

NOVATO SANITARY DISTRICT

Meeting Date: February 10, 2014

The Board of Directors of Novato Sanitary District will hold a regular meeting at 6:00 p.m., Monday, February 10, 2014, at the District Offices, 500 Davidson Street, Novato.

Materials related to items on this agenda are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: www.novatosan.com.

AGENDA

1. PLEDGE OF ALLEGIANCE:

2. AGENDA APPROVAL:

3. PUBLIC COMMENT (PLEASE OBSERVE A THREE-MINUTE TIME LIMIT):

This item is to allow anyone present to comment on any subject not on the agenda, or to request consideration to place an item on a future agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Board at this time as a result of any public comments made.

4. CONSENT CALENDAR:

The Manager-Engineer has reviewed the following items. To her 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.

- a. Accept the sewer main extension improvements for the Canyon Green Subdivision project.
- b. Approve sewer main extension plans for the Mt. Burdell Place subdivision project.
- c. Approve regular disbursements.

5. WASTEWATER OPERATIONS:

- a. Review the draft Amended and Restated Contract Service Agreement for Operation, Maintenance, and Management of Wastewater Treatment Facilities and give direction to staff.

6. ADMINISTRATION:

- a. Review current Board policies.
- b. Consider approval of an Agreement with the Central Marin Sanitation Agency for the Joint Safety Program.
- c. Review Quarterly Investment Report.
- d. Review Quarterly Revenue and Expenditure Report.

7. PUMP STATION REHABILITATION PROJECT #72403:

- a. Consider approval of a contract amendment with Nute Engineering for design services on a time and materials basis for an amount not to exceed \$60,000 and authorize the Manager-Engineer to execute the amendment.
- b. Consider approval of a proposal from Nute Engineering for engineering services during construction, and authorize the Manager-Engineer to execute an agreement with Nute Engineering on a time-and-materials basis, in the amount of \$40,000.

8. NORTH BAY WATER REUSE AUTHORITY (NBWRA):

- a. Review the draft budget for the NBWRA for 2014-17 and give direction to staff.

9. BOARD MEMBER REPORTS:

- a. North Bay Watershed Association.

10. MANAGER'S ANNOUNCEMENTS:

11. ADJOURNMENT:

Next resolution no. 3067

Next regular meeting date: Monday, February 24, 2014, 6:00 PM at the Novato Sanitary District office, 500 Davidson Street, Novato, CA

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 892-1694 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Consent Calendar: Canyon Green Subdivision – Acceptance of Sewer Main Extension Improvements	MEETING DATE: February 10, 2014 AGENDA ITEM NO.: 4.a.
RECOMMENDED ACTION: Accept the sewer main extension improvements for the Canyon Green Subdivision project.	
SUMMARY AND DISCUSSION: <p>This agenda item is for acceptance of sewer main improvements for the Canyon Green Subdivision - Hill Road SME. Construction plans were approved by the Board on March 13th 2012. The project has constructed sewer infrastructure to provide sanitary sewer service to twenty-five single-family homes on the old Novato Community Hospital site, located at the intersection of Hill Road and Canyon Road.</p> <p>District staff directed the project designer to replace all of the existing District sewer mains adjacent to the project parcel within Hill and Canyon Roads. The project replaced 1,143 L.F. of 8" VCP sewer main that was installed in 1964. Five District manholes were also replaced.</p> <p>The project constructed five additional new manholes on site and 525 L.F. of new 8" PVC sewer main.</p> <p>The onsite items proposed for Board acceptance are as follows.</p> <p>5 EA. Standard Manholes 525 L.F. of 8" PVC, 522 L.F. of 4" PVC Lateral Sewer</p> <p>The District assets that were replaced off site are as follows:</p> <p>5 EA. Standard Manholes 1,143 L.F. of 8" PVC, Reconnection of 7 existing Lateral Sewers</p>	
ALTERNATIVES: Do not accept the project's improvements.	
BUDGET INFORMATION: Onsite items will increase District's assets by \$90,625.00	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Consent Calendar: Mt. Burdell Place Subdivision – Approve Sewer Main Extension Plans	MEETING DATE: February 10, 2014 AGENDA ITEM NO.: 4.b.
RECOMMENDED ACTION: Approve sewer main extension plans for the Mt. Burdell Place Subdivision project.	
SUMMARY AND DISCUSSION: <p>This agenda item is for plan approval for the Mt. Burdell Place Subdivision construction plans. The project was first submitted as Fourth Street Subdivision. The project was then purchased by Habitat for Humanity Greater San Francisco, who renamed the project Mount Burdell Place.</p> <p>The project proposes to construct ten single-family homes on a vacant 0.68 acre site, located in the 1100 block of Fourth Street.</p> <p>District staff has reviewed the project design for conformity to District Standards, and recommends allowing the project to install two, 130 foot long six inch diameter sewer mains extending into the property and terminating in a manhole structure. The reason for allowing the project to vary from the District's Standard of eight inch diameter sewer pipe is to maintain as much pipe cover as possible on this very flat site.</p> <p>The project will construct four new standard manholes and 260 L.F. of new 6" PVC sewer main.</p> <p>The items proposed for sewer main extension construction are as follows.</p> <p>4 EA. Standard Manholes 260 L.F. of 6" PVC, 156 L.F. of 4" PVC Lateral Sewer</p>	
ALTERNATIVES: Do not approve the plans for construction.	
BUDGET INFORMATION: Upon construction and acceptance, this project will potentially increase the District's assets by \$66,980.00	
DEPT.MGR.:	MANAGER:

Novato Sanitary District Operating Check Register

February 10, 2014

Date	Num	Name	Credit
Feb 10, 14			
2/10/2014	56636	Veolia Water North America, ...	158,399.81
2/10/2014	56593	Central Marin Sanitation Distr...	25,948.03
2/10/2014	56627	PSC	19,840.32
2/10/2014	56628	Roto Rooter-(Inc.)	15,626.00
2/10/2014	56620	North Marin Water District Jo...	15,000.00
2/10/2014	56613	Marin Audubon Society	9,334.59
2/10/2014	56610	Johnson, Dee	7,257.73
2/10/2014	56579	3T Equipment Company Inc.	5,094.75
2/10/2014	56590	Caltest Analytical Lab Inc.	4,710.30
2/10/2014	56633	U.S. Bank Card (1)(Bev)	3,185.58
2/10/2014	56622	Occumetric Inc.	3,150.00
2/10/2014	56598	Delta Dental	3,062.50
2/10/2014	56589	California Diesel & Power	2,720.60
2/10/2014	56587	Brown & Caldwell, Inc.	2,484.17
2/10/2014	56597	Dearborn National	2,294.56
2/10/2014	56630	Shape Incorporated	2,144.41
2/10/2014	56623	Onick, Eric G	1,705.00
2/10/2014	56607	Industrial Electrical Co.	1,590.15
2/10/2014	56594	Comet Building Maintenance,...	1,378.58
2/10/2014	56612	Leonardi Automotive & Electr...	1,365.45
2/10/2014	56603	Fisher-Scientific	1,276.23
2/10/2014	56588	Cagwin & Dorward Inc.	1,209.23
2/10/2014	56606	IEDA, INC	1,051.00
2/10/2014	56629	Roy's Sewer Service, Inc.	1,000.00
2/10/2014	56600	EOA, Inc.	919.40
2/10/2014	56581	AirGas USA, LLC.	917.50
2/10/2014	56615	Meyers, Nave, Riback, Silver ...	838.50
2/10/2014	56591	Cantarutti Electric, Inc	795.00
2/10/2014	56595	Control Systems West, Inc.	774.20
2/10/2014	56634	U.S. Bank Card (2)(June)	699.50
2/10/2014	56592	CASA	575.00
2/10/2014	56601	Evoqua Water Technologies ...	536.61
2/10/2014	56637	Vision Service Plan	524.81
2/10/2014	56632	U.S. Bank (Sandeep)	517.57
2/10/2014	56619	North Marin Water District	509.99
2/10/2014	56586	Beecher Engineering	450.00
2/10/2014	56614	Marin Municipal Water District.	425.00
2/10/2014	56626	Pini Hardware	366.70
2/10/2014	56621	Novato Disposal-	292.72
2/10/2014	56616	Miller, Brant-	285.13
2/10/2014	56583	AT&T Mobility	276.59
2/10/2014	56605	HACH/American Sigma Inc	274.27
2/10/2014	56580	Able Tire & Brake Inc.	271.68
2/10/2014	56604	Grainger	218.95
2/10/2014	ach	Long, William C.	216.43
2/10/2014	56611	Labworks Equipment, Inc.	175.00
2/10/2014	56618	North Marin Auto Parts	146.57
2/10/2014	56625	Petty Cash	137.17
2/10/2014	56585	Barnett Medical LLC	135.00
2/10/2014	56631	T-Mobile	130.07
2/10/2014	56624	Orkin Pest Control, Inc.	127.60
2/10/2014	56582	American Messaging	127.13
2/10/2014	56609	IOBP,LLC	117.00
2/10/2014	56608	International Code Council Inc	100.00
2/10/2014	56617	North Bay Portables, Inc.	92.20
2/10/2014	56596	CWEAmembers	92.00
2/10/2014	56599	Di Giorgio, Mike	74.00
2/10/2014	56602	Federal Express	35.44
2/10/2014	56584	Autoworld	23.78
2/10/2014	56635	United Parcel Service	10.31
Feb 10, 14			303,037.81

Novato Sanitary District Capital Projects Check Register

February 10, 2014

Date	Num	Name	Credit
Feb 10, 14			
2/10/2014	2654	R E Smith Contractor, Inc.	349,350.71
2/10/2014	2656	Terracon Pipe Lines Inc	215,250.38
2/10/2014	2650	Covello Group, The	29,155.67
2/10/2014	2655	RMC Water & Environment, I...	7,228.68
2/10/2014	2651	Linscott Engineering Contrac...	6,953.69
2/10/2014	2652	Maggiora & Ghilotti Inc.	2,361.56
2/10/2014	2653	Miller Pacific Engineering, Inc.	2,000.00
Feb 10, 14			<u>612,300.69</u>

02/06/14

Novato Sanitary District Board Fees for January 2014

February 6, 2014

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
Feb 6, 14			
2/6/2014	2964	Long, William C	974.25
2/6/2014	3186	Miller, Brant	909.57
2/6/2014	3185	Di Giorgio, Michael	905.66
2/6/2014	2966	Peters, A. Gerald	760.15
2/6/2014	2965	Mariani, Jean M	600.60
Feb 6, 14			<u>4,150.23</u>

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Wastewater Operations: O&M Contract Review	MEETING DATE: February 10, 2014 AGENDA ITEM NO.: 5.a.
RECOMMENDED ACTION: Review the draft Amended and Restated Contract Service Agreement for Operation, Maintenance, and Management of Wastewater Treatment Facilities and give direction to staff.	
SUMMARY AND DISCUSSION: <p>At its October 28, 2013 meeting, the Board reviewed the Contract Service Agreement for Operation, Maintenance, and Management of the Wastewater Treatment Facilities dated September 24, 2009 between the District and Veolia Water. Several provisions of the Agreement have been made redundant or outdated by factors such as the closing of the old Ignacio Treatment Plant (ITP), and the transition of the treatment facilities at the Novato Treatment Plant to the newly upgraded facilities completed in 2010. Also, the District constructed the new Title 22 Recycled Water Facility (RWF) in 2012. Veolia started-up this RWF and is responsible for its operation under a limited contract.</p> <p>The Board directed the Wastewater Operations Committee and staff to update the Contract Service Agreement for Operation, Maintenance, and Management of the Wastewater Treatment and Recycling Facilities between the District and Veolia Water (Agreement) to address changed conditions, exclude outdated provisions and address additional services to operate the Recycled Water Facility.</p> <p>The Wastewater Operations Committee reviewed draft revisions at their November, December, and January committee meetings. District staff and District Counsel reviewed the changes and negotiated the changes with Veolia. A completed redline/strikeout draft incorporating the changes will be provided at the Board meeting.</p> <p>The consequential changes were:</p> <ul style="list-style-type: none"> ✓ Deletion of provisions for discontinued facilities, ✓ Inclusion of the Recycled Water Facility, ✓ Clarification of the facilities covered under the contract, ✓ Contract extension for two 3-year terms beyond the original expiration date of June 1, 2015 to June 30, 2021, ✓ Updating the liability and insurance provisions consistent with the District's coverages, ✓ Modifying the annual service fee escalation method to better reflect actual cost escalation, ✓ Increasing the incentive for odor free operation. <p>The current Agreement has served the District well providing wastewater treatment that more than meets the regulatory requirements. The total cost of operating the treatment facilities is now 17% less than it was in 2008-09 before the contract went into effect.</p>	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Review current District Policies	MEETING DATE: February 10, 2014
	AGENDA ITEM NO.: 6.a.
RECOMMENDED ACTION: Review current District Policies	
SUMMARY AND DISCUSSION: <p>California Special Districts Association recommends that the Board review the District policies on an annual basis as a matter of best practice in order to qualify for certification as a District of Distinction. The currently adopted policies were provided to the Board for review at the meeting on January 27, 2014.</p> <p>Board members were asked to identify which policies they would like to be brought back to the Board for detailed review and amendment.</p>	
ALTERNATIVES: N/A	
BUDGET INFORMATION: N/A	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Administration: Safety Director Agreement.	MEETING DATE: February 10, 2014 AGENDA ITEM NO.: 6.b.
RECOMMENDED ACTION: Approve the agreement with Central Marin Sanitation Agency for the joint Safety Program subject to minor revisions.	
SUMMARY AND DISCUSSION: <p>Novato Sanitary District (NSD) has participated in a Joint Safety Program with other Marin Wastewater agencies since the 1990's. Membership has varied over the years but the most recent Agreement included Sausalito Marin City Sanitary District, Sewerage Agencies of Southern Marin, Central Marin Sanitation Agency (CMSA), and Novato Sanitary District. In 2013, both Sausalito Marin City Sanitary District and Sewerage Agencies of Southern Marin decided to leave the joint program.</p> <p>As a result, CMSA and NSD staffs reviewed their respective safety program needs and revised the Agreement. The Safety Director's duties have been expanded to include managing each agencies worker injury reporting. The Safety Director now spends 2 days/week working at NSD and 3 days/week working at CMSA. He remains and employee of CMSA but each agency will provide the administrative support required for each safety program. The agencies will continue to conduct joint safety training. The new agreement will go into effect as of July 1, 2014.</p>	
ALTERNATIVES: Do not approve the agreement	
BUDGET INFORMATION: The NSD cost for the new program is \$92,000/year it is covered under the account 66123 O/S Contractual. The preliminary 2014/15 budget is \$240,000.	
DEPT.MGR.:	MANAGER:

SAFETY DIRECTOR PROGRAM AGREEMENT

Recitals

A. This Agreement is between the Central Marin Sanitation Agency (CMSA), and Novato Sanitary District (NSD), together known as “the Agencies”.

B. The Agencies agree to jointly fund, make use of, and direct the activities of the Safety Director (hereinafter referred to as “Director”) for the purpose of developing, coordinating, and implementing employee safety and injury management programs for each of the agencies in order to meet and maintain state and federal requirements. The Director shall develop and implement ongoing safety programs; develop policies and procedures, provide safety training, serve as the Return to Work and Worker’s Compensation Coordinator, and present recommendations to agency management concerning safe working conditions, practices, and procedures.

C. The Director will develop new and maintain existing safety related policies, programs, and procedures, to the extent possible, in a standardized format for the benefit of each agency.

D. Therefore, the Agencies hereto agree:

1.0 Purpose

1.1 The purpose of this Agreement is to provide for the engagement of a Director to assist in developing, coordinating and implementing employee safety and injury management programs meeting State and Federal requirements, developing and implementing on-going programs for instruction on work-related procedures, safety and professional development, developing policies and procedures, and making recommendations to agency management relating to safe working conditions, practices, and procedures. This Agreement also serves to specify the administrative needs and decision-making process in regard to employment of a Director.

2.0 Term of Agreement

This agreement shall commence upon its effective date and shall continue in effect until it is terminated pursuant to Section 6.0 below

3.0 Administration

3.1 CMSA will serve as the “host agency”, or employer of the Director.

3.2 The Director shall receive the same benefits as the host agency employees, including Workers’ Compensation coverage. In addition, the Director shall receive a monthly

car allowance of \$400.00. Salary and benefit modifications will be made at the same time and in the same manner as for the host agency employees. The Director will be required to comply with all personnel, financial, and administrative policies and procedures of the host agency, unless modified by this Agreement.

3.3 The Director may request that a special salary and/or benefit survey be performed at the same time that the annual Program budget is prepared in May of each year. CMSA and NSD's managers shall review such request by the Director, and if they both agree with the request, the survey will be conducted. Approval of any salary or benefit changes based on the survey results shall require the affirmative vote of the CMSA and NSD managers, and must be approved by the host agency's governing Board.

3.4 CMSA's manager will be the Director's supervisor, and shall conduct a formal performance review of the Director on an annual basis. A merit award will be considered during the annual review.

3.5 CMSA and NSD will provide office space and a work station, at their respective agencies, for the Director, who will spend two days per week at NSD and three days per week at CMSA.

3.6 The Agencies shall pay for all costs associated with the Director's services using the following cost allocation formula – 50% of Director costs are to be shared equally, while the remaining 50% of the Director costs are to be apportioned by each agency's number of employees over the total number of employees. The cost allocation shall be incorporated in the annual Safety Director Program budget.

Payments to the host agency shall be made, in advance, on a quarterly basis in January, April, July and October of each year upon receipt of invoice from the host agency.

3.7 The agencies agree that other public agencies wishing to utilize the services of the Director may, with the approval of the agencies, become parties to this Agreement by amendment. Should such a public agency become a party to the Agreement, such agency shall share in all costs of the Director on the same basis as described in Section 3.6.

3.8 The NSD and CMSA managers will determine how to replace the individual in the Director position, if the need arises.

3.9 If for any reason the CMSA decides it no longer wishes to serve as the host, it shall provide three months written notice to NSD, and NSD shall then serve as host agency.

3.10 The host agency will incur administrative and overhead costs. The host agency shall recover these costs by adding five percent (5%) of the Director's salary for administrative support to the annual budget and each quarterly invoice. Each agency shall provide their own administrative resources to support their respective Program activities and services.

3.11 The quarterly invoice will include all budgeted Director expenses for the subsequent quarter, actual costs for outside safety training coordinated by the Director the prior quarter, and other approved expenses. Each agency's training expenses for the prior quarter will be based on the number of employees the party committed to attending the training, regardless of the number of employees who actually attended the training. In other words, committing to a training event is a financial commitment regardless of the actual number of employees who end up attending.

3.12 The Agencies' managers shall have the authority to extend the Director's probationary employment period up to an additional 12 months beyond the end of the host agency's regular probationary employment period.

4.0 Director Duties

4.1 The Director shall perform duties in accordance with the most current Safety Director job description.

4.2 By January 1 of each calendar year the Director shall prepare an annual work plan, indicating planned activities with their schedule for the calendar year.

4.3 The Director shall prepare and submit to the NSD and CMSA managers routine reports on accomplished work activities.

5.0 Indemnification and Insurance

5.1 It is the intent of the agencies that each shall bear the legal responsibility for any liability arising from the work performed by the Director for its agency, and each shall hold the other harmless with regard to any liability arising from such work.

5.2 To the greatest extent permitted by law, each Agency shall defend, indemnify and hold harmless the other Agency, its commissioners or directors, as applicable, officials, employees and volunteers from and against all causes of action, fines, demands, liabilities, claims, damages, costs, losses and expenses, including but not limited to attorney's fees and costs ("Claims"), which arise out of or are in any way related to: (i) this Safety Director Program Agreement; (ii) actual or alleged actions or omissions by the Director or persons for whom the Director is responsible while working for the applicable Agency; or (iii) the Director's presence at the applicable Agency's facilities while preparing for and/or actually performing work for that Agency. An Agency's duty to defend the other Agency, its commissioners or directors, as applicable, officials, employees and volunteers shall apply, and Agency shall be required to furnish a defense, notwithstanding that there has not yet been a determination, adjudication or finding of liability or fault on the part of Director or any party or person to be indemnified. To the greatest extent permitted by law, these indemnity obligations shall apply regardless of whether the Claims were caused in part or contributed to by the other Agency, its

commissioners or directors, as applicable, officials, employees and volunteers; however, obligations specified herein shall not extend: (a) to Claims that arise out of, pertain to, or relate to the active negligence or willful misconduct of the other Agency, its commissioners or directors, as applicable, officials, employees and volunteers or (b) to the extent Claims do not arise out of the scope of work of Director.

5.3 Refer to Exhibit 1 for the Insurance Requirements of each Agency

5.4 The Director shall provide automobile insurance for their personal vehicle and the limits shall be at least \$100,000/\$300,000.

5.5 Any liability arising from the employment of the Director by the host agency or otherwise arising under this Agreement which is not addressed pursuant to Section 5.2 above shall be apportioned among the agencies in a pro rata fashion (based on the percentages established in Section 3.6 of this Agreement), including, but not limited to, liabilities or costs arising out of employment claims, Workers' Compensation claims, and/or disability retirement costs, and the costs associated with tendering or administering any such claims.

6.0 Termination

6.0 This Agreement may be terminated by the mutual written agreement of the agencies. Any agency may terminate its participation in this agreement at any time with six month's notice in writing to the other agency.

6.1 If an agency withdraws from this agreement, it is financially responsible for its proportionate share of the adopted Program budget for the then current fiscal year.

Additionally, the terminating party will contribute its fair share of the Program's retiree medical benefit costs, based on an actuarial calculation of the current and past Directors' retiree medical expenses.

7.0 Effective Date

7.0 The effective date of this Agreement shall be July 1, 2014, and this agreement shall supersede all previous Safety Director Program agreements.

CENTRAL MARIN SANITATION AGENCY

NOVATO SANITARY DISTRICT

By: _____
Jason Dow, General Manager

By: _____
Beverly James, Manager/Engineer

Exhibit 1: **Insurance Requirements**

Each Agency shall procure and maintain for the duration of the Safety Director Program Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work by the Director and for that Agency.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$1,000,000** per each occurrence (combined single limit for bodily injury and property damage) and \$2,000,000 general aggregate. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers’ Compensation:** as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

Each Agency, its commissioners or directors, as applicable, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work performed by Director on behalf of the Other Agency including materials, parts, or equipment furnished in connection with such work.

Primary Coverage

For any claims related to this Safety Director Program Agreement, the Each Agency’s insurance coverage shall be primary insurance as respects the Other Agency, its commissioners or directors, as applicable, officials, employees, and volunteers. Any insurance or self-insurance maintained by the other Agency, its commissioners or directors, as applicable, officials,

employees, or volunteers shall be excess of the Other Agency's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with thirty (30) days notice to the Other Agency.

Waiver of Subrogation

Each Agency hereby grants to the other Agency a waiver of any right to subrogation which any insurer of said Agency may acquire against the other Agency by virtue of the payment of any loss under such insurance. The Other Agency agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Entity.

Verification of Coverage

Each Agency shall furnish the other Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this Exhibit 1. All certificates and endorsements are to be received and approved by the Agency before the Director commences work. However, failure to obtain the required documents prior to the work beginning shall not waive each Agency's obligation to provide them. Each Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Novato Sanitary District

Today: 05-Feb-14

QUARTERLY INVESTMENT REPORT -- For Quarter Ended December 31, 2013

INVESTMENT	ACTIVITY	Oct	Nov	Dec	QTR TOTAL
STATE TREASURER'S INVESTMENT FUND	Total deposits/transfers in	0	530,000	3,610,000	4,140,000
	Total transfers out	1,296,000	958,000	1,058,000	3,312,000
	Minimum daily balance	9,891,220	9,463,220	9,463,220	9,463,220
	Maximum daily balance	11,179,437	9,891,220	12,021,869	12,021,869
	Interest earned	0	0	6,649	6,649
TRUST ACCOUNT					
BANK OF NEW YORK MELLON For COP Bond Funds	Total deposits/transfers in	0	0	0	0
	Total transfers out	0	486,850	0	486,850
	Minimum daily balance	8,850,803	8,368,847	8,368,847	8,368,847
	Maximum daily balance	8,850,817	8,855,697	8,368,861	8,855,697
	Interest earned	14	4,879	14	4,907
The LAIF Pooled Money Investment Account Report is attached as specified in California Government Code Section 53646(e)					
CHECKING ACCOUNTS					
Interest Rate	Regular Warrants Account				
0.03%	Total deposits & transfers in	1,359,991	1,841,555	10,143,556	13,345,102
	Total checks & transfers out	1,247,379	1,890,893	10,193,569	13,331,841
	Minimum daily balance	19,094	66,369	5,640	5,640
	Maximum daily balance	476,044	954,306	9,245,666	9,245,666
	Interest earned	5	7	19	31
	<u>Payroll Account</u>				
	Total transfers in	139,300	135,500	137,500	412,300
	Total checks & transfers out	139,114	135,175	136,250	410,539
	Minimum daily balance	333	563	310	310
	Maximum daily balance	125,428	133,423	119,690	133,423
	<u>Project Account</u>				
	Total transfers in	431,100	366,000	5,919,100	6,716,200
	Total checks & transfers out	449,521	385,488	5,881,809	6,716,818
	Minimum daily balance	2,523	2,519	2,519	2,519
	Maximum daily balance	407,174	274,476	5,438,554	5,438,554
	Interest earned	2	1	29	32
	<u>ARRA Grant Project Account</u>				
	Total transfers in	0	0	0	0
	Total checks & transfers out	0	0	0	0
	Minimum daily balance	100	100	100	100
	Maximum daily balance	100	100	100	100
	Interest earned	0	0	0	0

NOTES: (1) The above investments are consistent with the annual Statement of Investment Policy approved by the board on an annual basis, most recent approval was October 22, 2012.

The District has the ability to meet six months cash needs.

(2) LAIF interest rate is currently .264% which is a slight increase from .26% in September 2013 and .24% in June 2013, however, still a decrease from .285% in March 2013.

**BILL LOCKYER
TREASURER
STATE OF CALIFORNIA**

LOCAL AGENCY INVESTMENT FUND (LAIF)

LAIF WEBINAR REGISTRATION

PMIA Performance Report

LAIF Performance Report

Quarter Ending 12/31/2013

Apportionment Rate: 0.26%
 Earnings Ratio: .00000700426120353
 Fair Value Factor: 1.00028762
 Daily: 0.26%
 Quarter To Date: 0.26%
 Average Life: 209

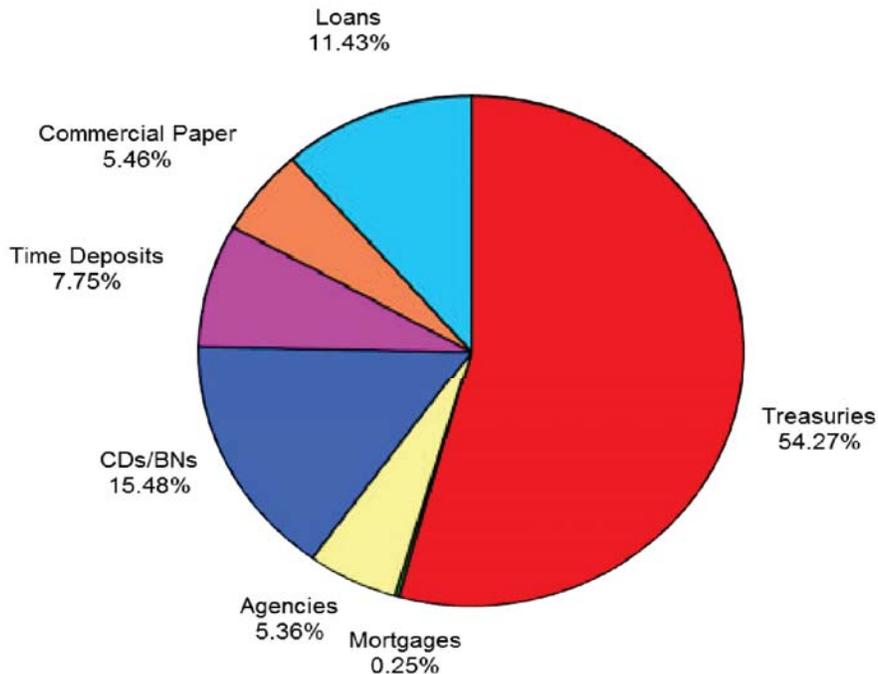
Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
1/9/2014	0.26	0.26	232
1/10/2014	0.26	0.26	230
1/11/2014	0.26	0.26	230
1/12/2014	0.26	0.26	230
1/13/2014	0.26	0.26	228
1/14/2014	0.25	0.26	228
1/15/2014	0.24	0.26	231
1/16/2014	0.24	0.25	233
1/17/2014	0.24	0.25	232
1/18/2014	0.24	0.25	232
1/19/2014	0.24	0.25	232
1/20/2014	0.24	0.25	232
1/21/2014	0.24	0.25	231
1/22/2014	0.24	0.25	229

PMIA Average Monthly Effective Yields

DEC 2013 0.264%
 NOV 2013 0.263%
 OCT 2013 0.266%

*Daily yield does not reflect capital gains or losses

**Pooled Money Investment Account
Portfolio Composition
\$57.7 Billion
12/31/13**



**State of California
Pooled Money Investment Account
Market Valuation
12/31/2013**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch.		
United States Treasury:				
Bills	\$ 14,033,089,088.96	\$ 14,042,579,686.22	\$ 14,045,149,000.00	NA
Notes	\$ 17,263,832,010.85	\$ 17,263,453,805.87	\$ 17,275,491,000.00	\$ 14,779,237.00
Federal Agency:				
SBA	\$ 568,220,869.50	\$ 568,215,900.05	\$ 564,382,161.61	\$ 535,022.23
MBS-REMICs	\$ 143,738,651.70	\$ 143,738,651.70	\$ 154,860,553.48	\$ 685,656.73
Debentures	\$ 1,070,960,367.63	\$ 1,070,943,353.75	\$ 1,070,386,400.00	\$ 3,676,778.16
Debentures FR	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 1,298,658,722.26	\$ 1,299,566,777.76	\$ 1,299,775,000.00	NA
GNMA	\$ -	\$ -	\$ -	\$ -
Supranational Debentures	\$ 149,896,019.16	\$ 149,896,019.16	\$ 149,684,500.00	\$ 174,305.50
CDs and YCDs FR	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ -	\$ -	\$ -	\$ -
CDs and YCDs	\$ 8,925,006,100.02	\$ 8,925,006,100.02	\$ 8,920,838,516.80	\$ 3,824,763.92
Commercial Paper	\$ 3,149,185,159.79	\$ 3,149,397,111.11	\$ 3,148,819,402.79	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 4,471,640,000.00	\$ 4,471,640,000.00	\$ 4,471,640,000.00	NA
AB 55 & GF Loans	\$ 6,592,720,682.49	\$ 6,592,720,682.49	\$ 6,592,720,682.49	NA
TOTAL	\$ 57,666,947,672.36	\$ 57,677,158,088.13	\$ 57,693,747,217.17	\$ 23,675,763.54

Fair Value Including Accrued Interest

\$ 57,717,422,980.71

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (**1.00028762**).
As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,005,752.41 or \$20,000,000.00 x **1.00028762**.

PAR VALUES MATURING BY DATE AND TYPE
Maturities in Millions of Dollars

ITEM	1 day to 30 days	31 days to 60 days	61 days to 90 days	91 days to 120 days	121 days to 150 days	151 days to 180 days	181 days to 210 days	211 days to 270 days	271 days to 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 year/out
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TREASURY	2,000	1,050	1,500	1,000	3,600	2,800	400	4,100	6,850	5,900	2,100		
REPO													
TDS	1,740	632	957	477	294	372							
AGENCY	1,168	50	150		398	600			250	810	748		
BAS													
CP	1,350	800	300	550	150								
CDs + BNs	2,200	2,250	775	1,550	300	1,050		300	500				
CORP BND													
TOTAL													
\$	8,459	4,782	3,682	3,577	4,742	4,822	400	4,400	7,600	6,710	2,848	-	-
PERCENT	16.3%	9.2%	7.1%	6.9%	9.1%	9.3%	0.8%	8.5%	14.6%	12.9%	5.5%	0.0%	0.0%

Notes:

1. SBA Floating Rate Securities are represented at coupon change date.
2. Mortgages are represented at current book value.
3. Figures are rounded to the nearest million.
4. Does not include AB55 and General Fund loans.

February 5, 2014

MEMORANDUM

TO: District Board of Directors

FROM: Beverly B. James, Manager-Engineer
Laura M. Creamer, Finance Officer

SUBJECT: 1. Revenues and Expenditure Report for Quarter Ended December 31,
2013 (Pages 1-9)

2. Debt Service Schedule as of December 31, 2013 (Page 10)

This memo presents a summary of revenues and expenditures for the operating and capital funds through the second quarter of Fiscal Year 2013-14 (see attached detail). The report also presents a brief analysis of items that vary significantly from the final budget.

OPERATING FUND

OPERATING REVENUE

	YTD Balance Received	Annual Budget	Budget Remaining	Pct. Received
Total Operating Revenues	\$4,942,952	\$9,312,285	\$4,369,333	53.1%

Discussion

Overall, operating revenues are approximately 53.1% of the total budget amount with 50% of the year complete. The operating revenue accounts are within normal range for this time of year, since our primary revenues are received in December and April.

OPERATING EXPENDITURES

	YTD Balance	Annual Budget	Budget Unused	Pct. Used
Total Operating Expenditures	\$ 4,208,584	\$9,302,921	\$5,094,337	45.2%

Discussion

Overall, operating expenditures are at approximately 45.2% of budget, with 50% of the year complete. The following explains significant variances in individual expenditure accounts.

Collection System (40.4%)

Software Maintenance. 85%. These are ICOMM (Computerized Maintenance Management System) related expenditures and are appropriate for this time of year based on the billing cycle for this vendor. The account is expected to stay within budget for the fiscal year.

Small Tools. 70.1%. Significant variance on a small budget amount; account expected to stay within budget for the fiscal year.

Water. 66.5%. Significant variance on a small budget amount. This account is used for hydro-flushing and CCTV activities; staff will monitor the account and recommend adjustments, if needed, at the end of the next quarter.

Treatment Facilities - Contract Operations (49.1%)

Water/Permits/Telephone. 99.88%. Significant variance primarily due to paying: 1) annual operating permit fee in the first quarter of the year to the Bay Area Air Quality Management District (BAAQMD) in the amount of \$12.5k, and 2) annual NPDES fees of \$39.4k to the State Water Resources Control Board in the second quarter. Staff will continue to monitor and recommend adjustments as needed in the next quarter.

Reclamation/Disposal Facilities (68.9%)

Sludge Disposal. 95.0%. Contracted services for sludge disposal are complete for the fiscal year; no additional expenditures expected.

Repairs and Maintenance. 78.1%. Per review of account, no additional major expenditures expected; account expected to stay within budget for the fiscal year.

Unusual Equipment Maintenance. 58.3%. This budget item included major planned repairs of one drainage pump and one irrigation pump. The drainage pump repair is complete and it's expected the irrigation pump will be repaired within the next two quarters; account expected to stay within budget for the fiscal year.

Water. 172.6%. The rancher has yet to be billed for this expense, thus the overage. Once billed, the account will be reimbursed for a significant portion of these expenses, and is expected to stay within budget for the fiscal year.

Permits & Fees. 125.2%. Significant variance due to the small budget allocation for this account. The main factor for the current overage is an unanticipated increase of about \$400 in the BAAQMD annual permit fee over the previous year. Staff will monitor account and recommend adjustments as needed in the next quarter.

Laboratory/Monitoring (34.1%)

Permits & Fees. 78.6%. Significant variance on a small budget amount primarily due to annual permits paid for fiscal year in the second quarter; account expected to stay within budget for the fiscal year.

Pump Stations (43.3%)

Gasoline and Oil. 64.5%. Significant variance on a small budget item primarily is due to refilling the onsite generator tank at Bahia Main pump station. Account expected to stay within budget for the fiscal year.

Repairs & Maintenance. 70.6%. The above average usage is due to unexpected repairs needed at different pump stations. Account expected to stay within budget for the fiscal year.

Water. 64.7%. The variance on a small budget item is due to a water leak at Bahia #2 Pump Station that has since been repaired. Account expected to stay within budget for the fiscal year.

Administration and Engineering (43.2%)

Agency Dues. 92.7%. Agency dues are paid at the beginning of the year, thus variance is within the normal range for this time of year. Account expected to stay within budget for the fiscal year.

Safety. 146.3%. Reimbursement from CSRMA in the amount of \$1,200 was not received until January; therefore this variance exists at the end of the December 2013 quarter.

Office Expense. 57.0%. Per review of detail, no significant items noted; account expected to stay within budget for current fiscal year.

Accounting & Auditing. 67.3%. The account is in line with the progression of audit; audit was finalized in December. The final bill for audit services will be received in February. Account expected to stay within budget for the current fiscal year.

IT/Misc Electrical. 82.8%. Significant variance due to expenditures related to contracted services with Incrementum, Inc. to set up a database for the District's electronic records, and conversion of old records to the new database. Account total expenditures expected to stay within budget for current fiscal year.

Printing & Publications. 62.0%. Significant variance due to higher than anticipated expenditures for the first newsletter; account will be monitored for the next quarter, but expected to stay within budget for the fiscal year.

Repairs & Maintenance. 63.8%. Significant variance due to several expenditures during the quarter for unexpected repairs including plumbing repairs in the Admin Building bathrooms. Another large expenditure will be incurred in the next quarter for replacing the ADA door actuators on the bathrooms in the Admin Building, but it is anticipated that the account will stay within budget for the fiscal year.

Recycled Water (44.5%)

Operating Chemicals. 89.6% Significant variance due to longer recycling season than anticipated, however recycled water facility is now closed until the next dry weather season, possibly May.

CAPITAL FUND

CAPITAL REVENUE

Capital Revenue	YTD Balance Received	Annual Budget	Over/(Under)Budget	Pct. Received
Sewer Service Charges	\$3,651,610	\$6,728,280	(\$3,076,670)	54.3%
Property Taxes	937,358	1,740,000	(802,642)	53.9%
Connection Charges	37,190	470,000	(432,810)	7.9%
Collector sewer/Special Equalization Charges	0	6,000	(6,000)	0.0%
Interest	16,720	50,000	(33,280)	33.4%
Other Revenue	0	20,000	(20,000)	0.0%
Total Revenue	\$4,642,878	\$9,014,280	(\$4,371,402)	51.5%

Overall capital revenues are 51.5% of budget at the close of the second quarter.

CAPITAL EXPENDITURES

	YTD Balance	Annual Budget	Budget Unused	Pct. Used
Capital Expenditures	\$8,154,215	\$15,097,031	(\$6,942,816)	54.0%

The list of capital projects is shown in the attached report. Overall expenses are 54.0% of budget.

Novato Sanitary District
Revenues & Expenditures Budget vs. Actual
July through December 2013

	Jul - Dec 13	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
41000 · OPERATING INCOME				
41010 · Sewer Service Charges	4,647,898.57	8,506,680.00	(3,858,781.43)	54.64%
41030 · Plan Check & Inspection Fee	0.00	500.00	(500.00)	0.0%
41040 · Permit & Inspection Fee	3,655.00	7,500.00	(3,845.00)	48.73%
41060 · Interest Income	7,683.66	15,000.00	(7,316.34)	51.22%
41080 · Engineering & Admin Charges	0.00	165,000.00	(165,000.00)	0.0%
41090 · Non-domestic Permit Fees	7,902.93	26,183.00	(18,280.07)	30.18%
41100 · Garbage Franchise Fees	2,370.00	48,602.00	(46,232.00)	4.88%
41105 · AB 939 Collector Fees	148,793.00	297,586.00	(148,793.00)	50.0%
41107 · Oil/Bev/Tire Grants	29,259.00	50,234.00	(20,975.00)	58.25%
41130 · Ranch Income	38,229.92	70,000.00	(31,770.08)	54.61%
41135 · Recycle Water Facility Revenue	48,014.46	75,000.00	(26,985.54)	64.02%
41140 · Other Revenue	9,145.24	40,000.00	(30,854.76)	22.86%
41142 · Loss on disposal of assets	0.00	10,000.00	(10,000.00)	0.0%
Total 41000 · OPERATING INCOME	4,942,951.78	9,312,285.00	(4,369,333.22)	53.08%
Expense				
60000 · COLLECTION SYSTEM				
60010 · Salaries & Wages	274,451.48	549,300.00	(274,848.52)	49.96%
60020 · Employee Benefits	123,606.94	250,124.00	(126,517.06)	49.42%
60060 · Gas, Oil & Fuel	10,817.64	30,000.00	(19,182.36)	36.06%
60085 · Safety	15.00	5,000.00	(4,985.00)	0.3%
60091 · Software Maint	17,000.00	20,000.00	(3,000.00)	85.0%
60100 · Operating Supplies	8,740.70	30,000.00	(21,259.30)	29.14%
60150 · Repairs & Maintenance	39,740.27	85,000.00	(45,259.73)	46.75%
60152 · Small Tools	1,402.47	2,000.00	(597.53)	70.12%
60153 · Outside Services	33,985.00	225,000.00	(191,015.00)	15.1%
60192 · Water	4,655.46	7,000.00	(2,344.54)	66.51%
60193 · Telephone	866.50	2,000.00	(1,133.50)	43.33%
60200 · Other(Garbage Coll)	255.78	1,000.00	(744.22)	25.58%
60201 · Permits & Fees	16,377.28	110,000.00	(93,622.72)	14.89%
Total 60000 · COLLECTION SYSTEM	531,914.52	1,316,424.00	(784,509.48)	40.41%
61000 · TREATMENT FACILITIES				
61000-0 · Contract Operations				
61000-1 · Fixed Fee	950,115.30	1,940,900.00	(990,784.70)	48.95%
61000-2 · Insurance & Bonds	18,891.41	50,600.00	(31,708.59)	37.34%
61000-3 · Major Repair/Replacement	47,538.28	109,200.00	(61,661.72)	43.53%
61000-4 · Water/Permits/Telephone	64,924.70	65,000.00	(75.30)	99.88%
61000-5 · Gas & Electricity	242,763.70	533,500.00	(290,736.30)	45.5%
Total 61000-0 · Contract Operations	1,324,233.39	2,699,200.00	(1,374,966.61)	49.06%

Novato Sanitary District
Revenues & Expenditures Budget vs. Actual
July through December 2013

	Jul - Dec 13	Budget	\$ Over Budget	% of Budget
63000 · RECLAMATION/DISPOSAL				
63010 · Salaries & Wages	16,239.06	51,991.00	(35,751.94)	31.23%
63020 · Employee Benefits	7,153.31	17,277.00	(10,123.69)	41.4%
63060 · Gasoline & Oil	1,859.97	5,000.00	(3,140.03)	37.2%
63085 · Safety	0.00	1,000.00	(1,000.00)	0.0%
63091 · Software Maintenance	1,418.39	3,000.00	(1,581.61)	47.28%
63100 · Operating Supplies	1,039.43	3,000.00	(1,960.57)	34.65%
63115 · Sludge Disposal	180,590.32	190,000.00	(9,409.68)	95.05%
63150 · Repairs & Maintenance	46,843.26	60,000.00	(13,156.74)	78.07%
63151 · Unusual Equipment Maintenance	34,951.70	60,000.00	(25,048.30)	58.25%
63152 · Small Tools	0.00	1,000.00	(1,000.00)	0.0%
63157 · Ditch/Dike Maintenance	3,800.00	20,000.00	(16,200.00)	19.0%
63191 · Gas & Electricity	54,470.87	110,000.00	(55,529.13)	49.52%
63192 · Water - Reclamation	17,261.45	10,000.00	7,261.45	172.62%
63201 · Permits & Fees	2,504.73	2,000.00	504.73	125.24%
Total 63000 · RECLAMATION/DISPOSAL	368,132.49	534,268.00	(166,135.51)	68.9%
64000 · LABORATORY/MONITORING				
64010 · Salaries & Wages	97,025.95	217,324.00	(120,298.05)	44.65%
64020 · Employee Benefits	39,086.88	80,402.00	(41,315.12)	48.61%
64060 · Gasoline & Oil	1,110.00	3,000.00	(1,890.00)	37.0%
64085 · Safety	0.00	1,000.00	(1,000.00)	0.0%
64091 · Software Maintenance	945.00	8,500.00	(7,555.00)	11.12%
64100 · Operating Supplies	7,941.66	25,000.00	(17,058.34)	31.77%
64150 · Repairs & Maintenance	1,141.80	10,000.00	(8,858.20)	11.42%
64160 · Research & Monitoring	70,772.15	297,150.00	(226,377.85)	23.82%
64170 · Pollution Prevention/Public Ed	13,591.11	40,000.00	(26,408.89)	33.98%
64201 · Permits & Fees	2,359.00	3,000.00	(641.00)	78.63%
Total 64000 · LABORATORY/MONITORING	233,973.55	685,376.00	(451,402.45)	34.14%
65000 · PUMP STATIONS				
65010 · Salaries & Wages	131,300.69	315,414.00	(184,113.31)	41.63%
65020 · Employee Benefits	61,519.00	146,602.00	(85,083.00)	41.96%
65060 · Gasoline & Oil	3,222.42	5,000.00	(1,777.58)	64.45%
65085 · Safety Expenses	166.10	3,000.00	(2,833.90)	5.54%
65091 · Software Maintenance	3,309.57	12,000.00	(8,690.43)	27.58%
65100 · Operating Supplies	3,038.95	10,000.00	(6,961.05)	30.39%
65101 · Operating Chemicals	71.88	45,000.00	(44,928.12)	0.16%
65150 · Repairs & Maintenance	81,175.59	115,000.00	(33,824.41)	70.59%
65152 · Small Tools	74.06	2,000.00	(1,925.94)	3.7%
65153 · Outside Services, Electrical	13,069.27	45,000.00	(31,930.73)	29.04%
65191 · Gas & Electricity	41,143.40	90,000.00	(48,856.60)	45.72%
65192 · Water	3,236.54	5,000.00	(1,763.46)	64.73%
65193 · Telephone	11,008.22	23,000.00	(11,991.78)	47.86%
65201 · Permits & Fees	3,182.08	5,000.00	(1,817.92)	63.64%
Total 65000 · PUMP STATIONS	355,517.77	822,016.00	(466,498.23)	43.25%

Novato Sanitary District
Revenues & Expenditures Budget vs. Actual
 July through December 2013

	Jul - Dec 13	Budget	\$ Over Budget	% of Budget
66000 · ADMIN/ENGINEERING				
66010 · Salaries & Wages	498,884.05	1,007,722.00	(508,837.95)	49.51%
66020 · Employee Benefits	208,472.92	402,036.00	(193,563.08)	51.85%
66021 · Retiree Health Benefits	112,702.62	387,078.00	(274,375.38)	29.12%
66030 · Director's Fees	18,675.00	45,000.00	(26,325.00)	41.5%
66060 · Gasoline & Oil	3,718.56	9,000.00	(5,281.44)	41.32%
66070 · Insurance	27,373.04	129,000.00	(101,626.96)	21.22%
66071 · Insurance Claim Expense	358.00	45,000.00	(44,642.00)	0.8%
66075 · Agency Dues	42,651.85	46,000.00	(3,348.15)	92.72%
66080 · Memberships	2,777.60	8,000.00	(5,222.40)	34.72%
66085 · Safety	1,463.26	1,000.00	463.26	146.33%
66090 · Office Expense	15,479.10	27,000.00	(11,520.90)	57.33%
66100 · Engineering Supplies	3,835.09	9,000.00	(5,164.91)	42.61%
66121 · Accounting & Auditing	15,135.00	22,500.00	(7,365.00)	67.27%
66122 · Attorney Fees	14,800.11	140,000.00	(125,199.89)	10.57%
66123 · O/S Contractual	100,515.93	235,000.00	(134,484.07)	42.77%
66124 · IT/Misc Electrical	33,107.03	40,000.00	(6,892.97)	82.77%
66130 · Printing & Publications	11,161.87	18,000.00	(6,838.13)	62.01%
66150 · Repairs & Maintenance	25,506.02	40,000.00	(14,493.98)	63.77%
66170 · Travel, Meetings & Training	18,842.57	70,000.00	(51,157.43)	26.92%
66193 · Telephone	6,510.65	15,000.00	(8,489.35)	43.4%
66202 · County Fees - Property Taxes	12,643.50	33,000.00	(20,356.50)	38.31%
66203 · County Fees - Sewer Service Chg	21,553.50	32,000.00	(10,446.50)	67.36%
66250 · Service Charge Sys Exp	0.00	5,000.00	(5,000.00)	0.0%
Total 66000 · ADMIN/ENGINEERING	1,196,167.27	2,766,336.00	(1,570,168.73)	43.24%
67000 · AB 939 SOLID WASTE PROGRAMS				
67400 · Consulting Services	47,766.61	119,264.00	(71,497.39)	40.05%
67500 · Household Hazardous Waste	98,378.85	187,500.00	(89,121.15)	52.47%
67520 · Permanent HHW Facility	0.00	5,000.00	(5,000.00)	0.0%
67530 · Used Oil/Beverage Cont Grant	1,440.00	22,537.00	(21,097.00)	6.39%
67540 · Outreach/Publicity/Education	3,044.81	22,000.00	(18,955.19)	13.84%
67600 · Other	0.00	5,000.00	(5,000.00)	0.0%
67610 · City AB 939 Admin Services	0.00	10,000.00	(10,000.00)	0.0%
Total 67000 · AB 939 SOLID WASTE PROGRAMS	150,630.27	371,301.00	(220,670.73)	40.57%

Novato Sanitary District
Revenues & Expenditures Budget vs. Actual
July through December 2013

	<u>Jul - Dec 13</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
68000 · Recycled Water				
68010 · O & M Services	20,379.00	50,000.00	(29,621.00)	40.76%
68100 · Operating Supplies	64.53	2,000.00	(1,935.47)	3.23%
68101 · Operating Chemicals	17,922.29	20,000.00	(2,077.71)	89.61%
68150 · Repairs & Maintenance	9,648.64	25,000.00	(15,351.36)	38.6%
68191 · Gas & Electricity	0.00	10,000.00	(10,000.00)	0.0%
68201 · Permits & Fees	0.00	1,000.00	(1,000.00)	0.0%
Total 68000 · Recycled Water	<u>48,014.46</u>	<u>108,000.00</u>	<u>(59,985.54)</u>	<u>44.46%</u>
Total Expense	<u>4,208,583.72</u>	<u>9,302,921.00</u>	<u>(5,094,337.28)</u>	<u>45.24%</u>
Net Ordinary Income	<u>734,368.06</u>	<u>9,364.00</u>	<u>725,004.06</u>	<u>7,842.46%</u>

Novato Sanitary District
Revenues & Expenditures - Capital
 July through December 2013

	Jul - Dec 13	Budget	\$ Over Budget	% of Budget
Income				
51000 · CAPITAL IMPROVEMENT INCOME				
51010 · Sewer Service Charges	3,651,610.30	6,728,280.00	(3,076,669.70)	54.27%
51015 · Property Taxes	937,358.04	1,740,000.00	(802,641.96)	53.87%
51020 · Connection Charges	37,190.00	470,000.00	(432,810.00)	7.91%
51030 · Collector Sewer Charges	0.00	2,000.00	(2,000.00)	0.0%
51040 · Special Equalization Charge	0.00	4,000.00	(4,000.00)	0.0%
51060 · Interest	16,719.62	50,000.00	(33,280.38)	33.44%
51070 · Other Revenue	0.00	20,000.00	(20,000.00)	0.0%
Total 51000 · CAPITAL IMPROVEMENT INCOME	4,642,877.96	9,014,280.00	(4,371,402.04)	51.51%
Total Income	4,642,877.96	9,014,280.00	(4,371,402.04)	51.51%
Gross Profit	4,642,877.96	9,014,280.00	(4,371,402.04)	51.51%
Expense				
72000 · CAPITAL IMPROVEMENT PROJECTS				
72110 · Drainage PS 3&7 Outfall Rehab	11,499.00	150,000.00	(138,501.00)	7.67%
72403 · Pump Station Rehabilitation	9,634.43	1,440,000.00	(1,430,365.57)	0.67%
72508 · N. Bay Water Recycling Auth	97,595.44	150,000.00	(52,404.56)	65.06%
72609 · WWTP Upgrade - Contract B	0.00	100,000.00	(100,000.00)	0.0%
72611 · Bayside Sewer	0.00	3,000.00	(3,000.00)	0.0%
72612 · Southgate Sewer-	0.00	1,000.00	(1,000.00)	0.0%
72706 · Collection System Improv	560,558.50	1,760,000.00	(1,199,441.50)	31.85%
72707 · Hamilton Wetlands/Outfall Monit	8,424.21	90,000.00	(81,575.79)	9.36%
72708 · Cogeneration	0.00	50,000.00	(50,000.00)	0.0%
72802 · Annual Sewer Adj. for City Proj	10,000.00	10,000.00	0.00	100.0%
72803 · Annual Collection Sys Repairs	107,944.41	275,000.00	(167,055.59)	39.25%
72804 · Annual Reclamation Fac Imp	199,457.10	250,000.00	(50,542.90)	79.78%
72805 · Annual Trtmt Plnt/Pump St Impr	54,171.67	275,000.00	(220,828.33)	19.7%
73001 · WWTP Upgrade - Contract C	1,275,915.99	2,858,377.00	(1,582,461.01)	44.64%
73002 · WWTP Upgrade - Recycled	108.90	150,000.00	(149,891.10)	0.07%
73003 · Admin Bldg/Maint.Bldg Upgrades	9,099.91	400,000.00	(390,900.09)	2.28%
73090 · Vehicle Replacement	0.00	64,000.00	(64,000.00)	0.0%
78500 · Interest - Capital Projects	2,299,872.25	2,730,721.00	(430,848.75)	84.22%
78501 · Principal - Capital Projects	3,509,932.69	4,339,933.00	(830,000.31)	80.88%
Total 72000 · CAPITAL IMPROVEMENT PROJECTS	8,154,214.50	15,097,031.00	(6,942,816.50)	54.01%
Total Expense	8,154,214.50	15,097,031.00	(6,942,816.50)	54.01%
Net Income	(3,511,336.54)	(6,082,751.00)	2,571,414.46	57.73%

**Novato Sanitary District
State Revolving Fund Loan Payable
and
COP Bond Payable Balances**

State Revolving Fund Loan

SRF Loan Payable 6/30/13.....	77,875,979
Principal Payment 2013-14	(3,509,933)
Interest payments 2013-14	(1,869,024)
	1,869,024
SRF Loan Payable Balance 12/31/13.....	74,366,046

COP Bond Financing Issued October 2011

COP Payable Balance 6/30/13.....	20,950,000
Principal Payment 2013-14	(430,848)
Interest payments 2013-14	430,848
COP Payable Balance 12/31/13.....	20,950,000

Note: Principal payment for SRF Loan Payable due December 2014.
Principal payment for COP Bond Payable due February 2014.

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Pump Station Rehabilitation Project; Project Unit 5, Digital Drive & Los Robles Pump Stations; Account No. 72403	MEETING DATE: February 10, 2014 AGENDA ITEM NO.: 7.a.
RECOMMENDED ACTION: Consider approval of a contract amendment with Nute Engineering for design services in the amount of \$60,000 and authorize the Manager-Engineer to execute the amendment with Nute Engineering on a time and materials basis.	
SUMMARY AND DISCUSSION: <p>In 2008, the District entered into an Agreement with Nute Engineering (Nute) to design the rehabilitation of 14 underground pump stations. During the course of design, the project was broken up into several sub-projects or “Project Units”. Doing so enabled the District to better manage its cash flow by reconstructing only a few pump stations each fiscal year. Also, the rehabilitation “units” started with the easiest designs initially, and worked towards the stations requiring more complex and difficult rehabilitation work. Correspondingly, over this time, the original Agreement was amended to reflect changes (increasing levels of complexity) in the required design and construction services.</p> <p>In early 2013, the District neared completion of Project Unit 4 and staff requested Nute submit a proposal to move into completing the design of Unit 5. Nute reported back that they felt they had adequate funds remaining in their budget to complete the design of Unit 5. During the design work Nute initiated a new invoicing system and discovered that their report of having adequate funds to complete the design work for Unit 5 was not accurate. Nute billed the District in excess of the previously authorized amount.</p> <p>After learning this, staff immediately stopped paying invoices. Also, in an effort to timely complete the design, Nute agreed that they would keep going with the work, and that the District would not pay any invoices until a new amendment was approved by the Board. In addition, staff reviewed internal procedures for paying invoices, and modified its budget and invoicing checks to prevent this from happening again. Staff closely tracked Nute’s subsequent efforts, and along with the prior unpaid invoices, negotiated an amount of \$60,000 for Nute’s services. Therefore, at this time, staff recommends the Board approve a contract amendment in the amount \$60,000 for design services with Nute, and authorize the Manager-Engineer to execute it.</p>	
ALTERNATIVES: Don’t approve the amendment.	
BUDGET INFORMATION: This work will be funded from the budget for Pump Station Rehabilitation Project, Account No. 72403, which has a current FY13-14 budget of \$1,440,000.	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Pump Station Rehabilitation Project; Project Unit 5, Digital Drive & Los Robles Pump Stations; Account No. 72403	MEETING DATE: February 10, 2014 AGENDA ITEM NO.: 7.b.
RECOMMENDED ACTION: Consider approval of a proposal from Nute Engineering for engineering services during construction, and authorize the Manager-Engineer to execute an agreement with Nute Engineering on a time-and-materials basis, in the amount of \$40,000.	
SUMMARY AND DISCUSSION: <p>On January 27, 2014 the Board awarded the construction contract for the Unit 5 Pump Station Rehabilitation Project to Valentine Corporation.</p> <p>The District will need to enter into an agreement with Nute Engineering (Nute) for engineering services during construction, including but not limited to: submittal reviews, answering design questions during construction (i.e. requests for information/clarification (RFI/Cs), surveying, and shop testing.)</p> <p>Staff negotiated a scope of services with Nute, and Nute has submitted a proposal in the amount of \$40,000 to perform the work. Staff finds that this reasonable for the level of required effort, and recommends that the Board authorize the Manager- Engineer to execute an agreement with Nute on a time-and-materials basis in the amount of \$40,000 for this work.</p>	
ALTERNATIVES: None.	
BUDGET INFORMATION: This work will be funded from the budget for Pump Station Rehabilitation Project, Account No. 72403, which has a current FY13-14 budget of \$1,440,000.	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: North Bay Water Reuse Authority (NBWRA): Budget Review	MEETING DATE: February 10, 2014 AGENDA ITEM NO.: 8.a.								
RECOMMENDED ACTION: Review the draft budget for NBWRA for 2014-15, 2015-16, and 2016-17 and provide direction to staff.									
SUMMARY AND DISCUSSION: <p>NBWRA has provided draft budgets for 2014-15, 2015-16, and 2016-17 for the remaining Phase I project work and the Phase II project. They would like to have the individual agencies approve the budgets by March 2014 so that Sonoma County Water Agency can process the consultant contracts in time to start work on July 1, 2014.</p> <p>The Novato Sanitary District cost share is based on a projected total project cost of \$35.54 million dollars for three projects:</p> <ul style="list-style-type: none"> • A 248 acre storage wetland - \$15,100,000 • Recycled Water Treatment Expansion to 5 mgd - \$15,800,000 • Tidal Prism and Habitat Restoration in lower Novato Creek Watershed - \$4,640,000 <p>The total 3 year cost for the feasibility study, CEQA, public outreach, administration, and federal and state legislative outreach for Novato is projected to be \$1,005,040 broken down as follows:</p> <table style="margin-left: 40px; border: none;"> <tr> <td style="padding-right: 20px;">Feasibility Study, CEQA, Public Outreach</td> <td style="text-align: right;">\$660,434</td> </tr> <tr> <td>Administration</td> <td style="text-align: right;">\$178,000</td> </tr> <tr> <td>Federal Liason and Advocacy</td> <td style="text-align: right;">\$139,312</td> </tr> <tr> <td>State Advocacy</td> <td style="text-align: right;">\$26,748</td> </tr> </table> <p>Up to \$369,000 of the Feasibility Study cost might be funded by a grant from the US Bureau of Reclamation Title XVI program. The NSD cost would represent 7% to 12% of the NSD capital budget that is available for new capital projects over the 3-year period.</p> <p>District staff recommends that the proposed projects be reduced to the storage wetland and a 1.7 mgd expansion of the recycled water treatment facility in order to reduce total project costs to approximately \$17 million. Staff further recommends investigating ways of reducing the administration and advocacy costs to more manageable levels.</p>		Feasibility Study, CEQA, Public Outreach	\$660,434	Administration	\$178,000	Federal Liason and Advocacy	\$139,312	State Advocacy	\$26,748
Feasibility Study, CEQA, Public Outreach	\$660,434								
Administration	\$178,000								
Federal Liason and Advocacy	\$139,312								
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ALTERNATIVES:									
BUDGET INFORMATION:									
DEPT.MGR.:	MANAGER:								