



NORTH BAY WATER REUSE PROGRAM
Water Supply Reliability through Regional Reuse

BOARD OF DIRECTORS MEETING

AGENDA – PHASE 2

Monday, May 21, 2012

9:30 A.M. (Immediately following Phase 1 meeting)

**Novato Sanitary District
 500 Davidson Street
 Novato, CA 94945**

1. Call to Order

2. Roll Call

3. Public Comment

(Any member of the public may address the Board at the commencement of the meeting on any matter within the jurisdiction of the Board. This should not relate to any item on the agenda. It is the policy of the Authority that each person addressing the Board limit their presentation to three minutes. Any member of the public desiring to provide comments to the Board on an agenda item should do so at the time the item is considered. It is the policy of the Authority that oral comments be limited to three minutes per individual or ten minutes for an organization. Speaker's cards will be available in the Boardroom and are to be completed prior to speaking.)

4. Introductions

**Action
 Pages 3 - 5**

5. Board Meeting Minutes of February 27, 2012

(The Board will consider approving the minutes from the February 27, 2012 Board meeting.)

**Information
 Pages 6 - 9**

6. Report from the Program Manager

6.a Consultant Progress Reports

(The Board will review the Report from the Program Manager and Consultant Progress Reports.)

**Action
 Pages 10 – 11**

7. Project Definition Study Update Report

(The Board will be updated on the Project Definition Study.)

- Action** **8. Initiation Fee and Related New Member Budget Issues Status and Recommended Modifications to Process**
Page 12 (The Board will review the status of the Initiation Fee and related New Member Budget Issues status and recommended modifications to Process.)
- Information** **9. Federal and State Legislation and Funding Overview**
 (The Board will be updated on the status of Federal and State legislation and funding.)
- 10. Adjournment**

Next Board Meeting
Monday, August 20, 2012, 9:30 A. M.

(In compliance with the Americans with Disabilities Act of 1990, if you need special assistance to participate in a Board meeting, or you need a copy of the agenda, or the agenda packet, in an appropriate alternative format, please contact the Program Manager at (510) 410-5923. Notification of at least 48 hours prior to the meeting or time when services are needed will assist in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.)

(A copy of all the documents constituting the agenda packet is available for public inspection prior to the meeting at 500 Davidson Street, Novato, CA 94945. Any person may request that a copy of the agenda or the agenda packet be mailed to them for a fee of \$.10 per page plus actual mailing costs. If you wish to request such a mailing, please contact Chuck Weir, RMC, 2001 N. Main Street, Suite 400, Walnut Creek, CA 94596, 510-410-5923, cweir@rmcwater.com. The agenda and the agenda packet for each meeting are also available on-line at www.nbwra.com and will be available at the meeting.)

**North Bay Water Reuse Authority
Board of Directors Meeting
Phase 2 Minutes
February 27, 2012**

1. Call to Order

Chair Caldwell called the meeting to order at 10:06 a.m. on Monday, February 27, 2012 at the Novato Sanitary District Boardroom, 500 Davidson Street, Novato, CA 94945.

2. Roll Call

PRESENT: Keith Caldwell, Chair, Napa County
Valerie Brown, Sonoma Valley County Sanitation District
Larry Loder, Las Gallinas Valley Sanitary District
Bill Long, Las Gallinas Valley Sanitary District
John Schoonover, North Marin Water District

ABSENT: David Rabbitt, Sonoma County Water Agency
Jill Techel, Napa Sanitation District

OTHERS

PRESENT: Chuck Weir, Program Manager	RMC
Marc Bautista	Sonoma County Water Agency
Jack Baker	North Marin Water District
Kevin Booker	Sonoma County Water Agency
Bill Brook	CDM Smith
Ginger Bryant	Bryant & Associates
Beverly James	Novato Sanitary District
Pam Jeane	Sonoma Valley County Sanitation District
Andria Loutsch	CDM Smith
Susan McGuire	Las Gallinas Valley Sanitary District
Drew McIntyre	North Marin Water District
Mark Millan	Data Instincts
Phillip Miller	Napa County
Steve Moore	City of American Canyon
Pilar Oñate-Quintana	The Oñate Group
Jim O'Toole	ESA
Michael Savage	CDM Smith
Rem Scherzinger	City of Petaluma
Jeff Tucker	Napa Sanitation District
Renee Webber	Sonoma County Water Agency
Mark Williams	Las Gallinas Valley Sanitary District

3. Public Comment

No members of the public addressed the Board.

4. Introductions

Introductions were made during the Phase 1 meeting.

5. Board Meeting Minutes of November 14, 2011

A motion by Director Brown, seconded by Director Long was approved with Director Schoonover abstaining.

6. Report from the Program Manager

6.a Consultant Progress Reports

The Program Manager noted that this month's report included the January 2012 Progress Reports from the consultant team.

7. Program Schedule and Project Definition Study Update

Andria Loutsch, CDM Smith, provided an update on the status of the Study. She distributed a listing of the Phase 2 Project Definition Study Task Summary and a map showing conceptual Phase 2 pipeline alignments for the Overall Project Area. She noted that the Board will be asked to consider a Storage and User Study and budget at the May meeting. Director Long asked if there were maps showing the locations of all purple pipe installation. It was noted that some jurisdictions are requiring installation of purple pipe in new development even before recycled water has been provided to that area. It was suggested that a review of all recycled water master plans from local agencies should be considered.

8. Technical Advisory Committee Recommendation to the Board Regarding the Initiation Fee for New Members

The Program Manager noted that the TAC has been discussing this issue for the last several months. The TAC is recommending that the Board set the initiation fee for new members of NBWRA initially at 1.7% of the costs of their proposed Phase 2 projects and that this approach be presented to potential new members by assigning negotiating teams to meet on a County basis. The teams would include the NBWRA Board President, a Supervisor or Director from the respective County or agency within the County, staff from the respective County of agency, and applicable NBWRA consultants.

Michael Savage, CDM Smith, gave a presentation summarizing the following items: benefit to new members, rationale for an initiation fee, approach to determining the initiation fee, estimate of net costs and the resultant initiation fee, and the schedule for implementing the initiation fee.

The Board indicated that they felt the approach was reasonable. A motion by Director Brown, seconded by Director Long, that the initiation fee be set initially at 1.7% of the costs of Phase 2 projects for new members and that this approach be presented to potential new members by negotiating teams on a County basis was approved with Director Schoonover abstaining.

9. Federal and State Legislation and Funding Overview

Ginger Bryant noted that her current efforts include efforts to secure federal cost sharing of 50% for storage in Phase 2.

10. Adjournment

Prior to adjourning the meeting, Chair Caldwell and NBWRA participants thanked Past Chair Long for his many years of outstanding leadership and service to NBWRA.

There being no further business, Chair Caldwell adjourned the meeting at 10:40 a.m.

Minutes approved by the Board on _____.

Charles V. Weir
Program Manager

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Agenda Explanation
North Bay Water Reuse Authority
Board of Directors
May 21, 2012

ITEM NO. 6 REPORT FROM THE PROGRAM MANAGER

The May 2012 Report from the Program Manager includes the following item:

Item No. 6.a Consultant Progress Reports for April 2012

The consultant team will be available to respond to any questions from the Board.

Program Management Services for North Bay Water Reuse Authority Phase 2
RMC Water and Environment
SCWA Order Number 7533A5, Account Number 391029-6570
RMC Job No. 0047-007.02

Phase 2 Progress Report

March 31, - April 27, 2012

Task 2.1 Board of Directors and Technical Advisory Committee (TAC) Meeting Management

- Participated in three consultant conference calls on April 5, April 9, and April 11, 2012.
- Drafted Program Manager slides for April 30, 2012 Workshop presentation. Assisted with revisions to presentation.
- Prepared and distributed April 16, 2012 TAC Agenda packet.
- Attended April 16, 2012 TAC meeting at Novato Sanitary District.
- Drafted April 16, 2012 TAC meeting minutes. Revised based on comments received.
- Updated list of short-term action items discussed at the April 16, 2012 TAC meeting.
- Prepared and distributed April 24, 2012 TAC Conference Call Agenda packet.
- Participated in April 24, 2012 TAC Conference Call meeting.
- Drafted minutes for April 24, 2012 TAC Conference Call meeting.
- Assisted with Board and TAC workshop meeting planning. Tracked attendee response list. Prepared and distributed email regarding plans for April 30, 2012 Workshop.
- Reviewed consultant progress reports for March 2012 and included in TAC Agenda packet.
- Updated distribution lists.

Task 2.2 Budget Preparation and Reporting

- Reviewed consultant costs for March 2012 and updated summary of costs for FY2011/12. Included summary in Finance Committee and TAC agenda packets.
- Drafted FY2012/13 and FY2013/14 Budget and cost sharing options. Revised based on updated information.
- Prepared Finance Committee meeting agenda packet. Attended April 4, 2012 Finance Committee meeting at Agency offices.
- Drafted Finance Committee report to TAC and sent to Committee for review.
- Revised FY2012/13 and FY2013/14 Budget based on TAC direction.

Task 2.3 Project Support and Review

- Attended Workshop rehearsal meeting at Novato Sanitary District.
- Revised Workshop agenda, and emailed to agencies for Brown Act posting.
- Revised Request for Proposal for State lobbying and distributed to TAC for final review.

Task 2.4 Program Planning

- Revised FY2012/13 and FY2013/14 scope and costs based on TAC direction.
- Prepared March 31 – April 27, 2012 Progress Report and Invoice.

Task 2.5 Governance Issues

- No work was conducted on this task during the period.

North Bay Water Reuse Authority
Professional Services by CDM Smith

April 2012 Progress Report - Phase 2 Activities

Project Definition Study

- Communicated with NBWRA member agencies about components and agency cost estimates for Phase 2 local projects.
- Project team meeting to discuss status of layouts and preliminary costs.
- Revisions to preliminary project cost estimates based on feedback from agency meetings.
- Revised alignments maps based changes to projects.
- Communicated with participating agencies about necessary financial data for analysis.
- Discussions with B&A about preliminary Phase 2 project benefits and whole system economics.
- Prepared revisions to funding agreement for Phase 2 studies.
- Prepared initial draft report sections.
- Participated in NBWRA consultant team and member agency discussions about proposed program direction for the FY 2012/13 and FY 2013/14; revised scopes of work to address member agency concerns and issues.
- Project management activities and invoicing.

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Agenda Explanation
North Bay Water Reuse Authority
Board of Directors
May 21, 2012

ITEM NO. 7 PROJECT DEFINITION STUDY UPDATE

Action Requested: None at this time.

Please refer to the attached Project Definition Study Update detailing the status of the tasks in CDM Smith's Scope of Work.

Recommendation

None at this time.

NBWRA Phase 2 Project Definition Study Update

Tasks	Activities	Activity Status
Task 1 – Conceptual Level Operational Analysis	<p>Collect proposed projects or service areas demands and locations, and updated wastewater flow information.</p> <p>Develop preliminary pipeline routes and service areas on GIS database.</p> <p>Identify storage volume requirements for each area based on monthly operations.</p> <p>Preliminarily site reservoirs and associated habitat areas.</p>	<p>Complete</p> <p>Complete</p> <p>Underway</p> <p>Complete</p>
Task 2 – Preliminary Identification of Program and Costs for Design and Construction	<p>Size the conveyance pipelines and pump stations based on peak month flows and standardized maximum flow velocities.</p> <p>Apply Phase 1 costs curves and cost estimating procedures to develop a preliminary estimate of cost ranges for Phase 2 facilities.</p> <p>Assess benefits that exist after Phase 1 that would serve new members.</p>	<p>Complete - incorporated sizing provided by agencies</p> <p>Complete</p>
Task 3 – Phase 2 Initiation Fee	<p>Develop methodology for calculating an initiation fee for new members.</p> <p>Prepare memo documenting initiation fee approach and proposed process.</p> <p>Support the TAC in developing a recommendation for the NBWRA Board of Directors.</p>	<p>Complete</p>
Task 4 – Review Members’ Ability to Meet Non-Federal Cost Share	<p>Obtain information from potential Phase 2 agencies on sources for funding the non-federal share of construction, and other financial information.</p> <p>Provide a preliminary assessment of the capacity of participating agencies to take on potential Phase 2 projects.</p> <p>Review agency information to identify potential constraints or issues when compared to the estimated project costs.</p>	<p>Complete</p> <p>Potentially refocusing on needs & issues identified by the agencies</p>
Task 5 – Conceptual Level Project Benefits	<p>Develop information on conceptual benefits of Phase 2 to help support Federal funding.</p>	<p>Underway</p>
Task 6 – Scope of Work for Full Phase 2 Feasibility, Economic, and Environmental Studies	<p>Develop a scope of work, schedule, and budget to complete a Phase 2 feasibility study and environmental documentation.</p>	<p>Complete</p>
Task 7 – Project Definition Report	<p>Prepare summary report documenting findings from Tasks 1 through 6.</p>	<p>Underway</p>

**ITEM NO. 8 INITIATION FEE AND RELATED NEW MEMBER BUDGET ISSUES
STATUS AND RECOMMENDED MODIFICATIONS TO PROCESS**

Action requested: Approve a modification to the process for communicating initiation fee and budget issues to potential new members of NBWRA.

At the February 27, 2012 Meeting, the Board approved that the initiation fee for potential new members be set initially at 1.7% of the costs of Phase 2 projects for new members and that this approach be presented to potential new members by negotiating teams on a County basis. Efforts were made to schedule separate meetings on the same day in each county. However, it soon became apparent that there were issues related to budget participation that also needed to be communicated to potential new members. In addition, funding for consultants was running low, necessitating a reassessment of the process.

As a consequence, it is now recommended that the meetings with potential new members be postponed until after the start of the new fiscal year. It is further recommended that the discussion also cover new member agency participation in NBWRA's budget pursuant to the budget approved by the Board. The discussion can also include membership in NBWRA and modifications to the Memorandum of Understanding. This effort would also be consistent with the intent of Phase 2 Scoping Studies to identify partnering opportunities.

Recommendation

Approve the proposed modification to the process for meeting with potential new members using the previously recommended teams and expanding the discussion to include the initiation fee, budget participation issues, partnering issues, and membership in NBWRA.