



**NORTH MARIN
WATER DISTRICT**

**NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING**
August 21, 2018 – 6:00 p.m.
District Headquarters
999 Rush Creek Place
Novato, California

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**Est.
Time**
6:00 p.m.

Item

Subject

CALL TO ORDER

1. ***APPROVE MINUTES FROM REGULAR MEETING***, August 7, 2018
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***
5. ***MONTHLY PROGRESS REPORT***
6. ***PRELIMINARY FY 2017/2018 FINANCIAL STATEMENT***

CONSENT CALENDAR

The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.

7. ***Consent – Approve:*** Atherton Avenue Land Division Renewal of Letter Agreement with the Novato Fire Protection District – APN 143-350-44, 45 and 46

ACTION CALENDAR

8. ***Approve:*** Dump Truck Replacement Authorization
9. ***Approve:*** Revised Chief Engineering Job Description

INFORMATION ITEMS

10. PG&E Wildfire Safety Program
11. WAC/TAC Meeting Update – August 6, 2018
12. NBWRA Meeting Update – July 23, 2018
13. ***MISCELLANEOUS***
Disbursements – Dated August 9, 2018
Disbursements – Dated August 16, 2018

All times are approximate and for reference only.

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

(Continued)

Est. Time	Item	Subject
		NMWD Candidates who have Filed Papers for Office – November 11, 2018 Election 2015 Stafford Dam Inundation Map Scrap Metal Receipts
		<u>News Articles:</u> Water efficiency is...sheet mulching together Salinity Intrusion Notice (Pt. Reyes Light) – August 9, 2018 Key races shaping up in Marin Tax on California water revived to clean up drinking water – but it's voluntary
	14.	CLOSED SESSION: Conference with Labor Negotiators (Joe Wiley, Christopher Boucher, Drew McIntyre and Julie Blue) to Provide Direction, California Government Code Section 54957)
7:30 p.m.	15.	ADJOURNMENT

1

DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
August 7, 2018

CALL TO ORDER

President Fraites called the regular meeting of the Board of Directors of North Marin Water District to order at 6:01 p.m. at the District Headquarters and the agenda was accepted as presented. Present were Directors Jack Baker, Rick Fraites, Michael Joly, James Grossi, and Stephen Petterle. Also present were General Manager Drew McIntyre, District Secretary Terrie Kehoe, Auditor-Controller Julie Blue and Chief Engineer Rocky Vogler.

District employees, Robert Clark (Maintenance/Operations Superintendent), and Tony Arendell (Construction/Maintenance Superintendent) were also in attendance.

Novato Resident's Mary Miller and Tina McMillan were in the audience.

MINUTES

On motion of Director Baker, seconded by Director Petterle the Board approved the minutes from the July 17, 2018 meeting as presented by the following vote:

AYES: Director Baker, Fraites, Grossi, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: None

GENERAL MANAGER'S REPORT

During the General Manager's report, Mr. McIntyre requested that the closed session item be continued to the next meeting as there was nothing to report at this time. Mr. McIntyre also announced that there was an article in the Marin Independent Journal today (handout provided) in reference to the Novato Creek Fish Habitat Study item that was presented to the Board at the last meeting and that KPIX (CBS) Channel 5 interviewed him on that same subject today. Mr. McIntyre stated that he, Mr. Vogler and Director Baker attended the WAC/TAC meeting held on August 6th, and the next Marin County Flood Control Zone 1 Advisory Board meeting will be held on Thursday, August 16. Director Baker asked if there was any action to move forward with another bond proposal for flood protection funding and Mr. McIntyre responded not at this time. Director Grossi commented that there is probably no real chance of getting any bond measure passed until there is a flood.

1 **OPEN TIME**

2 President Fraites asked if anyone in the audience wished to bring up an item not on the
3 agenda and there was no response.

4 **STAFF/DIRECTORS REPORTS**

5 President Fraites asked if staff or Directors wished to bring up an item not on the agenda
6 and the following items were discussed:

7 During the Staff and Director's Report, Ms. Kehoe reminded the Board that the deadline to
8 submit their paperwork to the Marin County Elections Department is August 10th. Ms. Blue
9 announced that our Accounting/HR Supervisor resigned and that our recently retired Accounting/HR
10 Supervisor, Dianne Landeros, is filling in for us temporarily. Mr. Clark informed the Board of a leak
11 that was found in the Gallagher Well Pipeline and that higher use of the Coast Guard Wells during
12 this period resulted in elevated salinity intrusion levels. In addition, Mr. Clark reported that we had a
13 large leak from a 10-inch main line break at the north-east corner of the Ignacio Hwy 101 overpass,
14 which resulted in a loss of over a million and a half gallons of water. Director Joly asked if it was
15 unusual to get leaks of that size. Mr. Clark responded that leaks of this magnitude are very rare, but
16 added that staff is looking at possible changes to our SCADA system so that we are alerted when
17 there is a substantial leak. Mr. Arendell also stated that the leak was in a remote location and was
18 brought to our attention by a SMART train conductor. Director Baker wanted to know the cause of
19 the leak and Mr. Arendell stated we have not yet determined the cause, but it is in an area that has
20 had multiple previous repairs. Mr. Vogler added that the volume of lost water increased due to the
21 fact that there was a parked car over one of the isolation valves and Novato Police had to have the
22 car towed. Director Joly asked if there was anything we can learn from this. Mr. Vogler replied that
23 we are updating our Master Plan and focusing on vulnerable areas. Director Baker wondered if
24 there was a way to prevent people from parking over the valves. Mr. Clark stated that there are too
25 many valves to consider any reasonable plan of prevention.

26 **CONSENT CALENDAR**

27 On the motion of Director Petterle, and seconded by Director Joly the Board approved the
28 following items on the consent calendar by the following vote:

29 AYES: Director Baker, Fraites, Grossi, Joly and Petterle

30 NOES: None

31 ABSTAIN: None

32 ABSENT: None

1 **WATER AGREEMENT – ALL SAINTS LUTHERAN CHURCH-2 SAN MARIN DRIVE, NOVATO-**
2 **DAY CARE BUILDING**

3 The Board approved the Water Service Agreement for All Saints Lutheran Church to
4 construct a new single-story 2,700 square foot structure to serve as a new location for the existing
5 day care. This agreement will provide a new 4-inch fire protection service to the building.

6 **SYNAGRO WWT, INC – ENVIRONMENTAL SERVICES AGREEMENT**

7 The Board approved the Environmental Services Agreement with Synagro WWT, Inc. for the
8 Oceana Marin Pond Dredging and Solids Disposal project. The agreement provides for the
9 removal/dewatering of bio-solids and then off haul for land disposal.

10 **REVISED POLICY NUMBER 22**

11 The Board adopted the revised District Policy 22, Mission and Vision Statements based on
12 the June 19, 2018 Board approved 2018 Strategic Plan.

13 **ACTION CALENDAR**

14 **REQUEST FOR ADDITIONAL BILL ADJUSTMENT – 4 KRISTY COURT**

15 As presented by Ms. Blue, Mary Miller requested a bill adjustment to reduce her \$791 water
16 bill incurred over a two month period. Ms. Blue stated that Ms. Miller had previously been granted a
17 \$271 bill adjustment during the billing period of June 2017 and July 2017. There were two additional
18 leaks discovered during the period of mid-April through Mid-June 2018. Under Board Policy, only
19 one adjustment is allowed in any consecutive 24-month period. Ms. Blue added that to be
20 consistent with the treatment of other customers, staff recommends no additional bill adjustment be
21 granted. Ms. Miller stated that at the time of the first leak she was not aware of it until she received
22 her bill. She asked if there was a way she could be informed if she had the leak prior to receiving
23 the bill, however, at that time there was no other option available. In the case of the current leak she
24 asked if there was an earlier means of detection, and Ms. Blue offered to have one of our new AMI
25 meters installed. Ms. Miller stated that she had no control of the leak and she felt the District should
26 share in the expense. Director Baker stated that he is sympathetic to her situation and hoped that
27 the new AMI device will help in the future. He stated that with rare exception, the Board always
28 follows Board Policy. Ms. Miller asked what the Board would have done to prevent this leak if it was
29 theirs. Director Baker stated that our responsibility stops at the meter and beyond that it is the
30 responsibility of the owner. Ms. Miller stated that she felt the system is shared. Director Petterle
31 replied that this is not a joint responsibility and had the leak been in the middle of the street, on the
32 District side, we would not consider her personally responsible to pay any part of the cost.

1 On motion of Director Baker, seconded by Director Grossi the Board denied the bill
2 adjustment for 4 Kristy Court by the following vote:

3 AYES: Director Baker, Fraites, Grossi

4 NOES: Director Joly, Petterle

5 ABSTAIN: None

6 ABSENT: None

7 **INFORMATION ITEMS**

8 **WATER STORAGE CAPACITY UPDATE**

9 Mr. Vogler advised the Board that the October 2017 wildfires in Sonoma County prompted
10 the City of Santa Rosa and other local agencies to examine their adopted strategies related to
11 maintaining water storage for potable demand and emergency requirements which includes
12 firefighting. Mr. Vogler explained that the District's water storage criteria is comprised of three
13 components: operations, fire and emergency. Mr. Vogler stated that we are advised of the goals for
14 emergency water storage requirements by both the Novato Fire Protection District and Marin County
15 Fire Department. He added that commercial areas need a higher fire flow rate when compared to
16 residential areas and this impacts the amount of storage needed. Director Baker wanted to know if
17 we were looking at tanks individually or system wide and how we evaluate their storage needs. Mr.
18 Vogler replied that we monitor tank levels system wide each day and that elevated levels are
19 maintained right now because there is high fire danger. Director Grossi was interested in the
20 capacity of the aqueduct. Mr. Clark stated total demand is currently averaging about 12 million
21 gallons a day with 9 MGD from the aqueduct and 3 MGD from Stafford Treatment Plant. Director
22 Joly asked if Stafford Lake was accessible to firefighting, and also who pays for the water used out
23 of the hydrants. Director Grossi stated that the lake is accessible, as he has seen helicopters dip
24 into it during fire events. Mr. Vogler responded that in the case of fire we supply the water as a
25 community service, if however, a contractor were to use the hydrant for construction purposes they
26 would be required to pay.

27 **AMI PROJECT UPDATE**

28 Mr. Clark reported that the Advanced Meter Infrastructure (AMI) project officially began on
29 March 19 with the Ferguson staff at three employees and it has now grown to ten field staff working
30 on the project. He commented that the Ferguson staff has converted over 9000 services to the new
31 AMI system and the project is currently 38% complete and about three weeks behind schedule. He
32 advised that it is still anticipated that Ferguson will be complete by the end of the year with 24,430
33 service conversions. Director Joly asked if we anticipate going over the 5.5 million budget, and

1 wanted to know what the percentage was of customers who chose to opt out of the AMI program to-
2 date. Ms. Blue responded that no budget increase is anticipated at this time and the Opt-Out
3 percentage is currently less than one percent. Mr. Clark added that the AMI meters are very useful
4 to alert staff of leaks when they happen, however this benefit is creating an increase in time
5 commitments for customer service staff.

6 **FY18 STAFFORD DAM ACTIVITIES REPORT**

7 Mr. McIntyre provided a FY18 review of Stafford Dam (aka Novato Creek Dam No. 88)
8 activities. Mr. McIntyre explained that the primary function of the dam is to capture run-off water for
9 distribution to NMWD customers. He added that the Dam, under the jurisdiction of the California
10 Division of Safety of Dams (DSOD), is classified as an Extremely High Hazard Dam based on its
11 size and the potential for loss of life and property should the dam fail. Mr. McIntyre advised that
12 DSOD performed their annual inspection on March 8, 2018 and their report was very complementary
13 and reflects positively on the good work undertaken by staff. He commented that DSOD is now
14 charged with reviewing inundation maps/EAPs for over 500 dams owned by local agencies and that
15 DSOD staff is actively reviewing NMWD's inundation map based on recent communication. Director
16 Joly asked why Stafford Dam is ranked as an Extremely High Hazard Dam. Mr. McIntyre responded
17 that the ranking is based on the fact that a catastrophic event could affect over 1000 customers;
18 however, this ranking is not an indication of the vulnerability of the Dam itself. Director Joly
19 requested that the inundation map be available for review so that he can get a better understanding
20 of where the water flow would go. Director Grossi asked if the inundation map was related to FEMA
21 flood maps and Mr. McIntyre replied no.

22 **MISCELLANEOUS**

23 The Board received the following miscellaneous items: Disbursements Dated July 19, July 26
24 and August 2, 2018 and New Water-Use Efficiency Legislation-Impact on Agriculture.

25 The Board also received the following news articles: Coast Guard Housing Update, PG&E,
26 others must notify its customers before cutting power, California funds new dams to protect against
27 future drought, Santa Rosa stumped by hilltop water system overwhelmed in Tubbs fire, Pension
28 fund earnings up, but crushing debts remain, Notice of Inviting Sealed Bids-Las Gallinas Valley
29 Sanitary District, Quake off Novato jolts county from inland to coast, North Bay Water Reuse
30 Authority Announces Notice of Availability of Final EIR/EIS Phase 2.

31 **ADJOURNMENT**

President Fraites adjourned the Board meeting at 7:01 p.m. as the scheduled closed session item was continued to the next meeting since there was no additional information to report at this time.

Submitted by

Theresa Kehoe
District Secretary

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NORTH MARIN WATER DISTRICT
MONTHLY PROGRESS REPORT FOR July 2018
August 21, 2018

Item #5

1.						
Novato Potable Water Prod - RR & STP Combined - in Million Gallons - FYTD						
Month	FY18/19	FY17/18	FY16/17	FY15/16	FY14/15	19 vs 18 %
July	367	331	310	227	319	11%
West Marin Potable Water Production - in Million Gallons - FY to Date						
Month	FY18/19	FY17/18	FY16/17	FY15/16	FY14/15	19 vs 18 %
July	10.4	9.5	7.9	6.6	8.6	10%
Stafford Treatment Plant Production - in Million Gallons - FY to Date						
Month	FY18/19	FY17/18	FY16/17	FY15/16	FY14/15	19 vs 18 %
July	79	113	70	108	83	-30%
Recycled Water Production* - in Million Gallons - FY to Date						
Month	FY18/19	FY17/18	FY16/17	FY15/16	FY14/15	19 vs 18 %
July	30.0	27.7	27.1	21.3	21.8	8%
*Excludes potable water input to the RW system: FY19=9.2MG; FY18=15.35MG; FY17=1.4MG; FY16=7.4MG; FY15=6.9MG						
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2. Stafford Lake Data

	July Average	July 2017	July 2018
Rainfall this month	0.01 Inches	0 Inches	0 Inches
Rainfall this FY to date	0.01 Inches	0 Inches	0 Inches
Lake elevation*	187.7 Feet	188.9 Feet	184.7 Feet
Lake storage**	841 MG	913 MG	678 MG

* Spillway elevation is 196.0 feet

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

Temperature (in degrees)

	Minimum	Maximum	Average
July 2017 (Novato)	52	107	74
July 2018 (Novato)	51	99	72

3. Number of Services

July 31	Novato Water			Recycled Water			West Marin Water			Oceana Marin Swr		
	FY19	FY18	Incr %	FY19	FY18	Incr %	FY19	FY17	Incr %	FY18	FY17	Incr %
Total meters installed	20,756	20,779	-0.1%	70	50	40.0%	790	788	0.3%	-	-	-
Total meters active	20,542	20,546	0.0%	66	47	40.4%	782	781	0.1%	-	-	-
Active dwelling units	24,018	24,003	0.1%	0	0	-	831	830	0.1%	232	231	0.4%

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4. Oceana Marin Monthly Status Report (July)

Description	July 2017	July 2018
Effluent Flow Volume (MG)	0.644	0.659
Irrigation Field Discharge (MG)	0	0
Treatment Pond Freeboard (ft)	7.5	6.8
Storage Pond Freeboard (ft)	6.3	7.8

5. Developer Projects Status Report (July)

Job No.	Project	% Complete	% This month
1.2784.00	Novato Village (801 State Access)	95	10
1.2800.00	Novato Theatre	100	1
1.2815.00	86 Hamilton Dr. FS	100	5
1.2812.00	Chase Bank FS & Hydrant	100	5
1.2817.01	College of Marin – Admin Bldg. 11	99	50
1.2817.02	College of Marin – Organic Farm	10	10

District Projects Status Report - Const. Dept. (July)

Job No.	Project	% Complete	% This month
1.7161.00	Ridge Rd. Pipe Replacement	95	5

Employee Hours to Date, FY 18/19

As of Pay Period Ending July 31, 2018

Percent of Fiscal Year Passed = 8%

Developer Projects	Actual	Budget	% YTD Budget	District Projects	Actual	Budget	% YTD Budget
Construction	8	1,400	1%	Construction	344	4,654	7%
Engineering	91	1,404	6%	Engineering	206	3,370	6%

6. Safety/Liability

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Industrial Injury with Lost Time				Liability Claims Paid	
Lost Days	OH Cost of Lost Days (\$)	No. of Emp. Involved	No. of Incidents	Incurred (FYTD)	Paid (FYTD) (\$)
0	\$0	0	0	2	\$804
1	\$336	1	1	0	\$0

FY 19 through July

FY 18 through July

Days without a lost time accident through July 31, 2018

277 Days

7. Energy Cost

FYE	kWh	June ¢/kWh	Cost/Day	Fiscal Year-to-Date thru June kWh	¢/kWh	Cost/Day
2018 Stafford TP	80,554	19.7¢	\$530	701,085	19.6¢	\$376
Pumping	150,187	20.5¢	\$1,028	1,424,591	20.9¢	\$816
Other*	44,046	27.7¢	\$420	495,498	24.9¢	\$338
	274,787	21.4¢	\$1,978	2,621,174	21.3¢	\$1,531
2017 Stafford TP	78,259	19.2¢	\$500	679,266	19.1¢	\$355
Pumping	149,442	20.8¢	\$1,005	1,218,239	20.4¢	\$682
Other*	44,289	28.1¢	\$415	495,351	24.3¢	\$330
	271,990	21.5¢	\$1,920	2,392,856	20.9¢	\$1,367
2016 Stafford TP	69,127	18.6¢	\$429	624,919	18.5¢	\$316
Pumping	139,454	20.3¢	\$944	1,151,101	18.7¢	\$590
Other*	40,953	26.9¢	\$368	467,246	23.2¢	\$298
	249,533	20.9¢	\$1,741	2,243,266	19.6¢	\$1,204

*Other includes West Marin Facilities

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8. Water Conservation Update

	Month of July 2018	Fiscal Year to Date	Program Total to Date
High Efficiency Toilet (HET) Rebates	8	8	3890
Retrofit Certificates Filed	14	14	6084
Cash for Grass Rebates Paid Out	4	4	907
Washing Machine Rebates	1	1	6782
Water Smart Home Survey	29	29	3235

9. Utility Performance Metric

SERVICE DISRUPTIONS (No. of Customers Impacted)	July 2018	July 2017	Fiscal Year to Date 2018	Fiscal Year to Date 2017
PLANNED				
Duration Between 0.5 and 4 hours	11	6	11	6
Duration Between 4 and 12 hours	*83	3	83	3
Duration Greater than 12 hours				
UNPLANNED				
Duration Between 0.5 and 4 hours	13	2	13	2
Duration Between 4 and 12 hours				
Duration Greater than 12 hours				
SERVICE LINES REPLACED				
Polybutylene	17	10	17	10
Copper (Replaced or Repaired)	3		3	

*82 on main break at Montego Keys

NORTH MARIN WATER DISTRICT

Summary of Complaints & Service Orders July 2018

8/3/2018

<u>Type</u>	<u>Jul-18</u>	<u>Jul-17</u>	<u>Action Taken July 2018</u>
<u>Consumers' System Problem</u>			
Service Line Leaks	22	23	Notified Consumer
Meter Leak Consumer's Side	10	0	Notified Consumer
House Plumbing	2	0	Notified Consumer
Seepage or Other	2	0	Notified Consumer
House Valve / Meter Off	20	2	Notified Consumer
Nothing Found	30	8	Notified Consumer
Low Pressure	2	0	Pressure @ 30 PSI. Debris in line. Pressure @ 40 PSI. Debris in line.
High Pressure	0	1	~
Water Waster Complaints	1	0	Notified Consumer
Total	89	34	
<u>Service Repair Reports</u>			
Register Replacements	1	0	Replaced
Meter Replacement	5	3	Replaced
Box and Lids	1	0	Replaced
Water Off/On Due To Repairs	12	6	Notified Consumer
Misc. Field Investigation	12	3	Notified Consumer
Total	31	12	
<u>Leak NMWD Facilities</u>			
Service- Leak	14	7	Repaired
Services-Nothing Found	1	1	Notified Consumer
Fire Hydrant-Leak	0	2	~
Fire Hydrants-Nothing Found	1	0	~
Meter Replacement	1	0	Repaired
Meter Leak	6	0	~
Meters-Nothing Found	1	0	Notified Consumer
Washer Leaks	4	3	Repaired
Total	28	13	
<u>High Bill Complaints</u>			
Consumer Leaks	9	12	Notified Consumer
Meter Testing	1	0	Notified Consumer
Meter Misread	2	0	Notified Consumer
Nothing Found	12	25	Notified Consumer
Total	24	37	
<u>Low Bill Reports</u>			
Total	0	0	

NORTH MARIN WATER DISTRICT

Summary of Complaints & Service Orders July 2018

8/3/2018

Type	Jul-18	Jul-17	Action Taken July 2018
<u>Water Quality Complaints</u>			
Taste and Odor	1	0	<i>Customer reported bad sulfar smell. (Windwalker Wy)</i> Odor not detected in samples. Customer was notified of results.
Suspended Solids	0	1	
Other	3	2	<i>Customer wanted chlorine check. (Carmel Dr)</i> Chlorine normal for NMWD supply. Customer was notified of results. <i>Customer reported warm water from cold tap. (Ashland Dr)</i> Warm water may be due to exposed filter plumbing outside the house. Customer was notified. <i>Customer wanted chlorine check. (Marblehead Ln)</i> Chlorine normal for NMWD supply. Customer was notified of results.
Total	4	3	
<u>TOTAL FOR MONTH:</u>	<u>176</u>	<u>99</u>	<u>78%</u>
<u>Fiscal YTD Summary</u>			<u>Change Primarily Due To</u>
Consumer's System Problems	89	34	162% Increase In Nothing Found
Service Repair Report	31	12	158% Increase In Misc. Field Investigation
Leak NMWD Facilities	28	13	115% Increase In Meter Leaks
High Bill Complaints	21	37	-43% Decrease In Nothing Found
Low Bills	0	0	~ ~
Water Quality Complaints	4	3	33% Increase in Taste/Odor
Total	<u>173</u>	<u>99</u>	<u>75%</u>

NORTH MARIN WATER DISTRICT

Summary of Complaints & Service Orders July 2018

8/3/2018

<u>Type</u>	<u>Jul-18</u>	<u>Jul-17</u>	<u>Action Taken July 2018</u>
<u>"In House" Generated and Completed Work Orders</u>			
<u>Check Meter:</u> possible consumer/District leak, high bill, flooded, need read, etc.	193	281	
<u>Change Meter:</u> leaks, hard to read	10	3	
<u>Repair Meter:</u> registers, shut offs	5	0	
<u>Replace Boxes/Lids</u>	2	1	
<u>Hydrant Leaks</u>	1	0	
<u>Trims</u>	10	8	
<u>Dig Outs</u>	43	42	
	264	335	

Bill Adjustments Under Board Policy:

July 18 vs. July 17

Jul-18	34	\$8,321
Jul-17	10	\$10,653

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MEMORANDUM

To: Board of Directors

August 17, 2018

From: Julie Blue, Auditor-Controller *JB*
Nancy Holton, Senior Accountant *NH*

Subj: Auditor-Controller's Monthly Report of Investments for July 2018
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RECOMMENDED ACTION: Information

FINANCIAL IMPACT: None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$17,264,717 and a market value of \$17,229,763. During July the cash balance increased by \$2,128,291 due primarily to receipt of \$2.3 million in Recycled Water Central SRF Loan and Grant Funds. The market value of securities held decreased \$34,955 during the month. The ratio of total cash to budgeted annual operating expense stood at 98%, up 1% from the prior month.

At July 31, 2018, 35% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), 26% in Time Certificates of Deposit, 12% in Federal Agency Securities, 20% in US Treasury Notes, 6% in the Marin County Treasury, and 2% retained locally for operating purposes. The weighted average maturity of the portfolio was 209 days, compared to 219 days at the end of June. The LAIF interest rate for the month was 1.94%, compared to 1.85% the previous month. The weighted average Portfolio rate was 1.78%, compared to 1.64% the previous month.

NORTH MARIN WATER DISTRICT
AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS
July 31, 2018

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis ¹	7/31/2018 Market Value	Yield ²	% of Portfolio
LAIF	State of CA Treasury	AA-	Various	Open	\$5,990,078	\$5,978,858	1.94% ³	35%
Time Certificate of Deposit								
TCD	BMO Harris Bank	n/a	8/18/16	8/17/18	248,000	248,000	1.05%	1%
TCD	Ally Bank	n/a	10/4/16	9/28/18	248,000	248,000	1.15%	1%
TCD	Everbank	n/a	11/17/16	11/15/18	248,000	248,000	1.20%	1%
TCD	Investors Bank	n/a	12/16/16	12/17/18	248,000	248,000	1.35%	1%
TCD	Morgan Stanley Private Bank	n/a	11/22/17	5/22/19	248,000	248,000	1.60%	1%
TCD	Capital One Bank	n/a	7/19/17	7/19/19	247,000	247,000	1.70%	1%
TCD	Capital One NA	n/a	8/9/17	8/9/19	247,000	247,000	1.70%	1%
TCD	American Express FSB	n/a	9/6/17	9/6/19	247,000	247,000	1.75%	1%
TCD	Goldman Sachs Bank USA	n/a	10/11/17	10/11/19	247,000	247,000	1.70%	1%
TCD	Morgan Stanley Bank	n/a	11/9/17	11/12/19	247,000	247,000	1.75%	1%
TCD	American Express Centurion	n/a	12/5/17	12/5/19	247,000	247,000	1.90%	1%
TCD	Sallie Mae Bank	n/a	1/10/18	1/10/20	247,000	247,000	2.20%	1%
TCD	Discover Bank	n/a	2/13/18	2/24/20	247,000	247,000	2.35%	1%
TCD	Wells Fargo Bank	n/a	3/28/18	3/30/20	248,000	248,000	2.55%	1%
TCD	Citibank	n/a	4/11/18	4/13/20	246,000	246,000	2.55%	1%
TCD	UBS Bank	n/a	5/30/18	6/1/20	249,000	249,000	2.70%	1%
TCD	Enerbank	n/a	6/18/18	5/18/20	249,000	249,000	2.75%	1%
TCD	BMW Bank	n/a	6/15/18	6/15/20	246,000	246,000	2.75%	1%
					\$4,454,000	\$4,454,000	1.93%	26%
US Treasury Notes								
Treas	1.375%	n/a	11/17/16	12/31/18	\$1,001,359	\$996,719	1.05%	6%
Treas	1.500%	n/a	1/10/17	2/28/19	1,001,540	995,508	1.24%	6%
Treas	1.380%	n/a	1/10/18	7/31/19	497,535	494,668	1.88%	3%
Treas	2.250%	n/a	7/26/18	3/31/20	994,885	993,633	2.57%	6%
					\$3,495,320	\$3,480,528	1.65%	20%
Federal Agency Securities								
FHLB	1.625% MTN	n/a	11/21/17	6/14/19	999,693	992,815	1.70%	6%
FFCB	2.00 MTN%	n/a	4/12/18	5/8/19	999,087	997,022	2.24%	6%
					\$1,998,780	\$1,989,837	1.97%	12%
Other								
Agency	Marin Co Treasury	AAA	Various	Open	\$957,605	\$957,605	0.75%	6%
Other	Various	n/a	Various	Open	368,934	368,934	0.41%	2%
TOTAL IN PORTFOLIO					\$17,264,717	\$17,229,763	1.78%	100%

Weighted Average Maturity = **209 Days**

LAIF: State of California Local Agency Investment Fund.

TCD: Time Certificate of Deposit, Treas: US Treasury Notes with maturity of 5 years or less.

FHLB: Federal Home Loan Bank, FFCB: Federal Farm Credit Bank

Agency: STP State Revolving Fund Loan Reserve.

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

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

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

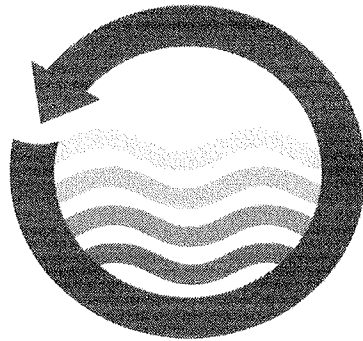
³ Earnings are calculated daily - this represents the average yield for the month ending July 31, 2018.

Interest Bearing Loans	Loan Date	Maturity Date	Original Loan Amount	Principal Outstanding	Interest Rate
StoneTree Golf Loan	6/30/06	2/28/24	\$3,612,640	\$1,302,617	2.40%
Marin Country Club Loan	1/1/18	11/1/47	\$1,265,295	\$1,241,101	1.00%
Marin Country Club Loan	1/1/18	11/1/27	\$430,463	\$405,354	2.80%
Employee Housing Loans (6)	Various	Various	1,209,200	1,209,200	Contingent
TOTAL INTEREST BEARING LOANS			\$6,517,598	\$4,158,272	

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

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NORTH MARIN WATER DISTRICT



FINANCIAL STATEMENT FISCAL YEAR 2017-18

**PRELIMINARY
June 30, 2018**

NORTH MARIN WATER DISTRICT FINANCIAL STATEMENTS TABLE OF CONTENTS

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MEMORANDUM

To: Board of Directors, Drew McIntyre

August 17, 2018

From: Julie Blue, Auditor-Controller

Subj: Information – FY17/18 Preliminary June Financial Statement

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FISCAL YEAR PERFORMANCE COMPARED TO THE ANNUAL BUDGET

CONSOLIDATED SUMMARY	Jun-18	FY17/18	FY17/18	FYTD /
Actual vs. Budget	Actual	Actual YTD	Budget	Budget %
Operating Revenue	\$2,880,561	\$22,091,667	\$19,692,000	112%
Operating Expense	1,917,411	18,817,981	19,150,000	98%
Non-Operating Revenue / (Expense)	(99,590)	(357,103)	(345,000)	104%
Net Income / (Loss)	\$863,561	\$2,916,582	\$197,000	1480%
Other Sources / (Uses)*	(2,909,710)	2,092,740	(833,000)	-
Cash Increase / (Decrease)	(\$2,046,150)	\$5,009,322	(\$636,000)	-

* See Page 8.

For the fiscal year 2017-2018, the District generated a net income of \$2,916,582 and saw a net cash decrease of \$5,009,322. Operating Revenue came in 12% over budget and Operating Expense came in 1% under budget. \$11,060,354 (62%) of the Capital Improvement Projects Budget was expended this fiscal year. At June 30, 2018, \$2,270,095 in loan and grant funds was owed the District for the Recycled Water Distribution System expansion to Central Novato. In June the District's cash balance decreased \$2,046,150. At year end the ratio of total cash to budgeted annual operating expense (sans depreciation) stood at 97%.

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

NOVATO WATER	Jun-18	FY17/18	FY16/17	FY18 vs 17
Year over Year Comparison	Actual	Actual YTD	Actual YTD	Up/(Down)
Operating Revenue	\$2,483,639	\$20,019,787	\$16,984,885	18%
Operating Expense	1,725,781	17,042,338	16,748,581	2%
Other Income / (Expense)	(62,386)	(299,457)	(149,417)	100%
Net Income / (Loss)	\$695,471	\$2,677,991	\$86,887	2982%
Active Accounts	20,543	20,543	20,544	(0%)
Consumption (MG)	238	2,523	2,317	9%
Average Commodity Rate / 1,000 gal (net)	\$8.06	\$6.00	\$5.40	11%
Income / (Loss) / Active Account	\$33.85	\$130.36	\$4.23	2982%
Income / (Loss) / 1,000 Gal	\$2.92	\$1.06	\$0.04	2731%
Connection Fee Revenue	\$48,600	\$1,387,000	\$973,385	42%
FRC Transfer (to)/from Recycled Water	(\$236,628)	(\$5,482,654)	\$0	0%
Caltrans Capital Contribution	\$0	\$1,314	\$4,750,845	(100%)
MMWD AEEP Capital Contribution	\$0	\$245,000	\$245,000	0%
Developer 'In-Kind' Contributions	\$23,151	\$311,666	\$538,616	(42%)

Consumption for the fiscal year was 9% more than the prior year. Total operating revenue, which includes wheeling and other miscellaneous service charges, increased 18% (\$3,034,901) from the prior year due to the consumption increase and the 5% rate increase effective June 1, 2017. Total operating expense was flat compared to last year or 2% (\$293,757) more. The Stafford Treatment Plant

produced 646 MG this fiscal year at a cost of \$3,436/MG¹ versus \$2,720/MG³ from SCWA. The budget for Stafford is 750 MG at a cost of \$2,944/MG.

Staff time (hours) charged to Novato operations was 2% less than last year. Salary and benefit cost was \$6,407,424, which was 97% of the \$6,572,000 budget for Novato operations.

The fiscal year net income (which includes non-operating items such as interest revenue and expense) of \$2,677,991 compares to a budgeted net income for the year of \$213,000 and to a net income of \$86,887 for the prior year. \$7,009,463 (68%) of the Novato Water Capital Improvement Project Budget was spent versus \$1,460,706 (18%) for the prior year. \$1,387,000 in connection fees have been collected (\$780,000 is budgeted). Connection Fee reserves totaling \$5,482,654 were transferred this fiscal year to the Recycled Water Fund to cover the debt service and working capital requirements for expansion of the RW distribution system. The Novato Connection Fee Reserve has a net deficit of \$11,750,759 arising from transfers to the RW Fund in advance of Connection Fee receipts. That deficit will be reimbursed by future Connection Fee revenue and future recycled water loan and grant fund receipts. The Novato cash balance decreased \$1,983,421 in June, and stood at \$9,556,005 at year end, compared to a budgeted projection of \$7,000,000 at fiscal year-end.

<u>NOVATO RECYCLED</u>	Jun-18	FY17/18	FY16/17	FY18 vs 17
Year over Year Comparison	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$214,331	\$946,330	\$728,534	30%
Operating Expense	119,075	870,304	824,236	6%
Other Income / (Expense)	(32,953)	(168,246)	(241,787)	(30%)
Net Income / (Loss)	<u>\$62,303</u>	<u>(\$92,221)</u>	<u>(\$337,489)</u>	(73%)
Active Accounts	66	66	47	40%
Consumption (MG)	24.2	150.9	133.7	13%
Average Commodity Rate / 1,000 gal (net)	\$5.52	\$5.52	\$5.20	6%
Deer Island Production (MG)	3.4	11.0	6.2	78%
Novato Sanitary Production (MG)	22.4	108.0	92.1	17%
Las Gallinas Production (MG)	0.0	35.9	45.5	(21%)

150.9 MG was delivered to RW customers this fiscal year, 13% more than the prior year. Operating revenue was 30% more than last year due to the June 1, 2017 5% rate increase and the consumption increase. Total operating expense was \$46,068 (6%) more than the prior year. The recycled water was produced at a cost of \$2,588/MG² (including potable water consumed) versus \$2,720/MG³ from SCWA. The budgeted production cost of recycled water is \$2,725/MG. As recently reported, the District has been unable to receive recycled water from Las Gallinas Valley Sanitary District due to a malfunction associated with their UV disinfection system. This issue is not expected to be resolved until the end of August and in the interim the District has been supplying recycled water customers in our South Service Area with potable water.

The fiscal year net loss of \$92,221 compares to a budgeted net loss for the year of \$209,000 and a net loss of \$337,489 for the prior year. \$3,835,425 (59%) of the Capital Improvement Project Budget has been expended this fiscal year. In June, no Recycled Water Central Area Expansion Grant Funds were received and used to reimburse the Novato Potable Water Fund for connection fees advanced to provide cash flow for the expansion project.

¹ Stafford production cost = TP op expense (\$1,405,972) + SRF loan interest (\$254,401) + plant depreciation (\$559,217) / 646 MG produced

² Recycled Water production cost = purchase water cost (\$249,001) + treatment expense (\$18,547) + Deer Island RW Facility SRF loan interest (\$57,718) + Deer Island plant depreciation (\$115,919) / 170.5 MG produced

³ SCWA production cost per MG = O&M charge (\$2,202) + debt service charge (\$154) + Russian River conservation charge (\$325) + Russian River projects charge (\$40)

<u>WEST MARIN WATER</u>	<u>Jun-18</u>	<u>FY17/18</u>	<u>FY16/17</u>	<u>FY18 vs 17</u>
<u>Year over Year Comparison</u>	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$161,049	\$885,060	\$773,468	14%
Operating Expense	58,083	687,611	719,931	(4%)
Other Income / (Expense)	(4,864)	46,385	25,669	81%
Net Income / (Loss)	<u>\$98,102</u>	<u>\$243,834</u>	<u>\$79,205</u>	208%
Active Accounts	783	783	780	0%
Consumption (MG)	7.7	67.4	61.6	9%
Average Commodity Rate / 1,000 gal (net)	\$18.94	\$10.40	\$9.70	7%
Income/ (Loss) / Active Account	\$125.29	\$311.41	\$101.55	207%
Income / (Loss) / 1,000 Gal	\$12.81	\$3.62	\$1.29	181%
Connection Fee Revenue	\$0	\$68,400	\$30,800	122%

Consumption for the fiscal year was 67.4 MG, 9% more than prior year. Operating revenue of \$885,060 was \$111,592 (14%) more than last year. The consumption decrease as well as \$18,926 in bill adjustments were offset by a 5% rate increase effective July 1, 2017.

Operating expenditures were \$32,320, or 4% less than the previous year. The expenditure decrease is offset in part by the unanticipated \$11,175 rehab cost of the Gallagher Well. The fiscal year net income of \$243,834 compares to a budgeted annual net income of \$138,000 and to a net income of \$79,205 for the prior year. \$171,349 (25%) of the Capital Improvement Project Budget was expended this fiscal year, and \$68,400 in connection fees were collected (\$23,000 is budgeted). The West Marin Water cash balance decreased \$43,201 in June, and stood at \$1,520,158 at year end, compared to a budgeted projection of \$942,000 at June 30, 2018.

<u>OCEANA MARIN SEWER</u>	<u>Jun-18</u>	<u>FY17/18</u>	<u>FY16/17</u>	<u>FY18 vs 17</u>
<u>Year over Year Comparison</u>	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$21,542	\$240,490	\$216,589	11%
Operating Expense	14,471	217,728	223,350	(3%)
Other Income / (Expense)	613	64,215	60,707	6%
Net Income / (Loss)	<u>\$7,684</u>	<u>\$86,977</u>	<u>\$53,946</u>	61%
Active Accounts	232	232	231	0%
Monthly Sewer Service Charge	\$86	\$86	\$78	10%
Income / (Loss) / Active Account	\$33.12	\$374.90	\$233.53	-

Operating revenue of \$240,490 was 11% more than the previous year due to the 10% rate increase effective July 1, 2017. Operating expenditures were 3% (\$5,622) less than the previous year. The fiscal year net income of \$86,977 compares to a budgeted annual income of \$49,000 and to a net income of \$53,946 for the prior year. 21% of the Capital Improvement Project Budget has been expended this fiscal year.

No connection fees have been collected (\$30,000 is budgeted). The Oceana Marin cash balance increased \$64,409 in June and stood at \$572,867 at year end, compared to a budgeted projection of \$342,000 at June 30, 2018.

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING JUNE 30, 2018**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
ASSETS					
Cash & Investments					
Unrestricted/Undesignated Cash	\$1,248,643	\$0	\$0	\$747,840	\$500,803
Restricted Cash (Note 1)					
Connection Fee Fund	\$102,317	\$0	\$0	\$102,317	\$0
Wohler Pipeline Financing Fund	415,728	415,728	0	0	0
Collector #6 Financing Fund	1,634,579	1,634,579	0	0	0
Revenue Bond Redemption Fund	30,000	0	0	30,000	0
Bank of Marin Project Fund	483,261	35,367	0	447,894	0
AMI Project Loan Fund	1,522,104	1,522,104	0	0	0
Deer Island RWF Replacement Fund	1,350,870	0	1,350,870	0	0
Capital Replacement & Expansion Fund	1,198,480	0	1,198,480	0	0
Tax Receipts Held in Marin Co Treasury	544	0	0	534	10
STP SRF Reserve-Marín Co Treasury	957,060	957,060	0	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	255,373	0	255,373	0	0
Designated Cash (Note 2)					
Self-Insured Workers' Compensation Fund	158,362	125,895	8,840	17,573	6,054
Retiree Medical Benefits Fund	4,096,026	4,096,026	0	0	0
Maintenance Accrual Fund	802,916	802,916	0	0	0
Operating Reserve Fund	267,281	0	27,281	174,000	66,000
Total Cash	\$15,137,844	\$9,589,676	\$3,455,143	\$1,520,158	\$572,867
Gain/(Loss) on MV of Investments	(33,671)	(33,671)	0	0	0
Market Value of Cash & Investments	\$15,104,173	\$9,556,005	\$3,455,143	\$1,520,158	\$572,867
Current Assets					
Net Receivables - Consumers	\$1,501,894	\$1,226,952	\$180,523	\$91,372	\$3,048
Accrued Water Sales	3,005,744	2,707,428	206,813	91,503	0
Accounts Receivable-Other	384,017	87,598	296,420	0	0
RWS Central Expansion SRF Loan Rec	2,227,069	0	2,227,069	0	0
RWS Central Expansion Grant Rec	43,026	0	43,026	0	0
Prepaid Expense	719	0	0	0	719
Reimbursable Small Jobs	20,046	16,810	0	0	3,235
Interest Receivable	71,348	69,348	2,000	0	0
Inventories	471,314	471,314	0	0	0
Deposits Receivable	34,720	34,720	0	0	0
Total Current Assets	\$7,759,897	\$4,614,170	\$2,955,850	\$182,875	\$7,002

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING JUNE 30, 2018**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Loans Receivable					
Employee Loans (Note 3)	\$1,209,200	\$1,209,200	\$0	\$0	\$0
Due From Other Funds (Note 10)	0	0	0	0	0
Other Long Term Receivables (Note 4)	2,665,037	0	2,665,037	0	0
Loans Receivable	\$3,874,237	\$1,209,200	\$2,665,037	\$0	\$0
Property and Plant					
Land & Land Rights	\$1,473,091	\$1,368,872	\$0	\$103,411	\$808
Dam, Lake, & Source Facilities	5,596,039	5,103,627	0	492,412	0
Treatment Facilities	21,184,368	17,607,109	2,666,198	319,913	591,149
Storage Facilities	20,990,076	18,372,162	519,014	2,098,900	0
Transmission Facilities (16"+)	29,393,146	29,270,822	0	122,324	0
Distribution and Pumping Facilities	84,622,100	61,494,831	17,301,217	5,826,052	0
Sewer Mains, Pumps, & Laterals	1,203,097	0	0	0	1,203,097
Sub-Total	\$164,461,917	\$133,217,424	\$20,486,428	\$8,963,012	\$1,795,054
Less Accumulated Depreciation (Note 5)	(53,473,622)	(45,444,118)	(3,282,380)	(3,739,800)	(1,007,323)
Net Property and Plant	\$110,988,296	\$87,773,305	\$17,204,048	\$5,223,212	\$787,731
Buildings and Equipment (Note 6)					
Buildings	\$1,902,893	\$1,902,893	\$0	\$0	\$0
Office Equipment	699,286	699,286	0	0	0
Laboratory Equipment	238,460	238,460	0	0	0
Trucks & Automobiles	1,254,159	1,254,159	0	0	0
Construction Equipment	849,281	849,281	0	0	0
Tools, Shop Equipment	222,390	222,390	0	0	0
Sub-Total	\$5,166,470	\$5,166,470	\$0	\$0	\$0
Less Accumulated Depreciation (Note 5)	(4,034,078)	(4,034,078)	0	0	0
Net Buildings and Equipment	\$1,132,391	\$1,132,391	\$0	\$0	\$0
Construction In Progress					
Developer	\$548,380	\$548,380	\$0	\$0	\$0
District	24,001,910	7,795,352	15,622,938	447,726	135,894
Total Construction in Progress	\$24,550,290	\$8,343,732	\$15,622,938	\$447,726	\$135,894
Net Utility Plant	\$136,670,977	\$97,249,429	\$32,826,986	\$5,670,938	\$923,624
Deferred Outflow of Resources	\$2,931,861	\$2,931,861	\$0	\$0	\$0
TOTAL ASSETS	\$166,341,145	\$115,560,665	\$41,903,016	\$7,373,970	\$1,503,494

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING JUNE 30, 2018**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
LIABILITIES AND NET ASSETS					
Current Liabilities					
Trade Accounts Payable	\$2,636,163	\$2,498,459	\$76,628	\$0	\$61,076
Reimbursement Prog. Unclaimed Funds	26,685	15,585	0	11,100	0
Bond Debt Principal Payable-Current	24,000	0	0	24,000	0
Loan Debt Principal Payable-Current	1,198,210	402,132	796,078	0	0
Bank of Marin Principal Payable-Current	356,315	310,707	0	45,608	0
JP Morgan/Chase AMI Loan-Current	240,000	240,000	0	0	0
Bond/Loan Debt Interest Payable-Current	1,475	0	0	1,475	0
Accrued Interest Payable-SRF Loan	98,425	0	98,425	0	0
JP Morgan/Chase AMI Loan Interest Payable	36,435	36,435	0	0	0
Deposits/Performance Bonds	384,232	358,021	0	23,212	3,000
Unemployment Insurance Reserve (Note 8)	23,400	23,400	0	0	0
Workers' Comp Future Claims Payable	97,581	90,652	2,342	3,513	1,073
Payroll Benefits (Note 9)	736,486	676,429	20,301	30,451	9,305
Due To Other Funds (Note 10)	0	0	0	0	0
Deferred Revenue	339,307	331,342	297	7,451	217
Total Current Liabilities	\$6,198,713	\$4,983,161	\$994,070	\$146,811	\$74,671
Restricted Liabilities					
Construction Advances	\$296,784	\$286,084	\$10,000	\$0	\$700
Total Restricted Liabilities	\$296,784	\$286,084	\$10,000	\$0	\$700
Long Term Liabilities (Note 7)					
Bonds Outstanding - PR6 (FmHA)	\$35,000	\$0	\$0	\$35,000	\$0
Bonds Outstanding - PRE1 (FmHA)	13,000	0	0	13,000	0
JP Morgan/Chase AMI Loan Payable	4,360,000	4,360,000	0	0	0
STP Rehab SRF Loan	9,648,515	9,648,515	0	0	0
RWF SRF Loan	1,968,463	0	1,968,463	0	0
RWS North/South Expansion SRF Loan	7,197,587	0	7,197,587	0	0
RWS Central Expansion SRF Loan	6,968,170	0	6,968,170	0	0
Bank of Marin Loan	5,556,105	4,844,924	0	711,182	0
Net Pension Liability @ 6/30/16 (Note 17)	11,040,789	11,040,789	0	0	0
Retiree Health Benefits Payable (Note 2)	1,285,057	1,285,057	0	0	0
Total Long Term Liabilities	\$48,072,686	\$31,179,285	\$16,134,220	\$759,182	\$0
Deferred Inflow of Resources	655,355	655,355	0	0	0
TOTAL LIABILITIES	\$55,223,538	\$37,103,885	\$17,138,290	\$905,992	\$75,371

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING JUNE 30, 2018**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Net Assets					
Invested in Capital Assets					
Contributions in Aid of Construction	\$83,965,157	\$75,346,926	\$5,800,128	\$2,138,348	\$679,755
Grants in Aid of Construction	13,195,348	406,258	9,961,904	2,827,187	0
Connection Fees	39,935,391	26,175,448	11,863,434	1,355,202	541,308
Total Investment	\$137,095,897	\$101,928,632	\$27,625,465	\$6,320,737	\$1,221,063
Restricted Reserves					
Connection Fee Fund	(\$11,696,055)	(\$11,750,759)	\$0	\$102,317	(\$47,613)
Wohler Pipeline Financing Fund	415,728	415,728	0	0	0
Collector #6 Financing Fund	1,634,579	1,634,579	0	0	0
AMI Project Reserve Fund	1,522,104	1,522,104	0	0	0
Revenue Bond Redemption Fund	30,000	0	0	30,000	0
Bank of Marin Project Fund	483,261	35,367	0	447,894	0
Deer Island RWF Replacement Fund	1,350,870	0	1,350,870	0	0
Capital Replacement & Expansion Fund	1,198,480	0	1,198,480	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	255,373	0	255,373	0	0
Designated Reserves					
Maintenance Accrual Fund	4,415,681	4,415,681	0	0	0
Self-Insured Workers' Compensation Fund	451,450	425,911	6,498	14,060	4,981
Retiree Medical Benefits Fund	2,804,782	2,804,782	0	0	0
Operating Reserve Fund	385,000	0	145,000	174,000	66,000
Earned Surplus - Prior Yrs	(33,283,424)	(26,069,067)	(6,067,860)	(1,228,763)	82,266
Net Income/(Loss)	2,916,582	2,677,991	(92,221)	243,834	86,977
Transfer (To)/From Reserves (see below)	522,999	415,831	(271,178)	363,899	14,447
Total Restricted & Designated	(\$25,978,290)	(\$23,471,852)	(\$2,860,739)	\$147,241	\$207,060
TOTAL NET POSITION	\$111,117,607	\$78,456,780	\$24,764,726	\$6,467,978	\$1,428,123
Transfer (To)/From Reserves					
Connection Fee	1,210,228	1,192,599	0	(1,645)	19,274
AMI Project Fund	(1,522,104)	(1,522,104)	0	0	0
Liability Reserve	922,285	823,400	0	98,885	0
Maintenance Reserve	(100,000)	(100,000)	0	0	0
RWF Replacement Fund	(128,832)	0	(128,832)	0	0
Retiree Medical Insurance Fund	(75,289)	(75,289)	0	0	0
(Gain)/Loss Self-Insured WC Fund	104,147	96,452	2,654	3,868	1,174
Bank of Marin Project Fund	215,185	773	0	214,412	0
Conservation Incentive Rate Fund	42,712	0	0	42,712	0
Operating Reserve Fund	(145,333)	0	(145,000)	5,667	(6,000)
Total Transfer	\$522,999	\$415,831	(\$271,178)	\$363,899	\$14,447

**NORTH MARIN WATER DISTRICT
SOURCES AND USES OF FUNDS STATEMENT - ALL SERVICE AREAS COMBINED
FOR THE PERIOD ENDING JUNE 30, 2018**

	YTD Actual	Annual Budget	YTD/ Budget %	Prior YTD Actual
OPERATING REVENUE				
Water Sales	\$16,762,140	\$14,532,000	115%	\$13,801,864
Bimonthly Service Charge	4,564,228	4,562,000	100%	4,334,762
Sewer Service Charge	239,890	239,000	100%	215,989
SCWA Water Conservation Reimb.	0	0	-	0
Wheeling & Misc Service Charges	525,409	359,000	146%	350,861
TOTAL OPERATING REVENUE	\$22,091,667	\$19,692,000	112%	\$18,703,476
OPERATING EXPENDITURES				
Source of Supply	\$5,567,396	\$5,065,000	110%	\$4,579,359
Pumping	418,142	401,000	104%	351,342
Operations	958,400	810,000	118%	937,559
Water Treatment	2,339,998	2,340,000	100%	2,346,949
Sewer Service	150,985	143,000	106%	151,205
Transmission & Distribution	3,021,945	3,260,000	93%	3,223,236
Consumer Accounting	665,395	677,000	98%	676,189
Water Conservation	316,180	450,000	70%	371,455
General & Administrative	1,945,471	2,478,000	79%	2,462,393
Depreciation	3,434,069	3,526,000	97%	3,416,411
TOTAL OPERATING EXPENDITURES	\$18,817,981	\$19,150,000	98%	\$18,516,099
NET OPERATING INCOME (LOSS)	\$3,273,685	\$542,000	604%	\$187,377
NON-OPERATING REVENUE/(EXPENSE)				
Tax Proceeds	\$109,908	\$109,000	101%	\$107,089
Interest Revenue	229,045	161,000	142%	156,662
Miscellaneous Revenue	146,173	137,000	107%	208,048
Bond & Loan Interest Expense	(833,197)	(732,000)	114%	(757,781)
Miscellaneous Expense	(9,032)	(20,000)	45%	(18,847)
TOTAL NON-OP REVENUE/(EXPENSE)	(\$357,103)	(\$345,000)	104%	(\$304,829)
NET INCOME/(LOSS)	\$2,916,582	\$197,000	1480%	(\$117,451)
OTHER SOURCES/(USES) OF FUNDS				
Add Depreciation Expense	\$3,434,069	\$3,526,000	97%	\$3,416,411
Connection Fees	1,455,400	833,000	175%	1,034,585
Loan Proceeds	6,393,836	6,200,000	103%	1,899,538
Grant Proceeds	592,907	5,333,000	11%	5,061,105
Marin County Club Loan Principal Pmts	36,918	0	-	0
Caltrans AEEP Capital Contribution	1,314	0	-	4,750,845
StoneTree RWF Loan Principal	216,272	217,000	100%	211,153
MMWD AEEP Capital Contribution	245,000	245,000	100%	245,000
Capital Equipment Expenditures	(72,874)	(210,000)	35%	(218,846)
Capital Improvement Projects	(11,155,742)	(17,745,000)	63%	(12,269,775)
Bond & Loan Principal Payments	(1,432,445)	(1,802,000)	79%	(1,769,241)
Change in Working Capital	2,378,085	2,570,000	93%	(5,180,574)
TOTAL OTHER SOURCES/(USES)	\$2,092,740	(\$833,000)	-	(\$2,819,799)
CASH INCREASE/(DECREASE)	\$5,009,322	(\$636,000)	-	(\$2,937,250)

**NORTH MARIN WATER DISTRICT
INCOME STATEMENT AND CASH FLOW BY SERVICE AREA
FOR THE PERIOD ENDING JUNE 30, 2018**

SUMMARY INCOME STATEMENT		NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
	TOTAL				
Operating Revenue	\$22,091,667	\$20,019,787	\$946,330	\$885,060	\$240,490
Operating Expense	18,817,981	17,042,338	870,304	687,611	217,728
OPERATING INCOME/(LOSS)	\$3,273,685	\$2,977,448	\$76,026	\$197,449	\$22,762
Non-Operating Revenue/(Expense)	(357,103)	(299,457)	(168,246)	46,385	64,215
NET INCOME/(LOSS)	\$2,916,582	\$2,677,991	(\$92,221)	\$243,834	\$86,977
CAPITAL CONTRIBUTIONS					
SCWA Prop 84 Water Conserv Grant	\$47,618	\$47,618	\$0	\$0	\$0
RW Central Area Expansion Grant	545,290	0	545,290	0	0
Developer In-Kind Contributions	1,994,430	311,666	1,682,521	0	244
Caltrans AEEP Capital Contributions	1,314	1,314	0	0	0
MMWD Capital Contribution	245,000	245,000	0	0	0
Connection Fees	1,455,400	1,387,000	0	68,400	0
FRC Transfer	0	(5,482,654)	5,482,654	0	0
CAPITAL CONTRIBUTIONS	\$4,289,052	(\$3,490,055)	\$7,710,464	\$68,400	\$244
CHANGE IN NET POSITION	\$7,205,635	(\$812,064)	\$7,618,243	\$312,234	\$87,221
Net Position June 30, 2017	103,911,972	79,268,844	17,146,483	6,155,744	1,340,901
Net Position June 30, 2018	\$111,117,607	\$78,456,780	\$24,764,726	\$6,467,978	\$1,428,122
CASH FLOW STATEMENT					
Net Income/(Loss)	\$2,916,582	\$2,677,991	(\$92,221)	\$243,834	\$86,977
Add back Depreciation	3,434,069	2,730,867	473,970	191,949	37,282
Cash Generated From Operations	\$6,350,651	\$5,408,858	\$381,749	\$435,784	\$124,260
Other Sources (Uses) of Funds					
Connection Fee Revenue	\$1,455,400	\$1,387,000	\$0	\$68,400	\$0
Loan Proceeds	6,393,836	4,360,000	2,033,836	0	0
Grant Proceeds	592,907	47,618	545,289	0	0
Capital Assets Acquisition	(11,228,616)	(7,109,414)	(3,904,526)	(173,535)	(41,141)
Caltrans AEEP Capital Contribution	1,314	1,314	0	0	0
MMWD AEEP Capital Contribution	245,000	245,000	0	0	0
Marin Country Club & Stone Tree Loan Principal Pmts	253,189	0	253,189	0	0
Principal Paid on Debt	(1,432,445)	(868,037)	(496,367)	(68,042)	0
Consumer Receivables Decr (Incr)	(960,078)	(778,166)	(127,408)	(53,501)	(1,004)
Construction Advances (Decr) Incr	61,727	61,727	0	0	0
Other Assets Decr (Incr)	1,459,379	(300,025)	1,745,945	2,089	11,370
Other Liabilities (Decr) Incr	2,701,976	95,577	2,604,909	5,950	(4,461)
Trade Accounts Payable (Decr) Incr	(884,920)	(567,891)	(376,691)	0	59,663
Connection Fee Transfer	0	(5,482,654)	5,482,654	0	0
Interdistrict Loan Due To (From)	0	5,557,108	(5,557,108)	0	0
Total Other Sources (Uses)	(\$1,341,330)	(\$3,350,840)	\$2,203,722	(\$218,638)	\$24,427
Net Cash Provided (Used)	\$5,009,321	\$2,058,018	\$2,585,471	\$217,146	\$148,686
MV Cash & Investments June 30, 2017	10,094,852	7,497,987	869,672	1,303,012	424,181
MV Cash & Investments June 30, 2018	\$15,104,173	\$9,556,005	\$3,455,143	\$1,520,158	\$572,867

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$1,924,788	\$15,292,628	118%	\$12,635,141
Bill Adjustments	(7,148)	(143,395)	-167%	(\$130,587)
Bimonthly Service Charges	362,764	4,353,168	100%	\$4,136,919
Account Turn-on Charges	5,963	75,887	104%	\$66,152
New Account Charges	550	7,035	101%	\$6,855
Returned Check Charges	0	486	49%	\$1,620
Hydrant Meter Up/Down Charges	600	4,660	466%	\$2,000
Backflow Service Charges	11,191	139,472	100%	\$133,509
Lab Service-Outside Clients	7,576	28,738	115%	\$26,152
Wheeling Charges - MMWD	9,224	92,977	102%	\$91,374
Water Sales - MMWD	155,846	155,846	-	\$0
Regulation 15 Forfeiture	12,285	12,285	82%	\$15,750
TOTAL OPERATING REVENUE	\$2,483,639	\$20,019,787	113%	\$16,984,885
TOTAL EXPENDITURES				
SOURCE OF SUPPLY				
Supervision & Engineering	\$451	\$9,303	47%	\$11,264
Operating Expense - Source	780	6,236	62%	7,963
Maint/Monitoring of Dam	1,278	22,203	36%	24,059
Maint of Lake & Intakes	0	10,690	63%	7,575
Maint of Structures	0	0	-	2,652
Maint of Watershed	415	29,646	61%	33,566
Water Quality Surveillance	0	6,728	27%	3,513
Erosion Control	0	0	-	550
Purchased Water	598,888	5,151,516	111%	4,320,623
Purchased Water-Resale MMWD	111,891	111,891	-	0
GASB68 Adjustment	0	0	-	5,682
SOURCE OF SUPPLY	\$713,702	\$5,348,213	111%	\$4,417,447
PUMPING				
Maint of Structures & Grounds	\$7,540	\$32,611	121%	\$28,514
Maint of Pumping Equipment	2,424	39,435	58%	30,354
Electric Power	30,543	293,588	117%	246,869
GASB68 Adjustment	0	0	-	3,496
PUMPING	\$40,507	\$365,634	105%	\$309,233
OPERATIONS				
Supervision & Engineering	\$14,660	\$253,594	150%	\$234,870
Operating Expense - Operations	22,853	400,138	112%	343,891
Maintenance Expense	2,808	50,339	87%	47,202
Telemetry Equipment/Controls Maint	17,743	94,523	102%	101,568
Leased Lines	1,395	17,414	102%	17,592
GASB68 Adjustment	0	0	-	63,553
OPERATIONS	\$59,459	\$816,008	117%	\$808,675

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER TREATMENT				
Supervision & Engineering	\$7,479	\$169,851	162%	\$168,945
Operating Expense - Water Treatment	33,144	276,795	75%	349,671
Purification Chemicals	64,962	438,348	103%	247,260
Sludge Disposal	12,152	100,305	98%	107,942
Maint of Structures & Grounds	5,637	50,913	68%	78,910
Maint of Purification Equipment	6,347	212,385	120%	186,246
Electric Power	5,611	157,374	114%	129,652
Water Quality Programs	11,689	133,168	126%	132,735
Laboratory Direct Labor	33,089	403,867	103%	411,275
Lab Service-Outside Clients	5,860	37,263	54%	37,686
Water Quality Supervision	7,625	95,644	121%	90,168
Laboratory Supplies & Expense	3,861	76,179	90%	72,998
Customer Water Quality	5,710	47,492	69%	53,330
Lab Cost Distributed	(2,541)	(34,677)	139%	(29,227)
GASB68 Adjustment	0	0	-	150,495
WATER TREATMENT	\$200,623	\$2,164,908	100%	\$2,188,085
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$52,155	\$659,085	112%	\$569,303
Maps & Records	11,649	159,512	93%	168,267
Operation of T&D System	15,368	148,957	79%	154,106
Facilities Location	13,684	143,881	147%	155,482
Safety: Construction & Engineering	2,556	41,037	61%	57,011
Customer Service Expense	19,889	203,431	101%	149,268
Flushing	7	47,384	97%	52,498
Storage Facilities Expense	9,813	97,549	65%	141,046
Cathodic Protection	0	12,528	48%	14,595
Maint of Valves/Regulators	16,383	173,762	82%	196,162
Maint of Mains	21,830	190,307	155%	149,584
Leak Detection - Mains	1,632	9,485	135%	14,118
Backflow Prevention Program	16,388	186,692	62%	155,536
Maint of Copper Services	11,061	138,433	78%	138,832
Maint of PB Service Lines	79,403	471,527	104%	473,695
Single Service Installations	(1,620)	18,904	-	20,937
Maint of Meters	7,663	126,985	121%	66,356
Detector Check Assembly Maint	(1,129)	46,056	70%	72,208
Maint of Hydrants	1,735	18,087	24%	51,020
GASB68 Adjustment	0	0	-	228,385
TRANSMISSION & DISTRIBUTION	\$278,467	\$2,893,602	95%	\$3,028,409
CONSUMER ACCOUNTING				
Meter Reading	\$13,394	\$161,646	80%	\$160,396
Collection Expense - Labor	1,555	25,195	65%	20,080
Collection Expense - Agency	1,079	3,713	124%	2,187
Billing & Consumer Accounting	21,955	280,268	102%	289,503
Contract Billing	1,238	16,395	91%	16,692
Stationery, Supplies & Postage	3,840	52,735	96%	56,373
Online Payment Processing Fees	1,452	46,678	151%	29,685
Lock Box Service	912	10,944	99%	10,944
Uncollectable Accounts	(445)	12,352	88%	12,709
Office Equipment Expense	0	45,256	302%	11,350
Distributed to West Marin (4.1%)	(1,235)	(19,008)	119%	(17,161)
GASB68 Adjustment	0	0	-	49,950
CONSUMER ACCOUNTING	\$43,745	\$636,175	98%	\$642,708

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER CONSERVATION				
Residential	\$25,301	\$235,438	67%	\$270,150
Commercial	339	5,818	31%	1,702
Public Outreach/Information	7,630	33,789	84%	30,618
Large Landscape	3,524	33,662	125%	36,818
GASB68 Adjustment	0	0	-	21,754
TOTAL WATER CONSERVATION	\$36,795	\$308,707	70%	\$361,042
GENERAL AND ADMINISTRATIVE				
Directors Fees	\$3,909	\$37,111	91%	\$34,384
Legal Fees	2,226	20,173	119%	28,043
Human Resources	10,085	60,288	104%	30,068
Auditing Fees	1,800	21,506	127%	16,220
Consulting Services/Studies	32,873	223,041	52%	51,567
General Office Salaries	108,883	1,405,650	105%	1,449,789
Safety: General District Wide	2,852	35,846	55%	42,930
Office Supplies	1,952	33,753	72%	35,049
Employee Events	(1,047)	10,123	84%	9,726
Other Administrative Expense	955	12,528	74%	13,960
Election Cost	0	0	-	2,077
Dues & Subscriptions	2,995	59,362	86%	59,046
Vehicle Expense	676	8,634	108%	9,325
Meetings, Conferences & Training	16,295	149,670	63%	186,436
Recruitment Expense	0	2,060	69%	1,383
Gas & Electricity	3,071	33,371	86%	35,241
Telephone	37	5,001	63%	8,482
Water	266	2,223	111%	1,632
Buildings & Grounds Maint	13,836	75,130	137%	62,856
Office Equipment Expense	7,936	97,003	82%	95,465
Insurance Premiums & Claims	7,364	92,292	79%	87,319
Retiree Medical Benefits	15,734	174,528	101%	164,969
(Gain)/Loss on Overhead Charges	(56,109)	(276,987)	710%	(19,931)
G&A Applied to Other Operations (5.9%)	(14,525)	(157,976)	93%	(161,036)
G&A Applied to Construction	(33,475)	(346,105)	90%	(290,813)
GASB45 Adjustment (OPEB)	0	0	-	120,988
GASB68 Adjustment (Pension Liability)	0	0	-	207,182
GENERAL & ADMINISTRATIVE	\$128,590	\$1,778,225	78%	\$2,282,356
Depreciation (Note 5)	223,893	2,730,867	98%	2,710,627
TOTAL OPERATING EXPENSE	\$1,725,781	\$17,042,338	99%	\$16,748,581
OPERATING INCOME/(LOSS)	\$757,857	\$2,977,448	654%	\$236,304

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest:				
General Funds	\$0	\$0	0%	\$0
Facility Reserve Charge Fund	(295)	0	-	0
Wohler Pipeline Financing Fund	(1,444)	7,765	194%	5,635
Collector #6 Financing Fund	(5,663)	30,575	204%	22,154
Retiree Medical Insurance Fund	(14,483)	75,289	198%	52,046
Self-Insured Workers' Comp Fund	(283)	8,980	128%	8,644
Aqueduct Energy Efficiency Proj Fund	(123)	688	-	523
Funds Held in County Treasury	2,695	7,557	94%	3,459
Recycled Water Advance (Note 10)	92	92	-	33,430
Total Interest Revenue	(\$19,506)	\$130,945	131%	\$125,890
Rents & Leases	6,005	99,906	120%	78,307
Other Non-Operating Revenue	5,530	51,224	102%	135,546
Gain/(Loss) on MV of Investments	(4,632)	(15,302)	-	(21,326)
NON-OPERATING REVENUE	(\$12,603)	\$266,774	201%	\$318,416
NON-OPERATING EXPENSE				
Bank of Marin AEEP Loan Interest Exp	\$14,633	\$181,757	95%	\$191,830
STP SRF Loan Interest Expense	20,485	254,401	98%	272,950
Drought Loan Interest Expense	0	0	0%	884
Debt Issuance Costs	0	86,180	-	0
JP Morgan/Chase AMI Loan Interest Expense	9,109	36,435	-	0
Other Non-Operating Expense	5,555	7,458	37%	2,169
NON-OPERATING EXPENSE	\$49,783	\$566,231	120%	\$467,833
NET INCOME/(LOSS)	\$695,471	\$2,677,991	2309%	\$86,887
BEGINNING FUND EQUITY				
		\$79,268,844		\$74,118,378
NET INCOME/(LOSS)	695,471	2,677,991		86,887
SCWA 84 Water Conservation Grant	2,389	47,618	-	33,750
Developer 'In-Kind' Contributions	23,151	311,666	-	538,616
Caltrans AEEP Capital Contribution	0	1,314	-	4,750,845
MMWD AEEP Capital Contribution	0	245,000	100%	245,000
Connection Fees	48,600	1,387,000	178%	973,385
FRC Transfer to Recycled Water	(236,628)	(5,482,654)	313%	(1,230,940)
Prior Period Adjustment (Note 12)	0	0	-	(247,077)
ENDING FUND EQUITY		\$78,456,780		\$79,268,844

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018**

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Recycled Water Sales	\$211,395	\$910,529	103%	\$695,154
Bimonthly Service Charges	2,736	33,850	100%	29,068
Water Loads	200	1,925	-	4,300
Account Turn-on Charges	0	26	-	12
TOTAL OPERATING REVENUE	\$214,331	\$946,330	103%	\$728,534
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Purchased Water - NSD	\$29,263	\$145,048	94%	\$103,461
Purchased Water - LGVSD	18,573	61,081	97%	45,548
SOURCE OF SUPPLY	\$47,836	\$206,129	95%	\$149,009
PUMPING				
Maint of Pumping Equipment	\$70	\$70	4%	\$1,126
Electric Power	298	2,701	90%	2,228
GASB68 Adjustment	0	0	-	95
PUMPING	\$368	\$2,771	55%	\$3,449
OPERATIONS				
Supervision & Engineering	\$808	\$11,626	97%	\$9,543
Operating Expense - Operations	3,515	11,944	57%	8,585
Potable Water Consumed	18,390	42,872	390%	9,194
Maintenance Expense	314	19,021	380%	24,974
Telemetry Equipment/Controls Maint	196	10,008	77%	11,714
GASB68 Adjustment	0	0	-	4,842
OPERATIONS	\$23,223	\$95,471	154%	\$68,852
WATER TREATMENT				
Purification Chemicals	\$573	\$2,550	64%	\$809
Maint of Purification Equipment	59	13,348	148%	6,518
Electric Power	0	0	0%	3,374
Laboratory Direct Labor	522	1,621	27%	1,622
Customer Water Quality	0	0	-	128
Water Quality Supervision	0	0	-	3,534
Lab Expense Distributed from Novato	329	1,030	34%	977
GASB68 Adjustment	0	0	-	824
WATER TREATMENT	\$1,483	\$18,547	77%	\$17,786
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$0	\$2,185	12%	\$6,196
Maps & Records	0	0	0%	72
Operation of T&D System	0	2,244	224%	631
Facilities Location	0	112	-	0
Customer Service Expense	1,651	5,250	16%	2,965
Storage Facilities Expense	16	1,654	17%	11,401
Maint of Valves/Regulators	0	488	49%	106
Maint of Meters	0	913	91%	0
Maint of Mains	0	5,768	-	24,486
GASB68 Adjustment	0	0	-	1,058
TRANSMISSION & DISTRIBUTION	\$1,667	\$18,614	28%	\$46,914

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018**

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Distributed from Novato (0.2%)	\$59	\$919	92%	\$823
CONSUMER ACCOUNTING	\$59	\$919	92%	\$823
GENERAL AND ADMINISTRATIVE				
Consulting Services/Studies	\$0	\$0	-	\$6,786
Distributed from Novato (2.4%)	\$4,954	\$53,882	93%	\$58,601
GENERAL & ADMINISTRATIVE	\$4,954	\$53,882	93%	\$65,387
Depreciation (Note 5)	39,485	473,970	99%	472,017
TOTAL OPERATING EXPENSE	\$119,075	\$870,304	95%	\$824,236
OPERATING INCOME/(LOSS)	\$95,256	\$76,026	1901%	(\$95,702)
NON-OPERATING REVENUE				
Interest:				
General Funds	\$422	\$9,637	96%	\$0
RWF Replacement Fund	(4,439)	13,832	-	2,639
Capital Repl & Exp Fund	(17,076)	0	-	96
Self-Insured Workers' Comp Fund	7	70	-	79
StoneTree RWF Loan	4,677	48,536	143%	39,419
Total Interest Revenue	(\$16,409)	\$72,075	164%	\$42,232
Other Non-Operating Revenue	3,374	3,374	-	10,557
NON-OPERATING REVENUE	(\$13,035)	\$75,448	-	\$52,789
NON-OPERATING EXPENSE				
RWF SRF Loan Interest Expense	\$4,678	\$57,718	100%	\$62,773
Expansion SRF Loan Interest Expense	15,249	185,985	97%	195,937
Other Non-Operating Expense	(101)	(101)	-	2,437
Interest-Advance from Novato (Note 10)	92	92	-	33,430
NON-OPERATING EXPENSE	\$19,918	\$243,695	98%	\$294,577
NET INCOME/(LOSS)	\$62,303	(\$92,221)	38%	(\$337,489)
BEGINNING FUND EQUITY		\$17,146,483		\$11,252,112
NET INCOME/(LOSS)	62,303	(92,221)		(337,489)
Developer 'In-Kind' Contributions	0	1,682,521		13,237
State Prop 50 Grant	0	0	-	3,828
FRC Transfer from Novato	236,628	5,482,654	313%	1,230,940
RW Central Area Expansion Grant	(1,210,274)	545,290	10%	5,023,526
Prior Period Adjustment (Note 12)	0	0		(39,672)
ENDING FUND EQUITY		\$24,764,726		\$17,146,483

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018**

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$147,501	\$719,379	114%	\$615,533
Bill Adjustments	(2,438)	(18,926)	-	(17,678)
Bimonthly Service Charges	14,768	177,210	100%	168,775
Account Turn-on Charges	152	1,151	115%	898
New Account Charges	35	150	15%	180
Returned Check Charges	0	9	-	72
Backflow Service Charges	1,032	6,088	122%	5,687
TOTAL OPERATING REVENUE	\$161,049	\$885,060	108%	\$773,468
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	\$0	\$844	-	\$44
Operating Expense	596	3,476	58%	3,903
Maint of Structures	0	8,200	103%	8,343
Water Quality Surveillance	0	535	53%	261
GASB68 Adjustment	0	0	-	353
SOURCE OF SUPPLY	\$596	\$13,055	87%	\$12,904
PUMPING				
Maint of Structures and Grounds	\$1,564	\$2,532	36%	\$11,049
Maint of Pumping Equip	0	17,999	180%	2,634
Electric Power	3,440	29,206	104%	24,085
GASB68 Adjustment	0	0	-	892
PUMPING	\$5,003	\$49,737	111%	\$38,660
OPERATIONS				
Supervision & Engineering	\$1,304	\$17,337	173%	\$10,478
Operating Expense	2,229	11,049	69%	15,721
Maint of Telemetry Equipment	0	13,909	66%	24,480
Leased Lines	350	4,625	77%	4,847
GASB68 Adjustment	0	0	-	4,506
OPERATIONS	\$3,884	\$46,920	89%	\$60,032
WATER TREATMENT				
Supervision & Engineering	\$108	\$4,589	66%	\$5,511
Operating Expense	648	30,913	147%	18,552
Purification Chemicals	0	1,698	34%	6,470
Maint of Structures & Grounds	0	551	55%	267
Maint of Purification Equipment	22	11,264	47%	8,828
Water Quality Programs	595	595	-	0
Electric Power	2,060	20,117	96%	21,382
Laboratory Direct Labor	3,655	46,189	140%	40,384
Laboratory Services	1,995	5,213	130%	2,083
Water Quality Supervision	351	2,933	37%	2,273
Customer Water Quality	1,099	3,136	78%	3,206
Lab Expense Distributed from Novato	2,227	29,344	154%	24,324
GASB68 Adjustment	0	0	-	7,799
WATER TREATMENT	\$12,760	\$156,543	106%	\$141,079

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018**

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$1,416	\$6,955	50%	\$12,466
Maps & Records	0	0	0%	218
Facilities Location - USA	2,062	15,479	221%	8,772
Customer Service Expense	784	11,903	198%	6,926
Flushing	0	4,959	165%	9,528
Storage Facilities Expense	572	14,345	49%	21,759
Cathodic Protection	0	2,239	32%	6,698
Maint of Valves	0	378	6%	2,457
Maint of Mains	0	9,485	237%	8,611
Water Quality Maintenance	0	1,700	85%	0
Maint of Backflow Devices	0	1,056	21%	510
Backflow Dev Inspection/Survey	422	6,479	216%	2,731
Maint of Copper Services	0	675	13%	8,501
Maint of PB Service Lines	2,520	23,512	118%	36,895
Maint of Meters	56	3,607	72%	8,630
Detector Check Assembly Maint	0	1,654	83%	304
Maint of Hydrants	0	3,621	362%	0
Single Service Installation	(2,671)	1,682	-	2,447
GASB68 Adjustment	0	0	-	10,461
TRANSMISSION & DISTRIBUTION	\$5,161	\$109,729	86%	\$147,913
CONSUMER ACCOUNTING				
Meter Reading	\$1,433	\$9,120	76%	\$13,759
Collection Expense - Labor	31	523	52%	210
Uncollectable Accounts	0	109	11%	409
Distributed from Novato (3.6%)	1,030	15,958	123%	14,552
GASB68 Adjustment	0	0	-	1,484
CONSUMER ACCOUNTING	\$2,494	\$25,710	95%	\$30,414
WATER CONSERVATION				
Water Conservation Program	\$673	\$7,473	75%	\$7,785
GASB68 Adjustment	0	0	-	2,629
TOTAL WATER CONSERVATION	\$673	\$7,473	75%	\$10,413
GENERAL AND ADMINISTRATIVE				
Consulting Services/Studies	\$4,372	\$7,359	74%	\$10,200
Distributed from Novato (3.6%)	7,276	79,135	93%	76,166
GENERAL & ADMINISTRATIVE	\$11,648	\$86,494	91%	\$86,366
Depreciation (Note 5)	15,864	191,949	98%	192,151
TOTAL OPERATING EXPENSE	\$58,083	\$687,611	96%	\$719,931
OPERATING INCOME/(LOSS)	\$102,966	\$197,449	192%	\$53,537

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018**

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest - General Funds	(\$2,744)	\$5,913	-	\$4,802
Interest - FRC	(382)	1,645	55%	1,313
Interest - Self-Insured WC Fund	(69)	218	-	298
Interest - Bank of Marin Project Fund	(1,471)	11,857	119%	9,147
Interest - CIR Fund	0	0	-	660
Rents & Leases	0	5,000	125%	4,344
Tax Proceeds - OL-2 G.O. Bond	1	3	-	1
Tax Proceeds - PR-2 Tax Allocation	2,129	53,204	100%	51,840
Other Non-Operating Revenue	19	38	-	121
NON-OPERATING REVENUE	(\$2,516)	\$77,877	111%	\$72,527
NON-OPERATING EXPENSE				
Bank of Marin Loan Interest Expense	\$2,148	\$26,680	108%	\$28,159
PRE-1 Revenue Bond Interest Exp	8	1,750	58%	2,350
PR-6 Revenue Bond Interest Exp	192	2,300	77%	2,800
Drought Loan Interest Expense	0	0	0%	98
Other Non-Operating Expense	0	762	-	13,452
NON-OPERATING EXPENSE	\$2,348	\$31,492	102%	\$46,859
NET INCOME/(LOSS)	\$98,102	\$243,834	172%	\$79,205
BEGINNING FUND EQUITY		\$6,155,744		\$6,045,738
NET INCOME/(LOSS)	98,102	243,834		79,205
Developer 'In-Kind' Contributions	0	0	-	0
Connection Fees	0	68,400	297%	30,800
ENDING FUND EQUITY		\$6,467,978		\$6,155,743

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018**

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Sewer Service Charges	\$21,242	\$239,890	100%	\$215,989
Inspection Fees	300	600	-	600
TOTAL OPERATING REVENUE	\$21,542	\$240,490	101%	\$216,589
OPERATING EXPENSE				
SEWAGE COLLECTION				
Supervision & Engineering	\$4,485	\$20,368	113%	\$13,751
Inspection	0	384	38%	558
Maps & Records	122	122	-	0
Operating Expense	1,170	10,054	144%	6,348
Facilities Location	0	2,287	229%	1,936
Maint of Telemetry Equipment	395	4,895	122%	4,335
Sewer Service Installation	0	0	-	138
Maint of Lift Stations	316	13,850	277%	10,687
Maint of Manholes	0	0	0%	987
Maint of Sewer Mains	0	0	0%	2,062
Electric Power	1,048	13,236	110%	12,081
GASB68 Adjustment	0	0	-	781
SEWAGE COLLECTION	\$7,537	\$65,195	121%	\$53,664
SEWAGE TREATMENT				
Supervision & Engineering	\$0	\$0	-	\$200
Operating Expense	\$1,146	\$38,914	118%	\$35,379
Maint of Equipment	542	2,390	30%	2,401
Laboratory Direct Labor	0	6,773	113%	6,517
Lab Expense Distributed from Novato	(15)	4,303	215%	3,925
Electric Power	667	9,193	153%	6,936
GASB68 Adjustment	0	0	-	3,330
SEWAGE TREATMENT	\$2,339	\$61,573	112%	\$58,688
SEWAGE DISPOSAL				
Operating Expense	\$0	\$7,657	64%	\$13,200
Maint of Pump Stations	0	1,693	21%	1,632
Maint of Storage Ponds	(1,110)	10,981	275%	16,271
Maint of Irrigation Field	0	3,886	49%	5,460
GASB68 Adjustment	0	0	-	2,292
SEWAGE DISPOSAL	(\$1,110)	\$24,217	76%	\$38,854
CONSUMER ACCOUNTING				
Collection Expense - County of Marin	\$0	\$460	-	\$458
Distributed from Novato (0.6%)	145	2,130	107%	1,786
CONSUMER ACCOUNTING	\$145	\$2,590	130%	\$2,244

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING JUNE 30, 2018**

	JUNE 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
GENERAL AND ADMINISTRATIVE				
Distributed from Novato (1.1%)	\$2,295	\$24,959	92%	\$26,269
Liability Insurance	166	1,910	96%	2,015
GENERAL AND ADMINISTRATIVE	\$2,461	\$26,870	93%	\$28,284
Depreciation (Note 5)	3,099	37,282	73%	41,616
TOTAL OPERATING EXPENSE	\$14,471	\$217,728	98%	\$223,350
OPERATING INCOME/(LOSS)	\$7,071	\$22,762	142%	(\$6,761)
NON-OPERATING REVENUE				
Rents & Leases	\$0	\$500	-	\$500
Interest - Connection Fee Reserve	9	81	-	71
Interest - General Funds	(1,659)	6,238	156%	5,577
Interest - Self Insured WC Fund	(24)	74	-	102
Tax Proceeds - OM-1/OM-3 Tax Alloc	2,268	56,700	101%	55,247
Other Non-Operating Revenue	19	1,434	-	(1)
NON-OPERATING REVENUE	\$613	\$65,027	108%	\$61,496
NON-OPERATING EXPENSE				
Other Non-Operating Expense	\$0	\$812	-	\$789
NON-OPERATING EXPENSE	\$0	\$812	-	\$789
NET INCOME/(LOSS)	\$7,684	\$86,977	114%	\$53,946
BEGINNING FUND EQUITY		\$1,340,901		\$1,256,555
NET INCOME/(LOSS)	7,684	86,977		53,946
CONTRIBUTED CAPITAL				
Contribution in Aid of Construction	0	244	-	0
Connection Fees	0	0	0%	30,400
PRIOR YEAR ADJUSTMENTS (Note 11d)	0	0		0
ENDING FUND EQUITY		\$1,428,123		\$1,340,901

**NORTH MARIN WATER DISTRICT
CONNECTION FEE ANALYSIS
FOR THE PERIOD ENDING JUNE 30, 2018**

The Connection Fee (FRC) Fund is comprised of cash available from collection of Facility Reserve Charge Fees. The FRC 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 facilities within the service area where the new development occurs. Funds are disbursed from the Connection Fee Reserve as expenditures to increase system capacity to serve new development are incurred.

FY18 CONNECTION FEE EXPENDITURES	TOTAL EXPENDITURE	% FUNDED BY CONNECTION FEES	TOTAL FROM CONNECTION FEES¹
Novato Water			
Bank of Marin AEEP Debt Service	\$482,042	25%	\$120,510
STP Rehab SRF Loan Debt Service	1,044,474	25%	261,119
Water Conservation Expenditures	300,149	100%	300,149
San Marin Pump Station Can Rehab	28,056	25%	7,014
Center Rd 6" CIP	586,751	50%	278,212
Grant Ave Bridge Pipeline Replacement	126,704	50%	63,352
Detector Check Assembly Upgrades	135,683	25%	33,921
San Mateo Tank Recoat	2,084,399	25%	511,311
Ridge Road 6" ACP	765,937	50%	356,892
San Mateo 24" Inlet/Outlet	46,046	50%	9,112
Crest Rd Main Replacement	69,071	50%	34,536
Dam Concrete Repair	195,778	25%	15,720
Stafford Spillway Repairs	82,414	25%	20,928
Advanced Meter Info Retrofit	3,180,737	25%	(19,769)
Zone A Pressure Improvements	(5,533)	50%	(2,766)
Country Ln Pipeline-6"	7,579	50%	3,789
Facility Security Enhancements	1,535	25%	384
Automate Zone Valve-Slowdown Ct	1,016	25%	254
Office/Yard Building Refurbish	511	25%	128
Lynwood PS-Motor Control Center	7,619	25%	1,905
Crest Pump Station	12,644	25%	3,161
	<u>\$9,153,611</u>		<u>\$1,999,860</u>
Recycled Water			
NBWRA Grant Program Administration	\$38,339	100%	38,339
RW Expansion Central Area Local Share	4,807,221	100%	4,807,221
RW Expansion North Area Debt Service	281,892	100%	281,892
RW Expansion South Area Debt Service	332,407	100%	332,407
RWF SRF Loan Debt Service ²	273,367	8%	22,795
	<u>\$5,733,226</u>		<u>\$5,482,654</u>
West Marin Water			
Bank of Marin Debt Service	\$70,758	25%	\$19,967
Water Conservation Expenditures	7,473	100%	7,473
Repl PRE Tank #4A	202,339	25%	31,173
Green Sand Filter Media Replace	46,634	25%	6,164
TP Solids Handling	197,841	25%	1,731
	<u>\$525,045</u>		<u>\$66,509</u>
Oceana Marin Sewer			
OM Wastewater Treatment Pond	\$14,452	50%	\$7,017
Design/Install 8th Disposal Trench	436	50%	218
Force Main Improvements	\$5,329	50%	2,664
	<u>\$20,217</u>		<u>\$9,900</u>

¹ The Percentage Funded by Connection Fees is the percentage of total project cost paid by FRC funds, which are allocated to new growth based on historic NMWD practice. The Total From Connection Fees amounts shown are FRC (connection fee) expenditures only, and do not include operations funding, which is also used to pay for these projects.

² \$250,572 of the \$273,367 Annual Debt Service Reimbursed by Stone Tree Golf Club.

**NORTH MARIN WATER DISTRICT
ANALYSIS OF WORKERS' COMP AND CONNECTION FEE FUNDS
FOR THE PERIOD ENDING JUNE 30, 2018**

WORKERS' COMPENSATION FUND	TOTAL	NOVATO WATER	WEST MARIN WATER	OCEANA MARIN SEWER	RECYCLED WATER
WC Cash Balance 6/30/17	\$733,571	\$701,035	\$24,268	\$8,268	\$0
Less: Projected Prior FY Claims Liability	192,121	178,673	6,340	2,113	4,995
Add: Funds borrowed to subsidize operations	14,147	0	0	0	14,147
WC Reserve Balance 6/30/17	\$555,597	\$522,362	\$17,928	\$6,155	\$9,152
Add: WC Expense Charged to Operations FYTD	109,260	101,503	3,933	1,202	2,622
Interest Earned	9,342	8,980	218	74	70
Subtotal	\$674,200	\$632,845	\$22,079	\$7,431	\$11,844
Less: Claims Expense Paid	141,734	131,671	5,102	1,559	3,402
Excess Insurance Premium	69,016	64,116	2,485	759	1,656
Administration Fees	12,000	11,148	432	132	288
WC Reserve Balance 06/30/18	\$451,450	\$425,911	\$14,060	\$4,981	\$6,498
Add: Projected Claims Liability	97,581	90,652	3,513	1,073	2,342
Funds borrowed to subsidize operations	(390,668)	(390,668)	0	0	
WC CASH BALANCE 06/30/18	\$158,362	\$125,895	\$17,573	\$6,054	\$8,840

CONNECTION FEE FUND

Connection Fee Cash Balance 6/30/17	\$98,780	\$0	\$98,780	\$0
Add: funds borrowed to subsidize operations	(5,693,040)	(5,655,246)	0	(37,794)
Connection Fee Reserve Balance 6/30/17	(\$5,594,260)	(\$5,655,246)	\$98,780	(\$37,794)
Add: Connection Fees Collected FYTD	1,455,400	1,387,000	68,400	0
Repayment Prior Year Loan from RWF	0	0	0	0
Interest Earned	1,726	0	1,645	81
Prior Period Adjustment ²	0	0	0	0
Subtotal	(\$4,137,134)	(\$4,268,246)	\$168,825	(\$37,713)
Less: Fees Expended FYTD	2,076,268	1,999,860	66,509	9,900
Fees transferred to RWS FYTD (Note 14)	5,482,654	5,482,654	0	0
Connection Fee Reserve Balance 06/30/18	(\$11,696,056)	(\$11,750,759)	\$102,316	(\$47,613)
Less: Funds borrowed to subsidize operations	(11,861,822)	(11,817,092)	0	(\$44,730)
CONNECTION FEE CASH BALANCE 06/30/18	\$33,101	(\$66,333)	\$102,316	(\$2,883)

**NORTH MARIN WATER DISTRICT
EQUIPMENT EXPENDITURES
PERIOD ENDING JUNE 30, 2018**

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	JUNE 2018	FYTD TOTAL	FY 17/18 BUDGET	(OVER) UNDER	Notes
1 ADMINISTRATION					
a. Virtual Server	\$0	\$8,600	\$6,000	(\$2,600)	
	\$0	\$8,600	\$6,000	(\$2,600)	
2 CONSTRUCTION					
a. Fittings & Hose for Emergency Hose Trailer	\$4,391	\$6,131	\$6,000	(\$131)	1
	\$4,391	\$6,131	\$6,000	(\$131)	
3 OPERATIONS/MAINTENANCE					
a. Replacement Closed Circuit TV System		\$0	\$15,000	\$15,000	1
b. Replacement Incubator		0	15,000	15,000	1
c. Metals Analyzer		0	105,000	105,000	1
	\$0	\$0	\$135,000	\$135,000	
3 VEHICLE & ROLLING EQUIPMENT EXPENDITURES					
a. Hybrid 4x4 SUV		\$31,528	\$35,000	\$3,472	1
b. 1/2 Ton Pickup w/Tool Box & Radio*	26,826	26,826	28,000	1,174	1
c. Compact Track Loader w/Attachments		(211)	0	211	
	\$26,826	\$58,143	\$63,000	\$4,857	
TOTAL EQUIPMENT EXPENDITURES	\$31,218	\$72,874	\$210,000	\$137,257	

Notes:

(1) Replacement item.

* Purchased Cargo Van (Ford Transit Connect)

**NORTH MARIN WATER DISTRICT
OVERHEAD ACCOUNT ANALYSIS
FOR PERIOD ENDING JUNE 30, 2018**

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YTD/ BUDGET%	PRIOR YTD ACTUAL
<u>Material Handling</u>				
Material Overhead Recovered (15%)	\$64,484	\$130,000	50%	\$47,798
Labor	\$76,184	\$110,000	69%	\$69,418
Materials, Supplies & Expense	10,512	10,000	105%	3,787
Correction to Inventory Counts	(17,344)	0	-	(3,324)
Depreciation	7,175	10,000	72%	10,035
	<u>\$76,528</u>	<u>\$130,000</u>	59%	<u>\$79,916</u>
Net Material Handling Gain / (Loss)	<u>(\$12,044)</u>	<u>\$0</u>	-	<u>(\$32,118)</u>
<u>Construction Supplies</u>				
Const Supplies Overhead Recovered (10%)	\$263,271	\$260,000	101%	\$253,143
Labor	\$63,014	\$95,000	66%	\$70,216
Materials, Supplies & Expense	94,916	94,000	101%	73,139
Small Tools	26,271	24,000	109%	16,334
Depreciation	1,119	2,000	56%	2,354
	<u>\$185,320</u>	<u>\$215,000</u>	86%	<u>\$162,043</u>
Net Constr Supplies Gain / (Loss)	<u>\$77,951</u>	<u>\$45,000</u>	173%	<u>\$91,100</u>
<u>Vehicle & Equipment</u>				
Vehicle & Equipment Recovered ¹	\$382,481	\$388,000	99%	\$288,899
Labor	\$63,597	\$98,000	65%	\$68,988
Materials, Supplies & Expense	74,435	84,000	89%	85,817
Fuel	72,632	83,000	88%	63,479
Depreciation	116,483	132,000	88%	125,924
	<u>\$327,147</u>	<u>\$397,000</u>	82%	<u>\$344,208</u>
Net Vehicle & Equip Gain / (Loss)	<u>\$55,334</u>	<u>(\$9,000)</u>	-615%	<u>(\$55,309)</u>
<u>Payroll</u>				
Overheaded Payroll Recovered	\$7,897,914	\$8,155,000	97%	\$7,868,148
Salary Including Leave Time	\$5,299,600	\$5,473,000	97%	\$5,109,114
Employer FICA & Medicare Tax	420,008	408,000	103%	394,441
Insurance ²	884,121	1,007,000	88%	900,317
Worker's Compensation	127,196	115,000	111%	362,410
Retiree Medical Accrual	80,438	83,000	97%	80,563
CalPERS Retirement	970,674	1,066,000	91%	942,689
Unreconciled Difference	(39,868)	0	-	62,356
	<u>\$7,742,168</u>	<u>\$8,152,000</u>	95%	<u>\$7,851,890</u>
Net Payroll Gain / (Loss)	<u>\$155,746</u>	<u>\$3,000</u> ³		<u>\$16,258</u>
Total Overhead Gain / (Loss)	<u>\$276,987</u>	<u>\$39,000</u>	710%	<u>\$19,931</u>

¹ Vehicle & Equipment Recovered is the amount charged to projects and operations to recover the expense of owning and operating the asset. The recovery rate is \$7/hr for vehicles 3/4-ton and under and \$14/hr for larger vehicles. An additional 50% is charged to developer projects to reflect the fair market value of the asset used.

² Insurance Includes Medical, Dental, Vision, Cafeteria, Life & Unemployment.

³ Projected gain on self-insured worker's compensation gives rise to the budgeted payroll gain.

**NORTH MARIN WATER DISTRICT
EXPENDITURES BY CATEGORY
FOR PERIOD ENDING JUNE 30, 2018**

OPERATING EXPENSE		Novato	Recycled	West Marin	Oceana Marin	YTD Total	Annual Budget	YTD Budget %	Prior YTD Actual	% Change
1	Salaries & Benefits	\$6,407,424	\$65,881	\$227,178	\$76,502	\$6,776,984	\$6,938,000	98%	\$6,901,495	-1 %
2	Water Purchases	5,263,407	206,129	0	0	5,469,535	4,867,000	112%	4,469,631	22 %
3	Depreciation	2,730,867	473,970	191,949	37,282	3,434,069	3,526,000	97%	3,416,411	0 %
4	Materials, Services & Supplies	1,548,799	54,850	57,929	44,597	1,706,174	1,903,000	90%	1,508,341	13 %
5	Consulting Services/Studies	223,041	0	7,359	0	230,400	382,000	60%	68,552	236 %
6	Chemicals	438,348	2,550	1,698	0	442,596	434,000	102%	254,539	73 %
7	Electric Power	450,962	2,701	49,323	22,429	525,414	459,000	114%	446,606	17 %
8	Vehicles and Equipment (Distrib)	228,655	3,584	15,300	4,106	251,644	287,000	88%	215,204	16 %
9	Tools & Supplies (Distrib)	202,760	4,810	11,740	3,812	223,122	185,000	121%	231,758	-3 %
10	Retiree Medical Expenses	174,528	0	0	0	174,528	172,000	101%	164,969	5 %
11	Water Conservation Rebates	29,523	0	698	0	30,221	104,000	29%	49,990	-39 %
12	Insurance & Claims	92,292	0	0	1,910	94,203	144,000	65%	89,334	5 %
13	Office Supplies & Postage	86,488	0	0	0	86,488	102,000	85%	121,107	-28 %
14	GASB 68 Adjustments	0	0	0	0	0	0	-	771,842	-100 %
15	Overhead Charges (Gain)/Loss	(276,987)	0	0	0	(276,987)	(39,000)	710%	(19,931)	1289 %
16	Distributed Costs (Lab,G&A,ConsAcctg)	(557,767)	55,831	124,438	27,089	(350,408)	(384,000)	91%	(294,738)	18 %
17	Total Operating Expense	\$17,042,338	\$870,304	\$687,611	\$217,728	\$18,817,981	\$19,080,000	99%	\$18,395,111	2 %
18	Interest Expense & Other	566,231	243,695	31,492	812	842,229	752,000	112%	808,529	4 %
19	Total Expense	\$17,608,569	\$1,113,999	\$719,103	\$218,539	\$19,660,210	\$19,832,000	99%	\$19,203,640	2 %
<u>Warehouse, Shop & Yard</u>										
20	Salaries & Benefits	\$202,795	\$0	\$0	\$0	\$202,795	\$299,000	68%	\$208,622	-2 %
21	Materials, Services & Supplies	258,716	0	0	0	258,716	307,000	84%	\$239,232	8 %
22	Depreciation	127,484	0	0	0	127,484	0	0%	\$138,314	-7 %
23	Distributed Costs	(588,995)	0	0	0	(588,995)	(606,000)	97%	(586,167)	0 %
24	Total W/H, Shop & Yard	\$0	\$0	\$0	\$0	\$0	\$0	-	\$0	-
<u>District Capital Outlay</u>										
25	Salaries & Benefits	\$549,869	\$169,622	\$35,492	\$8,522	\$763,504	\$817,000	93%	\$576,309	32 %
26	Equipment Expenditures	72,874	0	0	0	72,874	210,000	35%	218,846	-66 %
27	Debt Principal Payments	868,037	496,367	68,042	0	1,432,445	1,799,000	80%	1,769,241	-19 %
28	Materials, Services & Supplies	6,483,536	3,734,904	138,043	35,754	10,392,238	16,928,000	61%	11,783,633	-11 %
29	Total District Capital Outlay	\$7,974,315	\$4,400,893	\$241,577	\$44,276	\$12,661,061	\$19,754,000	64%	\$14,348,029	-11 %
<u>Developer Funded Projects</u>										
30	Salaries & Benefits	\$150,015	\$132	\$48	\$4,437	\$154,631	\$222,000	70%	\$181,643	-14 %
31	Materials, Services & Supplies	244,418	(12)	(3,258)	2,945	244,092	130,000	188%	226,745	7 %
32	Total Developer Projects	\$394,432	\$119	\$(3,210)	\$7,382	\$398,724	\$352,000	113%	\$408,388	-2 %
33	Total	\$25,977,317	\$5,515,011	\$957,471	\$270,197	\$32,719,995	\$39,938,000	82%	\$33,960,056	-3 %

**NORTH MARIN WATER DISTRICT
VEHICLE FLEET ANALYSIS
FOR PERIOD ENDING JUNE 30, 2018**

Fiscal Year to Date								Vehicle Cost per Mile				
Year	Description	Veh#	Assigned	Mileage	Expense ¹	Recovery ²	Gain/(Loss)	Mileage	Life to Date	FYTD18	FY17	FY16
1	2002 Chev K1500 4x4	47	Corde, Joe	10,018	\$3,519	\$7,124	\$3,605	139,704	\$0.36	\$0.35	\$0.38	\$0.42
2	2003 Dodge Dakota 4x4	49	Stompe	5,275	\$2,869	\$3,768	\$899	104,214	\$0.42	\$0.54	\$0.46	\$0.32
3	2004 Chev C1500	53	STP	5,011	\$2,381	\$1,838	(\$543)	128,560	\$0.46	\$0.48	\$0.46	\$0.67
4	2004 Chev C1500 Xtra Cab	54	Pool	3,927	\$2,067	\$2,285	\$218	101,264	\$0.46	\$0.53	\$0.79	\$3.67
5	2005 Honda Civic Hybrid	56	Engineering	1,474	\$825	\$1,537	\$711	79,406	\$0.29	\$0.56	\$1.81	\$0.44
6	2005 Honda Civic Hybrid	57	Wtr Cons/Pool	3,335	\$943	\$2,025	\$1,082	77,776	\$0.24	\$0.28	\$0.15	\$0.20
7	2005 Ford Ranger	58	FSR/Pool	1,939	\$1,212	\$1,269	\$57	103,103	\$0.57	\$0.63	\$1.07	\$0.32
8	2006 Chev Colorado	501	LeBrun	7,072	\$2,178	\$5,768	\$3,590	145,060	\$0.37	\$0.31	\$0.20	\$0.40
9	2007 Chev Colorado	504	Rodriguez	12,060	\$4,488	\$11,557	\$7,069	71,494	\$0.42	\$0.37	\$0.36	\$0.35
10	2008 Ford F250 4x4	505	Maintenance	4,009	\$7,273	\$6,258	(\$1,015)	94,639	\$0.78	\$1.81	\$1.80	\$0.56
11	2008 Ford F250 4x4	506	STP	10,725	\$4,417	\$3,255	(\$1,162)	76,166	\$0.72	\$0.41	\$0.63	\$0.57
12	2008 Chev Colorado 4x4	509	Engineering	4,072	\$1,277	\$2,970	\$1,692	100,404	\$0.34	\$0.31	\$0.29	\$0.41
13	2009 Toyota Prius Hybrid	510	Clark	14,347	\$1,767	\$5,787	\$4,020	119,342	\$0.19	\$0.12	\$0.13	\$0.40
14	2010 Ford F150 4x4	511	STP	7,799	\$3,053	\$3,731	\$678	79,590	\$0.50	\$0.39	\$0.69	\$0.54
15	2010 Ford F150	512	Kurfirst	7,600	\$4,123	\$12,107	\$7,984	102,097	\$0.49	\$0.54	\$0.44	\$0.74
16	2010 Ford F150	513	STP	9,808	\$5,523	\$5,799	\$276	76,166	\$0.47	\$0.56	\$0.54	\$0.69
17	2012 Ford F250	515	Reed	9,628	\$3,868	\$12,684	\$8,816	50,818	\$0.59	\$0.40	\$0.84	\$0.47
18	2012 Ford F250	516	Castellucci	8,394	\$5,070	\$10,102	\$5,032	56,530	\$0.53	\$0.60	\$0.47	\$2.44
19	2014 Ford F150	517	Grisso	2,533	\$1,137	\$4,508	\$3,371	11,245	\$0.39	\$0.45	\$0.21	\$0.66
20	2015 Ford F250 4x4	518	Kehoe, Chris	14,922	\$7,059	\$15,036	\$7,977	66,645	\$0.40	\$0.47	\$0.41	\$0.38
21	2015 Ford Escape 4X4	520	Arendell	15,451	\$3,615	\$8,806	\$5,191	46,517	\$0.24	\$0.23	\$0.18	\$0.31
22	2015 Ford F150 4X4	521	Lemos	9,865	\$2,918	\$3,917	\$999	32,861	\$0.28	\$0.30	\$0.17	\$0.36
23	2016 Nissan Frontier	522	Roberto	13,866	\$4,409	\$11,006	\$6,597	28,643	\$0.35	\$0.32	\$0.38	-
24	2017 Ford Escape 4X4	523	Lab	562	\$1,839	\$3,946	\$2,108	13,596	\$0.29	\$3.27	\$0.30	-
25	2016 Nissan Frontier	524	Bynum	9,587	\$4,426	\$10,680	\$6,255	11,987	\$0.40	\$0.46	-	-
26	2018 Ford Cargo Van	526	On-Call	1,089	\$5,642	\$494	\$6,255	2,216	-	-	-	-
Total 3/4 Ton & Under				194,368	\$87,895	\$158,255	\$81,762	1,920,043	\$0.43	\$0.45	\$0.47	\$0.48
1	1999 Ford F350 W/Svc Body	19	Pool	1,680	\$3,243	\$4,368	\$1,125	135,337	\$0.81	\$1.93	\$2.08	\$2.42
2	2002 Int'l 5 Yd Dump	44	Construction	4,177	\$8,234	\$17,339	\$9,105	100,593	\$1.76	\$1.97	\$6.81	\$1.51
3	1999 Ford F550 3-Yd Dump	52	Construction	3,555	\$5,242	\$9,699	\$4,456	92,140	\$1.01	\$1.47	\$1.68	\$1.15
4	2006 Int'l 4300 Crew	503	Bergstrom/Barrilleaux	3,581	\$4,658	\$24,210	\$19,552	41,468	\$1.78	\$1.30	\$3.75	\$2.19
5	2009 Peterbilt 325 Crew	508	Breit/Crew	3,160	\$4,775	\$25,459	\$20,684	32,318	\$2.11	\$1.51	\$4.04	\$1.35
6	2012 Int'l 5 Yd Dump	514	Rupp	4,876	\$8,677	\$15,932	\$7,255	34,892	\$1.46	\$1.78	\$1.14	\$1.15
7	2015 Int'l 5 Yd Dump	519	Sjoblom	6,615	\$8,001	\$18,700	\$10,699	28,059	\$1.04	\$1.21	\$1.10	\$0.78
8	2017 Ford F350 4x4	525	Ielmorini/Davenport	10,278	\$4,373	\$21,868	\$17,495	11,161	\$0.43	\$0.43	\$0.52	\$0.78
Total 1 Ton & Over				37,922	\$47,203	\$137,574	\$90,371	475,968	\$1.27	\$1.24	\$2.50	\$1.14

¹ Expense amount shown excludes depreciation (approximately \$85,000 for FY18).

² Recovery is the amount charged to projects and operations to recover the expense of owning and operating the vehicle. Commencing 7/1/17 the recovery rate for vehicles 3/4-ton and under is \$7/hr and the recovery rate for vehicles 1-ton and over is \$14/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 32,500 miles. Mileage shown is total incurred since District purchase.

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**NORTH MARIN WATER DISTRICT
WATER CONSERVATION PROGRAM DETAIL
FOR PERIOD ENDING JUNE 30, 2018**

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Description		COST THRU JUNE 2017	JUNE 2018	FYTD TOTAL	FY 17/18 BUDGET	(OVER) UNDER	TOTAL COST		
NOVATO									
a. Residential									
1-7700-01	1-7700-26	1	Cash for Grass	\$378,476	\$3,642	\$22,972	\$65,000	\$42,028	\$401,449
1-7700-02	1-7700-27	2	Landscape Efficiency Rebates	22,667	0	825	5,000	4,175	23,492
1-7700-03		3	Fixtures Purchases	44,652	0	997	5,000	4,003	45,649
1-7700-06	1-7700-28	4	Washing Machine Rebates	343,746	426	3,366	10,000	6,635	347,112
1-7700-07		5	Demonstration Garden Improvements	54,416	0	0	1,000	1,000	54,416
1-7700-11	1-7700-29	6	Toilet Rebate SF	964,946	1,868	16,455	30,000	13,545	981,400
1-7700-12	1-7700-30	7	Toilet Rebate MF	18,173	0	0	2,000	2,000	18,173
1-7700-13		8	Residential Audits	328,236	9,900	58,508	67,000	8,492	386,744
1-7700-15		9	High Efficiency Toilet Distribution	242,177	0	0	0	0	242,177
1-7700-16		10	Water Waste Ordinance Monitoring	85,576	338	5,299	10,000	4,702	90,875
1-7700-17	1-7700-31	11	Swimming Pool Cover Rebate	2,997	0	261	1,000	739	3,258
1-7700-19	1-7700-32	12	ET Controller Rebate	30,385	367	3,168	5,000	1,832	33,553
1-7700-08		13	Administration	1,312,551	7,642	106,989	140,000	33,012	1,419,540
1-7700-20		14	New Development Wtr Cons Program	73,519	1,045	14,899	15,000	101	88,418
1-7700-21	1-7700-33	15	Demand Offset Rebate Program	2,797	0	19	2,000	1,981	2,816
1-7700-23		16	Grant Administration	2,314	0	986	1,000	14	3,300
1-7700-24	1-7700-34	17	Hot Water Recirculation Rebate	1,927	75	339	2,000	1,662	2,266
1-7700-25		18	Residential Fill Station	66,064	0	357	0	(357)	66,421
b. Commercial									
1-7701-02	1-7701-05	1	Toilet Rebate Program	66,961	0	100	10,000	9,900	67,061
1-7701-03	1-7701-04	2	Commercial Audits	15,890	339	5,718	9,000	3,282	21,608
c. Public Outreach/Information									
1-8672-16		1	Fall Newsletter	56,769	0	10,599	8,000	(2,599)	67,368
1-8672-17		2	Spring Newsletter	74,879	4,714	10,345	9,000	(1,345)	85,224
1-8672-18		3	Summer Newsletter	20,290	0	0	0	0	20,290
1-7700-04		4	Public Outreach / H ₂ O Fair	110,892	2,804	11,976	7,000	(4,976)	122,868
1-7700-05		5	Marketing	149,846	113	870	16,000	15,130	150,716
1-7700-22		6	Public Outreach/Leadership Novato	11,098	0	0	0	0	11,098
d. Large Landscape									
1-8653-02		1	Large Landscape Audits	89,427	0	1,000	3,000	2,000	90,427
1-7702-01		2	Large Landscape Budgets	36,181	0	1,702	1,000	(702)	37,883
1-7702-02	1-7702-04	3	Large Landscape Irrig Efficiency Rebates	14,460	0	0	4,000	4,000	14,460
1-8653-01		4	CIMIS Station Maintenance	18,653	15	213	2,000	1,787	18,866
1-7702-03		5	Administration-Large Landscape	40,984	3,509	30,747	10,000	(20,747)	71,730
TOTAL NOVATO WATER CONSERVATION				\$4,681,949	\$36,795	\$308,707	\$440,000	\$131,293	\$4,990,655
WEST MARIN WATER									
2-5166-00		a.	Water Conservation Program	\$81,581	\$673	\$7,473	\$10,000	\$2,527	\$89,054
TOTAL WATER CONSERVATION EXPENDITURES ¹				\$81,581	\$673	\$7,473	\$10,000	\$2,527	\$89,054

¹FY18 total excludes \$254,457 (5,813.5 AF x \$43.77) paid to SCWA for water conservation services provided to NMWD.

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING JUNE 30, 2018**

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Description		COST THRU JUNE 2017	JUNE 2018	FYTD TOTAL	FY 17/18 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
1 PIPELINE REPLACEMENTS/ADDITIONS							
a. Main/Pipeline Replacements							
1-7161-00	1 Ridge Road 6" ACP (8" @ 1,400')	\$52,152	\$444,835	\$645,953	\$325,000	(\$320,953)	\$698,105
1-7161-01	2 Ridge Road 6" ACP-Materials Purchase	\$0	67,320	67,832	0	(67,832)	67,832
1-7168-00	3 Center Rd 6" CIP (8"@1,200')	30,329	(1,797)	556,422	175,000	(381,422)	586,751
b. Main/Pipeline Additions							
1-7150-00	1 San Mateo 24" Inlet/Outlet Pipe (2,200')	27,824	93	18,222	50,000	31,778	46,046
1-7145-00	2 Zone A Pressure Improvements - Ignacio	388,145	(6,429)	(5,533)	0	5,533	382,613
c. PB Service Line Replacements							
1-7139-21	1 Replace PB in Sync w/City Paving (30 Svcs)	0	2,045	3,265	70,000	66,735	3,265
1-7123-20	2 Other PB Replacements (85 Services)	0	1,595	54,425	180,000	125,575	54,425
1-7123-21	3 Replace PB-Lamont Ave	0	0	0	0	0	0
1-7123-22	4 Repl PB-Brooke/Robinhood/McIntosh/Charmaine/Timothy	0	60,324	69,225	0	(69,225)	69,225
1-7169-00	5 Country Lane 2" Plastic	5,997	(137)	1,581	0	(1,581)	7,579
1-7174-00	6 Grant Ave Bridge Pipe Replacement	0	0	126,704	0	(126,704)	126,704
1-7175-00	7 Crest Road Main Replacement	0	0	69,071	0	(69,071)	69,071
1-7176-00	8 Replace Shady Lane Service Saddles	0	378	4,979	0	(4,979)	4,979
d. Relocations to Sync w/City & County CIP							
1-8737-xx	1 Other Relocations	0	0	0	80,000	80,000	0
TOTAL PIPELINE REPLACEMENTS/ADDITIONS		\$504,447	\$568,226	\$1,612,147	\$880,000	(\$732,147)	\$2,116,594
e. Aqueduct Replacements & Enhancements							
1-7118-02	1 MSN B2-Utility Agreement Costs ⁴	\$74,192	(\$1,811)	(\$496)	\$0	\$0	\$73,695
1-7118-11	2 AEEP Post Construction Costs	816	706	2,484	0	(2,484)	3,300
1-7118-19	3 AEEP B3 Betterment & Depr Cost	494	(54)	(54)	0	54	440
		\$75,501	(\$1,159)	\$1,934	\$0	(\$2,430)	\$77,435
2 SYSTEM IMPROVEMENTS							
1-8677-21	a. Flushing Taps at Dead-Ends (12 biennially)	\$0	\$0	\$0	\$50,000	\$50,000	\$0
1-7007-11	b. Detector Check Assembly Repair/Repl (~14/yr)	0	6,082	135,683	190,000	54,317	135,683
1-7090-04	c. Anode Installations (150/yr)	0	0	0	30,000	30,000	0
1-7132-04	d. Radio Telemetry	0	11,854	19,978	25,000	5,022	19,978
1-7157-00	e. Automate Zone Valve-Slowdown Ct	1,112	(97)	(97)	100,000	100,097	1,016
1-7158-00	f. Advanced Meter Information Retrofit ¹	860,747	764,146	2,991,715	4,700,000	1,708,285	3,852,463
1-7136-00	g. Facilities Security Enhancements	50,091	(63)	1,535	0	(1,535)	51,626
TOTAL SYSTEM IMPROVEMENTS		\$911,951	\$781,922	\$3,148,815	\$5,095,000	\$1,896,185	\$4,060,766
3 BUILDINGS, YARD, & S.T.P. IMPROVEMENTS							
a. Administration Building							
1-6501-43	1 Electronic Document Management System	\$0	\$0	\$0	\$150,000	\$150,000	\$0
1-6501-44	2 Office/Yard Building Renovation ²	51,870	(217)	511	1,500,000	1,499,489	52,381
b. Corp Yard/Warehouse/Construction Office							
1-6502-47	1 Other Yard Improvements	0	0	0	30,000	30,000	0
c. Stafford Treatment Plant							
1-6600-69	1 Stafford Dam Concrete Repair	142,844	(571)	52,935	50,000	(2,935)	195,778
1-6600-89	2 Coat Concrete Clearwells (Both Units)	0	84	2,412	490,000	487,588	2,412
1-6600-70	3 Watershed Erosion Control	0	0	3,534	0	(3,534)	3,534
1-6600-90	4 Stafford Dam Armoring Retrofit	0	0	0	0	0	0
1-6600-91	5 Stafford Spillway Repairs	0	0	82,414	0	(82,414)	82,414
TOTAL BUILDING, YARD, & STP IMPROVEMENTS		\$194,714	(\$704)	\$141,804	\$2,220,000	\$2,078,196	\$336,518

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING JUNE 30, 2018**

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Description	COST THRU JUNE 2017	JUNE 2018	FYTD TOTAL	FY 17/18 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
4 STORAGE TANKS & PUMP STATIONS						
1-6221-21 a. San Mateo Tank Recoat (5 MG)	\$39,156	(\$5,677)	\$2,045,243	\$1,900,000	(\$145,243)	\$2,084,399
1-7170-00 b. Hydro pneumatic Tank Repairs	0	0	15,157	30,000	14,843	15,157
1-6112-24 c. Lynwood Pump Station Motor Control Center	102,499	(222)	683	100,000	99,317	103,182
1-6112-25 d. Lynwood Pump Station Can Rehab	0	0	16,580	15,000	(1,580)	16,580
1-6117-27 e. San Marin Pump Station Can Rehab	29,077	(1,021)	(1,021)	15,000	16,021	28,056
1-6141-00 f. Crest P.S.(Design/Const)/Reloc School Rd P.S.	43,169	5,592	12,644	60,000	47,356	55,813
1-6207-20 g. Old Ranch Road Tank Replacement	0	4,682	15,476	0	(15,476)	15,476
1-6205-22 h. Cherry Hill #2 Recoat	0	(105)	0	0	0	0
TOTAL STORAGE TANKS & PUMP STATIONS	\$213,901	\$3,250	\$2,104,762	\$2,120,000	\$15,238	\$2,318,664
5 RECYCLED WATER						
5-7127-00 a. NBWRA Grant Program Administration	\$1,268,876	\$19,831	\$38,339	\$80,000	\$41,661	\$1,307,215
5-6058-10 b. Expansion to Central Area ³	1,118,933	(47,171)	(44,114)	6,365,000	6,409,114	1,074,819
5-6058-15 c. RW Central Right of Way Costs ³	86,978	(3,699)	(3,338)	0	3,338	83,640
5-6058-20 d. RW Central Private Onsite Retrofit ³	154,940	155,958	630,020	0	(630,020)	784,960
5-6058-25 e. RW Central Public Onsite Retrofit ³	29,038	(82)	337	0	(337)	29,376
5-6058-30 f. RW Exp-Central-East Side Const ³	3,230,293	(7,094)	844,739	0	(844,739)	4,075,031
5-6058-35 g. RW-Central East-Rowland Way ³	346,919	0	6,943	0	(6,943)	353,862
5-6058-40 h. RW Exp-Central-West Side Const ³	6,334,951	618	530,587	0	(530,587)	6,865,539
5-6058-50 i. RW Central-Norman Tank Rehab/Const ³	141,522	(479)	984,828	0	(984,828)	1,126,350
5-6058-60 j. RW Central-Highway101 Crossing	9,252	(194)	847,083	0	(847,083)	856,335
5-6234-20 k. Upgrade Auto-Fill Valve at Reservoir Tank	0	0	0	50,000	50,000	0
l. Other Recycled Water Expenditures	0	0	0	50,000	50,000	0
TOTAL RECYCLED WATER	\$12,721,702	\$117,690	\$3,835,425	\$6,545,000	\$2,709,576	\$16,557,126
6 WEST MARIN WATER SYSTEM						
2-6263-20 a. Replace PRE Tank #4A (25K Gal w/82K Gal)	\$77,648	\$25,060	\$124,690	\$550,000	\$425,310	\$202,339
2-7160-00 b. Green Sand Filter Media Replace	21,977	0	24,657	75,000	50,343	46,634
2-8829-00 c. PB Replace in Sync w/County Paving	0	0	0	50,000	50,000	0
2-6604-21 d. Gallagher Well Motor Operated Valve	0	0	14,490	0	(14,490)	14,490
2-6601-32 e. TP Solids Handling	190,918	1,206	6,923	0	(6,923)	197,841
2-6609-20 f. New Gallagher Well #2	0	126	588	0	(588)	588
TOTAL WEST MARIN WATER SYSTEM	\$290,543	\$26,392	\$171,349	\$675,000	\$503,651	\$461,892
7 OCEANA MARIN SEWER SYSTEM						
8-8672-28 a. Infiltration Repair	\$39,195	\$0	\$0	\$40,000	\$40,000	\$39,195
8-7163-00 b. Design/Install 8th Disposal Trench (300')	15,674	(159)	437	80,000	79,563	16,110
8-7085-02 c. Tahiti Way Lift Pumps Rebuild (2)	33,114	0	0	20,000	20,000	33,114
8-7164-00 d. Tahiti Way Power Relocation	0	0	0	20,000	20,000	0
8-7171-00 e. Pond Dredging & Relining	0	515	2,473	50,000	47,527	2,473
8-8607-22 f. OM Treatment Pond-Storm Damage-FEMA	3,964	(39,461)	(3,964)	0	3,964	(0)
8-7173-00 g. OM Treatment Pond Rehab-404 Grant-FEMA	0	31,982	45,172	0	(45,172)	45,172
8-7172-00 h. OM Force Main & Lift Station Upgrade	0	(1)	0	0	0	0
TOTAL OCEANA MARIN SEWER SYSTEM	\$91,946	(\$7,124)	\$44,117	\$210,000	\$165,883	\$136,063
TOTAL PROJECT EXPENDITURES	\$15,004,705	\$1,488,493	\$11,060,354	\$17,745,000	\$6,634,151	\$26,065,059

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING JUNE 30, 2018**

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Description	COST THRU JUNE 2017	JUNE 2018	FYTD TOTAL	FY 17/18 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
8 LESS FUNDED BY GRANTS, LOANS & REIMBURSEMENTS						
(Accrued)/Deferred						
a. RW Expansion - Central Service Area SRF Loan ³	(\$2,796,097)	\$1,261,759	\$596,103	\$0	(\$596,103)	(\$2,199,994)
b. RW Expansion - Central Service Area Grant ³	(3,664,767)	(\$1,202,951)	3,657,631	0	(3,657,631)	(7,136)
c. MSN Aqueduct Caltrans Reimb-Segment B2 ⁴	(270)	1,811	496	0	(496)	226
d. Office/Yard Building Renovation ²	(51,870)	217	(511)	0	511	(52,381)
FUNDING BY OTHERS (ACCRUED)/DEFERRED	(\$6,513,004)	\$60,836	\$4,253,719	\$0	(\$4,253,719)	(\$2,259,285)
Received						
a. RW Expansion - Central Service Area SRF Loan ³	(\$1,899,538)	\$0	(\$2,983,799)	(\$2,773,160)	\$210,639	(\$4,883,337)
b. RW Expansion - Central Service Area Grant ³	(1,881,701)	0	(4,106,378)	(\$2,559,840)	1,546,538	(5,988,079)
c. MSN Aqueduct Caltrans Reimb-Segment B2 ⁴	(59,974)	0	0	0	0	(59,974)
d. Office/Yard Building Renovation ²	0	0	0	(1,500,000)	(1,500,000)	0
FUNDING BY OTHERS RECEIVED	(\$3,841,213)	\$0	(\$7,090,177)	(\$6,833,000)	\$257,177	(\$10,931,390)
NET PROJECT EXPENDITURES	\$4,650,488	\$1,549,329	\$8,223,897	\$10,912,000	\$2,637,608	\$12,874,384

CIP SUMMARY-GROSS EXPENDITURES:	Current Month	FYTD Total	FY 17/18 Budget	FYTD/ Budget%
Novato Water Capital Projects	\$1,351,535	\$7,009,463	\$10,315,000	68%
Novato Recycled Water Capital Projects	117,690	3,835,425	6,545,000	59%
West Marin Water Capital Projects	26,392	171,349	675,000	25%
Oceana Marin Sewer Capital Projects	(7,124)	44,117	210,000	21%
Gross Capital Improvement Project Outlays	\$1,488,493	\$11,060,354	\$17,745,000	62%

CIP SUMMARY-NET EXPENDITURES:	Current Month	FYTD Total	FY 17/18 Budget	FYTD/ Budget%
Novato Water Capital Projects	\$1,353,563	\$7,009,449	\$8,815,000	80%
Novato Recycled Water Capital Projects	176,498	998,981	1,212,000	82%
West Marin Water Capital Projects	26,392	171,349	675,000	25%
Oceana Marin Sewer Capital Projects	(7,124)	44,117	210,000	21%
Net Capital Improvement Project Outlays	\$1,549,329	\$8,223,897	\$10,912,000	75%

Notes to Capital Improvement Projects Schedule:

- (1) FY18 Radio Read Meter Retrofit cost funded by \$4.6M Loan. Loan origination fee is \$85,300.
- (2) Office/Yard Refurbish to be funded by Bank Loan.
- (3) \$11.7M RW Central Expansion funded by Federal Grants, SRF Loan, local contribution & Marin Country Club contribution. Debt service paid from FRC Funds.
- (4) Funding provided 100% by Caltrans.

CONSULTING SERVICES/STUDIES						
1-4055-00	a. Stafford Lake Sanitary Survey	\$12,068	\$0	\$694	\$0	(\$694)
1-4056-00	b. Novato Creek Steelhead Recovery	33,482	706	11,639	0	(11,639)
1-4057-00	c. Local Water Supply Enhancement Study	0	0	0	150,000	150,000
1-7039-02	d. Novato Water Master Plan Update	458	26,120	76,488	45,000	(31,488)
1-4058-00	e. Cost of Service Study Peer Review	0	0	0	30,000	30,000
1-4059-00	f. Stafford Lake Water Rights Update	0	0	0	50,000	50,000
1-4060-00	g. STP Efficiency Improvements	0	0	0	75,000	75,000
1-4063-00	h. Novato Asset Management Study	0	3,199	50,336	75,000	24,664
1-4064-00	i. Pipe Crossing Repairs-Novato & Rush Creek & Leveroni Bank	11,506	0	61,051	0	(61,051)
1-4069-00	j. Strategic Long Range Plan	0	2,848	18,537	0	(18,537)
1-4073-00	k. Surplus Property	0	0	200	0	(200)
2-4061-00	l. Digitize West Marin Water Facility Maps	10,200	4,372	7,359	10,000	2,641
5-4045-00	m. RW Engineering Report Update	31,589	0	0	0	0
8-4062-00	n. Oceana Marin Vulnerability Study	0	0	0	25,000	25,000
		\$99,303	\$37,245	\$226,303	\$460,000	\$233,697
						\$325,606

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.

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.

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 10/27/2031. 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.

Deer Island 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 Deer Island Recycled Water Treatment Plant. 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.

Recycled Water Capital Replacement and Expansion Fund: The 2011 Interagency Agreements for Recycled Water between NSD, LGVSD & NMWD require that any payments to the Distributor (NMWD) by the End User (Consumers) in excess of actual costs (marginal payments) shall be deposited in this fund. Operation and Maintenance Costs are defined as the actual cost of: labor (including general and administrative overhead plus tools and supplies normally applied), equipment and vehicle charges, consumables (such as chemicals and electrical power), and spare parts and/or replaced components necessary to reliably treat and deliver recycled water to the End Users. Operation and Maintenance Costs do not include costs for major capital replacement or process changes.

Tax Receipts held in Marin County Treasury: Balance of tax proceeds collected and disbursed by the County of Marin for repayment of the Olema (OL-2) general obligation bond debt. The County credits interest to these funds quarterly.

STP SRF Reserve Fund – Marin County Treasury: The 2004 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, commencing January 1, 2010, 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.

RWS North/South SRF Reserve Fund: The State Water Resource Control Board Agreements for the seven Clean Water State Revolving Fund Loans made for expansion of the Recycled Water System distribution system require that the District establish a reserve fund equal to one year's debt service (\$614,299) prior to the construction completion date.

RWS Central SRF Reserve Fund: The State Water Resource Control Board Agreement for the Clean Water State Revolving Fund Loan made for expansion of the Recycled Water System distribution system requires that the District establish a reserve fund equal to one year's debt service (\$255,373) prior to the construction completion date.

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. In FY98 the West Marin Water System was included in the fund and built-up a proportional reserve of \$74,000 over several years. 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 August 2008, \$500,000 was transferred into this reserve from the Self-Insured Workers' Compensation Fund and made available to fund Employer Assisted Housing Program loans. Currently there is \$1,209,200 in Employer Assisted Housing Loans outstanding (see Note 3). 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 currently rented. In 2006, \$8,885 was added from the sale of surplus property in West Marin. The fund balance does not accrue interest. The Liability Contingency Fund Designated Cash account and related reserves in Novato and West Marin have been closed.

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 21.

Retiree Medical Benefits Fund: NMWD pays the cost of health insurance for retirees between the ages of 55 and 65 and spouse under any group plan offered by CalPERS. The retiree must be at least 55 and have a minimum of 12 years of NMWD service at the date of retirement. NMWD's contribution toward the chosen plan is capped in the same manner as all other NMWD employees in the same class. Coverage terminates for the spouse when the spouse becomes eligible for Medicare, or for both the retiree and spouse when the retiree becomes eligible for Medicare. When the retiree or spouse becomes eligible for Medicare, NMWD pays up to the couple annuitant rate, which is capped at \$3,830 per year (\$319/month). In August 2003, NMWD transferred \$2.55 million (\$2.3 million for current retirees plus \$250,000 for future retirees) from unrestricted cash into a reserve to fund this obligation. In 2010 the Board directed staff to add \$1,500 per employee annually as a payroll overhead to accrue and accelerate amortization of this liability. The accrual is maintained as a Long-Term Liability entitled Retiree Health Benefits Payable. The Retiree Health Benefits Payable plus the Retiree Medical Benefits Reserve Fund currently has a balance of \$4.1M. In 2015 an Actuarial Analysis calculated NMWD's total actuarial liability at \$5.6 million. The Retiree Medical Benefits cash fund earns interest monthly. Accounting Standards require that the \$5.6M reserve be fully funded in 20 years.

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 \$2,500,000) of budgeted annual water commodity sales. In FY09 \$50,335 was added to the reserve. The fund was fully depleted in FY10. The fund balance accrues interest monthly.

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 FY93. In FY94 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 \$7.0M. 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 designated cash Conservation Incentive Rate Fund (CIR) account and the related reserve account in West Marin have been closed.

Operating Reserve Fund: This reserve, comprised of four months of budgeted operating expenditures (less depreciation) 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 five employee-housing loans currently outstanding totaling \$1,209,200: a \$250,000 loan dated August 2004, a \$39,200 loan dated September 2004, a \$150,000 loan dated November 2007, a \$245,000 loan dated June 2010, a \$250,000 loan dated March 2015, and a \$275,000 loan dated June 2018.

Note 4 – Other Long Term Receivables

The District entered into a temporary water service agreement with Black Point Golf Links in 1999 to provide potable water for StoneTree Golf Course until recycled water was available. In 2006 the District received a \$4.3 million 20-year 2.4% SRF loan to finance the Deer Island Recycled Water project, and Black Point Partners agreed to pay the District \$3,612,640 in bimonthly payments of \$41,762 at 2.4% coinciding with StoneTree's water service payments. The final payment from StoneTree is due in February 2024.

In 2015 the District entered into an agreement with Marin Country Club for their share of the pipeline extension to provide recycled water for the Marin Country Club Golf Course. In 2016 the District received a \$6.6 million 30-year 1.0% SRF loan to finance the Recycled Water Central project, and Marin Country Club agreed to pay the District \$1,265,295 in bimonthly payments of \$8,142 at 1.0% over 30 years for their share of the pipeline extension. Marin Country Club also agreed to pay \$430,463 of the District's local share of the project in bimonthly payments of \$8,242 over 10 years at 2.8%, which is the Novato Potable Fund's weighted average cost of debt. The payments will coincide with Marin Country Club's water service payments. The final payment from Marin Country Club is due in November 2047.

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:

North Marin Water District
Financial Statement Notes

<u>Facility</u>	<u>Life (Years)</u>
Aqueduct.....	150
Dam.....	100
Buildings & Structures.....	40
Mains.....	50
Pumping Equipment.....	25
Water Treatment Equipment.....	20
Storage & Transmission (16"+) Facilities.....	50
Distribution Facilities (includes Pump Stations).....	50
Office, Laboratory, Construction & Shop Tools & Equipment.....	10
Vehicles 1 ton or 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 2017-2018

Service Area	Description	Issue Date	Rate	Original Amount	Payment Due	Final Pmt	FY18		6/30/18 Outstanding Balance
							Interest Expense	Principal Paid	
1 Novato	SRF Loan - STP	2004	2.39%	\$16,528,850	7/1 & 1/1	7/1/29	\$254,401	\$790,074	\$10,050,647
2 Novato	Bank Loan Marin	2011	3.54%	\$7,000,000	27 th /mo	10/27/31	\$181,888	\$300,153	\$5,155,896
Novato Total							\$436,289	\$1,090,227	\$15,206,543
3 RW TP	SRF Loan	2006	2.4%	\$4,302,560	6/19	6/19/27	\$57,718	\$215,648	\$2,189,287
4 RW North	SRF Loans (4)	2013	2.6%	\$4,375,605	Varies	Varies	\$89,924	\$189,808	\$3,351,885
5 RW South	SRF Loans (3)	2013	2.2%	\$5,359,858	Varies	Varies	\$96,062	\$233,145	\$4,278,721
6 RW Central	SRF Loan	2016	1.0%	\$4,610,852	12/18	12/31/47	\$0	\$0	\$4,610,852
Recycled Water Total							\$243,704	\$638,601	\$14,430,745
7 PRE	PRE-1 Revenue	1980	5.0%	\$240,000	10/1 & 4/1	4/1/20	\$1,900	\$12,000	\$26,000
8 Point Reyes	PR-6 Revenue	1981	5.0%	\$217,800	7/1 & 1/1	7/1/21	\$2,300	\$11,000	\$45,000
9 WM Water	Bank Loan Marin	2012	3.54%	\$1,000,000	27 th /mo	10/27/31	\$26,699	\$44,059	\$756,524
West Marin Water Total							\$30,899	\$67,059	\$827,524
FY18 Total							\$710,892	\$1,795,887	\$30,464,812

1. 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. The first payment was made in December 2009.
2. 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 15 below, and note to loan 9 above.
3. 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. With the addition of \$38,015 in Construction Period Interest, the loan principal totaled \$4,302,560. The project was completed in June 2007, and the first payment was made June 19, 2008.
4. In July 2011 the California State Department of Water Resources approved a series of four 2.6% 20-year loans which totaled \$4,375,605 for the Recycled Water North Service Area Expansion Project. The projects were completed on October 31, 2012, and the first payment was made in November of 2012.
5. In March 2012 the California State Department of Water Resources approved a series of three 2.2% 20-year loans totaling \$5,361,952 for the Recycled Water South Service Area Expansion Project. The projects were completed on September 4, 2013, and the first payment was made in December of 2013.
6. In May 2016 the California State Department of Water Resources approved a 1.0% 30-year loan of \$6,592,295 for the Recycled Water Central Service Area Expansion. The project will be completed in December 2017, and the first payment will be made December 31, 2018.
7. 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.
8. 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.
9. 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. See note to loan 2 above.

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 x 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 (2.78% at 6/30/17); 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

- 1) At the last Board Meeting on October 3, 2017, the Board approved the budget augmentation to the Recruitment Expense account (56406.01.11) by \$30,000.00 for the retention of the consulting firm Ralph Andersen & Associates to recruit a successor Auditor-Controller; and
- 2) At the same Board Meeting noted above, the Board approved the budget augmentation to the General Office Salaries account (56102.01.11) by \$40,000.00 for the additional salaries for the overlap of the successor Auditor-Controller with the retiring Auditor-Controller.

Note 12 – Prior Period Adjustment

Note 13 – Explanation of Financial Statement Components

The District's financial statement is comprised of four components: 1) Statement of Net Position, 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 Position (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 position*. 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 Principles (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 22) and Capital Improvement Project Expenditures (page 27), which show outlays to date, compared with budget authority.

Note 14 –Connection Fee Transfers from Novato Water To Recycled Water

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

	Expansion Local Share			SRF RWF		Expansion		Total	Transfer Executed
	North	South	Central	NBWRA	Loan	SRF Loan	CIP		
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		\$115,883	\$22,795			\$637,656	
FY13				\$315,023	\$22,795	\$464,572		\$802,390	\$1,970,400
FY14	\$236,291	\$723,525	\$4,024	\$63,035	\$22,795	\$500,529		\$1,550,200	\$1,550,200
FY15		\$17,563	(\$4,024)	\$38,283	\$22,795	\$614,299		\$688,916	\$688,916
FY16	\$0	\$0	\$66,729	\$102,842	\$22,795	\$614,299		\$806,664	\$806,664
FY17			\$362,524	\$194,636	\$22,795	\$614,299	\$36,687	\$1,230,940	\$1,230,940
FY18			\$5,071,512	\$38,908	\$22,795	\$614,299		\$5,747,513	\$5,747,513
	\$603,428	\$1,006,589	\$5,500,764	\$1,307,785	\$250,744	\$3,422,297	\$36,687	\$12,128,294	\$12,128,294

Note 15 –Debt Service Coverage Ratio

Debt Service Coverage Ratio is 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.

	FY14	FY15	FY16	FY17	Budget FY18
Net Income/(Loss)	\$3,815,820	\$1,050,523	\$378,468	(\$117,451)	\$197,000
Depreciation	\$3,128,302	\$3,183,725	\$3,286,353	\$3,416,411	\$3,526,000
Interest Expense	\$830,830	\$847,951	\$807,035	\$757,781	\$732,000
Connection Fees	\$152,800	\$801,600	\$278,690	\$1,034,585	\$833,000
Total Available For Debt Service	\$7,927,751	\$5,883,799	\$4,750,546	\$5,091,326	\$5,288,000
Annual Debt Service	\$2,448,968	\$2,534,473	\$2,528,938	\$2,527,022	\$2,534,000
Debt Service Coverage Ratio	3.24	2.32	1.88	2.01	2.09

Note 16 – Deferred Inflow and Deferred Outflow of Resources

Deferred Inflow of Resources is the changes in actuarial assumptions and the differences between the actual contribution & proportionate share of contribution, which for FY16 was \$655,355 and is recognized in FY17. *Deferred Outflow of Resources* is the fiscal year 2017 pension contribution (\$926,447) adjusted by the difference in actual & expected experience, difference between projected and actual earnings on investments, and the differences in proportions of net pension liability share of contributions from the CalPERS Actuarial Report (\$2,005,413) for a total of \$2,931,860 at June 30, 2017

	Deferred Outflow	Deferred Inflow
FY17 Pension Contributions	\$926,447	
Differences between actual & expected experience	\$22,831	
Changes in actuarial assumptions		(\$280,202)
Net difference between projected & actual earnings on investments	\$1,458,356	
Differences between actual contribution & proportionate share of		(\$375,153)
Adjustment due to differences in proportions of net pension liability	\$524,226	
Total at June 30, 2017	\$2,931,860	(\$655,355)

Note 17 – Net Pension Liability

The net pension liability¹ is required by GASB68 for accounting purposes and is the difference between the total pension liability (the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) set aside in a trust and restricted to paying benefits to current employees, retirees, and their beneficiaries.

	FY17 Entries	PY Deferral Amortization	Net Pension Adjustment
Net Pension Liability 6/30/2016	\$8,619,837		\$8,619,837
Reclassify FY16 Contributions to FY17	(\$828,792)		(\$828,792)
Defer FY17 Contributions	\$926,447		\$926,447
Difference between Expected & Actual Experience ²	(\$6,490)	(\$13,561)	(\$20,051)
Change in Proportion ³	\$308,659	(\$267,014)	\$41,645
Pension Expense ⁴	\$544,527	\$147,431	\$691,958
Change in Actuarial Assumptions ⁵	(\$26,574)	\$152,076	\$125,502
Difference in Actual Contrib & Proportionate Share of Contrib ⁶	(\$339,974)	\$162,477	(\$177,497)
Difference between Projected & Actual Earnings on Investments	\$1,843,149	(\$181,409)	\$1,661,740
Net Pension Liability 6/30/2017	\$11,040,789	\$0	\$11,040,789

¹ Net Pension Liability (NPL) = Total Pension Liability (TPL) – fiduciary net position (market value of assets)

² The Difference between the Expected and Actual Experience measures the difference between what the projected actuarial factors for retirement age, salary increases, and mortality rates were assumed to be with what NMWD's factors actually turned out to be.

³ Change in Proportion reflects the difference from the prior year of NMWD's net pension liability as a percentage of the CalPERS Miscellaneous Pool aggregate net pension liability

⁴ Pension Expense = service cost + interest on TPL + current period benefit changes – member contributions – expected earnings on plan investments + administrative expenses + recognition of deferred outflows – recognition of deferred inflows

⁵ Actuarial Assumptions include projections of retirement age, discount and inflation rates, salary increases, return on investment, mortality rates, and retiree cost-of-living adjustments.

⁶ The Difference in Actual Contribution and Proportionate Share of Contributions identifies the difference between NMWD's actual pension contribution compared to its proportionate share of the actuarially required cumulative contribution of all employers in the CalPERS Miscellaneous Pool based on NMWD's net pension liability relative to the CalPERS Miscellaneous Pool aggregate net pension liability.

Unfunded Accrued Liability (UAL) is the Actuarial Valuation which relates to funding and is a calculation of Entry Age Normal Accrued Liability and Plan's Market Value of Assets. This District's UAL at June 30, 2016 (latest available) is \$12,242,255.

7

MEMORANDUM

TO: Board of Directors August 17, 2018

FROM: Rocky Vogler, Chief Engineer *RV*

SUBJ: Atherton Avenue Land Division Renewal of Letter Agreement with the Novato Fire Protection District – APN 143-350-44, 45 and 46

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RECOMMENDED ACTION: That the Board authorize renewal of the letter agreement financial guarantee for another forty-eight months.

FINANCIAL IMPACT: None, information only

In February 1996, North Marin Water District and Novato Fire Protection District (NFPD) executed a letter agreement to serve as financial guarantee by the Fire District for all costs associated with construction of water distribution facilities to serve the above referenced project (see Vicinity Map in Attachment 1). This letter agreement expired in February 1998, and an extension was granted to NFPD for another two (2) years. Subsequently, four more extensions have been given to NFPD, the most current expired June 25, 2018. NFPD intends to revert the parcel to acreage for construction of a training facility, but has not yet initiated the land use approval process. NFPD is requesting another four (4) year renewal of the letter agreement (see Attachment 2).

A brief history of this project is as follows:

1. The property was divided into three lots for single family homes by NFPD. The Preliminary Map was approved by the County of Marin on January 5, 1981. The water agreement is dated June 28, 1982.
2. The property was sold to John Groshak and Doris Groshak in 1986. The water agreement was assigned to Mr. & Mrs. Groshak on July 29, 1986. The lots were not developed.
3. The property was sold to Grace Lutheran Church in 1989. The water agreement was assigned to the church on September 14, 1989. The new church planned by Grace Lutheran Church was not built.
4. Grace Lutheran Church merged with the Lutheran Church of the Resurrection and sold the three lots back to NFPD in 1996. The Fire District has expressed its intent to cause the land division to revert to acreage and to utilize the land for a new classroom/storage facility. The proposed facility would be accessed from the adjacent fire station/training center.

Staff updated the water agreement initial charges and cost estimate and released the assignment documents for signatures by the Lutheran Church and NFPD. Formal authorization of the assignment to NFPD was approved at the February 20, 1996 meeting, with an

Approved by GM

Date 8-17-18

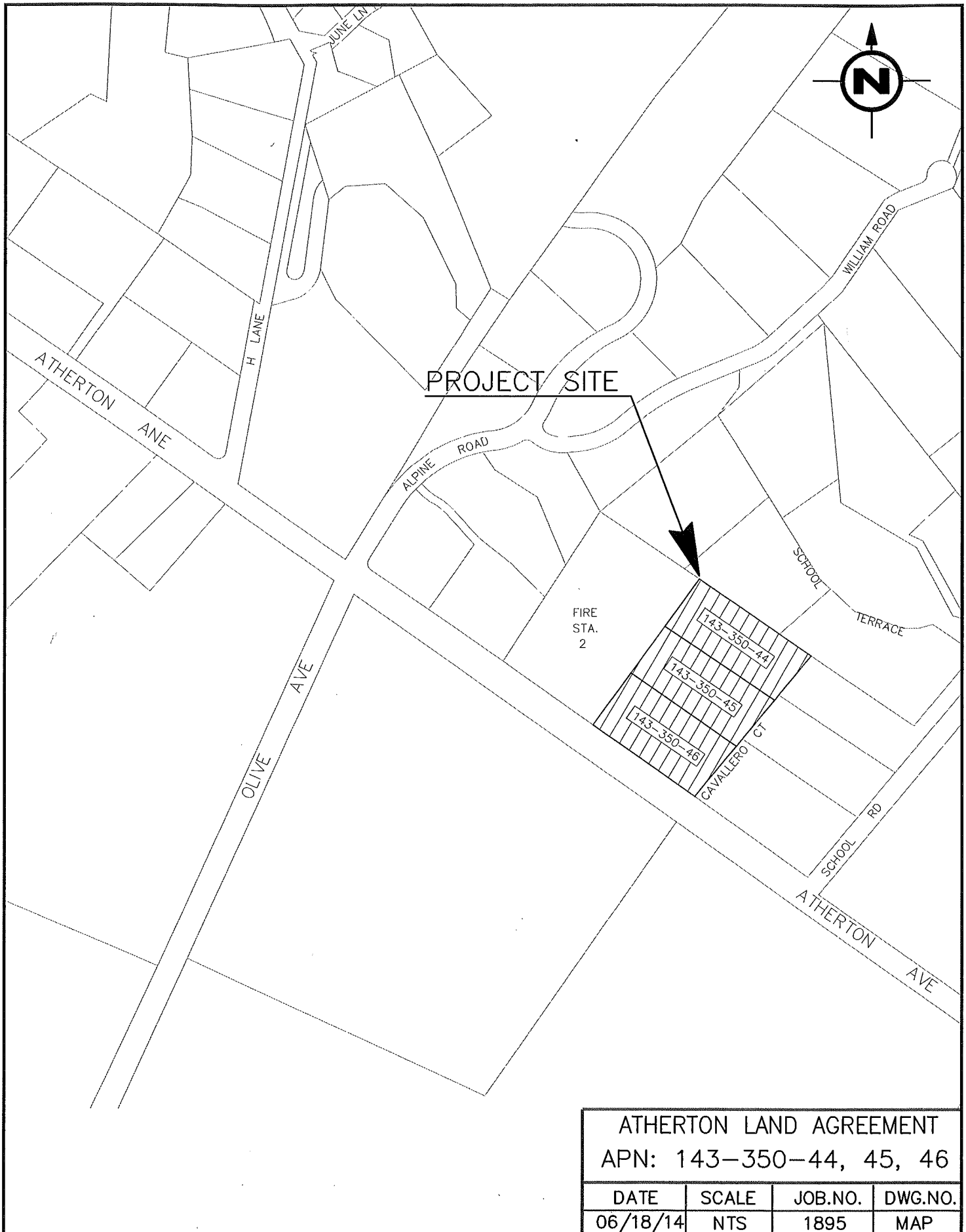
accompanying letter agreement providing a financial guarantee of \$29,711.00. With the most recent NFPD extension request, staff has updated the initial charges and construction costs resulting in a new agreement guarantee of \$158,854 (vs. \$145,662 in 2014). If there is further assignment from the Fire District to another party or should the Fire District construct a training facility the agreement would be revised (including an update of all agreement costs).

The water agreement including financial guarantee for this project must remain in effect as long as the three marketable lots exist. Should the Fire District secure approval from the County of Marin for a reversion to acreage, the agreement can be canceled.

RECOMMENDATION:

That the Board authorize renewal of the letter agreement financial guarantee for another forty-eight months.

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July 31, 2018

North Marin Water District
PO Box 146
Novato, CA 94948-0146

Subject: Atherton Avenue Land Division APN#143-³⁶⁰180-44, 45, and 46
NMWD File 1 11895.00

This letter shall constitute an agreement by and between the Novato Fire Protection District and North Marin Water District as follows:

The Board of Directors for the Novato Fire Protection District hereby request that the Water District accept this letter of agreement in lieu of requiring the Fire District to post cash payments, bonds, or letters of credit from financial institutions as guarantee of payment to the Water District of all costs associated with construction of water distribution facilities to provide water service to each parcel of the above referenced project in accordance with the terms and condition of that certain Water Service Facilities Constriction Agreement between the Water District and the Fire District dated June 28, 1982, and revised by that certain Letter Agreement dated January 24, 2006. The amount of this guarantee is currently estimated to be One Hundred Fifty Eight Thousand, Eight Hundred and Fifty Four (\$158,854) U.S. Dollars.

As requested, the North Marin Water District accepts this letter as a financial guarantee to secure payment by the Fire District of all costs associated with construction of said water distribution facilities to serve the above referenced project subject to the following conditions:

This guarantee shall remain in full force and effect unless or until either the Novato Fire Protection District causes said land division to revert to acreage by consolidation of the three individual parcels into on parcel by the County of Marin or until this guarantee is released in writing by the Water District.

In the event of sale by the Fire District of any or all of the parcels created by the above-reference Atherton Avenue Land Division or elapse for forty-eight (48) months from the date of execution of this letter agreement, then (i) the full amount of this financial guarantee shall immediately and upon demand become due and payable to the Water District; (ii) the existing water service agreement between the Water District and the Fire District shall terminate; and (iii) the Water District and the Fire District, or its successors, shall enter into new water service agreements, subject to the then existing rules and regulations of the Water District.

NORTH MARIN WATER DISTRICT

President Date

Secretary Date

NOVATO FIRE PROTECTION DISTRICT

William F. Sawicki 8-1-18

President Date

Jaime Villa 8-1-18

Secretary Date

8

MEMORANDUM

To: Board of Directors
 From: Robert Clark, Operations / Maintenance Superintendent *RAC*
 Subject: Dump Truck Replacement Authorization
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August 17, 2018

RECOMMENDED ACTION: Authorize Staff to solicit bids for the purchase of a new 2018 model year dump truck.

FINANCIAL IMPACT: None at this time (\$120,000 included in FY18/19 Budget)

Dump truck #52 (1999 Ford F450 3 cubic yard) at 93,118 miles has a failing transmission, bent rear differential and the aftermarket diesel particulate filter is in need major maintenance. Staff has determined that it is not cost effective to make the necessary repairs. These repairs were estimated at \$12,000 and the Blue Book value for an operational truck of this size and year is in the \$15,000 range. We may be able to receive at auction \$8,000 for the truck as is.

In an effort to find the availability and price of a new dump truck staff reached out to the vendor solicited for purchase of the 2012 International 5 CY dump truck (#514). These trucks are assembled when a valid purchase order is agreed upon and therefore there are not any trucks in stock that meet our specifications. Staff is therefore recommending a Request for Proposal be sent to the dealers listed below to solicit competitive bids for this vehicle.


Dealer	Attn & Phone #	Address	City
Winner Chevrolet/Elk Grove Auto Group	Bill Kemery billk@lasherauto.com	1624 S Canyon Way	Colfax CA 95713
Downtown Ford Sales	Dave Forbes daveforbess@downtownfordsales.com	525 N 16 th St	Sacramento CA 95811
Hanless of Davis	Dan Heil Dan.heil@hanless.net	4318 Chiles Rd	Davis CA 95618
Peterson Trucks Inc. (International)	Russ Thielen rthielen@petersontrucks.com	3710 Regional Pkwy	Santa Rosa, CA 95430
Coast counties Peterbilt	Joe Rossi jrossi@coastcounties.com	7675 Conde Ln	Windsor CA 95492

RECOMMENDATION

Authorize Staff to solicit bids for the purchase of a new 2018 model year 3 yard dump truck.

9

MEMORANDUM

To: Board of Directors
From: Drew McIntyre, General Manager 
Subj: Approve Revised Chief Engineer Job Description
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August 17, 2018

RECOMMENDED ACTION: Approve**FINANCIAL IMPACT: None**

During the recent recruitment for a new Auditor-Controller, the Board approved replacing the "mandatory" local residency requirement (within 10 miles of our service territory) with a local residency "preference". Attached is a proposed revision of the Chief Engineer job description which has been amended to reflect a similar change in the residency requirement.

I continue to be an advocate of having as many employees as possible living within our service territory to support both regular and emergency operations. However, as the Board is aware, it is becoming more and more difficult for employees to reside within our service territory even with our Employee Assisted Housing Program. This change will apply to our current Chief Engineer, for whom relocation to Novato is not feasible at this time due to high housing costs in Marin.

Recommendation

Board approve the revised Chief Engineer job position description.

North Marin Water District

CHIEF ENGINEER

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

DEFINITION

Under general administrative direction of the General Manager, is responsible to plan, organize and direct the engineering function of the District; performs engineering planning and design work, training, supervision, project management and represents the Department and the District in contacts with other agencies and organizations. Serves as an officer of the District.

DISTINGUISHING CHARACTERISTICS

The **Chief Engineer** assumes the full leadership and management responsibility for the Engineering Department and organizes, supervises and directs the Engineering Department including design engineering for both developer and District-funded programs; construction inspection and management; engineering records management; and new applicant water/sewer service administrative. Recruits, interviews and assists in the selection of Engineering Department employees.

SUPERVISION RECEIVED

Receives direction from the General Manager and the Board of Directors.

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

Plans, develops and implements goals and objectives for the Department; directs and is responsible for the work of a small professional and technical staff in the design, construction and maintenance of transmission pipelines, distribution facilities and mechanical and electrical equipment including power and control, communications and cathodic protection; directs the engineering aspects of water supply development and water quality control; prepares a work program and budget, manages and monitors goal accomplishment and expenditures; selects, trains and evaluates the work of subordinates; advises and consults with the General Manager on difficult engineering problems; attends Board of Director meetings, prepares and presents staff reports for consideration by the Board; communicates clearly and concisely, both orally and in writing, makes special studies and reports; recommends and periodically updates District design and material standards and coordinates the engineering and construction program with that of other District Departments, utility entities and public agencies. Is expected to and spends a significant portion of time estimating the cost of, and designing water distribution (and to a lesser extent) wastewater collection and treatment facilities. Is responsible for coordinating District Emergency Operations planning.

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

Education/Experience

Graduation from an accredited college with a Bachelor of Science degree in engineering and ten years of increasingly responsible professional level engineering experience that includes a minimum of four years of experience managing engineering operations or equivalent.

Knowledge/Skill/Ability

Thorough knowledge of the principles, methods, materials and equipment used in the design, construction and maintenance of water and sewage system facilities; knowledge of the principles and methods of organization and management and ability to work as part of a Districtwide technical

team involved with all construction and maintenance activities; establish budgets; can demonstrate experience and capability to handle multiple projects up to twenty-five million dollars and also plan, lead, train, motivate and direct the work of a small professional and technical staff; familiarity with and ability to effectively use engineering design software and other computer aids commonly found in an engineering design office, ability to establish and maintain effective relationships with the District Board of Directors, other public and private agencies, contractors, developers and the general public.

License/Certificate

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

Registration as a Professional Engineer in the State of California.

Residency

~~Residence within 10 miles of the District's Service Area within 24 months following initial employment is required for this position. Applicants residing within 10 miles of the District's Service Area will be given preference to all other applicants.~~

WORKING CONDITIONS/PHYSICAL REQUIREMENTS

Position requires prolonged sitting, standing, walking, reaching, twisting, turning, kneeling, bending, squatting, and stooping in the performance of daily activities. The position also requires grasping, repetitive hand movement, and fine coordination in preparing and reviewing construction plans, statistical reports and data, and using a computer keyboard. Additionally, the position requires near, far, and color vision in reading reports, reviewing plans, and using the computer. When visiting construction sites or existing District facilities the position will require walking on uneven and slippery surfaces, climbing ladders or stairwells, exposure to all weather conditions, dust and pollen, and potential mechanical and heavy equipment hazards. Work hours include various evening meetings including regularly scheduled Board meetings.

OTHER REQUIREMENTS

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


Approved	
Date	

10

MEMORANDUM

To: Board of Directors

August 17, 2018

From: Robert Clark, Operations / Maintenance Superintendent 

Subj: PG&E Wildfire Safety Program

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RECOMMENDED ACTION: Information**FINANCIAL IMPACT:** None

PG&E recently rolled out a public safety power shutoff program to better address how high voltage power lines may affect the potential for wildfires in our area. Upon reviewing the various informational materials PG&E has made available we have found few details about when and how they will shut off power to the various services for our water systems. The recent fires near Yosemite, Redding and Woodland required PG&E to shut down a few miles of power lines when the fires got too close. Power was only restored after the threat was gone and field verification was completed. This took anywhere from a few hours to a few days.

As part of the program rollout PG&E has made available a series of advisories, created a high fire threat map (see attached maps) and customer planning guidelines. With this information I have updated our contact information in our on-line PG&E customer service profile with the appropriate Operations staff contact information. From our review of the maps and the water system facilities we have six facilities in the high fire danger areas at Old Ranch Rd., Garner tank, Ponti, Wingedfoot, and Olema sites and the Ponti pump station. We have many facilities in the elevated fire threat zones and several outside any fire danger areas; however all of our facilities may be impacted due to power lines feeding through the fire danger areas that could be shutdown.

Our typical operating procedures for the summer months are to maintain a minimum distribution system storage level of 75% of full capacity. The peak summer energy usage period runs May 1 – October 31. Since our energy rates are at their highest Monday – Friday between noon and 6:00 p.m. we avoid pumping during this time. We also for the most part avoid pumping during the partial peak periods Monday – Friday from 8:30 a.m. to noon and 6:00p.m. to 9:30 p.m.. During the week our midday average Novato system storage may dip below the 60% level but averages around 85% over a 24 hour period. This allows for storage turnover every 12-24 hours. Our Treatment and Distribution Supervisor Brad Stompe will make every effort to keep the system levels as close to the 75% level to help limit the potential storage deficiencies if we lose power to the pumps.

I have asked our Maintenance Supervisor Kent LeBrun to review our distribution system generator connection plan and develop an outline for any such outage. As part of this review we will determine any additional temporary power requirements to meet our water supply demand needs.

Because we cannot plan for every scenario we will have the planning documents available if and when PG&E shuts down the power. If and when we are required to respond to a power outage we will work closely with the Novato Fire Protection District and Marin County Fire Departments and will most likely open our own Emergency Operations Center here at the District's main office.



CPUC Fire-Threat Map

Adopted by CPUC January 19, 2018

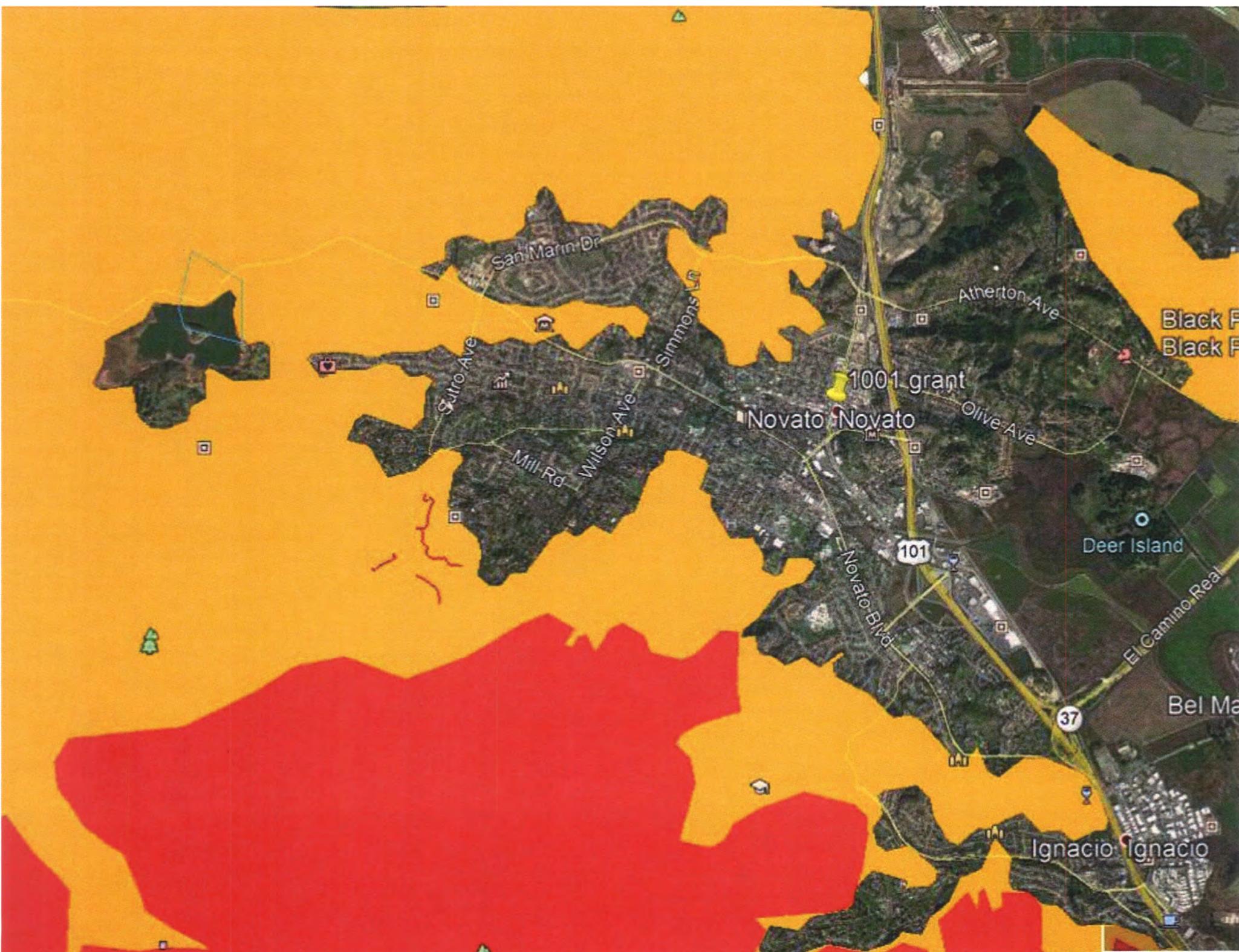
The data portrayed in the CPUC Fire-Threat Map were developed under Rulemaking 15-05-006, following procedures in Decision (D.) 17-01-009, revised by D.17-06-024, which adopted a work plan for the development of a utility High Fire-Threat District (HFTD) for application of enhanced fire safety regulations. The aforementioned decisions ordered that the HFTD be comprised of two individual map products. One of those map products is this CPUC Fire-Threat Map. The CPUC Fire-Threat Map depicts areas where enhanced fire safety regulations found in Decision 17-12-024 will apply. The final CPUC Fire-Threat Map was submitted to the Commission via a Tier 1 Advice Letter that was adopted by the Commission's Safety and Enforcement Division (SED) with a disposition letter on January 19, 2018. All data and information portrayed on the CPUC Fire-Threat Map are for the expressed use called out in D.17-12-024, and any other use of this map are not the responsibility or endorsed by the Commission or its supporting Independent Review Team.

Fire-Threat Areas

-  Tier 2 - Elevated
-  Tier 3 - Extreme
-  Counties



0 15 30 60 90 120 Miles





Point Reyes Station Point Reyes Station

Sir Francis Drake Blvd

1

Olema Olema

Marin

Tocaloma



11

*DRAFT Minutes of Water Advisory Committee and Technical Advisory Committee
35 Stony Point Road, Santa Rosa, California
August 6, 2018

Attendees: Jennifer Burke, City of Santa Rosa
Ben Horenstein, City of Santa Rosa
Tom Schwedhelm, City of Santa Rosa
Easter Ledesma, City of Santa Rosa
Gina Perez, City of Santa Rosa
Colin Close, City of Santa Rosa
Susan Harvey, City of Cotati
Craig Scott, City of Cotati
Mark Millan, Town of Windsor
Toni Bertolero, Town of Windsor
Jake Mackenzie, City of Rohnert Park
Mary Grace Pawson, City of Rohnert Park
Colleen Ferguson, City of Sonoma
Dave King, City of Petaluma
Kent Carothers, City of Petaluma
Jack Baker, North Marin Water District
Drew McIntyre, North Marin Water District
Rocky Vogler, North Marin Water District
Jack Gibson, Marin Municipal Water District
Mike Ban, Marin Municipal Water District
Mark Heneveld, Valley of the Moon Water District
Dan Muelrath, Valley of the Moon Water District
Mike Thompson, SCWA
Jay Jasperse, SCWA
Ann DuBay, SCWA
Brad Sherwood, SCWA
Carrie Pollard, SCWA
Lynne Rosselli, SCWA
Lynda Hopkins, Supervisor District 5

Pam Jeane, SCWA
Ann DuBay, SCWA
Grant Davis, SCWA

Public Attendees: David Keller, FOER
Brenda Adelman, RRWPC
Margaret DiGenova, California America Water

1. Check-in
Mark Millan, WAC Chair, called the meeting to order at 9:05 a.m.
2. Public Comments
No public comments
3. Recap from the May 7th, 2018 WAC/TAC Meeting and Approval of Minutes
Moved by Susan Harvey, City of Cotati, seconded by Jack Baker, North Marin Water District to approve the minutes of the May 7, 2018 WAC/TAC meeting; unanimously approved.

4. Recap from the June 4th, 2018 TAC Meeting and Approval of Minutes
Moved by Colleen Ferguson, City of Sonoma, seconded by Craig Scott, City of Cotati, to approve the minutes of the June 4 2018 TAC meeting; unanimously approved.
5. Water Supply Coordination Council
WAC Chair Mark Millan reported that the group met to prepare the Agenda.
6. Approve- TAC Leadership Succession Plan

TAC Chair, Drew McIntyre recapped that when new TAC leadership occurred at the May 1, 2017 meeting, the TAC did not have any succession planning process in place for change of leadership. As a result, an Ad Hoc subcommittee was created with Ben Horenstein as Chair to define the future leadership succession planning process. Ben Horenstein referred to the TAC memo in meeting packet and discussed a modified succession planning process to mirror the WAC but allow up to two, 2-year extensions. Moved to approve by Toni Bertolero, Town of Windsor, seconded by Mary Grace Pawson, City of Rohnert Park; unanimously approved.

7. Sonoma County Water Saving Partnership
 - a. Water Production Relative to 2013 Benchmark
Drew McIntyre referred to agenda packet and provided a recap of 2018 Water production versus the 2013 Benchmark. The Partnership, through the first half of the 2018 calendar year, is 18% below the 2013 State Benchmark.
 - b. Sonoma-Marin Saving Water Partnership First Amended MOU Update

Carrie Pollard, SCWA - stated that the First Amended MOU became effective the end of June 2018. All 10 partners have signed the MOU. Carrie acknowledged Colin Close for his work as Chair of the Ad Hoc Subcommittee for the MOU Amendment.
 - c. New Water Use Efficiency Legislation (SB606 & AB 1668) Update
Drew McIntyre stated that TAC members will continue to work together to track the impacts of this new legislation over the next 5 year implementation period
 - d. Summer Ad Campaign

Carrie Pollard, SCWA, provided an update on the 2018 SMSWP Summer Ad Campaign.- The effort started in February with outreach subcommittee meetings and culminated in the Campaign launch in May. Carrie reviewed what ads look like (also referred to in agenda packet) discussing many topics of the Campaign. She encouraged everyone to support the Campaign by liking and sharing ads and reported that she will present analytics once the Campaign has been completed.

8. Water Supply Strategies Action Plan Update

Carrie Pollard, SCWA, provided an overview of the Water Supply Strategies Action Plan including updates in 2011, 2013 and now 2018. Nine water supply strategies were developed to increase water system reliability with input from water contractors. She referred to the memo for timeframe with submission of a draft Plan to the TAC in mid-September, and WAC in November. Board approval is tentatively scheduled for the

end of the year. Grant Davis, SCWA, noted that it is an ambitious timeline and hopes to include additional projects based on WAC/TAC input. Director Hopkins stated that she hopes water quality measures in terms of wildfire protection within the Lake Sonoma watershed are included as well.

9. Water Supply Conditions

Pam Jeane, SCWA, - reported on storage levels and water releases with Lake Sonoma at 86% capacity and Lake Mendocino at 93% of the target water supply curve. Agency staff has been adjusting releases at Lake Mendocino over the weekend due to varying downstream demands.

10. Biological Opinion Status Update

Pam Jeane referred to the August handout. Fish Flow Project- Working with State regulatory agencies on clarifying comments in their response letters.

Dry Creek Habitat Enhancement- Reach 4A is being constructed by Army Corp of Engineers. SCWA started construction of Reach 1A in late July. The contractor is McCullough. ACOE is performing a General Investigation Ecosystem Restoration Study for Miles 4-6.

Fish Monitoring- collecting information on juvenile fish rearing in tributary streams. Wild juvenile Coho were found in Dry Creek as well as Steelhead. Researching to see if juvenile fish are using the new habitat. Video posted on website

Russian River Estuary Project- began in May- Water quality and biological monitoring continues.

Interim Flow Changes- operating under Dry water supply conditions. This will be the first time since 2009 that a Temporary Urgency Change Petition is not filed.

There was a discussion from the audience. Mr. Keller asked if there was money allocated this year from the federal government related to raising Coyote Valley Dam. Grant Davis responded that Mr. Keller would need to check with Congressman Huffman on this. Brenda Adelman asked about information on timeline regarding EIR and responsive comments. Pam Jeane responded that it will most likely be Spring 2019.

11. Post October 2017 Sonoma Fire Event Update

SCWA Director Hopkins- Allocating \$422,000 to install 8 fire cameras with goal to protect Lake Sonoma Watershed and expanding our knowledge on weather conditions in Sonoma County. PG&E looking to install 9 fire cameras this year, 50 the following year and 50 more statewide the year after. San Diego County installed 6 cameras and was she was able to tour their program. One camera already installed in Sonoma County was utilized for the Mendocino Complex Fire. Go to Alertwildfire.org to see cameras.

Jay Jasperse, SCWA- New camera installed Friday 8/3 and CalFire took command at 6:30pm- camera has been a big help. With Board's approval we hope to have 8 cameras on Lake Sonoma Watershed. PG&E putting in cameras in Napa County, Lake County, three more in Sonoma County and more in Marin County.

Ben Horenstein, City of Santa Rosa- water quality data is looking good and benzene concentrations have come way down. Replacing all service lines in the area of contamination affecting approximately 350 homes. He reports that the city is getting calls from other agencies to learn more about Santa Rosa's experience.

12. Regional Water Supply Resiliency Study

Jay Jasperse – SCWA is working with TAC members on a regional water supply resiliency study. The study will look at ways to better utilize the regional water supply infrastructure network. One goal of the study is to remove jurisdictional boundaries for the purpose of enhanced water supply resiliency in the event of an earthquake, hazardous chemical spill in the river, etc. A selection process was conducted and Jacob's Engineering was deemed to be the best qualified. It is hoped that a contract to perform the first phase of work will be brought to the Board late fall 2018.

13. Potter Valley Project Relicensing Update

Grant Davis- reviewed the recent PG&E announcement to initiate an auction process. He also reported that Congressman Huffman recently issued a white paper that commits to a two basin solution. More work is continuing under the Congressman Huffman stakeholder process.

14. New Branding for SCWA- Sonoma Water

Grant Davis reported on rebranding of SCWA to Sonoma Water. Updating to make it inclusive with everything that water does and update their logo. The official name of the agency will still be Sonoma County Water Agency.

15. New Items for Next Agenda

- a. Next WAC/TAC meeting is at 9 a.m., Nov. 5 2018

16. Check out

Meeting adjourned at 10:34am.

12

MEMORANDUM

To: Board of Directors

August 17, 2018

From: Drew McIntyre, General Manager



Subject: North Bay Water Reuse Authority Board Meeting – July 23, 2018

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RECOMMENDED ACTION: Information Only**FINANCIAL IMPACT:** None

Supplemental information is provided as follows using item numbers referenced in the attached meeting agenda and draft minutes. A complete agenda packet is available via www.nbwra.org.

2. Roll Call

NMWD Board was represented by Director Baker.

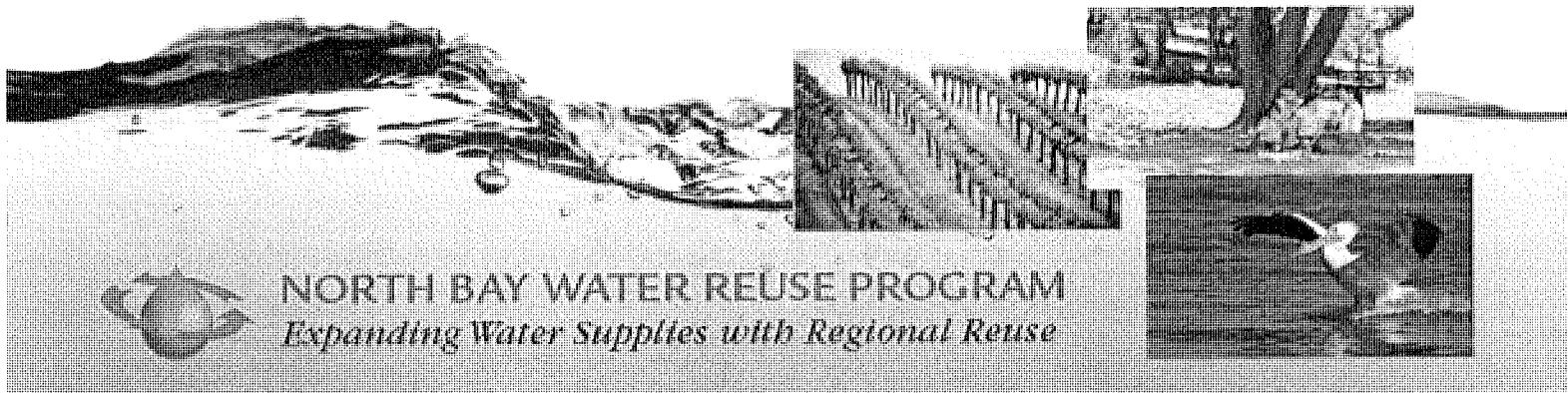
8. Phase 1: Status and Activities

As reported during the last update, the Phase 1 completion date is being extended for another two years due to delays in completion of Novato Sanitary District and Las Gallinas Valley Sanitary District Phase 1 projects. Per the terms of the existing MOU, all Phase 1 member agencies are to remain in the Phase 1 program until the grant is fully closed and all costs have been paid. The District's FY19 budget and future reoccurring annual budgeted expenditures will be adequate to cover any additional costs resulting in the extended Phase 1 program duration.

We also received notice from SCWA that a new "true-up" of Phase 1 costs is necessary based on the actual amount of grant funds received between the member agencies. NMWD has received more of the total NBWRA grant allocation since the last accounting, therefore our new "true-up" cost is \$20,400 for FY18 and approximately \$1,600 for FY19. Even with these additional true-up costs, actual expenditures are still expected to be below approved budget.

9. The NBWRA: Program Status and Looking Forward

Previous Board updates have included a discussion on the pros/cons of combining NBWRA with a proposed new NorthBay Water entity. After the completion of five workshops evaluating the merits of forming a new NorthBay Water organization it can be concluded that too many questions remain at this time to move forward. As a result, there was a general consensus to slow down on the schedule for potential NorthBay Water implementation. More meetings are expected this fall-winter between the various General Managers of potential NorthBay Water agency members.



BOARD OF DIRECTORS MEETING

AGENDA

Monday, July 23, 2018
9:30 AM

Novato City Hall Council Chambers
901 Sherman Avenue, Novato, CA 94945

Members and Consultants unable to attend in person may call in: (Local dial in): +1 (602) 567-4030, Toll Free: +1 (888) 227-0011, Access Code: **1988**

<https://Conferencing2.brwnncald.com/conference/1988>

1. Call to Order (1 minute)

2. Roll Call (1 minute)

3. Public Comment (3 minutes)

(Any member of the public may address the Board at the commencement of the meeting on any matter within the jurisdiction of the Board. This should not relate to any item on the agenda. It is the policy of the Authority that each person addressing the Board limit their presentation to three minutes. Non-English speakers using a translator will have a time limit of six minutes. Any member of the public desiring to provide comments to the Board on an agenda item should do so at the time the item is considered. It is the policy of the Authority that oral comments be limited to three minutes per individual or ten minutes for an organization. Speaker's cards will be available in the Boardroom and are to be completed prior to speaking.)

4. Introductions (2 minutes)

Action

5. Board Meeting Minutes of May 21, 2018 (2 minutes)

(The Board will consider approving the minutes from the May 21, 2018 Board meeting.)

Information and Discussion

6. Report from the Chair (10 minutes)

(The Chair will report on the following items.)

6.a Consultant Progress Reports

6.b Financial Reports

North Bay Water Reuse Authority • c/o Sonoma County Water Agency, 404 Aviation Boulevard, Santa Rosa, CA 95403
707-235-8965 • NBWRA.org

County of Marin • Las Gallinas Valley Sanitary District • Novato Sanitary District • Marin Municipal Water District • North Marin Water District • Sonoma County Water Agency
City of Petaluma • Sonoma Valley County Sanitation District • County of Napa • Napa Sanitation District • City of American Canyon

- Discussion** **7. Phase 1: Status and Activities (10 minutes)**
(The Board will be updated on Phase 1 status and activities, including options for Phase 1 Cost Reconciliation.)
- Information** **8. Phase 2: Status and Activities (10 minutes)**
(The Board will be updated Phase 2 status and activities.)
- Discussion** **9. The NBWRA: Program Status and Looking Forward (15 minutes)**
(The Board will be updated the NBWRA Program Status for FY2018/19 and activities that could be undertaken in future years.)
- Discussion** **10. Items for Future Discussion and Action (5 minutes)**
(The Board will consider items for future discussion and action.)
- Information** **11. Comments from Chair and Board Members (5 minutes)**
(The Chair and Board members may make brief announcements or reports on his or her own activities, pose questions for clarification, and/or request that items be placed on a future agenda. Except as authorized by law, no other discussion or action may be taken.)
- 12. Adjournment (1 minute)**

<p style="text-align: center;">Next Board Meeting Monday, October 22, 2018, 9:30 A. M., Novato City Hall</p>
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(In compliance with the Americans with Disabilities Act of 1990, if you need special assistance to participate in a Board meeting, or you need a copy of the agenda, or the agenda packet, in an appropriate alternative format, please contact the Program Manager at (510) 410-5923. Notification of at least 48 hours prior to the meeting or time when services are needed will assist in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service. A copy of all the documents constituting the agenda packet is available for public inspection prior to the meeting at 404 Aviation Boulevard, Santa Rosa, CA 95403. Any person may request that a copy of the agenda or the agenda packet be mailed to them for a fee of \$.10 per page plus actual mailing costs. If you wish to request such a mailing, please contact Chuck Weir, Weir Technical Services, 3026 Ferndale Court, Pleasanton, CA 94588, 510-410-5923, chuckweir@sbcglobal.net. The agenda for each meeting is also available on-line at www.nbwra.org and will be available at the meeting.)

**North Bay Water Reuse Authority • c/o Sonoma County Water Agency, 404 Aviation Boulevard, Santa Rosa, CA 95403
707-235-8965 • NBWRA.org**

County of Marin • Las Gallinas Valley Sanitary District • Novato Sanitary District • Marin Municipal Water District • North Marin Water District • Sonoma County Water Agency
City of Petaluma • Sonoma Valley County Sanitation District • County of Napa • Napa Sanitation District • City of American Canyon

North Bay Water Reuse Authority
Board of Directors Meeting
Minutes
July 23, 2018

1. Call to Order

Chair Rabbitt called the meeting to order at 9:42 a.m. on Monday, July 23, 2018 at the Novato City Hall Council Chambers, 901 Sherman Avenue, Novato, CA. Members and Consultants unable to attend in person may call in: (Local dial in): +1 (602) 567-4030, Toll Free: +1 (888) 227-0011, Access Code: **1988** <https://Conferencing2.brwnncald.com/conference/1988>

2. Roll Call

PRESENT:	David Rabbitt, Chair	Sonoma County Water Agency
	Jill Techel, Vice Chair	Napa Sanitation District
	Mariam Aboudamous	City of American Canyon
	Jack Baker	North Marin Water District
	Grant Davis	Sonoma Valley County Sanitation District
	Rabi Elias	Las Gallinas Valley Sanitary District
	Jack Gibson	Marin Municipal Water District
	David Glass	City of Petaluma
	Bill Long	Novato Sanitary District
	Belia Ramos	Napa County
	Dennis Rodoni	Marin County

ABSENT: None

OTHERS

PRESENT:	Chuck Weir, Program Manager	Weir Technical Services
	Mike Ban	Marin Municipal Water District
	Ginger Bryant	Bryant & Associates
	Samantha Cohen	Brown & Caldwell
	Anne Crealock	Sonoma County Water Agency
	Chris DeGabriele	Las Gallinas Valley Sanitary District
	Rene Guillen	Brown & Caldwell
	Steve Hartwig	City of American Canyon
	Sandeep Karkal	Novato Sanitary District
	Chris Landwehr	Data Instincts
	Craig Lichty	Kennedy Jenks
	Drew McIntyre	North Marin Water District
	Mark Millan	Data Instincts
	Phillip Miller	Napa County
	Jim O'Toole	ESA
	Pilar Oñate-Quintana	The Oñate Group
	Larry Russell	Marin Municipal Water District (by phone)
	Mike Savage	Brown and Caldwell (by phone)
	Brad Sherwood	Sonoma County Water Agency

Jake Spaulding
Jeff Tucker
Rocky Vogler
Leah Walker

Sonoma County Water Agency
Napa Sanitation District
North Marin Water District
City of Petaluma

3. Public Comments

There were no comments from the public

4. Introductions

Introductions were not made.

5. Board Meeting Minutes of May 21, 2018.

On a motion by Director Baker, seconded by Director Gibson, the minutes of the May 21, 2018 meeting were unanimously approved by the Board.

6. Report from the Chair

a. Consultant Progress Reports

The Board reviewed the consultant progress reports for May and June 2018.

b. Financial Reports

The Board reviewed the Financial Reports for Fiscal Year 2017/18 through June 30, 2018. Drew McIntyre requested information on two Joint Use expense items. Agency staff has provided the following information. A Late Fee of \$150.00 on January 2, 2018 was related to a late Lobbying Disclosure filing with the State of California for NBWRA. The disclosure form was due October 31, but was not filed until November 15. The delay was related to staff issues following the wildfires. A charge for Travel of \$250.00 on May 8, 2018 should have been charged as NBWRA meeting room rental. The wrong internal account code was used. As of July 11, 2018 the charge shows up under the discretionary tab in the trust workbook.

7. Phase 1: Status and Activities

Jake Spaulding showed the estimated remaining administrative costs for the close out of Phase 1 as well as two options for cost sharing through the close out. Possible audit costs from USBR are not well known, but should be less than the estimate. The first option would follow the Memorandum of Understanding (MOU) and have all agencies remain in Phase 1 until the grant is fully closed and all costs have been paid. The second option would allow agencies with completed projects by the original grant termination date to withdraw and the remaining agencies would split future costs equally.

Several Directors and Chair Rabbitt spoke on this topic. The consensus was to stay with the first option and follow the MOU since that ensured that all agencies would benefit as their projects were completed. Chair Rabbitt wanted to make sure there were adequate funds such that requests for additional funds would not be needed.

Since the Board agreed to continue following the requirements of the MOU, this item will not be brought back to the Board for action.

8. Phase 2: Status and Activities

Ginger Bryant provided a report on Program Development, Federal, and State Advocacy. She noted that there is \$20M for Title XVI projects in the WIIN program for both the 2018 and 2019 budgets. Efforts are being made to increase the funding levels. In July NBWRA will submit a grant application for \$2,380,500 for American Canyon and Petaluma Phase 2 projects. This represents 25% of the total projects cost.

Pilar Oñate-Quintana gave an update on State advocacy. As previously reported SB606 (Hertzberg) and AB1668 (Friedman) have both been signed. They establish future per person water use goals and create incentives for recycled water. She also described future bonds on the ballot and their anticipated funding for recycled water projects. Lastly she discussed the State Water Board's Recycled Water Policy and proposed amendments. Leah Walker discussed comments submitted by City of Petaluma.

Rene Guillen gave an update on engineering activities. Phase 2 Grant Application No. 2 will be submitted by the end of the month as described above.

Jim O'Toole gave an update on the Phase 2 EIR/EIS process. Four comment letters were received prior to the deadline: State Water Board, CalTrans, Department of Conservation, and San Francisco Bay Trails. His team continues preparation of the necessary EIR/EIS documents such that certification by the Water Agency can occur on August 14, 2018. Member agency approvals would occur in August and September 2018. They continue to work with USBR so the final documents can be published in the Federal Register in August or September 2018. Lastly he summarized key dates through the completion of the process and noted that they may need some additional funding to complete all tasks.

Mark Millan provided an update on public outreach activities, including website updates and coordination with ESA on EIR/EIS noticing and final circulation.

9. The NBWRA: Program Status and Looking Forward

Ginger Bryant summarized past direction from the Board to cut costs, reduce meetings, and become more efficient as Phase 1 is winding down and Phase 2 will be in the grant application phase. Each member of the consultant team and the Water Agency summarized their efforts for FY2018/19. Bryant noted that her agreement is only through December 31, 2018.

Bryant then discussed possible efforts beyond FY2018/19, including meetings, public outreach, maintaining project files, WaterSMART Grant management, program development, and State and federal advocacy efforts. There is a need at the federal level to amend the WIIN Act and policy efforts on the value of recycled water for a region. Lastly she discussed options for program development and advocacy and possible integration if NorthBay WATER proceeds.

Board members offered thoughts on what efforts were needed moving forward. Grant Davis indicated he would be scheduling a meeting of General Managers to discuss the future in September and that a Request for Proposal may be necessary. Jill Techel suggested including City of Napa in the discussions.

10. Items for Future Discussion and Action

Items for the next meeting include the following: regular business reports, Phase 1 and 2 Status and Activities, and the Phase 2 Construction Grant Application.

11. Comments from Chair and Board Members

There were no additional comments.

12. Adjournment

Chair Rabbitt adjourned the meeting at 11:29 a.m. The next meeting will be Monday, October 22, 2018 at 9:30 a.m. at Novato City Hall.

Minutes approved by the Board _____

Charles V. Weir
Program Manager

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13

DISBURSEMENTS - DATED AUGUST 9, 2018**Item #13**

Date Prepared 8/7/18

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:


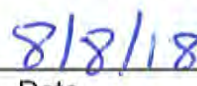

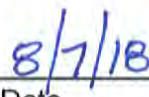
Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 7/31/18 & Final Payout	\$153,516.03
EFT*	Internal Revenue Service	Federal & FICA Taxes PPE 7/31/18 & Final Payout	64,038.30
EFT*	State of California	State Taxes & SDI PPE 7/31/18 & Final Payout	13,246.83
EFT*	CalPERS	Pension Contribution PPE 7/31/18	34,998.22
1	Alphagraphics Marin	Meter AMI Letters (\$577) (1,400) & Mailing Services (\$561)	1,138.51
2	Amazon/Genuine-Hardware	Distance Measuring Wheel (\$85), Tool Battery Adaptors (\$484) (2), Service Awards for 4 Employees (\$305), Warranty for Security Camera Software (\$23) & Can Openers for Kitchens (\$28)	924.72
3	American Family Life Insurance	AFLAC - Employee Paid Benefit	2,776.45
4	Athens Administrators	July Replenishment for Checks Written	2,256.86
5	AT&T	July Internet Connection for PRTP	85.00
6	AT&T	Leased Lines	66.24
7	Automation Direct	PLC Parts for Reservoir Hill Radio Upgrade & Inventory	523.50
8		Cafeteria Plan Reimbursement	416.66
9	Biomarin Pharmaceutical	Refund Security Deposit on Hyd Meter Less Final Bill	546.94
10	Brilliant Corners	Refund of Deposit/New Development/WC Restriction Novato	1,000.00
11	DataTree	July Subscription to Parcel Data Information	100.00
12	DB Claims Services Group	Professional Service Fee: 824 Albatross Water Damage Claim	144.00
13		Vision Reimbursement	184.00

Seq	Payable To	For	Amount
14	Electrical Equipment	Hand-Off-Auto Switches for North Street Lift Station	138.31
15	Elijah, Grace	Novato "Cash for Grass" Rebate Program	400.00
16	Fisher Scientific	Chlorine Test Kit & Tip Rack (1,920) (\$118) (Lab) (Less Credit of \$104 Received for Returned Order)	59.94
17	Franchise Tax Board	Wage Assignment Order	458.51
18	GHD	Prog Pymt#11: Engineering Services for PRE Tank 4A Project (Balance Remaining on Contract \$23,658)	13,594.00
19	Golden Gate Petroleum	Gasoline (\$3.21/gal) & Diesel (\$3.33/gal)	3,189.57
20	Goodland Construction	Refund Security Deposit on Hyd Meter Less Final Bill	611.45
21	Grainger	Multipurpose Lubricant (12-16oz cans) (\$105), Tongue & Groove Pliers (3), Replacement Dissolved Oxygen Meter (OM) (\$225), Hose Connectors, Washers, Manhole Cover Hook & Kneeling Mat (4)	814.41
22	Hardy Diagnostics	Media for Microbiological Analysis (Lab)	138.62
23	InfoSend	June Processing Fee for Water Bills (\$1,238) & Postage (\$3,441) & June Monthly Support Fee	5,468.56
24	Intellaprint Systems	Quarterly Maintenance on Engineering Scanner/Copier	447.00
25	International Dioxide	Adox 8125 Sodium Chlorite (45,220 lbs) (STP)	31,654.00
26	Javier, Gabrielle	Refund of Deposit/New Development/WC Restriction Novato	975.00
27		Vision Reimbursement	159.30
28	Lincoln Life	Deferred Compensation PPE 7/31/18	11,945.59
29	Marin County Tax Collector	FY19 Possessory Interest Tax (Apartment - \$341 & 25 Giacomini Rd - \$664)	1,004.29
30	McLellan, WK	Misc Paving	29,759.98
31	McMaster-Carr Supply	Hatch Switch for San Antonio Tank	66.18

Seq	Payable To	For	Amount
32	Miller Pacific Engineering	Prog Pymt#18: Geotechnical Services: Ridge Road Pipeline Replacement, Prog Pymt#19: Geotechnical Services: Aqueduct Energy Efficiency Project & Prog Pymt#20: Geotechnical Services: Old Ranch Road Tank (Balance Remaining on Contract \$53,553)	2,652.00
33	Nationwide Retirement Solution	Deferred Compensation PPE 7/31/18	1,750.00
34	City of Novato	Street Excavation Moratorium Fee (50 Robinhood Dr & 461 Sunset Pk Way)	1,000.00
35	Office Depot	Quarterly Office Supply Order: Toner (6) (\$423), Pens (144) (\$171), Binders (11" x 17") (\$182), Dry Erase Board (\$101) & Misc Supplies	1,724.85
36	Pacchetti, John	Novato "Toilet Rebate" Program	100.00
37	Point Reyes Light	Display Ad: Salinity Intrusion Into Pt Reyes Well Supply	78.75
38	Rauch Communication Consultant	Consulting Services: Preparation of NMWD's 2018 Strategic (Long-Range) Plan (Balance Remaining on Contract \$3,201)	2,848.00
39	Sequoia Safety Supply	First Aid Supplies	152.11
40	Solenis	Dry Praestol (40 bags) (\$3,200) & Praestol Tote for Sludge Processing (\$3,578) (STP)	6,777.90
41	Tamagno Green Products	Sludge Removal @ STP (66 yds)	1,650.00
42	Teeters & Schact	Replacement Windshield ('15 Int'l 5 Yd Dump Truck)	460.33
43	Telstar Instruments	Perform Calibration Checks on 19 Flow Meters	4,614.00
44	TPx Communications	July Telephone Charges	466.34
45	Univar	Sodium Hypochlorite (1,200 gal) (STP)	1,427.66
46	Villaverde, Peter	Novato "Toilet Rebate" Program	100.00
47		Vision Reimbursement	368.00
48	VWR International	Buffer (Lab)	61.42

Seq	Payable To	For	Amount
49	Young, Katie	Payout of Employee Benefit Fund from February 2018	12.50
		TOTAL DISBURSEMENTS	<u>\$403,090.83</u>

The foregoing payroll and accounts payable vouchers totaling \$403,090.83 are hereby approved and authorized for payment.

	
Auditor-Controller	Date
	
General Manager	Date



NORTH MARIN WATER DISTRICT
Director's Compensation Request
for Attendance at Meetings Other than District Board Meetings

BOARD MEMBER: JOHN BAKER

425 Corte Norte

Novato, CA 94949

DATE

7.25.08
(TODAY'S DATE)

I attended the NO. BAY WATER REUSE PROGRAM on 7.23.18
(NAME OF MEETING OR WORKSHOP) (DATE OF MEETING)

and wish to be compensated as provided under the Board Compensation Policy.



DIRECTOR SIGNATURE

FOR ACCOUNTING USE ONLY

Julie B/ue
APPROVED TO PAY BY

7/26/18
DATE

CHARGE TO: 56001-01-11

AMOUNT: \$ _____
(filled in by Accounting)

PAID PAY PERIOD ENDING ____ / ____ / ____



NORTH MARIN WATER DISTRICT
Director's Compensation Request
for Attendance at Meetings Other than District Board Meetings

BOARD MEMBER: RICK FRAITES

50 Forrest Road
Novato, CA 94947

DATE

7/17/2018
(TODAY'S DATE)

I attended the North Bay Watershed Association on 7/13/2018
(NAME OF MEETING OR WORKSHOP) (DATE OF MEETING)

and wish to be compensated as provided under the Board Compensation Policy.

DIRECTOR SIGNATURE

FOR ACCOUNTING USE ONLY

APPROVED TO PAY BY

DATE

CHARGE TO: 56001-01-11

AMOUNT: \$ _____
(filled in by Accounting)

PAID PAY PERIOD ENDING ____/____/____

DISBURSEMENTS - DATED AUGUST 16, 2018

Date Prepared 8/14/18

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

Seq	Payable To	For	Amount
EFT*	Employment Development	Unemployment Claim	\$3,563.06
EFT*	US Bank Card	Birthday Lunches (\$151), 941 & DE9 Forms (\$33), Tool Battery Pack (\$369), Craigslist Job Posting for Engineering Position (\$150)	916.02
1	Able Tire & Brake	Shipping Charges, Tires (16) ('99 F350, Trailer, '04 Chevy 1500, '10 F150 4WD) & Tire Balance	3,454.06
2	Alpha Analytical Labs	Lab Testing	510.00
3	Arrow Benefits Group	July Dental Expense	2,110.60
4	Athens Administrators	August Workers Compensation Admin Fee	1,000.00
5	AT&T	Telephone (\$60), Fax (\$73), Data (\$268) & Leased Lines (\$190)	590.81
6	Buck's Saw Service	Part for Mower, Shredder Vac (\$216), Chain Saw Blades (3), Stroke Oil & Saw Blade for Brush Cutter	663.35
7	Building Supply Center	Paint for O.M. P/S	41.12
8	Campways	Lumber Rack ('18 Dodge)	785.24
9	Cilia, Joseph	Retiree Exp Reimb (August Health Ins)	343.66
10	DeGabriele, Chris	Retiree Exp Reimb (August Health Ins)	1,006.54
11	Dell Computers	Laptop for Remote Access	1,996.60
12	Diggs, James	Retiree Exp Reimb (August Health Ins)	342.23
13	Eurofins Eaton Analytical	Regulatory Analysis (Pt Reyes #2 & 4, Gallagher Well, Novato, STP Intake)	560.00
14	Fiserv/Bastogne	Return Payment-Can't Locate Account	232.68
15	Friedman's Home Improvement	E/M Shop Supplies	9.09

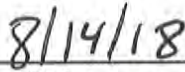
Seq	Payable To	For	Amount
16	Arthur J. Gallagher	FY18 Final Premium Payment for Excess Workers' Comp Insurance	3,633.00
17	GFOA	Membership Dues (Blue) (9/1/18-8/31/19) (Budget \$160)	160.00
18	Golden Gate Petroleum	Gasoline (\$3.09/gal) & Diesel (\$3.24/gal)	2,915.60
19	Grainger	Wasp & Hornet Spray (12 20oz), Data Cable (1,000') (\$416), Push Broom Head, Telescopic Magnetic Retrieving Tool, Fuses for P/S PLC's (10), Crimper for Communication Cables & Pressure Washer, Spray Gun (\$468)	1,141.03
20	Hach	Standard Solution (STP)	115.00
21	Hopkins Technical Products	Spare Part Kits for Gala Pump (STP) (3)	755.86
22	John's Dairy Equipment & Supply	Chlorine Tablets (100 lbs) (STP)	335.58
23	Kehoe, Theresa	Exp Reimb: 2018 Board Secretary/Clerk Conference in Lake Tahoe 10/22-10/24	865.00
24	Latanyszyn, Roman	Retiree Exp Reimb (August Health Ins)	343.66
25	Lemos, Kerry	Retiree Exp Reimb (August Health Ins)	608.81
26	Maltby Electric	Parts for Regular Repairs of Elec Equipment Mods/Upgrades, Security Upgrades (\$380) & Mounting Strut for New Signs for Tank Site	545.23
27	Marin County Ford	Service Parts, Tire Press Sensor & Thermostat Replacement (\$1,061) ('08 F250)	1,253.14
28	McLellan, WK	Misc Paving	17,742.54
29	Moore, Doug	Retiree Exp Reimb (August Health Ins)	1,006.54
30	Mutual of Omaha	August Group Life Insurance Premium	852.85
31	North Marin Auto Parts	Lift Support, Disp Gloves, Light Bulbs, Oil, Air Filters, Motor Oil, Foam Tape, Idler Arm Assemblies, Mop & Towels, Battery & Belts for Sand Belts (\$307) (STP)	1,298.36
32	North Bay Gas	July Cylinder Rental	98.00
33	Office Depot	Magnets (6) Staples, Finger Pads & Binders	87.70
34	O'Reilly Auto Parts	Car Wash Soap & Wiper Fluid	60.15

Seq	Payable To	For	Amount
35	Pace Supply	Water Meter Wrench	69.12
36	Parkinson Accounting Systems	Timekeeper Upgrade & Annual Maintenance (7/31/18-7/30/19) (Budget \$1,100)	1,995.00
37	Pini Hardware	Bulb, Hardware, Faucet, B/G Tools, Adaptor Box for Tank Camera, Glue Epoxy, Drywall Knife, Painting Supplies, Pedestal Fans (2), Spare Keys & Power Pedestal Angle	646.05
38	Pollard Water	Probe (2)	83.98
39	Andy Poncia Fertilizer	Material Handling of Sludge & Filter Removal @ STP	2,400.00
40		Cafeteria Plan: Uninsured Medical Reimbursement	30.00
41	Scott Technology Group	Quarterly Maintenance on Engineering Copier (4/16/18-7/15/18)	1,399.39
42	Soiland	Asphalt Recycling (35 tons)	173.30
43	Sonoma County Water Agency	Conservation Program Support (4/1/18-6/30/18)	8,557.32
44	S-Scapes	Annual Backflow Testing for Customer Owned RP Devices	2,940.00
45	Stafford, Vernon	Retiree Exp Reimb (August Health Ins)	343.66
46	Staples Business Credit	Footrest (\$70), Monitor Wipes, Sharpies, Toner & Copy Paper (\$376)	577.89
47	Synectic Technologies	Quarterly Phone System Maintenance	446.70
48	Thatcher of California	Ferric Chloride (8 tons) (STP)	4,164.70
49	TP Sales	Replacement Flash Mixer Drive for STP	7,898.44
50	United Parcel Service	Delivery Services: Shipment of 2 Confined Space Winch Recovery Devices	103.04
51	USA BlueBook	31/2' Extension Piece for Valve & Curb Key Kit, Valve & Curb Key Kit w/Carry Bag, Nylon Carrying Bag for Tools & Water Level Meter Sample Tests (STP) (\$679)	1,378.74
52	US Bank	July Safekeeping Fee-Treasury Securities	135.75

Seq	Payable To	For	Amount
53	Verizon Wireless	Cellular Charges: Data (\$369), Airtime (\$151) & Equipment (\$115)	634.73
54	VWR International	Nitrite & Bromide (Lab)	41.99
55	Wilson Bohannon	Brass Locks (60)	519.84
TOTAL DISBURSEMENTS			<u>\$86,482.75</u>

The foregoing payroll and accounts payable vouchers totaling \$86,482.75 are hereby approved and authorized for payment.


Auditor-Controller


Date


General Manager


Date

November 6, 2018 - Status of Candidates who have Taken Out Papers for Office

Lynda Roberts, Registrar of Voters, Elections

Statewide General Election — 11/06/2018

North Marin Water District Director

Seats Open	Number of Candidates Who Took Papers	Number of Candidates Who Filed Papers
2	3	3

Candidates

Name/ Occupation	Declaration of Candidacy Filed	Candidate Statement Filed
RICK FRAITES** <i>Incumbent</i>	8/2/2018	8/2/2018
JIM GROSSI** <i>Appointed Incumbent</i>	8/8/2018	
TINA McMILLAN <i>Psychotherapist/Consultant</i>	8/9/2018	8/9/2018

[Return to Top](#)

North Marin Water District Director - Short Term

Seats Open	Number of Candidates Who Took Papers	Number of Candidates Who Filed Papers
1	1	1

Candidates

Name/ Occupation	Declaration of Candidacy Filed	Candidate Statement Filed
MICHAEL H. JOLY** <i>Appointed Incumbent</i>	8/10/2018	8/10/2018

MEMORANDUM

To: Board of Directors

From: Drew McIntyre, General Manager

Subject: 2015 Stafford Dam Inundation Map

t:\gm\bod misc 2018\stafford dam 2015 inundation map bod memo 08-18.docx

August 17, 2018

RECOMMENDED ACTION: Information Only.

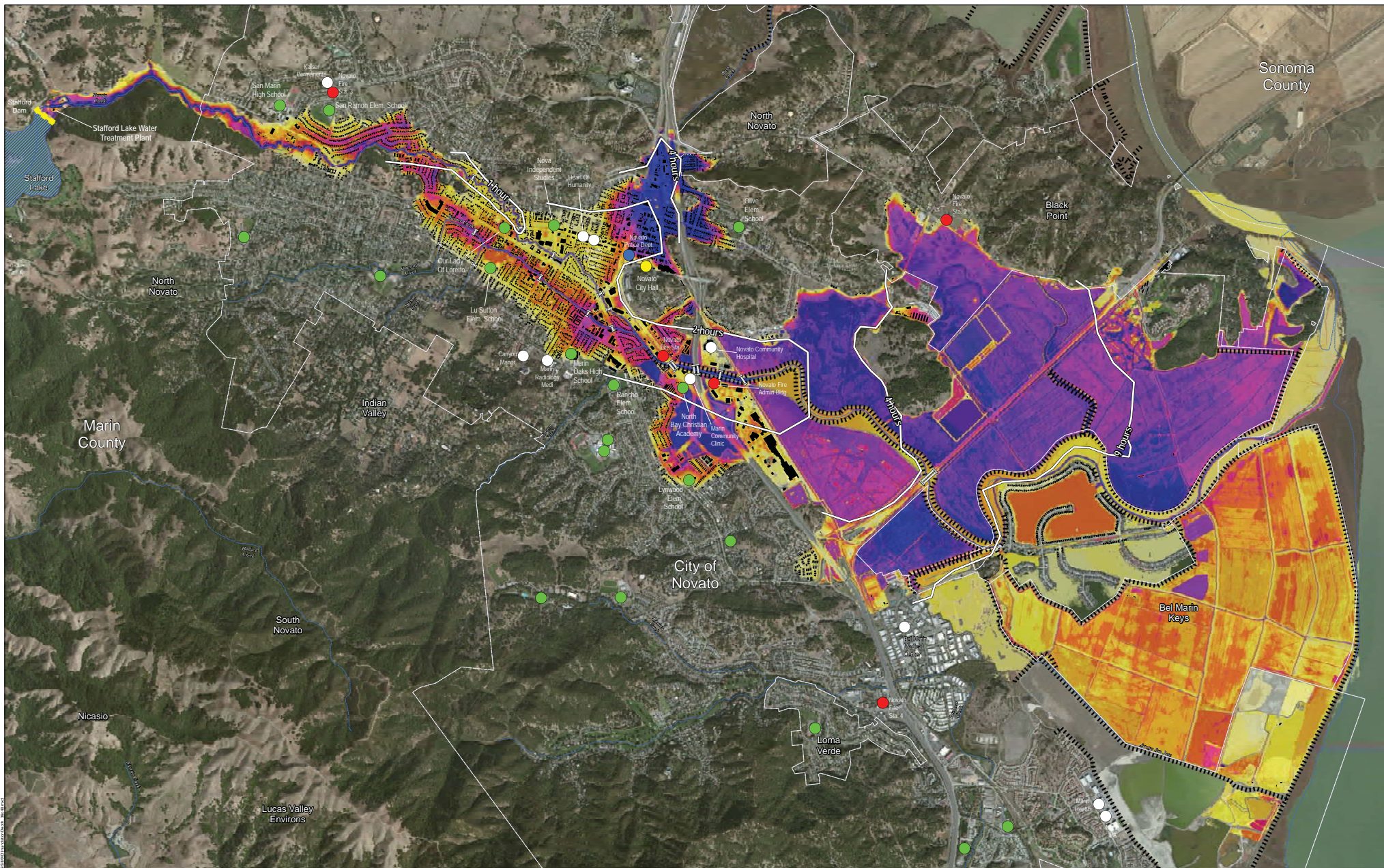
FINANCIAL IMPACT: None

At the October 20, 2015 meeting the Board accepted the 2015 Stafford Dam Emergency Action Plan (EAP) Final Report prepared by Michael Baker International (MBI). The EAP contains procedures and information to assist North Marin Water District in issuing early warning notification messages to emergency management authorities. The EAP also contains an updated inundation map to identify the areas subject to flooding in the unlikely event of the dam failure.

The EAP document follows guidelines effectively known as Federal Emergency Management Agency (FEMA) 64, including the following six basic elements:

1. Notification flowchart
2. Emergency detection, evaluation and classification
3. Responsibilities
4. Preparedness
5. Inundation maps, and
6. Appendices

At the August 7, 2018 meeting I reported on a summary of FY18 Stafford Dam activities and commented on the fact that the Division of Safety of Dams (DSOD) is currently reviewing the District's 2015 Stafford Dam flood inundation map. At the request of Director Joly, I have included the 2015 inundation map in the following attachment. Note that DSOD allows inundation maps for either a "storm-induced" failure or "sunny day" failure. The attached 2015 inundation map depicts a worst case scenario by using the "storm-induced" dam failure approach.



Legend

- Medical Facility
- Educational Facility
- Law Enforcement
- Fire Station / Fire Admin Building
- City Hall
- Inundated Bldg. Footprints
- Stafford Dam
- Flood Wave Arrival Time
- ▬▬▬ Levees
- Bridges
- ~ Streams
- Stafford Lake
- Political Boundaries

Inundation Depth (Feet)

- | | | | | | |
|--|-------|--|-------|--|-------|
| | 0 - 1 | | 4 - 5 | | 8 - 9 |
| | 1 - 2 | | 5 - 6 | | 9+ |
| | 2 - 3 | | 6 - 7 | | |
| | 3 - 4 | | 7 - 8 | | |

Sources:

Marin County - County Facilities, Political Boundaries, Building footprints
 ESRI, NOAA, Digital Globe - Aerial Imagery
 Michael Baker - Stafford Dam Failure Inundation Depth, Flood Wave Arrival Time
 FEMA - Levees, Streams, Bridges

North American Datum of 1983
 State Plane California III FIPS 0403



MEMORANDUM

To: Board of Directors

August 17, 2018

From: Nancy Holton *NH*

Subject: Information: Scrap Metal Receipts

t:\finance\memos\bod scrap metal receipts fy18.doc

RECOMMENDED ACTION: None

FINANCIAL IMPACT: \$15,338 Receipts


Periodically, staff sells scrap aluminum, copper, iron, and brass to recyclers of metal materials. The following table shows what scrap metals were sold last fiscal year ended June 30, 2018 and the amount the District received for them.

Date	Description	Amount Received
1/8/18	<i>Alco Iron & Metal</i> 1,062 lbs. Copper ¹ (\$2.89/lb) 952 lbs. Brass ² (\$2.03/lb) 862 lbs. Dirty Brass ³ (\$0.70/lb) 342 lbs. Mixed Insulated Wire (\$0.47/lb)	\$5,765.88
4/24/18	<i>Recology</i> 32 ea. Glass (\$0.05/ea) 2 lbs. Aluminum (\$1.60/lb) 3.3 lbs. Plastic (\$1.24/lb)	\$9.00
5/23/18	<i>Alco Iron & Metal</i> 610 lbs. Copper ¹ (\$2.75/lb) 739 lbs. Brass ² (\$2.00/lb) 5,021 lbs. Dirty Brass ³ (\$1.25/lb) 113 lbs. Mixed Insulated Wire (\$0.38/lb) 592 lbs. Motor (\$0.15/lb)	\$9,563.49
	TOTAL FY18	\$15,338.37


¹Copper was comprised of used pipe pieces pulled from the ground and short pieces of new pipe.

²Brass was comprised of old water meters.

³Dirty brass was old check valves and meters.



Water efficiency is...
sheet mulching together



There's **never enough to waste.**

For local landscape rebate information visit
savingwaterpartnership.org

Notice:

Salinity intrusion into the Point Reyes well supply serving the West Marin communities of Point Reyes, Olema, Inverness Park, and Paradise Ranch Estates has occurred and has caused sodium levels to increase from background levels of 15-30 milligrams per Liter (mg/L). The table below lists the most recent concentrations for sodium in the West Marin water supply:

Date	Chloride	Sodium	Units
7/31/18	100	240	mg/L

*milligrams per liter

Drew McIntyre, General Manager
North Marin Water District

Key races shaping up in Marin

NOVEMBER ELECTION

Contests for seats in MMWD, COM, Healthcare District

By Richard Halstead

rhalstead@marinij.com @HalsteadRichard on Twitter

There will be competitive races for seats on the boards of the Marin Municipal Water District, the Marin Community College District and the Marin Healthcare District in the Nov. 6 election.

That became apparent on Friday, which was the early deadline for filing for the election. In cases where none of the incumbent officeholders file for re-election, the filing period will be extended until Aug. 15. Friday, however, was the final day that incumbents could file.

Greg Knell, a trustee on the San Rafael Board of Education, has filed to challenge incumbent

Jack Gibson for his division 1 seat on the Marin Municipal Water District Board. Knell, a graphics manager at Breakpoint Sales, was first elected to the Board of Education in 2003 and his current term extends until 2020.

Knell said the water board's recent rate hikes "are really hurting people on fixed incomes."

"I was essentially drafted to run by several seniors and neighborhood groups to do something about it," Knell said.

Joby Tapia, an investment adviser with NAI Northern California, a commercial real estate firm, has filed to challenge Cynthia Koehler for her division 4 seat on the water district board.

Tapia, who also serves as secretary of the Marin Rental Property Association, said, "I've seen rates increase over the years, and I just believe that a new set of eyes are needed from a fiduciary and management standpoint. There is a lot of budgetary spending that is not necessarily directly related to the delivery of safe, clean water."

No one filed to challenge Larry Bragman, whose term represent-

ing the water district's division 3 is also expiring.

The race for three open seats on the Marin Community College District also figures to be competitive. Incumbents Diana Conti and Wanden Treanor will vie with four challengers — Andrew Cullen, Robert Ovetz, George Rothbart and Suzanne Crow — for the three open seats.

Ovetz, who has taught political science at San Francisco State University and San José State University, penned an opinion piece in the Independent Journal last year decrying charter schools.

In the race for three openings on the Marin Healthcare District board, incumbents Jennifer Rienks and Larry Bedard will compete with Brian Su and Edward Alfrey, both of whom are surgeons. Filing for this race remains open because incumbent Jennifer Hershon is not seeking re-election.

and Anthony Brady plus Afsaneh Zolfaghari. Three open seats. Open.

• **Ross:** Jeffrey Bergholt, Josh Fisher and Chris Ericksen. Three open seats.

Open.

• **Ross Valley:** incumbent Richard Pratt plus Ryan O'Neil. Two open seats.

Open.

• **Sausalito Marin City:**

incumbents Joshua Barrow and Ida Green plus Jennifer Irwin, Bonnie Hough, Nathan Scripps and Peter Romanowsky. Three open seats. Open.

• **Shoreline Unified, trustee area 1:** incumbent Timothy Kehoe plus Charlie Kain-Williams, Heidi

Another local race worth watching is the contest for two openings on the Marinwood Community Services District. So far, incumbent Bill Shea, Sivan Oyserman and Stephen Nestel, a passionate opponent of Plan Bay Area and increased housing densities, have declared their candidacies and filing for the district seats will remain open until Wednesday.

In 2016, Nestel, a vocal critic of the district who often videotapes meetings, got into a physical altercation with Justin Kai, a Marinwood CSD board member at the time, that resulted in Kai seeking a restraining order to keep Nestel away from him. The request for the restraining order was denied.

The terms of two council members in Sausalito and three in Tiburon are also ending in November, but there will be no races in either municipality. In Sausalito, incumbents Jill Hoffman and Susan Cleveland-Knowles were the only candidates to file. The same was the case in Tiburon where incumbents Alice Fredericks, Jon Welner and Jim Fraser were the only candidates to file. In addition to the new filings, there will be one holdover from the June 5 election. Deputy District Attorney Lori Frugoli will face off against Anna Pletcher, a lawyer who spent 10 years working in the antitrust division of the U.S. Department of Justice, in a runoff to determine who will replace Ed Berberian as Marin County district attorney. Frugoli finished first with 48.92 percent of the vote, 13,443 more votes than Pletcher, who finished second with 30.56 percent of the vote.

The November election will also feature races for the U.S. House of Representatives, the state Senate and Assembly; but the incumbents in these races have a tremendous advantage in name recognition and money.

Rep. Jared Huffman, D-San Rafael, is being challenged by Garberville resident Dale Mensing, a supermarket cashier. Mensing, a Republican and erstwhile supporter of Donald Trump, was Huffman's general election opponent in 2014 and 2016.

State Sen. Mike Mc-Guire, D-Healdsburg, is being challenged by Veronica Jacobi, a former Santa Rosa councilwoman. In 2017, Jacobi, a Democrat, competed against Assemblyman Marc Levine, D-Greenbrae, in the November general election after finishing second in the primary election. This time Levine is being challenged by Dan Monte of San Anselmo, a retired general contractor and paratransit bus driver, who is also a Democrat.

Koenig and Leslie Scott. Two open seats. Open.; trustee area 2, incumbent Jane Healy. One open seat. Closed. No race.

Community districts

• **Bel Marin Keys:** incumbents John Montobbio and Vincent Lattanzio. Two open seats. Closed. No race.

• **Tamalpais:** incumbents Jeffrey Brown and James Jacobs. Two open seats.

Closed. No race.

Fire districts

• **Bolinas:** long-term, Claire Molesworth and Nancy Torrey. Two open seats. Open.; short-term, incumbent Chris Martinelli. One open seat.

Closed. No race.

• **Kentfield:** incumbents Steven Gerbsman, Ronald Naso and Barry Evergettis.

Three open seats. Closed.

• **Novato:** Bill Davis. Two open seats. Open.

• **Southern Marin:** longterm, incumbents Thomas Perazzo, Kurt Chun plus Christina Waldeck and Peter Fleming. Four open seats.

Open; short-term, Stephen Willis and Daniel St. John.

Two open seats. Open.

• **Stinson Beach:** incumbents Peter Sandmann and Mark White plus Will Mitchell. Two open seats.

Closed. Race.

• **Tiburon:** incumbents Thomas O'Neill, David Kirchhoff and Cheryl Woodford.

Three open seats. Closed.

No race.

Utility districts

• **Bolinas Community:**

incumbents Jack Siedman, Grace Godino and Lyndon Comstock. Three open seats. Closed. No race.

There will be more races on Marin ballots in November than usual due to Senate Bill 415, a state law that took effect in January 2017. The law prohibits a local government from holding an election on any date other than a statewide election date if doing so in the past has resulted in turnout that is at least 25 percent below average.

Here is the current status of the other races:

School districts

• **Marin County Board of Education:** incumbents David Hellman, Marilyn Nemzer and Curtis Robinson. Closed. No race.

• **Petaluma Joint Union High School:** incumbent Phoebe Ellis plus Joanna Paun, Caitlin Quinn, Mady Cloud and Sheri Chlebowsky.

Three open seats. Open.

• **San Rafael:** incumbents Natsu Tuatagaloa and Rachel Kertz plus Jon Marker. Two open seats. Closed. Race.

• **Tamalpais Union High School:** Kevin Saavedra, Barbara McVeight and Dan Oppenheim. Three open seats. Open.

• Bolinas Stinson Union:

incumbents Jennifer Pfeiffer and Stephen Marcotte plus Stephen O'Neal and Nathan Siedman. Three open seats. Open.

• **Dixie:** incumbent Bradley Honsberger plus Megan Hutchinson, Mike Moaveni and Brooks Nguyen. Three open seats. Open.

• **Kentfield:** incumbent Heather Sridharan plus David Riedel, Sarah Killingsworth, Sharra Weasler and Davina Goldwasser. Three open seats. Open.

• **Lagunitas:** incumbent Stephen Rebscher plus Amos Klausner and James Sanders. Three open seats.

Open.

• **Larkspur-Corte Madera full term board member:** incumbent Katie Zwarg .

Three open seats. Open; short-term board member: incumbent Jill Sellers. One open seat. Closed. No race.

• **Mill Valley:** incumbents Todd May and Marco Pardi plus Emily Uhlhorn. Three open seats. Open.

• **Inverness:** long-term, incumbent Kenneth Emanuels. Two open seats. Open; short-term: no candidates.

Open.

Recreation districts

• **Mesa Park:** incumbents Leilani Fraser, Mark Lucanic and Charles Whitefield.

Three open seats. Closed.

No race.

• **Strawberry:** incumbents Peter Teese, Sylvia Marino and Jeffrey Francis. Three open seats. Closed. No race.

Conservation district

• **Marin Resource:** longterm, incumbents Robert Giacomini and Sally Gale.

Two open seats. Closed.

No race.; short-term, incumbent Peter Martinelli.

Closed. No race.

Sanitary districts

• **Alto:** long-term, incumbent Marc Nash plus Tania Kennedy. Two open seats.

Open. ; short-term, no candidate. Open.

• Homestead Valley:

incumbent Allan Leibof plus Scott Noble. Two open seats. Open; short-term: Rick Montalvan. One open seat. Open.

• **Las Gallinas Valley:** incumbents Rabi Elias, Russell Greenfield and Megan Clark plus Crystal Yezman. Three open seats. Closed. Race.

• **Novato:** incumbents Bill Long, Brant Miller and Carole Dillon-Knutson plus Gary Butler. Three open seats.

Closed. Race.

• **Richardson Bay:** incumbents Norma Benvenuti, Frank Trusheim and Ronald Kosciusko plus Sudhir Daru.

Three open seats. Closed.

- **Nicasio:** Mark Burton and Elaine Doss. Two open seats. Open.

- **Novato Unified:** incumbents Maria Aguila and Derek Knell plus Diane Gasson, Jim Shroyer and Azadeh Hunter. Three open seats. Open.

- **Reed Union:** incumbents Sherry Wangenheim

Race.

- **Sausalito-Marín City:**

incumbents Annette Arnott, Dan Rheiner and James De Lano. Three open seats.

Closed. No race.

- **No. 5-Tiburon:** incumbents Catharine Benediktsson and Tod Moody plus Omar Arias-Montez. Two open seats. Closed. Race.

Water districts

- **North Marin:** long-term, incumbents James Grossi and Richard Fraites plus Tina McMillan. Two open seats. Closed. Race.; shortterm: incumbent Michael Joly. One open seat. Closed. No race.

- **Stinson Beach:** incumbent James Zell. Two open seats. Open.

Tax on California water revived to clean up drinking water – but it's voluntary

BY TARYN LUNA
tluna@sacbee.com

August 17, 2018 12:01 AM
Updated 4 hours 53 minutes ago

Gov. Jerry Brown and state lawmakers are rebooting an effort to pass a new tax to attack unsafe drinking water in California.

But there's a twist: The proposed tax on water bills would be voluntary, increasing its chances of success among skittish lawmakers in an election year.

After calling off a plan in June to apply a mandatory tax on water bills, the governor is backing a new pair of bills that would apply a voluntary levy on ratepayers to fund safe drinking water projects. Senate Bill 844 and 845, introduced by Sen. Bill Monning, would also raise taxes on dairies and fertilizer manufacturers.

Supporters expect the bills to generate as much as \$100 million per year and cost most homeowners no more 95 cents per month, money that would be prioritized to areas with the highest risk.

"These bills are now the Legislature's best opportunity to bring clean and safe drinking water to the nearly 1 million Californians who cannot drink the water that comes out of their faucets," said Monning, a Carmel Democrat.

The state has reported that more than 1 million residents face potential exposure to unsafe water, largely in low-income communities without the funding to fix the problems. A 2018 McClatchy investigation similarly found that 360,000 Californians are served by water systems that violate state standards for nitrates, arsenic, uranium and other pollutants.

"Safe, clean drinking water is a necessity for all California families, but many lack this essential, human need," said Ali Bay, deputy press secretary for Brown. She said Brown supports the current language in the bills, which "reflects the conversations our office and stakeholders have had in recent months to reach consensus on this issue."

Brown and members of the Legislature paused a years-long efforts to pass the mandatory tax during budget negotiations earlier this summer. At the time, they settled for \$5 million from the general fund for drinking water projects at child care centers, planned to allocate another \$23.5 million for safe drinking water projects this session and continue conversations.

State lawmakers are hesitant to support any new tax increase after Republicans successfully recalled Sen. Josh Newman in June, linking the Fullerton Democrat to the \$52 billion gas tax to fund road repairs from 2017.

SB 845 establishes the voluntary tax on water bills and would only require support from a majority of state lawmakers. The mandatory tax on dairy producers and fertilizer manufacturers in SB 844 must meet a higher two-thirds vote threshold.

SB 845 would require community water systems to apply a “voluntary remittance to provide safe drinking water to disadvantaged communities” on each customer’s bill by July 1, 2019. Customers would have to opt-out of the fee, a concept criticized for unfairly taxing uninformed ratepayers.

“The whole point of this effort is to guarantee that all Californians, but particularly low-income communities and communities of color that have been disproportionately impacted by unsafe drinking water, can finally have their basic human right to water met in the richest country in the world,” said Jonathan Nelson, policy director for the Community Water Center.

The state water board would develop best practices on how to collect the money.

The center is among a coalition of more than 100 supporters that includes labor icon Dolores Huerta, the Silicon Valley Leadership Group, California Water Service, the Environmental Defense Fund, the Agricultural Council of California and Western United Dairymen.

The Association of California Water Agencies opposes the measures.

With two weeks left in the legislative session, Democratic leaders in the Senate and Assembly are taking a low-key approach to the proposals.

Assembly Speaker Anthony Rendon’s Office said they are reviewing the bills and did not have a position. A spokeswoman for Senate President Pro Tem Toni Atkins did not provide a comment.

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