



## TVCS D Board of Director's Meeting Agenda

Date: Wednesday, July 12, 2017, 7 pm

Location: Tomales Town Hall, Tomales, California 94971

### I. Call To Order

**II. Open Communication** Time for community members and visitors to bring up items they wish to discuss and items that do not appear on the agenda. Added items will be included under Other Business.

**III. Approval of July 12, 2017 BOD Agenda** Action

**IV. Board Member Reports**

**V. Approval of June 14, 2017 Public Hearing & Regular Meeting Minutes** Action

**VI. Financial Report (Melinda Bell)**

- a. Accept Check Registers and Approve Expenditures Action
- b. Financial Manager's Report Action
- c. Review and Approve Financial Statements Action
- d. Ad Valorem Levy 4 Assessment update (Dru Fallon O'Neill)

**VII. General Manager's Report**

- a. O & M Contract

**VIII. NSU Report**

- a. Review reports for May 2017

**IX. Committee Reports**

- a. Financial Advisory Committee (FAC)
  - 1. No meeting was held in June
- b. Park Advisory Committee (PAC)
  - 1. No meeting was held in June
  - 2. Status/update on Park projects

**X. Pending Business**

**XI. Other Business**

**XII. New Business**

- a. TVCS D Newsletter
- b. Election filing papers

**XIII. Correspondence**

**XIV. Adjournment**

**TVCS D MISSION STATEMENT:** *Enhance quality of life, with commitment to the health of the community, by providing dependable wastewater collection, treatment and reuse in an environmentally friendly manner; maintaining safe and reliable recreational park facilities while providing a welcoming forum for active community participation and input.*

*The agenda and supporting documents can be accessed on the TVCS D website 72 hours prior to the meeting. Anyone requesting disability related accommodations may contact the district office 72 hours prior to the meeting.*

PO Box 303 • Tomales, CA • 94971 • ph 707.878.2767 • [www.tomalescsd.ca.gov](http://www.tomalescsd.ca.gov)

Board of Directors:

Dru Fallon O'Neill, President • Donna Clavaud, Vice President • Bill Bonini • Peter MacLaird • Deborah Parrish



**TVCS D Public Hearing (on Proposed Rate Increases for FY 2017/18)**

**& Board of Director’s Regular Meeting Minutes**

**Date: Wednesday, June 14, 2017, 6 pm**

**Location: Tomales Town Hall, Tomales, California 94971 DRAFT**

**Board Members Present:** Dru Fallon O’Neill, President; Donna Clavaud, Vice President; Bill Bonini, Peter MacLaird, Deborah Parrish (arrived at 7:35 pm)

**Board Members Absent:** None

**Also Present:** Jose Ortiz, General Manager; Melinda Bell, TVCS D Accountant; Cynthia Hammond, TVCS D Recording Secretary; Terry Duffy, Louise Gregg, Nicole Vigeant

**I. Call To Order**

Dru Fallon O’Neill called the Public Hearing meeting to order at 6:11 p.m. Dru Fallon O’Neill explained the Public Hearing was to explain how TVCS D BOD’s came to the conclusion to raise the sewer rates; to pay off the debt and to keep the district moving forward in a fiscal manner of responsibility.

**II. Open Communication** Time for community members and visitors to bring up items they wish to discuss and items that do not appear on the agenda. Added items will be included under Other Business.

Louise Gregg said she read if ratepayers didn’t come to the meeting or write a letter, the rates would be raised. Louise Gregg read the Pt. Reyes Light article and saw the Notice of Special Meeting, but felt there wasn’t enough community advertisement regarding the rate increase. Jose Ortiz explained her concerns would be addressed under item VI.

**III. Approval of June 14, 2017 TVCS D BOD Agenda**

Dru Fallon O’Neill motioned to approve the June 14, 2017 TVCS D BOD Agenda. Donna Clavaud seconded the motion. M/S/C

**IV. TVCS D Board Member Reports**

Donna Clavaud reported there was a new Brown Act publication from CSDA and requested the district purchase a copy. Melinda Bell will purchase through the CSDA website. Dru Fallon O’Neill will discuss Ad Valorem Levy 4 Assessment under VI.

**V. Approval of May 10, 2017 TVCS D REGULAR Meeting Minutes**

Bill Bonini motioned to approve the May 10, 2017 TVCS D Regular Meeting Minutes. Donna Clavaud seconded the motion. M/S/C

## **VI. Conduct Public Hearing to Receive Comment on the Proposed Rate Increases for Fiscal Years 2017/2018 and 2018/2019**

Public Hearing opened at 6:18 pm. Jose Ortiz explained that any time there is a proposed rate increase, a Public Hearing must be held and the Notice of the Public Hearing must be posted at least forty-five (45) days prior to the Public Hearing in order to allow time for written comments in favor or against or to share information regarding the proposed action. Publications of the Public Hearing were on April 22, 2017 and May 11, 2017; therefore all noticing requirements were satisfied. Jose Ortiz reminded community members the purpose of the Public Hearing was to allow them to question the proposed action.

Jose Ortiz provided the following background information:

When Jose Ortiz was hired as the General Manager, one of the tasks was to prepare an Asset Management Plan which included a Capital Improvement Plan (CIP) for the district (sewer only, not the park). CIP included, over a ten (10) year period, projected expenditures to replace equipment based upon how long it typically lasts. The Financial Advisory Committee (FAC) prepared a ten (10) year financial plan based on that information, other costs and changes in revenue streams. In 2002/2003 cracked/separated pipes were fixed, reducing the amount of infiltration thus reducing the costs of wastewater treatment. In 2008/2009 plastic liners were installed in the three (3) ponds to avoid seepage. The addition of solar panels was shown to be economically viable, with a return of investment in eighteen (18) years.

Revenues to the district are through sewer service fees. Based on the ten (10) year financial plan, in three (3) to four (4) years, if failures occur TVCSD would have to draw upon its reserves to pay down the debt. The solar rebates for five (5) years were \$12,000 per year but ended last year. The cost to repay the loan over the next nine (9) years is \$17,000-\$18,000 per year. In addition, other improvements added to the debt total of \$39,000 to \$42,000 per year, which will take nine (9) years to pay down.

Video inspections were done and the collections system is in good shape. However, Jose Ortiz estimates 10% of the collection system could fail in ten (10) years. There are enough revenue fees to cover operations and some of the capital replacement projects but not the debt service. The main point of the rate increase is to pay off the debt service without reducing reserves to a zero balance in three (3) to four (4) years.

Louise Gregg asked for an explanation of debt service. Melinda Bell explained the debt service was \$18,000 per year (zero interest rate) for the solar panels for the next nine (9) years and the other debt was the State Water Resources Control Board Revolving Fund for \$22,000 - \$24,000 per year with a 2.5% interest rate for the next six (6) years. Donna Clavaud explained that the rate increase would collect \$13,000 the first year and \$26,000 the second year towards the debt service.

Nicole Vigeant asked if the original loan was paid off, Donna Clavaud said it was.

Louise Gregg asked if the rate increase would go on forever. Bill Bonini explained that TVCSD needs to build reserves for capital improvements and there needs to be six (6) months of reserves. Donna Clavaud explained that when the finance committee was preparing a financial plan, TVCSD looked at a ten (10) year plan and what was estimated for the proposed rate increase was reasonable. Jose Ortiz explained that in ten (10) years the collection system will be fifty (50) years old and in the last eighteen (18) years, operations and maintenance costs have gone up 58%. In the next ten (10) years, TVCSD may not have sufficient funds to repair unanticipated system failures.

Louise Gregg asked about the possibility of obtaining a grant for modern day composting; turning black water into grey water. Donna Clavaud explained that grant-funding resources have declined and TVCSD no longer qualifies for low to moderate grants TVCSD used to qualify for. Grants are now targeted to areas with very high violations. Donna Clavaud said moving forward, she was interested in investigating options. Bill Bonini explained that grant dollars couldn't be used to pay off a debt.

Louise Gregg asked if TVCSD could utilize UV instead of chlorine as a disinfectant. Jose Ortiz explained the current cost for chlorine is \$420 per year while UV disinfectant systems installation costs are hundreds of thousands of dollars in addition to high annual electricity costs.

Dru Fallon O'Neill explained that the operating contract is being trimmed to save expenses and Bill Bonini said that feasibility studies have been done and staff reconfigured to tighten expenses. Dru Fallon O'Neill said the present board worked long and hard getting the facts and figures in order to be transparent.

Ad Valorem Levy 4 Assessment: Melinda Bell reported the board is still researching the Ad Valorem Levy 4 Assessment. The previous nine (9) years the annual income ranged from \$22,000 - \$30,000. The Levy 4 Assessment has declined to about \$8,000 annually for the last eight (8) years. Melinda Bell explained the Levy 4 Assessment, in the beginning, was to pay off the first debt. In 2009 the Levy 4 Assessment went down but at the same time TVCSD got a second loan for improvements from State Water Resources Control Board and never got any funding for the loan. Dru Fallon O'Neill explained that the Levy 4 tax was voted on the same time the community decided to have a sewer in the 70's. In 2009/2010 when the previous General Manager was preparing a budget, the Levy 4 money went from \$25,000 - \$26,000 a year to \$14,000, to \$8,000 to \$3,000 per year. North Marin Water District (NMWD), who was a managing partner, there was a \$.75 per \$100 valuation would go to NMWD. NMWD changed it to \$.02. Previous General Manager consulted an attorney and it was the attorney's opinion that it was an operating cost/tax that when into Ad Infinitum. The county doesn't necessarily have the same opinion and TVCSD has been operating with \$.02 per \$100 valuation. This shows up on tax bill as sewer improvement fee. Donna Clavaud pointed out the district used to receive \$25,000 and now it receives \$8,000 per year. Jose Ortiz said the main reason this exists is because the state doesn't was special districts defaulting on loans. The question is why did NMWD do this; a reason could be that the debt could be paid off at a lower assessment. Dru Fallon O'Neill is pressing the county for an explanation. More debt was taken on in 2009 and the problem is the Levy 4 Assessment should have been raised back up. If the debt was assumed before 1978, rates could have just been increased to pay off the debt, if the debt was assumed after 1978, a 2/3rds vote is needed to increase sewer rates.

Jose Ortiz said there was speculation about development of twenty-eight (28) parcels at \$10,000 per hook-up fees, which never came to fruition that could have paid off the debt. For the last eleven (11) years, without rate increases, parcels generate \$756 per year for sewer fees and costs to the district have risen.

Donna Clavaud reviewed the cost cutting efforts that have been made to the district; reduction of administrative costs by \$30,000, cutting board meetings from twelve (12) to ten (10), and reduce the O & M contract by \$12,000 through negotiations. Donna Clavaud reiterated that the rate increase was to pay off the debt service. Jose Ortiz said in 2014 a rate analysis was done and there were two (2) recommendations; impose a big rate increase all at once or spread it over five (5) years. Neither was ever done.

**Dru Fallon O'Neill closed the Public Hearing at 7:38 and opened the Regular TVCSD Board of Director's meeting.**

**VII. Financial Report (Melinda Bell)**

a. Accept check registers and approve expenditures:

Bill Bonini motioned to accept the check registers and approve expenditures. Deborah Parrish seconded the motion. M/S/U

b. Financial Manager's report:

Melinda Bell reported income was \$5,000 better than budgeted. Funds will need to be transferred from Redwood Credit Union to cover expenses. Melinda Bell asked for Board direction regarding her two (2) week vacation and who would be responsible for phone calls. Deborah Parrish requested a staff member be responsible for messages. Jose Ortiz will take Melinda Bell's cell phone while she is on vacation. Donna Clavaud will pick up the mail.

Bill Bonini motioned to accept the Financial Manager's report. Deborah Parrish seconded the motion. M/S/U

c. Review and approve financial statements:

Bill Bonini motioned to approve the financial statements. Deborah Parrish seconded the motion. M/S/U

d. Engagement letter for TVCSD Auditor Fiscal Year 2016/2017:

Donna Clavaud suggested accepting Robert W. Johnson as the Auditor for another year. Robert W. Johnson has a three (3) year contract and this is the last year with the cost already in place.

Donna Clavaud motioned to sign a contract with Robert W. Johnson to do the third year of the audit. Bill Bonini seconded the motion. M/S/U

e. Ad Valorum Levy 4 Assessments:

Discussed under Public Hearing. This discussion will be continued next month.

**VIII. General Manager's Report**

Nicole Vigeant asked Jose Ortiz what was renegotiated with the NSU contract. Jose Ortiz explained that the district wanted to save \$1,000 per month. To do so, lab costs will be billed directly to the district instead of NSU marking up the lab costs 20% and billing the district. General housekeeping such as weed control, mowing, ground and building maintenance will be contracted by the district instead of NSU in order to save the 20% mark-up.

Deborah Parrish explained the district accidentally received an invoice on how NSU was marking up their invoices. NSU was marking up lower paid staff 2 ½'s and billing the district. Now TVCSD will be paying

\$4,095 per month instead of \$5,800 per month.

Jose Ortiz said the Capital Improvement Plan (CIP) identified periodic big-ticket items such as grading the road that is built into the budget now. NSU also targeted the level of expertise that TVCSD is paying for; Chief Plant Operator is billed at \$133 per/hour, and a Grade Two Operator is billed at about \$95 an hour. TVCSD needs a Grade Two Operator.

Jose Ortiz spoke to Andy Zinkevich at NSU and the target date to start the new contract will be in effect July 1, 2017. There were some errors in the contract; Jose Ortiz doesn't want all preventative maintenance to become corrective maintenance and to be paid for as unscheduled work. If a pattern is seen of dropping off preventative maintenance and corrective maintenance goes up, Jose Ortiz will be able to recognize it. The original contract had a termination agreement of 60 days and the new contract states 180 days; Jose Ortiz is OK with this. Donna Clavaud asked if NSU had requested a longer contract. TVCSD wants a three (3) year contract and NSU wrote up the new contract for a five (5) years. Deborah Parrish is concerned that given the terms of the board, TVCSD needs to have the three (3) year contract and a review of NSU costs and tasks will be conducted yearly. Deborah Parrish wants the contract to coincide with TVCSD board terms. Jose Ortiz suggested an alternative would be three (3) year contract for certain, and then one (1) year by mutual agreement for two (2) more years. Jose Ortiz also wants to see a schedule of rates. Deborah Parrish will review final draft.

a. Discussion on proposed O & M contract and give direction to General Manager for its execution:

Peter MacLaird motioned to authorize the General Manager to finalize negotiations of the O & M contract with NSU. Bill Bonini seconded the motion. M/S/U

Jose Ortiz will meet with Steve Chase regarding the new NSU contract.

Jose Ortiz got permission not to use the (Fog, Oil and Grease) FOG tank for a year and will see if this can be done permanently. This will save the district about \$5,000 per year.

Point Blue Conservation Science contacted NSU and Jose Ortiz. They are requesting water from the storage ponds for irrigating vegetation planted by the creek at the high school. Blair Allen from the State Resources Control Board was contacted because a special permit is needed. Normally an engineers report along with a SEQUA document is needed. The costs for the reports are expensive and would have to be paid by Point Blue Conservation Science.

Jose Ortiz received Notification of November 2017 District Elections (SB 415) from County of Marin Department of Elections. TVCSD has to transfer over to even-numbered election years. Right now, TVCSD has odd election years. Other districts adopted a resolution extending the terms for this year, however it had to have done 240 days before the election. TVCSD was notified 2 hours prior to the deadline. The alternative is TVCSD has until January 1, 2018 to submit a plan; if TVCSD doesn't transfer over to even year elections, TVCSD can be sued for being in violation. Jose Ortiz said he would develop a plan. Donna Clavaud said Dru Fallon O'Neill, Deborah Parrish and Bill Bonini's terms expires November 7, 2017. Dru Fallon O'Neill, Bill Bonini and Deborah Parrish agreed to file for another term.

## **IX. NSU Report**

- a. Review reports for April 2017:  
Reports were reviewed.

## **X. Committee Reports**

- a. Financial Advisory Committee (FAC):
  - 1. No FAC meeting held in May.
  - 2. Adopt final Sewer and Park budgets for Fiscal Year 2017/2018:

Deborah Parrish motioned to adopt the final Sewer and Park budgets for Fiscal Year 2017/2018. Peter MacLaird seconded the motion. M/S/U

- 3. Adopt Resolutions 17-02 (monthly Sewer rate) and 17-03 (connection fees and Ad Valorum Levy 4 Assessment):

Deborah Parrish motioned to adopt Resolution 17-02 (monthly Sewer rate). Peter MacLaird seconded the motion. M/S/U

Deborah Parrish motioned to adopt Resolution 17-03 (connection fees and Ad Valorum Levy 4 Assessment). Peter MacLaird seconded the motion. M/S/U

- b. Park Advisory Committee (PAC)
  - 1. No meeting was held in May

- 2. Update on projects:

Jose Ortiz reported there haven't been any responses to the RFP's and will meet with Ted Anderson asking him to contact contractors. Jose Ortiz will also meet with an ADA architect to see where TVCSD can advertise the RFP. Donna Clavaud, Dru Fallon O'Neill and Melinda Bell met with CSD representative and asked about the requirements for registration of contractors; contractors do need to be registered. Donna Clavaud requested advice from CSD on how to register contractors.

## **XI. Pending Business**

- a. TVCSD Website update:  
Melinda Bell reported she paid Square Space \$172 for one (1) year and Sonic's fee is \$8 per month. The website is "live".

## **XII. Other Business**

None.

**XIII. New Business**

a. November 2017 TVCSD Board elections:  
Discussed under General Manager’s report.

Deborah Parrish motioned to have a November 7, 2017 election. Bill Bonini seconded the motion.  
M/S/U

b. Senate Bill 415 – Voter participation:  
Discussed under General Manager’s report.

**XIV. Correspondence**

There were two (2) letters protesting the proposed sewer rate increase.

**XV. Adjournment**

Dru Fallon O’Neill motioned to adjourn the TVCSD June 14, 2017 BOD meeting. Peter MacLaird seconded the motion. M/S/U

**Meeting adjourned at 8:30 pm.**

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Approved by: Dru Fallon O’Neill, President

Date:

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Attested by: Cynthia Hammond, Recording Secretary

Date:

**TVCS D MISSION STATEMENT:** *Enhance quality of life, with commitment to the health of the community, by providing dependable wastewater collection, treatment and reuse in an environmentally friendly manner; maintaining safe and reliable recreational park facilities while providing a welcoming forum for active community participation and input.*

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Board of Directors:

Dru Fallon O’Neill, President ● Donna Clavaud, Vice President ● Bill Bonini

Peter MacLaird ● Deborah Parrish

**Bank Account Activity June 2018**

	Type	Date	Num	Name	Memo	Amount	Balance		
<b>131.46 · Bank of Marin - Park Account</b>							<b>122,489.81</b>		
	Deposit	06/02/2017		Aztec Dancers	322.00 · Park Use Rental	50.00	122,539.81		
	Bill Pmt -Check	06/10/2017	1176	Barndt's Welding	inv 11743	-718.00	121,821.81		
	Bill Pmt -Check	06/10/2017	1177	Melinda K. Bell	May	-123.12	121,698.69		
	Deposit	06/12/2017		Marks, Cassie	322.00 · Park Use Rental	250.00	121,948.69		
	Bill Pmt -Check	06/14/2017	1179	Bohemian Creative Des	oversight, fountain design, carpentr	-1,375.00	120,573.69		
	Bill Pmt -Check	06/18/2017	1178	Marks, Cassie	refund park rental deposit	-200.00	120,373.69		
	Deposit	06/30/2017			interest	0.50	120,374.19		
Total 131.46 · Bank of Marin - Park Account							<b>-2,115.62</b>	<b>120,374.19</b>	
<b>131.00 · Sewer Accounts</b>							<b>Beginning Balance</b>	<b>208,352.92</b>	
<b>131.31 · Redwood Credit Union</b>							<b>Beginning Balance</b>	<b>135,979.38</b>	
	Deposit	06/30/2017			interest	27.13	136,006.51		
Total 131.31 · Redwood Credit Union							<b>Ending Balance</b>	<b>27.13</b>	<b>136,006.51</b>
<b>131.42 · Bank of Marin - Money Market</b>							<b>Beginning Balance</b>	<b>29,153.19</b>	
	Deposit	06/09/2017			Levy 4	9.17	29,162.36		
	Deposit	06/15/2017			Levy 4	4,302.22	33,464.58		
	Deposit	06/30/2017			interest	1.15	33,465.73		
Total 131.42 · Bank of Marin - Money Market							<b>Ending Balance</b>	<b>4,312.54</b>	<b>33,465.73</b>
<b>131.44 · Bank of Marin - Sewer</b>							<b>Beginning Balance</b>	<b>24,122.07</b>	
	Deposit	06/02/2017			Deposit	250.00	24,372.07		
	Bill Pmt -Check	06/10/2017	4366	Kristin Lawson	June - August	-300.00	24,072.07		
	Bill Pmt -Check	06/10/2017	4367	Melinda K. Bell	May	-1,103.75	22,968.32		
	Bill Pmt -Check	06/10/2017	4368	Natural Systems Utilities	June services	-5,610.71	17,357.61		
	Bill Pmt -Check	06/10/2017	4369	Nelson Staffing	June 1-19	-174.75	17,182.86		
	Bill Pmt -Check	06/10/2017	4370	PGE	8044736439-1	-72.62	17,110.24		
	Bill Pmt -Check	06/10/2017	4371	Capital One Bank	Sonic, Squarespace	-119.94	16,990.30		
	Bill Pmt -Check	06/14/2017	4372	Ortiz, Jose	29 hours, 44 miles, 1 hour travel	-3,711.04	13,279.26		
	Bill Pmt -Check	06/15/2017	4373	Nelson Staffing	6/5 3 hours	-104.85	13,174.41		
	Deposit	06/30/2017			interest	0.08	13,174.49		
Total 131.44 · Bank of Marin - Sewer							<b>Ending Balance</b>	<b>-10,947.58</b>	<b>13,174.49</b>
<b>131.48 · Bank of Marin - Solar</b>							<b>Beginning Balance</b>	<b>19,098.28</b>	
	Deposit	06/30/2017			Interest	0.08	19,098.36		
Total 131.48 · Bank of Marin - Solar							<b>Ending Balance</b>	<b>0.08</b>	<b>19,098.36</b>
<b>131.00 · Sewer Accounts</b>							<b>Ending Balance</b>	<b>201,745.09</b>	



## **Financial Manager's Report July 12, 2017**

The financial reports in the packet are preliminary for the end of the 2016/2017 fiscal year. Some bills have not been received for work done before July 1. Aside from those missing bills, these reports should be pretty close to the final results for the year.

The sewer program balance sheet shows that cash decreased \$31,000 during the fiscal year. The sewer program budgetary comparison shows that sewer net income for the year including depreciation was a loss of \$44,000. Without the depreciation expense, net income would be a positive \$9,000. Debt decreased \$41,000 during the year. Net cash-basis income provided \$9,000 to pay off the debt, but \$31,000 from existing cash was needed for the rest of the debt payment. Another \$1,000 was provided because receivables decreased that amount during the year.

A positive net income for the sewer program is desirable, but in addition cash balances must be maintained at the level needed for smooth operations. In the second year of the rate increase \$27,800 will be provided from the increased sewer service charges. With a healthy net income slightly more than this year's and the increase in rates, cash balances should be preserved. Depreciation is wearing out the capital assets, but each year's budget will provide for repairs and maintenance for nine years until the debt is paid off. At that time capital needs will be assessed.

Among the bills not yet received are the Board member stipends. I am requesting the Board members submit their time sheets for attendance during the fiscal year so the expenses can be recorded properly in the right year.

Included in the packet is the insurance coverage for the new fiscal year. The coverage should probably be analyzed and discussed with SDRMA. Property and liability rates are increasing \$900 from last year, but workers' comp cost decreases \$625. The new expenses will be \$200 more than estimated in the 2017/2018 budget.

The day after the budgets were adopted I sent them to Marin County Department of Finance. Dana Proctor objected to our use of the term "Unitary" Levy 4 revenues. She said that our 2016/2017 Unitary revenues were only \$1,427.51. The remainder of the \$9,313 Levy 4 revenues received in 2016/2017 were not Unitary. During the next months I will study the reports we have finally received from the County on our Levy 4 revenues to determine proper terminology and the formulas behind the annual calculation of the revenue.

## MEMBER'S CERTIFICATE OF COVERAGE

Issue Date  
7/1/2017

**Provider** Special District Risk Management Authority  
1112 'I' Street, Suite 300  
Sacramento, California 95814  
800.537.7790 www.sdrma.org



**Member** Tomales Village Community Services District  
Post Office Box 303  
Tomales California, 94971

Member Number: 7194

This is to certify that coverages listed below have been issued to the Member named above for the period indicated. This certificate is not an insurance policy or an agreement of coverage and does not amend, extend or alter the coverage afforded by the agreements listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the coverage described herein is subject to all the terms, exclusions, and conditions of the specific coverage document. This certificate of coverage evidences the limits of liability in effect at the inception of the agreements shown; limits shown may have been reduced by paid claims. This certificate is issued as a matter of information only and confers no rights upon the certificate holder.

Type of Coverage	Policy Number	Effective Date	Expiration Date	Limits
<b>Property</b>	See Coverage Docs	7/1/2017	7/1/2018	Per Occurrence
Property				\$ 1,000,000,000
Boiler & Machinery				\$ 100,000,000
Pollution	PPC-SDRMA-201718			\$ 1,000,000
Cyber	See Coverage Docs			Limits on File
				Replacement cost for Scheduled Property
<b>General Liability</b>	LCA-SDRMA-201718	7/1/2017	7/1/2018	Per Occurrence
Bodily Injury				\$ 2,500,000
Property Damage				\$ 2,500,000
Public Officials Personal				\$ 500,000
Employment Benefits				\$ 2,500,000
Employee/Public Officials E & O				\$ 2,500,000
Employment Practices Liability				\$ 2,500,000
Employee/Public Officials Dishonesty	EDC-SDRMA-201718			\$ 1,000,000
<b>Auto Liability</b>	LCA-SDRMA-201718	7/1/2017	7/1/2018	Per Occurrence
Auto Bodily Injury				\$ 2,500,000
Auto Property Damage				\$ 2,500,000
Uninsured Motorist	UMI-SDRMA-201718			Limits on File
<b>Workers' Compensation</b>	WCP-SDRMA-201718	7/1/2017	7/1/2018	Per Occurrence
Employers Liability				\$ 5,000,000
Workers' Compensation				Statutory

Gregory S. Hall - Chief Executive Officer

Description: All listed coverage is in effect only for the time period specified.

Preliminary June 30, 2017, Balance Sheets

			Jun 30, 17	Jun 30, 16
<b>ASSETS</b>		<b>PARK</b>		
<b>Current Assets</b>				
		131.46 · Bank of Marin - Park Account	120,374.19	101,289.59
		137.00 · Accounts Receivable	70.00	0.00
		<b>Total Accounts Receivable</b>	<b>70.00</b>	<b>0.00</b>
<b>Total Current Assets</b>			<b>120,444.19</b>	<b>101,289.59</b>
<b>Fixed Assets</b>				
		100.20 · Land and Land Rights	132,000.00	132,000.00
		111.00 · Park Equipment		
		Original Cost	309,286.28	309,286.28
		105.00 · Depreciation	-51,433.00	-51,433.00
		<b>Total 111.00 · Park Equipment</b>	<b>257,853.28</b>	<b>257,853.28</b>
<b>Total Fixed Assets</b>			<b>389,853.28</b>	<b>389,853.28</b>
<b>TOTAL ASSETS</b>			<b>510,297.47</b>	<b>491,142.87</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
		222.00 · Accounts Payable	-45.43	360.98
		217.00 · Unearned Revenue	25,000.00	25,000.00
		<b>Total Current Liabilities</b>	<b>24,954.57</b>	<b>25,360.98</b>
<b>Total Liabilities</b>			<b>24,954.57</b>	<b>25,360.98</b>
<b>Equity</b>				
		252.50 · Investment in Capital Assets	389,853.28	389,853.28
		260.00 · Unassigned Fund Balance	75,928.61	44,417.22
		Net Income	19,561.01	31,511.39
<b>Total Equity</b>			<b>485,342.90</b>	<b>465,781.89</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>			<b>510,297.47</b>	<b>491,142.87</b>
<b>ASSETS</b>		<b>SEWER</b>		
<b>Current Assets</b>				
		131.31 · Redwood Credit Union	136,006.51	135,802.52
		131.42 · Bank of Marin - Money Market	33,465.73	45,799.95
		131.44 · Bank of Marin - Sewer	13,174.49	21,146.73
		131.48 · Bank of Marin - Solar	19,098.36	29,838.47
		<b>Total 131.00 · Cash</b>	<b>201,745.09</b>	<b>232,587.67</b>
		137.00 · Accounts Receivable	63.00	0.00
<b>Total Current Assets</b>			<b>201,808.09</b>	<b>232,587.67</b>
<b>Fixed Assets</b>				
		100.00 · Property, Plant and Equipment	791,665.97	791,665.97
		100.10 · Maps and Records	17,248.00	17,248.00
		100.20 · Land and Land Rights	52,788.00	52,788.00
		110.00 · Improvement Project	939,393.31	939,393.31
		112.00 · Solar System	269,945.21	269,945.21
		105.00 · Less Accumulated Depreciation	-585,523.97	-532,120.01
<b>Total Fixed Assets</b>			<b>1,485,516.52</b>	<b>1,538,920.48</b>
<b>Other Assets</b>				
		136.00 · SUSD Note Receivable	18,275.90	19,729.90
<b>TOTAL ASSETS</b>			<b>1,705,600.51</b>	<b>1,791,238.05</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
		222.00 · Accounts Payable	6,290.84	9,483.07
		230.00 · Fed Payroll Tax Payab	57.37	0.00
		<b>Total Current Liabilities</b>	<b>6,348.21</b>	<b>9,483.07</b>
		<b>Long Term Liabilities</b>		
		211.00 · SWRCB SRF Loan	134,813.90	155,074.71
		215.00 · CREBS Bond	161,470.56	179,411.74
		<b>Total Long Term Liabilities</b>	<b>296,284.46</b>	<b>334,486.45</b>
<b>Total Liabilities</b>			<b>302,632.67</b>	<b>343,969.52</b>
<b>Equity</b>				
		260.00 · Retained Earnings	1,214,215.19	1,274,279.74
		261.00 · Sinking Fund - Debt Reserve	47,775.00	47,775.00
		262.00 · Capital Improvement Reserve	42,758.97	42,758.97
		263.00 · Emergency Reserve	33,982.00	33,982.00
		264.00 · Operating Reserve	3,537.37	3,537.37
		265.00 · Net Assets - Unrestricted	105,000.00	105,000.00
		Net Income	-44,300.69	-60,064.55
<b>Total Equity</b>			<b>1,402,967.84</b>	<b>1,447,268.53</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>			<b>1,705,600.51</b>	<b>1,791,238.05</b>

ACTUAL TO BUDGET 2017		PARK	Jul '16 - Jun 17	Budget
Income		311.00 · Interest Income	5.89	3.00
		315.80 · Measure A Funds	33,402.38	32,900.00
	320.00 · Contributions Income			
		320.20 · Restricted	0.00	100.00
		320.33 · Film Fees	300.00	300.00
		320.00 · Contributions Income - Other	550.00	
	Total 320.00 · Contributions Income		850.00	400.00
		322.00 · Park Use Rental - Other	500.00	550.00
		322.60 · Water Tower PGE	840.00	840.00
Total Income			35,598.27	34,693.00
Expense		414.57 · Accounting	708.75	
		414.60 · Publication and Notices	40.00	
		414.74 · Park Maintenance	63.72	
		414.81 · Measure A Project Expenses	13,123.13	40,300.00
		414.82 · Measure A Maintenance Expenses	929.47	621.00
		414.83 · PGE Park	1,144.24	1,310.00
		414.85 · Matching Project Funds	0.00	32,169.00
	Total 414.80 · Measure A		15,196.84	74,400.00
		423.30 · Fundraising Expense	27.95	
Total Expense			16,037.26	74,400.00
Net Income			19,561.01	-39,707.00
		<b>SEWER</b>		
Income	301.00 · Service Charges			
		301.10 · Service Charges - Monthly	756.00	756.00
		301.15 · Service Charges - Annual Fees	1,512.00	1,512.00
		301.20 · Service Charges - SUSD	68,689.47	61,258.00
		301.35 · Solar Portion - County	7,200.00	7,680.00
		301.30 · County - Other	83,337.29	90,191.00
	Total 301.30 · Service Charges - County		90,537.29	97,871.00
	Total 301.00 · Service Charges		161,494.76	161,397.00
	303.00 · Connection Fees		0.00	10,000.00
	305.00 · SUSD Sinking Fund		8,062.00	8,062.00
	311.00 · Interest Income		1,409.08	1,492.00
	315.50 · Levy 4		9,312.85	8,200.00
	317.00 · Other Operating Income		250.00	
Total Income			180,528.69	189,151.00
Expense	410.00 · Sewage Collection		429.02	375.00
	411.00 · Sewage Treatment		7,633.74	8,100.00
	412.00 · Sewage Disposal		322.44	336.00
		414.13 · State Unemployment Tax	68.63	178.00
		414.12 · Medicare Payroll Tax	27.54	60.00
		414.11 · Social Security Tax	117.78	312.00
		414.05 · Administrator's Fees	45,062.50	45,477.00
		414.22 · Licenses and Permits	1,334.00	1,346.00
		414.31 · Property & Liability Insurance	6,050.59	6,000.00
		414.33 · Worker's Comp Insurance	750.73	500.00
		414.41 · Postage and Delivery	378.66	350.00
		414.42 · Printing and Copies	86.25	50.00
		414.43 · Office Supplies	68.66	310.00
		414.44 · Sonic - Web Hosting	412.20	250.00
		414.45 · Equipment Expense	99.99	250.00
		414.465 · Board Meber Stipend	2,650.00	5,000.00
		414.467 · Board Training	0.00	1,000.00
		414.47 · Clerical/Bookkeeping	12,984.75	10,220.00
		414.48 · Office Rent	1,200.00	1,200.00
		414.49 · Secretary	4,316.31	6,856.00
		414.50 · O&M Contractual Services	70,555.72	71,000.00
		414.552 · Accounting	5,000.00	4,750.00
		414.61 · Newsletter Expense	442.03	710.00
		414.60 · Publication and Notices - Other	345.00	
		414.62 · Dues and Subscriptions	1,108.20	1,510.00
		414.67 · Solar Lease Admin Fee	750.00	750.00
		414.71 · Plant and Building Maintena	0.00	1,000.00
		414.72 · Computer Repairs	709.00	250.00
		414.73 · Equipment Repairs	1,269.93	1,150.00
		414.76 · Collection System Maintena	0.00	5,000.00
		414.77 · Irrigation Field Maintenance	0.00	6,000.00
		414.78 · Solar Panel Maintenance	0.00	400.00
	Total 414.70 · Repairs and Maintenance		1,978.93	13,800.00
	414.81 · Travel		618.61	320.00
	414.90 · Telephone and Internet Services		2,595.87	2,640.00
	417.30 · LAFCO Charges		160.40	124.00
	415.50 · Depreciation Expense		53,403.96	
	420.20 · Interest Expense - SRF Loan		3,876.87	3,877.00
Total Expense			224,829.38	187,651.00
Net Income			-44,300.69	1,500.00

# GENERAL MANAGER'S REPORT

JULY 12, 2017

## Coordination with Staff

- ❖ Reviewed July 12, 2017 agenda and optimized agenda packet.
- ❖ Coordinated with Financial Manager and approved invoices submitted by NSU/PSI, Telstar, and others.
- ❖ Reviewed proposed financial summaries and other meeting information.
- ❖ Coordinated with Walter and Margaret on new website hosted by squarespace.com.
- ❖ Coordinated with Steve Chase from NSU on various items. I plan to meet with Steve to begin transferring accounts for lab testing and building and grounds maintenance to the District for billing purposes.

## New/Continuing Business

- ❖ There is a correction to last month's General Manager's Report. NSU postponed changing the two big spray guns and half of the Rainbird type sprinkler heads until after the irrigation season. This will not affect our ability to draw down the storage ponds in time for winter operations.
- ❖ I will be contacting Point Blue Conservation Science about the procedure for using reclaimed water for irrigation and for getting the appropriate permits.
- ❖ A "no spill" certification was submitted for June 2017.
- ❖ As we reported to the Board at the June Meeting, Deborah Parrish and I met with Andy Zinkevich of NSU/PSI about revising the current O&M contract in May. Andy and I reached agreement on various terms in the contract. As we discussed, the contract is now \$4,095.64 and it is for a term of three years starting July 1, 2017. By mutual agreement, it can be extended annually for an additional two years for a total of five years.
- ❖ No FAC or PAC meetings were held in June. I contacted architect Craig Williams with expertise in ADA design and construction projects to get a strategy for soliciting interest in our handicap ramp project at the park. He confirmed that contractors are very busy right now. In fact, if they do respond to a solicitation for bids, some will bid higher than it will cost them. The scope of work for upcoming park construction projects will include the replacement of the gazebo structure, the fence, and construction of the handicap ramps.
- ❖ Responded to Notification of November 2017 District Elections from County of Marin Department of Elections. The terms of office for three Board Directors end on December 1, 2017. Forms and a resolution were sent to the County after the June regular BOD meeting.

## *Next Month*

### Report Preparation/Tasks

- ❖ Continue with adoption of CSD standards and policies for sewer connections. I will bring recommended standards for the Board to adopt at the October meeting.
- ❖ Finalize contract administration and project management needs for some of the upcoming park improvement projects.
- ❖ We still have no response to our website self-audit report for the special district web transparency scorecard.

## SERVICES CONTRACT

**1. The Parties.** The Parties to this Contract are:

The TOMALES VILLAGE COMMUNITY SERVICES DISTRICT (the "District"), a California Special District, and Natural Systems Utilities-CA, Inc. ("Contractor").

**2. Term.** The Effective Date of this Contract is July 1, 2017 and it shall terminate at the close of business on June 30, 2020, unless extended annually by mutual consent of the District and the Contractor an additional two years for a total of five years; or unless terminated earlier in accordance with the provisions set forth below in Sections 6 and 7; or extended beyond the five years in accordance with the provisions of Addendum Section C6.

**3. Additional Terms.** Additional terms and provisions of this Contract, including the description of the services to be provided and the agreement concerning compensation and reimbursement of expenses, are set forth in the Addendum to Services Contract attached hereto and incorporated into this Contract by this reference. The Addendum can be altered at any time with mutual consent of the District and the Contractor.

**4. Performance Monitoring.** In order to monitor Contractor's performance under this Contract: (a) Contractor shall submit reports requested by the District to disclose compliance information; (b) the District shall have the right to inspect Contractor's documents, activities and circumstances as appropriate to monitor compliance; and (c) the District will conduct a formal evaluation of Contractor's performance annually, measuring criteria set by the District's Board of Directors.

**5. Events of Default.** The following constitute events of default:

**A.** Any material misrepresentation made by Contractor to the District, whether negligent or willful, and whether in the inducement or in the performance of the Contract.

**B.** Contractor's material failure to perform any of its obligations under the Contract including the following: (a) failure to perform the Services with sufficient personnel and equipment or with sufficient material to ensure the performance of the Services; (b) failure to promptly re-perform within a reasonable time Services that were rejected as erroneous or unsatisfactory; (c) discontinuance of the Services for reasons within Contractor's reasonable control; (d) failure to comply with the District's terms and conditions as set forth in the RFP; (e) failure to comply with any other material term of the Contract.

**C.** (a) The filing by Contractor of a petition or proceeding under applicable state or federal bankruptcy or solvency laws or statutes, which petition or proceeding has not been dismissed within thirty (30) days after the date of its filing; (b) the initiation

against Contractor by any creditor of an involuntary petition or proceeding under any state or federal bankruptcy or insolvency law or statute, which petition or proceeding is not dismissed within thirty (30) days after the date of filing; or (c) the appointment of a receiver for Contractor with respect to all or a portion of its assets.

**D.** Failure to comply with the provisions in the Contract requiring compliance with all laws in the performance of the Contract.

**6. Remedies.** Upon the occurrence of any event of default the District shall have the right to declare Contractor in default. The District may in its sole discretion give Contractor an opportunity to cure the default within thirty (30) days. The District will give Contractor written notice of the default, after which the District may invoke any or all of the following remedies:

**A.** The right to terminate the Contract as to any or all of the Services yet to be performed;

**B.** The right of specific performance, an injunction, or any other appropriate equitable remedy;

**C.** The right to money damages;

**D.** The right to withhold all or any part of Contractor's compensation under this Contract.

**7. A. Termination for Cause.** The District reserves the right to terminate this Contract in the event Contractor breaches or violates any term or terms of the Contract. In the event of such termination for cause, the District shall pay for services performed and accepted by the District that are in compliance with the requirements of this Contract prior to the date of termination.

**B. Termination for Convenience.** The District and the Contractor reserve the right to terminate this Contract without showing cause upon giving one hundred eighty (180) days written notice to the Contractor. The District shall only pay for services performed prior to the effective date of termination.

**8. Ownership of District Data.** Any and all data or confidential information that may be provided to or made available to Contractor ("District Data") is and shall remain the property of the District. Contractor and its employees, agents and subcontractors and their employees and agents shall not: (a) use the District Data other than in connection with the performance of the Services; (b) disclose, sell, assign, lease or otherwise provide the District Data to any third parties; or (c) commercially exploit the District Data.

**9. Warranties and Representations.** In connection with signing and carrying out the Contract, Contractor represents and warrants to the District that: (a) Contractor is appropriately licensed under California law to perform the Services specified in this

Contract and will perform no Service for which Contractor is not appropriately licensed; and (b) Contractor is competent to perform the Services and will provide experienced and competent personnel to carry out the Services in a timely fashion.

**10. Notices.** Notices permitted or required under this Contract shall be sent: (a) to Contractor by delivery to the Contractor's primary contact person identified in the attached Addendum to Services Contract; (b) to the District by delivery to Tomales Village Community Services District, PO Box 303, Tomales, CA 94971; or (c) to such other address that the party may designate by notice to the other which is given in accordance with the terms of this paragraph. Notice shall be deemed to have been given five (5) days after being sent by Registered or Certified Mail, postage prepaid, return receipt requested.

**11. Insurance.** Contractor is required to procure and maintain insurance as described below. Contractor will provide certificates of insurance showing that it has the required policies. Each company providing insurance coverage shall be authorized to do business in the State of California and shall have a Best's rating of no less than A. The insurance shall require sixty (60) days prior written notice to be given to the District in the event coverage is substantially changed, suspended, voided, cancelled, or not renewed. The Contractor is not provided workers' compensation insurance by the District.

**A.** General Liability, with limits of liability not less than \$1,000,000 per occurrence.

**B.** Automobile Liability, with limits of liability not less than \$1,000,000 per occurrence.

**C.** Professional Liability, with limits of liability not less than \$1,000,000 per occurrence.

**12. Disputes.** This Contract shall be governed by the laws of the State of California. The Parties agree that any dispute between them arising out of or relating to this Contract shall be resolved by binding arbitration before one arbitrator under the commercial rules of the American Arbitration Association. The parties shall attempt to agree on the arbitrator. If they fail to reach agreement, the arbitrator shall be appointed by the Presiding Judge of the Superior Court of Marin County, California. Unless the parties agree otherwise, the arbitration shall be held in Tomales, California. The prevailing party in any such arbitration or other legal action shall be entitled to recover its reasonable attorney's fees and costs.

**13. Indemnification and Limitation of Liability.** Contractor shall indemnify and hold the District, its employees, officers, directors, agents, consultants, contractors, and

representatives harmless from and against all liability, including attorneys' fees and costs, for all damages of any nature whatsoever, including employee related injury or illness, any bodily injury or personal damage claim and any damage to or loss of use or loss of any personal or real property, which is caused by or directly attributable to the fault, failure, error, omission, negligent, or wrongful act of Contractor, its employees, officers, directors, agents, consultants, subcontractors, and representatives for which it may be responsible in the performance or purported performance of its obligations under this Contract, but only to the extent of and in proportion to the degree of fault, failure, error, omission, negligent, or wrongful act of Contractor, its employees, officers, directors, agents, consultants, subcontractors, and representatives.

Notwithstanding any other term in the Contract, in no event shall Contractor's total liability to the District and any of the District's officers, directors, employees, agents, contractors, or subcontractors for any and all injuries, claims, losses, expenses or damages whatsoever arising out of or in any way related to the Contract from any cause or causes, including, but not limited to, Contractor's wrongful act, omission, negligence, errors, strict liability, breach of contract, breach of warranty, express or implied, exceed an amount equal to \$250,000.00.

The District shall indemnify and hold Contractor, its employees, officers, directors, agents, consultants, contractors, subcontractors, and representatives harmless from and against all liability, including attorneys' fees and costs, for all damages of any nature whatsoever, including employee related injury or illness, any bodily injury or personal damage claim and any damage to or loss of use or loss of any personal or real property, which is caused by or directly attributable to the fault, failure, error, omission, negligent, or wrongful act of the District, its employees, officers, directors, agents, consultants, contractors, subcontractors, and representatives for which it may be responsible in the performance or purported performance of its obligations under this Contract, but only to the extent of and in proportion to the degree of fault, failure, error, omission, negligent, or wrongful act of the District, its employees, officers, directors, agents, consultants, contractors, subcontractors, and representatives.

This obligation to indemnify shall survive the termination or expiration of this Contract.

**14. Independent Contractor.** This Contract is not intended to and will not constitute, create, or give rise to a joint venture, partnership, or any other business association or organization of any kind between Contractor and the District. The rights and the obligations of the Parties are only those expressly set forth in this Contract. Contractor shall perform under the Contract as an independent contractor and not as a representative, employee, agent, or partner of the District.

**15. Compliance with Laws.** Contractor shall comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders.

**16. Modifications and Amendments.** No changes, amendments or modifications of the Contract, or any part hereof, shall be valid unless in writing and signed by both Parties.

**17. Assigns.** All of the terms and conditions of the Contract are binding upon and inure to the benefit of the parties and their respective legal representatives, successors and permitted assigns. Neither Contractor nor the District may assign or transfer all or any portion of this Contract without the prior written consent of the other Party.

**18. Cooperation.** If this Contract is terminated for any reason, or if it expires on its own terms, Contractor agrees to: (a) make every effort to assure an orderly transition to another provider of the Services and an orderly demobilization of its own operations in connection with the Services; (b) promptly return all District property, including District Data (as defined in Section 8 above), files and documents; and (c) will otherwise comply with the reasonable requests of the District in connection with the termination or expiration.

**19. Waiver.** The making or failure to make any payment, take any action or waive any right under this Contract shall not be deemed to be an amendment of this Contract nor a consent to such action or failure to act, or to any other action or failure to act. No waiver by either Party of a breach of any provision of this Contract shall be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any right or remedy under this Contract.

**20. Severability.** In the event that any provision of this Contract is deemed to be invalid by reason of the operation of any law or by reason of an interpretation by any court or other governmental body, this Contract shall be construed as not containing that provision and all other provisions of this Contract shall remain in full force and effect.

**21. Non-Liability of Public Officials.** Contractor will not charge any director, officer, representative, volunteer, official, employee or agent of the District personally with any liability or expenses of defense or hold any director, officer, representative, volunteer, official, employee or agent of the District personally liable to it under any term or provision of the Contract or because of the District's execution, attempted execution or breach of the Contract.

**22. Confidentiality.** Contractor acknowledges that it will be entrusted with or have access to valuable and confidential information, including documents, data and records of the District. With respect to that information, Contractor agrees to be held to the standard of care of a fiduciary. If Contractor is presented with a subpoena or request concerning any such information which may be in Contractor's possession by reason of the Contract, Contractor shall immediately give notice to the District so that the District will have the opportunity to contest such subpoena or request before the documents, data or records are submitted to a court or third party. Contractor is not obligated to withhold the delivery beyond the time ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended.

**23. Entire Contract.** This Contract, together with the attached Addendum to Services Contract and the Request for Proposal, constitutes the entire agreement and understanding between the parties related to its subject matter. All prior or contemporaneous conversations, negotiations, agreements and representations with respect to the subject matter hereof are superseded by the written terms of this Contract. If there is a conflict between the language in this Contract and language contained in the RFP, then the language in this Contract shall govern.

**24. Authority.** The persons signing this Contract certify that they have the power and authority to enter into and execute this Contract on behalf of the contracting Parties.

**The Parties hereby agree** to the terms and provisions set forth in this Services Contract as of the Effective Date set forth above, and agree to be bound by the terms and provisions, including those set forth in the attached Addendum to Services Contract.

TOMALES VILLAGE COMMUNITY  
SERVICES DISTRICT

NATURAL SYSTEMS UTILITIES-CA, INC.

By:   
Title: General Manager

By:   
Title: Vice President

## ADDENDUM TO SERVICES CONTRACT

### A. Contractor's Primary Contacts.

#### Operations:

Steve Chase

Tomales - Chief Plant Operator

707-254-1931

[schase@naturalsystemsutilities.com](mailto:schase@naturalsystemsutilities.com)

#### Contract:

Andre Zinkevich

Vice President

[azinkevich@naturalsystemsutilities.com](mailto:azinkevich@naturalsystemsutilities.com)

### B. Services to be Provided.

The Services to be provided under this Contract are described in detail in the Scope of Work Attached as Addendum Section D.

In the event that Contractor is requested to provide services that are beyond the Scope of Work as described herein, those services will be compensated as set forth in Addendum Section C.

### C. Compensation and Reimbursement of Expenses.

1. The initial Monthly Service Charge shall be \$4095.64.
2. The Monthly Service Charge will be billed to the District at the beginning of each month services are to be provided. This fee is intended to cover all routine operation, management and maintenance services for the Facilities up to the limits specified in these Specifications. The monthly service charge includes:
  - a. Employee salaries, benefits, employers' taxes, workers compensation insurance for services as identified in the scope of services.
  - b. Vehicles and hand tools.
  - c. Plant management, supervision, record keeping, and reporting.
  - d. Answering service 24-7 availability.
  - e. Customer service calls initial telephone response.
  - f. Contractor administration, overhead and profit.
3. Compensation for later years of the agreement will be adjusted annually in December starting with December 2018 for the period starting January 1, 2019 and annually for January 1<sup>st</sup> thereafter. The adjustment will be based on the U.S. Department of Labor Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers for the San Francisco- Oakland area. The adjustment shall be based on the most recent period

## ADDENDUM TO SERVICES CONTRACT

available compared with the prior adjustment effective date. The Contractor will modify District's invoice to reflect the calculated CPI adjustment at the beginning of each new year of the contract.

4. Non Scheduled Work- Non Scheduled Work will be billed in accordance with these Specifications in accordance with the Contractor's then-current Schedule of Rates. Non Scheduled Work will be invoiced at the end of the month in which the work was performed. Non Scheduled Work invoices shall include supporting documentation as necessary.
5. Time of Payment - Invoices are due upon receipt. District shall pay 1/2 % interest per month for balances over 30 days past due. District shall be responsible for reasonable collection fees, including but not limited to attorney's fees, for the collection of any outstanding balance.
6. Extension -The term of the Agreement will automatically extend beyond the normal expiration date under the same terms of these Specifications, or as amended, until a Notice of Termination is given.

### D. Scope of Work

1. Relationship - The relationship of Contractor to District shall at all times be that of an independent contractor.
2. Ownership - Facilities, Supplies and Equipment- Property and Facilities owned, operated and maintained by the District, as well as tools, furniture, parts, documents and supplies owned by the District shall be the sole property of the District. Property provided by Contractor shall remain the sole property of the Contractor, except those items provided by Contractor for which specific payment has been received from District by Contractor for those items.
3. Data- Documents pertaining to operation, management and maintenance of the Facilities as currently exist, or as may be gathered by the Contractor in accordance with these Specifications, shall remain the sole property of the District. Written and/or electronic records shall be maintained on District property. Contractor's internal correspondence, personnel records, confidential financial reports, and other documents shall remain the property of the Contractor.
4. Facilities Included:
  - a. General - Contractor shall operate and maintain in accordance with these specifications.
  - b. Tomales Facilities- Facilities shall include all District collection system, pipelines, cleanouts and manholes; lower town lift station and force main; treatment plant facilities, effluent force main, storage reservoirs and irrigation system. Note that side sewers from the District "Y" connection are the property owner's responsibility.

## ADDENDUM TO SERVICES CONTRACT

- c. Existing Conditions- Facilities are provided in their existing condition.

### 5. District Requirements

- a. Competency of Workers- Contractor shall provide personnel adequately skilled to perform their assigned duties. Where applicable, workers shall comply with certification, registration or license requirements for their duties.
- b. Staffing Levels - Contractor shall provide adequately staff to meet these Specifications.
- c. Plant Manager
  - i. Contractors Representative – Contractor shall designate a Chief Plant Operator to oversee system operations.
  - ii. Scope of Duties- The Plant Manager, or his designee, shall have responsibility for managing the Contractors activities under these Specifications.
  - iii. Qualifications - The Plant Manager shall be certified at a minimum of a Grade II Wastewater Treatment Plant Operator and shall have experience in the operation, management and maintenance of treatment systems similar to the District Facilities.
  - iv. Availability- The Plant Manager shall be available to consult with District staff during normal business hours. During non-business hours the Plant Manager or designee shall be available by telephone or pager seven (7) days per week, twenty four (24) hours per day.

### 6. Operation of Facilities

- a. Design Capacity- For the purposes of these Specifications, the design capacity of the treatment plant is 43,000 gallons per day.
- b. Regulatory Requirements- Contractor and District agree to operate, manage and maintain the Facilities in compliance with applicable regulations, including but not limited to:
  - i. San Francisco Regional Water Quality Control Board and Waste Discharge Order R2-2015-0019.
  - ii. Bay Area Air Quality Management District
  - iii. California Division of Industrial Safety (Cal OSHA)
  - iv. State Water Resources Control Board Operator Certification Regulations
  - v. Environmental Protection Agency (EPA)
  - vi. Contractor shall prepare and submit routine operating reports required by current regulations.
  - vii. Contractor is required to report all noncompliance events in accordance with the Waste Discharge Order.

### 7. Maintenance of Facilities

- a. Preventive and Corrective Maintenance- Contractor shall provide preventive and corrective maintenance as defined herein, and maintain the Facilities in good

## ADDENDUM TO SERVICES CONTRACT

working order and repair.

- b. The contractor shall submit the proposed method of repair or replacement and associated costs for any materials or parts associated with repair or replacement to the District. In cases of an emergency nature, Contractor shall be authorized to proceed after a reasonable attempt is made to contact the District. Associated material or emergency repair costs will be Non Scheduled Work.
- c. Parts for corrective repairs to rotating or moving equipment such as motors, pumps, and valves and Irrigation spray head replacement parts will be considered non-scheduled work. Labor associated with corrective repair for aerators, pumps, valves, or sprinkler parts in excess of regular operations and maintenance visits will be considered as Non Scheduled Work.
- d. Sludge, Residue and Residuals -District is responsible for disposal of sludge, residue, grit, grease, chemicals, abandoned equipment and/or other residual materials produced by the District's facilities.
- e. Standard Maintenance Program- Contractor shall develop and provide a systematic maintenance program, which comply with the Operations and Maintenance Manuals, equipment manufacturer's recommendations or best industry practice; whichever Contractor believes is most appropriate. Copies will be located at the treatment plant. Copies of the program are attached.
- f. Maintenance Reports - Reports will be maintained and filed at the wastewater treatment plant on a monthly basis.
- g. Performance Standards- Contractor shall perform all work in a neat and workmanlike manner. Any damage to District facilities caused by Contractor willful misconduct or negligence shall be repaired at Contractor's sole expense. All work shall be completed in a timely manner and of a quality in compliance with industry standards.
- h. Special Requirements- Grounds shall be maintained by the district in a manner that limits vegetation to eighteen inches or less in the treatment plant area and maintains drainage free of excessive vegetation. Roadways shall be maintained in a relatively vegetation free condition and graded or repaired as needed to control potholes. Vegetation shall be controlled in ponds and reservoirs so not to obstruct proper operation and sanitation. Rodents shall be controlled as necessary.

### 8.Operational Standards

- a. Operations and Maintenance Manuals - Contractor shall operate and maintain the Facilities at a minimum in accordance with the Operations and Maintenance Manual. Manuals shall be maintained and kept at the wastewater treatment plant.
- b. Reporting - Contractor shall provide the District with a copy of all routine or special operating reports. Contractor shall prepare reports as requested by the District to document process upsets, noncompliance events, and damage to equipment, emergency situations, and other such matters related to the operation

## ADDENDUM TO SERVICES CONTRACT

of the Facilities in accordance with these Specifications.

- c. Non-degradation- Contractor shall not employ any practices which result in excessive wear or degradation of the Facilities.
- d. Emergency Response- Contractor shall promptly respond to all alarms and notifications of emergency conditions. Emergency response and actual emergency repairs are eligible for reimbursement as a Non-Scheduled Work expenditure

### 9. Communications

- a. District- Contractor shall maintain staffing and procedures necessary to insure timely professional communications with the District.
- b. Document Forwarding- Both District and Contractor shall immediately forward to each other any document or information received which concerns the operations, management and maintenance of the Facilities.
- c. Customers- Contractor shall maintain a work request tracking system to document calls and responses from and to District customers.
- d. Regulators- Contractor shall provide written and oral communications with regulatory agencies concerning the operations and maintenance of the Facilities.
- e. District- Contractor shall provide copies to the District of written communications with regulatory agencies and report substantive conversations or communications which may affect the District
- f. At least annually the Contractor shall attend a Board of Directors meeting and respond to Board questions.

### 10. Non-Standard Operation - This section is intended to provide a mechanism to equitably manage changes in facility operations and maintenance which are considered to be beyond the normal scope as described in these Specifications.

- a. District Initiated Work- When authorized by the District, Contractor may perform work outside the scope of these specifications as Non Scheduled Work
- b. Emergencies - In the event of an emergency situation, Contractor shall make a reasonable effort to contact the District before incurring costs for Non Scheduled Work. In the event the Contract cannot reach the District, Contractor is authorized to make reasonable and necessary expenditures to alleviate the emergency condition. In the event such expenditures were made, Contractor shall notify the District as soon as possible and provide a written report to the District as soon as practical.
- c. Changed Conditions- Due to events outside the control of the Contractor and/or District, such as changed laws, regulations or requirements, changed processes or procedures, latent conditions unknown by Contractor, loss of supply, judgment or stipulation; including but not limited to changes in annual flow above 15% of prior year's flow; Contractor will bill the District as Non Scheduled Work. Within eighteen months Contractor shall amend its agreement with the District to

## ADDENDUM TO SERVICES CONTRACT

reflect the costs of the new or modified conditions.

- d. Special Operations and Maintenance- Winter irrigation, and other non-routine tasks not covered by these Specifications shall be approved by the District in writing as Non Scheduled Work, except in an emergency, in advance of Contractor beginning the work.
- e. New Construction- When requested by the District, Contractor shall undertake the operation, management and maintenance of new or modified facilities as Non Scheduled Work. Within eighteen months Contractor shall amend its agreement with the District to reflect the costs of the new or modified facilities. Work by Others - District may have work done by others which impacts Contractor. Work performed by Contractor necessary to coordinate with others shall be billed to District as Non Scheduled Work.

### 11. District Responsibilities

- a. Capital Improvements and Capital Expenditures - District shall be responsible for planning, scheduling, designing and implementing all capital improvement work necessary to replace, modify, add or remove facilities. Annually the District and Contractor will meet and evaluate capital improvements for purposes of planning and budgeting. The District may authorize capital improvements to be completed by Contractor, or may make arrangements with others. If improvements are not performed by Contractor, District will closely coordinate this work with the Contractor to minimize impacts on plant operations. The following are included as capital improvements.
  - i. Engineering- Provide all engineering for new construction or modifications to facilities, and provide for Contractor to review and comment on work. District will provide all specifications and record drawings for work as well as manufacturers equipment submittals and operations and maintenance manuals.
  - ii. Construction - Provide all new or modification construction to facilities and require outside parties to coordinate work with Contractor.
  - iii. Spare Parts- All specified spare parts will be furnished to Contractor.  
Initial Training- Any new or modified facilities will include District provided training for Contractor's staff.
- b. District Records -Official District Records will be maintained by the District and include easements, maps, etc. which shall be made available to Contractor as the need arises.
- c. District Administration -District administration, accounting, legal and professional work is performed by District and is not included in these Specifications.
- d. Agreements, Permits and Licenses - District shall maintain all agreements, easements, permits, licenses, etc. to lawfully operate District facilities and agrees

## **ADDENDUM TO SERVICES CONTRACT**

to cooperate with Contractor in order to maintain compliance with all local, state and federal regulations; and to provide facilities that are safe and in compliance with all safety and health regulations for workers.

- e. The district will directly contract with providers and pay for all electricity chemicals, laboratory analysis costs and landscaping maintenance.

### **12. Contractor Responsibilities**

- a. Specifications - Contractor shall comply with these Specifications.
- b. Cooperation- Contractor shall cooperate with the District's engineers, attorneys, consultants or others engaged by the District to investigate, evaluate, modify, construct, demolish or remove facilities. Non Schedule Work may apply where appropriate.
- c. Professionalism - Contractor shall conduct their business in a professional manner and conduct themselves appropriately when dealing with District customers, regulators, citizens at large, politicians or others while conducting business on behalf of the District.

End of Addendum



June 12, 2017  
Mr. Blair Allen  
Regional Water Quality  
San Francisco Bay Region  
1515 Clay Street Suite 1400  
Oakland, CA 94612

**Emailed To:**  
**WDR.monitoring@waterboard.ca.gov**

RE: Self-Monitoring Report  
Tomales, Marin County  
Order No. R2-2015-0019  
I.D. No. 264662  
May 2017

Mr. Allen

Enclosed please find the Self-Monitoring Report.

Operations is satisfactory and maintenance on schedule.

I certify under the penalty of law that this document and all attachments have been prepared under my direction or supervision in accordance with a system designed to assure that qualified personal proper gathered and evaluated the information submitted. The information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Sincerely,  
**NATURAL SYSTEMS UTILITIES**

Steve C. Chase  
Operations Supervisor  
Certified Chief Plant Operator #II-40930

cc: Tomales Village Community Service District  
Vanessa Zubkousky, Department of Public Health, Richmond

NSU-CA was formerly Phillips Services Inc. dba Phillips & Associates

## SELF MONITORING REPORT

Date	INF (INFLUENT)						EFF-TR (Treatment Pond No. 3 Eff)										EFF-Flow		EFF-D (Discharge eff)		
	Daily (KGALS)	Weekly (KGALS)	Ph (Units)	Temp. ( C )	BOD (mg/l)	TDS (mg/l)	Nitrate as N	Nitrite as N	TKN mg/L	Amonnonia N mg/L	Tot. Organic Nitrogen mg/L	TDS (mg/L)	BOD mg/l)	pH Units	D.O. (mg/l)	Temp ( C )	Daily (KGALS)	Weekly (KGALS)	Cl2 Tank Level (inches)	Coliform MPN/100	
5/1/2017	19.7	138.0															16.7	117.2	19.0	<2.0	
5/2/2017	22.6											310.0	45.0	9.1	5.9	19.3	24.2				
5/3/2017	22.6																24.2				
5/4/2017	22.6																24.2				
5/5/2017	22.6																24.2				
5/6/2017	22.6																24.2				
5/7/2017	22.6	158.0															24.2	169.2	18,23	<2.0	
5/8/2017	22.6																0.8				
5/9/2017	15.1			8.3	17.7	310.0	530.0	0.7	<0.40	1.5	0.3	1.2	240.0	9.4	9.3	8.3	18.9				0.8
5/10/2017	15.1																				0.8
5/11/2017	15.1																				0.8
5/12/2017	15.1																				0.8
5/13/2017	15.1	106.0															0.8	5.8	22.0	<2.0	
5/14/2017	15.1																0.8				
5/15/2017	15.1																0.8				
5/16/2017	17.0											260.0	6.0	8.8	6.9	19.0	33.1				
5/17/2017	17.0																33.1				
5/18/2017	17.0																33.1				
5/19/2017	17.0	119.0															33.1	232.0	20.0	<2.0	
5/20/2017	17.0																33.1				
5/21/2017	17.0																33.1				
5/22/2017	17.0																33.1				
5/23/2017	25.6											250.0	7.7	9.3	5.6	20.2	41.6				
5/24/2017	25.6																41.6				
5/25/2017	25.6	179.0															41.6	291.4	18,23.5	<2.0	
5/26/2017	25.6																41.6				
5/27/2017	25.6																41.6				
5/28/2017	25.6																41.6				
5/29/2017	25.6																41.6				
5/30/2017	16.1											260.0	8.8	9.4	9.1	18.3	29.8				
5/31/2017	16.1															29.8					
<b>Max</b>	25.6		8.3	17.7	310.0	530.0	0.7	0.0	1.5	0.3	1.2	310.0	45.0	9.4	9.1	20.2		20.3			
<b>Min</b>	15.1		8.3	17.7	310.0	530.0	0.7	0.0	1.5	0.3	1.2	240.0	6.0	8.8	5.6	18.3		19.0			
<b>Mean</b>	19.8		8.3	17.7	310.0	530.0	0.7	#DIV/0!	1.5	0.3	1.2	264.0	15.4	9.2	7.2	19.1		20.3			
<b>Total</b>	614.0																774.2				



**TOMALES TREATMENT PONDS  
STANDARD OBSERVATION REPORT**

1. Reporting period (Month/Year) May-17

2. Pond Standard Observation required every week year round.

<b>INSPECTION</b>	Week No. 1	Week No. 2	Week No. 3	Week No. 4
Date	<i>5/2/17</i>	<i>5/9/2017</i>	<i>5/16/2017</i>	<i>5/23/17</i>
Day	TU	TU	TU	TU
Time	<i>8:45</i>	<i>9:30</i>	<i>9:20</i>	<i>9:35</i>
Operator	SC	SC	JR	SC
* Nuisance odors from ponds	N	N	N	N
* Evidence of pond berm seepage	N	N	N	N
' Evidence of improper system components and hydraulic integrity	N	N	N	N
Sign posting that wastewater is unsafe to drink	Y	Y	Y	Y

Report Yes or No and any Yes responses please report immediately to supervisor or Chief Plant Operator

# TOMALES INFLUENT HEADWORKS

## STANDARD OBSERVATION REPORT

1. Reporting period (Month/Year)                      May-17

2. Influent Headworks Standard Observation required every week year round.

<b>INSPECTION</b>	Week No. 1	Week No. 2	Week No. 3	Week No. 4	Week No. 5
Date	5/2/2017	5/9/2017	5/16/2017	5/23/2017	5/30/2017
Day	TU	TU	TU	TU	TU
Time	9:00	9:40	9:30	9:15	10:30
Operator	SC	SC	JR	SC	SC
Rain fall, inches	0	0	0	0	0
* Nuisance odors (smell)	N	N	N	N	N
*Evidence of any standing water	N	N	N	N	N
* Evidence of mosquitos breeding	N	N	N	N	N
*Evidence of improper system components and hydraulic integrity	N	N	N	N	N
* Evidence of structure seepage	N	N	N	N	N

**\* Report Yes or No and any Yes response s report immediately to supervisor or Chief Plant Operator**

**TOMALES STORAGE PONDS  
STANDARD OBSERVATION REPORT**

1.Reporting period (Month/Year)                      May-17

2.Storage Pond Standard Observation required every week year round.

<b>INSPECTION</b>	Week No. 1	Week No. 2	Week No. 3	Week No. 4	Week No. 5
Date	5/2/2017	5/9/2017	5/16/2017	5/23/2017	5/30/2017
Day	TU	TU	TU	TU	TU
Time	9:40	10:30	9:30	9:00	11:00
Operator	SC	SC	JR	SC	SC
- Nuisance odors from ponds	N	N	N	N	N
* Evidence of pond berm seepage	N	N	N	N	N
* Evidence of improper system components and hydraulic integrity	N	N	N	N	N
Signage that wastewater is unsafe to drink	Y	Y	Y	Y	Y

Report Yes or No and any Yes responses please report immediately to supervisor or Chief Plant Operator

**TOMALES CHLORINE STORAGE TANK  
STANDARD OBSERVATION REPORT**

1. Reporting period (Month/Year)

May-17

2. Chlorine Storage Tank Standard Observation required every week year round.

<b>INSPECTION</b>	Week No. 1	Week No. 2	Week No. 3	Week No. 4
Date	5/2/2017	5/9/2017	5/16/2017	5/23/2017
Day	TU	TU	TU	TU
Time	9:40	11:00	10:00	9:45
Tech	SC	SC	JR	SC
* Evident of any leaks	N	N	N	N
Tank level, inches	19	18	22	20
Cl2 gallons added	0	45	0	0
New tank level after adding Cl2, inches	19	23	22	20
Gallons used for treatment since last check	8	8	8	16
Warning Signs Improperly Posted	N	N	N	N

3.\* Any Yes responses please report immediately to supervisor

4. I certify that this report information, to the best of my knowledge is true and correct.

1 inch = 8 gallons

**TOMALES WASTEWATER TREATMENT FACILITY  
STANDARD OBSERVATION REPORT  
FIELD DISCHARGE AREA**

Month: MAY 2017

**OBSERVATIONS ARE TO BE PERFORMED WEEKLY WHEN IRRIGATION IS RUNNING**

<b>INSPECTION</b>	Week No. 1	Week No. 2	Week No. 3	Week No. 4	Week No. 5
Day	2-May	9-May	16-May	23-May	30-May
Time	11:00	11:15	10:15	10:00	11:30
Operator	SC	SC	JR	SC	SC
Evidence of standing water	N	N	N	N	N
* Evidence of runoff from site	N	N	N	N	N
Evidence of erosion caused by irrigation	N	N	N	N	N
Evidence of system run off containment system from proper condition and integrity.	N	N	N	N	N
*Any odors	N	N	N	N	N
Mosquito breeding resulting from irrigation	N	N	N	N	N
* Evidence of improper distribution system components and hydraulic integrity	N	N	N	N	N
Perimeter fence posting informing public wastewater is not safe to drink	Y	y	Y	Y	Y
Sodium Hypochloride tank level, inches	19	23	22	20	18

If irrigation runoff is evident, estimate size of effected area (include sketch)

\*\* If odors evident, note source and area affected.



(707) 254-1931

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## Marin County Elections Department

### CANDIDATE APPLICATION FORM

**You must complete this application before becoming a candidate. The Elections Department is required to verify your registration and jurisdiction.**

Complete and submit this online application to receive your instructions by email.

If you have questions about running for office please call 415-473-6437, or email [Dan Miller](mailto:Dan.Miller@marincounty.org)

The information on this form may be made public, but will **not** be shown on our website.

**ELECTION DATE:** \_\_\_\_\_

First Name	Middle Name or Initial	Last Name

Residence/Street Address	City

Candidate for (Office Title, District, Division, and Office Number) and term: 4 years, or 2 years where applicable.

*The Elections Department requires an email address and phone number in order to contact you.*

***At least ONE of these is required to be made available to the media/public.***

Contact email address

Select which to release to the media/public

Email  Phone number

Contact phone number

**Both** are made available, if you do not select at least one.

By submitting this application, I am applying to obtain the necessary nomination documents for the office stated on this application. I attest that the information I have provided is accurate.

**Note:** Your signature is not needed to submit this online application. However, your signature is required on this application when you pick up your documents from the Elections Department.

**Submit**