

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

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Est. Time	Item	Subject
6:00 p.m.	<b>CALL TO ORDER</b>	
	1.	<b>APPROVE MINUTES FROM REGULAR MEETING</b> , October 16, 2018
	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>
	5.	<b>QUARTERLY FINANCIAL STATEMENT</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.	
	6.	<b>Consent-Approve:</b> Customer Service Questionnaire Incentive
	7.	<b>Consent-Approve:</b> Notice of Completion for Recycled Water Expansion Central Service Area – Onsite Private Retrofit Project (Wildcat Engineering)
	<b>ACTION CALENDAR</b>	
	8.	<b>Approve:</b> Comments on Stafford Lake Master Plan Draft Initial Study
	9.	<b>Approve:</b> Third Party Coating Inspection for STP Coat Concrete Clearwells Project – Brelje and Race Consulting Engineers
	<b>INFORMATION ITEMS</b>	
	10.	AMI Project Update and Public Outreach Follow Up
	11.	Water Conservation Quarterly Update (July-September 2018)
	12.	FY18-19 Quarterly Progress Report - Engineering Department
	13.	Coastal Permit Appeal - PRE Tank 4A Replacement

All times are approximate and for reference only.

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

(Continued)

Est. Time	Item	Subject
	14.	<p><b>MISCELLANEOUS</b></p> <p>Disbursements – Dated October 18, 2018  Disbursements – Dated October 25, 2018  Disbursements – Dated November 1, 2018  Self-Insured Workers' Comp – 1<sup>st</sup> Quarter Status Report  FY19 1<sup>st</sup> Quarter Labor Cost Report  Sonoma-Marín Saving Water Partnership Wins National Awards for its Training, Outreach and Education Programs</p> <p><u>News Articles:</u>  Major utilities shut off power amid fire risks  Potter Valley project on Mendocino County board of supervisors' agenda Tuesday  Why This Winter's El Niño Will Not Bring More Rain to California  Housing plan gets boost by county  Why tariffs threaten to raise the cost of drinking water  Special districts' costly obscurity  What's public cost of boards' 'obscurity'?  George Domingo Grossi Obituary  Inverness water under scrutiny after tests show high lead levels  Sanitary District names new administrator</p>
	15.	<p><b>CLOSED SESSION:</b> Conference with Labor Negotiators (Joe Wiley, Christopher Boucher, Drew McIntyre and Julie Blue) to Provide Direction, California Government Code Section 54957)</p>
8:00 p.m.	16.	<p><b>ADJOURNMENT</b></p>

1

**DRAFT**  
**NORTH MARIN WATER DISTRICT**  
**MINUTES OF REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
October 16, 2018

**CALL TO ORDER**

President Fraites called the regular meeting of the Board of Directors of North Marin Water District to order at 6:02 p.m. at the District Headquarters and the agenda was accepted as presented. Present were Directors Jack Baker, Rick Fraites, Michael Joly, James Grossi, and Stephen Petterle. Also present were General Manager Drew McIntyre, District Secretary Terrie Kehoe, Auditor-Controller Julie Blue and Chief Engineer Rocky Vogler.

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

In the audience was Novato resident Tina McMillan and Chris Boucher, Labor Negotiator. Also in the audience were District employees: Jeff Corda, Marc Reischmann, Lia Solar, Sarah Baccei, Rich Roberto, Alicia Manzoni, Nancy Holton, Nancy Williamson, Connie Filippi, Carmela Chandrasekera, Susan Dove, Stacie Goodpaster, Brad Stompe and Shawn Kane.

**MINUTES**

On motion of Director Petterle, seconded by Director Baker the Board approved the minutes from the October 2, 2018 meeting as presented by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

**GENERAL MANAGER'S REPORT**

**SB 998 (Monning) Water Service Shut Offs**

Mr. McIntyre informed the Board on the new water shut-off legislation (SB 998) signed by Governor Brown that becomes effective February 1, 2020. He stated that the new legislation will require changes to the District's Late Charge and Shut-Off policy to ensure compliance. He noted that the bill will require that our policy and notices be written in multiple languages, restrict water shutoffs for certain low income customers, and provide alternative payment schedules.

**AMI Update**

1 Mr. McIntyre announced that there will be an AMI update at the next Board meeting.

2 Resolution of Appreciation – David Jackson

3 Mr. McIntyre commented on Associate Engineer Dave Jackson's retirement. He stated that  
4 Mr. Jackson has provided the District with eighteen years of exemplary service and that we have  
5 been very fortunate to have him on our staff and he will be missed.

6 **OPEN TIME**

7 President Fraites asked if anyone in the audience wished to bring up an item not on the  
8 agenda. During Open Time, Jeff Corda (Sr. Water Dist. & TP Operator) addressed the Board as  
9 Chair of the Employee Association. He along with Marc Reischmann and Brad Stompe expressed  
10 their reasons for the Board to consider the Employee Association's proposals during labor  
11 negotiations. They expressed that the employees are not asking to be paid at the top of each job  
12 position on the salary survey, but at least paid at the median. They also noted that because of the  
13 size of our District many of the employees have blended job descriptions and all they are asking for  
14 is a fair and competitive wage. In addition they pointed out that many of the staff are retiring, and it  
15 has been hard to replace these people with qualified personnel, and equally hard to retain them.  
16 Director Fraites stated that the Board is unable to respond to their statements due to the rules of  
17 negotiations. Director Joly also told the employees in the audience that the Directors do hear their  
18 concerns.

19 **STAFF/DIRECTORS REPORTS**

20 President Fraites asked if staff or Directors wished to bring up an item not on the agenda  
21 and there was nothing to report.

22 **MONTHLY PROGRESS REPORT W/ CUSTOMER SERVICE QUESTIONNAIRE**

23 Mr. McIntyre reviewed the Monthly Progress Report for September. He reported that fiscal  
24 year water production in Novato was up 8% compared to the first three months last year. He stated  
25 that, in West Marin, fiscal year water production is up 14% from last year. Mr. McIntyre advised the  
26 Board that recycled water production is up 19% from the first three months in last year and would  
27 have been higher if LGVSD had been consistently producing recycled water. He added that Stafford  
28 Lake holds 1,400 AF and is at 39% of capacity; Lake Mendocino holds 59,000 AF and is at 93% of  
29 capacity and Lake Sonoma holds 196,000 AF and is at 80% of capacity. On the Summary of  
30 Complaints and Service Orders, Mr. McIntyre advised the Board that overall number of  
31 complaints/service orders increased by 31% compared to the first three months of last fiscal year.  
32 He attributed this increase to more customer interaction as a result of the AMI project.

1 Ms. Blue reported on the September 2018 Monthly Report on Investments, where the  
2 District's portfolio holds \$16.5M earning a 1.86% rate of return.

3 Director Baker questioned if Las Gallinas Valley Sanitary District has fully resolved their  
4 problem and Mr. McIntyre responded that their facility is operating consistently now. Director Joly  
5 asked what caused the fluctuation in the Novato potable water use, and Mr. McIntyre stated some of  
6 this variability is due to meter read date changes from last year versus this year. Director Petterle  
7 also stated the weather has a role in it. Director Joly wanted to know why the Stafford Treatment  
8 Plant production was down and Mr. Clark explained that less volume was available in Stafford Lake  
9 to treat this year because the lake did not fill last winter. Director Joly also inquired about the high  
10 bill complaints tabulated as part of the Summary of Complaints and wanted to know where these are  
11 generated from. Mr. McIntyre replied that these complaints are tallied from people that contact the  
12 District front office and not from social media. Mr. McIntyre reiterated that we are trying to  
13 encourage customers who comment on social media to contact us directly about their concerns.

#### 14 **CONSENT CALENDAR**

15 Director Joly requested that item 8 be removed from the Consent Calendar for discussion.  
16 On the motion of Director Petterle, and seconded by Director Baker the Board approved Item's 6, 7  
17 and 9 on the consent calendar by the following vote:

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

19 NOES: None

20 ABSTAIN: None

21 ABSENT: None

#### 22 **TEXT FOR FALL 2018 NOVATO "WATERLINE", VOLUME 9, ISSUE 41**

23 The Board authorized the General Manager to approve the final text and design for the Fall  
24 2018 "WaterLine", Volume 19, Issue 41. It is expected that the "WaterLine" will be mailed in late  
25 October or early November.

#### 26 **NOTICE OF COMPLETION FOR RIDGE ROAD PIPELINE REPLACEMENT PROJECT (W.R.** 27 **FORDE ASSOCIATES**

28 The Board approved authorizing the General Manager to execute and file a Notice of  
29 Completion for the Ridge Road Pipeline Replacement Project. W. R. Forde has furnished written  
30 notice that the work is complete and all subcontractors and equipment suppliers have been paid. In  
31 addition W. R. Forde has release the District of all claims.

1 **RESOLUTION OF APPRECIATION FOR DAVID JACKSON**

2 The Board approved Resolution 18-21 entitled: "North Marin Water District Resolution of  
3 Appreciation to David S. Jackson." David Jackson will be retiring after 18 years of employment with  
4 North Marin Water District.

5 **ACTION CALENDAR**

6 **AUDITOR-CONTROLLER'S STATEMENT OF INVESTMENT POLICY**

7 Ms. Blue provided the Board with the District's Statement of Investment Policy which  
8 contains a list of statements identifying how money can be maintained and invested. She noted that  
9 this policy also discusses who has the Authority to sign on investment accounts in the Auditor  
10 Controller's absence. Director Joly commented that he had a recent discussion with Ms. Blue to gain  
11 additional information. Director Petterle requested a copy of Director Joly's questions and Ms.  
12 Blue's responses.

13 On the motion of Director Joly, and seconded by Director Baker the Board moved to approve  
14 the Investment Policy as presented by the following vote:

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

16 NOES: None

17 ABSTAIN: None

18 ABSENT: None

19 **STP COAT CONCRETE CLEARWELLS PROJECT**

20 Rocky Vogler advised the Board that the Stafford Treatment Plant Coat Concrete Clearwells  
21 project consists of coating two clearwells; the Acti-Floc Clearwell and the Finished Clearwell. He  
22 stated that the lowest bidder (ERS) is 11.9% below the Engineer's estimate of \$500,000 and the  
23 next low bidder (Farr) was 3.7% below. Mr. Vogler requested the Board reject ERS Industrial  
24 Services Inc. (ERS) bid on the basis that they would not be able to satisfactorily perform the work  
25 and that they award the contract to Farr Construction and allow the General Manager to execute an  
26 agreement with Farr Construction. Director Baker commended Mr. Vogler for his thoroughness.  
27 Director Grossi also commented that Mr. Vogler did an outstanding job. In addition, Director Joly  
28 praised Mr. Vogler for doing a great job in protecting the interests of the District.

29 On the motion of Director Baker, and seconded by Director Petterle, the Board rejected  
30 ERS Industrial Services Inc. bid on the basis that ERS would not be able to satisfactorily perform  
31 the work by the following vote:

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

2 NOES: None

3 ABSTAIN: None

4 ABSENT: None

5 On the motion of Director Baker, and seconded by Director Petterle, the Board approved  
6 award of the contract to Farr Construction by the following vote:

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

8 NOES: None

9 ABSTAIN: None

10 ABSENT: None

11 **RENEWAL OF GRAZING LEASES – GROSSI AND LEVERONI**

12 Mr. Clark requested renewal of two grazing leases; one for Dominic Grossi & Son Dairy and  
13 the other for David and Robert Leveroni. He noted that the Grossi and Son lease encompasses two  
14 parcels totaling 119 acres and the Leveroni brothers lease is for a single parcel totaling 27 acres.  
15 Mr. Clark recommended these grazing leases be renewed for an additional two year period.  
16 Director Joly inquired as to how many grazing leases we have. Mr. Clark replied that there are no  
17 other grazing leases beside these three. Director Grossi stated he had no interest in the property  
18 but would recuse himself from voting.

19 On the motion of Director Joly, and seconded by Director Baker, the Board approved the  
20 Renewal of Grazing Leases to Grossi and Leveroni by the following vote:

21 AYES: Director Baker, Fraites, Joly and Petterle

22 NOES: None

23 ABSTAIN: Director Grossi

24 ABSENT: None

25 **INFORMATION ITEMS**

26 **SECOND REVIEW- DRAFT VANDALISM AND GRAFFITI REWARD FOR INFORMATION**  
27 **POLICY**

28 Mr. McIntyre presented for additional review a draft District Vandalism and Graffiti Reward for  
29 Information Policy. The policy has been prepared at the request of the Board to encourage the  
30 public to report and prevent acts of vandalism and graffiti to District property or facilities. During

1 initial review at the October 2<sup>nd</sup> board meeting there was discussion about the use of language on  
2 District signs. Mr. McIntyre stated that he has confirmed with Mr. McGill, the Novato Chief of Police,  
3 that it is a legal requirement that the signs must say "No Trespassing-violators subject to  
4 prosecution per 602 P.C". Director Petterle stated that his position hasn't changed; we want to  
5 reduce the vandalism, and not just generate a citation. A general discussion ensued regarding the  
6 merits of having such a policy and whether or not more focus can be placed on messaging.  
7 Director Petterle asked staff to meet with Marin County Open Space to further the discussion on  
8 effective signage, since they just went through this same exercise. Director Joly stated we want to  
9 reduce vandalism not increase the citations. Director Fraites stated that when it comes to the safety  
10 of our water quality we need strict enforcement. Director Grossi agreed that any time this activity  
11 happens near drinking water we need to impose the law. Mr. McIntyre stated that staff will table the  
12 vandalism policy for now, and make outreach to Marin County Parks to get additional signage ideas.

### 13 **TAC MEETING UPDATE – OCTOBER 1,**

14 Mr. McIntyre presented an update for the Technical Advisory Committee meeting that took  
15 place on October 1, 2018. He noted that through the last eight months of 2018, water production is  
16 16% below the 2013 State Benchmark. Mr. McIntyre noted that DWR finished its first pilot program  
17 with the City of Santa Rosa and Padre Dam and more work needs to be done. He added that  
18 DWR is starting again with two different agencies for the second pilot and will be working with  
19 NMWD and Rancho California Water District in Temecula. Mr. McIntyre also noted that an update  
20 was given on the Potter Valley Project, and PG&E is continuing to work through study plans  
21 approved last year, and the studies should be completed in about two years. Mr. McIntyre added  
22 that Congressman Huffman's Potter Valley Project Ad Hoc Committee will continue to meet through  
23 early 2019 with the current focus on fish passage and water supply issues.

### 24 **NBWA MEETING – OCTOBER 5, 2018**

25 Director Fraites announced he attended this meeting and its members are working hard to  
26 complete their strategic plan. The association will be meeting in another month to finalize the plan.

### 27 **MISCELLANEOUS**

28 The Board received the following miscellaneous items: Disbursements-Dated October 4, 2018 and  
29 October 11, 2018.

30 The Board received the following news articles; Prescribed fire fuel plans to be created in  
31 Novato; COM looks at affordable staff housing; Water wisely – UC MARIN MASTER GARDENER;  
32 Water district incumbents face election challengers – ELECTION 2018; Notice of Marin County  
33 Planning Commission Hearing - Young Appeal of the North Marin Water District Coastal Permit;

1 County may redraw water basin boundary; Re-elect Gibson and Koehler to MMWD board; Gail  
2 Wilhelm, political figure in Marin, dies at 80; Rain level plunged in latest data year; Notice of  
3 Availability Draft Initial Study and Mitigated Negative Declaration Stafford Lake Park Master Plan; El  
4 Niño weather pattern appears likely this winter; Residence Inn gets final OK from council; IJ  
5 recommends Fraites, Grossi for NMWD

6 **CLOSED SESSION**

7 President Fraites adjourned the meeting at 7:10 p.m. and the Board began the closed  
8 session at 7:22 p.m. in accordance with Government Code Section 54957 Conference with Labor  
9 Negotiators (Christopher Boucher, Drew McIntyre and Julie Blue) to Provide Direction.

10 **OPEN SESSION**

11 Upon returning to regular session at 8:21 p.m., President Fraites stated that during the  
12 closed session the Board discussed the issue and no final reportable action had been taken.

13 **ADJOURNMENT**

14 President Fraites adjourned the meeting at 8:21 p.m. in appreciation to Dave Jackson for his  
15 many years of dedicated service to the District.

16 Submitted by

17  
18  
19 Theresa Kehoe  
20 District Secretary  
21

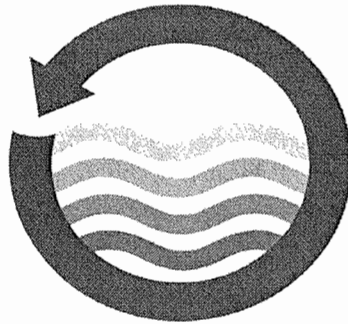
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# **NORTH MARIN WATER DISTRICT**



## **FINANCIAL STATEMENT FISCAL YEAR 2018-19**

**September 30, 2018**

**NORTH MARIN WATER DISTRICT  
FINANCIAL STATEMENTS  
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# MEMORANDUM

To: Drew McIntyre, General Manager

October 31, 2018

From: Reviewed by: Julie Blue, Auditor-Controller

Prepared by: Nancy Holton and Nancy Williamson, Senior Accountants

Subj: Information – FY18/19 September Financial Statement

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## FISCAL YEAR PERFORMANCE COMPARED TO THE ANNUAL BUDGET

<b>CONSOLIDATED SUMMARY</b>	<b>Sep-18</b>	<b>FY18/19</b>	<b>FY18/19</b>	<b>FYTD /</b>
<b>Actual vs. Budget</b>	<b>Actual</b>	<b>Actual YTD</b>	<b>Budget</b>	<b>Budget %</b>
Operating Revenue	\$2,918,032	\$7,648,271	\$22,806,000	34%
Operating Expense	1,763,955	5,625,078	21,187,000	27%
Non-Operating Revenue / (Expense)	(3,179)	(43,904)	(460,000)	10%
Net Income / (Loss)	\$1,150,898	\$1,979,289	\$1,159,000	171%
Other Sources / (Uses)*	(1,589,606)	(592,790)	(5,326,000)	11%
Cash Increase / (Decrease)	(\$438,708)	\$1,386,499	(\$4,167,000)	-

\* See Page 8.

For the first quarter of the fiscal year, the District generated a net income of \$1,979,289 and saw a net cash increase of \$1,386,499. On a seasonally adjusted basis, Operating Revenue came in at budget and Operating Expense came in 7% over budget. \$1,148,556 (16%) of the Capital Improvement Projects Budget was expended this fiscal year-to-date. At month end the ratio of total cash to budgeted annual operating expense (sans depreciation) stood at 94%.

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

<b>NOVATO WATER</b>	<b>Sep-18</b>	<b>FY18/19</b>	<b>FY17/18</b>	<b>FY19 vs 18</b>
<b>Year over Year Comparison</b>	<b>Actual</b>	<b>Actual YTD</b>	<b>Actual YTD</b>	<b>Up/(Down)</b>
Operating Revenue	\$2,645,160	\$6,788,848	\$6,443,835	5%
Operating Expense	1,620,809	5,027,559	4,791,140	5%
Other Income / (Expense)	4,844	(9,753)	10,025	-
Net Income / (Loss)	\$1,029,196	\$1,751,536	\$1,662,720	5%
Active Accounts	20,541	20,541	20,548	0%
Consumption (MG)	354	913	901	1%
Average Commodity Rate / 1,000 gal (net)	\$6.32	\$6.09	\$5.89	3%
Income / (Loss) / Active Account	\$50.10	\$85.27	\$80.92	5%
Income / (Loss) / 1,000 Gal	\$2.90	\$1.92	\$1.85	4%
Connection Fee Revenue	\$28,600	\$95,800	\$709,200	(86%)
FRC Transfer (to)/from Recycled Water	(\$136,002)	\$2,031,795	(\$266,435)	-
Caltrans Capital Contribution	\$0	\$3,250	\$735	342%
MMWD AEEP Capital Contribution	\$0	\$245,000	\$245,000	0%
Developer 'In-Kind' Contributions	\$6,973	\$32,431	\$19,046	70%

Consumption for the fiscal year was 1% more than the prior year. Total operating revenue, which includes wheeling and other miscellaneous service charges, increased 5% (\$345,013) from the prior year same period due to the consumption increase and the 5% rate increase effective June 1, 2018. Total operating expense was 5% (\$236,419) more than last year same period. The Stafford Treatment Plant produced 218 MG this fiscal year at a cost of \$2,355/MG<sup>1</sup> versus \$2,745/MG<sup>3</sup> from SCWA. The budget for Stafford is 750 MG at a cost of \$3,204/MG.

Staff time (hours) charged to Novato operations was 3% more than last year. Salary and benefit cost was \$1,411,710, which was 22% of the \$6,514,000 budget for Novato operations.

The fiscal year net income (which includes non-operating items such as interest revenue and expense) of \$1,751,536 compares to a budgeted net income for the year of \$902,000 and to a net income of \$1,662,720 for the prior year. \$1,084,871 (20%) of the Novato Water Capital Improvement Project Budget was spent versus \$227,344 (2%) for the prior year. \$95,800 in connection fees have been collected (\$680,000 is budgeted). Connection Fee reserves totaling \$2,031,795 were transferred this fiscal year from the Recycled Water Fund to cover the debt service and working capital requirements for expansion of the RW distribution system. The Novato Connection Fee Reserve has a net deficit of \$9,379,993 arising from transfers to the RW Fund in advance of Connection Fee receipts. That deficit will be reimbursed by future Connection Fee revenue. The Novato cash balance decreased \$641,875 in September, and stood at \$10,526,561 at month end, compared to a budgeted projection of \$8,189,000 at fiscal year-end.

<b>NOVATO RECYCLED</b>	<b>Sep-18</b>	<b>FY18/19</b>	<b>FY17/18</b>	<b>FY19 vs 18</b>
<b>Year over Year Comparison</b>	<b>Actual</b>	<b>Actual YTD</b>	<b>Actual YTD</b>	<b>Up/(Down)</b>
Operating Revenue	\$148,511	\$512,207	\$414,128	24%
Operating Expense	81,277	379,660	266,916	42%
Other Income / (Expense)	(12,594)	(38,580)	(83,753)	(54%)
Net Income / (Loss)	<u>\$54,640</u>	<u>\$93,968</u>	<u>\$63,458</u>	48%
Active Accounts	84	84	53	58%
Consumption (MG)	24.8	86.5	73.3	18%
Average Commodity Rate / 1,000 gal (net)	\$5.77	\$5.77	\$5.54	4%
Deer Island Production (MG)	0.0	4.0	7.0	(43%)
Novato Sanitary Production (MG)	27.6	83.4	47.4	76%
Las Gallinas Production (MG)	(1.3)	6.7	24.4	(73%)
Potable Water Input (MG)	2.3	19.7	0.8	2356%

86.5 MG was delivered to RW customers in September, 18% more than the prior year. Operating revenue was 24% more than last year due to the June 1, 2018 5% rate increase and the consumption increase. Total operating expense was \$112,743 (42%) more than the prior year. The recycled water was produced at a cost of \$1,518/MG<sup>2</sup> (including potable water consumed) versus \$2,745/MG<sup>3</sup> from SCWA. The budgeted production cost of recycled water is \$3,255/MG. The District began receiving recycled water from Las Gallinas Valley Sanitary District again at the end of August after a malfunction associated with their UV disinfection system was repaired.

The fiscal year-to-date net income of \$93,968 compares to a budgeted net loss for the year of \$10,000 and a net income of \$63,458 for the prior year same period. \$22,464 (19%) of the Capital Improvement Project Budget has been expended this fiscal year-to-date. The Novato Recycled cash balance stood at \$3,892,384 at month end, \$3.4M of which amount resides in restricted reserves for debt service, the Deer Island Facility Replacement Fund and the Recycled Water Capital Replacement and Expansion Fund.

<sup>1</sup> Stafford production cost = TP op expense (\$318,172) + SRF loan interest (\$60,546) + plant depreciation (\$134,766) / 218 MG produced

<sup>2</sup> Recycled Water production cost = purchased water cost (\$126,282) + treatment expense (\$4,447) + Deer Island RW Facility SRF loan interest (\$13,046) + Deer Island plant depreciation (\$28,980) / 113.8 MG produced

<sup>3</sup> SCWA production cost per MG = O&M charge (\$2,207) + debt service charge (\$173) + Russian River conservation charge (\$337) + Russian River projects charge (\$28)

<b><u>WEST MARIN WATER</u></b>	<b>Sep-18</b>	<b>FY18/19</b>	<b>FY17/18</b>	<b>FY19 vs 18</b>
<b>Year over Year Comparison</b>	<b><u>Actual</u></b>	<b><u>Actual YTD</u></b>	<b><u>Actual YTD</u></b>	<b><u>Up/(Down)</u></b>
Operating Revenue	\$103,301	\$284,035	\$290,625	(2%)
Operating Expense	52,656	184,861	193,617	(5%)
Other Income / (Expense)	2,755	1,160	(3,296)	-
Net Income / (Loss)	<u>\$53,400</u>	<u>\$100,334</u>	<u>\$93,712</u>	7%
Active Accounts	782	782	781	0%
Consumption (MG)	8.8	22.9	23.1	(1%)
Average Commodity Rate / 1,000 gal (net)	\$9.93	\$10.30	\$10.77	(4%)
Income/ (Loss) / Active Account	\$68.29	\$128.30	\$119.99	7%
Income / (Loss) / 1,000 Gal	\$6.04	\$4.37	\$4.08	7%
Connection Fee Revenue	\$0	\$0	\$0	-

Consumption for the fiscal year was 22.9 MG, 1% less than the prior year. Operating revenue of \$284,035 was \$6,590 (2%) less than last year.

Operating expenditures were \$8,756 (5%) less than the previous year same period. The fiscal year net income of \$100,334 compares to a budgeted annual net income of \$183,000 and to a net income of \$93,712 for the prior year same period. \$27,690 (2%) of the Capital Improvement Project Budget was expended this fiscal year-to-date, and no connection fees were collected (\$23,000 is budgeted). The West Marin Water cash balance increased \$54,386 in September and stood at \$1,573,427 at month end, compared to a budgeted projection of \$424,000 at June 30, 2019.

<b><u>OCEANA MARIN SEWER</u></b>	<b>Sep-18</b>	<b>FY18/19</b>	<b>FY17/18</b>	<b>FY19 vs 18</b>
<b>Year over Year Comparison</b>	<b><u>Actual</u></b>	<b><u>Actual YTD</u></b>	<b><u>Actual YTD</u></b>	<b><u>Up/(Down)</u></b>
Operating Revenue	\$21,060	\$63,180	\$59,898	5%
Operating Expense	9,213	32,998	38,801	(15%)
Other Income / (Expense)	1,815	3,268	2,341	40%
Net Income / (Loss)	<u>\$13,662</u>	<u>\$33,451</u>	<u>\$23,438</u>	43%
Active Accounts	234	234	231	1%
Monthly Sewer Service Charge	\$90	\$90	\$86	5%
Income / (Loss) / Active Account	\$58.39	\$142.95	\$101.46	-
Connection Fee Revenue	\$0	\$0	\$0	-

Operating revenue of \$63,180 was 5% more than the previous year due to the 5% rate increase effective July 1, 2018. Operating expenditures were 15% (\$5,804) less than the previous year. The fiscal year net income of \$33,451 compares to a budgeted annual income of \$85,000 and to a net income of \$23,438 for the prior year. 2% of the Capital Improvement Project Budget has been expended this fiscal year-to-date.

No connection fees have been collected (\$30,000 is budgeted). The Oceana Marin cash balance decreased \$38,342 in September and stood at \$500,555 at month end, compared to a budgeted projection of \$236,000 at June 30, 2019.

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

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
<b>ASSETS</b>					
<b>Cash &amp; Investments</b>					
Unrestricted/Undesignated Cash	\$1,427,278	\$0	\$202,267	\$795,838	\$429,174
<b>Restricted Cash</b> (Note 1)					
Connection Fee Fund	\$95,046	\$0	\$0	\$95,046	\$0
Wohler Pipeline Financing Fund	419,467	419,467	0	0	0
Collector #6 Financing Fund	1,649,277	1,649,277	0	0	0
Revenue Bond Redemption Fund	30,000	0	0	30,000	0
Bank of Marin Project Fund	480,122	31,819	0	448,303	0
AMI Project Loan Fund	676,940	676,940	0	0	0
Deer Island RWF Replacement Fund	1,390,795	0	1,390,795	0	0
Capital Replacement & Expansion Fund	1,198,480	0	1,198,480	0	0
Tax Receipts Held in Marin Co Treasury	544	0	0	534	10
STP SRF Reserve-Marin Co Treasury	957,060	957,060	0	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	255,373	0	255,373	0	0
<b>Designated Cash</b> (Note 2)					
Self-Insured Workers' Compensation Fund	558,978	525,439	9,461	17,707	6,371
Retiree Medical Benefits Fund	4,001,361	4,001,361	0	0	0
Maintenance Accrual Fund	2,289,558	2,289,558	0	0	0
Operating Reserve Fund	472,710	0	221,710	186,000	65,000
<b>Total Cash</b>	<b>\$16,517,287</b>	<b>\$10,550,921</b>	<b>\$3,892,384</b>	<b>\$1,573,427</b>	<b>\$500,555</b>
Gain/(Loss) on MV of Investments	(24,360)	(24,360)	0	0	0
<b>Market Value of Cash &amp; Investments</b>	<b>\$16,492,926</b>	<b>\$10,526,561</b>	<b>\$3,892,384</b>	<b>\$1,573,427</b>	<b>\$500,555</b>
<b>Current Assets</b>					
Net Receivables - Consumers	\$2,545,026	\$2,334,268	\$146,316	\$1,478	\$62,963
Accrued Water Sales	2,855,957	2,469,989	201,603	184,365	0
Accounts Receivable-Other	446,466	50,074	235,059	0	161,333
Prepaid Expense	617,935	617,695	0	0	240
Reimbursable Small Jobs	32,662	29,427	0	0	3,235
Interest Receivable	72,672	70,139	2,532	0	0
Inventories	509,529	509,529	0	0	0
Deposits Receivable	32,908	32,908	0	0	0
<b>Total Current Assets</b>	<b>\$7,113,154</b>	<b>\$6,114,029</b>	<b>\$585,511</b>	<b>\$185,843</b>	<b>\$227,771</b>

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

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
<b>Loans Receivable</b>					
Employee Loans (Note 3)	\$714,200	\$714,200	\$0	\$0	\$0
Due From Other Funds (Note 10)	0	0	0	0	0
Other Long Term Receivables (Note 4)	2,665,037	0	2,665,037	0	0
<b>Loans Receivable</b>	<b>\$3,379,431</b>	<b>\$714,200</b>	<b>\$2,665,037</b>	<b>\$0</b>	<b>\$0</b>
<b>Property and Plant</b>					
Land & Land Rights	\$1,473,091	\$1,368,872	\$0	\$103,411	\$808
Dam, Lake, & Source Facilities	5,596,066	5,103,654	0	492,412	0
Treatment Facilities	21,184,413	17,607,109	2,666,198	319,913	591,193
Storage Facilities	20,999,594	18,375,057	519,014	2,105,523	0
Transmission Facilities (16"+)	29,405,627	29,283,304	0	122,324	0
Distribution and Pumping Facilities	84,625,874	61,505,775	17,301,217	5,818,882	0
Sewer Mains, Pumps, & Laterals	1,203,030	0	0	0	1,203,030
<b>Sub-Total</b>	<b>\$164,487,696</b>	<b>\$133,243,771</b>	<b>\$20,486,428</b>	<b>\$8,962,465</b>	<b>\$1,795,032</b>
Less Accumulated Depreciation (Note 5)	(54,278,043)	(46,074,051)	(3,400,834)	(3,786,543)	(1,016,615)
<b>Net Property and Plant</b>	<b>\$110,209,653</b>	<b>\$87,169,720</b>	<b>\$17,085,594</b>	<b>\$5,175,922</b>	<b>\$778,417</b>
<b>Buildings and Equipment (Note 6)</b>					
Buildings	\$1,902,893	\$1,902,893	\$0	\$0	\$0
Office Equipment	698,725	698,725	0	0	0
Laboratory Equipment	238,460	238,460	0	0	0
Trucks & Automobiles	1,254,159	1,254,159	0	0	0
Construction Equipment	849,281	849,281	0	0	0
Tools, Shop Equipment	222,390	222,390	0	0	0
<b>Sub-Total</b>	<b>\$5,165,908</b>	<b>\$5,165,908</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Less Accumulated Depreciation (Note 5)	(4,085,290)	(4,085,290)	0	0	0
<b>Net Buildings and Equipment</b>	<b>\$1,080,618</b>	<b>\$1,080,618</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Construction In Progress</b>					
Developer	\$518,231	\$518,231	\$0	\$0	\$0
District	25,104,377	8,838,336	15,645,746	471,499	148,797
<b>Total Construction in Progress</b>	<b>\$25,622,608</b>	<b>\$9,356,567</b>	<b>\$15,645,746</b>	<b>\$471,499</b>	<b>\$148,797</b>
<b>Net Utility Plant</b>	<b>\$136,912,879</b>	<b>\$97,606,904</b>	<b>\$32,731,340</b>	<b>\$5,647,421</b>	<b>\$927,214</b>
Deferred Outflow of Resources-GASB68	3,538,326	3,538,326	0	0	0
Deferred Outflow of Resources-GASB75	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$167,436,523</b>	<b>\$118,500,020</b>	<b>\$39,874,272</b>	<b>\$7,406,691</b>	<b>\$1,655,540</b>

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

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current Liabilities</b>					
Trade Accounts Payable	\$1,119,262	\$1,000,259	\$119,003	\$0	\$0
Reimbursement Prog. Unclaimed Funds	30,055	18,955	0	11,100	0
Bond Debt Principal Payable-Current	24,000	0	0	24,000	0
Loan Debt Principal Payable-Current	1,600,631	809,069	791,562	0	0
Bank of Marin Principal Payable-Current	359,023	313,068	0	45,955	0
JP Morgan/Chase AMI Loan-Current	240,000	240,000	0	0	0
Bond/Loan Debt Interest Payable-Current	438	0	0	438	0
Accrued Interest Payable-SRF Loan	150,496	60,546	89,950	0	0
JP Morgan/Chase AMI Loan Interest Payable	10,312	10,312	0	0	0
Deposits/Performance Bonds	396,524	370,313	0	23,212	3,000
Unemployment Insurance Reserve (Note 8)	20,005	20,005	0	0	0
Workers' Comp Future Claims Payable	98,358	90,981	2,754	3,344	1,279
Payroll Benefits (Note 9)	749,873	683,184	24,897	30,232	11,559
Due To Other Funds (Note 10)	0	0	0	0	0
Deferred Revenue	189,540	0	0	0	189,540
<b>Total Current Liabilities</b>	<b>\$4,988,518</b>	<b>\$3,616,693</b>	<b>\$1,028,166</b>	<b>\$138,281</b>	<b>\$205,378</b>
<b>Restricted Liabilities</b>					
Construction Advances	\$362,889	\$352,189	\$10,000	\$0	\$700
<b>Total Restricted Liabilities</b>	<b>\$362,889</b>	<b>\$352,189</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$700</b>
<b>Long Term Liabilities (Note 7)</b>					
Bonds Outstanding - PR6 (FmHA)	\$24,000	\$0	\$0	\$24,000	\$0
Bonds Outstanding - PRE1 (FmHA)	13,000	0	0	13,000	0
JP Morgan/Chase AMI Loan Payable	4,360,000	4,360,000	0	0	0
STP Rehab SRF Loan	9,241,578	9,241,578	0	0	0
RWF SRF Loan	1,968,463	0	1,968,463	0	0
RWS North/South Expansion SRF Loan	7,116,514	0	7,116,514	0	0
RWS Central Expansion SRF Loan	6,924,076	0	6,924,076	0	0
Bank of Marin Loan	5,465,492	4,765,909	0	699,583	0
Net Pension Liability @ 6/30/18	12,774,724	12,774,724	0	0	0
Total OPEB Liability	4,123,565	4,123,565	0	0	0
Retiree Health Benefits Payable (Note 2)	6,562	6,562	0	0	0
<b>Total Long Term Liabilities</b>	<b>\$52,017,973</b>	<b>\$35,272,338</b>	<b>\$16,009,053</b>	<b>\$736,583</b>	<b>\$0</b>
<b>Deferred Inflow of Resources-GASB 68</b>	<b>727,627</b>	<b>727,627</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Deferred Inflow of Resources-GASB 75</b>	<b>158,611</b>	<b>158,611</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>	<b>\$58,255,618</b>	<b>\$40,127,457</b>	<b>\$17,047,219</b>	<b>\$874,864</b>	<b>\$206,078</b>

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

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
<b>Net Assets</b>					
<b>Invested in Capital Assets</b>					
Contributions in Aid of Construction	\$84,221,828	\$75,603,596	\$5,800,128	\$2,138,348	\$679,755
Grants in Aid of Construction	13,197,035	407,945	9,961,904	2,827,187	0
Connection Fees	37,674,680	25,933,006	9,830,909	1,362,405	548,360
<b>Total Investment</b>	<b>\$135,093,544</b>	<b>\$101,944,547</b>	<b>\$25,592,941</b>	<b>\$6,327,940</b>	<b>\$1,228,115</b>
<b>Restricted Reserves</b>					
Connection Fee Fund	(\$9,339,612)	(\$9,379,993)	\$0	\$95,046	(\$54,665)
Wohler Pipeline Financing Fund	419,467	419,467	0	0	0
Collector #6 Financing Fund	1,649,277	1,649,277	0	0	0
AMI Project Reserve Fund	676,940	676,940	0	0	0
Revenue Bond Redemption Fund	30,000	0	0	30,000	0
Bank of Marin Project Fund	480,122	31,819	0	448,303	0
Deer Island RWF Replacement Fund	1,390,795	0	1,390,795	0	0
Capital Replacement & Expansion Fund	1,198,480	0	1,198,480	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	255,373	0	255,373	0	0
<b>Designated Reserves</b>					
Maintenance Accrual Fund	4,440,681	4,440,681	0	0	0
Self-Insured Workers' Compensation Fund	460,620	434,457	6,707	14,363	5,093
Retiree Medical Benefits Fund	2,768,651	2,768,651	0	0	0
Operating Reserve Fund	406,000	0	161,000	180,000	65,000
Earned Surplus - Prior Yrs	(34,115,484)	(27,197,195)	(6,432,441)	(657,428)	171,580
Net Income/(Loss)	1,979,289	1,751,536	93,968	100,334	33,452
Transfer (To)/From Reserves (see below)	772,466	832,376	(54,069)	(6,730)	888
<b>Total Restricted &amp; Designated</b>	<b>(\$25,912,638)</b>	<b>(\$23,571,984)</b>	<b>(\$2,765,888)</b>	<b>\$203,887</b>	<b>\$221,347</b>
<b>TOTAL NET POSITION</b>	<b>\$109,180,905</b>	<b>\$78,372,563</b>	<b>\$22,827,053</b>	<b>\$6,531,827</b>	<b>\$1,449,462</b>
<b>Transfer (To)/From Reserves</b>					
Connection Fee	(16,017)	(15,280)	0	(737)	0
AMI Project Fund	847,874	847,874	0	0	0
Maintenance Reserve	(25,000)	(25,000)	0	0	0
RWF Replacement Fund	(37,860)	0	(37,860)	0	0
Retiree Medical Insurance Fund	29,725	29,725	0	0	0
(Gain)/Loss Self-Insured WC Fund	(9,170)	(8,546)	(209)	(303)	(112)
Bank of Marin Project Fund	3,914	3,603	0	311	0
Operating Reserve Fund	(21,000)	0	(16,000)	(6,000)	1,000
<b>Total Transfer</b>	<b>\$772,466</b>	<b>\$832,376</b>	<b>(\$54,069)</b>	<b>(\$6,730)</b>	<b>\$888</b>

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

	YTD Actual	Annual Budget	YTD/ Budget %	Prior YTD Actual
<b>OPERATING REVENUE</b>				
Water Sales	\$6,298,323	\$17,411,000	36%	\$5,962,051
Bimonthly Service Charge	1,196,329	4,796,000	25%	1,084,787
Sewer Service Charge	63,180	252,000	25%	59,598
Wheeling & Misc Service Charges	90,439	347,000	26%	102,051
<b>TOTAL OPERATING REVENUE</b>	<b>\$7,648,271</b>	<b>\$22,806,000</b>	<b>34%</b>	<b>\$7,208,486</b>
<b>OPERATING EXPENDITURES</b>				
Source of Supply	\$2,034,251	\$7,044,000	29%	\$1,656,003
Pumping	145,088	394,000	37%	147,130
Operations	271,704	697,000	39%	211,509
Water Treatment	534,916	2,591,000	21%	836,932
Sewer Service	17,480	143,000	12%	22,166
Transmission & Distribution	818,983	3,323,000	25%	772,755
Consumer Accounting	123,731	648,000	19%	152,606
Water Conservation	77,340	390,000	20%	61,882
General & Administrative	745,390	2,417,000	31%	566,761
Depreciation	856,194	3,540,000	24%	861,732
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$5,625,078</b>	<b>\$21,187,000</b>	<b>27%</b>	<b>\$5,289,475</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>\$2,023,193</b>	<b>\$1,619,000</b>	<b>125%</b>	<b>\$1,919,011</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>				
Tax Proceeds	\$685	\$114,000	1%	\$708
Interest Revenue	83,383	159,000	52%	39,700
Miscellaneous Revenue	74,368	137,000	54%	67,046
Bond & Loan Interest Expense	(201,593)	(850,000)	24%	(267,930)
Miscellaneous Expense	(747)	(20,000)	4%	(388)
<b>TOTAL NON-OP REVENUE/(EXPENSE)</b>	<b>(\$43,904)</b>	<b>(\$460,000)</b>	<b>10%</b>	<b>(\$160,864)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$1,979,289</b>	<b>\$1,159,000</b>	<b>171%</b>	<b>\$1,758,147</b>
<b>OTHER SOURCES/(USES) OF FUNDS</b>				
Add Depreciation Expense	\$856,194	\$3,528,000	24%	\$861,732
Connection Fees	95,800	733,000	13%	709,200
Loan Proceeds	2,033,836	0	-	2,999,043
Grant Proceeds	1,688	349,000	0%	86,106
Marin County Club Loan Principal Pmts	24,809	0	-	0
Caltrans AEEP Capital Contribution	3,250	1,000	325%	0
StoneTree RWF Loan Principal	36,552	222,000	16%	0
MMWD AEEP Capital Contribution	245,000	245,000	100%	245,000
Capital Equipment Expenditures	0	(355,000)	0%	0
Capital Improvement Projects	(1,148,556)	(7,770,000)	15%	(181,849)
Bond & Loan Principal Payments	(248,685)	(2,279,000)	11%	(117,118)
Change in Working Capital	(2,492,678)	0	-	(3,621,972)
<b>TOTAL OTHER SOURCES/(USES)</b>	<b>(\$592,790)</b>	<b>(\$5,326,000)</b>	<b>11%</b>	<b>\$980,142</b>
<b>CASH INCREASE/(DECREASE)</b>	<b>\$1,386,499</b>	<b>(\$4,167,000)</b>	<b>-</b>	<b>\$2,738,289</b>

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

<b>SUMMARY INCOME STATEMENT</b>		<b>NOVATO WATER</b>	<b>NOVATO RECYCLED</b>	<b>WEST MARIN WATER</b>	<b>OCEANA MARIN SEWER</b>
	<b>TOTAL</b>				
Operating Revenue	\$7,648,271	\$6,788,848	\$512,207	\$284,035	\$63,180
Operating Expense	5,625,078	5,027,559	379,660	184,861	32,998
<b>OPERATING INCOME/(LOSS)</b>	<b>\$2,023,193</b>	<b>\$1,761,289</b>	<b>\$132,548</b>	<b>\$99,174</b>	<b>\$30,182</b>
Non-Operating Revenue/(Expense)	(43,904)	(9,753)	(38,580)	1,160	3,269
<b>NET INCOME/(LOSS)</b>	<b>\$1,979,289</b>	<b>\$1,751,536</b>	<b>\$93,968</b>	<b>\$100,334</b>	<b>\$33,452</b>
<b>CAPITAL CONTRIBUTIONS</b>					
SCWA Prop 84 Water Conserv Grant	\$1,688	\$1,688	\$0	\$0	\$0
RW Central Area Expansion Grant	0	0	0	0	0
Developer In-Kind Contributions	32,431	32,431	0	0	0
Caltrans AEEP Capital Contributions	3,250	3,250	0	0	0
MMWD Capital Contribution	245,000	245,000	0	0	0
Connection Fees	95,800	95,800	0	0	0
FRC Transfer	0	2,031,795	(2,031,795)	0	0
<b>CAPITAL CONTRIBUTIONS</b>	<b>\$378,168</b>	<b>\$2,409,964</b>	<b>(\$2,031,795)</b>	<b>\$0</b>	<b>\$0</b>
<b>CHANGE IN NET POSITION</b>	<b>\$2,357,457</b>	<b>\$4,161,499</b>	<b>(\$1,937,827)</b>	<b>\$100,334</b>	<b>\$33,452</b>
Net Position June 30, 2018	106,823,448	74,211,064	24,764,880	6,431,493	1,416,011
Net Position September 30, 2018	<u>\$109,180,905</u>	<u>\$78,372,563</u>	<u>\$22,827,053</u>	<u>\$6,531,827</u>	<u>\$1,449,463</u>
<b>CASH FLOW STATEMENT</b>					
Net Income/(Loss)	\$1,979,289	\$1,751,536	\$93,968	\$100,334	\$33,452
Add back Depreciation	856,194	681,706	118,454	46,742	9,292
<b>Cash Generated From Operations</b>	<b>\$2,835,484</b>	<b>\$2,433,242</b>	<b>\$212,422</b>	<b>\$147,076</b>	<b>\$42,744</b>
<b>Other Sources (Uses) of Funds</b>					
Connection Fee Revenue	\$95,800	\$95,800	\$0	\$0	\$0
Loan Proceeds	2,033,836	0	2,033,836	0	0
Grant Proceeds	1,688	1,688	0	0	0
Capital Assets Acquisition	(1,148,556)	(1,084,872)	(22,464)	(27,690)	(13,530)
Caltrans AEEP Capital Contribution	3,250	3,250	0	0	0
MMWD AEEP Capital Contribution	245,000	245,000	0	0	0
Marin Country Club & Stone Tree Loan Principal Pmts	61,361	0	61,361	0	0
Principal Paid on Debt	(248,685)	(76,653)	(149,780)	(22,252)	0
Consumer Receivables Decr (Incr)	(1,023,364)	(1,107,317)	41,824	102,044	(59,916)
Construction Advances (Decr) Incr	47,013	47,013	0	0	0
Other Assets Decr (Incr)	97,797	115,786	235,727	(92,862)	(160,854)
Other Liabilities (Decr) Incr	(91,862)	(271,005)	(3,763)	(8,877)	191,783
Trade Accounts Payable (Decr) Incr	(1,522,262)	(1,534,860)	73,675	0	(61,076)
Connection Fee Transfer	0	2,031,795	(2,031,795)	0	0
Interdistrict Loan Due To (From)	0	(543,218)	543,218	0	0
<b>Total Other Sources (Uses)</b>	<b>(\$1,448,984)</b>	<b>(\$2,077,593)</b>	<b>\$781,838</b>	<b>(\$49,637)</b>	<b>(\$103,592)</b>
<b>Net Cash Provided (Used)</b>	<b>\$1,386,499</b>	<b>\$355,649</b>	<b>\$994,260</b>	<b>\$97,439</b>	<b>(\$60,849)</b>
<b>MV Cash &amp; Investments June 30, 2018</b>	<b>15,106,428</b>	<b>10,170,912</b>	<b>2,898,124</b>	<b>1,475,988</b>	<b>561,404</b>
<b>MV Cash &amp; Investments Sept 30, 2018</b>	<u><b>\$16,492,926</b></u>	<u><b>\$10,526,561</b></u>	<u><b>\$3,892,384</b></u>	<u><b>\$1,573,427</b></u>	<u><b>\$500,555</b></u>

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

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>OPERATING REVENUE</b>				
Water Sales	\$2,247,734	\$5,587,824	36%	\$5,330,467
Bill Adjustments	(8,764)	(25,259)	16%	(21,410)
Bimonthly Service Charges	379,088	1,137,265	25%	1,034,230
Account Turn-on Charges	6,610	17,397	24%	23,840
New Account Charges	755	1,960	28%	2,165
Returned Check Charges	0	36	4%	297
Hydrant Meter Up/Down Charges	200	1,700	85%	2,160
Backflow Service Charges	12,227	36,125	26%	35,350
Lab Service-Outside Clients	1,276	9,690	37%	9,108
Wheeling Charges - MMWD	6,033	22,111	29%	27,628
<b>TOTAL OPERATING REVENUE</b>	<b>\$2,645,160</b>	<b>\$6,788,848</b>	<b>33%</b>	<b>\$6,443,835</b>
<b>TOTAL EXPENDITURES</b>				
<b>SOURCE OF SUPPLY</b>				
Supervision & Engineering	\$535	\$1,223	3%	\$2,299
Operating Expense - Source	1,104	2,933	24%	468
Maint/Monitoring of Dam	258	16,714	25%	12,455
Maint of Lake & Intakes	665	9,554	53%	452
Maint of Structures	0	205	-	0
Maint of Watershed	0	873	2%	4,095
Water Quality Surveillance	101	301	1%	2,306
Purchased Water	532,838	1,865,865	28%	1,524,301
<b>SOURCE OF SUPPLY</b>	<b>\$535,501</b>	<b>\$1,897,669</b>	<b>28%</b>	<b>\$1,546,377</b>
<b>PUMPING</b>				
Supervision & Engineering	\$0	\$0	-	\$0
Operating Expense - Pumping	0	0	0%	0
Maint of Structures & Grounds	3,177	14,961	58%	5,460
Maint of Pumping Equipment	2,065	9,327	15%	9,449
Electric Power	34,312	104,603	42%	105,996
<b>PUMPING</b>	<b>\$39,554</b>	<b>\$128,890</b>	<b>38%</b>	<b>\$120,905</b>
<b>OPERATIONS</b>				
Supervision & Engineering	\$16,415	\$47,105	28%	\$59,313
Operating Expense - Operations	26,019	75,714	30%	85,230
Maintenance Expense	3,691	9,121	16%	12,000
Telemetry Equipment/Controls Maint	6,101	15,915	19%	22,227
Leased Lines	1,394	4,189	25%	4,270
<b>OPERATIONS</b>	<b>\$53,619</b>	<b>\$152,044</b>	<b>26%</b>	<b>\$183,040</b>

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>WATER TREATMENT</b>				
Supervision & Engineering	\$9,871	\$29,958	20%	\$29,875
Operating Expense - Water Treatment	28,875	80,214	20%	131,908
Purification Chemicals	36,442	89,441	20%	302,323
Sludge Disposal	7,778	23,693	20%	23,060
Maint of Structures & Grounds	516	3,718	3%	5,556
Maint of Purification Equipment	11,823	48,155	24%	40,822
Electric Power	13,052	42,993	28%	67,762
Water Quality Programs	10,326	28,928	25%	31,644
Laboratory Direct Labor	27,629	87,823	20%	86,857
Lab Service-Outside Clients	4,102	14,767	28%	15,492
Water Quality Supervision	5,207	15,992	19%	21,485
Laboratory Supplies & Expense	9,338	18,502	23%	16,161
Customer Water Quality	3,715	9,898	13%	13,177
Lab Cost Distributed	(2,408)	(6,335)	25%	(8,399)
<b>WATER TREATMENT</b>	<b>\$166,264</b>	<b>\$487,747</b>	<b>20%</b>	<b>\$777,723</b>
<b>TRANSMISSION &amp; DISTRIBUTION</b>				
Supervision & Engineering	\$44,356	\$137,944	21%	\$167,543
Maps & Records	14,908	38,589	21%	41,960
Operation of T&D System	10,635	26,452	12%	31,176
Facilities Location	11,968	41,793	35%	35,320
Safety: Construction & Engineering	5,901	13,628	20%	6,500
Customer Service Expense	21,298	59,531	30%	53,483
Flushing	0	14	0%	91
Storage Facilities Expense	12,544	28,616	23%	33,667
Cathodic Protection	146	1,608	9%	3,153
Maint of Valves/Regulators	5,782	22,346	10%	57,900
Maint of Mains	26,408	58,736	39%	66,594
Leak Detection - Mains	1,970	4,314	108%	1,645
Backflow Prevention Program	22,915	60,860	26%	35,692
Maint of Copper Services	12,230	42,834	23%	30,599
Maint of PB Service Lines	66,444	190,698	41%	120,311
Single Service Installations	(6,315)	(3,548)	-	7,974
Maint of Meters	13,981	30,698	29%	21,520
Detector Check Assembly Maint	8,096	14,515	21%	17,205
Maint of Hydrants	1,919	1,946	2%	11,197
<b>TRANSMISSION &amp; DISTRIBUTION</b>	<b>\$275,188</b>	<b>\$771,576</b>	<b>25%</b>	<b>\$743,530</b>
<b>CONSUMER ACCOUNTING</b>				
Meter Reading	\$8,142	\$26,528	13%	\$34,593
Collection Expense - Labor	2,310	6,331	16%	7,755
Collection Expense - Agency	75	513	17%	475
Billing & Consumer Accounting	16,752	52,928	23%	67,526
Contract Billing	975	3,674	20%	3,864
Stationery, Supplies & Postage	3,225	12,006	22%	12,886
Online Payment Processing Fees	683	13,612	44%	11,987
Lock Box Service	912	2,736	25%	2,736
Uncollectable Accounts	0	2,421	17%	3,195
Office Equipment Expense	175	1,845	7%	6,235
Distributed to West Marin (4.1%)	(968)	(3,671)	23%	(4,407)
<b>CONSUMER ACCOUNTING</b>	<b>\$32,280</b>	<b>\$118,924</b>	<b>19%</b>	<b>\$146,845</b>

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

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>WATER CONSERVATION</b>				
Residential	\$25,148	\$57,096	19%	\$49,491
Commercial	275	1,915	10%	1,090
Public Outreach/Information	4,421	8,791	23%	1,409
Large Landscape	1,081	8,490	37%	8,532
<b>TOTAL WATER CONSERVATION</b>	<b>\$30,926</b>	<b>\$76,293</b>	<b>20%</b>	<b>\$60,522</b>
<b>GENERAL AND ADMINISTRATIVE</b>				
Directors Fees	\$2,443	\$6,841	18%	\$7,804
Legal Fees	1,533	3,927	21%	6,494
Human Resources	69	26,603	42%	7,158
Auditing Fees	8,300	16,600	83%	15,300
Consulting Services/Studies	3,902	13,920	4%	4,925
General Office Salaries	75,813	274,894	21%	347,202
Safety: General District Wide	3,427	8,239	14%	9,850
Office Supplies	1,018	4,514	10%	6,854
Employee Events	207	1,244	10%	2,241
Other Administrative Expense	383	1,811	11%	3,300
Dues & Subscriptions	7,361	31,924	44%	33,639
Vehicle Expense	676	2,028	25%	2,028
Meetings, Conferences & Training	7,675	36,695	16%	26,437
Recruitment Expense	350	775	26%	659
Gas & Electricity	3,393	9,971	26%	11,524
Telephone	38	114	1%	1,885
Water	0	486	24%	259
Buildings & Grounds Maint	2,880	11,082	21%	12,276
Office Equipment Expense	11,241	37,208	29%	36,567
Insurance Premiums & Claims	25,660	27,208	21%	22,091
Retiree Medical Benefits	15,596	47,431	28%	39,250
(Gain)/Loss on Overhead Charges	119,767	266,532	-683%	52,584
G&A Applied to Other Operations (5.9%)	(8,492)	(31,302)	22%	(39,556)
G&A Applied to Construction	(22,181)	(86,035)	20%	(84,039)
<b>GENERAL &amp; ADMINISTRATIVE</b>	<b>\$261,060</b>	<b>\$712,711</b>	<b>32%</b>	<b>\$526,729</b>
<b>Depreciation</b> (Note 5)	<b>226,417</b>	<b>681,706</b>	<b>24%</b>	<b>685,469</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>\$1,620,809</b>	<b>\$5,027,559</b>	<b>26%</b>	<b>\$4,791,140</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$1,024,351</b>	<b>\$1,761,289</b>	<b>146%</b>	<b>\$1,652,695</b>

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

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>NON-OPERATING REVENUE</b>				
Interest:				
General Funds	\$0	\$0	0%	\$0
Wohler Pipeline Financing Fund	1,655	3,098	77%	1,461
Collector #6 Financing Fund	6,506	12,181	72%	5,745
Retiree Medical Insurance Fund	15,837	29,721	76%	14,063
Self-Insured Workers' Comp Fund	2,094	3,894	65%	2,475
Aqueduct Energy Efficiency Proj Fund	130	250	-	128
Funds Held in County Treasury	0	0	0%	1,082
Recycled Water Advance (Note 10)	0	0	0%	30,647
<b>Total Interest Revenue</b>	<b>\$26,221</b>	<b>\$49,145</b>	<b>49%</b>	<b>\$55,603</b>
Rents & Leases	3,975	34,301	41%	48,294
Other Non-Operating Revenue	12,599	33,078	66%	16,486
Gain/(Loss) on MV of Investments	6,781	7,056	-	1,765
<b>NON-OPERATING REVENUE</b>	<b>\$49,576</b>	<b>\$123,579</b>	<b>53%</b>	<b>\$122,148</b>
<b>NON-OPERATING EXPENSE</b>				
Bank of Marin AEEP Loan Interest Exp	\$14,546	\$43,857	26%	\$46,430
STP SRF Loan Interest Expense	19,743	60,546	25%	65,306
JP Morgan/Chase AMI Loan Interest Expense	10,312	28,529	24%	0
Other Non-Operating Expense	131	401	2%	388
<b>NON-OPERATING EXPENSE</b>	<b>\$44,732</b>	<b>\$133,333</b>	<b>24%</b>	<b>\$112,124</b>
<b>NET INCOME/(LOSS)</b>	<b>\$1,029,196</b>	<b>\$1,751,536</b>	<b>198%</b>	<b>\$1,662,720</b>
<b>BEGINNING FUND EQUITY</b>				
NET INCOME/(LOSS)	1,029,196	1,751,536		1,662,720
SCWA 84 Water Conservation Grant	0	1,688	6%	37,838
Developer 'In-Kind' Contributions	6,973	32,431	-	19,046
Caltrans AEEP Capital Contribution	0	3,250	325%	735
MMWD AEEP Capital Contribution	0	245,000	100%	245,000
Connection Fees	28,600	95,800	14%	709,200
FRC Transfer to/from Recycled Water	(136,002)	2,031,795	-162%	(266,435)
<b>ENDING FUND EQUITY</b>		<b>\$78,372,563</b>		<b>\$76,303,236</b>

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

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>OPERATING REVENUE</b>				
Recycled Water Sales	\$143,007	\$499,205	43%	\$404,879
Bimonthly Service Charges	5,505	12,767	31%	8,364
Water Loads	0	235	-	885
<b>TOTAL OPERATING REVENUE</b>	<b>\$148,511</b>	<b>\$512,207</b>	<b>43%</b>	<b>\$414,128</b>
<b>OPERATING EXPENSE</b>				
<b>SOURCE OF SUPPLY</b>				
Purchased Water - NSD	\$38,664	\$116,904	56%	\$66,314
Purchased Water - LGVSD	(1,753)	9,378	15%	34,124
<b>SOURCE OF SUPPLY</b>	<b>\$36,911</b>	<b>\$126,282</b>	<b>46%</b>	<b>\$100,437</b>
<b>PUMPING</b>				
Maint of Structures & Grounds	\$0	\$0	0%	\$0
Maint of Pumping Equipment	0	225	11%	0
Electric Power	504	1,477	49%	1,207
<b>PUMPING</b>	<b>\$504</b>	<b>\$1,702</b>	<b>28%</b>	<b>\$1,207</b>
<b>OPERATIONS</b>				
Supervision & Engineering	\$472	\$4,521	30%	\$3,063
Operating Expense - Operations	0	6,784	34%	3,903
Potable Water Consumed	0	97,960	891%	3,949
Maintenance Expense	0	189	4%	5,837
Telemetry Equipment/Controls Maint	21	1,510	12%	2,680
<b>OPERATIONS</b>	<b>\$493</b>	<b>\$110,964</b>	<b>173%</b>	<b>\$19,432</b>
<b>WATER TREATMENT</b>				
Purification Chemicals	\$0	\$1,993	50%	\$842
Maint of Purification Equipment	0	2,453	16%	8,703
Electric Power	0	0	0%	0
Laboratory Direct Labor	0	1,201	17%	923
Customer Water Quality	0	33	-	0
Lab Expense Distributed from Novato	56	724	24%	593
<b>WATER TREATMENT</b>	<b>\$56</b>	<b>\$6,404</b>	<b>21%</b>	<b>\$11,061</b>
<b>TRANSMISSION &amp; DISTRIBUTION</b>				
Supervision & Engineering	\$212	\$1,145	5%	\$369
Maps & Records	0	0	0%	0
Operation of T&D System	0	0	0%	0
Cathodic Protection	0	0	0%	0
Customer Service Expense	330	2,599	15%	0
Storage Facilities Expense	18	52	1%	26
Maint of Valves/Regulators	0	0	0%	357
Maint of Meters	0	0	0%	717
<b>TRANSMISSION &amp; DISTRIBUTION</b>	<b>\$560</b>	<b>\$3,796</b>	<b>7%</b>	<b>\$1,469</b>

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

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>CONSUMER ACCOUNTING</b>				
Distributed from Novato (0.2%)	\$70	\$272	27%	\$214
<b>CONSUMER ACCOUNTING</b>	\$70	\$272	27%	\$214
<b>GENERAL AND ADMINISTRATIVE</b>				
Distributed from Novato (2.4%)	\$3,197	\$11,785	23%	\$13,492
<b>GENERAL &amp; ADMINISTRATIVE</b>	\$3,197	\$11,785	23%	\$13,492
Depreciation (Note 5)	39,486	118,454	25%	118,605
<b>TOTAL OPERATING EXPENSE</b>	\$81,277	\$379,660	40%	\$265,917
<b>OPERATING INCOME/(LOSS)</b>	\$67,234	\$132,548	55%	\$148,210
<b>NON-OPERATING REVENUE</b>				
Interest:				
General Funds	\$0	\$0	0%	\$0
RWF Replacement Fund	5,440	9,110	-	0
Capital Repl & Exp Fund	0	0	-	0
Self-Insured Workers' Comp Fund	38	68	-	0
StoneTree RWF Loan	4,512	13,703	47%	9,043
<b>Total Interest Revenue</b>	\$9,990	\$22,881	59%	\$9,043
Other Non-Operating Revenue	0	0	-	0
<b>NON-OPERATING REVENUE</b>	\$9,990	\$22,881	59%	\$9,043
<b>NON-OPERATING EXPENSE</b>				
RWF SRF Loan Interest Expense	\$4,253	\$13,046	25%	\$14,566
Expansion SRF Loan Interest Expense	14,977	45,061	19%	47,582
Other Non-Operating Expense	3,354	3,354	-	0
Interest-Advance from Novato (Note 10)	0	0	-	30,647
<b>NON-OPERATING EXPENSE</b>	\$22,584	\$61,461	21%	\$92,796
<b>NET INCOME/(LOSS)</b>	\$54,640	\$93,968	(940%)	\$64,457
<b>BEGINNING FUND EQUITY</b>		\$24,764,880		\$24,514,673
NET INCOME/(LOSS)	54,640	93,968		64,457
Developer 'In-Kind' Contributions	0	0		180
FRC Transfer to/from Novato	136,002	(2,031,795)	-162%	266,435
RW Central Area Expansion Grant	0	0	-	598,919
<b>ENDING FUND EQUITY</b>		\$22,827,053		\$25,444,664

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

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>OPERATING REVENUE</b>				
Water Sales	\$91,149	\$239,833	35%	\$255,080
Bill Adjustments	(3,301)	(3,515)	-	(7,850)
Bimonthly Service Charges	15,432	46,296	25%	42,194
Account Turn-on Charges	(6)	286	29%	144
New Account Charges	0	20	2%	40
Returned Check Charges	0	0	-	9
Backflow Service Charges	27	1,115	22%	1,009
<b>TOTAL OPERATING REVENUE</b>	<b>\$103,301</b>	<b>\$284,035</b>	<b>32%</b>	<b>\$290,625</b>
<b>OPERATING EXPENSE</b>				
<b>SOURCE OF SUPPLY</b>				
Supervision & Engineering	\$0	\$385	-	\$424
Operating Expense	275	1,005	17%	565
Maint of Structures	0	8,736	109%	8,200
Water Quality Surveillance	0	0	0%	0
Purchased Water - MMWD	175	175	-	0
<b>SOURCE OF SUPPLY</b>	<b>\$450</b>	<b>\$10,301</b>	<b>69%</b>	<b>\$9,189</b>
<b>PUMPING</b>				
Maint of Structures and Grounds	\$0	\$3,059	61%	\$383
Maint of Pumping Equip	0	0	0%	17,588
Electric Power	4,002	11,436	41%	7,047
<b>PUMPING</b>	<b>\$4,002</b>	<b>\$14,495</b>	<b>35%</b>	<b>\$25,018</b>
<b>OPERATIONS</b>				
Supervision & Engineering	\$763	\$2,897	24%	\$3,985
Operating Expense	746	3,566	24%	1,659
Maint of Telemetry Lines	0	0	-	0
Maint of Telemetry Equipment	388	1,122	6%	2,200
Leased Lines	360	1,110	22%	1,191
<b>OPERATIONS</b>	<b>\$2,257</b>	<b>\$8,696</b>	<b>17%</b>	<b>\$9,036</b>
<b>WATER TREATMENT</b>				
Supervision & Engineering	\$693	\$1,988	28%	\$1,187
Operating Expense	1,061	6,699	33%	9,232
Purification Chemicals	448	895	18%	3,281
Maint of Structures & Grounds	0	0	0%	242
Maint of Purification Equipment	257	3,072	12%	3,227
Electric Power	2,649	8,016	38%	9,670
Laboratory Direct Labor	3,453	8,947	21%	11,350
Laboratory Services	2,849	4,524	113%	880
Water Quality Supervision	0	297	3%	570
Customer Water Quality	593	936	19%	1,215
Lab Expense Distributed from Novato	2,335	5,391	28%	7,295
<b>WATER TREATMENT</b>	<b>\$14,338</b>	<b>\$40,765</b>	<b>26%</b>	<b>\$48,148</b>

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

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>TRANSMISSION &amp; DISTRIBUTION</b>				
Supervision & Engineering	\$1,011	\$1,173	6%	\$2,454
Maps & Records	0	0	0%	0
Facilities Location - USA	241	1,139	9%	5,449
Customer Service Expense	0	1,755	25%	5,823
Storage Facilities Expense	566	1,588	6%	4,105
Cathodic Protection	0	743	19%	485
Maint of Valves	0	361	6%	378
Valve Operation Program	0	0	0%	0
Maint of Mains	500	5,137	103%	16
Water Quality Maintenance	0	101	5%	0
Maint of Backflow Devices	0	0	0%	0
Backflow Dev Inspection/Survey	0	239	12%	840
Maint of Copper Services	2,343	2,979	99%	14
Maint of PB Service Lines	6,563	19,103	68%	2,792
Maint of Meters	0	296	6%	988
Detector Check Assembly Maint	0	0	0%	0
Maint of Hydrants	0	1,430	48%	0
Hydrant Operation	0	0	0%	0
Single Service Installation	0	7,566	-	4,412
<b>TRANSMISSION &amp; DISTRIBUTION</b>	<b>\$11,224</b>	<b>\$43,611</b>	<b>30%</b>	<b>\$27,757</b>
<b>CONSUMER ACCOUNTING</b>				
Meter Reading	\$0	\$1,137	9%	\$1,198
Collection Expense - Labor	0	0	0%	156
Uncollectable Accounts	0	0	0%	0
Distributed from Novato (3.6%)	786	3,032	23%	3,706
<b>CONSUMER ACCOUNTING</b>	<b>\$786</b>	<b>\$4,168</b>	<b>15%</b>	<b>\$5,059</b>
<b>WATER CONSERVATION</b>				
Water Conservation Program	\$186	\$1,048	10%	\$1,360
<b>TOTAL WATER CONSERVATION</b>	<b>\$186</b>	<b>\$1,048</b>	<b>10%</b>	<b>\$1,360</b>
<b>GENERAL AND ADMINISTRATIVE</b>				
Consulting Services/Studies	\$0	\$898	7%	\$0
Distributed from Novato (3.6%)	3,835	14,137	17%	19,815
<b>GENERAL &amp; ADMINISTRATIVE</b>	<b>\$3,835</b>	<b>\$15,035</b>	<b>16%</b>	<b>\$19,815</b>
<b>Depreciation (Note 5)</b>	<b>15,577</b>	<b>46,742</b>	<b>24%</b>	<b>48,235</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>\$52,656</b>	<b>\$184,861</b>	<b>25%</b>	<b>\$193,617</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$50,644</b>	<b>\$99,174</b>	<b>74%</b>	<b>\$97,008</b>

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

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>NON-OPERATING REVENUE</b>				
Interest - General Funds	\$2,901	\$4,151	-	\$1,316
Interest - FRC	387	737	18%	347
Interest - Self-Insured WC Fund	71	132	-	87
Interest - Bank of Marin Project Fund	1,773	3,326	33%	2,372
Interest - CIR Fund	0	0	-	104
Rents & Leases	0	0	0%	0
Tax Proceeds - PR-2 Tax Allocation	13	332	1%	342
Other Non-Operating Revenue	0	(317)	-	0
<b>NON-OPERATING REVENUE</b>	<b>\$5,145</b>	<b>\$8,360</b>	<b>11%</b>	<b>\$4,569</b>
<b>NON-OPERATING EXPENSE</b>				
Bank of Marin Loan Interest Expense	\$2,135	\$6,438	25%	\$6,815
PRE-1 Revenue Bond Interest Exp	108	325	32%	475
PR-6 Revenue Bond Interest Exp	146	437	22%	575
<b>NON-OPERATING EXPENSE</b>	<b>\$2,389</b>	<b>\$7,200</b>	<b>25%</b>	<b>\$7,865</b>
<b>NET INCOME/(LOSS)</b>	<b>\$53,400</b>	<b>\$100,334</b>	<b>56%</b>	<b>\$93,712</b>
<b>BEGINNING FUND EQUITY</b>		<b>\$6,431,493</b>		<b>\$6,407,876</b>
NET INCOME/(LOSS)	53,400	100,334		93,712
CONTRIBUTED CAPITAL				
Connection Fees	0	0	0%	0
<b>ENDING FUND EQUITY</b>		<b>\$6,531,827</b>		<b>\$6,501,588</b>

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

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>OPERATING REVENUE</b>				
Sewer Service Charges	\$21,060	\$63,180	25%	\$59,598
Inspection Fees	0	0	-	300
<b>TOTAL OPERATING REVENUE</b>	<b>\$21,060</b>	<b>\$63,180</b>	<b>25%</b>	<b>\$59,898</b>
<b>OPERATING EXPENSE</b>				
<b>SEWAGE COLLECTION</b>				
Supervision & Engineering	\$273	\$2,037	6%	\$2,545
Inspection	0	0	0%	384
Operating Expense	634	2,433	24%	1,632
Facilities Location	0	213	21%	563
Maint of Telemetry Equipment	20	293	10%	389
Sewer Service Installation	0	0	-	104
Maint of Lift Stations	486	992	12%	1,182
Maint of Manholes	0	0	0%	0
Maint of Sewer Mains	0	0	0%	0
Electric Power	1,085	3,324	28%	3,519
<b>SEWAGE COLLECTION</b>	<b>\$2,498</b>	<b>\$9,293</b>	<b>12%</b>	<b>\$10,317</b>
<b>SEWAGE TREATMENT</b>				
Operating Expense	\$138	\$630	3%	\$1,490
Maint of Structures	0	0	0%	0
Maint of Equipment	433	2,311	29%	183
Laboratory Direct Labor	0	365	4%	795
Lab Expense Distributed from Novato	17	220	11%	511
Electric Power	147	1,216	20%	2,987
<b>SEWAGE TREATMENT</b>	<b>\$735</b>	<b>\$4,741</b>	<b>10%</b>	<b>\$5,966</b>
<b>SEWAGE DISPOSAL</b>				
Operating Expense	\$470	\$1,099	9%	\$1,073
Maint of Pump Stations	0	0	0%	1,130
Maint of Storage Ponds	360	2,347	20%	1,962
Maint of Irrigation Field	0	0	0%	1,718
<b>SEWAGE DISPOSAL</b>	<b>\$830</b>	<b>\$3,446</b>	<b>9%</b>	<b>\$5,883</b>
<b>CONSUMER ACCOUNTING</b>				
Distributed from Novato (0.6%)	\$111	\$367	18%	\$488
<b>CONSUMER ACCOUNTING</b>	<b>\$111</b>	<b>\$367</b>	<b>18%</b>	<b>\$488</b>

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

	SEPTEMBER 2018	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>GENERAL AND ADMINISTRATIVE</b>				
Distributed from Novato (1.1%)	\$1,459	\$5,379	20%	\$6,250
Liability Insurance	479	479	24%	476
<b>GENERAL AND ADMINISTRATIVE</b>	<b>\$1,939</b>	<b>\$5,859</b>	<b>20%</b>	<b>\$6,725</b>
<b>Depreciation</b> (Note 5)	3,100	9,292	25%	9,423
<b>TOTAL OPERATING EXPENSE</b>	<b>\$9,213</b>	<b>\$32,998</b>	<b>14%</b>	<b>\$38,801</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$11,847</b>	<b>\$30,182</b>	<b>151%</b>	<b>\$21,097</b>
<b>NON-OPERATING REVENUE</b>				
Rents & Leases	\$0	\$250	-	\$500
Interest - General Funds	2,122	2,965	49%	1,446
Interest - Self Insured WC Fund	25	46	-	29
Tax Proceeds - OM-1/OM-3 Tax Alloc	13	354	1%	365
Other Non-Operating Revenue	0	0	-	1
<b>NON-OPERATING REVENUE</b>	<b>\$2,161</b>	<b>\$3,616</b>	<b>6%</b>	<b>\$2,341</b>
<b>NON-OPERATING EXPENSE</b>				
Other Non-Operating Expense	\$346	\$346	-	\$0
<b>NON-OPERATING EXPENSE</b>	<b>\$346</b>	<b>\$346</b>	<b>-</b>	<b>\$0</b>
<b>NET INCOME/(LOSS)</b>	<b>\$13,662</b>	<b>\$33,452</b>	<b>39%</b>	<b>\$23,438</b>
<b>BEGINNING FUND EQUITY</b>		\$1,416,011		\$1,406,943
NET INCOME/(LOSS)	13,662	33,452		23,438
<b>CONTRIBUTED CAPITAL</b>				
Contribution in Aid of Construction	0	0	-	0
Connection Fees	0	0	0%	0
<b>ENDING FUND EQUITY</b>		<b>\$1,449,462</b>		<b>\$1,430,381</b>

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

<b>WORKERS' COMPENSATION FUND</b>	<b>TOTAL</b>	<b>NOVATO WATER</b>	<b>WEST MARIN WATER</b>	<b>OCEANA MARIN SEWER</b>	<b>RECYCLED WATER</b>
<b>WC Cash Balance 6/30/18</b>	\$549,030	\$516,563	\$17,573	\$6,054	\$8,840
Less: Projected Prior FY Claims Liability	97,580	90,652	3,513	1,073	2,342
Add: Funds borrowed to subsidize operations	0		0	0	0
<b>WC Reserve Balance 6/30/18</b>	\$451,450	\$425,911	\$14,060	\$4,981	\$6,498
Add: WC Expense Charged to Operations FYTD	25,688	23,761	873	334	719
Interest Earned	4,141	3,894	132	46	68
<b>Subtotal</b>	<b>\$481,280</b>	<b>\$453,567</b>	<b>\$15,066</b>	<b>\$5,361</b>	<b>\$7,286</b>
Less: Claims Expense Paid	1,085	1,004	37	14	30
Excess Insurance Premium	16,574	15,331	564	215	464
Administration Fees	3,000	2,775	102	39	84
<b>WC Reserve Balance 09/30/18</b>	<b>\$460,620</b>	<b>\$434,457</b>	<b>\$14,363</b>	<b>\$5,093</b>	<b>\$6,707</b>
Add: Projected Claims Liability	98,358	90,981	3,344	1,279	2,754
<b>WC CASH BALANCE 09/30/18</b>	<b>\$558,978</b>	<b>\$525,438</b>	<b>\$17,707</b>	<b>\$6,371</b>	<b>\$9,461</b>

**CONNECTION FEE FUND**

<b>Connection Fee Cash Balance 6/30/18</b>	\$102,491	\$0	\$102,491	\$0
Add: funds borrowed to subsidize operations	(11,784,485)	(11,736,872)	0	(47,613)
<b>Connection Fee Reserve Balance 6/30/18</b>	<b>(\$11,681,994)</b>	<b>(\$11,736,872)</b>	<b>\$102,491</b>	<b>(\$47,613)</b>
Add: Connection Fees Collected FYTD	95,800	95,800	0	0
Repayment Prior Year Loan from RWF	0	0	0	0
Interest Earned	737	0	737	0
Prior Period Adjustment <sup>2</sup>	0	0	0	0
<b>Subtotal</b>	<b>(\$11,585,457)</b>	<b>(\$11,641,072)</b>	<b>\$103,228</b>	<b>(\$47,613)</b>
Less: Fees Expended FYTD	(214,049)	(229,284)	8,183	7,052
Fees transferred to RWS FYTD (Note 14)	(2,031,795)	(2,031,795)	0	0
<b>Connection Fee Reserve Balance 09/30/18</b>	<b>(\$9,339,612)</b>	<b>(\$9,379,992)</b>	<b>\$95,045</b>	<b>(\$54,665)</b>
Less: Funds borrowed to subsidize operations	(9,434,657)	(9,379,992)	0	(\$54,665)
<b>CONNECTION FEE CASH BALANCE 09/30/18</b>	<b>\$95,046</b>	<b>\$0</b>	<b>\$95,045</b>	<b>(\$0)</b>

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

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	SEPTEMBER 2018	FYTD TOTAL	FY 18/19 BUDGET	(OVER) UNDER	Notes
<b>1 ADMINISTRATION</b>					
a. Website Upgrade	\$0	\$0	\$10,000	\$10,000	
b. Timekeeping Software Upgrade			10,000	10,000	
	\$0	\$0	\$20,000	\$20,000	
<b>2 CONSTRUCTION</b>					
a. Pipe Locator	\$0	\$0	\$8,000	\$8,000	1
b. Fittings & Hose for Emergency Hose Trailer			6,000	6,000	
	\$0	\$0	\$14,000	\$14,000	
<b>3 OPERATIONS/MAINTENANCE</b>					
a. Metals Analyzer	\$0	\$0	\$105,000	\$105,000	1
b. Autoclave for Lab		0	27,000	27,000	1
c. Tire Balance Machine		0	8,000	8,000	1
d. STP Reclaim Cleaning Pump		0	6,000	6,000	1
	\$0	\$0	\$146,000	\$146,000	
<b>3 VEHICLE &amp; ROLLING EQUIPMENT EXPENDITURES</b>					
a. 5-Yard Diesel Dump Truck With Sliding Bed	\$0	\$0	\$120,000	\$120,000	1
b. 1/2 Ton 4x4 Pickup 4-Door with Shell		0	40,000	40,000	1
c. STP Equipment Cart		0	15,000	15,000	
	\$0	\$0	\$175,000	\$175,000	
<b>TOTAL EQUIPMENT EXPENDITURES</b>	\$0	\$0	\$355,000	\$355,000	

Notes:

(1) Replacement item.

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

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YTD/ BUDGET%	PRIOR YTD ACTUAL
<b>Material Handling</b>				
Material Overhead Recovered (15%)	\$12,138	\$121,000	10%	\$12,578
Labor	\$16,047	\$102,000	16%	\$17,079
Materials, Supplies & Expense	1,638	11,000	15%	2,479
Correction to Inventory Counts	(168)	0	-	524
Depreciation	1,982	8,000	25%	1,673
	<u>\$19,499</u>	<u>\$121,000</u>	16%	<u>\$21,754</u>
Net Material Handling Gain / (Loss)	<u>(\$7,361)</u>	<u>\$0</u>	-	<u>(\$9,176)</u>
<b>Construction Supplies</b>				
Const Supplies Overhead Recovered (10%)	\$57,738	\$278,000	21%	\$62,450
Labor	\$10,278	\$76,000	14%	\$14,491
Materials, Supplies & Expense	21,548	94,000	23%	25,171
Small Tools	6,777	24,000	28%	7,768
Depreciation	884	5,000	18%	249
	<u>\$39,486</u>	<u>\$199,000</u>	20%	<u>\$47,679</u>
Net Constr Supplies Gain / (Loss)	<u>\$18,251</u>	<u>\$79,000</u>	23%	<u>\$14,771</u>
<b>Vehicle &amp; Equipment</b>				
Vehicle & Equipment Recovered <sup>1</sup>	\$101,255	\$406,000	25%	\$95,498
Labor	\$16,235	\$80,000	20%	\$14,554
Materials, Supplies & Expense	25,896	84,000	31%	22,560
Fuel	23,098	83,000	28%	17,163
Depreciation	27,792	120,000	23%	32,428
	<u>\$93,021</u>	<u>\$367,000</u>	25%	<u>\$86,705</u>
Net Vehicle & Equip Gain / (Loss)	<u>\$8,233</u>	<u>\$39,000</u>	21%	<u>\$8,793</u>
<b>Payroll</b>				
Overheaded Payroll Recovered	\$1,724,646	\$8,159,000	21%	\$1,966,327
Salary Including Leave Time	\$1,336,821	\$5,473,000	24%	\$1,316,813
Employer FICA & Medicare Tax	104,684	408,000	26%	103,176
Insurance <sup>2</sup>	224,633	1,007,000	22%	232,218
Worker's Compensation	16,076	115,000	14%	78,145
Retiree Medical Accrual	13,500	83,000	16%	20,438
CalPERS Retirement	288,829	1,066,000	27%	256,275
Unreconciled Difference	25,759	0	-	26,236
	<u>\$2,010,302</u>	<u>\$8,152,000</u>	25%	<u>\$2,033,301</u>
Net Payroll Gain / (Loss)	<u>(\$285,656)</u>	<u>\$7,000</u> <sup>3</sup>		<u>(\$66,974)</u>
<b>Total Overhead Gain / (Loss)</b>	<u><b>(\$266,532)</b></u>	<u><b>\$125,000</b></u>	<b>-213%</b>	<u><b>(\$52,586)</b></u>

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

<sup>2</sup> Insurance Includes Medical, Dental, Vision, Cafeteria, Life & Unemployment.

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

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

OPERATING EXPENSE		Novato	Recycled	West Marin	Oceana Marin	YTD Total	Annual Budget	YTD Budget %	Prior YTD Actual	% Change
1	Salaries & Benefits	\$1,411,710	\$17,427	\$59,373	\$10,375	\$1,498,884	\$6,942,000	22%	\$1,700,538	-11 %
2	Water Purchases	1,865,865	178,888	0	0	2,044,753	6,823,000	30%	1,624,738	25 %
3	Depreciation	681,706	118,454	46,742	9,292	856,194	3,528,000	24%	861,732	-0 %
4	Materials, Services & Supplies	452,679	99,449	22,642	1,516	576,287	2,064,000	28%	403,945	42 %
5	Consulting Services/Studies	13,920	0	898	0	14,818	335,000	4%	4,925	200 %
6	Chemicals	89,441	1,993	895	0	92,330	464,000	20%	306,446	-69 %
7	Electric Power	147,596	1,477	19,452	4,541	173,065	477,000	36%	198,189	-12 %
8	Vehicles and Equipment (Distrib)	67,369	735	7,556	644	76,304	293,000	26%	66,380	14 %
9	Tools & Supplies (Distrib)	60,752	1,062	4,743	405	66,962	188,000	36%	55,828	19 %
10	Retiree Medical Expenses	47,431	0	0	0	47,431	172,000	28%	39,250	20 %
11	Water Conservation Rebates	6,171	0	0	0	6,171	104,000	6%	6,176	-0 %
12	Insurance & Claims	27,208	0	0	479	27,688	155,000	18%	22,566	22 %
13	Office Supplies & Postage	16,520	0	0	0	16,520	102,000	16%	31,727	-47 %
14	GASB 68 Adjustments	0	0	0	0	0	0	-	0	-
15	Overhead Charges (Gain)/Loss	(1,849)	0	0	0	(1,849)	(39,000)	5%	52,584	-103 %
16	Distributed Costs (Lab,G&A,ConsAcctg)	(127,342)	12,781	22,560	5,747	(86,254)	(421,000)	20%	(84,550)	2 %
17	<b>Total Operating Expense</b>	<b>\$4,759,177</b>	<b>\$432,266</b>	<b>\$184,861</b>	<b>\$32,998</b>	<b>\$5,409,303</b>	<b>\$21,187,000</b>	<b>26%</b>	<b>\$5,290,474</b>	<b>2 %</b>
18	Interest Expense & Other	133,333	61,461	7,200	346	202,340	870,000	23%	212,785	-4 %
19	<b>Total Expense</b>	<b>\$4,892,510</b>	<b>\$493,727</b>	<b>\$192,061</b>	<b>\$33,344</b>	<b>\$5,611,643</b>	<b>\$22,057,000</b>	<b>25%</b>	<b>\$5,503,259</b>	<b>1 %</b>
<b>Warehouse, Shop &amp; Yard</b>										
20	Salaries & Benefits	\$42,560	\$0	\$0	\$0	\$42,560	\$263,000	16%	\$46,123	-7 %
21	Materials, Services & Supplies	78,790	0	0	0	78,790	325,000	24%	\$74,358	5 %
22	Depreciation	30,657	0	0	0	30,657	0	0%	\$35,310	-13 %
23	Distributed Costs	(152,007)	0	0	0	(152,007)	(588,000)	26%	(155,791)	-2 %
24	<b>Total W/H, Shop &amp; Yard</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>	<b>\$0</b>	<b>-</b>
<b>District Capital Outlay</b>										
25	Salaries & Benefits	\$108,699	\$10,739	\$13,952	\$6,838	\$140,228	\$844,000	17%	\$157,518	-10 %
26	Equipment Expenditures	0	0	0	0	0	355,000	0%	0	-
27	Debt Principal Payments	76,653	149,780	22,252	0	248,685	2,279,000	11%	250,851	-0 %
28	Materials, Services & Supplies	976,173	11,725	13,739	6,692	1,008,328	6,926,000	15%	1,030,447	-2 %
29	<b>Total District Capital Outlay</b>	<b>\$1,161,525</b>	<b>\$172,244</b>	<b>\$49,942</b>	<b>\$13,530</b>	<b>\$1,397,241</b>	<b>\$10,404,000</b>	<b>13%</b>	<b>\$1,438,815</b>	<b>-2 %</b>
<b>Developer Funded Projects</b>										
30	Salaries & Benefits	\$25,470	\$0	\$2,304	\$15,200	\$42,974	\$232,000	19%	\$62,148	-30 %
31	Materials, Services & Supplies	17,856	0	(2,304)	3,715	19,267	138,000	14%	7,055	173 %
32	<b>Total Developer Projects</b>	<b>\$43,325</b>	<b>\$0</b>	<b>\$0</b>	<b>\$18,915</b>	<b>\$62,240</b>	<b>\$370,000</b>	<b>17%</b>	<b>\$69,203</b>	<b>-10 %</b>
33	<b>Total</b>	<b>\$6,097,361</b>	<b>\$665,971</b>	<b>\$242,004</b>	<b>\$65,789</b>	<b>\$7,071,124</b>	<b>\$32,831,000</b>	<b>22%</b>	<b>\$7,011,277</b>	<b>0 %</b>

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

Fiscal Year to Date								Vehicle Cost per Mile				
Year	Description	Veh#	Assigned	Mileage	Expense <sup>1</sup>	Recovery <sup>2</sup>	Gain/(Loss)	Mileage	Life to Date	FYTD19	FYTD18	FY17
1	2002 Chev K1500 4x4	47	Elech/Mech	2,042	\$2,371	\$1,913	(\$458)	141,746	\$0.38	\$1.16	\$0.35	\$0.38
2	2003 Dodge Dakota 4x4	49	Stompe	1,522	\$496	\$923	\$427	105,736	\$0.42	\$0.33	\$0.54	\$0.46
3	2004 Chev C1500	53	STP	1,117	\$488	\$578	\$90	129,677	\$0.46	\$0.44	\$0.48	\$0.46
4	2004 Chev C1500 Xtra Cab	54	Pool	1,328	\$1,113	\$517	(\$595)	102,592	\$0.47	\$0.84	\$0.53	\$0.79
5	2005 Honda Civic Hybrid	56	Engineering	256	\$201	\$187	(\$14)	79,662	\$0.29	\$0.79	\$0.56	\$1.81
6	2005 Honda Civic Hybrid	57	Wtr Cons/Pool	736	\$139	\$532	\$393	78,512	\$0.23	\$0.19	\$0.28	\$0.15
7	2005 Ford Ranger	58	FSR/Pool	0	\$48	\$0	(\$48)	130,103	\$0.46	-	\$0.63	\$1.07
8	2006 Chev Colorado	501	LeBrun	0	\$98	(\$11)	(\$109)	145,060	\$0.37	-	\$0.31	\$0.20
9	2007 Chev Colorado	504	Rodriguez	2,579	\$1,497	\$1,890	\$393	74,073	\$0.42	\$0.58	\$0.37	\$0.36
10	2008 Ford F250 4x4	505	Maintenance	1,254	\$769	\$1,393	\$624	95,893	\$0.78	\$0.61	\$1.81	\$1.80
11	2008 Ford F250 4x4	506	STP	1,070	\$2,089	\$679	(\$1,410)	72,740	\$0.78	\$1.95	\$0.41	\$0.63
12	2008 Chev Colorado 4x4	509	Engineering	2,005	\$535	\$1,054	\$519	102,409	\$0.34	\$0.27	\$0.31	\$0.29
13	2009 Toyota Prius Hybrid	510	Clark	3,805	\$526	\$1,565	\$1,039	123,147	\$0.19	\$0.14	\$0.12	\$0.13
14	2010 Ford F150 4x4	511	STP	2,345	\$1,887	\$1,064	(\$823)	81,935	\$0.50	\$0.80	\$0.39	\$0.69
15	2010 Ford F150	512	Kurfirst	2,118	\$1,409	\$2,527	\$1,118	104,215	\$0.49	\$0.67	\$0.54	\$0.44
16	2010 Ford F150	513	STP	2,350	\$495	\$1,141	\$646	78,516	\$0.47	\$0.21	\$0.56	\$0.54
17	2012 Ford F250	515	Reed	2,748	\$1,656	\$3,451	\$1,795	53,566	\$0.59	\$0.60	\$0.40	\$0.84
18	2012 Ford F250	516	Castellucci	2,928	\$1,073	\$3,098	\$2,024	59,458	\$0.52	\$0.37	\$0.60	\$0.47
19	2014 Ford F150	517	Grisso	684	\$126	\$875	\$749	11,929	\$0.38	\$0.18	\$0.45	\$0.21
20	2015 Ford F250 4x4	518	Kehoe, Chris	4,048	\$1,963	\$3,256	\$1,293	70,693	\$0.41	\$0.48	\$0.47	\$0.41
21	2015 Ford Escape 4X4	520	Arendell	4,642	\$1,073	\$2,484	\$1,411	51,159	\$0.24	\$0.23	\$0.23	\$0.18
22	2015 Ford F150 4X4	521	Lemos	2,018	\$542	\$978	\$436	34,879	\$0.28	\$0.27	\$0.30	\$0.17
23	2016 Nissan Frontier	522	Roberto	3,803	\$1,111	\$1,661	\$550	32,446	\$0.35	\$0.29	\$0.32	\$0.38
24	2017 Ford Escape 4X4	523	Lab	1,565	\$337	\$973	\$636	15,161	\$0.29	\$0.22	\$3.27	\$0.30
25	2016 Nissan Frontier	524	Bynum	2,895	\$830	\$3,108	\$2,278	14,882	\$0.38	\$0.29	\$0.46	-
26	2018 Ford Cargo Van	526	On-Call	2,266	\$506	\$810	\$2,278	4,482	\$1.37	\$0.22	-	-
27	2018 Dodge Ram 2500	527	Corda, Joe	2,041	\$1,726	\$2,046	\$304	2,041	\$0.85	\$0.85	-	-
Total 3/4 Ton & Under				54,165	25,105	38,692	15,545	1,996,712	\$0.43	\$0.46	\$0.45	\$0.47
1	1999 Ford F350 W/Svc Body	19	Pool	453	\$1,776	\$567	(\$1,209)	135,790	\$0.00	\$0.00	\$1.93	\$2.08
2	2002 Int'l 5 Yd Dump	44	Construction	1,576	\$1,263	\$6,300	\$5,037	102,169	\$1.75	\$0.80	\$1.97	\$6.81
3	1999 Ford F550 3-Yd Dump <sup>3</sup>	52	Construction	1,647	\$1,124	\$5,250	\$4,126	93,787	\$0.00	\$0.00	\$1.47	\$1.68
4	2006 Int'l 4300 Crew	503	Bergstrom/Barrilleaux	1,425	\$3,338	\$6,398	\$3,060	42,893	\$1.77	\$2.34	\$1.30	\$3.75
5	2009 Peterbilt 325 Crew	508	Breit/Crew	1,382	\$1,245	\$6,951	\$5,706	33,700	\$2.06	\$0.90	\$1.51	\$4.04
6	2012 Int'l 5 Yd Dump	514	Rupp	1,481	\$2,085	\$4,606	\$2,521	36,373	\$1.46	\$1.41	\$1.78	\$1.14
7	2015 Int'l 5 Yd Dump	519	Sjblom	2,503	\$2,840	\$6,230	\$3,390	30,562	\$1.05	\$1.13	\$1.21	\$1.10
8	2017 Ford F350 4x4	525	Ielmorini/Davenport	2,897	\$1,235	\$5,292	\$4,057	14,058	\$0.43	\$0.43	\$0.43	\$0.52
Total 1 Ton & Over				13,364	\$14,906	\$41,594	\$26,688	489,332	\$1.27	\$1.12	\$1.24	\$2.50

<sup>1</sup> Expense amount shown excludes depreciation (approximately \$96,000 for FY19).

<sup>2</sup> Recovery is the amount charged to projects and operations to recover the expense of owning and operating the vehicle. Commencing 7/1/17 the recovery rate for vehicles 3/4-ton and under is \$7/hr and the recovery rate for vehicles 1-ton and over is \$14/hr. An additional 50% is charged to developer projects to reflect the fair market value of the vehicle being used.

<sup>3</sup> Purchased used in 2004 with 32,500 miles. Mileage shown is total incurred since District purchase.

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

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Description		COST THRU JUNE 2018	SEPTEMBER 2018	FYTD TOTAL	FY 18/19 BUDGET	(OVER) UNDER	TOTAL COST		
NOVATO									
a. Residential									
1-7700-01	1-7700-26	1	Cash for Grass	\$401,449	\$1,400	\$4,058	\$35,000	\$30,942	\$405,507
1-7700-02	1-7700-27	2	Landscape Efficiency Rebates	23,492	32	32	5,000	4,968	23,524
1-7700-03		3	Fixtures Purchases	45,649	4,981	4,981	5,000	19	50,630
1-7700-06	1-7700-28	4	Washing Machine Rebates	347,112	50	555	5,000	4,445	347,667
1-7700-07		5	Demonstration Garden Improvements	54,416	0	0	1,000	1,000	54,416
1-7700-11	1-7700-29	6	Toilet Rebate SF	981,400	1,306	3,834	18,000	14,166	985,234
1-7700-12	1-7700-30	7	Toilet Rebate MF	18,173	0	0	2,000	2,000	18,173
1-7700-13		8	Residential Audits	386,744	5,229	9,270	65,000	55,730	396,014
1-7700-15		9	High Efficiency Toilet Distribution	242,177	0	0	0	0	242,177
1-7700-16		10	Water Waste Ordinance Monitoring	90,875	0	799	7,000	6,202	91,673
1-7700-17	1-7700-31	11	Swimming Pool Cover Rebate	3,258	0	121	1,000	879	3,379
1-7700-19	1-7700-32	12	ET Controller Rebate	33,553	250	273	5,000	4,727	33,826
1-7700-08		13	Administration	1,419,540	11,501	30,889	130,000	99,111	1,450,429
1-7700-20		14	New Development Wtr Cons Program	88,418	399	2,284	15,000	12,716	90,702
1-7700-21	1-7700-33	15	Demand Offset Rebate Program	2,816	0	0	2,000	2,000	2,816
1-7700-23		16	Grant Administration	3,300	0	0	1,000	1,000	3,300
1-7700-24	1-7700-34	17	Hot Water Recirculation Rebate	2,266	0	0	2,000	2,000	2,266
1-7700-25		18	Residential Fill Station	66,421	0	0	0	0	66,421
b. Commercial									
1-7701-02	1-7701-05	1	Toilet Rebate Program	67,061	0	300	10,000	9,700	67,361
1-7701-03	1-7701-04	2	Commercial Audits	21,608	275	1,615	9,000	7,385	23,223
c. Public Outreach/Information									
1-8672-16		1	Fall Newsletter	67,368	4,139	4,233	8,000	3,767	71,601
1-8672-17		2	Spring Newsletter	85,224	0	0	9,000	9,000	85,224
1-8672-18		3	Summer Newsletter	20,290	0	0	0	0	20,290
1-7700-04		4	Public Outreach / H <sub>2</sub> O Fair	122,868	282	2,677	7,000	4,323	125,545
1-7700-05		5	Marketing	150,716	0	1,880	15,000	13,120	152,596
1-7700-22		6	Public Outreach/Leadership Novato	11,098	0	0	0	0	11,098
d. Large Landscape									
1-8653-02		1	Large Landscape Audits	90,427	131	131	3,000	2,869	90,558
1-7702-01		2	Large Landscape Budgets	37,883	0	0	1,000	1,000	37,883
1-7702-02	1-7702-04	3	Large Landscape Irrig Efficiency Rebates	14,460	0	0	4,000	4,000	14,460
1-8653-01		4	CIMIS Station Maintenance	18,866	15	510	2,000	1,490	19,376
1-7702-03		5	Administration-Large Landscape	71,730	936	7,850	13,000	5,150	79,580
TOTAL NOVATO WATER CONSERVATION				\$4,990,655	\$30,926	\$76,293	\$380,000	\$303,707	\$5,066,947
WEST MARIN WATER									
2-5166-00		a.	Water Conservation Program	\$89,054	\$186	\$1,048	\$10,000	\$8,952	\$90,102
TOTAL WATER CONSERVATION EXPENDITURES				\$89,054	\$186	\$1,048	\$10,000	\$8,952	\$90,102

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

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Description	COST THRU JUNE 2018	SEPTEMBER 2018	FYTD TOTAL	FY 18/19 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
<b>1 PIPELINE REPLACEMENTS/ADDITIONS</b>						
a. Main/Pipeline Replacements						
1-7161-00 1 Ridge Road 6" ACP (8" @ 1,400')	\$682,854	\$164	\$63,138	\$140,000	\$76,862	\$745,992
1-7161-01 2 Ridge Road 6" ACP-Materials Purchase	67,832	0	37	0	(37)	67,869
3 Other Main Replacements (60+ years old)	0	0	0	160,000	160,000	0
1-7179-00 4 Bel Marin Keys/101 On Ramp Pipe Repair	0	0	48,209	0	(48,209)	48,209
1-7180-00 5 Montego Keys Pipeline Replacement	0	379	2,506	0	(2,506)	2,506
b. Main/Pipeline Additions						
1-7150-00 1 San Mateo Inlet/Outlet Pipe (2,200')	45,348	126	126	500,000	499,874	45,475
c. PB Service Line Replacements						
1-7123-22 1 Repl PB-Brooke/Robinhood/McIntosh/Charmaine/Timothy	66,286	5,710	23,972	0	(23,972)	90,258
1-7169-00 2 Country Lane 2" Plastic	7,445	1,120	2,898	150,000	147,102	10,343
1-7176-00 3 Replace Shady Lane Service Saddles	4,548	414	26,482	100,000	73,518	31,030
1-7177-00 4 Rush Creek Pipe Protection	0	0	0	0	0	0
d. Relocations to Sync w/City & County CIP						
1-8737-xx 1 Other Relocations	0	0	0	70,000	70,000	0
<b>TOTAL PIPELINE REPLACEMENTS/ADDITIONS</b>	<b>\$874,313</b>	<b>\$7,914</b>	<b>\$167,369</b>	<b>\$1,120,000</b>	<b>\$952,631</b>	<b>\$1,041,682</b>
e. Aqueduct Replacements & Enhancements						
1-7118-02 1 MSN B2-Utility Agreement Costs <sup>4</sup>	\$72,949	\$0	\$3,250	\$0	\$0	\$76,199
1-7118-11 2 AEEP Post Construction Costs	3,221	698	2,891	0	(2,891)	6,113
1-7118-19 3 AEEP B3 Betterment & Depr Cost	439	0	0	0	0	439
	<b>\$76,609</b>	<b>\$698</b>	<b>\$6,142</b>	<b>\$0</b>	<b>(\$2,891)</b>	<b>\$82,751</b>
<b>2 SYSTEM IMPROVEMENTS</b>						
1-7007-11 a. Detector Check Assembly Repair/Repl (~14/yr)	\$131,448	\$0	\$0	\$60,000	\$60,000	\$131,448
1-7090-04 b. Anode Installations (150/yr)	0	0	0	30,000	30,000	0
1-7157-00 c. Automate Zone Valve	1,016	0	0	100,000	100,000	1,016
1-7158-00 d. Advanced Meter Information Retrofit <sup>1</sup>	3,849,754	10,975	850,584	2,500,000	1,649,416	4,700,337
1-7136-00 e. Facilities Security Enhancements	51,592	0	6,721	25,000	18,279	58,312
1-7178-00 f. Asset Management Software Procurement/Implementation	0	0	42	75,000	74,958	42
<b>TOTAL SYSTEM IMPROVEMENTS</b>	<b>\$4,033,809</b>	<b>\$10,975</b>	<b>\$857,346</b>	<b>\$2,790,000</b>	<b>\$1,932,654</b>	<b>\$4,891,155</b>
<b>3 BUILDINGS, YARD, &amp; S.T.P. IMPROVEMENTS</b>						
a. Administration Building						
1-6501-43 1 Electronic Document Management System	\$0	\$0	\$0	\$140,000	\$140,000	\$0
1-6501-44 2 Office/Yard Building Renovation <sup>2</sup>	52,381	0	0	250,000	250,000	52,381
b. Stafford Treatment Plant						
1-6600-89 1 Coat Concrete Clearwells (Both Units)	2,346	4,016	17,890	590,000	572,110	20,236
1-6600-92 2 Other Treatment Plant Improvements	0	0	0	50,000	50,000	0
1-6600-91 3 Stafford Spillway Repairs	79,604	0	175	0	(175)	79,779
<b>TOTAL BUILDING, YARD, &amp; STP IMPROVEMENTS</b>	<b>\$134,331</b>	<b>\$4,016</b>	<b>\$18,065</b>	<b>\$1,030,000</b>	<b>\$1,011,935</b>	<b>\$152,396</b>
<b>4 STORAGE TANKS &amp; PUMP STATIONS</b>						
1-7170-00 a. Hydropneumatic Tank Repairs	\$15,145	\$0	\$0	\$30,000	\$30,000	\$15,145
1-6112-24 b. Lynwood Pump Station Motor Control Center	103,098	0	12,254	280,000	267,746	115,351
1-6141-00 c. Crest P.S.(Design/Const)/Reloc School Rd P.S.	22,578	6,831	17,049	200,000	182,951	39,626
1-6207-20 d. Old Ranch Road Tank Replacement	14,394	1,992	6,648	60,000	53,352	21,042
1-6205-22 e. Cherry Hill #2 Recoat	0	0	0	250,000	250,000	0
<b>TOTAL STORAGE TANKS &amp; PUMP STATIONS</b>	<b>\$155,214</b>	<b>\$8,823</b>	<b>\$35,950</b>	<b>\$820,000</b>	<b>\$784,050</b>	<b>\$191,164</b>

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

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Description	COST THRU JUNE 2018	SEPTEMBER 2018	FYTD TOTAL	FY 18/19 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
<b>5 RECYCLED WATER</b>						
5-7127-03 a. NBWRA Grant Program Administration	\$1,307,784	\$6,000	\$6,000	\$20,000	\$14,000	\$1,313,784
5-6058-13 b. Expansion to Central Area <sup>3</sup>	1,094,677	0	0	0	0	1,094,677
5-6058-15 c. RW Central Right of Way Costs <sup>3</sup>	83,607	2,561	2,561	0	(2,561)	86,168
5-6058-23 d. RW Central Private Onsite Retrofit <sup>3</sup>	774,727	1,945	10,787		(10,787)	785,514
5-6058-25 e. RW Central Public Onsite Retrofit <sup>3</sup>	29,338	0	0	0	(0)	29,339
5-6058-30 f. RW Exp-Central-East Side Const <sup>3</sup>	4,072,735	525	2,217	0	(2,217)	4,074,953
5-6058-35 g. RW-Central East-Rowland Way <sup>3</sup>	353,862	0	0	0	0	353,862
5-6058-40 h. RW Exp-Central-West Side Const <sup>3</sup>	6,863,454	0	373	0	(373)	6,863,827
5-6058-50 i. RW Central-Norman Tank Rehab/Const <sup>3</sup>	1,122,107	0	0	0	0	1,122,107
5-6058-60 j. RW Central-Highway101 Crossing	854,674	0	0	0	0	854,674
k. Other Recycled Water Expenditures	0	0	0	100,000	100,000	0
5-7162-02 l. So Novato Dual Plumbed Shell Loop	0	350	525	0	(525)	525
<b>TOTAL RECYCLED WATER</b>	<b>\$16,556,966</b>	<b>\$11,381</b>	<b>\$22,464</b>	<b>\$120,000</b>	<b>\$97,536</b>	<b>\$16,579,430</b>
<b>6 WEST MARIN WATER SYSTEM</b>						
2-6263-20 a. Replace PRE Tank #4A (25K Gal w/82K Gal)	\$199,266	\$2,989	\$12,271	\$625,000	\$612,729	\$211,537
2-8829-00 b. PB Replace in Sync w/County Paving	0	0	0	50,000	50,000	0
2-6601-32 c. TP Solids Handling	197,161	0	623	550,000	549,377	197,785
2-6609-20 d. New Gallagher Well #2	588	379	1,120	90,000	88,880	1,708
2-7123-23 e. PB Replacement-State Route One	0	3,526	13,677	0	(13,677)	13,677
f. Relocation of Production Meter	0	0	0	10,000	10,000	0
<b>TOTAL WEST MARIN WATER SYSTEM</b>	<b>\$397,015</b>	<b>\$6,894</b>	<b>\$27,690</b>	<b>\$1,325,000</b>	<b>\$1,297,310</b>	<b>\$424,706</b>
<b>7 OCEANA MARIN SEWER SYSTEM</b>						
8-8672-28 a. Infiltration Repair	\$39,195	\$0	\$0	\$40,000	\$40,000	\$39,195
8-7171-00 b. Pond Dredging & Relining	2,239	2,083	11,866	400,000	388,134	14,105
8-6607-22 c. OM Treatment Pond-Storm Damage-FEMA	0	0	0	125,000	125,000	0
8-7173-00 d. OM Treatment Pond Rehab-404 Grant-FEMA	44,610	1,664	1,664	0	(1,664)	46,274
<b>TOTAL OCEANA MARIN SEWER SYSTEM</b>	<b>\$86,044</b>	<b>\$3,747</b>	<b>\$13,530</b>	<b>\$565,000</b>	<b>\$551,470</b>	<b>\$99,574</b>
<b>TOTAL PROJECT EXPENDITURES</b>	<b>\$22,314,302</b>	<b>\$54,449</b>	<b>\$1,148,556</b>	<b>\$7,770,000</b>	<b>\$6,624,694</b>	<b>\$23,462,857</b>
<b>8 LESS FUNDED BY GRANTS, LOANS &amp; REIMBURSEMENTS</b>						
<b>(Accrued)/Deferred</b>						
a. RW Expansion - Central Service Area SRF Loan <sup>3</sup>	(\$2,227,069)	\$0	\$2,227,069	\$0	(\$2,227,069)	\$0
b. RW Expansion - Central Service Area Grant <sup>3</sup>	(43,026)	0	43,026	0	(43,026)	0
c. MSN Aqueduct Caltrans Reimb-Segment B2 <sup>4</sup>	(1,585)	0	(3,250)	0	3,250	(4,835)
d. Office/Yard Building Renovation <sup>2</sup>	(52,597)	0	0	0	0	(52,597)
<b>FUNDING BY OTHERS (ACCRUED)/DEFERRED</b>	<b>(\$2,324,277)</b>	<b>\$0</b>	<b>\$2,266,845</b>	<b>\$0</b>	<b>(\$2,266,845)</b>	<b>(\$57,432)</b>
<b>Received</b>						
a. RW Expansion - Central Service Area SRF Loan <sup>3</sup>	(\$4,883,337)	\$0	(\$2,227,069)	(\$2,227,069)	\$0	(\$7,110,406)
b. RW Expansion - Central Service Area Grant <sup>3</sup>	(5,988,079)	0	(43,026)	(\$43,026)	0	(6,031,105)
c. MSN Aqueduct Caltrans Reimb-Segment B2 <sup>4</sup>	(59,974)	0	0	0	0	(59,974)
d. Office/Yard Building Renovation <sup>2</sup>	0	0	0	(250,000)	(250,000)	0
<b>FUNDING BY OTHERS RECEIVED</b>	<b>(\$10,931,390)</b>	<b>\$0</b>	<b>(\$2,270,095)</b>	<b>(\$2,520,095)</b>	<b>(\$250,000)</b>	<b>(\$13,201,485)</b>
<b>NET PROJECT EXPENDITURES</b>	<b>\$9,058,635</b>	<b>\$54,449</b>	<b>\$1,145,306</b>	<b>\$5,249,905</b>	<b>\$4,107,849</b>	<b>\$10,203,940</b>

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

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Description	COST THRU JUNE 2018	SEPTEMBER 2018	FYTD TOTAL	FY 18/18 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
<b>CIP SUMMARY-GROSS EXPENDITURES:</b>		<b>Current Month</b>	<b>FYTD Total</b>	<b>FY 17/18 Budget</b>	<b>FYTD/ Budget%</b>	
Novato Water Capital Projects		\$32,426	\$1,084,871	\$5,760,000	19%	
Novato Recycled Water Capital Projects		11,381	22,464	120,000	19%	
West Marin Water Capital Projects		6,894	27,690	1,325,000	2%	
Oceana Marin Sewer Capital Projects		3,747	13,530	565,000	2%	
<b>Gross Capital Improvement Project Outlays</b>		<b>\$54,449</b>	<b>\$1,148,556</b>	<b>\$7,770,000</b>	<b>15%</b>	
<b>CIP SUMMARY-NET EXPENDITURES:</b>		<b>Current Month</b>	<b>FYTD Total</b>	<b>FY 17/18 Budget</b>	<b>FYTD/ Budget%</b>	
Novato Water Capital Projects		\$32,426	\$1,081,621	\$5,510,000	20%	
Novato Recycled Water Capital Projects		11,381	22,464	(2,150,095)	-1%	
West Marin Water Capital Projects		6,894	27,690	1,325,000	2%	
Oceana Marin Sewer Capital Projects		3,747	13,530	565,000	2%	
<b>Net Capital Improvement Project Outlays</b>		<b>\$54,449</b>	<b>\$1,145,306</b>	<b>\$5,249,905</b>	<b>22%</b>	

**Notes to Capital Improvement Projects Schedule:**

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

<b>CONSULTING SERVICES/STUDIES</b>						
1-4055-00	a. Stafford Lake Sanitary Survey	\$12,762	\$0	\$0	\$0	\$12,762
1-4056-00	b. Novato Creek Steelhead Recovery	45,121	0	336	0	45,457
1-4057-00	c. Local Water Supply Enhancement Study	0	0	0	150,000	0
1-7039-02	d. Novato Water Master Plan Update	76,946	1,868	4,637	30,000	81,583
1-4058-00	e. Cost of Service Study Peer Review	0	0	0	30,000	0
1-4059-00	f. Stafford Lake Water Rights Update	0	0	0	50,000	0
1-4060-00	g. STP Efficiency Improvements	0	0	500	75,000	500
1-4063-00	h. Novato Asset Management Study	50,336	2,035	7,703	0	58,039
1-4073-00	k. Surplus Property	200	0	0	0	200
2-4061-00	l. Digitize West Marin Water Facility Maps	17,559	0	898	0	18,457
		<b>\$202,924</b>	<b>\$3,903</b>	<b>\$14,074</b>	<b>\$335,000</b>	<b>\$216,998</b>

## North Marin Water District Financial Statement Notes

### Note 1 - Restricted Cash

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

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

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

**AMI Project Fund:** The District received a \$4.6 million loan from Chase Bank in March 2018 to fund the Automated Meter Information System Project. The 15-year, 2.69% annual percentage rate loan requires semi-annual payments and will be fully amortized on 3/1/2033. The fund is reduced by project expenditures and once all loan proceeds are disbursed, the fund will be closed. The fund balance does not accrue interest.

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

**Bank of Marin Project Fund:** The District received an \$8 million loan from the Bank of Marin in October 2011 to fund the Aqueduct Energy Efficiency Project. The 20-year, 3.54% annual percentage rate loan requires monthly payments of \$46,067 and will be fully amortized on 10/27/2031. In June 2012 the Board authorized reallocating \$1 million of this loan to West Marin Water to repay Novato Water \$223,000 owed for previous loans to fund Long Range Improvement Projects and the remainder to fund the Solids Handling Facility at the Point Reyes Water Treatment Plant. The unexpended fund balance accrues interest monthly.

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

**Recycled Water Capital Replacement and Expansion Fund:** The 2011 Interagency Agreements for Recycled Water between NSD, LGVSD & NMWD require that any payments to the Distributor (NMWD) by the End User (Consumers) in excess of actual costs (marginal payments) shall be deposited in this fund. Operation and Maintenance Costs are defined as the actual cost of: labor (including general and administrative overhead plus tools and supplies normally applied), equipment and vehicle charges, consumables (such as chemicals and electrical power), and spare parts and/or replaced components

necessary to reliably treat and deliver recycled water to the End Users. Operation and Maintenance Costs do not include costs for major capital replacement or process changes.

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

**STP SRF Reserve Fund – Marin County Treasury:** The 2004 Stafford Treatment Plant State Revolving Fund (SRF) loan agreement requires the District to build a Reserve Fund equal to one year of payments (\$1,044,474) in the Marin County Treasury during the first ten years of the 20-year repayment period. Every January 1 and July 1, commencing January 1, 2010, the District deposits with the County 10% of the semi-annual SRF payment. The County credits the fund with interest quarterly, and will use the Reserve to pay the last 2 semi-annual SRF loan payments.

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

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

#### **Note 2 - Designated Cash**

**Self-Insured Workers' Compensation Fund:** Commencing July 2011, the District began self-insuring its workers' compensation liability. The savings accrued through self-insuring the liability is reserved in this fund for possible future claims expense. The District carries a workers' compensation excess policy for claims that exceed \$1,000,000. See schedule on page 21.

**Retiree Medical Benefits Fund:** NMWD pays the cost of health insurance for retirees between the ages of 55 and 65 and spouse under any group plan offered by CalPERS. The retiree must be at least 55 and have a minimum of 12 years of NMWD service at the date of retirement. NMWD's contribution toward the chosen plan is capped in the same manner as all other NMWD employees in the same class. Coverage terminates for the spouse when the spouse becomes eligible for Medicare, or for both the retiree and spouse when the retiree becomes eligible for Medicare. When the retiree or spouse becomes eligible for Medicare, NMWD pays up to the couple annuitant rate, which is capped at \$3,830 per year (\$319/month). In August 2003, NMWD transferred \$2.55 million (\$2.3 million for current retirees plus \$250,000 for future retirees) from unrestricted cash into a reserve to fund this obligation. In 2010 the Board directed staff to add \$1,500 per employee annually as a payroll overhead to accrue and accelerate amortization of this liability. The accrual is maintained as a Long-Term Liability entitled Retiree Health Benefits Payable. The Total OPEB Liability has a balance of \$4.1M. In 2017 an Actuarial Analysis calculated NMWD's total actuarial liability at \$5.6 million. The Retiree Medical Benefits cash fund earns interest monthly. Accounting Standards require that the \$5.6M reserve be fully funded in 20 years.

**Drought Contingency (Rate Stabilization) Fund:** In August 2008, the Board directed staff to establish this reserve with \$135,000 from the Self-Insured Workers' Compensation Fund for the Novato district to draw upon during dry years. A threshold of 3.2 billion gallons of potable consumption was established as a benchmark for 'normal' years. During any fiscal year that water sales volume exceeds 3.2BG, the incremental revenue generated is deposited into the Drought Contingency Reserve. In those years when sales volume falls below the benchmark, funds are withdrawn from the reserve to maintain the budgeted revenue forecast. The goal is to build a reserve equal to 20% (currently \$2,500,000) of budgeted annual water commodity sales. In FY09 \$50,335 was added to the reserve. The fund was fully depleted in FY10. The fund balance accrues interest monthly.

**Maintenance Accrual Fund:** Established in FY91 to provide a source of maintenance money for replacement of treatment, storage, transmission and distribution facilities as they wear out. The annual contribution from operating reserves was initially \$200,000. Net polybutylene claim settlement proceeds of \$671,060 were closed into the fund in FY93. In FY94 the annual contribution was reduced to \$100,000.

The District's goal is to build a reserve equal to 10% of the net book value of Novato's existing plant, currently \$7.0M. Funds are borrowed from the Maintenance Accrual Fund to offset the shortfall in unrestricted Cash & Investments. The fund balance does not accrue interest.

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

### **Note 3 – Employee Loans**

**Housing Loans:** The District's Employer Assisted Housing Program allows up to \$300,000 to be loaned to an employee for a period of up to 15 years for the purchase of a home within the District service territory that will enable the employee to respond rapidly to emergencies affecting the operation of the District. Repayment is due upon sale, termination of employment, or other event as described in the Program. Interest on the loan is contingent upon and directly proportional to the appreciation in value occurring on the purchased property. There are four employee-housing loans currently outstanding totaling \$714,200: a \$39,200 loan dated September 2004, a \$150,000 loan dated November 2007, a \$250,000 loan dated March 2015, and a \$275,000 loan dated June 2018.

### **Note 4 – Other Long Term Receivables**

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

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

### **Note 5 – Depreciation**

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

<u>Facility</u>	<u>Life (Years)</u>
Aqueduct.....	150
Dam.....	100
Buildings & Structures.....	40
Mains.....	50
Pumping Equipment.....	25
Water Treatment Equipment.....	20
Storage & Transmission (16"+) Facilities.....	50
Distribution Facilities (includes Pump Stations).....	50
Office, Laboratory, Construction & Shop Tools & Equipment.....	10
Vehicles 1 ton or greater.....	10
All other vehicles.....	5
Sewer Mains.....	40
Sewer Pumps.....	10

### **Note 6 - Capitalization Policy**

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

### **Note 7 – Bond & Loan**

#### **Servicing Schedule for Fiscal Year 2018-2019**

Service Area	Description	Issue Date	Rate	Original Amount	Payment Due	Final Pmt	FY19		6/30/19 Outstanding Balance
							Interest Expense	Principal Paid	
1 Novato	SRF Loan - STP	2004	2.39%	\$16,528,850	7/1 & 1/1	7/1/29	\$235,405	\$809,069	\$9,241,578
2 Novato	Bank Marin Loan	2011	3.54%	\$7,000,000	27 <sup>th</sup> /mo	10/27/31	\$171,462	\$310,580	\$4,845,316
3 Novato	Chase Loan	2018	2.69%	\$4,600,000	3/1 & 9/1	3/1/33	\$116,522	\$240,000	\$4,360,000
Novato Total							\$523,389	\$1,359,649	\$18,446,894
4 RW TP	SRF Loan	2006	2.4%	\$4,302,560	6/19	6/19/27	\$52,543	\$220,824	\$1,968,463
5 RW North	SRF Loans (4)	2013	2.6%	\$4,375,605	Varies	Varies	\$87,149	\$194,743	\$3,157,142
6 RW South	SRF Loans (3)	2013	2.2%	\$5,359,858	Varies	Varies	\$94,132	\$238,275	\$4,040,446
7 RW Central	SRF Loan	2016	1.0%	\$7,130,503	12/18	12/31/47	\$53,287	\$206,427	\$6,924,076
Recycled Water Total							\$287,111	\$860,269	\$16,090,127
8 PRE	PRE-1 Revenue	1980	5.0%	\$240,000	10/1 & 4/1	4/1/20	\$1,300	\$13,000	\$13,000
9 Point Reyes	PR-6 Revenue	1981	5.0%	\$217,800	7/1 & 1/1	7/1/21	\$1,750	\$11,000	\$34,000
10 WM Water	Bank Marin Loan	2012	3.54%	\$1,000,000	27 <sup>th</sup> /mo	10/27/31	\$25,169	\$45,590	\$710,934
West Marin Water Total							\$28,219	\$69,590	\$757,934
FY19 Total							\$838,719	\$2,289,508	\$35,294,955

1. In April 2004 the California State Department of Water Resources approved a 2.39% 20-year loan for reconstruction of the Stafford Water Treatment Plant. The project was completed in FY09 with repair of the Outlet Tower Sluice Gate. Interest paid during construction totaled \$1,636,378. The loan covenants require an annual reserve fund contribution of \$104,447 (10% of the annual debt service obligation) be deposited into the Marin County Treasury during each of the first ten years of the repayment period. Debt service is funded 25% by Facility Reserve Charges. The first payment was made in December 2009.
2. In October 2011 Bank of Marin made a 20-year 3.54% (APR) loan of \$8 million to fund the District's share of the Aqueduct Energy Efficiency Project. See Note 15 below, and note to loan 9 above.
3. In March 2018 Chase Bank made a 15-year 2.69% (APR) loan of \$4.6 million to fund the District's Automated Meter Information System Project.

4. In August 2006 the California State Department of Water Resources approved a 2.4% 20-year loan of \$4,264,545 for construction of the Deer Island Recycled Water Facility. With the addition of \$38,015 in Construction Period Interest, the loan principal totaled \$4,302,560. The project was completed in June 2007, and the first payment was made June 19, 2008.
5. In July 2011 the California State Department of Water Resources approved a series of four 2.6% 20-year loans which totaled \$4,375,605 for the Recycled Water North Service Area Expansion Project. The projects were completed on October 31, 2012, and the first payment was made in November of 2012.
6. In March 2012 the California State Department of Water Resources approved a series of three 2.2% 20-year loans totaling \$5,361,952 for the Recycled Water South Service Area Expansion Project. The projects were completed on September 4, 2013, and the first payment was made in December of 2013.
7. In May 2016 the California State Department of Water Resources approved a 1.0% 30-year loan of \$6,592,295 for the Recycled Water Central Service Area Expansion. The project will be completed in December 2017, and the first payment will be made December 31, 2018.
8. The Paradise Ranch Estates private water system was created by David Adams and Sons in 1952 to provide water to 85 homes in the PRE subdivision located north of Inverness Park. Problems with water quality and quantity developed and in 1969 the Marin County Health Department issued a boil-water order to all customers of the company. In 1972 the County declared a moratorium on issuance of building permits. A suit by property owners resulted in an agreement reached in Marin Superior Court in late 1978 directing Adams to finance a District feasibility study for the takeover of the system. This culminated in formation of Improvement District PRE-1 and an election authorizing issue of \$240,000 of 5% 40-year revenue bonds, which, in conjunction with a \$720,000 Farmers Home Administration grant, financed system rehabilitation. Service was provided from the Point Reyes System by installation of an additional well, expansion of the treatment plant, and a 6-inch pipeline connection at the Inverness Park pump station extending 1.6 miles along Sir Francis Drake Boulevard to the newly reconstructed Paradise Ranch Estates distribution system. On 4/22/80 the USDA purchased the revenue bond issue in its entirety.
9. In 1981 work commenced on rehabilitating the Point Reyes Inverness Park water system. 18,865 feet of pipeline was either replaced or installed, a 300,000-gallon tank was added in Point Reyes Station and a 100,000-gallon tank was added in Inverness Park. Total cost of these improvements was \$820,015. A 72% grant combined with a \$217,800 5% 40-year revenue bond acquired 8/28/81 by the Farmers Home Administration financed the project.
10. In June 2012 the Board authorized reallocating \$1 million of the Bank of Marin loan to West Marin Water to repay Novato Water \$223,000 owed for loans to fund Long Range Improvement Projects and the remainder to fund the Solids Handling Facility at the Point Reyes Water Treatment Plant. See note to loan 2 above.

#### **Note 8 – Unemployment Insurance Reserve**

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

#### **Note 9 – Payroll Benefits**

Payroll Benefits Payable includes Employer and Employee paid payroll taxes; vacation, sick, floating holiday and comp time leave, Section 125 payments; cancer, long term care and disability insurance premiums; union dues; and employee benefit fund.

#### **Note 10 - Interest Policy on Inter-District Loans**

In the event an improvement district expends all of its Undesignated Funds, it shall borrow funds from that improvement district's Board Designated Fund reserves to meet ongoing requirements. In the event an

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

No interest shall be paid by an improvement district on funds borrowed from that improvement district's Board Designated Fund reserves. Interest on loans from the Novato Improvement District shall be paid by the recipient district to the Novato district based upon the outstanding loan balance at the close of the previous accounting period. Interest shall be calculated at the higher of: 1. The weighted average interest rate of Novato improvement district debt (2.78% at 6/30/17); or 2. The average interest rate earned on the District treasury since the close of the previous accounting period; plus \$50 per month.

**Note 11 – Budget Augmentations**

**Note 12 – Prior Period Adjustment**

**Note 13 – Explanation of Financial Statement Components**

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

**The Statement of Net Position** (page 4) reports the District's assets and liabilities and provides information about the nature and amount of investments in resources (assets) and the obligations to the District's creditors (liabilities). The difference between assets and liabilities is reported as *net position*. Over time, increases or decreases in the fund balance may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

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

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

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

**Other Supplementary Information** includes Detail Income Statements presented in accordance with GAAP for each of the four service areas (pages 10, 14, 16, 19). These statements present income and expenditures in close detail for further analysis. Other supplementary schedules of note include the Vehicle Fleet Analysis (page 25), Equipment Expenditures (page 22) and Capital Improvement Project Expenditures (page 27), which show outlays to date, compared with budget authority.

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

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

	Expansion Local Share			NBWRA	SRF RWF Expansion		CIP	Total	Transfer Executed
	North	South	Central		Loan	SRF Loan			
FY07				\$29,725				\$29,725	
FY08				\$50,478	\$22,795			\$73,273	
FY09				\$150,455	\$22,795			\$173,250	
FY10	\$133,659			\$75,198	\$22,795			\$231,652	\$133,659
FY11				\$133,319	\$22,795			\$156,114	
FY12	\$233,478	\$265,500		\$115,883	\$22,795			\$637,656	
FY13				\$315,023	\$22,795	\$464,572		\$802,390	\$1,970,400
FY14	\$236,291	\$723,525	\$4,024	\$63,035	\$22,795	\$500,529		\$1,550,200	\$1,550,200
FY15		\$17,563	(\$4,024)	\$38,283	\$22,795	\$614,299		\$688,916	\$688,916
FY16	\$0	\$0	\$66,729	\$102,842	\$22,795	\$614,299		\$806,664	\$806,664
FY17			\$362,524	\$194,636	\$22,795	\$614,299	\$36,687	\$1,230,940	\$1,230,940
FY18			\$5,071,512	\$38,908	\$22,795	\$614,299		\$5,747,513	\$5,747,513
FY19			(\$2,254,157)	\$6,000		\$216,362		(\$2,031,795)	(\$2,031,795)
	<b>\$603,428</b>	<b>\$1,006,589</b>	<b>\$3,246,608</b>	<b>\$1,313,785</b>	<b>\$250,744</b>	<b>\$3,638,659</b>	<b>\$36,687</b>	<b>\$10,096,499</b>	<b>\$10,096,499</b>

**Note 15 –Debt Service Coverage Ratio**

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

	FY15	FY16	FY17	FY18	Budget FY19
Net Income/(Loss)	\$1,050,523	\$91,719	\$597,600	\$1,860,520	\$1,159,000
Depreciation	\$3,183,725	\$3,286,353	\$3,416,507	\$3,434,069	\$3,528,000
Interest Expense	\$847,951	\$807,035	\$757,935	\$833,197	\$850,000
Connection Fees	\$801,600	\$278,690	\$1,034,585	\$1,455,400	\$733,000
Total Available For Debt Service	\$5,883,799	\$4,463,797	\$5,806,627	\$7,583,186	\$6,270,000
Annual Debt Service	\$2,534,473	\$2,528,938	\$2,527,021	\$2,201,451	\$3,129,000
<b>Debt Service Coverage Ratio</b>	<b>2.32</b>	<b>1.77</b>	<b>2.30</b>	<b>3.45</b>	<b>2.01</b>

6

## MEMORANDUM

To: Board of Directors

November 2, 2018

From: Julie Blue, Auditor/Controller 

Subj: Customer Service Questionnaire Incentive

t:\acboard reports\board memos\2018\customer service questionnaire incentive 11.06.18.docx

**RECOMMENDED ACTION:** Approve**FINANCIAL IMPACT:** \$500 Expense per Year

The District mails a short, 5-question, customer service questionnaire with a postage paid return envelope to customers who call with a complaint or concern that requires dispatch of a Field Service Representative. Included with this memo is a copy of the survey. The purpose of the questionnaire is to solicit customer feedback as to whether the District responded to the concern in a prompt, competent, and courteous manner. On average 35 questionnaires are mailed out monthly and about 52% are returned. The District receives a 90%+ "Agree" rating from the surveys returned. The Board sees a summary of customer responses as an attachment to the Monthly Progress Report.

In March 2017, the board approved a \$2 incentive which provided customer's a credit on their bill for return of the survey. This incentive has more than doubled the return rate and has shown to provide important customer feedback.

The cost to mail one questionnaire is approximately \$1.30. The \$2 customer credit incentive has proven to increase customer responses while keeping the cost per returned survey at around \$4. To date the District has spent \$580 for this program for the period of April 2017 through September 2018. The expected cost of the incentive program is less than \$500 annually.

**RECOMMENDATION:**

Authorize staff to continue to offer a \$2 incentive to customers who return the Customer Service Questionnaire.

Approved by GM 

Date

11.2.18



## North Marin Water District

999 Rush Creek Place  
P.O. Box 146  
Novato, CA 94948  
(415) 897-4133  
e-mail: [info@nmwd.com](mailto:info@nmwd.com)

For a limited time, customers who  
return the questionnaire will receive a  
\$2 credit on their next water bill.

### CUSTOMER SERVICE QUESTIONNAIRE

Our goal is to provide prompt, competent and courteous service on a timely basis. Your input is vital to our success. Please help us serve you and others by taking a few minutes to answer the questions below. Thank you for responding.

*Drew McIntyre, General Manager*

What was the nature of your contact with us?

- |  |                                       |
|--|---------------------------------------|
| <input type="checkbox"/> Water Quality | <input type="checkbox"/> Leak         |
| <input type="checkbox"/> Billing       | <input type="checkbox"/> Noisy Pipes  |
| <input type="checkbox"/> Pressure      | <input type="checkbox"/> Other, _____ |

STATEMENTS	Check (✓) As Appropriate		
	Agree	OK, Neutral	Disagree
Staff was courteous and helpful.			
Staff provided complete, accurate information to you.			
Service was prompt.			
My needs were resolved to my satisfaction.			
My overall experience was positive.			

Comments:

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Are there any issues you feel North Marin Water District should address in the future:

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Please fold this survey in thirds, with District address on outside  
Tape and mail. Postage will be paid by NMWD.

SERVICE ADDRESS \_\_\_\_\_

7

## MEMORANDUM

To: Board of Directors November 2, 2018

From: Rocky Vogler, Chief Engineer *RV*

Subject: Notice of Completion for Recycled Water Expansion Central Service Area – Onsite Private Retrofit Project (Wildcat Engineering)

R:\Folders by Job Nol6000 jobs\6058 RW Central\BOD Memos\6058.20 Onsite Private Retrofits Notice of Completion BOD memo.docx

**RECOMMENDED ACTION:** Authorize the General Manager to execute and file a Notice of Completion for the Recycled Water Expansion Central Service Area – Onsite Private Retrofit Project.

**FINANCIAL IMPACT:** None

Pursuant to and in conformance with contract requirements for the Recycled Water Expansion Central Service Area – Onsite Private Retrofit Project, the contractor (Wildcat Engineering) has fulfilled their obligations under the contract. Corrections of all work deficiencies and punch list items have been completed. All work performed by Wildcat Engineering (Wildcat) has been inspected by District staff. Wildcat's work was completed on July 21, 2018.

Per the Contract Documents, Wildcat has furnished written notice that the work is complete, that all subcontractors and equipment suppliers have been paid, and Wildcat has released the District of all claims (**see Attachment A**). The remaining invoice submitted by Wildcat which has been approved, but not yet paid is \$73,327.03. A Notice of Completion is provided as **Attachment B** which, if approved, will be filed with Marin County on November 7, 2018. Final payment (for monies held in retention) in the amount of \$28,787.36 will be processed for release on or about December 12, 2018, subject to absence of any claims filed during the 30-day notice period.

Project Cost Summary

The Board approved the award of the Onsite Private Retrofit project contract with Wildcat on November 7, 2017 for \$564,675, and included a contingency of \$56,000 (10% of contract value). A change order for \$19,193.52 and a deductive change order in the amount of -\$8,117 were processed and covered by the contingency. The total contractor payment is \$575,751.52, \$44,923.48 less than the approved budgeted amount (including contingency).

RECOMMENDATION

Authorize the General Manager to execute and file a Notice of Completion for the Recycled Water Expansion Central Service Area – Onsite Private Retrofit Project.

Approved by GM *[Signature]*

Date *11-2-18*

**CONDITIONAL WAIVER  
RELEASE AND CERTIFICATE OF FINAL PAYMENT**

TO: North Marin Water District (District)

JOB: Recycled Water Onsite Private Retrofits

JOB NO: 5 6058.20

CONTRACT DATED: December 21, 2017

**CONTRACTOR:**

Wildcat Engineering  
1364 N. McDowell Blvd., #A3  
Petaluma, CA 94954

**DESCRIPTION OF PROJECT:** The work of this project includes sites for conversion to recycled water irrigation use.

**DESCRIPTION OF SITE (LOCATION):**

With reference to said contract, as amended, between the undersigned contractor and the District, the undersigned hereby certifies and represents that it has made full payment of all costs, charges and expenses incurred by it or on its behalf for work, labor, services, materials and equipment supplied to the foregoing site and/or used in connection with its work under said contract.

The undersigned further certifies that to its best knowledge and belief, each of its subcontractors and materialmen has made full payment of all costs, charges and expenses incurred by them or on their behalf for work, labor, services, materials and equipment supplied to the foregoing site and/or used by them in connection with the undersigned's work under said contract.

In consideration of the sum of \$102,114.61 (payment #7 \$73,327.03 + retainage \$28,787.58) as final payment under the contract to be received hereafter within a reasonable time, the undersigned, upon receipt of such final payment, waives and releases and forever discharges the District and the site and property from all claims, stop notices and obligations of every nature arising out of or in connection with the performance of said contract by the undersigned and all amendments thereto except as set forth below.

\*\*NONE\*\*

(Note: If none, write "NONE" in space above. If the space above is left blank, it is interpreted that "NONE" is claimed. Any claims excepted must be described and the specific amount claimed must be set forth.)

Unless any claims, stop notices, and obligations are described and the specific amounts claimed, are described in the space above, contractor certifies that there are none.

As additional consideration for the final payment the contractor agrees to indemnify and hold harmless the District from and against all costs, losses, damages, claims, causes of action, judgments and expenses, including attorney's fees arising out of or in connection with claims against the District which claims arise out of the performance of the work under the contract and which may be asserted by the contractor or any of its suppliers, subcontractors of any tier or any of their representatives, officers, agents or employees except for those claims listed above.

The foregoing shall not relieve the undersigned of its obligations under the provisions of said contract, as amended, which by their nature survive completion of the work including, without limitation, warranties, guarantees and indemnities.

Executed this 31 day of October 2018

**ALL SIGNATURES MUST BE ACKNOWLEDGED  
BEFORE A NOTARY PUBLIC**

Wildcat Engineering  
(Name of Contractor)

By: [Signature]

Title: President

Distribution:

Original  
Copy

Contractor  
Job File

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ATTACHMENT A

## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Sonoma )

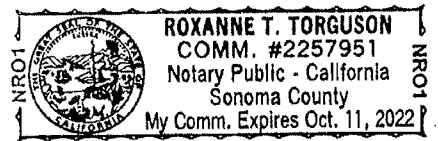
On October 31, 2018 before me, Roxanne T. Torguson, Notary Public  
(insert name and title of the officer)

personally appeared Chad Aanenson,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Roxanne T. Torguson (Seal)



Posting requested by:

NORTH MARIN WATER DISTRICT

After Posting Time has Expired Mail To:

North Marin Water District  
P. O. Box 146  
Novato, CA 94948-0146

NORTH MARIN WATER DISTRICT  
NOVATO, CALIFORNIA

NOTICE OF COMPLETION

To: Marin County Clerk  
3501 Civic Center Dr., Rm 234  
San Rafael, CA 94903  
Date: November 7, 2018  
File No.: 5 6058.20  
Date of Completion: July 21, 2018

Owner: North Marin Water District  
999 Rush Creek Place  
Novato, CA 94947

OWNER'S ESTATE OR INTEREST:  
Easement \_\_\_\_\_ Fee Title   X   Encroachment Permit \_\_\_\_\_  
Other (describe) \_\_\_\_\_

CONTRACTOR:

Wildcat Engineering  
1364 N. McDowell Blvd., #A3  
Petaluma, CA 94954

TITLE OF PROJECT: Recycled Water Central Service Area – Onsite Private Retrofit

DESCRIPTION OF PROJECT: Recycled water on-site retrofits to convert irrigation systems currently using potable water to use of recycled water as shown in drawings and specifications.

DESCRIPTION OF SITE (LOCATION): Various sites in Novato, CA

Final payment will be made to the above contractor on or after 35 days from the recording date of this notice of completion, except where otherwise provided for by law.

The undersigned under penalty of perjury says that he is the General Manager of the North Marin Water District, the public agency authorizing the work or improvement referred to in the foregoing notice of completion; that he has executed such notice of completion on behalf of such public agency and likewise makes this verification on behalf of said public agency pursuant to authority granted by the District's Board of Directors; and that he has read said notice of completion and knows the contents thereof and that the facts therein stated are true.

Drew McIntyre, General Manager

VERIFICATION  
STATE OF CALIFORNIA )  
COUNTY OF MARIN     )

THE UNDERSIGNED, declares that he has read the foregoing notice, knows the contents thereof, and the same is true of his own knowledge. I certify under penalty of perjury that the foregoing is true and correct.

SEAL:

Drew McIntyre, General Manager

Date and Place

Disposition:  
Original: County Recorder  
Copy: Contractor  
Copy: Project File

8

MEMORANDUM

To: Board of Directors

November 2, 2018

From: Drew McIntyre, General Manager



Subj: Comments on Stafford Lake Master Plan Draft Initial Study  
t:\gm\marin county\memo to bod re stafford lake initial study 2018.docx

**RECOMMENDED ACTION:** Board Authorize Submittal of Comments on the 2018 Draft Initial Study and Mitigated Negative Declaration for Marin County Stafford Lake Park Master Plan

**FINANCIAL IMPACT:** None at this time

The District received a notice dated October 11<sup>th</sup> from Marin County Parks on the subject Draft Initial Study and Mitigated Negative Declaration (IS/MND) for Marin County Stafford Lake Park Master Plan (Attachment 1). County Parks is providing the District, other public agencies, and the general public an opportunity to comment on the subject Environmental Review.

Due to the size of the document (115 pages), the 2018 Initial Study/Mitigated Negative Declaration is available for review at: <https://www.marincountyparks.org/depts/pk/our-work/parks-main-projects/stafford-lake-master-plan>

Some of the major changes proposed include a new vehicular entry and exit with a new gate house, an event meadow with pavilion stage and garden areas, enhancement of the existing picnic playground, and a new back meadow including a swimming lagoon and picnic areas. Upon review, the 2018 IS/MND is very similar to what was released and commented on by NMWD in 2016. A copy of the Board approved 2016 comment letter is provided as Attachment 2. An updated comment letter, provided as Attachment 3, closely follows the original comment letter submitted in 2016. Comments are due on or before November 13.

**RECOMMENDED ACTION:**

Board authorize submittal of the comments on the 2018 Draft Initial Study and Mitigated Negative Declaration for Marin County Stafford Lake Park Master Plan.

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**MARIN COUNTY  
P A R K S**  
PRESERVATION • RECREATION

www.marincountyparks.org

Marin County Parks, 3501 Civic Center Dr, Suite 260, San Rafael, CA 94903

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**MEMORANDUM**

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**DATE:** October 11, 2018

**TO:** ABAG  
BAAQMD  
California Department of Parks and Recreation  
City of Novato  
NMWD  
Novato Fire Protection District  
Marin County Fire Department

RECEIVED

OCT 15 2018

North Marin Water District

**FROM:** Kristina Tierney, Open Space Planner

**RE:** Draft Mitigated Negative Declaration for the Stafford Lake Master Plan, Novato

Pursuant to state and local guidelines implementing the California Environmental Quality Act, Marin County Parks has prepared a draft mitigated negative declaration for its proposed Stafford Lake Master Plan. This initial study identifies potentially significant environmental impacts from the proposed project to Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use/Planning, Noise, Transportation, and Tribal Cultural Resources and identifies appropriate mitigation measures to reduce these impacts to a level that is less than significant. Marin County Parks has copies of the initial study online at <https://www.marincountyparks.org/depts/pk/our-work/parks-main-projects/stafford-lake-master-plan>.

The comment period for this draft mitigated negative declaration ends on **November 13, at 4:30 pm**. To submit comments, Marin County Parks requests that you use the online comment form at <https://www.marincountyparks.org/depts/pk/our-work/parks-main-projects/stafford-lake-master-plan>.

**PROJECT TITLE:** Stafford Lake Master Plan

**COMMENT PERIOD:** October 11, 2018 through November 13, 2018

**PREPARED BY:** Kristina Tierney  
**TITLE:** Open Space Planner

**TELEPHONE:** (415) 328-1717

**FAX:** (415) 473-3795

**EMAIL:** Ktierney@marincounty.org

**NOTICE OF AVAILABILITY  
DRAFT INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION  
STAFFORD LAKE PARK MASTER PLAN  
NOVATO, CALIFORNIA**

Marin County Parks has completed a draft Initial Study and Mitigated Negative Declaration (IS/MND) for the draft Stafford Lake Master Plan pursuant to the requirements of the California Environmental Quality Act (CEQA) and is seeking comments on the environmental effects of the project. Marin County Parks is proposing to adopt a Master Plan which is to be a comprehensive long-term planning document that will guide the future development of park facilities, improvements and programs at Stafford Lake Park in Novato. The Master Plan provides recommendations for general infrastructure and circulation improvements to singular design elements. Overall, the Master Plan aims to protect the natural, cultural, and recreational amenities that currently exist within the park while proposing new, complementary features and programs. Specific improvements would be constructed incrementally over the life span of the Plan. This Initial Study evaluates the potential environmental effects of implementing the proposed Master Plan.

The 30-day comment period for this draft MND starts on October 11, 2018 and ends at 4:30 p.m. on November 13, 2018. The MCOSD is encouraging all interested parties to review and comment on the documents. Please submit comments using the MCOSD's online comment form at <https://www.marincountyparks.org/depts/pk/our-work/parks-main-projects/stafford-lake-master-plan>, under the section titled "Stafford Lake Master Plan." If you have any questions or need more information, contact Kristina Tierney at (415) 328-1717.

The initial study identified potentially significant environmental impacts to the **Land Use and Planning, Water, Geophysical, Air Quality, Transportation and Circulation, Biological Resources, Greenhouse Gas Emissions, Cultural Resources, and Hazards** and included mitigation measures that addresses these impacts. The initial study concludes that, with the identified mitigation measures, the project will not have significant environmental impacts. The initial study and draft mitigated negative declaration is available for review at Marin County Parks headquarters at the Marin Civic Center, 3501 Civic Center Drive, Suite 260, San Rafael California, or on the Marin County Parks website at <https://www.marincountyparks.org/depts/pk/our-work/parks-main-projects/stafford-lake-master-plan>.

Date: October 10, 2018

Max Korten, Director and General Manager

Marin County Parks



**NORTH MARIN  
WATER DISTRICT**

Via email: [crrichardson@marincounty.org](mailto:crrichardson@marincounty.org)

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

**PHONE**  
415.897.4133

**FAX**  
415.892.8043

**EMAIL**  
[info@nmwd.com](mailto:info@nmwd.com)

**WEB**  
[www.nmwd.com](http://www.nmwd.com)

September 21, 2016

Craig Richardson, Sr. Open Space Planner  
Marin County Parks  
3501 Civic Center Dr. Suite 260  
San Rafael, CA 94903

Re: NMWD comments on the Marin County Parks Initial Study/Mitigated Negative Declaration for Marin County Stafford Lake Park Master Plan

Dear Mr. Richardson:

Thank you for the opportunity to comment on the subject Marin County Parks Initial Study for Marin County Stafford Lake Park Master Plan (IS/MND). Please note that North Marin Water District (NMWD) has previously commented on the consultant presentation prepared for workshops occurring in July 2015 regarding the master plan. Those comments are attached for your ready reference.

District comments on the IS/MND follow:

1. II. PROJECT DESCRIPTION, Environmental Setting – **d. Drainage and Flood Control** (page 3)

Paragraph 2 is incorrect and should be restated "the Stafford Dam spillway crest is measured at an elevation of +198.5 (NAVD-88), thus setting the normal high water line (maximum peak flood elevation is 13ft. above the normal high water line)."

Applicable exhibit maps included in the Master Plan and IS/MND should show normal and maximum high water levels and all permanent structures should be set back at least five feet behind the peak flood elevation.

2. II. PROJECT DESCRIPTION, Proposed Project – **d. The Back Meadow, Swimming Lagoon** (page 8)

Please respond to NMWD comments #1, #3, #9 and #12 provided in our letter dated August 3, 2015 (Attached). More information is needed in regard to the bio remediation of the swimming lagoon. Ensuring no cross-contamination between Stafford Lake and the proposed swimming lagoon, restrooms and locker rooms and waste disposal is of utmost importance. Flood protection to prevent discharge of swimming lagoon water to Stafford Lake is necessary.

3. II. PROJECT DESCRIPTION, Proposed Project – e. **Miscellaneous Amenities, Fishing Boardwalk** (page 8 )

We note that the Boardwalk ostensibly would provide access to deeper waters within the lake and more spaces for fishing overall. However, this is a shallow area of the lake and may not be sited appropriately. Additionally, it is distant from restroom facilities and we are concerned about the potential for contamination of the Stafford Lake water supply.

4. III. CIRCULATION AND REVIEW – B. **Responsible Agencies** – North Marin Municipal Water District (page 21).

Please correct the North Marin Water District name (not North Marin Municipal Water District). We also note that emergency response agencies have not been included on the distribution.

5. IV. EVALUATION OF ENVIRONMENTAL IMPACTS AND MITIGATION MEASURES – D. **Water** (page 39)

The project is “required to comply with section E.12 of the Small MS4 Phase II General Permit,” which requires implementation of low impact development (LID) standards. NMWD notes that LID design typically uses more water to keep plants alive during summer months (non-stormwater season) and this should be considered in the IS/MND.

6. IV. EVALUATION OF ENVIRONMENTAL IMPACTS AND MITIGATION MEASURES – D. **Water, Mitigation Measure 4.A** (page 39).

Note that NMWD comment #12 in our August 3, 2015 letter requested to incorporate sediment collection with the proposed vehicular bridge and boardwalk and we request this function be addressed in the IS/MND.

7. IV. EVALUATION OF ENVIRONMENTAL IMPACTS AND MITIGATION MEASURES – D. **Water** (page 42)

Monitoring Measure 4B states: “Implementation of the Master Plan would result in a slight increase in water demand over existing levels.” NMWD requests calculations showing the projected water demand increases be included in the IS/MND.

8. IV. EVALUATION OF ENVIRONMENTAL IMPACTS AND MITIGATION MEASURES – J. **Hazards, b. Possible Interference with an Emergency Response Plan or Emergency Evacuation Plan** (page 70)

This section states that "Implementation of the Master Plan would improve an existing recreational facility; it would not interfere with Emergency response plans or Emergency evacuations Plans." Please note that NMWD has a Risk Management Plan for the Stafford Lake Water Treatment Plant (STP) and needs to know the frequency and size of populations attending events as result of the Master Plan facilities to appropriately update the STP Risk Management Plan.

9. IV. EVALUATION OF ENVIRONMENTAL IMPACTS AND MITIGATION MEASURES – **M. Utilities and Service Systems c.) Local or regional water treatment or distribution facilities? and d.) Sewer or septic tanks? (page 78)**

The NMWD letter dated August 3, 2015, comment #13, requested a new potable water line be extended to Stafford Lake Park. Said facilities should be addressed in the IS/MND.

Additionally, NMWD's letter dated August 3, 2015 requested a new sewer connection be included in the Master Plan and this should also be addressed. See also comment #7 (page 42). There is no discussion here of water/wastewater needs of the proposed swimming lagoon and this should be addressed.

10. IV. EVALUATION OF ENVIRONMENTAL IMPACTS AND MITIGATION MEASURES – **M. Utilities and Service Systems – e.) Storm Water Drainage? (page 79)**

The NMWD Stafford Lake Taste and Odor Control Strategy report identifies methods for reduction of nutrients entering tributaries to Stafford Lake including wetlands, plants and harvesting. Stormwater retention areas could support this type of operation if designed appropriately. However, there is little information included in the Master Plan or IS/MND to substantiate such provisions.

Thank you for the opportunity to comment on the subject IS/MND. Please contact me should you have any questions.

Sincerely,



Chris DeGabriele  
General Manager

CD/kly



**NORTH MARIN  
WATER DISTRICT**

August 3, 2015

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

Nancy Peake  
Marin County Parks  
3501 Civic Center Drive, Suite 260  
San Rafael, CA 94903

Re: Stafford Lake Park Master Plan

Dear Ms. Peake:

I had the opportunity to attend the Stafford Lake Park Master Plan Public Workshop on July 8, 2015 and provide my initial comments to the Marin County Parks staff and consultants at that meeting. I also obtained a copy of the consultant presentation and shared it with North Marin Water District staff for their comments which follow.

1. Slide Title: PREFERENCING EXERCISE SUMMARY  
It's noted that POOL/SWIMMING is listed under Unpopular preferences. We are interested to know the Marin County Parks perspective on including a swimming lagoon in the proposed Master Plan when its identified as an Unpopular preference.
2. Slide Title: FOCUS GROUP SUMMARY  
Please correct North Marin Water District name (not Novato Municipal Water District).
3. Slide Title: PREFERRED PROGRAM DIAGRAM  
See Comment #1 NMWD is interested on why a swimming lagoon became a component of the preferred program.
4. Slide Title: PRELIMINARY OVERALL MASTER PLAN, Parking  
Additional parking near the proposed events center is not highlighted on this graphic.
5. Slide Title: PRELIMINARY OVERALL MASTER PLAN Staff offices and facilities  
We understand the proposal will be to reuse the existing gate house as staff offices and recommend that the facility be fully utilized. NMWD funded construction of the existing gate house which was built through NMWD and community volunteer efforts.
6. Slide Title: PRELIMINARY OVERALL MASTER PLAN, Destination playground  
NMWD questions the location of the proposed playground in close vicinity to the working Grossi Dairy. A better location, away from odors and flies, may be where there the currently proposed swimming lagoon is sited.
7. Slide Title: PRELIMINARY OVERALL MASTER PLAN, Event area with barn/ranch house and stage  
No restrooms are shown to support this additional event area.

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

OFFICERS: CHRIS DeGABRIELE, General Manager • KATIE YOUNG, Secretary • DAVID L. BENTLEY, Auditor-Controller • DREW McINTYRE, Chief Engineer

8. Slide Title: PRELIMINARY OVERALL MASTER PLAN, Lake Pavilion  
No restrooms are shown to support this additional event area.
9. Slide Title: PRELIMINARY OVERALL MASTER PLAN, Swimming lagoon  
NMWD assumes that the lagoon would be a natural style swimming pool and not a pond, that there would be no connection to the lake, including drainage, and management provisions will be included to prevent overflow during wet weather. Additionally, the water demand, water and waste water discharge, and proximity to the lake as an "attractive nuisance" alternative to the swimming lagoon must be addressed.
10. Slide Title: PRELIMINARY OVERALL MASTER PLAN, Tree Camping  
NMWD requests information on how waste water and solid waste would be handled with such a camping operation.
11. Slide Title: PRELIMINARY MASTER PLAN – THE EVENT MEADOW  
NMWD understands that special event camping as shown on this slide would be intended for local community groups such as Girl Scouts, which are chaperoned and supervised 24 hours per day. Additionally, see Comment #7, no restroom facilities are located in the vicinity.
12. Slide Title: PRELIMINARY MASTER PLAN – THE BACK MEADOW  
NMWD has concerns about handling waste water in the proposed restroom and changing facility.  
We are pleased to see the proposed vehicular bridge and would like to work with Marin County Parks on the potential to incorporate a sediment collection and removal operation at this location.
13. Other Comments  
NMWD request that the Master Plan include a new domestic waterline extended to the park. The existing line is currently 40 years old.  
Furthermore, NMWD requests a sewer line connection to Novato Sanitary District be installed to preclude the haul out of sanitary waste.  
Finally, NMWD requests that landscape plans including bioswales and features to prevent runoff and sedimentation into Stafford Lake.

Thank you for the opportunity to comment on the Proposed Master Plan.  
Should you have questions please contact me at your convenience.

Sincerely,

  
Chris DeGabriele  
General Manager

Cc:  
Steve Petterle  
CD/kly



Via email: ktierney@marincounty.org

999 Rush Creek Place  
P.O. Box 146  
Novato, CA 94948-0146

PHONE  
415-897-4133

EMAIL  
[info@nmwd.com](mailto:info@nmwd.com)

WEB  
[www.nmwd.com](http://www.nmwd.com)

November 7, 2018

Kristina Tierney, Open Space Planner  
Marin County Parks  
3501 Civic Center Dr. Suite 260  
San Rafael, CA 94903

Re: NMWD comments on the 2018 Marin County Parks Initial Study/Mitigated Negative Declaration for Marin County Stafford Lake Park Master Plan

Dear Ms. Tierney:

Thank you for the opportunity to comment on the subject Marin County Parks Initial Study for Marin County Stafford Lake Park Master Plan (IS/MND). Please note that North Marin Water District (NMWD) has previously commented on this project on September 21, 2016. Those comments are attached for your ready reference.

District comments on the IS/MND follow:

- SECTION 2, ENVIRONMENTAL SETTING, **2.1 Location – Figure 2** (page 7)  
Update the Project Site boundaries to show NMWD's approximate 10 acre parcel at the northeastern corner of the main park boundary and also NMWD's 6.2 acre parcel which makes up a portion of the project site boundary shown below Stafford Lake.
- SECTION 2, ENVIRONMENTAL SETTING, **2.4 Drainage and Flood Control** (page 10)  
Paragraph 2 is incorrect and should be restated "the Stafford Dam spillway crest is measured at an elevation of +198.5 (NAVD-88), thus setting the normal high water line (maximum peak flood elevation is 13ft. above the normal high water line)."  
Applicable exhibit maps included in the Master Plan and IS/MND should show normal and maximum high water levels and all permanent structures should be

**ATTACHMENT 3**

set back at least five feet behind the peak flood elevation.

- SECTION 3, PROPOSED PROJECT – **3.4. The Back Meadow, Swimming Lagoon** (page 24)

More information is needed in regard to the bio remediation of the swimming lagoon. In addition, NMWD has concerns about handling wastewater in the proposed restroom and changing facility. Ensuring no cross-contamination between Stafford Lake and the proposed swimming lagoon, restrooms and locker rooms and waste disposal is of upmost importance. Flood protection to prevent discharge of swimming lagoon water to Stafford Lake is necessary.

- SECTION 3, PROPOSED PROJECT – **3.5 Miscellaneous Amenities, Fishing Boardwalk** (page 25 )

We note that the Boardwalk ostensibly would provide access to deeper waters within the lake and more spaces for fishing overall. However, this is a shallow area of the lake and may not be sited appropriately. Additionally, it is distant from restroom facilities and we are concerned about the potential for contamination of the Stafford Lake water supply.

- SECTION 6, CIRCULATION AND REVIEW – **6.2 Responsible Agencies** – North Marin Municipal Water District (page 30).

Please correct the North Marin Water District name (not North Marin Municipal Water District).

- SECTION 9, ISSUES – **9.4 Water** (page 50)

The project is “required to comply with section E.12 of the Small MS4 Phase II General Permit,” which requires implementation of low impact development (LID) standards. NMWD notes that LID design typically uses more water to keep plants alive during summer months (non-storm water season) and this should be considered in the IS/MND.

- **SECTION 9, ISSUES – 9.4 Water, Mitigation Measure 4.A** (page 51).

Note that NMWD comment #12 in our August 3, 2015 letter (included in attachment) requested to incorporate sediment collection with the proposed vehicular bridge and boardwalk and we request this function be addressed in the IS/MND.

- **SECTION 9, ISSUES – 9.10 Hazards, b). Possible Interference with an Emergency Response Plan or Emergency Evacuation Plan?** (page 92)

This section states that “Implementation of the Master Plan would improve an existing recreational facility; it would not interfere with Emergency response plans or Emergency evacuations Plans.” Please note that NMWD has a Risk Management Plan for the Stafford Lake Water Treatment Plant (STP) and needs to know the frequency and size of populations attending events as result of the Master Plan facilities to appropriately update the STP Risk Management Plan.

- **SECTION 9, ISSUES – 9.13 Utilities and Service Systems, c) Local or regional water treatment or distribution facilities?** (page 100)

This section states: “Water demand would be slightly increased over the existing level of demand due to proposed improvements.” NMWD requests calculations showing the projected water demand increases be included in the IS/MND. Additionally, the NMWD letter dated August 3, 2015, comment #13, requested a new potable water line be extended to Stafford Lake Park. Said facilities should be addressed in the IS/MND.

- **SECTION 9, ISSUES – 9.13 Utilities and Service Systems, d) Sewer or septic tanks?** (page 101)

This section states that a new sewer line could be installed to Novato Sanitary District in place of the existing holding tanks. This is consistent with NMWD’s request stated in our letter dated August 3, 2015. This section also states “A permit and approval from Marin County Environmental Health Services would be required for construction of any additional septic systems at the park.” The District is against any septic system expansion. If no connection is provided to

Novato Sanitary District, NMWD will continue to request that all wastewater handling is through the use of NMWD approved holding tanks with no on-site disposal.

- SECTION 9, ISSUES – **9.13 Utilities and Service Systems, e) Storm Water Drainage?** (page 101)

The NMWD Stafford Lake Taste and Odor Control Strategy report identifies methods for reduction of nutrients entering tributaries to Stafford Lake including wetlands, plants and harvesting. Storm water retention areas could support this type of operation if designed appropriately. However, there is little information included in the Master Plan or IS/MND to substantiate such provisions.

Thank you for the opportunity to comment on the subject IS/MND. Please contact me should you have any questions.

Sincerely,

Drew McIntyre  
General Manager

Enclosure NMWD IS/MND comment letter dated September 21, 2016

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## MEMORANDUM

TO: Board of Directors November 2, 2018

FROM: Rocky Vogler, Chief Engineer 

SUBJ: Approve Contract: Third Party Coating Inspection for STP Coat Concrete Clearwells Project – Brelje and Race Consulting Engineers

R:\Folders by Job No\6000 jobs\6600 STP jobs\6600.89 Coat Concrete Clearwells\BOD Memos\6600.89 STP CCC Inspect BOD MEMO 11-2-18.doc

**RECOMMENDED ACTION:** Authorize the General Manager to execute an agreement with Brelje and Race Consulting Engineers for coating inspection services on a time and expense basis with a not to exceed limit of \$20,000

**FINANCIAL IMPACT:** \$20,000 (plus contingency reserve of \$5,000)

BACKGROUND:

The Stafford Treatment Plant (STP) Coat Concrete Clearwells project consists of coating two clearwells: the Acti-Floc Clearwell and the Finished Clearwell. The Board authorized award of this project to Farr Construction on October 16, 2018. The Stafford Treatment Plant shut down for winter maintenance on October 30, 2018, and the coating project needs to be completed during this short window between November 2018 and March 2019. The project duration is 4 months.

Staff requested proposals for third party coating inspection from two coating inspectors 1) Brelje and Race (B&R) and 2) D. B. Gaya (Gaya) for inspection of contractor coating work. Gaya has previously successfully completed multiple steel tank coating inspections for the District including the two most recent coating projects (San Mateo Tank and Norman Tank). B&R is familiar with the project since they performed the clearwells concrete surface evaluation and provided coating recommendations during the planning stages of this project. The two proposals submitted are on a time and materials basis, and costs are summarized below.

Firm	Amount
1. Brelje & Race Consulting Engineers, Santa Rosa	\$25,000
2. D. B. Gaya, Sebastopol	\$38,025

Although Gaya submitted a proposal, they later informed the District that they were unable to perform inspection due to schedule conflicts. Staff recommends awarding the inspection contract to B&R.

RECOMMENDATION:

Board authorize the General Manager to execute an agreement with Brelje and Race Consulting Engineers for coating inspection services on a time and expense basis with a not to exceed limit of \$20,000 plus an approved contingency reserve of \$5,000.

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## MEMORANDUM

To: Board of Directors

November 2, 2018

From: Robert Clark, Operations / Maintenance Superintendent  
Ryan Grisso, Water Conservation Coordinator

Subj: AMI Project Update and Public Outreach Follow Up  
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**RECOMMENDED ACTION:** Information Only

**FINANCIAL IMPACT:** None at this time

PROJECT UPDATE

The Advanced Meter Infrastructure (AMI) project is now in week 34 of the full implementation phase with nine Ferguson employees performing 500 installations per week. During the past three months of the project, NMWD staff has continued to participate in the project as expected with hard to find meter locations, adjusting difficult to operate meter stops, minor repairs, data transfers to our customer service billing programs and support for our customers as the services have been converted to the new AMI system. The remaining installations will be in the North East part of Novato and then into the downtown area and the project will finish up with the various difficult and large services throughout town.

Project costs through September are \$4.7 million (85%) of the total estimated project costs of \$5.5 million. On March 21, 2018, a 15-year loan for \$4.6 million was secured with JP Morgan Chase Bank with a 2.69% interest rate to fund the project. The remaining balance from the loan is \$0.6 million which is expected to be spent over the final project duration. The project is expected to run through January 2019 with 23,430 service conversions.

To date, Ferguson staff has converted 65% or 13,000 services to the new AMI system. Based on the original estimated schedule, Ferguson will need about four more weeks to be completed by the end of January 2019. This delay is primarily due to the difficulty in hiring and maintaining qualified staff from the local employment pool. NMWD staff has continued to assist with less than 5% of the conversions working on stuck valves, improperly installed or hard to find meters. However, the time that we are spending on database and customer service tracking is taking a bit more time than anticipated. For instance Alicia Manzoni our Customer Service Supervisor is spending up to half of her time now working on system configuration issues. Ryan Grisso our Water Conservation Coordinator is beginning to spend more time with customers on

Supervisor is spending up to half of her time now working on system configuration issues. Ryan Grisso our Water Conservation Coordinator is beginning to spend more time with customers on water use issues as the customers become more familiar with the Water Smart Program. Our Customer Service staff has now begun to address customer issues that are being identified through the N\_Sight Plus tracking software and are reaching out to one hundred or so customers each week with small leaks, reverse flows.

#### PUBLIC OUTREACH

In mid-September, staff became aware of some customer concerns posted on social media, from customers, regarding their water use and bills. The District isn't allowed to view or respond to these comments and posts (based on the rules set forth by the app that was hosting the comments); however, the District is allowed to post to our own account and did so on September 21 informing customers that we take their concerns seriously.

To-date we have received 27 inquiries attributable to the District's post (and request for customers to contact water conservation) and staff wanted to give the Board an update on some of the findings from the investigations. These inquiries/concerns were all taken extremely seriously and the following actions were taken on all the customers with AMI meters (three of the 27 inquiries did not have the AMI meter yet). First, the register number was confirmed as being the same on record with the billing system. Second, the register size was confirmed to be compatible with the meter body, and third a manual read was taken in the field and then confirmed back on the AMI system at the office. Of the 27 meters investigated, none yielded any issues or discrepancies. In addition to the quality control investigation of the meter, staff analyzed the water use patterns for all 27 of the inquiry customers, formed an initial hypothesis and presented such when making outreach to each customer. Staff concluded that although many of the customers had slightly higher water usage than the previous year and certainly more than the previous billing period, most of the customers' water usage in average gallons per day was consistent with historical average for the corresponding billing period and in most cases below 2013 water use prior to the most recent drought. All 27 customers were contacted via email or by phone to discuss the water use analysis and/or arrange for a Water Smart Home Survey (only 2 of the 27 did not follow up with contact). Of the 25 customers who responded, water conservation staff performed 14 Water Smart Home Surveys and the other 9 either had detailed email or phone correspondence and acknowledged the water use and billing analysis provided. The predominant theme was normal summer season water use with increases caused by the automatic irrigation system. In some cases, the days in the billing period added a

higher volume of water billed (while the average gallons per day were similar to normal). A summary of the specific findings identified during the investigations are summarized in Table 1 below.

**Table 1: Identified Issues from Customer Water Use/Meter Investigations**

Toilet Leaks (flapper and overflow)	3
Irrigation Leaks (mainline or lateral)	3
Irrigation Controller Programming (Extra Days Per Week)	4
Irrigation Controller Programming (Extra Start Times)	4
Irrigation Controller Programming (Extra Run Time)	6
Irrigation Controller Programming (General)	5
Extended Billing Period Duration	12
Automatic Back-flushing Water Softener	1

Staff is continuing to promptly respond to customer inquiries regarding customer water use and billing.

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## MEMORANDUM

To: Board of Directors  
 From: Ryan Grisso, Water Conservation Coordinator *RG*  
 Subject: Water Conservation Quarterly Update (July-September 2018)  
V:\Memos to Board\Quarterly Reports\Water Conservation FY 2018\_2019 QTR1 Summary Report.doc

November 2, 2018

**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** None

Water Conservation:

This memo provides an update on water conservation and public outreach activities implemented during the first quarter of Fiscal Year 2018/2019 (FY 19). Water Conservation participation numbers for the first quarter of the current and previous two fiscal years are summarized in Table 1 below.

**Table 1: Water Conservation Program Participation (July through September: FY 2017 - 2019)**

Program	FY 17	FY 18	FY 19
Water Smart Home Surveys (WSHS)	130	86	103
Water Smart Commercial Surveys	0	2	0
High Efficiency Toilet Rebates (Residential)	78	30	32
High Efficiency Toilet Rebates (Commercial)	1	0	3
Retrofit on Resale (Dwellings Certified)	66	78	52
High Efficiency Washing Machine Rebates	22	4	4
Cash for Grass Rebates	23	5	6
Water Smart Landscape Rebates	1	1	0
Weather Based Irrigation Controller Rebates	4	6	1
New Development Sign-offs (Residential)	5	8	1
New Development Sign-offs (Commercial)	5	6	6

As expected, water conservation participation continued the downward trend this fiscal year in the post drought period (consistent with other utilities in northern California), although the drop in participation has appeared to level off. Cash for Grass participation levels remain extraordinarily low and clothes washer rebates continue to be well below historical participation levels (with the absence of an energy provider rebate). Toilet rebates also remain lower which may indicate a saturation of the market for eligible replacements in the service area. The exception to the downward trend is the Water Smart Home Survey Program which has remained fairly consistent with steady participation mainly from customers who have experienced summer season "drought recovery" water use, customers requesting bill adjustments and from customers experiencing a higher level of water awareness through the new AMI meters. Staff has dedicated a large portion of time in the first quarter to water smart home surveys and public relations

associated with data now available through the AMI system.

Staff is planning on returning to the Board in the future with conservation program re-tooling and program adjustment options, notably for the Cash for Grass program and toilet and washing machine rebate programs.

#### Public Outreach and Conservation Marketing

In the first quarter of FY19, staff prepared the Fall 2018 issue of the Novato "Water Line" (to be distributed in November 2018). The District also actively maintains a Facebook and Instagram page with regular updates on water use efficiency, construction projects and other appropriate District outreach material, and is embarking into more participation on the Nextdoor website/app. Staff is also using the WaterSmart AMI dashboard and customer portal as a public outreach tool to help inform customers on water use patterns; this exciting tool allows customers to view their water use by day and by hour helping to increase water use awareness. As recommended in the District's Strategic Plan, the Public Outreach Plan will be refined this fiscal year to make sure the District is effective and up to date on how/when/where we communicate with our customers.

#### Budget and Staffing

Table 2 summarizes the first quarter expenditures between the three fiscal years for (July-September). FY19 expenditures are consistent with FY17 and higher than FY18, although they continue to be below historical levels due to reduced program participation (mainly Cash for Grass).

**Table 2: Water Conservation and Outreach Expenditures (July through September: FY 2017 - 2019)**

	FY 17	FY 18	FY 19
Total FY Budget	\$400,000	\$440,000	\$380,000
July-September Expenditures	\$76,980	\$60,480	\$76,293

Water Conservation continues to be staffed by one full time Water Conservation Coordinator and one half-time Water Conservation Technician. The District also has a partnership with Sonoma County Water Agency through the Sonoma-Marin Saving Water Partnership to implement and staff some of the District Water Conservation Programs including the WSHS program (estimated at 250 hours per quarter).

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## MEMORANDUM

To: Board of Directors

Date: November 2, 2018

From: Rocky Vogler, Chief Engineer 

Subject: FY18-19 Quarterly Progress Report – Engineering Department

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The purpose of this memo is to provide a first quarter status report to the Board on the District's performance in completing budgeted FY18-19 Capital Improvements Projects (CIP) with a primary emphasis on planned (i.e., baseline) versus actual performance. The following information supplements the progress report summary provided to the Board each month.

SUMMARY

Service Areas	Project Costs (\$)		% Complete		Earned Value (\$)	
	Budget (\$)	Forecast (\$)	Planned	Actual	Planned	Actual
Novato Water	5,760,000	5,751,801	30	25	1,931,500	1,581,176
Novato Recycled	120,000	130,787	42	38	5,000	15,958
West Marin	1,890,000	1,865,000	32	23	757,500	523,333
TOTAL	7,700,000	7,747,588	35	29	2,694,000	2,120,468

The table above summarizes the detailed tabulation of CIPs for both Novato and West Marin (including Oceana Marin) systems provided in Attachment A. In summary, CIP expenditures for the Novato Water, Novato Recycled Water and West Marin service areas are forecasted to be approximately the same as the approved FY18-19 budget level. With respect to planned versus actual completion for the first quarter, the Novato Water, Novato Recycled Water and West Marin service areas (including Oceana Marin) are trending 4%-9% below planned progress. A detailed milestone schedule update is provided in Attachment B.

Performance Status for Improvement Projects

As shown on the following table (Page 3), a total of 31 projects (versus 31 in FY17-18) were originally budgeted in FY 18-19 for the Novato, West Marin and Oceana Marin service areas. Two new projects have been added, two have been carried over, and none have been deleted/deferred resulting in a new total of 35 projects. Of the 31 Capital Improvement Projects budgeted, 22 (versus 18 in FY17-18) are under the lead responsibility of the Engineering Department for completion (17 in Novato, 4 in West Marin and 1 in Oceana Marin). The remaining 9 (versus 13 in FY17-18) CIP projects are under the responsibility of the other departments (i.e., 4 – Operations, 1 - Maintenance and 4 - Admin) (Refer to the tabulation in Attachment A for a complete line item listing).

#### Novato Service Area Project Costs Variances

As shown in Attachment A, all but one of the FY18-19 Novato CIPs are currently projected to be completed at or below original budget.

One new project have been added: Bel Marin Keys/101 On Ramp Pipe. Two projects have been carried over: PB Replacement: Brooke/Robinhood/McIntosh/Charmaine/Timothy and Recycled Water Central On-Site Retrofit. No projects have been deleted or deferred.

#### West Marin Service Area (including Oceana Marin) Project Costs Variances

As shown in Attachment A, all of the FY18-19 West Marin CIPs expenditures are currently projected to be within the original budget. One project has been added (Lagunitas Creek Bridge Pipe Replacement), and none have been carried over or deleted/deferred.

#### Engineering Department Labor Hours

The Engineering Department provides a multitude of functions supporting overall operation, maintenance and expansion of water facilities. The major work classifications are: (1) General Engineering, (2) Developer Projects and (3) District (i.e., CIP) Projects. Out of the approximately 14,900 engineering labor hours available annually (less Conservation), the FY18-19 labor budget for Developer Projects and District Projects is 1,404 (10% of total) and 3,370 (23% of total), respectively. A chart of actual hours expended versus budgeted hours for both Developer and District projects during FY18-19 is provided in Attachment C. At the end of the first quarter, actual engineering labor hours expended for Developer work was 12% (170 hours) versus 25% (354 hours) budgeted. With respect to District Projects, 618 engineering labor hours (18% of budget) have been expended on Capital Improvement Projects which is slightly below the first quarter estimate (25%).

FY 18-19  
CAPITAL IMPROVEMENTS PROJECTS

PROJECTS BUDGETED	NOVATO SERVICE AREA	WEST MARIN/ OCEANA MARIN	TOTAL
Original Budget	23	8	31
Added	1	1	2
FY 17-18 Carryover	2	0	2
Deferred/Dropped	0	0	0
Adjusted Budget	26	9	35

**FY17-18 CARRYOVER**

**Date Brought to Board**

Novato

PB Repl: Brooke/Robinhood/McIntosh/Charmaine/Timothy  
Recycled Water – Central On-Site Retrofit

First Quarter Report  
First Quarter Report

West Marin

None

**DEFERRED/DROPPED**

Novato

None

West Marin

None

**PROJECTS ADDED**

Novato

Bel Marin Keys / 101 On Ramp Pipe Repair

First Quarter Report

West Marin

Lagunitas Creek Bridge Pipe Replacement

First Quarter Report

**NOVATO SYSTEM CAPITAL IMPROVEMENT PROJECTS SUMMARY FY18-19**  
**AS OF SEPTEMBER 30, 2018**

STATUS	DEPT	ITEM #	PROJECT NO.	DESCRIPTION	PROJECT COSTS		% COMPLETE		EARNED VALUE	
					Budget	Forecast	Baseline	Actual	Planned	Actual
<b>1. PIPELINE REPLACEMENTS/ADDITIONS</b>										
C	Eng	1	1.a.1	Ridge Rd 6" ACP (8" @ 1,400')	\$140,000	\$63,138	25	100	\$35,000	\$63,138
C	Eng	2	1.a.2	Replace Shady Lane Service Saddles	\$100,000	\$26,482	100	100	\$100,000	\$26,482
	Eng	3	1.a.5	Other Main Replacements (60+ yrs old)	\$160,000	\$160,000	25	0	\$40,000	\$0
PC	Eng	4	1.b.1	San Mateo 24" Inlet/Outlet Pipe	\$500,000	\$500,000	25	5	\$125,000	\$25,000
PC	Eng	5	1.c.1	Country Lane 2" Plastic	\$150,000	\$150,000	25	5	\$37,500	\$7,500
	Eng	6	1.d.1	Other Relocs - Sync w/ City and County CIP - Montego Keys	\$70,000	\$140,000	5	5	\$3,500	\$7,000
C	Eng	7	1.a.4	<b>Bel Marin Keys/101 On Ramp Pipe Repair</b>	<b>\$0</b>	<b>\$48,209</b>	25	100	\$0	\$48,209
C	Eng	8	1.b.2	<i>PB Repl: Brooke/Robinhood/McIntosh/Charmaine/Timothy</i>	<i>\$0</i>	<i>\$23,972</i>	100	100	<i>\$0</i>	<i>\$23,972</i>
				SubTotal	\$1,120,000	\$1,111,801				\$0
<b>2. SYSTEM IMPROVEMENTS</b>										
	Eng	9	2.a	DCDA Repair/Replace	\$60,000	\$60,000	25	0	\$15,000	\$0
	Eng	10	2.b	Anode Installations	\$30,000	\$30,000	25	0	\$7,500	\$0
	Eng	11	2.c	Automate Zone Valve (Slowdown Ct.)	\$100,000	\$100,000				
	Admin	12	2.d	AMI Retrofit	\$2,500,000	\$2,500,000	50	50	\$1,250,000	\$1,250,000
	Eng	13	2.e	Asset Mgmt Software Procure/Implement	\$75,000	\$75,000	25	25	\$18,750	\$18,750
	Eng	14	2.f	Facilities Security Enhancements	\$25,000	\$25,000	25	10	\$6,250	\$2,500
				SubTotal	\$2,790,000	\$2,790,000				
<b>3. BUILDINGS, YARD, &amp; S.T.P. IMPROVEMENTS</b>										
	Admin	15	3.a.1	Electronic Document Management System	\$140,000	\$140,000	25	0	\$35,000	\$0
	Admin	16	3.a.2	Office/Yard Building Renovation	\$250,000	\$250,000	25	0	\$62,500	\$0
	Eng	17	3.b.1	Coat Concrete Clearwells	\$590,000	\$590,000	10	10	\$59,000	\$59,000
	Ops	18	3.b.2	Other Treatment Plant Improvements	\$50,000	\$50,000				
				SubTotal	\$1,030,000	\$1,030,000				
<b>4. STORAGE TANKS &amp; PUMP STATIONS</b>										
	Eng	19	4.a	Old Ranch Rd Tank Replace	\$60,000	\$60,000	25	0	\$15,000	\$0
	Maint	20	4.b.1	Hydropneumatic Tank Repairs	\$30,000	\$30,000	25	10	\$7,500	\$3,000
	Eng	21	4.b.2	Cherry Hill #2 Recoat	\$250,000	\$250,000			\$0	\$0
	Eng	22	4.c	Lynwood PS Motor Control Center	\$280,000	\$280,000	25	10	\$70,000	\$28,000
	Eng	23	4.d	Crest PS (design/const)/Reloc School Rd PS	\$200,000	\$200,000	25	0	\$50,000	\$0
				SubTotal	\$820,000	\$820,000				\$0
				Novato Water Total	5,760,000	\$5,751,801	30	25	\$1,937,500	\$1,562,551
<b>5. RECYCLED WATER FACILITY</b>										
	Admin	24	5.a	NBWRA Grant Program Administration	\$20,000	\$20,000	25	25	\$5,000	\$5,000
	Eng	25	5.b-j	Other Recycled Water Expenditures - 1390 Novato Blvd.	\$100,000	\$100,000				
C	Eng	26	5.c	<b>RW Central On-Site Retrofit</b>	<b>\$0</b>	<b>\$10,787</b>	100	90	\$0	\$9,708
				Novato Recycled Total	\$120,000	\$130,787	42	38	\$5,000	\$14,708
				Total Novato	\$5,880,000	\$5,882,588	36	32	\$1,942,500	\$1,577,259
<b>1C - Completed</b>										
<b>PC - Partially completed</b>										
				PROJECT FORECAST REVISED						
				Baseline projects with revised forecast budget increases (indicated by shaded box)						
				Baselined projects to be deferred (indicated in knockout)						
				New projects added (indicated in bold)						
				Prior year projects carried over indicated in italics and brackets <>						

WEST MARIN CAPITAL IMPROVEMENT PROJECT SUMMARY FY18-19 AS OF SEPTEMBER 30, 2018										
STATUS	DEPT	ITEM #	PROJECT NO.	DESCRIPTION	PROJECT COSTS		% COMPLETE		EARNED VALUE	
					Budget	Forecast	Baseline	Actual	Planned	Actual
				<b>6. West Marin Water System</b>						
				<b>System Improvements</b>						
	Eng	27	6.a	Replace PRE Tank #4A	\$625,000	\$625,000	25	20	\$156,250	\$125,000
	Eng	28	6.b	New Gallagher Well #2	\$90,000	\$90,000	25	5	\$22,500	\$4,500
	Eng	29	6.c	PB Replace in Sync w/County Paving	\$50,000	\$50,000				
	Eng	30	6.d	TP Solids Handling	\$550,000	\$550,000	25	5	\$137,500	\$27,500
	Ops	31	6.e	Relocation of Production Meter	\$10,000	\$10,000				
	Eng	32	6.f	Lagunitas Creek Bridge Pipe Replacement	\$0	\$25,000				
				SubTotal	\$1,325,000	\$1,350,000				
				<b>7. Oceana Marin Sewer System</b>						
	Ops	33	7.a	Infiltration Repair	\$40,000	\$40,000	25	25	\$10,000	\$10,000
C	Eng	34	7.b	Pond Dredging & Solids Disposal	\$400,000	\$350,000	100	100	\$400,000	\$350,000
	Ops	35	7.c	OM Treatment Pond Rehab - Storm Damage (FEMA)	\$125,000	\$125,000	25	5	\$31,250	\$6,250
				SubTotal	\$565,000	\$515,000				
				Total West Marin	\$1,890,000	\$1,865,000	32	23	\$757,500	\$523,250
				FY18-19 TOTAL	\$7,770,000	\$7,747,588	35	29	\$2,700,000	\$2,100,509
<sup>1</sup> C - Completed				PROJECT FORECAST REVISED						
PC - Partially completed				Baseline projects with revised forecast budget increases (indicated by shaded box)						
				Baselined projects to be deferred (indicated in strikeout)						
				New projects added (indicated in bold)						
				Prior year projects carried over indicated in italics						

# FY18\_19 CAPITAL IMPROVEMENT PROJECTS

ID	Task Name	Start	Finish	% Complete	Resp	July		September		November		January		March		May	
						B	B	B	B	B	B	B	B	B	B	B	B
1	<b>1A PIPELINE REPLACEMENTS/ADDITIONS</b>	Sun 7/1/18	Sun 6/30/19														
2	1A1 Ridge Rd 6" ACP (8"@1,400')	Sun 7/1/18	Sun 9/30/18	100%	ENG / CC												
3	1A2 Replace Shady Lane Service Saddles	Sun 7/1/18	Sun 9/30/18	100%	ENG / CC												
4	1A5 Other Main Replacements (60+ yrs old)	Sun 7/1/18	Sun 6/30/19	25%													
5	<b>1B MAIN/PIPELINE ADDITIONS</b>	Sun 7/1/18	Sun 6/30/19	3%													
6	1B1 San Mateo 24" Inlet/Outlet - Design	Sun 7/1/18	Sun 6/30/19	5%	ENG												
7	1C1 Country Lane 2" Plastic	Sun 7/1/18	Sun 6/30/19	5%	ENG / JK/CC												
8	1D1 Other Relocations - Montego Keys Pipe Repl	Sun 7/1/18	Sun 6/30/19	5%	ENG / JK												
9	<b>2 SYSTEM IMPROVEMENTS</b>	Sun 7/1/18	Sun 6/30/19														
10	2A DCA Repair/Replace	Sun 7/1/18	Sun 6/30/19	0%	ENG												
11	2B Anode Installations	Sun 7/1/18	Sun 6/30/19	0%	ENG												
12	2C Automate Zone Valve (Slowdown Ct)	Sun 7/1/18	Sun 6/30/19	0%	ENG												
13	2D AMI Retrofit	Sun 7/1/18	Sun 6/30/19	50%	ADMIN												
14	2E Asset Mgmt Software Procure/Implement	Sun 7/1/18	Sun 6/30/19	25%	ENG / RV												
15	2F Facilities Security Enhancements	Sun 7/1/18	Sun 6/30/19	10%	OPS / RC												
16	<b>3 BUILDING, YARD, STP IMPROVEMENTS</b>	Sun 7/1/18	Sun 6/30/19														
17	<b>3A ADMIN BUILDING</b>	Sun 7/1/18	Sun 6/30/19														
18	3A1 Electronic Document Management System	Sun 7/1/18	Sun 6/30/19	0%	ADMIN												
19	3A2 Office/Yard Building Refurbish Design	Sun 7/1/18	Sun 6/30/19	0%	ADMIN / DM												



Current  Baseline  Progress

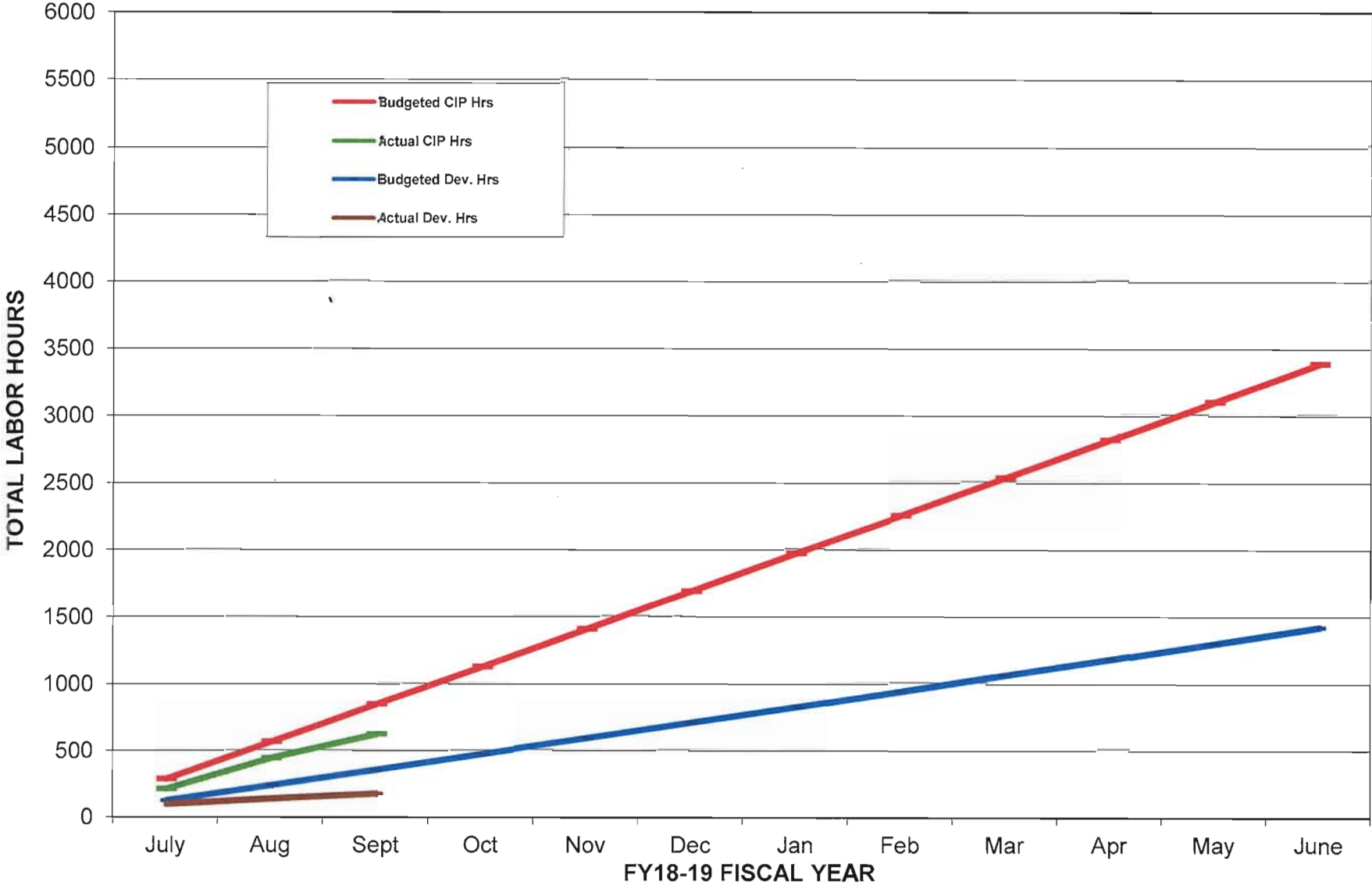
# FY18\_19 CAPITAL IMPROVEMENT PROJECTS

ID	Task Name	Start	Finish	% Complete	Resp	July		September		November		January		March		May	
						B	B	B	B	B	B	B	B	B	B	B	B
20	<b>3C STAFFORD TREAMENT PLANT</b>	Sun 7/1/18	Sun 6/30/19														
21	3B1 Coat Concrete Clearwells	Sun 7/1/18	Sun 6/30/19	10%	ENG / CC												
22	3B2 Other TP Improvements	Sun 7/1/18	Sun 6/30/19	0%													
23	<b>4 STORAGE TANKS/PUMP STATIONS</b>	Sun 7/1/18	Sun 6/30/19														
24	4A Old Ranch Rd Tank Repl	Sun 7/1/18	Sun 6/30/19	0%	ENG/DJ/CC												
25	4B1 Hydropneumatic Tank Repairs	Mon 12/3/18	Sun 6/30/19	10%	OPS / RC												
26	4B2 Cherry Hill #2 Recoat	Sun 7/1/18	Sun 6/30/19	0%	ENG												
27	4C Lynwood Pump Station Motor Control Center	Sun 7/1/18	Sun 6/30/19	10%	MAINT/RC												
28	4D Crest PS (Design/Const)/Reloc School Rd PS - Design	Sun 7/1/18	Sun 6/30/19	0%	ENG /												
29	<b>5 RECYCLED WATER</b>	Sun 7/1/18	Sun 6/30/19	25%													
30	5A NBWRA Grant Program Admin	Sun 7/1/18	Sun 6/30/19	25%	ENG												
31	<b>6 WEST MARIN WATER SYSTEM IMPROVEMENTS</b>	Sun 7/1/18	Sun 6/30/19														
32	6A Replace PRE Tank #4A	Sun 7/1/18	Sun 6/30/19	20%	ENG / CC												
33	6B New Gallagher Well #2	Sun 7/1/18	Sun 6/30/19	5%	OPS / RC												
34	6C PB Replace in Sync w/ County Paving	Sun 7/1/18	Sun 6/30/19	0%	ENG / JK												
35	6D PRTP Solids Handling - Design	Sun 7/1/18	Sun 6/30/19	5%	ENG												
36	<b>7 OCEANA MARIN SEWER SYSTEM</b>	Sun 7/1/18	Sun 6/30/19														
37	7A Infiltration Repair	Thu 11/1/18	Sun 6/30/19	25%	OPS / RC												
38	7B Pond Dredging & Solids Disposal	Sun 7/1/18	Wed 10/31/18	100%	OPS / RC												
39	7C OM Treatment Pond-Storm Damage	Sat 9/1/18	Mon 12/31/18	5%	OPS / RC												



Current  Baseline  Progress

ENGR. DEPT DEVELOPER & DISTRICT CAPITAL IMPROVEMENT PROJECTS (CIPs)



13

## MEMORANDUM

TO: Board of Directors November 2, 2018  
FROM: Rocky Vogler, Chief Engineer   
SUBJ: Coastal Permit Appeal – PRE Tank 4A Replacement  
R:\Folders by Job No\6000 jobs\6263.20 PRE Tank 4A\BOD Memos\11-6-18 Coastal Permit Appeal Update.doc

**RECOMMENDED ACTION:** Information Only

**FINANCIAL IMPACT:** \$1,600 appeal fee (future costs undetermined)

Design for the 125,000 gallon PRE Tank 4A Replacement project is complete, and on September 18, 2018, the Board approved advertisement of the project. In addition, the Board previously approved the 30-day CEQA Public Review on May 1, 2018, and conducted the Public Hearing on June 26, 2018. All public noticing requirements for the project have been met. Because Marin County has adopted a Local Coastal Program and possesses permitting authority derived from the California Coastal Act, NMWD needs to secure a Coastal Permit from Marin County since the project is located in the Coastal Zone.

During development of the design documents, NMWD staff submitted the Coastal Permit application and met with County Planning staff to discuss the project and respond to requests from the County to provide additional detail in the project plans. The County provided written acknowledgement dated July 27, 2018 that the Coastal Permit application was deemed complete and accepted for filing. A public hearing was held by the Deputy Zoning Administrator (DZA) on September 13, 2018, and the DZA adopted a resolution approving the Coastal Permit. The DZA also indicated that interested parties may appeal the decision to the Marin County Planning Commission within five business days (September 24, 2018).

The same owners (Young family) of two adjoining parcels of land (25 and 26 Buck Point Road – see attached image) in close proximity to the project site appealed the DZA's Permit approval to the Marin County Planning Commission (MCPC). A public hearing was conducted by the MCPC on October 22, 2018, and attended by representatives of the Young family, their attorneys, and professional consultants hired by the Youngs. In addition to the Young's claim that they had not been notified of the project, the primary Young's argument was that they claimed the new tank would significantly degrade their view, and that the planned 20.8 foot tank elevation above existing grade would violate Marin County Code Section 22.57.086I(2)(e), which refers to coastal residential single-family planned districts, and states "Building Height. No part of a building shall exceed twenty-five feet in height above natural grade, and no accessory

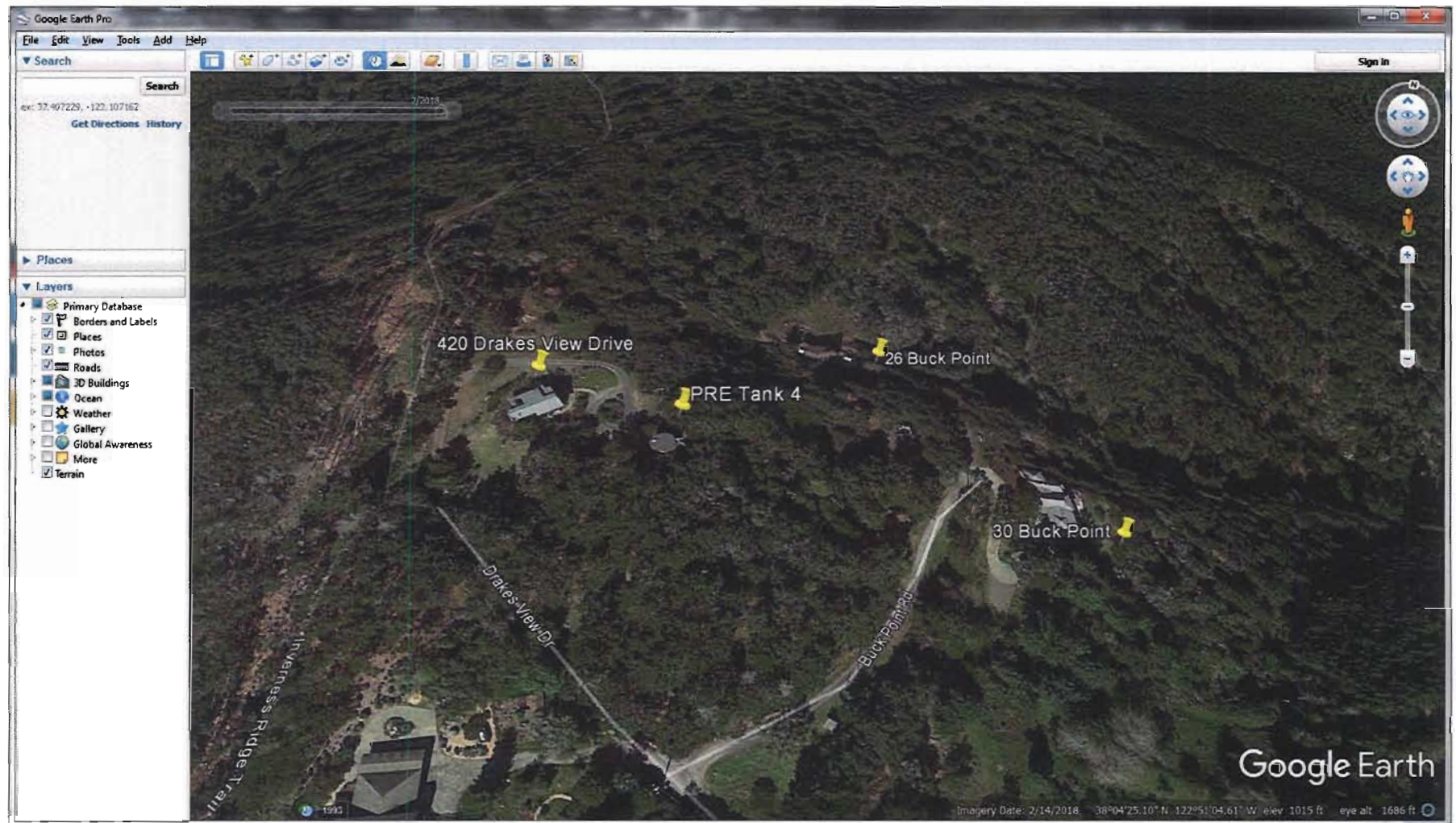
building shall exceed fifteen feet in height above natural grade. The lowest floor level shall not exceed ten feet above natural grade at the lowest corner. Where a ridge lot is too flat to allow placement of the house down from the ridge, a height limit of one story or a maximum of eighteen feet to the top of the roof shall be imposed...”.

Although County Planning staff recognized that sufficient natural screening vegetation exists and recommended that the appeal be denied, the MCPC upheld the appeal and determined that the water tank could be no greater than 18-feet in height above existing grade. Further, the MCPC directed NMWD to pay for landscape mitigation on the Young's property. It is NMWD's position that the stated code section is applicable only to single-family detached residential units and not to public utility infrastructure. Decreasing the tank height from 20.6 to 18 feet above finished grade elevation will interfere with proper system hydraulic design, resulting in reduced service pressure to our customers. Lowering the tank height will also decrease tank storage by 15% thereby compromising our ability to provide water supply for fire protection and will be in conflict with stated Marin County Fire Department storage requirements (1,000 gpm for two hours). Further, NMWD staff believes the project will not be visible from the Young's properties since story poles were erected on the tank site over two years ago, and the poles are not visible from Buck Point Road. Consequently, NMWD staff has filed an appeal with the Marin County Board of Supervisors, hearing date as yet to be determined. Staff is consulting with legal counsel on the appeal.

Coastal Permit Appeal – PRE Tank 4 Replacement

November 6, 2018

Page 3 of 3



**14**

**DISBURSEMENTS - DATED OCTOBER 18, 2018**

Date Prepared 10/16/18

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



Seq	Payable To	For	Amount
55274*	NMWD Petty Cash	Safety Bucks, Snacks & Vehicle Fuel (\$259)	\$282.82
1	Able Tire & Brake	Spare Tire Disposal & Tires (2) ('15 F250)	194.85
2	Alpha Analytical Labs	Lab Testing	725.00
3	Alphagraphics Marin	Postage for Novato Fall Waterline 2018 Newsletter	3,105.38
4	Arrow Benefits Group	September Dental Expense	8,327.19
5	A.S.T.I.	Annual Fire Service Testing (40)	4,477.00
6	Athens Administrators	September Replenishment for Checks Written (\$1,328) & August Bill Review Fees	1,332.89
7	Automation Direct	Signal Splitter for STP Auto Sampler	140.00
8	Backflow Distributors	Backflow Parts (3)	166.96
9	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 84 of 240)	46,066.67
10	Bay Area Barricade Service	Spray Chalk (24 cans)	223.14
11	Brubaker, Roy	Refund Overpayment on Closed Account	123.15
12	Buckley, Barbera	Refund Overpayment on Open Account	418.30
13	Cilia, Joseph	Retiree Exp Reimb (October Health Ins)	343.66
14	Clipper Direct	Oct Commuter Benefit Program (3)	464.00
15	Comcast	October Internet Connection	153.29
16	DeGabriele, Chris	Retiree Exp Reimb (October Health Ins)	1,006.54
17	Diggs, James	Retiree Exp Reimb (October Health Ins)	342.23
18	Duston, David	Exp Reimb: Exam Fee for T3 on 11/3/18	100.00
19	Eurofins Eaton Analytical	Regulatory Analysis (Lab)	280.00

Seq	Payable To	For	Amount
20	Farwest Corrosion Control	Rectifier for Dickson Tank	4,111.42
21	Friedman's Home Improvement	Fence Parts & Concrete (3-60 lb bags)	49.19
22	Frontier Communications	Leased Lines	1,431.36
23	Grainger	Meter for E/M Shop (\$488), Centrifugal Pump (\$671), Utility Pumps (2) (STP) (\$469), Batteries (\$147), Insert Bit for Meter Register Removal, Knee Boots, Cleaning Supplies for Shop, Utility Knives (2) & Check Valve (\$311)	2,283.62
24	Hach	Auto Sampler & Flow Control Box for NSD Export (\$6,041), Chlorinating Solution & Reagents (100) (STP)	6,187.59
25	HERC Rentals	Backhoe Rental (2 weeks) (\$2,035) & Diesel Pump Rental (2 weeks) (\$1,612)	3,647.53
26	Latanyszyn, Roman	Retiree Exp Reimb (October Health Ins)	343.66
27	Lemos, Kerry	Retiree Exp Reimb (October Health Ins)	1,006.54
28	Marin County Ford	Driver's Seat Parts ('10 F150) (\$147) & Service Parts ('15 F250)	204.29
29	Moore, Doug	Retiree Exp Reimb (October Health Ins)	1,006.54
30	North Marin Auto Parts	Battery (\$149) (Compressor), Service Parts ('99 F550 Dump Truck), Exhaust Clamps for Equipment, Window Crank Handle, Tail Light Connectors (5), Trailer Light Connectors, Squeegee, 5 Gal Buckets (10), Battery Hose Clamps (16), Terry Towels, Cabin Air Filters (2) & Belts for Gate Openers	790.24
31	Novato Builders Supply	Parts for Nunes P/S, Hardware, Lumber, Vent, Stakes (2), Spikes (9) & Tools for B/G Maintenance (\$103)	522.82
32	Office Depot	Office Supplies	128.07
33	Pace Supply	Bushings (26), Couplings (71) (\$606), Nipples (3), PVC Pipe (100'), Meter Stops (23) (\$1,052) & Valves (10) (\$959) & 6" Spool	3,130.56

Seq	Payable To	For	Amount
34	Pini Hardware	Parts for Ammo Tank Hatches, Paint Supplies, Grab Bar for Admin Restroom, Glue, Small Tools for Auto Shop, Spray Nozzle, Trash Bags, Paint & Materials for San Antonio P/S Rehab, Window Squeegee, Tools for B/G Maintenance & Clean up Supplies	580.49
35	Point Reyes Prop Mgmt Assn	October HOA Fee (25 Giacomini Rd)	75.05
36	Primex	Programming & SCADA Control Work for STP	1,125.00
37	Pryor Seminars, Fred	Leadership Team Building & Coaching Skills Class on December 12, 2018 (Arendell)	249.00
38	Red Wing Shoe Store	Safety Boots (Kauwe)	166.19
39		Cafeteria Plan Reimbursement	208.33
40	Renshaw, Barbara	Refund Overpayment on Closed Account	276.40
41		Cafeteria Plan: Uninsured Medical Reimbursement	228.59
42	Sequoia Safety Supply	Safety Vests (5), Earplugs (100) & First Aid Kit for Locker Room (\$132)	204.69
43	Soiland	Asphalt Recycling (5 tons)	25.10
44	Stafford, Vernon	Retiree Exp Reimb (October Health Ins)	343.66
45	Thatcher Chemical	Chlorine (2,000 lbs) (STP)	2,169.00
46	TPx Communications	September Telephone Charges	520.35
47	United Site Services	Porta-Potty Rental (1 month) (O.M. Pond Storm Damage)	234.40
48	US Bank	Sept Safekeeping - Treasury Securities	130.50
49	Verizon Wireless	Cellular Charges: Data (\$525), Airtime (\$188) (21) & Equipment (\$147)	859.78
50	Verizon Wireless	AMI Gateways, SCADA, Novato (\$643) & CIMIS Station	658.66
51	Victory Auto Plaza	Door Handle ('08 Chevy Colorado)	6.95
52	VWR International	Safety Gloves (10) (Lab)	90.93

Seq	Payable To	For	Amount
53	Winner Chevrolet/Elk Grove Auto Group	2019 Chevy Colorado 4 WD	31,073.75
<b>TOTAL DISBURSEMENTS</b>			<b><u>\$132,343.32</u></b>

The foregoing payroll and accounts payable vouchers totaling \$132,343.32 are hereby approved and authorized for payment.

	<u>10-16-18</u>
Auditor-Controller	Date
	<u>10-16-18</u>
General Manager	Date

## ***DISBURSEMENTS - DATED OCTOBER 25, 2018***

Date Prepared 10/23/18



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

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 10/15/18	\$138,153.88
EFT*	Internal Revenue Service	Federal & FICA Taxes PPE 10/15/18	53,807.64
EFT*	State of California	State Taxes & SDI PPE 10/15/18	11,365.34
EFT*	CalPERS	Pension Contribution PPE 10/15/18	34,550.76
EFT*	CalPERs	Fee for Retired Annuitants for 8/15 & 8/31/18	600.00
1	AirGas	Confined Space Oxygen Sensors for Gas Monitors (2)	\$403.37
2	Allied Heating & Air Conditioning	Quarterly Maintenance on HVAC System	417.00
3	Alpha Analytical Labs	Lab Testing (West Marin)	1,749.00
4	American Family Life Insurance	October AFLAC Employee Paid Benefit	2,820.13
5	Arrow Benefits Group	October Dental Admin Fee	276.85
6	A.S.T.I.	Annual Fire Service Testing (31)	3,460.00
7	AT&T	Leased Lines	66.06
8	Bay Area Air Quality Mgmt Dist	Annual Permit Renewal (To Operate Fuel Pumps)	360.00
9	Bold & Polisner	September Legal Fees	1,533.00
10	Core Utilities	Consulting Services: September IT Support (\$6,000), O.M. Generator Maintenance (\$500), Modifications to SCADA (\$350), CORE Billing Maintenance (\$175), Website Maintenance (\$350) & AMI Maintenance (\$925)	8,300.00
11	Fedak & Brown	Prog Pymt #4: FY 18 Audit (Balance Remaining on Contract \$1,038)	2,000.00
12	Golden Gate Petroleum	Gasoline (\$3.42/gal) & Diesel (\$3.29/gal)	3,414.25

Seq	Payable To	For	Amount
13	Grainger	Parts for O.M. Pond (10) (\$1,609), Hip Boots, Electrical Tape (20 - 3/4" rolls) & Transport Chain (\$277)	2,009.34
14	Hach	Part & Chemicals for STP pH Sensor (\$532) & Reagent	554.95
15	High-Purity Standards	Standards (Lab)	344.85
16	Hillside Park #1 HOA	Refund Overpayment on Closed Accounts (3)	2,930.63
17	Industrial Scientific	Replacement Gas Monitor for STP	1,020.59
18	InfoSend	Sept Processing Fee for Water Bills (\$974), Postage (\$2,758) & September Monthly Support Fee	4,378.15
19	Intellaprint Systems	Quarterly Maintenance on Engineering Scanner/Copier	447.00
20	Lincoln Life	Deferred Compensation PPE 10/15/18	10,606.21
21	Marin Capital Ventures	Refund Overpayment on Closed Account	80.57
22	McMaster-Carr Supply	4" Suction Hose (40')	621.65
23	Nationwide Retirement Solution	Deferred Compensation PPE 10/15/18	1,750.00
24	North Bay Gas	Nitrogen (STP) (\$957), Acetylene (Lab) (\$480) & September Cylinder (\$113)	1,450.81
25	Novato Sanitary District	July (\$25,640) & August (\$26,967) 2018 RW Operating Expense	52,606.78
26	NTU Technologies	Cationic Coagulant (4,000 gal) (STP)	25,529.30
27	Owen, Earle	Refund Overpayment on Closed Account	199.56
28	Pace Supply	Box Lids (60) (\$1,499), Clamp, Steel Pipe (40') (\$2,254), Angle Meter Stops (30) (\$750), Tube Nuts (2) & Copper Pipe (120') (\$1,244)	6,280.93
29	PG&E	Power: Bldgs/Yard (\$4,437), Rectifier/Controls (\$605), Pumping (\$42,713), Treatment (\$142) & Other (\$160)	48,057.59
30	Solenis	Polymer (STP)	3,577.90
31	Sonoma County Water Agency	September Contract Water	533,838.08

Seq	Payable To	For	Amount
32	Tamagno Green Products	Sludge Removal @ STP	3,180.00
33	Township Building Services	Sept Janitorial Services	1,877.53
34	United Parcel Service	Shipping: Sent Gas Monitors in for Repair, Returned Rental Test Kit, Sample & Oil for Testing	211.12
35	Univar	Sodium Hydroxide (25,000 gals)	9,077.81
36	USA BlueBook	Sensor for Reading pH (STP)	312.81
37	Van Midde & Sons Concrete	Repair Stamped Concrete @ 3 Locations on Jamison & Ganey Cts	6,900.00
38	Victory Auto Plaza	Parking Brake Cable ('08 Chevy Colorado)	8.10
39	VWR International	Acetone, Copper, Buffer (Lab), Beaker & Cell Samples (12) (STP) (\$244)	353.13
40	White Cap Construction	Stake Chasers (125)	93.49
41	White & Prescott	Prog Pymt#27: AEEP Easement Support-B2 Reach A (\$3,230), Prog Pymt#28: Water Line Easement from City of Novato (\$360) & Prog Pymt#29: Crest Pump Station Site Plan (\$2,360) (Balance Remaining on Contract \$29,890)	5,950.00
<b>TOTAL DISBURSEMENTS</b>			<b><u>\$987,526.16</u></b>

The foregoing payroll and accounts payable vouchers totaling \$987,526.16 are hereby approved and authorized for payment.

	<u>10/23/18</u>
Auditor-Controller	Date
	<u>10/23/18</u>
General Manager	Date

## **DISBURSEMENTS - DATED NOVEMBER 1, 2018**

Date Prepared 10/30/18



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

Seq	Payable To	For	Amount
EFT*	CalPERs	November Health Insurance Premium (Employees \$49,394, Retirees \$11,855 & Employee Contribution \$9,286)	\$70,535.66
1	Alcohol & Drug Testing Services	Annual Random Testing Compliance Program	139.00
2	Advanced Infrastructure Technologies	Metal Lid Locator	541.89
3	Amazon/Genuine-Hardware	Electronic Rotary Laser Level (\$666), Fire Service Sockets (10) (\$187), Dent Removal Kit (\$50) & Service Envelopes for Engineering (\$32)	934.53
4	A.S.T.I.	Annual Fire Service Testing (24)	2,620.00
5	AT& T	October Internet Connection	85.00
6	Autoworld	Fuel Additives for Outbound Motor for STP	30.12
7	Backflow Distributors	Backflow Repair Kits (3)	305.16
8	Braskamp, Juwlan	Refund Overpayment on Open Account	36.92
9	Coast Counties Peterbilt	Check & Update Engine Control Module ('09 Peterbilt 335)	149.95
10	CWEA	Lab Analysis Grade 2 Certification Renewal Fee (Reischmann) (1/19-12/19) (Budget \$100)	92.00
11	Electrical Equipment	New Meter for San Marin P1 P/S	7,551.65
12	Evoqua Water Technologies	Deionization System Rental (10/1/18-3/31/19)	321.00
13	Friedman's Home Improvement	Cement Forms for Inlet Pipe Stand Footings @ OM Ponds	136.24
14	Gates, Marianne	Refund Overpayment on Closed Account	92.25

Seq	Payable To	For	Amount
15	Grainger	Stop Sign, Ear Muffs (2), USB Power Source, Hydrant Wrenches (4), Drill for E/M Shop (\$194), Tape Measures (8) (\$122), Batteries, Signs (4), Strainer (STP), Emergency Light for Board Room, Knee & Hip Boots	958.68
16	HERC Rentals	Diesel Pump Rental (1 week) (O.M. Ponds)	841.14
17	Idexx Laboratories	Reference Cultures (Lab)	241.11
18	Kaiser Foundation Health Plan	DMV/DOT Physicals (Watkins & Reed)	230.00
19	KP Promotions	Semi-Annual Uniform Order	7,223.21
20	Lazaro, Tony	Refund Overpayment on Closed Account	37.92
21	Leighton Stone	Control Solenoid for Lynnwood P/S	265.61
22	McLellan, WK	Misc Paving (Balance Remaining on Contract \$229,060)	23,222.26
23	Medora	Replacement Motor for Solarbee on Stafford	5,319.08
24	Mutual of Omaha	November Group Life Insurance Premium	900.16
25	Neopost USA	November Postal Meter Rental	124.43
26	Pace Supply	Bolts for OM Ponds Inlet Pipe Stand (\$292), PVC Pipe (20') & Elbows (2)	502.30
27	Parkinson Accounting Systems	September Accounting Software Support (10/1/18-12/31/18)	1,792.50
28	Pollard Water	Adapter to Repair Hydrant Meters (2)	246.48
29	Rayner, Eric	Refund Overpayment on Closed Account	154.51
30	R & B	Meter Flanges (10), Meter Gaskets (90), Hydrant Extension, Tees (9), Double Check Valves (3) (\$363) & Gate Valves (3) (\$1,318)	2,525.12
31		Cafeteria Plan Reimbursement	208.33
32		Cafeteria Plan: Uninsured Medical Reimbursement	77.08
33	Sequoia Safety Supply	Safety Pants, Antacid (200), Safety Gloves (600) (\$118), Anti-Fog Lens Wipes (300) & First Aid Kits (3) for Service Trucks	237.68

Seq	Payable To	For	Amount
34	Shell Credit Card	Gasoline for Various Vehicles During NMWD Fuel Pump Failure	250.12
35	Soiland	Asphalt Recycling (23 tons)	114.55
36	SPG Solar Facility	Sept Energy Delivered Under Solar Services Agreement	13,033.01
37	Syar Industries	Asphalt Recycling (6 tons)	997.25
38	Team Ghilotti	Refund Overpayment on Closed Account	754.89
39	Thatcher of California	Ferric Chloride (9 tons) (STP)	5,111.49
40	Thomas Scientific	Flip Top Sample Bottles (132) (Lab)	143.06
41	Univar	Sodium Hypochlorite (200 gal) (STP)	447.71
42	VWR International	Dropper Assembly, pH Buffer Solution Kit, Manganese & Titrant for Fluoride (Lab)	202.18
43	White Cap Construction	Weed Barrier (O.M. Pond Storm Damage Project)	65.08
<b>TOTAL DISBURSEMENTS</b>			<b><u>\$149,798.31</u></b>

The foregoing payroll and accounts payable vouchers totaling \$149,798.31 are hereby approved and authorized for payment.

 Auditor-Controller	<u>10/31/18</u> Date
 General Manager	<u>10/31/18</u> Date

# MEMORANDUM

To: Board of Directors

November 2, 2018

From: Nancy Williamson, Sr. Accountant *NW*

Subj: Self-Insured Workers' Comp – 1st Quarter Status Report

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## RECOMMENDED ACTION: None

## FINANCIAL IMPACT: Cumulative Savings of \$549,280

The District returned to self-insuring its workers compensation liability effective July 1, 2011, after the low-cost proposal for first-dollar workers' compensation coverage increased 20% over the prior year, to \$159,331. The avoided-cost since returning to self-insurance is calculated at \$418,722. When the Reserve for Future Medical (which is the estimated cost to fully resolve open claims) is added, the total cash outlay avoided to date, including interest earned on the cost avoided, is \$549,280. This cash is set-aside in a reserve for future claims.

Through the 1<sup>st</sup> quarter of FY19, the District incurred one claim. Due to the reduction in cost of policy premiums and decreased savings margin the benefits of self-insuring will be evaluated and reconsidered for FY20. Attached are charts showing a 10-year history of annual claims cost (average \$60,000 per year) and 10-year history of claims frequency (average 5 claims per year).

	FY12 through FY16	FY17	FY18	FY19	Cumulative
Premium Avoided	\$1,057,526 <sup>1</sup>	\$191,000 <sup>2</sup>	\$109,260 <sup>3</sup>	\$25,688 <sup>4</sup>	\$1,383,474
<b>Self-Insurance Cost</b>					
Medical/Indemnity	(182,867)	(265,964)	(15,187)	(0)	(464,018)
Third-Party Administration	(60,000)	(12,000)	(12,000)	(3,000)	(87,000)
Excess Insurance Premium <sup>5</sup>	(247,754)	(58,638)	(62,358)	(12,514)	(381,263)
Legal/Miscellaneous	(24,592)	(1,102)	(6,777)	(0)	(32,471)
Net Cost Avoided	\$542,314	(\$146,704)	\$12,937	\$10,174	\$418,722
Reserve for Future Medical	0	81,441	11,389	5,527	98,358
Total Cash Outlay Avoided	\$542,314	(\$65,263)	\$24,326	\$15,702	\$517,079
Interest Earned on Cash Outlay Avoided	11,453	9,124	9,710	1,914	32,201
Cash Savings	\$553,767	(\$56,139)	\$34,036	\$17,616	\$549,280

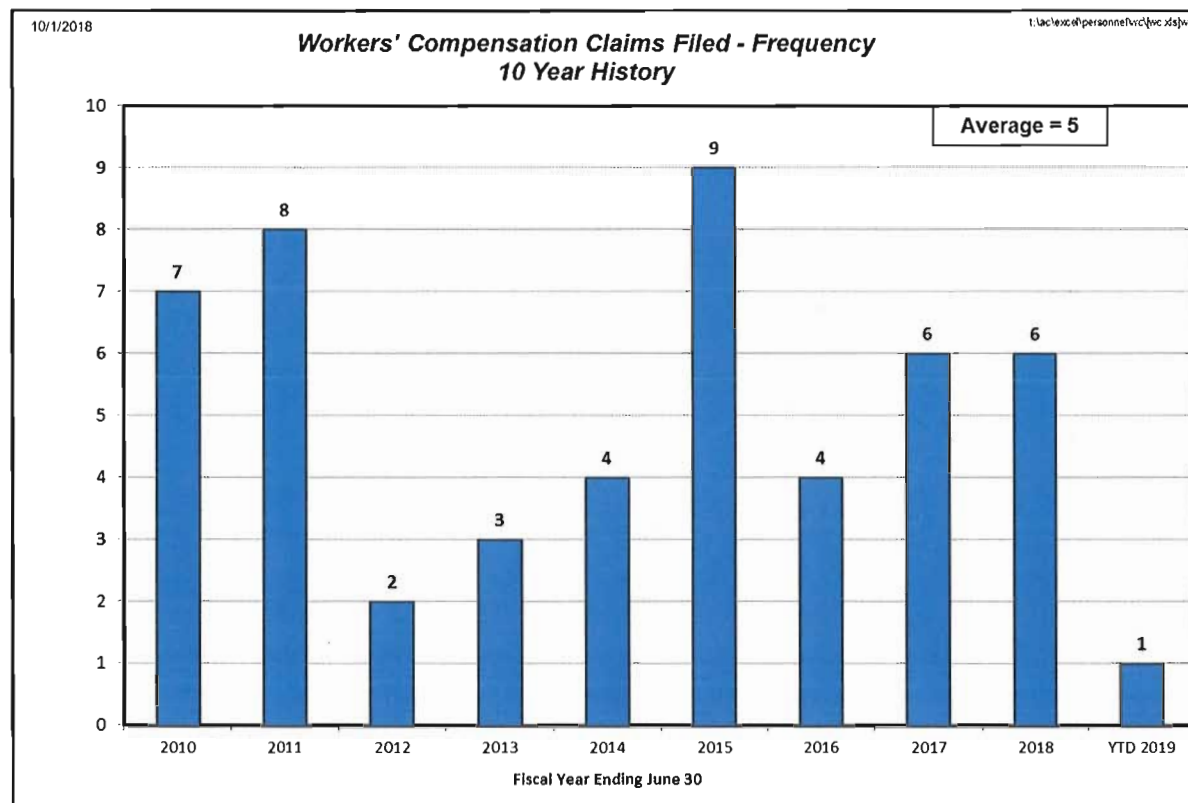
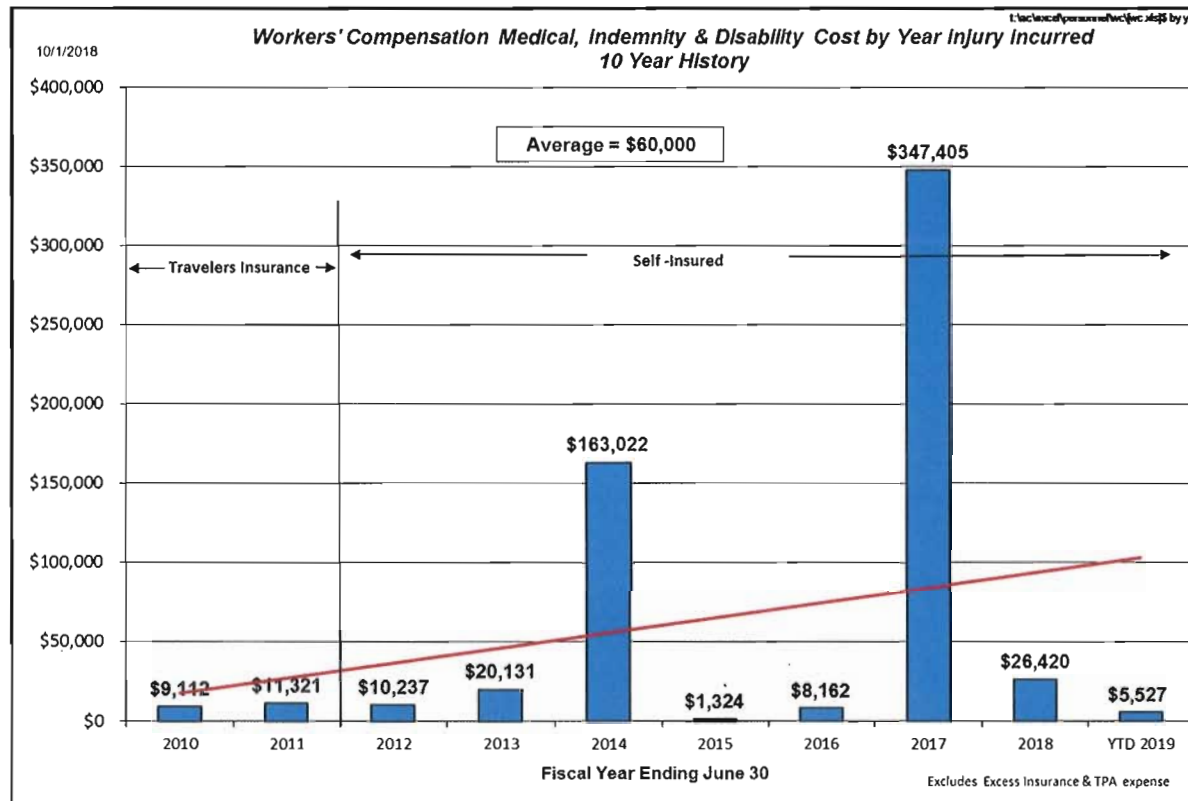
<sup>1</sup> Proposed annual premium of \$159,331 (FY12), \$170,574 (FY13), \$311,764 (FY14), \$203,722 (FY15) and \$212,135 (FY16)

<sup>2</sup> Allied World Assurance was the low cost proposal with an annual premium of \$191,000.

<sup>3</sup> Zenith Insurance Company was the low cost proposal with an annual premium of \$109,260.

<sup>4</sup> Zenith Insurance Company was the low cost proposal with an annual premium of \$102,752.

<sup>5</sup> Excess Insurance Protects the District against Catastrophic Loss Exceeding \$1,000,000 per claim.



## MEMORANDUM

To: Board of Directors  
From: Nancy Williamson, Senior Accountant *NW*  
Subj: Information – FY19 1st Quarter Labor Cost Report  
t:\aclword\memo\19\1st qtr labor cost rpt.doc

November 2, 2018

**RECOMMENDED ACTION:** Information Only

**FINANCIAL IMPACT:** None

Total labor cost increased \$44,472 (2.3%) from the prior fiscal year. Attached in graphical format is a five-year comparative summary of total labor cost (Attachment A), overtime cost (Attachment B) and temporary employee cost (Attachment C) expended during each fiscal year. Also attached is a summary of total labor cost vs. budget (Attachment D), which shows that labor was 3.5% under budget through the end of the fiscal year.

Department	Increase / (Decrease) in Labor Cost vs prior FY	% Change
Administration	(\$9,615)	(1.8%)
Engineering	( \$6,227)	(1.8%)
Operations/Maint	\$45,500	6.4%
Construction/Maint	\$14,814	3.9%
Net Increase/(Decrease)	\$44,472	2.3%

### Comment on Change from Prior Year

**Administration:** Labor Cost decreased \$9,615, or 1.8%. The decrease is primarily due to the resignation of the Accounting/Human Resource Supervisor on July 24<sup>th</sup>, 2018 and that position remaining vacant and to the Auditor Controller and District Secretary positions being filled with lower salaries than their predecessors. The decrease was offset by the two Senior Accountants working extra hours. There were also two 5% step increases, and the 2.7% labor cost increase effective October 1 of 2017.

**Engineering:** Labor Cost decreased \$6,227, or 1.8%. The decrease is primarily due to overlapping salaries last year arising from the addition of Susan Dove on August 16, 2017 to the Engineering Tech IV position to replace an employee who retired on September 30, 2017. The decrease was offset by three 5% step increases and the aforesaid 2.7% labor cost increase.

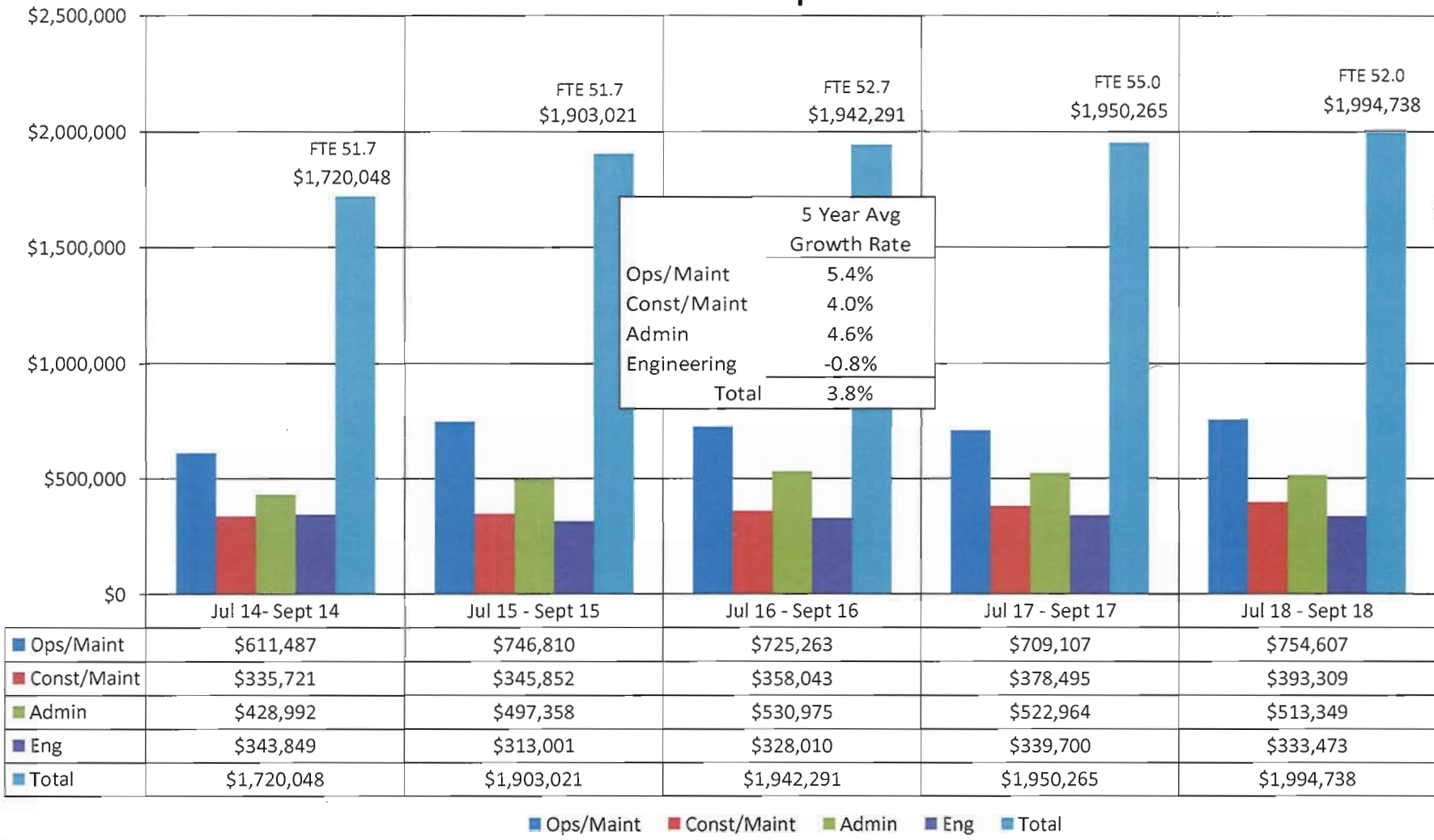
**Operations/Maintenance:** Labor Cost increased \$45,500, or 6.4%. The increase was primarily due to 171 more hours worked, seventeen 5% step increases, and the 2.7% labor cost increase.

**Construction/Maintenance:** Labor Cost increased \$14,814, or 3.9%. The increase was due to 250 more temporary and overtime hours worked, five 5% step-increases and the 2.7% labor cost increase.

11/2/18

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## Total Labor Cost NMWD Fiscal Year through September 5-Year Comparison



11/2/18

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## Overtime Cost NMWD Fiscal Year through September 5-Year Comparison



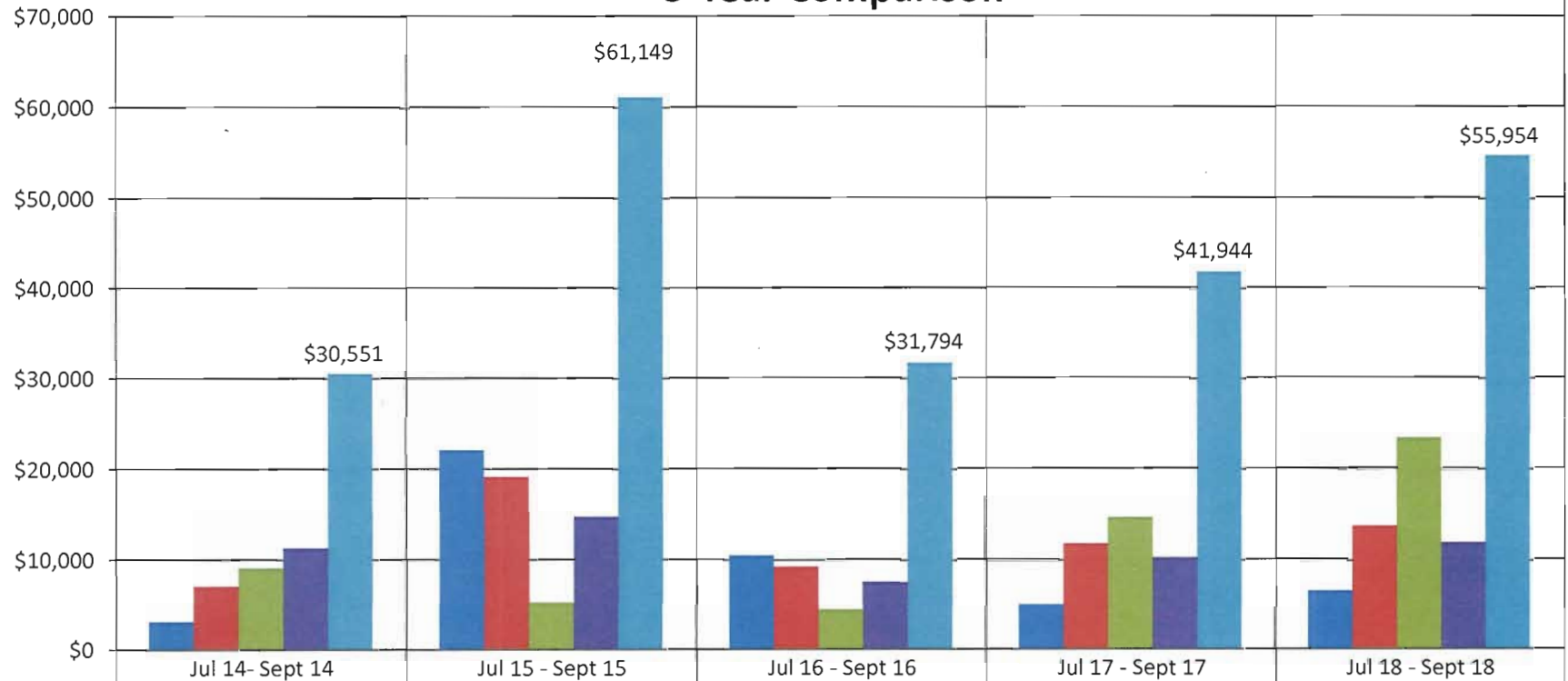
Ops/Maint	\$20,703	\$30,231	\$26,867	\$36,708	\$36,544
Const/Maint	\$25,939	\$30,408	\$19,172	\$17,296	\$26,829
Admin	\$5,563	\$7,304	\$5,574	\$3,184	\$20,918
Eng	\$2,925	\$84	\$0	\$0	\$0
Total	\$55,129	\$68,026	\$51,613	\$57,188	\$84,290

■ Ops/Maint 
 ■ Const/Maint 
 ■ Admin 
 ■ Eng 
 ■ Total

11/2/18

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## Temporary Employee Cost NMWD Fiscal Year through September 5-Year Comparison



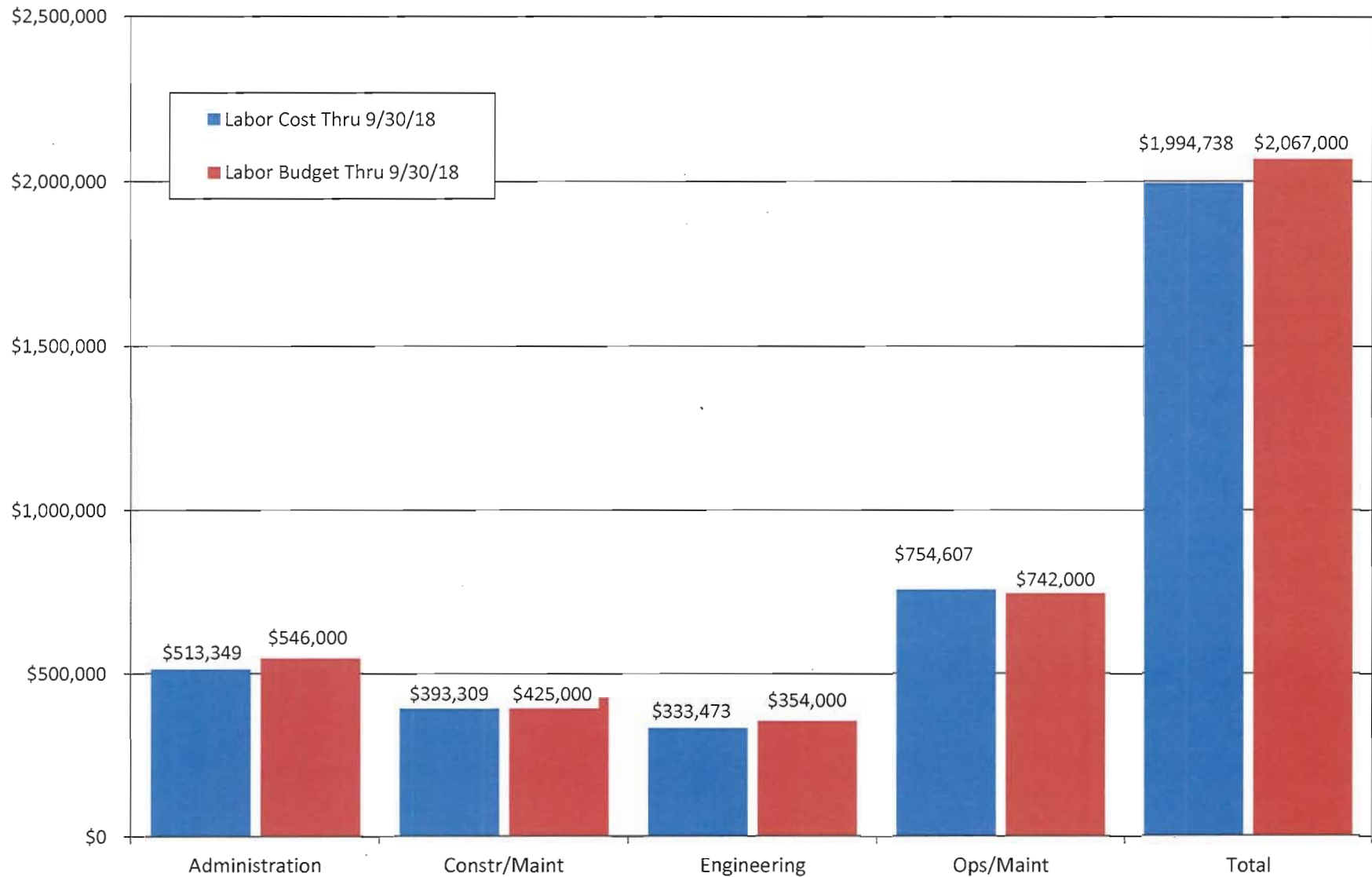
Ops/Maint	\$3,088	\$22,088	\$10,538	\$5,060	\$6,702
Const/Maint	\$7,040	\$19,118	\$9,234	\$11,826	\$13,761
Admin	\$9,114	\$5,240	\$4,434	\$14,750	\$23,495
Eng	\$11,309	\$14,704	\$7,588	\$10,308	\$11,996
Total	\$30,551	\$61,149	\$31,794	\$41,944	\$55,954

■ Ops/Maint   
 ■ Const/Maint   
 ■ Admin   
 ■ Eng   
 ■ Total

11/2/18

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## Total Labor Cost vs. Budget NMWD Fiscal Year through September





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**FOR IMMEDIATE RELEASE**

October 6, 2018

**Sonoma-Marín Saving Water Partnership Wins National Awards for its  
Training, Outreach and Education Programs**

**Las Vegas, Nevada** — The Sonoma-Marín Water Saving Partnership (Partnership), a group of North Bay water utilities, has once again been recognized with national awards for its water-saving efforts. The U.S. Environmental Protection Agency (EPA) awarded the Partnership its second consecutive Sustained Excellence Award for continuing to improve its irrigation-professional training program by upgrading its curriculum and training materials. The Partnership also received a 2018 Excellence Award for its outreach efforts that included promoting the use of water-saving showerheads and faucet aerators for homes and businesses.

The Partnership was awarded two of the 21 WaterSense awards that were handed out today at the WaterSmart Innovations Conference in Las Vegas for helping Americans to save water, energy, and money. This is the fifth year in a row that the Partnership has received awards for its water efficiency efforts.

The Partnership is a three-time WaterSense Partner of the Year award winner and this year earned a second Sustained Excellence Award. SMSWP is the parent organization for the WaterSense labeled Qualified Water Efficient Landscaper (QWEL) professional certification program, which has helped certify more than 2,000 individuals to date through 16 organizations that offer the QWEL program.

“This award and the continued acknowledgement of the QWEL program is gratifying and speaks to the value of the Sonoma-Marín Water Saving Partnership and our partners’ willingness to collaborate with all sectors of the community,” said Windsor Town Councilmember Mark Millan, chair of the Partnership’s Water Advisory Committee. “The QWEL program continues to grow and thrive and we are very proud of the work we have accomplished in achieving greater water-use efficiency in both theory and practice.”

The Partnership received its fourth Excellence Award this year for promoting WaterSense labelled faucets and aerators during 115 commercial water-use audits that were performed. In addition the Partnership

offered free Water Smart Home Evaluations to more than 3,000 homes in 2017, and provided free WaterSense labelled showerheads and aerators.

Since 2006, the Sonoma-Marín Water Saving Partnership and more than 1,900 other WaterSense partners have helped consumers save more than 2.7 trillion gallons of water, or more than the amount used by all U.S. households for nearly 100 days. In addition to water savings, WaterSense labeled products and homes have helped reduce the amount of energy needed to heat, pump, and treat water by 367 billion kilowatt hours—which is enough to power more than 34.1 million homes for a year—and save \$63.8 billion in water and energy bills.

“Through innovation and commitment, our partners are helping to transform the marketplace for water-efficient, high-performing products and homes,” said Veronica Blette, WaterSense program manager. “The WaterSense Sustained Excellence, Partner of the Year, and Excellence Award winners are leading the charge to save water, energy, and money for future generations.”

The Partnership will continue to offer educational resources, programs and incentives to aid our communities in meeting water use efficiency requirements in the future. For more information about the Partnership, QWEL, or available water conservation rebate programs, please visit [www.savingwaterpartnership.org](http://www.savingwaterpartnership.org) or contact Carrie Pollard at [Carrie.Pollard@scwa.ca.gov](mailto:Carrie.Pollard@scwa.ca.gov).

For more information about WaterSense, visit [www.epa.gov/watersense](http://www.epa.gov/watersense).

###

The Sonoma-Marín Saving Water Partnership represents 11 water utilities in Sonoma and Marin counties that have joined together to provide a regional approach to water-use efficiency. The utilities are the Cities of Santa Rosa, Rohnert Park, Petaluma, Sonoma, Cotati; North Marin, Valley of the Moon and Marin Municipal Water Districts, Town of Windsor, California American Water, and Sonoma Water (formerly Sonoma County Water Agency).

###

WaterSense, a partnership program sponsored by EPA, seeks to protect the future of our nation's water supply by offering people a simple way to use less water with water-efficient products, new homes, and services. Since the program began in 2006, WaterSense has helped consumers save 1.1 trillion gallons of water and \$21.7 billion in water and energy bills.

**Barry Dugan**

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## Major utilities shut off power amid fire risks

### CALIFORNIA

By Paul Elias

*The Associated Press*

**SAN FRANCISCO»** Concerned County was not included.

about downed power lines sparking wildfires, two major California utilities took the rare step of cutting power to customers amid high winds — and another power provider was considering similar action.

Pacific Gas & Electric for the first time began cutting power Sunday night to tens of thousands of customers in Northern California after the National Weather Service warned of extreme fire danger across the state due to high winds, low humidity and dry vegetation. Marin

San Diego Gas & Electric followed suit Monday, turning off power to about 360 customers in foothill areas near Cleveland National Forest, where multiple blazes have scorched large swaths of land in recent years.

SDG& E has pre-emptively shut off power to customers in the past, most recently in December when 14,000 customers went without power — many for four days.

Pacific Gas & Electric previously announced its plan to shut off power preemptively after authorities blamed its power lines for sparking some of California's most destructive wildfires.

The utility expects to pay billions of dollars in wildfire damages and has sought ways to limit its liability through the courts and Legislature.

PG& E said about 87,000 customers had their power halted and more could be left in

happened until a friend called him.

“They knew what they were going to do obviously,” Munnerlyn said. “We weren’t given enough notice to properly prepare.”

Kevin Kathman, executive chef of wine country restaurant All Seasons in Calistoga, said \$12,000 worth of food at the site would spoil if power isn’t restored soon.

Instead of tossing it, he was planning to cook over a fire during a block party for the “stressed out community” that includes winery owners in the middle of grape harvest. The power went out Sunday night and Calistoga remained without

was killed when a eucalyptus tree fell on her car in an apartment complex. The victim was 34. No further details were released.

Southern California Edison spokesman David Song said about 32,000 of its 5 million customers were experiencing power outages, but no shutdowns had been ordered by the utility. Song said Edison was investigating the cause of those outages.

*Associated Press writers Jocelyn Gecker in San Francisco and Christopher Weber and John Antczak in Los Angeles contributed to this report.*

the dark depending on the weather. Some 60,000 customers remained without power. Schools in those affected areas canceled classes. PG& E said it expected to restore power Monday night to most customers — though some residents won't get electricity back until Tuesday.

"We know how much our customers rely on electric service, and we have made the decision to turn off power as a last resort given the extreme fire danger conditions these communities are experiencing," PG& E spokesman Pat Hogan said.

PG& E said it began notifying affected customers on Saturday about possible outages. However, many said Monday they had received little or no notice.

Stewart Munnerlyn was scrambling to find generators to save \$8,000 worth of ice cream at his creamery shop in Pine Grove, about 55 miles east of Sacramento. Munnerlyn said he is in Virginia visiting a sick relative and received three text messages Sunday night from PG& E saying it might cut power, but he didn't know it actually

electricity Monday, even though Kathman said there was no wind.

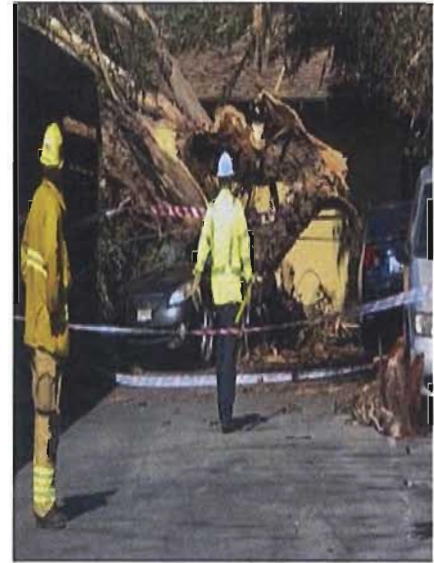
"It's a beautiful day," he said. "We are all in disbelief that it's not back on."

PG& E spokeswoman Melissa Subottin said power was also cut to hospitals and other medical providers that are required to have backup power sources. PG& E officials visited 4,400 medical customers in the affected areas to personally warn them of the outages, she said.

The weather service predicted winds gusting to 55 mph in the Sierra foothills east of Sacramento. High winds were also expected in the state's wine country north of San Francisco.

Southern California Edison said it was considering shutting off power to an undetermined number of customers. Strong wind gusts swept across the region with the arrival of the first fall Santa Ana winds — hot, sustained gusts that blow from the desert to the ocean.

A motorist in the Orange County city of Tustin



Authorities assess the damage after a Tustin woman was killed by a large eucalyptus tree that toppled on her car during the heavy Santa Ana winds on Monday.

MINDY SCHAUER — THE ORANGE COUNTY REGISTER

Tuesday, 10/16/2018 Pag.A01

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NEWS > LOCAL NEWS

## Potter Valley project on Mendocino County board of supervisors' agenda Tuesday



The Potter Valley Project is on local government agendas this week. (file photo)

By **UKIAH DAILY JOURNAL STAFF** |

October 15, 2018 at 3:28 pm

The Mendocino County Board of Supervisors Tuesday will consider allocating \$20,000 toward "investigating and negotiating" the purchase of the Potter Valley Project, which a hydro-electric dam the Pacific Gas and Electric is putting up for auction.

According to the agenda for the Oct. 16 meeting, the board is being asked to discuss and possibly take action to “authorize allocation of (not more than) \$20,000 as Mendocino County's proportionate share of legal fees for Inland Water and Power Commission regarding investigation and negotiation for potential acquisition of the Potter Valley Project.”

The Inland Water and Power Commission – a Joint Powers Authority representing the County of Mendocino, City of Ukiah, Redwood Valley County Water District, Potter Valley Irrigation District and the Mendocino County Russian River Flood Control and Water Conservation Improvement District—was formed in 1996. It has already expressed the desire to purchase the Potter Valley Project from PG&E although the electric utility has not made public its asking price.

Staff is recommending that the allocation be approved, and that the board “direct that the CEO and Auditor-Controller pay for the services through the Miscellaneous Budget Unit and return the \$20,000 to the Miscellaneous Budget Unit from the Fiscal Year 2017-18 Fund Balance during the First Quarter Budget Report.”

Also this week, the Ukiah City Council has a nearly identical item on its agenda for a meeting the following day, Oct. 17, recommending that the City Council approve an allocation of not more than “\$20,000 as the City of Ukiah's proportionate share of legal fees for IWPC regarding investigation and negotiation for potential acquisition of the Potter Valley Project.”

The board of supervisors' meeting begins Tuesday at 9 a.m. in room 1070 of the county administration building at 501 Low Gap Road.

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Tags: **newsletter**



**Ukiah Daily Journal staff**

[HOME](#) \ [ENVIRONMENT](#)

## WHY THIS WINTER'S EL NIÑO WILL NOT BRING MORE RAIN TO CALIFORNIA

A conversation with Jan Null, a weather forecaster who explains why expectations of a wet winter are misplaced.

**MATT WEISER · 20 HOURS AGO**

An El Niño is forecast for the winter ahead, and we all know what that means. Or do we?

El Niño—that cyclical warming of the equatorial Pacific Ocean—has long been associated with wet winters across much of the West. Which is always welcome news across the chronically water-short region. But in reality, whether El Niño actually delivers greater-than-normal precipitation is strictly a toss-up, says Jan Null, owner of Golden Gate Weather Services, a consultancy based in Saratoga, California.

The National Weather Service Climate Prediction Center tells us, in its most recent forecast of the El Niño Southern Oscillation, that there is as much as a 70 percent chance of El Niño conditions forming during the winter ahead. And it's likely to be a "weak" El Niño. But what does that mean? Elementally, it means the equatorial Pacific is expected to be warmer than normal, and this may alter weather events around the globe.

But it doesn't mean you should get your hopes up for a wet winter. Null has taken it upon himself to try to bring a dose of reality to the situation, via an exhaustive breakdown of precipitation results from past El Niño events. In an interview with *Water Deeply*, he explains why our expectations about this weather phenomenon are often wrong.

**What does an El Niño prediction mean for precipitation in California and elsewhere in the West?**

With any El Niño, and especially weak events, there is no strong correlation with either above- or below-normal precipitation in California. For example, in the very important Sacramento Basin, of the 10 weak El Niño events since 1950, five have been above normal and five below normal. And the range of these solutions is from 43 percent of normal in 1976–77 to 135 percent of normal in 1977–78.

Likewise, rainfall in the California portion of the Colorado ranges from 30 percent of normal in 2006–07 to 214 percent in 2004–05—both weak El Niños.

**Why is forecasting El Niño so difficult?**

The accuracy for seasonal forecasts is not nearly as absolute as our weather forecasts in the short term. So with forecasting El Niño, you're going to run into all the same issues you have with any seasonal forecast. Also, we're finding out more and more that ENSO events are not happening in a vacuum. It's not the only thing that's going on. You also have the Pacific Decadal Oscillation, the Madden-Julian Oscillation, the Arctic Oscillation. I call it an alphabet soup of different things we have going on in the oceans and atmosphere.

But, of these, the strongest single events are ENSO events, which I think is one of the reasons they get so much attention. But they don't happen in that vacuum. So sometimes these other things make the ENSO events stronger, or they might subtract from the impacts.

So not only do we have to forecast what the ocean temperatures are going to be along this fairly narrow swathe of the equatorial Pacific. You really have to consider what's going on in all these other places—looking at pressure patterns in the Arctic or what's going on in the North Pacific. It's a complex puzzle. If you forecast one piece out of place, all the other ones aren't going to fit right together.

Then we also have to discuss the fact that you have climate change DNA in everything that's going on. The atmosphere and the oceans are warmer, so that's going to add into the complexity of what's going on.

**Much of the West is grappling with long-term water shortages. How should we manage our expectations around El Niño and avoid any "hype"?**

I don't think it necessarily is El Niño hype. There is always the hope that the next winter is going to be wet. People fixate on the idea that "This is an El Niño storm." Well, you also have big storms in years that are not El Niño.

Historically, the way we get our "normal" precipitation is typically by having a lot of years that are a little bit less than normal. And that's really what the drought in 2011–15 was. So that means you have a deficit over those four years. So to make up that deficit, you not only have to have a normal year. You almost have to have a year that would be twice as wet as normal. But something we have learned is that we can recover without making up all the deficit. And I think we saw that with the water supply after what happened in 2016–17, which was a wet year.

It's really important that water managers, the media, and the public get out of the old mindset from 1982–83 and 1997–98 that El Niño means a wet winter for California. I think the attention is appropriate. You just have to put it in context.

I've often used, over the years, the analogy of a baseball team. You may have this one player who's a superstar who helps you get more wins than any other player. But on any given day, somebody else might have a hot day and be the one who's going to be the star. El Niño is not the only player on the team.

*This article originally appeared on Water Deeply. You can find the original here. For important news about water issues and the American West, you can sign up to the Water email list.*

## Housing plan gets boost by county

### NOVATO

Supervisors add \$250K to funds for 80-unit site

**By Richard Halstead**

*[rhalstead@marinij.com](mailto:rhalstead@marinij.com) @HalsteadRichard on Twitter*

Habitat for Humanity is gathering predevelopment funds for an 80-unit affordable housing project in northern Novato.

The Board of Supervisors on Tuesday approved a \$250,000 grant to be used for predevelopment purposes at 8161 Redwood Blvd.

“This is really what we need to do to jumpstart projects,” Leelee Thomas, a principal planner with the county’s Community Development Agency, told supervisors.

Supervisor Judy Arnold, whose district includes Novato, said, “I just want to say how supportive

I am of this project and how proud I am of the city of Novato. We were the first city to bring in and support Habitat for Humanity.”

The money will come from the county’s housing trust fund, resulting in a remaining fund balance of \$3.1 million.

On Wednesday, Tom Peters, CEO and president of Marin Community Foundation, confirmed that his foundation has committed \$650,000 for the project’s predevelopment; \$200,000 of that is coming from the foundation’s donor-advised funds.

“We’re happy to chip in,” Peters said, noting that predevelopment money “often times is the toughest money for nonprofit developers to get.”

The Tamalpais Pacific Foundation has also pledged \$100,000 in predevelopment funds for the project.

Anthony Singer, a Habitat for Humanity spokesman, said that Pacific Gas & Electric Co.

is “prospectively” donating the 14.5 acre parcel. Habitat estimates the parcel’s market value at \$4.8 million and says only 2.5 acres of it is buildable. It includes some hilly terrain.

Deanna Contreras, a spokeswoman for PG& E, said, “PG& E has been talking with Habitat for Humanity regarding a land donation but the project is still in the working phase and not finalized.”

Contreras wouldn’t comment on what PG& E has been using the property for.

Singer said “it is simply too soon to know” what type of housing units might be built.

review; a zoning change application would come later.

Singer said, “There are never any guarantees but we are hopeful that the tremendous opportunity to leverage this land donation will win the support needed to allow the zoning change to happen.”

Novato Councilwoman Pat Eklund said she discussed the project with Habitat for Humanity several weeks ago.

“I’m surprised they’re proceeding because I’m not sure that site is a good place for affordable housing,” Eklund said. “It is not near any amenities and it is not near public transit.”

“We are in the very early stages with the land donation not yet having gone through,” he said.

Thomas said to qualify to purchase these homes, buyers will need to earn no more than 80 percent of the area median income. That means that a family of four will be limited to an income of \$117,400 or less; a twoperson family will be limited to an income of \$93,950.

Thomas said the project’s total development budget is estimated at \$45 million. Approximately 55 percent of that will be funded through homeowners’ mortgages. Thomas said the homes, which would have a median value of more than \$1.1 million, would provide a rare opportunity to families who would otherwise not be able to purchase in Marin.

Novato Community Development Director Bob Brown said he has had some preliminary discussions with Habitat for Humanity about the project. Brown said the site is zoned for light industrial and office use. He said a zoning change approved by the Novato City Council would be necessary for housing to be built there, even though a Days Inn hotel is located adjacent to the property.

“A hotel is an allowed use,” Brown said.

Brown said if the project moves forward the first step would be a neighborhood workshop to inform the public about the proposal. He said after that Habitat for Humanity would need to file an application for conceptual design

Eklund said she urged Habitat for Humanity to consider instead a site closer to downtown Novato at the intersection of Grant Avenue and Seventh Street, which the Novato Town Council has designated as a preferred site for affordable housing. In August 2017, Habitat for Humanity completed 10 town homes at 1112 Fourth St. in central Novato. The project cost \$6 million, including land acquisition. The city of Novato loaned Habitat \$427,438 to buy the land. The Marin Community Foundation contributed \$600,000 to that project.

“It’s a fabulous project,” Peters said. “It’s family-affordable housing.”

Peters expressed optimism about the Novato Town Council approving the needed zoning change for the proposed project, noting their approval of other recent projects such as Oma Village, a 14-unit, affordable housing development for families transitioning out of homelessness, completed at the end of 2016 at 5358 Nave Drive.

“The Novato Council over the last half-dozen years or so has been fantastic in their approvals,” Peters said. “I really want to credit them.”

**“The Novato Council over the last half-dozen years or so has been fantastic in their approvals. I really want to credit them.”**

— *Tom Peters, CEO and president of Marin Community Foundation*

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Thursday, 10/18/2018 Pag.A01

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TRADE SHOWDOWN

# Why tariffs threaten to raise the cost of drinking water

By Sabri Ben-Achour

October 25, 2018 | 5:37 PM

*- Franck Fife/AFP/Getty Images*

The Crescenta Valley Water District expects to pass on higher costs to customers in the four Los Angeles County towns it serves. The reason? Yep, tariffs.

"We're seeing about a 2 percent increase, primarily due to the increase in our materials cost," said David Gould, a district engineer.

To treat water for pollutants such as nitrates, Crescenta users filter balls made of resin. Underground water is piped into 15-foot-tall vats full of the filter balls, "which kind of look like bean bag, Styrofoam balls. It's very similar to that," said Gould.

Those filter balls are getting more expensive. The U.S. company that manufactures them in China is subject to a 25 percent tariff. "We anticipate the cost to be 25 to 30 percent more, so we're looking at \$40,000 to \$50,000 extra of cost," Gould said.

Municipal water systems like Crescenta also uses steel pipes, and steel imports have also been slapped with duties. These higher prices for materials are getting passed directly to consumers in the form of rate increases on their water bills.

Purolite makes the water-purifying resin balls. It sells them to industrial clients and municipal water systems around the country that serve millions of consumers. It's a U.S. company, but it owns a factory in China.

One way to get around the tariffs would be to make the filter resin here, said CEO Jacob Brodie, but it would be too expensive. "To build a new facility in the United States will cost tens of millions of dollars and take two to three years," he said.

His factory in China serves customers all over the world, so building an additional factory just for the U.S. just doesn't make economic sense, he said. "We couldn't afford to shut the factory down in China."

Purolite has applied to the U.S. Trade Representative be excluded from the tariff, but prospects are uncertain at best.

"The problem is, there's no timeline for the USTR to decide our motion for reconsideration," said Richard Weiner, an attorney with Sidley Austin LLP who represents Purolite.

The USTR has received about 5,000 applications to get exemptions from just a small piece of the China tariffs. The Commerce Department has received almost 36,000 applications for exemptions to steel and aluminum tariffs.

"This is such an unprecedented situation," said Miriam Sapiro, a former deputy U.S. trade representative and now managing director at Sard Verbinen. "As a small agency, USTR simply does not have the resources necessary to try and process the current backlog of request for exemptions."

In some ways Purolite is lucky because at least it can apply for an exemption. Most companies don't have that option under administration rules. Attorney Richard Weiner said he has no idea whether he'll get a response to Purolite's application in weeks, months or years. The USTR office didn't respond when asked about the timeline.

"In our case, it's urgent" Weiner said. "The goal of the Trump tariffs is to punish China, but here we have a situation where the effect of the tariffs is solely to harm Americans, not Chinese. We're caught in the crossfire."

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## Why Tariffs Threaten To Raise The Cost Of Drinking Water



## Special districts' costly obscurity

### THE COUNTY

Board pay often escapes public attention

**By Matthew Pera**

[mpera@marinij.com](mailto:mpera@marinij.com) @MatthewRPera on Twitter

James Holmes was surprised when he saw a legal notice this month that said members of the Central Marin Sanitation Agency's directors would be voting to more than double their own pay.

He wasn't surprised to hear that no residents showed up at the Oct. 9 board meeting when that vote passed.

Intrigued by regulators' suggestions over the years that sanitation

districts should consolidate, the Larkspur resident said the pay increase illustrates what some say is the issue with those organizations — “exploiting their obscurity,” Holmes called it. A lack of public participation and community oversight, he argues, allows the agencies to fly largely under the radar.



A Central Marin Sanitary Agency operator works at the plant in San Rafael on Friday. The agency's board recently raised its meeting pay from \$100 to \$225.

ALAN DEP — MARIN INDEPENDENT JOURNAL

“This reinforces the narrative that these special districts are unaccountable, out of control and taking unreasonable actions that largely escape notice because of the obscurity of these agencies,” he said.

Roomy, red chairs assembled in neat rows were empty the night of Oct. 9 inside the Central Marin Sanitation Agency's board room. A plate of oatmeal, chocolate chip and sugar cookies sat out untouched while the five present board members approved their own pay raises without much debate.

“This would put us pretty much in the middle — not the highest, not the lowest,” board President Diane Furst told her fellow directors, whose stipends have now jumped from \$100 to \$225 per meeting.

“Handling an influx of requests for consolidations, annexations and other boundary changes will most likely require additional resources,” the April report states.

LAFCo has just begun the planning process for a merger between Ross Valley Sanitary District and Murray Park Sewer, according to Fried. But the agency hasn't received any other merger applications, which some say is for the better.

Opponents of the push to consolidate special districts say the smaller agencies provide more local control and that mergers wouldn't save as much money as some groups tout.

“It's an easy sell to say you can consolidate, but you're not saving a whole lot and you're losing control,” said Ronald Kosciusko, who is on the

The agency operates wastewater treatment infrastructure for four of Marin County's sanitary districts. Its six-member board meets monthly and, unlike other wastewater agencies whose boards are elected by voters, directors for Central Marin Sanitation are appointed by officials from each of its member agencies.

The board — which discussed an appropriate amount to raise the stipend at a prior meeting — hadn't altered its pay since 1987, and some officials say the increase was, by all means, justified.

"Over the years, our business has become more involved and heavily regulated and complex, and definitely includes more board member involvement," said Jason Dow, the agency's general manager since 2002. "I understood why they were receiving (a raise) and I thought their change was warranted."

Dow, one of 44 full-time employees, has a base salary this year of \$270,227.

"I'd say the board members probably spend a couple hours reviewing our agenda packets before the meetings, they call me and talk about things, their meeting is a couple hours, and then some follow up," he said. "So it's a lot of time."

But Holmes said he thought the board members were, essentially, making the case against their own agency.

"The more exorbitant the benefits, the more compelling the argument for consolidation because of the resulting need to eliminate all of that excessive admin-istrative overhead," he said.

Other special district directors in Marin make more money for each meeting they attend. At Ross Valley Sanitary, board members are paid \$314, the highest of any special district in Marin.

Felicia Newhouse, interim general manager for that district, said the stipend is higher than others because, under a previous policy, it had periodically increased automatically. Directors ended that policy last year.

board of directors for the Richardson Bay Sanitary District. "You can get rid of the boards, sure, but then what happens is you're dealing with a bureaucracy. ... It sounds like roses but it isn't."

Kosciusko in 2013 opposed a ballot measure struck down by voters that would have consolidated four Southern Marin sewer districts into one agency.

"At the time, we had a \$10 million reserve," he said. "If I'm one of those other boards, I'd say I'll agree. But that doesn't work for our \$10 million. ... They were talking about taking over our plant and our trucks and everything the district has paid for over the years."

The director said he's kept up with the various reports urging consolidation, but hasn't ever felt the specifics have been addressed.

"If those people who talk about consolidation can come up with a reasonable financial and administrative concept that works, I'd be glad to listen to it," he said.

### **District evolution**

Marin's many special districts, some say, weren't formed with a master plan in mind.

Many who lived in Marin during the late 19th century were opportunists who hadn't had luck in the California gold industry, according to Marcie Miller, a local historian with the Marin History Museum.

"What they discovered was the valuable range land we had," Miller said.

According to Miller, dairy ranchers along with cheese and butter makers were able to capitalize off that land and sell their products to consumers in San Francisco, which, prior to the 1937 opening of the Golden Gate Bridge, was only accessible by ferry.

As small, isolated communities sprang up during late 19th century and early 20th century, agencies

“There was a recognition by our board of directors last year that we had really a pretty generous meeting compensation rate so we’ve frozen it just recently,” she said. “They decided we were outpacing inflation and other agencies around us and we needed to rethink this.”

At some agencies, including the Bolinas Fire Protection District, board members are volunteers.

Chris Martinelli, a battalion chief with the Marin County Fire Department who serves on the Bolinas fire board, said he serves as a director because it’s a good way to give back to his town.

“I just like helping the community out,” he said.

### **‘Flush and forget’**

The Marin County Civil Grand Jury, which has repeatedly urged sanitation districts to consolidate, said in a 2011 report that the lack of oversight is, in part, a result of the public’s tendency to shy away from the topic of wastewater.

“No one wants to think about sewers or pipes or overflows,” the report states. “They want to flush and forget.”

The grand jury in April recommended immediate consolidation of some of Marin’s smallest wastewater agencies and the eventual creation of a single, countywide sanitation district.

Consolidation, the jury said, would allow the districts to better prepare for the effects of climate change by pooling funds needed to protect infrastructure in areas prone to floods and sea-level rise. It would also benefit taxpayers by reducing administrative overhead.

“One administrative department supporting one board of directors should cost less than several administration offices each with a board of directors,” the report states.

Last year, Marin’s Local Agency Formation Commission, or LAFCo — tasked with regulating

formed to meet the needs of residents, including fire, sewer and police. Development over the years has connected Marin’s communities, but the special districts have remained — for better or worse.

In a 2014 report titled, “The Scoop on Marin County Sewer Systems,” the grand jury wrote: “In total, there are 17 special districts, 2 municipalities, 2 JPAs, the National Park Service and the California State Park Service providing wastewater services to a population of 256,000 in an area just over 100 square miles.”

### **Success story**

The Central Marin Fire Department hopes it jumped through the last hoops this week in its yearslong consolidation process which merged firefighting resources between Corte Madera and Larkspur.

City and town council members from both jurisdictions approved a compromise this week with the California Public Employees’ Retirement System, or CalPERS, in which both parties agreed to share equal responsibility for pensions of Central Marin fire employees in case the agency disbands.

The retirement system is exercising extra caution after it cut the pensions of about 200 former employees of a disbanded jobtraining agency in Los Angeles County because the four cities that formed that agency denied responsibility for those payments.

The formation of a joint firefighting agency in Central Marin is one of the first consolidation efforts in California since CalPERS began requiring pension liability agreements, and some say the merger will set a precedent throughout the state.

But despite the hiccup, which is preventing the full, legal formation of Central Marin fire, officials say the agency is already successfully operating as one entity.

the physical development of cities, towns and special districts — released results from a study it conducted of Central Marin wastewater services, which provides a blueprint for the consolidation of some sanitation districts in that area. The 393-page document recommends the agencies reorganize around boundaries defined by watersheds and dissolve districts with especially small service areas, including Murray Park Sewer Maintenance District, a 0.1 square mile residential area between Larkspur and Kent Woodlands, and San Quentin Village Sewer Maintenance District, which is 0.01 square miles.

Jason Fried, who became interim executive director of LAFCo in June after eight years leading the same agency in San Francisco, said he's perfectly comfortable working with districts that want to consolidate and his commission is prepared to take on those processes. But he doesn't like the idea of demanding mergers.

"You don't necessarily want to force it on people," he said. "It leaves a bad taste in their mouths."

In its April report, the grand jury recommended county officials allocate more funding toward LAFCo so the agency can get to work on consolidations — not just among sanitation agencies but also the numerous other special districts in Marin, including those that oversee police, water, fire and community services.

Fried is LAFCO's only active staff member. An additional full-time employee is on disability leave and the agency is currently hiring for an open position.

When fully staffed, Fried said, his commission would be prepared to accomplish what it needs to. But the grand jury fears otherwise.

"If you're a member of the public, you already think we're done," said Dan Schwarz, Larkspur's city manager. "That, to me, is a testament that it's going really well."

Larkspur and Corte Madera aren't strangers to the concept of sharing emergency response services. The two cities began sharing a police force in the early 1980s and in 2013 formed the Central Marin Police Authority, which also includes San Anselmo.

"I think it's been a tremendous success," Schwarz said of the resource-sharing initiatives. "If you look at the police for example, none of the towns could have a full detective bureau on their own, but we now have an investigative bureau in Central Marin. ... Our residents are getting a very high level of service at a cost we can manage."

Scott Shurtz, chief of the Central Marin Fire Department, said the de facto centralized fire agency has already provided its service area with better quality emergency response without raising costs.

"We hope this success encourages other, similar consolidations," he said.



Board members at the Novato Sanitary District receive \$252.70 per meeting and \$200 a month for health care.

ROBERT TONG — MARIN INDEPENDENT JOURNAL

## *What's public cost of boards' 'obscurity'?*

### **Editorial**

Marin residents are fortunate that among them are citizens willing and ready to step forward and serve their communities on public boards, councils and commissions.

Most do it as a public service, volunteering their time, talent and energy to help make their community a better place.

Some do so with almost no public attention. Local fire and sewer board meetings, for example, draw scant attendance, save an occasional public uproar, typically over raising taxes or rates.

But most of the time, even those decisions are made in boardrooms with few or no members of the public in attendance.

They also often don't get much media attention. Nor do they do much to seek greater citizen awareness about their pending decisions, or those they may have already made.

Online postings of agendas are an improvement. Public notices meet a necessary legal requirement, but are not written in a way to encourage public interest.

But, for example, if more public agencies had done more to fully explain to taxpayers the short- and long-term costs of pension benefits and retiree medical coverage — or even the cost of staffing requirements — that were buried in worker contracts, they may have been able to avoid the costly fiscal quandaries taking a large toll on their budgets that also are leading to higher tax bills.

Yes, these public servants are relied on to do the heavy lifting of democracy. But a decision by members of the Central Marin Sanitation Agency to vote themselves a pay raise — more than doubling their per-meeting pay to \$225 — put a

Sure, there is homework and reading to do before the monthly and often twicemonthly meetings, but the job of serving on a sewer board is less involved and takes a lot less time than serving on a council or a school board, where in many cases around Marin the pay is less.

In addition, on some of these “obscure” boards paychecks are sweetened with medical care, a benefit that may be worth a lot more than their per-meeting paychecks.

In Central Marin's case, three of its five board members are serving as delegates from city and town councils, posts for which they are already getting paid.

The problem is there is little rhyme or reason for what is fair or appropriate compensation for board members. Is it the geographic size of the agency? The size of its budget? The average amount of time the job demands? The length of its meetings?

Who knows? Given the range paid across Marin, it's hard to tell.

And given the “obscurity” of these boards and their belowthe- public-radar handling of the public's business, they have decided their own pay and benefits without much outreach to taxpayers.

Many school board trustees, for example, spend more time dealing with more complex and sometimes emotionpacked decisions than sewer board directors. Most often, they are donating their time.

Perhaps the Marin County Civil Grand Jury can research the issue and come up with appropriate guidelines for board members' compensation.

Marin's special districts are not new territory for local grand jury reviews. Often, jury reports have

spotlight on what Larkspur resident James Holmes calls “exploiting their obscurity.”

The agency staff recommended the pay hike, maintaining the job has grown to be more complex and timeconsuming than in the past.

And to be fair, Central Marin’s higher paychecks are not at the top of the list of the best-paid board members. Ross Valley Sanitary District directors, for example, pay themselves \$314 per meeting.

pressed for merging or consolidating these smaller agencies as a way to save taxpayer money and improve services.

Some mergers have taken place, but more could be pursued, and possibly taxpayers could learn what “obscurity” is costing them.

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Monday, 10/29/2018 Pag.A07

Copyright Terms and Terms of Use. Please review new arbitration language here.

George Domingo Grossi passed into eternal peace on October 17th with his loving wife of nearly 51 years, Annette Robasciotti Grossi, and their three children by his side. He was born in San Rafael on March 16, 1948 to George and Mary Grossi and was brought up surrounded by nature's beauty on their family dairy ranch in Novato. He along with his cousins and sisters attended the one room schoolhouse, Burdell, that once sat on the family property. After elementary school, he made the journey through the back-roads to attend Kenilworth Junior High and then Petaluma High School (PHS). While at PHS he was an active member of their Future Farmers of America (FFA). He went on to earn a degree at Cal Poly in San Luis Obispo and enjoyed his years spent near Avila beach. While there he met the love of his life, Annette, a San Luis Obispo native and dairyman's daughter whose family owned 'Scotty's Cafe' where George would frequently go for the best burger in town. The two were married on November 11, 1967 and a few years later welcomed their first daughter, Lesha Marie. After graduating from Cal Poly in the Spring of 1971, the family of three made their home on the dairy ranch in Novato, where George went into business with his father, George Sr. It was here that they grew their family, welcoming their son, Dominic Scott and daughter, Rachel Lynn. Dominic would follow in his father's footsteps earning a degree at Cal Poly and returning to the ranch to go into business with his Dad. As Dominic joined in the family business, George began also managing Dairyman's Milling in Novato. He had the joy of watching all three of his children get married and bring seven grandchildren whom he loved and adored into this world. Over the last 17 years he cherished his role as 'Papa' and taught them to play cards, shoot a gun safely, drive the kubby around the ranch and BBQ deer ham. Most importantly, he taught them all how to be a kind and generous person who values relationships with others over material goods. George was a devoted husband, father, grandfather, son, brother, uncle, cousin and friend to many and felt blessed to be part of such a wonderful community. George was also a leader in the agricultural community, serving as President and other offices of many

organizations including Marin County Farm Bureau, Redwood Holstein Association, Dairy Herd Improvement Association, Dairyman's Milling in Novato, Heifer Replacement Committee, Marin Agricultural Land Trust, Dairyman's Feed and Supply in Petaluma, and Petaluma High School Agriculture Committee. He also had a passion to educate the next generation about the importance of agriculture and spent many hours as a Dairy Leader for the local 4H club. He was an avid hunter with a passion for wildlife management and conservation; and helped to establish the Wildlife Museum at Petaluma High School where he continued to serve as a board-member for many years.

George is preceded in death by his parents, George and Mary Grossi; and parents-in-law Scotty and Laverne Robasciotti. He is survived by his wife, Annette (Robasciotti) Grossi; their children, Lesha (Jim) Harding, Dominic (Nancy) Grossi, and Rachel (Fady Zawde) Grossi; and his seven grandchildren, Gavin, Cameron and Leila Harding, Bryce and Paige Grossi, and Raja and Yasmeena Zawde Grossi. He is also survived by his sisters, Carol (Rich) Ryan, Shirley (Robin) Nosecchi; his sister-in-law Debi Foster; brother-in-law Rick Robasciotti and Barbara Hemme Ehrbar; and numerous nieces, nephews, cousins, and two Uncles.

You are invited to Parent Sorenson Mortuary at 850 Keokuk St. in Petaluma on Monday, October 22nd for a visitation from 4pm - 8pm with a vigil at 7pm. A celebration of his life and mass will be held on Tuesday, October 23rd at 11am at Saint Vincent de Paul Roman Catholic Church at 35 Liberty St, Petaluma, Ca. There will be a reception immediately following mass at the Elk's Lodge at 2105 S. McDowell Blvd in Petaluma. In lieu of flowers, the family asks that you consider a donation in his honor to your local FFA or 4-H club.

**George Domingo Grossi**

**March 16, 1948 – October 17, 2018**



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Saturday, 10/20/2018 Pag.A12

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# POINT REYES LIGHT

## Inverness water under scrutiny after tests show high lead levels

By Anna Guth  
10/25/2018

Inverness residents are advised to let the tap run for a while first thing in the morning—to flush out the lead.

Last month, the State Water Resources Control Board notified the Inverness Public Utility District about problematically high levels of lead in several water samples taken from residential taps in April. The board mandated that the district both notify the public of the dangers of lead and how to mitigate them, and to undertake further testing.

It wasn't the first notice given to IPUD. A year and half ago, the board asked the district to increase its testing—from 10 samples every three years to 20 samples every six months—due to signs that the new nanofiltration system might have been increasing the corrosivity of Inverness water.

IPUD's general manager, Ken Eichsteadt, said the state water board asked the district to undertake another sequence of lead and copper testing, one next month and another early next year before taking further action. The results will help determine if the higher levels are isolated to a few homes with aging infrastructure or instead point to a larger issue, and will guide next steps.

The nanofiltration system, which avoids using disinfecting agents by employing a very fine filter, came online in 2015. At the time, the district was seeing an increase in the amount of disinfection byproducts—known as DBPs—that at times surpassed Environmental Protection Agency limits.

DBPs result from the interaction of a disinfecting agent required by law—in IPUD's case, chlorine—and dissolved material that passes through filtration systems.

Scott McMorrow, the water district's general manager between 2010 and 2016, said he knew that increased corrosivity was a possibility when he helped the district install the system—and that the problem would not have shown up for a number of years.

"I have three young kids that are drinking this water, and that is my motivation for being concerned now as well," he said. "This should be a priority."

According to documents provided to Mr. McMorrow through a public records request, the state issued a citation to IPUD in December 2017 over a failure to meet the May 2017 directive for more testing. A month later, the state rescinded its citation due to IPUD's renewed efforts to comply.

IPUD testing includes a total of 25 homes with infrastructure from a range of construction and remodel ages so that test results show the quality and composition of water after it passes through pipes and faucets. The district also tests water at its sources.

The district reports that three of 20 samples submitted in April came in above the federal lead limit of 15 parts per billion. The samples had levels of 21 ppb, 44 ppb and 45 ppb. The state allows two samples to be over the federal limit,

The state's letter denied an argument IPUD had put forth that the third test result was invalid because the resident who had taken the sample had been out of the house, and the water had sat for longer than 12 hours before it was collected. Typically, samples are taken after water sits between six and 12 hours.

The state gave IPUD six months to conduct additional water-quality tests at the entry point to the distribution system. It also asked the district to inform customers of the elevated levels.

On Oct. 5, IPUD sent out an educational notice, explaining a host of mitigation steps for residents to take. The district advised residents to run their taps for 15 to 30 seconds after six hours or more of non-use; to use cold water for cooking and drinking, as hot water dissolves lead more quickly; to hire a professional to check plumbing and fixtures to make sure it complies with the most recent lead regulations; and to purchase home treatment devices, such as reverse osmosis systems or distillers.

"Your family doctor or pediatrician can perform a blood test for lead and provide you with the information about the health effects of lead," the notice stated.

Mr. Eichstaedt said tests taken at the district's sources last week came back clean. He also opined that faucets and solder at testing sites might be contributing to the problem. IPUD will help residents living at sample sites to purchase lead-free faucets for future testing, he added.

Since 1986, the Safe Water Drinking Act has prohibited the use of any solder, pipe, plumbing fitting or fixture in all water systems and facilities providing water for human consumption that is not "lead free." As amended in 2014 in response to the Flint, Mich. water crisis, the EPA redefined "lead free" fixtures from having a maximum lead content of 8 percent to a maximum content of 0.25 percent.

If the nanofiltration system proves to be the root cause, Mr. Eichstaedt said the district will consider introducing corrosion inhibitors, such as orthophosphates, to the water. Those act as buffering solutions, controlling the pH and helping to lower the rate of corrosion.

In the meantime, he said the district will work with any customer to help take a sample in a correct way from their homes, which they can send to a lab in Sonoma County.

Considering the matter at their monthly meeting on Wednesday, board members emphasized the importance of identifying the root cause as soon as possible, and of district staff keeping the public more informed. The next test results can be expected in December.

## Sanitary District names new administrator

### ROSS VALLEY

**By Adrian Rodriguez**

*[arodriguez@marinij.com](mailto:arodriguez@marinij.com) @adrianrrodri on Twitter*

A veteran civil engineer and wastewater consultant has been hired as general manager of the Ross Valley Sanitary District.

Steven Moore, 51, of Sausalito, has nearly 30 years of experience and was selected from 24 applicants following a five-month recruitment process. The sanitary district board unanimously approved his contract last week.

Moore fills a void left by Greg Norby who left the district in June after five years to take a position as assistant general manager of the San Francisco Utilities Commission.

Moore will oversee a staff of 32 and manage a \$52 million annual budget. He will earn \$210,000 annually. He begins Nov. 13.

"After an extensive recruitment process, we are excited to have Steve join Ross Valley Sanitary District as General Manager," district board President Thomas Gaffney said in a statement. "His education, experience and involvement working on local and regional water issues and projects is a great fit for the district."

Moore serves on the State Water Resources Control Board, a position he was appointed to by Gov. Jerry Brown in 2012. He was reappointed in 2016 and serves as the vice chair. He is in the second year of his second term and will have to vacate his post on the board once he takes the helm at the sanitary district.

Before serving on the state board, Moore served on the San Francisco Bay Regional Water Board from 2008 to 2012. He previously held staff and management positions there between 1992 and 2006.

Moore began his career working on environmental impact reports throughout the state specializing in biological resources. Between 1989 and 2012 he also worked as an engineer and consultant on water infrastructure projects, including recycled water, stormwater and stream and wetland restoration, but specialized in sewer reconstruction.

"The district is clearly

**Moore began his career working on environmental impact reports throughout the state specializing in biological resources.**



**Moore**

headed in a positive direction and I want to continue that momentum," Moore said. "I want the district to continue to be a model of excellence that makes its employees and ratepayers proud."

he said. "I hope I can be an effective spokesperson for how vital this infrastructure is."

Moore also leads a small nonprofit organization called Friends of Willow Creek, which conducts creek education and restoration efforts in Sausalito.

Moore said in the coming year the district will be reviewing its infrastructure asset management plan, make advancements in financial management and stay connected with statewide efforts and maintain partnerships with other local jurisdictions, such as the Central Marin Sanitation agency and others.

“It’s always a challenge to communicate to the public the importance of this infrastructure for the quality of life and environmental protections,”

Moore, who is married with two children, holds a bachelor’s degree in biological sciences and a master’s degree in civil engineering from Stanford University. He is a registered civil engineer and a member of the American Society of Civil Engineers.

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Wednesday, 10/31/2018 Pag.A03

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