



**NORTH MARIN
WATER DISTRICT**

**NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING
August 7, 2012 – 7:30 p.m.
District Headquarters
999 Rush Creek Place
Novato, 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																								
7:30 p.m.	CALL TO ORDER																									
	1.	APPROVE MINUTES FROM REGULAR MEETING , July 17, 2012																								
	2.	GENERAL MANAGER'S REPORT																								
	3.	OPEN TIME: (Please observe a three-minute time limit) This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.																								
	4.	STAFF/DIRECTORS REPORTS																								
db	5.	PRELIMINARY FY 2011/12 FINANCIAL STATEMENT																								
	6.	PUBLIC HEARING - Pt. Reyes Treatment Plant Solids Handling Facilities Project - Consider Adoption of Mitigated Negative Declaration and Approval of the Project Resolution																								
<p>CONSENT CALENDAR</p> <p>The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Consent - Approve</th> <th style="text-align: left;">Water Agreement</th> <th style="text-align: center;"><u>Type</u></th> <th style="text-align: center;"><u>DU</u></th> <th style="text-align: center;"><u>EU</u></th> <th style="text-align: left;"></th> </tr> </thead> <tbody> <tr> <td>7.</td> <td>San Ramon Elementary School Fire Service</td> <td style="text-align: center;">Gov't</td> <td style="text-align: center;">0</td> <td style="text-align: center;">1</td> <td>Resolution</td> </tr> <tr> <td>8.</td> <td>Assignment of Water Service Agreement Canyon Green</td> <td style="text-align: center;">Subdiv</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td>Resolution</td> </tr> <tr> <td>9.</td> <td colspan="5">Consent - Approve Stafford Solar Energy Project Dedication</td> </tr> </tbody> </table>			Consent - Approve	Water Agreement	<u>Type</u>	<u>DU</u>	<u>EU</u>		7.	San Ramon Elementary School Fire Service	Gov't	0	1	Resolution	8.	Assignment of Water Service Agreement Canyon Green	Subdiv	0	0	Resolution	9.	Consent - Approve Stafford Solar Energy Project Dedication				
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ACTION CALENDAR																										
	10.	Approve: Change Order No. 4 - Environmental Science Associates (ESA) for Environmental Support Services Contract (Recycled Water South Service Area)																								
	11.	Approve: Oceana Marin CIPP Sewer Lining Project: Award Construction Contract																								
8:30 p.m.	INFORMATION ITEMS																									
	12.	Construction Manager Report #3 - Recycled Water Project North Service Area (Oral Report)																								

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

Est. Time	Item	Subject
	13.	Construction Manager Report #1 - Recycled Water Project South Service Area (Oral Report)
	14.	Temporary Staffing
	15.	SWRCB Acceptance and Environmental Review Process for License 4324B Petition for Change
	16.	WAC/TAC Meeting - August 6, 2012
	17.	MISCELLANEOUS Disbursements Employer Assisted Housing Policy Water Research Foundation Certificate <u>News Articles:</u> Marin agencies dealing with musty-tasting tap water SCWA Press Release-Watershed Public Education Television Series Debuts
	18.	CLOSED SESSION: Conference with Real Property Negotiators (Chris DeGabriele and David Bentley), regarding 15 Gustafson Court, Novato, CA (Government Code Section 54956.8).
9:00 p.m.	19.	ADJOURNMENT

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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
July 17, 2012

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CALL TO ORDER

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

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Justin Kudo of Marin Clean Energy and District employees Robert Clark (Operations/Maintenance Superintendent) and Doug Moore (Construction/Maintenance Superintendent) were in the audience.

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MINUTES

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

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GENERAL MANAGER'S REPORT

David Bentley, Acting General Manager, informed the Board that Chris DeGabriele will return from his vacation on Friday, July 21.

Stafford Treatment Plant Start-Up

Mr. Bentley reported that Stafford Treatment Plant commenced operation on July 3rd as planned. He said that there were no dirty water complaints at start-up this year, although there were taste and odor complaints. He said that the granular activated carbon was replaced in one of the cells which has reduced complaints.

Water Main Break

Mr. Bentley advised that on Tuesday at approximately 11 a.m., a sixteen-inch line in Hamilton was ruptured by Disney Construction, the District's recycled water contractor. Doug Moore provided details and said that the contractor was excavating according to District drawings in a very rocky area on a tight turn. He said that the alignment for the recycled water line was between the water line and sewer line. Mr. Moore stated that District crews responded quickly and were able to shut down the area within 43 minutes, but that approximately 327,000 gallons of water was lost and

1 50 customers were out of water. He advised that repairs were made and water service restored by
2 9 p.m.

3 Mr. McIntyre stated that staff was able to minimize further potential problems during
4 excavation and will wait for the construction manager's report to assess the causes for the break.

5 Service Line Break in West Marin

6 Mr. Bentley advised that on Wednesday, July 11, a service line leak in West Marin on Silver
7 Hills Road resulted in approximately ten customers out of water for about one hour before repairs
8 were made.

9 Solar Panel Installation

10 Mr. Bentley informed the Board that on Friday July 13, the first solar panel at Stafford
11 Treatment Plant Solar Energy project was installed, and it is anticipated that power will be connected
12 by the end of August.

13 **OPEN TIME:**

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

16 **STAFF/DIRECTORS REPORTS**

17 President Petterle asked if staff or Directors wished to bring up an item not on the agenda
18 and the following item was discussed:

19 Status Report on Recycled Water Expansion Project - North and South Service Areas

20 Mr. McIntyre reported that there has been good progress on the Recycled Water Expansion
21 project in the north and various projects are closing out. He said that the last portion of the project,
22 Segment 2 on Redwood Boulevard, has developed problems that included conflicts with PG&E not
23 able to identify their pipes, harder rock than anticipated and that excavation at the intersection of
24 Olive and Redwood met with unforeseen issues. He said that to insure that there were no existing
25 problems because of a gas station close to the Olive Avenue and Redwood Boulevard excavation
26 site, staff had potholed the area to about six feet in depth to collect soil samples. Mr. McIntyre
27 explained that due to utility conflicts, the contractor was required to dig down to 11 feet, and work
28 stopped when gasoline odors were detected in the trench. He further explained that more soils
29 testing had to be performed, a safety plan developed and groundwater had to be captured in a
30 baker tank which will be tested before being disposed of. Mr. McIntyre advised that those
31 unforeseen conditions will most likely result in a change order. He further advised that the
32 construction manager will provide the Board with a full report at the next meeting.

1 Mr. McIntyre informed the Board that in the south service area, work on Reservoir Hill was
2 delayed due to the presence of nesting owls. He said that the Hungry Owl Project confirmed that
3 the birds have now fledged and work can proceed. Mr. McIntyre stated that Maggiora & Ghilotti had
4 to stop installation of the transmission pipeline from Las Gallinas Valley Sanitary District through
5 Catholic Youth Organization (CYO) property because of nesting ravens, but the ravens have now
6 fledged and work can proceed.

7 **MONTHLY PROGRESS REPORT WITH CUSTOMER SERVICE QUESTIONNAIRE**

8 Mr. Bentley provided the progress report for the month of June and the fiscal year-end
9 report. He stated that Novato production, at just under 3BG, was up 21% from the prior June and up
10 3% for the year; and in West Marin, production was up 15% from one year ago and down 1% for the
11 year. He stated that recycled water sales were 11.1MG, up 43% from the previous year. He noted
12 that the increase in temperatures (June's average was 70 degrees) was in large part the reason for
13 the increase in water sales. Mr. Bentley reported that District staff worked 169 days without a lost
14 time accident or injury. He stated that energy costs have remained flat the past three years - FY
15 2012 was 15.8¢/Kwh, 2011 was 15.7¢/Kwh and 2010 was 16.0¢/Kwh. Mr. Bentley said that in
16 Water Conservation, the washing machine rebates are most popular, and the Summary of
17 Complaints and Service Orders shows that complaints are down 26% for the month, 11% for the
18 year. Staff mailed 198 Customer Service Questionnaires, 37 were returned and 98% of those had
19 positive comments.

20 Mr. Bentley presented the Auditor-Controller's Monthly Report of Investments for June and
21 stated that the District had \$10.5M in the bank, cash balance decreased by \$1,083,000 due in part
22 to \$848,000 in SRF debt service payments for the Stafford Treatment Plant Rehab and Deer Island
23 Recycled Water Facility. He advised that the weighted average portfolio rate was 0.42%.

24 **CONSENT CALENDAR**

25 On motion of Director Fraites, seconded by Director Schoonover and unanimously carried,
26 the following items were approved on the Consent Calendar:

27 **LEVERONI CREEK BANK REPAIR PROJECT - AWARD CONSTRUCTION CONTRACT**

28 The Leveroni Creek Bank Repair Project consists of stabilizing an eroding 100 feet of the
29 creek bank using a combination of willow-sprigged rock and biotechnical treatments next to the
30 fence and paved access road leading to the northern area of the Stafford Treatment Plant site.
31 Seven bids were received and Engelke Construction of Healdsburg was the low bidder at \$72,500.

1 The Board approved award of the Leveroni Creek Bank Repair contract to Engelke
2 Construction, and authorized the General Manager to execute an agreement with Engelke
3 Construction for the amount of \$72,500.

4 **GENERAL SERVICES AGREEMENT WITH MILLER PACIFIC ENGINEERING**

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

8 **RISING SUN ENERGY CENTER WATER USE SURVEY AMENDMENT**

9 In May 2011, the Board approved a two-year agreement with Rising Sun Energy Center
10 (RSEC) for implementation of the California Youth Energy Services (CYES) Green House Call
11 Program. The District provides the fixtures needed for installation and assists in CYES training and
12 this partnership helps to increase participation in residential water use surveys as required by the
13 California Urban Water Conservation Council Memorandum of Understanding. This year, CYES
14 opened an office in Novato; and through marketing directly to District customers via water bill
15 inserts, participation has increased significantly. The increased participation will cause the two-year
16 program expenditure level to exceed the original \$7,000 by next August.

17 The Board authorized the General Manager to execute the agreement amendment, for an
18 additional \$5,000, with RSEC, to fund the water portion of the CYES "Green House Call" program
19 for the remainder of calendar year 2012.

20 **ACTION CALENDAR**

21 **APPROVE: MARIN CLEAN ENERGY PARTICIPATION**

22 Mr. Bentley stated that at the June 5 meeting, the Board asked for further analysis before
23 making a decision on selecting the Marin Clean Energy (MCE) "Light Green" option for several of its
24 Novato electrical services. He said that he asked MCE and PG&E to review the District account and
25 they both responded with an almost identical analysis. Mr. Bentley advised that the District's five A-6
26 services for pump stations using MCE "Light Green" option would save the District \$1,250 annually;
27 the remaining 38 accounts using the "Light Green" option would result in a small additional cost. He
28 further advised that with the Stafford Treatment Plant Solar Power Project, the District will exceed its
29 AB32 green house gas emissions goal for 2050 without any further green energy projects.

30 Director Fraites stated that it is his understanding that PG&E will be making an
31 announcement on rate changes and asked if PG&E prices come in higher for the remaining 38
32 accounts, can the District then select MCE?

1 Mr. Bentley introduced Justin Kudo, Account Manager for MCE, who addressed Director
2 Fraites' question. He said that PG&E will request the Public Utilities Commission to authorize them
3 to raise its gas and electric rates as much as 16% over the next year. He said it is not clear how the
4 rates will change, but that most likely some PG&E rate changes will be passed through to MCE
5 customers. He said that the MCE rates are set on an annual basis and MCE rates should be set
6 until April 2013. Mr. Kudo explained that a customer who opts out of MCE after the initial 60-day
7 enrollment period will be prohibited from re-enrolling in MCE for one year. He further explained that
8 if the customer opts out within the first 60 days, the customer can re-enroll in MCE with no
9 precondition. He said, however, that PG&E does have an exit fee that will be assessed on MCE
10 customers. He said that even with exit fees, MCE rates will be lower than PG&E for the A6
11 schedules which make up most of the District's electric usage. Mr. Kudo said that MCE does not
12 assess an enrollment fee.

13 On motion of Director Fraites, seconded by Director Schoonover, the Board authorized the
14 District's five A6 accounts be served by Marin Clean Energy at a saving of \$1,250 annually.

15 **APPROVE: BID ADVERTISEMENT - RECYCLED WATER SOUTH PHASE 2**

16 Mr. McIntyre said that the third and final segment of the Recycled Water Expansion Project
17 in the South Service Area (Hamilton) is ready to move forward. He stated that it is anticipated that
18 the award of the contract be in late fall and construction completed in late spring. Mr. McIntyre said
19 that the Phase 2 project includes installation of 2,060 feet of new twelve-inch pipeline, and 6,970
20 feet of new eight-inch pipeline. He advised that the engineer's cost estimate is \$1.3M, and the
21 project will receive 25% federal grant funding from WaterSMART Grant funds via Bureau of
22 Reclamation awards.

23 On motion of Director Baker, seconded by Director Schoonover, the Board authorized bid
24 advertisement of the Recycled Water Expansion South Service Area - Phase 2 Project.

25 **APPROVE - CONTRACT AWARD FOR RECYCLED WATER SOUTH ON-SITE RETROFIT**
26 **(GROUP 1S)**

27 Mr. McIntyre advised that six customers in the South Service Area will require their irrigation
28 system be retrofitted for recycled water. He said that six contractors attended the mandatory pre-bid
29 meeting and three bids were received. He advised that the engineer's cost estimate was \$150,000
30 and the low bid of \$165,063 was received from Wildcat Engineering of Petaluma. Mr. McIntyre
31 further advised that the bid evaluation was performed by District staff and all bid requirements were
32 satisfied.

1 On motion of Director Schoonover, seconded by Director Baker and unanimously carried,
2 the Board approved award of the contract to Wildcat Engineering and authorized the General
3 Manager to execute an agreement with Wildcat Engineering.

4 ***INFORMATION ITEMS***

5 ***POINT REYES WELL #3 REPLACEMENT PROJECT COST ANALYSIS***

6 Mr. McIntyre provided a summary of cost increases for the Point Reyes Well #3
7 Replacement Project as requested by the Board at the last meeting. He stated that some of the
8 costs summarized comprise a three-year budget period and the costs have been broken out to three
9 categories: Replacement, Rehabilitation and Destruction. Mr. McIntyre provided a table of historical
10 costs of the last two years leading up to FY 13. He stated that the replacement cost is less than
11 \$80,000, the bulk of that amount related to environmental permitting; the rehabilitation cost in FY 11
12 (\$15,000) is associated with Well #3 repair of the existing casing which was unsuccessful; and the
13 destruction cost thus far, approximately \$1,000 expended in FY12, was for permitting costs to
14 destroy Well #3. Mr. McIntyre said that in April 2012, the Board was presented with the FY 13 costs
15 wherein \$100,000 was estimated for the new well construction. He stated that bids received
16 exceeded the engineer's cost estimate, and the construction cost estimate was revised for this year
17 to \$140,000. He advised that the cost estimate was increased again by \$25,000 because the costs
18 to abandon Well #3 were included, cost for more complicated electrical work requiring District crews
19 was increased, and the amount of contingency was increased.

20 ***MISCELLANEOUS***

21 The Board received the following miscellaneous items: Disbursements, Residential
22 Consumption 20-Year History and Self-Insured Workers Comp - Status Report.

23 The Board also received the following news articles: Novato's \$6 million water recycling
24 plant nears completion, Low water levels reveal jetty at mouth of Russian River, Turning Back Time,
25 Watershed Moment, Spring rain means no water worries for Sonoma County, California lawmakers
26 postpone water bond 2014.

27 ***CLOSED SESSION***

28 President Petterle adjourned the Board into closed session at 8:07 p.m. for Conference with
29 Real Property Negotiator (David Bentley), regarding 15 Gustafson Court, Novato, CA (Government
30 Code Section 54956.8).

31 ***OPEN SESSION***

32 Upon returning to regular session at 8:25 p.m., President Petterle stated that during the
33 closed session the Board had discussed the issues and no reportable action had been taken.

1 **ADJOURNMENT**

2 President Petterle adjourned the meeting at 8:26 p.m.

3 Submitted by

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Renee Roberts
District Secretary

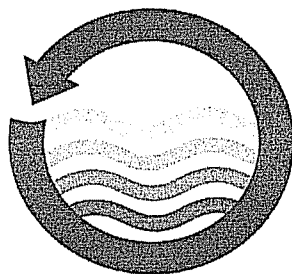
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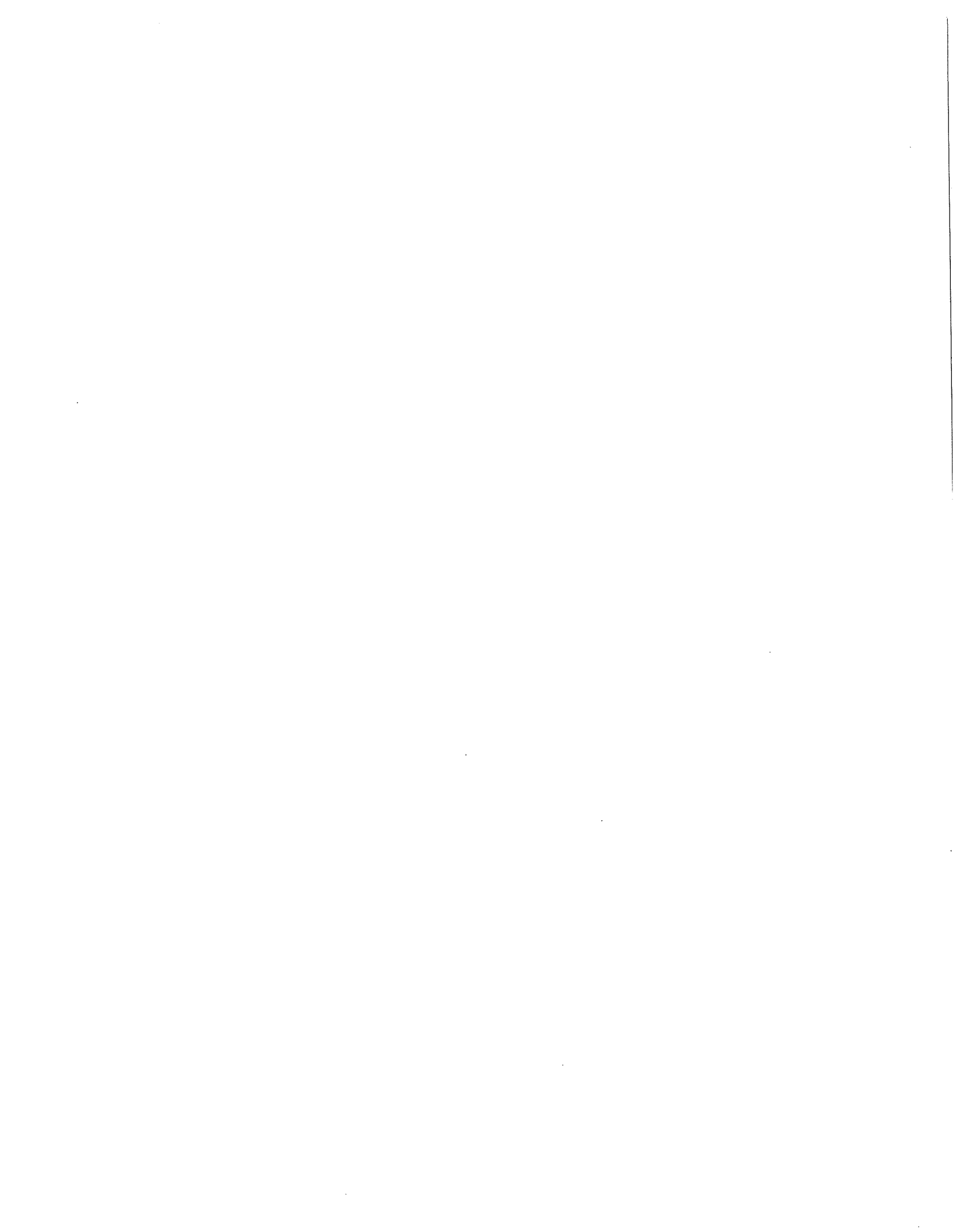
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NORTH MARIN WATER DISTRICT



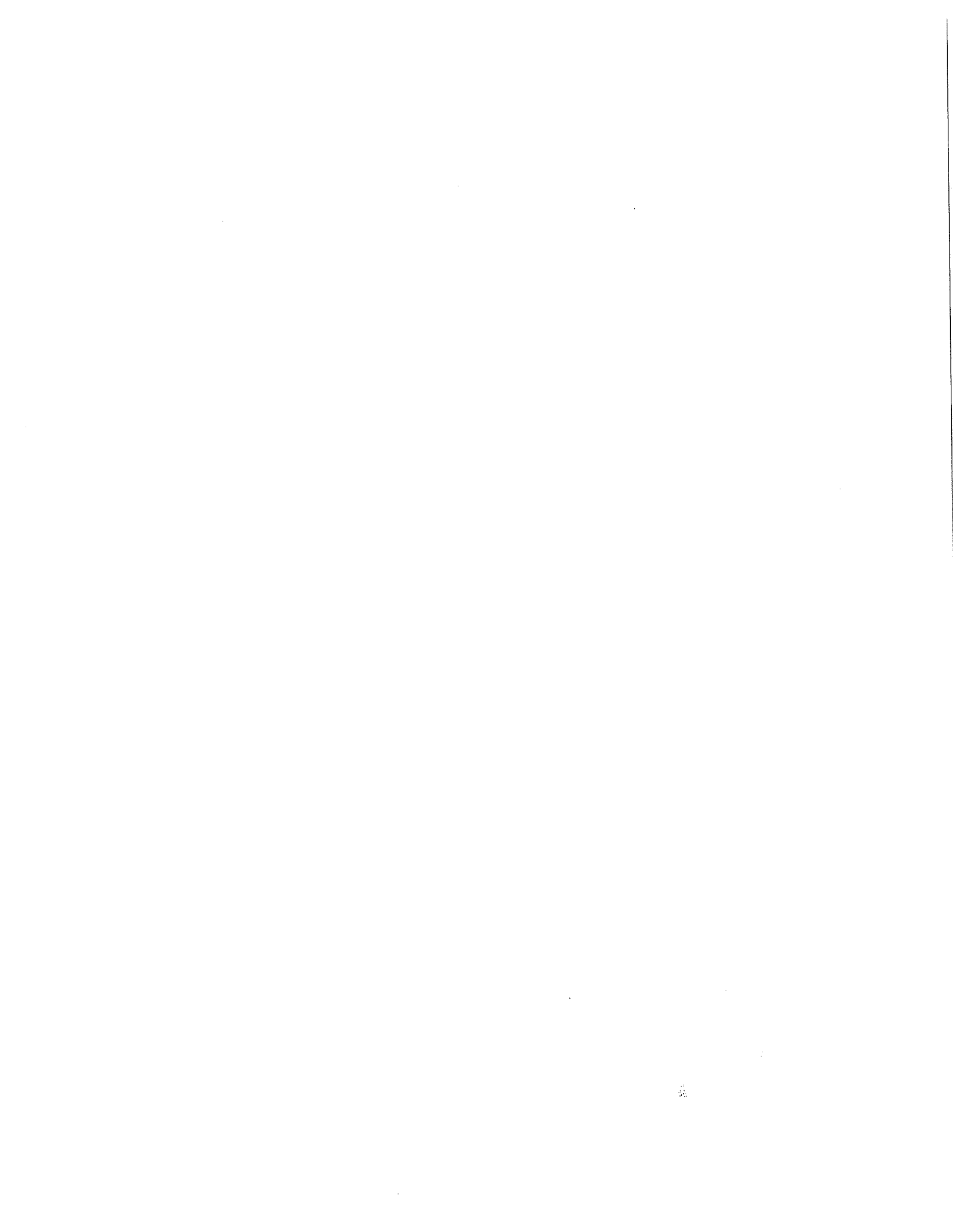
FINANCIAL STATEMENT FISCAL YEAR 2011-12

**Preliminary
June 2012**



**NORTH MARIN WATER DISTRICT
FINANCIAL STATEMENTS
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MEMORANDUM

To: Board of Directors
 From: David L. Bentley, Auditor-Controller
 Subj: Information – FY11/12 Preliminary June Financial Statement
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August 3, 2012

FISCAL YEAR-TO-DATE PERFORMANCE COMPARED TO THE ANNUAL BUDGET

CONSOLIDATED SUMMARY

Actual vs. Budget	Jun-12	FY11/12 YTD Actual	FY11/12 Budget	FYTD / Budget %
Operating Revenue	\$1,744,425	\$15,435,733	\$14,949,000	103%
Operating Expense	\$1,543,471	\$15,295,833	\$14,830,000	103%
Non-Operating Revenue/(Expense)	(\$50,702)	(\$318,133)	(\$587,000)	54%
Net Income/(Loss)	\$150,251	(\$178,232)	(\$468,000)	38%
Other Sources/(Uses) ¹	(\$1,233,271)	\$6,313,319	(\$121,000)	-
Cash Increase/(Decrease)	(\$1,083,020)	\$6,135,087	(\$589,000)	-

¹ See Page 8.

For the fiscal year the District generated a net loss of \$178,232 and saw a net cash increase of \$6,135,087. Operating Revenue, at 103%, came in 3% more than budget, and Operating Expense, at 103%, came in 3% more than budget. An \$8 million loan received from Bank of Marin in October combined with \$2.1 million in Recycled Water SRF loan proceeds and \$1.1 million in ARRA grant funds received, contributed to a fiscal year surplus of \$6,135,087 compared to a budgeted deficit of \$589,000 for the year. 76% of the Capital Improvement Projects Budget was expended this fiscal year. The District's total cash balance decreased \$1,083,021 during the month. The June cash decrease was due primarily to payments for the Recycled Expansion project (\$356,737) and SRF loan payments (\$847,828).

**SUMMARY INCOME STATEMENTS BY SERVICE AREA
 PRESENTED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPALS**

NOVATO WATER

Year over Year Comparison	Jun-12	FYTD 11/12	FYTD 10/11	FY12 vs 11 Up/(Down)
Operating Revenue	\$1,627,800	\$14,418,213	\$12,860,851	12%
Operating Expense	\$1,449,505	\$14,279,488	\$13,545,000	5%
Other Income / (Expense)	(\$43,451)	(\$355,941)	(\$458,995)	(22%)
Net Income / (Loss)	\$134,843	(\$217,215)	(\$1,143,143)	(81%)
Active Accounts	20,490	20,490	20,464	0%
Consumption (MG)	319	2,820	2,786	1%
Average Commodity Rate/1,000 gal	\$4.32	\$4.05	\$3.82	6%
Income / (Loss) / Active Account	\$6.58	(\$10.60)	(\$55.86)	(81%)
Income / (Loss) / 1,000 Gal	\$0.42	(\$0.08)	(\$0.41)	(81%)
Connection Fee Revenue	\$0	\$969,080	\$371,460	161%
Developer 'In-Kind' Contributions	\$62,192	\$593,495	\$1,073,641	(45%)

Consumption for the period was 1% greater than the prior year. Total operating revenue, which includes wheeling and other miscellaneous service charges, increased 12% (\$1,557,362) due to the 11% rate increase commencing June 1, 2011 combined with the consumption increase. Total operating expense was 5% (\$734,488) more than last year. The Stafford Treatment Plant produced 586 MG this fiscal year

at a cost of \$3,200/MG¹ versus \$2,119/MG³ from SCWA. The budget for Stafford is 800 MG at a cost of \$2,783/MG. The plant shut down for the season on December 30.

Salary and benefit cost charged to Novato operations was 1% less than last year. Staff time (hours) charged to Novato operations was 1% more than last year. Salary and benefit cost was \$5,263,594 this fiscal year, which was 98% of the \$5,369,000 budget for Novato operations.

The fiscal year net loss (which includes non-operating items such as interest revenue and expense) of \$217,215 compares to a budgeted net loss for the year of \$545,000 and to a net loss of \$1,143,143 for the prior year. \$1,361,994 (32%) of the Novato Water Capital Improvement Project Budget was spent versus \$2,174,098 (45%) for the prior year. \$969,080 in connection fees were collected, which is 170% of budget. The Novato cash balance decreased \$1,841,024 during the month, and stood at \$9,334,265 at year end.

<u>NOVATO RECYCLED</u>		FYTD	FYTD	FY12 vs 11
Year over Year Comparison	<u>Jun-12</u>	<u>11/12</u>	<u>10/11</u>	<u>Up/(Down)</u>
Operating Revenue	\$44,855	\$222,337	\$199,164	12%
Operating Expense	\$32,921	\$304,654	\$296,370	3%
Other Income / (Expense)	<u>(\$8,336)</u>	<u>(\$46,813)</u>	<u>(\$22,060)</u>	112%
Net Income / (Loss)	<u>\$3,599</u>	<u>(\$129,130)</u>	<u>(\$119,266)</u>	8%
Active Accounts	2	2	3	(33%)
Consumption (MG)	10.8	56.2	54.0	4%
Average Commodity Rate/1,000 gal	\$4.11	\$3.89	\$3.63	7%

The 0.5 MGD Deer Island Recycled Water Facility delivered 56 MG to the Stone Tree Golf Course and the Fire District this fiscal year. Operating revenue was up 12% due primarily to the 6% commodity rate increase and the 4% consumption increase. Total operating expense was 3% more than last year. The recycled water was produced at a cost of \$6,859/MG² versus \$2,119/MG³ from SCWA. The budgeted production cost of recycled water is \$6,133/MG. The plant shut down for the season October 1 and restarted April 24.

The fiscal year net loss of \$129,130 compares to a budgeted net loss of \$129,000 and a net loss of \$119,266 for the prior year. \$6,024,079 (118%) of the Improvement Project Budget was expended.

To date, \$7,478,819 has been expended on the North/South Area Expansion Projects. \$3,397,126 has been borrowed from Novato Water pending receipt of Grant (\$1,082,744 in ARRA Funds received to date) & SRF Loan funds (\$2,105,041 received to date).

¹ Cost of Stafford production = operating expense (\$996,116) + SRF loan interest (\$359,696) + plant depreciation (\$519,319) / 586 MG produced

² Cost of Recycled Water production = operating expense (\$138,035) + SRF loan interest (\$105,587) + plant depreciaton (\$141,843) / 56.2 MG produced

³ Cost of SCWA production per MG is comprised of O&M charge (\$1,680) + debt service charge (\$156) + Russian River conservation charge (\$222) + Russian River projects charge (\$61)

WEST MARIN WATER

Year over Year Comparison

	<u>Jun-12</u>	<u>FYTD 11/12</u>	<u>FYTD 10/11</u>	<u>FY12 vs 11 Up/(Down)</u>
Operating Revenue	\$58,604	\$637,872	\$587,176	9%
Operating Expense	\$43,965	\$533,117	\$528,226	1%
Other Income / (Expense)	(\$185)	\$40,308	\$23,101	74%
Net Income / (Loss)	\$14,454	\$145,063	\$82,050	77%
Active Accounts	777	777	770	1%
Consumption (MG)	6.9	74.3	73.8	1%
Average Commodity Rate/1,000 gal	\$7.00	\$6.97	\$6.59	6%
Income/ (Loss) / Active Account	\$18.60	\$186.70	\$106.56	75%
Income / (Loss) / 1,000 Gal (Potable)	\$2.09	\$1.95	\$1.11	76%
Connection Fee Revenue	\$27,700	\$36,600	\$16,150	127%
Developer 'In-Kind' Contributions	\$775	\$53,803	\$36,730	-

Potable water consumption was 74.3 MG this fiscal year, up 1% from the previous year. Operating revenue of \$637,872 was \$50,696 (9%) more than last year due in part to the 9% rate increase effective 8/1/11 combined with the 1% consumption increase. West Marin water was produced at a marginal cost of \$893/MG.⁴ The budgeted cost is \$1,092.

Operating expenditures were \$533,117, up \$4,891 (1%) compared to the prior year. The fiscal year net income of \$145,063 compares to a budgeted annual income of \$177,000 and to a net income of \$82,050 for the prior year. \$145,027 (35%) of the Capital Improvement Project Budget was spent. \$36,600 in connection fees were collected (zero was budgeted). In June the Board approved reallocating \$1 million of the \$8 million Bank of Marin loan from Novato Water to West Marin Water to fund the Solids Handling Facilities project (\$109,655 expended to-date) and to repay Novato Water for previous loans that funded the Long Range Improvement Projects Plan (\$222,878). West Marin Water ended the year with a cash balance of \$832,271.

OCEANA MARIN SEWER

Year over Year Comparison

	<u>Jun-12</u>	<u>FYTD 11/12</u>	<u>FYTD 10/11</u>	<u>FY12 vs 11 Up/(Down)</u>
Operating Revenue	\$13,166	\$157,311	\$149,820	5%
Operating Expense	\$17,467	\$178,574	\$169,275	5%
Other Income / (Expense)	\$1,269	\$44,313	\$43,391	2%
Net Income / (Loss)	(\$3,031)	\$23,051	\$23,936	(4%)
Active Accounts	227	227	227	0%
Monthly Sewer Service Charge	\$58	\$58	\$55	5%
Income / (Loss) / Active Account	(\$13.35)	\$101.54	\$105.44	-
Connection Fee Revenue	\$0	\$0	\$0	-

Operating revenue of \$157,311 increased 5% over last year due to a 5% rate increase effective 8/1/11. Operating expenditures were 5% more than last year. The fiscal year net income of \$23,051 compares to a budgeted net income of \$29,000 and to a net income of \$23,936 for the prior year. 45% of the Capital Improvement Project Budget was expended.

No connection fees were collected this fiscal year. Oceana Marin ended the year with a cash balance of \$315,943, compared to a budgeted projection of \$235,000 for June 30, 2012.

⁴Marginal Cost of West Marin production = water treatment expense (\$60,112) + debt service charge (\$500) + plant depreciation (\$5,723) / 74.3 MG produced

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET ASSETS
FOR THE PERIOD ENDING JUNE 30, 2012**

	TOTAL	NOVATO		WEST MARIN		OCEANA	
		WATER	RECYCLED	WATER	MARIN	SEWER	
ASSETS							
Cash & Investments							
Unrestricted/Undesignated Cash	\$203,254	\$0	\$0	\$0	\$0	\$203,254	
Restricted Cash (Note 1)							
Connection Fee Fund	\$835,677	\$757,911	\$0	\$0	\$0	\$77,766	
Wohler Pipeline Financing Fund	408,921	408,921	0	0	0	0	
Collector #6 Financing Fund	1,756,419	1,756,419	0	0	0	0	
Revenue Bond Redemption Fund	30,000	0	0	30,000	0	0	
Bank of Marin Project Fund	3,815,056	3,030,536	0	784,520	0	0	
Retiree Medical Benefits Fund	3,065,911	3,065,911	0	0	0	0	
RWF Replacement Fund	0	0	0	0	0	0	
Tax Receipts Held in Marin Co Treasury	17,750	0	0	17,750	0	0	
STP SRF Loan Fund-Marín Co Treasury	314,568	314,568	0	0	0	0	
Designated Cash (Note 2)							
Liability Contingency Fund	0	0	0	0	0	0	
Self-Insured Workers' Compensation Fund	1,502	0	0	0	1,502	0	
Drought Contingency Fund	0	0	0	0	0	0	
Maintenance Accrual Fund	0	0	0	0	0	0	
Conservation Incentive Rate Fund	0	0	0	0	0	0	
Operating Reserve Fund	60,000	0	0	0	60,000	0	
Total Cash	\$10,509,058	\$9,334,265	\$0	\$832,271	\$342,522	\$0	
Gain/(Loss) on MV of Investments	11,961	11,961	0	0	0	0	
Market Value of Cash & Investments	\$10,521,018	\$9,346,226	\$0	\$832,271	\$342,522	\$0	
Current Assets							
Net Receivables - Consumers	\$3,079,275	\$2,825,703	\$137,020	\$113,799	\$2,754		
Accounts Receivable - Other	1,280,999	602,018	670,458	4,422	4,102		
State Revolving Fund Receivable	2,801,857	0	2,801,857	0	0		
Provision for Pension Related Debt (Note 13)	2,221,577	2,221,577	0	0	0		
Prepaid Expense	8,452	7,100	0	0	1,352		
Interest Receivable	16,741	16,741	0	0	0		
Inventories	612,966	612,966	0	0	0		
Loan Origination Fee	88,876	77,500	0	11,376	0		
Deposits Receivable	26,298	26,298	0	0	0		
Total Current Assets	\$10,137,042	\$6,389,902	\$3,609,335	\$129,597	\$8,208		

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET ASSETS
FOR THE PERIOD ENDING JUNE 30, 2012**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Loans Receivable					
Employee Loans (Note 3)	\$1,447,929	\$1,447,929	\$0	\$0	\$0
Housing Loan Impairment (Note 12b)	(390,000)	(390,000)	0	0	0
Due From Other Funds	3,397,125	3,397,125	0	0	0
Other Long Term Receivables	2,333,983	0	2,333,983	0	0
Loans Receivable	\$6,793,335	\$4,455,054	\$2,333,983	\$0	\$0
Property and Plant					
Land & Land Rights	\$1,473,091	\$1,368,872	\$0	\$103,411	\$808
Dam, Lake, & Source Facilities	5,027,081	4,797,638	0	229,444	0
Treatment Facilities	22,162,002	17,374,033	3,962,402	319,913	505,655
Storage Facilities	18,109,617	16,196,307	43,014	1,870,296	0
Transmission Facilities	5,489,830	5,367,506	0	122,324	0
Distribution Facilities	59,594,931	54,598,147	974,202	4,022,582	0
Sewer Mains, Pumps, & Laterals	853,683	0	0	0	853,683
Sub-Total	\$112,710,235	\$99,702,503	\$4,979,617	\$6,667,969	\$1,360,146
Less Accumulated Depreciation (Note 5)	(35,801,628)	(31,615,357)	(749,454)	(2,708,191)	(728,627)
Net Property and Plant	\$76,908,607	\$68,087,146	\$4,230,164	\$3,959,779	\$631,519
Buildings and Equipment					
Buildings	\$1,783,704	\$1,783,704	\$0	\$0	\$0
Office Equipment	795,063	795,063	0	0	0
Laboratory Equipment	304,815	304,815	0	0	0
Trucks & Automobiles	1,070,715	1,070,715	0	0	0
Construction Equipment	755,536	739,158	16,378	0	0
Tools, Shop Equipment	218,586	218,586	0	0	0
Sub-Total	\$4,928,420	\$4,912,042	\$16,378	\$0	\$0
Less Accumulated Depreciation	(3,338,583)	(3,333,670)	(4,913)	0	0
Net Buildings and Equipment	\$1,589,837	\$1,578,372	\$11,465	\$0	\$0
Construction In Progress					
Developer District	\$909,634	\$842,504	\$0	\$67,130	\$0
	9,380,800	1,871,676	7,172,963	258,069	78,092
Total Construction in Progress	\$10,290,434	\$2,714,180	\$7,172,963	\$325,199	\$78,092
Net Utility Plant	\$88,788,878	\$72,379,698	\$11,414,591	\$4,284,978	\$709,611
TOTAL ASSETS	\$116,235,975	\$92,570,881	\$17,357,909	\$5,246,845	\$1,060,341

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET ASSETS
FOR THE PERIOD ENDING JUNE 30, 2012**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
LIABILITIES AND NET ASSETS					
Current Liabilities					
Trade Accounts Payable	\$2,209,900	\$1,651,918	\$549,718	\$0	\$8,264
Reimbursement Prog. Unclaimed Funds	3,425	1,475	0	1,950	0
Bond Debt Principal Payable-Current	35,553	0	0	35,553	0
Loan Debt Principal Payable-Current	556,025	362,450	191,534	2,041	0
Bank of Marin Principal Payable-Current	290,187	253,043	0	37,144	0
Bond/Loan Debt Interest Payable-Current	7,120	4,681	0	2,440	0
Accrued Interest Payable-SRF Loan	15,695	0	15,695	0	0
Deposits/Performance Bonds	142,714	119,826	0	21,388	1,500
Unemployment Insurance Reserve (Note 8)	23,400	23,400	0	0	0
Payroll Benefits (Note 9)	753,716	704,808	9,424	29,514	9,970
Due To Other Funds	3,397,126	0	3,397,126	0	0
Deferred Revenue	46,606	44,533	0	2,073	0
Total Current Liabilities	\$7,481,466	\$3,166,133	\$4,163,497	\$132,103	\$19,734
Restricted Liabilities					
Construction Advances	\$80,998	\$64,803	\$0	\$16,194	\$0
Total Restricted Liabilities	\$80,998	\$64,803	\$0	\$16,194	\$0
Long Term Liabilities (Note 7)					
Bonds Outstanding - PR6 (FmHA)	\$84,000	\$0	\$0	\$84,000	\$0
Bonds Outstanding - OL2 (NMWD)	7,650	0	0	7,650	0
Bonds Outstanding - PRE1 (FmHA)	82,000	0	0	82,000	0
Drought Loan (EDA)	91,076	79,875	0	11,201	0
STP Rehab SRF Loan	14,172,698	14,172,698	0	0	0
RWF SRF Loan	3,218,157	0	3,218,157	0	0
RWS North/South Expansion SRF Loan	4,906,898	0	4,906,898	0	0
Bank of Marin Loan	7,521,787	6,558,931	0	962,856	0
Pension Related Debt (Note 13)	2,221,577	2,221,577	0	0	0
Retiree Health Benefits Payable	474,733	474,733	0	0	0
Total Long Term Liabilities	\$32,780,575	\$23,507,814	\$8,125,055	\$1,147,706	\$0
TOTAL LIABILITIES	\$40,343,039	\$26,738,750	\$12,288,552	\$1,296,004	\$19,734

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET ASSETS
FOR THE PERIOD ENDING JUNE 30, 2012**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Net Assets					
Invested in Capital Assets					
Contributions in Aid of Construction	\$61,964,097	\$55,091,632	\$4,104,370	\$2,098,419	\$669,676
Grants in Aid of Construction	3,287,144	100,838	1,803,091	1,383,215	0
Connection Fees (Note 15)	27,639,143	24,956,336	1,301,669	1,045,778	335,360
Total Investment	\$92,890,383	\$80,148,805	\$7,209,130	\$4,527,412	\$1,005,036
Restricted Reserves					
Connection Fee Fund	\$1,091,042	\$757,911	\$0	\$255,365	\$77,766
Wohler Pipeline Financing Fund	408,921	408,921	0	0	0
Collector #6 Financing Fund	1,756,419	1,756,419	0	0	0
Revenue Bond Redemption Fund	30,000	0	0	30,000	0
Bank of Marin Project Fund	6,982,732	6,198,212	0	784,520	0
Retiree Medical Insurance Fund	2,591,178	2,591,178	0	0	0
RWF Replacement Fund	161,661	0	161,661	0	0
Designated Reserves					
Liability Contingency Fund	414,700	331,815	0	82,885	0
Maintenance Accrual Fund	3,815,681	3,815,681	0	0	0
Self-Insured Workers' Compensation Fund	106,467	99,901	1,330	3,914	1,322
Conservation Incentive Rate Fund	55,626	0	0	55,626	0
Operating Reserve Fund	120,000	0	60,000	0	60,000
Earned Surplus - Prior Yrs	(27,101,599)	(23,594,706)	(2,239,303)	(1,142,819)	(124,771)
Net Income/(Loss)	(178,232)	(217,215)	(129,130)	145,063	23,051
Transfer (To)/From Reserves (see below)	(7,036,162)	(6,248,910)	5,668	(791,124)	(1,796)
Total Restricted & Designated	(\$16,997,447)	(\$14,316,675)	(\$2,139,773)	(\$576,571)	\$35,571
TOTAL NET ASSETS	\$75,892,936	\$65,832,131	\$5,069,357	\$3,950,841	\$1,040,608
Transfer (To)/From Reserves					
Wohler Pipeline Financing	\$51,887	\$51,887	\$0	\$0	\$0
Collector #6 Financing	136,700	136,700	0	0	0
Connection Fee	(19,537)	(26,151)	7,088	0	(474)
Maintenance Reserve	(100,000)	(100,000)	0	0	0
RWF Replacement Fund	(90)	0	(90)	0	0
Retiree Medical Insurance Fund	(13,231)	(13,231)	0	0	0
(Gain)/Loss Self-Insured WC Fund	(106,468)	(99,902)	(1,330)	(3,914)	(1,322)
Bank of Marin Project Fund	(6,982,732)	(6,198,212)	0	(784,520)	0
Conservation Incentive Rate Fund	(2,690)	0	0	(2,690)	0
Total Transfer	(\$7,036,162)	(\$6,248,910)	\$5,668	(\$791,124)	(\$1,796)

**NORTH MARIN WATER DISTRICT
SOURCES AND USES OF FUNDS STATEMENT - ALL SERVICE AREAS COMBINED
FOR PERIOD ENDING JUNE 30, 2012**

	YTD Actual	Annual Budget	YTD/ Budget %	Prior YTD Actual
OPERATING REVENUE				
Water Sales	\$12,156,765	\$11,651,000	104%	\$11,334,728
Bimonthly Service Charge	2,860,631	2,900,000	99%	2,109,255
Sewer Service Charge	157,311	157,000	100%	149,820
Wheeling & Misc Service Charges	261,027	241,000	108%	203,208
TOTAL OPERATING REVENUE	\$15,435,733	\$14,949,000	103%	\$13,797,012
OPERATING EXPENDITURES				
Source of Supply	\$5,150,182	\$3,925,000	131%	\$3,856,027
Pumping	304,075	382,000	80%	299,462
Operations	708,570	543,000	130%	648,743
Water Treatment	1,747,166	2,096,000	83%	2,012,124
Sewer Service	112,801	103,000	110%	103,054
Transmission & Distribution	2,373,132	2,388,000	99%	2,400,639
Consumer Accounting	585,534	582,000	101%	564,940
Water Conservation	272,286	404,000	67%	388,168
General & Administrative	1,357,751	1,750,000	78%	1,605,455
Depreciation Expense	2,684,333	2,657,000	101%	2,660,418
TOTAL OPERATING EXPENDITURES	\$15,295,833	\$14,830,000	103%	\$14,539,030
NET OPERATING INCOME (LOSS)	\$139,901	\$119,000	118%	(\$742,018)
NON-OPERATING REVENUE/(EXPENSE)				
Tax Proceeds	\$100,454	\$98,000	103%	\$96,768
Interest Revenue	114,265	112,000	102%	143,278
Miscellaneous Revenue	137,578	148,000	93%	82,220
Bond & Loan Interest Expense	(661,247)	(925,000)	71%	(715,491)
Miscellaneous Expense	(9,183)	(20,000)	46%	(21,339)
TOTAL NON-OP REV/(EXP)	(\$318,133)	(\$587,000)	54%	(\$414,564)
NET INCOME/(LOSS)	(\$178,232)	(\$468,000)	38%	(\$1,156,582)
OTHER SOURCES/(USES) OF FUNDS				
Connection Fees	\$1,005,680	\$570,000	176%	\$387,610
Loan Proceeds	10,104,683	6,450,000	157%	335,811
Grant Proceeds	1,340,617	1,250,000	107%	287,494
Stone Tree RWF Loan Principal	187,321	188,000	100%	182,888
Add Depreciation Expense	2,684,333	2,657,000	101%	2,660,418
Capital Equipment Expenditures	(186,744)	(182,000)	103%	(137,912)
Capital Improvement Projects	(7,582,832)	(9,942,000)	76%	(3,512,041)
Bond & Loan Principal Payments	(1,116,052)	(1,112,000)	100%	(898,221)
Change in Working Capital	(123,688)	0	-	(298,538)
TOTAL OTHER SOURCES/(USES)	\$6,313,319	(\$121,000)	-	(\$992,491)
CASH INCREASE/(DECREASE)	\$6,135,087	(\$589,000)	-	(\$2,149,073)

**NORTH MARIN WATER DISTRICT
INCOME STATEMENT AND CASH FLOW BY SERVICE AREA
FOR PERIOD ENDING JUNE 30, 2012**

<u>SUMMARY INCOME STATEMENT</u>	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Operating Revenue	\$15,435,733	\$14,418,213	\$222,337	\$637,872	\$157,311
Operating Expense	15,295,833	14,279,488	304,654	533,117	178,574
OPERATING INCOME/(LOSS)	\$139,901	\$138,726	(\$82,317)	\$104,755	(\$21,263)
Non-Operating Revenue/(Expense)	(\$318,133)	(\$355,941)	(\$46,813)	\$40,308	\$44,313
NET INCOME/(LOSS)	(\$178,232)	(\$217,215)	(\$129,130)	\$145,063	\$23,051
CAPITAL CONTRIBUTIONS					
Developer In-Kind Contributions	\$647,297	\$593,495	\$0	\$53,803	\$0
Connection Fees	1,005,680	969,080	0	36,600	0
Capital Grants	1,340,617	0	1,340,617	0	0
CAPITAL CONTRIBUTIONS	\$2,993,594	\$1,562,575	\$1,340,617	\$90,403	\$0
Prior Period Adjustments	(215,881)	(215,881)	0	0	0
CHANGE IN NET ASSETS	\$2,599,481	\$1,129,478	\$1,211,487	\$235,466	\$23,051
Net Assets July 1, 2011	73,293,456	64,702,653	3,857,870	3,715,376	1,017,557
Net Assets June 30, 2012	\$75,892,937	\$65,832,131	\$5,069,357	\$3,950,842	\$1,040,608

CASH FLOW STATEMENT

Net Income/(Loss)	(\$178,232)	(\$217,215)	(\$129,130)	\$145,063	\$23,051
Add Depreciation	2,684,333	2,330,116	162,965	150,169	41,084
Cash Generated From Operations	\$2,506,102	\$2,112,900	\$33,835	\$295,232	\$64,135
<u>Other Sources (Uses) of Funds</u>					
Consumer Receivables Decr (Incr)	(\$630,637)	(\$582,722)	(\$23,912)	(\$24,232)	\$230
Capital Assets Acquisition	(7,769,576)	(1,548,738)	(6,024,079)	(145,026)	(51,732)
Construction Advances (Decr) Incr	(15,131)	(27,033)	0	11,903	0
Other Assets/Liabilities Decr (Incr)	(689,581)	(469,259)	(236,740)	7,755	8,663
Trade Accounts Payable (Decr) Incr	1,211,661	656,659	549,718	0	5,285
Loan Proceeds	10,104,683	6,999,642	2,105,041	1,000,000	0
Grant Proceeds	1,340,617	0	1,340,617	0	0
Connection Fee Revenue	1,005,680	969,080	0	36,600	0
Stone Tree RWF Loan Principal Pmts	187,320	0	187,320	0	0
Principal Paid on Debt	(1,116,052)	(885,701)	(187,045)	(43,305)	0
Interdistrict Loan Due To (From)	0	(1,865,060)	2,222,028	(356,968)	0
Total Other Sources (Uses)	\$3,628,985	\$3,246,868	(\$67,054)	\$486,726	(\$37,555)
Net Cash Provided (Used)	\$6,135,086	\$5,359,768	(\$33,218)	\$781,958	\$26,579
Cash Balance July 1, 2011	4,373,971	3,974,497	33,217	50,313	315,943
Cash Balance June 30, 2012	\$10,509,058	\$9,334,265	(\$0)	\$832,271	\$342,522

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR PERIOD ENDING JUNE 30, 2012**

	JUNE 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$1,381,071	\$11,478,729	106%	\$10,715,298
Bill Adjustments	(3,062)	(58,770)	-	(66,248)
Bimonthly Service Charges	228,475	2,741,700	99%	2,012,351
Account Turn-on Charges	5,360	74,282	98%	74,575
New Account Charges	800	9,255	93%	9,700
Returned Check Charges	99	1,611	161%	1,206
Hydrant Meter Up/Down Charges	100	4,620	116%	3,800
Backflow Service Charges	6,140	75,145	100%	52,411
Lab Service-Outside Clients	5,362	16,745	-	0
Wheeling Charges - MMWD	4,085	58,802	84%	53,662
Reg 15 Forfeiture	(630)	16,095	805%	4,095
TOTAL OPERATING REVENUE	\$1,627,800	\$14,418,213	104%	\$12,860,851
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	\$762	\$9,064	151%	\$8,965
Operating Expense - Source	1,199	11,488	191%	5,927
Maint/Monitoring of Dam	350	25,716	92%	8,290
Maint of Lake & Intakes	0	8,409	70%	8,220
Maint of Structures	375	0	0%	184
Maint of Watershed	375	830	3%	1,607
Water Quality Surveillance	1,684	16,385	126%	12,377
Fishery Maint	0	1,968	49%	399
Erosion Control	0	7,358	147%	361
Purchased Water (Note 4)	699,836	5,047,469	133%	3,790,790
SOURCE OF SUPPLY	\$704,581	\$5,128,687	131%	\$3,837,120
PUMPING				
Operating Expense - Pumping	\$0	\$0	0%	\$641
Maint of Structures & Grounds	1,538	29,042	76%	17,153
Maint of Pumping Equipment	20,907	50,797	86%	17,354
Electric Power	28,258	204,927	89%	233,222
PUMPING	\$50,703	\$284,766	85%	\$268,371
OPERATIONS				
Supervision & Engineering	\$13,654	\$185,838	125%	\$185,361
Operating Expense - Operations	21,747	255,272	137%	191,713
Maintenance Expense	6,591	105,545	121%	94,633
Telemetry Equipment/Controls Maint	2,307	67,936	110%	83,047
Leased Lines	2,344	18,930	90%	20,841
OPERATIONS	\$46,643	\$633,521	125%	\$575,595

**NOVATO WATER
 DETAIL INCOME STATEMENT
 FOR PERIOD ENDING JUNE 30, 2012**

	JUNE 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER TREATMENT				
Supervision & Engineering	\$7,819	\$100,916	96%	\$121,459
Operating Expense - Water Treatment	5,348	206,957	59%	320,882
Purification Chemicals	12,901	253,797	60%	464,140
Sludge Disposal	175	100,861	136%	84,618
Maint of Structures & Grounds	7,642	82,839	77%	71,772
Maint of Purification Equipment	11,260	136,782	80%	105,217
Electric Power	(662)	114,184	106%	128,913
Water Quality Programs	6,924	92,847	119%	87,556
Laboratory Direct Labor	25,758	330,633	97%	292,821
Lab Service-Outside Clients	2,334	19,090	-	0
Water Quality Supervision	5,139	59,949	143%	60,167
Laboratory Supplies & Expense	1,879	49,427	84%	52,255
Customer Water Quality	2,724	41,252	71%	46,282
Lab Cost Distributed	(2,968)	(25,072)	157%	(22,037)
WATER TREATMENT	\$86,270	\$1,564,460	82%	\$1,814,045
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$34,382	\$423,813	119%	\$466,110
Maps & Records	10,066	96,058	97%	74,154
Operation of T&D System	8,166	148,849	139%	158,679
Facilities Location	5,479	73,299	163%	61,108
Safety: Construction & Engineering	1,699	31,720	48%	33,569
Customer Service Expense	11,587	153,538	95%	147,205
Flushing	0	71,553	108%	21,814
Storage Facilities Expense	8,282	124,546	74%	147,832
Cathodic Protection	1,689	16,018	123%	10,415
Maint of Valves/Regulators	5,469	132,239	73%	190,866
Maint of Mains	1,869	49,922	42%	146,814
Backflow Prevention Program	8,338	84,714	84%	124,121
Maint of Copper Services	10,535	188,749	87%	166,916
Maint of PB Service Lines	31,429	443,509	145%	347,802
Single Service Installations	(1,459)	1,949	-	(2,528)
Maint of Meters	10,446	135,900	79%	146,170
Detector Check Assembly Maint	277	38,361	85%	36,509
Maint of Hydrants	9,237	33,980	56%	50,354
TRANSMISSION & DISTRIBUTION	\$157,493	\$2,248,717	99%	\$2,327,910
CONSUMER ACCOUNTING				
Meter Reading	\$12,301	\$141,687	111%	\$122,364
Collection Expense - Labor	1,997	27,148	90%	17,779
Collection Expense - Agency	56	1,755	88%	2,438
Billing & Consumer Accounting	24,128	282,702	97%	282,046
Contract Billing	3,003	19,731	104%	18,285
Stationery, Supplies & Postage	7,962	66,859	103%	70,347
Uncollectable Accounts	2,088	26,685	92%	32,723
Office Equipment Expense	1,523	8,690	124%	9,835
Distributed to West Marin (4.2%)	(1,518)	(15,726)	98%	(15,762)
CONSUMER ACCOUNTING	\$51,540	\$559,530	101%	\$540,053

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR PERIOD ENDING JUNE 30, 2012**

	JUNE 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER CONSERVATION				
Residential	\$25,465	\$213,834	75%	\$338,093
Commercial	200	1,414	5%	15,423
Public Outreach/Information	1,745	41,251	76%	19,047
Large Landscape	1,096	13,780	46%	10,337
TOTAL WATER CONSERVATION	\$28,505	\$270,278	68%	\$382,901
GENERAL AND ADMINISTRATIVE				
Directors Fees	\$1,300	\$15,000	100%	\$15,100
Legal Fees	1,736	7,098	65%	8,572
Human Resources	1,413	20,853	72%	31,449
Auditing Fees	(4,903)	28,900	100%	27,800
Consultants - Master Plan Update	0	34,731	36%	0
General Office Salaries	102,971	1,235,343	101%	1,162,235
Safety: General District Wide	1,297	17,341	96%	14,935
Office Supplies	1,033	22,743	46%	38,870
Employee Events	0	5,931	59%	4,469
Other Administrative Expense	1,596	17,254	78%	17,414
Election Cost	0	250	0%	0
Dues & Subscriptions	355	49,260	101%	47,775
Vehicle Expense	682	8,118	101%	8,112
Meetings, Conferences & Training	7,938	97,626	64%	101,472
Recruitment Expense	0	1,007	50%	663
Gas & Electricity	478	21,727	84%	24,562
Telephone	482	3,240	81%	3,472
Water	168	1,205	121%	978
Buildings & Grounds Maint	4,130	36,438	104%	35,902
Office Equipment Expense	17,864	89,291	93%	74,325
Insurance Premiums & Claims	10,874	113,556	85%	118,451
Retiree Medical Benefits	13,916	160,725	93%	147,084
Distributed to Other Operations (6.2%)	(8,135)	(101,630)	92%	(104,515)
Expensed Improvement Projects	0	0	-	122,785
Expensed Equipment Purchases	0	3,383	56%	29,993
G&A Applied to Construction	(29,601)	(327,881)	92%	(269,439)
(Gain)/Loss on Overhead Charges	8,641	(209,155)	149%	(172,628)
(Gain)/Loss on Self-Ins Workers' Comp	(5,436)	(92,941)	-	0
GENERAL & ADMINISTRATIVE	\$128,799	\$1,259,412	77%	\$1,489,838
Depreciation (Note 5)	194,973	2,330,116	101%	2,309,166
TOTAL OPERATING EXPENSE	\$1,449,505.31	\$14,279,488	103%	\$13,545,000
OPERATING INCOME/(LOSS)	\$178,294	\$138,726	1%	(\$684,148)

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR PERIOD ENDING JUNE 30, 2012**

	JUNE 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest:				
General Funds	(\$1,206)	\$140	7%	\$0
Facility Reserve Charge Fund	376	5,320	35%	22,088
Wohler Pipeline Financing Fund	159	2,641	88%	5,393
Collector #6 Financing Fund	690	11,102	79%	21,537
Retiree Medical Insurance Fund	1,220	13,231	120%	17,879
Self-Insured Workers' Comp Fund	0	33	-	0
Aqueduct Energy Efficiency Project Fund	1,917	16,939	-	0
Recycled Water Advance (Note 10)	2,792	8,376	-	105
West Marin Water Advance (Note 10)	883	5,918	197%	4,969
Total Interest Revenue	\$6,831	\$63,700	133%	\$71,972
Rents & Leases	3,866	65,281	100%	63,934
Other Non-Operating Revenue	5,963	59,968	77%	38,832
Gain/(Loss) on MV of Investments	(5,737)	7,487	-	(24,868)
NON-OPERATING REVENUE	\$10,922	\$196,435	103%	\$149,870
NON-OPERATING EXPENSE				
Bank of Marin AEEP Loan Interest Exp	\$25,445	\$183,573	103%	\$0
STP SRF Loan Interest Expense	28,196	359,366	99%	375,452
Drought Loan Interest Expense	570	4,852	97%	5,337
Wohler Pipeline Debt Service	0	0	0%	61,859
Collector #6 Debt Service	0	0	0%	163,031
Other Non-Operating Expense	162	4,585	23%	3,187
NON-OPERATING EXPENSE	\$54,373	\$552,376	70%	\$608,865
NET INCOME/(LOSS)	\$134,843	(\$217,215)	(2%)	(\$1,143,143)
BEGINNING FUND EQUITY		\$64,702,653		\$64,387,114
NET INCOME/(LOSS)	134,843	(217,215)		(1,143,143)
CONTRIBUTED CAPITAL				
CDPH Grant	0	0	-	13,582
Developer 'In-Kind' Contributions	62,192	593,495	-	1,073,641
Connection Fees	0	969,080	170%	371,460
PRIOR YEAR ADJUSTMENTS (Note 12a)	(215,881)	(215,881)	0%	0
ENDING FUND EQUITY		\$65,832,131		\$64,702,653

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR PERIOD ENDING JUNE 30, 2012**

	JUNE 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Recycled Water Sales	\$44,221	\$218,588	95%	\$196,183
Bimonthly Service Charges	567	3,347	112%	2,690
Backflow Service Charges	67	402	-	290
TOTAL OPERATING REVENUE	\$44,855	\$222,337	95%	\$199,164
OPERATING EXPENSE				
PUMPING				
Maint of Structures & Grounds	\$0	\$555	-	\$0
Maint of Pumping Equipment	0	528	26%	0
PUMPING	\$0	\$1,084	54%	\$0
OPERATIONS				
Supervision & Engineering	\$900	\$8,448	-	\$6,288
Operating Expense - Operations	3,320	16,799	560%	10,767
Potable Water Consumed	819	16,037	-	2,979
Maintenance Expense	0	353	35%	1,062
Telemetry Equipment/Controls Maint	350	3,803	190%	6,086
OPERATIONS	\$5,388	\$45,440	757%	\$27,183
WATER TREATMENT				
Purification Chemicals	\$2,933	\$21,844	73%	\$40,805
Maint of Structures & Grounds	0	342	-	55
Maint of Purification Equipment	622	4,216	105%	2,247
Electric Power	1,200	8,115	90%	8,000
Laboratory Direct Labor	4,371	24,611	77%	25,010
Lab Expense Distributed from Novato	2,006	12,372	137%	9,273
WATER TREATMENT	\$11,132	\$71,501	85%	\$85,390
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$549	\$2,614	17%	\$987
Maps & Records	0	0	-	227
Operation of T&D System	0	57	6%	1,162
Storage Facilities Expense	696	1,392	-	0
Maint of Valves/Regulators	0	0	0%	0
Maint of Meters	0	260	-	0
Maint of Mains	0	0	-	79
TRANSMISSION & DISTRIBUTION	\$1,244	\$4,323	25%	\$2,455
GENERAL AND ADMINISTRATIVE				
Distributed from Novato (1.2%)	\$1,647	\$20,579	94%	\$18,177
(Gain)/Loss on Self-Ins Workers' Comp	(72)	(1,237)	-	0
GENERAL & ADMINISTRATIVE	\$1,575	\$19,342	88%	\$18,177
Depreciation (Note 5)	13,580	162,965	99%	163,167
TOTAL OPERATING EXPENSE	\$32,921	\$304,654	103%	\$296,370
OPERATING INCOME/(LOSS)	\$11,934	(\$82,317)	35%	(\$97,206)

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR PERIOD ENDING JUNE 30, 2012**

	<u>JUNE 2012</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD ACTUAL</u>
NON-OPERATING REVENUE				
Interest:				
General Funds	\$0	\$0	-	\$105
RWF Replacement Fund	\$0	\$90	9%	\$962
Stone Tree RWF Loan	5,115	63,252	100%	67,684
Total Interest Revenue	<u>\$5,115</u>	<u>\$63,342</u>	99%	<u>\$68,751</u>
Other Non-Operating Revenue	0	0	-	0
NON-OPERATING REVENUE	<u>\$5,115</u>	<u>\$63,342</u>	99%	<u>\$68,751</u>
NON-OPERATING EXPENSE				
RWF SRF Loan Interest Expense	\$6,792	\$86,322	100%	\$90,706
Expansion SRF Loan Interest Expense	3,867	14,842	33%	0
Other Non-Operating Expense	0	616	-	0
Interest-Advance from Novato (Note 10)	2,792	8,376	-	105
NON-OPERATING EXPENSE	<u>\$13,451</u>	<u>\$110,155</u>	84%	<u>\$90,811</u>
NET INCOME/(LOSS)	<u>\$3,599</u>	<u>(\$129,130)</u>	77%	<u>(\$119,266)</u>
BEGINNING FUND EQUITY		\$3,857,869		\$3,703,383
NET INCOME/(LOSS)	3,599	(129,130)		(119,266)
State Prop 50 Grant	0	0	0%	53,188
Federal ARRA Grant	215,423	1,340,617	876%	220,724
ENDING FUND EQUITY		<u>\$5,069,356</u>		<u>\$3,858,029</u>

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR PERIOD ENDING JUNE 30, 2012**

	JUNE 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$51,254	\$528,395	98%	\$509,431
Bill Adjustments	(2,954)	(10,178)	-	(19,938)
Bimonthly Service Charges	9,632	115,584	99%	94,214
Account Turn-on Charges	136	872	97%	1,150
New Account Charges	30	195	98%	205
Returned Check Charges	0	36	-	27
Backflow Service Charges	506	2,968	156%	2,087
TOTAL OPERATING REVENUE	\$58,604	\$637,872	97%	\$587,176
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Operating Expense	\$508	\$14,020	350%	\$11,507
Maint of Structures	0	7,475	93%	7,400
Water Quality Surveillance	0	0	0%	0
SOURCE OF SUPPLY	\$508	\$21,495	165%	\$18,907
PUMPING				
Operating Labor	\$0	\$0	0%	\$0
Maint of Structures and Grounds	0	2,027	14%	7,955
Maint of Pumping Equip	0	2,397	17%	8,889
Electric Power	1,520	13,802	92%	14,248
PUMPING	\$1,520	\$18,226	41%	\$31,092
OPERATIONS				
Supervision & Engineering	\$360	\$3,570	89%	\$174
Operating Expense	201	10,549	176%	8,668
Maint of Telemetry Equipment	477	10,647	67%	31,895
Leased Lines	420	4,843	97%	5,228
OPERATIONS	\$1,459	\$29,609	96%	\$45,965
WATER TREATMENT				
Supervision & Engineering	\$353	\$4,763	159%	\$6,858
Operating Expense	294	12,659	70%	10,477
Purification Chemicals	100	6,198	124%	7,777
Maint of Structures & Grounds	0	0	0%	397
Maint of Purification Equipment	598	15,979	107%	11,462
Electric Power	2,118	20,512	79%	24,619
Laboratory Direct Labor	2,345	24,699	112%	23,329
Laboratory Services	0	2,725	68%	1,600
Water Quality Supervision	0	4,230	141%	3,235
Customer Water Quality	729	7,024	176%	10,013
Lab Expense Distributed from Novato	967	12,416	207%	12,764
WATER TREATMENT	\$7,504	\$111,205	104%	\$112,531

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR PERIOD ENDING JUNE 30, 2012**

	JUNE 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$2,153	\$17,172	132%	\$10,386
Maps & Records	638	2,621	87%	392
Operating Expense	0	186	-	323
Facilities Location - USA	689	2,369	59%	2,008
Customer Service Expense	2,154	15,750	105%	13,927
Flushing	0	6,141	614%	5,718
Storage Facilities Expense	331	27,160	181%	8,805
Cathodic Protection	0	2,116	-	805
Maint of Valves	392	1,388	23%	6,274
Valve Operation Program	3,429	3,429	343%	1,549
Maint of Mains	406	406	8%	2,157
Water Quality Maintenance	0	0	-	2,104
Maint of Backflow Devices	0	0	0%	973
Backflow Dev Inspection/Survey	2,556	5,705	190%	3,042
Maint of Copper Services	0	7,211	144%	4,230
Maint of PB Service Lines	0	21,051	211%	7,775
Maint of Meters	347	1,755	88%	1,941
Detector Check Assembly Maint	0	1,783	178%	218
Maint of Hydrants	132	132	7%	1,311
Hydrant Operation	3,163	3,163	316%	2,509
Single Service Installation	(3,534)	555	-	(6,175)
TRANSMISSION & DISTRIBUTION	\$12,855	\$120,093	135%	\$70,274
CONSUMER ACCOUNTING				
Meter Reading	\$1,578	\$7,875	98%	\$7,092
Collection Expense - Labor	100	1,077	54%	1,058
Uncollectable Accounts	0	872	-	467
Distributed from Novato (3.6%)	1,312	13,543	97%	13,491
CONSUMER ACCOUNTING	\$2,990	\$23,367	97%	\$22,108
WATER CONSERVATION				
Water Conservation Program	\$87	\$2,008	50%	\$5,266
TOTAL WATER CONSERVATION	\$87	\$2,008	50%	\$5,266
GENERAL AND ADMINISTRATIVE				
Distributed from Novato (3.7%)	\$4,850	\$60,587	92%	\$66,880
Expensed Improvement Projects	0	0	-	8,201
(Gain)/Loss on Self Ins Workers' Comp	(213)	(3,642)	-	0
GENERAL & ADMINISTRATIVE	\$4,637	\$56,945	86%	\$75,082
Depreciation (Note 5)	12,406	150,169	101%	147,002
TOTAL OPERATING EXPENSE	\$43,965	\$533,117	101%	\$528,226
OPERATING INCOME/(LOSS)	\$14,639	\$104,755	79%	\$58,950

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR PERIOD ENDING JUNE 30, 2012**

	<u>JUNE 2012</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD ACTUAL</u>
NON-OPERATING REVENUE				
Rents & Leases	\$0	\$3,424	86%	\$3,628
Tax Proceeds - PR-3 G.O. Bond	451	13,813	92%	13,803
Tax Proceeds - OL-2 G.O. Bond	(35)	3,708	93%	3,528
Tax Proceeds - PR-2 Tax Allocation	1,267	40,148	106%	38,446
Annexation Fees	0	723	-	0
Other Non-Operating Revenue	0	0	-	85
NON-OPERATING REVENUE	<u>\$1,683</u>	<u>\$61,815</u>	101%	<u>\$59,489</u>
NON-OPERATING EXPENSE				
PR-3 G.O. Bond Interest Expense	\$58	\$1,025	102%	\$1,675
OL-2 G.O. Bond Interest Expense	47	644	64%	809
PRE-1 Revenue Bond Interest Exp	383	4,937	99%	5,387
PR-6 Revenue Bond Interest Exp	417	5,000	100%	5,400
Drought Loan Interest Expense	80	686	69%	761
Interest-Advance from Novato (Note 10)	883	5,918	197%	4,969
Other Non-Operating Expense	0	3,297	-	17,387
NON-OPERATING EXPENSE	<u>\$1,868</u>	<u>\$21,507</u>	134%	<u>\$36,389</u>
NET INCOME/(LOSS)	<u>\$14,454</u>	<u>\$145,063</u>	82%	<u>\$82,050</u>
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	14,454	145,063		82,050
CONTRIBUTED CAPITAL				
Developer 'In-Kind' Contributions	775	53,803		36,730
Connection Fees	27,700	36,600	-	16,150
ENDING FUND EQUITY		<u><u>\$3,950,842</u></u>		<u><u>\$3,715,376</u></u>

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR PERIOD ENDING JUNE 30, 2012**

	JUNE 2012	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Sewer Service Charges	\$13,166	\$157,311	100%	\$149,820
TOTAL OPERATING REVENUE	\$13,166	\$157,311	100%	\$149,820
OPERATING EXPENSE				
SEWAGE COLLECTION				
Supervision & Engineering	\$1,555	\$6,657	95%	\$5,157
Inspection	0	0	-	363
Operating Expense	259	1,797	90%	1,847
Facilities Location	0	1,054	105%	2,044
Maint of Lift Stations	2,049	4,623	-	2,829
Electric Power	1,093	9,556	96%	10,262
SEWAGE COLLECTION	\$4,956	\$23,687	118%	\$22,503
SEWAGE TREATMENT				
Operating Expense	\$612	\$14,230	109%	\$10,250
Maint of Structures	66	1,279	-	0
Maint of Equipment	579	1,833	-	326
Laboratory Direct Labor	0	566	-	0
Lab Expense Distributed from Novato	(5)	285	-	0
Electric Power	736	7,735	129%	7,895
SEWAGE TREATMENT	\$1,988	\$25,928	136%	\$18,470
SEWAGE DISPOSAL				
Maint of Pump Stations	\$0	\$837	84%	\$489
Maint of Irrigation Field	0	1,135	-	0
SEWAGE DISPOSAL	\$0	\$1,972	197%	\$489
CONTRACT OPERATIONS				
Contract Operations	\$5,101	\$61,215	99%	\$60,588
Equipment Replacements/Upgrades	0	0	0%	1,004
CONTRACT OPERATIONS	\$5,101	\$61,215	97%	\$61,592
CONSUMER ACCOUNTING				
Collection Expense - County of Marin	\$0	\$454	-	\$452
Distributed from Novato (0.6%)	206	2,182	109%	2,271
Uncollectable Accounts	0	0	-	55
CONSUMER ACCOUNTING	\$206	\$2,636	132%	\$2,778
GENERAL AND ADMINISTRATIVE				
Distributed from Novato (1.2%)	\$1,638	\$20,464	93%	\$19,458
Liability Insurance	225	2,818	94%	2,900
(Gain)/Loss on Self Ins Workers' Comp	(72)	(1,230)	-	0
GENERAL AND ADMINISTRATIVE	\$1,791	\$22,052	88%	\$22,359
Depreciation (Note 5)	3,424	41,084	96%	41,084
TOTAL OPERATING EXPENSE	\$17,467	\$178,574	103%	\$169,275
OPERATING INCOME/(LOSS)	(\$4,301)	(\$21,263)	133%	(\$19,455)

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR PERIOD ENDING JUNE 30, 2012**

	<u>JUNE 2012</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD ACTUAL</u>
<u>NON-OPERATING REVENUE</u>				
Rents & Leases	\$0	\$500	50%	\$500
Interest - Connection Fee Reserve	31	474	-	837
Interest - General Funds	89	1,040	35%	1,718
Interest - Self Insured WC Fund	0	3	-	0
Tax Proceeds - OM-1/OM-3 Tax Alloc	1,351	42,786	104%	40,992
Other Non-Operating Revenue	(201)	195	-	109
NON-OPERATING REVENUE	<u>\$1,269</u>	<u>\$44,998</u>	100%	<u>\$44,156</u>
<u>NON-OPERATING EXPENSE</u>				
Other Non-Operating Expense	\$0	\$685	-	\$765
NON-OPERATING EXPENSE	<u>\$0</u>	<u>\$685</u>	-	<u>\$765</u>
NET INCOME/(LOSS)	<u>(\$3,031)</u>	<u>\$23,051</u>	79%	<u>\$23,936</u>
BEGINNING FUND EQUITY		\$1,017,557		\$993,621
NET INCOME/(LOSS)	(3,031)	23,051		23,936
CONTRIBUTED CAPITAL				
Contribution in Aid of Construction	0	0		0
Connection Fees	0	0	-	0
PRIOR YEAR ADJUSTMENTS (Note 11d)	0	0		0
ENDING FUND EQUITY		<u>\$1,040,608</u>		<u>\$1,017,557</u>

**NORTH MARIN WATER DISTRICT
EQUIPMENT EXPENDITURES
PERIOD ENDING JUNE 30, 2012**

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	JUNE 2012	FYTD TOTAL	FY 11/12 BUDGET	(OVER) UNDER	Notes
1 INFORMATION SYSTEMS					
Administration					
a. Software Licenses		\$14,173	\$25,000	\$10,827	c
b. PC Workstations (2)		1,896	2,000	104	e,1
Engineering					
c. AutoCAD PC (Assoc Engr)		1,487	2,000	513	e,1
Operations					
d. PC Workstation (TP Supervisor)		0	1,000	1,000	e,1
e. Wonderware License Upgrade		15,789	0	(15,789)	c
Maintenance					
f. PC Workstation (Asst Wtr Dist/TP Op)		0	1,000	1,000	e
	\$0	\$33,346	\$31,000	(\$2,346)	
2 CONSTRUCTION					
a. Hydra-Stop Insta-Valve Complete Set, 4"-12"		\$47,241	\$48,000	\$759	c
	\$0	\$47,241	\$48,000	\$759	
3 MAINTENANCE					
a. Coats Tire Machine		\$6,483	\$6,000	(\$483)	c,1
	\$0	\$6,483	\$6,000	(\$483)	
4 VEHICLE & ROLLING EQUIPMENT PURCHASES					
a. 5-Yard Diesel Dump Truck with Radio		\$103,057	\$78,000	(\$25,057)	c,1
b. 3/4-Ton Pickup w/Service Body, Radio & Light Bar		0	25,000	25,000	c,1
	\$0	\$103,057	\$103,000	(\$57)	
TOTAL EQUIPMENT EXPENDITURES	\$0	\$190,127	\$188,000	(\$2,127)	
EQUIPMENT EXPENDITURE SUMMARY:					
Total Capitalized Equipment	\$0	\$186,744	\$182,000	(\$4,744)	
Total Expensed Equipment	0	3,383	6,000	2,617	
Total Equipment Expenditures	\$0	\$190,127	\$188,000	(\$2,127)	

Notes:

- (e) Expensed (c) Capitalized
(1) Replacement item.

**NORTH MARIN WATER DISTRICT
ANALYSIS OF WORKER'S COMP, CONNECTION FEE AND CIR FUNDS
FOR PERIOD ENDING JUNE 30, 2012**

	TOTAL	NOVATO WATER	WEST MARIN WATER	OCEANA MARIN SEWER	RECYCLED WATER
WORKERS' COMPENSATION FUND					
WC Cash Balance 7/1/11	\$14,400	\$13,512	\$529	\$179	\$180
Less: Projected Prior FY Claims Liability	14,400	13,512	529	179	180
Add: Funds borrowed to subsidize operations	0	0	0	0	0
WC Reserve Balance 7/1/11	\$0	\$0	\$0	\$0	\$0
Add: WC Expense Charged to Operations FYTD	173,686	162,973	6,386	2,157	2,169
Interest Earned	36	36	0	0	0
Subtotal	\$173,722	\$163,009	\$6,386	\$2,158	\$2,169
Less: Claims Expense Paid	9,710	9,111	357	121	121
Excess Insurance Premium	45,546	42,737	1,675	566	569
Administration Fees	12,000	11,260	441	149	150
WC Reserve Balance 6/30/12	\$106,465	\$99,900	\$3,913	\$1,322	\$1,329
Add: Projected Prior FY Claims Liability	14,400	13,512	529	179	180
Projected FY12 Claims Liability	7,383	6,928	271	92	92
Funds borrowed to subsidize operations	(126,655)	(120,340)	(4,714)	0	(1,601)
WC CASH BALANCE 6/30/12	\$1,593	\$0	(\$0)	\$1,593	\$0
CONNECTION FEE FUND					
Connection Fee Cash Balance 7/1/11	\$484,570	\$407,278	\$0	\$77,292	
Add: funds borrowed to subsidize operations	237,698	0	237,698	0	
Connection Fee Reserve Balance 7/1/11	\$722,268	\$407,278	\$237,698	\$77,292	
Add: Connection Fees Collected FYTD	1,005,680	969,080	36,600	0	
Repayment Prior Year Loan from RWF	1,175,098	1,175,098	0	0	
Interest Earned	5,794	5,320	0	474	
Subtotal	\$2,908,840	\$2,556,776	\$274,298	\$77,766	
Less: Fees Expended FYTD	649,788	630,855	18,933	0	
Fees transferred to RWS FYTD (Note 17)	1,168,010	\$1,168,010	0	0	
Connection Fee Reserve Balance 6/30/12	\$1,091,042	\$757,911	\$255,365	\$77,766	
Less: Funds borrowed to subsidize operations	255,365	0	255,365	0	
CONNECTION FEE CASH BALANCE 6/30/12	\$835,678	\$757,911	\$0	\$77,766	
CONSERVATION INCENTIVE RATE FUND					
CIR Cash Balance 7/1/11	\$0	\$0	\$0		
Add funds borrowed to subsidize operations	\$52,936	0	52,936		
CIR Reserve Balance 7/1/11	\$52,936	\$0	\$52,936		
Add: CIR Charges Billed FYTD	43,374	34,205	9,169		
Regulation 15 Forfeitures	16,095	16,095	0		
Interest Earned	0	0	0		
Subtotal	\$112,405	\$50,300	\$62,105		
Less: CIR Funds Expended FYTD ¹	41,337	39,329	2,008		
Bill Adjustments	15,442	10,971	4,472		
CIR Reserve Balance 6/30/12	55,625	(\$0)	\$55,626		
Less funds borrowed to subsidize operations	55,625	(0)	55,626		
CIR CASH BALANCE 6/30/12	\$0	\$0	\$0		

¹ On September 1, 2009 the Board authorized water conservation expenditures to be charged against the Conservation Incentive Rate Fund

**NORTH MARIN WATER DISTRICT
OVERHEAD ACCOUNT ANALYSIS
FOR PERIOD ENDING JUNE 30, 2012**

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YTD/ BUDGET %
<u>Material Handling</u>			
Material Overhead Recovered (15%)	\$75,485	\$110,000	69%
Labor	99,510	99,000	101%
Materials, Supplies & Expense	5,166	6,000	86%
Correction to Inventory Counts	(233)		-
Depr on Warehouse Equipment	4,791	5,000	96%
	\$109,233	\$110,000	99%
Net Gain / (Loss)	(\$33,748)	\$0	-
 <u>Construction Supplies</u>			
Const Supplies Overhead Recovered (15%)	\$306,251	\$358,500	85%
Labor	65,503	76,000	86%
Materials, Supplies & Expense	66,424	73,000	91%
Small Tools	14,717	19,000	77%
Depreciation	3,153	3,500	90%
	\$149,796	\$171,500	87%
Net Gain / (Loss)	\$156,454	\$187,000	-
 <u>Vehicle & Equipment</u>			
Vehicle & Equipment Recovered	381,552	\$362,000	105%
Labor	94,384	115,000	82%
Materials, Supplies & Expense	58,880	76,000	77%
Fuel	118,835	95,000	125%
Depreciation	106,560	125,000	85%
	\$378,659	\$411,000	92%
Net Gain / (Loss)	\$2,893	(\$49,000)	0%

**NORTH MARIN WATER DISTRICT
EXPENDITURES BY CATEGORY
FOR PERIOD ENDING JUNE 30, 2012**

OPERATING EXPENSE	Novato	Recycled	West Marin	Oceana Marin	YTD Total	Annual Budget	YTD Budget %	Prior YTD Actual	% Change
Salaries & Benefits	\$5,509,898	\$55,820	\$167,755	\$13,816	\$5,747,290	\$5,894,000	98%	\$5,799,716	-1%
Salaries & Benefits Distributed	(247,304)	0	0	0	(247,304)	(317,000)	78%	(266,871)	-7%
Water Purchases	5,047,469	0	0	0	5,047,469	3,805,000	133%	3,790,790	33%
Depreciation	2,330,116	162,965	150,169	41,084	2,684,333	2,657,000	101%	2,660,418	1%
Op Matl Svcs & Supplies	385,968	52,838	143,052	102,756	684,613	796,000	86%	537,294	27%
Chemicals	253,797	21,844	6,198	0	281,839	460,000	61%	512,721	-45%
Electric Power	319,111	8,115	34,314	17,292	378,832	431,000	88%	427,159	-11%
Vehicles and Equipment	221,094	1,432	15,626	1,073	239,225	270,000	89%	258,884	-8%
Tools & Supplies	214,636	2,813	14,824	966	233,239	260,000	96%	210,575	11%
Retiree Medical Expenses	160,725	0	0	0	160,725	173,000	93%	147,084	9%
Stationary, Supplies & Postage	89,603	0	0	0	89,603	161,000	56%	109,217	-18%
Insurance & Claims	113,556	0	0	2,818	116,374	136,000	86%	121,352	-4%
Inventory Materials	134,717	64	4,821	0	139,603	129,000	108%	137,593	1%
Water Conservation Rebates	48,199	0	0	0	48,199	115,000	42%	158,810	-70%
IP Matl Svcs & Supplies	0	0	0	0	0	0	0%	106,917	-100%
(Gain)/Loss-Overhead Charges	(209,156)	0	0	0	(209,155)	(140,000)	149%	(172,628)	21%
(Gain)/Loss-Self-Ins Workers' Comp	(92,941)	(1,237)	(3,642)	(1,230)	(99,050)	0	0%	0	0%
TOTAL OPERATING EXPENSE	\$14,279,488	\$304,654	\$533,117	\$178,574	\$15,295,833	\$14,830,000	103%	\$14,539,030	5%
NON-OPERATING EXPENSE									
Interest Expense	\$533,498	\$109,539	\$18,210	\$0	\$661,247	\$925,000	71%	\$715,491	-8%
Salaries & Benefits	259	0	0	0	259	0	0%	0	0%
Other Non-Operating Expense	4,326	616	3,297	685	8,924	20,000	45%	21,339	-58%
TOTAL NON-OPERATING EXPENSE	\$538,083	\$110,155	\$21,507	\$685	\$670,430	\$945,000	71%	\$736,830	-9%
TOTAL OP & NON-OP EXPENSE	\$14,817,571	\$414,809	\$554,625	\$179,259	\$15,966,263	\$15,775,000	101%	\$15,275,860	5%
DISTRICT CAPITAL PROJECTS									
Salaries & Benefits	\$369,741	\$353,579	\$28,944	\$9,991	\$762,254	\$812,000	94%	\$483,230	58%
Indirect Costs	234,387	148,270	12,311	4,036	399,004	411,000	97%	223,578	78%
Materials, Services & Supplies	752,427	5,525,215	103,844	37,705	6,419,191	8,719,000	74%	1,926,827	233%
TOTAL DISTRICT CAPITAL PROJECTS	\$1,356,555	\$6,027,064	\$145,099	\$51,732	\$7,580,450	\$9,942,000	76%	\$2,633,636	188%
DEVELOPER PROJECTS/SMALL JOBS									
Salaries & Benefits	\$170,537	\$0	\$26,410	\$0	\$196,947	\$236,000	83%	\$219,302	-10%
Indirect Costs	129,088	0	26,294	0	155,382	156,000	100%	194,925	-20%
Materials, Services & Supplies	119,678	0	1,803	0	121,481	0	0%	206,771	-41%
TOTAL DEVELOPER/SMALL JOBS	\$419,303	\$0	\$54,508	\$0	\$473,810	\$392,000	121%	\$620,998	-24%
TOTAL CAPITAL PROJECTS	\$1,775,858	\$6,027,064	\$199,607	\$51,732	\$8,054,260	\$10,334,000	78%	\$3,254,633	147%

**NORTH MARIN WATER DISTRICT
VEHICLE FLEET ANALYSIS
FOR PERIOD ENDING JUNE 30, 2012**

Year	Description	Veh#	Assigned	Fiscal Year to Date			Mileage	Life to Date	Vehicle Cost per Mile			
				Mileage	Expense	Recovery ²			Gain/(Loss)	FYTD	FY11	FY10
1	1993 Ford F250 4x4	29	Cilia	5,524	\$4,342	\$7,352	\$3,010	133,410	\$0.55	\$0.79	\$1.42	\$1.19
2	1994 GMC C1500	30	Pool	1,679	\$1,578	\$1,250	(\$329)	134,066	\$0.31	\$0.94	\$0.81	\$0.21
3	1999 Dodge Ram 1500	32	Pool	3,731	\$2,013	\$3,144	\$1,131	65,013	\$0.42	\$0.54	\$0.49	\$0.81
4	1999 Ford F250	36	Ortiz	8,871	\$7,948	\$8,630	\$681	179,956	\$0.48	\$0.90	\$0.97	\$0.82
5	2000 Dodge Dakota	40	Pool	3,916	\$3,848	\$3,762	(\$86)	102,154	\$0.47	\$0.98	\$0.70	\$0.54
6	2001 Dodge Ram 1500	41	On-Call	9,075	\$4,990	\$3,094	(\$1,896)	104,146	\$0.53	\$0.55	\$0.62	\$0.44
7	2001 Dodge Dakota	42	Pool	4,197	\$6,738	\$6,738	\$2,541	110,691	\$0.31	\$0.45	\$0.95	\$0.46
8	2002 Dodge Dakota	45	Bynum	3,186	\$2,636	\$3,869	\$1,233	124,955	\$0.46	\$0.83	\$0.79	\$0.61
9	2002 Chev K1500 4x4	47	Engineering	4,809	\$2,707	\$2,916	\$210	100,341	\$0.33	\$0.56	\$0.72	\$0.60
10	2003 Dodge Dakota 4x4	49	Stompe	5,934	\$4,402	\$3,725	(\$677)	70,125	\$0.39	\$0.74	\$0.46	\$0.26
11	2003 Chev C1500	51	Pool	4,630	\$2,581	\$2,748	\$168	96,282	\$0.35	\$0.56	\$0.52	\$0.35
12	2004 Chev C1500	53	Kurfirst	8,323	\$5,765	\$8,840	\$3,075	89,730	\$0.39	\$0.69	\$0.45	\$0.88
13	2004 Chev C1500 Xtra Cab	54	Mello	2,372	\$1,902	\$1,275	(\$627)	71,179	\$0.37	\$0.80	\$0.46	\$0.86
14	2005 Honda Civic Hybrid	56	Lab	8,193	\$2,476	\$4,301	\$1,825	48,708	\$0.22	\$0.30	\$0.26	\$0.20
15	2005 Honda Civic Hybrid	57	Engineering	3,030	\$1,096	\$1,416	\$320	35,254	\$0.22	\$0.36	\$0.41	\$0.19
16	2005 Ford Ranger	58	Roberto	11,237	\$7,193	\$10,689	\$3,496	84,645	\$0.41	\$0.64	\$0.52	\$0.36
17	2005 Ford Ranger	59	Venegas	11,362	\$5,580	\$9,554	\$3,973	76,700	\$0.42	\$0.49	\$0.52	\$0.36
18	2006 Chev Colorado	501	Moore	15,982	\$6,169	\$12,105	\$5,936	86,623	\$0.36	\$0.39	\$0.46	\$0.33
19	2007 Chev K2500 4x4	502	Corda, Joe	8,545	\$7,237	\$17,134	\$9,897	51,433	\$0.53	\$0.85	\$0.53	\$0.44
20	2007 Chev Colorado	504	Grisso	3,675	\$1,442	\$5,177	\$3,735	24,696	\$0.41	\$0.39	\$0.58	\$0.49
21	2008 Ford F250 4x4	505	Arendell	8,147	\$5,610	\$21,439	\$15,828	50,075	\$0.67	\$0.69	\$0.63	\$0.65
22	2008 Ford F250 4x4	506	STP	6,609	\$5,920	\$8,856	\$2,936	29,487	\$0.87	\$0.90	\$0.58	\$0.83
23	2008 Chev Colorado 4x4	509	Lemos	12,104	\$3,577	\$4,930	\$1,353	47,530	\$0.32	\$0.30	\$0.36	\$0.29
24	2009 Toyota Prius Hybrid	510	Clark	14,399	\$2,578	\$6,105	\$3,528	51,629	\$0.17	\$0.18	\$0.21	\$1.64
25	2010 Ford F150 4x4	511	STP	12,107	\$4,816	\$10,044	\$5,228	23,250	\$0.45	\$0.40	\$0.58	\$0.39
26	2010 Ford F150	512	Ortiz	14,426	\$8,331	\$7,411	(\$920)	35,388	\$0.48	\$0.58	\$0.37	\$0.44
27	2010 Ford F150	513	LeBrun	6,203	\$2,833	\$4,836	\$2,002	18,195	\$0.47	\$0.46	\$0.48	\$0.51
Total 3/4 Ton & Under				207,364	\$113,767	\$181,340	\$67,572	2,045,661	\$0.42	\$0.55	\$0.54	\$0.51
1	1999 Ford F350 W/Svc Body	19	Pool	1,241	\$1,740	\$1,140	(\$600)	126,939	\$0.71	\$1.40	\$2.58	\$2.55
2	2002 Int'l 5 Yd Dump	44	Rupp	6,207	\$12,554	\$18,274	\$5,720	67,122	\$1.56	\$2.02	\$1.83	\$1.28
3	2002 Chev 1 Ton Crew	46	Castellucci	10,898	\$7,944	\$19,202	\$11,258	110,516	\$0.91	\$0.73	\$1.02	\$1.16
4	1999 Ford F550 3-Yd Dump ³	52	Crew	3,554	\$19,411	\$9,918	(\$9,494)	70,769	\$0.92	\$5.46	\$1.41	\$2.13
5	1999 Int'l 5 Yd Dump ⁴	55	Crew	4,789	\$10,534	\$16,837	\$6,303	62,633	\$1.26	\$2.20	\$1.52	\$6.07
6	2006 Int'l 4300 Crew	503	Reed	3,798	\$6,923	\$20,159	\$13,236	19,503	\$2.11	\$1.82	\$2.32	\$1.11
7	2008 Ford F350 4x4	507	Latanyszyn	11,198	\$12,865	\$15,284	\$2,419	49,002	\$0.87	\$1.15	\$0.82	\$0.55
8	2009 Peterbilt 335 Crew	508	Kehoe	3,208	\$9,026	\$23,162	\$14,135	13,586	\$2.11	\$2.81	\$1.88	\$2.17
9	2012 Int'l 5 Yd Dump	514	Sjoblom	2,488	\$6,210	\$3,812	(\$2,398)	2,488	\$6.80	\$2.50	\$0.00	\$0.00
Total 1 Ton & Over				47,381	\$87,206	\$127,785	\$40,579	522,558	\$1.09	\$1.84	\$1.35	\$1.74

¹ Expense amount shown excludes depreciation (approximately \$75,000 for FY12).
² Recovery is the amount charged to projects and operations to recover the expense of owning and operating the vehicle. Commencing 7/1/07 the recovery rate for vehicles 3/4-ton and under is \$6/hr and the recovery rate for vehicles 1-ton and over is \$11/hr. An additional 50% is charged to developer projects to reflect the fair market value of the vehicle being used.
³ Purchased used in 2004 with 33,500 miles. Mileage shown is total incurred since District purchase.
⁴ Purchased used in 2008 with 30,708 miles. Mileage shown is total incurred since District purchase.

**NORTH MARIN WATER DISTRICT
WATER CONSERVATION PROGRAM DETAIL
FOR PERIOD ENDING JUNE 30, 2012**

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Description	COST THRU JUNE 2011	JUNE 2012	FYTD TOTAL	FY 11/12 BUDGET	(OVER)		TOTAL COST
					UNDER		
NOVATO							
a. Residential							
1-7700-01 1 Cash for Grass	\$204,398	\$380	\$12,564	\$20,000	\$7,436		\$216,961
1-7700-02 2 Landscape Efficiency Rebates	25,172	43	520	7,500	6,980		25,693
1-7700-03 3 Fixtures Purchases	28,251	3,835	3,835	5,000	1,165		32,086
1-7700-06 4 Washing Machine Rebates	271,121	1,624	19,522	20,000	478		290,642
1-7700-07 5 Demonstration Garden Improvements	54,377	0	0	500	500		54,377
1-7700-11 6 Toilet Rebate SF	819,889	1,800	19,522	30,000	10,478		839,411
1-7700-12 7 Toilet Rebate MF	18,081	0	0	4,000	4,000		18,081
1-7700-13 8 Residential Audits	124,520	9,729	44,065	40,000	(4,065)		168,585
1-7700-16 9 Water Waste Ordinance Monitoring	29,922	0	0	20,000	20,000		29,922
1-7700-17 10 Swimming Pool Cover Rebate	226	0	0	0	0		226
1-7700-19 11 ET Controller Rebate	13,895	0	1,290	5,000	3,710		15,185
1-7700-08 12 Administration	718,373	7,574	103,354	122,000	18,646		821,727
1-7700-20 13 New Development Wtr Cons Program	22,666	479	8,674	8,000	(674)		31,340
1-7700-21 14 Demand Offset Rebate Program	490	0	488	5,000	4,513		978
b. Commercial							
1-7701-02 1 Toilet Rebate Program	63,527	200	500	7,500	7,000		64,027
1-7701-03 2 Commercial Audits	5,073	0	914	21,500	20,586		5,987
c. Public Outreach/Information							
1-6672-16 1 Fall Newsletter	25,474	0	6,314	8,000	1,686		31,788
1-6672-17 2 Spring Newsletter	38,601	0	5,820	12,000	6,180		44,421
1-6672-18 3 Summer Newsletter	5,139	0	0	8,000	8,000		5,139
1-7700-04 4 Public Outreach / H ₂ O Fair	82,459	0	1,541	5,000	3,459		84,000
1-7700-05 5 Marketing	83,300	1,745	18,266	21,000	2,734		101,566
1-7700-22 6 Public Outreach/Leadership Novato	0	0	9,309	0	(9,309)		9,309
d. Large Landscape							
1-8653-02 1 Large Landscape Audits	70,200	11	418	20,000	19,582		70,618
1-7702-01 2 Large Landscape Budgets	20,054	196	2,532	3,000	468		22,586
1-7702-02 3 Large Landscape Irrig Efficiency Rebates	11,376	0	0	5,000	5,000		11,376
1-8653-01 4 CIMIS Station Maintenance	18,424	19	229	2,000	1,771		18,653
1-7702-03 6 Administration-Large Landscape	3,579	870	10,601	0	(10,601)		14,180
TOTAL NOVATO WATER CONSERVATION	\$2,758,587	\$28,505	\$270,278	\$400,000	\$129,722		\$3,028,865
WEST MARIN							
2-5166-00 a. Water Conservation Program	\$35,383	\$87	\$2,008	\$4,000	\$1,992		\$37,391
TOTAL WATER CONSERVATION EXPENDITURES	\$2,793,970	\$28,592	\$272,286	\$404,000	\$131,714		\$3,066,256

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING JUNE 30, 2012**

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Description	COST THRU JUNE 2011	JUNE 2012	FYTD TOTAL	FY 11/12 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST			
1 PIPELINE REPLACEMENTS/ADDITIONS									
a. Main/Pipeline Replacements									
1-7130-00	\$0	\$0	\$0	\$160,000	\$160,000	\$0			
1-7131-00	0	34,111	44,221	60,000	15,779	44,221			
1-7067-01	96,392	0	277,953	120,000	(157,953)	374,345			
b. PB Service Line Replacements									
1-7123-06	0	0	31,003	36,000	4,997	31,003			
1-7123-07	0	0	46,664	52,000	5,336	46,664			
1-7123-08	0	281	51,277	0	(51,277)	51,277			
1-7123-09	0	0	16,089	0	(16,089)	16,089			
1-7123-10	0	29,614	32,966	0	(32,966)	32,966			
c. Relocations to Sync w/City & County C.I.P.									
1-8716-08	0	1,369	28,835	20,000	(8,835)	28,835			
	0	0	0	25,000					
1-8737-03	1,047	0	24,460	25,000	540	25,507			
d. Aqueduct Replacements & Enhancements									
1-7118-01	75,782	3,623	41,798	0	(41,798)	117,580			
1-7118-02	7,723	600	16,742	0	(16,742)	24,465			
1-7118-03	72,225	533	13,971	0	(13,971)	86,196			
1-7118-04	446,731	16,552	133,128	2,700,000	2,566,872	579,859			
1-7118-05	5,109	0	5,518	0	(5,518)	10,627			
1-7118-06	0	(91,941)	0	0	0	0			
1-7118-07	0	0	98	0	(98)	98			
1-7118-08	0	0	0	0	0	0			
1-7118-09	0	0	0	0	0	0			
TOTAL PIPELINE REPLACEMENTS/ADDITIONS				\$705,008	(\$5,257)	\$764,722	\$3,198,000	\$2,408,278	\$1,469,731
2 SYSTEM IMPROVEMENTS									
1-7042-00	\$96,819	\$8,335	\$19,332	\$20,000	\$668	\$116,150			
1-6000-41	0	274	5,507	25,000	19,493	5,507			
1-7008-08	0	0	32,066	15,000	(17,066)	32,066			
1-8677-18	0	1,761	34,181	50,000	15,819	34,181			
1-7007-06	0	16,667	76,764	75,000	(1,764)	76,764			
1-7090-02	0	0	0	30,000	30,000	0			
1-7132-00	0	0	14,046	25,000	10,954	14,046			
TOTAL SYSTEM IMPROVEMENTS				\$96,819	\$27,037	\$181,895	\$240,000	\$58,105	\$278,713

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING JUNE 30, 2012**

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Description	COST THRU JUNE 2011	JUNE 2012	FYTD TOTAL	FY 11/12 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
3 BUILDINGS, YARD, & S.T.P. IMPROVEMENTS						
a. Administration Building						
1-6501-35 1 ADA Access Phase I	\$0	\$16,556	\$27,048	\$25,000	(\$2,048)	\$27,048
1-6501-42 2 Other Admin Bldg Improvements	0	0	0	25,000	25,000	0
b. Corp Yard/Warehouse/Construction Office						
1-6502-44 1 Yard Paving	5,316	0	984	15,000	14,016	6,300
1-6502-46 2 Yard Office Furniture Improvements	0	0	5,978	0	(5,978)	5,978
c. Stafford Treatment Plant						
1-6600-70 1 Watershed Erosion Control	0	0	9,000	34,000	25,000	9,000
1-6600-60 2 Leveroni Creek Bank Repair	35,090	3,708	15,594	130,000	114,406	50,684
1-6600-71 3 STP Data Communication via Radio	0	0	0	25,000	25,000	0
1-6600-69 4 Dam Concrete Apron Repairs	38,488	358	48,909	10,000	(38,909)	87,397
1-6600-72 5 STP Discharge/Treatment	0	0	0	47,000	47,000	0
1-6600-62 6 Spillway Security Improvements	4,460	0	24,763	25,000	237	29,224
1-6600-73 7 Remove Old Transformer Pole	0	0	0	40,000	40,000	0
1-6600-74 8 STP Emergency Power Generator	0	0	0	122,000	122,000	0
1-6600-75 8 Centrisys Rebuild	0	0	24,519	0	(24,519)	24,519
1-6600-77 9 Solar Panel Build	0	9,740	13,602	0	(13,602)	13,602
1-6600-78 10 STP Potable Generator Connection	0	3,173	3,173	0	(3,173)	3,173
1-6600-79 11 STP Potable Water Feed Pipeline Rehab	0	11,448	11,448	0	(11,448)	11,448
TOTAL BUILDING, YARD, & STP IMPROVEMENTS	\$83,354	\$44,983	\$185,019	\$498,000	\$312,981	\$268,373
4 STORAGE TANKS & PUMP STATIONS						
1-6112-24 a. Lynwood Pump Station Motor Control Center	\$30,003	\$0	\$1,961	\$275,000	\$273,039	\$31,964
1-6217-20 b. Pacheco Tank C12 Mixing System	18,782	29,974	51,909	75,000	23,091	70,691
1-6206-22 c. Crest Tank #1 Interior Recoat ¹	0	0	176,488	0	(176,488)	176,488
TOTAL STORAGE TANKS & PUMP STATIONS	\$48,785	\$29,974	\$230,357	\$350,000	\$119,643	\$279,142
5 RECYCLED WATER						
5-7127-00 a. NBWRA Grant Outreach	\$439,174	\$0	\$117,484	\$125,000	\$7,516	\$556,658
5-6055-01 b. Expansion to North Service Area-SRF ⁴	38,223	12,594	28,696	0	(\$28,696)	66,918
5-6055-11 c. Expansion to North Svc Area-Seg 1-ARRA/SRF ²	91,429	663	726,340	3,000,000	2,273,660	817,768
5-6055-12 d. Expansion to North Svc Area-Seg 2-ARRA/SRF ²	152,805	630,287	1,434,728	0	(1,434,728)	1,587,533
5-6055-13 e. Expansion to North Svc Area-Seg 3-ARRA/SRF ²	124,635	6,396	1,846,643	0	(1,846,643)	1,971,279
5-6055-14 f. Expan to N Svc Area-Plum St Storage-ARRA/SRF ²	60,319	6,009	537,755	0	(537,755)	598,073
5-6055-20 g. RW Expansion N Svc Area-Retrofit-Private Property	0	3,435	111,482	0	(111,482)	111,482
5-6055-21 h. RW Expansion N Svc Area-Retrofit-Gov't Property	0	0	32,397	0	(32,397)	32,397
5-6055-22 i. RW Expansion N Svc Area-Onsite Retrofit-Const	0	4,821	8,692	0	(8,692)	8,692
5-6056-01 j. Expansion to South Service Area-SRF ⁴	0	0	1,309	0	(1,309)	1,309

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING JUNE 30, 2012**

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Description	COST THRU		JUNE 2012	FYTD TOTAL	FY 11/12		(OVER)/UNDER		TOTAL COST
	JUNE 2011	JUNE 2012			BUDGET	BUDGET	BUDGET	BUDGET	
k. Expansion to South Svc Area-Seg 1A-ARRA/SRF ³	117,267	21,072	233,238	2,000,000	1,766,762	350,505			
5-6056-11									
l. Expansion to South Svc Area-Seg 1B-ARRA/SRF ³	300,707	285,561	744,214	0	(744,214)	1,044,921			
5-6056-12									
m. Expansion to South Svc Area-Seg 2-ARRA/SRF ³	127,587	354	44,863	0	(44,863)	172,450			
5-6056-13									
n. RW Expansion S Svc Area-Retrofit-Private Property	1,338	6,562	105,988	0	(105,988)	107,325			
5-6056-20									
o. RW Expansion S Svc Area-Retrofit-Gov't Property	1,256	30,641	50,251	0	(50,251)	51,507			
5-6056-21									
TOTAL RECYCLED WATER	\$1,454,739	\$1,008,395	\$6,024,079	\$5,125,000	(\$899,079)	\$7,478,819			

6 WEST MARIN WATER SYSTEM

System Improvements:

2-6601-32 a. TP Solids Handling & Land Acquisition	\$90,981	\$204	\$18,674	\$360,000	\$341,326	\$109,655		
2-6601-34 b. TP RTU Upgrade	0	0	0	20,000	20,000	0		
2-7133-00 c. Viento Way Upsizing	0	0	20,722	21,000	278	20,722		
2-6603-20 d. Pt. Reyes Well #3 Replacement	0	4,539	77,657	0	(77,657)	77,657		
2-6603-21 e. Pt. Reyes Well #3 Rehab	15,415	0	0	15,000	15,000	15,415		
2-6603-22 f. Pt. Reyes Well #3 Destruction	0	956	956	0	(956)	956		
2-6261-21 g. Replace Retaining Wall at PRE 2	28,696	0	16,701	0	(16,701)	45,396		
2-6261-22 h. PRE #2 THM Reduction Measures	0	169	10,316	0	(10,316)	10,316		
TOTAL WEST MARIN WATER SYSTEM	\$263,646	\$5,867	\$145,027	\$416,000	\$270,973	\$408,672		

7 OCEANA MARIN SEWER SYSTEM

8-6672-25 a. Infiltration Study & Repair-FY12	\$0	2,759	\$15,107	\$15,000	(\$107)	\$15,107		
8-6672-26 b. Infiltration Study & Repair-FY13	\$0	7,260	\$7,260	\$0	(\$7,260)	\$7,260		
8-7085-01 c. Tahiti Way Lift Pumps Rebuild	0	0	15,691	20,000	4,309	15,691		
8-6001-20 d. Cross Country Sewer Line Rehab	12,546	6,382	13,673	80,000	66,327	26,220		
8-6606-22 e. Repair Siphon Dosing Tank & Flow Meter	0	(461)	0	0	0	0		
TOTAL OCEANA MARIN SEWER SYSTEM	\$12,546	\$15,940	\$51,732	\$115,000	\$63,268	\$64,278		

TOTAL PROJECT EXPENDITURES	\$2,664,898	\$1,126,939	\$7,582,832	\$9,942,000	\$2,334,169	\$10,247,729		
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8 LESS FUNDED BY GRANTS, LOANS & REIMBURSEMENTS

(Accrued)/Deferred								
a. RW Expansion - North Service Area Grant ²	(\$89,504)	(\$153,612)	(\$267,369)	\$0	\$267,369	(\$356,873)		
b. RW - North Service Area Loan ²	(346,862)	(482,516)	(1,304,058)	0	1,304,058	(1,650,920)		
c. RW Expansion - South Service Area Grant ³	(131,220)	(\$68,918)	9,496	0	(9,496)	(121,724)		
d. RW - South Service Area Loan ³	0	(230,240)	(767,718)	0	767,718	(767,718)		
e. MSN Aqueduct Caltrans Reimb-Segment B1-B3 ⁵	(155,730)	(4,757)	(72,511)	0	72,511	(228,241)		
f. AEEP Segment B1-B3 ⁶	(451,840)	75,389	6,861,355	0	(6,861,355)	6,409,515		
g. TP Solids Handling & Land Acquisition ⁹	(90,981)	(204)	758,448	0	(758,448)	667,467		
FUNDING BY OTHERS (ACCRUED)/DEFERRED	(\$1,266,137)	(\$864,857)	\$5,217,643	\$0	(\$5,217,643)	\$3,951,506		

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING JUNE 30, 2012**

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Description	COST THRU JUNE 2011	JUNE 2012	FYTD TOTAL	FY 11/12 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
Received						
g. RW Expansion - North Service Area Grant ²	\$0	\$0	(\$838,088)	(\$750,000)	\$88,088	(\$838,088)
h. RW - North Service Area Loan ²	0	0	(2,105,041)	(2,250,000)	(144,959)	(2,105,041)
i. RW Expansion - South Service Area Grant ³	0	0	(244,656)	(500,000)	(255,344)	(244,656)
j. RW - South Service Area Loan ³	0	0	0	(1,500,000)	(1,500,000)	0
k. MSN Aqueduct Caltrans Reimb-Segment B1-B3 ⁵	0	0	0	0	0	0
l. AEEP Segment B1-B3 ⁶	0	0	(7,000,000)	(2,700,000)	4,300,000	(7,000,000)
m. TP Solids Handling & Land Acquisition ⁶	0	0	(\$777,122)	0	777,122	(777,122)
FUNDING BY OTHERS RECEIVED	\$0	\$0	(\$10,964,907)	(\$7,700,000)	\$3,264,907	(\$10,964,907)
NET PROJECT EXPENDITURES	\$1,398,761	\$262,082	\$1,835,567	\$2,242,000	\$381,434	\$3,234,328

CIP SUMMARY-GROSS EXPENDITURES:	Current		FYTD Total	FY 11/12		FYTD/ Budget%
	Month	Budget		Budget	Budget%	
Novato Water Capital Projects	\$96,737	\$1,361,994	\$4,286,000		32%	
Novato Recycled Water Capital Projects	\$1,008,395	\$6,024,079	\$5,125,000		118%	
West Marin Water Capital Projects	\$5,867	\$145,027	\$416,000		35%	
Oceana Marin Sewer Capital Projects	\$15,940	\$51,732	\$115,000		45%	
Gross Capital Improvement Project Outlays	\$1,126,939	\$7,582,832	\$9,942,000		76%	

CIP SUMMARY-NET EXPENDITURES:	Current		FYTD Total	FY 11/12		FYTD/ Budget%
	Month	Budget		Budget	Budget%	
Novato Water Capital Projects	\$167,370	\$1,150,837	\$1,586,000		73%	
Novato Recycled Water Capital Projects	\$73,108	\$506,645	\$125,000		405%	
West Marin Water Capital Projects	\$5,664	\$903,475	\$416,000		217%	
Oceana Marin Sewer Capital Projects	\$16,401	\$51,732	\$115,000		45%	
Net Capital Improvement Project Outlays	\$262,543	\$2,612,689	\$2,242,000		117%	

Notes to Improvement Projects Schedule:

- (1) To fund the unbudgeted Crest Tank #1 Interior Recoat project, the STP 18" Transmission Line Access/Repair project (\$160,000) and the Service Line Anode Installation project (\$30,000) will be deferred to a future year.
- (2) The District will receive ARRA Federal Grant Funding equal to 25% of the project cost less overhead and a low interest State Revolving Fund Loan equal to 75% of the project cost, less 25% of the overhead.
- (3) The District will receive ARRA Federal Grant Funding equal to 25% of the project cost and anticipates receiving a low interest State Revolving Fund Loan equal to 75% of the project cost, less 25% of the overhead.
- (4) Non-Grant Funded RWS Expansion Costs will be funded by a low-interest rate State Revolving Fund Loan.
- (5) The District anticipates receiving reimbursement from Caltrans.
- (6) Funding provided by Loan from Bank of Marin.

North Marin Water District Financial Statement Notes

Note 1 - Restricted Cash

Connection Fee Fund: Cash available from collection of Connection Fees. The fee is charged to developers based upon the estimate of cost necessary to construct capacity to serve the new development. These funds are restricted by law for expansion of the water or sewer facilities within the service area where the development occurs. Funds are disbursed from the Connection Fee Reserve as expenditures are incurred to increase system capacity to serve new development. The fund balance accrues interest monthly.

Wohler Pipeline Financing Fund: In December 2002 the Sonoma County Water Agency sold \$6.8 million (par) of 30-year revenue bonds to finance the Wohler to Forestville Pipeline. NMWD's share of the debt is \$844,050 ($\$6,800,000 \times 11.2 / 90.4$). In January 2003 the District established this designated cash and corresponding reserve account and transferred \$844,050 of FRC money into the fund. The Wohler Pipeline Financing Fund is credited with interest monthly, and is used to pay the revenue bond debt component of the monthly SCWA invoice for water delivery commencing July 2003.

Collector #6 Financing Fund: The Sonoma County Water Agency received a \$15.8 million State Revolving Fund loan commitment at an interest rate of 2.8% repayable over 20 years for construction of Collector #6. NMWD's share of Collector #6 is \$1,950,000 ($\$15,800,000 \times 11.2 / 90.4$). In January 2003 the District established this designated cash and corresponding reserve account and transferred \$1,950,000 of FRC money into the fund. The Collector #6 Financing Fund is credited with interest monthly, and is used to pay the revenue bond debt component of the monthly SCWA invoice for water delivery commencing July 2003.

Revenue Bond Redemption Fund: Comprised of one year of debt service as required by West Marin revenue bond covenants. These funds are restricted for payment of bond principal, interest and administration fees. The fund balance does not accrue interest.

Bank of Marin Project Fund: The District received an \$8 million loan from the Bank of Marin in October 2011 to fund the Aqueduct Energy Efficiency Project. The 20-year, 3.54% annual percentage rate loan requires monthly payments of \$46,067 and will be fully amortized on 10/27/31. In June 2012 the Board authorized reallocating \$1 million of this loan to West Marin Water to repay Novato Water \$223,000 owed for previous loans to fund Long Range Improvement Projects and the remainder to fund the Solids Handling Facility at the Point Reyes Water Treatment Plant. The unexpended fund balance accrues interest monthly.

Retiree Medical Benefits Fund: The District pays the cost of health insurance for retiree (age 55 to 65) and spouse under any group plan offered by PERS. The District's contribution toward the chosen plan is capped in the same manner as all other District employees in the same class. Coverage terminates when the retiree or spouse becomes eligible for Medicare. The retiree must be at least 55 and have a minimum of 12 years of service at the date of retirement. When the retiree or spouse becomes eligible for Medicare, the District pays up to the couple annuitant rate for the rest of the retiree and spouse's lives. In August 2003 the Board directed staff to transfer \$2.55M (\$2.3M for current retirees plus \$250,000 for future retirees) from unrestricted cash to fund this liability. In 2010 an Actuarial Analysis calculated the District's liability at \$3.5 million. At that time the Board directed staff to add \$1,500 per employee annually as a payroll cost overhead to be accrued to amortize this liability. This reserve fund accrues interest monthly. Accounting Standards require that the \$3.5M reserve be fully funded in 20 years.

RWF Replacement Fund: The State Revolving Fund (SRF) loan agreement required the District to agree to establish and maintain a Water Recycling Capital Reserve Fund (WRCRF) for the expansion, major repair, or replacement of the water recycling facilities. The WRCRF is maintained in compliance with the "Policy for Implementing the State Revolving fund for Construction of Wastewater Treatment Facilities" in effect at the time the agreement was signed by the District. The September 2003 Recycled Water Master Plan prepared by Nute Engineering recommended limiting the reserve to fund replacement of the RWF electrical and mechanical equipment (including transmission pumps) as they wear out. The cost of said equipment was \$1,483,000 which, at Nute's recommended 6% interest rate factor and 25-year life, renders an annual funding requirement \$115,000. The fund balance accrues interest monthly.

West Marin Tax Proceeds – Marin County Treasury: Balance of tax proceeds collected and disbursed by the County of Marin for repayment of the Olema (OL-2) and Point Reyes (PR-3) general obligation bond debt. The County credits interest to these funds quarterly.

STP SRF Loan Fund – Marin County Treasury: The Stafford Treatment Plant State Revolving Fund (SRF) loan agreement requires the District to build a Reserve Fund equal to one year of payments (\$1,044,474) in the Marin County Treasury during the first ten years of the 20-year repayment period. Every January 1 and July 1 the District deposits with the County 10% of the semi-annual SRF payment. The County credits the fund with interest quarterly, and will use the Reserve to pay the last 2 semi-annual SRF loan payments.

Note 2 - Designated Cash

Liability Contingency Fund: Established in 1986 when the District first elected to self-insure its general liability risk. This reserve was funded with \$1 million initially and \$200,000 annually thereafter until it reached a balance of \$2 million. Commencing FY93, \$1 million of the reserve was made available to fund loans to eligible employees under the District's Employer Assisted Housing Program. In FY98 the West Marin Water System was included in the fund and built-up a proportional reserve of \$74,000 over several years. In March 2005, \$652,400 was expended from the fund to purchase a home at 25 Giacomini Road in Point Reyes Station. The home is rented to an employee who provides after-hours presence in the community to respond to emergencies. In 2006, \$8,885 was added from the sale of surplus property in West Marin. In August 2008 \$500,000 was transferred to this reserve from the Self-Insured Workers' Compensation Fund and made available to fund Employer Assisted Housing Program loans. The fund balance does not accrue interest

Self-Insured Workers' Compensation Fund: Commencing July 2011, the District began self-insuring its workers' compensation liability. The savings accrued through self-insuring the liability is reserved in this fund for possible future claims expense. The District carries a workers' compensation excess policy for claims that exceed \$750,000. See schedule on page 22.

Drought Contingency (Rate Stabilization) Fund: In August 2008, the Board directed staff to establish this reserve with \$135,000 from the Self-Insured Workers' Compensation Fund for the Novato district to draw upon during dry years. A threshold of 3.2 billion gallons of potable consumption was established as a benchmark for 'normal' years. During any fiscal year that water sales volume exceeds 3.2BG, the incremental revenue generated is deposited into the Drought Contingency Reserve. In those years when sales volume falls below the benchmark, funds are withdrawn from the reserve to maintain the budgeted revenue forecast. The goal is to build a reserve equal to 20% (currently \$2,000,000) of budgeted annual water sales. In FY09 \$50,335 was added to the reserve. The fund balance accrues interest monthly. The fund was fully depleted in FY10.

Maintenance Accrual Fund: Established in FY91 to provide a source of maintenance money for replacement of treatment, storage, transmission and distribution facilities as they wear out. The annual contribution from operating reserves was initially \$200,000. Net polybutylene claim settlement proceeds of \$671,060 were closed into the fund in FY 93. In FY 94 the annual contribution was reduced to \$100,000. The District's goal is to build a reserve equal to 10% of the net book value of Novato's existing plant, currently \$6.8M. Funds are borrowed from the Maintenance Accrual Fund to offset the shortfall in unrestricted Cash & Investments. The fund balance does not accrue interest.

Conservation Incentive Rate Fund: In 2004 and 2005, a Conservation Incentive Tier Rate was enacted in Novato and West Marin respectively. Monies derived from this tier-rate charge are set aside in the Conservation Incentive Rate Reserve, and used for conservation programs designated by the Board. The fund balance accrues interest monthly.

Operating Reserve: This reserve, comprised of four months of budgeted operating expenditures as recommended by the District's financial advisors, serves to ensure adequate working capital for operating, capital, and unanticipated cash flow needs that arise during the year. The fund balance does not accrue interest.

Note 3 – Employee Loans

Housing Loans: The District's Employer Assisted Housing Program allows up to \$300,000 to be loaned to an employee for a period of up to 15 years for the purchase of a home within the District service territory that will enable the employee to respond rapidly to emergencies affecting the operation of the District. Repayment is due upon sale, termination of employment, or other event as described in the Program. Interest on the loan is contingent upon and directly proportional to the appreciation in value occurring on the purchased property. There are eight employee-housing loans currently outstanding totaling \$1,441,785: a \$250,000 loan dated August 2004, a \$39,200 loan dated September 2004, a \$300,000 loan dated October 2006, a \$140,000 loan dated September 2007, a \$150,000 loan dated November 2007, a \$125,000 loan dated July 2008, a \$192,585 loan dated October 2008, and a \$245,000 loan dated June 2010.

Personal Computer Loans: Up to \$3,500 may be loaned to an employee for a period of up to 36 months under the District's Personal Computer Loan Program. Loans are repaid with interest at the rate earned on the District's investment portfolio at the time of the loan plus one percent. Currently there are 8 employee loans outstanding totaling \$6,144.

Note 4 – Purchased Water Capital Component

In 2003 the Sonoma County Water Agency issued \$6.8 million in 30-year 4.75% revenue bonds to finance the Wohler to Forestville pipeline. That same year the Agency received a \$15.8 million 2.8% 20-year State Revolving Fund loan to finance construction of Collector #6. For these two projects the District pays the Agency a debt amortization surcharge incorporated into its purchased water cost. The FY12 Purchased Water Capital Cost Component is \$225,000, which is the District's share of the annual debt service for these projects, and is paid as a \$111.31/MG surcharge, based on budgeted water deliveries. The Purchased Water Capital Component is funded from Restricted Cash Reserves established to amortize this debt (see Note 1).

Note 5 – Depreciation

Assets are assigned a useful life based on consultations with the District Chief Engineer and a survey of other water agencies. Depreciation is computed on a straight-line basis over the estimated useful life of the various classes of property as follows:

Facility	<u>Life (Years)</u>
Aqueduct	150
Dam	100
STP & RWS Structures	40
STP & RWS Mains	50
STP & RWS Pumping Equipment	25
STP & RWS Water Treatment Equipment	20
Storage & Transmission Facilities	50
Distribution Facilities	50
Buildings	35
Office, Laboratory, Construction & Shop Tools & Equipment	10
Vehicles 1 ton & greater	10
All other vehicles	5
Sewer Mains	40
Sewer Pumps	10

Note 6 - Capitalization Policy

The Government Finance Officers Association *Guide for State and Local Governments* recommends that a capitalization policy incorporate a minimum threshold of \$5,000 and an estimated useful life of at least two years. It also cautions that federal grant and loan requirements prevent the use of capitalization thresholds in excess of \$5,000. Thus NMWD's capitalization threshold is \$5,000.

Note 7 – Bond & Loan Servicing Schedule for Fiscal Year 2011-2012

Service Area	Description	Issue Date	Rate	Original Amount	Payment Due	Final Pmt	FY12		6/30/12 Outstanding Balance
							Interest	Principal	
1 Novato	EDA Loan	1977	5.0%	\$351,770	7/1	7/1/17	\$5,327	\$13,097	\$93,437
2 Novato	SRF Loan - STP	2004	2.39%	\$16,528,850	7/1 & 1/1	7/1/29	\$359,366	\$685,108	\$14,521,404
3 Novato	Bank of Marin Loan	2011	3.54%	\$7,000,000	27 th /mo	10/27/31	\$180,866	\$187,668	\$6,812,332
							<u>\$545,559</u>	<u>\$885,873</u>	<u>\$21,427,173</u>
4 RWF	SRF Loan	2006	2.4%	\$4,302,560	6/19	6/19/27	\$86,322	\$187,045	\$3,409,691
5 Point Reyes	PR-3 GO	1973	5.0%	\$250,000	1/1	1/1/13	\$1,350	\$13,000	\$14,000
6 Olema	OL-2 GO	1975	5.0%	\$70,000	1/1	1/1/15	\$729	\$3,384	\$11,203
7 Point Reyes	EDA Loan	1977	5.0%	\$46,000	7/1	7/1/17	\$758	\$1,945	\$13,217
8 PRE	PRE-1 Revenue	1980	5.0%	\$240,000	10/1 & 4/1	4/1/20	\$5,050	\$9,000	\$92,000
9 Point Reyes	PR-6 Revenue	1981	5.0%	\$217,800	7/1 & 1/1	7/1/21	\$5,200	\$8,000	\$100,000
10 West Marin	Bank of Marin Loan	2012	3.54%	\$1,000,000	27 th /mo	10/27/31	\$0	\$0	\$1,000,000
							\$13,087	\$35,329	\$1,230,420
							<u>\$644,968</u>	<u>\$1,108,247</u>	<u>\$26,067,284</u>

1. In 1977 the Federal Economic Development Administration issued a 40-year 5% loan of \$351,770 to assist in the funding emergency Novato Water system projects in response to the drought.
2. In April 2004 the California State Department of Water Resources approved a 2.39% 20-year loan for reconstruction of the Stafford Water Treatment Plant. The project was completed in FY09 with repair of the Outlet Tower Sluice Gate. Interest paid during construction totaled \$1,636,378. The loan covenants require an annual reserve fund contribution of \$104,447 (10% of the annual debt service obligation) be deposited into the Marin County Treasury during each of the first ten years of the repayment period. Debt service is funded 25% by Facility Reserve Charges.
3. In October 2011 Bank of Marin made a 20-year 3.54%(APR) loan of \$8 million to fund the District's share of the Aqueduct Energy Efficiency Project. See Note 16.
4. In August 2006 the California State Department of Water Resources approved a 2.4% 20-year loan of \$4,264,545 for construction of the Deer Island Recycled Water Facility. The project was completed in June 2007, and the first payment was made June 19, 2008.

5. In November of 1970, by a 70% "yes" vote, voters approved the formation of the PR-3 improvement district and a bonded indebtedness of \$250,000 to acquire and improve the Inverness Park and Point Reyes Water Companies. On 9/5/73 the bond issue was purchased in its entirety by the U.S. Department of Agriculture, Farmers Home Administration Rural Development Administration, on a 5%, 40-year payback basis. System upgrades included replacement of a major portion of the distribution facilities, installation of a treatment plant, addition of a 100,000-gallon storage tank in Point Reyes Station and connection of the Inverness Park System to the Point Reyes Station water source (Lagunitas Creek).
6. In June 1973, after petition and creation of an improvement district (OL-1) for the investigation of water service to Olema and the Point Reyes National Seashore Headquarters, Olema voters, by a 92% "yes" vote, approved formation of an improvement district (OL-2) and a bonded debt of \$70,000 to acquire and improve the Olema Water Company owned by W. Robert Phillips and others and to service that area. The Farmers Home Administration purchased the 1975 bond issue in its entirety. On 6/1/91, at the demand of the FHA, the Novato Water District repurchased the remaining \$56,760 balance in the Olema bond debt. The interest rate paid to Novato Water on the OL-2 bond was thereafter reset to the higher of the rate earned by the District treasury or the stated rate of 5%.
7. In 1977 the Federal Economic Development Administration issued a 40-year 5% loan of \$46,000 to assist in the funding emergency West Marin Water system projects, including temporary diversions from Bear Valley Creek and Lagunitas Creek in response to the drought.
8. The Paradise Ranch Estates private water system was created by David Adams and Sons in 1952 to provide water to 85 homes in the PRE subdivision located north of Inverness Park. Problems with water quality and quantity developed and in 1969 the Marin County Health Department issued a boil-water order to all customers of the company. In 1972 the County declared a moratorium on issuance of building permits. A suit by property owners resulted in an agreement reached in Marin Superior Court in late 1978 directing Adams to finance a District feasibility study for the takeover of the system. This culminated in formation of Improvement District PRE-1 and an election authorizing issue of \$240,000 of 5% 40-year revenue bonds, which, in conjunction with a \$720,000 Farmers Home Administration grant, financed system rehabilitation. Service was provided from the Point Reyes System by installation of an additional well, expansion of the treatment plant, and a 6-inch pipeline connection at the Inverness Park pump station extending 1.6 miles along Sir Francis Drake Boulevard to the newly reconstructed Paradise Ranch Estates distribution system. On 4/22/80 the USDA purchased the revenue bond issue in its entirety.
9. In 1981 work commenced on rehabilitating the Point Reyes Inverness Park water system. 18,865 feet of pipeline was either replaced or installed, a 300,000-gallon tank was added in Point Reyes Station and a 100,000-gallon tank was added in Inverness Park. Total cost of these improvements was \$820,015. A 72% grant combined with a \$217,800 5% 40-year revenue bond acquired 8/28/81 by the Farmers Home Administration financed the project.
10. In June 2012 the Board authorized reallocating \$1 million of the Bank of Marin loan to West Marin Water to repay Novato Water \$223,000 owed for loans to fund Long Range Improvement Projects and the remainder to fund the Solids Handling Facility at the Point Reyes Water Treatment Plant.

Note 8 – Unemployment Insurance Reserve

NMWD uses the "Reimbursable Method" of paying for Unemployment Costs. Under this method, the District reimburses the State Employment Development Department for all unemployment benefits paid on our behalf. The reserve is maintained at an amount equal to the higher of the average claim amount paid over the last 5 years or 52 times the maximum weekly benefit amount (currently $450 \times 52 = \$23,400$).

Note 9 – Payroll Benefits

Payroll Benefits payable includes payroll taxes; vacation, sick, and holiday leave; Section 125 payments; cancer, long term care and disability insurance premiums; union dues; and employee benefit fund.

Note 10 - Interest Policy on Inter-District Loans

In the event an improvement district expends all of its Undesignated Funds, it shall borrow funds from that improvement district's Board Designated Fund reserves to meet ongoing requirements. In the event an improvement district expends all of its Board Designated Fund reserves, it may receive a loan from the Novato Improvement District in an amount sufficient to meet its ongoing requirements. Restricted Funds shall not be used to finance ongoing normal operating expenses.

No interest shall be paid by an improvement district on funds borrowed from that improvement district's Board Designated Fund reserves. Interest on loans from the Novato Improvement District shall be paid by the recipient district to the Novato district based upon the outstanding loan balance at the close of the previous accounting period. Interest shall be calculated at the higher of: 1. The weighted average interest rate of Novato improvement district debt (2.8% at 6/30/12); or 2. The average interest rate earned on the District treasury since the close of the previous accounting period; plus \$50 per month.

Note 11 – Budget Augmentations

Note 12 – Prior Period Adjustment

The threshold for prior period adjustments is determined using the guidelines from the *GCX-8 Planning Materiality Worksheet for Governmental Engagements*. The limit for FY2012 is \$101,000.

- a. The Employee Dental Reserve (\$174,119), representing the savings accrued through self-insuring the District's dental plan, was written-off. Information obtained in 2010 about the cost of Delta Dental plans revealed that market value assumed for North Marin's self-insured plan had been significantly overstated for over a decade, rendering the calculation of savings accrued through self-insurance to be non-existent.
- b. The eight Employer Assisted Housing Loans outstanding totaling \$1,441,785 were written down by \$390,000, representing the impairment in value of the second deeds of trust due to the decline in market value of the homes financed since the purchase date.

Note 13 – Provision for Pension Related Debt (Side Fund)

NMWD is one of 164 agencies assigned in 2003 by CalPERS to a pooled-risk group of agencies having less than 100 employees that participate in the 2.5% at 55 benefit plan. The funded ratio for this pool was 63.9% at June 30, 2010 (the most recent data available). The unfunded liability for the combined 164 agencies was \$369M. Based on NMWD's payroll as a percent of total payroll of the 164 agencies, NMWD's share of the unfunded liability was about \$4.2M.

At the time the District was assigned to the risk pool, a "side fund" was created to account for the difference between the funded status of the pool and the funded status of the District's plan. The side fund (\$2.2M of the \$4.2M unfunded liability at June 30, 2012) is credited on an annual basis with the actuarial investment return assumption, currently 7.75%. The side fund is amortized on a schedule to be paid off in 2025.

Note 14 – Explanation of Financial Statement Components

The District's financial statement is comprised of four components: 1) Statement of Net Assets, 2) Sources and Uses of Funds Statement – All Service Areas Combined, 3) Income Statement and Cash Flow by Service Area, and 4) Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The Statement of Net Assets (page 4) reports the District's assets and liabilities and provides information about the nature and amount of investments in resources (assets) and the obligations to the District's creditors (liabilities). The difference between assets and liabilities is reported as *net assets*. Over time, increases or

decreases in the fund balance may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Sources and Uses of Funds Statement – All Service Areas Combined (page 8) compares fiscal year-to-date performance against the Board approved annual budget – presented in the adopted budget format. This Sources and Uses of Funds Statement varies from the income statement in that it includes capital expenditures, debt principal repayment, connection fee revenue, and cash infusions from debt issuance.

The Income Statement and Cash Flow by Service Area (page 9) presents the net income (loss) for the fiscal year-to-date (FYTD) period for each of the District's four service areas. The income and expenses on this report are presented in conformity with Generally Accepted Accounting Principals (GAAP) and comply with Governmental Accounting Standards Board pronouncements. Accordingly, all income and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement measures the success of each service area's operations and can be used to determine whether the service area has successfully recovered all costs through user fees and other charges.

Also included at the bottom of page 9 is a statement of Cash Flow by Service Area. The primary purpose of this statement is to reconcile in an informative manner the difference between the net income/(loss) for the period of each service area with the resultant change in cash balance that occurred over the same period.

Notes to the Financial Statements (page 31) provide a summary of significant accounting policies and assumptions and other information of value to the financial statement reader.

Other Supplementary Information includes Detail Income Statements presented in accordance with GAAP for each of the four service areas (pages 10, 14, 16, 19). These statements present income and expenditures in close detail for further analysis. Other supplementary schedules of note include the Vehicle Fleet Analysis (page 25), Equipment Expenditures (page 21) and Capital Improvement Project Expenditures (page 27), which show outlays to date, compared with budget authority.

Note 15 –Connection Fee Transfers from Novato Water To Recycled Water

The following Connection Fee (FRC) amounts have been transferred to the Recycled Water fund:

	Expansion Local Share		NBWRA	SRF RWF Loan	TOTAL	Transfer Executed
	North	South				
FY07			\$29,725		\$29,725	
FY08			\$50,478	\$22,795	\$73,273	
FY09			\$150,455	\$22,795	\$173,250	
FY10	\$133,659		\$75,198	\$22,795	\$231,652	\$133,659
FY11			\$133,319	\$22,795	\$156,114	
FY12	\$233,478	\$265,500	\$115,882	\$22,795	\$637,655	\$1,168,010
	\$367,137	\$265,500	\$555,057	\$113,975	\$1,301,669	\$1,301,669

Note 16 –Debt Service Coverage Ratio

Debt Service Coverage Ratio shall mean the ratio of net income/(loss) plus interest expense, depreciation, and connection fee revenue for the fiscal year to the sum of the fiscal year's principal and interest payments on the District's total debt.

	FY10	FY11	FY12	FY12 Budgeted
Net Income/(Loss)	(\$3,616,979)	(\$1,156,582)	(\$178,232)	(\$468,000)
Depreciation	\$2,659,884	\$2,660,418	\$2,684,333	\$2,657,000
Interest Expense	\$511,848	\$490,496	\$661,247	\$928,000
Connection Fees	\$1,796,028	\$387,610	\$1,005,680	\$570,000
TOTAL AVAILABLE FOR DEBT SERVICE	\$1,350,781	\$2,381,942	\$4,173,029	\$3,687,000
Annual Debt Service	\$1,384,506	\$1,385,156	\$1,777,299	\$1,753,215
Debt Service Coverage Ratio	0.98	1.72	2.35	2.10

Bank of Marin Debt Service Coverage Calculation*	FY12
TOTAL AVAILABLE FOR DEBT SERVICE	\$4,173,029
Add Developer-in-Kind Contributions	\$647,297
Capital Grants	\$1,340,617
Prior Period Adjustments	(\$215,881)
Change in Net Assets plus Interest, Depreciation & Amortization	\$5,945,062
Annual Bank of Marin Debt Service	\$552,800
Bank of Marin Coverage Ratio	10.75


*Per the October 27, 2011 Bank of Marin loan agreement, each June 30, beginning June 30, 2012, the Debt Service Coverage Ratio shall not be less than 1.2 to 1.

"Debt Service Coverage Ratio" shall mean the ratio of (i) Borrower's change in net assets plus interest, depreciation, and amortization during the fiscal-year period ending on the Determination Date to the sum of the scheduled principal and interest payments on the Loan during the twelve-month period following the Determination Date.

6

MEMORANDUM

TO: Board of Directors August 3, 2012

FROM: Drew McIntyre, Chief Engineer 
Dave Jackson, Associate Engineer

SUBJECT: Pt. Reyes Treatment Plant Solids Handling Project – Consider Adoption of Mitigated Negative Declaration and Approval of the Project

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RECOMMENDED ACTION:

1. Hold a public hearing to receive comments on the project.
2. Approve the attached resolution certifying that the Mitigated Negative Declaration for the Pt. Reyes Treatment Plant Solids Handling Project has been completed in accordance with applicable law and regulations, and adopt the Mitigated Negative Declaration.
3. Approve the project including Mitigation Monitoring and Reporting Program.
4. Authorize staff to file the attached Notice of Determination with the Marin County Clerk.

FINANCIAL IMPACT:

\$2,151.50 (Dept. of Fish & Game fee for filing the Notice of Determination, includes County of Marin \$50 filing fee)

The District has performed an environmental review for the Pt. Reyes Treatment Plant Solids Handling Project as required by the California Environmental Quality Act. The Negative Declaration is attached and consists of the following:

1. Notice of Public Hearing and Intent to Adopt a Mitigated Negative Declaration of Environmental Impact for the Pt. Reyes Treatment Plant Solids Handling Project (Attachment A)
2. Mitigated Negative Declaration, Response to Public Comments, Mitigation Monitoring Program for the Pt. Reyes Treatment Plant Solids Handling Project (Attachment B)
3. Resolution Certifying Response to Comments Received on the Draft Negative Declaration for the Pt. Reyes Treatment Plant Solids Handling Project (Attachment C)
4. Notice of Determination (Attachment D)

BACKGROUND

The North Marin Water District's Pt. Reyes Treatment Plant Solids Handling Project is accessed via U.S. Coast Guard property at 100 Commodore Webster Dr. and located on recently acquired District property (as shown in the site map provided as Attachment E). The proposed project encompasses construction of plant modifications to separate backwash water

solids and eliminate off-site discharge of backwash water. The modifications will include settling and storage tanks, recovery pump system and associated piping and controls.

At the June 5, 2012 meeting, the Board received the Administrative Draft of the Initial Study for the Pt. Reyes Treatment Plant Solids Handling Project. The Draft Initial Study stated that the project would have environmental impacts that could be mitigated to less than significant by following certain mitigation measures. In all areas in which potential adverse impacts were identified, the Initial Study found that mitigation measures could be incorporated into the project design to mitigate potential adverse impacts to a less than significant level. On June 12, 2012, a Notice of Intent to file a Mitigated Negative Declaration was sent to the State Clearinghouse and County of Marin as shown on Attachment A for a 30-day public review period with a subsequent planned public hearing at the August 7, 2012 Board meeting. In addition, the Notice was placed in the *Pt. Reyes Light* on June 14, 2012 and mailed to eight interested parties for public outreach. Specific local outreach included the County of Marin, Marin Conservation League, Tomales Bay Association, Environmental Action of Marin, Sierra Club, Salmon Protection and Watershed Network, Audubon Society and Trout Unlimited. To date, two comments were received and incorporated with responses in the Mitigated Negative Declaration (Attachment B).

RECOMMENDATION

1. Hold a public hearing to receive comments on the project.
2. Approve the attached resolution (Attachment C) certifying that the Mitigated Negative Declaration for the Pt. Reyes Treatment Plant Solids Handling Project has been completed in accordance with applicable law and regulations, and adopt the Mitigated Negative Declaration.
3. Approve the project including Mitigation Monitoring and Reporting Program (Attachment B).
4. Authorize staff to file the attached Notice of Determination with the Marin County Clerk (Attachment D).

NOTICE OF PUBLIC HEARING AND INTENT TO ADOPT A MITIGATED NEGATIVE DECLARATION OF ENVIRONMENTAL IMPACT

PROJECT NAME: POINT REYES WATER TREATMENT PLANT SOLIDS
HANDLING PROJECT

PROJECT SPONSOR: NORTH MARIN WATER DISTRICT

LEAD AGENCY: NORTH MARIN WATER DISTRICT

SUMMARY: Notice is hereby given that the North Marin Water District Board of Directors will hold a public hearing to consider the Point Reyes Water Treatment Plant Solids Handling Project. The Board of Directors will consider the grant of the Mitigated Negative Declaration prior to considering approval of the project.

PROJECT LOCATION AND DESCRIPTION:

The North Marin Water District (NMWD) proposes to construct facilities to handle mineral solids removed during the water treatment process that occurs at the District's Point Reyes Water Treatment Facility.

The project site is not a site on the "Cortese list" of hazardous sites nor sites enumerated under Section 65902.5 of the State Government Code.

PUBLIC REVIEW PERIOD: A Mitigated Negative Declaration of Environmental Impact has been prepared for the project pursuant to the requirements of the California Environmental Quality Act. The public review and comment period for the Mitigated Negative Declaration commences on June 15, 2012. Written comments will be accepted at the North Marin Water District mailing address (North Marin Water District, P.O. Box 146, Novato, CA 94948; attention: Drew McIntyre) until the close of the public review period, July 16, 2012 at 4:00 p.m. Comments by FAX will not be accepted.

The Mitigated Negative Declaration found that there would be significant or potentially significant environmental effects in the areas of air quality, biological resources, cultural resources, geology and soils, hydrology and water quality, utilities and service systems, and mandatory findings of significance. The Mitigated Negative Declaration includes mitigation measures that will reduce all significant or potentially significant impacts to a less than significant level.

Copies of the completed Mitigated Negative Declaration and documents referenced in the Mitigated Negative Declaration are available for review at, and may be obtained from, the North Marin Water District, 999 Rush Creek Place, Novato, CA 94948.

PUBLIC HEARING: The North Marin Water District Board of Directors will hold a public hearing to consider the grant of a Mitigated Negative Declaration for the project

and approval of the project. The public hearing will be held at the District's offices (999 Rush Creek Place, Novato, CA 94948) on August 7, 2012 at 7:30 p.m. at which time any and all persons interested in this matter may appear and be heard.

If you challenge the decision of this project in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the North Marin Water District at or prior to the public hearing. (Government Code Section 65009(b)(2)).

If you have any questions regarding the proposed project, or want to be notified of the decision, please contact Drew McIntyre, Chief Engineer, at (415) 897-4133.

Drew McIntyre
Chief Engineer, North Marin Water District

June 14, 2012
Date

North Marin Water District

Notice of Mitigated Negative Declaration for the Point Reyes Water Treatment Plant Solids Handling Facilities Project

Date: August 7, 2012

Responsible Agency: North Marin Water District

Project Title: Point Reyes Water Treatment Plant Solids Handling Facilities Project

Project Address: Pt. Reyes Station, California

This statement and attachments constitute the **Mitigated Negative Declaration** as proposed for or adopted by the North Marin Water District Board of Directors for the Point Reyes Water Treatment Plant Solids Handling Facilities Project.

Proposed Project. The North Marin Water District (NMWD) proposes to construct facilities to handle mineral solids removed during the water treatment process that occurs at the District's Point Reyes Water Treatment Facility.

Schedule. Constructing the facilities would take about nine weeks. The entire process, including site grubbing and excavation, transport of materials and equipment to the site, installing mechanical and electrical equipment, and system testing and painting is anticipated to take 25 weeks.

Environmental Study Prepared By: Leonard Charles and Associates.

Public Review. The Draft Mitigated Negative Declaration for the proposed project was circulated for public review beginning on June 15, 2012 and ending on July 16, 2012. During that time, NMWD received two comment letters (one from the California Department of Transportation and one from the California Department of Fish and Game). The letter from the Department of Transportation included information about permitting needs for moving oversized vehicles and for hauling hazardous materials, which the District will comply with as warranted.

The letter from the Department of Fish and Game (DFG) requested several clarifications to the text of the Initial Study, and these changes have been made. DFG recommends additional surveys to corroborate the Initial Study conclusion that the project would not affect any special status species of plants. There is no evidence that these additional studies are warranted given the site conditions and the experience of the consulting biologist who assessed the site.

However, it is concluded that if after review of this Final MND, CDFG requires that additional site surveys be conducted on the grounds that their rare plant protocol was not completely followed, then the District will agree to have additional surveys done per CDFG's protocol. If federal or State rare, threatened, or endangered species are discovered, then the District will consult with CDFG and implement CDFG-recommended measures needed to mitigate the impact.

DFG stated that it was possible that the site would remove trees in a riparian habitat. However, this is not the case as the site is in an upland habitat, and no work will be done in the riparian zone of Lagunitas Creek. The project does not require a Lake and Streambed Alteration Agreement. DFG also recommended adding a mitigation measure that provides protection for raptors and migratory birds, and this measure has been added to this Final MND (see Mitigation Measure BR-1 below).

Environmental Findings: An Initial Study has been prepared to assess the proposed project's potential effects on the environment and the significance of those effects. Based on the Initial Study, it has been determined that the proposed project would not have any significant effects on the environment, after mitigation. This conclusion is supported by the following findings:

- The proposed project would not impact aesthetics, land use and planning, mineral resources, population and housing, or recreation.
- The proposed project would have a less than significant effect on agriculture and forestry resources, greenhouse gas emissions, noise, public services, and transportation and traffic.
- Mitigation is required to address impacts to air quality, biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, and utilities and service systems. A summary of the mitigation measures recommended in the Initial Study Checklist to minimize environmental impacts is presented below.

Air Quality

In order to reduce dust (PM10) emissions to less than significant amounts, the following mitigation measure shall be implemented.

Mitigation Measure AQ-1

In accordance with the BAAQMD CEQA Guidelines, the project shall implement the following standard actions (that are pertinent to this project) to control dust from escaping from the site:

1. If construction occurs during the dry season, water all active construction areas twice daily;
2. Cover all trucks hauling soil, sand, and other loose materials or require all trucks to maintain at least two feet of freeboard;

3. All visible mud or dirt tracked-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited;
4. Limit traffic speeds on unpaved roads to 15 miles per hour (mph) in construction areas (and this is the posted speed limit on the Coast Guard property);
5. Minimize idling time either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]);
6. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation; and
7. Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance.

Biological Resources

To ensure that project construction does not adversely affect Lagunitas Creek or offsite biological habitats, Mitigation Measure GS-2 (described below) shall be implemented. In addition, the mitigation recommended by the California Department of Fish and Game will be implemented to avoid impacts to nesting raptors and migratory birds and is included in BR-1.:

Mitigation Measure BR-1

If construction, grading, or other project-related improvements are scheduled during the nesting season of protected raptors and migratory birds (February 15 to August 15), a focused survey for active nests of all birds shall be conducted by a qualified biologist (as determined by a combination of academic training and professional experience in biological sciences and related resource management activities) within 15 days prior to the beginning of project-related activities. The results of the survey shall be submitted to DFG. If active nests are found, the Permittee shall consult with DFG and the U.S. Fish and Wildlife Service (USFWS) regarding appropriate action to comply with the Migratory Bird Treaty Act of 1918 and Fish and Game Code, section 3503. If a lapse in project-related work of 15 days or longer occurs, another focused survey and if required, consultation with DFG and USFWS, will be required before project work can be reinitiated.

Cultural Resources

To ensure that any currently unidentified cultural resources and human remains are adequately protected, the following mitigations are required:

Mitigation Measure CR-1

- If cultural resources are encountered during project construction, avoid altering the materials and their context until a cultural resources consultant has evaluated the situation.
- If applicable, a qualified archaeologist shall monitor subsequent excavations and spoils in the vicinity of the find for additional archaeological resources.
- If the archaeologist determines the discoveries are of importance, the resources shall be properly recovered and curated. The archaeologist shall prepare a summary outlining the methods followed and the results of the mitigation program. The report shall list and describe the resources recovered, map their exact locations and depths, and include other pertinent information. Identified cultural resources shall be recorded on DPR 523(A-J) historic recordation forms. NMWD shall submit the report to the Northwest Information Center and the California State Historic Preservation Officer.

Mitigation Measure CR-2

In the event that human remains are encountered, the contractor shall stop work in the area and NMWD shall contact the Marin County Coroner in accordance with Section 7050.5 of the State Health and Safety Code.

Geology and Soils

Because the project site is within one mile of the San Andreas Fault, strong ground shaking can be expected from earthquakes on that fault. The primary geotechnical concerns for the project are ground shaking and the need to stabilize the western edge of the access roadway on the site. Mitigation Measure GS-1 addresses this potential impact. To ensure the project does not cause sedimentation of areas in the vicinity of the site or Lagunitas Creek, mitigation measure GS-2 shall be implemented:

Mitigation Measure GS-1

The project shall be constructed to withstand seismic shaking and other geologic and soil constraints or hazards including unstable slopes. The project shall be constructed consistent with all recommendations for site grading, seismic design for structures, foundation design, retaining wall design, access road design, and site drainage contained in Section V of the Miller Pacific geotechnical report contained in Appendix C of the Initial Study.

Mitigation Measure GS-2

The project shall avoid causing soil erosion leading to sedimentation of channels leading to Lagunitas Creek. The erosion control measures included in the attached Miller Pacific report shall be incorporated into a stormwater control plan, per Marin County Code Section 23.18.093,

using recommended Best Management Practices (BMPs) contained in Guidance for Applicants: Stormwater Quality Manual for Development Projects in Marin County.

Hazards and Hazardous Materials

Constructing the proposed solids handling facilities would require making a cut in the hillside and trenching in the road bed (the old Railroad bed). It is possible, though unlikely, that this grading could uncover old hazardous wastes. The following measure is required to mitigate for this possible impact:

Mitigation Measure H-1

The project construction documents shall include provisions that alert the contractor to the possibility of encountering buried hazardous materials during excavation work and require that, if such materials are encountered, the work in that area shall cease and immediate notification be given to the project engineer/inspector(s) and appropriate regulatory authorities.

Hydrology and Water Quality

To ensure that the project does not adversely affect water quality in Lagunitas Creek, Mitigation Measure GS-2 shall be implemented.

Noise

Mitigation Measure N-1

Construction of the project shall be limited to the hours of 7:00 a.m. to 5:00 p.m. on weekdays. No work shall be allowed on Saturdays, Sundays, or holidays. The project shall also comply with any additional hours set by the County.

Utilities and Service Systems

The project itself is an expansion of an existing water treatment facility, the construction of which has potentially significant impacts. These impacts will be mitigated by implementing measures AQ-1, BR-1, BR-2, CR-1, CR-2, GS-1, GS-2, H-1, and N-1.

Public Hearing: The Initial Study will be considered for adoption at a regularly scheduled meeting of the North Marin Water District's Board of Directors at which time the Board will obtain public comment on the Initial Study and proposed Mitigated Negative Declaration.

Sincerely,



Drew McIntyre
Chief Engineer

**Response to Comments on the Draft Mitigated
Negative Declaration for the**

**POINT REYES WATER TREATMENT PLANT
SOLIDS HANDLING FACILITIES**

July 2012

**Prepared for: North Marin Water District
P.O. Box 146
Novato, California 94948**

**Prepared by: Leonard Charles and Associates
7 Roble Court
San Anselmo, California 94960
415-454-4575**

NMWD received two comment letters on the Draft Mitigated Negative Declaration (MND) for the Point Reyes Well No. 2 Replacement Project plus the cover letter from the State Clearinghouse. One was from the California Department of Transportation (Caltrans) and the second was from the California Department of Fish and Game (CDFG). The letters and responses are provided below.



EDMUND G. BROWN JR.
GOVERNOR

STATE OF CALIFORNIA

GOVERNOR'S OFFICE of PLANNING AND RESEARCH

STATE CLEARINGHOUSE AND PLANNING UNIT



KEN ALEX
DIRECTOR

July 13, 2012

Drew McIntyre
North Marin Water District
PO Box 146
Novato, CA 94948

RECEIVED
JUL 18 2012
North Marin Water District

Subject: Point Reyes Water Treatment Plant Solids Handling Facilities Project
SCH#: 2012062039

Dear Drew McIntyre:

The State Clearinghouse submitted the above named Mitigated Negative Declaration to selected state agencies for review. On the enclosed Document Details Report please note that the Clearinghouse has listed the state agencies that reviewed your document. The review period closed on July 12, 2012, and the comments from the responding agency (ies) is (are) enclosed. If this comment package is not in order, please notify the State Clearinghouse immediately. Please refer to the project's ten-digit State Clearinghouse number in future correspondence so that we may respond promptly.

1-1

Please note that Section 21104(c) of the California Public Resources Code states that:

"A responsible or other public agency shall only make substantive comments regarding those activities involved in a project which are within an area of expertise of the agency or which are required to be carried out or approved by the agency. Those comments shall be supported by specific documentation."

These comments are forwarded for use in preparing your final environmental document. Should you need more information or clarification of the enclosed comments, we recommend that you contact the commenting agency directly.

This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act. Please contact the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process.

Sincerely,

Scott Morgan
Director, State Clearinghouse

Enclosures
cc: Resources Agency

**Document Details Report
State Clearinghouse Data Base**

SCH# 2012062039
Project Title Point Reyes Water Treatment Plant Solids Handling Facilities Project
Lead Agency North Marin Water District

Type MND Mitigated Negative Declaration
Description The North Marin Water District (the District or NMWD) proposes to construct facilities to handle mineral solids removed during the water treatment process that occurs at the District's Point Reyes Water Treatment Facility. The solids handling facilities would be constructed immediately north of the existing water treatment facility, which is located north of the Coast Guard's Point Reyes Housing Unit on the outskirts of Point Reyes Station. Construction of these facilities would capture iron and manganese mineral solids thereby eliminating the potential for them to enter the environment in the vicinity of the treatment facility.

Lead Agency Contact

Name Drew McIntyre
Agency North Marin Water District
Phone (415) 897-4133 **Fax**
email
Address PO Box 146
City Novato **State** CA **Zip** 94948

Project Location

County Marin
City
Region
Lat / Long 38° 4' 47" N / 122° 47' 6.6" W
Cross Streets Unpaved access road begins at the ends of Commodore Webster Drive
Parcel No. 119-24-61
Township **Range** **Section** **Base**

Proximity to:

Highways Hwy 1
Airports
Railways
Waterways Lagunitas Creek
Schools West Marin ES
Land Use Undeveloped property zoned Coastal Zone Agriculture

Project Issues Aesthetic/Visual; Agricultural Land; Air Quality; Archaeologic-Historic; Biological Resources; Coastal Zone; Drainage/Absorption; Flood Plain/Flooding; Forest Land/Fire Hazard; Geologic/Seismic; Minerals; Noise; Population/Housing Balance; Public Services; Recreation/Parks; Schools/Universities; Septic System; Soil Erosion/Compaction/Grading; Solid Waste; Toxic/Hazardous; Traffic/Circulation; Vegetation; Water Quality; Water Supply; Wetland/Riparian; Landuse; Cumulative Effects

Reviewing Agencies Resources Agency; California Coastal Commission; Department of Conservation; Department of Fish and Game, Region 3; Department of Parks and Recreation; Department of Water Resources; Resources, Recycling and Recovery; Caltrans, District 4; CA Department of Public Health; Regional Water Quality Control Board, Region 2; Department of Toxic Substances Control; Native American Heritage Commission; State Lands Commission

Date Received 06/13/2012 **Start of Review** 06/13/2012 **End of Review** 07/12/2012

Note: Blanks in data fields result from insufficient information provided by lead agency.

State Clearinghouse Letter

- 1-1. The letter states that the District has complied with State Clearinghouse review requirements. No response is required.

DEPARTMENT OF TRANSPORTATION

111 GRAND AVENUE
P. O. BOX 23060
OAKLAND, CA 94623-0660
PHONE (510) 286-5541
FAX (510) 286-5559
TTY 711



*Flex your power!
Be energy efficient!*

June 22, 2012

MRN001182
MRN-001-28.69
SCH 2012062039

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

Dear Mr. McIntyre:

Point Reyes Water Treatment Plant Solids Handling Facilities Project - Mitigated Negative Declaration (MND)

Thank you for including the California Department of Transportation (Caltrans) in the environmental review process for the proposed project. The following comments are based on the MND.

2-1

Transportation Permit

Project work that requires movement of oversized or excessive load vehicles on State roadways, such as on State Route 1 (Shoreline Highway), requires a transportation permit issued by Caltrans. Further information is available on the following website: <http://www.dot.ca.gov/hq/traffops/permits/>. To apply, a completed transportation permit application with the determined specific route(s) for the shipper to follow from origin to destination must be submitted to the address below.

Caltrans Transportation Permits Office
1823 14th Street
Sacramento, CA 95811-7119

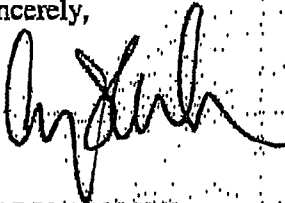
Hazardous Materials

All motor carriers and drivers involved in transportation of hazardous materials must comply with the requirements contained in federal and State regulations, and must apply for and obtain a hazardous materials transportation license from the California Highway Patrol (CHP). When transporting certain types of hazardous materials including inhalation hazards, safe routing and safe stopping places are required. A route map must be carried in the vehicle. More information is available on the CHP website: <http://www.chp.ca.gov/publications/#hazmat>.

Mr. Drew McIntyre/North Marin Water District
June 22, 2012
Page 2

Should you have any questions regarding this letter, please call Connery Cepeda of my staff at (510) 286-5535.

Sincerely,



GARY ARNOLD
District Branch Chief
Local Development - Intergovernmental Review

c: Scott Morgan, State Clearinghouse

Gary Arnold, California Department of Transportation

- 2-1. The comment letter describes Caltrans' permitting needs for moving oversized vehicles and for hauling hazardous materials. This information is noted for the record. The District will comply with these requirements, as warranted. Because the letter does not contain any comments on the Initial Study, no additional response is required.



State of California – The Natural Resources Agency
 DEPARTMENT OF FISH AND GAME
 Bay Delta Region
 7329 Silverado Trail
 Napa, CA 94558
 (707) 944-5500
www.dfg.ca.gov

EDMUND G. BROWN JR., Governor
 CHARLTON H. BONHAM, Director



July 6, 2012

Mr. Drew McIntyre
 North Marin Water District
 Post Office Box 146
 Novato, CA 94948

Dear Mr. McIntyre:

Subject: Point Reyes Water Treatment Plant Solids Handling Facilities Project, Mitigated Negative Declaration, SCH #2012062039, Marin County

The Department of Fish and Game (DFG) has reviewed the draft Mitigated Negative Declaration (MND) for the Point Reyes Water Treatment Plant Solids Handling Facilities Project (Project). DFG is providing comments on the draft MND as a Trustee Agency and Responsible Agency. As Trustee for the State's fish and wildlife resources, DFG has jurisdiction over the conservation, protection, and management of the fish, wildlife, native plants, and the habitat necessary for biologically sustainable populations of such species for the benefit and use by the people of California.

Project activities will occur adjacent to the existing potable water treatment facility near the Town of Point Reyes Station, Marin County. The site is accessed by the unpaved road at the end of Commodore Webster Drive. The existing facility treats pumped well water for potable water distribution. This Project will construct facilities to handle mineral solids removed during the water treatment process. Two new 30,000 gallon settling tanks will be construction to capture iron, manganese, and other solids that will be periodically removed from the bottom of the new decanting tanks. Currently, mineral solids and backwash water is discharged onto the land.

Construction will require site grading, tree and vegetation removal, and site preparation, which will take about 25 weeks to complete.

Comments

The impact analysis in the MND is based on the construction and operation of the solids handling facility. The Introduction and Background Section on Page 1 states that by capturing these mineral solids, the potential for these solids to enter the environment would be eliminated. Please include a more complete description of the existing discharge conditions. Backwash water is currently discharged to the hillside between the treatment facility and Lagunitas Creek. Please discuss the amount and frequency of existing and future discharge water.

3-1

Figure 4 shows a 2,400-square-foot future expansion site adjacent to the proposed Project site and the Abstract to the Cultural Resource Study defines the Project study area as the solids handling facility, future treatment site, and the drilling of a replacement well. Please clarify the proposed and future Project(s) in the environmental review and impact analysis.

3-2

Mr. Drew McIntyre
July 6, 2012
Page 2

Mitigation Measure GS-2 is included on page 4 of the MND and in the impact analysis section on page 23. The mitigation measure in the MND states that standard erosion control measures will be implemented and that disturbed areas, ruts, and/or holes would be reseeded and returned to pre-construction topography. The measure on page 23 states that erosion control measures will be based on the Miller Pacific report. A review of the attached Miller Pacific report found no specific erosion control measures. Please clarify the discrepancy. 3-3

Due to the proximity of Lagunitas Creek and the sensitive habitat it provides, to prevent sedimentation and erosion, construction activities should include extensive and robust measures above and beyond best management practices. 3-4

Mitigation Measure GS-2 should be reevaluated for consistency and effectiveness in preventing erosion. 3-5

California Endangered Species Act

This project is located near Lagunitas Creek. As recognized in the draft MND, Lagunitas Creek and the riparian corridor support numerous special-status species. Coho Salmon are listed in the draft MND as occurring in the creek, but their protection status is not fully disclosed. It should be stated that this species is listed as endangered under the California Endangered Species Act (CESA). 3-6

CESA prohibits take of listed species. Please be advised that a CESA Permit must be obtained if the Project has the potential to result in take of species of plants or animals listed under CESA, either during construction or over the life of the project. Issuance of a CESA Permit is subject to the California Environmental Quality Act (CEQA) documentation; therefore, the CEQA document must specify impacts, mitigation measures, and a mitigation monitoring and reporting program. If the Project will impact CESA listed species, early consultation is encouraged, as significant modification to the project and mitigation measures may be required in order to obtain a CESA Permit.

A biologist conducted a site visit on December 5, 2011, and determined that no special-status species were observed on-site. The site visit was not conducted during the appropriate time to determine presence/absence of rare plants. If the site contains suitable habitat that supports special-status plant species, a floristic based protocol level survey should be conducted according to DFG guidelines. Please refer to the recently revised DFG protocols for surveying and evaluating impacts to rare plants available at <http://www.dfg.ca.gov/habcon/plant/>. 3-7

Lake and Streambed Alteration Program

Page 1 states that the Project site is approximately 100 feet west of the Lagunitas Creek Channel. Page 16 states that the site is within approximately 150 to 200 feet of Lagunitas Creek. Please clarify this discrepancy. 3-8

For any activity that will divert or obstruct the natural flow, or change the bed, channel, or bank (which may include associated riparian resources) of a river or stream, or use material from a streambed, DFG may require a Lake and Streambed Alteration Agreement (LSAA), pursuant to Section 1600 et seq. of the Fish and Game Code, with the applicant. Issuance of an LSAA is subject to CEQA. DFG, as a responsible agency under CEQA, will consider the CEQA 3-9

Mr. Drew McIntyre
July 6, 2012
Page 3

document for the Project. The CEQA document should fully identify the potential impacts to the stream or riparian resources and provide adequate avoidance, mitigation, monitoring and reporting commitments for completion of the agreement. To obtain information about the LSAA notification process, please access our website at <http://www.dfg.ca.gov/habcon/1600/>; or to request a notification package, contact the Lake and Streambed Alteration Program at (707) 944-5520.

Figure 2 in the draft MND suggests that this Project is within the vegetated riparian corridor of Lagunitas Creek. The project description also states that five trees will be removed during the grading and site preparation for the tanks. Therefore, this Project may require an LSAA.

3-10

Species and Wildlife

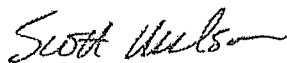
Page 17 refers to the Migratory Bird Treat Act in relation to proposed tree removal. DFG recommends that a mitigation measure that addresses nesting bird be included in the MND. Please consider the following:

3-11

If construction, grading, or other project-related improvements are scheduled during the nesting season of protected raptors and migratory birds (February 15 to August 15), a focused survey for active nest of all birds shall be conducted by a qualified biologist (as determined by a combination of academic training and professional experience in biological sciences and related resource management activities) within 15 days prior to the beginning to project-related activities. The results of the survey shall be submitted to DFG. If active nest are found, the Permittee shall consult with DFG and the U.S. Fish and Wildlife Service (USFWS) regarding appropriate action to comply with the Migratory Bird Treaty Act of 1918 and Fish and Game Code, section 3503. If a lapse in project-related work of 15 days or longer occurs, another focused survey and if required, consultation with DFG and USFWS, will be required before project work can be reinitiated.

If you have any questions, please contact Mr. Timothy Dodson, Environmental Scientist, at (707) 944-5513 or by email at tdodson@dfg.ca.gov; or Ms. Karen Weiss, Senior Environmental Scientist, at (707) 944-5525.

Sincerely,



Scott Wilson
Acting Regional Manager
Bay Delta Region

cc: State Clearinghouse

Scott Wilson, California Department of Fish and Game

- 3-1. Approximately 19,000-20,000 gallons of backwash are discharged approximately once every five days for a total annual discharge of 1.98 million gallons (5-year average). In addition, 694,000 gallons of sample water used for analysis is also annually discharged. The backwash and sample water are discharged to a channel located below the access road across from (east of) the treatment facility.
- 3-2. This potential future water treatment facilities project is discussed in the section on potential cumulative impacts on page 45 of the Initial Study (IS). No plans have been developed for this potential future project. The Initial Study identifies what impacts resulting from the current project would combine with possible future development of additional water treatment facilities to form a potential cumulative impact. The project assessed in the Initial Study is not intended to be the CEQA analysis of this possible future project - that project will need to undergo CEQA review if and when the District decides to develop that site. That future project is relevant to this project and Initial Study only so far as possible cumulative impacts are concerned, and those cumulative impacts are addressed on page 45 of the IS.
- 3-3. The erosion control measures recommended by Miller Pacific are listed in Subsection IV(H) on page 8 of their report, which is included in Appendix C of the Initial Study.
- 3-4. The recommendation is noted for the record. It should be noted that most of the construction is upslope of an existing road, which is the historic railroad bed that was constructed in the 1800s. This is not an undisturbed site located immediately upstream from Lagunitas Creek. The recommended mitigation is to control what is expected to be limited erosion by conforming with the most recent version of the *Sediment Control Field Manual* (California RWQCB, 2002) and the Best Management Practices contained in the County of Marin's *Guidance for Applicants: Stormwater Quality Manual for Development Projects in Marin County*. The County of Marin is particularly sensitive to development near Lagunitas Creek and preparation of the required stormwater control plan that complies with these two documents would be expected to provide ample control of erosion from this relatively limited grading project. No additional mitigation is required, and the commenter has not provided any specific measures that DFG would like incorporated.
- 3-5. See Response No. 4 above.
- 3-6. The text on page 14 of the Initial Study is hereby revised to note that coho salmon are not only a federal endangered species (as stated on page 14) but also a State-listed endangered species. The project will not result in the take of coho salmon or any other fish or aquatic species. In fact, the project by eliminating discharge of solids and backwash water may improve water quality in Lagunitas Creek which would have a beneficial impact on these species. This

clarification does not affect the analyses, conclusions, nor recommendations of the MND/IS.

- 3-7. As described on page 14 of the Initial Study, the site is a roadbed and hillside that were graded in the 1800s with subsequent improvements made over the intervening years. No special status species were observed on the site. Given its location and history of previous disturbance, the consulting biologist working on the Initial Study concluded that the site does not contain habitat that would support special status species of plants known to occur in the area. The biologist, Charles Patterson, has over 30 years experience preparing CEQA assessments of projects in the North Bay and other parts of California. He is very familiar with what special status plant species could be present on this site. We have conducted Initial Studies on two other projects for NMWD along this same stretch of Lagunitas Creek and found no special status species. On these bases, there is no evidence that the Initial Study is incorrect. That said, it is accurate that the special status plant survey did not fully comply with CDFG's formal protocol. Though it is not warranted, if after review of the Final MND, CDFG requires that additional site surveys be conducted on the grounds that their protocol was not completely followed, then the District will agree to have additional surveys done per CDFG's protocol. If federal or State rare, threatened, or endangered species are discovered, then the District will consult with CDFG and implement CDFG-recommended measures needed to mitigate the impact.
- 3-8. The site is 150-200 feet from the nearest bank of Lagunitas Creek. Page 1 of the Initial Study is hereby corrected to so state. This clarification does not affect the analyses, conclusions, nor recommendations of the MND/IS.
- 3-9. Section 1602 of the Fish and Game Code lists three criteria which can trigger the need for a Lake and Streambed Alteration Agreement.¹ First is whether the project would substantially divert or obstruct the natural flow of the stream. The project would not affect flows in Lagunitas Creek. The only possible way the project could affect flows in the creek is if a sufficient quantity of eroded soil is deposited into the stream to a level that it diverted or obstructed the flow. Bared soil created during construction will be treated to control or eliminate sediment leaving the site, so there would be no direct project-caused diversion or obstruction of Lagunitas Creek.

The second criterion is whether the project would substantially change or use any material from the bed, channel, or bank of the stream. The project site is at least 150 feet from the nearest bank of Lagunitas Creek and would not change or use any material, including riparian vegetation, within the bed, channel, or bank of that stream. The vegetation affected by the project is not riparian vegetation, and the site lies upslope of the riparian vegetation zone along Lagunitas Creek.

The third criterion is whether the project would deposit or dispose of debris, waste, or other material containing crumbled, flaked, or ground pavement into the stream. Again, the only possible "waste" that the project might generate is

¹ <http://www.dfg.ca.gov/habcon/1600/qa.html>

sediment eroded from the site during the limited period of construction. As recommended by the Initial Study, this sediment will be contained on the site during construction.

The project does not meet any of the three DFG criteria that would require notification for a Lake and Streambed Alteration Agreement. This is why the Initial Study did not require notification to DFG for a possible Lake and Streambed Alteration Agreement.

- 3-10. It is understandable how a review of the aerial map (Figure 2 of the IS) could be interpreted that the site is within a riparian zone. However, this is not the case. As described on page 14 of the Initial Study, the project site is outside and upslope of the riparian zone, and the project would not have any direct impacts on that riparian zone or the channel, creek, or waters therein (see paragraph 2 on page 14 of the IS). The five trees that would be removed include four live oak and one buckeye on a graded former railroad bank over 150 feet from the creek. These are common upland tree species in the area. Historically, this upland woodland likely extended to the east, but that woodland was likely removed to make pasture land. The upland woodland that includes the project site is a remnant of that former more extensive woodland. No trees will be removed within the riparian zone along Lagunitas Creek. Therefore, a Lake and Streambed Alteration Agreement is not required.
- 3-11. While this recommended mitigation is not required since the District is already required by law to comply with the Migratory Bird Treaty Act. In addition, the District is required to comply with State laws that provide protection for raptors. Nevertheless, the measure will be added as a mitigation in the Final MND.

Mitigation Monitoring and Reporting Program for the Point Reyes Water Treatment Plant Solids Handling Facilities Project

The following Mitigation Monitoring and Reporting Program for the Point Reyes Water Treatment Plant Solids Handling Facilities Project describes the potentially significant impacts for which mitigation measures are recommended in the Mitigated Negative Declaration adopted by the North Marin Water District (NMWD) on August 7, 2012.

In the absence of an adopted NMWD mitigation monitoring ordinance or program, a project-specific monitoring program is described below to ensure that those mitigation measures from the Mitigated Negative Declaration which have been incorporated into the final project are implemented. Implementation of most of the mitigation measures could be effectively monitored through NMWD's normal plan check and field inspection procedures. However, to satisfy AB 3180, a documented record of implementation will be necessary. NMWD shall prepare a report or checklist that confirms compliance with and implementation of all recommended mitigation measures.

The following describes the monitoring responsibilities for each potentially significant impact for which mitigations were recommended and incorporated into the final project.

Air Quality

Mitigation Measure AQ-1

In accordance with the BAAQMD CEQA Guidelines, the project shall implement the following standard actions (that are pertinent to this project) to control dust from escaping from the site:

1. If construction occurs during the dry season, water all active construction areas twice daily;
2. Cover all trucks hauling soil, sand, and other loose materials or require all trucks to maintain at least two feet of freeboard;
3. All visible mud or dirt tracked-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited;
4. Limit traffic speeds on unpaved roads to 15 miles per hour (mph) in construction areas (and this is the posted speed limit on the Coast Guard property);
5. Minimize idling time either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]);
6. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation; and
7. Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance.

Mitigation Monitoring and Reporting

The contractor will be responsible for implementing these measures throughout the construction process. NMWD will monitor to ensure compliance.

Biological Resources

To ensure that project construction does not adversely affect Lagunitas Creek or offsite biological habitats, Mitigation Measure GS-2 (described below) shall be implemented. In addition, the mitigation recommended by the California Department of Fish and Game will be implemented and is included in BR-1:

Mitigation Measure BR-1

If construction, grading, or other project-related improvements are scheduled during the nesting season of protected raptors and migratory birds (February 15 to August 15), a focused survey for active nests of all birds shall be conducted by a qualified biologist (as determined by a combination of academic training and professional experience in biological sciences and related resource management activities) within 15 days prior to the beginning of project-related activities. The results of the survey shall be submitted to DFG. If active nests are found, the Permittee shall consult with DFG and the U.S. Fish and Wildlife Service (USFWS) regarding appropriate action to comply with the Migratory Bird Treaty Act of 1918 and Fish and Game Code, section 3503. If a lapse in project-related work of 15 days or longer occurs, another focused survey and if required, consultation with DFG and USFWS, will be required before project work can be reinitiated.

Mitigation Monitoring and Reporting

The District will be responsible for selecting a qualified biologist. The biologist will conduct the surveys and consult with DFG and the U.S. Fish and Wildlife Service if active nests are found. If actions are recommended by either agency, the contractor will abide by those conditions. The District will monitor for conformance with all conditions the agencies require for the project.

Mitigation Measure CR-1

- If cultural resources are encountered during project construction, avoid altering the materials and their context until a cultural resources consultant has evaluated the situation.
- If applicable, a qualified archaeologist shall monitor subsequent excavations and spoils in the vicinity of the find for additional archaeological resources.
- If the archaeologist determines the discoveries are of importance, the resources shall be properly recovered and curated. The archaeologist shall prepare a summary outlining the methods followed and the results of the mitigation program. The report shall outline the methods followed, list and describe the resources recovered, map

their exact locations and depths, and include other pertinent information. Identified cultural resources shall be recorded on DPR 523(A-J) historic recordation forms. NMWD shall submit the report to the Northwest Information Center and the California State Historic Preservation Officer.

Mitigation Monitoring and Reporting

The mitigation will be implemented whenever warranted throughout the construction phase. The contractor would be responsible for determining the presence of the initial cultural resource find. NMWD would be responsible for engaging the cultural resource specialist. The cultural resource specialist shall be responsible for properly reporting and recording the find(s).

Mitigation Measure CR-2

This mitigation incorporates the requirement established in Mitigation Measure CR-1 and adds the requirements that in the event that human remains are encountered, the contractor shall stop work in the area and NMWD shall contact the Marin County Coroner in accordance with Section 7050.5 of the State Health and Safety Code.

Mitigation Monitoring and Reporting

The mitigation will be implemented whenever warranted throughout the construction phase. The contractor will be responsible for determining the presence of human remains. NMWD will be responsible for contacting the County Coroner.

Mitigation Measure GS-1

The project shall be constructed to withstand the earthquake and other geologic and soil constraints or hazards including unstable slopes. The project shall be constructed consistent with all recommendations for site grading, seismic design for structures, foundation design, retaining wall design, access road design, and site drainage contained in Section V of the Miller Pacific geotechnical report contained in Appendix C.

Mitigation Monitoring and Reporting

The recommendations included in the attached Miller Pacific report will be included in the final plans and specifications. They shall be reviewed by Miller Pacific or another qualified geotechnical expert. A qualified geotechnical expert shall observe and test site grading, compaction of fill material, and foundation excavations to confirm that subsurface conditions are as expected and to adjust foundation depths and other elements of the design, if warranted. The contractor would be responsible for implementing the actions. NMWD will determine final compliance.

Mitigation Measure GS-2

The project shall avoid causing soil erosion leading to sedimentation of channels leading to Lagunitas Creek. The erosion control measures included in the attached Miller Pacific report shall be incorporated into a stormwater control plan, per Marin County Code Section 23.18.093, using recommended Best Management Practices (BMPs) contained in *Guidance for Applicants: Stormwater Quality Manual for Development Projects in Marin County*.

Mitigation Monitoring and Reporting

NMWD shall include the plan in the construction contract. The contractor shall be responsible for compliance with these conditions. NMWD shall be responsible for determining final compliance.

Mitigation Measure H-1

The project construction documents shall include provisions that alert the contractor to the possibility of encountering buried hazardous materials during excavation work and require that, if such materials are encountered, the work in that area shall cease and immediate notification be given to the project engineer/inspector(s) and appropriate regulatory authorities.

Mitigation Monitoring and Reporting

NMWD shall include these conditions in the construction contract. The contractor shall be responsible for compliance with these conditions. NMWD shall be responsible for determining final compliance.

Mitigation Measure N-1

Construction of the project shall be limited to the hours of 7:00 a.m. to 5:00 p.m. on weekdays. No work shall be allowed on Saturdays, Sundays, or holidays. The project shall also comply with any additional hours set by the County.

Mitigation Measure AQ-1 also applies to this impact.

Mitigation Monitoring and Reporting

The construction hours would be included in the final construction specifications for the project. NMWD would periodically monitor start and stop work times to ensure compliance.

Biological Resources, Hydrology and Water Quality, and Utilities and Service Systems

Mitigation Measure GS-2 also applies to water quality-related impacts for biological and hydrologic resources. It will be implemented and monitored as described above. All mitigations apply to the Utilities and Service Systems impacts.

RESOLUTION NO. 12-

RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTH MARIN WATER DISTRICT
AUTHORIZING THE ADOPTION OF A MITIGATED NEGATIVE DECLARATION FOR THE PT.
REYES WATER TREATMENT PLANT SOLIDS HANDLING PROJECT, MAKING FINDINGS
PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND DIRECTING THE
FILING OF A NOTICE OF DETERMINATION

WHEREAS, the North Marin Water District prepared an Initial Study and Mitigated Negative Declaration regarding the proposed Pt. Reyes Water Treatment Plant Solids Handling Project (SCH #2012062039; and

WHEREAS, a Notice of Intent to Adopt a Mitigated Negative Declaration of Environmental Impact was prepared and was directly mailed on June 12, 2012 to interested and potentially affected parties and was posted in newspapers of general circulation in the potentially affected area; and

WHEREAS, said notice provided a public review period for the proposed Mitigated Negative Declaration, concluding on July 16, 2012 and established the date of August 7, 2012 at 7:30 p.m. at the District's office at 999 Rush Creek Place, Novato, California, for a public hearing regarding the proposed Mitigated Negative Declaration; and

WHEREAS, all written comments received prior to and including July 16, 2012, and written responses thereto, have been received and reviewed by the Board of Directors, and all subsequent comments made or received on or prior to August 7, 2012, including comments made or received at the public hearing, and any staff responses thereto, have been received and reviewed by the Board of North Marin Water District;

NOW THEREFORE BE IT RESOLVED that the Board of Directors of North Marin Water District hereby finds determines and declares and orders as follows:

1. The foregoing recitations are true and correct.
2. The Board hereby finds and determines, on the basis of the administrative record, including the Initial Study, proposed Mitigated Negative Declaration, all comments received, and all responses to comments: (1) that there is no substantial evidence that the proposed project as described in the Mitigated Negative Declaration will have a significant effect on the environment; (2) that all potentially significant adverse environmental effects of the proposed project have been reduced to "less than significant" by the mitigation measures included in the Mitigated Negative Declaration; and (3) that the proposed Mitigated Negative Declaration, represents and reflects the independent analysis and judgment of the North Marin Water District.

BE IT FURTHER RESOLVED by the Board of Directors of North Marin Water District that the Board hereby:

1. Adopts the Mitigated Negative Declaration for the proposed Pt. Reyes Water Treatment Plant Solids Handling Project.

2. Adopts, and hereby authorizes and directs the General Manager to take all steps necessary to implement the program for reporting on and monitoring the mitigation measures identified in the Mitigated Negative Declaration.
3. Approves the Pt. Reyes Water Treatment Plant Solids Handling Project and authorizes and directs the General Manager to take all necessary steps to implement said project.

BE IT FURTHER RESOLVED THAT:

1. The General Manager is authorized and directed to maintain and serve as custodian of the record of these proceedings, including but not limited to the Initial Study and Mitigated Negative Declaration, all comments received, all responses to comments, and this resolution, on file at the District headquarters located at 999 Rush Creek Place, Novato, CA.
2. The General Manager, or his designee, is authorized and directed to sign the Mitigated Negative Declaration and the Notice of Determination and file the Notice with the County Clerk.

* * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 7th day of August, 2012 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

Renee Roberts, Secretary
North Marin Water District

(SEAL)

Notice of Determination

Appendix D

To:

Office of Planning and Research
U.S. Mail: P.O. Box 3044
Street Address: 1400 Tenth St., Rm 113
Sacramento, CA 95812-3044 Sacramento, CA 95814

County Clerk
County of: Marin
Address: 3501 Civic Center Dr. #234
San Rafael, CA 94903

From:

Public Agency: North Marin Water District
Address: P.O. Box 146
Novato, CA 94948
Contact: Drew McIntyre
Phone: 415.897.4133

Lead Agency (if different from above):
Address:
Contact:
Phone:

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): 2012062039

Project Title: Point Reyes Water Treatment Plant Solids Handling Facilities Project

Project Applicant: North Marin Water District

Project Location (include county): Point Reyes Station, Marin County

Project Description:

The North Marin Water District will add solids handling facilities to its water Point Reyes Water Treatment Plant.

This is to advise that the North Marin Water District has approved the above (Lead Agency or Responsible Agency)

described project on August 7, 2012 and has made the following determinations regarding the above described project.

- 1. The project will have a significant effect on the environment.
2. An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA. A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures were made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan was adopted for this project.
5. A statement of Overriding Considerations was not adopted for this project.
6. Findings were made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the negative Declaration, is available to the General Public at:

999 Rush Creek Road, Novato CA 94948

Signature (Public Agency): [Signature] Title: Chief Engineer

Date: August 7, 2012 Date Received for filing at OPR:

7

MEMORANDUM

To: Board of Directors

August 3, 2012

From: Drew McIntyre, Chief Engineer

Subject: Water Service Agreement – San Ramon Elementary School Fire Service

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RECOMMENDED ACTION: The Board approve authorization of this agreement.

FINANCIAL IMPACT: \$77,645 (Developer Funded)

Project Description

The San Ramon Elementary School Multi-Use Building Fire Service Project proposes to construct a new fire sprinkled multiuse building at the school site at 45 San Ramon Way (see attached vicinity map). The site is owned by the Novato Unified School District (NUSD). The new permanent Multi-Use Building will replace portable structures which have until now served as a classroom. The new Multi-Use Building facilities include a new warm-up kitchen (no dishwasher) and new bathrooms. Onsite private water plumbing will be extended to serve the new permanent building. New water facilities required include one 6-inch fire service assembly to supply the new fire sprinklers and one existing fire hydrant relocation on San Ramon Way.

Water Use Analysis

The property currently receives Zone B high pressure water service through three existing water services. Two-2" water services set in 1967 provide most of the water to the school campus and existing turf playing field. One-1" water service set in 1990 provides water to the existing modular YMCA buildings on the school site. Onsite private plumbing will be extended to the new Multi-Use Building. As part of this project, the District evaluated water demand for the entire San Ramon Elementary School site as discussed further below.

Water service for San Ramon Elementary School was first established in 1967 with installation of two-2" meters (Service 9511) to serve the site. The school opened in 1968. The first ten year historical use entitlement (1968 – 1978) is twenty-one (21) equivalent dwelling units (EDUs). Connection fees were paid for an additional one EDU for the 1" meter set in 1990 for the YMCA buildings (Service 18252), and the most recent ten year historical water demand for that service shows that demand remains below one EDU. Existing domestic water demand excluding turf irrigation equates to 15 EDU's resulting in 7 EDU's remaining from the original EDU total for which connection fees were paid. In 1995 a 210,000 sf irrigated turf playing field was added to the site with no additional connection fees paid. In June 2006, the District performed a Landscape Water Management Survey on the turf field area irrigation system to evaluate irrigation system

Approved by GM CD

Date 8/3/2012

efficiency. In 2008 and 2009, NUSD installed site plumbing retrofits and a weather based irrigation controller to promote water conservation.

The current multi-use building project water demand is estimated at five (5) EDUs for the new warm-up kitchen and new bathrooms. Because the remaining entitlement for the site is seven (7) EDUs as described previously, there are no additional Facility Reserve Charge fees due for the current project and two (2) EDU remains as available entitlement for future use by NUSD at the San Ramon Elementary School site.

The District staff has determined however that connection fees should be paid for the existing 210,000 sf turf field at San Ramon Elementary School. The field can be separately metered and is used by many youth sport groups and is open to the public, thus the turf field conforms to the definition of a public park, as described by NMWD Regulation 1.f. On June 22nd, District staff conducted a turf field watering test with Novato Unified School District staff to confirm that existing turf irrigation facilities can function with water from one (1) of the two existing 2" meters. In addition, the District has evaluated existing onsite private water facilities to confirm the new multi-use building can also be supplied with water from the remaining 2" meter. Therefore, NUSD is required to verify and maintain private onsite water connections such that one existing 2" meter shall be connected only to turf field irrigation system and the other existing 2" meter shall be used to service all other domestic use (including landscape irrigation near the buildings), and one Facility Reserve Charge fee for the existing turf field irrigation.

Environmental Document Review

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

RECOMMENDATION:

That the Board approve authorization of this agreement.

RESOLUTION NO. 12-
AUTHORIZATION OF EXECUTION
OF
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
WITH
NOVATO UNIFIED SCHOOL DISTRICT

BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain water service facilities construction agreement between this District and Novato Unified School District, a School District, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as 45 SAN RAMON WAY, Marin County Assessor's Parcel Number 124-240-01, NOVATO, CALIFORNIA.

* * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 7th day of August, 2012, by the following vote:

AYES:

NOES:

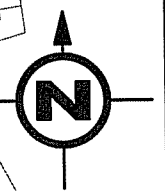
ABSENT:

ABSTAINED:

(SEAL)

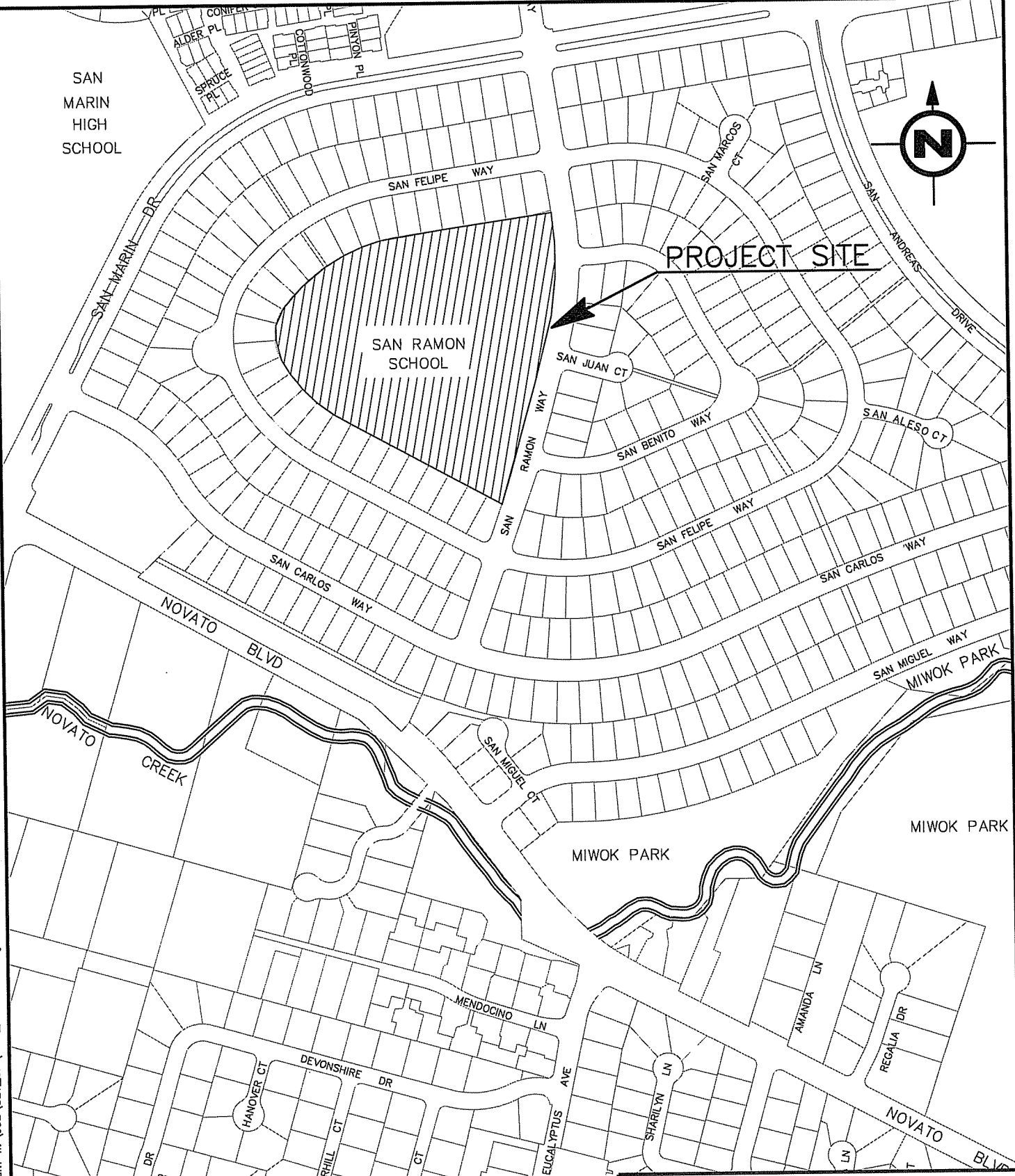
Renee Roberts, Secretary
North Marin Water District

SAN
MARIN
HIGH
SCHOOL



PROJECT SITE

SAN RAMON
SCHOOL



Aug 02, 2012 - 9:36am W:\JOB\SET_UP\MAP_TEMPLATE.dwg User: ACANTILLER

NUSD SAN RAMON ELEM. SCHOOL			
APN: 124-240-01			
DATE	SCALE	JOB.NO.	DWG.NO.
8/3/12	NTS	2761	MAP

PART ONE
HIGH PRESSURE
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
FOR
NOVATO UNIFIED SCHOOL DISTRICT
SAN RAMON ELEMENTARY SCHOOL MULTI USE BLDG FIRE SERVICE

THIS AGREEMENT, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of _____, 2012, by and between NORTH MARIN WATER DISTRICT, herein called "District," and NOVATO UNIFIED SCHOOL DISTRICT, herein called "Applicant."

WHEREAS, the Applicant, pursuant to District Regulation 1, has land use approval for the real property in the District commonly known as Marin County Assessor's Parcel Number 124-240-01 and the project known as SAN RAMON ELEMENTARY SCHOOL MULTI USE BLDG FIRE SERVICE, 45 SAN RAMON WAY, consisting of one (1) lot for government development; and

WHEREAS, the Applicant shall enter into an agreement with the District and complete financial arrangements for water service to said parcel; AND

WHEREAS, water service for San Ramon Elementary School was first established in 1967 (NMWD Service 9511) when the District installed two-2" meters of which the first ten year historical use entitlement is twenty-one (21) equivalent dwelling units (EDUs); and

WHEREAS, a water service for Marin YMCA of San Francisco was set in 1990 (NMWD Service 18252) and connection fees were paid for an additional one (1) EDU (NMWD job 1.1101.00), and historical water demand for that service remains below one (1) EDU; and

WHEREAS, turf and turf irrigation was added to San Ramon Elementary School site in 1995 and no additional connection fees were paid; and

WHEREAS, existing water demand (without field turf irrigation) equals fifteen (15) EDUs, and therefore seven (7) EDUs of water use capacity remain available for use by future projects at the San Ramon Elementary School site; and

WHEREAS, although the San Ramon Elementary School Multi-Use Building has an estimated water demand of five (5) EDUs, no additional Facility Reserve Charge fees are due since the remaining water use entitlement available to the San Ramon Elementary School site is seven (7) EDU's, and therefore two (2) EDU remains available for future use at the school site.

WHEREAS, the San Ramon Elementary School turf field conforms to the definition of a public park, as described by NMWD Regulation 1f, if the existing turf field is separately metered such that the District meter is the sole irrigation service for the turf field and no other private onsite water demand is served through this dedicated irrigation service; and

WHEREAS, the Novato Unified School District is required to confirm and maintain private onsite water connections such that one (1) existing 2" meter shall be connected only to provide service to the existing turf field irrigation system; and

WHEREAS, the Novato Unified School District is required to maintain the existing turf field in conformance with NMWD Regulation 1.f, and therefore the Facility Reserve Charge fees for turf field irrigation demand becomes one (1) EDU; and

NOW THEREFORE, the parties hereto agree as follows:

1. The Applicant hereby applies to the District for water service to said real property and project and shall comply with and be bound by all terms and conditions of this agreement, the District's regulations, standards and specifications and shall construct or cause to be constructed the water facilities required by the District to provide water service to the real property and project. Upon acceptance of the completed water facilities, the District shall provide water service to said real property and project in accordance with its regulations from time to time in effect.
2. Prior to the District issuing written certification to the City, County or State that financial arrangements have been made for construction of the required water facilities, the Applicant shall complete such arrangements with the District in accordance with Section 5 of this agreement.
3. Prior to release or delivery of any materials by the District or scheduling of either construction inspection or installation of the facilities by the District, the Applicant shall:
 - a. deliver to the District vellum or mylar prints of any revised utility plans approved by the City or County to enable the District to determine if any revisions to the final water facilities construction drawings are required. The proposed facilities to be installed are shown on Drawing No. 1 2761.001, entitled, "SAN RAMON ELEMENTARY SCHOOL MULTI USE BLDG FIRE SERVICE", a copy of which is attached, marked Exhibit "A", and made a part hereof. (For purposes of recording, Exhibit "A" is not attached but is on file in the office of the District.)
 - b. grant or cause to be granted to the District without cost and in form satisfactory to the District all easements and rights of way shown on Exhibit "A" or otherwise required by the District for the facilities.

c. deliver to the District a written construction schedule to provide for timely withdrawal of guaranteed funds for ordering of materials to be furnished by the District and scheduling of either construction inspection or construction pursuant to Section 5 hereof.

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

Initial Charges

Meter Charges (Fire Service) (Included in Estimated District Costs)One 5/8-inch @	\$ 0.00	\$ 0.00
Facilities Reserve Charges (Reg. f).....One @	\$ 28,600.00	\$ 28,600.00
Subtotal - Initial Charges.....			\$ 28,600.00

Estimated District Costs

Pipe, Fittings & Appurtenances.....	\$ 13,998.00
District Construction Labor.....	\$ 26,181.00
Engineering & Inspection.....	\$ 5,442.00
Bulk Materials.....	\$ 3,424.00
Subtotal –Estimated District Costs.....	\$ 49,045.00

Estimated Applicant Installation Costs

Installation Labor.....	\$ 0.00
Contractor Furnished – Pipe Fittings & Appurtenances.....	\$ 0.00
Bulk Materials.....	\$ 0.00
Subtotal- Estimated Applicant Installation Costs.....	\$ 0.00

TOTAL ESTIMATED WATER FACILITIES COSTS..... \$ 77,645.00

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

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

Initial Charges and Estimated District Costs

The Applicant shall either pay to the District or provide a two (2) year irrevocable letter of credit in form satisfactory to the District and payable at sight at a financial institution in the Novato area the sum of Initial Charges and Estimated District Costs as set forth in Section 4 hereof in the amount of **\$ 77,645**. If the Applicant provides the two (2) year irrevocable letter of credit, the District shall immediately draw down Initial Charges and shall draw upon the remaining funds guaranteed by the

letter at any time the District deems appropriate to recover the Estimated District Costs which normally will be at least thirty (30) days prior to the anticipated start of construction for the ordering of materials to be furnished by the District.

Estimated Installation Costs

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

Alternate No. 2 – Installation By District: Due to the proprietary nature of construction required to install said facilities, the District reserves the right to install the facilities utilizing District construction forces. The Applicant shall either pay to the District the total Estimated Installation Costs set forth in Section 4 hereof in the amount of **\$77,645** or shall include such amount in the irrevocable letter of credit provided for the Initial Charges and Estimated District Costs set forth first above. The District shall draw upon installation funds guaranteed by the letter at any time the District deems appropriate which normally will be at least thirty (30) days prior to the anticipated start of construction.

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

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

7. All estimated costs set forth in this agreement shall be subject to periodic review and revision at the District's discretion. In the event the Applicant has not completed financial arrangements with the District in accordance with Section 5 hereof prior to expiration of six (6) months

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

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

9. High pressure water service will be rendered in accordance with District Regulation 12 entitled "High Pressure Service". The Applicant shall install a private pressure regulating device as required by local ordinances and plumbing codes prior to occupancy of any structures. Said private pressure regulating devices shall be in accordance with District Standard 28 but shall not be a part of the District's water system. The maintenance and operation of said devices shall be the responsibility of the property owners.

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

11. New construction in the District's Novato service area is required to be equipped with high efficiency water conserving equipment and landscaping specified in Regulation 15 sections e. and f. Applicant shall install front loading, horizontal axis washing machines with a modified water factor of 5.5 or less. Dishwashers shall be energy star rated and use no more than 5 gallons per load. Toilets shall be District approved High Efficiency Toilets that meet the EPA water sense specification. Applicant shall install District approved weather-based irrigation controllers, drip irrigation on non-turf areas, and is subject to turf limitations. Refer to the aforementioned water conservation regulation for a complete listing of all requirements.

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

13. All estimated costs set forth in this agreement shall be subject to periodic review and revision at the District's discretion. In the event the Applicant has not completed financial arrangements with the District in accordance with Section 5 hereof prior to expiration of six (6) months from the date of this agreement, all Initial Charges and estimated costs set forth in Section 4 hereof shall be revised to reflect then current District charges and estimates. In the event the Applicant has not diligently commenced construction of improvements prior to expiration of one (1) year from the date of this agreement, the District may, at its option, either terminate this agreement or require amendment of this agreement and review of all Initial Charges and estimated costs contained herein. The Applicant shall pay any balance due upon demand or furnish a guarantee of such payment satisfactory to the District.

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

NORTH MARIN WATER DISTRICT
"District"

ATTEST:

Stephen Petterle, President

Renee Roberts, Secretary

(SEAL)

NOVATO UNIFIED SCHOOL DISTRICT
"Applicant"

(SEAL)

Karen Maloney, Chief Financial Officer

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

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

ALL SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.

8

MEMORANDUM

To: Board of Directors

August 3, 2012

From: Drew McIntyre, Chief Engineer



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

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RECOMMENDED ACTION: The Board approve assignment of this agreement.

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

The Canyon Green Subdivision project at 1625 Hill Road subdivides a vacant 7.47-acre parcel into 25 lots for 25 one and two-story single family homes at the southwest corner of Hill Road and Canyon Road, the location of the former Novato Community Hospital (see attached map). The project will provide normal and high pressure water service to 25 new residences and an irrigation service for the common area landscaping.

A water service agreement for Canyon Green Subdivision with Green Valley Corporation was approved by the Board on June 19, 2012, and Green Valley Corporation entered into agreement on July 19, 2012. Subsequently, on July 23, 2012, Green Valley Corporation has sold the project to Camino Ramon Associates, LLC, and it is now necessary to assign the agreement to Camino Ramon Associates, LLC.

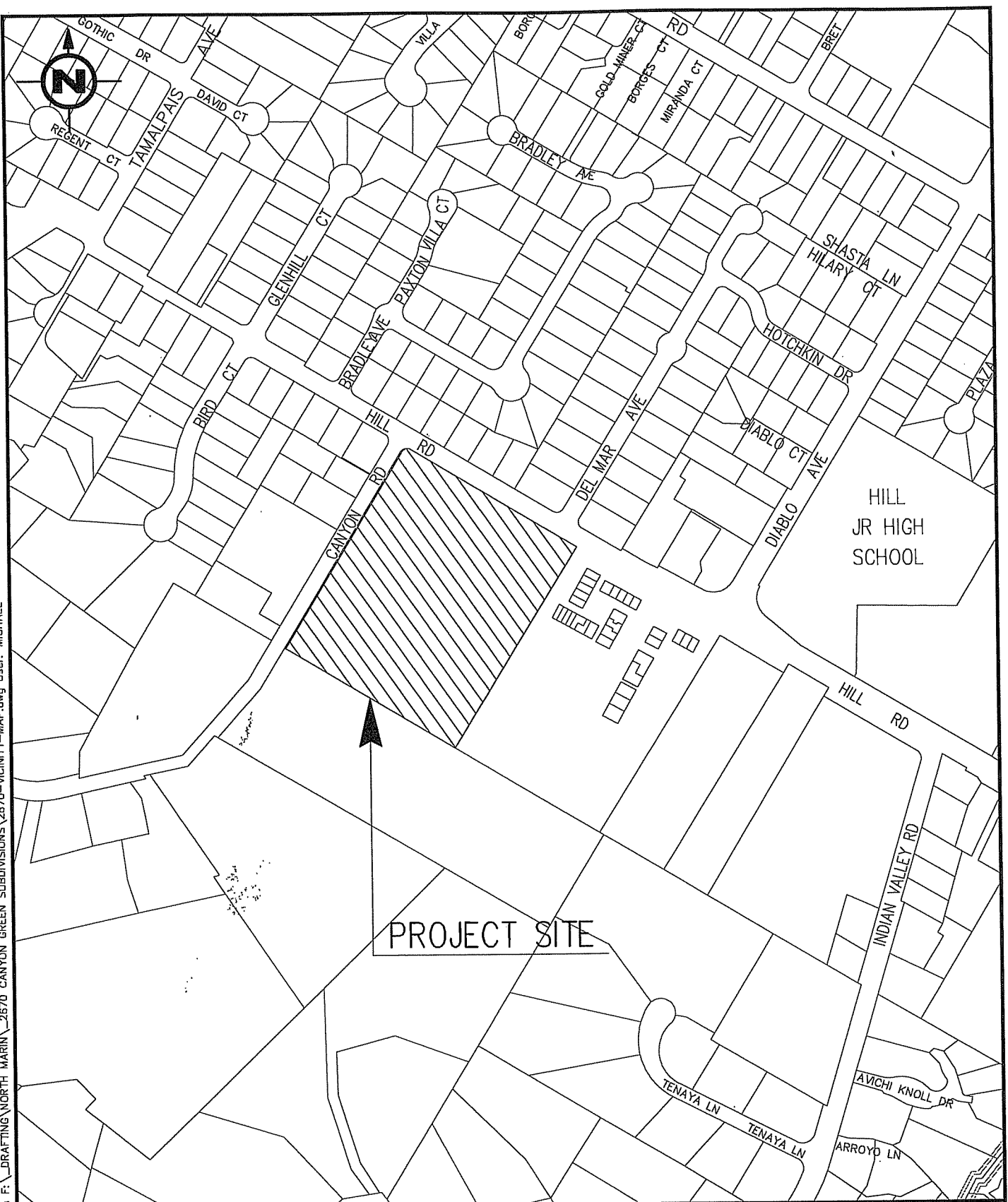
No changes have been made to the scope of work or costs in the assignment agreement. As originally approved new on tract water facilities include 1,060 feet of 8-inch PVC main, 60-feet of 8-inch welded steel pipe for lowerings, 60 feet of 6-inch PVC pipe for 3 new residential fire hydrants, 400 feet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

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

Approved by GM CD

Date 8/3/2012

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



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

RESOLUTION NO. 12-
AUTHORIZATION OF EXECUTION
OF
ASSIGNMENT
HIGH PRESSURE
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
WITH
GREEN VALLEY CORPORATION
AND
CAMINO RAMON ASSOCIATES, LLC

BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain assignment of water service facilities construction agreement between this District and Green Valley Corporation, a California Corporation and Camino Ramon Associates, LLC, a California Limited Liability Company, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as 1625 HILL ROAD, Marin County Assessor's Parcel Number 140-341-14, NOVATO, CALIFORNIA.

* * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 7th day of August, 2012, by the following vote:

AYES: Directors: Baker, Brown, Patterson, Peltier, Schonnover
NOES: None
ABSENT: None
ABSTAINED: None

(SEAL)

Renee Roberts, Secretary
North Marin Water District

ASSIGNMENT
OF
HIGH PRESSURE
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
FOR
CANYON GREEN SUBDIVISION

THIS AGREEMENT, made and entered into as of _____, 2012, by and between NORTH MARIN WATER DISTRICT, herein called "District", GREEN VALLEY CORPORATION, a California Corporation, herein called "Assignor", and CAMINO RAMON ASSOCIATES, LLC, a California Limited Liability Company, herein called "Assignee".

WHEREAS, the District and the Assignor entered into an agreement dated July 19, 2012, providing for construction of water facilities to serve that certain project known as CANYON GREEN SUBDIVISION, Marin County Assessor's Parcel Number 140-341-14; and

WHEREAS, the Assignor is transferring all its interest in and to said CANYON GREEN SUBDIVISION to the Assignee; and

WHEREAS, the Assignor desires to assign said agreement and all rights and obligations thereunder to the Assignee, together with all rights and obligations under that certain application for water service dated November 28, 2011, on file with the District, and this is agreeable to the Assignee and the District;

NOW THEREFORE, the parties hereto agree as follows:

1. The Assignor hereby assigns all its rights and obligations under said agreement dated July 19, 2012, to the Assignee, together with all rights and obligations under said application for water service dated November 28, 2011.

2. Concurrently with execution of this Assignment, the Assignor hereby transfers to the extent possible, all interest and entitlement to funds advanced to the District by the Assignor pursuant to terms and conditions of said agreement and said application for water service to the credit of the Assignee. Financial guarantees shall be acceptable to the District and based upon the District's current cost estimate of installing the facilities, plus current Initial Charges as set forth in the agreement.

3. The Assignee hereby accepts said assignments and agrees to be bound by all of the terms and conditions of said agreement and said application for water service.

4. The District agrees to said assignments on the terms and conditions set forth herein and further agrees that the Assignee shall have all rights and obligations under said agreement and said application for water service.

5. *IN WITNESS WHEREOF*, upon the date and year first hereinabove written, the respective parties hereto have executed this assignment.

NORTH MARIN WATER DISTRICT
"District"

ATTEST:

Stephen Petterle, President

Renee Roberts, Secretary

(SEAL)

GREEN VALLEY CORPORATION
a California Corporation
"Assignor"

Lee Ann Woodard, CFO

CAMINO RAMON ASSOCIATES, LLC
a California Limited Liability Company
"Assignee"

Thomas A. Baldacci, Manager

(SEAL)

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

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

ALL SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.

9

MEMORANDUM

To: Board of Directors
From: Chris DeGabriele, General Manager *CD*
Subject: Stafford Solar Energy Project Dedication
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August 3, 2012

RECOMMENDED ACTION: Approve Date and Time

FINANCIAL IMPACT: \$1,000

The Stafford Solar Energy Project is scheduled to be completed by August 13. Staff is recommending a dedication of the project be held at the solar field on Friday, August 31 at 11 a.m. Parking will be available at the treatment plant and a shuttle will take people to and from the project site. City of Novato and County of Marin officials as well as residents who live in close proximity to the project are among the invitees. Before invitations are mailed, staff wants to insure that the date and time is convenient for the Board to attend.

RECOMMENDATION:


Approve Friday August 31, 2012 at 11 a.m. as the date and time for the Stafford Solar Energy Project dedication.

Approved by GM *CD*

Date *8/3/2012*

10

MEMORANDUM

To: Board of Directors
From: Drew McIntyre, Chief Engineer 
Subject: Approve: Change Order No. 4 - Environmental Science Associates (ESA)
for Environmental Support Services Contract (Recycled Water South Service Area)
R:\Folders by Job No\7000 jobs\7127\ESA RW CEQA Work\Board Memos\7127 ESA Change Order No. 4 BOD MEMO 8-12.doc

August 3, 2012

RECOMMENDED ACTION: The Board authorize the General Manager to execute Change Order No. 4 to ESA to perform additional CEQA construction monitoring tasks for the Recycled Water South Service Area project in the amount of \$38,900

FINANCIAL IMPACT: \$38,900 increase (included in FY12-13 Improvement Project Recycled Water Budget)

Background

At the July 20, 2010 meeting, the Board was advised that the District was entering into an agreement with ESA to prepare an addendum to ESA's original North Bay Water Reuse Authority (NBWRA) Environmental Impact Report (EIR) for the Novato North Service Area State Revolving Fund (SRF) loan application. The amount of ESA's original contract for the North Service Area addendum was not to exceed \$20,000. At the December 7, 2010 meeting, the Board approved Change Order No. 1 to ESA to perform additional CEQA and permit related tasks for both the North and the South Service Area Recycled Water. With the approval of Change Order No. 1, \$5,000 of additional fees were added to the North Service Area for a total of estimated North Service Area costs of \$25,000 and \$30,000 was allocated for the South Service Area addendum preparation and permitting tasks. The total authorized ESA contract ceiling limit after Change Order No. 1 was \$55,000.

At the July 23, 2011 meeting, the Board approved Change Order No. 2 for \$35,000 to perform optional South Service Area permitting tasks not originally authorized by Change Order No. 1. Change Order No. 2 was prepared after the South Service Area project had progressed from a conceptual level to final detail design level. As a result, the permitting requirements were better defined and more extensive than what had been originally authorized by Change Order No. 1 in December 2010. At the December 20, 2011 meeting, the Board approved Change Order No. 3 for \$20,000 to perform additional permitting related services for the South Service Area. At that time, the Board was advised that estimated ESA construction monitoring services (for a cost at or below \$30,000) would be requested at a future date. A tabulation of historical change orders is provided in Table 1.

Table 1

	Date	Description	Amount	Total
Original Contract	July 20, 2010	To prepare an addendum to ESA's original NBWRA EIR for the Novato North Service Area State Revolving Fund loan application.	\$20,000	\$20,000
Change Order				
No.				
1	December 7, 2010	To perform additional CEQA and permit related tasks for both the North and South Service Area Recycled Water	\$35,000	\$55,000
2	July 23, 2011	To perform optional So. Service Area permitting tasks not originally authorized by CO #1	\$35,000	\$90,000
3	December 20, 2011	Additional environmental analysis for the revised Reservoir Hill Tank water inlet pipeline alignment and tank overflow line.	\$20,000	\$110,000
4		Recycled Water South Construction Monitoring Costs, Phases 1a, 1b and 2.	\$38,900	\$148,900
TOTAL				\$148,900

Change Order No. 4

ESA's scope of work including a tabulation of ESA's estimated expenditures for the construction monitoring services for the three phases of the South Service Area pipeline installation is provided in Attachment 1. ESA's estimate for construction monitoring was prepared based on the permit and CEQA requirements to survey and monitor the construction area for nesting birds, California red legged frogs, purple needle grass and other impacts. The South Service Area projects include much greater areas of concern due to the pipeline locations; through wetlands and fields along the SMART right of way and cross country from Hamilton Parkway to the Reservoir Hill Tank. The costs for construction monitoring services for the North Service Area contracts was about \$15,000 less than estimated and these funds have been used to reduce the amount of this change order. Although the cost of mitigation monitoring is greater than the initial \$30,000 estimated, there are sufficient funds in the project to cover these costs.

Note: a contract for the South Service Area Mitigation monitoring services for a three year post construction duration will be brought to the Board at a future date (estimated contract value of approximately \$30,000).

ESA Change Order No. 4 BOD Memo
August 3, 2012
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RECOMMENDATION

The Board authorize the General Manager to execute Change Order No. 4 to ESA to perform additional CEQA construction monitoring tasks for the Recycled Water South Service Area project in the amount of \$38,900.



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7/9/12

June 29, 2012

Drew McIntyre
David Jackson
North Marin Water District
99 Rush Creek Place
Novato, CA 94945

Subject: Proposal to Provide Environmental Monitoring Services: North Marin Water District North Bay Water Recycling Program (NBWRP) South Service Area Phase 1a, 1b, and 2 Projects

Dear Drew and Dave:

Environmental Science Associates (ESA) is pleased to present this scope of work for Construction Monitoring Services for the North Bay Water Recycling Program Novato South Service Area (Hamilton Field) Project Phases 1a, 1b, and 2. ESA understands that each Phase will be implemented under separate contracts, are at various stages in schedule, and have distinct levels of environmental compliance requirements, so tasks are presented by separately by phase. Our scope of work has been developed based on our understanding of the project, review of permit conditions, and understanding of biological and cultural resource monitoring requirements.

Based upon our understanding of the pipeline route and monitoring requirement established in the USFWS Biological Opinion, our monitoring effort is focused on biological resources monitoring, including pre-construction nesting bird surveys along the entire Phase 1a, 1b, and 2 alignments, and pre-construction surveys and daily monitoring for California red-legged frog along portions of the Phase 1a alignment between LGVSD WWTP and the Bolling Circle tie in (approximately 5,500 linear feet), as well as a portion of the Phase 1b alignment at Reservoir Hill (approximately 1,000 linear feet). No cultural resource monitoring is required for the South Service Area Project. The actual level of monitoring required during construction will depend upon several variables, including: contractor performance, presence of sensitive species, and construction schedule. As such, our scope of work represents an order of magnitude cost estimate based upon an installation rate of 300 feet per day. ESA is available to work with the NWWD to refine our level of effort throughout project implementation to maximize available resources.

ESA appreciates the opportunity to continue to provide environmental services in support of North Marin Water District and NBWRA Member Agencies, and looks forward to the successful implementation of this project. If you have any questions, please contact either myself at 707-795-0904, or Katie Baker at (707) 795-0950.

Sincerely,

James E. O'Toole
Vice President



NMWD
June 29, 2012
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Project Understanding

NMWD proposes a six-mile recycled water system, including transmission and distribution pipelines that would extend from the Las Gallinas Valley Sanitary District (LGVSD) wastewater treatment plant (WWTP) to the Hamilton Field Area. The South Service Area project will be constructed in phases:

- Phase 1a: recycled water transmission line from LGVSD WWTP to Bolling Circle tie in.
- Phase 1b: in-road distribution pipelines in Meadowpark and Hamilton Field areas; pipeline and storage tank rehabilitation on Reservoir Hill
- Phase 2: in-road distribution lines in Meadowpark and Hamilton Field areas.

Construction is assumed to progress at a rate of 300 linear feet per day. The proposed construction activities would disturb approximately 6,500 linear feet (3.2 acres) of potential California red-legged frog (CRLF) habitat, consisting of upland habitat along overland areas of the pipeline alignment between: 1) the access road to the north of the LGVSD property north along the SMART alignment to the tie-in at Bolling Circle (Phase 1a); and 2) the alignment on Reservoir Hill (Phase 1b). Pre-construction surveys will likely render negative results, so this scope of work attempts to minimize monitoring requirements to a reasonable level and assumes 6-hour work days for biological monitors. While daily monitoring will be required in these potential habitat locations, our scope of work for the majority of Phase 1b, and Phase 2, has been developed assuming that the contractor will be limited to the roadway, allowing ESA to spot check construction and conformance with minimization measures, rather than full time construction monitoring. ESA will train and designate NMWD on-site inspectors regarding minimization measures, including species identification, installation and maintenance of silt fencing, as appropriate, construction vehicle speed limits, covering open trenches, holes, and pipes, and daily inspections to avoid species entrapment in open areas, and litter removal.

ESA has been the environmental consultant for the North Bay Water Reuse Authority since 2006 and prepared the EIR/EIS for the program, and subsequent CEQA/NEPA documents for NMWD to address project changes and support state funding applications. ESA understands the processes of the funding agencies, including US Bureau of Reclamation (Reclamation), and the State Water Resources Control Board (SWRCB), and can provide the structure and oversight to ensure that the project is implemented in accordance with all environmental regulations to meet these agencies' expectations. ESA has deep understanding of the permit conditions and methods to ensure compliance with: a) the United State Fish and Wildlife Service (USFWS) Biological Opinion and National Marine Fisheries Service Concurrence: ESA's qualified biologists have been Service-approved for monitoring for California red-legged frog, and are in position to coordinate with USFWS on the results of the surveys, as appropriate, potentially lessening the need for long-term construction monitoring for red-legged frog; b) State Historic Preservation Office Section 106 concurrence: ESA's cultural resource team implemented



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Section 106 consultation with Reclamation, and based on our professional working relationship with the Federated Indians of Graton Rancheria, reduced the total monitoring requirements, and eliminating additional construction monitoring completely for the South Service Area Project; c) ESA secured permits from the United States Army Corps of Engineers (Corps) and Regional Water Quality Control Board regarding jurisdictional waters of the US and State, respectively. ESA has prepared the Mitigation and Monitoring Plan for site restoration and is familiar and experienced with these monitoring and reporting techniques such that monitoring can be accomplished efficiently and reporting completed with quality. Effective monitoring is essential in capturing data that demonstrates compliance with permits and achievement of performance criteria to ensure the monitoring period is not extended; d) ESA acquired the California Department of Fish and Game (CDFG) Streambed Alteration Agreement and worked with CDFG staff in the field to support the application's conclusions; thereby gaining an understanding of CDFG expectations for this project. This experience directly influences ESA's ability to assist the District in implementing the South Service Area Project on time and in compliance with the myriad of environmental conditions.

Scope of Work and Staffing Plan

ESA's Project Director, **Jim O'Toole**, will provide project oversight and assist the project team in maintaining consistency with CEQA, NEPA and permitting requirements. Our Construction Manager, **Katie Baker**, will provide scope of work and billing oversight, review of the monitoring documentation and Project deliverables, and provide technical oversight of the monitoring staff, as necessary. ESA will be mobilized in the field for pre-construction surveys and construction monitoring. ESA's construction monitoring staff meets the "qualified biologist" requirements identified in regulatory permits for the project, and will conduct the regular sweeps and inspections to meet permit requirements.

As shown in the attached cost estimate, ESA is prepared to perform the proposed services for a total of **\$53,891** on a time and materials basis, with invoices submitted monthly. Please note, this total excludes optional long-term vegetation monitoring, and the approximately \$15,000 budget remaining under the North Service Area Monitoring Contract that could be applied to this current scope of work, as appropriate. These are included as separate line items for your consideration. Actual monitoring effort and staff requirements may be increased or decreased, and will depend upon several factors, including contractor performance and schedule. Therefore, our scope of work provides an order of magnitude cost estimate based upon project understanding. In the event that additional monitoring resources are necessary, ESA will provide a scope modification for consideration by NMWD in advance of the additional work. Additional services not included in this proposal would be performed as requested on a time-and-materials basis. Optional tasks associated with implementation of the Mitigation and Monitoring Program are presented as a separate line item. Refer to **Table 1**. ESA is immediately available to provide the services described below.



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Task 1: Phase 1a

Phase 1a includes construction of the recycled water transmission line from the Las Gallinas Valley Sanitary District parallel to the SMART right-of-way to the tie in at Bolling Circle. Construction methods include open-cut trenching, jack and bore, and directional drilling. Anticipated construction dates are assumed to be March 2013 through September 2013. A preliminary wetland delineation determined the project would result in temporary disturbance to 0.464 acres of perennial streams, seasonal wetlands, and wetland tributaries. Strategic design and avoidance measures avoid 1.4 acres of jurisdictional features, including exclusion fencing during construction. As identified in the USFWS Biological Opinion, this area may also provide approximately 4.48 acres of California red-legged frog upland aestivation habitat in the unpaved overland area adjacent to the SMART right-of-way north of Miller Creek Road to the Bolling Circle tie-in.

Task 1.1: Contractor Coordination and Training

This scope assumes attendance at the Pre-Construction Contractor meeting and presentation at pre-construction contractor environmental awareness training sessions. Our scope of work assumes pre-construction meeting preparation, attendance and initial contractor training. During the Pre-Construction Contractor meeting, ESA will discuss the field limitations relative to wetlands and sensitive species and answer any questions from the construction management/contractor team. The environmental awareness training will highlight information relative to conditions included in the suite of regulatory permits from USFWS Biological Opinion, Corps Section 404 Nationwide Permit, RWQCB Section 401 Water Quality Certification, and CDFG Streambed Alteration Agreement. To facilitate environmental training related to sensitive species identification and avoidance, ESA will prepare training materials, including: copies of permits, hardhat stickers, and training tri-fold. Initial training will be scheduled with NMWD, ESA, and the contractor prior to construction activities, and will include biological resource and cultural resource training. Additional training (up to two hours in the field) will be provided onsite as part of the daily sweeps.

Task 1.2: Pre-Construction Surveys - California red-legged frog and nesting birds

ESA will conduct pre-construction nesting bird and California red-legged frog surveys along the construction corridor. Our scope of work assumes time for site review/coordination and field work and survey write up. Surveys are to be completed within 14 days prior to the start of construction related activities (including site mobilization), and then again 48 hours prior to construction activities. Additional nesting bird surveys (if necessary) throughout construction period shall be conducted as part of the daily site sweeps by onsite biologist. In the event an active bird nest or CRLF are observed within the project area, ESA will coordinate with NMWD and its contractors to develop the appropriate strategy, and consult with wildlife agencies (USFWS, CDFG) as necessary.



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Task 1.3: Construction Monitoring - Wetlands and California red-legged frog

ESA will assist with flagging wetland areas in the field prior to construction and coordinate with the contractor to avoid delineated wetland areas in accordance with the Corps and RWQCB permits, estimated for one 8-hour day. During construction, our scope of work assumes a single monitor performing "spot" monitoring for up to 8 hours per month over the duration of the construction schedule (note these hours will be completed at the same time as the red-legged frog monitoring presented below).

As identified in the Biological Opinion, daily monitoring is required at all CRLF locations, including the 5,500 linear feet (3.15 acres) of potential habitat of the pipeline corridor from the access road (north of LGVSD property) along the SMART right-of-way north to the tie-in at Bolling Circle. Although the pre-construction surveys will likely have negative results, monitoring is required to fully comply with the Biological Opinion, and as such, our scope assumes construction along this reach will progress at a rate of 300 linear feet per day, approximately 19 days of monitoring. This scope assumes 6-hour work days for biological monitors. This assumption may be adjusted if the rate of construction is increased or decreased. Our scope of work also provides for senior oversight of construction monitoring.

Task 1.4: Project Management and Reporting (Project Completion Report)

Includes preparation attendance of bi-weekly District and contractor meetings, as appropriate, day-to-day coordination, and preparation of project completion report summarizing daily logs and identifying project compliance status at end of project. Our scope of work assumes one round of comments by NMWD.

Cost: \$2,450

Deliverables: Worker Environmental Training tri-fold handout; Technical Memo regarding pre-construction survey results and clearance; monitoring logs; final project completion report.

Schedule: Pre-construction surveys will begin 2 weeks prior to start of construction.



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Phase 1a Optional Tasks

Task 1.5: Mitigation Monitoring Program – Long-term Vegetation Monitoring

This scope of work includes agency coordination, vegetation monitoring, and report preparation to support compliance with RWQCB Water Quality Certification Special Condition No. 2 for restoration of temporary wetland impacts, and EIR/EIS Mitigation Measure 3.14.1 for upland habitat. This scope assumes (1) no permanent wetland impacts occurred at stream crossings; (2) careful attention to weed control in the first year would be sufficient to manage noxious weeds; (3) mitigation requirements will be achieved in 3 years. ESA staff has extensive experience in conducting this scale of restoration program, and would ensure continuity in coordinating with NMWD and regulatory staff, understanding of permit and EIR/EIS conditions, and successful implementation of the Mitigation Monitoring Plan.

Subtask 1.5.1: Regulatory Coordination

ESA assumes 4 hours for coordination with RWQCB to address issues or questions associated with the proposed Mitigation Monitoring Plan (MMP). ESA has established a working relationship with RWQCB staff on this project and will continue to engage RWQCB throughout the process.

Subtask 1.5.2: Year 0 Baseline Assessment

ESA assumes that the District will contract a separate qualified landscape firm with experience in restoration design and implementation to complete the planting. ESA is available to assist the District in identification of potential landscape firms. ESA's restoration monitor will assess post-construction vegetation conditions; results will be developed as part of the As-Built Report (MMP Section 2.6.1). Monitoring will be implemented in accordance with the MMP Section 2.5.2. Field assessment will include establishment of photo points, vegetation transects, and a written report. This scope includes 16 hours for field survey and 16 hours for results analysis and report preparation.

Subtask 1.5.3: Year 1 Annual Monitoring

ESA's restoration monitor will provide annual monitoring in accordance with the Mitigation and Monitoring Plan, Section 2.5.3. ESA will document wet (April or May) and dry (July or August) season conditions and assess vegetative cover. In accordance with the MMP, ESA will conduct quarterly field visits to assess invasive plant infestations (February, April/May, July/August, November) to determine if species are colonizing and affecting performance of planted native species. This scope estimates 68 hours for field survey and 36 hours for results analysis and report preparation. The report will be prepared in accordance with MMP Section 2.6.2 and will present status of performance goals established in MMP Section 2.4.



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Subtask 1.5.4: Year 2 Annual Monitoring

During the second year following restoration, two 8-hour field surveys will be conducted in late spring (April or May). This scope estimates 24 hours for results analysis and report preparation. The report will be prepared in accordance with MMP Section 2.6.2 and will present status of performance goals established in MMP Section 2.4.

Subtask 1.6.5: Year 3 Annual Monitoring

During the second year following restoration, two 8-hour field surveys will be conducted in late spring (April or May). This scope estimates 24 hours for results analysis and final report preparation. The report will be prepared in accordance with MMP Section 2.6.2 and will present status of performance goals established in MMP Section 2.4.

Cost: \$29,986

Deliverables: Baseline Survey/As-Built Report; three annual monitoring reports.

Schedule: Two weeks following final restoration planting; and Annually.

Task 2: Phase 1b

Phase 1b is comprised of recycled water distribution pipeline along Bolling Circle, Randolph Drive, Palm Drive, and portions of Hamilton Parkway. Phase 1b also includes retrofit of the Reservoir Hill storage tank. The proposed construction activities would potentially disturb approximately 1,078 linear feet (0.62 acre) of California red-legged frog (CRLF) upland aestivation habitat in the unpaved overland area on Reservoir Hill. For the remainder of the alignment, this scope of work has been developed assuming that the contractor will be limited to the roadway, allowing ESA to spot check construction and conformance with minimization measures, rather than full time construction monitoring. ESA will train and designate NMWD on-site inspectors regarding minimization measures, including species identification, installation and maintenance of silt fencing, as appropriate, construction vehicle speed limits, covering open trenches, holes, and pipes, and daily inspections to avoid species entrapment in open areas, and litter removal.

Task 2.1: Contractor Coordination and Training

This scope assumes attendance of the Pre-Construction Contractor meeting and will conduct pre-construction contractor environmental awareness training sessions in accordance with USFWS Biological Opinion conditions. To facilitate environmental training related to sensitive species identification and avoidance, ESA will prepare training materials, including: species cards, hardhat stickers, and training tri-fold. Initial training will be scheduled with NMWD, ESA, and the contractor prior to construction activities, and will include biological



NMWD
June 29, 2012
Page 8

resource and cultural resource training. Additional training (up to two hours in the field) will be provided onsite as part of the monitoring sweeps.

Task 2.2: Pre-Construction Surveys – Heritage trees and nesting birds

ESA will conduct pre-construction nesting bird surveys along the proposed construction corridor. ESA will also conduct pre-construction California red-legged frog surveys along approximately 1,087 linear feet of the pipeline alignment on Reservoir Hill. Our scope of work assumes time for site review/coordination and survey write up, and as necessary CDFG coordination for positive survey results. Surveys to be completed within 14 days prior to the start of construction related activities (including site mobilization), and then again 48 hours prior to construction activities. Additional nesting bird surveys (if necessary) throughout construction period shall be conducted as part of the daily site sweeps by onsite biologist. Nest activity may be present on Reservoir Hill and Hangar Avenue given the proximity and connectivity to the Hamilton Wetland restoration area. In the event an active bird nest or CRLF are observed within the project area, ESA will coordinate with NMWD and its contractors to develop the appropriate strategy, and consult with wildlife agencies (USFWS, CDFG) as necessary. During the nesting bird surveys, ESA will survey the trees the contractor proposes to limb to confirm that the trees are not considered heritage trees by the City of Novato. A heritage tree has a diameter of 24 inches or more (circumference of 75 inches or more) measured 24 inches above existing grade. In the event a permit from the City of Novato for removal or limbing of heritage trees is required, ESA will provide a separate scope and fee. As part of pre-construction surveys, ESA will clear the staging areas to confirm they are within the Area of Potential Effect, in conformance with SHPO and Reclamation approvals, and are absent of sensitive biological species.

Task 2.3: Construction Monitoring - Purple Needle Grass and California red-legged frog

ESA will assist with flagging purple needle grass grassland areas in the field prior to construction and coordinate with the contractor to identify work limits for all construction activities (including driving, staging/laydown, stockpiling, etc.) to avoid the habitat damage. During construction, and ESA biologist will oversee the first day of trenching and topsoil stockpiling to ensure the methods are executed carefully and conform to the specifications and will achieve later restoration efforts. The ESA biologist will also oversee the first day of backfilling to ensure that materials are replaced correctly.

As identified in the Biological Opinion, daily monitoring is required at all CRLF locations, including the 1,087 linear feet (0.6 acres) of potential habitat of the pipeline corridor from the access road (north of LGVSD property) along the SMART right-of-way north to the tie-in at Bolling Circle. Although the pre-construction surveys will likely have negative results, monitoring is required to fully comply with the Biological Opinion, and as such, our scope assumes construction along this reach will progress at a rate of 300 linear feet per day, approximately 5 days of monitoring and daily check-ins. Additional "spot checking" along the in-road portions of the alignment will also be conducted throughout the construction period (our scope assumes up to 8 hours).



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Task 2.4: Project Management and Reporting (Project Completion Report)

Includes preparation attendance of bi-weekly District and contractor meetings, as appropriate, day-to-day coordination, and preparation of project completion report summarizing daily logs and identifying project compliance status at end of project. Our scope of work assumes one round of comments by NMWD.

Cost: \$15,905

Deliverables: Worker Environmental Training tri-fold handout; Technical Memo regarding pre-construction survey results and clearance; Monitoring report; final project completion report.

Schedule: Pre-construction surveys will begin 2 weeks prior to start of construction.

Task 3: Phase 2

Phase 2 includes in-road recycled water distribution pipelines on portions of Hamilton Parkway and Main Gate Road, and Hangar Avenue. Implementation will include a crossing at Pacheco Creek on Main Gate Road. Permanent impacts to the culvert and creek will be avoided during construction; however compliance with the Corps, RWQCB, and CDFG permits must be implemented and documented.

Task 3.1: Contractor Coordination and Training

This scope assumes attendance of the Pre-Construction Contractor meeting and will conduct pre-construction contractor environmental awareness training sessions in accordance with USFWS Biological Opinion conditions. Environmental training materials prepared for the Phase 1b portion will be updated for Phase 2. Initial training will be scheduled with NMWD, ESA, and the contractor prior to construction activities, and will include biological resource and cultural resource training. Additional training (up to two hours in the field) will be provided onsite as part of the daily sweeps.

Task 3.2: Pre-Construction Surveys: Sensitive Species

If construction is scheduled during the nesting bird season (February 1 – August 31), ESA will conduct pre-construction nesting bird surveys along the entire length of the proposed construction corridor (estimate up to 2-8 hour workdays). No potential habitat for California red-legged frog is located within the Phase 2 project area; as such no surveys are required. Nesting bird surveys to be completed within 14 days prior to the start of construction related activities (including site mobilization), and then again 48 hours prior to construction activities. Additional nesting bird surveys (if necessary) throughout construction period shall be conducted as part of the daily site sweeps by onsite biologist. In the event active bird nests are observed within the project area, ESA will coordinate with NMWD and its contractors to develop the appropriate strategy, and consult with wildlife agencies (USFWS, CDFG) as necessary.



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Task 3.3: Construction Monitoring

If nesting bird survey results are negative, no daily monitoring is required for Phase 2 construction. Additional "spot checking" along the in-road portions of the alignment will be conducted throughout the construction period (our scope assumes up to 16 hours over a three month construction schedule). Spot checks would be focused on construction activities, and best management practices, at the Pacheco Creek crossing on Main Gate Road.

Task 3.4: Project Management and Reporting (Project Completion Report)

Includes preparation attendance of bi-weekly District and contractor meetings, as appropriate, day-to-day coordination, and preparation of project completion report summarizing daily logs and identifying project compliance status at end of project. Our scope of work assumes one round of comments by NMWD.

Cost: \$6,685

Deliverables: Worker Environmental Training tri-fold handout; Technical Memo regarding pre-construction survey results and clearance; Monitoring Report; final project completion report.

Schedule: Pre-construction surveys will begin 2 weeks prior to start of construction.

TABLE 1: NMWD South Service Area Construction Monitoring Cost Estimate
ESA Labor Detail and Expense Summary

Task Number / Description	O'Toole Dir I	Dvorak Biologist (SAI)	Baker Assoc3	Jacekel TechAssoc	Danielson Assoc2	Steer Assoc1	Pennington Admin	Subtotal	Total Hours	Total Labor Price
Hourly Billing Rate	\$185	\$125	\$125	\$110	\$100	\$90	\$80			
1 Phase 1a										
1.1 Contractor Coordination and Training	4		2			5		\$ 1,440	11	\$ 1,440
1.2 Pre-Construction Surveys (CRLF and Nesting Birds)	6	48	12					\$ 8,610	66	\$ 8,610
1.3 Construction Monitoring (Wetlands and CRLF)	2		50	80				\$ 15,420	132	\$ 15,420
1.4 Project Management and Reporting	4		16				3	\$ 2,980	23	\$ 2,980
<i>Subtotal</i>										\$ 28,450
2 Phase 1b										
2.1 Contractor Environmental Awareness Training and Materials	2		2			3		\$ 845	7	\$ 845
2.2 Pre-Construction Surveys (CRLF and Nesting Birds)	8	36	10					\$ 7,230	54	\$ 7,230
2.3 Biological Resource Monitoring			8	30	10			\$ 5,300	48	\$ 5,300
2.4 Project Management and Reporting	2		16				2	\$ 2,530	20	\$ 2,530
<i>Subtotal</i>										\$ 15,905
3 Phase 2										
3.1 Contractor Environmental Awareness Training and Materials	1		2			1		\$ 525	4	\$ 525
3.2 Pre-Construction Surveys (Nesting Birds)		16						\$ 2,000	16	\$ 2,000
3.3 Biological Resource Monitoring		16						\$ 2,000	16	\$ 2,000
3.4 Project Management and Reporting			16				2	\$ 2,160	18	\$ 2,160
<i>Subtotal</i>								\$ -	-	\$ 6,685
Total Hours	29	116	134		10	9	7		415	
Subtotals - Labor Costs	\$ 5,365	\$ 14,500	\$ 16,750		\$ 1,000	\$ 765	\$ 560	\$ 51,040		\$ 51,040
Percent of Effort - Labor Hours Only	7.0%	28.0%	32.3%		2.4%	2.1%	1.7%		100.0%	
Percent of Effort - Total Project Cost	13.8%	37.3%	43.1%		2.6%	2.0%	1.4%			131.2%

ESA Labor Costs	\$ 51,040
3% Communication Fee* on Labor Cost	\$ 1,531
ESA Non-Labor Expenses	\$ 1,320
Reimbursable Expenses (Mileage)	\$ 1,320
Subtotal ESA Non-Labor Expenses	\$ 53,891
Subtotal South Project Price	\$ 15,000
<i>Remaining Budget from North Construction Monitoring Contract (No. 57127.00)</i>	\$ 38,891
TOTAL PROJECT PRICE	\$ 38,891

Optional Tasks										
1.6 Mitigation Monitoring Program									4	\$ 740
1.6.1 Regulatory Coordination	4								32	\$ 4,120
1.6.2 Year 0 Baseline Monitoring	2	28	2						104	\$ 13,120
1.6.3 Year 1 Annual Monitoring	2	100	2						40	\$ 5,120
1.6.4 Year 2 Annual Monitoring	2	36	2						40	\$ 5,120
1.6.5 Year 3 Annual Monitoring	2	36	2						40	\$ 5,120
Total Hours	12	200	8		1,010	774	567		220	\$ 28,220
Subtotals - Labor Costs	\$ 2,220	\$ 25,000	\$ 1,000		\$ -	\$ -	\$ -			\$ 28,220
ESA Labor Costs										\$ 847
3% Communication Fee* on Labor Cost										
ESA Non-Labor Expenses										\$ 200
Reimbursable Expenses (Mileage)										\$ 1,047
Subtotal ESA Non-Labor Expenses										\$ 30,113
Subtotal Option Tasks										\$ 69,004
TOTAL PROJECT PRICE (w/ Options)										\$ 69,004

* Communication fee includes in-house costs for phone, e-mail, fax, regular postage, walk-up copier, and records

11

MEMORANDUM

To: Board of Directors

August 3, 2012

From: Drew McIntyre, Chief Engineer 

Subject: Oceana Marin CIPP Sewer Lining Project: Award Construction Contract

R:\Folders by Job No\6000 Jobs\6001.20\Construction\6001.20 OM Sewer Lining Contract Award to Case Excavating Inc.docx

RECOMMENDED ACTION: Approve award of the contract to Case Excavating and authorize the General Manager to execute an agreement with Case Excavating.

FINANCIAL IMPACT: \$145,936 plus \$8,000 contingency

Background

The Oceana Marin CIPP (Cured In Place Pipeline) Sewer Lining project consists of rehabilitation of three cross country sewers serving the Oceana Marin development (see map in Attachment 1). These three sewer runs are in easements down steep slopes and have experienced leaks due to root intrusion at the joints. The District has televised these lines and back-checked as-built drawings and confirmed that some of the segments are asbestos cement pipe (ACP) which limits the options for pipeline rehabilitation. The Board authorized bid advertisement for the above referenced project on June 5, 2012. The advertised date for this project was June 12, 2012 with a bid opening on July 12, 2012. The District advertised the project in the Marin IJ and mailed contract documents to twenty (20) interested contractors and builders exchanges in the greater Bay Area. Eight (8) contractors, all of them prime contractors, attended the mandatory pre-bid meeting on June 28, 2012 (one contractor made arrangements to meet on July 3rd). The bid period was for thirty (30) days and included two addenda. As identified below, five bids were received ranging from a low of \$145,936 to a high of \$299,820.

	CONTRACTOR	BID
1.	Case Excavating (Clearlake)	\$145,936
2.	Andes Construction (Oakland)	\$195,000
3.	SAK Construction (Rocklin)	\$234,014
4.	Veolia ES Industrial Services (Benecia)	\$245,842
5.	J. Howard Engineering (Oakland)	\$299,820

The Engineer's Estimate was \$225,000. The bid span between the Number 1 (Case Excavating) and Number 2 low bidders (Andes Construction) was at \$49,064 (for a variance of 34%).

Bid Evaluation

Case Excavating of Clearlake, California (Case) submitted the lowest responsive bid of \$145,936 which is \$79,064 (35%) below Nute Engineering's (Nute) construction cost estimate of \$225,000. A bid evaluation (Attachment 2) was performed by the District staff for said project. Nute checked references for Case's previous work and the references were positive, expressing satisfaction with Case's quality of work and work ethic (Attachment 3). The bid evaluation confirmed Case's construction bid to be responsive and responsible.

Project Description

The proposed project includes pre-cleaning, pre-televising, repair of defects found and a second cleaning and televising prior to lining, CIPP lining of three easement sewers serving Kameha Way, Kona lane and Waikiki Lane, restoration of all laterals, post-cleaning, air testing and televising, together with all appurtenances thereto and all restorations.

Project Cost summary

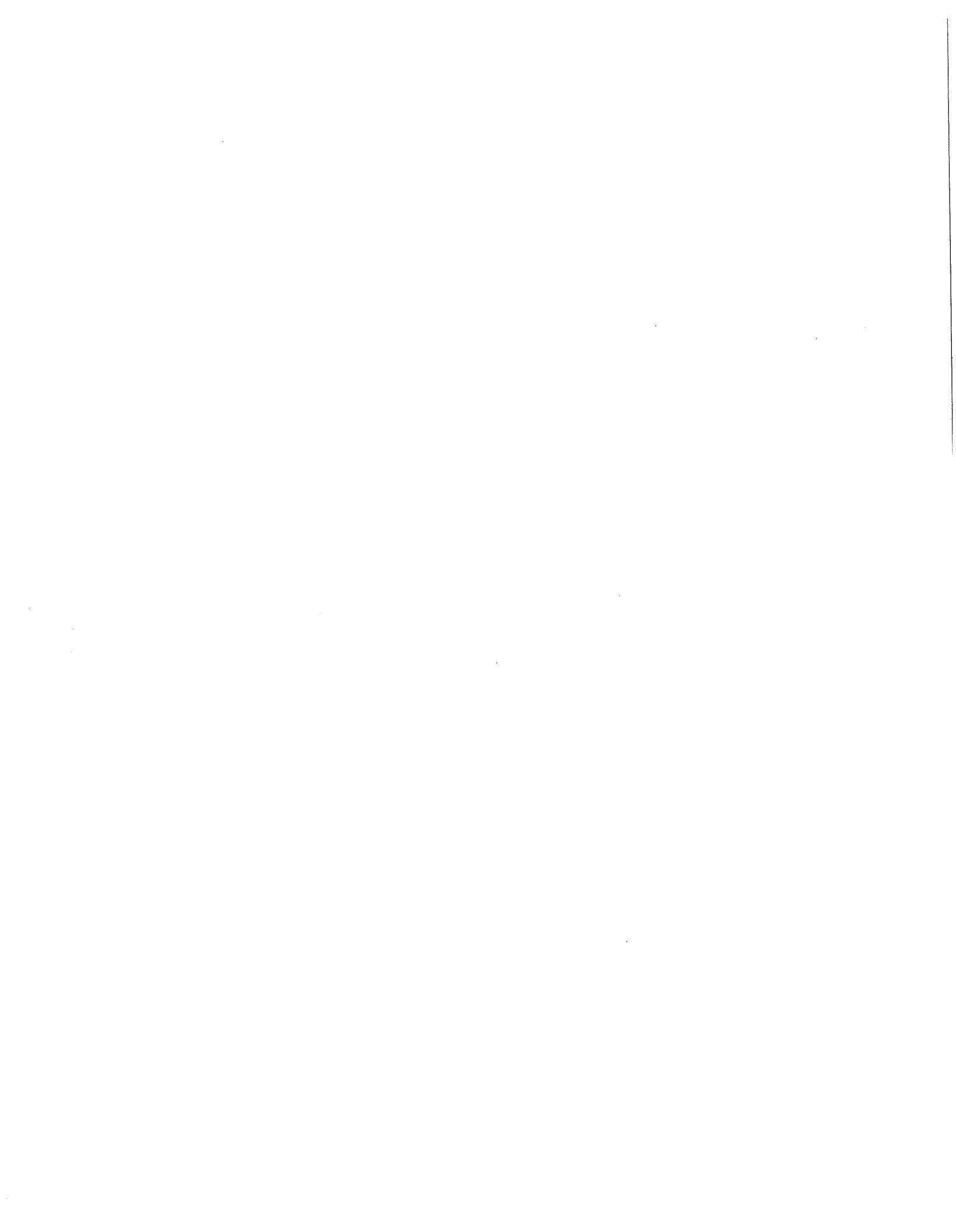
A project cost summary is provided in Attachment 4. Based on actual bid results, the FY2012-13 CIP cost has been reduced by approximately \$75,000. Note that staff proposes to amend Nute's existing General Services Agreement contract by \$10,000 to authorize design support services during construction.

RECOMMENDATION

That the Board approve award of the Oceana Marin CIPP Sewer Lining contract to Case Excavating, and authorize the General Manager to execute an agreement with Case Excavating.

Oceana Marin CIPP Sewer Lining Project
NMWD Project No. 8 6001.20
Bidder's Evaluation

Bid Forms	Case Excavating		Andes Construction		SAK Construction	
Acknowledgement of Addenda	Yes		Yes		Yes	
CA License Number	895670		528021		917811	
Class A	Yes		Yes		Yes	
Expiration Date						
Cross-check with California Contractor's State License Board	Information verified		Information verified		Information verified	
List of Subcontractors	Yes (2)		Yes (0)		Yes (1)	
Bidder's Bond	Yes		Yes		Yes	
Quality Assurance Certification	Yes		Yes		Yes	
Contractor Experience Statement Completed	Yes		Yes		Yes	
Site Visit Verified	Yes		Yes		Yes	
Bidder's Reference	Yes		Yes		Yes	
Bidder's Experience/Qualifications	Experienced in CIPP pipe lining, main installation, hydrant, valve & vault installation.		Experienced in CIPP ppe lining. Refernces not checked.		Experienced in CIPP pipe lining, sewer improvements and repair. References not checked.	
Bid Items	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1. Mobilization allowance	NA	\$3,000	NA	\$3,000	NA	\$10,000
2. Prelim Cleaning/Televising Sewer	NA	\$8,000	NA	\$500	NA	\$37,500
3. Cleaning/Televising Prior to CIPP	NA	\$6,400	NA	\$1,000	NA	\$5,000
4. Installation of 6" dia. CIPP Liner	\$38	\$91,884	\$52	\$137,826	\$53	\$128,154
5. Installation of 8" dia. CIPP Liner	\$42	\$29,652	\$71	\$50,000	\$60	\$42,360
6. Erosion Control	NA	\$6,000	NA	\$1,540	NA	\$10,000
7. As-Built Drawings	NA	\$1,000	NA	\$1,000	NA	\$1,000
Total Base Bid		\$145,936		\$194,866		\$234,014
Ranking	1		2		3	





Civil & Sanitary Consultants

RECEIVED

JUL 23 2012

July 20, 2012

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

North Marin Water District

Re: Oceana Marin CIPP Sewer Lining Project
Review of Low Bidder Qualifications

Dear Drew:

As you requested we have reviewed the qualifications of the low bidder on the above referenced project. The bid solicitation required each bidder to submit with the bid his experience qualifications and references, the name and qualifications of the superintendent who will be installing the cured in place (CIPP) lining and a list of subcontractors.

Attached is a summary of the bids which were received on July 12 together with pertinent information regarding the CIPP installer's experience and materials proposed to be used.

The low bidder is Case Excavating of Clearlake. His bid of \$145,936 is about 33% lower than the second bidder. Case lists two subcontractors: Christian Brothers Lining Co. (45%) and Dexal Construction Inc. (5%). The Job Superintendent is listed as Tom Byrd who is actually the owner of Christian Brothers Lining Co. Dennis Moneymaker is the owner of Dexal Construction Inc.

I spoke with Brian Case of Case Excavating and he has worked with both subcontractors on other jobs. The actual CIPP lining will be done by Tom Byrd of Christian Brothers Lining Co. and Case will be responsible for the cleaning, televising, temporary pumping and other items of work necessary for the lining process. Dennis Moneymaker is a consultant to the project. The CIPP lining will be felt, manufactured by Mississippi Textiles with a steam cure, which conforms to the specifications.

I also spoke with both Tom Byrd and Dennis Moneymaker and they confirmed that they will be using the felt liner with a steam cure.

I spoke with three of the references listed in the bid by Case Excavating; John Thompson of the Lake County Special Districts (707-263-0119), Brian Martinez of Pacifica (650-922-4072) and Scott Fort of Golden State Water in Clearlake (916-853-3628). All gave Brian Case and Case Excavating a good reference and said that he did a good job and was conscientious.

I also spoke with Thad Corbett of Pacific Underground (408-977-1655), who is a general contractor that has employed Christian Brothers Lining Co. on some CIPP lining projects in San Jose. He said that they have worked with Tom Byrd on three or four projects and they do a good job, no problems and get in and out.

Based on these investigations I conclude that the bid by Case Excavating and his subcontractors will provide the materials and methods specified, have worked together in the past and have good references. I recommend that this project be awarded to Case Excavating.

Very truly yours,

NUTE ENGINEERING

By W. Edward Nute
W. Edward Nute

Attachment: Comparison of Bids

NORTH MARIN WATER DISTRICT
OCEANA MARIN SEWER LINING PROJECT

7/20/2012

COMPARISON OF BIDS - Received July 12, 2012

	Case Excavation	Andes Construction	SAK Construction	Veolia RS	J. Howard Engineering
Bid Amount	\$145,936	\$195,000	\$234,014	\$245,842.80	299,820
Mandatory pre-bid Attendance	Yes	Yes	Yes	Yes	Yes
Contractor's License	Class A	Class A	Class A	Class A	Classes A, B, C-8
Products to be Supplied					
Liner Material	Insituform ⁽¹⁾	Master Liner	Applied Felts	Mississippi Textiles	Mississippi Textiles ^{**}
Resin Mfg	Ashland Perf.	Composites One	AOC	Inter Plastic or AOC	
CIPP Installer Experience					
Years installing CIPP lining	8	24	6	19	
Length of CIPP Installed, LF	108,000	300,000	2,000,000+	388,349	
Job Superintendent					
Name	Tom Byrd ⁽³⁾	Jesus Vasquez	Tom Petranovich	Peter Norarro	Tom Byrd ⁽³⁾
Certifications	OSHA, Confined Space	CIPP mfg certif OSHA, Conf. Sp	Haz Mat, Confined Space	MTC mfg act.	
Experience installing CIPP, yrs	20	24	11+	13	
Length of CIPP Installed, LF	50,000+	300,000	500,000+	150,000+	
Subcontractors					
Percentage	50% ⁽²⁾	None Listed	Cleaning, CCTV ⁽⁵⁾	None Listed	⁽⁵⁾

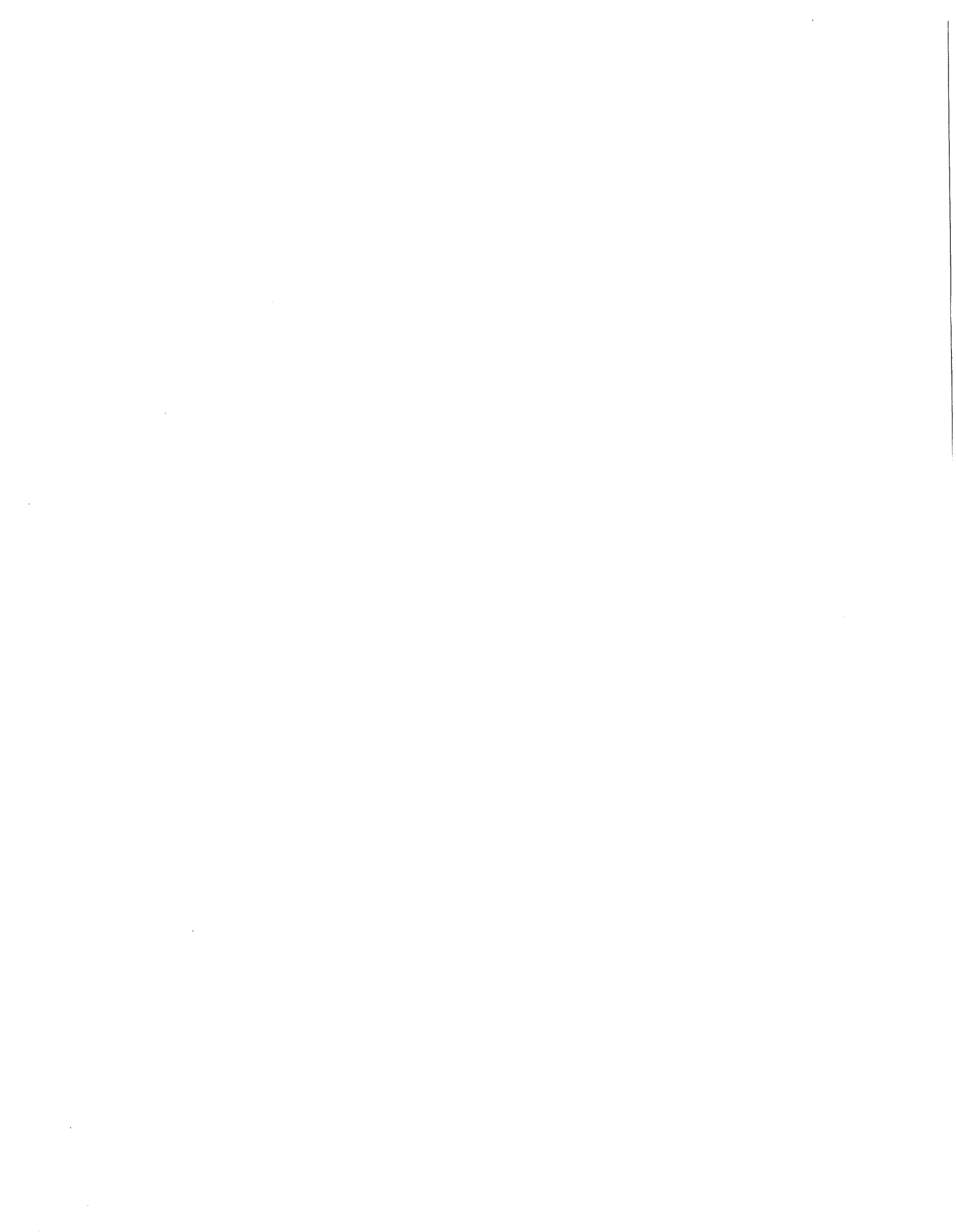
⁽¹⁾ Insituform will furnish Mississippi Textiles liner material, which is listed in the specs

⁽²⁾ Subcontractors listed are Christian Brothers Lining Co (45%) and Dexal Construction, Inc. ⁽⁴⁾ (5%)

⁽³⁾ Tom Byrd is an owner of Christian Brothers Lining Co.

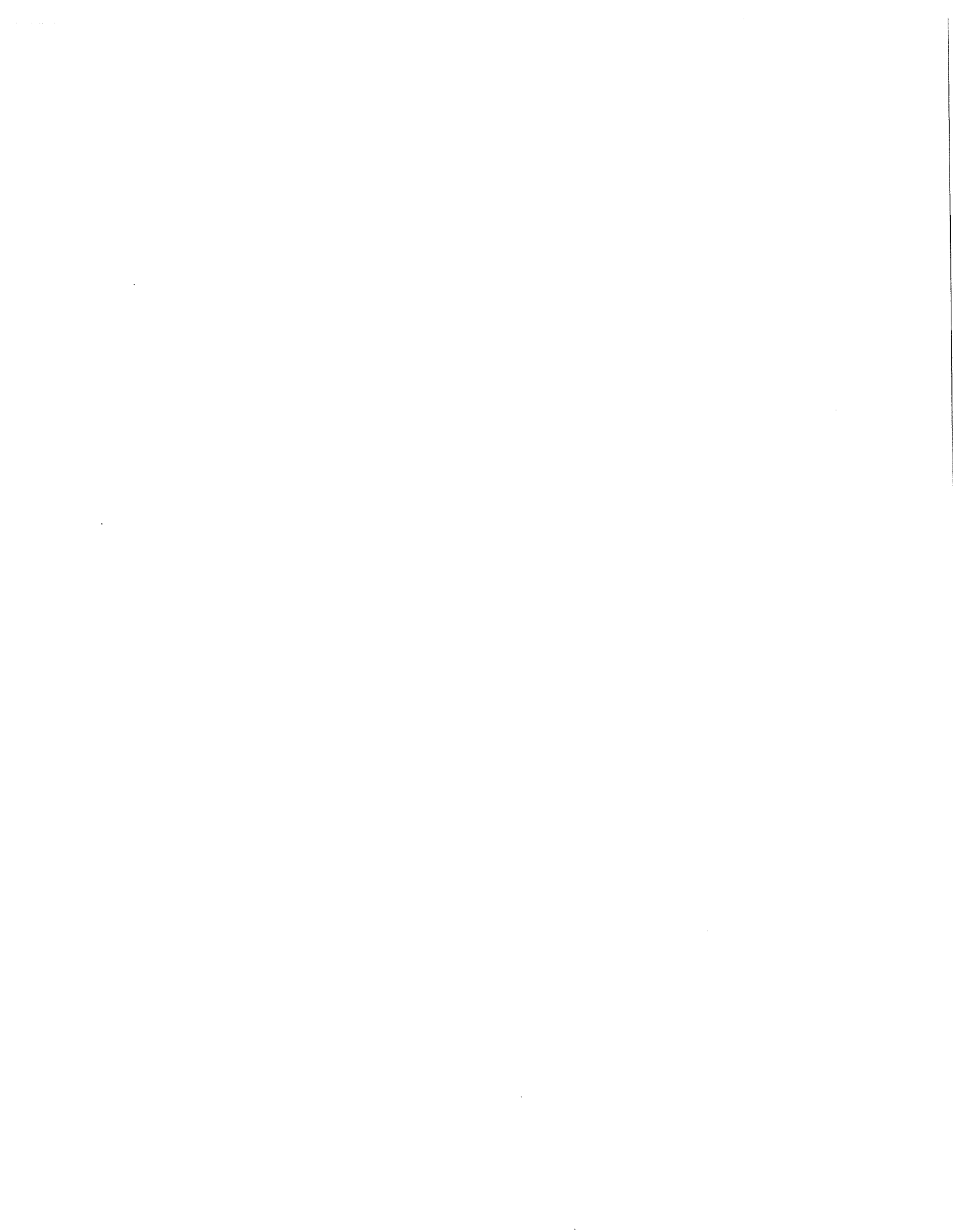
⁽⁴⁾ Dennis Moneymaker is owner of Dexal Construction, Inc.

⁽⁵⁾ Percentage not listed



NORTH MARIN WATER DISTRICT
WATER SYSTEM IMPROVEMENTS/SPECIAL PROJECTS
PROJECT SUMMARY
AS OF JULY, 2012

Job No.	Title:							
8 6001.20	Oceana Marin CIPP Sewer Lining Project - 3,100 LF							
Facility No.	Facility Type (Pipelines, Pump Stations, etc.)							Water
Description								
The proposed project includes pre-cleaning, pre-televising, repair of defects a second cleaning and televising prior to lining, CIPP lining of three easement sewers (total length of approx. 3,100 feet) serving Kameha Way, Kona lane and Waikiki Lane, restoration of all services, post-cleaning, air testing and televising, together with all appurtenances thereto and all restorations.								
Project Justification								
The existing three sewer runs are in steep cross-country slopes and have experienced leaks due to root intrusion at the bell & spigot joints.								
	Baseline Cost Estimate	Design/ Permit	Constr. Ph. (CIP Budget)	Constr. Ph. (Revised)	Baseline Schedule	Start	Finish (Est.)	Finish (Actual)
1	Development				Project Dev.			
2	Prelim. Design				Design			
3	Surveying/Mapping							
4	Geotech. Invest							
5	Permitting				Permitting			
6	Final Design				Final Design			
	Design Phase - Consultant	\$13,000						
7	Design Phase Staff Costs	\$13,000						
8	Bidding Phase	\$5,000						
9	Construction		\$225,000	\$146,000				
	Eng. Servs. During Const./Testing Services		\$10,000	\$10,000				
10			\$10,000	\$10,000				
11	Const. Admin		\$15,000	\$15,000	Construction	Aug-12	Oct-12	
12	Project Closeout		\$5,000	\$5,000	Project Closeout			
13	Project Subtotal	\$31,000	\$255,000	\$176,000				
14	Project Contingency		\$20,000	\$20,000				
	Total	\$31,000	\$275,000	\$196,000				
TOTAL ESTIMATED PROJECT COST:				\$227,000				




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MEMORANDUM

To: Board of Directors
From: Chris DeGabriele, General Manager 
Subject: Temporary Staffing
t:\gmbod misc 2012\temporary staffing.doc

August 3, 2012

RECOMMENDED ACTION: Information only

FINANCIAL IMPACT: None at this time

The Novato Operations Budget adopted at the June 19 Board meeting included a reduction in regular and temporary staffing for FY 2012/13. The reduction in temporary staffing hours for field employees resulted from a plan to transfer two Treatment Plant Operators on a short-term basis to Construction and Maintenance crews in the summer months to assist in construction crew and cross-connection control efforts. To date, essentially only one Treatment Plant Operator has been utilized as planned. The reason that the transfer did not fully materialize is varied, but is essentially twofold: 1) assistance needed in the warehouse when an illness impeded our Storekeeper's work; and 2) the extended flushing program required this year. As a result, the construction crew has been short-staffed.

While the Construction/Maintenance and Operations/Maintenance Department Heads have come up with a plan to shift the second operator to the construction group for the remainder of this summer season, there is still a backlog of work built up and additional temporary labor is needed. I have authorized the Construction/Maintenance Superintendent to augment the construction crew with temporary labor now. Staff will strive to operate within the original budget authorization, however, additional temporary hours authorization will likely be needed to assist the Construction/Maintenance Department this year. When necessary, staff will return with a request for budget augmentation to cover additional temp hours. It's likely the additional amount needed will be less than 2,000 hours and the cost will total less than \$40,000.

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MEMORANDUM

To: Board of Directors

August 3, 2012

From: Chris DeGabriele, General Manager 

Subject: SWRCB Acceptance and Environmental Review Process for License 4324B Petition for Change

t:\gm\west marin\water rights\bod petition for chg acceptance 0812.doc

RECOMMENDED ACTION: Information only

FINANCIAL IMPACT: None at this time

Attached is the long-awaited "Acceptance" letter for the NMWD Petition for Change regarding Water Right License 4324B on Lagunitas Creek.

On December 28, 2010, District staff submitted Petitions for Change to the State Water Resources control Board (SWRCB) for Water Right License 4324B and Permits 19724 and 19725 on Lagunitas Creek. Petitions were filed to propose a physical solution and avoid water quality impacts due to salinity intrusions by adding a point of diversion for License 4324B and Permit 19725 at the Gallagher Well and dedicating Permit 19724 for instream issues pursuant to a settlement agreement with environmental groups circa 2005. SWRCB staff replied in February 2011 that the Petitions for Change had been reviewed, and SWRCB staff found that they met the requirements of the water code and that a public notice was in preparation.

In follow up, SWRCB staff verbally indicated that under current SWRCB procedures, a notice and public review process would not be required for change in the point of diversion; and the Chief of SWRCB Division of Water Rights can issue the order. SWRCB staff further requested assistance in determining the amount of water to be licensed under Permit 19725 and the amount to be dedicated to instream uses under Permit 19724.

In September 2011, the Board authorized the General Manager to submit information to the SWRCB requesting Permit 19725 be converted to a license in the amount of 229.2 acre feet per year (AFA) and that Permit 19724 be dedicated to instream purposes in the amount of 148.9 AFA. In November 2011, SWRCB staff requested that diversions under pre-1914 claim of right be included in the analysis for the total amount to be diverted under Permits 19724 and 19725. The Board was apprised the revised amounts would result in 36 AFA being diverted under pre-1914 right.

In the intervening months, staff and District legal counsel have had an opportunity to review a proposed amended permit for diversion and use of water for Permit 19724 dedicating the full amount (212.7 AFA) to instream uses. The State Board staff has also recommended not to license Permit 19725 but to amend the permit for the full amount (292.5 AFA) and add the

necessary point of diversion at the Gallagher Ranch and an additional point of diversion for the new Coast Guard well.

Additionally, SWRCB staff proposes to amend License 4324B not only adding the requested point of diversion at the Gallagher Ranch and the new Coast Guard Well, but removing some of the onerous terms which were added as a result of resolving the Department of Fish and Game (DFG) protest circa 2005. Specifically, the SWRCB staff recommends removing the diversion limitations in the current License 4324B when stream flow falls below the thresholds required to be maintained by Marin Municipal Water District. This is good news. SWRCB staff is contemplating the steps to contact DFG and prior protestants (Tomales Bay Association and Trout Unlimited) outside of formal noticing.



EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

RECEIVED

State Water Resources Control Board

JUL 06 2012

JUL 05 2012

North Marin Water District

In Reply Refer
To: JH:13695B

North Marin Water District
c/o Chris DeGabriele
999 Rush Creek Place
P.O. Box 146
Novato, CA 94948

Dear Mr. DeGabriele:

ACCEPTANCE AND ENVIRONMENTAL REVIEW PROCESS FOR PETITION FOR CHANGE FOR WATER RIGHT LICENSE 4324B (APPLICATION 13695B) OF NORTH MARIN WATER DISTRICT TO APPROPRIATE WATER FROM LAGUNITAS CREEK IN MARIN COUNTY

Your water right petition has been accepted and reviewed to determine what steps you need to take before the State Water Resources Control Board (State Water Board), Division of Water Rights (Division), can continue processing your water right petition. The required steps are discussed below.

Since the time when your water right license was issued, new listings of species may have occurred under the federal Endangered Species Act and the California Endangered Species Act. The required environmental or public trust evaluation of your petition may result in modifications to your water right. Continued development and use of water, beyond the authorized uses in your water right, should not occur until your petition is approved. Also, if time to develop full beneficial use of your project has ended, additional water use beyond the quantity put to use at the end of the permit development period should not occur until a time extension is approved.

Fees

All initial filing fees have been paid in full. In addition to the initial filing fees all active applications, petitions, permits and licenses may be subject to annual fees. If a fee is required, the Division will calculate the annual fee, and the State Board of Equalization will send you a Notice of Determination requesting payment. For more information, please visit this web site: http://www.waterboards.ca.gov/waterrights/water_issues/programs/fees/

Noticing Requirements

California Code of Regulations, title 23, section 795 provides the State Water Board with discretion regarding the need to provide notice of your water right petition. For your water right

CHARLES R. HOPPIN, CHAIRMAN | THOMAS HOWARD, EXECUTIVE DIRECTOR

JUL 05 2012

petition, Division staff has determined that noticing is not necessary at this time. The Petitioner is required to provide a copy of the water right petition to the Department of Fish and Game, irrespective of whether the project is noticed. Protestants of past petitions may need to be contacted for consultation of the petition.

Environmental Review

According to the information in the record, it appears that all of the features of your water right petition were in place before the Division began its environmental review, and only negligible or no expansion of an existing use will occur. This class of project has been determined not to have a significant effect on the environment and is therefore categorically exempt from the requirement for the preparation of environmental documents pursuant to the California Environmental Quality Act (CEQA). (Cal. Code Regs., tit. 14, § 15301.) Division staff will therefore recommend that your water right petition be considered categorically exempt from CEQA; however, the final approval of a CEQA exemption rests with the State Water Board or the Deputy Director for Water Rights. If the project is determined to be exempt from CEQA, the Division may file a Notice of Exemption when and if the project is approved.

In addition to any consideration under CEQA, the Division must consider the effect of the proposed project on public trust resources and where feasible, avoid or minimize harm to those resources. Public trust resources may include, but are not limited to, wildlife, fish, aquatic dependent species, streambeds, riparian areas, tidelands, and recreation. Similarly, the Division may require environmental analysis needed to demonstrate compliance with applicable requirements of the Water Code, the Fish and Game Code or the Federal Endangered Species Act. You are responsible for all costs related to the environmental evaluation and preparation of public trust documents.

Request for Information

At this time, no further information is requested. The Division will review the petition to determine the next steps necessary to continue processing the petition and will contact you thereafter.

Justine Herrig is the staff person presently assigned to this matter, and she may be contacted at (916) 341-5759 or JMHHerrig@waterboards.ca.gov. Written correspondences or inquiries should be addressed as follows: State Water Resources Control Board, Division of Water Rights, Attn: Justine Herrig, P.O. Box 2000, Sacramento, CA, 95812-2000.

Sincerely,



Matt McCarthy, Chief
Coastal Streams Unit

16

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



**WATER ADVISORY COMMITTEE
AND
TECHNICAL ADVISORY COMMITTEE**

MONDAY, AUGUST 6, 2012

9:00AM

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

This is a combined WAC and TAC meeting.

1. Check In
2. Public Comment
3. Recap from the May 7, 2012 WAC/TAC Meeting and Approval of Minutes
4. Water Supply Coordination Council
5. Water Contractor Presentation: City of Cotati – “Water Smart” Program
6. FY 2011/12 Water Sales vs. Budget
7. SCWA Water Supply/Transmission System Operations Status
 - a. Sonoma Booster Station Pipeline Repair
 - b. Santa Rosa Plain Groundwater Management Process Update
8. Biological Opinion Status Update
9. Integrated Regional Water Management Plan(s) Update
10. Items for Next Agenda
11. Check Out

Draft Minutes of Water Advisory Committee and Technical Advisory Committee
35 Stony Point Road, Santa Rosa, California
May 7, 2012

Attendees: Susan Gorin, City of Santa Rosa
Miles Ferris, City of Santa Rosa
Glen Wright, City of Santa Rosa
Linda Hall, City of Santa Rosa
Efren Carrillo, SCWA
Jake Mackenzie, City of Rohnert Park
Darrin Jenkins, City of Rohnert Park
Laurie Gallian, City of Sonoma
Milanka Bates, City of Sonoma
Toni Bertolero, City of Sonoma
Mark Landman, City of Cotati
Damien O'Bid, City of Cotati
Dennis Rodoni, North Marin Water District
Chris DeGabriele, North Marin Water District
Mike Healy, City of Petaluma
Remleh Scherzinger, City of Petaluma
Robin Goble, Town of Windsor
Steve Allen, Town of Windsor
Richard Burt, Town of Windsor
Mark Bramfitt, Valley of the Moon Water District
Krishna Kumar, Valley of the Moon Water District
Jack Gibson, Marin Municipal Water District
Mike Ban, Marin Municipal Water District
Shirlee Zane, SCWA
Grant Davis, SCWA
Jay Jasperse, SCWA
Pam Jeane, SCWA
Spencer Bader, SCWA
Ann DuBay, SCWA
Brad Sherwood, SCWA
Lynne Rosselli, SCWA
Carly Cabrera, SCWA

Public Attendees: Richard Dowd, City of Santa Rosa BPU
Brenda Adelman, RRWPC
David Keller, FOER
Dietrich Stroeh
Dawna Gallagher
Bob Anderson, United Wine Growers
J B Downey

1. Check-in

Vice Chair Mark Bramfitt called the meeting to order at 9:01a.m.

2. Public Comment

Brenda Adelman spoke on AB 2398.

3. Recap from the March 5, 2012 WAC/TAC Meeting and Approval of Minutes

Moved by Jake Mackenzie, Rohnert Park and seconded by Laurie Gallian, City of Sonoma, to approve the minutes of the March 5, 2012 WAC/TAC meeting as published; unanimously approved.

4. Recap from the April 2, 2012 TAC Meeting and Approval of Minutes

Moved by Miles Ferris, City of Santa Rosa, seconded by Darrin Jenkins, City of Rohnert Park to approve the minutes of the April 2, 2012 WAC/TAC meeting as published; unanimously approved.

5. Water Supply Coordination Council

Agenda and summary of the April 27, 2012 meeting were included in the meeting packet.

6. Presentation on the Draft SCWA Long Range Financial Plan

Chris DeGabriele opened the discussion. TAC budget subcommittee met a couple of times to review the input. Chris explained the overview and the goals for the plan. Jay Jasperse, SCWA gave the presentation.

The four scenarios for Dry Creek were explained, Dry Creek habitat enhancements with and without Corps of Engineers funding and Dry Creek bypass pipeline with and without pre-funding. Krishna Kumar commented that the costs down the road will be very serious, and we can prefund to avoid rate spikes. A pre-funding mechanism was put into place in 2001. From 2001-2008 approx. \$80 per acre foot was prefunded for future projects. Chris continued with the analysis stating it would be flat until 2021. Operations and maintenance cost have been well controlled at 3%. Dry Creek projects are required and are independent of the water delivery. We want the enhancements to work because it avoids \$140 million in cost for the Dry Creek bypass pipeline. Over time the model will be improved with actual experience. The agency and the contractors should continue working with COE to share costs of the habitat enhancements to avoid passing costs on to ratepayers. Prefunding stabilizes the rates to avoid spikes in rate increases. The model will be updated as new information is available. Forecasts for future years are less certain as we look further out, but we know we must plan ahead. Action plans and water demands will be updated. WAC and TAC will be advised of current situations. Annual updates will be presented to make budget planning more efficient. The TAC and SCWA will continue to work together to develop the planning tool. Questions and comments followed from the members. Public comments were made.

7. SCWA Water Supply/Transmission System Operations Status (So. Valley GWM Plan/Storm Water Mgmt/Santa Rosa Plain GW Studies

Jay Jasperse gave the presentation for both plans. Four major groundwater basins are in Sonoma County for the study. USGS studies have been completed in the Sonoma Valley and the Alexander Valley, with Santa Rosa due for completion this year. Petaluma Valley is yet to be studied. AB3030 was the basis used by the stakeholders groups in Sonoma Valley to develop a GW Management plan. They are in the fifth year of implementation. Management strategies were developed in urban, non-urban and agriculture. Recycled water would be used to offset groundwater pumping and help alleviate saline intrusion. Groundwater would be recharged with storm water. The Department of Water Resources has granted funding for projects.

The model for Santa Rosa is complex and complicated. USGS has offered to enhance the plan to try out a new model. A steering committee has been formed which has been meeting monthly since December 2011. A groundwater management plan will be developed over the next two years. Comments and questions followed from committee members and the public.

Miles Ferris commented on Santa Rosa's contribution to the Groundwater Plan. The basin is a complex system which will create some difficulty in determining how to proceed. The USGS has the appropriate data as it is available.

8. Biological Opinion Status Update

The Biological Opinion Status Update distributed at the meeting was reviewed by Pam Jeane.

9. Integrated Regional Water Management Plan(s) Update

Jake Mackenzie, Rohnert Park, reported on the last North Coast IRWM meeting. A report was distributed for the Bay Area IRWM at the meeting. Paul Helliker is the Chair through the end of the year.

10. Items for Next Agenda

June 4 TAC

Biological Opinion Update

August 6 WAC/TAC

Presentation of Video Winners
Biological Opinion Update
IRWM report

11. Check Out

Next TAC meeting is June 4.
Next WAC/TAC meeting is August 6.

Shirlee Zane commended the Town of Windsor on being singled out by WATEREUSE as the Medium Size Recycled Water Agency of the Year in California.

Valley of the Moon reported that on June 1st they will celebrate their 50th anniversary with an open house and all are invited.

Chair Susan Gorin adjourned the meeting at 11:00a.m.



Russian River Biological Opinion Update – August 2012

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

Dry Creek Demonstration Project

- All permits have been received, and it is anticipated that a contract will be executed in mid-August for construction of a segment of habitat enhancements at Quivira Winery. Construction on the Quivira segment is likely to begin this month.
- Large redwood/douglas fir trees and trees with root wads are currently being delivered to a storage site near Warms Springs Dam.
- Right-of-way negotiations are underway with landowners.

Dry Creek Habitat Enhancement Study

- In December, InterFluve submitted the Draft Conceptual Design Report for the Dry Creek Habitat Enhancement draft feasibility study. This report presents conceptual designs for potential habitat improvements areas beyond the 1-mile demonstration project. The report has been finalized, following a May meeting with NMFS and California Department of Fish & Game.
- The Water Agency, National Marine Fisheries Service, Department of Fish & Game and the U.S. Army Corps of Engineers are working with consultants, ESSA, to develop clear success measures for habitat enhancement. The plan should be completed in 2012.

Tributary Fish Passage and Habitat Enhancement Projects

- In mid-April, fishery staff installed downstream migrant traps in the Russian River, at Mirabel, in Dry Creek, Mark West Creek and Dutch Bill Creek. To date, thousands of juvenile steelhead and coho have been counted and released in daily checks of traps.

Mirabel Screen and Fish Ladder Replacement

- A Notice of Preparation for the environmental analysis of the project was issued on July 20. Comments are due August 24.
- The Water Agency received a \$255,000 California Department of Fish and Game Fishery Restoration Grant for design of the project. The 65% design was received in mid-March, and was reviewed by Water Agency staff.
- A grant application to CDFG for construction funds for the fish ladder resulted in a site visit by the selection committee. The grant announcement is expected in January, 2013.

Russian River Estuary Management Project

- A three-year general lease was received from the State Lands Commission for the estuary management project.
- A Marine Mammal Protection Act Incidental Harassment Authorization (IHA) was received from National Marine Fisheries Service for activities that could potentially disturb seals (and other pinnipeds). As in past years, the IHA requires extensive monitoring of seals prior, during and after any beach activity. In addition, it requires bi-monthly monitoring of seals and limits activities when seal pups are on the beach.
- The 2012 biological and water quality monitoring has begun.
- The Estuary Management Project final Environmental Impact Report was certified in August and the Board of Directors approved the project. On September 16, a lawsuit was filed by the Russian River Watershed Protection Committee challenging the EIR.

Fish Flow Project

Work is occurring internally on the preparation of the draft Environmental Impact Report for the Fish Habitat Flows and Water Rights Project.

- EIR Schedule
 - Release Draft EIR in fall 2012
 - Release Final EIR in summer 2013
 - BO requires Board to certify Final EIR by September 24, 2013
 - EIR will be prepared by Water Agency staff, with assistance from consultants on some areas of impact analysis.

Interim Flow Changes

- The State Water Resources Board issued a 2012 Temporary Urgency Change order on May 2. The order requires fisheries reports, water quality monitoring and recognizes the continuing efforts by the contractors and Water Agency with regard to water use efficiency.
- Reports for the 2011 TUC were submitted to the State Water Board on March 31, 2012.

Public Outreach

- An outreach campaign (postcards, signage, new web page) on the Dry Creek habitat enhancement demonstration project will be launched in mid-August.
- State Assemblyman Wes Chesbro toured the coho broodstock program and visited a Dry Creek Demonstration Project site in July.

Summary
July 27, 2012
Water Supply Coordination Council Meeting

The WSCC is intended to coordinate activities of the Agency, WAC/TAC and other parties as necessary and to report on same pursuant to the Sonoma County Water Agency's September 15, 2009 Resolution #09-0871 to commence and continue development of new water supply projects, plans and strategies to meet the reasonably expected future water demands for the agency's water contractors. The WSCC makes no policy decisions. This WSCC summary is intended to disclose WSCC discussions with the WAC/TAC and other interested parties.

Attendees: Efren Carrillo, Grant Davis, Jay Jasperse, Susan Gorin, Jake Mackenzie, Chris DeGabriele

1. Review Draft Summary of Last Meeting (April 27, 2012)

Summary of the April 27, 2012 WSCC meeting was reviewed.

2. August 6 WAC/TAC Meeting

A draft agenda for the Water Advisory Committee and Technical Advisory Committee meeting scheduled for August 6, 2012 was reviewed. The parties agreed upon a WAC/TAC agenda to be distributed.

3. Santa Rosa Plain Groundwater Management Plan Update

Jay Jasperse advised that SCWA will propose a resolution for the Board of Supervisors to consider in late September to issue a Notice of Intent to prepare a Groundwater Management Plan including recommendations for governance and rules/regulations. Jay indicated the USGS Santa Rosa Plain groundwater report should be completed this fall and the GW model available next spring. Susan Gorin advised there is no new information regarding City of Santa Rosa groundwater studies.

4. Schedule next meeting

The next Water Supply Coordination Council meeting will be scheduled prior to the November WAC/TAC meeting; date and time to be determined.

5. Other

a. Grant Davis advised that the Water Agency is forming a Sustainable Energy Bond

program which will provide low-cost financing for energy and water efficiency building and facilities improvements. The financial savings will be contractually guaranteed and will be structured in a manner to cover the cost of the improvements. It is being modeled after a highly successful program already in operation in Delaware. The Agency has been working with school districts, Sonoma State University and Santa Rosa Junior College for a number of months and would like to open it up for broader inclusion with the cities and water contractors. This financing vehicle is also very applicable to energy and water efficiency improvements appropriate to water and wastewater operations and non-school buildings.

TAC members are invited to participate in a town-hall style webinar at 10 a.m. PST on August 1 which will provide additional detail regarding program specifics, timeline, mechanics and what the steps will be. Jennie Bruneman from the City of Santa Rosa Schools is planning to discuss what specific retrofits she plans to use the program for as well as expected discuss operational savings. A presentation on the program will be made at the September TAC meeting.

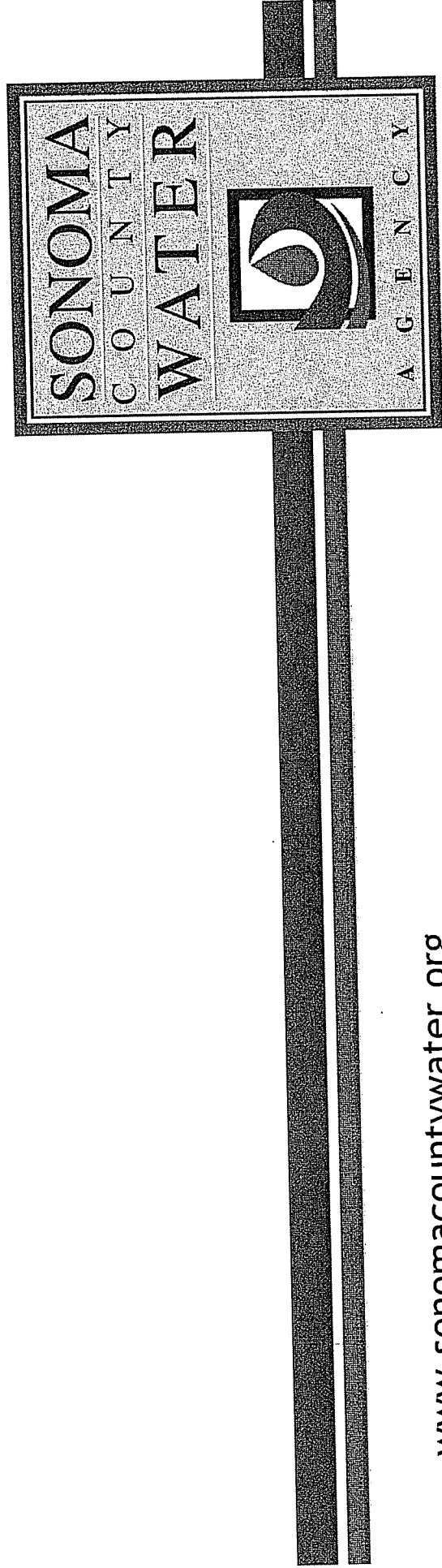
b. Susan Gorin inquired about water/wastewater service to the Graton Rancheria casino adjacent to Rohnert Park. Jake Mackenzie advised that the City of Rohnert Park has entered into an agreement for wastewater disposal and recycled water service. Grant Davis advises that the Water Agency will not provide retail water service. Jay indicated that the casino plans to develop 2 production wells and monitoring wells. The production wells are not expected to affect the Agency wells. There are also efforts to organize a volunteer water level monitoring program in the vicinity of the casino project.

c. Grant Davis advised the Agency staff visited NMFS, OMB and USACOE in Washington, DC last week and were favorably received. The parties are pursuing an additional \$6M in the administration budget for FY14 to be used for the RR Biological Opinion Dry Creek Habitat Improvements.

FY 2011-12 Water Deliveries

Water and Revenue
Compared to
Budget FY 2011-12

Spencer Bader
Division Manager -
Administration
spencerb@scwa.ca.gov



Deliveries

- Budget and Rates 47,848
- Actual Total Delivered 48,527
- Variance from budget +679

Water Revenues

- Budget \$32,981,104
- Actual \$33,241,569
- Variance from Budget \$ 260,465

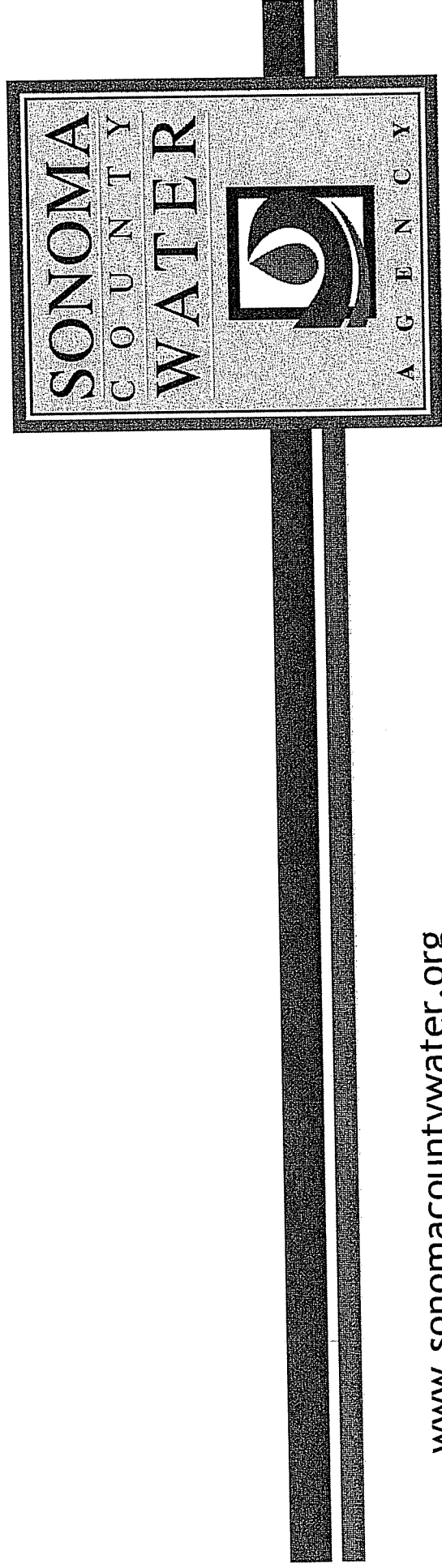
Note:
includes Marin supplemental revenue, North Marin revenue bond rebate,
and Windsor direct diversion revenue.



FY 2011-12 Water Deliveries

Water and Revenue
Compared to
Budget FY 2011-12

Spencer Bader
Division Manager -
Administration
spencerb@scwa.ca.gov



www.sonomacountywater.org

17

DISBURSEMENTS - DATED JULY 18, 2012

Date Prepared: 7/17/12

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

<u>Seq</u>	<u>Payable To</u>	<u>For</u>	<u>Amount</u>
1	Ackerman, Gerald	Retiree Exp Reimb (Monthly Health Ins)	\$90.69
2	Advanced Reproduction Center	Printing of RW South Onsite Retrofit Construction Specs Project (Group 1S) (15 sets)	260.40
3	AirGas NCN	Carbon Dioxide (50 lbs)	97.31
4	AJ Printing & Graphics	Washing Machine Rebate Flyers (280)	143.49
5	AT&T	Telephone Charges: Local (\$93) & Minimum (\$140)	223.02
6	Autoworld	Repair Manual for STP Outboard Motor	87.00
7	Badger Meter	6" Compound Meter for Metering Potable Backfeed to NSD Recycled Water Plant	3,870.79
8	Boykin, Isaac & April	Novato "Washer Rebate" Program	50.00
9	Bradbery, Ronald	Retiree Exp Reimb (Monthly Health Ins)	90.69
10	Bundesen, Gerald	Retiree Exp Reimb (Monthly Health Ins)	779.57
11	Bunton, Terry	Novato "Toilet Rebate" Program	75.00
12	Butti, Lou	Retiree Exp Reimb (Monthly Health Ins)	779.57
13	Calif Contractors Supplies	Reciprocating Saw Blades (6)	255.15
14	California Water Service	May/June Water Service (OM) (1 Ccf)	175.08
15	California State Disbursement	Wage Assignment Order (3)	1,518.50
16	Carlson, Dawn Marie	Novato "Rainwater Harvesting" Program	88.50
17	Carrade, Denis	Novato "Washer Rebate" Program	50.00

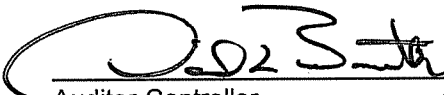
Seq	Payable To	For	Amount
18	Case Power and Equipment	Radiator Hoses (2) (\$52), Cap & Fan Belt (\$49)	122.81
19	Cook Paging	July Pager Rental (2)	14.70
20	Cubley, Robert	To Replace Cancelled Check -Lost	75.00
21	Derby, Richard	Retiree Exp Reimb (Monthly Health Ins)	90.69
22	Diggs, James	Retiree Exp Reimb (Monthly Health Ins)	779.57
23	DMT Associates	Engineering Services: Review Specs & Drawings for Booster Pump Installations (Balance Remaining on Contract \$1,940)	560.00
24	Domer, Michael	Refund Overpayment on Closed Account	68.68
25	Environmental Science Assoc	Prog Pymt #17: NMWD - SRF Environmental Support Services - Recycled Water Exp Project (Balance Remaining on Contract \$11,920)	10,279.61
26	Eyler, John	Retiree Exp Reimb (Monthly Health Ins)	90.69
27	Gaderlund, Robert	Novato "Washer Rebate" Program	50.00
28	Golden Gate Petroleum	Gasoline (\$3.55/gal) & Diesel (\$3.51/gal)	3,336.03
29	Grainger	Reciprocating Saw	124.59
30	Haase, Henry	Novato "Washer Rebate" Program	50.00
31	Hargarten, Christina	Novato "Washer Rebate" Program	50.00
32	Harrington Industrial Plastics	1/2" Ball Valves (3) (\$147) (Pacheco Tank Mixing Sys) & Chemical Feed Pump Repair Parts (\$239) (STP)	385.46
33	HydroScience Engineers	Prog Pymt #8: Recycled Water On-Site Retrofit - Task 1 (Balance Remaining on Contract \$21,174)	1,750.00
34	John's Dairy Equipment & Supply	Chlorine Pit Tabs (100 lbs)	386.64
35	Johnstone, Daniel	Retiree Exp Reimb (Monthly Health Ins)	90.69

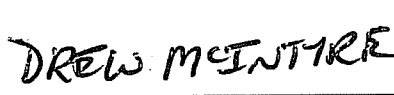
Seq	Payable To	For	Amount
36	Journey Ford/Lincoln	Brake Pad Set (\$66), Grease Seals ('99 F250)	395.01
37	Kell, Lauren	Novato "Washer Rebate" Program	50.00
38	Kishi, Robert	Novato "Cash for Grass" Program	200.00
39	Leech, Christopher	Novato "Washer Rebate" Program	50.00
40	Lincoln Life	Deferred Compensation PPE 7/15	10,363.33
41		Cafeteria Plan - Child Care Reimbursement	208.33
42	Marinscope	Display Ad: Water Conservation	290.00
43	Marin Color	Primer (1 gal)	26.03
44	Marin County Recorder	April & May Official Copy of Records (2)	14.00
45	Marin Reprographics	Full Size Drawings - R.W. North Onsite Retrofit (5 sets)	166.76
46	Matchette, Tim	Retiree Exp Reimb (Monthly Health Ins)	230.18
47	MCC Control Systems	Programming Modification for Treatment Plant PLC's	707.50
48	McLellan, WK	Misc Paving: Novato Area (1,210 S.F.)	7,343.70
49	McFarland, Donald	Novato "Washer Rebate" Program	50.00
50	MegaPath	DSL Internet Service (7/12/12 - 8/12/12)	142.30
51	Microtech Scientific	Lauryl Sulfate Broth (Lab)	163.16
52	National Deferred	Deferred Compensation PPE 7/15	1,025.00
53	Nelson, John O.	Retiree Exp Reimb (Monthly Health Ins)	90.69
54	North Marin Water District	NMWD Employee Assoc Dues - June	940.00
55	Novato Toyota	Transmission Fluid (4 qts)	35.85
56	Novato Disposal Service	June Trash Removal	413.20

Seq	Payable To	For	Amount
57	Novato Radiator	Clean & Test Radiator (\$90) (Trailer Mounted Water Pump) & Clean Weld Top Tank on Radiator (\$210) ('93 Case Loader)	300.00
58	Nute Engineering	Engineering Services: South Area Water Recycling Construction (\$2,730) (Balance Remaining on Contract \$30,466) & OM Sewer Rehabilitation Project (\$4,018) (Balance Remaining on Contract \$6,980)	6,748.50
59	O'Gorman, Colleen	Novato "Washer Rebate" Program	50.00
60	Open Spatial	Drafting Services: Update Facility Map & Incorporate New Zone Definitions	6,050.00
61	Pace Supply	Corp Stops (4) (\$772), Couplings (16) (\$1,790), Inserts (16), Pipe (1,200') (\$2,105), Nut & Bolt Set (84 ea) (\$707), Bolts (384) (\$2,412), Nuts (384) (\$636), Gaskets (35) (\$725), Nipples (5), Bushing, Tees (4) & Ball Valves (4) (\$247) PVC Union Balls (3)	9,561.80
62	Pape Material Handling	Vinyl Seat (\$145), Oil Filter, Thermostat, Gasket Mounting Kit (\$634), Hoses (2) & Radiator (\$540) ('01 Hyster Forklift)	1,415.82
63	Poiani, Pete	Retiree Exp Reimb (Monthly Health Ins)	90.69
64	Radio Shack	Batteries for Doorbell (Adm Front Door)	5.41
65	Rising Sun Energy Center	203 House Calls	4,466.00
66	RMC Water & Environment	Engineering Services: Recycled Water Project Title 22 Report (Balance Remaining on Contract \$17,349)	338.75
67		Cafeteria Plan - Uninsured Medical Reimbursement	115.00
68	Siemens Water Technologies	Service on Lab Deionized Water System	248.26
69	Simard, Francois	Novato "Washer Rebate" Program	50.00
70	Smail, John	Retiree Exp Reimb (Monthly Health Ins)	90.69

Seq	Payable To	For	Amount
71	Sonosky, Norma	Retiree Exp Reimb (Monthly Health Ins)	90.69
72	Stahley, Bruce	Novato "Toilet Rebate" Program	150.00
73	United Parcel Service	Delivery Service: Plans & Specs - OM Sewer Lining Project & SRF Loan Package - RW So Phs 1a & 1b	19.69
74	UNUM Life Insurance	July Group Life Ins Premium	686.12
75	U'Ren, Frank	Novato "Cash for Grass" Program	212.50
76	Velloza, Richard	Retiree Exp Reimb (Monthly Health Ins)	90.69
77	Verizon California	Telephone Charges: Leased Lines	913.75
TOTAL DISBURSEMENTS			<u>913.75</u> <u>\$81,539.32</u>

The foregoing payroll and accounts payable vouchers totaling \$81,539.32 are hereby approved and authorized for payment.


 Auditor-Controller _____ Date 7/17/12


 FOL General Manager _____ Date 7/17/12

DISBURSEMENTS - DATED JULY 25, 2012

Date Prepared: 7/24/12

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

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 7/15	\$122,377.96
EFT*	US Bank	Federal & FICA Taxes PPE 7/15	47,060.31
1	AirGas NCN	July Cylinder Rental (Carbon Dioxide) (STP)	10.84
2	All Star Rents	Air Compressor Rental	99.54
3	Athens Administrators	July Workers' Comp Admin Fee	1,000.00
4	AT&T	Telephone Charges: Leased Lines	63.10
5	Bacharach, Jason	Novato "Washer Rebate" Program	50.00
6	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 9 of 240)	46,066.67
7	Buckeye Nursery	Plants for Office Front Walkway	113.83
8	State of California	State Tax & SDI PPE 7/15	9,128.67
9	California Bank of Commerce	Prog Pymt #4: Retainer on Disney Construction Project	39,331.10
10	Charles Asso, Leonard	Additional Wetlands Surveys/Analysis-Pt Reyes Well #3 Replacement Project (Balance Remaining on Contract \$540)	660.00
11	Chase Card Services	Cab Fare (\$82), Lunch (\$35), Parking (\$22), Air Fare (\$89) (Ca Coastal Comm Meeting-Orange Co) (DeGabriele) & Publication: Mt Tam & MMWD Book (\$22)	249.63
12	Covello Group	Prog Pymt #14: Recycled Water Pipeline Expansion (Balance Remaining on Contract \$97,368)	39,992.34
13	Cummings Trucking	Sand	2,426.29
14	Curtis & Tompkins Analytical	Lab Testing (Novato)	379.00


Seq	Payable To	For	Amount
15	Disney Construction	Prog Pymt #4: Construct Recycled Water South Phase 1B (Balance Remaining on Contract \$1,750,813)	353,979.90
16		Cafeteria Plan - Uninsured Medical Reimbursement (\$25) & Vision Reimbursement (\$341)	366.00
17	Environ Lab Accreditation Prog	Annual Lab Accreditation Fee (2012)	3,263.00
18	Employer Resource Institute	Subscription Renewal (Clark) (9/12-8/13) (Budget \$310)	299.00
19	Environmental Express	Bromide, Chlorate & Sulfate Standards (Lab)	110.43
20	Expressway Transport	Transportation of Used GAC for Regeneration	2,769.63
21	Fisher Scientific	Sulfuric Acid & Chlorine Reagent (5) (Lab)	104.81
22	Grainger	Sump Pump (\$148), Cut Off Saw (\$115), Handrail Brackets (20) (\$330), Switches (2) & Handy Box	624.69
23	Groeniger	Delivery Charge on Service Saddles	15.44
24	Hach	Calcium Indicator (Lab)	58.25
25	Harris, Darrell	Refund Overpayment on Closed Account	54.61
26	InfoSend	June Processing Fee for Water Bills (\$1,436) & Postage (\$3,692)	5,127.45
27	Jones, Laura	Engineering Support Services: Novato Water System Master Plan 2012 Update (Balance Remaining on Contract \$16,412)	3,786.25
28	Keane, Michelle	Refund Alternative Compliance Reg 15 Deposit	630.00
29	Larsengines	Replacement Engine for Trench Compactor	495.72
30	Leighton Stone	Pressure Gauges (7)	476.44
31	Lin, Hsin	Novato "Washer Rebate" Program	50.00
32	Maltby Electric	Electrical Junction Boxes (2)	388.42
33	Marin County Tax Collector	LAFCO Expense Allocation FY 12/13 (Budget \$6,700)	6,600.00
34	Mclnnis Park Golf Center	Deposit for Holiday Party - 12/1/12	250.00

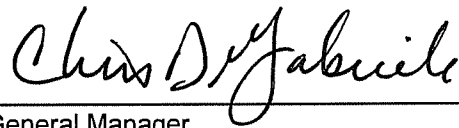
Seq	Payable To	For	Amount
35	McLaughlin, Anita	Novato "Washer Rebate" Program	50.00
36	MSC Industrial Supply	Top Loading Dial Scale (STP)	120.31
337	National Safety Council	Annual Membership Dues (Clark) (8/12-7/13) (Budget \$400)	365.00
38	Neopost USA	July Postal Meter Rental	65.10
39	Newark InOne	Lab Oven Fuses (4)	13.55
40	New Pig	Disposable Nitrile Gloves (2,000) (\$216), Gloves (4 pr), T-Shirt, & All-Purpose Wipers (750) (\$116)	438.26
41	New Resources Group	Low Flow Showerheads (500), Aerators (1,000) & Hose Nozzles (500)	3,535.00
42	Novato Chamber of Commerce	Reg Fee: Leadership Program (2012-2013) (Chandrasekera)	795.00
43	NTU Technologies	Polymer Emulsion(2,300 lbs)	3,358.00
44	Pace Supply	Reduced Pressure Backflow (\$1,265), Ells (82), Meter Boxes (9), Bushings (8), PVC Cap, Service Saddle, Couplings (120) (\$2,046), Gaskets (12), Nipples (102) (\$1,255), PVC Pipe (20'), Plugs (19), Reducers (4), Meter Stops (16) (\$697), Meter Adapters (\$1,295), Corp Stops (90) (\$1,514) & Gate Valve Flanges (\$2,767)	13,777.19
45	Parkinson Accounting Systems	Annual Software Maintenance Plans (7/31/12 - 7/30/13) (\$6,473) (Budget \$8,720), Programming & Installation of Timesheet Entry Program (\$7,000) & June Accounting Software Support (\$1,022)	14,495.50
46	PERS Retirement System	Pension Contribution PPE 7/15	44,626.39
47	Personnel Concepts	Subscription Renewal (Landeros) (7/12-7/13) (Budget \$100)	211.03
48	Pacific Gas & Electric	Power: Bldgs/Yard (\$2,968), Rectifier/Controls (\$488), Pumping (\$40,867), Treatment (\$3,066) & Other (\$96)	47,483.88
49	Phillips & Associates	July O&M of O.M. Wastewater Treatment System	5,187.96

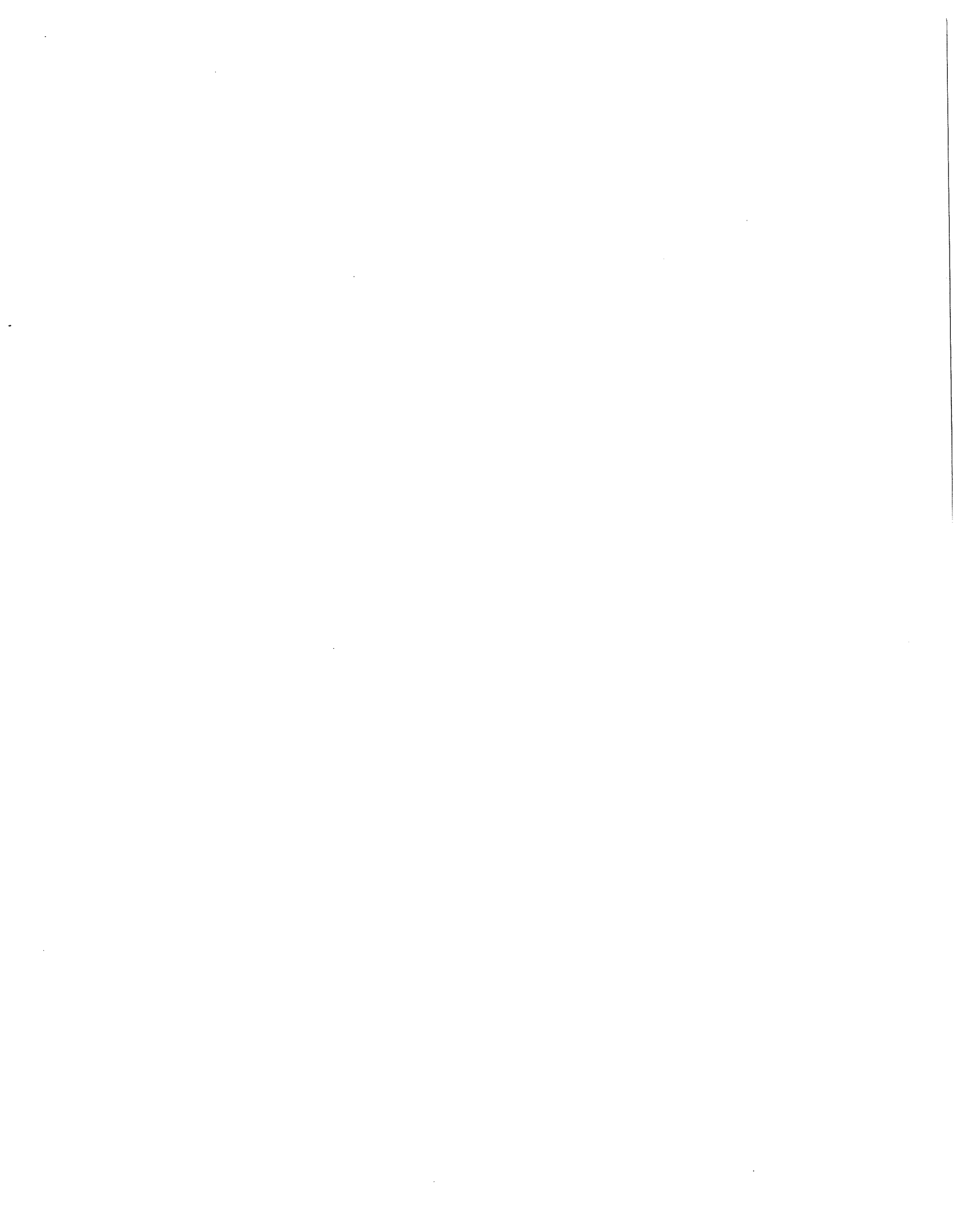
Seq	Payable To	For	Amount
50	Point Reyes Prop Mgmt Assn	July HOA Dues (25 Giacomini Rd)	75.05
51	Pollard Water	Discharge Hose for Hydropneumatic Tank Service	40.50
52	Prunuske Chatham	Engineering Services: Leveroni Creek Bank Repair Project (Balance Remaining on Contract \$8,004)	1,530.00
53	Revis, Johan	Novato "Toilet Rebate" Program	200.00
54		Cafeteria Plan - Uninsured Medical Reimbursement	22.85
55	Shamrock Materials	Concrete	1,047.51
56	Sierra Chemical	Chlorine (2 tons)	3,013.33
57	Sonoma County Water Agency	June Contract Water	692,050.22
58	Staples	DVDs (50)	20.52
59	Stavish, Mary Jeanne	Novato "Washer Rebate" Program	50.00
60	Syar Industries	Asphalt (7.09 tons)	865.26
61	Township Building Services	June Janitorial Services	1,754.84
62	Trebron	Iprism Internet Filter Annual Installment Pymt for 50 Workstations (2nd of 3 Annual Pymts) (Budget \$1,316)	1,315.88
63	United Parcel Service	Delivery Service: Sent Right of Entry Agreement for Cust Retrofit Const, RW North Disbursement Request to SWRCB, Ret'd Wrong Part, Ret'd Testing Device for Repair & Ret'd Faulty Printer (Moore)	36.56
64	URS Corp	Prog Pymt #5: Construction Management Services for Recycled Water South Project (Balance Remaining on Contract \$444,888)	25,822.93
65	Verizon	Telephone Charges: Leased Lines	613.33
66	Water Opcert School	Reg Fee: Water Distribution Operator 2-Day Exam Review Grades 1-2 (Kehoe)	200.00
67	Watersavers Irrigation	Drip Irrigation Supplies	53.20
68	Whalin, David	Novato "Toilet Rebate" Program	88.00

Seq	Payable To	For	Amount
69	White & Prescott	Engineering Services: NMWD Survey of Corporation Parking Lot (Balance Remaining on Contract \$525)	4,440.00
70	Wiley Price & Radulovich	Consulting Services: Employee Accommodation	108.00
71	Zenith Instant Printing	Letterhead (500) (\$251) & Water Smart Home Survey Forms (300)	382.05
TOTAL DISBURSEMENTS			<u>\$1,556,711.52</u>

The foregoing payroll and accounts payable vouchers totaling \$1,556,711.52 are hereby approved and authorized for payment.

 7/23/12
 Auditor-Controller Date

for  7/23/2012
 General Manager Date



DISBURSEMENTS - DATED AUGUST 1, 2012

Date Prepared: 7/31/12

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

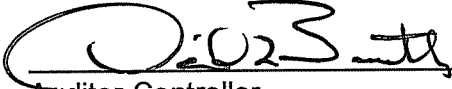
Seq	Payable To	For	Amount
1	AICPA Subscriptions	Subscription Renewal (9/1/12-8/31/13) (Landeros) (Budget \$80)	\$69.00
2	Allied Heating & Air Conditioning	Quarterly Maintenance on HVAC System	361.00
3	Athens Administrators	Replenish Workers' Comp Account (\$1,481) (LeBrun) & June Bill Review Fee	1,496.83
4	AT&T Mobility	Cellular Charges: Monthly (\$447) & Airtime (\$2) (15)	448.94
5	Baker, Jack	Director's Fee	200.00
6	Bubnic, Anne	Novato "Washer Rebate" Program	50.00
7	Business Card	Parts for Meter Lock Outs (\$200), Water Conservation Advertising (\$11), Gift Cards for Safety Rewards (\$380), Internet Pymt Fee (\$89), Water Pump Motor (\$86), Classified Ad: Temp Consumer Service Assist (\$75), Wide Rubber Bands for Lab (\$21) & Replacement Battery Cartridge (\$284) (STP)	1,147.57
8	California Native Plant	Watersmart Landscape Efficiency Rebate & Drip Irrigation Demo Partnership Funding	655.26
9	California State Disbursement	Wage Assignment Order (3)	1,518.50
10		Vision Reimbursement	551.60
11	Chu, Chiang	Novato "Washer Rebate" Program	50.00
12	Core Utilities	Consulting Services: June IT Support (\$5,000), SCADA (\$75), Modify CORE to Allow 4-Digit Reads (\$425) & Post Agenda (\$50)	5,550.00
13		Vision Reimbursement	40.00
14	De Gabriele, Chris	Exp Reimb: Birthday Breakfasts (\$110) & Annual Rotary Dues (\$175) (7/12-6/13) (Budget \$180)	285.00


Seq	Payable To	For	Amount
15		Vision Reimbursement (\$22) & Cafeteria Plan - Uninsured Medical Reimbursement (\$20)	41.69
16	Fisher Scientific	Nitrile Gloves (500) (\$44), Buffer (4) (\$125), Ammonia, Hydrochloric Acid (\$51) & Tube Strips (25) (\$77) (Lab)	315.65
17	Forde, W.R., Construction	Refund Security Deposit on Hyd Meter Less Final Bill	1,027.91
18	Fraites, Rick	Director's Fee (\$200) & North Bay Watershed Assoc Meeting - 7/6 (\$100)	300.00
19	Fremouw Environmental Svc	Hazardous Waste Removal	326.96
20	Ganz, Jerry	Refund of Deposit/New Development/Water Conservation Restriction-Novato	1,120.00
21	Garrison, Sharon	Novato "Washer Rebate" Program	50.00
22	Gelsi-Medeot, Leroy	Novato "Washer Rebate" Program	50.00
23	Golden Gate Petroleum	Gasoline (\$3.56/gal) & Diesel (\$3.53/gal)	3,875.26
24	Grainger	Handrail Brackets (12) (\$198), AAA LED Flood Lights (2), Submersible Pump for OM Pond Vault (\$277) & Replacement Sump Pump for Valve Vault @ STP (\$820)	1,320.06
25		Cafeteria Plan - Child Care Reimbursement	603.47
26	HydroScience Engineers	Prog Pymt #9: Recycled Water On-Site Retrofit - Task 1 (Balance Remaining on Contract \$20,934)	240.00
27	Idexx Laboratories	Colilert Media for Water Coliform Testing (Lab)	1,543.26
28		Vision Reimbursement	167.00
29	Lincoln Life	Deferred Compensation PPE 7/31	10,363.33
30		Cafeteria Plan - Child Care Reimbursement	208.33
31	McGill, Irene	Novato "Washer Rebate" Program	50.00
32	McNickle, Tim	Novato "Washer Rebate" Program	50.00
33		Wage Assignment Order	284.00
34	National Deferred	Deferred Compensation PPE 7/31	1,025.00

Seq	Payable To	For	Amount
35	Novato Lock	Replacement Door Lock for Security Apartment	146.48
36	Novato Police Dept	Telephone Answering Service (May-July)	600.00
37	On Line Resource	Refund Pymt - Unable to Locate Account	54.66
38	Pace Supply	Fire Hydrant (\$1,674), Hydrant Bury (\$673) & Hydrant Extension (\$168)	2,515.77
39	PERS Health Benefits	August Health Ins Premium (Employees \$50,017, Retirees \$10,418 & Employee Contrib \$6,708)	67,143.83
40	Peterson Trucks	ABS Sensor (\$109), Drag Link (\$151), Air Filter (\$66), Fuel Filter, Oil Filter ('05 Int'l Dump Truck) & ABS Wheel Sensor (\$96) ('02 Int'l Dump Truck)	457.43
41	Petterle, Stephen	Director's Fee	200.00
42	Ranger Pipelines	Prog Pymt #5: RW North Seg 2 Project (Balance Remaining on Contract \$497,234)	255,840.50
43		Cafeteria Plan - Uninsured Medical Reimbursement	274.00
44	Rodoni, Dennis	Director's Fee	200.00
45	Schoonover, John	Director's Fee Less Deferred	150.00
46	Soiland	Fee for Asphalt Recycling	20.00
47	Soligent	Solar System for Pacheco Tank Mixing	2,172.72
48	Sonoma County Water Agency	NBWRA Reassessment of Costs for Phase 1 FY06 to FY11 (\$280,441 Reimbursed by NSD & \$115,598 Reimbursed by LCVSD)	602,073.00
49	Staples Business Advantage	Quarterly Office Supply Order: Bookends, 12 Compartment Sorter (\$65), Legal Pads, Dividers (2), Memo Book, Calculator (\$98), Envelopes (500) (\$185), Copy Paper, 3 Tiered Desk Shelf (2) (\$42) & White Board	513.05
50	Streakwave Wireless	Network Radios (4)	232.95
51	US Geological Survey (USGS)	1/3 Share FY13 Gallagher Stream Gauge Maintenance (Budget \$7,700)	7,525.00

Seq	Payable To	For	Amount
52	Verizon Wireless	July CIMIS Station Data Transfer Fee	19.08
53		Cafeteria Plan - Child Care Reimbursement	400.00
		TOTAL DISBURSEMENTS	<u>400.00</u>
			<u>\$975,924.09</u>

The foregoing payroll and accounts payable vouchers totaling \$975,924.09 are hereby approved and authorized for payment.

 7/31/12
 Auditor-Controller Date

 7/31/2012
 General Manager Date

NORTH MARIN WATER DISTRICT CHECK REQUEST

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

PAYEE: FRAITES, RICK 50 FORREST RD NOVATO, CA 94947	DATE <i>7/15/12</i> TOTAL <i>100.00</i>
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PURPOSE: DIRECTOR'S FEE

CHARGE TO:

DISPOSITION OF CHECK


MAIL TO PAYEE

HOLD FOR

OTHER

REQUESTED BY _____

APPROVED TO PAY BY _____

Prepared By <i>med</i>	Accounting Review	POST DATE <i>7/15</i>	Vendor No FRAI01	 NORTH MARIN WATER DISTRICT
Invoice Number <i>CKRQ071012</i>	Invoice Date <i>7/15/12</i>	Invoice Amount <i>100.00</i>		
NMWD Comment <i>North Bay Watered Bus Meeting - 7/6 (+100)</i>				
Job Number	GL Account	Amount		
	56001.01.11	<i>100.00</i>		
		TOTAL <i>100.00</i>		

MaryAnn Dowden

From: Renee Roberts
Sent: Tuesday, July 10, 2012 8:12 AM
To: MaryAnn Dowden
Subject: FW: Meeting attendance compensation request

From: Rick Fraites [mailto:ricfraites@aol.com]
Sent: July 09, 2012 7:41 PM
To: Renee Roberts
Subject: Meeting attendance compensation request


Renee:

I am requesting the usual compensation for representing the NMWD at the July 6, 2012 meeting of the North Bay Watershed Association. The meeting was held at the Novato Sanitary District office.

Thank you,

Rick Fraites
ricfraites@aol.com

MEMORANDUM

To: Board of Directors
From: David L. Bentley, Auditor-Controller 
Subj: Employer Assisted Housing Program
t:\ac\word\personnel\emp loans\eahp review.docx

August 3, 2012

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None

In 1992 the District adopted an Employer Assisted Housing Program. The Program's goal was to increase the number of employees living within the District service territory, thereby enabling a rapid response to emergencies affecting the operation of the District. At the time of adoption, only 6 employees (12% of the workforce) lived in Novato, two of which were renting, and two employees lived in Point Reyes Station.

The Program allows a 15-year loan to an employee of up to \$300,000, not exceeding 50% of the purchase price, to purchase of a home within the service territory. A minimum 5% down payment is required. Security for the loan is a second deed of trust. Repayment is due upon sale, termination of employment, or other event as described in the Program. Interest on the loan is the lesser of the District's proportional share of appreciation in property value, or the rate earned on the District's investment portfolio.

Since inception twelve loans have been made. Four have been fully repaid. The eight loans outstanding total \$1,441,785. The District's Liability Contingency Reserve Fund is the funding source, with a cumulative loan authorization limit set at \$1,500,000.

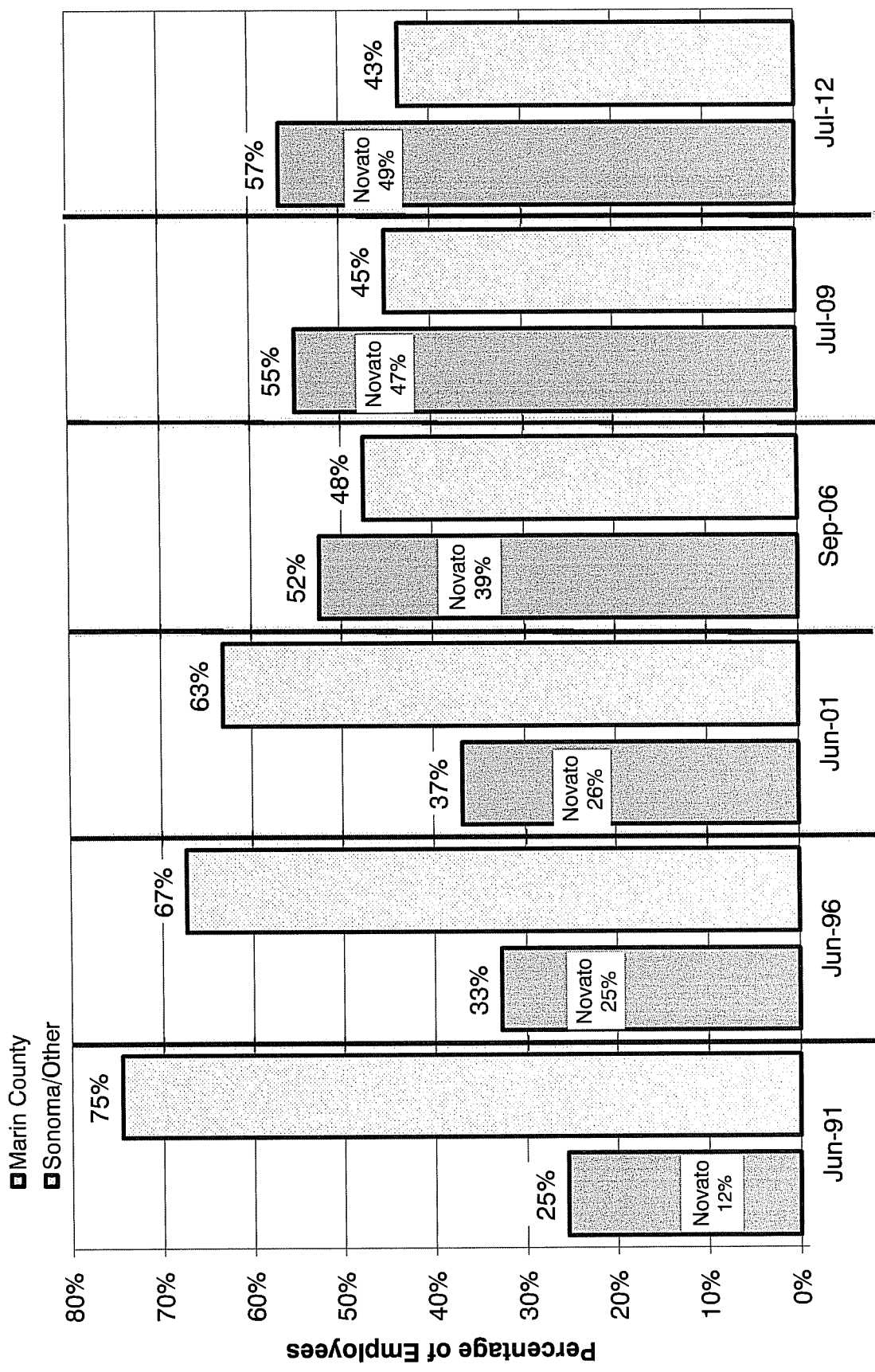
The Program (Table 1) identifies 16 employee classifications targeted as desirable to reside within the service territory to respond to emergencies. The initial residence goal at inception was 17 employees, with an ultimate goal of 22 employees, to adequately fill the 16 emergency response classifications. Today 26 employees (49% of the workforce) live in Novato, and 24 of them are in the 16 targeted classifications. We also have two employees living in the West Marin Water service area. There remain three targeted classifications without an employee residing in the service territory.

The District's outside financial auditor has asked that the FY12 financial statement recognize the potential impairment of the \$1.44 million loan portfolio arising from the decline in market value of the homes financed. Assuming all eight homes were sold today, the District calculates it could face a loss of up to \$390,000, and will write-down the second deed of trust portfolio value accordingly. As the housing market recovers, the District will recognize a gain on the portfolio until it returns to full value.

The last loan in 2010 virtually depleted the \$1.5 million funding authorization limit. The program is therefore essentially suspended until one of the existing loans is repaid.

\\server\administration\ac\excel\housing\temp by city.xls chart1

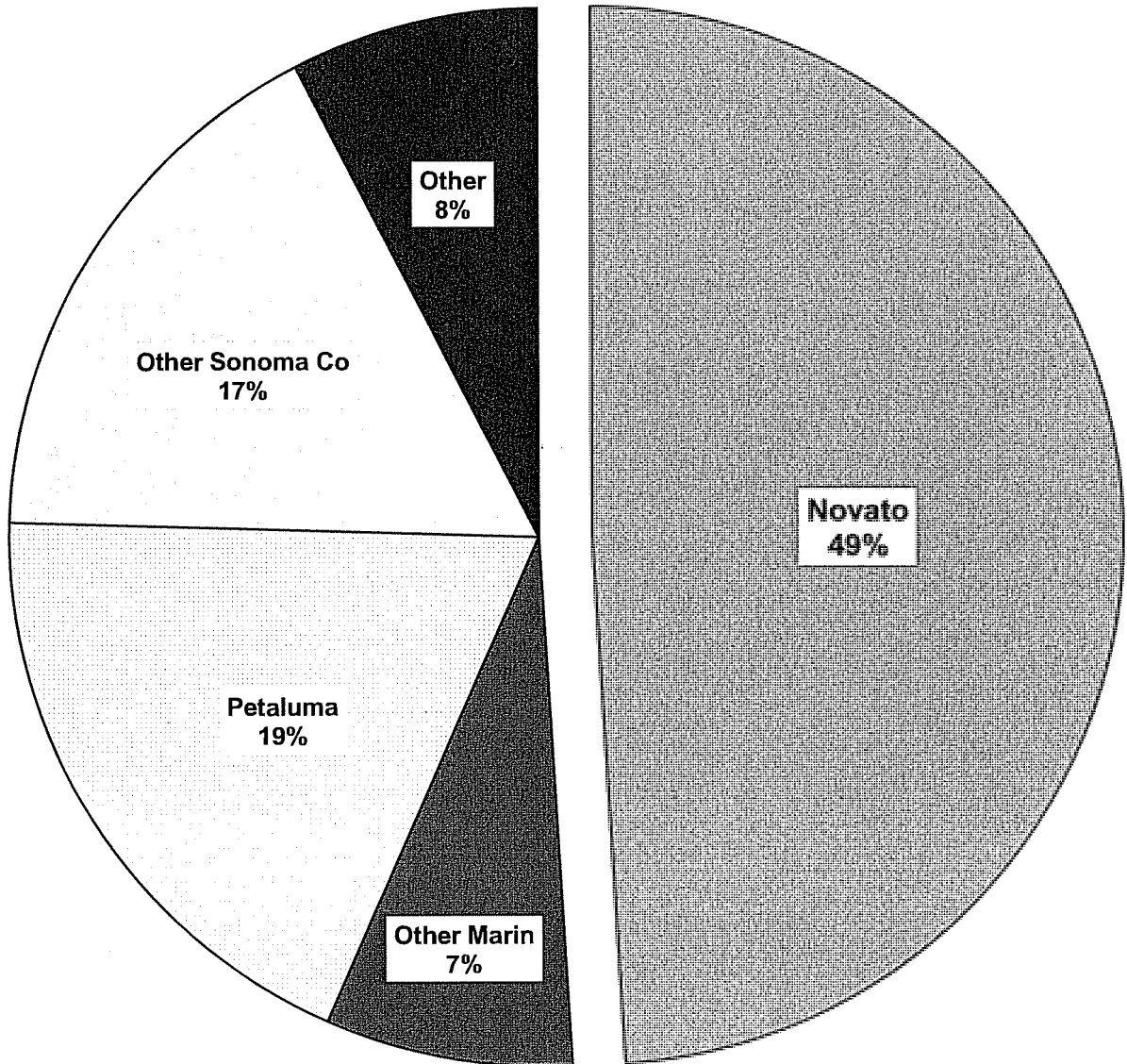
NMWD Employee Residence by County - History



Employer Housing Assistance Program adopted 1992

7/27/12

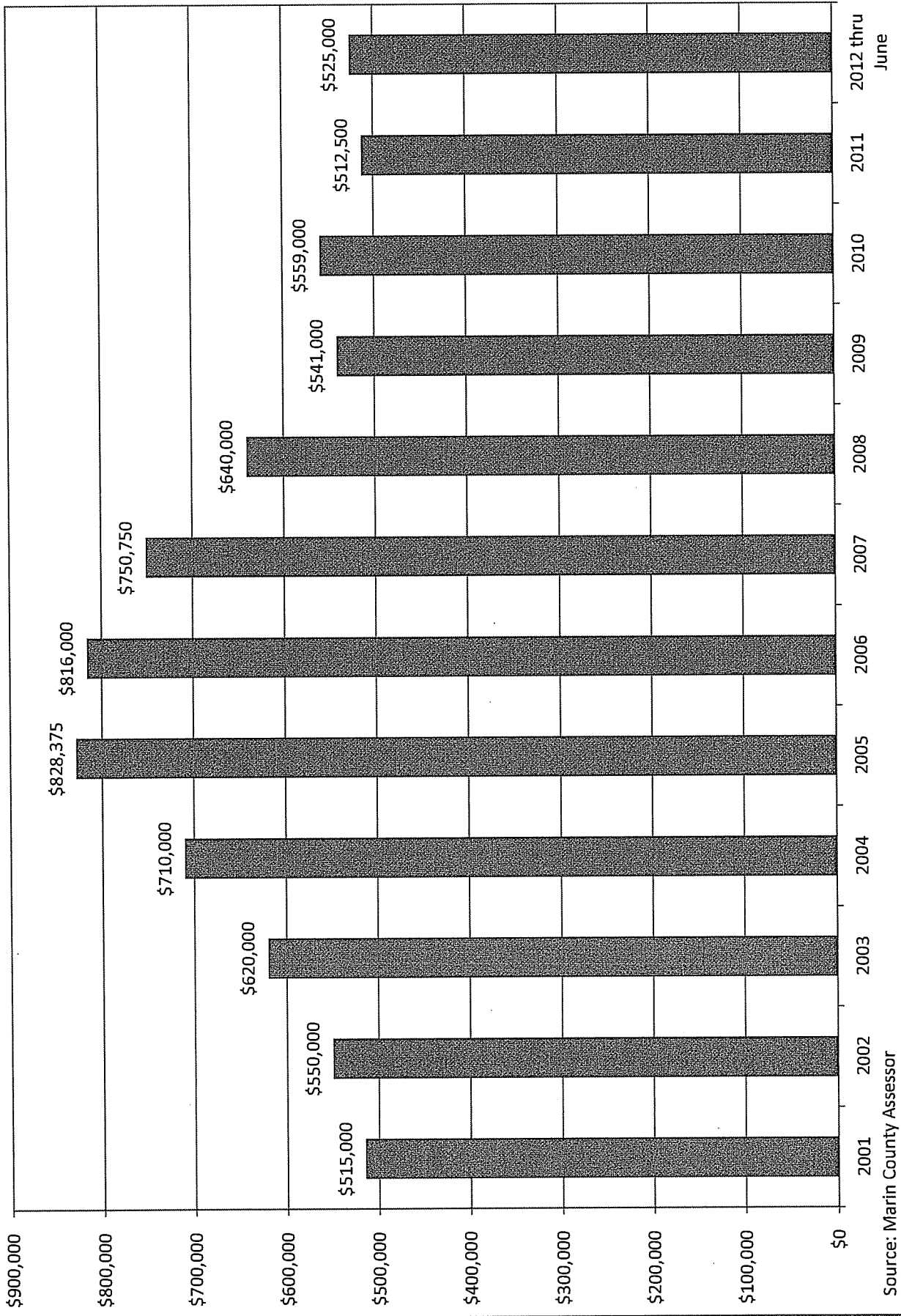
NMWD Employee Residence 53 Employees July 2012



7/26/12

t:\ac\excel\personeel\housing\novato median sale price history.xlsx\data

Novato Single-Family Detached Home Median Sale Price



Source: Marin County Assessor

NORTH MARIN WATER DISTRICT

**POLICY: EMPLOYER ASSISTED HOUSING PROGRAM
FOR EMPLOYEES OF NORTH MARIN WATER DISTRICT**

BOARD POLICY NUMBER: 42

Original Date: 1992
Last Revised: 8/5/08

1. Objective of Program. NMWD may make loans to full-time regular employees for the purpose of purchase of a home located within the District service territory that will enable the employee to respond rapidly to emergencies affecting the operation of the District.

2. Source of Funding. Loans granted under this program will be funded from the District's Liability Contingency Reserve Fund. The cumulative principal amount of all outstanding loans may not exceed One Million Five Hundred Thousand Dollars.

3. District Control of Assistance. Whether to provide financial assistance in any specific home purchase and the amount, terms and conditions of loans are within the discretion of the Board of Directors. Such assistance is voluntary on the part of the District, is not a matter of right of any employee and is at all times subject to the availability and allocation of District funds. If the District determines at any time that it is not beneficial to the District to continue this program, it may be terminated. In the event the program is revised or terminated, existing loans outstanding will remain in effect in accordance with the terms and conditions of the promissory note previously executed.

4. Loan Conditions.

A. Loans shall be made for the sole purpose of paying a part of the purchase price of the fee title to a dwelling with-in the District service territory. "Dwelling," means a single-family residence or condominium unit that shall be the principal residence of the employee.

B. For market rate housing, the loan shall be evidenced by the promissory note of the employee secured by a second deed of trust on the property. For below market rate "workforce" housing such as Meadow Park in Novato, the loan shall be evidenced by the promissory note of the employee secured by a deed of trust on the property that will be subordinate to the interests of the primary lender and of the Redevelopment Agency of the City

of Novato or the City of Novato. The District's interest under the deed of trust shall be insured by a title company acceptable to the District at the expense of the employee.

C. The employee shall enter into an agreement with the District to participate when requested by the District in the District's standby duty, and when within ten miles of the District headquarters, carry a pager or cellular phone at all times and be available to respond to emergencies upon call.

5. Terms of Note, Market Rate Housing.

A. Amount. The principal amount of the loan shall be determined by the District and shall not exceed any of the following:

- (1) \$300,000;
- (2) 50% of the purchase price or appraised value of the property as the District shall elect, appraisals to be made at the employee's expense by an appraiser approved by the District;
- (3) The difference between the purchase price (or appraised value as the District shall elect) less the employee's down payment and the amount owing on the first deed of trust.

B. Interest. The interest owed on the note may be calculated using either of the two following methods at the employee's discretion:

- (1) The interest owed on the note shall be contingent upon and directly proportional to the appreciation in value occurring on the property. In the event there is no appreciation, no interest will be due. Appreciation is defined as the difference between the purchase price and the sale price (net of broker's commission and County transfer tax, if any) of the property. The District may, at its option, use the appraised value of the property to calculate the appreciation. Said appraisal shall be made at the employee's expense by an appraiser approved by the District.
- (2) The interest owed on the note shall be the amount of interest revenue foregone by the District on the note amount over the period of the loan based on the District's investment portfolio yield

as reported in the Auditor-Controller's Monthly Report of Investments. Said amount of interest revenue foregone shall be solely determined by the District.

C. Maturity. The principal amount of the note and interest thereon shall be due and payable in full upon the first of the following events to occur:

- (1) The sale or rental of the property secured thereby.
- (2) One hundred sixty (160) days after the employee ceases to be a full-time resident of the property.
- (3) One hundred sixty (160) days after receipt of notice of, and failure to cure, breach of any provisions of the promissory note.
- (4) One hundred sixty (160) days after the date of termination of the employee's full-time employment.
- (5) The employee, in the judgment of the District, fails to satisfactorily carry out the terms of the agreement noted in Section 4(c).
- (6) Refinancing of the first deed of trust with cash out.
- (7) Fifteen years from the date of the note.

D. Employee Down payment. The employee shall make a down payment equal to a minimum of 5% of the purchase price of the property.

E. Sale or Refinancing. Upon sale or refinancing of the property the District shall be entitled to the return of its original loan amount plus interest calculated using either of the two following methods at the employee's discretion.

- (1) Fifty percent of the appreciation, less one percent of the appreciation for each percent that the employee's down-payment exceeds five percent. In no event shall the District be entitled to less than 25% of the appreciation.
- (2) The amount of interest revenue foregone by the District on the note amount over the period of the loan based on the District's investment portfolio yield as reported in the Auditor-Controller's

Monthly Report of Investments. Said amount of interest revenue foregone shall be solely determined by the District.

6. Terms of Note, Below Market Rate Workforce Housing

A. Amount. The principal amount of the loan shall be determined by the District and shall not exceed any of the following:

- (1) \$150,000
- (2) 40% of the purchase price of the property;

B. Interest. The interest owed on the note shall be contingent upon and directly proportional to the appreciation in value occurring on the property. In the event there is no appreciation, no interest will be due. Appreciation is defined as the difference between the purchase price and the sale price (net of broker's commission and County transfer tax, if any) of the property. The District may, at its option, use the value of the property at maturity for Below Market Rate Workforce Housing set by the Redevelopment Agency of the City of Novato, the City of Novato, or County of Marin to calculate said appreciation.

- (1) The obligation to pay contingent deferred interest is subject to a superior right of the employee, upon termination of the loan, to receive repayment of money paid by the employee for purchase of the security property, including down payment, installment payment of mortgage principal, escrow fees, transfer taxes, recording fees, brokerage commissions, and similar costs of acquisition actually paid by the employee, and money paid by the employee for capital improvements to the security property, plus not less than the legal rate of interest on those cash payments.
- (2) The amount of contingent deferred interest shall not exceed that percentage of the appreciation in appraised fair market value of the security property that equals the District's proportionate share of the total initial equity in the security property. The amount of the total initial equity and of the District's share of the initial equity shall be agreed upon by the employee and the District at the time of executing the shared appreciation loan, and shall include the District's cash investment, the amount of fees waived by the

District (if any), and the value of in-kind contributions made by or on behalf of the District (if any). Funds borrowed by the employee, the repayment of which is secured by the security property, shall not be included in the calculation of total initial equity of the employee.

C. Maturity. The principal amount of the note and interest thereon shall be due and payable in full upon the first of the following events to occur:

- (1) The sale or rental of the property secured thereby.
- (2) Thirty (30) days after the employee ceases to be a full-time resident of the property.
- (3) Thirty (30) days after receipt of notice of, and failure to cure, breach of any provisions of the promissory note.
- (4) Thirty (30) days after the date of termination of the employee's full-time employment.
- (5) The employee, in the judgment of the District, fails to satisfactorily carry out the terms of the agreement noted in Section 4(c).
- (6) Refinancing of the first or second deed of trust with cash out.
- (7) Fifteen years from the date of the note.

D. Appreciation Distribution. Upon sale or refinancing of the property, due to the subordinate position of the District loan, the District's right to share in the appreciation is subject to the superior right of the superior public agency lender (i.e., the Redevelopment Agency of the City of Novato or the City of Novato in the case of Meadow Park) and the borrower, as defined in the loan documents for the said superior public agency loan. Subject to these limitations, the District shall be entitled to the return of its original loan amount plus a percentage of the appreciation, proportionate to the share of the original loan amount pursuant to 6. B. above to the original purchase price of the property.

7. Application for Loans. Employees and prospective employees may request loans for housing assistance. Loans may be made to the applicants who the District determines to be the most valuable for meeting typical emergencies experienced by the District in operating its water and wastewater systems. In making final selections for employee housing loans it shall

be the goal of ultimately achieving assemblage of the ideal integrated emergency response force comprised of the skills and/or positions shown in Table 1. It is planned that an initial goal be achieved within five years of the date this revised program is first adopted and the ultimate goal within fifteen to twenty years.

8. Capital Improvements by Employee. If the employee wishes to make capital improvements to the property costing in excess of five thousand dollars, written approval by the District's General Manager must be obtained in advance. Capital improvements for Below Market Rate Workforce Housing at Meadow Park must be pre-approved by the Redevelopment Agency of the City of Novato or the City of Novato. If the District approves the capital improvement, the amount expended by the employee, evidenced by receipts, will be reimbursed to the employee at the time the note is repaid in full to the District. Said reimbursement amount shall be deducted from the appreciation amount prior to the distribution of appreciation as specified in Sections 5.E and 6.D.

TABLE 1

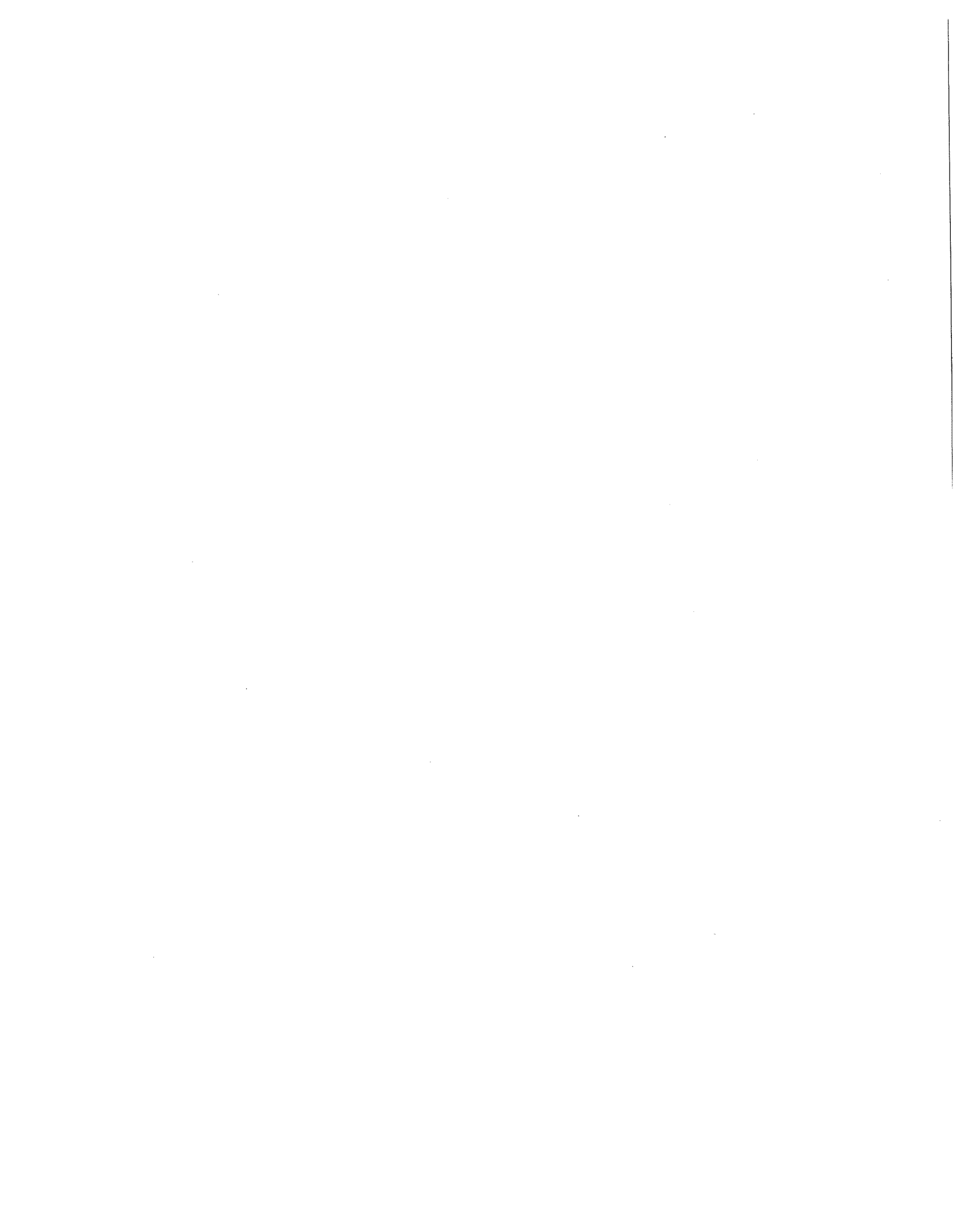
Classification	7/27/12 Existing	Ultimate Goal	Initial Goal
General Manager	1	1	1
Chief Engineer	1	1	1
Ops/Maintenance Superintendent		1	1
Operations Superintendent	N/A	1	1
Construction Superintendent		1	1
Auditor-Controller	1	1	1
Distribution & Treatment Plant Supervisor	1	1	1
Heavy Equipment Operator (Expertise)	1	1	1
Pipeline Foreman	2 ¹	1	1
Pipeworker, Pipeworker Apprentice, Laborer or other employees who are trained for and <u>regularly</u> perform standby duty	5	4	2
Any Electrical/Mechanical Classification	1	2	1
Any Certified Treatment Plant Operator Classification	3 ²	2	1
Any Professional Engineer	1 ³	1	1
Any Engineering Tech Position		2	1
Any Chemist or Lab Tech Classification	3 ⁴	1	1
Any Clerical Position	6	1	1
TOTAL	26	22	17

¹ 1 Renting

² Distribution & Treatment Plant Supervisor is also a Certified Treatment Plant Operator

³ General Manager & Chief Engineer are also licensed Professional Engineers

⁴ 2 Renting



BOD MISC/Post



P 303.347.6100 F 303.730.0851

www.WaterRF.org

6666 W. Quincy Ave., Denver CO 80235-3098

RECEIVED

AUG 02 2012

North Marin Water District

July 30, 2012

Chris DeGabriele
North Marin Water District
999 Rush Creek Place
Novato, CA 94945-2426

Dear Mr. DeGabriele:

Sonoma County Water Agency recently renewed your 2012 subscription to the Water Research Foundation. Through the support and participation of organizations like yours, the Foundation can continue to provide research solutions to the current and future challenges faces by the drinking water community.

The Foundation serves as the hub of the biggest international network of water providers, industry consultants, universities, laboratories, regulators, and public health agencies focused on safe, available, and affordable drinking water. Your organization plays an important role in this centralized research effort.

We encourage you to take full advantage of the benefits available to you as a Water Research Foundation subscriber. These include:

- Full access to research results and resources available at www.WaterRF.org
- Free access to live and "on-demand" webcasts and in-person workshops
- Opportunities to provide input into the development the Foundation's research agenda
- Access to the Foundation's extensive network of researchers and drinking water experts
- Participation in research projects or serve on planning and peer review committees
- Ability to submit proposals for specific research efforts, including Tailored Collaboration projects
- Subscription to our monthly e-publications and quarterly journal, *Drinking Water Research*

As a token of appreciation, we are pleased to send you the enclosed 2012 certificate of participation. You may display it proudly, knowing that you and your organization are supporting the discovery of new information and best practices that make a real difference in improving public health.

If you have any suggestions or questions about the afore-mentioned opportunities or our research efforts, please do not hesitate to contact me. The Foundation honors your support and is committed to providing you with scientifically sound knowledge that is critically important to the ever-changing needs of the drinking water community.

Sincerely,

Robert C. Renner, P.E., B.C.E.E.
Executive Director

RCR:kcp:68



SUBSCRIPTION CERTIFICATE 2012

North Marin Water District

*in recognition of your support of
advancing the science of water*

Subscriber Since

1987

Marin agencies dealing with musty-tasting tap water

Posted:

marinij.com

Water coming out of taps in some areas of Marin has been tasting, well, a little funky lately.

Not to worry: The water is safe to consume, but the recent warm weather has caused algae to bloom and then decay in the Nicasio reservoir and Stafford Lake in Novato, resulting in the musty taste.

"Nicasio, because it is shallow, has a tendency to have more algae in the summer when it is warm out," said Libby Pischel, a spokeswoman for the Marin Municipal Water District.

Though the water is sent to a treatment plant, the algae — known as *oscillatoria* — produces an unpleasant taste or odor that cannot be fully removed.

The San Geronimo and Ross valleys might notice the musty taste most, Pischel said, although it has been noticed in San Rafael as well.

The Marin Municipal Water District has received several calls about the water and crews were at the Nicasio reservoir on Monday applying copper sulfate to the water to reduce the growth of the algae. The water may stay musty for awhile, depending on the weather.

"But the taste in the water should dissipate over the next few days," Pischel said.

The district uses water out of the Nicasio reservoir in the summer in order to draw down supplies so when it rains in the fall there is room for the runoff. It is typically mixed with water from another reservoir, Kent Lake, then delivered to customers after being treated. The Marin Municipal Water District serves 190,000 customers from Sausalito to San Rafael.

The North Marin Water District, which serves 60,000 customers in Novato and parts of West Marin, has also been battling algae this summer. North Marin began using water from Stafford Lake on July 1 to augment its supply from the Russian River.

The district has a solar-powered device to churn the water to keep it fresh, but algae is still prevalent and the off-taste has been noticeable, said Chris DeGabriele, water district general manager.

"It has been a challenge this year, but it seems to be getting better," DeGabriele said. "Lakes are living bodies; each year, each season and even each day is different."

DeGabriele theorizes the lack of late spring rains led to less runoff into the lake, which made it more stagnant. The taste issue has been most notable in central Novato, the area where the general manager lives.

"I know exactly what is going on with the lake when I turn on my tap in the morning," DeGabriele said.

Contact Mark Prado via email at mprado@marinij.com

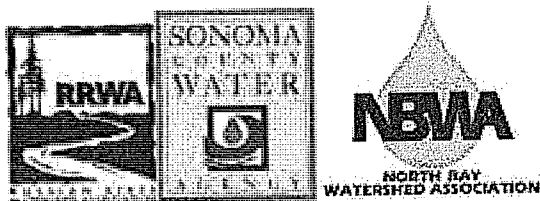
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Chris DeGabriele

From: Brad Sherwood [Brad.Sherwood@scwa.ca.gov]
Sent: Tuesday, July 24, 2012 1:20 PM
Subject: Sonoma County Water Agency press release: Watershed Public Education Television Series Debuts



Sonoma County Water Agency PRESS RELEASE

For Immediate Release
July 24, 2012

CONTACT:

Brad Sherwood
Public Information Officer
707.547.1927 (Office)
707.322.8192 (Cell)
sherwood@scwa.ca.gov

Watershed Public Education Television Series Debuts

Series seeks to educate public on importance of watersheds, stewardship

(Santa Rosa, CA) A new multi-part public education television series called *Do You Live in a Watershed?* debuted July 9th on Sonoma County public television station KRCB. The series, underwritten by the Sonoma County Water Agency, North Bay Watershed Association and Russian River Watershed Association, explores nine North Bay watersheds and their role in our environment and everyday lives. The segments may also be viewed online at www.ourwatershedstories.com.

“The goal of this public education series is to increase community awareness about what a watershed is and how it functions as a part of a dynamic environment; additionally it will provide information on how to best protect our watersheds using a variety of pollution prevention strategies,” said Water Agency Chairwoman Shirlee Zane. “I am so happy to see this partnership come together to produce an entertaining and informative public education tool.”

North Bay Watershed Association Chairman and Marin Municipal Water District Board Member Jack Gibson added, “The North Bay Watershed Association is pleased to partner in this educational effort. It is important that residents know that we all live in a watershed and our daily activities have an impact on our waterways. Without that knowledge, no one can make an informed decision to change a behavior that can help protect our watersheds.”

Russian River Watershed Chairman and City of Rohnert Park Mayor Jake Mackenzie said, “This series is a must see for the summer. The brief, informative segments will take you on a journey through time that will inform you how our watersheds have evolved and how we can all work together to protect them. No matter what watershed you live in, we all have a role in protecting and preserving them.”

The ninety-second television segments spotlight the following watersheds and waterways in ten chapters:

- Segment 1: The Russian River
- Segment 2: Dry Creek
- Segment 3: Santa Rosa Creek
- Segment 4: Laguna de Santa Rosa
- Segment 5: Novato Creek
- Segment 6: Petaluma River
- Segment 7: Napa River
- Segment 8: Sonoma Creek
- Segment 9: Dutch Bill Creek
- Chapter 10: Answers the general question "What is a Watershed?"

The North Bay Watershed Association is a group of 16 regional and local public agencies located throughout Marin, Sonoma, and Napa counties committed to crafting a set of regional approaches to the problems and issues associated with managing watersheds. For more information, visit nbwatershed.org.

The Russian River Watershed Association is a coalition of nine cities, counties and special districts in the Russian River Watershed that have come together to coordinate regional programs for clean water, fisheries restoration and watershed enhancement. For more information, visit rrwatershed.org.

KRCB Public Television broadcasts from studios in Rohnert Park, California on digital channels 22.1, 22.2 & 22.3 and is seen over-the-air throughout much of the San Francisco Bay Area. KRCB is also seen on Channel 22 via Comcast Cable, AT&T U-verse, DISH and DirecTV satellite services across the entire San Francisco Bay Area.

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The Sonoma County Water Agency is working to secure our future by investing in our water resources, community and environment. The Water Agency provides water supply, flood protection and sanitation services for portions of Sonoma and Marin counties. Visit us on the Web at www.sonomacountywater.org.

Thank you,
Brad Sherwood
Public Information Officer
Public Affairs Department
Sonoma County Water Agency
Phone: 707.547.1927
Mobile: 707-322-8192
Fax: 707.528.2080
404 Aviation Blvd.
Santa Rosa, CA 95403

Working to secure our future by investing in our water resources, environment and community

