



**BOARD OF DIRECTORS  
REGULAR MEETING AGENDA**

**April 4th, 2017, 6:30 p.m.  
19039 Bay Street, El Verano  
(707) 996-1037**

Board of Directors  
Ron Prushko, President  
Bruce Adams, Vice President  
Jon Foreman  
Mark Heneveld  
Ed Kenny

**PUBLIC NOTICE**

Time will be provided for public comment. Any member of the public wishing to speak will be allowed 3 minutes to make a statement. Board President will call for comments prior to the Board deliberating on pending action. However, please note that no action can be taken on any item unless printed on the agenda and included with the meeting notice. Therefore, any item discussed by members of the public and not shown on the agenda will only be received for information. The Board of directors may choose to set such item for future discussion and staff report. A full agenda packet is available at the District office for public view. A fee may be charged for copies. During the meeting, information and supporting materials are available in the Boardroom. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District as soon as possible, but at least two days prior to the meeting.

All open meetings are recorded. Tapes for each meeting are retained for a minimum of 90 calendar days and may be heard upon request, at no cost. Please contact a member of the District staff for assistance. ITEMS ON THIS AGENDA MAY BE TAKEN OUT OF THE ORDER SHOWN.

Any writings or documents provided to a majority of the Board regarding any item on this agenda will be made available for public inspection in the VOMWD office located at the above address during normal business hours.

**1. CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL**

**2. PUBLIC COMMENTS:**

Receive/File Comments regarding issues not on agenda but pertaining to Water District business.

**3. CONSENT CALENDAR**

It is recommended that these items, which are expected to be routine in nature, be received and filed by the Board at the beginning of the meeting. If any Board member or interested party requests that an item be removed from the Consent Agenda, it will be considered separately. The consent calendar may be approved by a single motion.

**Item 3.A Minutes of the March 7th Board of Directors Meeting.**

Staff Recommendation: Approve.

**Item 3.B Minutes of the March 20th Board of Directors Special Meeting.**

Staff Recommendation: Approve.

**4. PUBLIC HEARING - NONE**

**5. OPERATIONAL REPORTS**

**Item 5.A Monthly Financial Reports & Disbursements.**

Staff Recommendation: Receive, and approve by roll call vote, the monthly financial reports & disbursements for the month of February in the amount of \$272,830.40.

**Item 5.B Water Source Report.**

Staff Recommendation: Receive and file.

**Item 5.C Operational Updates.**  
Staff Recommendation: Receive.

**6. PRESIDENT’S AND DIRECTORS’ REPORTS OR COMMENTS**

**7. GENERAL MANAGER’S AND DISTRICT COUNSEL’S REPORTS**

Board may discuss any or all items presented but will take no action.

**Item 7.A Water Supply Update.**

**Item 7.B Well No 5A Update.**

**Item 7.C Temelec Area HOAs Backflow Update.**

**8. OLD/NEW BUSINESS**

**Item 8.A Comprehensive Backflow Maintenance and Testing Program.**

Staff Recommendation: By roll call vote, authorize the General Manager to issue a RFP for a comprehensive backflow testing and maintenance program.

**Item 8.B Sonoma Valley Groundwater Sustainability Agency Creation.**

Staff Recommendation: Receive an oral report from the Board’s Groundwater Subcommittee (Director Adams and Heneveld) and provide direction regarding the level of reimbursable services the District will provide to the GSA.

**9. CLOSED SESSION**

**Item 9.A Conference with Legal Counsel.**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (one case)

**10. ADJOURNMENT**

Next scheduled Board meeting is a regular meeting at 6:30 p.m., May 2, 2017.

*Posted this 30<sup>th</sup> day of March 2017, in three public places*

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**Chris Petlock, Deputy Board Secretary**

VALLEY OF THE MOON WATER DISTRICT  
BOARD OF DIRECTORS  
REGULAR MEETING MINUTES  
For: March 7<sup>th</sup> 2017

A regular meeting of the Board of Directors of the Valley of the Moon Water District was held on March 7<sup>th</sup> 2017, in the Board Chambers of the District Office at 19039 Bay Street, El Verano, California.

**1. CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL**

**Director Foreman**, on request from President Prushko & Vice President Adams, called the meeting to order at 6:30 P.M. and led the Pledge of Allegiance.

Roll Call by **Deputy Secretary Petlock** noted the following present:

Directors:	Mark Heneveld Ron Prushko Jon Foreman Bruce Adams
General Manager:	Daniel Muelrath
District Personnel:	Matthew Fullner, O&M Supervisor Chris Petlock, Administration & Finance Manager
Public:	See attendance sheet

**2. PUBLIC COMMENTS**

Due to Public attendance and apparent interest, Director Foreman made a motion to move the General Manager's report to start the meeting. Director Heneveld seconded the motion.

A roll call vote was taken:

- Director Prushko            AYE
- Director Heneveld        AYE
- Director Foreman         AYE
- Director Adams            AYE
- Director Kenny            Absent

Ayes 4            Noes \_\_\_\_            Absent 1            Abstain \_\_\_\_

The General Manager gave a presentation on backflows and the District facilitating the compliance schedule stipulated by the SWRCB by offering an installation and financing plan. Director Heneveld made a motion and was seconded by Director Foreman, directing staff to develop a plan and hold a special meeting on 03/20/2017.

A roll call vote was taken:

- |                     |        |
|---------------------|--------|
| ▪ Director Prushko  | A YE   |
| ▪ Director Heneveld | A YE   |
| ▪ Director Foreman  | A YE   |
| ▪ Director Adams    | A YE   |
| ▪ Director Kenny    | Absent |

Ayes 4      Noes \_\_\_\_      Absent 1      Abstain \_\_\_\_

### 3. CONSENT CALENDAR

#### **Item 3.A Minutes of the February 15<sup>th</sup> Board of Directors Meeting.**

Motion by **Director Foreman**, seconded by **Director Heneveld**, to approve all items on the Consent Calendar.

A roll call vote was taken:

- |                     |        |
|---------------------|--------|
| ▪ Director Prushko  | A YE   |
| ▪ Director Heneveld | A YE   |
| ▪ Director Foreman  | A YE   |
| ▪ Director Adams    | A YE   |
| ▪ Director Kenny    | Absent |

Ayes 4      Noes \_\_\_\_      Absent 1      Abstain \_\_\_\_

### 4. PUBLIC HEARING

- None

### 5. OPERATIONAL REPORTS

#### **Item 5.A Monthly Financial Reports & Disbursements.**

Motion by **Director Foreman**, seconded by **Director Heneveld**, to approve the monthly Financial Reports & Disbursements for the month of January in the amount of \$454,513.59.

A roll call vote was taken:

- |                     |        |
|---------------------|--------|
| ▪ Director Prushko  | AYE    |
| ▪ Director Heneveld | AYE    |
| ▪ Director Foreman  | AYE    |
| ▪ Director Adams    | AYE    |
| ▪ Director Kenny    | Absent |

Ayes 4      Noes \_\_\_\_\_      Absent 1      Abstain \_\_\_\_\_

### **Item 5.B Water Source Report.**

#### **Operation and Maintenance Supervisor Fullner reported:**

- Water source report: The District produced 15% of our water from the wells in January. Four of our five wells are currently in production. All of the water levels are the same as or better than this time last year.

### **Item 5.C Operational Updates.**

#### **Operation and Maintenance Supervisor Fullner reported:**

- Distribution system leaks slowly filter in throughout the year, it can be difficult to spot some of the smaller ones when the ground is wet for over a month. With the dry weather we had last week, came an opportunity to spot leaks that had remained hidden while all of the rain was falling. We spent a couple of days last week repairing or replacing leaking pipes.
- The entire field crew was trained last month on the use of our new fall protection system by the manufacturer, CAI Safety. We currently have one system in place at the smaller Temelec Tank. We will be installing the system on our other tanks this year as well.
- Office Staff organized a training: “How to deliver excellent customer service” that the entire staff was able to attend. We all learned a few things about customer service and how we can better facilitate great customer service and added value for our customers here at VOMWD.
- We installed the newest set of valves on the West side of the Glen Ellen Bridge today. This is a prime location to have good, working isolation valves as it controls flow across the bridge and could potentially save us a lot of headache in an emergency.
- Now that we are done with the valve installation, we will catch up on some loose ends from all of the leaks last week then jump into the La Mancha Mainline project. This part of the project will get the main out from under a garage and replace 16 polybutylene service lines with polyethylene.
- Ray with Quality Painting (the contractor coating Hanna Tank) finished blasting last week and got started with priming the interior of the tank this week.
- AC well produced a high chorine residual this weekend due to a malfunctioning rate-of-flow valve. The well off-line right now until we can clean and rebuild the valve. Another step that we are taking is to replace the chlorine sensors at all of the wells with better, more reliable ones so in the future, we will know right away if something like this happens. As it was, the entire crew had to spend most of the day flushing mainlines and tagging doors in the neighborhood north of Agua Caliente.
- Someone cut two locks and got to the top of one of the Bolli tanks. We were able to see the footprints of the intruder on top of the tank and the lock to the hatch was not cut, so we know there was no contamination of the water. Needless to say, security camera system that we planned to be bought next

fiscal year for that location is now on order.

**6. PRESIDENT'S AND DIRECTORS' REPORTS OR COMMENTS**

- **Director Foreman** gave a report on Director Kenny.

**7. GENERAL MANAGER'S AND DISTRICT COUNSEL'S REPORTS**

**General Manager Muelrath reported:**

**Item 7.A Water Supply Update.** The **General Manager** discussed the provided water supply and charts.

**Item 7.B TAC Meeting.** The **General Manager** gave the Board a general update and talked about the need for a Hazard Mitigation Plan so the District can become eligible for FEMA funds.

**8. OLD/NEW BUSINESS**

**Item 8.A Senate Bill 1069, Accessory Dwelling Units Overview**

Motion by **Director Foreman**, seconded by **Director Heneveld**, to approve the General Manager to execute a contract with the District's rates consultant, NBS, for an amount not to exceed \$7,500.

A roll call vote was taken by the Board:

- |                     |        |
|---------------------|--------|
| ▪ Director Prushko  | NO     |
| ▪ Director Heneveld | AYE    |
| ▪ Director Foreman  | AYE    |
| ▪ Director Adams    | AYE    |
| ▪ Director Kenny    | Absent |

Ayes 3      Noes 1      Absent 1      Abstain \_\_\_\_\_

**Item 8.B Sonoma Valley Groundwater Sustainability Agency Funding**

Motion by **Director Foreman**, seconded by **Director Adams**, and carried unanimously by a voice vote to approve Director Heneveld and Director Adams to engage in conversations with members of the North Bay Water District Board regarding the need for their agency to determine if they will participate in funding the new GSA.

A roll call vote was taken:

- |                     |     |
|---------------------|-----|
| ▪ Director Prushko  | AYE |
| ▪ Director Heneveld | AYE |

- |                    |        |
|--------------------|--------|
| ▪ Director Foreman | AYE    |
| ▪ Director Adams   | AYE    |
| ▪ Director Kenny   | Absent |

Ayes 4      Noes 0      Absent 1      Abstain     

**9.      CLOSED SESSION**

- None

**10.     ADJOURNMENT**

President Foreman adjourned the meeting at 8:15 P.M. The next scheduled meeting is a special meeting on 03/20/2017 at 6:30 P.M.

\_\_\_\_\_  
Chris Petlock, Deputy Board Secretary

\_\_\_\_\_  
Board President

**VALLEY OF THE MOON WATER DISTRICT  
BOARD OF DIRECTORS  
SPECIAL MEETING MINUTES  
For: March 20<sup>th</sup>, 2017**

A special meeting of the Board of Directors of the Valley of the Moon Water District was held on March 20<sup>th</sup>, 2017, in the Board Chambers of the District Office at 19039 Bay Street, El Verano, California.

**1. CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL**

**President Prushko** called the meeting to order at 6:30 P.M. and led the Pledge of Allegiance.

Roll Call by **Deputy Secretary Petlock** noted the following present:

Directors:	Mark Heneveld Ed Kenny Ron Prushko Jon Foreman
General Manager:	Daniel Muelrath
District Personnel:	Matthew Fullner, O&M Supervisor Chris Petlock, Administration & Finance Manager
Public:	See sign-in sheet.

**2. PUBLIC COMMENTS**

- None

**3. CONSENT CALENDAR**

- None

**4. PUBLIC HEARING**

- None

**5. OPERATIONAL REPORTS**

- None



**6. PRESIDENT’S AND DIRECTORS’ REPORTS OR COMMENTS**

- **Director Foreman** read a statement regarding **President Prushko’s** recent comments towards staff and disregarding Board direction.

**7. GENERAL MANAGER’S AND DISTRICT COUNSEL’S REPORTS**

- None

**8. OLD/NEW BUSINESS**

**Item 8.A SWRCB Compliance Order:** The Board discussed the SWRCB Compliance Order, President Prushko’s letter to the Board and invited public comment.

Summary of public comment:

- Many technical questions regarding how backflows.
  - All questions were addressed by staff.
- Request was made for the District to appeal the SWRCB Compliance Order to the SWRCB in Sacramento.
  - District Counsel advised that items such as this are not easily heard by the SWRCB.
- A request was made for the District to ignore the SWRCB Compliance Order.
  - Staff acknowledged the request and stated that staff must follow the law of Title 17 and the Compliance Order.
- Failure rates of RP devices are higher than DC devices.
  - Staff addressed and stated that when comparing similar quality RP and DC devices the failure rate is nearly identical. It was also clarified that typically “failure” means minor maintenance is required on the device.
- A few people asked if they can contract with their own plumber to have their backflow installed.
  - Staff answered affirmatively.
- Acknowledgement that the District is not in the position to fight the State Order but rather to find the best solution for implementation.
- Expressed appreciation for the District considering Item 8.B calling in a win-win-win scenario.

No motion was made, no action taken.

**Item 8.B Temelec, Chanterelle and Creekside HOA Backflow Compliance.**

The Board discussed the staff report regarding installation and financing of backflows for the Temelec area HOAs.

**Director Heneveld** made a motion to authorize District staff to offer backflow installations in the Temelec, Chanterelle and Creekside HOAs and offer a loan option for customers that have a 2016 household income less than 75% of the median household income for Sonoma Valley of \$60,500.

**Director Adams** amended the motion asking for \$1,400 price for install with any surplus refunded to homeowners.

A roll call vote was taken by the Board on the amendment:

Director Prushko	AYE
Director Heneveld	NO
Director Foreman	NO
Director Adams	AYE
Director Kenny	Absent

Amended motion failed.

Following additional public comment, a roll call vote was taken by the Board on the original motion to authorize District staff to offer backflow installations in the Temelec, Chanterelle and Creekside HOAs and offer a loan option for customers that have a 2016 household income less than 75% of the median household income for Sonoma Valley of \$60,500 :

Director Prushko	NO
Director Heneveld	AYE
Director Foreman	AYE
Director Adams	AYE
Director Kenny	Absent

Motion approved.

### **Item 8.C SCWA Draft Budget.**

Staff provided an overview of the proposed SCWA rate increase. The Board discussed.

Motion by **Director Adams** and seconded by **Director Heneveld** to authorize the District's WAC representative to approve the SCWA draft budget at the upcoming WAC meeting.

A roll call vote was taken by the Board:

Director Prushko	AYE
Director Heneveld	AYE
Director Foreman	AYE
Director Adams	AYE

Director Kenny                  Absent

Motion approved.

**9.      CLOSED SESSION**

- None

**10.     ADJOURNMENT**

**President Prushko** adjourned the meeting at 8:48 P.M. The next scheduled meeting is a regular meeting on April 4<sup>th</sup> at 6:30 P.M.

\_\_\_\_\_  
Chris Petlock, Deputy Board Secretary

\_\_\_\_\_  
Ron Prushko, Board President

# MEMORANDUM

TO: Valley of the Moon Water District Board of Directors  
FROM: Christopher Petlock, Administration and Finance Manager  
SUBJECT: Monthly Financial Reports & Disbursements for February 2017

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## **Background**

The Board has directed staff to provide monthly financial reports. The General Manager has reviewed and approved these reports.

Listed below are disbursements over \$5,000, other than payroll related and water purchases:

34824	PACIFIC GAS & ELECTRIC CO	UTILITIES/PGE (JANUARY)	5,090.91
34834	BOLD, POLISNER, MADDOW, NELSON & JUDSON	ATTORNEY FEES (JANUARY)	5,554.40
34857	QUALITY PAINTING & MTNC.	HANNA TANK RECOATING PROJECT	125,558.00

## **Analysis**

- Year-to-date Water Sales are \$254,230 greater than budgeted.
- Year-to-date Water Purchases are \$59,381 greater than budgeted due to higher water sales.
- February Payroll was \$5,894 less than budgeted.
- District is experiencing typical winter revenue and expense pattern that results in higher expenses in relationship to revenue due to low volume of water sales during winter.

## **Recommendation**

Receive, and approve by roll call vote, the monthly financial reports & disbursements for the month of February 2017 for \$272,830.40.

Attachments:

Monthly Financial Disbursements  
Monthly Revenue & Expense Comparison Report  
Report of Investments  
Capital Improvement Project Summary

**VALLEY OF THE MOON WATER DISTRICT**  
**Monthly Financial Disbursements**  
**February, 2017**

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

CK #	Vendor Name	Invoice Description	Amount
34815	PETERSON TRUCKS	O/M VEHICLE MAINTENANCE - CLEANING EXHAUST FILTER	400.00
34816	AT&T	TELEPHONE - ADMIN OFFICES 12/22/16-1/21/17	56.24
34817	C & J SHREDDING COMPANY	SHREDDING	75.00
34818	D B GAYA CONSULTING, LLC	HANNA TANK INSPECTION	4,068.00
34819	INFOSEND, INC	1/21-1/31/17 STATEMENT BILL PROCESSING & POSTAGE	716.13
34820	PACE SUPPLY CORP.	O&M SUPPLIES (SAND SEPERATOR FOR LARBRE WELL)	3,008.48
34821	PARSONS LUMBER & HARDWARE	O&M SUPPLIES	307.74
34822	PARK LANDSCAPE MAINTENANCE	LANDSCAPE MAINTENANCE FOR DISTRICT OFFICES	170.00
34823	PETTY CASH	POSTAGE, RECORDING DEVICE FOR BOARD MEETINGS	103.63
34824	PACIFIC GAS & ELECTRIC CO	UTILITIES/PGE (JANUARY)	5,090.91
34825	PROFESSIONAL ID CARDS, INC.	I.D. BADGES FOR STAFF	152.95
34826	REDWOOD EMPIRE DISPOSAL	WASTE DISPOSAL (JANUARY)	365.13
34827	SANTA ROSA UNIFORM	2016-2017 UNIFORM ALLOWANCE	1,231.32
34828	SONOMA AUTO PARTS, INC.	SHOP SUPPLIES	64.92
34829	STATIONARY ENGINEERS,LOCAL 39	UNION DUES O&M (JANUARY)	463.54
34830	SYAR INDUSTRIES, INC	DRAIN ROCK FOR DONALD AND HANNA ROADS	488.88
34831	DIAN WEEKS	CLOSING BILL REFUND	9.01
34832	VANGUARD CLEANING SYSTEMS	JANITORIAL SERVICE FOR DISTRICT OFFICES (FEBRUARY)	260.00
34833	BRUCE ADAMS	SPECIAL BOARD MEETING COMPENSATION 2/15/17	100.00
34834	BOLD, POLISNER, MADDOW,	ATTORNEY FEES (JANUARY)	5,554.40
34835	CALTEST LABORATORY	ROUTINE WATER TESTING (JANUARY)	1,009.00
34836	CHAVEZ TRANSPORT, INC.	TRANSPORTATION FOR SYAR INDUSTRIES DRAIN ROCK FOR HANNA TANK RECOAT	748.00
34837	COMCAST	INTERNET SERVICE (FEBRUARY)	146.05
34838	CORE UTILITIES, INC.	PROFESSIONAL SERVICES - SCADA & IT (JANUARY)	510.00
34839	CORBIN WILLITS SYS'S, INC	MONTHLY ACCTING & BILLING SOFTWARE FEES (MARCH)	817.57
34840	BECKY DUCKLES	TREE REMOVAL - CONSULTATION AT AC BOOSTER	180.00
34841	FAUSTINO ENTERPRISES, INC	VEHICLE MAINTENANCE (PO 3825- VACUUM TRUCK CATALITIC CONVERTER REPLACEMENT)	2,120.57
34842	FIRST BANKCARD CENTER	CC PMT- O&M TABLET, PAYMENT DROPBOX, OFFICE SUPPLIES	1,450.80
34843	JON L. FOREMAN	SPECIAL BOARD MEETING COMPENSATION 2/15/17	100.00
34844	FRIEDMAN BROS. HARDWARE	O&M SUPPLIES (WELL REHAB & BOOSTER PUMP MISC PARTS)	671.86
34845	GENWORTH LIFE & ANNUITY	ANNUAL LIFE INSURANCE PREMIUM FOR RETIREE (50% REIMBURSEABLE BY RETIREE)	1,334.00
34846	GOLDEN GATE PETROLEUM	FUEL	1,029.44
34847	JOHN HAMNER	WATER TREATMENT/DISTRIBUTOR OP EXAM MATH PREP- 4 EMPLOYEES	300.00
34848	MARK HENEVELD	SPECIAL BOARD MEETING COMPENSATION 2/15/17	100.00
34849	JOSEPH LARBRE TRUST	WATER PURCHASES: LARBRE WELL (JANUARY)	833.03
34850	MICHAEL FORD, INC.	WELL SITING (WELL 5A)	1,200.00
34851	MOSS, LEVY & HARTZHEIM	AUDIT FIELDWORK FISCAL YEAR END 6/30/16	2,497.00
34852	OFFICE DEPOT	OFFICE SUPPLIES	182.29
34853	PARK LANDSCAPE MAINTENANCE	LANDSCAPE MAINTENANCE FOR DISTRICT OFFICES (DECEMBER)	170.00
34854	PITNEY BOWES, INC	POSTAGE BILLING 9/30/16-12/29/16	71.43
34855	POOL MART	CHLORINE	200.26
34856	RON PRUSHKO	SPECIAL BOARD MEETING COMPENSATION 2/15/17	100.00
34857	QUALITY PAINTING & MTNC.	HANNA TANK RECOATING PROJECT	125,558.00
34858	THE RENTAL PLACE	PRESSURE WASHER FOR DONALD TANK RD	95.20
34859	REPUBLIC SERVICES OF SONOMA CO	YARD WASTE (JANUARY)	73.49
34860	ANSWERNET	MONTHLY ANSWERING SERVICE (FEBRUARY)	149.38
34861	SONOMA VALLEY PEST CONT.	QUARTERLY PEST CONTROL FEE	85.00
34862	COUNTY OF SONOMA	HAZARDOUS MATERIALS/WASTE/STORAGE FEES (ANNUAL)	813.00

**VALLEY OF THE MOON WATER DISTRICT**  
**Monthly Financial Disbursements**  
**February, 2017**

CK #	Vendor Name	Invoice Description	Amount
34863	SONOMA CO TAX COLLECTOR	2016-2017 PROPERTY TAX 2ND INSTALLMENT APN 052-351-041-000	865.81
34864	STANDARD INSURANCE CO.	GROUP INSURANCES LTD (MARCH)	108.87
34865	STAPLES, INC.	OFFICE SUPPLIES	121.83
34866	SOILAND CO., INC.	HANNA TANK ROAD MAINTENANCE	1,220.02
34867	SYAR INDUSTRIES, INC	DRAIN ROCK FOR HANNA TANK RECOATING	1,480.63
34868	VERIZON WIRELESS	MONTHLY CELL PHONE SERVICE (JANUARY)	198.86
34869	FIRST BANKCARD CENTER	O&M SUPPLIES & SECURITY CAMERAS	1,849.97
34870	VERIZON WIRELESS	MACHINE TO MACHINE - AMI 1/13/17-2/12/17	100.48
E02179	RETIREES	RETIREES BENEFITS (FEBRUARY)	5,340.18
E02982	VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 2/16/17	200.00
E06365	EFTPS FEDERAL TAX WITHHOLDING	FED WH/FICA/MEDICARE PAYROLL 2/16/17	8,234.18
E11136	CALIFORNIA EMPLOYMENT DEVELOPM	SDI & STATE TAX WH PAYROLL 2/16/17	1,390.09
E14849	PERS	DEFERRED COMP CONTRIBUTION PAYROLL 2/16/17	700.00
E21617	PERS	RETIREMENT CONTRIBUTION PAYROLL 2/16/17	4,557.66
E22811	RETIREES	RETIREES BENEFITS (MARCH)	5,259.44
E81977	PERS	RETIREMENT CONTRIBUTION PAYROLL 2/2/17	4,546.08
EFT113	PERS	DEFERRED COMP CONTRIBUTION PAYROLL 2/2/17	700.00
EFT117	EFTPS FEDERAL TAX WITHHOLDING	FED WH/FICA/MEDICARE PAYROLL 2/2/17	8,462.21
EFT406	PERS	HEALTH PREMIUM (FEBRUARY)	14,137.22
EFT606	VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 2/2/17	200.00
EFT920	CALIFORNIA EMPLOYMENT DEVELOPM	SDI & STATE TAX WH PAYROLL 2/2/17	1,469.10

\$226,374.28

Net Payroll (After Deductions) 46,456.12

\_\_\_\_\_  
BOARD PRESIDENT

\$272,830.40

\_\_\_\_\_  
GENERAL MANAGER

VALLEY OF THE MOON WATER DISTRICT  
 MONTHLY REVENUE AND EXPENSE COMPARISON  
 PERIOD ENDING FEBRUARY 28, 2017

Page.: 1  
 33% of year remaining

	Actual	Budget	Monthly	Year to Date						
	15-16	16-17	Actual	Budget	Variance	Actual	Budget	Variance	Budget Remaining	Remaining %
<b>REVENUES</b>										
Interest Income	\$ 36,404	\$ 14,000	\$ 6	\$ 1,167	\$ (1,161)	\$ 38,189	\$ 9,331	\$ 28,858	\$ (24,189)	-173%
Gain on Sale of Assets	1,220	0	0	0	0	10,555	0	10,555	(10,555)	0%
Operating Revenue	4,545,141	4,936,250	281,719	319,190	(37,471)	3,650,555	3,396,325	254,230	1,285,695	26%
Customer Penalties & Fees	45,820	50,000	2,657	4,166	(1,509)	34,359	33,329	1,030	15,641	31%
Misc. Income	19,696	15,000	332	1,250	(918)	9,429	10,000	(571)	5,571	37%
<b>TOTAL REVENUE -----&gt;</b>	<b>4,648,281</b>	<b>5,015,250</b>	<b>284,714</b>	<b>325,773</b>	<b>(41,059)</b>	<b>3,743,087</b>	<b>3,448,985</b>	<b>294,102</b>	<b>1,272,163</b>	<b>25%</b>
<b>EXPENSES</b>										
Salaries:										
O&M - Operating	314,647	350,600	28,101	27,077	(1,024)	253,595	229,138	(24,457)	97,005	28%
O&M - Capital	74,387	126,000	7,546	10,500	2,954	69,617	84,000	14,383	56,383	45%
Stand-By	25,674	27,310	2,106	2,108	2	18,932	17,928	(1,004)	8,378	31%
Administration	429,920	419,460	24,535	28,496	3,961	337,057	289,800	(47,257)	82,403	20%
<b>TOTAL SALARIES -----&gt;</b>	<b>844,628</b>	<b>923,370</b>	<b>62,287</b>	<b>68,181</b>	<b>5,894</b>	<b>679,201</b>	<b>620,866</b>	<b>(58,335)</b>	<b>244,169</b>	<b>26%</b>
Benefits:										
O&M - Operating & Maintenance	117,254	162,751	8,386	15,145	6,759	57,173	113,122	55,949	105,578	65%
Administration	54,241	58,495	8,058	5,447	(2,611)	79,904	50,738	(29,166)	(21,409)	-37%
Retirees	83,917	90,580	6,463	8,646	2,183	52,516	58,663	6,147	38,064	42%
<b>TOTAL BENEFITS -----&gt;</b>	<b>255,412</b>	<b>311,826</b>	<b>22,907</b>	<b>29,238</b>	<b>6,331</b>	<b>189,593</b>	<b>222,523</b>	<b>32,930</b>	<b>122,233</b>	<b>39%</b>
<b>Mandatory Costs:</b>										
Workers Comp:										
Operating & Maintenance	17,065	33,210	0	0	0	12,072	16,605	4,533	21,138	64%
Acctg/Administration	4,026	6,280	-56	0	56	5,722	3,140	(2,582)	558	9%
FICA/Medicare:										
Operating & Maintenance	30,241	38,530	4,630	3,211	(1,419)	26,357	25,686	(671)	12,173	32%
Administration	30,592	27,890	578	2,324	1,746	15,255	18,592	3,337	12,635	45%
District Portion/Retirement:										
Operating & Maintenance	65,921	84,259	7,447	3,346	(4,101)	78,150	59,885	(18,265)	6,109	7%
Administration	88,911	95,515	5,678	4,587	(1,091)	95,584	63,907	(31,677)	(69)	0%
<b>TOTAL MANDATORY COSTS ----&gt;</b>	<b>236,756</b>	<b>285,684</b>	<b>18,277</b>	<b>13,468</b>	<b>(4,809)</b>	<b>233,140</b>	<b>187,815</b>	<b>(45,325)</b>	<b>52,544</b>	<b>18%</b>
<b>Travel, Training, Dues:</b>										
Operating & Maintenance	3,127	5,000	1,967	417	(1,550)	3,512	3,332	(180)	1,488	30%
Administration	2,394	6,000	983	250	(733)	6,204	3,950	(2,254)	(204)	-3%
<b>TOTAL TRAVEL &amp; TRAINING -&gt;</b>	<b>5,521</b>	<b>11,000</b>	<b>2,950</b>	<b>667</b>	<b>(2,283)</b>	<b>9,716</b>	<b>7,282</b>	<b>(2,434)</b>	<b>1,284</b>	<b>12%</b>
<b>Board of Directors:</b>										
Meeting Compensation	6,100	7,000	500	600	100	5,318	4,700	(618)	1,682	24%
Travel & Training	98	2,000	24	167	143	221	1,333	1,112	1,779	89%
<b>TOTAL BOARD EXPENSES -----&gt;</b>	<b>\$ 6,198</b>	<b>\$ 9,000</b>	<b>\$ 524</b>	<b>\$ 767</b>	<b>\$ 243</b>	<b>\$ 5,539</b>	<b>\$ 6,033</b>	<b>\$ 494</b>	<b>\$ 3,461</b>	<b>38%</b>

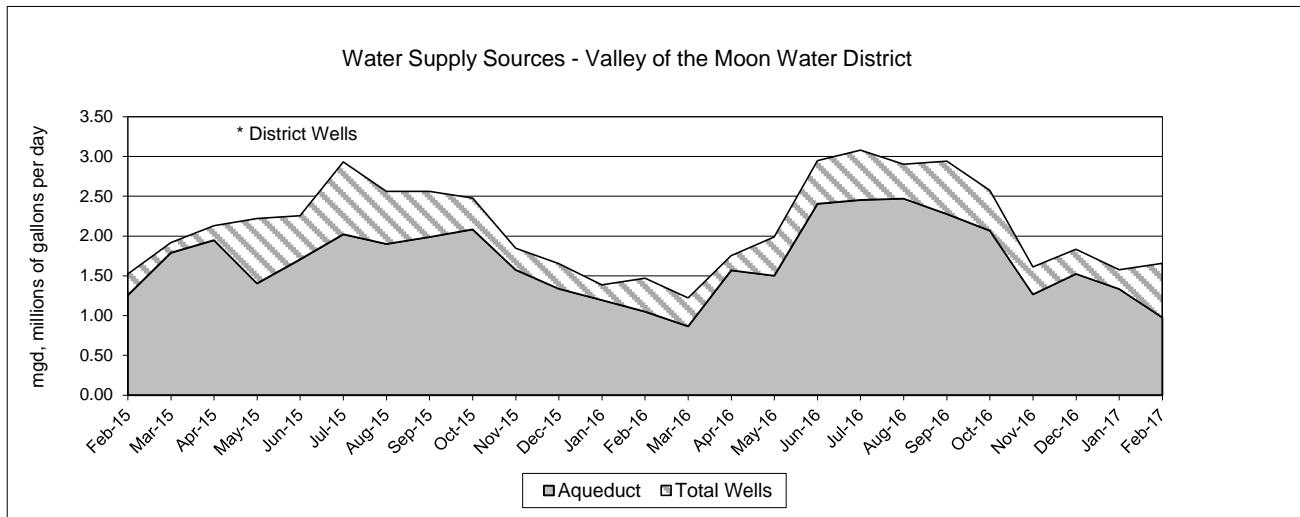
VALLEY OF THE MOON WATER DISTRICT  
 MONTHLY REVENUE AND EXPENSE COMPARISON  
 PERIOD ENDING FEBRUARY 28, 2017

Page.: 2  
 33% of year remaining

	Actual		Monthly			Year to Date			Budget	
	15-16	16-17	Actual	Budget	Variance	Actual	Budget	Variance	Remaining	Remaining %
<b>SERVICES &amp; SUPPLIES</b>										
Purchased Water	\$ 1,540,350	\$ 1,764,520	\$ 78,080	\$ 110,264	\$ 32,184	\$ 1,170,144	\$ 1,110,763	\$ (59,381)	\$ 594,376	34%
Safety & Clothing Allowance	3,970	5,000	0	0	0	3,682	5,000	1,318	1,318	26%
Vehicle Maintenance	4,624	7,500	2,527	625	(1,902)	5,577	5,000	(577)	1,923	26%
Election Costs	0	10,000	0	10,000	10,000	0	10,000	10,000	10,000	100%
Employee Relations	1,667	2,500	110	0	(110)	1,600	2,500	900	900	36%
Attorney Retainer	38,332	24,000	2,208	2,000	(208)	14,453	16,000	1,547	9,547	40%
Engineering General Support	10,897	40,000	0	0	0	235	40,000	39,765	39,765	99%
Misc. Expenses/Contributions	358	15,500	0	45	45	0	15,320	15,320	15,500	100%
Advertising	1,357	2,500	0	208	208	137	1,667	1,530	2,363	95%
Outside Services	19,185	21,000	2,595	1,615	(980)	22,242	13,870	(8,372)	(1,242)	-6%
Annual Audit	6,650	7,500	0	0	-	7,497	7,500	3	3	0%
Bad Debts/Collections	2,662	5,000	0	417	417	2,796	3,334	538	2,204	44%
Building Mtnc.	2,005	55,000	24	0	(24)	9,304	55,000	45,696	45,696	83%
Customer Adjustments	7,117	10,000	0	834	834	0	6,667	6,667	10,000	100%
Dues and Subscriptions	11,400	13,500	22	100	78	9,191	9,850	659	4,309	32%
Equipment Mtnc./Repairs	11,249	12,000	745	1,000	255	8,574	8,000	(574)	3,426	29%
Fees (County/State)	27,465	30,000	884	1,800	916	19,175	25,000	5,825	10,825	36%
Fuel	16,049	18,000	1,029	1,500	471	8,379	12,000	3,621	9,621	53%
Bank Charges	4,990	5,800	361	484	123	4,018	3,867	(151)	1,782	31%
Liability Ins. (Incl. Losses)	35,481	39,000	0	3,250	3,250	5,565	26,000	20,435	33,435	86%
Postage	21,734	22,800	1,616	1,900	284	7,847	15,200	7,353	14,953	66%
Public Information	3,878	4,000	0	1,500	0	160	1,500	1,340	3,840	96%
Service Contracts	13,122	23,000	818	925	107	15,112	11,750	(3,362)	7,888	34%
Office Supplies	4,161	4,800	475	400	(75)	4,833	3,200	(1,633)	(33)	-1%
Telephone-Internet	7,968	8,700	1,142	725	(417)	6,665	5,800	(865)	2,035	23%
Small Tools & Equipment	5,906	12,000	194	1,000	806	2,860	8,000	5,140	9,140	76%
Trash Disposal	4,001	5,100	365	425	60	2,978	3,400	422	2,122	42%
Utilities - PG&E	98,435	100,000	7,840	3,800	(4,040)	73,010	71,000	(2,010)	26,990	27%
Professional Services	67,608	20,000	3,800	1,650	(2,150)	8,660	13,325	4,665	11,340	57%
Water Testing	23,817	28,500	1,298	1,500	202	17,432	19,000	1,568	11,068	39%
Water Main Maintenance	6,735	8,400	822	700	(122)	2,598	5,600	3,002	5,802	69%
Service Line Maintenance	11,222	6,000	0	500	500	1,954	4,000	2,046	4,046	67%
Misc. System Maintenance	5,706	6,500	29	550	521	5,769	4,400	(1,369)	731	11%
Wells Maintenance	2,711	6,000	12	500	488	5,702	4,000	(1,702)	298	5%
Pump Maintenance	2,587	6,000	15	500	485	4,106	4,000	(106)	1,894	32%
Storage Tank Maintenance	13,395	6,000	900	500	(400)	5,687	4,000	(1,687)	313	5%
Water Conservation Program	8,042	24,000	0	2,000	2,000	24,436	16,000	(8,436)	(436)	-2%
Abandoned Projects	585	0	0	0	0	0	0	0	0	0%
Interest Expense	73,425	63,799	2,809	0	0	66,608	63,799	(2,809)	0	0%
Equipment Replacement	4,257	6,000	0	500	500	0	4,000	4,000	6,000	100%
<b>TOTAL SERVICES &amp; SUPPLIES-&gt;</b>	<b>2,125,103</b>	<b>2,449,919</b>	<b>110,720</b>	<b>153,717</b>	<b>42,997</b>	<b>1,548,986</b>	<b>1,639,312</b>	<b>90,326</b>	<b>903,742</b>	<b>37%</b>
<b>Transfer from CIP - Labor</b>	<b>(74,387)</b>	<b>(126,000)</b>	<b>(7,546)</b>	<b>(10,500)</b>	<b>(2,954)</b>	<b>(69,617)</b>	<b>(84,000)</b>	<b>(14,383)</b>	<b>(56,383)</b>	<b>45%</b>
<b>TOTAL EXPENSES -----&gt;</b>	<b>3,399,231</b>	<b>3,864,799</b>	<b>210,119</b>	<b>255,538</b>	<b>45,419</b>	<b>2,596,558</b>	<b>2,599,831</b>	<b>3,273</b>	<b>1,271,050</b>	<b>33%</b>
<b>REVENUES LESS EXPENSES --&gt;</b>	<b>1,249,050</b>	<b>1,150,451</b>	<b>74,595</b>	<b>70,235</b>	<b>4,360</b>	<b>1,146,529</b>	<b>849,154</b>	<b>297,375</b>	<b>1,113</b>	<b>0%</b>
<b>ALLOCATION TO CIP</b>	<b>(1,100,000)</b>	<b>(1,150,000)</b>	<b>(112,873)</b>	<b>(112,873)</b>	<b>-</b>	<b>(881,710)</b>	<b>(881,710)</b>	<b>-</b>	<b>(268,290)</b>	<b>23%</b>
<b>PROGRAM SURPLUS -----&gt;</b>	<b>\$ 149,050</b>	<b>\$ 451</b>	<b>\$ (38,278)</b>	<b>\$ (42,638)</b>	<b>\$ 4,360</b>	<b>\$ 264,819</b>	<b>\$ (32,556)</b>	<b>\$ 297,375</b>		



Summary of Water Supply Sources - FEBRUARY 2015 through FEBRUARY 2017



(tabular values are millions of gallons per day, mgd)

Month	Donald*	Mt Ave*	Park Ave*	Agua Cal*	Larbre*	Aqueduct	Total Wells	Wells %	MGD
Feb-15	0.00	0.00	0.00	0.11	0.15	1.26	0.27	17%	1.52
Mar-15	0.00	0.00	0.00	0.00	0.13	1.79	0.13	7%	1.92
Apr-15	0.00	0.00	0.01	0.01	0.16	1.95	0.18	9%	2.13
May-15	0.18	0.08	0.15	0.21	0.19	1.40	0.81	37%	2.22
Jun-15	0.13	0.10	0.08	0.12	0.12	1.71	0.55	24%	2.26
Jul-15	0.21	0.15	0.16	0.23	0.16	2.02	0.91	31%	2.93
Aug-15	0.15	0.10	0.12	0.17	0.13	1.90	0.66	26%	2.56
Sep-15	0.14	0.07	0.09	0.16	0.11	1.99	0.57	22%	2.56
Oct-15	0.14	0.00	0.04	0.09	0.12	2.08	0.39	16%	2.48
Nov-15	0.14	0.00	0.00	0.00	0.13	1.57	0.27	15%	1.85
Dec-15	0.19	0.00	0.00	0.00	0.12	1.34	0.31	19%	1.65
Jan-16	0.08	0.00	0.00	0.00	0.11	1.20	0.19	14%	1.38
Feb-16	0.14	0.00	0.00	0.15	0.13	1.05	0.42	29%	1.47
Mar-16	0.14	0.00	0.00	0.10	0.11	0.87	0.36	29%	1.22
Apr-16	0.06	0.00	0.00	0.06	0.06	1.57	0.18	10%	1.75
May-16	0.14	0.00	0.03	0.17	0.15	1.50	0.49	24%	1.99
Jun-16	0.14	0.01	0.11	0.17	0.12	2.41	0.54	18%	2.95
Jul-16	0.10	0.00	0.15	0.19	0.19	2.45	0.63	20%	3.08
Aug-16	0.10	0.00	0.13	0.11	0.09	2.47	0.43	15%	2.90
Sep-16	0.09	0.04	0.15	0.21	0.17	2.28	0.66	23%	2.94
Oct-16	0.09	0.04	0.11	0.16	0.11	2.07	0.50	20%	2.57
Nov-16	0.09	0.07	0.10	0.04	0.05	1.27	0.34	21%	1.61
Dec-16	0.09	0.07	0.14	0.00	0.00	1.53	0.31	17%	1.83
Jan-17	0.02	0.11	0.07	0.00	0.04	1.33	0.24	15%	1.58
Feb-17	0.19	0.10	0.12	0.11	0.16	0.98	0.68	41%	1.66
<b>FY to date (Acre Feet)</b>	68	40	86	72	73	1,290	339		

**VALLEY OF THE MOON WATER DISTRICT  
REPORT OF INVESTMENTS AND RESERVES  
February 28th 2017**

<b>July 1st, 2016</b>	L.A.I.F.	\$ 1,096,369	
	Sonoma County Investment Pool	4,814,262	
	Westamerica Bank Checking/Petty Cash	81,622	<b>\$ 5,992,252</b>
<b>February 28th, 2017</b>	L.A.I.F.	\$ 1,098,133	
	Sonoma County Investment Pool	4,846,844	
	Westamerica Bank Checking/Petty Cash	475,260	<b>\$ 6,420,238 *</b>

Note: Rate of interest paid on average balance during 4th Quarter, 2016

L.A.I.F. 0.68%, County 0.865%

Total Cash/Investment Balance	\$	6,420,238
<b>Less:</b>		
(1) Net FY 2016 - 2017 CIP, less remaining CIP transfers		(3,284,565)
(2) Board Designated Reserves		
(a) Operations & Maintenance		(1,000,000)
(b) Rate Stabilization		(200,000)
(c) Capital Improvement Program		(440,000)
Total Unrestricted / Undesignated Reserves (Funding for Remaining 5 Year CIPs)	<b>\$</b>	<b><u>1,495,673</u></b>

\* This amount includes the 1.5 million dollars received from the Verano Well lawsuit

VOMWD Actual Water Use - FY 2016-17 (in acre-feet)

	Month	Wells					Total	Aqueduct	Total	Wells %	Aqueduct flow rate*
		Donald	Mtn. Ave.	Park Ave	Aqu. Cal	Larbre					
<b><u>Actual</u></b>	Jul-16	8	0	13	16	16	54	211	265	20%	2.45
	** Aug-16	8	0	11	10	8	37	212	249	15%	2.47
	** Sep-16	8	3	13	19	16	59	203	262	23%	2.13
	** Oct-16	8	4	10	15	11	48	197	245	20%	2.21
	** Nov-16	8	6	9	4	4	32	117	148	21%	1.27
	** Dec-16	8	7	13	0	0	28	140	169	17%	1.53
	Jan-17	2	11	6	0	4	23	127	150	15%	1.38
	Feb-17	17	9	10	9	14	58	84	142	41%	0.91
	Mar-17	-	-	-	-	-	-	-	-	-	-
	Apr-17	-	-	-	-	-	-	-	-	-	-
	May-17	-	-	-	-	-	-	-	-	-	-
	Jun-17	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total</b>	68	40	86	72	73	339	1,290	1,629	21%	

\* Average daily rate of flow during the month (in millions of gallons per day) \*\*Donald Well Estimated due to malfunctioning flow meter

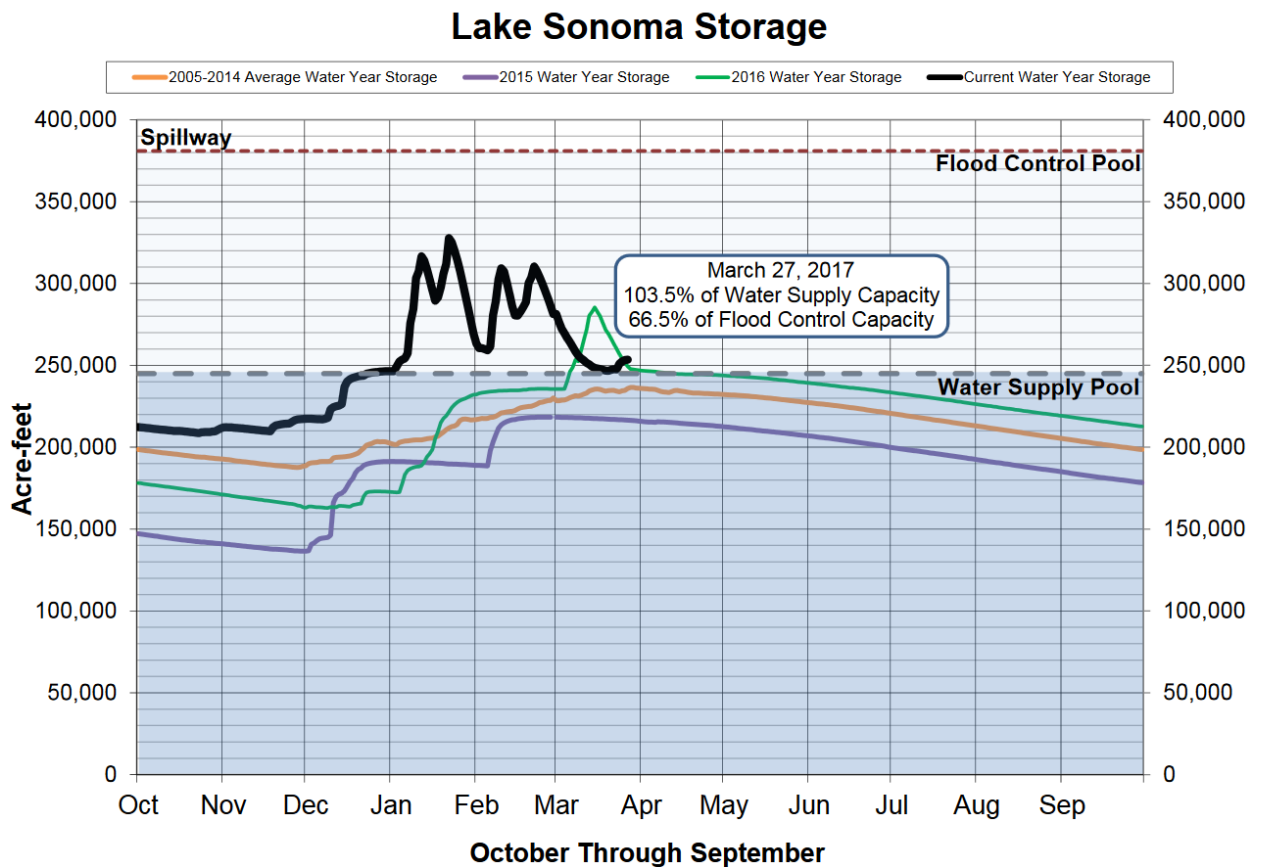
**Annual Target**                      65                      60                      85                      89                      151                      450                      1,935                      2,385                      19%

Date: April 4<sup>th</sup>, 2017  
Agenda Item: 7.A

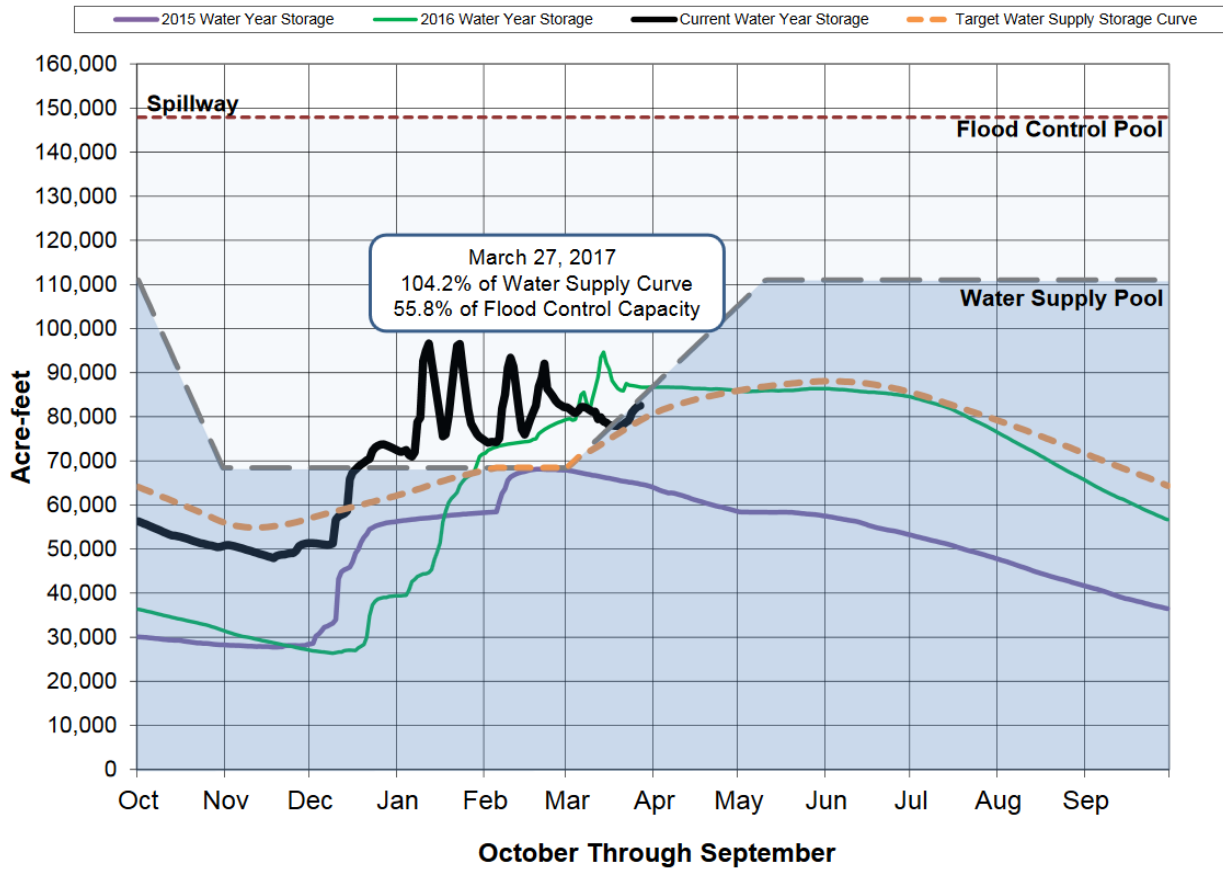
# MEMORANDUM

TO: Valley of the Moon Water District Board of Directors  
FROM: Daniel Muelrath, General Manager  
SUBJECT: Water Supply Update

## Background



## Lake Mendocino Storage



## VOMWD Water Use for SWRCB Reporting

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD
<b>2013 Baseline (AF)</b>	174.53	152.91											327.44
<b>2017 Actual (AF)</b>	149.96	142.28											292.24
<b>% Reduction</b>	14%	7%											11%
<b>2017 GPCD</b>	49	47											48
<b>2020 GPCD Target</b>	124	124	124	124	124	124	124	124	124	124	124	124	124

Pop = 23,782  
AF = Acre Feet

GPCD = Gallons per Person per Day

Date: April 4<sup>th</sup>, 2017  
Agenda Item: 7.B

## MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Daniel Muelrath, General Manager

SUBJECT: Well No. 5A Update

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### **Background**

Well No. 5A project was release for bids on February 16<sup>th</sup>. Staff held a voluntary prebid meeting on March 8<sup>th</sup> where 6 firms attended and performed a site visit. The bid deadline was originally March 22<sup>nd</sup>; however, at the request of the contractors and in consultation with the District Engineer, the bid date was extended until April 19<sup>th</sup> at 2pm.

Staff anticipates bringing a recommendation for contract award to the Board's May 2<sup>nd</sup> meeting.

Date: April 4<sup>th</sup>, 2017  
Agenda Item: 7.C

# MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Daniel Muelrath, General Manager

SUBJECT: Temelec Area HOAs Backflow Update

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## **Background**

During the Special Board meeting on March 20, 2017, it was discussed that if the irrigation wells were brought up to drinking water quality and other relevant initial upgrades (chlorine, SCADA, flow meters, etc.) were performed, that the District may entertain leasing the wells and selling water back to the HOAs, at cost, thereby eliminating the “auxiliary source” designation. While this option had been previously explored by the HOAs and staff, staff reached out to the HOA Board President’s one additional time to ensure they fully explored this concept.

In conversations with all three HOAs they determined that either there were physical constraints or future uncertainty regarding potential water quality degradation of their wells, so all decided not to pursue the well lease option. Instead they will focus on complying with the SWRCB Compliance Order through the installation of backflows.

Following the Board meeting on April 4, 2017, staff will send letters to all impacted residences informing them of Title 17, the SWRCB Compliance Order (CO) and the need to install backflow devices by the timeframes included in the SWRCB CO. In order to help ensure that the District meets the progressive compliance timeframe, the District will offer our backflow installation program as a one-time sign up option to encourage participation at the front end of the compliance timeframe.

Per Board direction and staff input, the District will:

- April – May: Send letters to customers notifying them of the regulation and the District’s program of \$1,200 for backflow installation
- July 31<sup>st</sup>: Deadline to sign and return agreement
- Aug – September: Collect 25% down payment
- Oct – TBD: Install backflows at contracted locations and collect remaining balance or finance for those eligible

Staff will keep the Board apprised of the District’s compliance with the SWRCB CO through routine Board Meeting updates.

# MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Daniel Muelrath, General Manager

SUBJECT: Sonoma Valley Groundwater Sustainability Agency Creation

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## **Background**

In order to comply with the Sustainable Groundwater Management Act of 2014, staff has been representing the District at both Countywide and Sonoma Valley Basin meetings for the last two and a half years regarding the creation of the Sonoma Valley Groundwater Sustainability Agency. Eligible formation agencies that are at the table in Sonoma Valley are: County of Sonoma, Sonoma County Water Agency, Sonoma Resource Conservation District, North Bay Water District, City of Sonoma and the District. The new agency will be tasked with conducting groundwater studies, registering/monitoring wells, setting well spacing requirements, regulating extraction, accessing fees, developing a Groundwater Sustainability Plan (by 2022) and implementing required management and capital projects to bring the Sonoma Valley into sustainable conditions by year 2042.

In order to prevent State intervention, the deadline to form the new Agency is June 30, 2017. The following table shows when each member agency is proposing to bring the Joint Powers Authority agreement in front of their Board for approval.

<b>Agency</b>	<b>Date</b>
County of Sonoma	April 25 <sup>th</sup>
Sonoma County Water Agency	April 25 <sup>th</sup>
Sonoma Resource Conservation District	April 27 <sup>th</sup>
North Bay Water District	April 11 <sup>th</sup>
City of Sonoma	May 1 <sup>st</sup>
VOMWD	May 2 <sup>nd</sup>

Once the Joint Powers Authority agreement is signed by all participating parties a public hearing will be held by the new agency in late May/June to officially form the Sonoma Valley Groundwater Sustainability Agency at which time the State will be notified.

Highlights of the proposed Sonoma Valley Groundwater Sustainability Agency:

- Board: One rep from each GSA – eligible entity
- Voting: One vote per entity



- Simple majority for “housekeeping” (contracts, setting meeting dates, etc.)
- Super-majority vote (2/3) needed for fees, regulations, budgets
- Unanimous vote needed to assess entities (if additional funds are needed for operating the GSA)
- Advisory Committee
  - Strong advisory body: Created for stakeholder input
  - Purpose: Advise GSA Board on plan development, implementation, regulations, fees, capital projects, programs and communication
  - Appointments: Formal application process
  - Representation: Advisory panel open to community members and staff
  - Terms: Two-year terms
  - Transparency: Public process, Brown Act meetings
  - Decision-making: Charter & protocols

While the Sustainable Groundwater Management Act of 2014 requires many actions to be taken by locals, it does not come with a built in funding source. Based on local estimates that have been vetted against other similar agencies throughout the State, it is estimated to cost \$470,000 for year one startup costs. It is expected to take a full two years prior to the new agency being able to develop fees to be self-sustaining. The following table represents approximate cost allocations for each proposed eligible member agency:

	<b>Option 1 –</b> \$350,000 loan from private bank with \$120,000 from member agency contribution		<b>Option 2 –</b> \$470,000 self-funded from member agency contributions
County of Sonoma	\$20,000	If a loan is not secured then option 2 would be used for initial funding of the GSA.	\$117,000
Sonoma County Water Agency	\$20,000		\$117,000
Sonoma Resource Conservation District	\$20,000		\$20,000
North Bay Water District	\$20,000		\$20,000
City of Sonoma	\$20,000		\$97,000
VOMWD	\$20,000		\$97,000

\*Above figures are annual. It is expected to take 24-30 months for the GSA to implement a revenue structure. While these member agency contributions are not classified as a loan to the GSA, they will be eligible to be repaid once the new agency has their own funding source.

In an effort to keep the new agency costs low, staff of the member agencies propose no new staff be hired for the initial start-up and instead use existing staff from the member agencies. Agencies that “loan” staff to the GSA will be reimbursed. Some of these responsibilities that the District can perform include but are not limited to: creating agendas and minutes, complying with Brown Act noticing requirements, Interim Administrator to GSA, hosting meeting space for new GSA, treasurer, fiscal agent, etc.

**Staff Recommendation**

Receive an oral report from the Board’s Groundwater Subcommittee (Director Adams and Heneveld) and provide direction regarding the level of reimbursable services the District will provide to the GSA.

<b>In-kind Contribution</b>	<b>Yea / Nay</b>
Board Room for GSA Meetings	
Office functions: Agendas, minutes, Brown Act, FPPC, AB 1234 compliance	
Treasurer – maintain funds and financial books	
Fiscal Agent – issue checks	
Interim Administrator until GSA Board selects Administrator	

Date: April 4<sup>th</sup>, 2017  
Agenda Item: 8.A

# MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Daniel Muelrath, General Manager

SUBJECT: Comprehensive Backflow Testing and Maintenance Program

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## **Background**

At the request of the impacted HOAs that are required to install backflow devices under the SWRCB Compliance Order (CO), District staff has developed a concept for a comprehensive backflow testing and maintenance program for Board consideration.

Barring the required upfront herculean efforts by the impacted HOAs, residents and staff to comply with the SWRCB CO, there is a perpetual annual requirement that may be alleviated through District action. All Title 17 and District required backflows must be tested annually. The typical process for this to occur is as follows:

- February: Staff contacts eligible testing agencies for insurance and testing certification information
  - Staff compiles list of eligible testers
- April: Staff mails letter to each customer that has a backflow device notifying customer of annual test requirement
  - Due date June 1<sup>st</sup>
- April – June: Staff received tests results, reviews for compliance and enters them into compliance tracking database
- June: Staff sends delinquent letters and performs follow-up phone calls
- July 1<sup>st</sup> all backflows are tested and recorded in database

With the addition of the 4 HOAs that have already or are going to be installing backflows, the District will tracking approximately 900 additional devices annually. While staff can continue to operate under the existing model, it has been request by some members of the HOAs that the District entertain handling the annual backflow testing and maintenance and include it as a line item on their water bill to cover the District costs.

Staff has evaluated options and suggests that a District sponsored program<sup>1</sup> cover the required annual certification test, maintenance and/or replacement of internal check valves, springs, valve seats o-rings, diaphragm gasket and staff time to implement this program and manage a selected plumbing contractor. Staff estimates this cost to be in the range of \$5.00 – \$7.50 per month, but will depend on contractor prices submitted to the District.

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<sup>1</sup> Program would exclude damage from external forces, theft and frost

Staff recommends issuing a noncommittal Request for Proposal (RFP) for backflow testing and maintenance. Once pricing is determined staff will bring the item back to the Board for further input and a final determination on approval/denial of this program.

Should the program precede the ideal timeframe would be as follows:

- May – June: Issue RFP
- July – August: Staff evaluate pricing and fully develop a rate based backflow testing and maintenance program
- September – December: Staff to bring the item before the Board for approval or denial
- December – February: Staff to build pricing into the District's 2018 Prop. 218 notification.
- July 2018 – Start program and associated fee

### **Staff Recommendation**

By roll call vote, authorize the General Manager to issue a RFP for a comprehensive backflow testing and maintenance program.