge" that is determined by multiplying a commodity rate times water use measured in thousand gallon units; and 2) a bimonthly "Service Charge" – currently \$30 for the typical residential water meter. The West Marin water service area is comprised of 781 metered services distributed over five rate zones based upon elevation and tax rate area. Customers residing within a higher elevation zone pay a correspondingly higher commodity rate, or "Hydraulic Zone Charge," designed to recover the incremental cost of energy and maintenance for pumping water into each elevation zone.

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

*JUNE 15
POINT REYES LIGHTS*

EFFECTIVE DATE: The increases are proposed to be effective July 1, 2017.

IMPACT:

Residential Accounts: A 5% increase in the cost of water is proposed, which would result in an average increase of \$2.67 per month (\$32 annually) for the typical (median) single-family residential customer who consumes 51,600 gallons of water annually. Those using less than the median would see an increase less than \$32 annually, and those using more would pay more.

Non- Residential Accounts: Commercial, Institutional & Irrigation customers would see a 5% increase. The proposed increase in the total water cost will vary based upon water use.

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

WHY ARE RATES BEING INCREASED?

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

HOW TO PARTICIPATE: You are cordially invited to attend the hearing and present oral or written testimony on the proposal. You have the right to protest this proposed rate increase. If you do, you must submit your protest in writing, even if you plan to attend the public hearing. If written protests are submitted by a majority of the affected property owners or customers, the proposed increases will not be imposed. Your written protest must be received prior to the close of the June 27, 2017 public hearing. Written protests must be signed by the property owner or customer of record and must include the parcel number or NMWD account number. Send or deliver written protests to: District Secretary, North Marin Water District, PO Box 146, Novato, CA 94948

ADDITIONAL INFORMATION: For more information visit NMWD's website at www.nmwd.com or call the District Secretary at (800) 464-6593

David Bentley

Subject: Rate Increase
Entry Type: Phone call
Company: Point Reyes Customer

Start: Tue 5/23/17 4:47 PM
End: Tue 5/23/17 4:51 PM
Duration: 4 minutes

Contacts: Barbara Steinberg
Categories: R

Customer – for 40-50 years – suggests we focus the increase to reward the people who have low consumption. She is unable to drive so cannot attend the public hearing. I advised I would express her thoughts to the Board.

MAY 29, 2017

PROTEST to Proposed Water Cost Increase
WEST MARIN SERVICE AREA
EFFECTIVE July 1, 2017

ATTENTION: District Secretary
North Marin Water District
P.O. Box 146
Novato, Ca 94948

PLEASE REGISTER this written protest
FOR CUSTOMER ACCOUNT NMWD 2034901

s/ J A Watt
JOSEPH A. WATT

c/c MARIN County BOARD OF SUPERVISORS

RECEIVED

MAY 31 2017

North Marin Water District

ATTACHMENT B

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

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

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

<u>A BI-MONTHLY SERVICE CHARGE OF:</u>	Rate Effective 6/1/17
Standard 5/8 inch meter.....	\$31.50
For 1-inch meter*	\$63.00
1.5-inch meter*.....	\$77.00
2-inch meter.....	\$120.00
3-inch meter.....	\$238.00
4-inch meter.....	\$382.00
6-inch meter.....	\$799.00
8-inch meter.....	\$1,191.00
*(see paragraph f)	

<u>PLUS A QUANTITY CHARGE OF:</u>	Rate Effective 6/1/17
<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	
First 615 gallons per day (gpd)	\$5.07
616 up to 1,845 gpd.....	\$7.99
Use in excess of 1,845 gpd	\$13.91

<u>Rate for 1,000 Gal for All Other Potable Water Accounts</u>	
Commercial, Institutional & Irrigation Accounts - 11/1 – 5/31	\$5.52
Commercial, Institutional & Irrigation Accounts - 6/1 – 10/31	\$5.93

<u>Rate For 1,000 Gallons For Non-Potable Water</u>	
Recycled Water	\$5.52
Raw (Untreated) Water from Stafford Lake	\$2.28

PLUS AN ELEVATION ZONE CHARGE FOR EACH 1,000 GALLONS

<u>Zone</u>	<u>Elevation</u>	Rate Effective 6/1/17
A	0 through 60 feet	\$0.00
B	60 feet – 200 feet	\$0.60
C*	200 feet +	\$1.92

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

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

- (3) In the event a mandatory reduction in water use is triggered under the District's Water Shortage Contingency Plan for the Greater Novato Area, a Drought Surcharge will be implemented simultaneous with enactment of the mandatory stage. The Drought Surcharge will serve to mitigate the revenue loss resulting from a reduction in water use, as well as the liquidated damages assessed by the Sonoma County Water Agency pursuant to the water shortage and apportionment provisions of the Restructured Agreement for Water Supply. The Drought Surcharge shall be a quantity charge for each 1,000 gallons of potable water use as follows:

Residential Accounts: Use in excess of 300 gallons per day\$1.00

Commercial, Institutional and Irrigation Accounts: All Use\$1.00

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 firefighting shall be paid once every two months as follows:

Size of Detector Assembly

	Rate Effective 6/1/17
2 inches or less.....	\$16.00
4 inches	\$29.00
6 inches	\$57.00
8 inches	\$87.00
10 inches	\$114.00

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:

BI-MONTHLY SERVICE CHARGE

	Rate Effective 7/1/13 7/1/17
For 5/8 x 3/4-inch meter	\$30.00 31.50
For 1-inch meter*.....	\$60.00 63.00
For 1 1/2-inch meter*.....	\$73.00 77.00
For 2-inch meter	\$114.00 120.00
For 3-inch meter	\$227.00 238.00
For 4-inch meter	\$364.00 382.00
For all meters in Paradise Ranch Estates	\$46.00 47.50

*(see paragraph f)

PLUS A QUANTITY CHARGE OF:

<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	Rate Effective 7/1/14 6/1/17
First 400 gallons per day (gpd)	\$8.14 8.55
401 up to 900 gpd.....	\$11.28 8.84
Use in excess of 900 gpd.....	\$18.09 18.99

Rate Per 1,000 Gallons for All Other Accounts

Commercial, Industrial and Irrigation Accounts Nov 1 – May 31	\$8.23 8.64
Commercial, Industrial and Irrigation Accounts June 1 – Oct 31	\$11.38 11.95

PLUS A HYDRAULIC ZONE CHARGE FOR EACH 1,000 GALLONS

<u>Zone</u>	<u>Hydraulic Zone</u>	<u>Rate Effective</u> <u>7/1/16 7/1/17</u>
1	Point Reyes Station	\$0.00
2	Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0'–365').....	\$0.2422
3	Olema	\$0.8084
4	Upper Paradise Ranch Estates (Elevation 365'+).....	\$5.445.71

(2) ~~Effective July 1, 2016, charge for raw water delivered from Lagunitas Creek shall be paid once every two months at the rate of \$0.46 per 1,000 gallons.~~

(3) Effective July 1, 2016 consumers outside the Improvement District boundary shall pay an additional ~~\$3.26~~ \$3.42 per 1,000 gallons.

(4) In the event a mandatory reduction in water use is triggered under the District's Water Shortage Contingency Plan for the West Marin Service Area, a Drought Surcharge will be implemented simultaneous with enactment of the mandatory stage. The Drought Surcharge will serve to mitigate the revenue loss resulting from a reduction in water use, as well as the cost of water purchased from Marin Municipal Water District for release into Lagunitas Creek, pursuant to the Interconnection Agreement between Marin Municipal and NMWD. The Drought Surcharge shall be a quantity charge for each 1,000 gallons as follows:

Residential Accounts: Use in excess of 200 gallons per day\$2.50

Commercial, Institutional and Irrigation Accounts: All Use\$2.50

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</u> <u>6/1/17</u>
For each 1,000 gallons	\$7.85

<u>West Marin Service Area</u>	<u>Rate Effective</u> <u>7/1/16 7/1/17</u>
For each 1,000 gallons	\$16.8217.66

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

e. Service Arrangements Requiring Assessment of Additional Service Charge, All Service Areas

A minimum service charge established by this regulation, equal to ~~\$15.00~~ \$15.75 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

	<u>Rate Effective</u> <u>6/1/17</u>
Where a meter larger than is otherwise required is installed solely to provide capacity for private fire sprinklers or other firefighting equipment in single-family residential connections the minimum bi-monthly service charge shall be:	\$35.70

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 6/1/17
Testing, Repair, Replacement	3/4" + 1"	\$13.00
Testing, Repair, Replacement	1 1/2"	\$17.00

Privately Owned DCV Devices:

Services Performed by District	Size	Rate Effective 6/1/17
Testing	3/4" + 1"	\$7.00
Testing	1 1/2"	\$13.00
Testing	2"	\$20.00
Testing	3" + 4"	\$29.00

District Owned RPP Devices:

Services Performed by District	Size	Rate Effective 6/1/17
Testing, Repair, Replacement	3/4" + 1"	\$22.00
Testing, Repair, Replacement	1 1/2" + 2"	\$27.00
Testing, Repair, Replacement	3" + 4"	\$120.00
Testing, Repair, Replacement	6" + 8"	\$259.00

Privately Owned RPP Devices:

Services Performed by District	Size	Rate Effective 6/1/17
Testing	3/4" + 1"	\$14.00
Testing	1 1/2" + 2"	\$26.00
Testing	3" + 4"	\$55.00
Testing	6" + 8"	\$106.00

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.

	Rate Effective 6/1/17
Each consumer that applies for and receives such an exemption shall pay a bimonthly fee of:	\$3.00

RESOLUTION 17- 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, 2017:

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:

<u>BI-MONTHLY SERVICE CHARGE</u>	Rate Effective <u>7/1/17</u>
For 5/8 x 3/4-inch meter	\$31.50
For 1-inch meter*	\$63.00
For 1 1/2-inch meter*	\$77.00
For 2-inch meter	\$120.00
For 3-inch meter	\$238.00
For 4-inch meter	\$382.00
For all meters in Paradise Ranch Estates	\$47.50
*(see paragraph f)	

PLUS A QUANTITY CHARGE OF:

<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	Rate Effective <u>7/1/17</u>
First 400 gallons per day (gpd)	\$8.55
401 up to 900 gpd	\$11.84
Use in excess of 900 gpd	\$18.99

Rate Per 1,000 Gallons for All Other Accounts

Commercial, Industrial and Irrigation Accounts Nov 1 – May 31	\$8.64
Commercial, Industrial and Irrigation Accounts June 1 – Oct 31	\$11.95

PLUS A HYDRAULIC ZONE CHARGE FOR EACH 1,000 GALLONS

<u>Zone</u>	<u>Hydraulic Zone</u>	<u>Rate Effective</u> <u>7/1/17</u>
1	Point Reyes Station	\$0.00
2	Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0'–365').....	\$0.22
3	Olema	\$0.84
4	Upper Paradise Ranch Estates (Elevation 365'+)	\$5.71

- (2) Effective July 1, 2016 consumers outside the Improvement District boundary shall pay an additional \$3.42 per 1,000 gallons.
- (3) In the event a mandatory reduction in water use is triggered under the District's Water Shortage Contingency Plan for the West Marin Service Area, a Drought Surcharge will be implemented simultaneous with enactment of the mandatory stage. The Drought Surcharge will serve to mitigate the revenue loss resulting from a reduction in water use, as well as the cost of water purchased from Marin Municipal Water District for release into Lagunitas Creek, pursuant to the Interconnection Agreement between Marin Municipal and NMWD. The Drought Surcharge shall be a quantity charge for each 1,000 gallons as follows:

Residential Accounts: Use in excess of 200 gallons per day\$2.50

Commercial, Institutional and Irrigation Accounts: All Use\$2.50

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</u> <u>6/1/17</u>
For each 1,000 gallons	\$7.85

<u>West Marin Service Area</u>	<u>Rate Effective</u> <u>7/1/17</u>
For each 1,000 gallons	\$17.66

* * * * *

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 seventh of June 2017, 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

2017-18

NORTH MARIN WATER DISTRICT

999 RUSH CREEK PLACE, NOVATO, CA

TABLE OF CONTENTS

WEST MARIN WATER

PROPOSED 2017/18 BUDGET

Capital Improvement Projects & Debt Service

West Marin Water 5-Year Plan	1
------------------------------------	---

West Marin Water

Proposed FY18 Budget	2
5-Year Financial Plan	3
<u>Supplementary Charts and Schedules</u>	
Rate Increase Analysis	5
Active Service Connections	6
Historical Water Consumption	7
Historical Operating Expenditures	8
Customer Letter Noticing the Proposed Increase	9
2017 Coastal Area Water Cost Comparison	12

CAPITAL IMPROVEMENT PROJECTS

5/25/17

t:\ac\excel\budget\18\5 yr cip fy18.xlsx\5 yr ip

		FY17 Budget	FY17 Est Actual	FY18	FY19	FY20	FY21	FY22
7.	WEST MARIN WATER SYSTEM							
2.6263.20	a. Replace PRE Tank #4A (25K gal w/82K gal)	\$450,000	\$75,000	\$550,000				
2.7160.00	b. Green Sand Filter Media Replace	\$75,000	\$75,000	\$75,000				
2.6609.20	c. New Gallagher Well #2	\$100,000	\$0		\$100,000	\$200,000		
2.8829.00	d. PB Replace in Sync w/ County Paving			\$50,000		\$50,000		\$50,000
2.6601.32	e. TP Solids Handling (Note 5)				\$600,000	\$700,000		
	f. Abandon Downey Well				\$50,000	\$100,000		
	g. Rehab Coast Guard Well #2				\$275,000			
	h. PRE Tank #1 Replacement						\$250,000	
	i. Treatment Plant Modifications Design/Construct (Note 6)							\$2,800,000
		<u>\$625,000</u>	<u>\$168,000</u>	<u>\$675,000</u>	<u>\$1,025,000</u>	<u>\$1,050,000</u>	<u>\$250,000</u>	<u>\$2,850,000</u>
	LESS FUNDED BY LOANS/GRANTS/OTHER							
	e. WM Treatment Plant Solids Handling (Note 5)				(\$600,000)			
	g. WM TP Modific Design/Construct (Note 6)							(\$2,800,000)
		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$600,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$2,800,000)</u>
	NET PROJECT OUTLAY	<u>\$625,000</u>	<u>\$168,000</u>	<u>\$675,000</u>	<u>\$425,000</u>	<u>\$1,050,000</u>	<u>\$250,000</u>	<u>\$50,000</u>
	STUDIES & SPECIAL PROJECTS							
2.4061.00	f. Digitize West Marin Water Facility Maps	\$35,000	\$17,000	\$10,000				
		<u>\$35,000</u>	<u>\$17,000</u>	<u>\$10,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	WEST MARIN WATER DEBT SERVICE							
	j. EDA Loan	\$3,000	\$3,000	\$2,000	\$0			
	k. PRE-1 Revenue Bond	\$15,000	\$14,000	\$14,000	\$14,000	\$14,000	\$0	
	l. PR-6 Revenue Bond	\$13,000	\$12,000	\$13,000	\$13,000	\$12,000	\$13,000	\$12,000
	m. TP Solids Handling Bank Loan	\$71,000	\$71,000	\$71,000	\$71,000	\$71,000	\$71,000	\$71,000
	n. TP Solids Handling Add'l Bank Loan (Note 5)				\$42,000	\$42,000	\$42,000	\$42,000
	o. TP Modifications Loan (Note 6)							\$197,000
		<u>\$102,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$140,000</u>	<u>\$139,000</u>	<u>\$126,000</u>	<u>\$322,000</u>
	NET PROJECT OUTLAY & DEBT SERVICE	<u>\$727,000</u>	<u>\$268,000</u>	<u>\$775,000</u>	<u>\$565,000</u>	<u>\$1,189,000</u>	<u>\$376,000</u>	<u>\$372,000</u>

Note 5 - \$1.25M WM Water Solids Handling Facility partially funded by bank loan (\$660,000 remaining). Additional \$600K to be borrowed in FY19 to complete project.

Note 6 - \$2.8M WM TP Project funded by debt and /or grant funds.

WEST MARIN WATER
BUDGET SUMMARY
Fiscal Year 2017/18

	Proposed Budget 2017/18	Estimated Actual 2016/17	Adopted Budget 2016/17
OPERATING INCOME			
1 Water Sales	\$810,000	\$743,000	\$771,000
2 Misc Service Charges	7,000	7,000	7,000
3 Total Operating Income	\$817,000	\$750,000	\$778,000
OPERATING EXPENDITURES			
4 Source of Supply	\$15,000	\$13,000	\$22,000
5 Pumping	45,000	36,000	37,000
6 Operations	53,000	61,000	42,000
7 Water Treatment	147,000	130,000	147,000
8 Transmission & Distribution	126,000	129,000	140,000
9 Consumer Accounting	26,000	29,000	23,000
10 Water Conservation	10,000	6,000	20,000
11 General Administration	95,000	86,000	108,000
12 Depreciation Expense	195,000	192,000	190,000
13 Total Operating Expenditures	\$712,000	\$682,000	\$729,000
14 NET OPERATING INCOME (LOSS)	\$105,000	\$68,000	\$49,000
NON-OPERATING REVENUE/(EXPENSE)			
15 PR-2 County Tax Allocation	\$53,000	\$51,000	\$48,000
16 Miscellaneous Revenue	4,000	4,000	4,000
17 Interest Revenue	12,000	16,000	6,000
18 Bond & Loan Interest Expense	(31,000)	(34,000)	(34,000)
20 Total Non-Operating Income/(Expense)	\$38,000	\$37,000	\$24,000
21 NET INCOME/(LOSS)	\$143,000	\$105,000	\$73,000
OTHER SOURCES/(USES) OF FUNDS			
22 Add Depreciation Expense	\$195,000	\$192,000	\$190,000
23 Connection Fees	23,000	31,000	23,000
24 Capital Improvement Projects	(675,000)	(168,000)	(625,000)
25 Bond & Loan Principal Payments	(66,000)	(67,000)	(67,000)
26 Total Other Sources/(Uses)	(\$523,000)	(\$12,000)	(\$479,000)
27 CASH INCREASE/(DECREASE)	(\$380,000)	\$93,000	(\$406,000)

WEST MARIN WATER

5-Year Financial Forecast

	Actual 2014/15	Actual 2015/16	Est Actual 2016/17	Projected 2017/18	Projected 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22
# BASIC DATA								
1 Active Meters	778	780	781	782	783	784	785	786
2 Avg Commodity Rate/1,000 Gal	\$8.74	\$9.62	\$9.57	\$10.20	\$10.72	\$11.28	\$11.85	\$12.46
3 Potable Consumption (MG)	64	57	60	62	64	65	65	65
INCOME								
4 Commodity Charge	\$562,195	\$544,743	\$574,000	\$632,000	\$686,000	\$733,000	\$770,000	\$810,000
5 Bimonthly Service Charge	166,938	168,775	169,000	178,000	187,000	196,000	206,000	216,000
6 Connection Fee	22,800	0	31,000	23,000	23,000	23,000	23,000	23,000
7 PR-2 County Tax Allocation	45,378	49,365	51,000	53,000	55,000	57,000	59,000	61,000
8 Interest	5,027	10,025	16,000	12,000	9,000	8,000	1,000	3,000
9 Miscellaneous	10,572	11,377	11,000	11,000	11,000	11,000	11,000	11,000
10 TOTAL INCOME	\$813,571	\$784,285	\$852,000	\$909,000	\$971,000	\$1,028,000	\$1,070,000	\$1,124,000
EXPENDITURES								
11 Operating Expenditures	\$469,147	\$462,242	\$483,000	\$498,000	\$494,000	\$509,000	\$524,000	\$540,000
12 Water Purchased from MMWD	6,651	0	0	0	0	0	0	0
13 Miscellaneous	3,363	596	1,000	5,000	5,000	5,000	5,000	5,000
14 Bond & Loan Debt Service	104,576	99,555	101,000	100,000	140,000	139,000	126,000	322,000
15 TOTAL EXPENDITURES	\$583,737	\$562,393	\$585,000	\$603,000	\$639,000	\$653,000	\$655,000	\$867,000
NET INCOME	\$229,834	\$221,892	\$267,000	\$306,000	\$332,000	\$375,000	\$415,000	\$257,000
OTHER SOURCES/(USES)								
16 Capital Improvement Projects	(\$1,279,605)	(\$215,749)	(\$168,000)	(\$675,000)	(\$1,025,000)	(\$1,050,000)	(\$250,000)	(\$2,850,000)
17 Grant/Loan Proceeds	1,177,912	0	0	0	600,000	0	0	2,800,000
18 Net Change in Working Capital	99,793	(9,894)	0	0	0	0	0	0
19 INCREASE (DECREASE) IN CASH	\$227,934	(\$3,751)	\$99,000	(\$369,000)	(\$93,000)	(\$675,000)	\$165,000	\$207,000
CASH BALANCE								
20 Operating Reserve	\$188,241	\$245,289	\$356,000	\$639,000	\$645,000	\$0	\$150,000	\$372,000
21 System Expansion Reserve	823,221	762,422	751,000	99,000	0	0	0	0
22 Liability Contingency Reserve	99,000	99,000	99,000	99,000	99,000	69,000	99,000	99,000
23 Bond Redemption Reserve	30,000	30,000	30,000	30,000	30,000	30,000	15,000	0
24 TOTAL CASH BALANCE	\$1,140,462	\$1,136,711	\$1,236,000	\$867,000	\$774,000	\$99,000	\$264,000	\$471,000
25 Depreciation Expense	\$157,937	\$189,039	\$192,000	\$195,000	\$206,000	\$223,000	\$241,000	\$245,000

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 1 connection per year.
- 2 Commodity rate and Bimonthly Service Charge increases of 5% are proposed effective 7/1/17. Annual 5% Commodity and Bimonthly Service Charge increases shown thereafter. Note that the FY2015/16 Average Commodity Rate included a drought surcharge.
- 3 Consumption projection assumes 60MG in FY17, 62MG in FY18, 64MG in FY19, and 65MG annually thereafter.
- 4 Average Commodity Rate multiplied by Potable Consumption.
- 5 Bimonthly service charge shown to increase 5% annually after FY17. Details of the rate increase structure to be determined at annual budget hearings.
- 6 The connection fee was set at \$22,800 per equivalent dwelling unit effective August 1, 2010.
- 7 County tax allocation enacted subsequent to Prop 13 to compensate for O&M tax revenue previously received. PR-2 County Tax allocation is projected to increase 3% per year.
- 8 Projected available funds invested at 1.00%
- 9 Turn-on, set-up, backflow device, Horizon CATV site lease & other miscellaneous income.
- 11 3% annual increase in Operating Expenditures assumed after FY17. FY17 & FY18 include \$17K & \$18K respectively to Digitize WM Water Facility Maps.
- 14 Comprised of three 40-year 5% bonds all purchased by the Farmers Home Administration: 1) 1975 OL-2 \$70,000 GO bond paid off in 2015; 2) 1980 PRE-1 \$240,000 revenue bond fully amortized in 2020; 3) 1981 PR-6 \$217,800 revenue bond fully amortized in 2021; plus an Economic Development Administration \$46,000 5% 40-year loan paid off in 2017. FY19 includes debt service on \$600K loan to finance completion of Solids Handling Facility, and FY22 includes debt service on \$2.8M to finance the TP Rehab.
- 15 Total Expenditures excludes depreciation.
- 16 Capital Improvement Projects. See 5-year Capital Improvement Projects Plan.
- 17 FY19 \$600,000 loan to complete the Solids Handling and PRE Storage projects; FY20 \$2.8M for Treatment Plant Rehabilitation.
- 20 Operating Reserve should be comprised of a minimum of 4 months of operating expenditures as recommended by the District's financial advisors.
- 21 System Expansion Reserve is composed of connection fee revenue and unexpended Bank of Marin loan funds.
- 22 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.
- 23 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.

West Marin Water Rate Increase Analysis

t:\acexcel\budget\wml\rate increase analysis.xls\fy18

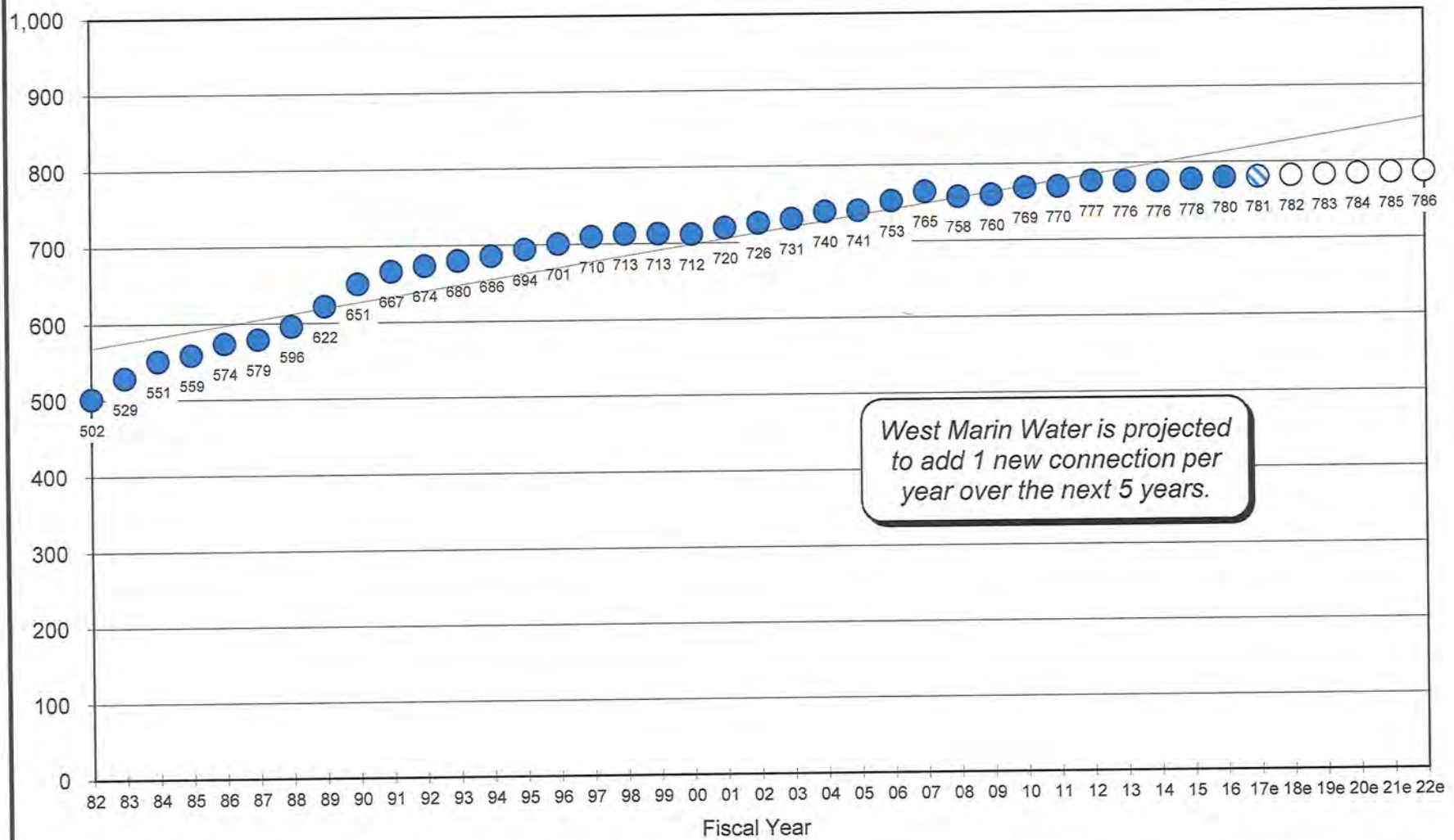
5/31/17

Annual Residential Impact (based on 51,600 gallons water use)

		Commodity Rate	Annual Commodity Charge		Annual Service Charge		Annual Tax Allocation ¹		Total Annual Cost	Annual \$ Increase	% Increase
Point Reyes Station	Current	\$8.14	\$420	+	\$180	+	\$59	=	\$659		
	Proposed	\$8.55	\$441	+	\$189	+	\$59	=	\$690	\$30	4.6%
Inverness Park, Bear Valley, Silver Hills	Current	\$8.35	\$431	+	\$180	+	\$59	=	\$670		
	Proposed	\$8.77	\$453	+	\$189	+	\$59	=	\$701	\$31	4.6%
Olema	Current	\$8.94	\$461	+	\$180	+	\$0	=	\$641		
	Proposed	\$9.39	\$485	+	\$189	+	\$0	=	\$674	\$32	5.0%
PRE Zone A	Current	\$8.35	\$431	+	\$276	+	\$0	=	\$707		
	Proposed	\$8.77	\$453	+	\$285	+	\$0	=	\$738	\$31	4.3%
PRE Zone B	Current	\$13.58	\$701	+	\$276	+	\$0	=	\$977		
	Proposed	\$14.26	\$736	+	\$285	+	\$0	=	\$1,021	\$44	4.5%
Outside Services	Current	\$11.40	\$588	+	\$180	+	\$0	=	\$768		
	Proposed	\$11.97	\$618	+	\$189	+	\$0	=	\$807	\$38	5.0%
Weighted Average	Current	\$9.04							\$706		
	Proposed	\$9.49							\$738	<u>\$32</u>	4.6%

¹ Annual Tax is a County tax allocation enacted subsequent to Proposition 13 to compensate for the O&M tax revenue previously received from customers residing within the PR-2 Improvement District.

West Marin Water Active Service Connections @ June 30

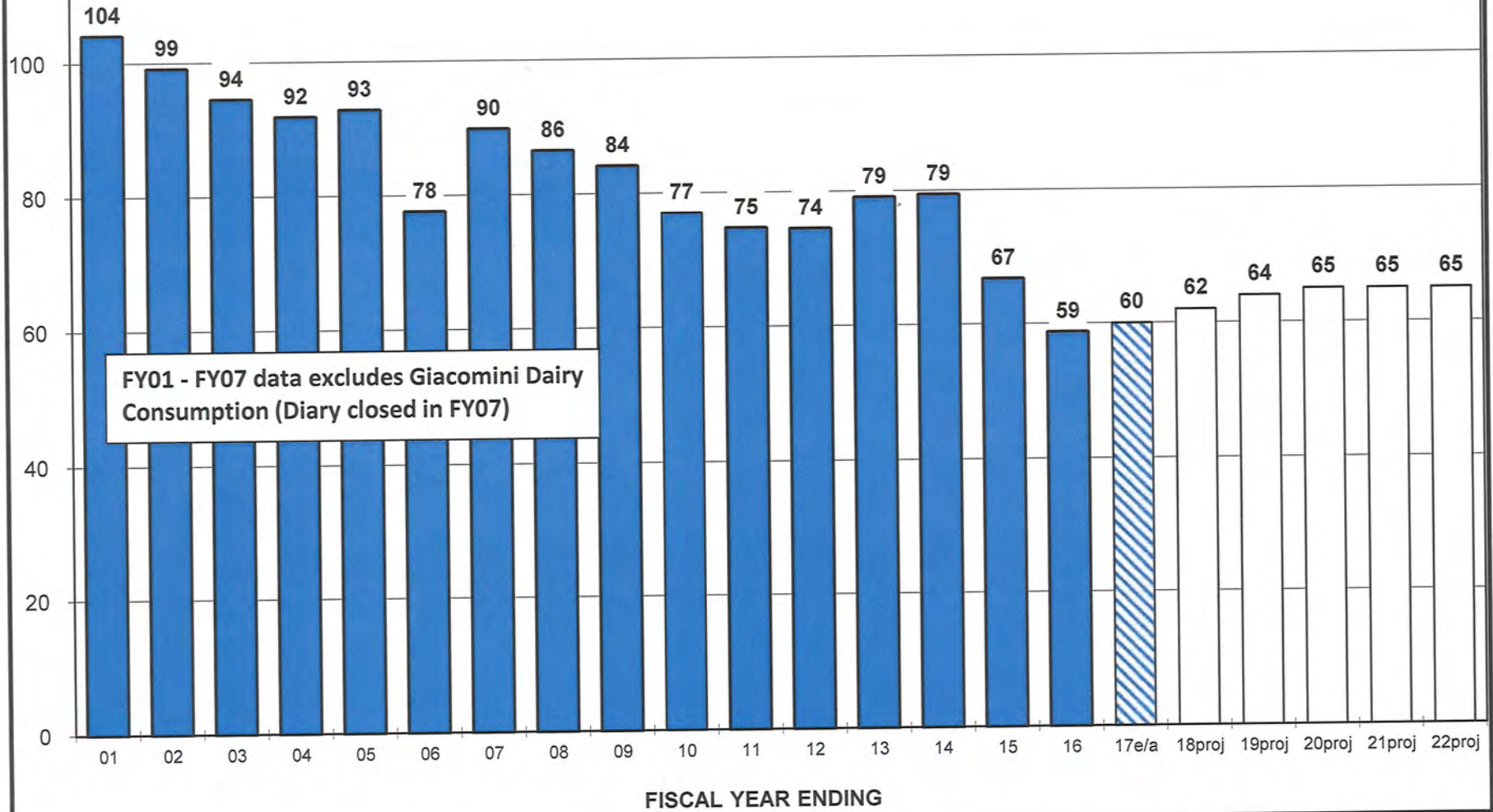


5/26/17

t:\acell\budget\wm\wm consumption.xls\wm cons

West Marin Potable Water Billed Consumption Net of Giacomini Dairy

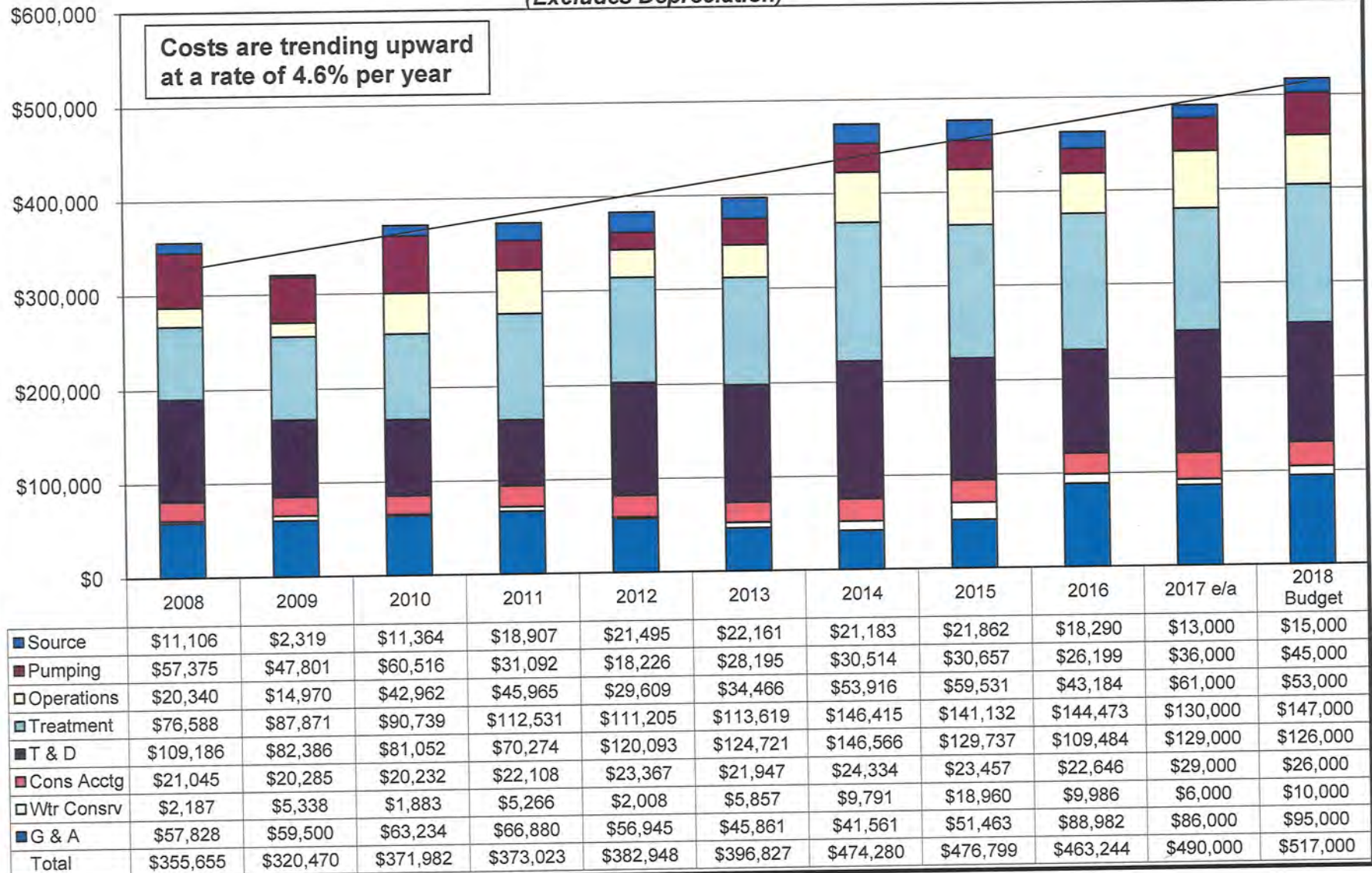
MG
120



6/21/17

t:\administration\excel\budget\wml\wmhist.xls wm wtr

West Marin Water Operating Expenditures (Excludes Depreciation)





May 12, 2017

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

PHONE
415.897.4133

EMAIL
info@nmwd.com

WEB
www.nmwd.com

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

Dear Customer:

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

HOW MUCH IS THE PROPOSED RATE INCREASE?

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

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

REASON FOR THE PROPOSED INCREASE

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

ADDITIONAL INFORMATION

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

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

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

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

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

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

Sincerely,



Drew McIntyre
General Manager

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

2017 COASTAL AREA WATER COST COMPARISON

6/1/17

Comparison of NMWD's Charges with Other Agencies Based on Rates and Charges in Effect on 6/1/17

"Typical" Single Family Residence (5/8" x 3/4" Meter) Using 51,600 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
Bolinas Community PUD	587	\$205.33	\$1.34/\$2.01/\$4.01	(3)	\$1,310	\$0.002	\$482 (4)	\$1,792
California Water Coast Springs	255	\$52.81	\$8.26/\$8.88		\$1,714 (5)	-	-	\$1,714
Estero Mutual Water District	141	\$207.90	\$7.86/\$11.56/\$75.76	(6)	\$1,588	-	-	\$1,588
Stinson Beach Co Water	731	\$77.10	\$2.61/\$6.26	(7)	\$615	\$0.003	\$647 (8)	\$1,262
Bodega Bay PUD	1,058	\$61.82	\$7.73	(9)	\$508	-	\$367 (10)	\$874
Muir Beach Community Services	151	\$49.92	\$9.20	(11)	\$533 (12)	-	\$300 (13)	\$833
Inverness PUD	515	\$100.00	\$3.07/\$4.61	(14)	\$766	-	-	\$766
→ NMWD West Marin Service Area	781	\$31.50 (15)	\$9.49	(16)	\$679	-	\$61 (17)	\$739

Notes:

- (1) Median annual consumption for West Marin Service Area single-family detached home is 51,600 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 \$493,950 (average 2016/17 AV on 544 single family homes in Bolinas less \$7,000 homeowner exemption) and tax rate of \$0.0023/\$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 \$276,487 for Bolinas in 2016/17 of which 100% is credited to the water fund amounting to \$440 per service.
- (5) In 2016 the PUC agreed to consolidate Cal Water's Redwood Valley rates with its "Bayshore District" (South Bay) rates. Roughly 2,000 connections in the Redwood Valley District, of which Coast Springs is a part, are now combined with Bayshore's 54,000 connections, resulting in a significant rate reduction for Coast Springs customers.
- (6) First 25 cubic meters bimonthly @ \$2.075/cm; next 15 cm @ \$3.051/cm. Drought surcharge of \$20.00/cm for use in excess of 40 cm.
- (7) 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 @ \$21.20/Ccf; 40 and above Ccf @ \$27.54/Ccf.
- (8) Based on weighted average tax rate of \$0.0034/\$100 AV and home with net AV of \$1,275,689 (average 2016/17 AV on 659 single family homes in Stinson Beach less \$7,000 homeowner exemption). Stinson Beach also shares in 1% County levy. This "allocation" is projected at \$630,535 in 2016/17 of which 70% is credited to the water fund amounting to \$604 per service.
- (9) \$61.82 bi-monthly water service charge for 0-800 cubic feet, then \$6.51/100 cubic feet for 801-2,500 cubic feet, then \$7.43/100 cubic feet over 2,500 cubic feet.
- (10) Based on share of 1% County levy. This "allocation" by the County of Sonoma was estimated at \$388,136 for 16/17, of which 100% was allocated to water amounting to \$367 per service.
- (11) \$49.92/bimonthly flat rate includes 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.
- (12) 25% of revenue is allocated to capital improvements.
- (13) The annual \$300 charge is collected via water billings and is allocated to capital improvements.
- (14) 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.
- (15) Includes a proposed bi-monthly increase of \$1.50.
- (16) Rate shown is weighted average of Point Reyes Station, Olema, Bear Valley/Inverness Park & Paradise Ranch Estates and includes a Proposed 5% commodity rate increase. Tier rate charges do not apply to the typical residential customer as median use does not exceed the 400 gpd tier rate threshold.
- (17) West Marin Service Area receives allocation of the 1% County levy projected at \$47,000 in 2016/17, amounting to \$61 per service.

5

MEMORANDUM

To: Board of Directors

June 23, 2017

From: David L. Bentley, Auditor-Controller Subj: Public Hearing/Approve: Oceana Marin Sewer FY 2017/2018 Budget
L:\acl\word\budget\wm16\om16 swr hearing.docx

RECOMMENDED ACTION: 1) Approve Sewer Service Charge Increase;
2) Approve FY18 Budget as Proposed

FINANCIAL IMPACT: 1) Service Charge Increase would generate \$22,000 annually;
2) FY18 Budgeted Expenditure Plan of \$409,000

Presented for your third and final review, public hearing and approval is the proposed FY2017/2018 (FY18) budget for the Oceana Marin Sewer System. There have been no changes to the proposed budget since the Board's June 20th review.

SEWER RATES

The Oceana Marin Sewer System held a cash balance of \$443,000 at May 31, 2017. The Nute 2015 Master Plan update presented to the Board in January 2016 identified \$3.1 million in needed improvements to the system. The Five-Year Financial Plan incorporates \$1.2 million over the 5-year period. A 10% (\$8/month) increase is proposed for FY18, which will generate an additional \$22,000 per year. Annual 10% increases are included in the 5-year financial plan for FY19 and beyond to help pay for CIP program.

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 8 and June 22 (page 9).

A letter was mailed to all Oceana Marin Sewer customers on May 12, 2017, advising of the proposed sewer service cost increase and extending an invitation to attend the June 27 public hearing and/or exercise their right to protest the proposed increase (page 7 of the budget document). Two letters on the proposed sewer service charge increase were received protesting the increase (Attachments A).

CONNECTION FEE

The Oceana Marin Sewer connection fee was increased last year with a 2-phased approach. The fee increased from \$15,200 to \$22,600 effective September 1, 2016, and will increase to \$30,000 effective July 1, 2017, all in an effort to finance the capital improvements recommended in the aforementioned Nute Master Plan update. One new connection is budgeted for the Oceana Marin Sewer next fiscal year.

BUDGETED SYSTEM IMPROVEMENT PROJECTS

FY18 Projects

- \$40,000 is included for continued infiltration repair work to prevent rainwater from infiltrating into the collection system.
- \$80,000 is included to design and install an 8th trench in the disposal field.
- \$50,000 is included to commence the \$400,000 project to dredge and reline the treatment and storage ponds.

Future Projects

\$40,000 is budgeted each year into the future to continue infiltration repair work. \$500,000 is included commencing in FY20 to install the first of a 3-phase project to construct a parallel force main, estimated to cost \$1.3 million at completion.

OCEANA MARIN SEWER OPERATING BUDGET

The proposed Oceana Marin Sewer Budget shown on page 2 includes an \$8/month (10% - to \$86/month) increase in the sewer service charge. One new connection is budgeted for next fiscal year, which is Oceana Marin's average over the past five years. Operating expenditures, before depreciation and the proposed \$25,000 Vulnerability Study, are budgeted to increase 1% from the FY17 adopted budget, and to decrease 6% from the FY17 estimated actual expense. Page 6 shows a graphical history of Oceana Marin operating expenditures.

The 2017 update of the Coastal Area Annual Sewer Cost Comparison (page 10) shows that, when the County 1% allocation of AB8 tax revenue is included as a ratepayer cost, Oceana Marin sewer service cost will again rank highest among the six coastal sewer agencies surveyed.

STAFF RECOMMENDATION:

- 1) Approve Ordinance No. 35 (Attachment B) electing to have the Oceana Marin Sewer Service Charges be collected on the tax roll of the County of Marin;
- 2) Approve Resolution No. 17-XX (Attachment C) amending Regulation 109, effective July 1, 2017, to increase the Oceana Marin Sewer Service Rate to \$1,032 per dwelling unit per year;
- 3) Adopt the FY18 Oceana Marin Sewer System Budget as proposed;
- 4) Authorize the General Manager to pay demands arising from execution of the budgeted FY18 Oceana Marin expenditure plan.

May 22, 2017

North Marin Water District
999 Rush Creek Place
P.O. Box 146
Novato, California 94948

RECEIVED
MAY 25 2017
North Marin Water District

Re: Proposed Oceana Marin Sewer Service Cost Increase
Property Location: 507 Oceana Dr., Dillon Beach, CA
Parcel No.: 100-321-01

Please be advised that we strongly oppose and protest the attempt to increase the sewer rates in Oceana Marine, Dillon Beach, California, Marin County.

Sincerely,



Patsy L. Brookshire
for the Jimmy & Patsy Brookshire Revocable Family Trust

962 Oliver Court
Woodland, California 95776

ATTACHMENT A

May 20, 2017

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

RECEIVED
MAY 25 2017
North Marin Water District

To whom it may concern;

This letter is intended to serve as **"a letter of protest"** against the proposed rate increase to the Oceana Marin sewer charge that would take effect on July 1, 2017.

As the owner on record of 380 Oceana Drive in Dillon Beach CA, I am formally submitting my protest to this rate increase in writing as required, in an attempt to stop this additional fee hike.

In an attempt to get a fact on the record, I currently own a number of properties, many of which are larger than my home in Oceana Marin, and all of the monthly sewer fees are less expensive than the fee that is currently being charged at Oceana Marin for North Marin Water District. I believe that North Marin Water District should continue operating on the already higher existing rates that are charged, and try to find constructive ways to cut their overhead and operating costs without pushing the burden of additional increases to the home owner.

It is for this reason I cannot agree with the proposed increase to the Oceana Marin property owners.

Sincerely,



Michael A. Hunkins
Owner of 380 Oceana Drive
Dillon Beach CA

ATTACHMENT A

**DRAFT
ORDINANCE NO. 35**

**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 2017-18**

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 \$1, 032 per equivalent dwelling unit for fiscal year 2017-18;

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 prior to the Public Hearing conducted on June 27, 2017 to consider said report and rate increase effective July 1, 2017.
- b. The District prepared and filed a sewer service charge report with the District Secretary.
- c. On June 9, 2017 and June 23, 2017, 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 27, 2017, 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 2017-18, a sewer service rate of \$1,032 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, 2017, 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 2017-2018.

* * * * *

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 27th day of June 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Katie Young, Secretary
North Marin Water District

(SEAL)

t:\ordinances\ordinance 35 on tax roll 2017 draft.docx

RESOLUTION 17-XX
REVISION OF NORTH MARIN WATER DISTRICT
REGULATION 109
OCEANA MARIN SEWER SERVICE - RATES AND CHARGES

BE IT RESOLVED by the Board of Directors of North Marin Water District that Regulation 109c of the North Marin Water District is adopted as follows, effective forthwith:

c. Sewer Service Rate

For Fiscal Year 2017-18, a sewer service rate of \$1,032 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.

* * * * *

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-seventh day of June, 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

Katie Young, District Secretary
North Marin Water District

(SEAL)

Proposed

BUDGET

Final Review/Public Hearing

Oceana Marin Sewer

FISCAL YEAR

2017-18

NORTH MARIN WATER DISTRICT

999 RUSH CREEK PLACE, NOVATO, CA

TABLE OF CONTENTS

OCEANA MARIN SEWER

PROPOSED 2017/18 BUDGETS

Capital Improvement Projects	
Oceana Marin Sewer 5-Year Plan	1
 Oceana Marin Sewer	
Proposed FY18 Budget	2
5-Year Financial Plan	3
<u>Supplementary Charts and Schedules</u>	
Active Sewer Connections	5
Historical Operating Expenditures	6
Customer Letter Noticing the Proposed Increase	7
Notice of Public Hearing – Sewer Service Charge	9
2018 Coastal Area Sewer Cost Comparison	10

CAPITAL IMPROVEMENT PROJECTS

6/22/17

t:\acexcel\budget\18\5 yr cip fy18.xlsx\5 yr ip

		FY17 Budget	FY17 Est Actual	FY18	FY19	FY20	FY21	FY22
8.	OCEANA MARIN SEWER SYSTEM							
8.8672.28	a. Infiltration Repair	\$40,000	\$35,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
8.7163.00	b. Design/Install 8th Disposal Trench (300')	\$50,000	\$16,000	\$80,000				
8.7085.02	c. Tahiti Way Lift Pumps Rebuild (2) (every 5 yrs)	\$20,000	\$33,000	\$20,000				\$20,000
8.7164.00	d. Tahiti Way Power Relocation	\$20,000	\$0	\$20,000				
8.7165.00	e. North St Lift Station Communication Upgrade	\$30,000	\$21,000					
8.7166.00	f. ACP Sewer Reline (6"@ 3,000')	\$50,000	\$0					\$50,000
8.7167.00	g. Dosing Siphon Repairs	\$0	\$57,000					
8.7171.00	h. Pond Dredging & Relining			\$50,000	\$350,000			
	i. Parallel Force Main (1st of 3 Segments)					\$100,000	\$300,000	\$100,000
		\$210,000	\$162,000	\$210,000	\$390,000	\$140,000	\$340,000	\$210,000
	STUDIES & SPECIAL PROJECTS							
8.4062.00	h. Oceana Marin Vulnerability Study			\$25,000				
		\$0	\$0	\$25,000	\$0	\$0	\$0	\$0

OCEANA MARIN SEWER
BUDGET SUMMARY
Fiscal Year 2017/18

	Proposed Budget 2017/18	Estimated Actual 2016/17	Adopted Budget 2016/17
OPERATING INCOME			
1 Monthly Sewer Service Charge	\$239,000	\$216,000	\$214,000
2 Misc Service Charges	0	1,000	0
3 Total Operating Income	\$239,000	\$217,000	\$214,000
OPERATING EXPENDITURES			
4 Sewage Collection	\$54,000	\$53,000	\$50,000
5 Sewage Treatment	57,000	60,000	58,000
6 Sewage Disposal	32,000	45,000	33,000
7 Consumer Accounting	2,000	2,000	2,000
8 General Administration	54,000	26,000	27,000
9 Depreciation Expense	51,000	43,000	47,000
10 Total Operating Expenditures	\$250,000	\$229,000	\$217,000
11 NET OPERATING INCOME (LOSS)	(\$11,000)	(\$12,000)	(\$3,000)
NON-OPERATING REVENUE/(EXPENSE)			
12 OM-1/OM-3 Tax Allocation	\$56,000	\$54,000	\$52,000
13 Interest Revenue	4,000	6,000	2,000
14 Miscellaneous Revenue	0	0	0
15 Miscellaneous Expense	0	(1,000)	
16 Total Non-Op Income/(Expense)	\$60,000	\$60,000	\$54,000
NET INCOME/(LOSS)	\$49,000	\$48,000	\$51,000
OTHER SOURCES/(USES) OF FUNDS			
17 Add Depreciation Expense	\$51,000	\$43,000	\$47,000
18 Connection Fees	30,000	30,000	30,000
19 Capital Improvement Projects	(210,000)	(162,000)	(210,000)
20 Total Other Sources/(Uses)	(\$129,000)	(\$89,000)	(\$133,000)
21 CASH INCREASE/(DECREASE)	(\$80,000)	(\$41,000)	(\$82,000)

OCEANA MARIN SEWER

5-Year Financial Forecast

#		Actual 2014/15	Actual 2015/16	Est Actual 2016/17	Projected 2017/18	Projected 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22
BASIC DATA									
1	Number of Connections	229	230	231	232	233	234	235	236
2	Monthly Service Charge	\$68.00	\$71.00	\$78.00	\$86.00	\$95.00	\$105.00	\$116.00	\$128.00
INCOME									
3	Monthly Service Charge	\$186,864	\$195,461	\$216,000	\$239,000	\$265,000	\$294,000	\$326,000	\$362,000
4	OM-1/OM-3 Tax Allocation	48,360	52,609	54,000	56,000	58,000	60,000	62,000	64,000
5	Connection Fees	15,200	32,198	30,000	30,000	30,000	30,000	30,000	30,000
6	Interest Revenue	2,323	3,638	6,000	4,000	3,000	1,000	2,000	0
7	Miscellaneous Revenue/(Expense)	203	370	1,000	1,000	1,000	1,000	1,000	1,000
8	TOTAL INCOME	\$252,950	\$284,276	\$307,000	\$330,000	\$357,000	\$386,000	\$421,000	\$457,000
9	OPERATING EXPENDITURES	\$132,624	\$159,131	\$189,000	\$195,000	\$201,000	\$207,000	\$213,000	\$219,000
OTHER SOURCES (USES)									
10	Capital Improvement Projects/Other	(63,023)	(7,547)	(162,000)	(210,000)	(390,000)	(140,000)	(340,000)	(210,000)
11	Net Change in Working Capital	4,004	1,864						
12	INCREASE (DECREASE) IN CASH	\$61,307	\$119,462	(\$44,000)	(\$75,000)	(\$234,000)	\$39,000	(\$132,000)	\$28,000
13	TOTAL CASH BALANCE	\$344,202	\$464,000	\$420,000	\$345,000	\$111,000	\$150,000	\$18,000	\$46,000
14	Depreciation Expense	\$49,860	\$48,193	\$43,000	\$51,000	\$62,000	\$82,000	\$89,000	\$106,000

OCEANA MARIN SEWER

NOTES

KEY

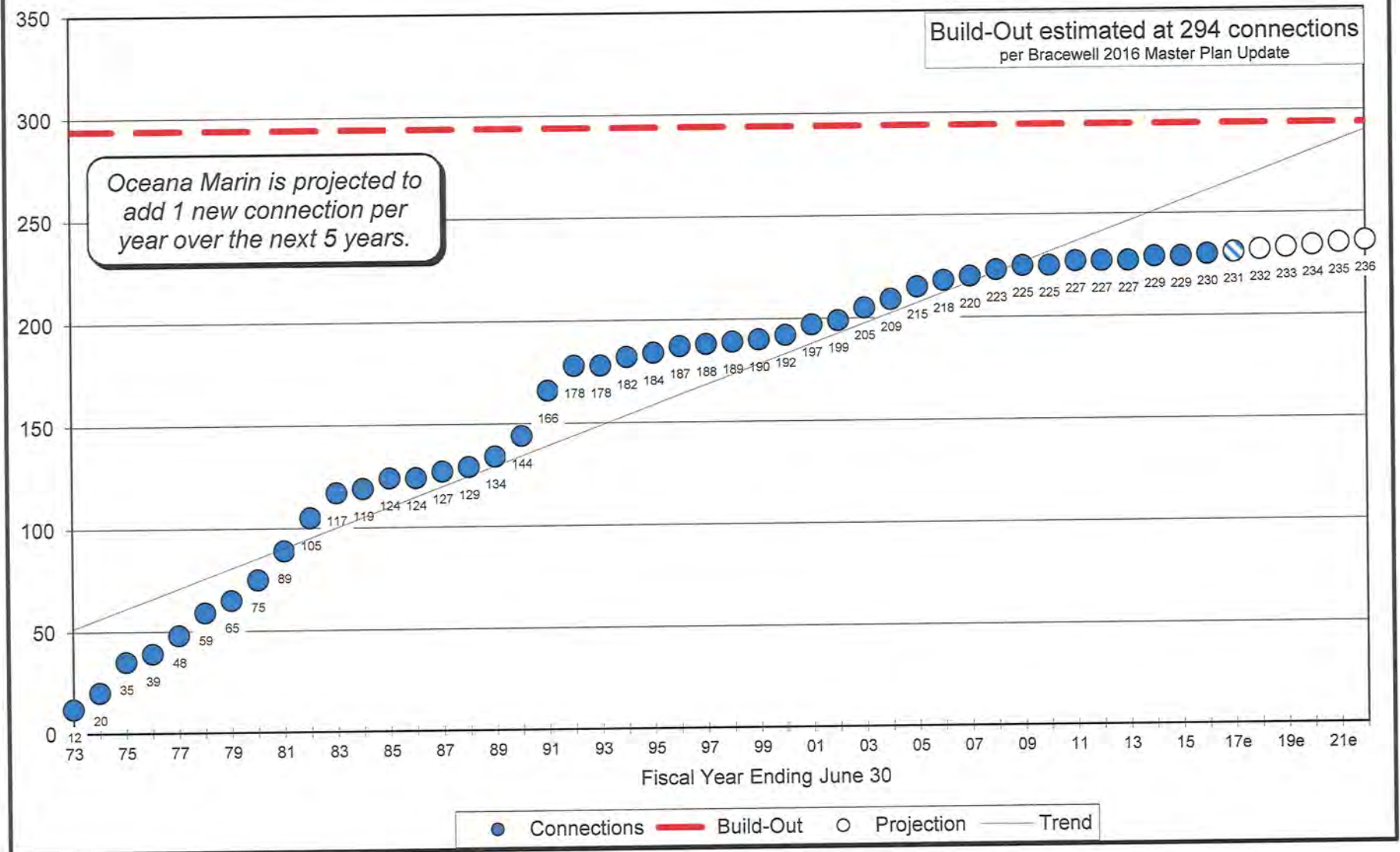
- 1 Assumes 1 connection per year, which is the average over the last 5 years. Capacity is estimated at 294 dwelling units.
- 2 Proposed 10% annual increases to build cash to fund the \$350,000 Pond Relining project commencing in FY18 and Phase 1 of the \$500,000 Parallel Force Main project commencing in FY20.
- 4 County tax allocation enacted subsequent to Prop 13 to compensate for O&M tax revenue previously received. OM-1/IOM-3 County Tax allocation is projected to increase 3% per year.
- 5 Connection fee to increase to \$30,000 on 7/1/17. Assumes connections occur in OM-3 Units 1 or 5 which are subject to the connection fee.
- 6 Projected available funds invested at 1.00%
- 9 Operating expenditures projected to increase 3% annually after FY17. Excludes depreciation expense.
- 10 Capital Improvement Projects. See 5-year Capital Improvement Projects Plan.
- 13 Cash available for operation, maintenance and improvements

6/21/17

t:\ac\excel\budget\wm\wmgroth.xls\om data

Oceana Marin Growth Active Sewer Connections at June 30

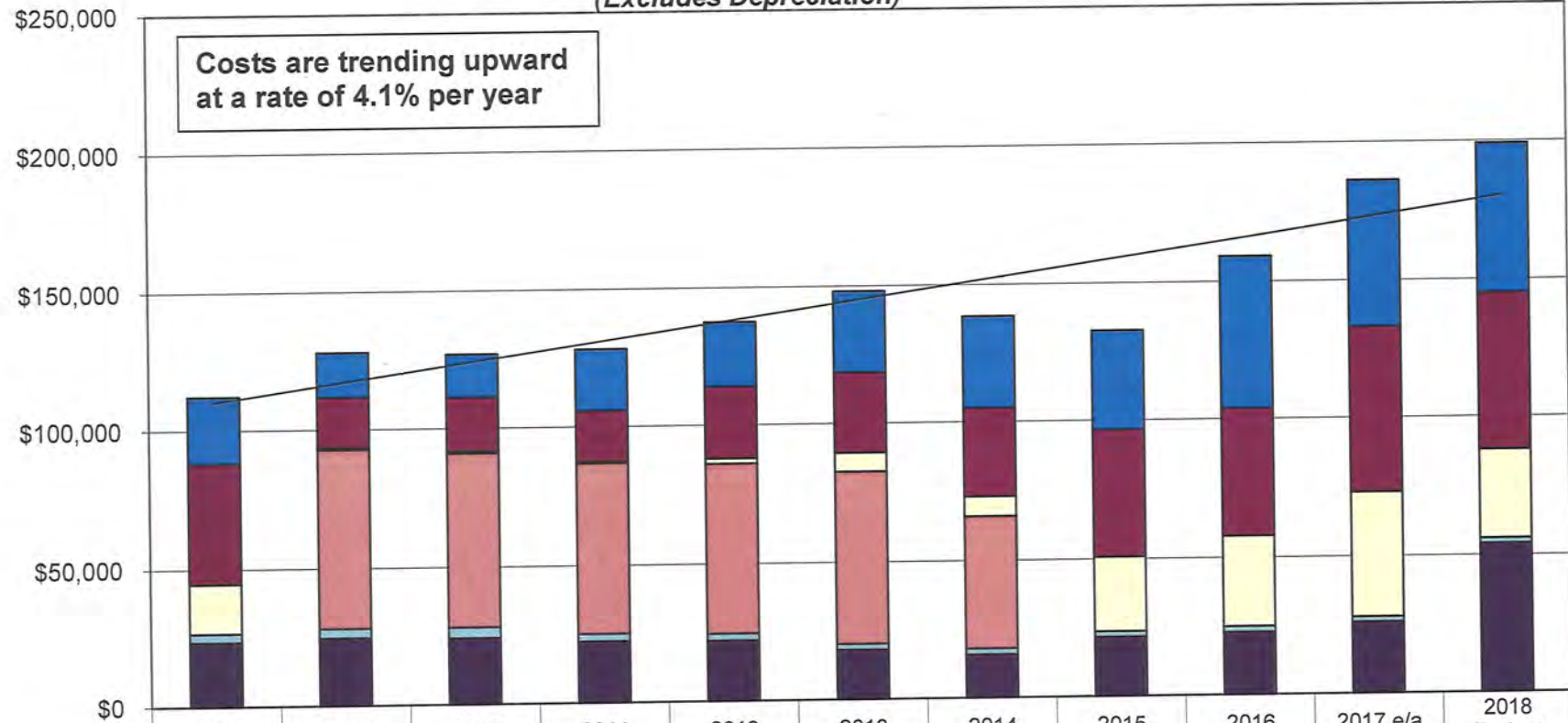
5



6/21/17

\\server\administration\acexcel\budget\wm\wmhist.xls om

Oceana Marin Operating Expenditures (Excludes Depreciation)





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

PHONE
415.897.4133

EMAIL
info@nmwd.com

WEB
www.nmwd.com

May 12, 2017

RE: Notice of Proposed Oceana Marin Sewer Service Cost Increase

Dear Customer:

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

How much is the proposed rate increase?

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

How will the proposed increase affect my sewer bill?

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

Why are rates being increased?

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

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

Public Hearing

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

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

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

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

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

Sincerely,



Drew McIntyre
General Manager

June 8, 2017 POINT REYES LIGHT

NORTH MARIN WATER DISTRICT NOTICE OF PUBLIC HEARING
OCEANA MARIN SEWER SERVICE CHARGES
FISCAL YEAR 2017-2018
AND INTENT TO COLLECT ON TAX ROLL
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. 34 on June 27, 2017, fixing its charges for sewerage services for the fiscal year 2017-2018 in the amount of \$26 per month (\$312 per year) per parcel (a proposed increase of \$9 per month - \$96 annually), and further intends to elect to collect such charges on the tax roll as it did for fiscal year 2016-2017 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 27, 2017 at 7:00 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 the proposed increase in charges for sewerage services set for in said report.
Published in the Point Reyes Light
June 8, 2017.

Public Hearing Notice - Ordinance #35

2017 COASTAL AREA SEWER COST COMPARISON

6/1/17

Comparison of NMWD's Charges with Other Agencies based on Charges in effect on 6/1/17

Agency	No. of Sewer Services	Monthly Service Charge	Annual Tax Revenue ⁽¹⁾	Annual Total	
> NMWD Oceana Marin	231	\$86.00 ⁽²⁾	\$217 ⁽³⁾	\$1,249	<
Marshall Community Wastewater System	52	\$95.78 ⁽⁴⁾	\$0	\$1,149	
Bolinas Community PUD	163	\$89.42	\$0 ⁽⁵⁾	\$1,073	
Tomales Village CSD	107	\$72.45 ⁽⁶⁾	\$75 ⁽⁷⁾	\$944	
Stinson Beach Co Water - Inspection Only	710	\$39.65 ⁽⁸⁾	\$247 ⁽⁹⁾	\$723	
Bodega Bay PUD	1,014	\$59.32	\$0 ⁽¹⁰⁾	\$712	

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) Includes proposed increase of \$8/month.
- (3) Based on share of 1% County levy. This "allocation" is projected by the County of Marin at \$50,000 for 2016/17 which equates to \$217 per service.
- (4) 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.
- (5) Based on share of 1% County levy. This "allocation" is projected by the County of Marin at \$49,000 for 2016/17 which equates to \$211 per service.
- (6) Based on home with net AV of \$493,950 (average 2016/17 AV on 544 single family homes in Bolinas less \$7,000 homeowner exemption) and tax rate of 0.0023¢/\$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 \$276,487 for Bolinas in 2016/17 of which 100% is credited to the water fund.
- (7) Includes proposed increase of \$9.45 month to be effective 7/1/17.
- (8) Based on home with net AV of \$360,934 (average 2016/17 AV on 107 single family homes in Tomales) and tax rate of 2¢/\$100 AV.
- (9) 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.
- (10) Based on allocation of 1% County levy. This "allocation" was projected by the County of Marin at \$630,535 for 2016/17 of which 30% was allocated to sewer amounting to \$266 per service.
- (11) Based on share of 1% County levy. This "allocation" by the County of Sonoma was estimated at \$388,136 for 16/17 of which 100% was allocated to water (0% to sewer).

6

MEMORANDUM

To: Board of Directors

June 23, 2017

From: David L. Bentley, Auditor-Controller

Subj: Review Assistant Auditor-Controller Job Description and Authorize Recruitment

t:\ackword\personnel\assist act\authorize recruitment.docx

RECOMMENDED ACTION: Approve**FINANCIAL IMPACT: None at This Time**

Attached is an Assistant Auditor-Controller job description reflecting proposed duties and requirements for education and experience. Also attached is a solicitation brochure reflecting the new job description, salary range and benefit package. The goal is to have the Assistant Auditor-Controller on Board two months prior to the Accounting/Human Resources Supervisor's retirement in early November.

This new position will be exempt from overtime and a preference will be given to applicants residing within 10 miles of the District service area. The training regimen will commence with becoming proficient in the Accounting/HR Supervisor's responsibilities, then, if successful, begin transitioning to assume the Auditor-Controller's responsibilities.

The District will solicit candidates through its normal process (NeoGov, Craigslist, Baywork, Jobs Available, mailings to local agencies, and the District website). In addition, we will solicit candidates through Nelson and Associates North Bay offices. Nelson has a team dedicated to working with finance and accounting professionals, and would charge 25% of the first year salary if the District selects a candidate they have presented. There is no charge if the District does not select a Nelson candidate.

Final filing date for the Assistant Auditor-Controller position would be July 31st, with initial interviews scheduled for the week of August 7.

North Marin Water District

~~ACCOUNTING/HUMAN RESOURCES MANAGER~~ASSISTANT AUDITOR-CONTROLLER

*This class description is only intended to present a summary of the range of duties and responsibilities associated with the positions. Descriptions **may not include all** duties performed by individuals within the class. In addition, descriptions outline the minimum qualifications necessary for entry into the class and do not necessarily convey the qualifications of incumbents within the position.*

DEFINITION

Under general supervision, performs and directs accounting and human resources functions requiring professional knowledge of cost accounting, governmental fund accounting, financial reporting and human resources management. Performs and manages a variety of professional accounting functions necessary for the accurate and timely presentation of financial and statistical reports dealing with all aspects of the District's operations. Performs and manages a variety of professional human resources functions; and performs other work as required.

DISTINGUISHING CHARACTERISTICS

The ~~Accounting/Human Resources Manager~~Assistant Auditor-Controller position is responsible for compiling, maintaining and publishing financial and statistical reports in support of District activities as well as providing human resources support to District staff and management.

SUPERVISION RECEIVED/EXERCISED

Receives general direction from the Auditor-Controller. Exercises supervision over the ~~Accountant, Accounting Clerk, and Storekeeper positions~~classifications.

ESSENTIAL DUTIES (include but are not limited to the following):

Supervises accounting personnel in the preparation of financial records; supervises, verifies and assists where necessary with preparation of journal entries, payroll, cash receipts, inventory transactions, disbursements and distribution of various construction, overhead and other expenses; monitors compliance with the District's purchasing policy; assures the accuracy of general and subsidiary ledgers and material and equipment inventories; ~~oversees investment of treasury funds~~; troubleshoots and recommends improvements in methods, procedures, software and forms; manages maintenance of accounting software; supervises, assists and reviews preparation of financial statements and statistical reports; assists in preparation of annual budget and performs miscellaneous financial analyses as required.

OTHER DUTIES

Assists the Auditor-Controller and other ~~Division~~Department Managers and supervisors with Human Resource responsibilities, and takes a lead role when assigned in employee relations, collective bargaining, recruitment and selection, classification and compensation, employee development, employee benefits administration, and performance management and discipline. Tracks employee FMLA, CFRA and worker's compensation leaves. Maintains an up-to-date Employee Information booklet Handbook, job descriptions, and tracks the performance evaluation program to assure annual reviews are conducted. Oversees selection of outside auditors and ~~a~~Assists outside auditors with annual audit; acts as Auditor-Controller in his/her absence.

Approved by GM:	
Date:	

QUALIFICATIONS (The following minimum qualifications are necessary for entry into the class):

Education/Experience

Sufficient experience and education in accounting and human resources to perform the duties of the ~~Assistant Auditor-Controller~~ **Accounting/Human Resources Manager**. A typical way of obtaining the required qualifications is to possess the equivalent of five years of experience in accounting and a Bachelor's degree in accounting, business administration, management or a closely related field from an accredited college or university, and at least ~~one~~ three years of experience as a supervisor.

Knowledge/Skill/Ability

Knowledge of: accounting principles; job cost accounting; payroll law; general banking procedures; general accounting processes and procedures; problem solving, interpersonal, and negotiating skills; personal computers and applicable software. General knowledge of human resource functions.

Ability to: analyze financial statements and prepare coherent and factual reports; interpret and follow procedures, policies, rules, and ordinances applicable to assigned duties; maintain accurate records; maintain the highly confidential nature of personnel information; develop and maintain a variety of sophisticated spreadsheets; use word processing software; conduct special projects requiring analysis of processes and procedures and development of recommendations to improve the effectiveness and/or efficiency of District accounting and human resource systems; prepare clear and concise written reports; work overtime, weekends and holidays as required, and remain available in the event of an emergency; establish and maintain effective working relationships.

License/Certificate

Possession of a valid Class C California driver's license.

Residency Preference

Applicants residing within 10 miles of the District's Service Area will be given preference to all other applicants.

WORKING CONDITIONS/PHYSICAL REQUIREMENTS

Position requires working in a standard office environment and involves prolonged sitting, repetitive motion, walking, kneeling, squatting, stooping, turning, bending and upper body twisting in the performance of daily activities. The position also requires grasping, repetitive hand movement, and fine coordination in preparing statistical reports and data using a computer keyboard and adding machine. Additionally, the position requires near and far vision in reading statistical data and using the computer, and hearing is required when providing phone service.

OTHER REQUIREMENTS

Per California Government Code, Title 1, Division 4, Chapter 8, Section 3100, "all public employees are hereby declared to be disaster service workers subject to such disaster service activities as may be assigned to them by their superiors or by law."



**NORTH MARIN
WATER DISTRICT**

**DRAFT
NORTH MARIN WATER DISTRICT**

Invites application for

Assistant Auditor-Controller

FINAL FILING DATE

July 31, 2017

INTERVIEWS

With Selection Panel to be held week of August 7, 2017

NORTH MARIN WATER DISTRICT
999 Rush Creek Place
P.O. Box 146
Novato, CA 94948-0146

Phone (415) 897-4133

www.nmwd.com

ASSISTANT AUDITOR-CONTROLLER

The Position

This is an ideal position for an experienced Accounting/Human Resources professional seeking a career with a public agency. The Assistant Auditor-Controller supervises the Accounting Department and reports directly to the Auditor-Controller. Areas of responsibility include: performs and directs accounting and human resources functions requiring professional knowledge of cost accounting, financial reporting and human resources management. Performs and manages a variety of professional accounting functions necessary for the accurate and timely presentation of financial and statistical reports dealing with all aspects of the District's operations, and performs other work as required. Supervises accounting personnel in the preparation of financial records; supervises, verifies and assists where necessary with preparation of journal entries, payroll, cash receipts, inventory transactions, disbursements and distribution of various construction, overhead and other expenses; monitors compliance with the District's purchasing policy; assures the accuracy of general and subsidiary ledgers and material and equipment inventories; troubleshoots and recommends improvements in methods, procedures, software and forms; manages maintenance of accounting software; supervises, assists and reviews preparation of financial statements and statistical reports; assists in preparation of annual budget and performs miscellaneous financial analyses as required.

Qualifications

Graduation from an accredited college or university with a Bachelor's degree in accounting, business administration, management or a closely related field, and the equivalent of five years of experience in accounting, and at least one year of experience as a supervisor. Thorough knowledge of accounting principles; job cost accounting; payroll law; general banking procedures; general accounting processes and procedures; problem solving, interpersonal, and negotiating skills; personal computers and applicable software. General knowledge of human resource functions. The ability to analyze financial statements and prepare coherent and factual reports; interpret and follow procedures, policies, rules, and ordinances applicable to assigned duties; maintain accurate records; maintain the highly confidential nature of personnel information; develop and maintain a variety of sophisticated spreadsheets; use word processing software; conduct special projects requiring analysis of processes and procedures and development of recommendations to improve the effectiveness and/or efficiency of District accounting and human resource systems; prepare clear and concise written reports; work overtime, weekends and holidays as required, and remain available in the event of an emergency; establish and maintain effective working relationships.

Compensation and Benefits

The salary range for the Assistant Auditor-Controller is \$10,000 to \$12,155 per month and consists of a five-step range. Hiring is normally accomplished at the lowest step but consideration will be given for applicable experience.

The District offers excellent benefits, which include:

- California Public Employee Retirement System (CalPERS) pension. The employee contributes a percentage of gross pay to CalPERS (8% for Classic members; 6.25% for PEPRA members). Retirement benefits are coordinated with Social Security and are based on 2.5% per year of service multiplied by the highest annual salary earned for Classic members (based on retirement at age 55) and 2% per year of service multiplied by the highest average 3 years of annual salary earned (based on retirement at age 62) for PEPRA members.
- Excellent health, dental and vision care plans for employee and dependents.
- Vacation (upon eligibility), starting at 2 weeks and increasing to 5 weeks per year.

- Sick leave. Twelve days per year (may be accumulated and; 50% of any amount accumulated over 90 days can be traded annually for cash).
- Holidays. Fourteen per year.
- Life insurance equal to annual salary.
- Other voluntary and employee paid specific insurance coverage through AFLAC and or IRS Section 125 pretax Flexible Spending Plans.
- Multiple voluntary deferred compensation options.

(The salary and benefits described herein do not represent a contract and may be changed without notice.)

The Selection Process

Interested persons must submit a District online application at www.nmwd.com. A selection panel will review all applications and invite those presenting the best job related qualifications to an initial interview. Subsequent interviews may be required.

The District

North Marin Water District is a publicly owned water district formed in 1948 and operating under Division 12 of the California Water Code. Its policy board consists of five Directors elected at large. The District covers an area of approximately 100 square miles in north and northwest Marin County. It enjoys a reliable water supply imported from the Russian River and supplemented with a local surface water source (Stafford Lake).

The District's 55 full time equivalent employees provide water through 21,500 service connections to a population of approximately 61,000 including the greater Novato area and Point Reyes Station, Inverness Park, Olema and Paradise Ranch in western Marin County. Wastewater collection, treatment and disposal in West Marin is provided for the Oceana Marin subdivision (near Dillon Beach).

The District employs a dedicated, hardworking staff, has progressive planning and financial management policies, and is a recognized industry leader in water utility standards, water quality protection and water conservation management.

You can learn more about the District at www.nmwd.com.

The Novato Area

Novato is the second largest city in Marin County. It boasts an excellent climate and beautiful oak studded rolling hills and is primarily a suburban residential area with a picturesque main street and friendly local shopping centers. It is less than a 30-minute drive to the City of San Francisco to the south. California's unparalleled coast and abundant national seashore areas to the west, Sonoma wine country to the north and Napa Valley wine country to the east. Excellent winter sports areas and high Sierra recreation are a four-hour drive to the east. The area abounds with educational opportunities from pre-school to university level, both public and private.

Residency within 10 miles of the District's Service Area is preferred. The District has an Employer Assisted Housing Program to encourage residency within the District Service Area.

Climate

The climate is typical California with mean annual rainfall of 27 inches, Mediterranean like temperatures and virtually no humidity. Outdoor recreation is a popular year-round activity.

NORTH MARIN WATER DISTRICT

GENERAL INFORMATION

North Marin Water District is a publicly owned water district which provides primarily domestic and recycled water service to the greater Novato area and water service to small coastal communities at the base of Tomales Bay in West Marin. Additionally, wastewater collection and treatment service is provided to a coastal residential community in West Marin adjacent to Dillon Beach.

License/Certificate

Possession of a valid Class C California driver's license required

Medical Examination

The selected applicant will be required to satisfactorily pass a medical examination and drug screen (District expense) given by a regularly licensed physician designated by the District

Authorization to Work

Before an appointment may be made, the selected applicant must provide documented proof of identity and authorization to work in the United States, according to federal law.


To Apply

Applications may be obtained online at www.nmwd.com.

Applications must be filed online **before 5 p.m. July 31, 2017.**

7

MEMORANDUM

To: Board of Directors
From: Drew McIntyre, General Manager 
Subject: City of Novato 2017 Urban Growth Boundary Draft Ordinance
T:\GM\UGB BOD Memo 062717.doc

June 23, 2017

RECOMMENDED ACTION: Approve comment letter to City of Novato 2017 Urban Growth Boundary Draft Ordinance

FINANCIAL IMPACT: None

On June 20, 2017, staff received a draft ordinance extending the 20-year term of the City's 2007 Urban Growth Boundary and making other regulatory and General Plan changes (Attachment 1). This ordinance is intended to be placed on the November ballot by the Novato City Council. The Council will review this draft ordinance on June 27 and is expected to approve a final version at their July 11, 2017 meeting.

Staff has reviewed the draft ordinance language with District legal counsel. The attached draft comment letter (Attachment 2) is being provided for Board input. In essence, the comments specifically address the City's draft language requesting that the District adopt policies and ordinances consistent with the City's Urban Growth Boundary and also enter into a Memorandum of Understanding (MOU) with the City to implement the Urban Growth Boundary Ordinance.

In summary, the District comment letter takes the position that the District does not have land-use powers and therefore cannot adopt any new policies or ordinances nor enter into any MOU with the City related to the 2017 UGB ordinance.

RECOMMENDATION

Board provide comments and authorize sending the attached letter to City of Novato regarding the 2017 Urban Growth Boundary Draft Ordinance.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF NOVATO AMENDING THE
GENERAL PLAN TO CONTINUE THE
URBAN GROWTH BOUNDARY

THE PEOPLE OF THE CITY OF NOVATO DO ORDAIN AS FOLLOWS:

SECTION 1. Findings and Purpose

A. Purpose. The purpose of this ordinance is to provide for the health, safety, and welfare of the residents of the City of Novato, to preserve agricultural uses which are vital to the region's economy, to encourage planned and managed growth, and to implement the goals, objectives and policies of the City of Novato General Plan and its provisions that development should be compact.

This ordinance amends the City of Novato General Plan to continue the Urban Growth Boundary (UGB) adopted by the voters on November 4, 1997 to extend the effective date of the Urban Growth Boundary to a date that is the same date as the certification of results of the City's 2038 General Municipal Election.

The Urban Growth Boundary (sometimes UGB) is established for a 20 year period, beginning with the effective date of this ordinance, during which urban development is restricted outside the boundary, stipulating that development proposals will not be approved for land outside of the UGB except under limited circumstances consistent with other applicable General Plan policies. This initiative would, with certain exceptions, require any extension of the UGB to be approved by a vote of the people. The UGB may be updated and/or extended at the expiration of the 20 year period.

B. Findings. The people of the City of Novato find that this ordinance:

- (1) Protects agricultural uses outside the UGB by promoting, on lands outside the UGB, ongoing agricultural and other natural resource and open space uses, such as preservation of natural resources, public and private outdoor recreation, uses that foster public health and safety, and productive investment for farming enterprises;
- (2) Encourages efficient growth patterns and protects the quality of life of the citizens of Novato by concentrating future residential, commercial and industrial growth in areas already served by urban services, consistent with the availability of infrastructure and services;
- (3) Improves the City's ability to provide municipal services, and discourages the provision of City services to sprawling developments in outlying agricultural and open space lands which greatly increases the cost of such services, while allowing for the possibility of residential development at a rural scale on existing legal lots;

- (4) Protects open space and community separators surrounding the City;
- (5) Manages the City's growth in a manner that fosters and protects the rural character of Novato while encouraging appropriate economic development in accordance with the City's unique local conditions;
- (6) Does not impose any numerical or percentage limit on the development of housing units in the City;
- (7) Allows the City to continue to meet its fair share of the affordable and low cost housing needs of the region; and
- (8) Promotes stability in long term planning for the City by establishing a cornerstone policy within the General Plan designating the geographic limits of long term urban development and allowing sufficient flexibility within those limits to respond to the City's changing needs over time.

SECTION 2. General Plan Amendment: Urban Growth Boundary

A. The General Plan shall be amended as follows:

- 1. Map 1 is revised to depict the Urban Growth Boundary as set forth in the attached Exhibit A.
- 2. Text Amendments:

The following text shall be added to the General Plan Land Use or equivalent chapter:

Urban Growth Boundary

The City seeks to protect agricultural, natural resource, open space and community separator uses, public and private outdoor recreation, uses that foster public health and safety, and farming enterprises as well as encourage efficient growth patterns that foster and protect the rural character of Novato while encouraging appropriate economic development in accordance with the City's unique local conditions.

The establishment of an Urban Growth Boundary will protect the quality of life of the citizens of Novato by concentrating future residential, commercial and industrial growth in areas already served by urban services. The Urban Growth Boundary will improve the City's ability to provide municipal services and discourage the provision of City services to sprawling developments in outlying areas, including agricultural and open space lands which greatly increases the cost of such services.

3. The following Goals, Policies and Programs are added to the General Plan Land Use or equivalent chapter to read as follows (numbering to replace X shall be as provided by the City):

Goal X: Establish clear limits to urban development outside the Novato City Limits.

Policy X

Urban Growth Boundary Established. An Urban Growth Boundary is established, as shown on LU Map 1. Land use designations outside the Urban Growth Boundary have been established for long term planning purposes. For the 20 year duration of the Urban Growth Boundary, development outside the Urban Growth Boundary shall be limited to non-urban agricultural, conservation, parkland, and open space uses except as provided herein.

Program X

City Action on Proposals Outside the Urban Growth Boundary.

a. The City, its departments, boards, commissions, officers and employees, shall not grant or approve any general plan amendment, rezoning or zoning ordinance amendment, specific plan, master plan, precise development plan, tentative or final subdivision map, conditional use permit, building permit or any other discretionary or ministerial land use or development approval or entitlement for urban land uses outside the Urban Growth Boundary except as provided in this policy. All City departments, boards, commissions, officers and employees shall act on all referrals from other agencies regarding the extension or connection of urban services such as sewer or water service, outside the Urban Growth Boundary consistent with the requirements of this policy.

b. (1) All City departments, boards, commissions, officers and employees shall act on applications for land use approvals, entitlements and permits on properties outside the Urban Growth Boundary consistent with the requirements of this policy and state law in a manner that avoids any approval of such applications by operation of state or other law.

(2) All City departments, boards, commissions, officers and employees shall act on all referrals from other agencies regarding the extension or connection of urban services such as sewer or water service, outside the Urban Growth Boundary consistent with the requirements of this policy and state law in a manner that avoids any approval of such applications by operation of state or other law.

c. Until date that is the same date as the certification of results of the City's 2038 General Municipal Election, the foregoing Policy Xa, Xb and LU Map 1 as it depicts the Urban Growth Boundary may be amended only by a vote of the people or pursuant to the procedures set forth below.

(1) To comply with state law regarding the provision of housing for all economic segments of the community, the City Council may amend the Urban Growth Boundary in order to accommodate lands to be designated for residential uses, provided that no more than ten acres of land may be brought within the Urban Growth Boundary in any calendar year. Such an amendment may be adopted only upon the affirmative vote of a majority of the Council, and if the City Council makes each of the following findings:

- (i) That the land is immediately adjacent to existing comparably developed areas and the applicant for the redesignation (or the City if City-initiated) has provided evidence that the Novato Fire Protection District, Novato Police Department, Novato Community Development Department, the North Marin Water District, Novato Sanitary District, and the School District have adequate capacity to accommodate the proposed development and provide it with adequate public services;
- (ii) That the proposed development will consist of primarily low and very low income housing pursuant to the Housing Element of the General Plan;
- (iii) That there is no existing residentially designated land available within the Urban Growth Boundary that can feasibly accommodate the proposed development;
- (iv) That it is not reasonably feasible to accommodate the proposed development by redesignating lands within the Urban Growth Boundary for low and very low income housing; and
- (v) That the proposed development is necessary to comply with state law requirements for the provision of low and very low income housing.

(2) To avoid an unconstitutional taking of private property, the City Council may extend the Urban Growth Boundary, by the affirmative vote of a majority of the Council, if it finds that:

- (i) The implementation and/or application of the UGB would otherwise constitute a taking of a landowner=s property for which compensation must be paid; and
- (ii) The extension of the UGB and land use designations associated with the extension will allow additional land uses only to the minimum extent necessary to avoid such a taking of the landowner=s property.

(3) To promote the public health, safety, and welfare, the City Council may, by the affirmative vote of a majority of the Council, amend the Urban Growth Boundary if it finds that such amendment is necessary for the development of a public park, public school, public facility, or public open space project, and such amendment is otherwise consistent with the General Plan then in effect.

(4) To promote the public health, safety and welfare, the City Council may, by the affirmative vote of a majority of the Council amend the Urban Growth Boundary if the Council makes the following findings:

(a) Residential

- (i) The amendment will permit the construction or expansion of a single family residential structure and one accessory dwelling unit on a legal conforming lot which lot existed on November 7, 2017; and
- (ii) Further subdivision of the lot upon which the proposed single family residential structure and/or accessory dwelling unit is to be built is prohibited by deed restriction or other legally enforceable covenant.

OR

(b) Non-Residential

- (i) The amendment will permit the expansion of existing non-residential development by no more than 10% from the floor area existing on November 7, 2017.

(5) The City Council may, by the affirmative vote of a majority of the Council, exempt projects that have a vested right under law to proceed with development, if the Council determines that the exemption is necessary for the project to proceed consistent with that vested right.

Program X: Sphere of Influence. Request that the Marin County Local Agency Formation Commission (LAFCO) revise, consistent with state law and Marin LAFCO policies, the Novato Sphere of Influence as appropriate to assist the City with the implementation of the Urban Growth Boundary.

Program X: Urban Service Areas. Study potential Urban Service Areas as defined by LAFCO and consider amending the General Plan to delineate them and adopt appropriate policies.

Program X: Annexation and Connection to the Novato Sanitary District.

- a. Request that the Marin County Local Agency Formation Commission refer proposals for inclusion in the area served by the Novato Sanitary District to the City for review and comment and act favorably on the City's recommendations in a manner consistent with the purpose and intent of the Urban Growth Boundary.
- b. Consider, on a case-by-case basis, supporting connection of property outside the City limits to the Novato Sanitary District, if the City determines it necessary for public health and safety, or for any reason defined in the exceptions to the Urban Growth Boundary contained in Program Xc.

Program X: Policies and Ordinances of LAFCO, County of Marin, Novato Sanitary District and North Marin Water District. Request that LAFCO, the County of Marin, the Novato Sanitary District and the North Marin Water District recognize the Urban Growth Boundary in their official plans and adopt policies and ordinances consistent with the Urban Growth Boundary consistent with the intent of the voters.

Program X: MOUs with LAFCO, County of Marin, Novato Sanitary District and North Marin Water District. Request that LAFCO, the County of Marin, the Novato Sanitary District and the North Marin Water District enter into a Memorandum of Understanding (MOU) with the City

to recognize the Urban Growth Boundary and assist in the implementation of the policies and programs of the UGB consistent with the intent of the voters.

Program X: Coordination with Marin County. Request the County of Marin to work with the City when preparing or amending Community Plans or Specific Plans for the Gness Field, Black Point, Indian Valley, and other identified community areas outside the UGB.

SECTION 3. Implementation

- A. Upon the effective date of this initiative, the initiative shall be deemed to have amended the General Plan in accordance with its terms, except that if the four amendments of the mandatory elements of the General Plan permitted by state law for any given calendar year have already been utilized in the year of this initiative's effective date and prior to such effective date, then the General Plan amendment specified herein shall be deemed effective on January 1 of the following year.
- B. If another ballot measure is placed on the same ballot as this initiative, and if such other ballot measure governs growth boundaries or growth policies for the City of Novato or otherwise purports to deal with the same subject matter as this initiative, and if both measures should pass, the voters expressly declare their intent that this measure conflicts with such other measure, and that the measure which obtains the most votes shall control.
- C. Should any section, subsection, clause or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause and phrase hereof would have been prepared, proposed, and adopted by the people, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.
- D. The General Plan may be reorganized, individual provisions of the General Plan may be renumbered or reordered, and provisions of the General Plan other than the provisions added by this initiative may be amended, by the City Council in the course of ongoing updates of the General Plan in accordance with the requirements of state law. Notwithstanding any such reorganization, renumbering, reordering or amendment of the General Plan, the provisions added to the Plan by this initiative shall continue to be included in the General Plan until the twentieth anniversary of the effective date of this initiative, except to the extent that this initiative has been earlier repealed or amended consistent with its provisions.
- E. Unless a different statute of limitation applies under applicable state or federal law, no action or proceeding challenging all or any part of this initiative shall be maintained

unless commenced and service made on the City within 120 days from the date that the vote on this initiative is declared.

- F Pursuant to California Elections Code Section 9217, if the majority of the voters voting on this initiative vote in its favor, it shall become a valid and binding ordinance ten (10) days after the vote is declared by the City Council.

DRAFT

Bob Brown
Community Development Director
City of Novato
922 Machin Ave.
Novato, CA 94945

June 28, 2017

RE: City of Novato 2017 Urban Growth Boundary

Dear Mr. Brown:

Thank you for the opportunity to comment on your June 20, 2017 email which contained the City of Novato 2017 Urban Growth Boundary (UGB) Draft Ordinance. It is our understanding that the City Council will review this draft on June 27 and a final version will be brought to the Council on July 11 for consideration.

Comments to the ordinance draft are as follows:

Section 2, Pg. 6

Program X: Policies and Ordinances of LAFCO, County of Marin, Novato Sanitary District and North Marin Water District, and

Program X: MOUs with LAFCO, County of Marin, Novato Sanitary District and North Marin Water District,

Comment:

The North Marin Water District is not in the position to adopt any new policies/ordinances nor enter into an MOU with the City regarding the proposed 2107 UGB ordinance.

The North Marin Water District was organized under and exists pursuant to the County Water District Law, Division 13 of the Water Code. Nothing in that Law (or any other statute or caselaw with which we are familiar) authorizes the District to choose between land use agencies, or, where it is the municipal service provider as determined by LAFCO, to deny service to a land use approved by the land use agency with authority over that property in the absence of constraints on its available supplies or facilities. If the District were to deny service, based upon a City ordinance, to a development approved by the County (where the County has authority to approve development), this could result in significant legal liability being imposed on the District.

Thank you for the opportunity comment.

Sincerely

Drew McIntyre
General Manager

cc: Keene Simonds, Marin LAFCo

DM:edm
T:\GMLTg to CON re UGB.docx

ATTACHMENT 2

8

MEMORANDUM

To: Board of Directors June 23, 2017
From: Rocky Vogler, Chief Engineer *RV*
Subject: West Marin Capital Improvement Projects – FY16-17 Preliminary Year-End Progress Report
R:\CHIEF ENG\MCINTYRE\BUDGETS\FY16-17 Budget\WM 16_17 project status BOD Memo.doc

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 FY16-17 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 FY16-17 financial information is complete. This preliminary progress report is being presented to take advantage of the fact that the June 27th meeting is being held in our West Marin service territory.

Performance Status for Capital Improvement Projects

A total of nine CIPs were originally budgeted in FY16-17 for the West Marin water and Oceana Marin sewer service areas (Attachment 1). During the year, two projects were added and three were deferred. Out of the resulting eight, six projects have been completed. Overall earned value progress in completing West Marin CIPs was 78%. All but one FY16-17 West Marin project expenditures were at or below the original budget (Attachment 2). Based on a review of total project expenditures for all West Marin CIPs, the combined West Marin Water projects are estimated to be below the initial budget by approximately \$456,000 due primarily to the PRE Tank #4A project which is now planned for construction in FY18. The combined Oceana Marin project expenses of \$166,000 result in a remaining Oceana Marin CIP balance of \$44,000.

FY 16-17
IMPROVEMENTS PROJECTS

	WEST MARIN/ OCEANA MARIN
PROJECTS BUDGETED	
Original Budget	9
Added	2
FY 15-16 Carryover	0
Deferred/Dropped	3
Adjusted Budget	8

	WEST MARIN/ OCEANA MARIN
FISCAL YEAR COMPLETION STATUS	
No. of Projects Fully Completed	6
No. of Projects Partially Completed	1
Year-End Earned Value Completion Percentage	78%

FY15-16 CARRYOVER

None

Date Brought to Board

DEFERRED/DROPPED

Tahiti Way Power Relocation
ACP Sewer Reline (6" @ 3,000')
Design/Install 8th Disposal Trench 9,300'

First Quarter Report
Second Quarter Report
Third Quarter Report

PROJECTS ADDED

OM Dosing Siphon Repairs
Retaining Wall @ IP Tank #2

First Quarter Report Repair
Third Quarter Report

[illegible]

9

MEMORANDUM

To: Board of Directors

June 23, 2017

From: Drew McIntyre, General Manager



Subject: Approve Miller Pacific Engineering Group Consulting Services for Erosion Control

T:\GMAgreements\Marindale Ranch\Marindale Ranch BOD Memo 062717.doc

RECOMMENDED ACTION: Board approve Miller Pacific Engineering Group Consulting Services for Erosion Control Pursuant to Cooperative Agreement for Water Quality Protection on Marindale Ranch

FINANCIAL IMPACT: \$7,000 (no budget augmentation required)

At the April 20, 2004 meeting the Board entered into a cooperative agreement for water quality protection on Marindale Ranch (see Attachment 1). The goal of the agreement is to improve water quality in Stafford Lake and minimize sediment loadings. The agreement includes language that allows participation between the Marindale Ranch owners and North Marin Water District for erosion control projects that are mutually agreed upon from time to time. As reported to the Board during open time at the June 6, 2017 meeting, two major slides have occurred along Novato Creek within the Marindale Ranch during the 2016/17 winter season. Failure to repair these slides will result in a significant increase in sediment loads into Stafford Lake impacting overall water quality and storage capacity. Based on discussions with the Marindale Ranch owners, staff recommends that the District hire Miller Pacific Engineering Group (MPEG) to perform a geotechnical evaluation and prepare improvement plans for both slide areas (proposal is provided in Attachment 2). The ranch owners will be responsible for implementing improvement plan recommendations. Depending upon the identified geotechnical improvement options, the District may contribute materials required as part of overall implementation subject to Board approval.

MPEG's work will be performed under a new task order using the \$60,000 General Services Agreement approved by the Board at the November 3, 2015 meeting (current balance is \$23,000).

RECOMMENDATION

Board approve Miller Pacific Engineering Group Consulting Services for Erosion Control Pursuant to Cooperative Agreement for Water Quality Protection on Marindale Ranch for a fee not to exceed \$7,000.

Approved by GM

Date

6/23/17

**COOPERATIVE AGREEMENT FOR WATER QUALITY PROTECTION
ON
MARINDALE RANCH**

1.	RECITALS.....	1
2.	OBJECTIVE	1
3.	MUTUAL WATER QUALITY PROTECTION MEASURES	2
	A. Sediment Dam Maintenance.....	2
	B. Creek Conservation Area Fencing	2
	C. Agrochemical Use.....	2
	D. Ranch Management Plan / Erosion Control	2
	E. Educational Projects and Access.....	3
4.	OTHER MEASURES	3
5.	COMPLIANCE WITH CEQA	3
6.	GENERAL PROVISIONS	3
	A. Method and Place of Giving Notice and Making Payments	3
	B. Third Party Beneficiaries	4
	C. Representation by Counsel.....	4
	D. Authorization.....	4
	E. Entire Agreement.....	4
	F. Binding on Successors	4
	G. Paragraph Headings.....	4
	H. Governing Law.....	4
	I. Counterparts.....	4
	J. Facsimile Signatures.....	4
	K. Effective Date	4

April 2004

ATTACHMENT 1

**COOPERATIVE AGREEMENT FOR WATER QUALITY PROTECTION
ON
MARINDALE RANCH**

This agreement ("Agreement") is made this _____ day of April 2004, by and between the North Marin Water District, a County water district organized and existing under Water Code Section 30,000 et. Seq., herein after called "NMWD," and JAMES J. GROSSI, Sr., Individually and JAMES J. GROSSI Sr., as Trustee under the Testamentary Trust created under the will of ROSE M. GROSSI, deceased, Marin Superior Court Case No. 34138; JAMES GROSSI, JR., RALPH E. GROSSI, EDWARD R. GROSSI and BEVERLY M. GROSSI, hereinafter called the "MARINDALE RANCH", and alternately referred to as "Owners."

1. RECITALS

- A. NMWD has prepared a Stafford Lake Watershed Management Plan, pursuant to California Department of Health Services direction, documenting NMWD's commitment to protect the source water quality of Novato's local potable water supply.
- B. An objective of the Stafford Lake Watershed Management plan is to maintain effective working relationships with agricultural property owners, lease holders and resource agencies that will lead to improved source water quality as monitored and measured by the reduction of solids and sediments in the tributaries to Stafford Lake.
- C. Activities proposed within the Stafford Lake Watershed Management Plan include continued maintenance of sediment dams and working with landowners, Resource Conservation District (RCD), Natural Resource Conservation Service (NRCS), Marin County Stormwater Pollution Prevention Program (MCSTOPPP), Marin Agricultural Land Trust (MALT), North Bay Watershed Association (NBWA), Students and Teachers Restoring a Watershed (STRAW) and others to minimize soil erosion, develop buffer strips on water courses and encourage and support development of a Ranch Management Plan.
- D. The Owners have granted a Deed of Agricultural Conservation Easement to the MALT to protect and preserve the agricultural land use on the 870-acre Owners Ranch within the Stafford Lake watershed.
- E. Said Agricultural Conservation Easement designates Creek Conservation Areas and requires development of a Creek Conservation Area Plan to describe acceptable measures within the Creek Conservation Areas to limit uses and practices that can degrade water quality, soil and bank stability, and vegetative cover.
- F. From 1918 through 1988, Owners Ranch was operated as a dairy by three generations of the Grossi Family. Since 1988, the principal enterprises on the ranch have been beef cattle and replacement dairy heifers. Over the past 25 years, Owners have undertaken many projects to minimize erosion and improve water quality on the ranch, often in conjunction with NMWD. It is the desire of Owners to strike an appropriate balance between the normal and acceptable practices of the economic enterprise with water quality goals.

2. OBJECTIVE

The parties to the agreement believe that it is in their best interests to cooperate and achieve mutual water quality protection measures as provided herein. Nothing in this

Agreement is intended to restrict, replace or preclude any provisions of the Deed of Agricultural Conservation Easement between the Owners and MALT.

3. **MUTUAL WATER QUALITY PROTECTION MEASURES**

A. Sediment Dam Maintenance

1. NMWD shall annually remove sediment material from the Novato Creek sediment dam at no cost to Owners. NMWD shall perform the sediment dam maintenance in the Fall of each year prior to the onset of winter rains and resulting runoff into the Novato Creek drainage. NMWD shall provide at least one-week notice to Owners prior to performing the sediment dam maintenance.
2. Sediment material removed shall be deposited at a location on the Owners Ranch, which is mutually agreeable to NMWD, and Owners and said material shall be the property of Owners. NMWD shall have the right to acquire any excess sediment material it may require from time to time at no cost.

B. Creek Conservation Area Fencing

1. Owners shall install, and maintain in good repair, fencing at the Creek Conservation Areas as described in the Creek Conservation Area Plan (Exhibit A).
2. NMWD will pay for newly installed fencing materials for the Creek Conservation Areas at \$2.50 per lineal foot for approximately 10,000 linear feet of fencing. NMWD will pay the actual cost of fence maintenance materials for the proposed 10,000 linear feet of new fencing and 11,000 linear feet of existing fencing as said maintenance occurs from time to time.

Owners will pay for installation of new fence materials and maintenance labor for new and existing fencing.

C. Agrochemical Use

1. Owners agree to periodically review planned use of agrochemicals with NMWD at a mutually agreeable frequency; and will follow the NMWD recommendations for agrochemical use near surface water, during periods of high groundwater or heavy rain and within Creek Conservation Areas. NMWD agrees that the use of agrochemicals is a necessary tool in the control of certain invasive species of plants that both parties desire to eliminate or minimize within the watershed; and NMWD further agrees to not unreasonably restrict the use of said agrochemicals as long they are used as prescribed. Both parties agree to work toward a goal of minimal use of agrochemicals in the watershed.

D. Ranch Management Plan / Erosion Control

1. NMWD agrees to fund 50% of the development of the Ranch Management Plan (PLAN), and fund 100% of an inventory of erosion on the Owners Ranch. NMWD agrees to work with Owners to attain funding for the remaining cost.
2. Owners agree to implement and adhere to the Plan and NMWD shall contribute thereto only as explicitly identified in this agreement and future letter agreements (see below)

3. NMWD shall maintain the right to use Ranch Management Plan and erosion inventory information prepared, including mapping, to propose future erosion control projects or other measures to improve water quality tributary to Stafford Lake. Participation in said erosion control projects or other measures by Owners and NMWD shall be mutually agreed upon from time to time in separate letter agreements for each future project or measure.

4. Owners and NMWD agree to make good faith, best efforts to attain funding from both public and private sources to implement the Plan. Nothing in this agreement obligates Owners to pay more than 50% of the total cost of any project or measure.

E. Educational Projects and Access

1. NMWD shall from time to time fund and undertake educational field programs with STRAW and other entities where mutually agreed upon by NMWD and Owners.

2. NMWD shall have access to Creek Conservation Areas to perform water quality monitoring from time to time. NMWD shall provide five days notice to Owners prior to requested access.

4. OTHER MEASURES

A. Owners and NMWD agree that future water supply studies on Owners Ranch may be undertaken. Scope of said studies shall be mutually agreed upon from time to time in separate letter agreements for each future study.

5. COMPLIANCE WITH CEQA

A. The parties agree that if it is subject to the California Environmental Quality Act (CEQA), execution of this Agreement qualifies for a Categorical Exemption, Class 1 or 4 (14 CCR 15301 or 15304) under the CEQA.

6. GENERAL PROVISIONS

A. Method and Place of Giving Notice and Making Payments

All notices shall be in writing and notices and payments may be given by personal delivery or by mail. Notices and payments sent by mail shall be addressed as follows:

NMWD: North Marin Water District
Attn: General Manager
P.O. Box 146
Novato, CA 94948-0146

Owners or Marindale Ranch: James Grossi, Jr.
3801 Novato Blvd
Novato, CA 94947
and
Ralph Grossi
4916 Walkingfern Dr.
Rockville, MD 20853

Changes may be made in the names and addresses of the person to whom notices and payments are to be given by giving notice pursuant to this section.

B. *Third Party Beneficiaries*

No third party beneficiaries are intended or established by this Agreement

C. *Representation by Counsel*

NMWD and Owners were each represented by independent counsel in the negotiation and execution of this Agreement. For the purposes of interpretation of this Agreement neither party shall be deemed to have been the drafter of this Agreement.

D. *Authorization*

Each signatory to this Agreement warrants that he or she has full authority to execute this Agreement on behalf of and thus bind the entity represented.

E. *Entire Agreement*

This Agreement contains the entire agreement and understanding between the parties hereto with respect to the subject matter of this Agreement

F. *Binding on Successors*

This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties.

G. *Paragraph Headings*

Paragraph headings are used for reference purposes only and are not intended to describe, interpret, define or limit the scope or extent of this Agreement or any of its provisions.

H. *Governing Law*

This Agreement shall be governed by and construed in accordance with the laws of the state of California.

I. *Counterparts*

This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together, shall constitute one instrument.

J. *Facsimile and Electronic Signatures*

The parties agree that this will be considered signed when the signature of a party is delivered by facsimile or electronic transmission. Such signature shall be treated in all respects as having the same effect as an original signature.

K. *Effective Date and Term*

This Agreement shall become effective and remain in full force and effect for a period of twenty years from the date of the latest signature below. Parties hereto agree to consider extension of this Agreement upon said term.

MARINDALE RANCH

By: James Grossi Sr.
James Grossi, Sr., individually and as
Trustee for the Rose Grossi Trust

By: James J. Grossi, Jr.
James J. Grossi, Jr.
Dated: May 25, 2004

By: Ralph E. Grossi
Ralph E. Grossi
Dated: May 30, 2004

By: Beverly M. Grossi
Beverly M. Grossi
Dated: May 21, 2004

By: Edward R. Grossi
Edward R. Grossi
Dated: June 20, 04

NORTH MARIN WATER DISTRICT

By: Dennis J. Rodoni
Dennis J. Rodoni, Board President
Dated: 7/6/04



June 22, 2017
File: 231.170pro.doc

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

Attn: Mr. Drew McIntyre

Re: Proposal for Geotechnical Services
Conceptual Landslide Improvement
Marindale Ranch
Novato CA, 94947

Introduction and Project Description

In response to your request, we are pleased to propose our geotechnical services to provide conceptual level landslide improvement plans to reduce risk of significant future erosion of landslide debris into Novato Creek. The two primary areas of investigation include; (1) a rotational landslide that toes out into the creek and (2) an incised erosion gully that connects into the creek. We understand the purpose is to develop improvement concepts that could be implemented using available ranch equipment and personnel.

Scope of Services

We customarily provide our services in phases to correspond with project development. Based on our understanding of the project, we propose the following scope of services:

Phase 1 – Geotechnical Evaluation and Plans

Based on our site inspection, we anticipate the scope of our evaluation will include the following:

- Site reconnaissance to prepare a geologic map to define limits of existing landslide and limits of required mitigation;
- Geotechnical evaluation of improvement options; and
- Evaluation and conceptual improvement options summarized in a brief letter report. The letter will include sites plans and cross-sections for use in “ranch level” construction.

We anticipate the time schedule to complete a draft letter for our Phase 1 services would be four weeks. Final letter and plans would be about one week after review comments are received.

Supplemental Services

If requested, we can provide geotechnical consultation and intermittent inspection observe site conditions encountered, and provide direction regarding construction in accordance with the intent of the design and conceptual plans.

June 22, 2017

Contractual Arrangements

Based on our understanding of the project and the scope of services outlined above, we propose the following fee arrangements:

Phase 1 – Geotechnical Evaluation and Plans Time & Expense, Est., \$4,000

Supplemental Services Time & Expense, Est., \$3,000*

*Scope and budget supplemental services should be refined once the improvement options have been selected and construction schedules are made available, respectively.

We trust that this proposal contains the information you require at this time and are prepared to begin our work soon after your authorization. We anticipate services would be authorized by a task order on our existing agreement for geotechnical services. Should there be any questions or concerns regarding our proposal, please do not hesitate to contact us.

Very truly yours,
MILLER PACIFIC ENGINEERING GROUP



Scott Stephens
Geotechnical Engineer No. 2398
(Expires 6/30/19)

10

MEMORANDUM

June 23, 2017

To: Board of Directors
From: Robert Clark, Operations / Maintenance Superintendent *RC*
Subject: Granular Activated Carbon Replacement Purchase
X:\MAINT SUP\2017\BOD\BOD GAC replacement.doc

RECOMMENDED ACTION: Approve staff recommendation to purchase replacement granular activated carbon

FINANCIAL IMPACT: \$167,000 (including tax) as identified in our approved 2017/18 operations budget.

Over the past three years NMWD staff has been working closely with Calgon Carbon Corporation (Calgon) engineers to better understand how we use granular activated carbon (GAC) to control taste and odors, chlorites and total organic carbons. This past year we performed a pilot study using reactivated carbon from the Stafford Treatment Plant July 2015 replacement program. Results indicate that the reactivated carbon may perform similar to virgin carbon. While we felt the reactivated carbon performed well in comparison to the virgin product the cost difference of \$32,560 or 21% did not warrant using the reactivated product at this time.

Based on our 2016/17 source water quality and production performance, staff did not purchase a batch of GAC during the current fiscal year deferring the \$153,920 from the fiscal year 2016/17 Operations budget. With continued quality performance the existing GAC will continue to be used until such time the Stafford Lake Treatment Plant finished water quality cannot be maintained due to source water quality issues.

Staff completed a bid process for the fiscal year 2015/16 replacement of the Stafford Water Treatment Plant granular activated carbon for the finished water polishing filters. At that time Calgon was 15% lower than the next highest bidder. Because of the work we are doing with the Calgon engineers and the continued performance of their Filtrasorb 300 granular activated carbon product, staff has single sourced the carbon purchase for fiscal year 2017/18.

RECOMMENDATION:

Approve staff recommendation for the \$167,000 purchase of replacement GAC from the Calgon Carbon Corporation.

Approved by GM *RC*Date 6/23/17



Pure Water. Clean Air.
Better World.

June 5, 2017

Brad Stompe
999 Rush Creek Pl
Novato, CA 94945-2426

Dear Mr. Stompe:

Thank you for your interest in the products and services of Calgon Carbon Corporation. We are pleased to respond to your request for quotation.

PRODUCT: Filtrasorb 300

PACKAGING: Supersacks

QUANTITY: 148,000 lbs

PRICE: \$153,920

FREIGHT: Included

FIELD SERVICE: Not Included

PAYMENT TERMS: Net 30 days

Please Note: There is no field service included in this quote. Product will be delivered and left on site. Removal of spent GAC and placement into supersacks is the responsibility of NMWD. Calgon Carbon will pick up the sacked spent carbon and return to a Calgon Carbon facility for reactivation.

This quote does not include any applicable taxes. Please allow 3-4 weeks lead time.

Quote is valid for 30 days.

Shipment must take place within 90 days after receipt of a purchase order.

Pricing beyond the terms stated above is subject to change. Calgon Carbon Corporation Terms and Conditions apply

If you would like to proceed with this offer, please email a purchase order or credit card information to me and include your shipping address and requested delivery date. Please contact me with any additional questions.

Sincerely,

Benjamin J. Goecke
Technical Sales Representative
425-286-0754
bgoecke@calgoncarbon.com



Pure Water. Clean Air.
Better World.

April 27, 2017

Brad Stompe
999 Rush Creek Pl
Novato, CA 94945-2426

Dear Mr. Stompe:

Thank you for your interest in the products and services of Calgon Carbon Corporation. We are pleased to respond to your request for quotation.

PRODUCT: CMR F300

PACKAGING: Supersacks

QUANTITY: 148,000 lbs

PRICE: \$121,360

FREIGHT: Included

FIELD SERVICE: Not Included

PAYMENT TERMS: Net 30 days

Please Note: There is no field service included in this quote. Product will be delivered and left on site. Removal of spent GAC and placement into supersacks is the responsibility of NMWD. Calgon Carbon will pick up the sacked spent carbon and return to a Calgon Carbon facility for reactivation.

This quote does not include any applicable taxes. Please allow 3-4 weeks lead time.

Quote is valid for 30 days.

Shipment must take place within 90 days after receipt of a purchase order.

Pricing beyond the terms stated above is subject to change. Calgon Carbon Corporation Terms and Conditions apply

If you would like to proceed with this offer, please email a purchase order or credit card information to me and include your shipping address and requested delivery date. Please contact me with any additional questions.

Sincerely,

Benjamin J. Goecke
Technical Sales Representative
425-286-0754
bgoecke@calgoncarbon.com

11

DISBURSEMENTS - DATED JUNE 22, 2017

Date Prepared 6/20/17

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

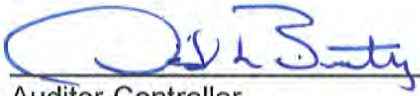
Seq	Payable To	For	Amount
EFT*	US Bank	May Bank Analysis Charge (Lockbox \$912, Credit Card Processing \$839 & Other \$608 Less Interest of \$268)	\$2,090.85
1	Agnew, Katherine	Refund Overpayment on Closed Account	21.07
2	All Star Rents	High Weed Mower Rental (2 Days)	482.28
3	AT&T	Leased Lines	674.04
4	Automation Direct	PLC SCADA Communication Cards (6)	1,296.00
5	Backflow Distributors	8" Double Check Detector Assembly	6,431.88
6	Bobcat of Santa Rosa	Polycarbonate Door Kit for Track Loader	1,883.14
7	Calif Dept of Wtr Resources	FY18 Annual Dam Fee	9,854.00
8	Caltest Analytical Laboratory	Lab Testing	35.00
9	CDW-Government	Cell Modem for Ponte P/S (\$347) & GAC PLC Battery Backups (2)	559.43
10	Cinquini & Passarino	Prog Pymt#3: Surveying Services-Ridge Road Pipeline Replacement Project (Balance Remaining on Contract \$13,194)	5,616.25
11	Clark, Robert E.	Exp Reimb: Lunch for Confined Space Training (25 Participants)	252.80
12	Clipper Direct	Commuter Benefit Program (2)	66.00
13	Comcast	June Internet Connection	151.12
14	Davis, Regina	Refund Overpayment on Closed Account	201.76
15	Electrical Equipment	Capacitor for Yard Gate Opener	39.15
16	Environmental Express	Lead and Copper Sample Container (Lab)	399.01
17	Evoqua Water Technologies	Service on Deionization System (Lab)	217.50

Seq	Payable To	For	Amount
18	Ferguson Waterworks	Grout Diapers for 16-24" Saddles (4)	138.88
19	Fisher Scientific	Nitric Acid (Lab)	116.82
20	Frontier Communications	Leased Lines	1,429.46
21	Grainger	Flashlights (3) (\$95), Bow Saw Steel Blades (4) & Pond Conditioner (3-4 oz) (\$125)	277.81
22	Gregoire, Jill	Refund Overpayment on Closed Account	26.98
23	Habitat for Humanity	Refund Excess Advance for Construction Over Actual Job Cost-Mt. Burdell Place	13,244.20
24	Haulot-Hayes, Laura	Refund Overpayment on Closed Account	213.74
25	Industrial Scientific	Chlorine Gas Monitor	569.63
26	InfoSend	April Processing Fee for Water Bills (\$1,331) & Postage (\$3,686)	5,017.48
27	Interstate Battery	PLC Battery Back-ups (STP)	180.33
28	Irish & Son Welding	Welding Services	1,068.00
29		Vision Reimbursement	368.00
30		Vision Reimbursement	14.90
31	Las Gallinas Valley Sanitary Dist.	Recycled Water Deliveries (1/1-3/31/17)	7,437.29
32	Lincoln Life	Deferred Compensation PPE 6/15/17	16,155.72
33	McMaster-Carr Supply	Square Key Tag (40), Battery Holders for Irrigation Timers & PLC Duplex Receptacles (\$149)	177.78
34	Moyes, Dana	Refund Overpayment on Closed Account	74.11
35	MSI Litho	Letterhead (15,000) (\$2,096) & Business Cards (McIntyre, T. Kehoe, Ladd & Castellucci) (1,250)	2,252.08
36	Nationwide Retirement Solution	Deferred Compensation PPE 6/15/17	1,364.00
37	Nute Engineering	Prog Pymt#3: Engineering Services: Ignacio West RW Extension (Balance Remaining on Contract \$42,328)	3,055.00

Seq	Payable To	For	Amount
38	Pace Supply	PVC Pipe (234) (\$819) Bushings (2), Meter Flange Gaskets (30) (\$32), Tees (2), Elbows (2), Adaptors (2), Unions (2), Ball Valves (3) & Flanges (18" x 4") (\$467)	840.53
39	Perkins, Matthew	Refund Overpayment on Closed Account	26.27
40	PG&E	Power: Bldgs/Yard (\$3,769), Rectifier/Controls (\$2,112), Pumping (\$28,224), Treatment (\$121) & Other (\$72)	34,299.35
41	Novato Postmaster	Annual P.O. Box Fee	376.00
42		Childcare & Vision Reimbursement	2,441.43
43	Sebastopol Bearing & Hydraulic	Hose Reel Swivel (\$160) (2), 'O' Ring & Gasket & Load Ratchet Binders (2) (\$291)	549.98
44	Sonoma County Water Agency	Conservation Program Support (1/1/17-3/31/17)	11,895.76
45	State Water Resources Control	RW N-Seg 3 SRF Loan Principal & Interest	96,153.16
46	Streakwave Wireless	Radio Dome Covers (\$139) & Radio for Amarolli Tank & Radio Antennas (3) (\$343)	577.90
47	United Parcel Service	Delivery Service: Sent Chlorine Atmosphere Tester Back for Repair & RW Central Disbursement Request #3 Sent to SWRCB	19.98
48	U.S. Bank	Autoshop Part Detergent (50lbs) (\$199), Lab Supplies (\$18), Flowers for Director Schoonover (\$63), State of North Bay Registration (Bentley) (\$78), Power Beams (5) (Radio Telemetry) (\$395), Birthday Lunches (\$96) (McIntyre), Foam Cleaning Sponge, Brushes (6), Ice Chest (\$48) (Lab), High Power Rocket (\$85) (Radio Telemetry), Big Game Net (\$70) (STP), Display Ad: FY18 Proposed Budget (\$46), Replace Customer's Yard Light (\$45) (160 Kaden Ct.) & Fastrak (\$25)	1,167.85
49	Van Bebber Bros	I.D. Rolled Rings (2)	149.20
50	Waste Management	Misc Debris	155.63
51	Watersavers Irrigation	Organic Weed Killer Concentrate (1 gal)	158.95

Seq	Payable To	For	Amount
53279	Winzer	Bolts, Washers, Wire Ties, Soap Dispenser & Grinding Disks (20) (\$179)	376.48
		TOTAL DISBURSEMENTS	<u>\$230,551.11</u>

The foregoing payroll and accounts payable vouchers totaling \$230,551.11 are hereby approved and authorized for payment.



Auditor-Controller

6/23/17

Date



General Manager

6/23/17

Date

BOD
MISC

Marin Independent Journal (<http://www.marinij.com>)

Marin IJ Editorial: Report provides pension facts public should know

Saturday, June 17, 2017

The 2016-17 Marin County Civil Grand Jury has performed a public service, preparing a thorough study of the state of local public agencies' pensions. It also has echoed previous years' grand juries in urging cost-cutting reforms.

Will this grand jury's conclusions — including a jaw-dropping summation that the local pension-obligation debt totals \$1 billion — make a difference?

So far, similarly sobering financial advice hasn't helped much, as the grand jury concluded.

But the report does a good job of putting the long-term fiscal dilemma in perspective.

"These retirement benefits have accumulated over decades and are now coming due as an aging workforce feeds a growing wave of retirements," the May 25 report says. "The resulting financial demands will place stress on the budgets of public agencies and likely lead to reduced services, increased taxes or both."

Rising pension costs have helped fuel the increased number of local tax measures voters have been asked to approve. Many are presented with warnings of deep cuts in important local services unless they are approved.

But often unmentioned by politicians and bureaucrats is that the pressure to raise taxes is a fiscal ramification of the county's, cities' and districts' growing expense to cover pension checks issued to a growing number of retirees and to cover future obligations.

It has been a financial perfect storm for municipalities.

When many of these pensions were established, public jobs were known to pay less, but had benefits that were better than in the private sector.

Over the years, during tight budget periods, most agencies, instead of increasing salaries bolstered pension benefits, expecting those costs would be amply covered by investment returns. But salaries have also grown as agencies' have faced the challenge of retaining and recruiting talented workers in a competitive market.

These two influences collided during the recession — investment returns plummeted and the number of retirees swelled, often exceeding the number of current workers and often retiring earlier and living longer.

The result is more and more of agencies' revenues are needed to cover pension promises — actually, contractual obligations.

Jobs have been cut from budgets. Public services have been reduced. Fees and taxes, from local water bills to sales tax, have been increased because taxpayer dollars have to make up what investment returns no longer cover.

The grand jury report provides Marin taxpayers with an agency-by-agency look at pension challenges.

The grand jury has made several recommendations, among them that the county should form a commission to review possible pension solutions and propose cost-saving alternatives, such as 401(k)-type plans that the

private sector turned to years ago. That switch would reduce the risk to taxpayers, establishing a fixed cost instead of one that swings with investment trends.

Public unions have steadfastly resisted this change. They make a good case that workers have relied on and worked for the promises made in their contracts.

The grand jury also recommends that every public agency in Marin publish long-term budgets, including a report on the percentage of total revenue that will be needed to cover pension costs.

Taxpayers deserve to know this information, whether it's from city hall, the fire department or the school district. This information should not be presented in a way that only an actuary can understand, but in a simple dollars-and-cents manner.

The grand jury also does taxpayers a public service by asking almost every public agency in the county to respond to its report, meaning that these issues will be on their agendas for open and public review.

The grand jury's recommendation that the county form a special commission to consider possible alternatives is more troubling, as the county hardly needs another standing commission. Other agencies' formation of such special committees has done little to reduce short- or long-term costs, mainly due to their composition and limitations on their assignments.

We question whether a county commission would be any different. We also wonder: When will politicians who put tax measures on the ballot — and public services on the line — be more forthright in telling the public that rising pension costs are a big factor forcing them to ask taxpayers to pay more? Thanks to the grand jury, those figures will be a lot easier to find.

URL: <http://www.marinij.com/opinion/20170617/marin-ij-editorial-report-provides-pension-facts-public-should-know>

© 2017 Marin Independent Journal (<http://www.marinij.com>)

Marin Independent Journal (<http://www.marinij.com>)

Marin home prices hit record \$1.25M for May

May buyer interest strong while inventory stays low

By Keri Brenner, Marin Independent Journal

Thursday, June 22, 2017

The median price of a single-family home in Marin hit a new high in May to \$1.25 million, a real estate research firm reported Thursday.

That benchmark, which was for a resale detached single-family home, was up 5.2 percent from the same period a year ago, according to Irvine-based CoreLogic.

At the same time, the median price for all homes in Marin — including resale, condos and new homes — also hit a record \$1,132,750, up 16.8 percent from a year ago.

“May is usually a very busy sales month for homes in Marin,” said Kathy Schlegel, of Golden Gate Sotheby’s International Realty. “Inventory continued to be low while buyer interest was strong.”

Andrew LePage, an analyst for CoreLogic, confirmed that Marin’s trend of peak prices in resale and all-homes categories dovetailed with Bay-Area-wide record high medians in May of \$818,000 for resale homes and \$755,000 for all homes.

“Low inventory continues to foster a pressure-cooker environment in which prices edge higher,” LePage said. “As job growth, low interest rates and higher consumer confidence fuels housing demand, demographic and other trends constrain the number of resale homes listed on the market — while new home construction remains below historically normal levels.”

LePage said Marin and the Bay Area were still slightly below the pre-recession peak median prices in 2007 — when those peaks were adjusted for inflation. But it was definitely edging closer to a full rebound — in the case of Marin, the current May median price record for all homes is perhaps only about 2 percent below the pre-recession 2007 peak when adjusted for inflation, he said. According to LePage, the peak median price in June 2007 for all homes in Marin was \$961,250, while the resale homes peak median price was \$1.125 million.

“A lot of time’s gone by,” he said. “We’re talking about 10 years ago.”

Marin’s condo market was flat in sales volume in May from the 70 sales a year ago, but the median price was up 10.6 percent to \$569,500.

Only three new homes were sold in May in Marin, compared to seven sold a year ago, but the median price for those three rose 57.9 percent to \$1.560 million — likely too small a sample to be significant.

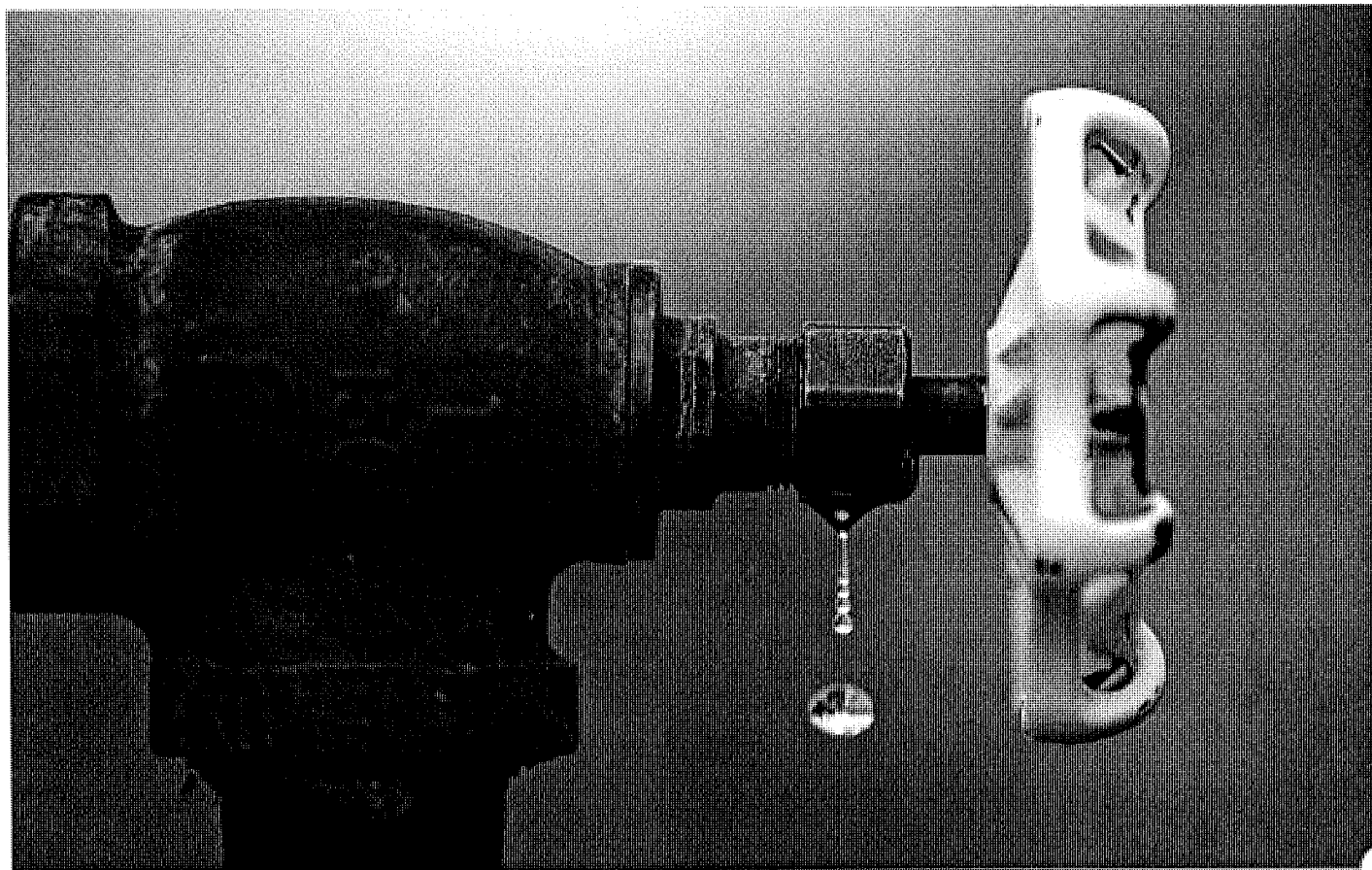
Weather impact

Blaine Morris, of Pacific Union Real Estate in Kentfield, said May’s results were pushed higher by the heavy winter rains, which caused many sellers who would have put their homes on the market in February or March to wait until April so they could have time to spruce up landscaping or do some painting.

California: beyond the drought

San Francisco Chronicle | June 14, 2017 | Updated: June 14, 2017 6:55pm

2



You have 3 free views remaining!

2 years of Unlimited Digital Access for just \$99

SUBSCRIBE (<https://syncaccess-hst-sfc.synchronex.com/portal/#!/offers/65?returnUrl=http%3A%2F%2Fwww.sfchronicle.com>)

Get two years for the price of one during our sale

If you are a subscriber, Sign in!

EMAIL ADDRESS

PASSWORD

☒ STAY SIGNED IN

[FORGOT PASSWORD?](#)

SIGN IN

gained from weaving water conservation into California living.

Now, it's time to prepare for the next drought.

To that end, the Brown administration has asked the state water board to put forth sensible water management efficiency standards and reduction targets so we can carefully steward our most precious resource. The basic framework is included in legislation slated for a vote this week.

One major decision is how we will treat recycled water: Is recycling water saving in itself and, therefore, recycled water should not be subject to water-use targets? Or must it be used like all water — as efficiently as possible?

The good news is that the state water board is developing tailored water budgets to help water agencies conserve that will be more flexible than the across-the-board drought cuts and will take into account local temperatures, evaporation rates and population. This should avoid penalizing efficient water users and minimize socially destructive water-shaming.

The state is basing its budgets on 55 gallons per person per day for indoor use (San Franciscans use about that for indoor and outdoor use combined). It has set up a system of high-tech climate-monitoring stations across the state to provide data on which to base realistic landscape ordinances. It will be up to local agencies to determine how to live within their budgets beginning in 2021.

You have 3 free views remaining!

2 years of Unlimited Digital Access for just \$99

SUBSCRIBE (<https://syncaccess-hst-sfc.synchronex.com/portal/#/offers/65?returnUrl=http%3A%2F%2Fwww.sfchronicle.com>)

Get two years for the price of one during our sale

If you are a subscriber, Sign in!

EMAIL ADDRESS

PASSWORD

☒ STAY SIGNED IN

[FORGOT PASSWORD?](#)

SIGN IN