



**NORTH MARIN WATER DISTRICT**  
**AGENDA - REGULAR MEETING**  
 September 4, 2012 – 7:30 p.m.  
 District Headquarters  
 999 Rush Creek Place  
 Novato, California

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Est. Time	Item	Subject
7:30 p.m.	<b>CALL TO ORDER</b>	
	1.	<b>APPROVE MINUTES FROM REGULAR MEETING</b> , August 21, 2012
	2.	<b>GENERAL MANAGER'S REPORT</b>
	3.	<b>OPEN TIME: (Please observe a three-minute time limit)</b>  This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
	4.	<b>STAFF/DIRECTORS REPORTS</b>
	<b>CONSENT CALENDAR</b>  The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.	
	5.	<b>Consent Approve:</b> Assembly Bill 685- Veto
	<b>ACTION CALENDAR</b>	
	6.	<b>Approve:</b> Contract Amendment for GHD, Inc.
	7.	<b>Approve:</b> District's Intention to Continue Brown Act Compliance
8:00 p.m.	<b>INFORMATION ITEMS</b>	
	8.	Governor's Pension Reform Plan
	9.	Letter Agreement for Water Quality Protection on George Grossi Ranch
	10.	TAC Meeting - September 10, 2012
	11.	NBWA Meeting - September 7, 2012
	12.	<b>MISCELLANEOUS</b> Disbursements CIR/CITR Status Report

All times are approximate and for reference only.

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

(Continued)

<b>Est. Time</b>	<b>Item</b>	<b>Subject</b>
		<u>News Articles:</u> Grant awarded to establish Santa Rosa wastewater exchange Sonoma County Water Agency Press Release- Local Organizations Form Russian River Science Panel
9:00 p.m.	13.	<b><i>ADJOURNMENT</i></b>

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**DRAFT**  
**NORTH MARIN WATER DISTRICT**  
**MINUTES OF REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
August 21, 2012

6 **CALL TO ORDER**

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

12 District employees Robert Clark (Operations/Maintenance Superintendent), Pablo Ramudo  
13 (Water Quality Supervisor) and Ryan Grisso (Water Conservation Coordinator) were in the  
14 audience.

15 **MINUTES**

16 On motion of Director Baker, seconded by Director Rodoni and carried by the following vote,  
17 the Board approved the minutes from the previous meeting as presented:

18 AYES: Directors Baker, Fraitas, Rodoni, Schoonover

19 NOES: None

20 ABSTAIN: Director Petterle

21 ABSENT: None

22 **GENERAL MANAGER'S REPORT**

23 **New District Employee**

24 Chris DeGabriele informed the Board that the District recently hired Kathie Atkinson as a  
25 temporary part-time receptionist.

26 **Marin Conservation League Presentation**

27 Mr. DeGabriele advised that on Thursday, August 24, he and Bill Long, Director, Novato  
28 Sanitary District, will speak to the Marin Conservation League Water Committee about the  
29 development of recycled water in Novato and the North Bay Water Reuse Authority.

30 **Upcoming Events**

31 The General Manager reminded the Board of upcoming events: the Stafford Water  
32 Treatment Plant Solar Project Dedication on Friday, August 31 at 11 a.m.; the Las Gallinas Valley

1 Sanitary District Recycled Water Dedication on Tuesday, September 25 at 1:30 p.m., and the  
2 Novato Sanitary District Recycled Water Dedication on Thursday, October 11. He advised that the  
3 Novato Sanitary District requested that a joint Board of Directors meeting be held before the  
4 dedication for the purpose of memorializing the agreement between the two districts.

5 ***OPEN TIME:***

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

8 ***STAFF/DIRECTORS REPORTS***

9 President Petterle asked if staff or Directors wished to bring up an item not on the agenda  
10 and the following items were discussed:

11 Leveroni Creek Bank Stabilization Project

12 Drew McIntyre stated that the Leveroni Creek Bank Stabilization Project will begin soon and  
13 that because of the narrow road, there may be traffic implications for golf course patrons. He stated  
14 that the golf course will be alerted.

15 Agreement with Grossi Ranch

16 Robert Clark informed the Board that staff met with Dominic Grossi and developed an  
17 agreement with the Grossi Ranch to halt spreading of manure adjacent to the lake this year to see if  
18 there is a change in the volume of nutrients in the lake. He stated that lab staff will take lake water  
19 samples to determine if nutrient loading has decreased.

20 15 Gustafson

21 David Bentley advised that the Bank of America foreclosure auction for 15 Gustafson has  
22 been pushed back to September 24, 2012.

23 Brown Act

24 Director Fraites inquired if the District will continue to comply with the Brown Act since the  
25 state mandate will no longer be funded. Mr. DeGabriele said that the District will continue to comply  
26 with all provisions of the Brown Act even though the District will no longer receive reimbursement  
27 from the state to comply with unfunded mandates.

28 ***MONTHLY PROGRESS REPORT***

29 Mr. DeGabriele presented the monthly progress report for the month of July, the first month  
30 of the Fiscal Year 2012-13. He said that water production has increased in Novato, West Marin and  
31 Recycled Water; and water production at Stafford Treatment Plant is down due to the start-up period

1 and resolving taste and odor problems. He stated that the lake elevation at the end of July was 186  
2 feet, two feet below average even though water production did not start until July. Mr. DeGabriele  
3 noted that there has been 200 days worked without a lost time accident or injury, and the Summary  
4 of Complaints and Service Orders show an increase in complaints from a year ago principally due to  
5 service leaks, high bill and taste and odor complaints. He said that the treatment operators have  
6 done a good job in treating the Stafford Lake water to alleviate the taste and odor concerns.

7 **CONSENT CALENDAR**

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

10 **REQUEST FOR CONSULTING SERVICES - GALLAGHER WELL AND PIPELINE PROJECT**  
11 **HYDROLOGIC DESIGN PLAN**

12 The Mitigated Negative Declaration for the Gallagher Well and Pipeline Project requires the  
13 District to develop a final hydrologic design plan to be reviewed and approved by the California  
14 Department of Fish and Game (DFG) identifying how the District will maintain flow levels  
15 downstream of the Gallagher Wells. The District proposes to solicit proposals for assistance to  
16 prepare the hydrological design plan and outreach with DFG.

17 The Board authorized staff to solicit request for consulting services for Gallagher Well and  
18 Pipeline Project Hydrologic Design Plan.

19 **ACTION CALENDAR**

20 **APPROVE: REIMBURSEMENT AGREEMENT WITH SONOMA COUNTY WATER AGENCY FOR**  
21 **THE NORTH MARIN WATER DISTRICT WATER CONSERVATION PROGRAM**

22 Ryan Grisso presented a reimbursement agreement with Sonoma County Water Agency  
23 (SCWA) for the North Marin Water District Water Conservation Program. He stated that SCWA was  
24 awarded a Prop 84 Grant to implement rebates for Cash for Grass, Weather Based Irrigation  
25 Controller Rebate Program, High Efficiency Toilet Rebate Program and the High Efficiency Washer  
26 Rebate program in the amount of \$765,000 in which the District is eligible to receive \$183,000. He  
27 said that in addition to funding rebates for Water Conservation Programs, the agreement allows  
28 SCWA staff assistance for programs such as the Water Smart Home Survey Program, Large  
29 Landscape and Commercial Audit Program.

30 Director Rodoni stated that the District will gain dollars and asked what happens to the  
31 money since funds have already been earmarked for the water conservation program.

32 Mr. Grisso said that the money is specifically earmarked for the the previously stated  
33 program rebates and rebate amounts. He said that the District will be reimbursed for money it

1 spends and will offset the water conservation budget. Mr. Bentley added that the funds would go  
2 into the general fund unless the money is designated to water conservation.

3 On motion of Director Baker, seconded by Director Rodoni and unanimously carried, the  
4 Board approved and authorized the General Manager to execute the Reimbursement Agreement for  
5 the North Marin Water District Water Conservation Program with Sonoma County Water Agency  
6 and to execute any future amendments not-to-exceed \$25,000 in additional funding for Agency  
7 assistance.

8 **APPROVE: CONTRACT AMENDMENT FOR NUTE ENGINEERING**

9 Mr. McIntyre stated that at the last meeting the Board approved the contract award for the  
10 Oceana Marin Sewer Lining Project to Case Excavating, and at that time he apprised the Board that  
11 he would request an increase in Nute Engineering's contract limit so that they could perform design  
12 engineering services during construction.

13 On motion of Director Schoonover, seconded by Director Baker and unanimously carried,  
14 the Board authorized the General Manager to execute an amendment to Nute Engineering's  
15 General Consulting Services Agreement in the amount of \$10,000.

16 **INFORMATION -**

17 **FOURTH QUARTER FY 11/12 - WATER QUALITY QUARTERLY REPORT W/QUARTERLY**  
18 **BACTERIOLOGICAL MONITORING REPORT**

19 Pablo Ramudo reported that the Novato and Point Reyes water systems were in compliance  
20 with state and federal water quality standards. He stated that Stafford Lake was not used as a  
21 drinking water source, but was monitored weekly for nutrients and bacteria. He further stated that  
22 there was not a big change in raw water quality compared to last year and high numbers of algae  
23 and high amounts of nutrients continue to be detected in the lake. Mr. Ramudo informed the Board  
24 that when the treatment plant was started in July, taste and odor complaints from customers were  
25 received and were promptly handled without disruption to customers. Mr. Ramudo stated that the  
26 Novato distribution system water quality was good. In Point Reyes, Mr. Ramudo advised that water  
27 quality was good, salinity levels continued to fall and there were no complaints of entrained water  
28 once the modification to the interior of the Point Reyes well was completed. He advised that  
29 disinfection byproducts were at a two year low due to lower levels of bromide in the raw water and  
30 aeration systems installed in Inverness Park Tanks and Paradise Ranch Estates Tank #2. He  
31 further advised that the Deer Island Recycled Water Facility began operation on April 29<sup>th</sup>, and water  
32 quality was good this quarter.

1 Director Rodoni commented that Mr. Ramudo, Mr. Clark and District staff should be  
2 complimented for handling the situation in West Marin so well with capacity being limited. He asked  
3 what the schedule is for construction of Point Reyes Well #3.

4 Mr. McIntyre stated that to minimize any negative influence on the existing well, the  
5 contractor will wait until after the peak demand season is over to begin construction. He advised  
6 that all the materials have been approved, and the contractor has all equipment ready to mobilize.

7 Director Baker also complimented staff for working together to solve the problems with Point  
8 Reyes Well No. 3.

9 **WATER CONSERVATION YEAR END REPORT (JULY 2011 THROUGH JUNE 2012)**

10 Ryan Grisso provided the year-end summary for the Water Conservation Department  
11 programs. He stated that the participation is down this year, most likely due to the economy and  
12 reduction in rebate levels.

13 **YEAR END PROGRESS REPORT - ENGINEERING DEPARTMENT**

14 Mr. McIntyre stated that because staff has already reported on West Marin projects at the  
15 meeting held in Point Reyes and because there were in-depth reports on the Recycled Water  
16 Projects at the previous meeting, his year-end progress report will be condensed.

17 Mr. McIntyre stated that in the Novato Water System, actual project costs are about 32% of  
18 the budget primarily due to \$2.5M in the Aqueduct Energy Efficiency Project not expended because  
19 the project has not moved along as quickly as was anticipated. He provided a brief update on the  
20 Marin-Sonoma Narrows Caltrans project and advised that two out of three Caltrans projects were  
21 out for bid in July and August.

22 Mr. McIntyre stated that Recycled Water Project has spent over \$6M due to an accelerated  
23 schedule and that the budget for the north segment may be 2% over original budget. He said that  
24 he will provide a recap to the Board at a meeting in September.

25 Mr. McIntyre advised that a total of 37 projects were budgeted in Fiscal Year 2011-12, with a  
26 final end count of 43; 60% under the lead of Engineering and the remaining balance under the lead  
27 of the Operations/Maintenance Department. He stated that 72% of Engineering projects were fully  
28 completed, that Novato Water projects saw a completion rate of 75% compared to a projected  
29 completion rate of 81%, and West Marin completion rate was 57% versus 75% projected. He said  
30 that delays in the replacement of Well No. 3 and Point Reyes Water Treatment Plant Solids  
31 Handling Project affected the completion rate for West Marin.



1 Mr. McIntyre informed the Board that developer labor hours were below forecast in Novato;  
2 District projects were 97% of the budgeted labor hours.

3 **FY 12 - OPERATIONS/MAINTENANCE YEAR END REPORT**

4 Mr. Clark provided the Year End Report for the Operations/Maintenance Department and  
5 advised that two treatment plant operators were temporarily moved to Operations/Maintenance to  
6 assist with valve and hydrant maintenance and cross connection control testing.

7 Mr. Clark advised that production at the Point Reyes Well #2 was maintained and that Well  
8 #3 was in operation periodically to maintain capacity for the peak demand period. He further  
9 advised that in Oceana Marin, total suspended solids in the storage pond continued to be an issue  
10 most likely as a result of increased algae growth.

11 Mr. Clark reported that the electrical/mechanical group worked on the controls for the  
12 Recycled Water Plum St. Tank, and performed inspections on the solar project. He said that the  
13 Cross Connection Control technician worked with Water Quality and Water Conservation staff to  
14 develop start-up procedures for recycled water customers. He stated that the modified entryway at  
15 the District Headquarters to accommodate ADA requirements has been completed.

16 **MISCELLANEOUS**

17 The Board received the following miscellaneous items: Disbursements and Reimbursement  
18 for Property Damage during Consumer Services On-Call Duty. The Board also received the  
19 following news articles: What is your opinion of the taste and quality of water in Marin?, Life gets a  
20 little better for Eel River salmon: block release boosts spring migration and Some goals are  
21 universal.

22 **CLOSED SESSION**

23 President Petterle adjourned the Board into closed session for Conference with Real  
24 Property Negotiator (Chris DeGabriele) regarding terms of Intertie Agreement between North Marin  
25 Water District and Marin Municipal Water District (Government Code Section 54956.8).

26 **OPEN SESSION**

27 Upon returning to regular session at 8:40 p.m., President Petterle stated that during the  
28 closed sessions the Board had discussed the issues and no reportable action had been taken.

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1 **ADJOURNMENT**

2 President Petterle adjourned the meeting at 8:41 p.m.

3 Submitted by

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Renee Roberts  
District Secretary

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MEMORANDUM

To: Board of Directors  
From: David L. Bentley, Auditor-Controller  
Subject: Assembly Bill 685 - Veto  
t:\gml\bod misc 2012\ veto 685 letter memo.doc



August 31, 2012

**RECOMMENDED ACTION:** Authorize President Petterle to sign letter to Governor Brown urging a Veto of Assembly Bill 685

**FINANCIAL IMPACT:** None

The California State Legislature recently approved Assembly Bill 685 that would add to the Water Code a declaration that every human being has the right to clean, affordable and accessible water. The District has received a request by the Association of California Water Agencies to write to the Governor to request a veto of this bill as this bill could be read to prohibit a water agency from terminating the water service of a non-paying customer. Staff has drafted a letter to the Governor over the signature of the District Board President.

**RECOMMENDATION:**

Authorize President Petterle to sign the attached letter to Governor Brown.

Approved by GM LD  
Date 8/31/2012

DRAFT

September 5, 2012

The Honorable Jerry Brown  
Governor of California  
State Capitol Building  
Sacramento, CA 95814

**RE: Assembly Bill 685 - VETO**

Dear Governor Brown:

I am writing on behalf of North Marin Water District to urge you to veto AB 685. The bill has the potential to upset decades of legal precedent while doing nothing to address the challenges of providing safe drinking water to disadvantaged communities.

AB 685 would declare that it is the policy of the state that every human being has the right to clean, affordable, and accessible water. While this is a noble policy goal, California Water Code Section 106 already declares that "the use of water for domestic purposes" is the "highest use" of water. This basic water policy has been vetted through the courts for decades.

Codifying a new "human right to water" without considering existing legal authority will lead to conflicts that have not been adequately addressed by this legislation. For example, AB 685 would codify a new human right to water along with an additional requirement that the water served be "affordable." By doing so, the bill could be read to prohibit a water agency from terminating the water



service of a non-paying customer. This would create budgetary issues for water agencies at a time when local budgets are already stretched thin.

The bill is ambiguous and would invite litigation to define exactly what a "human right to water" entails. The Senate Appropriations Committee was sufficiently concerned with potential costs to request an amendment that would exempt the State from any legal liability. The Committee noted that the State might be liable for the cost of providing safe drinking water should the law be interpreted as creating an enforceable right. Recent amendments exempt the State from liability but leave local agencies exposed to costly litigation. Local agencies cannot afford the uncertainty that this legislation would create.

California Water Code Section 106 is already a fundamental cornerstone of the water rights system in this state. Creating a new "right to water" in California law could potentially upset decades of legal precedent and negatively affect the ability of water agencies to provide safe, clean and affordable water to all their customers. For these reasons, we strongly urge you to veto AB 685.

Sincerely,

Stephen Petterle, President  
North Marin Water District

DLB/rr  
t:\gm\lacwal2012\ab 685 oppose.docx

cc: Association of California Water Agencies



*California*  
LEGISLATIVE INFORMATION

**AB-685 State water policy.** (2011-2012)

AMENDED IN SENATE AUGUST 22, 2012

AMENDED IN SENATE JANUARY 13, 2012

AMENDED IN SENATE AUGUST 15, 2011

AMENDED IN SENATE JULY 11, 2011

AMENDED IN SENATE JUNE 30, 2011

AMENDED IN ASSEMBLY MAY 27, 2011

CALIFORNIA LEGISLATURE— 2011-2012 REGULAR SESSION

**ASSEMBLY BILL**

**No. 685**

**Introduced by Assembly Member Eng  
(Coauthor(s): Assembly Member Fong, V. Manuel Pérez)  
(Coauthor(s): Senator Wolk)**

**February 17, 2011**

**An act to add Section 106.3 to the Water Code, relating to water.**

LEGISLATIVE COUNSEL'S DIGEST

AB 685, as amended, Eng. State water policy.

Existing law establishes various state water policies, including the policy that the use of water for domestic purposes is the highest use of water.

This bill would declare that it is the *established* policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. The bill would require, ~~on and after January 1, 2013,~~ all relevant state agencies, including the Department of Water Resources, the State Water Resources Control Board, ~~the California regional water quality control boards,~~ and the State Department of Public Health, ~~to advance the implementation of~~ *consider* this state policy ~~upon revising existing, and upon when revising,~~ adopting, or establishing ~~new,~~ policies, regulations, and ~~funding grant~~ criteria when those policies, regulations, and grant criteria are pertinent to the uses of water described above.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 106.3 is added to the Water Code, to read:

**106.3.** (a) It is hereby declared to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

(a)

~~(b) On and after January 1, 2013, all~~ All relevant state agencies, including the department, the state board, the California regional water quality control boards, and the State Department of Public Health, shall advance the implementation of consider this state policy upon revising existing, and upon when revising, adopting, or establishing new, policies, regulations, and funding grant criteria when those policies, regulations, and criteria are pertinent to the uses of water described in this section when those policies, regulations, and criteria are pertinent to the uses of water described in this section.

(b)

~~(c) This section shall~~ does not expand any obligation of the state to provide water or to require the state's expenditure of additional resources to develop water infrastructure beyond the obligations that may exist pursuant to subdivision (a), nor shall it infringe on any causes of action that exist independently of this section (b).

(c)

(d) This section shall not apply to water supplies for new development.

(d)

~~(e) This section does not create or impose any additional duties~~ The implementation of this section shall not infringe on the rights or responsibilities of any public water system.

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MEMORANDUM

To: Board of Directors  
From: Drew McIntyre, Chief Engineer  
Re: Contract Amendment for GHD, Inc.

August 31, 2012



R:\NON JOB No ISSUES\Consultants\GHD (aka Winzler & Kelly)\FY12-13\GHD contract amendment BOD memo 9-12.doc

**RECOMMENDATION:** That the Board authorize the General Manager to execute an amendment to GHD, Inc.'s General Services Agreement

**FINANCIAL IMPACT:** \$30,000 (included in FY13 CIP and Operation Budgets)

Attached is a proposal from Mr. Mark Soldati of GHD, Inc. (GHD) to provide engineering services to assist North Marin Water District in completing the 2012 Novato Water System Master Plan Update. GHD's proposed services for \$22,820 are limited to the hydraulic evaluation of Zone 1 and Zone 2 service areas as well as a peer review of the report prepared by District staff and former District employee, Ms. Laura Jones. Ms. Jones was hired with Board approval on September 6, 2011 to augment District staff in the preparation of this Master Plan Update.

Background

The 2007 Novato Waster System Master Plan Update was prepared at a cost of approximately \$92,000. As reported to the Board in September 2011, the 2012 Master Plan budget was estimated at \$81,000. To date, the District has spent about 50% of that budget (i.e., \$40,300). Approximately 60% of these costs have been expended by District staff with the balance of costs expended for consulting services by Ms. Jones. As reported to the Board at the September 6, 2011 meeting, staff anticipated an agreement with GHD (not to exceed \$25,000) to help assist in completing this work. The cooperative effort between District and outside consultants to prepare the Master Plan Update is summarized in the below table originally presented to the Board in September 2011. The only change in this table has been changing "Task 4 - Update Model" Primary Responsibility from NMWD to GHD.

TASK	PRIMARY RESPONSIBILITY	SECONDARY RESPONSIBILITY	PEER REVIEW
Task 1: Research Materials	LJ	NMWD	GHD
Task 2: Planning Criteria	NMWD	LJ	GHD
Task 3: Update Water Supply	NMWD	LJ	GHD
Task 4: Update Model	GHD	NMWD	NA
Task 5: Update Water Demands	NMWD	LJ	GHD
Task 6: Storage and Pumping Evaluation	LJ	NMWD	GHD
Task 7: Hydraulic Evaluation	NMWD	NA	GHD
Task 8: Water quality Evaluation	NMWD	NA	NA
Task 9: Facilities Replacement Evaluation	LJ	NMWD	GHD
Task 10: CIP	LJ	NMWD	GHD
Task 11: Master Plan Report	LJ	NMWD	GHD
Task 12: Meetings	LJ	NA	NA
Task 13: Project Management	LJ	NA	NA

General Services Agreement Financial Expenditures

At the September 20, 2011 meeting, the Board authorized a General Services Agreement between the District and GHD for consulting engineering services. A cost breakdown for the \$30,000 contract is summarized as follows:

Starting Contract Amount	\$30,000
Projects (billings to date)	
Pt. Reyes Well #3 Replacement (billings to date)	<\$24,241>
Pt. Reyes Well #3 Replacement (authorized, not yet billed)	\$5,759
Remaining Balance on Contract	\$0

GHD's General Services Agreement expenditures total \$24,241 leaving a balance of \$5,579 on remaining Pt. Reyes Well #3 Replacement services. As reported herein, additional engineering services by GHD for the Novato Water System 2012 Master Plan Update project (estimated not to exceed \$23,000) make a contract amendment necessary. A new GSA agreement augmentation of \$30,000 is proposed to provide a contingency for miscellaneous support services not yet defined.

RECOMMENDATION

That the Board authorize the General Manager to execute an amendment to GHD, Inc.'s General Consulting Services Agreement in the amount of \$30,000 .



August 29, 2012

Mr. Drew McIntyre  
Chief Engineer  
North Marin Water District  
999 Rush Creek Place  
Novato, CA 95422

**RE: Proposal for Engineering Services  
2012 Novato Water System Master Plan Update**

Dear Mr. McIntyre:

GHD, Inc (GHD) is pleased to submit this proposal for engineering services to assist the North Marin Water District (District) in completing the 2012 Novato Water System Master Plan Update. Our services will be limited to hydraulic evaluation of Zone 1 and Zone 2 and initial preparation of a section of the master plan report, as well as review of portions of the report prepared by the District.

**BACKGROUND**

The most recent update of the District's Novato Water System Master Plan was completed in 2007. The Master Plan includes a proposed Capital Improvement Plan that identified the improvement project and required funding throughout the planning period through FY 2025. The District has undertaken an update of that master plan, and seeks assistance with specific tasks to complete the project.

**SCOPE OF SERVICES**

GHD will perform the following scope of services summarized below.

**Task 1: Review Existing Information Provided By District**

GHD will review the existing information provided by the District, including, but not limited to, the following:

- The current EPANET hydraulic network input files for Zone 1 and Zone 2. It is assumed that the model is accurately calibrated and includes all the latest facilities constructed since the last model update and accurately reflects current operations. The model file should also include the desired additional sub-basin water distribution network piping for areas of interest to the District.
- The most recent draft version of the 2012 Master Plan update report completed to date by the District. It is assumed that the demand projections for both 2012 and buildout conditions, and evaluation criterion have been updated and are in a form to be utilized in the hydraulic analysis undertaken in this proposed scope of work.

**Task 2: Verify Hydraulic Model Input File**

The existing steady-state hydraulic model file provided by the District will be verified by comparing it against operational data provided by the District. Required operational data includes pumping flows and



heads, system pressures, water storage tank levels and any other operational data normally collected by the District. GHD will provide specific data request after consultation with District staff. No fire flow tests or formal calibration of the model will be performed. Minor modifications of the model file, mainly to adjust the water demands to reflect current system conditions, may be required to improve accuracy, but large-scale modifications are not included in this scope of work. Should the need for additional model calibration be identified, GHD will notify the District immediately.

### **Task 3: Perform Hydraulic Evaluation**

GHD will perform steady-state hydraulic modeling of the Zone 1 and 2 distribution systems utilizing the verified hydraulic model. Modeling will be performed with the WaterCad modeling software, which can import the District's EPANET model input file. After modeling is completed, GHD will return the model file as an EPANET file to the District. Model runs will be made under the following scenarios for existing (2012) and projected buildout demands (as determined by the District):

- Maximum day plus fire flow demand (MDD+FF)
- Peak hour demand (PHD)

For each model run, pipeline flow, velocity and head loss, and node pressure, will be compared to evaluation criteria developed by the District to determine deficiencies. High velocity or high head loss pipelines and low (or high) pressure areas will be identified. Recommended improvement projects will be identified to address the deficiencies identified in the hydraulic analysis. In addition, GHD will model some of the potential projects identified by the District during its preparation of the master plan update. Prior to initiation of the hydraulic modeling, GHD and District staff will meet to develop a mutual understanding of the specific modeling task and the extent of planned projects to be included in the evaluation.

Hydraulic evaluation will be performed under current (2012) demands with the current operation of the North Marin Aqueduct. In addition, modeling will be performed under 2012 demands with the planned North Marin Aqueduct improvements (upsizing and relocation) planned to be operational within the next five (5) years. It is expected that the North Marin Aqueduct improvements will be phased in over a period of years and that the entire planned improvements will not be fully operational for several years. Modeling at buildout demands will incorporate the new Aqueduct improvements only. The following is a list of scenarios for hydraulic modeling:

1. 2012 MDD+FF
2. 2012 PHD
3. 2012 MDD+FF, with North Marin Aqueduct Improvements
4. 2012 PHD, with North Marin Aqueduct Improvements
5. Buildout MDD+FF, with North Marin Aqueduct Improvements
6. Buildout PHD, with North Marin Aqueduct Improvements
7. Buildout MDD+FF, with North Marin Aqueducts Improvements – up to three (3) additional scenarios
8. Buildout PHD, with North Marin Aqueduct Improvements – up to three (3) additional scenarios





The additional scenarios will involve some combination of additional facilities mutually agreed upon with the District. Modeling is limited to 12 modelling scenarios.

Of special interest in hydraulic evaluation of the new Aqueduct improvements is the control valve vault arrangement at the entrance to the Zone 1 distribution system. The District seeks to review and evaluate the necessary modifications to fully integrate the planned Aqueduct improvements. Work is limited to modeling analysis at the valve vault and does not include preliminary or final design.

#### **Task 4: Prepare Technical Memorandum**

The results of the hydraulic analysis will be presented in a Technical Memorandum (TM). The TM will be prepared to be incorporated as a chapter into the Master Plan report prepared by the District. A draft TM will be submitted to the District for review and comment. Upon receipt of District review comments to the draft TM, the final TM incorporating District review comments will be prepared and submitted.

#### **Task 5: Review District-generated Master Plan Update Report**

GHD will review the draft Master Plan report prepared by the District. Review comments will be submitted in a tabular format identifying the chapter, page, and item, for easy documentation by the District. This task is limited to one review of the materials provided by the District, and no formal modification or revision of the chapters is to be done by GHD.

#### **Task 6: Conduct Meetings and Project Management**

GHD will convene the following meetings to perform the scope of work identified above:

- Kickoff meeting, to be held after receipt of the existing District model files, to discuss the operational data request and to reach agreement on the extent of the proposed projects to incorporate into the analysis.
- Project status meeting at the conclusion of the modeling to present the evaluation results prior to preparation of the TM.

#### **Assumptions**

The scope of work is based on the following assumptions:

- The current EPANET model file incorporating all the recent facilities constructed since the last model update and the additional sub-basin piping desired by the District will be provided to GHD by the District
- If there are any substantial changes in pump station, valve station, storage tank, and other system facilities operation since the last master plan update, the District will incorporate these changes in the model, and provide a list of changes to GHD.
- The District will provide the updated water demand projection for 2012 and buildout conditions.
- Full model calibration, including fire hydrant flow and "C"-value testing, will not be performed.
- Modeling will be steady-state only; no extended period modeling will be performed.
- Cost estimates of identified projects will be performed by the District.
- The recommended projects list provided by the hydraulic evaluation will not include any project prioritization, phasing, and packaging into a Capital Improvement Program (CIP). CIP development is the responsibility of the District.



## PROJECT SCHEDULE

The hydraulic evaluation and preparation of the draft TM will be completed within four (4) calendar weeks of the written Notice-to-Proceed. The final TM will be submitted to the District within two (2) weeks of receipt of comments to the draft TM.

Review of the draft Master Plan report developed by the District will be completed within two (2) weeks of receipt of the draft report.

## COMPENSATION

The scope of services will be performed on an hourly rate basis in accordance with our attached Standard Fees and Conditions. The estimated budget is \$22,820, which will not be exceeded without written authorization from the District. The budget is separated by task as follows:

Tasks 1 -4	\$18,200
Task 5	\$ 2,960
Task 6	<u>\$ 1,660</u>
	\$22,820

## PROJECT TEAM

The project will be managed by Mark Soldati, who will serve as the principal liaison with the District. Mark has over 30 years of experience in water system planning, design and construction, and has completed numerous water system master plans for clients throughout Northern California. This includes management and coordination of the 2002 Novato Water System Master Plan and the 2007 Master Plan Update for the District. Additional GHD staff resources are available throughout the region to assist with specialty tasks as necessary for the project.

We appreciate the opportunity to submit this proposal to the District for this important project. We look forward to working with the District on this important project. Please do not hesitate to contact me if you have any questions or comments.

Yours sincerely,  
GHD, Inc.

A handwritten signature in black ink that reads 'Mark Soldati'. The signature is written in a cursive, flowing style.

**Mark Soldati, PE**  
Senior Project Manager

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## MEMORANDUM

To: Board of Directors

August 31, 2012

From: Renee Roberts, District Secretary *RR*  
Chris DeGabriele, General Manager *CD*

Subject: District's Intention to Continue Brown Act Compliance  
t:\gm\bod misc 2012\brown act affirmation.doc

**RECOMMENDED ACTION:** Approve

**FINANCIAL IMPACT:** None

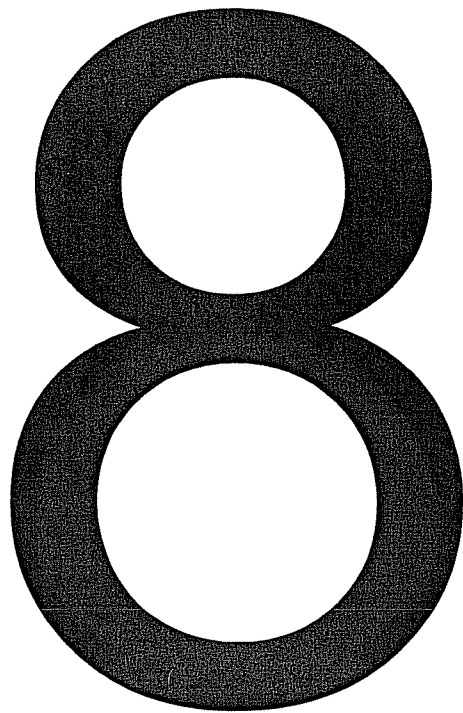
The "Brown Act" (Government Code sections 54950 et seq) was adopted to require that all meetings of the legislative body at local agencies (with certain very limited exceptions) shall be open to the public and all persons be permitted to attend. The intent was to provide transparent government decision-making. The legislation provided for the reimbursement of the local agencies for the costs of compliance.

The State Legislature adopted a budget bill, signed into law on June 27, that provided for a three-year suspension of certain reimbursement provisions of the Brown Act as a cost-cutting measure.


Staff believes it is prudent for the Board to affirm the District's commitment to all provisions of the Brown Act and to continue its practice to comply with the Brown Act provisions regardless of whether the District receives compensation by the State or not.

**RECOMMENDATION:**

Board approve District's intention to continue Brown Act compliance in the interest of conducting the District's business transparently.



## MEMORANDUM

To: Board of Directors  
From: Chris DeGabriele, General Manager   
Subject: Governor's Pension Reform Plan  
t:\gmbod misc 2012\pension reform plan.doc

August 31, 2012

**RECOMMENDED ACTION:** Information Only

**FINANCIAL IMPACT:** None at this time

The Board last received information on the Governor's pension reform plan at the May 15, 2012 meeting. At that time, the Board was informed that Assembly Member Furutani, Chairman of the Public Employees Retirement and Social Security Committee, informed state legislators that no pension reform legislation would be taken up until the Assembly Conference Committee had issued its report on the topic. The committee has issued its report and a summary is attached for the Board's information. News reports indicate that the provisions included in the conference committee report are being proposed in legislation known as the "California Public Employees' Pension Reform Act of 2013 (PERPA)" and will be voted on by the end of the legislative session, August 31, 2012.

**SUMMARY**

**OF THE CONFERENCE COMMITTEE REPORT**

**ON**

**PUBLIC EMPLOYEE PENSIONS**

SUMMARY: Implements comprehensive public employee pension reform through enactment of the California Public Employees' Pension Reform Act of 2013 (PEPRA) and related statutory changes. Specifically, the conference committee amendments:

- 1) Establish PEPRA which will apply to all public employers and public pension plans on and after January 1, 2013.
- 2) Exclude the University of California and charter cities and counties that do not participate in the California Public Employees' Retirement System (CalPERS) from the PEPRA requirements.
- 3) Establish a cap on the amount of compensation that can be used to calculate a retirement benefit on for all new members, as specified, of a public retirement system equal to the Social Security wage index limit (\$110,100) for employees who participate in Social Security, or 120% of that limit (\$132,120) if they do not participate in Social Security.
- 4) Require the retirement systems to adjust the compensation cap annually, as specified, based on changes in the Consumer Price Index (CPI) for all Urban Consumers.
- 5) Specify that the Legislature reserves the right to modify the annual CPI adjustments to the compensation cap prospectively.
- 6) Prohibit an employer from offering a defined benefit (DB) plan, or combination of DB plans, on compensation in excess of the compensation cap.
- 7) Define "new member" with regard to eligibility for the hybrid plan as:
  - a) An individual who has never been a member of any public retirement system prior to January 1, 2013.
  - b) An individual who moved between retirement systems with more than a 6 month break in service, as specified.
  - c) An individual who moved between public employers within a retirement system after more than a 6 month break in service, as specified.

- 19) Prohibit a public employer from providing a better health benefit vesting schedule for excluded and exempt employees than for represented employees in the same retirement classes.
- 20) Limit the maximum salary taken into account for any retirement plan to the federal limit established under 401(a)(17) of the Internal Revenue Code (IRC) and prohibit an employer from seeking a federal exemption from the limit.
- 21) Prohibit an employer from making contributions to any public retirement plan on any amounts of compensation that exceed the 401(a)(17) limit.
- 22) Prohibit a public employer from offering a benefit replacement plan for any member or survivor who is subject to the federal limit on benefits established by section 415(b) of the IRC for an employee first hired on and after January 1, 2013, or to any group of employees that was not offered a benefits replacement plan prior to that date.
- 23) Authorize a public retirement system to continue administering a 415(b) benefit replacement plan for employees first hired prior to January 1, 2013.
- 24) Prohibit a retroactive enhancement to a benefit formula, either due to a change to an existing formula, or due to a change to the retirement classification for a specific job.
- 25) Prohibit the purchase of non-qualified time ("airtime") on and after January 1, 2013. Any application to purchase airtime received by a retirement system prior to January 1, 2013 is grandfathered.
- 26) Specify that local elected members first elected on or after January 1, 2013 may not receive a retirement benefit for the elected service based on compensation earned in any other public employment. The retirement benefit for the elected service shall only be based on compensation earned for that service.
- 27) Prohibit all employers from suspending employer and/or employee contributions necessary to fund annual pension normal costs.
- 28) Prohibit post-retirement employment from exceeding 960 hours in a consecutive 12 month period. If a retiree receives unemployment benefits, he or she is prohibited from working for 12 months as a retiree for a public employer.
- 29) Prohibit a person who retires on or after January 1, 2013, from returning to work as a retired annuitant for a period of 180 days after retirement unless the action is approved in an open meeting, as specified by the governing body of the employer, or by California Department of Human Resources (CalHR) authority if state retiree, as specified. However, in no case could a person who receives a retirement incentive return to work as a retired annuitant for a period of 180 days after retirement.



proposed contribution exceeds statutorily required contributions for current employees or half of the normal cost of benefits for employees first hired on or after January 1, 2013.

- 38) Provide additional flexibility to CalPERS contracting agencies to achieve cost sharing goals with current employees, as specified.
- 39) Require CalPERS contracting agencies and school employers to achieve specific cost sharing goals by January 1, 2018.
- 40) Require additional contributions for various state bargaining units, and excluded and exempt employees of the state, executive, legislative and judicial branches that have not yet achieved equal cost sharing of normal cost.
- 41) Require CalPERS to develop a system for monitoring excessive increases to salaries that create significant liabilities for former employers due to reciprocity, and for requiring the employers that caused the significant liability to be responsible for it.
- 42) Increase the retirement formula for new state miscellaneous members who opt to participate in the Second Tier from 1.25% at age 65 to 1.25% at age 67.
- 43) Prohibit certain cash payments from being counted as compensation earnable for retirement purposes in '37 Act counties
- 44) Provide '37 Act retirement boards with more independence to perform audits and assess penalties relating to pension spiking.
- 45) Require '37 Act county employers and districts to achieve specific cost sharing goals by January 1, 2018.
- 46) Specify that if any provision of the bill is held invalid, the rest may still be given effect.
- 47) Makes conforming changes to provisions of the Education Code administered by CalSTRS.

EXISTING LAW: California currently has dozens of public retirement systems and individual retirement plans. The largest are the California Public Employees' Retirement System (CalPERS), serving over 1.6 million members and retirees, and the California State Teachers' Retirement System (CalSTRS), serving over 850,000 members and retirees. CalPERS also administers the Judges' Retirement Systems I and II and the Legislators' Retirement System. In addition, there are many independent public retirement systems, including the 20 county systems that operate under the 1937 Act County Employees' Retirement Law, the University of California Retirement Plan, plans for the City and County of San Francisco, and cities of San Diego, Fresno, Sacramento, Oakland, San Jose, and others.

Some of these retirement systems and individual retirement plans are established under a statutory framework, while others operate under their own regulations and charters. Benefit formulas vary widely with differing retirement formulas for non-safety and safety employees and

COMMENTS: The comprehensive pension reform proposal that is contained in the Conference Committee Report is based on the Governor's 12-Point Pension Reform Plan.

The Conference Committee Report includes 10 of the 12 points included in the Governor's plan. As an alternative to the hybrid plan the proposed by the Governor, we have included a hard cap on the amount of compensation that can be used when calculating a retirement benefit. There are only other two provisions of the 12-Point Plan that were not included at all and those were the changes to the CalPERS Board of Administration and the proposal to increase state retiree health care vesting. The Governor chose to drop the CalPERS Board issue and, on the health care vesting issue, state employee bargaining units have shown a willingness to bargain over this issue and so the Conference Committee believed it should remain subject to collective bargaining.

Additionally, in order to achieve our goal of comprehensive reform, we have included numerous pension reform changes that were included in bills going through the Legislature this session but were not included as part of the Governor's plan. Finally, the Report includes a number of other changes that are part of the comprehensive pension reform.

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## MEMORANDUM

To: Board of Directors

August 31, 2012

From: Chris DeGabriele, General Manager 

Subject: Letter Agreement for Water Quality Protection on George Grossi Ranch  
t:\gmlbod misc 2012\grossi ranch agreement memo.doc

**RECOMMENDED ACTION:** Information Only

**FINANCIAL IMPACT:** Up to \$16,000 included in the FY 2012/13 Operations Budget

During open time at the August 21 Board of Directors meeting, Robert Clark informed the Board that staff had met with the Grossi Dairy and proposed an agreement that Grossi not spread manure adjacent to Stafford Lake and the District would assist with payment to haul and spread manure away from the lake. The agreement as executed is attached and extends for one year providing an opportunity for District staff to determine the effects of this alternate operation on lake water quality.



**NORTH MARIN  
WATER DISTRICT**

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

**PHONE**

415.897.4133

**FAX**

415.892.8043

**EMAIL**

info@nmwd.com

**WEB**

www.nmwd.com

August 28, 2012

George Grossi & Son Dairy  
3600 Novato Boulevard  
Novato, CA 94947

Re: Letter Agreement For Water Quality Protection on George Grossi Ranch between  
George Grossi and Son Dairy (Grossi) and North Marin Water District (NMWD)

Dear George and Dominic Grossi:

Pursuant to the conversation between Dominic Grossi and NMWD staff on August 21, 2012, the terms discussed to cooperate and achieve mutual water quality protection measures pertinent to Stafford Lake are listed below:

A. Grossi agrees to not spread manure on George Grossi Ranch (Ranch, Assessor Parcel Number 121-090-21) property areas: 1) directly adjacent to Stafford Lake and south of Novato Boulevard subsequent to August 21, 2012, and 2) all areas north of Novato Boulevard, during the remainder of calendar year 2012 and through June 1, 2013.

B. NMWD agrees to pay Grossi actual costs, not-to-exceed \$16,000, and estimated at \$38 per unit-truckload, to haul and spread manure: 1) on Ranch property west of Stafford Lake County Park (excluding areas noted in A above), and/or 2) off the Stafford Lake watershed.

C. Grossi agrees that all spreading operations shall comply with all applicable existing regulatory requirements and the Ranch Management Plan.

D. Grossi and NMWD agree to evaluate the efficacy of the manure spreading operation noted in A and B above to determine possible arrangements for future years.

NMWD has prepared a Stafford Lake Watershed Management Plan, pursuant to California Department of Health Services direction, documenting NMWD's commitment to protect the source water quality of Stafford Lake, Novato's local potable water supply. An objective of that plan is to maintain effective working relationships with agricultural property owners, lease holders and resource agencies that will lead to improved source water quality as monitored and measured by the reduction of solids, sediments and nutrients in the tributaries to Stafford Lake. Water quality improvement activities proposed within the Stafford Lake Watershed Management Plan include continued maintenance of sediment dams and working with landowners, Resource Conservation District (RCD), Natural Resource Conservation Service (NRCS), Marin County Stormwater Pollution Prevention Program (MCSTOPPP), Marin Agricultural Land Trust (MALT), North Bay Watershed Association (NBWA), Students and Teachers Restoring a Watershed (STRAW) and others to minimize soil erosion, develop buffer strips on water courses, reduce nutrient-loading tributary to the lake and encourage and support development and implementation of Ranch Management Plans.

DIRECTORS: JACK BAKER • RICK FRAITES • STEPHEN PETTERLE • DENNIS RODONI • JOHN C. SCHOONOVER

OFFICERS: CHRIS DEGABRIELE, General Manager • RENEE ROBERTS, Secretary • DAVID L. BENTLEY, Auditor-Controller • DREW MCINTYRE, Chief Engineer

George Grossi & Son Dairy  
August 28, 2012  
Page 2

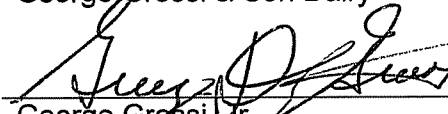
Since 1918, the Ranch, has been operated as a dairy by four generations of the Grossi Family. And since the NMWD formation 64 years ago, the Ranch has undertaken many projects in cooperation with NMWD to minimize erosion, reduce nutrient loading and improve water quality on the Ranch, such as grazing on NMWD lands, STRAW projects and others. NMWD appreciates the continued cooperation to strike an appropriate balance between the normal and acceptable practices of the Ranch enterprise with NMWD water quality goals.

Please acknowledge your agreement with the terms noted above by signing in the space provided below and return the signed original to me. A fully executed copy will be returned to you.

Sincerely,

  
Chris DeGabriele  
General Manager

George Grossi & Son Dairy

  
\_\_\_\_\_  
George Grossi, Jr. Date

 8/28/12  
\_\_\_\_\_  
Dominic Grossi Date

CD/rr

10

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



**DRAFT  
TECHNICAL ADVISORY COMMITTEE**

**MONDAY: SEPTEMBER 10, 2012**

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

**9:00 a.m. (Note Location)**

1. Check In
2. Public Comment
3. SCWA Water Rate Study
4. Sonoma County Sustainable Energy Bond Program
5. L/R/T2 Program Funding for FY 2013/14
6. Biological Opinion Status Update
7. Integrated Regional Water Management Plans Update
8. RR Watershed Association Video Contest Winner
9. Items for next agenda
10. Check Out



## MEMORANDUM

To: Technical Advisory Committee

September 10, 2012

From: Chris DeGabriele, Chair

Subject: L/R/T2 Program Funding for FY 2013/14

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Last year the SCWA Budget resumed collection of funds for the Local Supply/Recycled Water/Tier 2 Water Conservation (L/R/T2) Program in the amount of \$7.14/acre foot (AF). Rohnert Park submitted a project to be funded in the SCWA FY 2012/13 budget under this program and Santa Rosa indicated a project would be ready to fund in FY 2013/14. It's not known how much of the Rohnert Park and Santa Rosa projects are ready to proceed but it is prudent to continue funding so that the remaining balance (~\$3M through FY 2011/12) can be funded to those water contractors who have not yet received their full allocation under the L/R/T2 Program.

A draft letter soliciting project interest from water contractors who have not yet received their full L/R/T2 allocation is attached to this memo and will be mailed this week. Once project proposals are received an L/R/T2 subcommittee meeting will be held to recommend funding for the L/R/T2 Program in the SCWA FY 2013/14 Budget.

DRAFT

September 10, 2012

Miles Ferris, Director of Utilities  
City of Santa Rosa

Darin Jenkins, City Engineer  
City of Rohnert Park

Damien O'Bid, City Engineer  
City of Cotati

Milenka Bates, Director of Public Works  
City of Sonoma

Paul Helliker, General Manager  
Marin Municipal Water District

Subject: SCWA L/R/T2 Program Funding for FY 2013/14

Your City/Water District has not yet received its full allocation under the original SCWA Local Supply / Recycled Water/ Tier 2 Water Conservation Funding Program (L/R/T2) (Attachment 1) and the TAC will consider recommending L/R/T2 funding to be included in the Sonoma County Water Agency budget for next fiscal year (FY 2013/14). Section 4.15 of the Restructured Agreement (RA) provides for the collection of a Recycled Water and Local Supply Sub-Charge to carry out provisions of Section 2.6 of the RA. Guidelines and project evaluation criteria for the L/R/T2 Program (Attachment 2), were established for the original L/R/T2 program authorized pursuant to the 2001 Impairment MOU.

If you have an L/R/T2 eligible project, Please submit project proposals to the Technical Advisory Committee (TAC) chair by Monday, November 12, 2012. The L/R/T2 Sub-Committee will meet to develop a recommendation for consideration by the full WAC at the February meeting.

Sincerely,

Chris DeGabriele  
General Manager

Enclosure

Cc: Krishna Kumar, Valley of the Moon Water District  
Remlah Scherzinger, City of Petaluma  
Richard Burt, Town of Windsor

CD/rr

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SONOMA COUNTY WATER AGENCY

LOCAL SUPPLY / RECYCLED WATER / TIER 2  
 WATER CONSERVATION FUNDING PROGRAM 10-YEAR ALLOCATION

		<i>Allocation</i>	<i>Expended</i>	<i>Balance</i>
1	Santa Rosa	5,065,236	3,908,003	1,157,233
2	Petaluma	2,197,913	2,197,913	--
3	Marin Municipal	1,724,026	1,000,000	723,926
4	North Marin	1,846,726	1,846,726	--
5	Rohnert Park	649,629	--	649,629
6	VOM	627,875	627,875	--
7	Sonoma	539,411	264,295	275,116
8	Windsor	86,996	86,996	--
9	Cotati	157,235	--	157,235
10	Forestville	104,953	104,953	--
	<b>Total</b>	<b>13,000,000</b>	<b>10,036,861</b>	<b>2,963,139</b>

9/6/11

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## GUIDELINES AND PROJECT EVALUATION CRITERIA

### SCWA LOCAL SUPPLY/RECYCLED WATER/TIER 2 WATER CONSERVATION FUNDING PROGRAM

The Memorandum of Understanding Regarding Water Transmission System Capacity Allocation During Temporary Impairment (Impairment MOU) establishes that the phrase "Cost effective water conservation measures that reduce water demands on the transmission system" as used in Section 2.5 of the Tenth Amended Agreement includes cost effective water conservation measures, recycled water projects that offset potable water use and standby local peak month production capacity projects that reduce peak demand on a transmission system (L/R/T2 measures). Sonoma County Water Agency (SCWA) plans to budget and distribute funds to the Water Contractors, Windsor and Marin Municipal Water District for implementing L/R/T2 measures. By November 1 of each year the parties to the Impairment MOU further agree that the Water Advisory Committee shall approve and report to the SCWA which projects are to receive funding support in the subsequent fiscal year's budget. Said approval will not include the first \$15 million for water conservation measures or the \$1.3 million in FY 00/01 SCWA budget for recycled water projects which has already been approved by the Water Advisory Committee in the Agency's FY 00-01 Water Transmission System Budget. The Water Advisory Committee has appointed a subcommittee to review the L/R/T2 measures and make recommendations to the Agency.

#### GUIDELINES

1. Water Advisory Committee supports the inclusion of \$13 million dollars over ten years up to \$2.0 million per year in the Sonoma County Water Agency's Water Transmission System budget for the L/R/T2 program.
2. Revenue requirements are to be met through a surcharge to the Water Transmission System Operations and Maintenance (O&M) rate.
3. Each party signatory to the Impairment MOU, excluding SCWA, shall be eligible and allocated a share of the L/R/T2 funding proportional to their average annual water delivery for three years (FY 98/99 through FY 00/01) divided by the SCWA deliveries to eligible parties over the same period (see Table 1). Eligible parties are eligible to receive the sum of their allocated shares over the life of the L/R/T2 program.
4. Eligible parties shall submit proposals for L/R/T2 projects to the Chairman of the Water Advisory Committee by September 30 of each year (for FY 01-02 contractors shall submit proposals to the Chair of the Water Advisory Committee by March 1, 2001). Project duration and funding eligibility may extend over more than one year.
5. By November 1 of each year the L/R/T2 subcommittee shall recommend projects to be approved by the Water Advisory Committee at a regular meeting for funding in the subsequent fiscal year's budget. Funding shall be made through distribution from the Water Transmission System O&M fund unless another funding source becomes available due to execution of a new water supply agreement subsequent to Eleventh Amended Agreement for Water Supply.
6. SCWA will account for each eligible party's share separately. Project payments by SCWA will be made only for design, construction, and/or implementation. Payment by

SCWA to each eligible party will be made upon receipt of itemized invoices for work completed on approved projects. Invoices shall be submitted on a quarterly basis.

7. The L/R/T2 Subcommittee shall use the below listed criteria for evaluation of project measures.

**PROJECT EVALUATION CRITERIA:**

1. L/R/T2 measures must result in sustained demand reduction in the months June through September. Recommendations for funding of projects will be based on the most cost-effective projects being recommended for funding first. Cost effectiveness as determined by the WAC will be evaluated on a dollar per MGD basis.
2. Projects must be sustainable. Projects to implement a short-term demand curtailment will not be considered. For local well supply, the sustained capacity is defined as 67% of the measured yield during a long-term steady state pumping test. Water conservation programs are those beyond the current California Urban Water Conservation Council Best Management Practices (BMP's) or those programs listed in the May 1998 SCWA Draft Water Conservation Plan.

## EXAMPLES OF ELIGIBLE L/R/T2 PROJECTS AND MEASURES

### Recycled Water Projects

- New Treatment Plant Construction
- Existing Treatment Plant Capacity Upgrades
- Distribution Facilities (Pump Stations, Pipelines, Storage and all appurtenances)

### Local Supply Projects

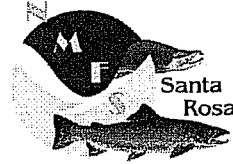
- New Treatment Plant Construction
- Existing Treatment plant Capacity Upgrades
- Aquifer Storage and Recovery Projects
- Backfeed Surface Storage for June-Sept Water Supply Production
- New Well Construction Potable Supply and Non Potable which offsets potable demand
- Rehabilitation of Existing Potable Well Supply

### Tier 2 Water conservation Measures

- Water Conserving Appliance Incentives
- Irrigation Advisory Service



US Army Corps  
of Engineers ®  
San Francisco District



## Sonoma County Water Agency PRESS RELEASE

**For Immediate Release**  
**August 28, 2012**

**CONTACT:**

Ann DuBay  
707.524.8378 (Office)  
707.322.8185 (Cell)  
[ann.dubay@scwa.ca.gov](mailto:ann.dubay@scwa.ca.gov)  
Brandon Beach  
415.503.6958 (office)  
415.420.9593 (cell)  
[Brandon.A.Beach@usace.army.mil](mailto:Brandon.A.Beach@usace.army.mil)

### Construction Starts on Two Dry Creek Fish Habitat Projects

**(Healdsburg, CA)** During the next week, construction will start on the first phase of a six-mile habitat enhancement project in the Dry Creek Valley. The purpose of the project, which is being conducted by the Sonoma County Water Agency (Water Agency) in cooperation with private landowners and by the U.S. Army Corps of Engineers (USACE), is to provide habitat for endangered coho salmon and threatened steelhead and Chinook. During the first phase of this multi-year project, an estimated 560 tons of boulders and 202 trees, root wads and logs will be used to create backwaters, side channels and shady habitat for the young fish that live in Dry Creek during the summer.

“This is a massive enhancement project that will provide big benefits for fish on the brink of extinction in our area,” said Sonoma County Supervisor and Water Agency Director Mike McGuire. “Dry Creek Valley farmers deserve tremendous thanks for their partnership and willingness to move this project forward.”

“We are excited to be starting construction on a project that should provide immediate help to the coho and steelhead raised at hatcheries at Warm Spring Dam and released into Dry Creek and its tributaries,” said Lt. Col John Baker, commander of the USACE San Francisco District.

The habitat enhancement is required by National Marine Fisheries Service (NMFS) to help restore endangered and threatened fish to the watershed. The first phase of Dry Creek habitat enhancement involves two projects, as follows:

- The Water Agency Dry Creek Demonstration Project is centered on Lambert Bridge and is nearly one-mile in length. Construction in 2012 will take place at Quivira Winery and Vineyards. The Laytonville-based firm Bio-Engineering Associates is conducting the work at Quivira, which will be complete by mid-

October. Work on the majority of the Dry Creek Demonstration Project will take place during 2013.

- The USACE project (known as the “Reach 15” project, for its location directly below Warm Springs Dam) is 1,400 feet long and is located on property owned by USACE. Contractor Services Group is overseeing construction which will take place through mid-October and during summer 2013.

Elements of the projects include bank stabilization to reduce erosion, boulders and anchored log jams to provide refuge and to slow the water, constructed backwaters and side channels to give the young fish places to escape summer and winter high flows, and native plants to reduce erosion and create shade.

“The habitat enhancements fit into Quivira’s holistic approach to grape growing and wine making. By improving Dry Creek, we improve the health of the land, helping both people and fish,” said Quivira Winery representative Ned Horton.

The majority of work on the Water Agency’s Dry Creek Demonstration Project will occur in 2013, and involves several landowners including Amista Vineyards, Dry Creek Vineyard, Rued Winery, Seghesio Family Vineyards and Yellow Dog Vineyards. The demonstration project also includes individual landowners Doug Lipton and Cindy Daniels, Carole and Geno Mascherini, Peter and Marian Van Alyea and Ron Wolmer.

When complete, the Dry Creek Demonstration Project and Reach 15 Project will serve as the first mile of habitat enhancement of the six miles required in NMFS’ Russian River Biological Opinion. The Biological Opinion was issued in 2008, and requires the Water Agency and the USACE to improve habitat for juvenile coho and steelhead in Dry Creek as an alternative to reducing summertime flows in the creek. (The high velocity of water flowing in Dry Creek in the summer was found by NMFS’ biologists to be detrimental to the survival of young coho and steelhead.)

“By breaking ground for this project the agency partners and landowners are reaching an important milestone on the road to conservation of our Russian River coho salmon and steelhead. This investment will not only benefit our fisheries, but is also an investment in the overall health of our watershed,” said Dick Butler, National Marine Fisheries Service.

Since nearly all of the 14-mile Dry Creek is privately owned, the required six miles of habitat enhancement is dependent on cooperative landowners. The demonstration project and the Reach 15 project will allow landowners, the Water Agency, the USACE, NMFS and California Department of Fish and Game to observe how enhancements work on a smaller scale.

“The coho broodstock program and stream enhancement projects in the Russian River watershed, including these important projects in Dry Creek, contribute greatly to coho salmon conservation. By enhancing and creating this habitat, we are improving conditions for coho and providing people more opportunities to enjoy and participate in coho habitat restoration successes,” said Scott Wilson, Acting Regional Manager, California Department of Fish and Game.

Dry Creek residents who notice any problems or who have immediate concerns regarding construction issues are urged to contact the Water Agency public information officer, Ann DuBay at (707) 524-8378, [ann.dubay@scwa.ca.gov](mailto:ann.dubay@scwa.ca.gov), or the USACE onsite engineer, Carlos Hernandez at (707) 431-4550 or [Carlos.R.Hernandez@usace.army.mil](mailto:Carlos.R.Hernandez@usace.army.mil).



Laytonville-based Bio-Engineering Associates specializes in construction of creek restoration and habitat enhancement features that also help reduce erosion. Several of the firm's projects have been on major creeks located within vineyards.

Contractor Services Group, located in West Sacramento, is a full-service contracting company with experience in conducting large-scale restoration projects.

To learn more about NMFS' Biological Opinion and Dry Creek requirements go to <http://www.scwa.ca.gov/drycreek/>. For additional details on the demonstration project, go to <http://www.scwa.ca.gov/files/docs/projects/rrif/DryCreek-Habitat.pdf>.

###

*Sonoma County Water Agency provides water supply, flood protection and sanitation services for portions of Sonoma and Marin counties. Visit us on the Web at [www.sonomacountywater.org](http://www.sonomacountywater.org).*

11

**NOTICE OF MEETING OF  
NORTH BAY WATERSHED ASSOCIATION**

Notice is hereby given that a meeting of the North Bay Watershed Association will be held as follows:

Date: Friday, September 7, 2012  
Time: 9:30 a.m. – 11:30 a.m.  
Location: Novato Sanitary District  
500 Davidson Street  
Novato, CA 94945

**AGENDA**

<b><u>Item</u></b>	<b><u>Recommendation</u></b>
1. Call to Order (Jack Gibson, Chair)	
2. Public Comment	
3. Approval of the Agenda (1 min.)	Approve
4. Approval of Minutes	Approve
5. Treasurer's Report (1 min.)	Accept
6. The Economic Value of Conservation: (30 min.) Enhancing Investment in Green Infrastructure Guest Speaker: Karen Gaffney, Sonoma County Agricultural Preservation and Open Space District, Manager, Conservation Planning	Information
7. Wetlands and Climate Change (30 min.) Guest Speaker: Steve Crooks, Climate Change Director ESA PWA   Environmental Hydrology	Information
8. Project Approval – ECONorthwest Proposal (15 min.) Handbook for Benefit Cost Analysis consistent with DWR guidance (\$20k) Harry Seraydarian	Action
9. Items of Interest	
10. Items for Next Agenda	

**Next Meeting Information:**

**Note: Date Change**

**Next Meeting: October 12, 2012**

Petaluma (Lucchesi) Community Center  
320 N. McDowell Boulevard  
Petaluma, CA 94954 – Conference Room 2

NORTH BAY WATERSHED ASSOCIATION

Minutes for the meeting of the North Bay Watershed Association (NBWA) Board of Directors.

Date: Friday, July 6, 2012  
Time: 9:30 a.m.  
Location: Marin Community Foundation  
5 Hamilton Landing, Suite 200  
Redwood Room  
Novato, CA 94949

Directors Present: Directors present included:

<u>Board Member</u>	<u>Agency/Organization</u>	<u>Board Member</u>	<u>Agency/Organization</u>
Steve Barbose	City of Sonoma and Sonoma Valley County Sanitation District	Beverly James	Novato Sanitary District
Megan Clark	Las Gallinas Valley Sanitary District	Mark Luce	Napa Sanitation District
Rick Fraitcs	North Marin Water District	Brad Sherwood	Sonoma County and Sonoma County Water Agency
Jack Gibson	Marin Municipal Water District	Madeline Thomas	Bel Marin Keys Community Services District
Kathy Hartzell	Central Marin Sanitation Agency		

Directors present represented 11 out of the 16 agencies signatory to the Association MOU.

Board Actions

1. Call to Order. Jack Gibson, Chair, called the meeting to order at 9:36 a.m.
2. Public Comment. There was no public comment.
3. Approval of the Agenda. (See Handout) The Board unanimously approved the agenda.
4. Approval of Minutes of the Board Meeting held June 1, 2012. (See Handout) The Minutes of the Board Meeting held on June 1, 2012 were unanimously approved.
5. Treasurer's Report. Harry Seraydarian stated that the Treasurer's Report was not available due to the need to gather information for the fiscal year end.
6. Update on Phase II Stormwater Permit. Wendy Atkins, Stormwater Coordinator, City of Sonoma and Terri Fashing, Manager, Marin County Stormwater Pollution Prevention Program presented a PowerPoint on "Draft Phase II Stormwater Permit – New Requirements." Wendy began with an overview of California Stormwater Regulations and noted that the Phase II permit applies to communities in Marin, Napa, Sonoma and Solano and that an existing Phase I Permit (Municipal Regional Permit) applies to other Bay Area Counties. Wendy referred to the first Phase II draft issued in June 2011 and the Revised Draft released by the SWRCB on May 18, 2012 and provided a timeline indicating comments are due by July 23 and a public hearing will be held on August 8. She then set forth the request for NBWA to send a comment letter recommending that the SWRCB: remove the requirements that are without a demonstrated water quality nexus; provide more flexibility for prioritization; provide a clear regulatory path to implement existing programs; and establish requirements that are within the resources of local government or provide funding. Wendy then detailed who must obtain coverage and summarized the changes made to the 2011 draft, including deleted and modified provisions. She then highlighted the minimum control measures and exhibited a listing of the main sections in the revised draft permit. Terri then presented the items required in the existing Phase I Permit that go beyond the Phase II requirements and concluded that at this point the Phase II permit is preferable. Terri then walked through a number of the Phase II requirements: Discharge Prohibitions; Receiving Water Limitations (handout provided – BASMAA letter criticizing the Fact Sheet statement); New Program Management; Public Education and Outreach (possibility of RWQCB requiring Community Based Social Marketing); and Public Information and Participation. Terri then displayed the details on "Illicit Discharge Detection and Elimination" requirements including mapping and photographing all outfalls. The Board Members had several questions at this point. Will a laboratory test the monitoring samples? (Only using field equipment but some items may require lab analysis.) What is purpose of photograph? (Increase field assessment efforts.) Does permit only apply to unincorporated areas? (Applies to counties and cities.) Terri then provided information on the Construction Site Program, Pollution Prevention/Good Housekeeping provisions, and the Post-Construction Stormwater Management Program. Terri noted the potential costs for these requirements which led to a number of Board Member questions. How are mandates funded? (No funding is provided.) Is SB 90 mentioned? (No, SWRCB suggests increasing permit fees and therefore not an unfunded mandate.) What is estimate for additional staffing in Marin? (Marin program

costs ~ \$.5 million now and could go up to \$1 million; City of Sonoma costs now at ~ \$35k and could go up to \$100k.) How much will construction permits costs go up? (Not estimated yet.) Terri highlighted some of the new sections including: Water Quality Monitoring, Program Effectiveness Assessment, and TMDL requirements. Terri ended with a summary of the annual reporting requirements. The Board Members had several questions. Will this presentation be on the NBWA website? (Yes.) Is this a final document or a work in progress? (Hearing in August and adoption in October so possibility of changes exists.) How does this draft compare to Phase I permit? (Phase I has some requirements that are greater than Phase II [water quality monitoring, business requirements, trash reduction]; it may be desirable to negotiate with RWQCB but they may say everything applies.) Is League of Cities involved? (Yes, but also dealing with other SWRCB permits; statewide coalition did influence SWRCB in revising draft permit.) The NBWA Board unanimously approved sending a comment letter to the SWRCB and suggested we mention that grant funds tend to go to "on the ground" projects, not implementation of programs and that we include the following terms: evidence based, pragmatic, cost effective, and doable.

7. Bay Area IRWMP Update. Harry used a PowerPoint presentation to update the Board on Bay Area efforts and referred to a prior briefing for background on the NBWA website under Watershed Council Presentations – January 24, 2012. He noted the overall schedule was still the same (completion date in August 2013) and highlighted the topics that have been identified for the rest of the calendar year for the BAIRWMP Coordinating Committee monthly meetings (information on BAIRWMP website – <http://bairwmp.org/> – Recent Events – May 21, and June 25, 2012 meeting attachments). Harry announced that the Project Template was now available for downloading from the BAIRWMP website and once completed can be emailed to: [Projects@bairwmp.org](mailto:Projects@bairwmp.org). Harry reinforced the emphasis on "integrated" projects and the project submittal deadline of September 1, 2012. Harry then described the sequential review process for Plan chapters using the Governance chapter as an example. He then moved on to Plan Objectives and described the approach to revisiting the 6 Goals and 68 Objectives in the 2006 Plan. Harry reviewed the existing 6 Goals and noted the biggest change will be the effort to quantify objectives and he then walked through the approach to identify measures using some Watershed/Habitat objectives as an example. Harry described the efforts on the Climate Change chapter and the proposal to create a Technical Advisory Committee (TAC). The first TAC workshop on Climate Change would focus on vulnerability assessments and Harry highlighted the categories that would be addressed. Harry provided a summary of outreach efforts, noting the County meetings held in February and March. He described the most recent plans for outreach by Kearns & West including special efforts for outreach to Disadvantaged Communities and a "Regional" Workshop on July 23 in Oakland from 4-6 pm. Harry indicated that NBWA would work with the North Bay County sub-region leads on the best way to relay new information in the Regional Workshop to North Bay stakeholders. Harry summarized the changes in recent draft DWR 2012 Guidelines & Round 2 Prop 84 and Stormwater Flood Management Grant PSPs. Harry announced that the DWR will hold a public comment meeting in Santa Rosa on August 14 at the Department of General Services – 50 D Street from 1-3 pm. He detailed some of the changes to eligibility and climate change, and then focused on Cost Benefit Analysis. He explained the scoring changes and the possibility of using a non-monetized approach to Benefit Cost Analysis. Harry pointed out the DWR notes about score reduction if the analysis section was not monetized and could have been. Harry mentioned that Round 2 of Prop 84 will have \$20,086,000 as a target for the Bay Area and the application will be due in March 2013. Harry also noted the amount for the next Stormwater round of funding – \$92 million in a statewide competition – with applications due in December 2012. The Board had one question regarding as to whether any 100% funding was available for studies? (Only for Disadvantaged Communities.)

8. Items of Interest.

\* Libby Pischel, MMWD Public Information Officer, announced that she had a supply of Jack Gibson's book, Mount Tamalpais and the Marin Municipal Water District for sale. Jack Gibson stated that all proceeds go to the Mt. Tamalpais Watershed Fund.

9. Items for Next Agenda.

- \* The Economic Value of Conservation – Enhancing Investment in Green Infrastructure, Karen Gaffney – Sonoma Agriculture and Open Space District
- \* Watersheds and Climate Change, Steve Crooks, Philip Williams & Associates

Jack Gibson, Chair, adjourned the meeting at 11:25 a.m.

SUBJECT TO APPROVAL

Submitted By: Elizabeth O. Preim-Rohtla

NEXT MEETING INFORMATION

**NO AUGUST MEETING**

September 7 – Novato Sanitary District, 500 Davidson Street, Novato, CA 94945  
October 5 – Petaluma (Lucchesi) Community Ctr., 320 N. McDowell Blvd., Conference Room 2, Petaluma, CA 94954

November 2 – Marin Community Foundation, 5 Hamilton Landing, Suite 200 (Redwood Room), Novato, CA 94949

December 7 – Petaluma (Lucchesi) Community Ctr., 320 N. McDowell Blvd., Conference Room 2, Petaluma, CA 94954

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## DISBURSEMENTS - DATED AUGUST 23, 2012

Date Prepared: 8/21/12

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

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 8/15	\$121,378.43
EFT*	US Bank	Federal & FICA Taxes PPE 8/15	46,156.23
1	Able Tire & Brake	Tires (2) & Wheel Rim ('90 Utility Trailer)	209.10
2	Advanced Reproduction Center	Plans/Specs Recycled Water South Phase 2 (10 sets)	613.89
3	AirGas	Replacement Pump Filters (2)	29.42
4	Allied Electronics	RTU Parts	201.51
5	AWWA CA-NV SEC	Reg Fee: Fall AWWA Conference - San Diego (McIntyre)	235.00
6	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt #10 of 240)	46,066.67
7	State of California	State Tax & SDI PPE 8/15	8,814.60
8	California State Disbursement	Wage Assignment Order (3)	1,518.50
9	Carbon Activated Corporation	Regenerated GAC (44,000 lbs)	26,400.00
10	Chase Card Services	Lunch Meeting w/NSD GM (DeGabriele)	24.01
11	Cummings Trucking	Rock (64 yds)	2,289.52
12	Curtis & Tompkins Analytical	Lab Testing (Novato)	321.00
13	Farwest Corrosion Control Comp	Cathodic Protection Test Lead Wire (500')	324.67
14	Charles Z. Fedak	Prog Pymt #3: Financial Statement Audit FY 12 (Balance Remaining on Contract \$11,500)	2,000.00

\*Prepaid

Seq	Payable To	For	Amount
15	Goff, Gail	Novato "Washer Rebate" Program	50.00
16	Grainger	6" Wire Stripper/Cutter (3), "D" Batteries (24), Replacement Tube Cutter Blades (4) (\$97), Diagonal Cutter (2), Heat Shrink Tubes (2) & Cable Splice for STP Generator Connection (\$405)	633.31
17	Hanley, Margaret	Novato "Toilet Rebate" Program	100.00
18	Huette, Sheri Scott	Novato "Toilet Rebate" Program	300.00
19	Interstate Battery	Portable 2-Way Radio Batteries (2)	81.84
20	Kenny, Alfred	Novato "Toilet Rebate" Program	200.00
21	Larson, Courtney	Novato "Toilet Rebate" Program (\$200) & Refund Alternative Compliance Reg 15 Deposit (\$690)	890.00
22	Maltby Electric	Electrical Supplies	106.31
23	MegaPath	DSL Internet Service ( 8/12/12-9/11/12)	142.88
24		Vision Reimbursement	241.31
25	Morris, Michael	Novato "Washer Rebate" Program	50.00
26	Novato Disposal Service	July Trash Removal	413.20
27	Pace Supply	Hand Pumps (6) (\$165), Couplings (9) (\$124) & EII	325.68
28	Paganini Enterprises	Semi-Annual Uniform Order: Shirts (99) (\$1,229), Sweatshirts (6) (\$353), Jackets (9) (\$675) & Caps (36) (\$509)	2,766.95
29	PERS Retirement System	Pension Contribution PPE 8/15	44,941.01
30	Phillips & Associates	August O&M of O.M. Wastewater Treatment	5,187.96
31	Preferred Alliance	Pre-Employment Physical (Temp Employee-Atkinson)	42.00
32	PVS Minibulk	Sodium Hypochlorite (993.7 gal)	1,520.71
33	Q-Star	Tank Security Camera Repair	187.40

\*Prepaid




Seq	Payable To	For	Amount
34	Rael, Katherine	Novato "Toilet Rebate" Program	150.00
35	Roberts & Brune	Backflow Preventer (\$2,351), Couplings (2) (\$1,844), Utility Box (\$129), Box Extension (\$89) & Box Lid (\$199)	4,613.43
36	Rosemount	Flow Meters for P/S (4) (Wild Horse P/S & O.M. Disposal Field)	6,214.16
37	Society for Human Resource Management	Membership Dues (Landeros) (9/1/12-8/31/13) (Budget \$190)	180.00
38	SonicSolutions	Rental of Sonic Algae Control Unit (STP) (8/15/12-11/15/12)	917.50
39		Cafeteria Plan - Uninsured Medical Reimbursement	1,338.20
40	Telog	Data Transfer Cable (STP)	52.23
41	Trujillo, Maria	Novato "Washer Rebate" Program	50.00
42	UPS Store 2464	Delivery Service: Sent Probe to YSI for Repair (STP)	154.16
43	USA BlueBook	Pressure Data Loggers (4) (\$2,195), Gauge Shock Absorbers (4) (\$64), Dickson Software (\$105) & Locking Case (\$92)	2,456.25
44	Zolfaghari, Mercedes	Novato "Washer Rebate" Program	50.00
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$330,939.04</u></b>

The foregoing payroll and accounts payable vouchers totaling \$330,939.04 are hereby approved and authorized for payment.

  
Auditor-Controller

8/20/12  
Date

  
General Manager

8/21/2012  
Date

## DISBURSEMENTS - DATED AUGUST 30, 2012

Date Prepared: 8/28/12

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

Seq	Payable To	For	Amount
1	Advanced Reproduction Center	Plans/Specs - RW South Phs2 (5 sets)	\$306.95
2	Ahlborn Fence & Steel	Install Fence Around Plum Street Tank (50% Charged to Rudnick Estates Project)	15,135.00
3	AirGas	August Cylinder Rental (Carbon Dioxide) (STP)	23.05
4	Alpha Analytical Labs	Lab Testing (Novato-\$180 & Pt Reyes-\$135), Perchlorate & Conductivity (\$128)	443.00
5	American Messaging	Semi-Annual Pager Rental (3) (8/12-1/13)	40.83
6	Athens Administrators	August Workers Comp Admin Fee	1,000.00
7	AT&T	Telephone Charges: Leased Lines	63.10
8	AWWA CA-NV SEC	Reg Fee: Desalination Committee Workshop on 8/21/12 in Foster City (McIntyre)	135.00
9	Backflow Distributors	DCDA Repair Parts (\$224) (Less Credit for \$216)	7.69
10	Baranco, David	Refund Overpayment on Closed Account	30.87
11	Bastogne	Refund Payment-Can't Locate Account	146.00
12	Brinkel, Amy	Refund Overpayment on Closed Account	17.27
13	Business Card	Quick Connect Fittings for Pipes (\$97), Internet Pymt Fee (\$120), Lunches for Algebra Academy (\$353), Classified Ad-Temp Laborer (\$75), Blue Tooth (Moore) (\$32), Foot Rest (Mello) (\$48) & Display Ad: RW So Phs 2 Notice to Builders (\$619)	1,344.25
14	California State Disbursement	Wage Assignment Order (3)	1,518.50
15	California Bank of Commerce	Prog Pymt #5: Retainer on Disney Construction Project	43,801.20
16	Centrisys	High Pressure Filters (2) (STP)	302.00

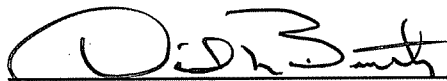
Seq	Payable To	For	Amount
17	Chandrasekera, Carmela	Exp Reimbursement: Civil Engineering Certificate License Renewal (10/1/12-9/30/13) (Budget \$130)	115.00
18		Vision Reimbursement	164.00
19	Core Utilities	Consulting Services: July IT Support (\$5,000), SCADA (\$3,675), STP (\$700), E-bill Modifications & Four Digit Reads (\$625) & Website Weather Table & Annual Water Cost Calculator (\$975)	10,975.00
20	Covello Group	Prog Payment #15: Recycled Water Pipeline Expansion (Bal Remaining on Contract \$55,092)	42,275.86
21	Disney Construction	Prog Pymt #5: Construct Recycled Water South Plan 1B (Balance Remaining on Contract \$1,269,100)	394,210.80
22	Domingues, Michael J &	Refund of Deposit/New Development/Water Conservation Restriction Novato	1,000.00
23	Fisher Scientific	Buffer Dilution Vials (144) (Lab)	195.32
24	Golden Gate Petroleum	Gasoline (\$3.78/gal) & Diesel (\$3.75/gal)	3,213.72
25		Cafeteria Plan-Uninsured Medical Reimbursement	200.20
26	Grainger	Drill Bits (2), Flood Lights (6), Measuring Tapes (4) (\$32), Ice Bags (1,000) (\$99), Extension Cord Plugs (7) (\$36) & Extension Cord	230.22
27	Graybar	Wireless Radios to Link Reservoir Hill Tank to SCADA & LGVSD RTU (2)	2,117.70
28	Groeniger	Hydrant Extensions (3)	254.80
29	Hertz Equipment Rental	Trencher Rental (STP Potable Water Feed Pipe Rehab Project) (7/24-7/25/12)	414.47
30	Hydec	6" Pressure Reducing Valve (Stonetree Golf Course) (Required to Accept RW from NSD)	5,889.59
31	HydroScience Engineers	Prog Payment #10: Recycled Water On-Site Retrofits Task 1 (Balance Remaining on Contract \$19,134)	1,800.00
32	InfoSend	July Processing Fee for Water Bills (\$1,625) & Postage (\$4,057)	5,682.92

Seq	Payable To	For	Amount
33	Jones, Laura	Engineering Support Services: Novato Water System Master Plan 2012 Update Project (Bal Remaining on Contract \$15,080)	1,332.50
34	Kapreilian, Ken	Novato "Toilet Rebate" Program	100.00
35	Lincoln Life	Deferred Compensation PPE 8/31	10,963.33
36		Cafeteria Plan-Childcare Reimbursement	416.66
37	Maggiora & Ghilotti	Progress Payment #2: Construction Phase 1A for RW South Project (Bal Remaining on Contract \$257,708)	146,817.79
38	Maloney, Maureen	Novato "Washer Rebate" Program	50.00
39	Maltby Electric	Electrical Supplies for Generator Connector	42.27
40	Marin County Tax Collector	FY12 Possessory Interest Tax (Apartment-\$452 & 25 Giacomini Rd-\$590)	1,041.87
41	County of Marin	Adjust Water Valve to Grade (2012 Prop 1B Road Resurfacing Project)	175.00
42	Marin Reprographics	Laser Bond Paper (2-36" x 500')	78.12
43	Drew McIntyre	Exp Reimbursement: Jun-August Mileage	249.20
44	Miller Pacific Engineering	Geotechnical Services Relating to Corporation Yard Paving (Bal Remaining on Contract \$3,793)	410.00
45	National Deferred	Deferred Compensation PPE 8/31/12	1,025.00
46	Neopost USA	Ink Cartridge for Postage Machine (\$215) & July Postal Meter Rental (\$65)	279.94
47	Nguyen, Minh	Refund Overpayment on Closed Account	30.18
48	Novato Sanitary District	Discharge Permit Issuance Fee (\$1,240) & Monitory/Sampling Fee (\$40) (Redwood/Olive Ave)	1,280.00
49	Nute Engineering	Engineering Services: OM Sewer Rehabilitation Project (Bal Remaining on Contract \$14)	6,961.80

Seq	Payable To	For	Amount
50	Pace Supply	Corp Stop Adapters (70) (\$1,154), S.S. Bolts (20) (\$166), Couplings (14) (\$2,201), Pipe Supports (2) (\$414), Full Circle Clamps (2) (\$919), Ells (5) (\$824), Flanges (2) (\$117), Tapping Sleeve (\$1,860) & Double Check Valve (\$404)	8,061.29
51	Parkinson Accounting Systems	July Accounting Software Support (\$97) & Fixed Rate Monthly Tech Support (\$1,500) (8/1/12-10/31/12)	1,597.50
52	PERS Health Benefits	Sept Health Ins Premium (Employees \$49,955, Retirees \$10,396 & Employee Contrib \$6,708)	67,059.77
53	Peterson Trucks	Repair Leaking Rear Axle Pinion Seal ('99 F350 3yd Dump)	588.76
54	PG&E	Power: Bldgs/Yard (\$3,459), Rectifier/Controls (\$522), Pumping (\$40,345), Treatment (\$2,650) & Other (\$103)	47,079.12
55	Point Reyes Prop Mgmt Assn	August HOA Dues (25 Giacomini Rd)	75.05
56	Ranger Pipelines	Prog Payment #6: RW North Seg 2 Project (Bal Remaining on Contract \$169,007)	318,758.67
57	Red Wing Shoe Store	Safety Boots (Breit)	200.00
58	Roddie, Barbara	Novato "Toilet Rebate" Program	200.00
59	Shirrell Consulting Services	Dental Insurance Administration Fee	299.45
60	Shropshire, E. & Wendell, P.	Novato "Toilet Rebate" Program	275.00
61	Sonoma County Water Agency	July Contract Water	861,624.67
62	Syar Industries	Asphalt (6.48 tons)	790.82
63	Tisell, Britt	Novato "Cash For Grass" Program	130.00
64	Township Building Services	July Janitorial Services	1,754.84
65	United Parcel Service	Delivery Services: Sent Plans/Specs RW South Phase 2, OM CIPP Sewer Lining Contract Documents, Returned Batteries-Wrong Ones & Returned Air Gas Monitor for Repair	127.16

Seq	Payable To	For	Amount
66	URS	Prog Pymt #6: Construction Management Services for Recycled Water South Project (Bal Remaining on Contract \$356,723)	88,165.06
67	Verizon California	Telephone Charges : Leased Lines (\$511) & Min (\$28)	538.54
68	VWR International	Deodorant for Auto Clave	101.71
69	Waltz, James	Novato "Washer Rebate" Program	50.00
70	Watersavers Irrigation	Irrigation Quick Coupler Riser Hose Swivels for Green Point Nursery	357.50
71	Wiley Price & Radulovich	Consulting Services: "Self-Funded Benefit Coverage Requirement"	330.00
72	Wright, Richard	Novato "Cash for Grass" Program	161.00
73	Yim, Salinas	Novato "Toilet Rebate" Program	100.00
74		Cafeteria Plan: Childcare Reimbursement	249.98
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$2,102,983.86</u></b>

The foregoing payroll and accounts payable vouchers totaling \$2,102,983.86 are hereby approved and authorized for payment.



Auditor-Controller

8/27/12

Date



General Manager

8/27/2012

Date

## MEMORANDUM

To: Board of Directors  
From: David L Bentley, Auditor-Controller  
Subj: Information – CIR/CITR Status Report  
\\nmwdsrv1\administration\acl\word\citr\status report cir citr 0812.docx

August 31, 2012

**RECOMMENDED ACTION:** Information Only

**FINANCIAL IMPACT:** None

### CIR

The Conservation Incentive Rate (CIR) is a surcharge applicable to residential water use that first appeared on bills rendered in June 2004. The surcharge adds \$6.61/1,000 gallons (177% to the Zone A base rate) for use exceeding 1,845 gallons per day (gpd). In FY04, 625 customers used more than 1,845 gpd in at least one billing period. Last fiscal year (FY12), 194 customers exceeded the CIR threshold – a 69% reduction. As shown graphically on Attachment A, total water use subject to the CIR fell from 60 MG in FY03 (the year before the CIR implementation) to 9 MG in FY12 – an 85% reduction.

To adjust for the reduction in overall water use, we can measure use above 1,845 gpd as a percentage of total residential water use. Attachment B shows that FY12 use fell 81% (to 0.4%) since the CIR implementation. Clearly, the CIR has been an effective tool in reducing water demand among very high-use residential customers.

### CITR

The Conservation Incentive Tier Rate (CITR) first appeared on water bills in March 2007. The CIR adds \$2.21/1,000 gallons (59% to the Zone A base rate) for use between 615 and 1,845 gpd. Note that the CITR price signal (\$2.21) is one third of the CIR price signal (\$6.61), therefore we anticipate a lesser response, and that is what we see. In FY07, 6,693 customers (36% of residential customers) used water within the CITR range in at least one billing period. Last fiscal year (FY12), 3,938 customers (20% of residential customers) were subject to the CITR surcharge – a 41% reduction. Shown graphically on Attachment C, total water use subject to the CITR fell from 278 MG in FY06 (the year before implementation) to 148 MG in FY12 – a 47% reduction.

FY12 water use between 615 and 1,845 gpd as a percentage of total residential water demand has fallen 43% (to 7%) since implementation of the CITR (Attachment D). The CITR has also proven to be an effective tool in reducing water demand among high-use residential customers.

**Demand Distribution**

Finally, how has peak summer demand changed over the past decade? Attachment E shows that the District's conservation efforts have pushed the FY12 peak residential demand down appreciably. In FY02, 36% of customers peaked between 616 and 1845 gpd. In FY12, that number fell to 20%. Similarly, in FY02 3% of customers peaked at over 1,845 gpd. Today, that number is less than 1%. While some of recent consumption data is no doubt weather-related, the trend is certainly in the right direction.

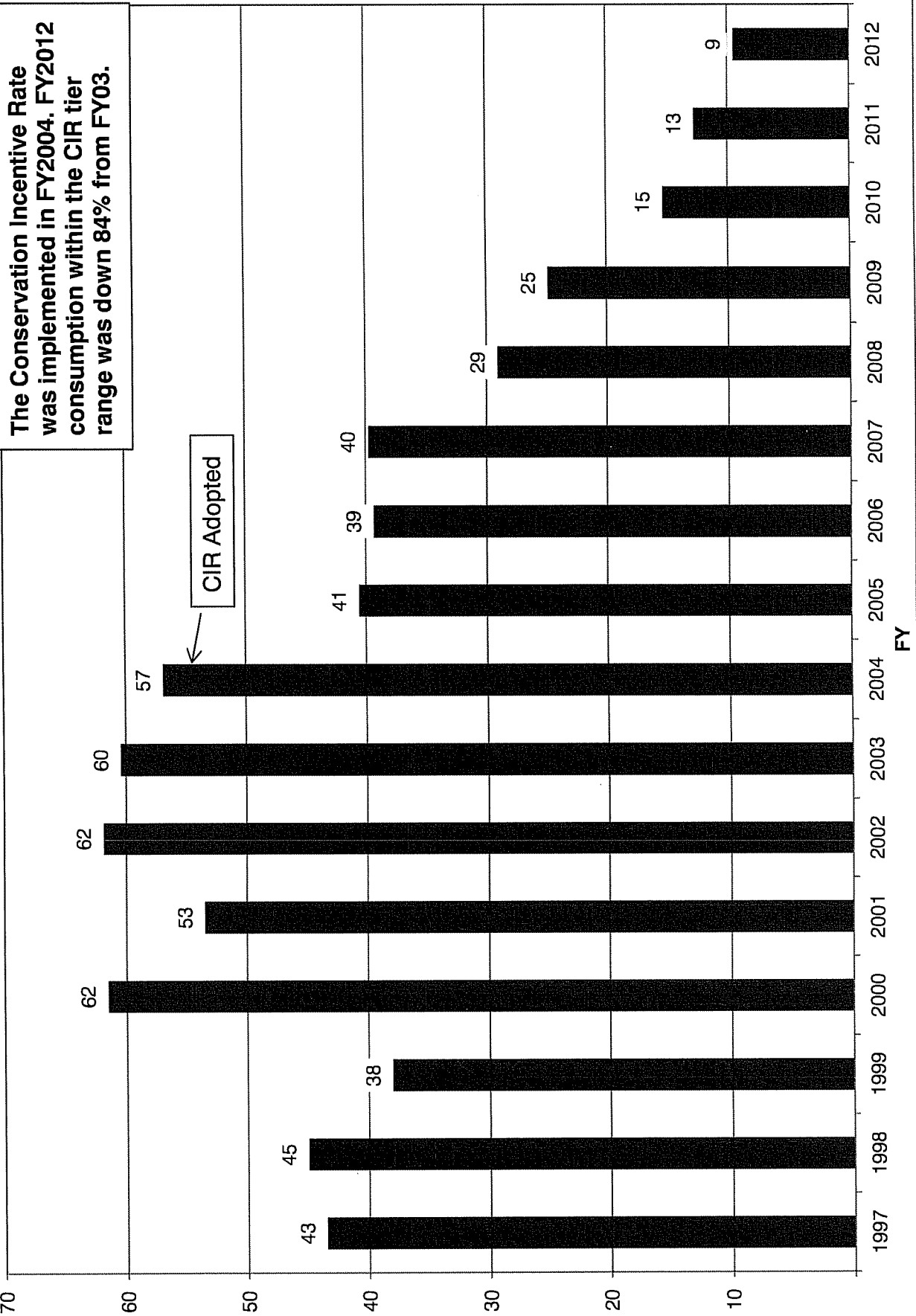


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# Novato Residential Use Exceeding 1,845 Gallons per Day

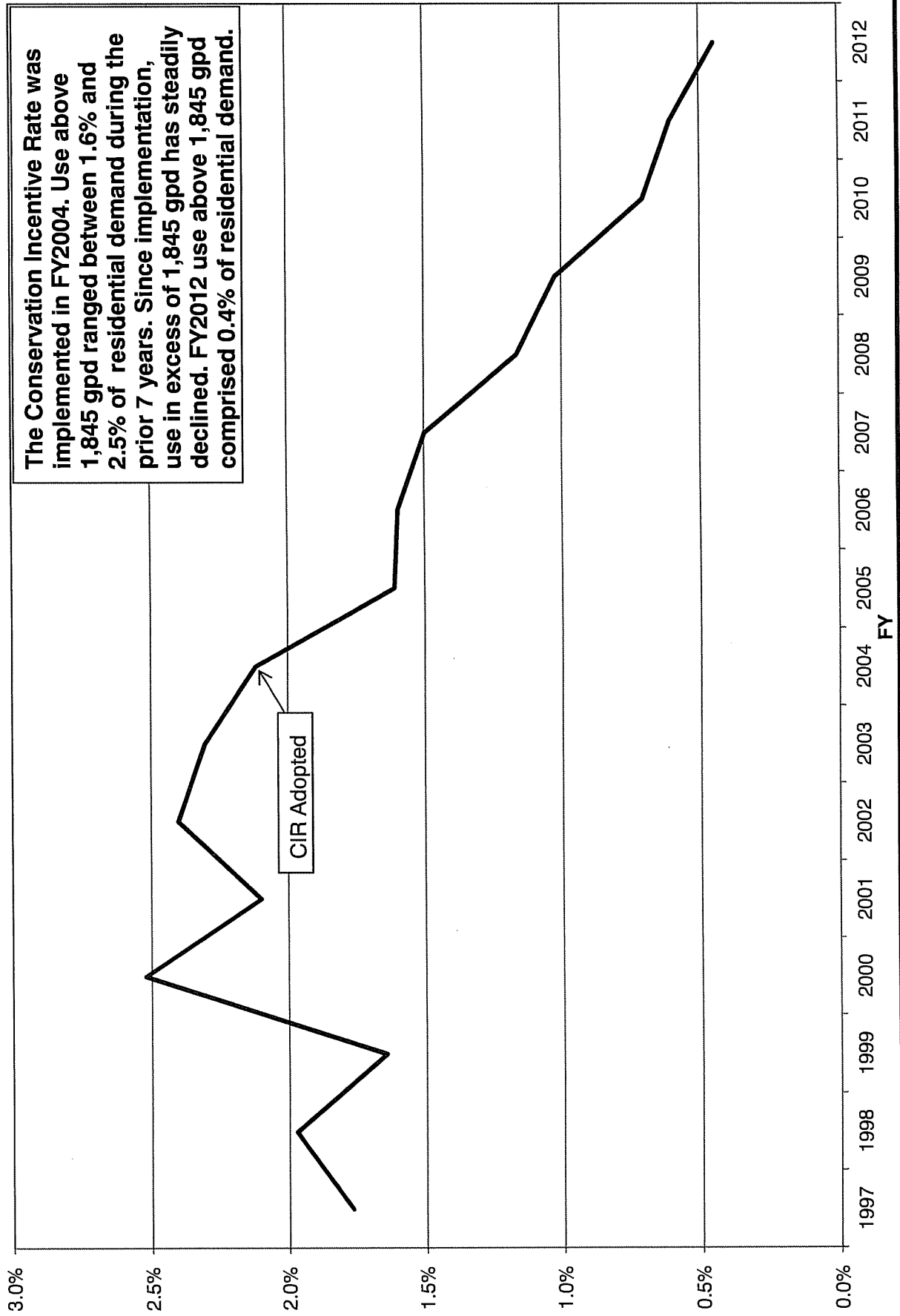
MG



The Conservation Incentive Rate was implemented in FY2004. FY2012 consumption within the CIR tier range was down 84% from FY03.

CIR Adopted

### Novato Residential Use in Excess of 1,845 Gallons per Day as a Percentage of Total Residential Use



The Conservation Incentive Rate was implemented in FY2004. Use above 1,845 gpd ranged between 1.6% and 2.5% of residential demand during the prior 7 years. Since implementation, use in excess of 1,845 gpd has steadily declined. FY2012 use above 1,845 gpd comprised 0.4% of residential demand.

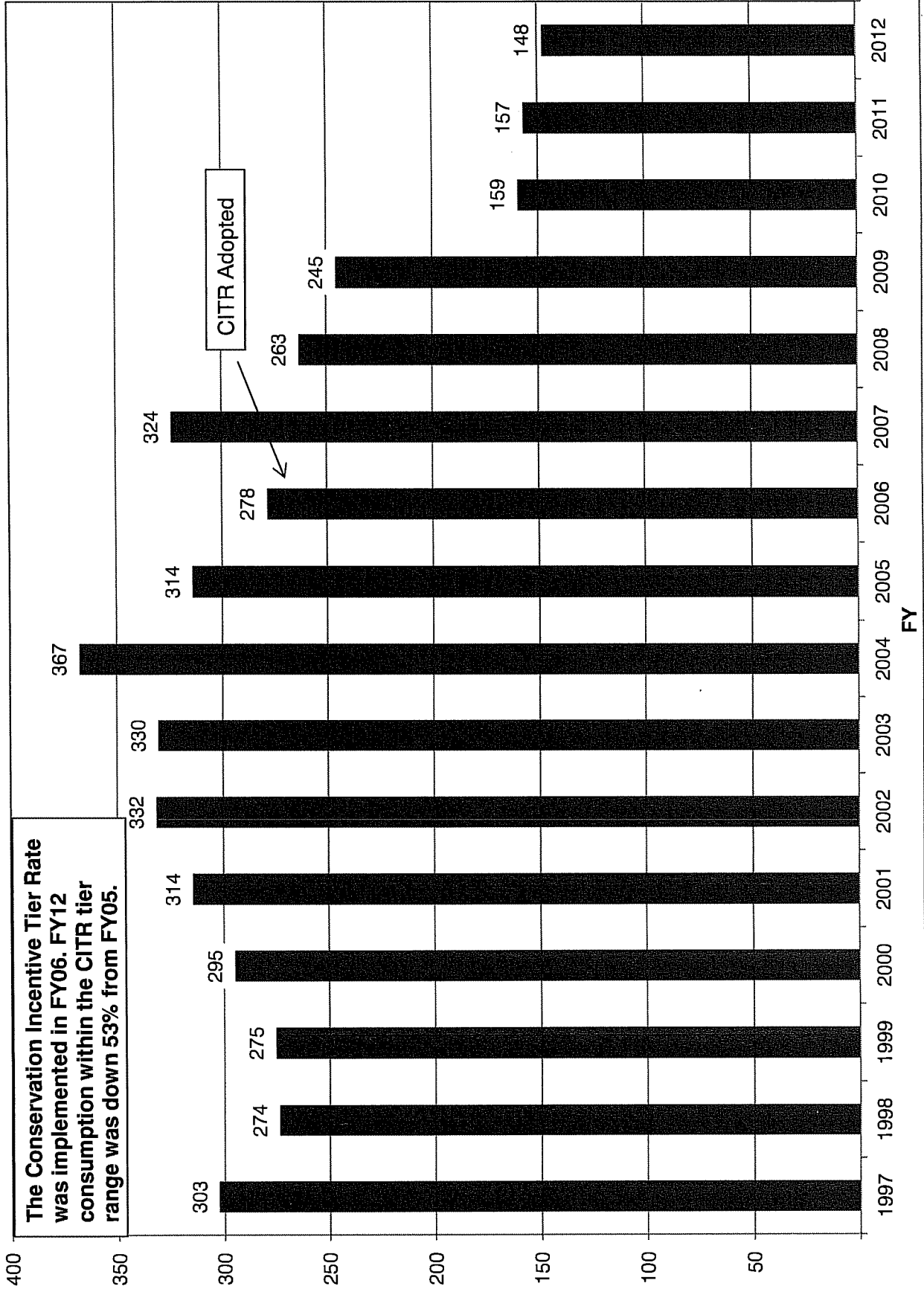
CIR Adopted

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### Novato Residential Use Between 615 and 1,845 Gallons per Day

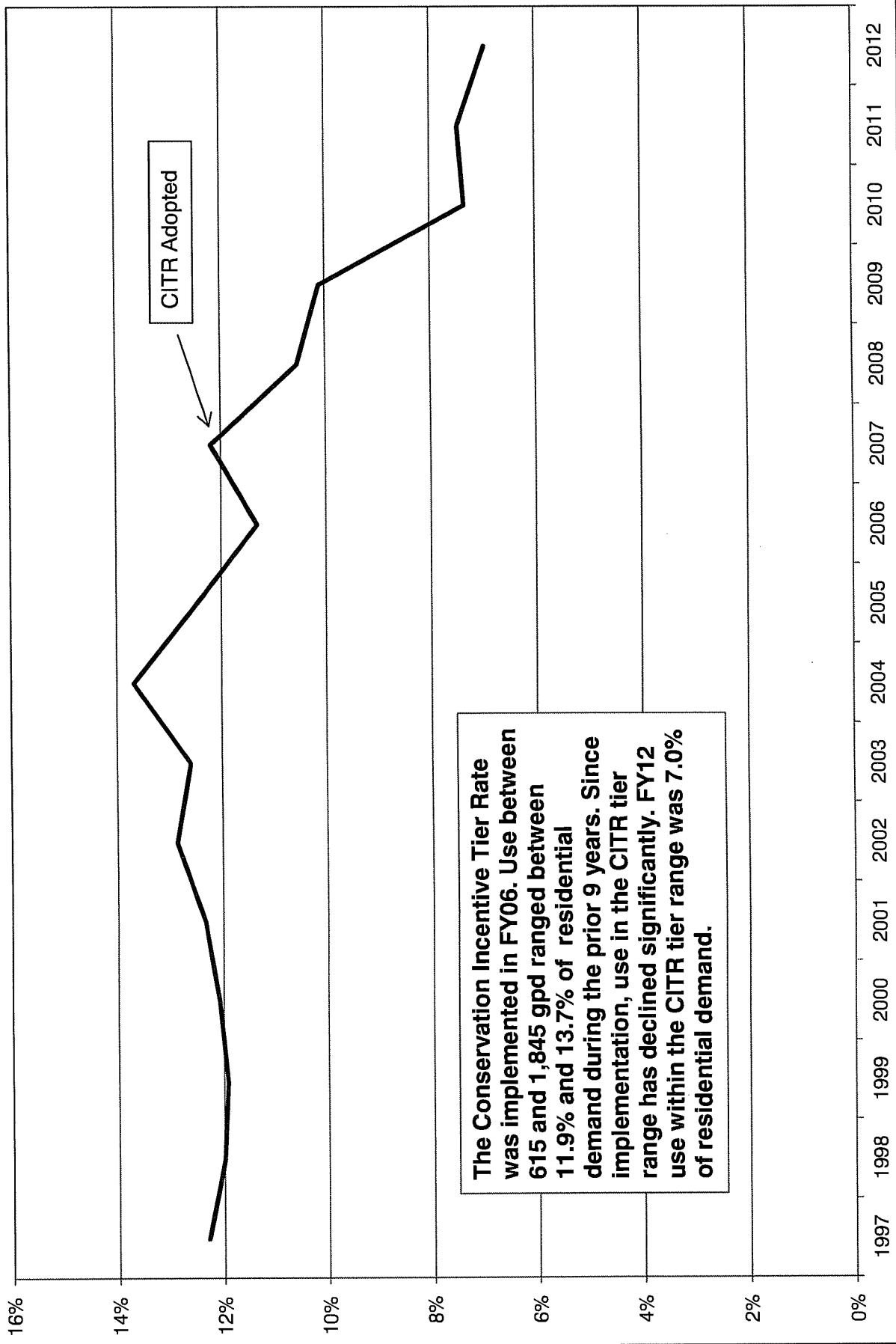
MG



The Conservation Incentive Tier Rate was implemented in FY06. FY12 consumption within the CITR tier range was down 53% from FY05.

CITR Adopted

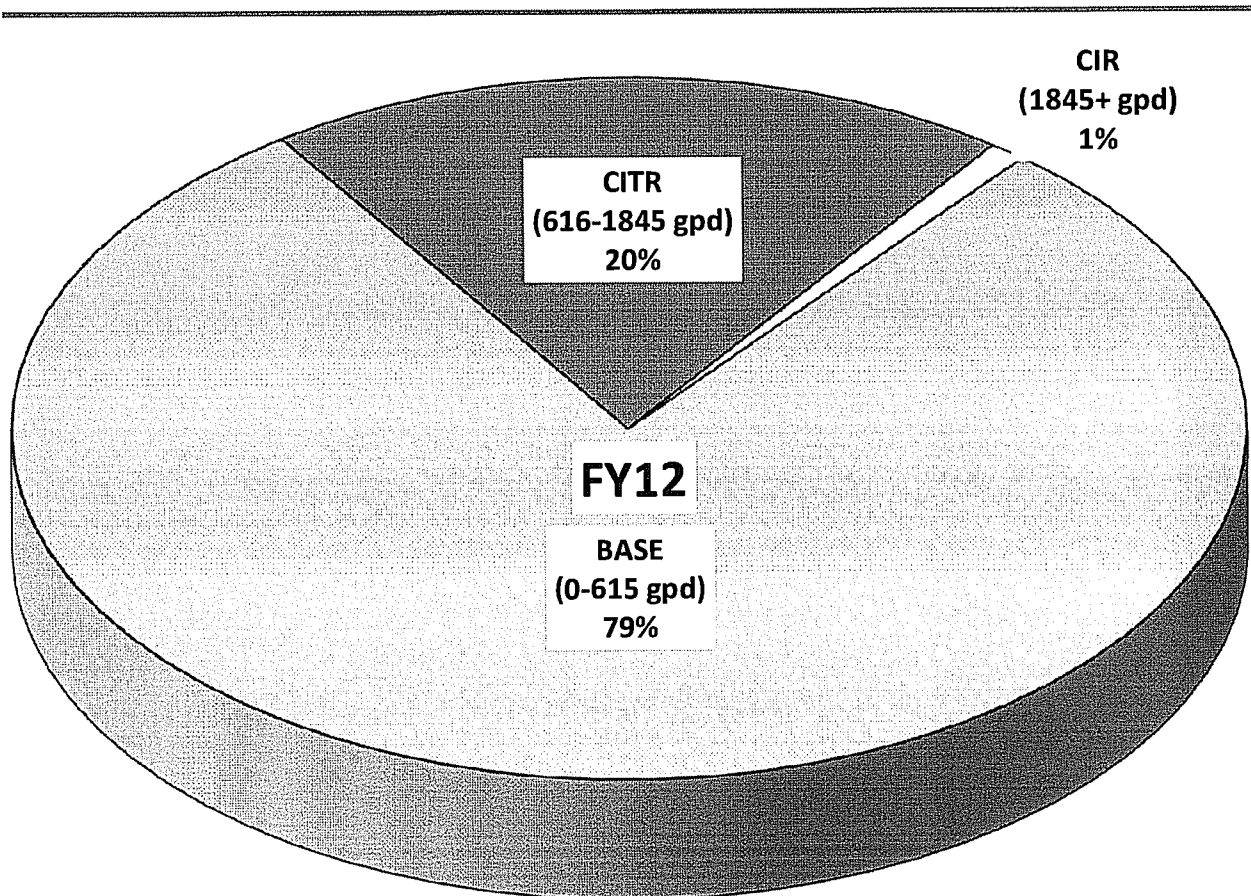
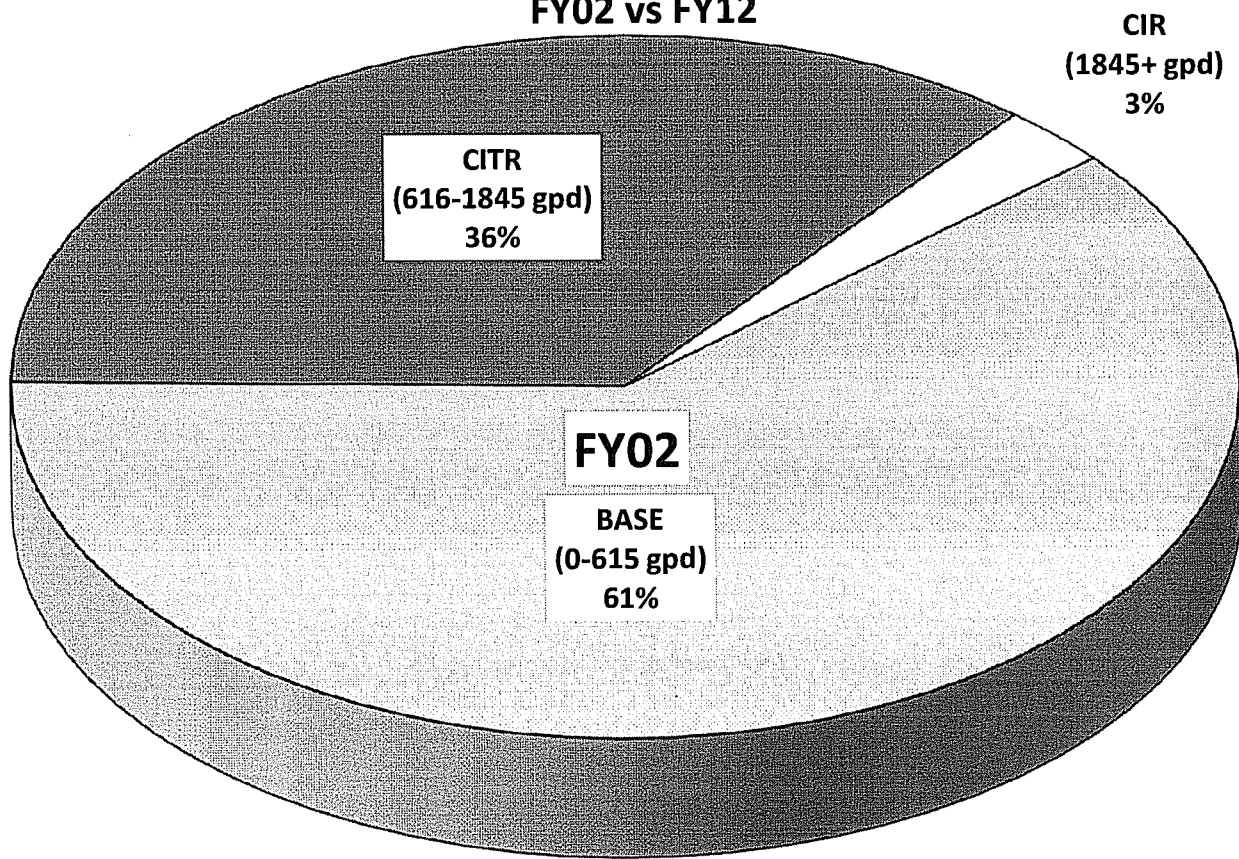
### Novato Residential Use Between 615 and 1,845 Gallons per Day as a Percentage of Total Residential Use



The Conservation Incentive Tier Rate was implemented in FY06. Use between 615 and 1,845 gpd ranged between 11.9% and 13.7% of residential demand during the prior 9 years. Since implementation, use in the CITR tier range has declined significantly. FY12 use within the CITR tier range was 7.0% of residential demand.

# % of Residential Customers' Peak Demand by Tier

## FY02 vs FY12



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## Grant awarded to establish Santa Rosa wastewater exchange

By **KEVIN McCALLUM**  
THE PRESS DEMOCRAT

Published: Monday, August 27, 2012 at 8:43 p.m.

Just as Al Gore can buy carbon credits to offset the damage his globe-trotting causes to the atmosphere, the City of Santa Rosa is exploring ways to offset the damage its wastewater causes to the Laguna de Santa Rosa watershed.

The Sotoyome Resource Conservation District has won a nearly \$600,000 federal grant to establish a water quality trading market with the city.

The market, the first of its kind in California, would allow the city to purchase credits to help fund conservation projects that improve the health of the watershed.

Those credits would in turn be used to avoid fines stemming from future discharges of treated wastewater into the laguna, explained Glen Wright, the city's deputy director of water resources.

New state regulations on the city restrict it from adding any additional nutrients to the watershed, specifically nitrogen and phosphorus, Wright said.

The city has made huge investments to avoid discharging treated wastewater into the laguna, which empties into the Russian River. These include piping the effluent to the Geysers steamfields and recycling the water on local agricultural lands.

"We we have a very low nutrient load, but it's hard to get to zero," Wright said. "It's a problem for us and we want to solve it."

In 2002, the treatment plant on Llano Road discharged 2.8 billion gallons of water to the laguna. By 2009, that figure was down to zero. Last year, a wet year, it rebounded to 744 million gallons.

In anticipation of additional restrictions, the city has been working with the conservation district on two projects to improve the health of the watershed. One involves reducing sedimentation into local creeks at Pepperwood Preserve, the 3,120-acre nature preserve northeast of Santa Rosa. Another is a project to improve the handling of manure at the Beretta dairy on Llano Road near the treatment plant.

But the district and the city's consultant, Kieser & Associates, recognized that more projects needed to be identified, vetted and assigned a value in order for any credit market to be viable.

"The whole idea of this marketplace and this tool is we're going to quantify the benefits of these conservation projects," said Kara Heckert, the district's executive director.

The North Coast Regional Water Quality Control Board is currently considering whether the projects will qualify as offsets.

Currently, there is a "tiny bottleneck" of such projects in the area, said Valerie Minton, the district's program director. But the hope is that the marketplace can increase the number of projects that would improve water quality in the laguna, and expedite their implementation, Minton said.

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Some of the grant funding will likely go to Kieser & Associates, as well as a software vendor that will set up the local program and database, Minton said.

"It's kind of the future of conservation, where you are putting a value on the benefit to the environment," Heckert said.

The award was announced Monday by Agriculture Secretary Tom Vilsack and is one of \$2 million worth of conservation grants for projects in California that will be managed by the USDA Natural Resources Conservation Service.

You can reach Staff Writer Kevin McCallum at 521-5207 or [kevin.mccallum@pressdemocrat.com](mailto:kevin.mccallum@pressdemocrat.com).

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## Sonoma County Water Agency PRESS RELEASE

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## Local Organizations Form Russian River Science Panel

**Santa Rosa, CA** -- A group of local water suppliers and agricultural and watershed organizations announced today that they have established the Russian River Independent Science Review Panel (Panel) in an effort to establish a sound scientific basis for future water supply and watershed management decision making in the Russian River.

The new Panel will provide objective scientific review and recommendations on watershed monitoring, water management, the agriculture frost protection programs and implementation of the lower summer minimum in-stream flows specified in the federal Russian River Biological Opinion on Salmon and Steelhead. To better understand physical and ecological processes in the basin, the Panel will collect and review existing data, identify data gaps, review water management efforts, and develop a conceptual model that systematically describes physical processes and associated ecological processes in the river system.

“To date, there has been no systematic, basin-wide assessment of the physical processes in each tributary to determine controls on surface flows and primary limiting factors for salmonid habitats” said Dr. Matt Kondolf of the University of California at Berkeley and Chair of the Panel. “Data are lacking from most of the watershed, but even the data that exist have not been systematically used to their potential.”

Phase 1 of the Panel's work will focus on the Coyote Dam to Healdsburg area of the watershed and the Mark West and Green Valley Creek tributary basins. Subsequent work will be focused on other portions of the watershed.

A team of local leaders made up of representatives from the Sonoma County Water Agency, Mendocino County Russian River Flood Control and Water Conservation District, Sonoma County



Water Coalition, National Marine Fisheries Service and one agricultural representative from each county, reviewed over 25 applications for the Panel and chose eight members to serve on the Panel in scientific areas including geology, aquatic ecology, fish biology and sustainable business practices. The members include:

- |                             |  |
|-----------------------------|--|
| Dr. Matt Kondolf, Chair     | Fluvial geomorphologist and Professor of Environmental Planning at UC Berkeley.                                |
| Dr. Matthew Cover           | Assistant Professor of Ecology at CSU, Stanislaus.   |
| Dr. Richard Adams           | Professor Emeritus of Agricultural and Resource Economics at Oregon State University.                          |
| Mr. Christopher Farrar      | Hydrogeologist, formerly with the U. S. Geologic Survey.   |
| Dr. F. Douglas Shields, Jr. | Consulting Hydraulic Engineer and retired from the National Sedimentation Laboratory.                          |
| Dr. James Constantz         | Research Hydrologist at the National Research Program at the U. S. Geologic Survey.                            |
| Dr. John Bredehoeft         | Consulting Hydrogeologist and formerly Senior Research Geologist at the U. S. Geologic Survey.                 |
| Dr. Vincent Resh            | Professor of Entomology at UC Berkeley. Member of the Science Advisory Board of the Delta Stewardship Council. |
| Dr. Michael Marchetti       | Professor of Ecology at St. Mary's College of California..   |

The eight-member panel will be assisted by a graduate student team from UC Berkeley and the staff of the California Land Stewardship Institute. For more information, go to [www.russianriverisrp.org](http://www.russianriverisrp.org)

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*Sonoma County Water Agency provides water supply, flood protection and sanitation services for portions of Sonoma and Marin counties. Visit us on the Web at [www.sonomacountywater.org](http://www.sonomacountywater.org).*