

**NORTH MARIN
WATER DISTRICT**

*999 Rush Creek Place
PO Box 146
Novato, CA 94948
Phone 415.897.4133
www.nmwd.com*

**Adopted
BUDGETS
Novato & West Marin
Service Areas
FISCAL YEAR
2010/11**

**Directors: Jack Baker * Rick Frites * Stephen Petterle * Dennis J. Rodoni * John C. Schoonover
Officers: Chris DeGabriele, General Manager * Drew McIntyre, Chief Engineer * Renee Roberts, Secretary * David L. Bentley, Auditor-Controller**

INTRODUCTION

This document contains the fiscal year 2010/11 budgets for North Marin Water District's various enterprise service districts located in Marin County. These are:

Potable Water Service:

Novato

West Marin (Point Reyes Station, Inverness Park, Olema, Bear Valley, Silver Hills & Paradise Ranch Estates)

Recycled Water Transmission and Distribution:

Novato

Sewage Collection, Treatment & Reuse/Disposal:

Oceana Marin

Accompanying the operating budgets are improvement project expenditures for the fiscal year. Questions regarding these budgets may be directed to David L. Bentley, Auditor-Controller, at 415.897.4133 x 8310 or dbentley@nmwd.com.

MISSION STATEMENT

We provide an adequate supply of safe, reliable and high quality water and deliver reliable and continuous sewer service to our customers at reasonable cost consistent with good conservation practices and minimum environmental impact.

VISION STATEMENT

We carry out our mission with a highly motivated and competent staff empowered to conduct the District's business by placing customer needs and welfare first. We seek continual dialogue from our staff, peers, and all those we serve so that we may continually improve service to our customers.

ORGANIZATION FACT SHEET

July 2010

Organization:

- 5 Directors elected at large for 4-year terms
 - Jack Baker, President
 - John C. Schoonover, Vice President
 - Rick Fraitcs
 - Stephen Petterle
 - Dennis Rodoni
- 1 General Manager, Chris DeGabriele (serves at the pleasure of the Board of Directors)
- 4 Departments
 - Administration & Finance - David L. Bentley
 - Engineering - Drew McIntyre
 - Construction/Maintenance - Doug Moore
 - Operations/Maintenance - Robert Clark
- 57 Employees (55.3 regular full-time-equivalent authorized)

Authority:

Formed by voter approval in April 1948 pursuant to provisions of the County Water District Law (refer Water Code - Division 12). A "voter-run" district.

Territory:

100 square miles (see attached map)

Current Service Functions:

Water Service:

Novato
West Marin

Recycled Water Service

Novato

Sewer Service:

Oceana Marin

Latent (unpracticed) Service Functions:

Fire protection

Flood control

Recreational facilities

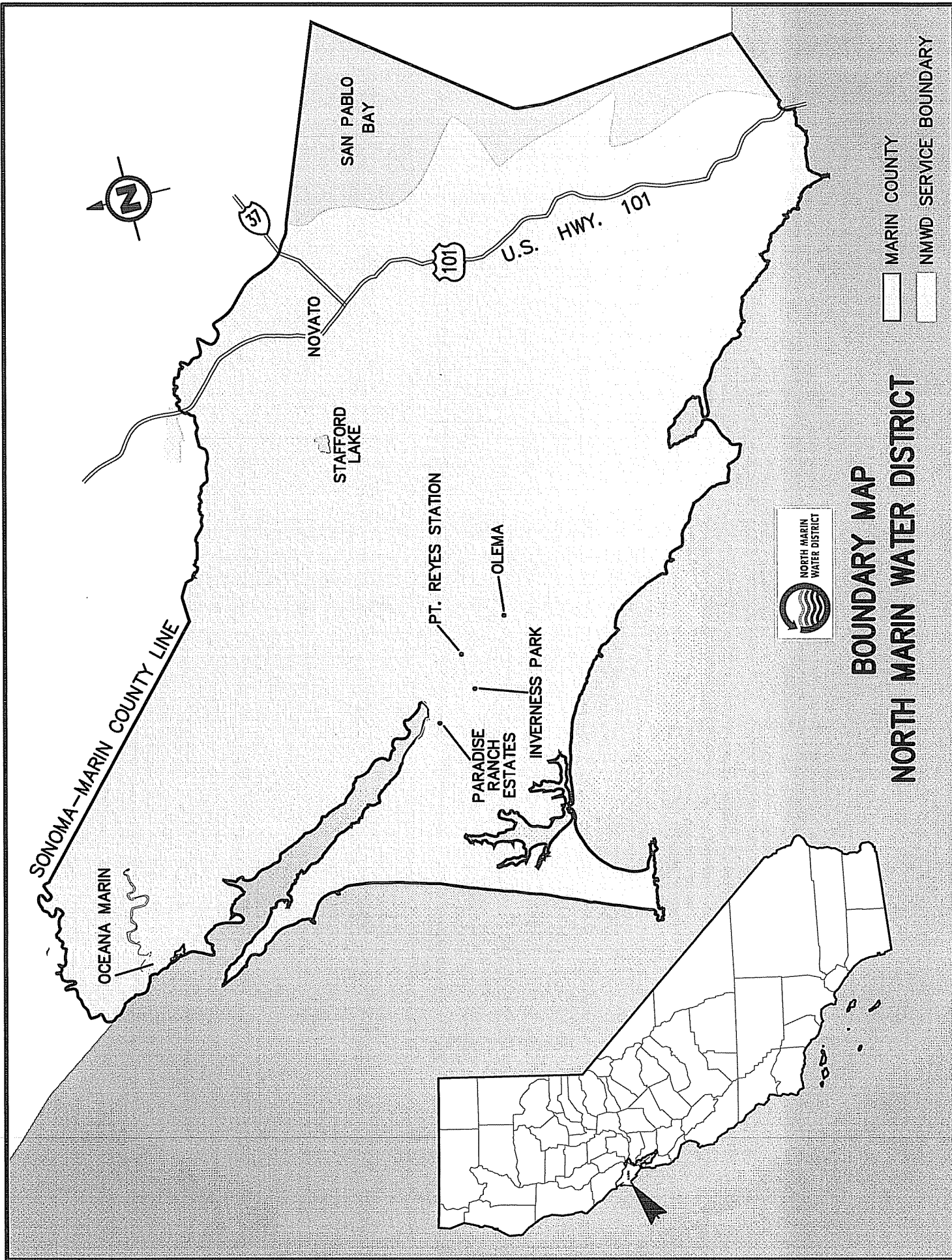
Solar energy device sales

Garbage collection/disposal

Power generation (Wind/Hydro/Solar)

Distribution System Expansion Policy:

"Pay-as-you-go." Connection fees for typical single family units vary for each improvement district and are based on the policy that new growth pays the incremental cost to expand the utility plant allocable to said service.



BOUNDARY MAP NORTH MARIN WATER DISTRICT

-  MARIN COUNTY
-  NMWD SERVICE BOUNDARY

TABLE OF CONTENTS
 NORTH MARIN WATER DISTRICT
 FISCAL YEAR 2010/11 WATER AND SEWER BUDGETS

Pie Chart of Income and Expenditures – All Service Areas Combined 1
 Budget Summary - All Service Areas Combined..... 2

Novato Water Budget Summary 3
 Novato Water Operating Budget Detail 4
 Novato Water Recap - Budget vs. 08/09 Estimated Actual..... 7

Novato Recycled Water Budget Summary 8

West Marin Water Budget..... 9
 West Marin Water Five-Year Financial Plan 10

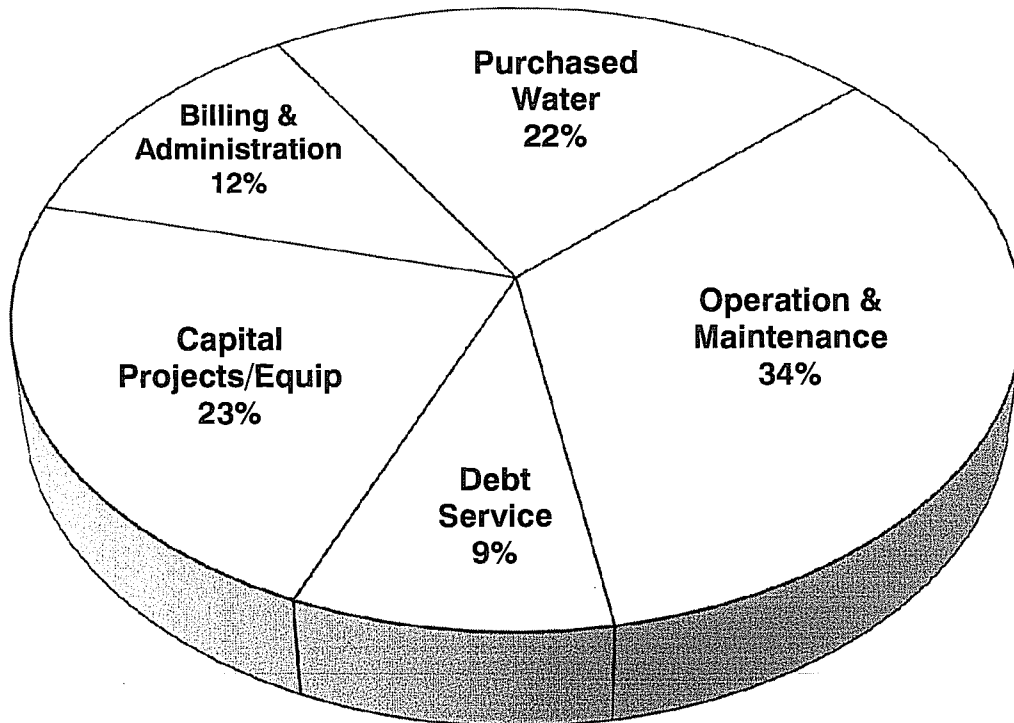
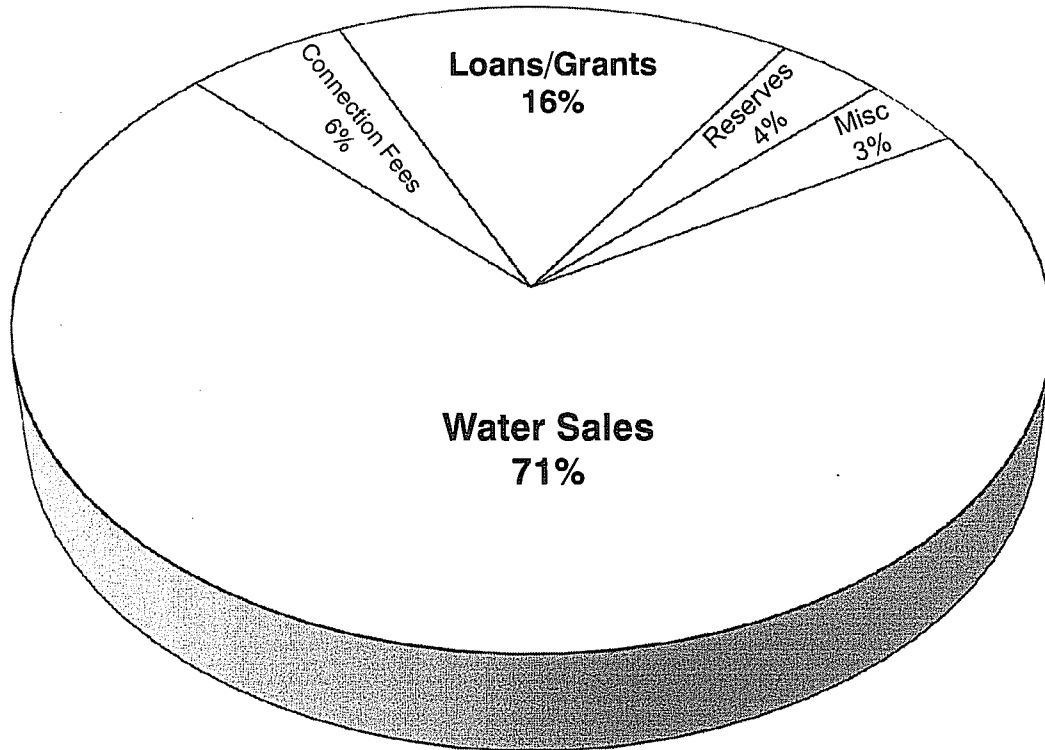
Oceana Marin Sewer Budget..... 12
 Oceana Marin Sewer Five-Year Financial Plan..... 13

EQUIPMENT AND IMPROVEMENT PROJECTS

Equipment Expenditures 15
Improvement Projects

- Novato Water System 18
- Recycled Water System 24
- West Marin Water System..... 24
- Oceana Marin Sewer System 25

**NORTH MARIN WATER DISTRICT
FY11 APPROVED BUDGET - ALL SERVICE AREAS COMBINED
SOURCES = \$20,964,000**



USES = \$20,964,000

NORTH MARIN WATER DISTRICT
BUDGET SUMMARY - ALL SERVICE AREAS COMBINED
Fiscal Year 2010/11

	<i>Approved Budget 20010/11</i>	<i>Estimated Actual 2009/10</i>	<i>Adopted Budget 2009/10</i>
OPERATING INCOME			
1	\$14,829,000	\$12,745,000	\$12,837,000
2	150,000	148,000	151,000
3	220,000	216,000	238,000
4	\$15,199,000	\$13,109,000	\$13,226,000
OPERATING EXPENDITURES			
5	\$4,557,000	\$3,880,000	\$3,930,000
6	417,000	331,000	411,000
7	615,000	638,000	554,000
8	1,799,000	1,962,000	1,775,000
9	98,000	96,000	91,000
10	2,564,000	2,491,000	2,414,000
11	559,000	526,000	513,000
12	2,014,000	1,986,000	2,145,000
13	1,711,000	1,628,000	1,774,000
14	\$14,334,000	\$13,538,000	\$13,607,000
15	NET OPERATING INCOME (LOSS)	\$865,000	(\$429,000)
OTHER SOURCES OF FUNDS			
16	\$109,000	\$97,000	\$111,000
17	122,000	133,000	205,000
18	1,216,000	2,294,000	3,127,000
19	3,375,000	657,000	2,503,000
20	153,000	161,000	102,000
21	\$4,975,000	\$3,342,000	\$6,048,000
OTHER USES OF FUNDS			
22	\$155,000	\$192,000	\$218,000
23	4,543,000	644,000	3,410,000
24	1,912,000	1,814,000	1,332,000
25	20,000	84,000	143,000
26	\$6,630,000	\$2,734,000	\$5,103,000
27	NET SURPLUS/(DEFICIT)*	(\$790,000)	\$179,000
28	Depreciation (not included above)	\$2,754,000	\$2,698,000

* Line 15+21-26

NOVATO WATER
BUDGET SUMMARY
Fiscal Year 2010/11

	Approved Budget 2010/11	Estimated Actual 2009/10	Adopted Budget 2009/10	
OPERATING INCOME				
1	Water Sales	\$13,940,000	\$11,950,000	\$12,020,000
2	Wheeling & Misc Service Charges	217,000	213,000	235,000
3	Total Operating Income	\$14,157,000	\$12,163,000	\$12,255,000
OPERATING EXPENDITURES				
4	Source of Supply	\$4,544,000	\$3,870,000	\$3,916,000
5	Pumping	347,000	267,000	335,000
6	Operations	571,000	567,000	489,000
7	Water Treatment	1,640,000	1,782,000	1,664,000
8	Transmission & Distribution	2,425,000	2,386,000	2,287,000
9	Consumer Accounting	530,000	503,000	487,000
10	General Administration	1,892,000	1,879,000	2,029,000
11	Other Operating Expense	1,501,000	1,404,000	1,503,000
12	Total Operating Expenditures	\$13,450,000	\$12,658,000	\$12,710,000
13	NET OPERATING INCOME (LOSS)	\$707,000	(\$495,000)	(\$455,000)
OTHER SOURCES OF FUNDS				
14	Interest Revenue	\$118,000	\$129,000	\$192,000
15	Connection Fees	1,140,000	2,260,000	3,000,000
16	Loan Funds	2,522,000	232,000	2,000,000
17	Miscellaneous	148,000	156,000	98,000
18	Total Other Sources	\$3,928,000	\$2,777,000	\$5,290,000
OTHER USES OF FUNDS				
19	Capital Equipment Expenditures	\$155,000	\$192,000	\$218,000
20	Capital Improvement Projects	3,675,000	575,000	3,360,000
21	Bond & Loan Debt Service	1,527,000	1,378,000	994,000
22	Miscellaneous	20,000	10,000	20,000
23	Total Other Uses	\$5,377,000	\$2,155,000	\$4,592,000
24	NET SURPLUS/(DEFICIT)*	(\$742,000)	\$127,000	\$243,000
25	Depreciation (not included above)	\$2,400,000	\$2,350,000	\$2,200,000

* Line 13+18-23

NOVATO WATER OPERATING BUDGET DETAIL

Fiscal Year 2010/11

	Approved Budget 10/11	Estimated Actual 09/10	Adopted Budget 09/10	Actual 08/09	Actual 07/08	Actual 06/07	Actual 05/06	Actual 04/05
STATISTICS								
1 Total Meters	20,760	20,710	20,750	20,693	20,638	20,571	20,485	20,097
2 Active Meters	20,500	20,450	20,480	20,416	20,366	20,325	20,193	19,739
3 Active Dwelling Units	23,920	23,870	23,900	23,848	23,702	23,698	23,522	22,801
OPERATING INCOME								
4 Water Sales	\$13,940,000	\$11,950,000	\$12,020,000	\$11,067,484	\$10,384,740	\$10,601,455	\$9,351,911	\$8,796,521
5 Sales to MMWD	0	0	0	351,154	0	0	0	0
6 Wheeling Charges-MMWD	75,000	75,000	80,000	75,090	76,588	74,962	71,292	78,533
7 SCWA Water Conservation Reimb	0	0	0	0	359,748	283,242	198,976	203,363
8 Miscellaneous Service Revenue	142,000	138,000	155,000	145,663	161,238	234,539	103,104	100,212
9 TOTAL OPERATING INCOME	\$14,157,000	\$12,163,000	\$12,255,000	\$11,639,391	\$10,982,314	\$11,194,198	\$9,725,283	\$9,178,629
OPERATING EXPENSE								
SOURCE OF SUPPLY								
10 Supervision & Engineering	\$5,000	\$1,000	\$6,000	\$2,120	\$2,391	\$15,420	\$20,736	\$20,494
11 Operating Expense - Source	4,000	5,000	5,000	4,702	3,109	6,709	11,695	9,952
12 Maintenance/Monitoring of Dam	20,000	9,000	20,000	7,583	6,078	5,768	7,816	1,951
13 Maintenance of Lake & Intakes	14,000	11,000	11,000	7,990	0	28	975	3,953
14 Maintenance of Watershed	42,000	0	33,000	28,126	9,177	12,506	12,213	6,466
15 Water Purchased for Resale to MMWD	0	0	0	171,447	0	0	0	0
16 Water Quality Surveillance	16,000	14,000	11,000	8,448	9,272	9,659	7,955	7,345
17 Contract Water - SCWA	4,660,000	4,020,000	4,020,000	3,838,298	3,852,900	4,453,758	4,546,147	3,701,562
18 Reserve Fund Contribution	(217,000)	(190,000)	(190,000)	(110,246)	(114,682)	(1,567)	(107,123)	(101,032)
19 TOTAL SOURCE OF SUPPLY	\$4,544,000	\$3,870,000	\$3,916,000	\$3,958,468	\$3,768,245	\$4,502,281	\$4,500,414	\$3,650,691
PUMPING								
20 Operating Expense	\$10,000	\$11,000	\$12,000	\$8,567	\$13,333	\$27,117	\$24,516	\$20,985
21 Maintenance of Structures/Grounds	41,000	21,000	40,000	23,080	15,909	17,736	25,120	15,528
22 Maintenance of Pumping Equipment	32,000	10,000	36,000	8,807	61,907	16,966	33,072	15,395
23 Electric Power - Pumping	264,000	225,000	247,000	249,190	227,916	245,797	215,135	206,611
24 TOTAL PUMPING	\$347,000	\$267,000	\$335,000	\$289,644	\$319,065	\$307,616	\$297,843	\$258,519
OPERATIONS								
25 Supervision & Engineering	\$138,000	\$178,000	\$142,000	\$168,202	\$188,926	\$155,660	\$146,525	\$150,125
26 Operating Expense	280,000	213,000	205,000	235,230	127,350	172,985	170,162	183,534
27 Maintenance Expense	81,000	86,000	80,000	89,775	112,461	108,197	83,182	70,465
28 Leased Line Expense	21,000	21,000	22,000	20,342	19,601	41,809	51,094	20,605
29 Telemetry Equipment/Controls Maint	51,000	69,000	40,000	39,201	37,610	19,979	20,201	49,041
30 TOTAL OPERATIONS	\$571,000	\$567,000	\$489,000	\$552,750	\$485,948	\$498,630	\$471,164	\$473,770

NOVATO WATER OPERATING BUDGET DETAIL

Fiscal Year 2010/11

	Approved Budget 10/11	Estimated Actual 09/10	Adopted Budget 09/10	Actual 08/09	Actual 07/08	Actual 06/07	Actual 05/06	Actual 04/05
WATER TREATMENT								
31 Supervision & Engineering	\$102,000	\$133,000	\$98,000	\$113,175	\$99,218	\$101,646	\$105,468	\$90,468
32 Operating Expense	267,000	366,000	319,000	247,309	357,877	363,204	278,396	171,346
33 Purification Chemicals	325,000	348,000	285,000	293,888	221,597	63,179	61,336	54,858
34 Sludge Disposal	48,000	67,000	56,000	40,163	49,299	34,844	2,713	47,456
35 Maintenance of Structures/Grounds	96,000	89,000	71,000	115,686	91,550	79,359	96,146	70,156
36 Purification Equipment Maintenance	168,000	173,000	138,000	204,217	203,622	90,608	115,003	70,760
37 Electric Power - Treatment	80,000	120,000	120,000	99,184	113,732	88,596	43,077	47,223
38 Laboratory Expense (net)	554,000	486,000	577,000	479,970	398,173	401,520	417,745	339,809
39 TOTAL WATER TREATMENT	\$1,640,000	\$1,782,000	\$1,664,000	\$1,593,592	\$1,535,068	\$1,222,956	\$1,119,884	\$892,076
TRANSMISSION & DISTRIBUTION								
40 Supervision & Engineering	\$519,000	\$530,000	\$555,000	\$560,968	\$524,345	\$522,663	\$490,471	\$462,815
41 Maps & Records	102,000	93,000	98,000	74,786	105,509	48,957	53,594	70,115
42 Operation of T&D System	466,000	464,000	483,000	420,639	439,348	395,866	401,962	350,274
43 Storage Facilities Expense	168,000	173,000	163,000	149,759	129,944	115,457	122,069	119,328
44 Maintenance of Valves & Regulators	149,000	168,000	143,000	131,094	107,354	165,842	131,770	88,487
45 Maintenance of Mains	102,000	97,000	99,000	108,752	143,525	119,713	158,048	102,953
46 Backflow Prevention Program	72,000	107,000	80,000	86,630	108,835	76,174	64,245	49,165
47 Maintenance of Copper Services	244,000	213,000	154,000	211,630	181,161	233,355	223,527	181,593
48 Maintenance of PB Service Lines	310,000	303,000	212,000	250,024	287,813	258,788	164,930	96,720
49 Detector Check Assembly Maint	33,000	11,000	32,000	30,488	26,483	34,177	16,798	14,391
50 Maintenance of Meters	166,000	144,000	178,000	148,112	135,370	125,337	113,891	106,745
51 Maintenance of Hydrants	94,000	83,000	90,000	62,794	74,700	42,474	42,936	34,422
52 TOTAL TRANSMISSION & DISTRIB	\$2,425,000	\$2,386,000	\$2,287,000	\$2,235,676	\$2,264,387	\$2,138,803	\$1,984,241	\$1,677,008
CONSUMER ACCOUNTING								
53 Meter Reading & Collection	\$162,000	\$140,000	\$158,000	\$140,851	\$132,653	\$146,286	\$133,744	\$131,222
54 Billing & Accounting	262,000	258,000	242,000	236,740	225,062	221,764	219,236	202,692
55 Contract Billing	19,000	18,000	19,000	18,504	18,513	18,292	17,649	17,763
56 Postage & Supplies	65,000	65,000	55,000	58,062	51,960	49,729	44,136	43,436
57 Uncollectible Accounts	30,000	31,000	18,000	28,022	13,507	10,412	16,280	15,663
58 Office Equipment Expense	8,000	5,000	10,000	14,471	14,585	17,208	8,459	5,298
59 Distributed to West Marin	(16,000)	(14,000)	(15,000)	(15,147)	(14,205)	(14,200)	(13,218)	(12,914)
60 TOTAL CONSUMER ACCOUNTING	\$530,000	\$503,000	\$487,000	\$481,503	\$442,075	\$449,491	\$426,286	\$403,160

NOVATO WATER OPERATING BUDGET DETAIL

Fiscal Year 2010/11

	Approved Budget 10/11	Estimated Actual 09/10	Adopted Budget 09/10	Actual 08/09	Actual 07/08	Actual 06/07	Actual 05/06	Actual 04/05
GENERAL & ADMINISTRATION								
61 Director's Expense	\$15,000	\$16,000	\$15,000	\$15,000	\$14,600	\$14,300	\$17,400	\$15,700
62 Legal Fees	11,000	71,000	11,000	9,933	7,824	34,013	15,395	18,320
63 Auditing Services	28,000	31,000	31,000	30,000	22,000	15,250	15,250	9,950
64 Human Resources	28,000	35,000	25,000	30,308	25,598	25,220	5,718	39,319
65 General Office Salaries	1,197,000	1,156,000	1,191,000	1,125,232	1,020,823	980,772	940,318	754,693
66 Office Supplies	50,000	48,000	48,000	56,621	32,193	37,525	29,941	24,843
67 Employee Events	8,000	11,000	8,000	3,881	4,585			
68 Other Administrative Expense	20,000	21,000	20,000	21,313	20,246	23,149	19,675	21,034
69 Election Cost.	0	0	64,000	0	51,262	0	250	0
70 Dues & Subscriptions	49,000	47,000	45,000	42,004	40,738	32,203	29,357	36,363
71 Vehicle Expense	8,000	8,000	8,000	8,112	8,193	8,112	8,112	8,788
72 Meetings, Conf & Training	138,000	108,000	206,000	112,985	107,411	108,228	109,126	140,448
73 Recruitment Expense	2,000	1,000	5,000	1,540	1,325	11,831	7,252	7,809
74 Telephone, Water, Gas & Electricity	33,000	27,000	31,000	29,595	30,018	35,324	29,073	27,569
75 Building & Grounds Maintenance	47,000	59,000	46,000	44,268	47,389	41,312	44,193	41,204
76 Office Equipment Expense	101,000	84,000	99,000	91,052	78,962	98,577	83,557	51,590
77 Insurance Premiums & Claims	123,000	112,000	118,000	132,928	198,297	182,754	113,664	110,569
78 Retiree Medical Benefits	154,000	145,000	167,000	182,220	182,003	180,771	158,631	126,946
79 G&A Distributed to Other Operations	(120,000)	(101,000)	(109,000)	(92,969)	(86,742)	(73,004)	(65,249)	(60,208)
TOTAL GENERAL & ADMIN.	\$1,892,000	\$1,879,000	\$2,029,000	\$1,844,023	\$1,806,725	\$1,756,337	\$1,561,663	\$1,374,937
OTHER OPERATING EXPENSE								
80 Expensed Improvement Projects	\$1,796,000	\$1,720,000	\$1,839,000	\$1,785,255	\$1,480,093	\$1,607,599	\$1,067,410	\$1,368,319
81 Expensed Equipment Purchases	33,000	33,000	63,000	34,204	8,531	2,427	11,922	21,219
82 G&A Applied to Construction Projects	(199,000)	(154,000)	(174,000)	(224,590)	(212,502)	(172,336)	(202,956)	(176,265)
83 (Gain)/Loss on Overhead Charges	(129,000)	(195,000)	(225,000)	(157,888)	(277,413)	(414,082)	(443,118)	(515,294)
84 TOTAL OTHER OPERATING EXP.	\$1,501,000	\$1,404,000	\$1,503,000	\$1,436,981	\$998,709	\$1,023,608	\$433,258	\$697,979
85								
86 TOTAL OPERATING EXPENSE	\$13,450,000	\$12,658,000	\$12,710,000	\$12,392,637	\$11,620,222	\$11,899,722	\$10,794,753	\$9,428,140
87 OPERATING INCOME/(LOSS) BEFORE DEPRECIATION	\$707,000	(\$495,000)	(\$455,000)	(\$753,246)	(\$637,908)	(\$705,524)	(\$1,069,470)	(\$249,511)
88 Non-budgeted Depreciation	\$2,400,000	\$2,350,000	\$2,200,000	\$2,087,598	\$1,530,000	\$1,377,612	\$968,939	\$908,004

NOVATO WATER RECAP**Budgeted Revenue/Expense Recap Fiscal Year 2010/2011
Compared To Estimated Actual For Fiscal Year 2009/2010**

SOURCE OF FUNDS	Approved Budget 10-11	Estimated Actual 09-10	Increase (Decrease)	Percentage Change	Comments on Budget
Water Sales	\$13,940,000	\$11,950,000	\$1,990,000	17%	3.1 billion gal w/9% rate increase
Connection Fees	1,140,000	2,260,000	(1,120,000)	(50%)	Assumes 5 SF homes and 126,000 sq ft of commercial development
Interest Revenue	118,000	129,000	(11,000)	(9%)	Estimated available funds invested at average rate of 1.5%.
Loan Proceeds	2,522,000	232,000	2,290,000	987%	\$2.4M to finance the STP Solar Power Project; \$66K WM Wtr Repaymen
Miscellaneous	365,000	369,000	(4,000)	(1%)	Wheeling Charges, Leases, Reconnect Charges, Backflow Charges, etc
TOTAL SOURCE OF FUNDS	\$18,085,000	\$14,940,000	\$3,145,000	21%	
USE OF FUNDS					
OPERATIONS					
Source of Supply	\$4,544,000	\$3,870,000	\$674,000	17%	2,320 MG @ \$2,010/MG
Pumping	347,000	267,000	80,000	30%	1.7 Million KHz at 15.5¢/KHz
Operations	571,000	567,000	4,000	1%	-
Water Treatment	1,640,000	1,782,000	(142,000)	(8%)	800 MG Production, PV power commencing winter & one less Operator
Transmission & Distribution	2,425,000	2,386,000	39,000	2%	\$554K budgeted to replace copper & polybutylene services
Consumer Accounting	530,000	503,000	27,000	5%	2% COLA plus postage increase
General Administration	1,892,000	1,879,000	13,000	1%	2% COLA
Other Operating Expense	1,501,000	1,404,000	97,000	7%	Includes \$500K for WC & \$300K for Hwy 101 Aqueduct CEQA & Legal
TOTAL OPERATIONS	\$13,450,000	\$12,658,000	\$792,000	6%	
OTHER OUTLAYS					
Capital Equipment	\$155,000	\$192,000	(\$37,000)	(19%)	Includes \$71K for Ion Chromatograph
Capital Improvement Project	3,675,000	575,000	3,100,000	539%	Includes \$2.4M for STP Solar Project & \$1M for Crest Tank #2
Debt Principal and Interest	1,527,000	1,378,000	149,000	11%	Includes \$1.15M for STP SRF loan pmt & \$128K for STP Solar Project
Miscellaneous	20,000	10,000	10,000	100%	Misc.
TOTAL OTHER OUTLAYS	\$5,377,000	\$2,155,000	\$3,222,000	150%	
TOTAL EXPENDITURES	\$18,827,000¹	\$14,813,000	\$0	27%	
REVENUE LESS EXPENDITURES					
	(\$742,000)	\$127,000	\$0	-	

NOTES

1. This compares to \$17,302,000 expense budgeted for 2009/10

NOVATO WATER - RECYCLED WATER FACILITY
BUDGET SUMMARY
Fiscal Year 2010/11

	<i>Approved Budget 20010/11</i>	<i>Estimated Actual 2009/10</i>	<i>Adopted Budget 2009/10</i>
OPERATING INCOME			
1	\$202,000	\$192,000	\$221,000
2	\$202,000	\$192,000	\$221,000
OPERATING EXPENDITURES			
3	\$3,000	\$0	\$13,000
4	16,000	27,000	37,000
5	83,000	85,000	35,000
6	16,000	19,000	12,000
7	21,000	18,000	19,000
8	40,000	75,000	40,000
9	\$179,000	\$224,000	\$156,000
10	NET OPERATING INCOME (LOSS)	\$23,000	(\$32,000)
OTHER SOURCES OF FUNDS			
11	\$0	\$1,000	\$4,000
12	55,000	189,000	244,000
13	613,000	0	0
14	251,000	251,000	251,000
15	\$919,000	\$441,000	\$499,000
OTHER USES OF FUNDS			
16	\$0	\$0	\$55,000
17	613,000	29,000	0
18	56,000	107,000	0
19	273,000	273,000	273,000
20	\$942,000	\$409,000	\$328,000
21	NET SURPLUS/(DEFICIT)*	\$0	\$236,000
22	\$67,000	\$123,000	\$0
23	\$165,000	\$161,000	\$135,000

* Line 10+15-19

**WEST MARIN WATER
BUDGET SUMMARY
Fiscal Year 2010/11**

	Approved Budget 2010/11	Estimated Actual 2009/10	Adopted Budget 2009/10
OPERATING INCOME			
1	\$687,000	\$603,000	\$596,000
2	3,000	3,000	3,000
3	\$690,000	\$606,000	\$599,000
OPERATING EXPENDITURES			
4	\$13,000	\$10,000	\$14,000
5	67,000	64,000	63,000
6	28,000	44,000	28,000
7	76,000	95,000	76,000
8	123,000	86,000	115,000
9	25,000	19,000	23,000
10	76,000	64,000	69,000
11	119,000	124,000	186,000
12	\$527,000	\$506,000	\$574,000
13	NET OPERATING INCOME (LOSS) \$163,000	\$100,000	\$25,000
OTHER SOURCES OF FUNDS			
14	\$44,000	\$39,000	\$44,000
15	15,000	13,000	15,000
16	4,000	4,000	4,000
17	1,000	0	2,000
18	46,000	25,000	81,000
19	4,000	4,000	4,000
20	(66,000)	(15,000)	8,000
21	\$48,000	\$70,000	\$158,000
OTHER USES OF FUNDS			
22	\$27,000	\$27,000	\$28,000
23	19,000	19,000	19,000
24	3,000	3,000	3,000
25	0	74,000	68,000
26	7,000	7,000	15,000
27	155,000	40,000	50,000
28	\$211,000	\$170,000	\$183,000
29	NET SURPLUS/(DEFICIT)* \$0	\$0	\$0
30	\$147,000	\$146,000	\$145,000

* Line 13+21-28

WEST MARIN WATER

5-Year Financial Plan

#	BASIC DATA	Actual 2007/08	Actual 2008/09	Estimated 2009/10	Approved 2010/11	Projected 2011/12	Projected 2012/13	Projected 2013/14	Projected 2014/15
1	Active Services	758	761	770	772	778	784	790	796
2	Avg Commodity Rate/1,000 Gal	\$4.54	\$5.21	\$6.51	\$7.09	\$7.73	\$8.42	\$8.42	\$8.42
3	Potable Consumption (MG)	87	85	79	83	83	83	83	83
INCOME									
4	Commodity Charge	\$395,786	\$440,818	\$511,000	\$592,000	\$645,000	\$703,000	\$703,000	\$703,000
5	Minimum Service Charge	70,200	76,120	92,000	95,000	101,000	107,000	107,000	107,000
6	Irrigation Water Sales	7,400	0	0	0	0	0	0	0
7	Connection Fee	84,000	74,730	25,000	46,000	137,000	137,000	137,000	137,000
8	PR-2 County Tax Allocation	43,597	41,843	39,000	44,000	45,000	50,000	48,000	49,000
9	PR-3 G.O. Bond Tax	14,173	12,589	13,000	15,000	15,000	0	0	0
10	OL-2 G.O. Bond Tax	4,863	4,605	4,000	4,000	4,000	4,000	4,000	0
11	Interest	2,363	1,338	0	1,000	2,000	2,000	1,000	17,000
12	Miscellaneous	7,873	8,846	7,000	7,000	7,000	7,000	7,000	7,000
13	TOTAL INCOME	\$630,255	\$660,889	\$691,000	\$804,000	\$956,000	\$1,010,000	\$1,007,000	\$1,020,000
EXPENDITURES									
14	Operating Expenditures	\$353,468	\$315,133	\$382,000	\$408,000	\$420,000	\$433,000	\$446,000	\$459,000
15	Replacement/Enhancement Projects	236,764	72,251	124,000	119,000	17,000	126,000	6,000	81,000
16	Bond & Loan Debt Service	48,274	48,943	49,000	49,000	48,000	49,000	33,000	34,000
17	Interdistrict Loan Interest	19,302	14,250	7,000	7,000	11,000	7,000	0	0
18	TOTAL EXPENDITURES	\$657,808	\$450,577	\$562,000	\$583,000	\$496,000	\$615,000	\$485,000	\$574,000
NET INCOME BEFORE PROJECTS		(\$27,553)	\$210,312	\$129,000	\$221,000	\$460,000	\$395,000	\$522,000	\$446,000
OTHER SOURCES/(USES)									
19	Capital Improvement Projects	(103,873)	(159,619)	(40,000)	(155,000)	(1,100,000)	(1,000,000)	(1,000,000)	(1,800,000)
20	Gallagher Pipeline & TP Grant/Loan				0	800,000	800,000	1,000,000	1,800,000
21	Loan from (repayment to) Novato	151,206	(132,685)	(15,000)	(66,000)	(160,000)	(210,000)	(8,000)	0
22	Net Change in Working Capital	(17,028)	80,143	(74,000)	0	0	0	0	0
23	INCREASE (DECREASE) IN CASH	\$2,752	(\$1,849)	\$0	\$0	\$0	(\$15,000)	\$514,000	\$446,000
CASH BALANCE									
24	Operating Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$326,000
25	System Expansion Reserve	0	0	0	0	0	0	415,000	539,000
26	Liability Contingency Reserve	0	0	0	0	0	0	99,000	99,000
27	Bond Redemption Reserve	54,813	52,964	53,000	53,000	53,000	38,000	38,000	34,000
28	TOTAL CASH BALANCE	\$54,814	\$52,965	\$53,000	\$53,000	\$53,000	\$38,000	\$552,000	\$998,000
29	Amount Due to Novato Water	\$591,506	\$458,822	\$444,000	\$378,000	\$218,000	\$8,000	\$0	\$0
30	Non-Budgeted Depreciation	\$94,215	\$142,310	\$146,000	\$147,000	\$150,000	\$168,000	\$185,000	\$202,000

WEST MARIN WATER NOTES

KEY

West Marin Water includes the communities of Point Reyes Station, Inverness Park, Olema, Bear Valley, Silver Hills and Paradise Ranch Estates (PRE).

- 1 After FY11 assumes annual increase of 6 connections/year, which is the 10 year average.
- 2 A 9% commodity rate increase is proposed effective 8/1/10. Proposed rates per 1,000 gallons are: Point Reyes Station = \$5.66; Bear Valley, Inverness Park, Silver Hills & Paradise Ranch Estates lower zone = \$5.81; Olema = \$6.22; Paradise Ranch Estate Upper Zone = \$9.44; Point Reyes Station Outside Customers = \$7.92. Residential use between 400 and 900 gallons per day would pay an additional tier rate of \$2.18/1,000; and residential use exceeding 900 gallons per day would pay an additional tier rate of \$6.92/1,000 over the base rate. Finally, a seasonal surcharge of \$2.18/1,000 applicable to non-residential use between June 1 and October 31 is proposed
- 3 Projection based on prior 3 year average.
- 5 A 9% increase in the Bimonthly Minimum Service Charge is proposed to \$15.00 for the typical 5/8" X 3/4" residential meter. No increase is proposed for the existing PRE \$37 bimonthly Minimum Service Charge as it is adequate to cover the cost of reading, billing and maintaining the meter, plus the cost of amortizing the \$14,500 annual revenue bond debt service applicable to customers within the PRE subdivision.
- 6 Irrigation water sales discontinued in 2007.
- 7 In July 2009 the connection fee was increased to 22,800 per equivalent dwelling unit effective August 1, 2010.
- 8 In July 2009 the State Legislature voted to "borrow" 8% (approximately \$3,500) of Point Reyes tax revenue. California promises to repay the borrowed money plus 2% interest per annum no later than June 30, 2013. PR2 County Tax allocation is projected to increase 3% per year.
- 9, 10 GO Bond Taxes are Proposition 13 Exempt property tax levies that fund general obligation bond debt service.
- 11 Projected available funds invested at 3%
- 12 Turn-on, set-up, backflow device, Horizon CATV site lease & other miscellaneous charges.
- 14 3% annual increase assumed after FY11.
- 15 Replacement/Enhancement Projects are comprised of non-capitalized projects - see 5-Year Improvement Projects Forecast.
- 16 Comprised of four 40-year 5% bonds all purchased by the Farmers Home Administration: 1) 1973 \$250,000 PR-3 GO bond maturing 2013; 2) 1975 OL-2 \$70,000 GO bond due 2015; 3) 1980 PRE-1 \$240,000 revenue bond due 2020; 4) 1981 PR-6 \$217,800 revenue bond due 2021; plus an Economic Development Administration \$46,000 5% 40-year loan in 2017. On 6/1/91 the OL-2 bond was repurchased by Novato Water upon demand by FmHA.
- 17 Interdistrict Loan Amortization commencing 2005 to fund the LRIPP. Projection assumes interest payments at 3% + \$50 per month.
- 18 Excludes depreciation.
- 19 Capital Improvement Projects. See 5-year Improvement Projects Forecast.
- 20 Gallagher Pipeline & Treatment Plant Rehab grant or loan proceeds offset the \$4.4 million cost of installation.
- 21 Interdistrict loan proceeds & repayment to fund the West Marin Long Range Improvement Project Plan (LRIPP).
- 24 Operating Reserve should be comprised of a minimum of 4 months of operating expenditures as recommended by the District's financial advisors. This reserve should have a balance of \$169,000 at June 30, 2010, however the funds have been used to subsidize operating deficits resulting from financing the LRIPP. Future cash generated will accrue to the emergency operating reserve fund until it is whole.
- 25 System Expansion Reserve is composed of connection fee revenue, the \$94,860 Adam's contribution, \$33,500 in Mt. Vision Fire insurance proceeds, and \$8,000 in PRE Improvement Project Reserve Funds. The System Expansion Reserve was exhausted during FY04/05 to fund the LRIPP.
- 26 Liability Contingency Reserve - \$90,000 is West Marin Water's pro-rata share (3.6%) of the District's \$2.5 million liability contingency fund, available to pay liability claims arising within the West Marin water system. This reserve was exhausted during FY04/05 to fund the LRIPP. \$8,885 derived from sale of 2 surplus parcels in Inverness Park was added to the fund in Dec 2006. Future cash generated will accrue to this reserve until it is whole.
- 27 Bond Redemption Reserve is comprised of one year of Revenue Bond debt service for PR-6 & PRE-1 bonds as required by bond covenant plus tax receipts held in the Marin County treasury.
- 29 Amount Due to Novato Water at fiscal year end.

**OCEANA MARIN SEWER
BUDGET SUMMARY
Fiscal Year 2010/11**

	Approved Budget 2010/11	Estimated Actual 2009/10	Adopted Budget 2009/10
OPERATING INCOME			
1 Monthly Sewer Service Charge	\$150,000	\$148,000	\$151,000
2 Misc Service Charges	0	0	0
3 Total Operating Income	\$150,000	\$148,000	\$151,000
OPERATING EXPENDITURES			
4 Sewage Collection	\$18,000	\$14,000	\$16,000
5 Sewage Treatment	18,000	22,000	14,000
6 Sewage Disposal	1,000	1,000	1,000
7 Contract Operations	61,000	59,000	60,000
8 Customer Accounting	4,000	4,000	3,000
9 General & Administration	25,000	25,000	28,000
10 Other Operating Expense	51,000	25,000	45,000
11 Total Operating Expenditures	\$178,000	\$150,000	\$167,000
12 NET OPERATING INCOME (LOSS)	(\$28,000)	(\$2,000)	(\$16,000)
OTHER SOURCES OF FUNDS			
13 OM-1/OM-3 Tax Allocation	\$46,000	\$41,000	\$48,000
14 Interest Revenue	3,000	3,000	7,000
15 Connection Fees	30,000	9,000	46,000
16 Other Misc Revenue	1,000	1,000	1,000
17 Total Other Sources	\$80,000	\$54,000	\$102,000
OTHER USES OF FUNDS			
18 Capital Improvement Projects	\$100,000	\$0	\$0
19 Total Other Uses	\$100,000	\$0	\$0
20 NET SURPLUS/(DEFICIT)*	(\$48,000)	\$52,000	\$86,000
21 Depreciation (not included above)	\$42,000	\$41,000	\$38,000

* Line 12+17-19

OCEANA MARIN SEWER

5-Year Financial Plan

#		Actual 2007/08	Actual 2008/09	Estimated 2009/10	Approved 2010/11	Projected 2011/12	Projected 2012/13	Projected 2013/14	Projected 2014/15
# BASIC DATA									
1	Number of Connections	223	225	225	227	229	231	233	235
2	Monthly Service Charge	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00
INCOME									
3	Monthly Service Charge	\$146,642	\$147,918	\$148,000	\$150,000	\$152,000	\$153,000	\$154,000	\$156,000
4	OM-1/OM-3 Tax Allocation	46,021	44,594	41,000	46,000	47,000	52,000	50,000	52,000
5	Connection Fees	9,000	9,000	9,000	30,000	30,000	30,000	30,000	30,000
6	Interest Revenue	7,570	4,496	3,000	3,000	5,000	7,000	5,000	5,000
7	Miscellaneous Revenue	4,455	3,365	1,000	1,000	1,000	1,000	1,000	1,000
8	TOTAL INCOME	\$213,688	\$209,373	\$202,000	\$230,000	\$235,000	\$243,000	\$240,000	\$244,000
9	OPERATING EXPENDITURES	\$111,088	\$126,945	\$125,000	\$127,000	\$131,000	\$135,000	\$139,000	\$143,000
OTHER EXPENDITURES									
10	System Improvements/Other	\$84,998	\$35,251	\$25,000	\$151,000	\$65,000	\$165,000	\$85,000	\$155,000
11	TOTAL EXPENDITURES	\$196,086	\$162,196	\$150,000	\$278,000	\$196,000	\$300,000	\$224,000	\$298,000
12	Net Change in Working Capital	(\$64,021)	\$46,000						
13	INCREASE (DECREASE) IN CASH	(\$46,419)	\$93,177	\$52,000	(\$48,000)	\$39,000	(\$57,000)	\$16,000	(\$54,000)
CASH BALANCE									
14	Operating Reserve	\$80,379	\$163,036	\$218,000	\$163,000	\$204,000	\$163,000	\$179,000	\$125,000
15	Connection Fee Reserve	55,809	66,329	63,000	18,000	16,000	0	0	0
16	TOTAL CASH BALANCE	\$136,188	\$229,365	\$281,000	\$181,000	\$220,000	\$163,000	\$179,000	\$125,000
17	Non-Budgeted Depreciation	\$27,168	\$36,355	\$41,000	\$42,000	\$46,000	\$48,000	\$52,000	\$54,000

OCEANA MARIN SEWER**NOTES**

KEY

- 1 Assumes increase of two connections per year, which is the average over the last 5 years. Capacity is estimated at 308 dwelling units.
- 2 Service charge was increased \$5 to \$55 per month 8/1/04.
- 4 County tax allocation enacted subsequent to Prop 13 to compensate for O&M tax revenue previously received. In July 2009 the State Legislature voted to "borrow" 8% (approximately \$3,500) of Oceana Marin tax revenue. California promises to repay the borrowed money plus 2% interest per annum no later than June 30, 2013. OM-1/IOM-3 County Tax allocation is projected to increase 3% per year.
- 5 Assumes the new connections occur in OM-3 (Units 1 or 5) which are subject to the connection fee.
- 9 3% annual increase assumed after FY11.
- 10 System Improvements & Special Projects. See 5-year Improvement Projects Forecast.
- 11 Excludes depreciation.
- 12 The large swing in working capital between FY08 and FY09 pertains to \$50K in insurance proceeds received as reimbursement for costs incurred in response to the February 2008 effluent spill.
- 16 Cash available for operation, maintenance and improvements

**Approved
Equipment Expenditures
Fiscal Year 2010/2011 Budget**

6/30/10

t:\ac\excel\budget\11\equip11.xls\equip11

		Approved	Notes	Description
1 INFORMATION SYSTEMS				
Administration				
59603.01.11	a. Replacement PCs (5)	\$5,000	e,1	Replace 6-year old PCs for Accounting and Consumer Accounting Staff. Existing units will be moved to positions with less intensive need or held as spare.
59603.01.11	b. Replacement Firewall	1,000	e,1	Existing Cisco network firewall has not been supported for two years. Want to replace before failure to assure intrusion protection.
59603.01.11	c. Software Licenses	5,000	e,1	To stay current on desktop software licensing requirements.
12108.01.00	d. Automated Payment Remittance System	22,000	c	Payments are scanned, digitized, automatically posted to customer accounts & electronically deposited
Engineering				
59603.01.21	e. CAD Station PC	2,000	e,1	Replacement PC configured to work with the large memory CAD files so that routine tasks are performed quickly. The current computer is underpowered for these large files resulting in inefficient work output.
Operations				
	f. STP Server Replacements (2)	2,000	e,1	Replace 6-year old SCADA Servers. One existing unit will replace STP Lab PC, other held as spare
Maintenance				
59603.01.51	g. Replacement PC for Ops/Maint Supt	1,000	e,1	Replace 5-year-old laptop that is getting old and slow.
		\$38,000		
2 OPERATIONS				
12108.01.00	a. Chlorine Analyzer	\$7,000	c	This will allow the RWF better accuracy at the out let of the contact chamber.
12108.01.00	b. Ion Chromatograph	\$71,000	c,1	To replace the 2002 unit that uses 20-year-old technology and is no longer supported by the manufacturer. Measures chemical anions for regulatory compliance. Includes PC.
		\$78,000		

**Approved
Equipment Expenditures
Fiscal Year 2010/2011 Budget**

6/30/10

t:\ac\excel\budget\11\equip11.xls\equip11

		Approved	Notes	Description
3 CONSTRUCTION				
59603.01.41	a. Pipe Locator	\$7,000	e,1	High-powered locator with lower frequencies offering improved accuracy for pinpointing the location of aqueduct system pipe.
59603.01.41	b. Traffic Plate - 8' X 12' X 1"	3,000	e	Currently have 9 plates
59603.01.41	c. 30" Backhoe Bucket	1,000	e	Will be used for installing 12" pipe. This size is necessary as per District standards.
		\$11,000		
4 ADMINISTRATION				
12101.01.00	a. Postage Machine	\$7,000	c,1	Parts are no longer available for our 8-year-old Neopost unit
		\$7,000		
5 MAINTENANCE				
12101.01.00	a. Ultrasonic portable flow meter	\$10,000	c,1	To confirm flow. This unit has +/- 3% accuracy vs. the current meter that can only identify that there is flow.
	b. Steam Blast Cabinet	8,000	c	Replace the solvent based unit to help reduce cost of hazardous waste removal
	c. Low-Band Radios with full feature Controls (2)	3,000	e, 1	The oldest mobile radios in the fleet are becoming obsolete and repair parts are no longer available. This will give us a spares in case of a radio failure.
	d. Infrared Thermal Camera	8,000	c	To enhance the predictive maintenance program at STP and the pump stations.
		\$29,000		
6 ENGINEERING				
12102.01.00	a. Flow Recorder	\$3,000	e, 1	Replace damaged unit which is over 15 years old. The seals in this "waterproof" unit failed when it was submerged in a vault last winter.
		\$3,000		

**Approved
Equipment Expenditures
Fiscal Year 2010/2011 Budget**

6/30/10

t:\ac\excel\budget\11\equip11.xls\equip11

		Approved	Notes	Description
7 VEHICLE & ROLLING EQUIPMENT EXPENDITURES				
12104.01.00	c.	185 CFM Portable Air Compressor	22,000	c,1 Air compressor with a Tier 3 or Interim Tier 4 engine will replace #74, a 2003 Sullair 185 CFM Portable Air Compressor with a Tier 1 engine, that will be unable to operate in the BAAQMD under CARB Portable Engines Rule requiring Tier 3 or higher by 2013. #74 will be sent to auction.
		<u>\$22,000</u>		
		<u>Total</u>		<u>\$188,000</u>

Notes:
 c: Capital; e: Expense
 1 Replacement item.

	RECAP	Adopted Budget 2009/10	Estimated Actual 2009/10	Proposed Budget 20010/11
Equipment		\$97,000	\$63,000	\$166,000
Vehicles		184,000	163,000	22,000
		<u>\$281,000</u>	<u>\$226,000</u>	<u>\$188,000</u>

Proposed Improvement Projects

7/16/10

t:\a\excel\budget\11\5 yr cip fy11.xls\5 yr ip

		FY11	FY12	FY11 Project Description
1. PIPELINE REPLACEMENTS/ADDITIONS				
	a.	Main/Pipeline Replacements		
	1		\$130,000	e
			\$130,000	
		\$0	\$130,000	
	b.	Main/Pipeline Additions		
1.7122.00	1	\$100,000		c First segment is a 400' 12" loop connection from Leveroni Ct to 46 Galli Drive. Second segment scheduled for FY13.
	2		\$100,000	e
		\$100,000	\$100,000	
	c.	PB Service Line Replacements		
1.7123.00	1	\$46,000		e Ongoing program to replace polybutylene services
1.7123.01	2	\$64,000		e Ongoing program to replace polybutylene services
1.7123.02	3	\$60,000		e Ongoing program to replace polybutylene services
	4		\$150,000	e
		\$170,000	\$150,000	
	d.	Relocations to Sync w/City & County C.I.P.		
1.8716.07	1	\$20,000	\$20,000	e Provide the City of Novato with time and materials for locating and raising street valves
	2	\$30,000	\$80,000	e Relocate facilities as required based on as yet unidentified City & County Projects
		\$50,000	\$100,000	
		<u>\$320,000</u>	<u>\$480,000</u>	

Proposed Improvement Projects

7/16/10

t:\excel\budget11\5 yr cip fy11.xls\5 yr ip

		FY11	FY12	FY11 Project Description
2. SYSTEM IMPROVEMENTS				
1.8650.18	a.	Sampling Stations (6 biennially)	\$24,000	e Install 6 water quality sample stations. There are 51 permanent sampling stations in the system. There are at least 17 more locations that need a permanent station installed.
1.6000.40	b.	System & Tank Cathodic Protection Maint/Upgrade	\$20,000	\$25,000 e Miscellaneous cathodic upgrades to protect steel water mains, tanks, & aqueduct (from Atherton to Rowland) from corrosion
	c.	Flushing Taps at DCVs or Zone Valves (12 biennially)		\$50,000 e
	d.	Detector Check Assembly Replacements (7 biennially)		\$50,000 e
1.7008.07	e.	RTU Upgrades (Lynwood, Kastania, Aq Valve)	\$50,000	e Replace aging and unreliable RTUs at Lynwood and Kastania Pump Stations, and at the Aqueduct Valve
	f.	Anode Installations		\$30,000 e
	g.	Pressure Zone Emergency Pump Bypass		\$35,000 e
1.7124.00	h.	Emergency Power Connections	\$25,000	e Install emergency generator power connection at San Marin, Lynwood, Trumbull and School Road pump stations to allow for faster, safer start-up during outages.
	i.	Radio Expansion Telemetry Upgrades		\$25,000 e
1.7125.00	j.	BMK Cross-Connect Upgrades (35 svcs/yr)	\$45,000	\$50,000 e Replace 35 combination meter/check valve units in Bel Marin Keys with individual meters and check valves. Larger box in sidewalk will be required to create room for both devices.
	k.	Other System Improvements		\$30,000 e
			<u>\$164,000</u>	<u>\$295,000</u>

Proposed Improvement Projects

7/16/10

t:\acexcel\budget11\5 yr cip fy11.xls\5 yr ip

			FY11	FY12	FY11 Project Description
3. BUILDING, YARD, STP. IMPROVEMENTS					
	a.	Administration Building			
1.6501.41	1	Admin Office/Lab/Yard Remodel Design	\$100,000	\$300,000	c 1st phase of architectural design through construction drawings
	2	Office/Lab/Yard Renovation (Note 1)		\$3,000,000	c
1.6501.42	3	Other Admin Bldg Improvements	\$20,000	\$25,000	e Minor repairs identified throughout the year
			\$120,000	\$3,325,000	
	b.	Corp. Yard/Warehouse/Construction Office			
1.6502.44	1	Other Yard Improvements	\$15,000	\$15,000	e Minor repairs identified throughout the year
			\$15,000	\$15,000	
	c.	Stafford Treatment Plant			
1.6600.52	1	Watershed Erosion Control 1. Straw Project	\$9,000	\$9,000	e Set aside monies for the Students and Teachers Restoring a Watershed program at Stafford Lake.
1.6600.58		2. Dairy Nutrient Containment	\$50,000		e Build catchment basin to trap and divert watershed runoff to control lake nutrients.
1.6600.55	2	Solar Panel Installation (Note 2)	\$2,400,000		c 360 KW solar power panels at the Stafford Treatment Plant
1.6600.60	3	Leveroni Creek Bank Repair	\$30,000	\$100,000	e Permit Phase - Creek bank erosion control/restoration
	4	Spillway Security Improvements		\$25,000	e
1.6600.64	5	Lake Sediment Survey & Dredging Specs (In-house)	\$25,000		e Survey Stafford Lake to measure sediment build-up since the early 1980's to determine when dredging will be needed to assure maximum lake storage volume
	6	Start-up Flushing Connection		\$165,000	e
1.6600.67	7	Disinfection Building Roof Replace	\$50,000		e Roof has required repair each of the past three winters
1.6600.68	8	Replace T1 Line from STP	\$15,000		e Replace inefficient & unreliable T1 line with radio system that has proven reliable and has more bandwidth for data transfer
1.6600.69	9	Dam Concrete Apron Repairs	\$50,000		e Misc concrete patch repairs to existing upstream face of dam
	10	Remove Old Transformer/Pole		\$40,000	e
	11	STP Emergency Power Generator		\$122,000	c
	12	Other Treatment Plant Improvements		\$50,000	e
			\$2,629,000	\$511,000	
			<u>\$2,764,000</u>	<u>\$3,851,000</u>	

20

Proposed Improvement Projects

7/16/10

t:\acl\excel\budget\11\5 yr cip fy11.xls\5 yr ip

		FY11	FY12	FY11 Project Description
4. STORAGE TANKS/PUMP STATIONS				
	a.	Tank Construction		
1.6235.00	1	Crest Tank #2 (0.5 MG) (Note 3)	\$1,000,000	c Construction of a 500,000-gal welded-steel on a concrete ringwall foundation to address the Crest Zone storage deficit identified in the Master Plan. Includes Tank #1 exterior recoat.
			\$1,000,000	\$0
	b.	Tank Rehabilitation		
	1	Lynwood Recoat/Seismic Upgrade (0.85MG & 0.5MG)	\$0	\$555,000 e
			\$0	\$555,000
1.6112.24	c.	Lynwood Pump Station Motor Control Center	\$188,000	e Move Lynwood Pump Station motor controls above-ground and rebuild the surge control valves.
1.6217.20	d.	Pacheco Tank Cl2 Mixing System	\$75,000	c Design/Install pump mixing and chlorine injection system
	e.	Relocate School Road/Crest P.S. (Design/Construct)		\$350,000 c
			\$1,263,000	\$905,000
5. WATER CONSERVATION				
	a.	Residential		
				\$362,000 e Includes \$125,000 in staff time, \$45,000 in cash-for-grass rebates, \$5,000 for ET Controller Rebates, \$45,000 in SF High Efficiency Toilet rebates, and \$40,000 in residential audits
1.7700.01	1	Cash for Grass Rebates	45,000	e
1.7700.02	2	Landscape Efficiency Rebates	20,000	e
1.7700.03	3	Fixtures Purchases	5,000	e
1.7700.06	4	Washing Machine Rebates	30,500	e
1.7700.07	5	Demonstration Garden Improvements	500	e
1.7700.11	6	Toilet Rebate Single Family	45,000	e
1.7700.12	7	Toilet Rebate Multi-Family	10,000	e
1.7700.13	8	Residential Audits	40,000	e
1.7700.16	9	Water Waste Ordinance Monitoring	20,000	e
1.7700.17	10	Swimming Pool Cover Rebate	1,000	e
1.7700.19	11	ET Controller Rebate	5,000	e
1.7700.08	12	Administration	122,000	e
1.7700.20	13	New Development Wtr Cons Program	8,000	e
1.7700.21	14	Demand Offset Rebate Program	10,000	e
	b.	Commercial		\$38,000 e Includes \$20,000 for commercial toilet rebates & \$8,000 for commercial audits
1.7701.02	1	Toilet Rebate	\$20,000	e

Proposed Improvement Projects

7/16/10

t:\ac\excel\budget11\5 yr cip fy11.xls]5 yr ip

		FY11	FY12	FY11 Project Description
1.7701.03	2 Commercial Audits	\$8,000		e
1.7701.04	3 Administration	\$10,000		e
c.	Public Outreach/Information		\$63,000	e Includes \$21,000 for the Spring & Fall Waterline & Public Events (i.e. Farmer's Market) \$10,000
1.8672.16	1 Fall Newsletter	8,000		e
1.8672.17	2 Spring Newsletter	12,000		e
1.8672.18	3 Summer Newsletter	12,000		e
1.7700.04	4 Public Outreach (Fair, Farmer's Market)	10,000		e
1.7700.05	5 Marketing	21,000		e
d.	Large Landscape		\$37,000	e Includes \$10,000 for large landscape audits, \$3,000 for landscape budgets, and \$12,000 for irrigation efficiency rebates.
1.8653.02	1 Large Landscape Audits	10,000		e
1.7702.01	2 Large Landscape Budgets	3,000		e
1.7702.02	3 Large Landscape Irrigation Efficiency Rebates	12,000		e
1.8653.01	4 CIMIS	2,000		e
1.7702.03	5 Administration	\$10,000		e
		<u>\$500,000</u>	<u>\$500,000</u>	

Proposed Improvement Projects

7/16/10

t:\excel\budget\11\5 yr cip fy11.xls\5 yr ip

		FY11	FY12	FY11 Project Description	
6. PRELIMINARY PROJECT ENGINEERING & STUDY					
1.7042.00	a.	Facility Map Database	\$20,000	\$20,000	e Staff & consultant time to expand development of a Novato Water System Geographic Information System to improve information management contained within the facility maps and improve access to important asset management information
1.7116.00	b.	STP Solids Disposal Study	\$25,000		e During the winter NSD limits STP wastewater to 40,000 gpd, limiting production to 1 MGD. To operate at 5MGD we need to discharge 150,000 gpd.
	c.	Long Range Plan Update - Board Workshop		\$2,000	e
	d.	Aqueduct Relocation - Hwy 101 Widening	\$300,000		e
1.7118.01		1 MSN Aqueduct Caltrans Reimbursable-Segment B1			e Ongoing CEQA and legal costs for energy efficient project
1.7118.02		2 MSN Aqueduct Caltrans Reimbursable-Segment B2			
1.7118.03		3 MSN Aqueduct Caltrans Reimbursable-Segment B3			
1.7118.04		4 MSN Aqueduct Non-Caltrans Reimbursable			
1.7118.05		5 MSN Aqueduct Legal Challenge/Litigation			
1.7120.00	i.	Urban Water Management Plan (2010 Update)	\$15,000		e Consultant (\$8,000) and staff cost for preparing state mandated update.
1.7126.00	j.	Local Water Supply Enhancement Study	\$100,000	\$100,000	e Consultant study to identify local options to enhance potable water supply.
	k.	Automated Meter Reading Pilot Study (50 meters)		\$12,000	e
	l.	Greenhouse Gas Emission Reduction		\$15,000	e
	m.	Master Plan Update (including Facility Replacement Plan)		\$60,000	e
	n.	STP Transmission Line Study		\$25,000	e
		Other Studies			e
			<u>\$460,000</u>	<u>\$234,000</u>	
7. SONOMA COUNTY WATER AGENCY					
	a.	Aqueduct Relocation - Hwy 101 Widening (Note 4)		\$4,000,000	c
		Cotati to Kastania Pipeline (34,000' 48") (Note 5)			c
			<u>\$0</u>	<u>\$4,000,000</u>	
8. LIABILITY/SAFETY MODIFICATIONS					
	a.	Risk Audit		\$10,000	e
			<u>\$0</u>	<u>\$10,000</u>	

Proposed Improvement Projects

7/16/10

t:\acexcel\budget\11\5 yr cip fy11.xls\5 yr ip

			FY11	FY12	FY11 Project Description
9. RECYCLED WATER					
5.7127.00	a.	NBWRA Grant Outreach	\$35,000	\$35,000	e Continued support of North Bay Water Reuse Authority efforts to obtain Federal/State grants for Novato recycled water projects.
5.6270.20	b.	Reservoir Hill Tank Property Transfer	\$5,000		e Staff and legal cost to negotiate transfer from City to NMWD. Tank to be used for recycled water storage.
5.6055.00	c.	Expansion to North Area (Note 6)	\$613,000	\$3,527,000	c Pipeline additions and storage improvements to increase recycled water use by 186 AF.
	d.	Expansion to South Area (Note 7)		\$453,000	c
	e.	Other Recycled Water Expenditures		\$20,000	e
			<u>\$653,000</u>	<u>\$4,035,000</u>	
10 WEST MARIN WATER SYSTEM					
		<u>System Improvements:</u>			
	a.	Radio Read Meter Installation			e
	b.	Replace PRE 2" Galvanized Steel Pipe			e
2.6257.20	c.	Tank Seismic Upgrades	\$60,000		e Piping changes to PRS tanks to minimize seismic event damage
2.6601.32	d.	TP Solids Handling & Land Acquisition	\$100,000	\$100,000	c Land acquisition and design of a 100,000 gal solids-handling storage facility.
2.6601.33	e.	Cable Connection to TP	\$13,000		e Horizon internet connection to allow remote access from Novato SCADA system
2.6263.20	f.	Replace PRE Tank #4A (25,000 gal w/82,000 gal Tank)	\$55,000	\$200,000	c Permitting phase for recommended Long-Range Master Plan project
2.6261.21	g.	Replace Retaining Wall at PRE 2	\$30,000		e Replace failing retaining wall around Paradise Ranch Estates Tank #2
	h.	CG Well Level/Salinity Monitors		\$11,000	e
	i.	Gallagher Pipeline (Note 8)		\$800,000	c
		<u>Special Projects/Studies:</u>			
2.5166.00	a.	Water Conservation Program	\$6,000	\$6,000	e \$2,500 residential, \$2,500 non-res & \$1,000 public outreach
2.8687.01	b.	Water System Master Plan Update (every 5 years)	\$10,000		e Update 2001 Long-Range Water System Master Plan.
			<u>\$274,000</u>	<u>\$1,117,000</u>	

Proposed Improvement Projects

7/16/10

t:\excel\budget\11\5 yr cip fy11.xls\5 yr ip

		FY11	FY12	FY11 Project Description
11	OCEANA MARIN SEWER SYSTEM			
3.6672.25	a. Infiltration Study & Repair	\$15,000	\$15,000	e Ongoing work to identify and repair collection pipelines to prevent
	b. Tahiti Way Lift Pump Rebuild		\$20,000	e
3.7103.00	c. Oceana Marin Remote Alarms	\$15,000		e Integrate the Old Dillon Lift Station & disposal pond remote alarm into the SCADA system.
3.6606.21	d. Replace Siphon Dosage Tank	\$11,000		e Replace aged steel tank with surplus tank in the yard.
3.6001.20	e. Cross Country Sewer Line Rehab (1,000'/yr)	\$100,000		c Rehab 1000' of 6" ACP in high-risk areas
	f. Disposal Capacity Study Update		\$20,000	e
	Install 8th Disposal Trench (300')			c
	General Sewer Line Rehab (3,000'/10 Yrs)			c
	Long Range Master Plan Update (every 10 years)			e
3.7105.00	g. Equipment Replacement/Upgrade	\$10,000	\$10,000	e Reimburse Phillips & Assoc for equip replacement & upgrade required for ongoing wastewater treatment plant operation.
		<u>\$151,000</u>	<u>\$65,000</u>	
	GROSS PROJECT OUTLAY	<u>\$6,549,000</u>	<u>\$15,492,000</u>	
	Novato	\$5,471,000	\$10,275,000	
	RWF	\$653,000	\$4,035,000	
	WM Water	\$274,000	\$1,117,000	
	OM Sewer	\$151,000	\$65,000	
		<u>\$6,549,000</u>	<u>\$15,492,000</u>	

Proposed Improvement Projects

7/16/10

t:\acexcel\budget\11\5 yr cip fy11.xls\5 yr ip

FY11 FY12 FY11 Project Description

	FY11	FY12	FY11 Project Description
12. LESS FUNDED BY LOANS/OTHER			
a.	\$0	(\$3,000,000)	Admin Office/Lab/Yard Building Remodel (Note 1) c \$6M Admin Building Rehab funded by loan or bond sale.
b.	(\$2,400,000)	\$0	STP Solar Panel Design Build (Note 2) c Solar Project funded by loan
			Backflow Meter/Check Valve CDPH Grant e
c.	\$0	(\$4,000,000)	Aqueduct Relocation - Hwy 101 Widening (Note 4) c Aqueduct Relocation funded by loan or bond sale
	\$0	\$0	Cotati to Kastania Pipeline (34,000' 48") (Note 5) c
d.	(\$613,000)	(\$3,527,000)	RWF Expansion - North Area (Note 6) c RWF North funded 25% by Fed/State Grant; 37% by NSD; balance via SRF loan with debt service paid from FRC funds
e.	\$0	(\$453,000)	RWF Expansion - South Area (Note 7) c RWF South funded 25% by Fed/State Grant; 48% by LGVSD; balance via SRF loan with debt service paid from FRC funds
f.	\$0	(\$800,000)	Gallagher Pipeline (Note 8) c Gallagher Pipeline funded by Federal/State loan/grant funding
	\$0	\$0	WM TP Modifications Design/Construct (Note 9) c
			<u>(\$3,013,000)</u> <u>(\$11,780,000)</u>

NET PROJECT OUTLAY \$3,536,000 \$3,712,000

Novato	\$3,071,000	\$3,275,000
RWF	\$40,000	\$55,000
WM Water	\$274,000	\$317,000
OM Sewer	\$151,000	\$65,000
NET PROJECT OUTLAY	\$3,536,000	\$3,712,000

Total Number of Projects 46 48

- Note 1 - \$6M Admin Building Rehab funded by loan or bond sale.
- Note 2 - Solar Project funded by loan
- Note 3 - Crest Tank #2 funded 25% by FRC funds.
- Note 4 - Aqueduct Relocation funded by loan or bond sale
- Note 6 - RWF North Area project funded 25% by Fed/State Grant; 37% by NSD; balance via SRF loan with debt service paid from FRC funds
- Note 7 - RWF South Area project funded 25% by Fed/State Grant; 48% by LGVSD; balance via SRF loan with debt service paid from FRC funds
- Note 8 - Gallagher Pipeline funded by Federal/State loan/grant funding
- Note 9 - WM TP Project funded by debt and /or grant/stimulus funding