



NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING
 June 18, 2019 – 6:00 p.m.
 District Headquarters
 999 Rush Creek Place
 Novato, California

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Est. Time	Item	Subject
6:00 p.m.	CALL TO ORDER	
	1.	APPROVE MINUTES FROM REGULAR MEETING, June 4, 2019
	2.	PUBLIC HEARING NO. 4 – CALIFORNIA VOTING RIGHTS ACT (CVRA) AND ELECTIONS CODE (EC) 10010: Public Hearing: Receive Presentation on the Transition Process from an At-Large to a Division-Based Election System and Receive Input from the Community Regarding Boundaries and Composition of Divisions to be Established for Division-Based Elections Pursuant to Elections Code Section 10010
	3.	GENERAL MANAGER'S REPORT
	4.	OPEN TIME: (Please observe a three-minute time limit) This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
	5.	STAFF/DIRECTORS REPORTS
	6.	MONTHLY PROGRESS REPORT
	CONSENT CALENDAR The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.	
	7.	Consent – Approve: Annual Water Quality Report - Novato
	8.	Consent – Approve: Annual Water Quality Report – Point Reyes Area
	9.	Consent – Approve: FY20 Insurance Purchase
	10.	Consent – Approve: Preparation of Lot Line Adjustment Application for District Surplus Property (Rosalia Tank Parcels APN 153-110-10, -15)

All times are approximate and for reference only.

The Board of Directors may consider an item at a different time than set forth herein

(Continued)

Est. Time	Item	Subject
	<i>ACTION CALENDAR</i>	
	11.	<i>Approve:</i> Novato and Recycled Water FY 2019/2020 Budget
	12.	<i>Approve:</i> Oceana Marin Sewer Service Charge Increase Ordinance - First Reading
	<i>INFORMATION ITEMS</i>	
	13.	Wildfire Safety Program
	14.	NBWA Meeting – June 7, 2019
	15.	<i>MISCELLANEOUS</i> Disbursements – Dated June 6, 2019 Disbursements – Dated June 13, 2019 SCWA Press Release - Russian River Inflatable Dam Goes Up –Again Public Notice - North Marin Water District Seeks Input From Residents (June 11, 2019) <u>News Articles:</u> California water utilities seek relief from wildfire lawsuits Marin officials cheered by deal for upstate plant Editorial – Blackouts are coming, so it's time to get ready Supervisors take another step toward Potter Valley involvement (Humboldt County) ACWA – Governor, Legislative Leaders Collaborate on Safe Drinking Water Solution Editorial – Pension reform isn't happening fast enough Novato School chief heading to San Rafael County to weigh adopting 5G rules - Antennas
	16.	<i>CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL- Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (one case)</i>
8:30 p.m.	17.	<i>ADJOURNMENT</i>

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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
 June 4, 2019

CALL TO ORDER

Vice President Michael Joly called the regular meeting of the Board of Directors of North Marin Water District to order at 6:00 p.m. at the District Headquarters and the agenda was accepted as presented. Present were Directors Rick Fraites, James Grossi, Michael Joly, and Stephen Petterle. Director Jack Baker was absent. Also present were General Manager Drew McIntyre, District Secretary Terrie Kehoe, Auditor-Controller Julie Blue and Chief Engineer Rocky Vogler.

District employees, Robert Clark (Operations/Maintenance Superintendent), Tony Arendell (Construction/Maintenance Superintendent) and Monica Juarez (Receptionist/Cashier) were also in attendance. In the audience were Novato customer Tina McMillan, District legal counsel representative, Carl Nelson (Bold, Polisner, Maddow, Nelson and Judson); special counsel Tom Willis (Remcho, Johansen & Purcell); Chris Chaffee and Paul Mitchell (Redistricting Partners, LLC), and Nic Zateslo (Political Data, Inc.).

MINUTES

On motion of Director Petterle, seconded by Director Grossi the Board approved the minutes from the May 21, 2019 meeting as presented by the following vote:

AYES: Director Fraites, Grossi, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Baker

PUBLIC HEARING NO. 3 – CALIFORNIA RIGHTS ACT (CVRA) AND ELECTIONS CODE (ED) 10010:

Vice President Joly declared the third public hearing opened at 6:01 p.m.

Mr. McIntyre opened the discussion by reminding the Board that Public Hearings Nos. 1 and 2 were held during the District's Regularly Scheduled board meetings on May 7, 2019 and May 21, 2019. He stated at both Public Hearings the public was given an opportunity to weigh in on composition of the districts. Mr. McIntyre added as of noon on May 31st the District had

33 received two comments via emails from Novato residents; one from a resident of Hamilton that
34 supported Plan A, and the other requesting that the demographers include the location of the
35 incumbents on the maps. Mr. McIntyre summarized that at the completion of Public Hearing
36 No. 2; three draft maps were developed, each depicting five divisions in different configurations.
37 He added the purpose of this third public hearing is to obtain input from the public and Board
38 regarding the content of the draft maps and proposed sequence of elections. Mr. McIntyre
39 stated that the three draft division map alternatives were posted on the District's webpage on
40 May 28, and a notice was published in the Marin IJ on the same date. He added the fourth
41 public hearing is scheduled for June 18th to obtain additional input from the public and Board
42 regarding the content of the draft maps and sequencing of elections. Mr. McIntyre stated that at
43 the conclusion of the fourth public hearing, the Board may approve a final map and sequencing
44 of elections to be used for the ordinance.

45 Mr. McIntyre also reminded that Board that the West Marin meeting on June 25th will
46 have an agenda item that will summarize the transition to district-based elections process and
47 the public will have another opportunity to make comments. Additionally, he noted at the fifth
48 public hearing on July 16th the Board will consider adoption of an ordinance that will establish
49 NMWD's district based election. Mr. McIntyre introduced District legal counsel and the
50 demographers to lead the discussion and answer questions. He added that staff member
51 Monica Juarez was in the audience for Spanish translation if needed.

52 Mr. Nelson of District legal counsel introduced special counsel Tom Willis, and
53 demographers Paul Mitchell, Chris Chaffee and Nic Zateslo.

54 Mr. Mitchell noted that his presentation will be essentially the same as the one at the
55 prior hearing in the event there are new members from the public in attendance. Mr. Mitchell
56 summarized the process and reminded the Board that we are drawing the maps to be of
57 relatively equal size and functionally contiguous. He added the idea is to maintain communities
58 of interest, like special needs, or minorities. Mr. Mitchell noted that NMWD is different than
59 other agencies and the District's Elevation Zone maps may be an interest to consider, while still
60 maintaining local governments lines and neighborhoods.

61 Director Joly asked about the map approved by the City of Novato that shows a total
62 deviation of 9.7% and how this will be affected by the new census. Mr. Mitchell replied that he
63 is trying to draw the lines with a narrow margin so that the lines do not have to be redrawn after
64 the 2020 Census. Director Grossi asked if the numbers in the presentation were based on the
65 2010 census or voter eligibility. Mr. Mitchell replied that it is based only on the census count of

66 residents, not voters. Mr. Mitchell added that the objective is to keep the District compact and
67 divided into simple geometric shapes like squares and circles. He added the population is
68 around 61,520 so we should have around 12,304 in each district, and include consideration of
69 the population outside of Novato.

70 Mr. Mitchell compared the draft Maps A, B, and C. Director Joly noted that on draft Map
71 C the western part has the same line as Draft Map B, and asked what that line represented. Mr.
72 Mitchell replied the line is the northwest boundary of the city. Director Petterle noted that he can
73 see Highway 101 and Highway 37, but he is unable to see the major streets. Mr. Mitchell noted
74 there is another version of the map on the District website that allows for zooming in on the plan
75 to see lines and addresses. He added that if there is a concern in one area you can bring it to
76 their attention, however, you can't move a line by one street; rather it must be one census block
77 at a time. Mr. Mitchell noted that if only small changes are required, there are more options of
78 ways to move. Director Fraites commented that there was a lack of detail in the maps. Mr.
79 Mitchell directed the Board members to the interactive map on the website where you can see
80 the Novato City Council Districts in addition to the location of NMWD incumbents via census
81 blocks, not their address.

82 Director Joly asked how many census blocks are in our district. Mr. Mitchell replied that
83 he did not know at this time. Director Joly commented that in draft Map's A and C, there is a lot
84 of ground to cover for a candidate, but understand the goal is to keep it equal in population size.
85 Mr. Mitchell replied that what it comes down to is how dense the population is in a certain areas.
86 Director Grossi noted that in draft Map C both Director Joly and he are in the same district. Mr.
87 Mitchell replied that in most cities or districts he sees the incumbents all living relatively closer to
88 each other, here the incumbents are really spread out which makes it natural to draw divisions
89 that place Directors in separate divisions. Director Grossi asked if this would be quasi
90 gerrymandering. Mr. Mitchell stated that it would be hard to make a plan that is gerrymandering
91 given the location of the incumbents. Director Joly commented that draft Map C incorporates
92 almost the entire northern half of the city. Mr. Mitchell replied that at this phase we are in a
93 listening mode to get public and Board comments and can revise the draft maps as required.
94 Director Joly asked if there is a maximum deviation of 5% between any one district. Mr. Mitchell
95 confirmed, adding it is best to make the deviation percentage as small as possible so there is
96 less of a chance they will need to be redrawn after the 2020 census. He added on July 16th, the
97 final Public Hearing will take place to adopt the maps.

98 Director Joly asked whether there will be a hearing at the West Marin Board meeting on
99 June 25th. Mr. McIntyre replied that information from the fourth Public Hearing on June 18th will
100 be presented as an information item and although the demographer will not be there, public
101 input will still be taken. Mr. Mitchell advised the Board that if they do receive feedback, to give it
102 to the demographers; copy staff and the attorneys, so everything is open and documented.

103 Director Grossi stated he understands we have no choice. He commented on the cost
104 impact to the District and noted that it may change the dynamics of the whole Board in that each
105 Director could only be representing their district and that it may make it more difficult to find
106 candidates for Director positions. Director Grossi added that we are not helping minorities
107 because we are splitting them up. Mr. Mitchell agreed that the biggest impact will be the
108 dynamic of the Board. He added that he has seen some areas in the State where there are
109 district dense minorities, however more often than not we don't see that in California. Director
110 Grossi commented that the legislation is not benefiting the minorities that the law is intending to
111 protect, and noted that two years from now, with the changes from the new census, everything
112 could change again. Mr. Mitchell stated there are dysfunctional agencies that are at-large and
113 ones that are by-district. He added by-district only matters on Election Day, whereas when
114 acting as a Board you act for the population at-large. Mr. Petterle stated he would expect if a
115 constituent has a complaint it would be brought to the Board at large. Mr. Mitchell replied that
116 this should be the culture of the Board.

117 Vice President Joly asked if there were any comments from the public. Tina McMillan
118 from the audience praised the Board, stating she has great respect for their service and they
119 have done a great job. She stated that she believes the by-district election will be beneficial
120 because it will encourage Directors to take into consideration the community interests instead of
121 always thinking of the District as a whole. She noted that only one woman had been elected to
122 serve on the NMWD Board and only one woman had been appointed to the Board throughout
123 the District's history. Ms. McMillan added that many cannot afford to run against the
124 incumbents because then you have to reach out to the entire District population for election,
125 adding that she believes a smaller population is easier to reach out to and allows you to be
126 more accountable to that group. Ms. McMillan expressed her appreciation that the draft maps
127 are now up, and commented that the City of Novato allowed the public to make more draft
128 maps. She added that she understands the City is different than the water district, and prefers
129 draft Maps A and C because they have a relationship to how the neighborhoods function. Ms.
130 McMillan added that she asked the City not to pair incumbents together because she felt it was

too divisive and that she believes that it is more rational for each Board Member to stand alone. She also asked how long an incumbent can remain in an at-large position. Mr. Willis replied that when the District elections come up, any incumbent will be able to serve their full terms. Ms. McMillan stated no one is disadvantaged that way, and added Novato seems to be the focus and added that she hopes that West Marin will again have a voice as when Director Rodoni was in office. She stated that draft Map C felt compact; but the problem with draft Map C is that it had no sense of neighborhoods. Ms. McMillan said in draft Map A she felt more parts of Novato were represented and there is a way for the Board to tell voters versus population. She stressed to the Board to reach out to the public and asked if Mr. Shenkman has written to the Board, and if not perhaps they should allow more time. Director Joly commented that once the hearing process is formulated and we are in the process we are okay. Mr. Nelson stated that the statute provides a mechanism for extending the period beyond 90 days, but only by agreement with a party who has sent a letter demanding that the agency transition to by-district elections; since the District did not receive such a letter, we have to proceed with the process within the ninety days. Ms. McMillan stated she has been trying to get the public to attend the hearings, and added if the census block is on Goggle maps it is more meaningful. Overall she stated what the Board has done is incredible, they have kept the rates as low as they can and the public appreciates that.

Vice President Joly declared the second public hearing closed at 6:58p.m.

GENERAL MANAGER'S REPORT

Public Safety Power Shutoff Plan

Mr. McIntyre announced that he and Mr. Clark have a Public Safety Power Shutoff Plan meeting with the local managers on Wednesday afternoon. Director Joly asked if PG&E has publically stated the criteria for shutting off power. Mr. McIntyre replied that they have and it has been approved by the Public Utilities Commission. He added that communities will need to be better prepared for longer power outages and we are working with our local agencies to proactively plan for such events. Director Petterle asked if they will shut down all of Novato, or will they consider only certain neighborhoods. Mr. Clark replied that it could include a large percentage of Novato and even include large segments of the county. Mr. Clark announced if you go online to www.pge.com/en_US/safety/emergency-preparedness/natural-disaster/wildfires/public-safety-power-shutoff-faq.page there is a map with three zones, and it is compared by how wooded the areas are to determine the high danger areas. He added the District's main office and the recycled water plant are not in the heavily wooded areas; but most

164 everything else is. Mr. Clark stated the plan is based on red flag alerts, humidity and an
165 abundant amount of vegetative fuel. Director Grossi pointed out the whole ridge is in high danger
166 and they should allow control burns. He added if there is a fire, there is a potential for
167 everything in West Marin to go up in flames. Director Petterle commented that the burn index
168 can be dramatically different in Woodacre versus Mt. Tamalpais, and doesn't know how PG&E
169 will take this into account when considering a countywide power shutdown. Director Fraites
170 asked if there has been any discussion about moving the power lines underground. Mr. Clark
171 responded that in Paradise where they are rebuilding the town they are doing so; otherwise
172 PG&E doesn't have a plan to do so. Director Grossi stated the problem is the cost. He added
173 that twenty years ago, underground power line costs \$1,000 per linear foot. Director Petterle
174 remarked that wildland fires can start for many reasons, not necessarily just PG&E's power line
175 issues.

176 Point Reyes Station Workshop #2

177 Mr. McIntyre announced that he will also be attending the second Point Reyes Station
178 Community Water Story Workshop conducted by County Environment Health Services on
179 Wednesday evening in Point Reyes Station.

180 County Projects at Stafford

181 Mr. McIntyre stated on Friday afternoon he has a meeting with Max Korten, Marin
182 County Parks Manager to discuss some potential upcoming County projects at Stafford Lake
183 Park. Director Petterle stated he will abstain from any discussion with Mr. McIntyre on this
184 subject since he works for Marin County Parks.

185 Steelhead Habitat Assessment in Novato Creek

186 Mr. McIntyre stated that next week on June 12th he has a meeting with the Santa Rosa
187 office of National Marine Fisheries Service, NMFS, to discuss the next steps following our work
188 assessing suitable steelhead habitat in Novato Creek upstream of Stafford Dam.

189 Potter Valley Project

190 Lastly, Mr. McIntyre announced that he and Director Baker have a meeting on June 14th
191 with Congressman Huffman to advocate for WAC/TAC representation at future Huffman Ad Hoc
192 meetings in reference to the Potter Valley Project. He added that Jennifer Burke, TAC Vice
193 Chair and Susan Harvey, WAC Chair, will also attend the meeting. Director Grossi commented

that there was an article in the Marin IJ that made it sound like the deal is done, but the reporter got it wrong.

OPEN TIME

Vice President Joly asked if anyone in the audience wished to bring up an item not on the agenda and there was no response.

STAFF/DIRECTORS REPORTS

Vice President Joly asked if staff or Directors wished to bring up an item not on the agenda and the following items were discussed:

Mr. Clark announced that the roads in Oceana Marin that were damaged from the 2017 storms have been rebuilt and we should be able to use them for several years to come.

CONSENT CALENDAR

Item 6 – 1758 Indian Valley Road was removed from the consent calendar for additional discussion. On the motion of Director Petterle, and seconded by Director Grossi the Board approved Items 7 and 8 on the consent calendar by the following vote:

AYES: Fraites, Grossi, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Baker

(ITEM 7) AMEND CONSULTING ENGINEERING SERVICES AGREEMENT – GHD (PRE TANK NO. 4A)

On the Consent Calendar, the Board approved the amended Consulting Engineering Services Agreement with GHD for PRE Tank No. 4A for preparing the design for the tank replacement project which consists of construction a new 125,000 gallon above grade potable water concrete storage tank in Paradise Ranch Estates.

(ITEM 8) GROUP LIFE INSURANCE RENEWAL

Also under the Consent Calendar, the Board approved Group Life Insurance Renewal with Mutual of Omaha. The benefit package includes a life insurance policy for regular employees with a benefit equal to their annual salary up to \$200K and includes an accidental death and dismemberment policy that offers double indemnity in the event of accidental death and defined lump sum payment if there is loss of sight or appendage.

(ITEM 6) 1758 INDIAN VALLEY ROAD, APN 146-200-07

Director Fraites asked Mr. Vogler what the square footage is of the residence and if this is the original design. Mr. Vogler confirmed it is the original design, and the square footage of the residence is 4,400 square feet which does not include an additional dwelling unit.

On the motion of Director Fraites, and seconded by Director Petterle the Board approved Item 6 on the consent calendar by the following vote:

AYES: Fraites, Grossi, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Baker

ACTION ITEMS

MARIN COUNTY MULTI-JURISDICTIONAL LOCAL HAZARD MITIGATION PLAN

Mr. Vogler reviewed the 2018 Marin County Multi-Jurisdictional Local Hazard Mitigation Plan (MCM LHMP). He stated the plan was developed by the County in direct consultation and coordination with various public agencies across Marin County, and included input from District Staff. Mr. Vogler added the MCM LHMP has recently been approved by both the California Office of Emergency Services (CalOES) and the Federal Emergency Management Agency (FEMA), and was adopted by the County of Marin. He noted potential future project funding opportunities provided by both CalOES and FEMA require participation in a LHMP as a pre-condition for consideration. Mr. Vogler stated in 2016 the Board authorized the District to participate in the County process to update the plan and expand it to include other agencies in the County. He added NMWD chose to participate in addition to various other municipal agencies in the County. Mr. Vogler stated the Oceana Marin treatment pond berm armorment project was originally rejected because the LHMP was not yet adopted. He added FEMA is now looking at our project since it is now part of an adopted LHMP. Director Joly asked Mr. Vogler to explain the Pre-Disaster Mitigation grant, asking if it is 25% matching. Mr. Vogler answered yes, stating the total Oceana Marin Project is estimated at \$1.2M and our share would be \$300,000. Mr. McIntyre commented that he would like to compliment the County of Marin for allowing us to join in their efforts, adding it is the first time in the twenty years he has been at NMWD that this opportunity has been made available.

On the motion of Director Fraites, and seconded by Director Petterle the Board approved adoption of the 2018 Marin County Multi-Jurisdictional Local Hazard Mitigation Plan on the action calendar by the following vote:

AYES: Fraites, Grossi, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Baker

INFORMATION ITEMS

BUDGET REVIEW – PROPOSED FY 19/20 BUDGETS NOVATO AND WEST MARIN SERVICE AREAS

Ms. Blue reviewed the proposed FY 19/20 Budgets for Novato and West Marin Service Areas. She stated that essentially this is the same budget the Board previously reviewed on May 7th and 21st, with a few changes. She added the Oceana Marin Capital Improvement Projects decreased by \$100,000 because we are rebuilding a pump rather than replacing it. Ms. Blue stated there was an \$18,000 increase in Novato for insurance premiums, and other minor corrections to the Novato, West Marin and Oceana Marin budgets. Ms. Blue added letters were mailed out to all Oceana Marin and West Marin customers on May 8th to explain the proposed rate increase and that hearing notices will be published on June 6th and June 13th in the Point Reyes Light. Ms. Blue explained the Novato and Recycled Water budgets will be considered for approval at the next meeting and the West Marin and Oceana Marin budgets will be considered for approval at the June 25th meeting in West Marin. Director Joly thanked Ms. Blue for the additional details on the graphs and tables and stated he will contact her directly if he has further questions.

WAC/TAC MEETING – MAY 6, 2019

Mr. McIntyre updated the Board on the recent kickoff meeting on SCWA's Regional Water Supply Resiliency Study. He explained that the objective of this study is to look at the collective Water Contractor infrastructure and apply stress tests for water shortage conditions such as severe droughts or short-term emergencies such as earthquakes to see how the entire system can be better utilized to improve overall regional resiliency. Mr. McIntyre stated this study, as an example, could look at how backfeeding Stafford Lake might be encouraged more often during dry years when it hasn't reached full capacity to benefit both NMWD and other Water Contractors.

MISCELLANEOUS

287 The Board received the following miscellaneous items: Disbursements – Dated May 23,
288 2019, Disbursements – Dated May 30, 2019 and Legal Notice May 28, 2019 - North Marin
289 Water District Transition to District-Based Elections -North Marin Water District seeks input from
290 residents.

291 The Board received the following news articles: Novato selects district election map;
292 Seasonal dam gets deflated following heavy rain, runoff; Rodoni launches 2020 campaign;
293 Opinion - Water district needs 'strong dose of transparency'; Opinion – MMWD ensures public
294 health and economic vitality; Critical services brace for outages – PG&E; Regretful water board
295 hikes rates – MARIN MUNICIPAL and Water customers in North Marin face hike in rates.

296 Mr. McIntyre announced that there will be no need to go into closed session.

297 Director Grossi commented that he will be out of town for most of July and will not be
298 able to attend the July 16th Board meetings

299 **CLOSED SESSION**

300 Vice President Joly announced that since there is no need to go into Closed Session he
301 will adjourn the meeting.

302 **ADJOURNMENT**

303 Vice President Joly adjourned the meeting at 7:29 p.m.

304
305 Submitted by


306
307
308 Theresa Kehoe
309 District Secretary
310

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MEMORANDUM

To: Board of Directors

June 14, 2019

From: Drew McIntyre, General Manager 

Subj: Public Hearing No. 4 – California Voting Rights Act (CVRA) and Elections Code (EC) 10010

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RECOMMENDED ACTION: Conduct fourth public hearing to receive input from the community regarding the boundaries and composition of divisions to established for division-based elections for Directors and regarding the sequence of such elections pursuant to Elections Code Section 10010, and provide direction.

FINANCIAL IMPACT: None

Background

Agencies throughout California (including water and wastewater agencies) have increasingly been transitioning from an at-large to district-based system of electing members of their governing bodies under the provisions of the California Voting Rights Act (CVRA) of 2001. The CVRA, signed into law in 2002, prohibits an at-large method of election that impairs the ability of a protected class to elect candidates of its choice or its ability to influence the outcome of an election. The law's intent is to expand protections against vote dilution over and above those provided by the Federal Voting Rights Act of 1965 ("FVRA"). The law was also motivated, in part, by the lack of success by plaintiffs in California in lawsuits brought under the FVRA challenging "at-large" electoral systems. The passage of the CVRA made it much easier for plaintiffs to prevail in lawsuits against public entities that elected their members to its governing body through "at-large" elections

The District reviewed its options under the CVRA and, at the April 23, 2019 Special Meeting, approved Resolution No. 19-05 declaring North Marin Water District's intent to transition from an at-large to district-based system of electing Directors. By doing so, the District enters into a "safe harbor" from CVRA litigation by choosing to voluntarily transition to a district-based election system as provided by AB 350 (2016) (legislation signed into law on September 28, 2016). Under AB 350, the District is required to hold at least four public hearings within the allotted 90-day "safe harbor" period.

Public Hearing No.'s 1 and 2 were held during the District's Regularly Scheduled Board meetings on May 7, 2019 and May 21, 2019, respectively. At both of these Public Hearings, no public comment was given on the composition of the districts (divisions).

Following the completion of Public Hearing No. 2, three draft maps were developed, each depicting five divisions dividing up the entire territory of the District in three different ways. The three draft division map alternatives (Plan A, Plan B, and Plan C) were posted on the District's webpage on May 28, and a notice was published in the Marin IJ on the same date. Two public comments were subsequently received via email after the May 28 map posting and were submitted to the Board in advance of Public Hearing No. 3. These comments are again included herein as Attachment 1.

On June 4, 2019, the third public hearing was held. At that meeting, one member of the public, a Novato resident, provided comment. This resident commented that she liked Plans A and C but was against any map that would include two incumbents in one division. The Board discussed the three draft maps developed by the demographers. There was a common theme that map readability could be improved by adding more physical features such major streets. At the conclusion of its discussion, the Board directed the demographers to retain the three existing maps for further consideration, and to also develop large format maps for improved readability prior to presentation at the fourth public hearing.

The three original draft maps alternatives (Plan's A, B, and C) as well as large format versions of these same three maps were posted on the District's web page on or before June 11, 2019 and a notice was published in the Marin IJ on June 11, 2019.

Public Outreach and Input

Since the Board of Directors adopted the resolution of intent on April 23, 2019, the District immediately engaged in public outreach efforts to help inform the public on division-based elections and to encourage and obtain feedback and input, per the following methods:

- Established a dedicated web page on the District's website to provide information regarding the boundary drawing and transition process:
https://www.nmwd.com/about_elections.php
- Created a home page notice on the District's website that promotes the meetings and links to the dedicated web page
- Included a notice on the District's Waterline newsletter mailed to approximately 20,000 customers in the District's service areas informing them about the District's transition to division-based elections and how they can participate in the process
- Issued a press release to the Marin IJ, Novato Advance and Pt. Reyes Light newspapers to inform residents and businesses in the District's service area about the District's transition to division-based elections and how they can participate in the process. The

press release generated two stories, one in the Marin IJ and one in the Pt. Reyes Light about this process.

- Published a notice in the Marin IJ on May 16, 2019 regarding the proposed timeline for consideration and implementation of District-Based Elections.
- Published a notice in the Marin IJ on May 28, 2019 (7-days before Public Hearing No. 3 seeking input from residents and advising availability of baseline maps on the District's website. Published three draft map alternatives (Plan A, Plan B, and Plan C) on the District's website more than 7 days before Public Hearing No. 3. The draft maps have remained on the website continuously since then.
- Published a notice in the Marin IJ on June 11, 2019 (7-days before Public Hearing No. 4 seeking input from residents and advising availability of baseline maps on the District's website.
- Posted multiple social media notices and information to the District's Facebook and Nextdoor pages.

Analysis of Map Alternatives

This fourth public hearing is to inform the community about the division process, present options, and receive public input regarding the boundaries and composition of divisions as set forth on the three map alternatives, and regarding the sequence of elections to select Directors for the newly created divisions. This hearing is the second of two hearings to enable the Board to receive input on the draft maps and on any alternative maps that might be proposed.

At the conclusion of Public Hearing No. 4, the Board is expected to select the final map and provide direction to staff regarding the sequence of division elections. Additional comments will be received and considered at the West Marin regularly scheduled Board meeting on June 25, 2019. The ordinance adopting the final map is scheduled for consideration at the July 16, 2019 meeting (Public Hearing No. 5).

The three draft maps are included as Attachment 2.

Plan A Map:

Plan A begins with a bridging of the West Marin Service Areas (aka, "islands") of population with areas on the outskirts of the City of Novato, with an eye on elevation zone maps for this justification. Then, within the city of Novato it attempts to create a balanced population plan with an eye on the neighborhoods as depicted in the City of Novato districting materials.

Plan B Map:

Plan B begins by uniting the unincorporated portions of the District together as much as possible and placing the rural portions of the District together with the West Marin coastal portions of the District. As the plan moves into the City of Novato, it uses neighborhood lines as a base to build out each division and uses natural and man-made barriers, like freeways, to inform the division lines.

Plan C Map:

Plan C begins by placing the District boundaries on a “blank canvas” consisting of only street and city imagery. As choices about the finer line boundary details were made, ancillary information was added to the map; first the North Marin Water District’s elevation zones, then the lines drawn by other local jurisdictions.

Sequence of Division Elections

The sequence of division elections needs to be determined. The transition to division elections will be initially implemented in the 2020 election at which time three Director seats will be on the ballot, with the two remaining Director seats on the ballot in 2022. In determining final sequencing at this fourth Public Hearing, the Board should keep in mind the purposes of the CVRA and also take into account the preferences expressed by Directors and members of the community, including those within the affected divisions.

Path Forward

At the conclusion of this public hearing, the Board will consider configurations of the draft map alternatives and either select the final division map from those alternatives discussed above or provide additional changes to one or more of the draft maps and select one of the maps; and provide direction to staff regarding the sequence of division elections. In addition to the four public hearings in Novato, customers will have an opportunity to comment on the proposed final maps – before they are published (on or before July 9, 2019) – during the West Marin meeting of NMWD’s Board on June 25th, when an agenda item will be included to summarize activities to-date regarding the transition to district-based elections.

The ordinance adopting the final map and election sequence will be scheduled for adoption at the July 16, 2019 regularly scheduled Board meeting (see updated timeline provided in Attachment 3). Once new census data is available from the 2020 Federal census in 2021, the Board will consider how to revise the voting divisions to equalize the population within the divisions in time to be effective for the 2022 election.

Consistent with the previous three public hearings, Bold, Polisner, Maddow, Nelson & Judson (District Legal Counsel), Remcho Johansen & Purcell LLP (Special Legal Counsel), and Political Data, Inc (Demographer) will be present to lead the discussions and answer questions.

RECOMMENDATION:

That the Board:

1. Hold the fourth public hearing to receive input from the community regarding the boundaries, composition, and sequencing of divisions to be established for division-

based elections for Directors pursuant to Elections Code Section 10010 and regarding the sequence of such elections;

2. Consider the various maps presented, suggest any additional changes to one or more of the draft maps, and select one of the maps; and
3. Provide direction regarding sequencing of divisions in future elections.

From: Marucia Britto <marucia.britto@gmail.com>
Sent: Thursday, May 30, 2019 9:11 AM
To: Info NMWD
Subject: Redistricting of NMWD

Good morning,

As a resident of Hamilton I support Redistricting Plan A. And only Plan A. It is important that the Hamilton neighborhood stays together. That means all area east of Highway 101 and south of Hamilton should be in the same district. We could also include Pacheco Valley with this district (which is currently not done in Plan A).

All other options (Plan B and C) don't make sense for the stand point of a Hamilton resident.

Thanks for considering my comment,
Marucia Britto
126 Emerson Ave
Novato, CA 94949

From: Drew McIntyre
Sent: Thursday, May 30, 2019 7:55 AM
To: 'Tina G McMillan'
Cc: Terrie Kehoe
Subject: RE: District-Based Elections - North Marin Water District

Hi Tina, thanks for following this issue and reaching out.

To-date, the Board has provided no guidance to the demographers on where they live. It is expected that the demographers will ask for guidance and direction on this issue at the 3rd hearing next Tuesday.

Not sure what your question is regarding "pairing"?

Best, Drew

From: Tina G McMillan [<mailto:tinagmcbaytree@comcast.net>]
Sent: Wednesday, May 29, 2019 4:39 PM
To: Terrie Kehoe
Cc: Drew McIntyre
Subject: Re: District-Based Elections - North Marin Water District

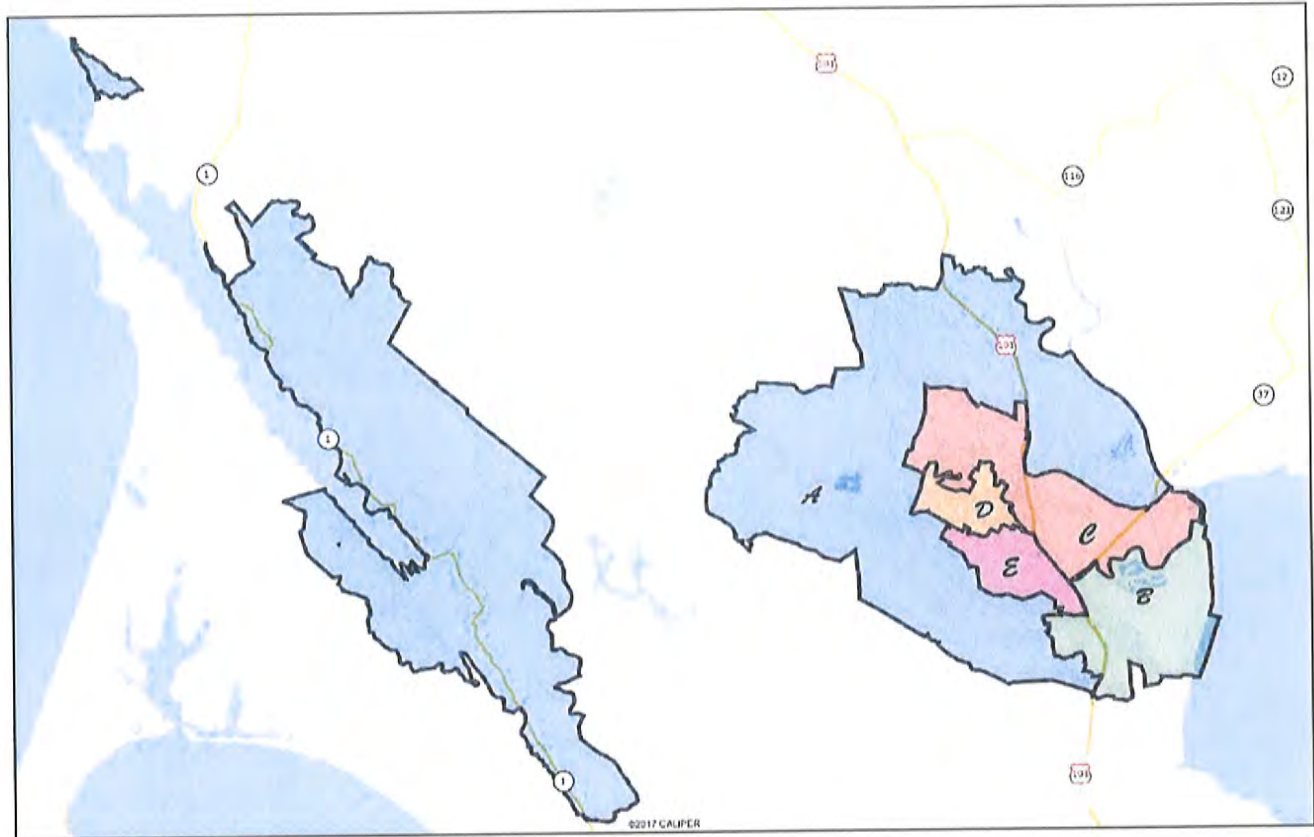
I was able to find my street on each of the three maps. Can you please show where incumbents currently live on each of the maps?

Will there be any pairing?

Tina G McMillan, LMFT
1748 Novato Boulevard Suite 210
Novato, CA 94947
415-898-6455 office
415-246-5361 cell
415-983-2513 fax
<http://www.tinagmcmillan.com>

North Marin Water District

Draft Plan A (5/28/2019)

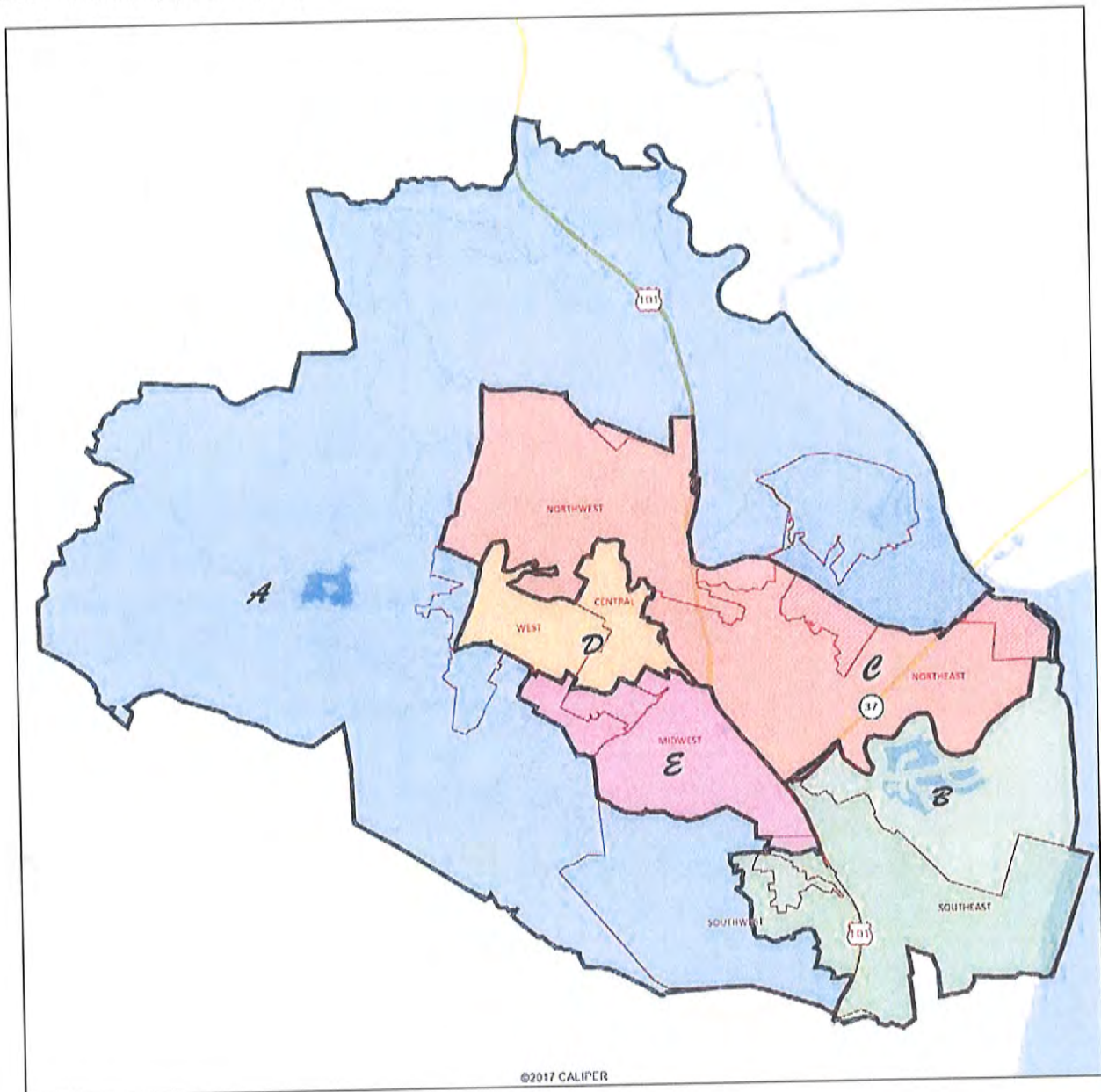


Plan A

District	2010 Census				Citizen Voting Age Population (CVAP)					
	Population	Deviation		Population	Latino		Asian		Black	
A	12,584	280	2.3%	9,452	582	6%	433	5%	33	0%
B	12,300	(4)	0.0%	7,978	837	10%	606	8%	234	3%
C	12,199	(105)	-0.9%	9,246	1,226	13%	602	7%	117	1%
D	12,479	175	1.4%	9,376	924	10%	382	4%	212	2%
E	11,958	(346)	-2.8%	8,747	953	11%	442	5%	198	2%

North Marin Water District

Draft Plan A (5/28/2019)

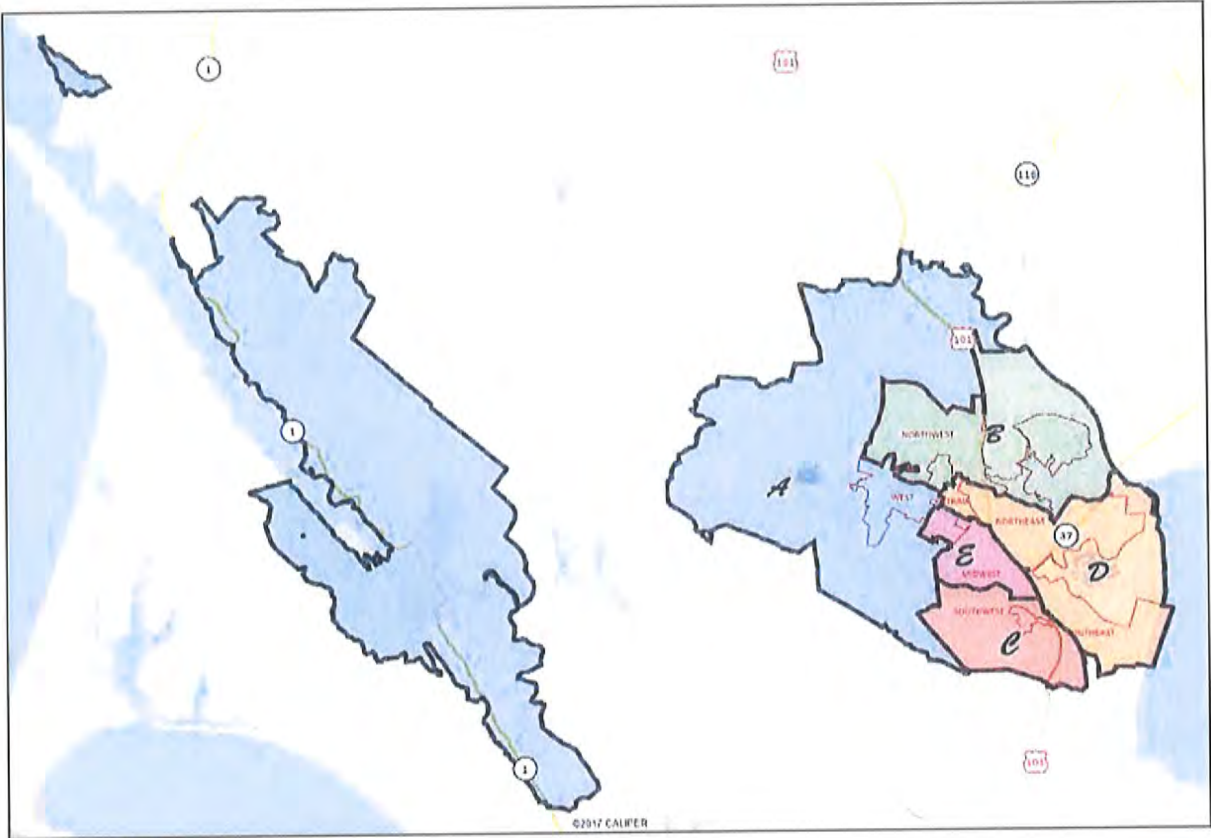


Plan A

District	2010 Census			Citizen Voting Age Population (CVAP)						
	Population	Deviation		Population	Latino		Asian		Black	
A	12,584	280	2.3%	9,452	582	6%	433	5%	33	0%
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C	12,199	(105)	-0.9%	9,246	1,226	13%	602	7%	117	1%
D	12,479	175	1.4%	9,376	924	10%	382	4%	212	2%
E	11,958	(346)	-2.8%	8,747	953	11%	442	5%	198	2%

North Marin Water District

Draft Plan B (5/28/2019)

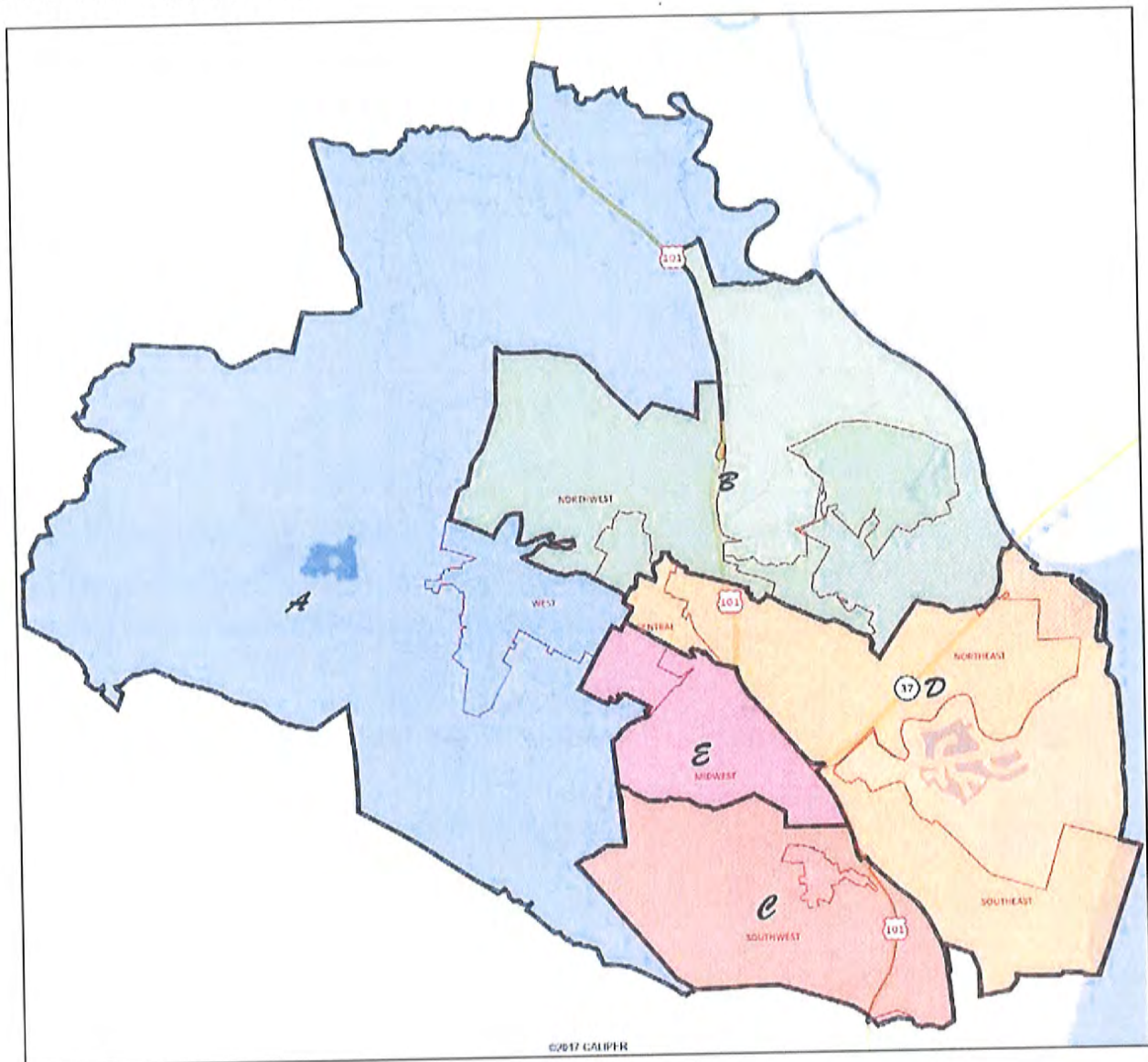


Plan B

District	2010 Census			Citizen Voting Age Population (CVAP)						
	Population	Deviation		Population	Latino		Asian		Black	
A	12,813	509	4.1%	10,156	693	7%	461	5%	50	0%
B	12,253	(51)	-0.4%	7,649	920	12%	481	6%	217	3%
C	12,179	(125)	-1.0%	9,443	982	10%	656	7%	41	0%
D	12,144	(160)	-1.3%	8,680	1,017	12%	462	5%	265	3%
E	12,131	(173)	-1.4%	8,871	910	10%	405	5%	221	2%

North Marin Water District

Draft Plan B (5/28/2019)



Plan B

District	2010 Census			Citizen Voting Age Population (CVAP)						
	Population	Deviation		Population	Latino		Asian		Black	
A	12,813	509	4.1%	10,156	693	7%	461	5%	50	0%
B	12,253	(51)	-0.4%	7,649	920	12%	481	6%	217	3%
C	12,179	(125)	-1.0%	9,443	982	10%	656	7%	41	0%
D	12,144	(160)	-1.3%	8,680	1,017	12%	462	5%	265	3%
E	12,131	(173)	-1.4%	8,871	910	10%	405	5%	221	2%

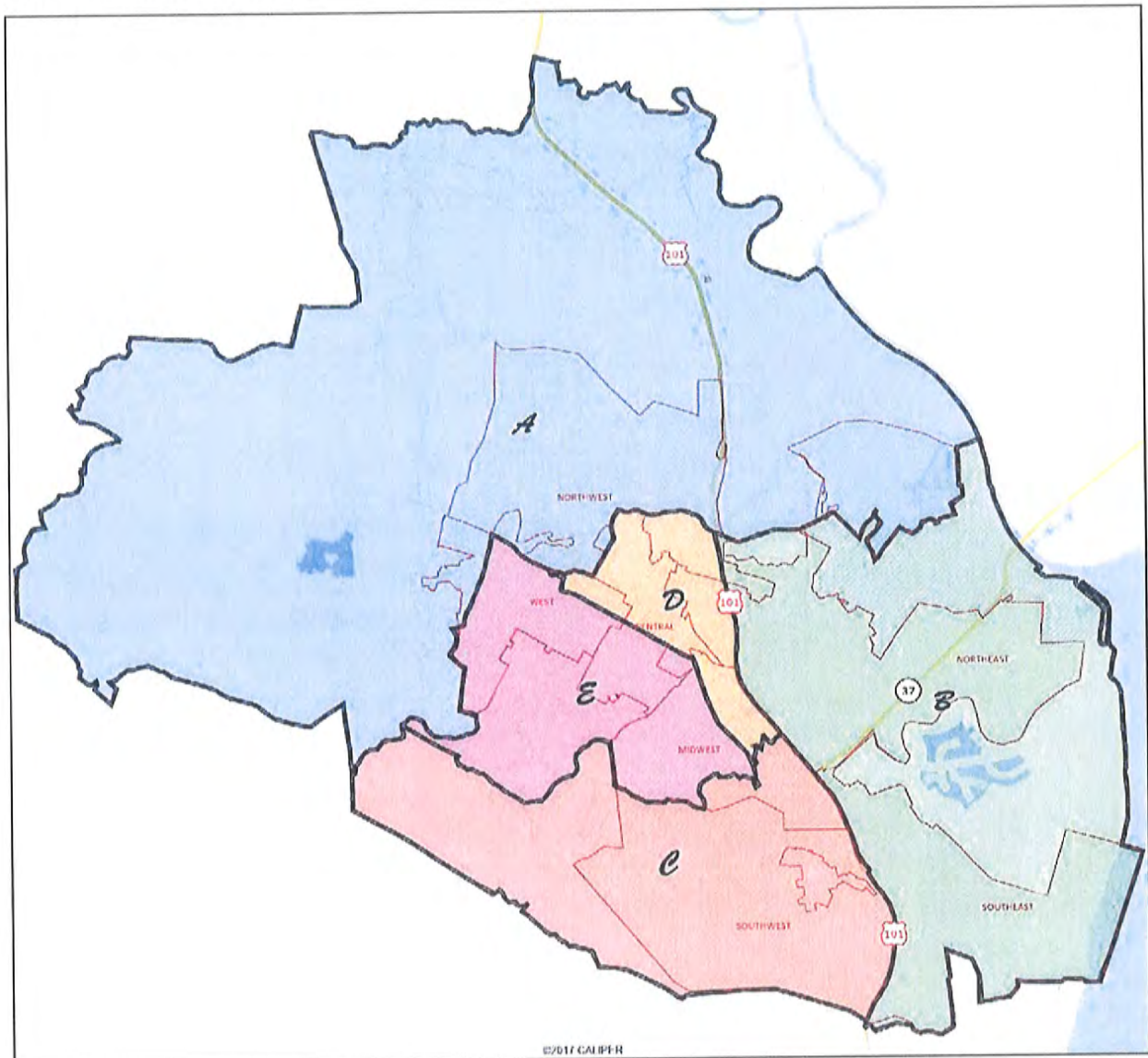
Draft Plan C (5/28/2019)



	2010 Census			Citizen Voting Age Population (CVAP)						
District	Population	Deviation		Population	Latino		Asian		Black	
A	12,540	236	1.9%	9,728	863	9%	451	5%	14	0%
B	12,182	(122)	-1.0%	8,661	986	11%	658	8%	180	2%
C	12,303	(1)	0.0%	8,023	853	11%	516	6%	156	2%
D	12,232	(72)	-0.6%	8,348	1,066	13%	399	5%	278	3%
E	12,263	(41)	-0.3%	10,039	754	8%	441	4%	166	2%

North Marin Water District

Draft Plan C (5/28/2019)



Plan C

District	2010 Census			Citizen Voting Age Population (CVAP)						
	Population	Deviation		Population	Latino		Asian		Black	
A	12,540	236	1.9%	9,728	863	9%	451	5%	14	0%
B	12,182	(122)	-1.0%	8,661	986	11%	658	8%	180	2%
C	12,303	(1)	0.0%	8,023	853	11%	516	6%	156	2%
D	12,232	(72)	-0.6%	8,348	1,066	13%	399	5%	278	3%
E	12,263	(41)	-0.3%	10,039	754	8%	441	4%	166	2%

North Marin Water District
District Secretary
999 Rush Creek Place
Novato, CA 94945

NOTICE OF PUBLIC HEARINGS

The North Marin Water District (District) Board of Directors (Board) has initiated the process to change from the District's current at-large election system to by-district elections to conform with the California Voting Rights Act (CVRA). On April 23, 2019, the Board took action to adopt District Resolution No. 19-xx "Resolution Declaring the Intent to Initiate Procedures to Transition From At-Large Elections to District-Based Elections (By Zone) Pursuant to the California Voting Rights Act and Taking Related Actions." The following schedule is proposed to hold the required minimum of five (5) public hearings to transition to district (or zone) elections, but may be subject to change.

NORTH MARIN WATER DISTRICT Proposed Timeline for Consideration and Implementation of District-Based Elections

DATE	EVENT	COMMENT
Tuesday, April 23, 2019	Board adopts Resolution declaring its intention to transition from at-large to by-district (zone) elections (Special Meeting).	
Tuesday, May 7, 2019	1st Public Hearing (Regular Meeting)	No maps for review, but take public comments on composition of districts (zones) and preference for zone lines.
Tuesday, May 21, 2019	2nd Public Hearing (Regular Meeting)	No maps for review, but take public comments on composition of districts (zones) and preference for zone lines.
Tuesday, May 28, 2019	Publish draft map(s) for at least seven (7) days before 3 rd public hearing	Publication can be on website and posting in other places
Tuesday, June 4, 2019	3rd Public Hearing (Regular Meeting)	Take public comments on proposed maps; engage in line drawing as desired.
Tuesday, June 11, 2019	Publish for review new or amended district election maps, if any.	Maps must be available for review at least 7 days before consideration at the 4th public hearing
Tuesday, June 18, 2019	4th Public Hearing (Regular Meeting)	Take public comments on proposed maps; final line drawing as desired.
Tuesday, July 9, 2019	Publish for review new or amended district election maps (if any) and proposed sequence of elections.	If selected map is amended, ordinance cannot be adopted until 7 days after amended map is published.
Tuesday, July 16, 2019	5th Public Hearing (Regular Meeting)	Board adopts ordinance establishing by-district elections

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NORTH MARIN WATER DISTRICT
MONTHLY PROGRESS REPORT FOR May 2019
June 18, 2019

Item #6

1.

Novato Potable Water Prod* - RR & STP Combined - in Million Gallons - FYTD

Month	FY18/19	FY17/18	FY16/17	FY15/16	19 vs 18 %
July	341.1	331.0	310.3	227.2	3%
August	300.9	303.0	299.6	235.2	-1%
September	255.0	292.4	302.3	210.0	-13%
October	265.6	273.7	202.8	298.6	-3%
November	170.1	163.9	143.8	145.4	4%
December	157.8	152.1	147.6	145.1	4%
January	114.7	130.6	120.8	129.8	-12%
February	110.9	134.8	118.6	111.3	-18%
March	138.8	130.2	145.8	149.1	7%
April	143.8	151.7	136.2	151.8	-5%
May	198.6	237.4	232.0	199.6	-16%
FYTD Total	2,197.1	2,300.7	2,159.7	2,003.3	-5%

West Marin Potable Water Production - in Million Gallons - FY to Date

Month	FY18/19	FY17/18	FY16/17	FY15/16	19 vs 18 %
July	10.2	9.5	7.9	6.6	8%
August	9.9	8.8	7.4	7.0	13%
September	9.5	8.4	6.4	6.4	14%
October	8.3	7.9	5.2	6.5	5%
November	7.3	5.4	4.2	4.7	34%
December	5.7	5.1	3.7	3.9	12%
January	5.0	4.5	3.6	3.7	9%
February	3.5	4.5	3.3	3.8	-23%
March	4.4	5.1	4.4	4.2	-14%
April	4.9	5.1	4.8	4.9	-4%
May	5.5	7.5	6.8	6.5	-26%
FYTD Total	74.2	71.8	57.7	58.2	3%

Stafford Treatment Plant Production - in Million Gallons - FY to Date

Month	FY18/19	FY17/18	FY16/17	FY15/16	19 vs 18 %
July	78.6	112.6	69.9	107.6	-30%
August	79.3	81.5	90.4	79.4	-3%
September	60.5	122.7	96.9	38.3	-51%
October	74.5	102.3	93.9	49.5	-27%
November	0.0	53.6	63.8	58.3	-100%
December	0.0	0.0	0.0	0.0	-
January	0.0	0.0	0.0	0.0	-
February	0.0	0.0	0.0	0.0	-
March	19.2	0.0	38.9	0.0	-
April	60.3	5.4	60.6	48.9	1009%
May	97.4	85.2	121.9	111.3	14%
FYTD Total	469.9	563.2	636.3	493.3	-17%

Recycled Water Production* - in Million Gallons - FY to Date

Month	FY18/19	FY17/18	FY16/17	FY15/16	19 vs 18 %
July	30.0	27.7	27.1	21.3	8%
August	30.6	26.1	26.0	26.2	17%
September	33.5	25.0	23.5	15.7	34%
October	20.1	19.1	8.3	15.8	5%
November	12.7	2.5	1.2	3.2	406%
December	1.5	0.8	0.4	0.8	85%
January	0.9	1.0	0.3	0.2	-8%
February	0.3	3.3	0.0	0.6	-90%
March	0.4	1.7	0.5	0.3	-74%
April	10.1	5.1	2.7	11.0	98%
May	19.6	17.0	22.9	20.2	15%
FYTD Total*	159.7	129.3	112.9	115.3	24%

*Corrected July- September water delivery data to use SCWA billing meter records not process flow meter records.

**Excludes potable water input to the RWsystem: FY19=19.9 MG; FY18=15.35MG; FY17=1.4MG; FY16=7.4MG

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2. Stafford Lake Data

	May Average	May2018	May2019
Rainfall this month	0.56 Inches	0.06 Inches	3.20 Inches
Rainfall this FY to date	26.69 Inches	20.55 Inches	38.75 Inches
Lake elevation*	192.2 Feet	189.7 Feet	195.3 Feet
Lake storage**	1124 MG	959 MG	1341 MG

* Spillway elevation is 196.0 feet

** Lake storage less 390 MG = quantity available for delivery

Temperature (in degrees)

	Minimum	Maximum	Average
May 2018 (Novato)	48	93	62
May 2019 (Novato)	48	85	62

3. Number of Services

May 31	Novato Water			Recycled Water			West Marin Water			Oceana Marin Swr		
	FY19	FY18	Incr %	FY19	FY18	Incr %	FY19	FY18	Incr %	FY19	FY18	Incr %
Total meters installed	20,752	20,771	-0.1%	95	70	35.7%	791	791	0.0%	-	-	-
Total meters active	20,546	20,554	0.0%	91	66	37.9%	783	783	0.0%	-	-	-
Active dwelling units	24,076	24,018	0.2%	-	-	-	833	832	0.1%	234	234	0.0%

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4. Oceana Marin Monthly Status Report (May)

Description	May 2018	May 2019
Effluent Flow Volume (MG)	0.447	0.489
Irrigation Field Discharge (MG)	0.510	0.817
Treatment Pond Freeboard (ft)	6.9	4.9
Storage Pond Freeboard (ft)	7.7	7.0

5. Developer Projects Status Report (May)

Job No.	Project	% Complete	% This month
1.2817.01	College of Marin – Admin Bldg. 11	99	0
1.2817.02	College of Marin – Organic Farm	98	0
1.2807.00	Hamilton Cottages	92	1
1.2786.00	Binford Road Storage	50	0
1.2817.03	College of Marin – New Miwok Center	1	0
1.2816.00	Oakmont Senior Living	10	5
1.2821.00	Atherton Place	11	1

District Projects Status Report - Const. Dept. (May)

Job No.	Project	% Complete	% This month
1.6112.24	Lynwood Pump Station MCC	15	0
1.8737.06	Montego Keys	95	0
1.7123.24	PB Replacements Lanham Village	80	30

Employee Hours to Date, FY 18/19

As of Pay Period Ending May 31, 2019

Percent of Fiscal Year Passed = 91%

Developer Projects	Actual	Budget	% YTD Budget	District Projects	Actual	Budget	% YTD Budget
Construction	734	1,400	52%	Construction	3,181	4,654	68%
Engineering	1,178	1,404	84%	Engineering	2,250	3,370	67%

6. Safety/Liability

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Industrial Injury with Lost Time				Liability Claims Paid	
Lost Days	OH Cost of Lost Days (\$)	No. of Emp. Involved	No. of Incidents	Incurred (FYTD)	Paid (FYTD) (\$)
7	\$2,540	2	2	7	\$8,476
54	\$0	3	2	5	\$3,930

FY 19 through May

FY 18 through May

Days without a lost time accident through May 31, 2019

63 Days

7. Energy Cost

FYE	kWh	May		Fiscal Year-to-Date thru May		
		¢/kWh	Cost/Day	kWh	¢/kWh	Cost/Day
2019 Stafford TP	89,366	19.8¢	\$569	600,693	20.5¢	\$367
Pumping	110,464	21.3¢	\$811	1,231,357	20.8¢	\$761
Other*	49,677	29.2¢	\$500	525,035	24.0¢	\$375
	249,506	22.3¢	\$1,880	2,357,085	21.4¢	\$1,503
2018 Stafford TP	70,794	19.7¢	\$450	620,531	19.6¢	\$363
Pumping	118,754	21.5¢	\$878	1,274,404	20.9¢	\$797
Other*	37,716	26.7¢	\$348	451,452	24.6¢	\$332
	227,264	21.8¢	\$1,676	2,346,387	21.3¢	\$1,492
2017 Stafford TP	78,217	19.2¢	\$484	601,007	19.1¢	\$342
Pumping	112,497	20.4¢	\$821	1,068,798	20.4¢	\$653
Other*	38,496	28.7¢	\$381	451,062	23.9¢	\$322
	229,210	21.4¢	\$1,686	2,120,867	20.8¢	\$1,317

*Other includes West Marin Facilities

8. Water Conservation Update

	Month of May 2019	Fiscal Year to Date	Program Total to Date
High Efficiency Toilet (HET) Rebates	16	151	4033
Retrofit Certificates Filed	8	158	6228
Cash for Grass Rebates Paid Out	2	18	921
Washing Machine Rebates	5	16	6797
Water Smart Home Survey	27	232	3734

9. Utility Performance Metric

SERVICE DISRUPTIONS (No. of Customers Impacted)	May 2019	May 2018	Fiscal Year to Date 2019	Fiscal Year to Date 2018
PLANNED				
Duration Between 0.5 and 4 hours	8	13	94	291
Duration Between 4 and 12 hours	55		138	101
Duration Greater than 12 hours				
UNPLANNED				
Duration Between 0.5 and 4 hours		16	78	82
Duration Between 4 and 12 hours				92
Duration Greater than 12 hours			3	1
SERVICE LINES REPLACED				
Polybutylene	6	11	101	100
Copper (Replaced or Repaired)	2	3	13	15

Note: Montego Keys, 55 homes, 8 hours, tie-ins

NORTH MARIN WATER DISTRICT

Summary of Complaints & Service Orders May 2019

6/11/2019

Type	May-19	May-18	Action Taken May 2019
<u>Consumers' System Problems</u>			
Service Line Leaks	60	19	Notified Consumer
Meter Leak Consumer's Side	0	3	Notified Consumer
House Plumbing	0	5	Notified Consumer
Noisy Plumbing	0	3	Notified Consumer
House Valve / Meter Off	14	7	Notified Consumer
Nothing Found	16	11	Notified Consumer
High Pressure	3	0	PRV failed @ 105 PSI. New PRV Installed. PRV failed @ 110 PSI at hose bib. PRV failed @ 98 PSI.
Water Waster Complaints	0	1	Notified Consumer
Total	93	49	
<u>Service Repair Reports</u>			
Register Replacements	0	1	Replaced
Meter Replacement	4	8	Replaced
Meter Box Alignment	2	2	Aligned
Box and Lids	2	1	Replaced
Water Off/On Due To Repairs	9	20	Notified Consumer
Misc. Field Investigation	11	6	Notified Consumer
Total	28	38	
<u>Leak NMWD Facilities</u>			
Main-Leak	0	3	Repaired
Service- Leak	4	8	Repaired
Services-Nothing Found	0	1	Notified Consumer
Fire Hydrant-Leak	1	1	Repaired
Meter Leak	0	8	Repaired
Meters-Nothing Found	0	1	~
Washer Leaks	5	8	Repaired
Total	10	30	
<u>High Bill Complaints</u>			
Consumer Leaks	0	2	Notified Consumer
Meter Misread	0	3	~
Nothing Found	1	12	Notified Consumer
Excessive Irrigation	0	1	Notified Consumer
Total	1	18	
<u>Low Bill Reports</u>			
Nothing Found	0	1	Notified Consumer
Total	0	1	

NORTH MARIN WATER DISTRICT

Summary of Complaints & Service Orders May 2019

6/11/2019

Type	May-19	May-18	Action Taken May 2019
<u>Water Quality Complaints</u>			
Taste and Odor	1	1	<i>Customer reported a strong chemical smell. (Lauren Ave)</i> Smell may be due pressurized garden hose. Results normal for NMWD supply. Customer was notified.
Color	0	1	
Other	0	1	<i>Customer wanted to check the chemistry of the water. (Tara Ln)</i> Noticed slime growth that wipes clean-possibly from filter. Results normal for NMWD supply. Customer was notified.
Total	1	3	
<u>TOTAL FOR MONTH:</u>	<u>133</u>	<u>139</u>	<u>-4%</u>

Fiscal YTD Summary

Consumer's System Problems	851	354	140%	<u>Change Primarily Due To</u> Increase In Service Line Leaks
Service Repair Report	298	147	103%	Increase In Water Off/On Due To Repairs
Leak NMWD Facilities	209	198	6%	Increase In Service Leaks
High Bill Complaints	237	489	-52%	Decrease In Nothing Found
Low Bills	7	4	75%	Increase in Meter Misread
Water Quality Complaints	25	31	-19%	Decrease In Other
Total	<u>1,627</u>	<u>1,223</u>	<u>33%</u>	

"In House" Generated and Completed Work Orders

<u>Check Meter:</u> possible consumer/District leak, high bill, flooded, need read, etc.	118	237
<u>Change Meter:</u> leaks, hard to read	55	3
<u>Repair Meter:</u> registers, shut offs	4	2
<u>Replace Boxes/Lids</u>	2	11
<u>Trims</u>	0	32
<u>Dig Outs</u>	0	45
	179	330

Bill Adjustments Under Board Policy:

May 19 vs. May 18

May-19	9	\$2,008
May-18	13	\$10,622

Fiscal Year vs Prior FY

18/19 FY	283	\$107,097
17/18 FY	358	\$152,736

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MEMORANDUM

To: Board of Directors

June 14, 2019

From: Julie Blue, Auditor-Controller *JB*
Nancy Holton, Senior Accountant *NH*

Subj: Auditor-Controller's Monthly Report of Investments for May 2019
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RECOMMENDED ACTION: Information

FINANCIAL IMPACT: None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$19,123,122 and a market value of \$19,129,383. During May the cash balance decreased by \$211,054. The market value of securities held increased \$6,261 during the month. The ratio of total cash to budgeted annual operating expense stood at 108%, down 2% from the prior month.

At May 31, 2019, 45% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), 31% in Time Certificates of Deposit, 5% in Federal Agency Securities, 13% in US Treasury Notes, 5% in the Marin County Treasury, and 1% retained locally for operating purposes. The weighted average maturity of the portfolio was 168 days, compared to 172 days at the end of April. The LAIF interest rate for the month was 2.45%, the same as the previous month. The weighted average Portfolio rate was 2.37%, the same as the previous month.

NORTH MARIN WATER DISTRICT
AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS
May 31, 2019

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis ¹	5/31/2019 Market Value	Yield ²	% of Portfolio
LAIF	State of CA Treasury	AA-	Various	Open	\$8,503,261	\$8,504,511	2.45% ³	45%
Time Certificate of Deposit								
TCD	Capital One Bank	n/a	7/19/17	7/19/19	247,000	247,000	1.70%	1%
TCD	Capital One NA	n/a	8/9/17	8/9/19	247,000	247,000	1.70%	1%
TCD	American Express FSB	n/a	9/6/17	9/6/19	247,000	247,000	1.75%	1%
TCD	Goldman Sachs Bank USA	n/a	10/11/17	10/11/19	247,000	247,000	1.70%	1%
TCD	Morgan Stanley Bank	n/a	11/9/17	11/12/19	247,000	247,000	1.75%	1%
TCD	American Express Centurion	n/a	12/5/17	12/5/19	247,000	247,000	1.90%	1%
TCD	Sallie Mae Bank	n/a	1/10/18	1/10/20	247,000	247,000	2.20%	1%
TCD	Discover Bank	n/a	2/13/18	2/24/20	247,000	247,000	2.35%	1%
TCD	Wells Fargo Bank	n/a	3/28/18	3/30/20	248,000	248,000	2.55%	1%
TCD	Citibank	n/a	4/11/18	4/13/20	246,000	246,000	2.55%	1%
TCD	UBS Bank	n/a	5/30/18	6/1/20	249,000	249,000	2.70%	1%
TCD	Enerbank	n/a	6/18/18	5/18/20	249,000	249,000	2.75%	1%
TCD	BMW Bank	n/a	6/15/18	6/15/20	246,000	246,000	2.75%	1%
TCD	Bank of America	n/a	8/15/18	8/17/20	246,000	246,000	2.75%	1%
TCD	Ally Bank	n/a	9/28/18	9/28/20	246,000	246,000	2.80%	1%
TCD	Barclays Bank	n/a	11/14/18	11/16/20	246,000	246,000	3.00%	1%
TCD	CIT Bank	n/a	12/17/18	12/17/20	246,000	246,000	3.00%	1%
TCD	Reliance Bank	n/a	1/11/19	1/11/21	249,000	249,000	2.70%	1%
TCD	Iberia Bank	n/a	1/25/19	1/25/21	246,000	246,000	2.70%	1%
TCD	TIAA Bank	n/a	1/18/19	7/19/21	246,000	246,000	2.75%	1%
TCD	Merrick Bank	n/a	2/8/19	2/8/21	249,000	249,000	2.60%	1%
TCD	Eaglebank	n/a	3/15/19	3/15/21	249,000	249,000	2.60%	1%
TCD	Central Bank	n/a	4/18/19	4/19/21	249,000	249,000	2.40%	1%
TCD	Morgan Stanley Private Bank	n/a	5/23/19	5/24/21	247,000	247,000	2.40%	1%
					\$5,933,000	\$5,933,000	2.42%	31%
US Treasury Notes								
Treas	1.380%	n/a	1/10/18	7/31/19	499,588	499,097	1.87%	3%
Treas	2.250%	n/a	7/26/18	3/31/20	997,438	999,102	2.56%	5%
Treas	2.750%	n/a	3/5/19	9/30/20	1,002,843	1,006,953	2.75%	5%
					\$2,499,870	\$2,505,152	2.50%	13%
Federal Agency Securities								
FHLB	1.625% MTN	n/a	11/21/17	6/14/19	\$999,986	\$999,715	1.70%	5%
					\$999,986	\$999,715	1.70%	5%
Other								
Agency	Marin Co Treasury	AAA	Various	Open	\$1,034,969	\$1,034,969	2.14%	5%
Other	Various	n/a	Various	Open	152,036	152,037	0.41%	1%
TOTAL IN PORTFOLIO					\$19,123,122	\$19,129,383	2.37%	100%

Weighted Average Maturity = **168 Days**

LAIF: State of California Local Agency Investment Fund.

TCD: Time Certificate of Deposit, Treas: US Treasury Notes with maturity of 5 years or less.

FHLB: Federal Home Loan Bank

Agency: STP State Revolving Fund Loan Reserve.

Other: Comprised of 5 accounts used for operating purposes. US Bank Operating Account, US Bank STP SRF Loan Account, US Bank FSA Payments Account, Bank of Marin AEEP Checking Account & NMWD Petty Cash Fund.

1 Original cost less repayment of principal and amortization of premium or discount.

2 Yield defined to be annualized interest earnings to maturity as a percentage of invested funds.

3 Earnings are calculated daily - this represents the average yield for the month ending May 31, 2019.

Interest Bearing Loans	Loan Date	Maturity Date	Original Loan Amount	Principal Outstanding	Interest Rate
StoneTree Golf Loan	6/30/06	2/28/24	\$3,612,640	\$1,118,392	2.40%
Marin Country Club Loan	1/1/18	11/1/47	\$1,265,295	\$1,210,630	1.00%
Marin Country Club Loan	1/1/18	11/1/27	\$430,463	\$0	2.80%
Employee Housing Loans (4)	Various	Various	714,200	714,200	Contingent
TOTAL INTEREST BEARING LOANS			\$6,022,598	\$3,043,222	

The District has the ability to meet the next six months of cash flow requirements.

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7

MEMORANDUM

To: Board of Directors
From: Pablo Ramudo, Water Quality Supervisor *PR*
Subject: Annual Water Quality Report- Novato
P:\LAB\WQ Supv\CCR\2018\Memo to board re 2018 CCR novato.doc

June 14, 2019

RECOMMENDED ACTION: Approve Text for 2018 Annual Water Quality Report – Novato
FINANCIAL IMPACT: \$2100 (Included in FY 2018/2019 Budget)

The Safe Drinking Water Act requires water suppliers to publish and distribute a report of water quality information to its customers annually. The report contains details and results of monitoring for various contaminants throughout the previous year, a description of the sources of water and treatment regimes, as well as general information about water and its constituents. Customers who normally receive a paper bill will also receive an insert informing them that the report is available on our website and that a paper copy can be requested. Customers who receive an electronic bill will be sent an email with a link to the report on our website. We will initially order 750 printed copies of the report to mail to customers who request it and to have available to customers in our lobby. Additional copies will be ordered if necessary.

RECOMMENDATION

Approve text and design for the Annual Water Quality Report (2018 Consumer Confidence Report) for Novato subject to any comments received from the Board of Directors.

Approved by GM *RD*Date *6/14/19*



NORTH MARIN WATER DISTRICT

2018 ANNUAL WATER QUALITY REPORT • NOVATO EDITION • PUBLISHED JUNE 2019

In 2018, water provided by North Marin Water District met or surpassed every federal and state drinking water standard.

This brochure is a snapshot of water quality monitoring performed in 2018. Included are details about where your water comes from, what it contains, and how it compares to regulatory standards. If you have any questions regarding this Water Quality Report, contact Pablo Ramudo, Water Quality Supervisor, (415) 761-8929 or (800) 464-6693.



This report is available on our website: www.nmwd.com

North Marin Water District's Stafford Lake Water Treatment Plant produces about 25% of the water needed for Novato. This facility is designed to produce water which meets or exceeds strict state and federal standards for water quality. The water treatment process starts with chlorine dioxide and polymers prior to filtration through layers of anthracite and garnet sand. The water then passes through granular activated charcoal to remove any remaining impurities before adjusting the pH to 8.3 for corrosion control and the addition of a small amount of chlorine for disinfection.

Most of Novato's water supply is purchased as treated water from Sonoma County Water Agency (SCWA).

The SCWA water supply is collected from gravel beds 80 feet below and adjacent to the Russian River. The quality of this naturally filtered water is excellent, making additional treatment unnecessary. Water from additional SCWA wells in the Santa Rosa plain can be blended with the Russian River well water to augment water supply. Before delivering the water to Novato, SCWA adds small amounts of chlorine and sodium hydroxide to ensure purity and to adjust the pH to 8.3.

The Stafford Lake water supply blends with the SCWA water supply in the Novato water distribution system. The percentage from each source can vary by day and by season.

Este informe contiene información muy importante sobre su agua potable.

Tradúzcalo o hable con alguien que lo entienda bien. Para más información, llame al (415) 761-8929.

TABLE 1 Report on Detected Constituents with a Primary Drinking Water Standard (PDWS)					SONOMA COUNTY WATER AGENCY		STAFFORD WATER TREATMENT PLANT	
CONSTITUENT	UNITS	PHG / [MRDLG] (MCLG)	MCL / [MRDL] (PDWS)	TYPICAL SOURCE	Average	Range	Average	Range
Fluoride	mg/L	1.0	2.0	Erosion of natural deposits	ND	ND	0.1	0.11
Nitrate (as N)	mg/L	10	10	Soil runoff from fertilizers, leaching from septic systems and sewage	ND	ND	ND	ND
Radioactivity Gress Alpha	pCi/l	0	15	Erosion of natural deposits	ND	ND	ND (1)	ND (1)
Hexavalent chromium*	µg/L	0.02	n/a	Erosion of natural deposits; release of industrial chemicals	ND	ND	ND	ND

DISTRIBUTION SYSTEM WATER					SONOMA COUNTY WATER AGENCY		STAFFORD WATER TREATMENT PLANT	
CONSTITUENT	UNITS	PHG / [MRDLG] (MCLG)	MCL / [MRDL] (PDWS)	TYPICAL SOURCE	Average	Range	Average	Range
Chlorine, Free	mg/L	[4.0]	[4.0]	Drinking water disinfectant added for treatment	Average = 0.68 Range = 0 - 1.51			
Total Coliform Bacteria	% of samples positive	(0)	>5% of monthly samples positive	Naturally present in the environment	January 2018 1% of samples positive (1 sample), September 2018/ 1% of samples positive (1 sample)/ 1042 samples collected in 2018			
Total Trihalomethanes (2)	µg/L	n/a	80	By-product of drinking water disinfection	Highest Location Running Annual Average = 54 Range = 14 - 98			
Total Haloacetic Acids (2)	µg/L	n/a	60	By-product of drinking water disinfection	Highest Location Running Annual Average = 16 Range = 4.5 - 36			
Copper (3)	µg/L	170	(AL 1300)	Internal corrosion of household plumbing systems	30 samples collected, none above the action level 90th percentile = 107, Range = ND - 120			
Lead (3)	µg/L	2	(AL 15)	Internal corrosion of household plumbing systems	30 samples collected, none above the action level 90th Percentile = ND, Range = ND - 12			

TABLE 2 Constituents With Aesthetic Concerns and/or a Secondary Drinking Water Standard				SONOMA COUNTY WATER AGENCY		STAFFORD WATER TREATMENT PLANT	
CONSTITUENT	UNITS	SMCL	TYPICAL SOURCE	Average	Range	Average	Range
Color	PCU	15	Naturally-occurring organic materials	ND	ND	ND	ND
Odor	TON	3	Naturally-occurring organic materials	ND	ND	ND	ND
Chloride	mg/L	500	Runoff / leaching of natural deposits	5.6	5.2 – 7.0	74	67 – 78
Sulfate	mg/L	500	Leaching of natural deposits, treatment chemicals	15	11 – 29	9.1	7.5 – 9.9
Turbidity	NTU	5	Soil runoff	0.04	0.02 – 2.0	0.08	0.06 – 0.10
Total Dissolved Solids	mg/L	1000	Runoff / leaching of natural deposits	140	130 – 150	240	210 – 260
Sodium	mg/L	n/a	Naturally-occurring and treatment chemicals	8.3	7.7 - 8.8	35	30 – 40
Hardness (4)	mg/L	n/a	Leaching of natural deposits	100	97 – 110	110	100 – 120
Radon	pCi/l	n/a	See "Radon in Air," back page	160	110 – 180	n/a	n/a
Specific Conductance	µmhos/cm	1600	Substances that form ions in water	240	220 – 270	390	350 – 410
Manganese	µg/L	50	Leaching from natural deposits	ND	ND	ND	ND

TABLE 3 Unregulated with no established maximum (The results presented in this table are from monitoring that took place in 2014 and 2015)							
CONSTITUENT	UNITS	Primary Standard MCL / [Notification Level]	State PHG or Federal (MCLG)	TYPICAL SOURCES	System Range	System Average	Meets MCL or NL (YES/NO)
Chromium	µg/L	50	(100)	Erosion of natural deposits; release of industrial chemicals	0.21 - 0.50	0.34	Yes
Hexavalent Chromium*	µg/L	n/a	0.02	Erosion of natural deposits; release of industrial chemicals	0.10 - 0.40	0.25	Yes
Chlorate	µg/L	[800]	n/a	Byproduct of drinking water disinfection	130 - 240	180	Yes
Strontium	µg/L	n/a	n/a	Erosion of natural deposits; release of industrial chemicals	260 - 240	200	Yes
Vanadium	µg/L	[50]	n/a	Erosion of natural deposits; release of industrial chemicals	0.31 - 1.0	.65	Yes

*Hexavalent chromium is regulated by the State of California, the results of routine monitoring appear in table 1. Hexavalent chromium is not regulated by the federal government but is currently being assessed for future regulation with special monitoring that took place in 2014 and 2015. The results of this special monitoring are summarized in Table 3.

LEGEND

PHG (Public Health Goal): The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

MCLG (Maximum Contaminant Level Goal): The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency (EPA).

MCL (Maximum Contaminant Level): The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs (SMCL) are set to protect the odor, taste, and appearance of drinking water. MCLs and SMCLs are set by the California and/or U.S. EPA.

PDWS (Primary Drinking Water Standard): MCLs and MRDLs, for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.

AL (Action Level): The concentration of a contaminant that, if exceeded, triggers treatment or other requirements that a water system must follow.

TT (Treatment Technique): A required process intended to reduce the level of a contaminant in drinking water.

NTU (Nephelometric Turbidity Units): A measure of suspended material in water.

90th Percentile: Compliance based on highest value after eliminating the highest 10% of values.

MRDL (Maximum residual disinfectant level): The level of a disinfectant added for water treatment that may not be exceeded at the consumer's tap.

MRDLG (Maximum residual disinfectant level goal): The level of a disinfectant added for water treatment below which there is no known or exposed risk to health. MRDLGs are set by the U.S. EPA.

NL (Notification Level): The notification level for some unregulated contaminants.

mg/L = milligrams per liter (parts per million) -equivalent to 4 drops of water in the average sized bathtub.

µg/L = micrograms per liter (parts per billion) -equivalent to 50 drops in an olympic size swimming pool

µmhos/cm = micromhos per centimeter

ND = Not Detected

n/a = Not Applicable

PCU = platinum cobalt units

pCi/l = picocuries per liter

(1) 2012 Data

(2) Compliance based on a four-quarter running average at each distribution system monitoring location

(3) 2017 Data

(4) Average hardness shown in mg/L equates to 5.8 - 6.4 grains per gallon.

Concerning Lead and Drinking Water

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. There is no lead in drinking water produced by NMWD and there are no district owned lead service lines within our system, however lead can leach into drinking water from materials and components associated with customers' service lines and home plumbing. NMWD is responsible for providing high quality drinking water to your meter, but cannot control the variety of materials used in home plumbing components. When water in your household plumbing has been sitting for several hours, you can minimize the potential for lead exposure by running your tap water for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at www.epa.gov/safewater/lead.

A Message From the United States Environmental Protection Agency

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells.

As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive materials, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- **Microbial Contaminants**, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- **Inorganic Contaminants**, such as salts and metals, that can be naturally occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining or farming.
- **Pesticides and Herbicides**, that may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- **Organic Chemical Contaminants**, including synthetic and volatile organic chemicals, that are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, agricultural applications and septic systems.
- **Radioactive Contaminants**, that can be naturally-occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, the U.S. Environmental Protection Agency (USEPA) and the California Department of Public Health (CDPH) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. DHS regulations also establish limits for contaminants in bottled water that provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the USEPA's Safe Drinking Water Hotline (1-800- 426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800- 426-4791).

Cryptosporidium & Giardia

Monitoring performed by NMWD on untreated water in Stafford Lake has intermittently shown the presence of *cryptosporidium*, a microbial pathogen found in surface waters throughout the U.S. NMWD's filtration is designed and operated to remove *cryptosporidium*, but 100% removal cannot be guaranteed. Should you be concerned? Healthy individuals should not be concerned. However, immuno-compromised people are at greater risk. We suggest immuno-compromised individuals consult their physician regarding appropriate precautions.

Radon In Air

Radon is a radioactive gas that can move from decomposed granite soils into a home through cracks and holes in the foundation. Radon can also get into indoor air when running tap water for showering and other household activities. In most cases, radon from tap water is a small source of radon in air. Radon is a known human carcinogen. It can lead to lung cancer. Drinking water containing radon may also cause increased risk of stomach cancer. The SCWA water was tested for Radon and showed an average of 160 and a range of 110 – 180 pCi/L (picocuries per liter). There is no federal regulation for radon levels in drinking water. Exposure over a long period of time to air transmitting radon may cause adverse health effects. If you are concerned about radon in your home, **test the air in your home!** Testing is inexpensive and easy. For additional information, call your state radon program or call EPA's Radon Hotline (800-SOS-RADON).

Notice To Kidney Dialysis Patients

Chlorine dioxide is used as a pre-oxidant in water produced from Stafford Water Treatment Plant. Customers undergoing kidney dialysis treatment are advised to use sufficient pre-treatment to ensure chlorine dioxide does not pose a threat to the dialysis process.

Drinking Water Source Assessment for SCWA Groundwater Supply

In January 2001, a Drinking Water Source Assessment for all of the SCWA's water sources was conducted to identify if any potential sources of contamination exist.

The SCWA source water is extracted from groundwater via 6 Rainey Collector Wells and 7 conventional wells located at Wohler and Mirabel, and three wells in the Santa Rosa Plain. The aquifer is recharged by subsurface flows and Russian River water filtering down through the gravel riverbed.

Most of the SCWA water supply comes from wells at Wohler and Mirabel adjacent to the Russian River. These sources are considered to be most vulnerable from wastewater treatment and gravel mining in the area. However, no contaminants associated with these activities were detected in the drinking water.

The SCWA also operates three groundwater wells on the Santa Rosa Plain near Occidental Road, Todd Road and Sebastopol Road. These sources are considered to be most vulnerable from animal feeding operations. However, no contaminants associated with this activity were detected in the drinking water.

A copy of the complete assessment may be reviewed at the California Department of Public Health, Drinking Water Field Operations Branch, 50 D Street, Suite 200, Santa Rosa, CA 95404. You may request a summary of this assessment be sent to you by contacting the Office Representative at 707-576-2145 (voice) or 707-576-2722 (fax).

Drinking Water Source Water Assessment For Stafford Lake

An assessment of watershed activities, which may affect the Stafford Lake source of supply, was performed in 2002 as required by the U.S. Environmental Protection Agency. The watershed activities identified with the highest potential for contamination of Stafford Lake are animal feeding/ waste disposal at the existing stable and dairy operations on the watershed. These activities increase the potential to introduce microbial contaminants and nutrients to Stafford Lake. NMWD actively works with the stable and dairy owners to control their operations and reduce potential contaminants. The Stafford Lake source water is routinely monitored by NMWD to insure the controls are effective.

A copy of the complete assessment is on file at the North Marin Water District office at 999 Rush Creek Place, Novato.

8

MEMORANDUM

To: Board of Directors
From: Pablo Ramudo, Water Quality Supervisor *PR*
Subject: Annual Water Quality Report- Point Reyes
P:\LAB\WQ Supv\CCR\2018\Memo to board re 2018 CCR PR.doc

June 14, 2019

RECOMMENDED ACTION: Approve Text for 2018 Annual Water Quality Report – Point Reyes

FINANCIAL IMPACT: \$650 (Included in FY 2018/2019 Budget)

The Safe Drinking Water Act requires water suppliers to publish and distribute a report of water quality information to its customers annually. The report contains details and results of monitoring for various contaminants throughout the previous year, a description of the sources of water and treatment regimes, as well as general information about water and its constituents. Customers who normally receive a paper bill will also receive an insert informing them that the report is available on our website and that a paper copy can be requested. Customers who receive an electronic bill will be sent an email with a link to the report on our website. We will initially order 100 printed copies of the report to mail to customers who request it and to have available to customers in our lobby. Additional copies will be ordered if necessary.

RECOMMENDATION

Approve text and design for the Annual Water Quality Report (2018 Consumer Confidence Report) for Point Reyes subject to any comments received from the Board of Directors.

Approved by GM



Date

6/14/19

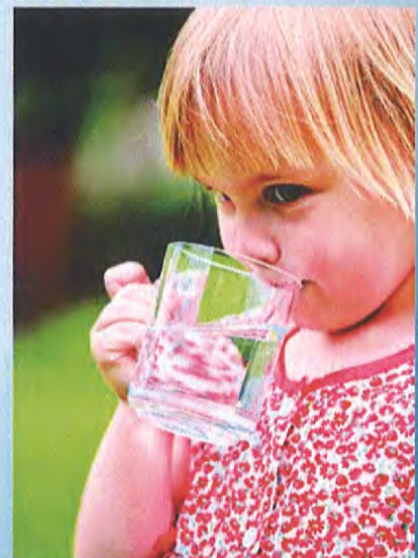


NORTH MARIN WATER DISTRICT

2018 ANNUAL WATER QUALITY REPORT • POINT REYES AREA EDITION • PUBLISHED JUNE 2019

In 2018, water provided by North Marin Water District met or surpassed every federal and state drinking water standard.

This brochure is a snapshot of water quality monitoring performed in 2018. Included are details about where your water comes from, what it contains, and how it compares to regulatory standards. If you have any questions regarding this Water Quality Report, contact Pablo Ramudo, Water Quality Supervisor, (415) 761-8929 or (800) 464-6693



This report is available on our website: www.nmwd.com

North Marin Water District's water is pumped from 3 wells adjacent to Lagunitas Creek. Two of these wells are located in Point Reyes Station and one well is located a mile and a half west of Point Reyes Station at the Gallagher ranch. Testing shows that the quality of the water at each of the wells is excellent. Iron and manganese are the principal contaminants found, and although they do not have any negative effects on health, they can affect the color of the water. For this reason, we treat and filter the water to completely remove both of these metals. Chlorine is added as a disinfectant.

Due to their proximity to Lagunitas Creek and Tomales Bay, the two wells in Point Reyes Station are prone to salt water intrusion during very high tides. Once the

salty water is in the aquifer that feeds the wells it can take many months for salinity to return to normal. We typically take steps to minimize the amount of salty water that is drawn into our wells, but the problem has been worsening in the last few years due to sea level rise and a changing bay. The Gallagher well is beyond the reach of the tides and is not affected by saltwater intrusion. A new pipeline to this well, completed in 2014, has given NMWD the ability to draw on this alternate source during occurrences of salinity intrusion in order to provide drinking water that is free from the effects of increased salts.

NMWD is committed to supplying safe water that meets or surpasses strict state and federal standards and achieves the highest standards of customer satisfaction.

Este informe contiene información muy importante sobre su agua potable.
Tradúzcalo o hable con alguien que lo entienda bien. Para más información, llame al (415) 761-8929.

North Marin Water District — Point Reyes Water Service Area
Report of Detected Constituents of Concern

CHEMICAL	UNITS	PHG / [MRDLG] (MCLG)	MCL / [MRDL] (PDWS)	POINT REYES TREATMENT PLANT	POINT REYES DISTRIBUTION SYSTEM	TYPICAL SOURCE OF CHEMICAL
Total Trihalomethanes (1)	µg/L	n/a	80	n/a	Highest Location Running Annual average = 75, Range = 32 – 120	By-product of drinking water disinfection
Haloacetic Acids (1)	µg/L	n/a	60	n/a	Highest Location Running Annual average = 24 Range = 11 – 35	By-product of drinking water disinfection
Lead (2)	µg/L	2	(Action level 15)	ND	90th Percentile = 7.8 None of 10 samples above action level	Internal corrosion of household water plumbing system and fixtures
Copper (2)	µg/L	170	(Action level 1300)	ND	90th Percentile = 860 None of 10 samples above action level.	Internal corrosion of household water plumbing system and fixtures
Fluoride	mg/L	1.0	2.0	Average = ND, Range = ND - 0.11	n/a	Erosion of natural deposits
Chlorine, free	mg/L	[4.0]	[4.0]	n/a	Average = 0.60 Range = 0.18 - 1.59	Drinking water disinfectant
Total Coliform Bacteria	# of positive samples per month	0	2 or more positive monthly samples	n/a	No positive samples (91 samples collected)	Naturally present in the Environment
Barium	mg/L	2	1	Average = ND Range = ND - 0.21	n/a	Erosion of natural deposits

- 1) Compliance is based on a four-quarter running average at each distribution system monitoring location
2) 2017 Data

LEGEND

PHG (Public Health Goal): The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

MCLG (Maximum Contaminant Level Goal): The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency (USEPA).

MCL (Maximum Contaminant Level): The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs (SMCL) are set to protect the odor, taste, and appearance of drinking water. MCLs are set by the California and/or USEPA.

PDWS (Primary Drinking Water Standard): MCLs (or MRDLs), for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.

MRDLG (Maximum Residual Disinfectant Level Goal): The level of a disinfectant added for water treatment below which there is no known or exposed risk to health. MRDLGs are set by the USEPA.

MRDL (Maximum Residual Disinfectant Level): The level of a disinfectant added for water treatment that may not be exceeded at the consumer's tap.

Action Level: The concentration of a contaminant that, if exceeded, triggers treatment or other requirements that a water system must follow.

90th Percentile = Compliance based on highest value after eliminating the highest 10% of values.

Abbreviations

mg/L = milligrams per liter (parts per million)- equivalent to 4 drops of water in the average sized bathtub.

µg/L = micrograms per liter (parts per billion)- equivalent to 50 drops in an Olympic sized swimming pool.

NTU = Nephelometric Turbidity Units, a measure of suspended material in water

pCi/l = picocuries per liter (a measure of radiation)

n/a = not applicable

ND = Not Detected at testing limit

µmhos/cm = micromhos per centimeter

PCU = platinum cobalt units

**North Marin Water District — Point Reyes Water Service Area
Report on Constituents of Interest**

CONSTITUENT	UNITS	MCL or (SMCL)	POINT REYES AVERAGE	POINT REYES RANGE	TYPICAL SOURCES
Chloride	mg/L	(500)	84	15 – 200	Runoff/leaching from natural deposits; seawater influence
Color	PCU	(15)	ND	ND	Naturally-occurring organic materials
Hardness	mg/L	n/a	160	110 – 240	Generally found in ground and surface water
Manganese	µg/L	(50)	ND	ND	Leaching from natural deposits
Specific Conductance	µmhos/cm	(1600)	500	260 – 500	Substances that form ions when in water; seawater influence
pH	n/a	(8.5)	7.1	7.0 – 7.1	
Total Dissolved Solids	mg/L	(1000)	290	180 – 470	Runoff/leaching from natural deposits
Turbidity	NTU	5	0.05	0.04 – 0.06	Soil runoff
Sodium	mg/L	n/a	27	12 – 100	Generally found in ground and surface water; seawater influence

Capital Improvement Projects

Ongoing system improvements in the West Marin system include:

- Permitting and design for a solids handling facility at the Point Reyes treatment plant.
- Permitting, design, and construction of a new 120,000 gallon concrete tank in Paradise Ranch Estates to replace the existing, aged, 50,000 gallon redwood tank and the 25,000 gallon redwood tank destroyed by fire years ago.
- Land acquisition, engineering, construction, and permitting for a new supply well beyond the reach of salinity intrusion.
- Engineering and installation of a temporary granular activated charcoal water polishing facility designed to remove disinfection byproducts which have increased due to rising salinity in water sourced from the two Point Reyes Station wells.
- Temporarily relocate and replace the 8-inch steel pipe crossing Lagunitas Creek at Highway 1 due to the Caltrans bridge replacement project.

Concerning Lead and Drinking Water

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with private service lines and home plumbing. North Marin Water District is responsible for providing high quality drinking water to your meter, but cannot control the variety of materials used in home plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap water for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at www.epa.gov/safewater/lead.

A Message From the United States Environmental Protection Agency

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells.

As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive materials, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- **Microbial Contaminants**, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- **Inorganic Contaminants**, such as salts and metals, that can be naturally occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining or farming.
- **Pesticides and Herbicides**, that may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- **Organic Chemical Contaminants**, including synthetic and volatile organic chemicals, that are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, agricultural applications and septic systems.
- **Radioactive Contaminants**, that can be naturally-occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, the U.S. Environmental Protection Agency (USEPA) and the California Department of Public Health (CDPH) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. DHS regulations also establish limits for contaminants in bottled water that provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the USEPA's Safe Drinking Water Hotline (1-800- 426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/ Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800- 426-4791).

Source Water Assessment

An Assessment of watershed activities, which may affect the Point Reyes source of supply, was completed in July 2002 as required by the US Environmental Protection Agency. The activities identified with the highest potential for contamination of the Point Reyes groundwater supply are salt water intrusion and activities associated with the operation of the US Coast Guard housing wastewater system and maintenance facility area. These activities increase the potential to introduce chemical and microbial contaminants into the local groundwater. The Point Reyes groundwater is routinely monitored by NMWD. No contaminants have been detected with the exception of occasional increases in salt concentrations. Water produced at the Point Reyes water treatment plant meets federal and state water quality requirements.

A copy of the complete assessment is on file at the North Marin Water district office at 999 Rush Creek Place, Novato.

Radon In Air

Radon is a radioactive gas that can move from decomposed granite soils into a home through cracks and holes in the foundation. Radon can also get into indoor air when running tap water for showering and other household activities. In most cases, radon from tap water is a small source of radon in air. Radon is a known human carcinogen. It can lead to lung cancer. Drinking water containing radon may also cause increased risk of stomach cancer. There is no federal regulation for radon levels in drinking water. Exposure over a long period of time to air transmitting radon may cause adverse health effects. If you are concerned about radon in your home, **test the air in your home!** Testing is inexpensive and easy. For additional information, call your state radon program or call EPA's Radon Hotline (800-SOS-RADON).

Board of Directors

Jack Baker
President

Michael Joly
Vice President

Rick Fraites

James Grossi

Stephen Petterle

The Board of Directors meets on the first and third Tuesday of the month, 6:00 pm at NMWD Administrative office, 999 Rush Creek Place, Novato, CA 94945.

On June 25, 2019, the Board will meet at 6:00 pm in Point Reyes Station to review the Point Reyes budget and Point Reyes water issues.



9

MEMORANDUM

To: Board of Directors

From: Nancy Williamson, Senior Accountant *NW*
Julie Blue, Auditor-Controller *JB*

June 14, 2019

Subject: FY20 Insurance Purchase
t:\achword\insurance\20\fy20 ins memo.docx

RECOMMENDED ACTION: Approve

FINANCIAL IMPACT: \$217,355 - Included in FY2019/20 Operations Budget

The District requested proposals for insurance coverage for the coming fiscal year from Arthur J. Gallagher & Co. Insurance Brokers of CA, Inc. (Gallagher), in San Francisco, who has been the District's brokerage firm the past seven years.

This year, Gallagher received a package proposal from JPRIMA (CalMutuals Joint Powers Risk and Insurance Management Authority) and separate alternative proposals from Trident/Peleus Insurance, Risk Placement Services and CRC/Swett. The incumbent carrier, Argonaut, declined to provide a renewal quote because they no longer have interest in continuing property exposure. Workers' Compensation coverage options were received from both Safety National Casualty Corporation and Zenith Insurance Company.

JPRIMA's proposal for Property and Liability coverage was \$124,073 and their 1st dollar worker's compensation coverage plan came in at \$106,487. This proposal is for a pooled type deductible plan.

The District has self-insured the first \$1 million of its general and auto liability since 1989, which is also known as a Self-Insured Retention (SIR). The quotes received to remain self-insured were not competitive compared to the package proposal. The difference in cost between the packaged policies and the self-insured option is \$43,519. Along with the premium savings, by selecting the package proposal the District's risk is reduced by \$900,000 to a maximum of \$100,000 per claim.

One General Liability claim in the past 37 years, since the claims have been tracked, has exceeded \$100,000. In 1997 a claim for business interruption was filed by three oyster companies on Tamales Bay and settled cumulatively, including legal fees for \$110,000. Other than that occurrence, no general or auto liability claim has reached \$100,000.

A supplementary coverage under the General Liability package is a policy for Employment Practices Liability. The District has experienced two employment practices claims over the past ten years.

Although self-insuring has been cost effective in the past, staff recommends that the District move to the JPRIMA package. The cost of premiums, for coverage of \$1 million SIR for general and Auto Liability coverage would have increased 68% (or \$66,000 over the current year). Created in 2016, JPRIMA is a pooled insurance program designed specifically for mutual water companies, as well as

Approved by GM *JD*Date *6/14/19*

smaller water programs. The Authority provides customized insurance solutions to small water systems throughout California whose operations comprise the development, transportation, management, storage, treatment or distribution of water. JPRIMA is operated by Allied Public Risk, a Managing General Underwriter (MGU) that sees to the day-to-day operations and internal practices of the pool.

The total recommended purchase package, including Workers Compensation, reflects a cost increase of \$74,883 (53%) from the current year premium. The increase for general liability and auto makes up \$18,450 (25%) of the difference and workers comp makes up \$56,433 (75%) of the difference. With the District's losses trending upwards in the past few years, this is an opportune time to switch to a deductible program, ultimately moving some of this exposure back to the insurance companies. The District has incurred a total of \$380,933 in self-insured Workers Compensation losses in the last three fiscal years, averaging out to approximately \$127,000 per year. The ground-up structure of the proposed JPRIMA Workers Compensation program will cover losses in this category. Similarly, moving to the JPRIMA program for the District's Property and Casualty insurance will limit liability exposure to a \$100,000 deductible rather than the current \$1,000,000.

PROPOSAL SUMMARY

Insurance Proposal	FY18/19	FY19/20	% Δ
Property (Includes Crime)	\$64,845	\$42,051	(35)%
Liability ¹ (Includes Auto & PO/Mgmt Liability)	\$23,494	\$64,738	176%
Excess Workers' Comp	\$50,054	\$106,487	113%
Cyber Liability	\$4,079	\$4,079	0%)
	\$142,472	\$217,355	53%

INSURANCE MARKET RECAP

Gallagher solicited five carriers to underwrite the Property and Liability coverage; generally sold as a package. Due to the resistance to property exposure, only JPRIMA submitted a package quote. Trident/Peleus Insurance Co. provided a General Liability, Auto Physical Damage and Crime quote. Risk Placement Services Provided an Excess Liability Quote. CRT/Swett and Allied World Insurance provided Property quotes. Cyber Liability coverage will be renewed with Great American. Six carriers were approached for Cyber Liability coverage last year and only two provided quotes with varying amounts of coverage and deductibles. Gallagher approached three carriers for Workers' Compensation coverage and of those, two provided options and one was not interested in overall operation exposure.

The insurance marketplace as a whole has been hardening in recent years. With less competition amongst insurers, rate increases are becoming more and more common on all lines of coverage. For the past decade, we have been seeing very favorable terms from the Property marketplace. While carriers

¹ Liability amounts shown are NMWD's net cost after MCWCFCD's contribution (\$13,524 in FY19 & \$17,284 in FY20).

were seeing some losses and investment income has been at all-time record lows, the tremendous capacity in the Property marketplace had forced carriers to remain competitive. Hurricane losses and the wildfire claims in California over the past two years have hit carriers' balance sheets, and, from 2018 on, we have observed a changing marketplace. A number of carriers are exiting the marketplace entirely; some raising rates 10-100%, and/or looking to reduce the limit of coverage they offer. For California clients, many carriers are required to obtain wild fire modeling reports showing the insured property in proximately to high hazard fire zones, and maintain estimates of what the maximum loss amount from a fire would be for their entire book of property insurance written.

PROPERTY INSURANCE

Property insurance protects the District against loss or damage that occurs to the District's buildings, equipment and water storage tanks. Structures and tanks are insured in an amount up to the value of the asset. Equipment coverage is provided on an agreed value basis. In December 2015 the District obtained a certified appraisal of its buildings, pump stations and water storage tanks to minimize negotiation in the event of a property loss. The insured value of the District's property, excluding fleet vehicles increased 2.9% from the prior year, to \$64 million.

2018-19 Actual

<u>CARRIER</u>	<u>TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>	<u>PREMIUM</u>	<u>RATE/\$1,000</u>
Argonaut	Property	\$62,492,000	\$25,000	\$64,845	\$1.04

2019-20 Proposal

JPRIMA

(Allied World)	Property	\$64,151,092	\$25,000	\$42,051	\$0.66↩
CRC/Swett	Property	\$64,151,092	\$25,000	\$51,320	\$0.80
Allied World	Property	\$64,151,092	\$25,000	\$57,736	\$0.90

GENERAL AND AUTO LIABILITY UMBRELLA INSURANCE

General and Auto Liability umbrella coverage provides a backstop in the event of a large liability claim (bodily injury, property damage, personal injury) where the damage exceeds both the deductible and primary General Liability coverage limit. The umbrella covers subsidence, failure to supply, inverse condemnation, eminent domain and dam failure. A 1985 agreement with the Marin County Flood Control and Water Conservation District (MCFCWCD) requires North Marin to maintain a minimum \$10 million liability policy and obligates MCFCWCD to pay the incremental cost of increasing the limit from \$5 million to \$10 million. JPRIMA's General Liability package insures the first \$1million and their Excess Liability package insures the next \$9 million, rendering total coverage of \$10 million. Under JPRIMA's proposed policy, MCFCWCD's share of the cost will be \$17,284 next fiscal year for the \$5 million in additional coverage required under the agreement.

		<u>2018-19 Actual</u>	
<u>CARRIER</u>	<u>COVERAGE</u>	<u>SIR</u>	<u>PREMIUM</u>
Argonaut	\$10,000,000	\$1,000,000	\$23,494 ²

<u>2019-20 Proposal</u>			
JPRIMA		<u>Deductible</u>	
(Allied World)	\$10,000,000	\$100,000	\$64,738³
Trident/Peleus	\$5,000,000	\$250,000	\$59,856(General Liability)
Risk Placement Svc	\$5,000,000	Underlying coverage	\$50,000 (Excess Liability)

VEHICLE PHYSICAL DAMAGE INSURANCE

Comprehensive & Collision insurance for District autos and trucks protects the District against physical damage occurring due to collision, fire, theft, etc., on an agreed value basis. The insured value of the District's vehicle fleet increased 9% to \$674,909.

<u>2018-19 Actual</u>					
<u>CARRIER</u>	<u>TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>	<u>PREMIUM</u>	<u>RATE/\$1,000</u>
Argonaut	Auto PD	\$614,000	\$3,000	Included	-

<u>2019-20 Proposal</u>					
JPRIMA					
(Allied World)	Auto PD	\$674,909	\$5,000	Included	- ⇐
Trident/Peleus	Auto PD	\$674,909	\$5,000	Included	-

PUBLIC OFFICIALS ERRORS & OMISSIONS AND EMPLOYMENT PRACTICES LIABILITY

Errors and Omissions is a form of liability coverage that insures the District Board and Officers against claims made for "breach of duty" occurring through negligence, error or unintentional omission. It also includes Directors' and Officers' Employment Practice Liability Insurance, covering claims for wrongful termination, discrimination, harassment, etc.

<u>2018-19 Actual</u>			
<u>CARRIER</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>	<u>PREMIUM</u>
Argonaut	\$1,000,000	\$100,000	Included

<u>2019-20 Proposal</u>				
JPRIMA				
(Allied World)	\$1,000,000	\$100,000	Included	⇐

² Net cost shown. FY19 total premium is \$37,018. MCFCWCD will pay \$13,524 for the incremental \$5M coverage.

³ Net cost shown. FY20 total premium is \$82,022. This premium covers basic General Liability of \$1M as well as Excess General Liability coverage for an additional \$9M. MCFCWCD will pay \$17,284 for the incremental \$5M coverage. The premium also includes Auto and Public Officials/Mgmt. Liability.

EMPLOYEE FIDELITY (CRIME) INSURANCE

The employee blanket fidelity bond insures the District against loss occurring through dishonesty (fraud) on the part of District employees. Crime coverage includes employee theft and electronic funds transfer fraud. Losses are covered up to \$250,000.

2018-19 Actual

<u>CARRIER</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>	<u>PREMIUM</u>
Argonaut	\$500,000	\$25,000	Included

2019-20 Proposal

JPRIMA

(Allied World) \$250,000-\$1,000,000 \$100,000 Included ⇐

WORKERS' COMPENSATION INSURANCE

The District reinstated its certification to self-insure workers' compensation liability effective July 1, 2011, employed a third-party administrator (TPA), and purchased an excess workers' compensation policy that protects the District against a catastrophic loss exceeding \$1,000,000, which is the SIR. The current year cost for the TPA and excess insurance is \$62,054. Below is a chart showing a 10-year history of annual claims cost (average \$62,000 per year). This amounts to an average annual cost of \$124,054 (\$62,054 + \$62,000).

Zenith Insurance Company's proposal for 1st dollar workers' comp coverage is \$106,487. This type of plan is a pooled plan that would require a 3-year commitment, and although the premium is \$56,433 higher than staying with an SIR plan, it is lower than the average annual cost of \$124,054 under our current SIR plan. Staff recommends switching to first dollar coverage through Zenith which would eliminate the risk of \$1M out of pocket costs and reduce administrative costs.

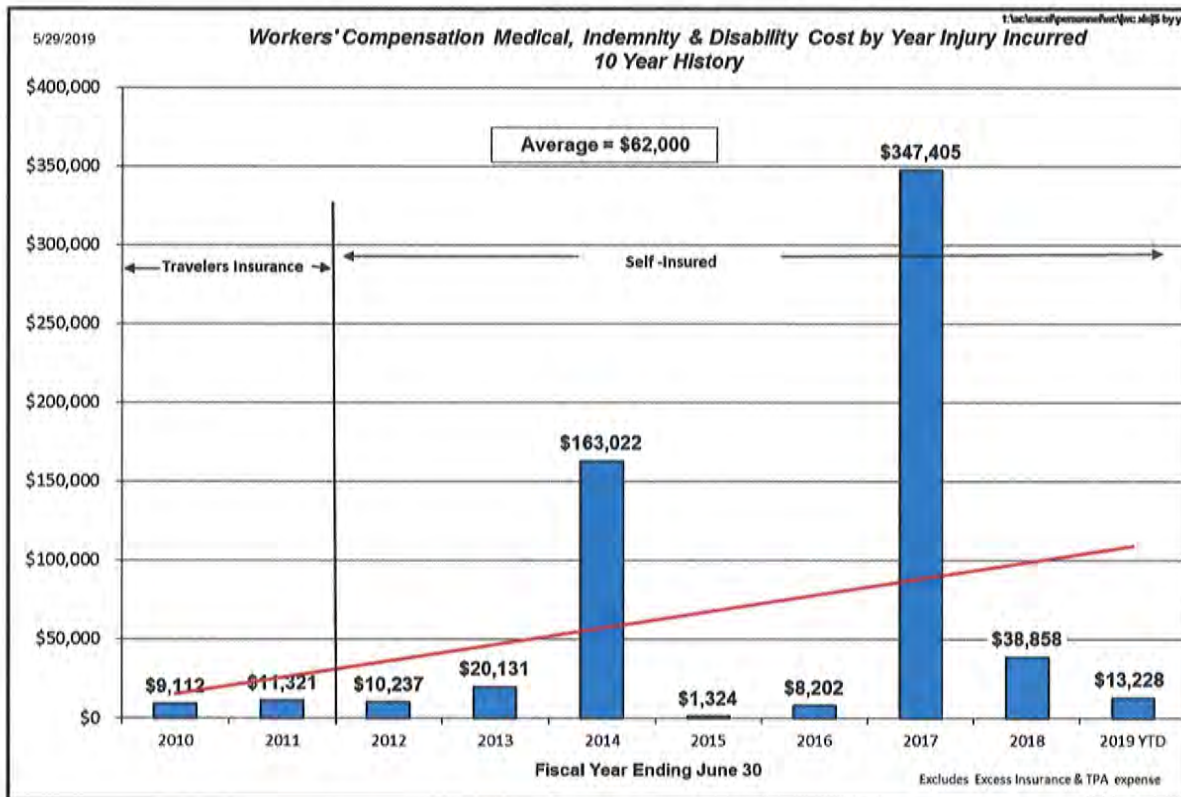
2018-19 Actual

<u>CARRIER</u>	<u>COVERAGE</u>	<u>SIR</u>	<u>PAYROLL</u>	<u>PREMIUM</u>	<u>RATE/\$1,000</u>
NY Marine	Statutory	\$1,000,000	\$5,288,368	\$50,054	\$9.46

2019-20 Proposal

<u>CARRIER</u>	<u>COVERAGE</u>	<u>Deductible</u>	<u>PAYROLL</u>	<u>PREMIUM</u>	<u>RATE/\$1,000</u>
JPRIMA-Zenith	Statutory	\$0.00	\$5,108,006	\$106,487	\$20.85

		<u>SIR</u>			
Safety National	Statutory	\$1,000,000	\$5,108,006	\$50,058	\$9.80



CYBER LIABILITY INSURANCE

The District first purchased a Cyber Liability policy in FY15. Cyber Liability coverage insures against loss of sensitive or personally identifiable information (such as social security numbers, credit card numbers, etc.) and third-party claims.

A major benefit of Cyber Liability insurance is coverage for the costs associated with notification & data breach response. The amount of sensitive information being stored and transmitted electronically continues to increase. The District holds a significant volume of private customer and employee information. In addition to hacking, theft or loss of laptops, flash drives or smart phones can render any business vulnerable to a data breach. There are substantial financial costs involved in finding and remedying a breach, including the cost of notifying customers, now legally mandated in California, as well as possible fines and legal expenses. A data breach would harm the District's reputation and could interrupt its ability to render bills. A Cyber Liability policy provides funds to employ experts to mitigate losses.

2018-19 Actual

<u>CARRIER</u>	<u>COVERAGE</u>	<u>Deductible</u>	<u>PREMIUM</u>
Great American	\$1,000,000	\$5,000	\$4,079

2019-20 Proposal

Great American	\$1,000,000	\$5,000	\$4079	↩
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RECOMMENDATION

<u>TYPE</u>	<u>CARRIER</u>	<u>RATING</u>	<u>COVERAGE</u>	<u>PREMIUM</u>
Property Damage	JPRIMA/Allied	A XV	\$64,151,092	\$42,051
General & Auto Liability	JPRIMA/Allied	A XV	\$10,000,000	\$64,738 ³
Worker's Comp	JPRIMA/Zenith	A X	Unlimited	\$106,487
Cyber Liability	Great American	A+ XIV	\$1,000,000	\$4,079
				<u>\$217,355</u>

10

MEMORANDUM

To: Board of Directors
From: Drew McIntyre, General Manager 
Re: Approve – Preparation of Lot Line Adjustment Application for District Surplus Property
(Rosalia Tank Parcel's APN 153-110-10, -15)

t:\gm\bd misc 2019\w&p lia bod memo 06_14_19.doc

June 14, 2019

RECOMMENDED ACTION: Approve preparation of a Lot Line Adjustment application to the City of Novato to combine two existing Rosalia Tank surplus properties into one parcel.


FINANCIAL IMPACT: \$8,000 (\$3,000 in engineering fees and \$5,000 in City fees)

At the October 6, 2015 meeting, the Board authorized staff to request the City of Novato to rezone the Rosalia and Spinosa Tank surplus property parcels from "Commercial Facilities" to "Very Low Density Residential" as part of any future Novato General Plan Update process (see Board memo in Exhibit A). The City of Novato expects to release a draft General Plan Update late summer. District staff is recommending moving forward with the City's request to combined the two contiguous surplus Rosalia Tank parcels, APN 153-110-10 (4.74 acres) and -15 (1.0 acres) prior to rezoning as part of the General Plan Update (see map in Exhibit B). As identified in the attached October 6, 2015 Board item, rezoning could result in additional interest from residential developers in the area who have previously expressed an interest in the Rosalia Tank properties. No action is requested at this time for the surplus Spinosa Tank parcels due to access easement issues that prevent rezoning for residential development.

If approved, White and Prescott would prepare the Lot Line Adjustment application using funds from a current; Board authorized General Consulting Services Agreement.

RECOMMENDATION

Approve preparation of a Lot Line Adjustment application to the City of Novato to combine two existing Rosalia Tank surplus properties, APN 153-110-10 and APN 153-110-15 into one parcel.

Approved by GM 

Date 6/14/19

MEMORANDUM

To: Board of Directors

October 2, 2015

From: Chris DeGabriele, General Manager



Subj: Review of District Property as Part of the Novato General Plan Update

Digitized to be 2015 rezoning memo.docx

RECOMMENDED ACTION: Provide direction to staff regarding comments on Potential Rezoning of selected properties as part of the Novato General Plan Update

FINANCIAL IMPACT: None

The District received a notice of Public Workshops from the City of Novato wherein the planning commission and Novato City Council will consider potential rezoning of selected properties in Novato as part of the update to the Novato General Plan. A copy of that notice is included as Attachment 1. With that notice is a map of one of the properties considered by city staff for potential rezoning (#14 End of DeLong Ave.) which is owned by the District and currently zoned BPO (Business and Professional Office). This property is one of three contiguous parcels owned by the District in this vicinity which we commonly call the Rosalia Tank site and which were declared surplus in 2001 by the Board (APN 153-111-10, 15 and APN 153-182-44, 6.02 Acres in total). While these properties have been surplus for the past 14 years, there has been little interest from prospective buyers.

I addressed the Novato Planning Commission on Monday, September 21st, and sent a letter to city staff advising I would recommend the District request that zoning for the subject properties be revised to very low density residential (RVL) consistent with the current zoning of adjacent properties in this vicinity (See letter Attachment 2). The rezoning could result in some additional interest from residential developers who have expressed interest in the past for other properties in this Rosalia Hill area.

While this is ongoing, NMWD staff believe it's an opportune time to look at other vacant or underutilized District properties in the Novato area. Recall that in 2001 the District declared not only the Rosalia tank site surplus, but also the Woodland Heights tank site, the Woodland Heights pressure tank site and the Plum Street tank site as surplus property. The Plum Street tank site was subsequently removed from the surplus list in 2002 and is now being fully utilized as a Recycled Water tank facility.

Other vacant or underutilized properties in Novato are shown in the below table along with their current zoning, size and suggested rezoning if any. A map showing the site numbers listed in the table will be available at the meeting.

NORTH MARIN WATER DISTRICT VACANT/UNDERUTILIZED PROPERTY ZONING

	Site Name	APN #	Size	Current Zoning	Recommended Zoning	Notes
1	Rosalia Tank Site	153-110-10	4.74 Ac	PD	RVL	Vacant
		153-110-15	1.0 Ac	BPO	RVL	Vacant
		153-182-44	0.28 Ac	PD	RVL	Vacant
2	Hayden Cistern	153-064-07	10000 SF	R1	R1	Buried conc structure
3	San Marin (Spinosa) Tank Site	141-110-06	0.98 Ac	CF	R1	Vacant
		141-110-07	0.52 Ac	CF	R1	Vacant
4	Woodland Heights Tank	150-581-26	6000 SF	PD	PD	Tank in place
5	Woodland Pressure Tank	150-542-01	2800 SF	R1	R1	Vacant
6	Loma Verde Tank Site	160-020-07	0.2 Ac	CF	OS	Tank in place

Legend:

PD	Planned Development
RVL	Very Low Density Residential
BPO	Business and Professional Office
R1	Low Density Residential
CF	Community Facilities
OS	Open Space

RECOMMENDED ACTION:

Board review the above table and provide direction to staff to request the City of Novato rezone properties as part of the General Plan Update.

CITY OF NOVATO
NOTICE OF PUBLIC WORKSHOPS
TO DISCUSS POTENTIAL REZONING OF SELECTED PROPERTIES
AS PART OF THE UPDATE OF THE GENERAL PLAN

As part of the update of the General Plan, the City Council has asked that the Planning Commission and City Council have an opportunity to review and discuss whether the existing zoning designations of vacant commercial and multi-family properties are appropriate. Notice is hereby given that the Planning Commission will hold a workshop on Monday, **September 21, 2015**, at 7:00 p.m. at City Hall, 901 Sherman Avenue, Novato, California to consider providing a recommendation to the City Council regarding possible rezonings to evaluate and initiate in conjunction with adoption of a new General Plan. The City Council will consider this matter at a workshop on Tuesday, **October 13, 2015** at 6:30 p.m. at City Hall, 901 Sherman Avenue, Novato, California.

Please note that *the Planning Division is not recommending a rezoning of your property*, but is providing information to the Planning Commission and City Council for their evaluation and consideration. An attachment to this notice contains information on the current zoning and development potential of your property that will be provided to the Planning Commission and City Council as part of their deliberations.

Comments received on or before the public workshop dates will be considered by the Planning Commission and City Council.

If anyone wishes to challenge this project in court, they may be limited to raising only those issues they or anyone else raised at the public hearing described in this notice or in written correspondence delivered to the Community Development Department at, or prior to, the public hearing.

Information on the above proposal is available at the City of Novato Community Development Department, 922 Machin Avenue, Novato, CA 94945. All inquiries should be directed to Bob Brown, Community Development Director, at (415) 899-8938, or via e-mail: bbrown@novato.org, weekdays from 9 a.m. to 5 p.m. at the Community Development Department. It is recommended that an appointment be made with the staff member noted above, prior to visiting the City offices. Please note the City of Novato offices are closed every other Friday including September 25, 2015 and October 9, 2015.

COMMUNITY DEVELOPMENT DIRECTOR

RECEIVED
SEP 14 2015
North Alameda Water District

14. End of DeLong Ave (Zoned: BPO, GP: BPO)

APN: 153-111-15 Lot Size: 0.99 acres Avg. Slope: 19%

- Zoning
- Agriculture (AG)
 - Business and Professional Office (BPO)
 - Downtown Core Business (CDB)
 - Downtown Core Retail (CDR)
 - Community Facilities (CF)
 - General Commercial (CG)
 - Commercial/Industrial (CI)
 - Neighborhood Commercial (CN)
 - Conservation (CON)
 - Light Industrial/Office (LJO)
 - Mixed Use (MU)
 - Open Space (OS)
 - Planned District (PD)
 - Parkland (PL)
 - Low Density Residential (R1)
 - Medium Density Multiple Family Residential (R10)
 - High Density Multiple Family Residential (R20)
 - Medium Density Detached Residential (R4)
 - Medium Density Residential (R5)
 - Research/Education/Institutional (REI)
 - Restricted Open Space (ROS)
 - Rural Residential (RR)
 - Very Low Density Residential (RVL)
 - Undesignated



14. End of DeLong Ave (Zoned: BPO, GP: BPO)

APN: 153-111-15 Lot Size: 0.99 acres Avg. Slope: 19%

- Owned by North Marin Water District
- Surrounding Land Uses:
 - N – Reservoir Drive paper street
 - S – Undeveloped, Zoned PD
 - E – Oleander Lane paper street
 - W – Offices, Zoned BPO
- Approximate Developable Area:
 - 6,100 SF
 - 0.02 FAR





**NORTH MARIN
WATER DISTRICT**

999 Rush Creek Place
P.O. Box 146
Novato, CA 94948

PHONE
415.897.4133

FAX
415.892.8043

EMAIL
info@nmwd.com

WEB
www.nmwd.com

September 21, 2015

Bob Brown
Community Development Director
City of Novato
922 Machin Avenue
Novato, CA 94945

Re: City of Novato General Plan Update 2015
Potential Rezoning of Selected Properties
APN 153-111-10, 15 and APN 153-182-44

Dear Mr. Brown:

On September 14, 2015, North Marin Water District (NMWD) received the Notice of Public Workshops to Discuss Potential Rezoning of Selected Properties as part of the Update of the General Plan. The workshop before the Novato Planning Commission is to be held today, September 21, 2015.

The NMWD Board of Directors has not had an opportunity to review the staff comments included herein and these staff comments are limited at this time to those properties listed in the subject line of this letter (the property identified in the accompanying Notice of Public Workshops and adjacent NMWD properties).

NMWD staff will recommend to the Board of Directors that zoning for the subject properties be revised to Very Low Density Residential (RVL) consistent with current zoning of adjacent properties in this vicinity. NMWD staff will also review current zoning of other NMWD property and make necessary requests for change as may be desired prior to the City Council Workshop scheduled October 13, 2015.

Sincerely,

Chris DeGabriele
General Manager

CD/kly

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11

MEMORANDUM

To: Board of Directors

June 14, 2019

From: Julie Blue, Auditor-Controller 

Subj: Approve - Novato & Recycled Water FY 19/20 Budgets
t:\ac\budget\fy-2019.20\budget final fy 19.20\novato & marin budget adopt 4 june 18, 2019 fy 19.20.docx

RECOMMENDED ACTION: Approve–Novato & Recycled Water System FY 19/20 Budgets

FINANCIAL IMPACT: Total \$24.6 Million Expenditure Plan
 Capital/Equipment/Debt Service - \$7.9 Million
 Operations - \$16.7 Million

Attached for review are the FY 19/20 Budgets for North Marin Water District (NMWD) which include Novato Water, Recycled Water (RW), West Marin Water (WM), and Oceana Marin Sewer (OM).

To date, the Board of Directors (BOD) have reviewed financial forecasts for each service district (Novato/RW in early March and WM/OM in April). These financial forecasts were 5-year projections outlining the overall financial status of each District and conveyed the need for District wide rate increases.

The BOD first reviewed the FY 19/20 Capital Improvement Project Budget (CIP) and Equipment Budget at the April 23, 2019 meeting. The District wide budget, (including CIP/Equipment) was presented at the May 7, May 21, and June 3 Board meetings for review and Board member input. See Attachment A for the District Wide Draft Budget. Changes made since the last review are outlined below:

- \$152K increase in the Equipment Budget for purchases of generators to proactively plan for extended power interruption associated with the roll out of the PG&E Public Safety Power Shutoff (PSPS) Program (see related item in Board Agenda)
- \$21K decrease in the Equipment Budget delaying the purchase of fittings and hoses for the Construction Department
- \$37K decrease in the Equipment Budget due to a change in estimate for lab equipment
- \$26K increase in the Novato Operations budget for maintenance support for the District's Gateway Collectors (AMI support)

Novato Water and Recycled Water Budget Approval

The budget totals for Novato and RW are as follows:

Capital Improvement Projects	\$4,428,000
Debt Service	3,068,000
Equipment	433,000
Operations & Maintenance	7,763,000
Purchased Water	5,985,000
Administration	<u>2,906,000</u>
Total Novato & RW FY 19/20 Budget	\$24,583,000

Budget Schedule:

The budget will be approved in two phases. The first is the Novato and RW sections of the budget which is presented for approval at this meeting. The recommended action is to approve the Novato and RW Operations, Capital, and Equipment Budgets.

The second phase is listed in the budget schedule that follows. The public hearings to consider the proposed water and sewer rate increases for WM and OM will take place on June 25, 2019 in Point Reyes. The increase in the OM Sewer Service Charges, which is collected on the Property Tax roll, must be adopted by ordinance, which requires readings at two board meetings and publication twice. Once the rate increases are approved action on the respective budgets will follow.

The schedule on the following page outlines the upcoming additional activities related to the budget and proposed rate increases to occur in the next week. This schedule was approved by the BOD at the February 5, 2019 meeting.

Date	Location	Item	Review/Approve	Rate Hearing	Status	Service Area
March 5	Novato	Financial Plan Update	Review Only		Complete	Novato/RW
April 23	Novato	Financial Plan Update	Review Only		Complete	WM/OM
April 16	Novato	Capital Project & Equipment Budget Schedules	Review Only		Complete	Novato/RW/WM/OM
May 7	Novato	Operations & Maintenance and Capital Budget - District	Review Only		Complete	Novato/RW/WM/OM
May 21	Novato	Operations & Maintenance and Capital Budget - District	Review Only	X	Complete	Novato/RW/WM/OM
June 4	Novato	Operations & Maintenance and Capital Budget - District	Review Only		Complete	Novato/RW/WM/OM
June 18	Novato	Operations & Maintenance and Capital Budget - Novato and Recycled Water	Approve		Current	Novato/Recycled Water
June 25	Pt Reyes	Operations & Maintenance and Capital Budget - West Marin Water	Approve	X	Upcoming	West Marin Water
June 25	Pt Reyes	Operations & Maintenance and Capital Budget - Oceana Marin Sewer	Approve	X	Upcoming	Oceana Marin Sewer

Recommendation:

Approve the Novato & Recycled Water FY 19/20 Budgets.



NORTH MARIN WATER DISTRICT

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

Draft - June 18, 2019

BUDGETS

Novato & West Marin Service Areas

FISCAL YEAR

2019/20

Directors: Jack Baker * Michael Joly * Rick Fraites * Stephen Petterle * James Grossi
Officers: Drew McIntyre, General Manager * Rocky Vogler, Chief Engineer * Terrie Kehoe, Secretary * Julie Blue, Auditor-Controller

INTRODUCTION

This document contains the fiscal year 2019/20 budgets for North Marin Water District's various enterprise service districts located in Marin County. These are:

Potable Water Service:

Novato

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

Recycled Water Treatment, Transmission and Distribution:

Novato

Sewage Collection, Treatment & Reuse/Disposal:

Oceana Marin

Accompanying the operating budgets are improvement project expenditures for the fiscal year. Questions regarding these budgets may be directed to Julie Blue, Auditor-Controller, at jblue@nmwd.com or 415-761-8950.

MISSION STATEMENT

Our mission is to meet the expectations of our customers in providing potable and recycled water and sewer services that are reliable, high-quality, environmentally responsible, and reasonably priced.

VISION STATEMENT

We strive to optimize the value of services we provide to our customers and continually seek new ways to enhance efficiency and promote worker and customer engagement and satisfaction.

NMWD VALUES

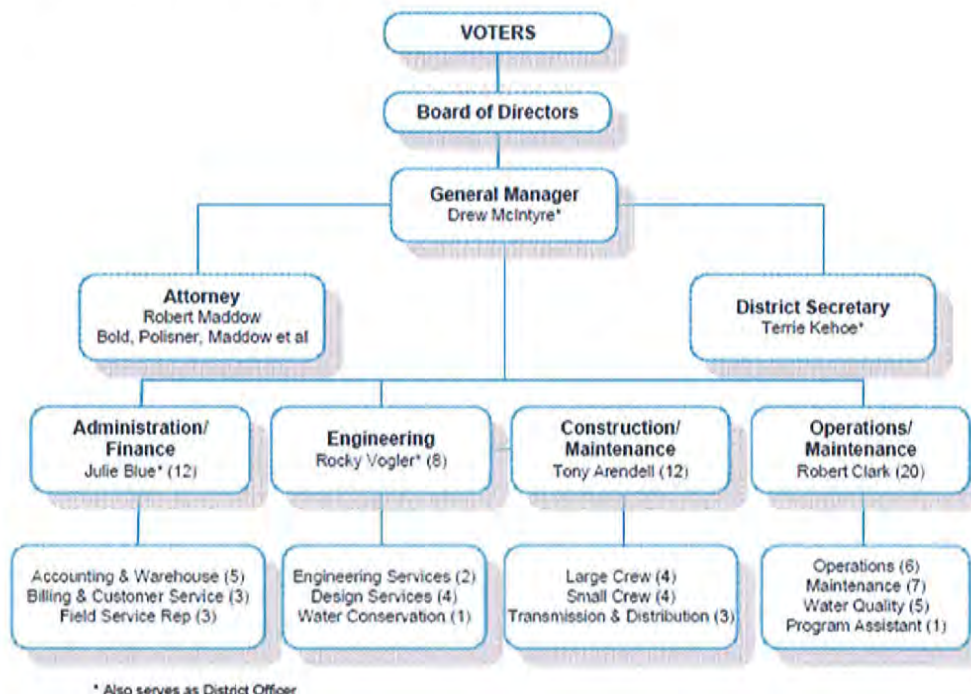
- Accountability – We work transparently and in full view of customers and take responsibility for our work.
- Integrity – Customers can count on quality and fair service from our staff and the District.
- Teamwork – We work cooperatively to accomplish our goals.
- Honesty – We always seek the truth in what we do.
- Respect – We value our customers and co-workers.

ORGANIZATION FACT SHEET

July 2019

Organization:

- 5 Directors elected at large for 4-year terms
 - Jack Baker, President
 - Michael Joly, Vice-President
 - Rick Fraites
 - Stephen Petterle
 - James Grossi
- 1 General Manager, Drew McIntyre (serves at the pleasure of the Board of Directors)
- 4 Departments
- 54 Employees (regular full-time-equivalent authorized)



Authority:

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

Territory:

100 square miles (see attached map)

Distribution System Expansion Policy:

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

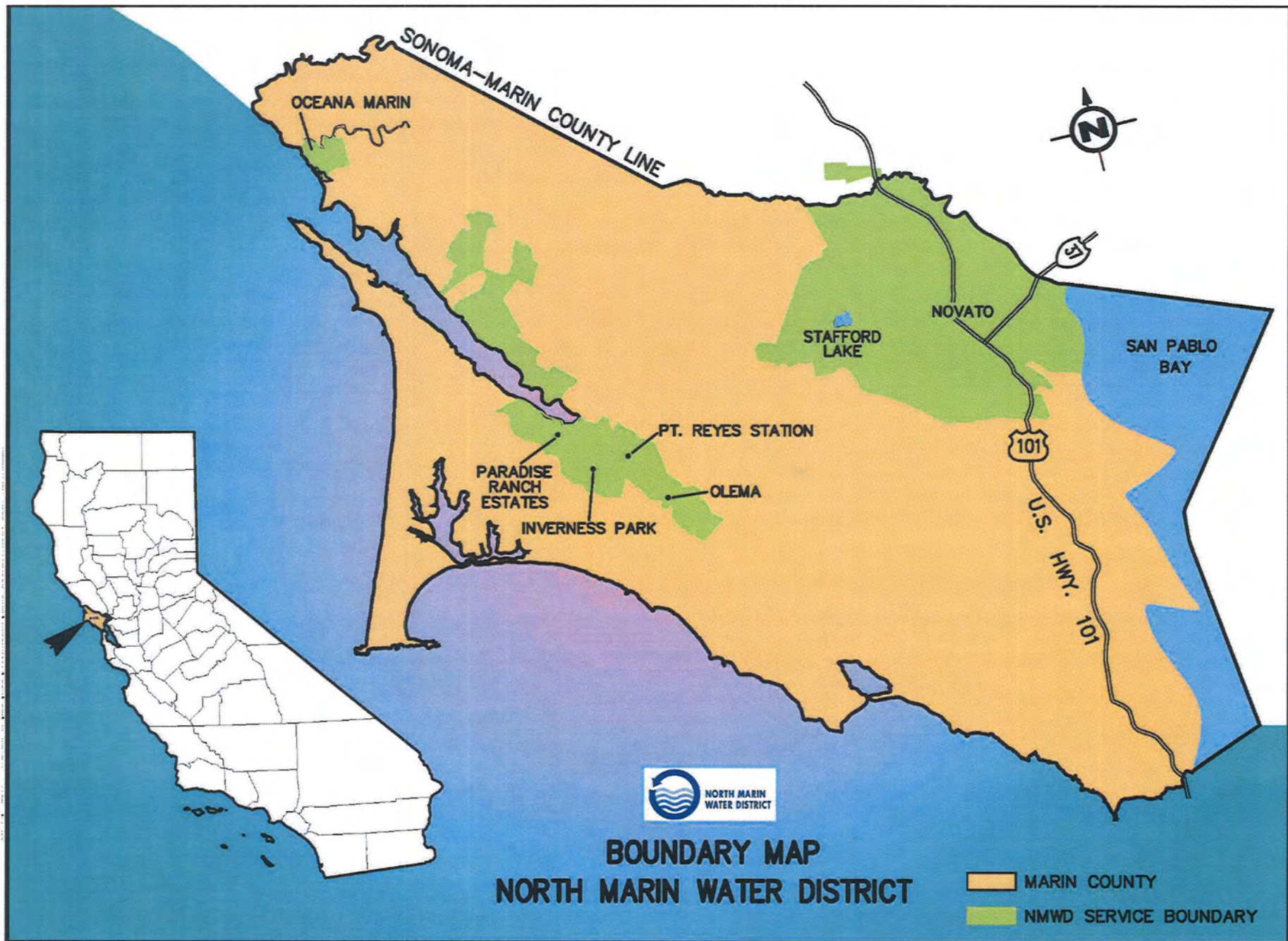


TABLE OF CONTENTS
NORTH MARIN WATER DISTRICT
FISCAL YEAR 2019/20 WATER AND SEWER BUDGETS

Source and Use of Funds Pie Chart – All Service Areas Combined.....	1
---------------------------------------------------------------------	---

Budget Narrative

Novato Water System.....	2
Recycled Water System	5
West Marin/Ocean Marin Systems	6
Capital Improvement Projects.....	9
Equipment Budget	11
Debt Service	12

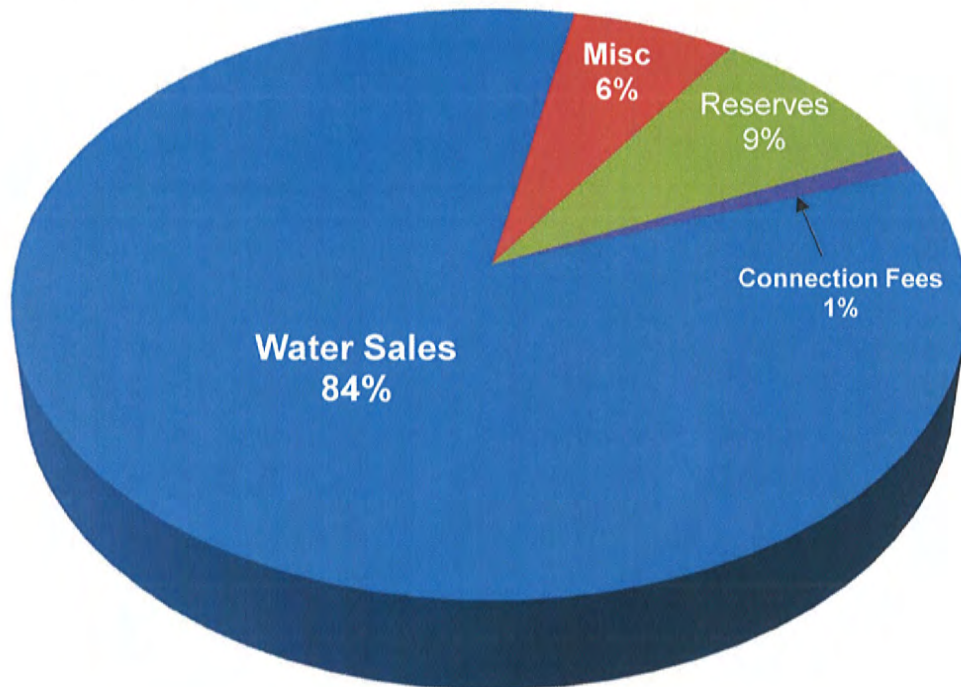
Budget Schedules

Budget Summary - All Service Areas Combined	13
Novato Water Budget Summary	14
Novato Water Five-Year Financial Forecast	15
Novato Water Operating Budget Detail.....	16
Novato Recycled Water Budget Summary.....	19
Novato Recycled Water Five-Year Financial Forecast.....	20
West Marin Budget Summary	21
West Marin Water Five-Year Financial Forecast.....	22
Oceana Marin Sewer Budget	23
Oceana Marin Sewer Five-Year Financial Forecast	24

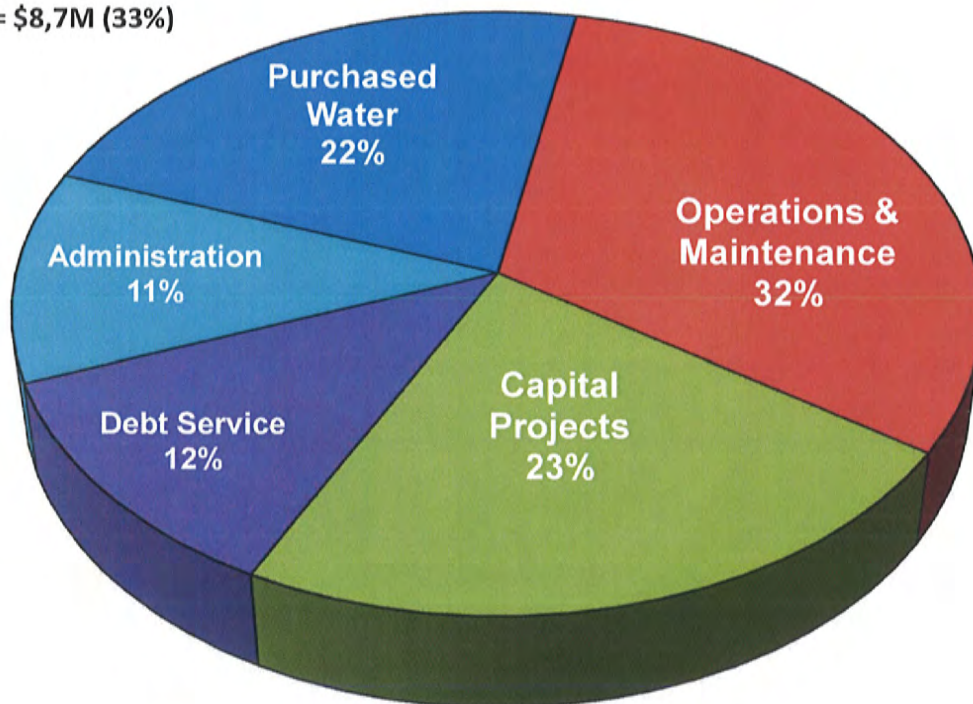
Capital Improvement Projects, Debt Service and Equipment

Novato Water System CIP	25
Recycled Water System CIP	27
West Marin System CIP.....	28
Oceana Marin System CIP	28
Project Outlay & Project Grant/Loan Funding.....	29
Debt Service Obligation Detail.....	30
Studies & Special Projects.....	31
Capital Equipment Expenditures	32

NORTH MARIN WATER DISTRICT
FY19/20 DRAFT BUDGET - ALL SERVICE AREAS COMBINED
SOURCES = \$26,692,000



Labor = \$8,7M (33%)



USES = \$26,692,000

Excludes Depreciation Expense & Developer Funded Costs

NMWD DRAFT BUDGET

Summary

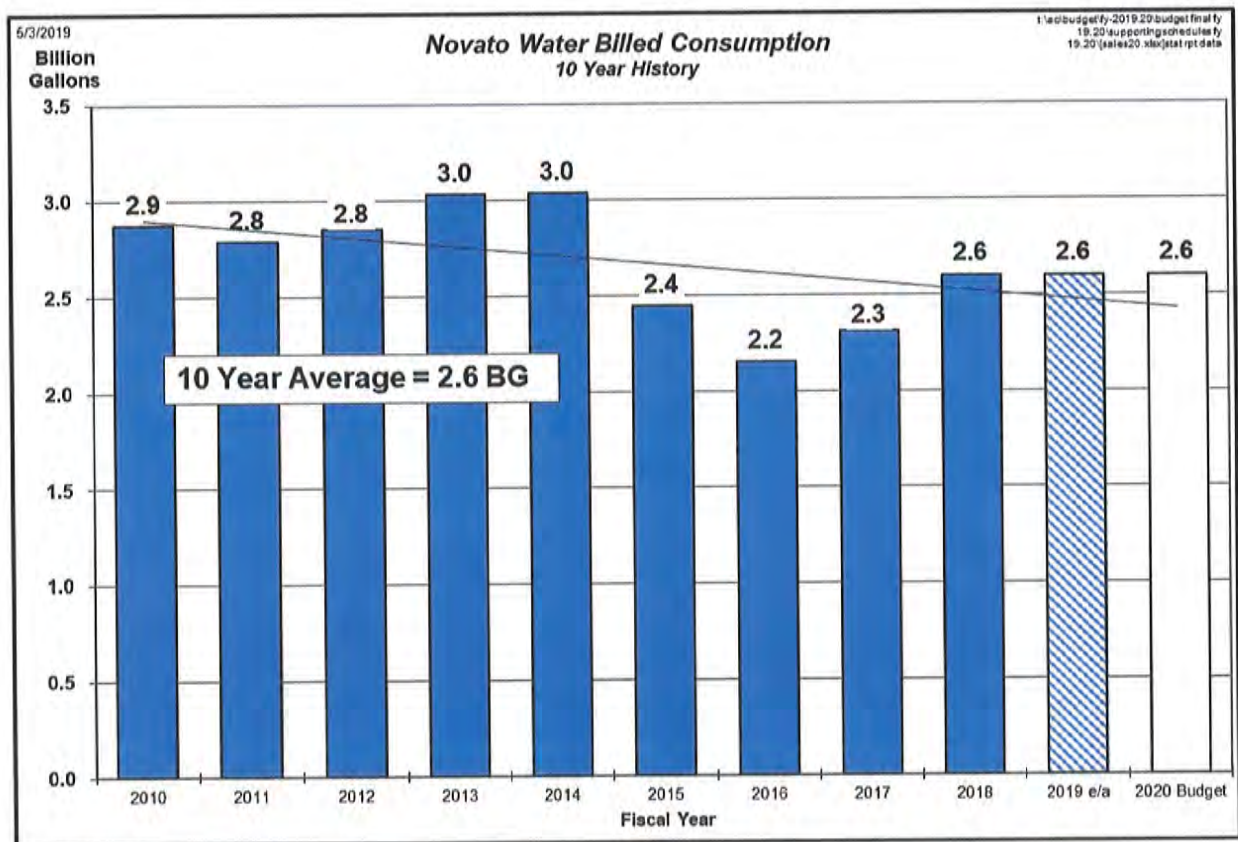
The \$26.7 million consolidated budget projects operating revenue of \$23 million and a net income of \$1.8 million. The FY 19/20 budget incorporates \$5.7 million in capital improvement projects and \$6 million in water purchases. After payment of \$3.1 million in debt service, the consolidated budget projects a decrease in cash for the fiscal year of \$2.3 million.

Novato Water

The Novato Potable Water System budget projects a \$2.3 million cash decrease over the fiscal year. A 3.5% rate increase in both the commodity and bimonthly service charge, effective June 1, 2019, was approved by the Board of Directors at a public hearing occurring on May 21, 2019. Total budget outlay, which includes \$4.3 million in capital improvement projects, is projected at \$23.7 million which is \$0.5M higher than the FY 18/19 budget.

Operating Revenue

Water Sales - Water sales volume is budgeted at 2.6 billion gallons (BG) which is slightly higher than the FY 18/19 projections and consistent with FY 17/18 actual sales. The 3.5% rate increase, effective June 1, 2019 is projected to increase revenues by \$652,000 but is highly dependent on water sales volume. The below chart shows a 10-year history of billed consumption for the Novato Potable Water System.



NMWD DRAFT BUDGET

Other Revenue – Connection Fee revenue is budgeted at \$340,000. Connection fee revenue of \$1.4 million for 48 Equivalent Dwelling Units (EDUs) was collected in FY 17/18. The annual average connections have been 24 EDUs (FY 13/14 through FY 17/18). Included in the projections is annual revenue equivalent to 12 EDUs or half of the actual five-year average.

The wheeling charge to Marin Municipal Water District is budgeted at \$75,000. This is based on and equal to the projected revenue estimate to be received for the current fiscal year. In addition, MMWD will pay the annual fixed AEEP capital contribution in accord with the terms of the 2014 Interconnection Agreement. Miscellaneous Revenue includes \$91,000 in combined income from the rental of the Point Reyes home, the Little Mountain cell phone tower lease, Indian Valley Golf Club lease, two grazing leases, rental of the District's security apartment, and rental of the Pacheco Valle tennis courts.

Operating Expenditures

Operating expenses (excluding depreciation) are budgeted to decrease 1.9% or \$311,000 from the FY 18/19 budget. This decrease is primarily due to the one-time payment of \$1.28 million that will be made to SW in FY 18/19.

Source of Supply – The purchase of water from Sonoma Water (SW) (AKA Sonoma County Water Agency) is projected to increase 4.8% in FY 19/20. This change will result in a cost per acre-foot of \$937.37 for FY 19/20 versus \$894.17 for the current fiscal year and is estimated to increase the cost to purchase water by \$270,000.

The current year budget shows a decrease from the prior year budget due to the one-time payment of \$1.28 million that will be made to SW that was budgeted in FY 18/19.

Stafford Treatment Plant (STP) Water Production – STP water production is projected at 650 MG in FY 19/20 which is slightly lower than the average annual production of 670 MG over the past 10 years. The cost of production at the end of FY 17/18 was \$3,436/MG and varies depending on the volume and length of production.

Although the cost of STP water production is higher than purchases from SW, the benefits of having a local water supply for resiliency and emergency preparedness outweighs the additional costs in operating the plant.

Personnel Costs - The proposed budget includes a staffing level of 54 full-time equivalent (FTE) employees consistent with the current year budget (chart below).

<u>FTE Staffing</u>	<u>FY20</u>	<u>FY19</u>
Administration	8.0	8.0
Consumer Services	6.0	6.0
Construction/Maintenance	12.0	12.0
Engineering	8.0	8.0
Maintenance	9.0	9.0
Operations	6.0	6.0
Water Quality	<u>5.0</u>	<u>5.0</u>
	<u>54.00</u>	<u>54.00</u>

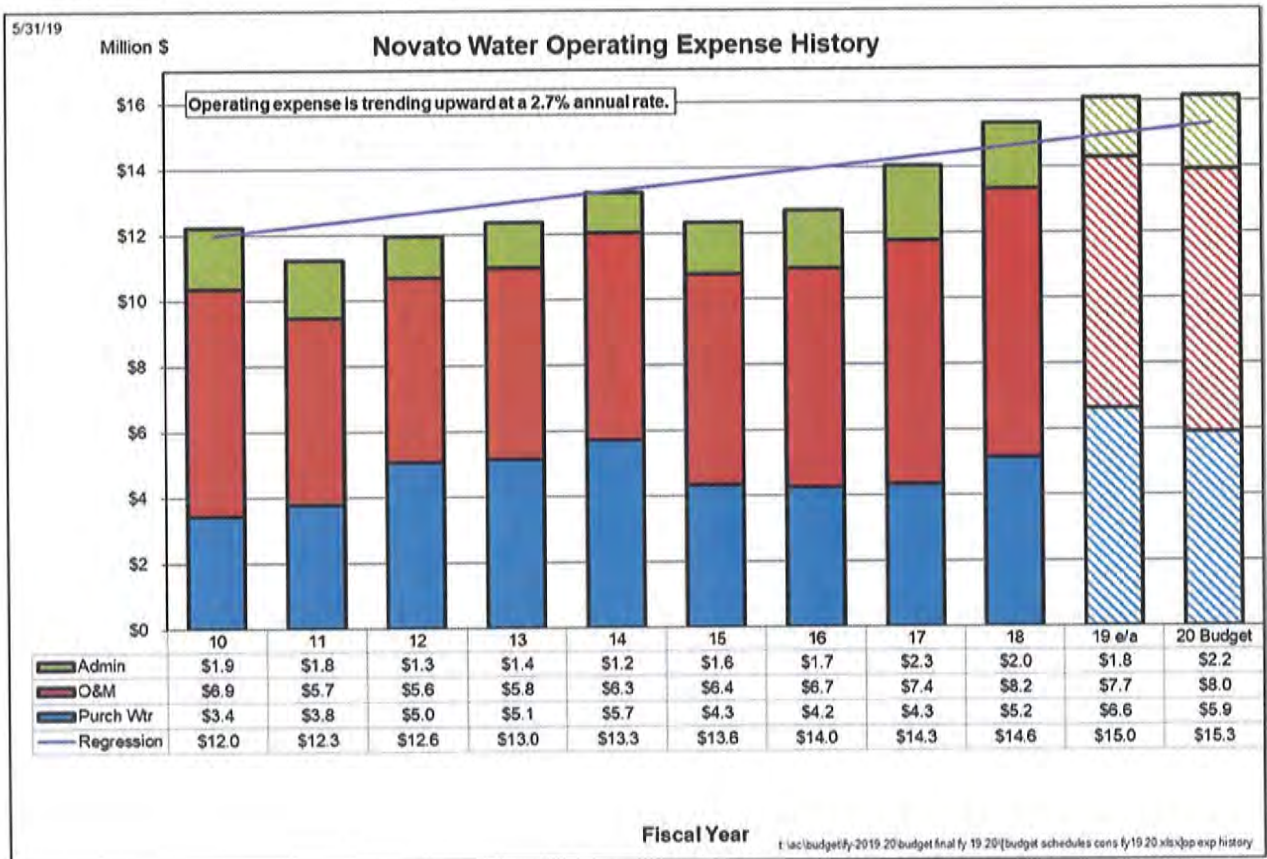
NMWD DRAFT BUDGET

Temporary staffing budget is proposed to decrease by 931 hours from the prior year's budget to 7,905 hours. The decrease is due to a reduction in administration hours needed for assistance on special projects.

In accordance with the Employee Association and NMWD's Memorandum of Understanding (MOU), a 3.5% cost-of-living salary increase, has been factored into the budget effective October 1, 2019. The MOU links an annual cost-of-living adjustment (COLA) to the change in the CPI. The District entered into a 5-year MOU with the NMWD Employee Association beginning on October 1, 2018. The current MOU established a COLA minimum of 2.0% and a maximum of 4%. The overhead cost of labor charged to Novato operations has increased by an average of 4% annually over the past 5 years. Part of the increase is due to bringing on new employees (2 full-time equivalents) over the period to keep up with the operational demands of the District. The 3.5% cost-of-living increase is staff's best projection at this time.

The District's average CalPERS retirement contribution rate will increase 2.6% (to 26.41%) from the amount budgeted last year. All employees now pay 100% of the CalPERS employee contribution. For budgeting purposes, group health insurance rates remained constant. This cost decreased in 2019 and was a minimal increase in prior years.

The below chart shows the past 10-years of operating expense (excluding depreciation) for Novato Water.



NMWD DRAFT BUDGET

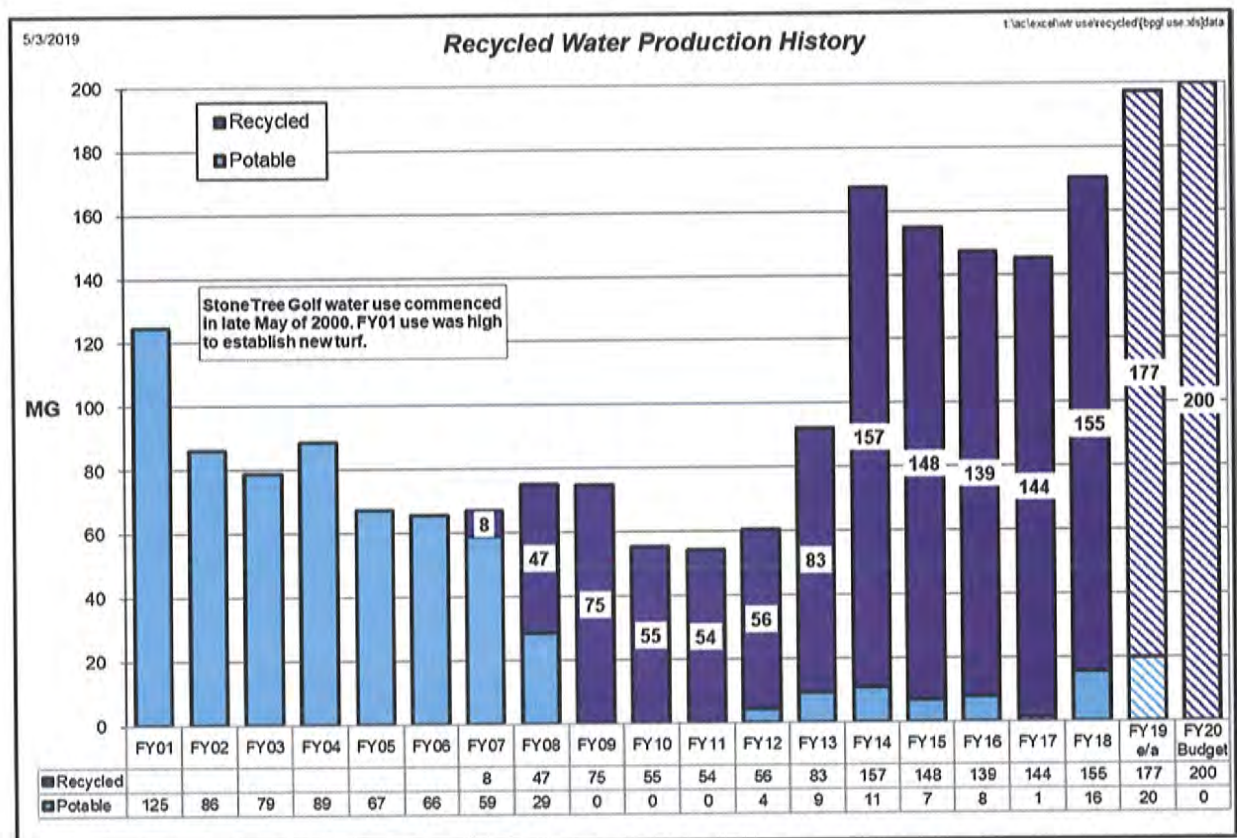
Recycled Water

The FY 19/20 Recycled Water (RW) System Budget projects demand of 200MG which is consistent with the volume budgeted in FY18/19. Sales have increased primarily due to the Central expansion project completed in FY 17/18. The budget projects purchase of 150MG of tertiary treated water from Novato Sanitary District and 45MG from La Gallinas Valley Sanitary District, at an average rate of \$1,400/MG. The Deer Island Plant is budgeted to produce 5MG during the summer, to keep it operating, and will serve as a back-up facility.

Consistent with the potable water increase, a 3.5% commodity rate and bimonthly service charge increase was implemented June 1, 2019. The increase is projected to generate \$42,000 in additional revenue next fiscal year.

Operating expenses (excluding depreciation) are budgeted to increase 4% or \$21,000 from the FY 18/19 budget. This increase is primarily due the increase in employee hours for maintenance and operations.

The below chart shows historical production for the Recycled Water System.



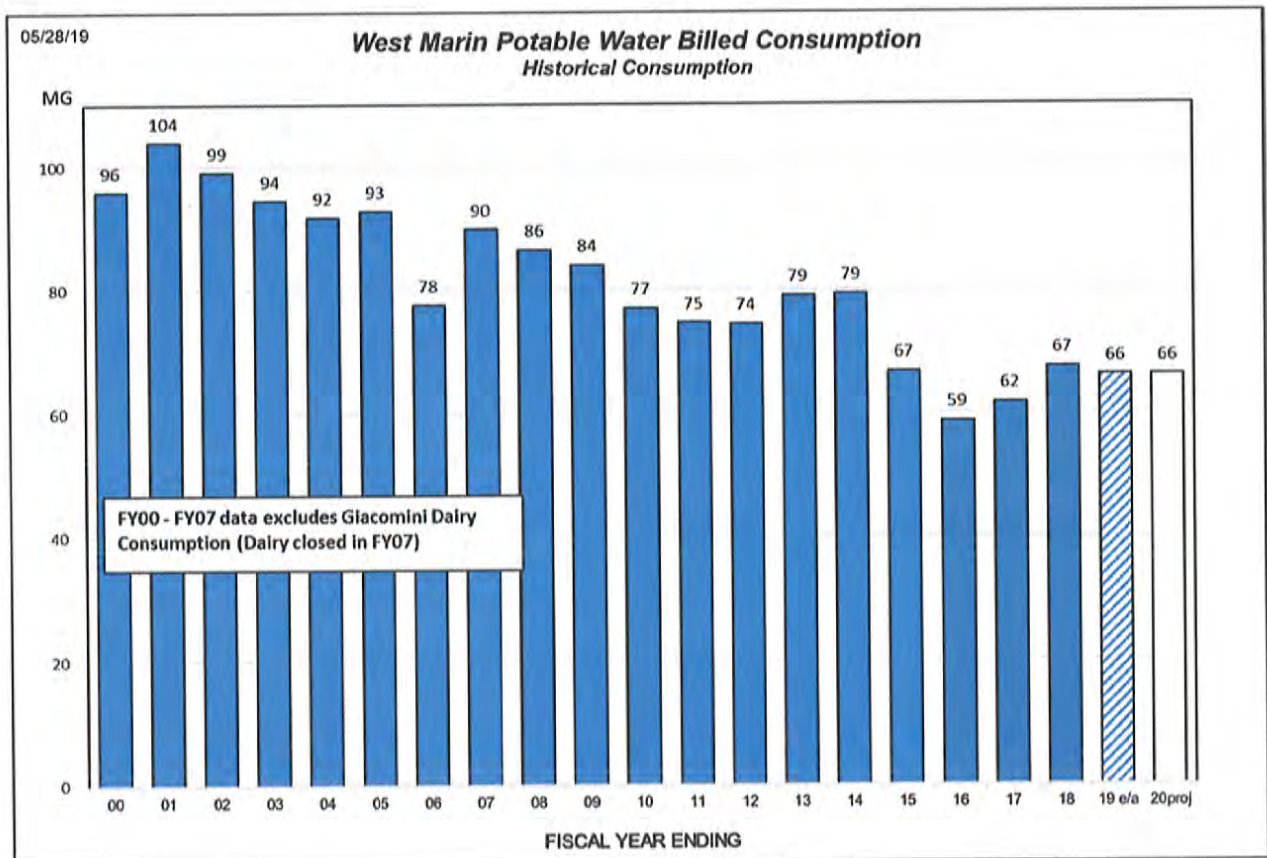
NMWD DRAFT BUDGET

West Marin Water

The proposed 3.5% rate increase for West Marin (WM) Water customers to be effective July 1, 2019, will add approximately \$2 per month (\$24 annually) to the typical residential customer water cost. The increase is for both the commodity rate and the bimonthly service charge and is projected to generate \$20,000 in additional revenue annually. Growth in the past three years has remained stable so conservatively there are no connection fees budgeted for FY 19/20. Included in the 5-year financial forecast is revenue for one connection every other year.

Significant Capital Improvement Projects budgeted for the year include continued work on the \$785,000 project to replace the Paradise Ranch Estates Tank 4A which is scheduled to be completed FY 19/20. Additional projects include \$200K towards the Lagunitas Creek Bridge Pipe Replacement project and \$300K for the disinfection byproduct (TTHM) removal project.

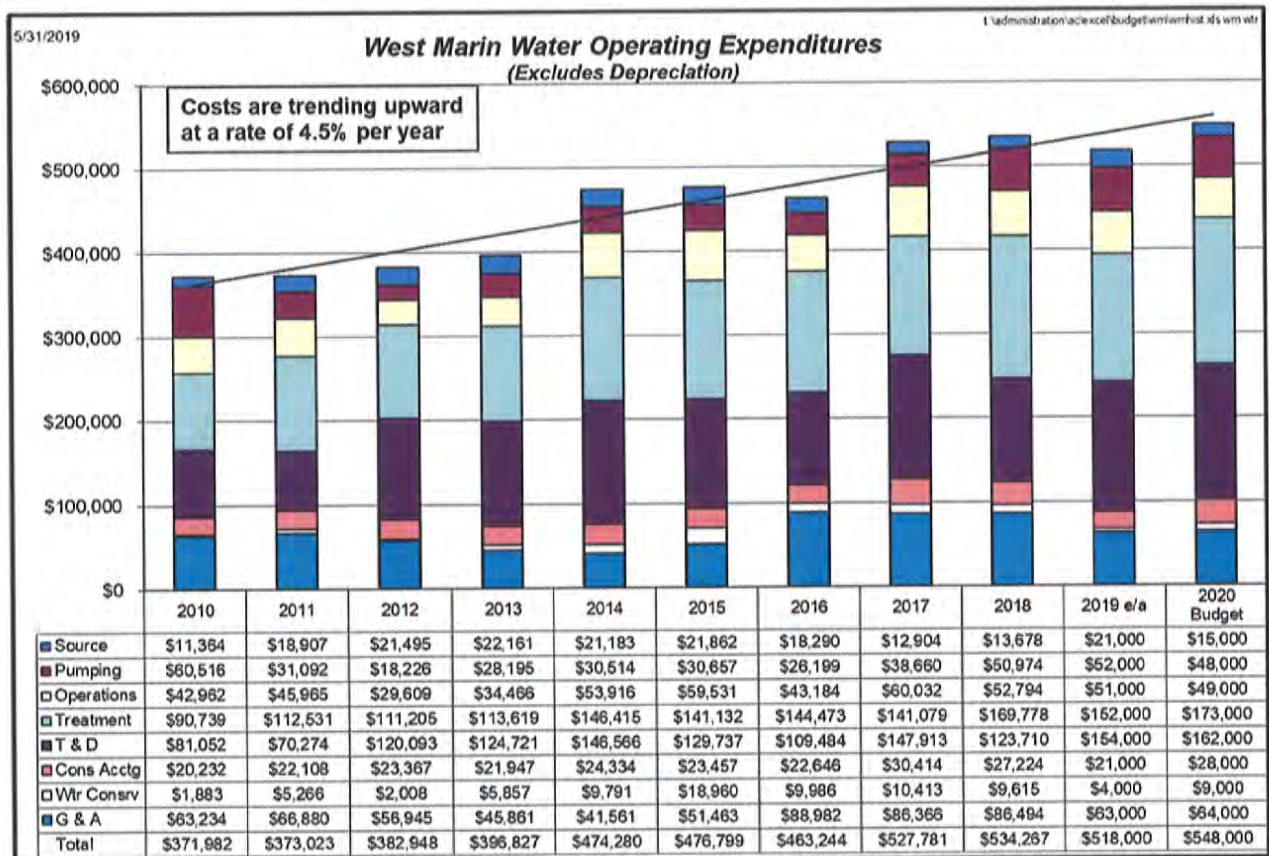
FY 19/20 water sales volume is budgeted at 66MG which is an average of the last three years of actual and projected use (FY16/17-FY18/19). See the below chart for the historical consumption for the WM service area.



NMWD DRAFT BUDGET

WM operating expenditures, before depreciation, are budgeted at \$548,000 which is an increase of \$8,000 or 1.5% from the FY 18/19 adopted budget of \$540,000. The budget projects a net operating income of \$184,000 and, after capital outlay and debt service, the system is projected to show a cash decrease for the year of \$836,000.

The below chart shows the past 10-years of operating expense for West Marin Water.



Oceana Marin Sewer

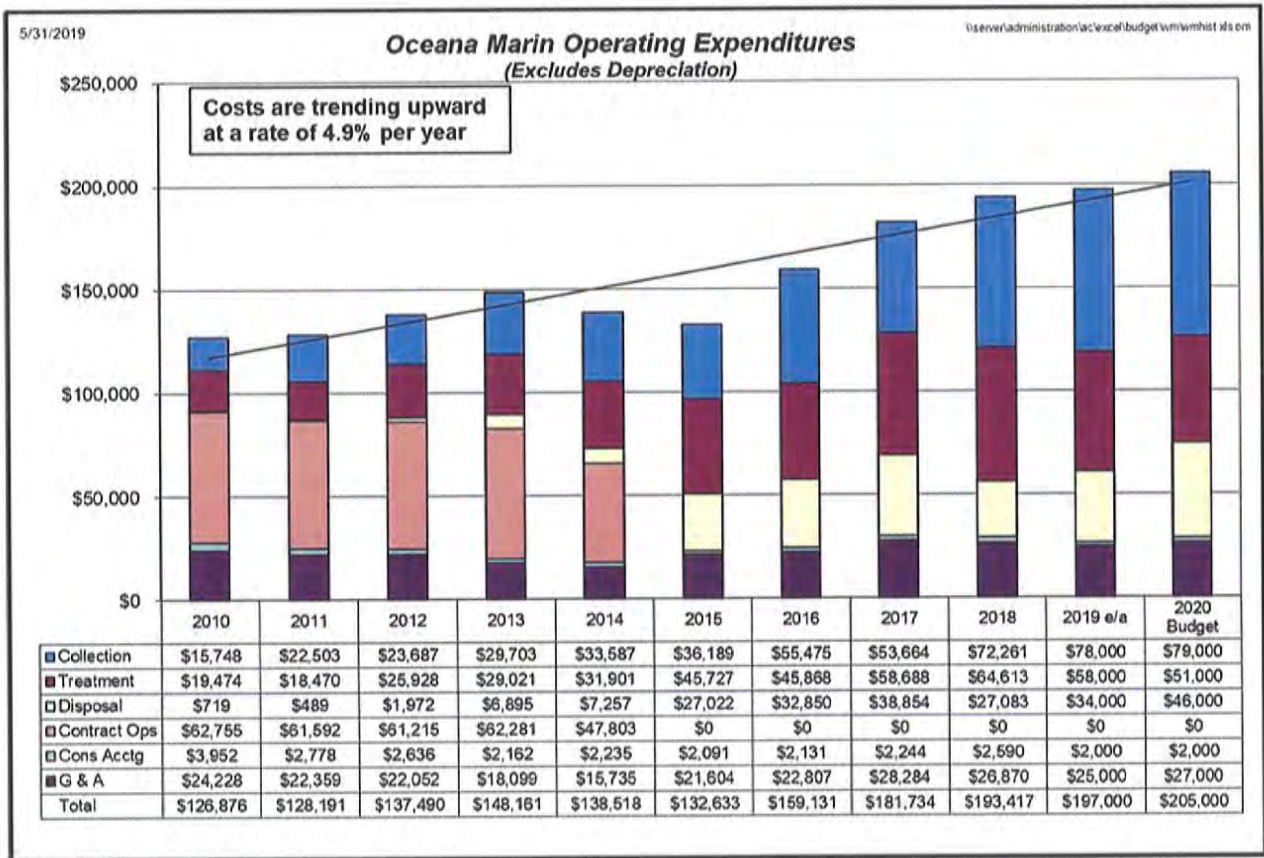
A proposed 3.5% increase (\$3/month - to \$1,116/year) in the Oceana Marin Sewer service charge to be effective July 1, 2019, is projected to add \$8,400 in additional annual revenue. Growth in the past three years has remained relatively stable so conservatively there are no connection fees budgeted for FY 19/20. Included in the 5-year financial forecast is revenue for one connection every other year.

Capital Improvement Projects budgeted for the year include the Tahiti Way Lift Pump 1 Assembly with a projected cost of \$15,000 to rebuild the pump. Additionally, \$40,000 is budgeted for the ongoing Capital work to identify and repair collection pipelines to prevent inflow and infiltration.

NMWD DRAFT BUDGET

FY 19/20 OM operating expenditures, before depreciation, are budgeted at \$205,000 which is an increase of \$10,000 or 7.5% from the FY 18/19 adopted budget of \$195,000. The increase is primarily due to the increased need for contract lab services and an increase in staff labor to maintain the system. The budget projects a net operating income of \$19,000 and, after capital outlay and debt service, the system is projected to show a cash increase for the year of \$138,000.

The below chart shows the past 10-years of operating expense for Oceana Marin Sewer.



NMWD DRAFT BUDGET

Capital Improvement Project Budget (CIP)

The proposed Fiscal Year 19/20 and FY 20/21 Capital Improvement Project (CIP) budget includes projects recommended for Novato Water, Recycled Water, West Marin Water, and Oceana Marin Sewer. Also included is a debt service schedule detailing the principal and interest payment required to fund prior CIPs.

Below is a summary identifying the significant projects (totaling \$400,000 or more) proposed to be undertaken over the next two fiscal years.

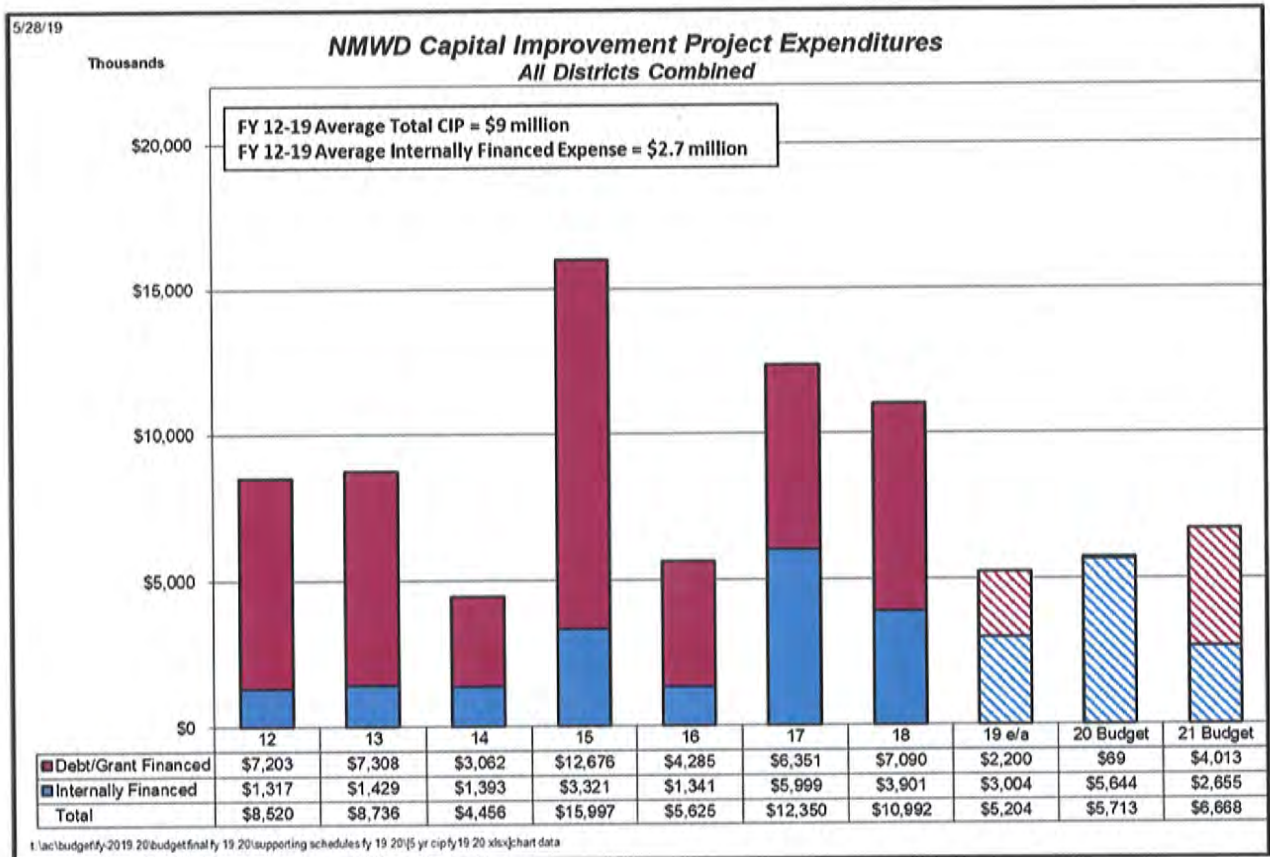
<u>Project</u>	<u>FY 19/20</u>	<u>FY 20/21</u>
Office/Yard Building Refurbish	\$900,000	\$3,000,000
Crest PS/Relocate School Rd PS	635,000	-
Replace PRE Tank 4A	550,000	-
Cherry Hill #2 Recoat	400,000	-
STP Generator	400,000	-
Lagunitas Creek Bridge Pipe Replacement	200,000	450,000
Old Ranch Rd. Tank #2	150,000	481,000
San Mateo 24" Inlet/Outlet Pipe (2,200')	50,000	742,000
New Gallagher Well #2	75,000	260,000
Other Projects	2,353,000	1,735,000
Gross Project Outlay	5,713,000	6,668,000
Less Loan/Grant Funding	(-)	(4,013,000)
Net Project Outlay (internally funded)	\$5,713,000	\$2,655,000

The proposed two-year combined total project outlay, net of grant/loan funding, totals \$8.4 million, which is slightly lower than the \$8.5 million combined two-year budget adopted last year. The proposed CIP budget includes 34 projects in FY 19/20 and 26 projects in FY 20/21. This comprehensive plan is developed to confirm that adequate funding and staffing exists to accomplish the budgeted projects planned for FY 19/20.

	<u>Net Outlay</u>		
<u>District</u>	<u>Proposed FY20 & FY21</u>	<u>Adopted FY19 & FY20</u>	<u>Increase (Decrease)</u>
Novato Water	\$6,006,000	\$5,925,000	\$81,000
Recycled Water	240,000	240,000	(0)
WM Water	1,990,000	1,775,000	215,000
OM Sewer	132,000	573,000	(441,000)
Total	\$8,368,000	\$8,513,000	(\$145,000)

NMWD DRAFT BUDGET

The below chart shows the District wide 10-year history of capital improvement projects which averages \$9M per year including \$2.7M of internally (or "Pay-Go") financed projects.



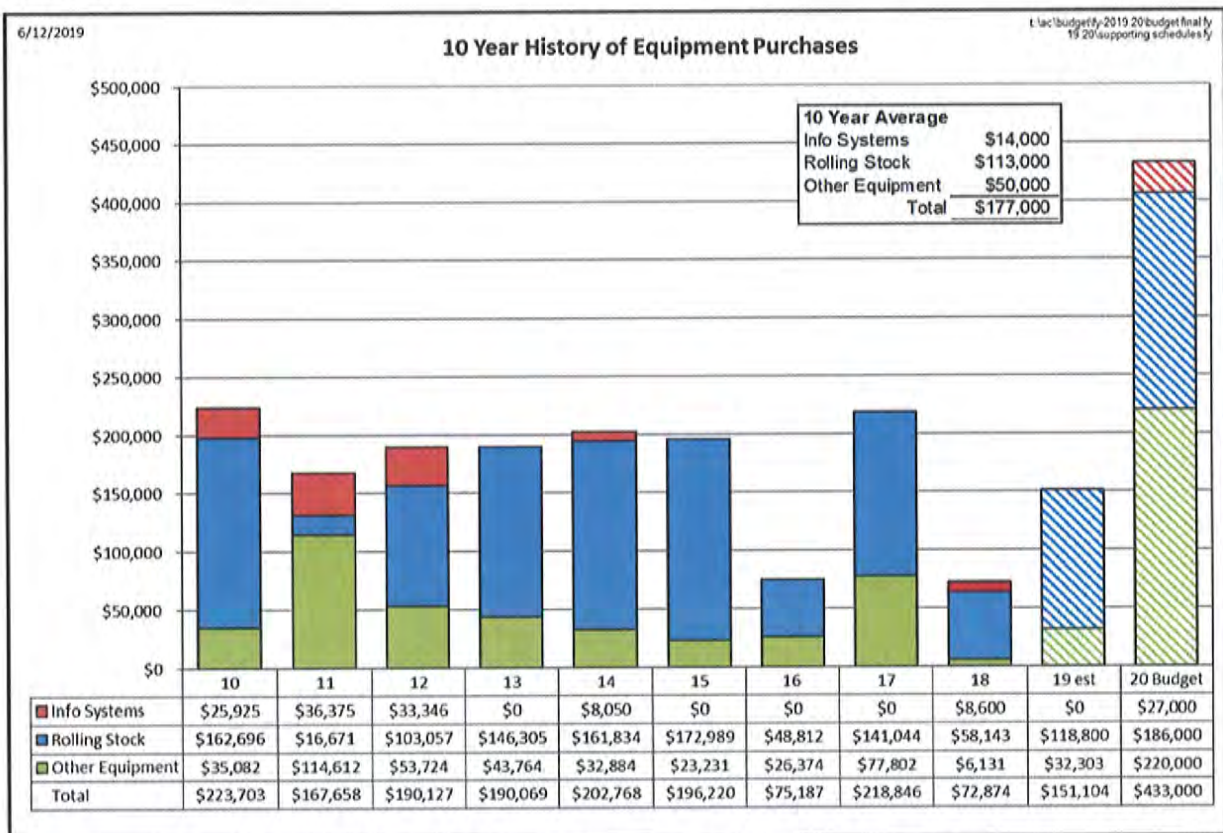
Novato Potable Water's CIP expenditure plan, when viewed over the current fiscal year and the next five years, averages \$2.6 million annually in internally funded projects, which is slightly above the \$2.5 million approved by the Board and incorporated into the 5-Year Financial Plan.

NMWD DRAFT BUDGET

Equipment Budget

The proposed FY 19/20 Equipment Budget totals \$433,000. This is \$78,000 higher than the FY 18/19 Equipment Budget of \$355,000. FY 18/19 estimated actual expenditures are forecast to come in at \$151,000 which is \$204,000 below budget. Due to equipment needs the amount not spent in FY 18/19 has been allocated to FY 19/20.

A significant purchase included in the proposed budget is \$152,000 for additional generators needed to proactively plan for extended power outages associated with the roll out of PG&E's Public Safety Power Shutoff (PSPS) Program. There is also \$130,000 budgeted for a Vacuum Excavator. Additionally, a metals analyzer for \$68,000 is budgeted to replace a 20-year old piece of equipment for the lab. The following chart shows the ten year history of equipment purchases.



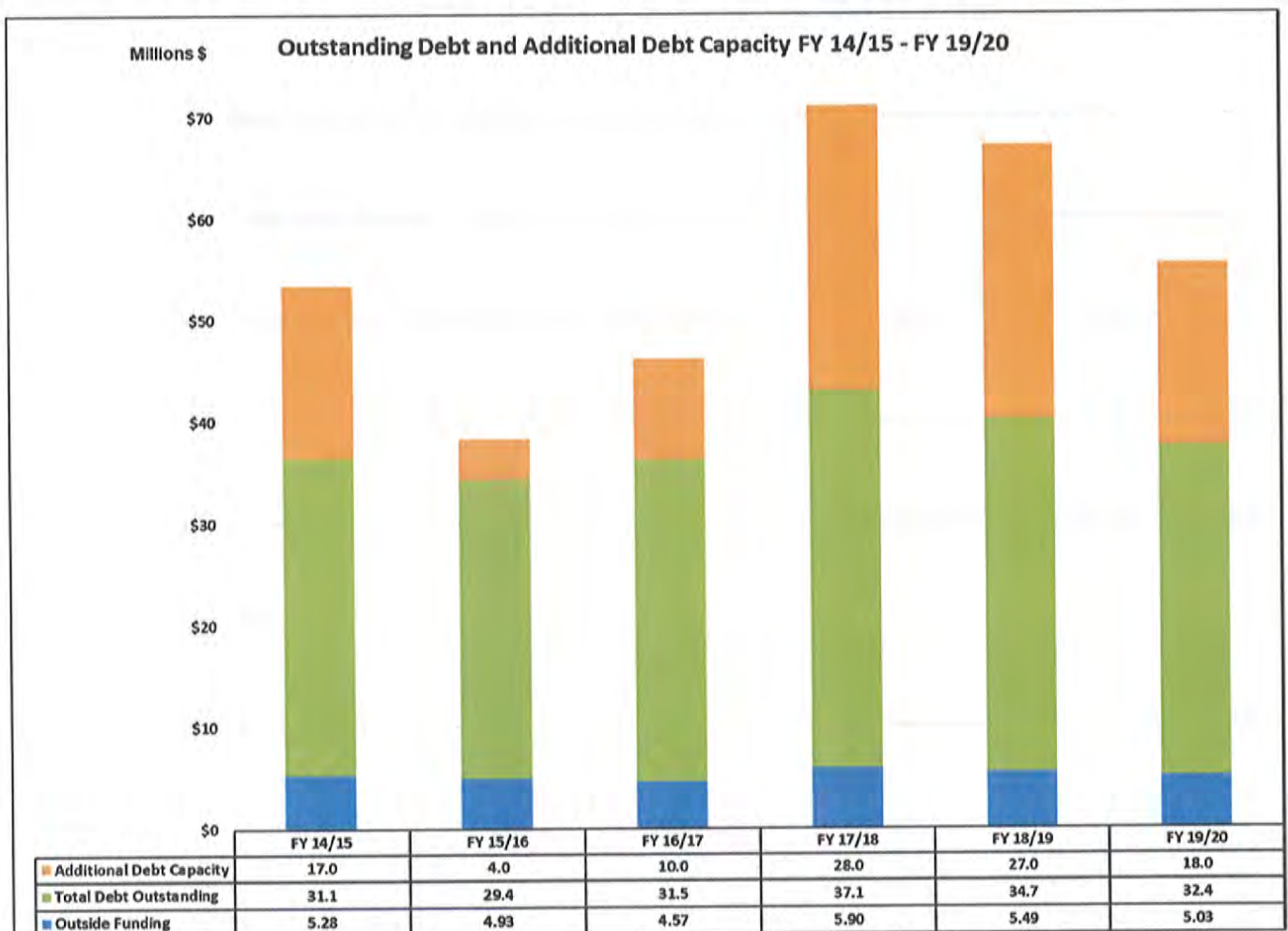
NMWD DRAFT BUDGET

Debt Service

Principal and interest payments totaling \$3.2 million are budgeted as the annual obligation on \$35.3 million in outstanding debt (as of June 30, 2019), comprised of:

- 1.) \$4.4 million at 2.7% for a bank loan used to fund the Advanced Meter Information (AMI) project;
- 2.) \$9.2 million at 2.4% State Revolving Fund (SRF) loan used to finance the Stafford Water Treatment Plant Rehabilitation;
- 3.) \$14.1 million in SRF loans (with interest varying from 1%-2.6%) used to finance the recycled water distribution system;
- 4.) \$5.6 million at 3.5% bank loan used to finance the Aqueduct Energy Efficiency Project and West Marin Treatment Plant Solids-Handling Facility;
- 5.) \$2 million at 2.4% SRF loan used to finance the Deer Island Recycled Water Facility.

The below chart outlines the District's total outstanding debt and additional debt capacity for the budget year FY 19/20 and five-years prior. The additional debt capacity keeps the District below the debt service ratio of 1.5 as included in the Board approved Debt Policy. As shown below the total debt is partially funded by outside entities related to partnered projects.



NORTH MARIN WATER DISTRICT
BUDGET SUMMARY - ALL SERVICE AREAS COMBINED
Fiscal Year 2019/20

	Proposed Budget 2019/20	Estimated Actual 2018/19	Adopted Budget 2018/19
OPERATING INCOME			
1 Water Sales	\$22,345,000	\$21,274,000	\$22,207,000
2 Sewer Service Charges	261,000	252,000	252,000
3 Wheeling & Misc Service Charges	392,000	386,000	347,000
4 Total Operating Income	\$22,998,000	\$21,912,000	\$22,806,000
OPERATING EXPENDITURES			
5 Source of Supply	6,186,000	6,922,000	7,044,000
6 Pumping	438,000	452,000	391,000
7 Operations	808,000	1,161,000	696,000
8 Water Treatment	2,697,000	2,463,000	2,603,000
9 Sewer Service	176,000	170,000	164,000
10 Transmission & Distribution	3,656,000	3,456,000	3,331,000
11 Consumer Accounting	644,000	551,000	648,000
12 Water Conservation	399,000	348,000	390,000
13 General & Administrative	2,383,000	1,932,000	2,392,000
14 Depreciation Expense	3,486,000	3,440,000	3,528,000
15 Total Operating Expenditures	\$20,873,000	\$20,895,000	\$21,187,000
16 NET OPERATING INCOME (LOSS)	\$2,125,000	\$1,017,000	\$1,619,000
NON-OPERATING INCOME/(EXPENSE)			
17 Tax Proceeds	\$116,000	\$114,000	\$114,000
18 Interest Revenue	277,000	355,000	159,000
19 Miscellaneous Revenue	133,000	179,000	137,000
20 Interest Expense	(806,000)	(840,000)	(850,000)
21 Miscellaneous Expense	(20,000)	(3,000)	(20,000)
22 Total Non-Operating Income/(Expense)	(\$300,000)	(\$195,000)	(\$460,000)
NET INCOME/(LOSS)	\$1,825,000	\$822,000	\$1,159,000
OTHER SOURCES/(USES) OF FUNDS			
23 Add Depreciation Expense	\$3,486,000	\$3,440,000	\$3,528,000
24 Connection Fees	340,000	2,322,000	733,000
25 Caltrans AEEP Reimbursement	1,000	1,000	1,000
26 MMWD AEEP Capital Contribution	205,000	245,000	245,000
27 Loans/Grants	69,000	20,000	349,000
28 Stone Tree Golf Principal Repayment	227,000	222,000	222,000
29 Capital Equipment Expenditures	(433,000)	(250,000)	(355,000)
30 Capital Improvement Projects	(5,713,000)	(5,141,000)	(7,770,000)
31 Debt Principal Payments	(2,333,000)	(2,336,000)	(2,279,000)
33 Total Other Sources/(Uses)	(\$4,151,000)	(\$1,477,000)	(\$5,326,000)
34 CASH INCREASE/(DECREASE)	(\$2,326,000)	(\$655,000)	(\$4,167,000)

NOVATO POTABLE WATER
BUDGET SUMMARY
Fiscal Year 2019/20

	<i>Proposed Budget 2019/20</i>	<i>Estimated Actual 2018/19</i>	<i>Adopted Budget 2018/19</i>
OPERATING INCOME			
1 Water Sales	\$20,239,000	\$19,225,000	\$20,144,000
2 Wheeling & Misc Service Charges	342,000	337,000	340,000
3 Total Operating Income	\$20,581,000	\$19,562,000	\$20,484,000
OPERATING EXPENDITURES			
4 Source of Supply	\$5,896,000	\$6,638,000	\$6,756,000
5 Pumping	384,000	395,000	343,000
6 Operations	685,000	800,000	580,000
7 Water Treatment	2,494,000	2,295,000	2,413,000
8 Transmission & Distribution	3,432,000	3,291,000	3,136,000
9 Consumer Accounting	613,000	527,000	618,000
10 Water Conservation	390,000	344,000	380,000
11 General Administration	2,237,000	1,792,000	2,216,000
12 Depreciation Expense	2,788,000	2,742,000	2,820,000
13 Total Operating Expenditures	\$18,919,000	\$18,824,000	\$19,262,000
14 NET OPERATING INCOME (LOSS)	\$1,662,000	\$738,000	\$1,222,000
NON-OPERATING INCOME/(EXPENSE)			
15 Interest Revenue	\$150,000	230,000	100,000
16 Miscellaneous Revenue	133,000	179,000	133,000
17 Interest Expense	(495,000)	(524,000)	(533,000)
19 Miscellaneous Expense	(20,000)	(2,000)	(20,000)
20 Total Non-Operating Income/(Expense)	(\$232,000)	(\$117,000)	(\$320,000)
21 NET INCOME/(LOSS)	\$1,430,000	\$621,000	\$902,000
OTHER SOURCES/(USES) OF CASH			
22 Add Depreciation Expense	\$2,788,000	\$2,742,000	\$2,820,000
23 Connection Fees	340,000	2,314,000	680,000
24 Caltrans AEEP Capital Contribution	1,000	1,000	1,000.00
25 MMWD AEEP Capital Contribution	205,000	245,000	245,000
26 SCWA Water Conservation Grant	-	20,000	30,000
27 Loans	-	-	250,000
28 Capital Equipment Expenditures	(433,000)	(250,000)	(355,000)
29 Capital Improvement Projects	(4,308,000)	(4,323,000)	(5,760,000)
30 Debt Principal Payments	(1,410,000)	(1,360,000)	(1,350,000)
31 Connection Fee Transfer from (to) RWS	(910,000)	1,370,000	1,255,000
32 Working Capital Increase/(Decrease)	-	-	-
33 Total Other Sources/(Uses)	(\$3,727,000)	\$759,000	(\$2,184,000)
34 CASH INCREASE/(DECREASE)	(\$2,297,000)	\$1,380,000	(\$1,282,000)

NOVATO POTABLE WATER

FY 19/20 Five-Year Financial Forecast

Fiscal Year Ending June 30 >		Proposed 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
SERVICES						
1	Active Meters @ Fiscal Year End	20,553	20,563	20,573	20,583	20,593
2	Increase for Year - Active Meters	10	10	10	10	10
WATER PRODUCTION (MG)						
3	Stafford Production	650	650	650	650	650
4	Russian River Purchases	2,080	2,080	2,080	2,080	2,080
5	Total Water Production	2,730	2,730	2,730	2,730	2,730
REVENUE & EXPENSE (\$ in 000's)						
OPERATING REVENUE						
6	Potable Water Sales	\$20,239	\$21,150	\$22,101	\$23,096	\$24,135
7	Wheeling & Other Misc Service Charges	342	356	370	385	400
8	Total Operating Revenue	\$20,581	\$21,505	\$22,471	\$23,481	\$24,535
OPERATING EXPENSE						
9	Russian River Water	\$5,710	\$6,053	\$6,416	\$6,801	\$7,209
10	Overheaded Operating Labor	7,059	7,271	7,489	7,714	7,945
11	Purification Chemicals	455	469	483	497	512
12	Electric Power	444	457	471	485	500
13	Other Operating Expenses	2,463	2,537	2,613	2,691	2,772
14	Depreciation	2,788	2,820	2,850	2,880	2,910
15	Total Operating Expense	\$18,919	\$19,606	\$20,321	\$21,068	\$21,848
NON-OPERATING REVENUE/(EXPENSE)						
16	Interest Revenue	\$150	\$150	\$150	\$150	\$150
17	Interest Expense	(495)	(963)	(961)	(959)	(959)
18	Misc Other Revenue/(Expense)	113	116	120	123	127
19	Total Non-Op Revenue/(Expense)	(\$232)	(\$697)	(\$691)	(\$686)	(\$682)
20	Net Income	\$1,430	\$1,203	\$1,459	\$1,727	\$2,006
OTHER SOURCES/(USES) OF FUNDS						
21	Add Depreciation Expense	\$2,788	\$2,820	\$2,850	\$2,880	\$2,910
22	Connection Fees	340	340	340	340	340
23	MMWD AEEP Capital Contribution	206	206	206	206	206
24	Loans/Grants	-	12,000	-	-	-
25	Capital Equipment Purchases	(433)	(250)	(250)	(250)	(250)
26	Capital Improvement Projects	(4,308)	0	0	0	0
27	Debt Principal Payments	(1,410)	(1,786)	(1,788)	(1,790)	959
28	FRC Funds Transferred to Recycled Water	(910)	(50)	(50)	(50)	(50)
29	Working Capital Increase	-	-	-	-	-
30	Total Other Sources/(Uses)	(\$3,727)	\$13,280	\$1,308	\$1,336	\$4,115
31	Cash Increase/(Decrease)	(\$2,297)	\$14,482	\$2,767	\$3,063	\$6,121
32	Ending Reserve Balance	\$5,892	\$20,375	\$23,141	\$26,204	\$32,325
33	Target Reserve Balance (90% Op Exp)	\$14,518	\$15,108	\$15,724	\$16,369	\$17,044
34	% Rate Increase¹	3.5%	4.5%	4.5%	4.5%	4.5%
35	Median Monthly Single-Family Residential Bill	\$57	\$59	\$62	\$65	\$67
36	Fiscal year 2020 Rate increase approved by the Board on May 21, 2019. FY 2021 through 2024 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.					

NOVATO POTABLE WATER OPERATING BUDGET DETAIL

Fiscal Year 2019/20

	Proposed Budget 19/20	Estimated Actual 18/19	Adopted Budget 18/19	Actual 17/18	Actual 16/17	Actual 15/16	Actual 14/15	Actual 13/14
STATISTICS								
1 Active Meters	20,553	20,543	20,577	20,543	20,544	20,535	20,498	20,505
2 Avg Commodity Rate/1,000 Gal (Net)	\$6.25	\$6.00	\$5.99	\$6.00	\$5.40	\$5.25	\$4.87	\$4.81
3 Potable Consumption (BG)	2.60	2.54	2.60	2.52	2.31	2.15	2.44	2.95
OPERATING INCOME								
4 Water Sales	\$20,320,000	\$19,308,000	\$20,300,000	\$19,645,814	\$16,772,060	\$15,489,903	\$16,101,706	\$18,385,017
5 Bill Adjustments	(81,000)	(83,000)	(156,000)	(143,395)	(130,587)	(64,461)	(82,790)	(95,470)
6 Sales to MMWD	-	-	-	155,846	-	-	-	432,294
7 Wheeling Charges-MMWD	75,000	75,000	75,000	92,977	91,374	90,217	119,144	100,527
8 Miscellaneous Service Revenue	267,000	262,000	265,000	268,563	252,038	277,479	276,388	265,496
9 TOTAL OPERATING INCOME	\$20,581,000	\$19,562,000	\$20,484,000	\$20,019,805	\$16,984,885	\$15,793,138	\$16,414,448	\$19,087,864
OPERATING EXPENSE								
SOURCE OF SUPPLY								
10 Supervision & Engineering	\$11,000	\$7,000	\$37,000	\$9,303	\$11,264	\$10,586	\$11,641	\$9,698
11 Operating Expense - Source	14,000	9,000	12,000	6,236	8,513	11,928	11,044	10,497
12 Maintenance/Monitoring of Dam	67,000	33,000	67,000	22,203	24,059	22,796	11,635	19,438
13 Maintenance of Lake & Intakes	20,000	24,000	18,000	10,690	7,575	6,299	511	11,701
14 Maintenance of Watershed	50,000	6,000	50,000	29,646	36,218	17,325	15,151	17,015
15 Water Purchased for Resale to MMWD	-	-	-	111,891	-	-	-	253,539
16 Water Quality Surveillance	14,000	1,000	22,000	6,728	3,513	3,137	7,467	13,713
17 Contract Water - SCWA	5,710,000	6,550,000	6,550,000	5,151,516	4,320,623	3,997,030	4,333,100	5,698,211
18 GASB 68 Adjustment	10,000	8,000	-	8,535	5,682	-	-	-
19 TOTAL SOURCE OF SUPPLY	\$5,896,000	\$6,638,000	\$6,756,000	\$5,356,748	\$4,417,447	\$4,069,101	\$4,390,549	\$6,033,812
PUMPING								
20 Operating Expense	\$3,000	\$0	\$3,000	\$0	\$0	\$0	\$237	\$0
21 Maintenance of Structures/Grounds	32,000	61,000	26,000	32,611	28,514	26,347	51,544	46,502
22 Maintenance of Pumping Equipment	53,000	39,000	62,000	39,435	30,354	13,507	51,013	27,696
23 Electric Power - Pumping	288,000	288,000	252,000	293,588	246,869	212,207	213,909	255,711
24 GASB 68 Adjustment	8,000	7,000	-	6,967	3,496	-	-	-
25 TOTAL PUMPING	\$384,000	\$395,000	\$343,000	\$372,601	\$309,233	\$252,061	\$316,703	\$329,909
OPERATIONS								
26 Supervision & Engineering	\$158,000	\$209,000	\$169,000	\$253,594	\$234,870	\$256,231	\$241,264	\$219,520
27 Operating Expense	238,000	324,000	252,000	400,138	343,890	304,897	244,900	274,893
28 Maintenance Expense	57,000	38,000	56,000	50,339	47,202	34,755	37,667	79,906
29 Telemetry Equipment/Controls Maint	87,000	105,000	86,000	94,523	101,568	68,674	86,544	62,223
30 Leased Line Expense	17,000	17,000	17,000	17,414	17,592	17,704	17,986	17,675
31 GASB 68 Adjustment	128,000	107,000	-	107,728	63,553	-	-	-
32 TOTAL OPERATIONS	\$685,000	\$800,000	\$580,000	\$923,736	\$808,675	\$682,261	\$628,361	\$654,217

North Marin Water District

NOVATO POTABLE WATER OPERATING BUDGET DETAIL

Fiscal Year 2019/20

	Proposed Budget 19/20	Estimated Actual 18/19	Adopted Budget 18/19	Actual 17/18	Actual 16/17	Actual 15/16	Actual 14/15	Actual 13/14
WATER TREATMENT								
33 Supervision & Engineering	\$143,000	\$166,000	\$152,000	\$169,851	\$168,945	\$130,358	\$112,433	\$111,096
34 Operating Expense	322,000	281,000	393,000	276,795	349,671	313,024	333,020	285,050
35 Purification Chemicals	475,000	389,000	455,000	438,348	247,260	378,562	358,907	316,762
36 Sludge Disposal	124,000	101,000	119,000	100,305	107,942	90,043	72,720	66,085
37 Maintenance of Structures/Grounds	122,000	108,000	119,000	50,913	78,910	68,351	79,728	60,148
38 Purification Equipment Maintenance	191,000	200,000	203,000	212,385	186,246	150,989	104,290	137,838
39 Electric Power - Treatment	156,000	153,000	156,000	157,374	129,652	113,223	120,592	135,637
40 Laboratory Expense (net)	707,000	686,000	816,000	758,936	768,965	705,212	691,990	655,315
41 GASB 68 Adjustment	254,000	211,000	-	212,624	150,494	-	-	-
42 TOTAL WATER TREATMENT	\$2,494,000	\$2,295,000 3,553	\$2,413,000 3,735	\$2,377,531 3,351	\$2,188,085	\$1,949,762	\$1,873,680	\$1,767,931
TRANSMISSION & DISTRIBUTION								
43 Supervision & Engineering	\$591,000	\$521,000	\$656,000	\$659,085	\$569,303	\$559,007	\$562,934	\$486,544
44 Maps & Records	160,000	238,000	180,000	159,512	168,267	110,877	108,956	77,995
45 Operation of T&D System	607,000	683,000	636,000	594,175	582,483	509,160	404,243	511,708
46 Storage Facilities Expense	143,000	105,000	141,000	110,077	155,641	150,066	167,362	134,352
47 Maintenance of Valves & Regulators	192,000	80,000	222,000	173,762	196,162	189,372	151,691	91,709
48 Maintenance of Mains	177,000	173,000	155,000	190,307	149,584	215,077	149,898	72,176
49 Backflow Prevention Program	220,000	181,000	234,000	186,692	155,536	150,298	156,590	147,878
50 Maintenance of Copper Services	146,000	187,000	187,000	157,337	159,769	142,083	202,193	141,987
51 Maintenance of PB Service Lines	481,000	561,000	469,000	471,527	473,695	532,436	432,820	411,357
52 Maintenance of Meters	141,000	105,000	107,000	126,985	66,356	100,402	100,401	94,418
53 Detector Check Assembly Maint	84,000	94,000	70,000	46,056	72,208	54,586	65,749	52,369
54 Maintenance of Hydrants	73,000	17,000	79,000	18,087	51,020	34,311	25,655	22,154
55 GASB 68 Adjustment	417,000	346,000	-	349,390	228,385	-	-	-
56 TOTAL TRANSMISSION & DISTRIB	\$3,432,000	\$3,291,000	\$3,136,000	\$3,242,992	\$3,028,409	\$2,747,675	\$2,528,492	\$2,244,647
CONSUMER ACCOUNTING								
57 Meter Reading & Collection	\$142,000	\$85,000	\$250,000	\$190,554	\$182,663	\$189,262	\$166,919	\$182,216
58 Billing & Accounting	213,000	200,000	228,000	280,268	289,503	281,010	269,054	256,653
59 Contract Billing	18,000	16,000	18,000	16,395	16,692	17,160	16,946	17,561
60 Postage & Supplies	55,000	52,000	55,000	52,735	56,373	58,903	60,032	61,791
61 Credit Card Fees	60,000	55,000	31,000	46,678	29,685	24,592	23,893	14,149
62 Lock Box Service	11,000	11,000	11,000	10,944	10,944	10,944	10,080	
63 Uncollectible Accounts	5,000	14,000	14,000	12,352	12,709	15,382	14,818	19,500
64 Office Equipment Expense	35,000	33,000	27,000	45,256	11,350	23,091	16,743	23,905
65 Distributed to Other Operations	(16,000)	(14,000)	(16,000)	(19,008)	(17,161)	(16,959)	(16,233)	(15,276)
66 GASB 68 Adjustment	90,000	75,000	-	75,257	49,950	-	-	-
67 TOTAL CONSUMER ACCOUNTING	\$613,000	\$527,000	\$618,000	\$711,431	\$642,708	\$603,385	\$562,252	\$560,499

North Marin Water District

NOVATO POTABLE WATER OPERATING BUDGET DETAIL

Fiscal Year 2019/20

	Proposed Budget 19/20	Estimated Actual 18/19	Adopted Budget 18/19	Actual 17/18	Actual 16/17	Actual 15/16	Actual 14/15	Actual 13/14
WATER CONSERVATION								
68 Residential	\$255,000	\$239,000	\$299,000	\$235,438	\$270,150	\$320,620	\$410,154	\$362,499
69 Commercial	20,000	8,000	19,000	5,818	1,702	3,711	5,352	2,605
70 Public Outreach/Information	44,000	39,000	39,000	33,789	30,618	32,287	34,148	51,638
71 Large Landscape	28,000	22,000	23,000	33,662	36,818	24,877	10,747	12,702
72 GASB 68 Adjustment	43,000	36,000	-	36,183	21,754	-	-	-
73 TOTAL WATER CONSERVATION	\$390,000	\$344,000	\$380,000	\$344,890	\$361,042	\$381,495	\$460,401	\$429,444
GENERAL & ADMINISTRATION								
74 Director's Expense	\$41,000	\$34,000	\$39,000	\$37,111	\$34,384	\$34,222	\$30,400	\$25,300
75 Legal Fees	21,000	21,000	19,000	20,173	28,043	20,488	9,956	20,906
76 Human Resources	52,000	88,000	67,000	62,348	31,451	25,036	33,977	28,386
77 Auditing Services	21,000	22,000	20,000	19,706	16,220	18,770	18,380	21,050
78 Consulting Services/Studies	195,000	231,000	393,000	223,041	51,567	138,735	107,015	0
79 General Office Salaries	1,211,000	1,131,000	1,364,000	1,441,496	1,492,719	1,309,502	1,191,792	1,184,164
80 Office Supplies	47,000	26,000	47,000	33,753	35,048	37,709	36,877	46,174
81 Employee Events	12,000	13,000	12,000	10,123	9,726	10,143	7,379	7,227
82 Other Administrative Expense	15,000	7,000	16,000	12,528	13,960	10,427	13,390	13,240
83 Election Cost	-	18,915	-	0	2,077	250	-	250
84 Dues & Subscriptions	95,000	89,000	73,000	59,362	59,046	59,271	53,296	47,842
85 Vehicle Expense	8,000	8,000	8,000	8,634	9,325	8,112	8,112	8,112
86 Meetings, Conf & Training	189,000	116,000	230,000	149,670	186,436	139,858	136,863	117,425
87 Telephone, Water, Gas & Electricity	49,000	38,000	49,000	40,595	45,355	42,458	38,580	33,328
88 Building & Grounds Maintenance	60,000	57,000	53,000	75,130	62,856	63,344	48,891	35,642
89 Office Equipment Expense	129,000	110,000	129,000	97,003	95,465	87,141	97,868	90,231
90 Insurance Premiums & Claims	146,000	102,000	128,000	92,292	87,319	140,366	102,073	72,192
91 Retiree Medical Benefits	172,000	197,000	172,000	174,528	164,969	168,935	175,580	159,691
92 (Gain)/Loss on Overhead Charges	(120,000)	(318,915)	(39,000)	(357,925)	(19,931)	(89,626)	(85,682)	(222,710)
93 G&A Distributed to Other Operations	(146,000)	(142,000)	(144,000)	(157,976)	(161,036)	(126,771)	(113,218)	(76,538)
94 G&A Applied to Construction Projects	(326,000)	(360,000)	(420,000)	(346,105)	(290,813)	(359,689)	(353,998)	(389,569)
95 GASB45/75 Adjustment (OPEB)	-	-	-	(35,788)	120,988	-	-	-
96 GASB68 Adjustment (Pension Liability)	366,000	304,000	-	342,715	207,182	-	-	-
97 TOTAL GENERAL & ADMINISTRATION	\$2,237,000	\$1,792,000	\$2,216,000	\$2,002,414	\$2,282,356	\$1,738,681	\$1,557,531	\$1,222,343
98 Depreciation Expense	\$2,788,000	2,742,000	\$2,820,000	\$2,730,867	\$2,710,627	\$2,577,081	\$2,507,124	\$2,445,634
99 TOTAL OPERATING EXPENSE	\$18,919,000	\$18,824,000	\$19,262,000	\$18,063,210	\$16,748,582	\$15,001,502	\$14,825,093	\$15,688,436
100 NET OPERATING INCOME/(LOSS)	\$1,662,000	\$738,000	\$1,222,000	\$1,956,595	\$236,303	\$791,636	\$1,589,355	\$3,399,428

NOVATO RECYCLED WATER
BUDGET SUMMARY
Fiscal Year 2019/20

	Proposed Budget 2019/20	Estimated Actual 2018/19	Adopted Budget 2018/19
OPERATING INCOME			
1 Recycled Water Sales	\$1,194,000	\$1,136,000	\$1,154,000
2 Bimonthly Service Charge	43,000	41,000	41,000
3 Total Operating Income	\$1,237,000	\$1,177,000	\$1,195,000
OPERATING EXPENDITURES			
4 Purchased Water - NSD	\$212,000	\$231,000	\$210,000
5 Purchased Water - LGVSD	63,000	32,000	63,000
6 Pumping	6,000	5,000	6,000
7 Operations	74,000	310,000	64,000
8 Water Treatment	30,000	16,000	31,000
9 Transmission & Distribution	62,000	11,000	56,000
10 Consumer Accounting	1,000	1,000	1,000
11 General Administration	55,000	52,000	51,000
12 Depreciation	474,000	474,000	474,000
13 Total Operating Expenditures	\$977,000	\$1,132,000	\$956,000
14 NET OPERATING INCOME (LOSS)	\$260,000	\$45,000	\$239,000
NON-OPERATING INCOME/(EXPENSE)			
15 Interest Revenue	\$45,000	\$45,000	\$10,000
16 Stone Tree Golf/MCC Interest Payments	36,000	34,000	29,000
17 Deer Island SRF Loan Interest Expense	(47,000)	(53,000)	(53,000)
18 Distrib System SRF Loans Interest Exp	(240,000)	(235,000)	(235,000)
19 Total Non-Operating Income/(Expense)	(\$206,000)	(\$209,000)	(\$249,000)
20 NET INCOME/(LOSS)	\$54,000	(\$164,000)	(\$10,000)
OTHER SOURCES/(USES) OF FUNDS			
21 Add Depreciation Expense	\$474,000	\$474,000	\$474,000
23 Connection Fees Transferred from (to) Novato	910,000	(1,370,000)	(1,255,000)
24 Stone Tree Golf Principal Repayment	227,000	222,000	222,000
25 Capital Improvement Projects	(120,000)	(131,000)	(120,000)
26 Deer Island SRF Loan Principal Payments	(226,000)	(221,000)	(221,000)
27 Distrib System SRF Loan Principal Pmts	(650,000)	(639,000)	(639,000)
28 Total Other Sources/(Uses)	\$615,000	(\$1,665,000)	(\$1,539,000)
29 CASH INCREASE/(DECREASE)	\$669,000	(\$1,829,000)	(\$1,549,000)

NOVATO RECYCLED WATER
FY 19/20 Five-Year Financial Forecast

Fiscal Year Ending June 30 >		Proposed 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
1	Active Services @ Fiscal Year End	95	95	95	95	95
2	Commodity Rate/1,000 Gal	\$5.97	\$6.24	\$6.52	\$6.81	\$7.12
3	Consumption (MG)	200	200	200	200	200
OPERATING REVENUE						
4	Recycled Water Sales	\$1,194	\$1,248	\$1,304	\$1,363	\$1,424
5	Bimonthly Service Charge	43	45	47	49	51
6	Total Operating Revenue	\$1,237	\$1,293	\$1,351	\$1,412	\$1,475
OPERATING EXPENSE						
7	Purchased Water - NSD	\$212	\$218	\$225	\$232	\$239
8	Purchased Water - LGVSD	\$63	65	67	69	71
9	Overheaded Operating Labor	98	101	104	107	110
10	Electric Power	5	5	5	5	5
11	Other Operating Expenses	125	127	130	133	136
12	Depreciation	474	474	474	474	474
13	Total Operating Expense	\$977	\$990	\$1,005	\$1,020	\$1,035
NON-OPERATING REVENUE/(EXPENSE)						
14	Interest Revenue	\$81	\$64	\$67	\$70	\$70
15	Interest Expense	(287)	(248)	(231)	(212)	(212)
16	Other Revenue/(Expense)	-	-	-	-	-
17	Total Non-Op Revenue/(Expense)	(\$206)	(\$184)	(\$164)	(\$142)	(\$142)
18	NET INCOME/(LOSS)	\$54	\$119	\$182	\$250	\$298
OTHER SOURCES/(USES) OF FUNDS						
19	Add Depreciation Expense	\$474	\$474	\$474	\$474	\$474
21	StoneTree Principal Repayment	227	251	251	251	251
22	Marin CC Principal Repayment	-	78	79	81	81
23	Novato Potable FRC Fund Trsf	910	50	50	50	50
24	Capital Improvement Projects	(120)	(120)	(120)	(120)	(120,000)
25	Deer Island TP Loan Principal Pmt	(226)	(232)	(237)	(243)	(243)
26	Distrib Sys Exp Loan Principal Pmt	(650)	(698)	(710)	(722)	(722)
27	Total Other Sources/Uses	\$615	(\$197)	(\$213)	(\$229)	(\$229)
28	Cash Increase/(Decrease)	\$669	(\$78)	(\$31)	\$21	\$69
29	Ending Reserve Balance	\$4,821	\$4,743	\$4,712	\$4,733	\$4,802
30	% Rate Increase	3.5%	4.5%	4.5%	4.5%	4.5%
31	Fiscal year 2020 Rate Increase approved by the Board on May 21, 2019. FY 2021 through 2024 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.					

WEST MARIN WATER
BUDGET SUMMARY
Fiscal Year 2019/20

	<i>Proposed Budget 2019/20</i>	<i>Estimated Actual 2018/19</i>	<i>Adopted Budget 2018/19</i>
OPERATING INCOME			
1 Water Sales	\$912,000	\$913,000	\$868,000
2 Misc Service Charges	7,000	8,000	7,000
3 Total Operating Income	\$919,000	\$921,000	\$875,000
OPERATING EXPENDITURES			
4 Source of Supply	\$15,000	\$21,000	\$15,000
5 Pumping	48,000	52,000	42,000
6 Operations	49,000	51,000	52,000
7 Water Treatment	173,000	152,000	159,000
8 Transmission & Distribution	162,000	154,000	139,000
9 Consumer Accounting	28,000	21,000	27,000
10 Water Conservation	9,000	4,000	10,000
11 General Administration	64,000	63,000	96,000
12 Depreciation Expense	187,000	187,000	197,000
13 Total Operating Expenditures	\$735,000	\$705,000	\$737,000
14 NET OPERATING INCOME (LOSS)	\$184,000	\$216,000	\$138,000
NON-OPERATING REVENUE/(EXPENSE)			
15 PR-2 County Tax Allocation	\$56,000	\$55,000	\$55,000
16 Miscellaneous Revenue	-	-	4,000
17 Interest Revenue	38,000	38,000	14,000
18 Bond & Loan Interest Expense	(24,000)	(28,000)	(29,000)
19 Total Non-Operating Income/(Expense)	\$70,000	\$65,000	\$44,000
20 NET INCOME/(LOSS)	\$254,000	\$281,000	\$182,000
OTHER SOURCES/(USES) OF FUNDS			
21 Add Depreciation Expense	\$187,000	187,000	\$197,000
22 Connection Fees	-	8,000	23,000
23 Capital Improvement Projects	(1,230,000)	(246,000)	(1,325,000)
24 Bond & Loan Principal Payments	(47,000)	(116,000)	(69,000)
25 Total Other Sources/(Uses)	(\$1,090,000)	(\$167,000)	(\$1,174,000)
26 CASH INCREASE/(DECREASE)	(\$836,000)	\$114,000	(\$992,000)

WEST MARIN WATER
FY 19/20 Five-Year Financial Forecast

#		Budget 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24
BASIC DATA						
1	Active Meters	783	784	784	785	785
2	Avg Commodity Rate/1,000 Gal	\$11.01	\$11.51	\$12.03	\$12.57	\$13.13
3	Potable Consumption (MG)	66.0	66.0	66.0	66.0	66.0
OPERATING REVENUE						
4	Commodity Charge	\$727,000	\$760,000	\$794,000	\$829,000	\$867,000
5	Bimonthly Service Charge	185,000	192,000	199,000	206,000	213,000
6	Miscellaneous Service Charges	7,000	7,000	7,000	7,000	7,000
7	Total Operating Revenue	\$919,000	\$959,000	\$1,000,000	\$1,042,000	\$1,087,000
8	Operating Expenditures	\$548,000	\$564,000	\$581,000	\$598,000	\$616,000
9	Depreciation Expense	187,000	208,000	221,000	226,000	229,000
10	Total Operating Expense	\$735,000	\$772,000	\$802,000	\$824,000	\$845,000
11	NET OPERATING INCOME	\$184,000	\$187,000	\$198,000	\$218,000	\$242,000
NON-OPERATING REVENUE/(EXPENSE)						
12	Interest Revenue	\$38,000	\$8,000	\$4,000	\$5,000	\$8,000
13	Interest Expense	(24,000)	(23,000)	(20,000)	(18,000)	(38,000)
14	PR-2 County Tax Allocation	56,000	56,000	57,000	58,000	59,000
15	Miscellaneous	-	-	-	-	-
16	Total Non-Op Revenue/(Expense)	70,000	41,000	41,000	45,000	29,000
17	Net Income	\$254,000	\$228,000	\$239,000	\$263,000	\$271,000
OTHER SOURCES/(USES)						
18	Add Depreciation Expense	\$187,000	\$208,000	\$221,000	\$226,000	\$229,000
19	Connection Fees	-	23,000	-	23,000	-
20	Capital Improvement Projects	(1,230,000)	(760,000)	(275,000)	(150,000)	(1,077,000)
21	Loan Proceeds	-	-	-	-	500,000
22	Debt Principal Payments	(47,000)	(70,000)	(79,000)	(81,000)	(72,000)
23	Net Change in Working Capital	-	-	-	-	-
24	Total Other Sources/(Uses)	(\$1,090,000)	(\$599,000)	(\$133,000)	\$18,000	(\$420,000)
25	Cash Increase/(Decrease)	(\$836,000)	(\$371,000)	\$106,000	\$281,000	(\$149,000)
26	Operating Reserve	\$188,000	\$193,700	\$199,300	\$205,300	\$205,300
27	System Expansion Reserve	437,000	60,300	175,700	465,700	316,700
28	Liability Contingency Reserve	99,000	99,000	99,000	99,000	99,000
29	Bond Redemption Reserve	30,000	15,000	-	-	-
30	ENDING CASH BALANCE	\$754,000	\$383,000	\$489,000	\$770,000	\$621,000

Fiscal year 2020 Rate Increase to be reviewed for approval by the Board on June 25, 2019. FY 2021 through 2024 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.

North Marin Water District

OCEANA MARIN SEWER
BUDGET SUMMARY
Fiscal Year 2019/20

	<i>Proposed Budget 2019/20</i>	<i>Estimated Actual 2018/19</i>	<i>Adopted Budget 2018/19</i>
OPERATING INCOME			
1 Monthly Sewer Service Charge	\$261,000	\$252,000	\$252,000
2 Misc Service Charges	-	0	-
3 Total Operating Income	\$261,000	\$252,000	\$252,000
OPERATING EXPENDITURES			
4 Sewage Collection	\$79,000	\$78,000	\$78,000
5 Sewage Treatment	51,000	58,000	47,000
6 Sewage Disposal	46,000	34,000	39,000
7 Consumer Accounting	2,000	2,000	2,000
8 General Administration	27,000	25,000	29,000
9 Depreciation Expense	37,000	37,000	37,000
10 Total Operating Expenditures	\$242,000	\$234,000	\$232,000
11 NET OPERATING INCOME (LOSS)	\$19,000	\$18,000	\$20,000
NON-OPERATING REVENUE/(EXPENSE)			
12 OM-1/OM-3 Tax Allocation	\$60,000	\$59,000	\$59,000
13 Interest Revenue	8,000	8,000	6,000
14 Miscellaneous Revenue	-	-	-
15 Miscellaneous Expense	-	(1,000)	-
16 Total Non-Op Income/(Expense)	\$68,000	\$66,000	\$65,000
NET INCOME/(LOSS)	\$87,000	\$84,000	\$85,000
OTHER SOURCES/(USES) OF FUNDS			
17 Add Depreciation Expense	\$37,000	37,000	\$37,000
18 Connection Fees	-	-	30,000
19 Grant/Loan Proceeds	69,000	-	69,000
20 Capital Improvement Projects	(55,000)	(441,000)	(565,000)
21 Total Other Sources/(Uses)	\$51,000	(\$404,000)	(\$429,000)
22 CASH INCREASE/(DECREASE)	\$138,000	(\$320,000)	(\$344,000)

OCEANA MARIN SEWER**FY 19/20 Five-Year Financial Forecast**

#		Budget 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24
1	BASIC DATA					
1	Number of Connections	234	234	235	235	236
2	Monthly Service Charge	\$93.00	\$98.00	\$102.00	\$107.00	\$112.00
	OPERATING REVENUE					
3	Monthly Service Charge	\$261,000	\$275,000	\$288,000	\$302,000	\$317,000
4	Miscellaneous Service Charges	-	-	-	-	-
5	Total Operating Revenue	\$261,000	\$275,000	\$288,000	\$302,000	\$317,000
	OPERATING EXPENSE					
6	Operating Expenditures	\$205,000	\$211,000	\$217,000	\$223,000	\$229,000
7	Depreciation Expense	37,000	37,000	38,000	39,000	40,000
8	Total Operating Expense	\$242,000	\$248,000	\$255,000	\$262,000	\$269,000
9	NET OPERATING INCOME	\$19,000	\$27,000	\$33,000	\$40,000	\$48,000
	NON-OPERATING REVENUE/(EXPENSE)					
10	Interest Revenue	\$8,000	\$4,000	\$3,000	\$4,000	\$2,000
11	Interest Expense	-	-	(9,000)	(8,000)	(8,000)
12	OM-1/OM-3 Tax Allocation	60,000	62,000	64,000	66,000	68,000
13	Miscellaneous Revenue	-	-	-	-	-
14	Miscellaneous Expense	-	-	-	-	-
15	Total Non-Op Revenue/(Expense)	\$68,000	\$66,000	\$58,000	\$62,000	\$62,000
	Net Income	\$87,000	\$93,000	\$91,000	\$102,000	\$110,000
	OTHER SOURCES/(USES)					
16	Add Depreciation Expense	\$37,000	\$37,000	\$38,000	\$39,000	\$40,000
17	Connection Fees	-	-	30,000	-	30,000
18	Capital Improvement Projects	(55,000)	(190,000)	(1,110,000)	(320,000)	(140,000)
19	Grant/Loan Proceeds	69,000	0	1,038,000	-	-
20	Debt Principal Payments	-	-	(9,000)	(9,000)	(24,000)
21	Net Change in Working Capital	-	-	-	-	-
22	Total Other Sources/(Uses)	\$51,000	(\$153,000)	(\$13,000)	(\$290,000)	(\$94,000)
23	Cash Increase/(Decrease)	\$138,000	(\$60,000)	\$78,000	(\$188,000)	\$16,000
24	ENDING CASH BALANCE	\$379,000	\$319,000	\$397,000	\$209,000	\$225,000

Fiscal year 2020 Rate Increase to be reviewed for approval by the Board on June 25, 2019. FY 2021 through 2024 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.

CAPITAL IMPROVEMENT PROJECTS

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		FY20	FY21	FY20 Project Description
1.	PIPELINE REPLACEMENTS/ADDITIONS			
	a. Main/Pipeline Replacements			
	1 Replace 12" CI Pipe (785LF) S. Novato Bl (btwn Rowland/Adele)	-	\$100,000	
1.7183.00	2 Replace Plastic Thin Walled Pipe < 4-inch	\$150,000	\$150,000	Ongoing systematic replacement of all plastic TW pipe < 4-inch.
	3 Other Main Replacements (60+ years old)	\$200,000	\$200,000	Unplanned repairs/replacements for failing mains.
		\$350,000	\$450,000	
	b. Main/Pipeline Additions			
1.7150.00	1 San Mateo 24" Inlet/Outlet Pipe (2,200')	\$50,000	\$742,000	Multiyear project to install 1,600 feet of 24-inch pipe from San Mateo Tank to the end of San Mateo Way to improve northern Zone 2 fire flow.
	2 Other Main/Pipeline Additions	-	\$150,000	
		\$50,000	\$892,000	
	c. Polybutylene Service Line Replacements			
1.7139.xx	1 Replace PB in Sync w/City Paving (30 Services)	\$70,000	\$70,000	Ongoing systematic replacement of PB services in advance of City paving projects.
1.7123.xx	2 Other PB Replacements (80 Services)	\$80,000	\$80,000	Ongoing systematic replacement of PB services.
		\$150,000	\$150,000	
	d. Relocations to Sync w/City & County CIP			
1.8737.xx	1 Other Relocations	\$70,000	\$70,000	Relocate facilities for yet to be identified City/County Projects.
		\$70,000	\$70,000	
	TOTAL PIPELINE REPLACEMENTS/ADDITIONS	\$620,000	\$1,562,000	

CAPITAL IMPROVEMENT PROJECTS

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		FY20	FY21	FY20 Project Description
2.	SYSTEM IMPROVEMENTS			
1.7007.13	a. DCA Repair/Replace-FY20 (~14/yr)	\$100,000	\$60,000	Detector Check Assembly replacements.
1.7090.05	b. Anode Installations-FY20 (150/yr)	\$10,000	\$10,000	Place anodes on copper laterals for corrosion protection.
1.7178.00	c. Asset Management Software Procure/Implement	\$163,000	-	Software to eliminate paper records and improve efficiencies for ranking capital expenditures .
1.7136.00	d. Facilities Security Enhancements	\$25,000	\$25,000	Tanks & PS security improvements.
	e. San Marin Aqueduct Valve Pit (STP to Zone 2)	-	\$110,000	
	TOTAL SYSTEM IMPROVEMENTS	\$298,000	\$205,000	
3.	BUILDING, YARD, STP IMPROVEMENTS			
	a. Administration Building			
1.6501.43	1 Electronic Document Management System	\$70,000	\$70,000	Manage digital document creation, storage, retrieval & expiration.
1.6501.44	2 Office/Yard Building Renovation (Note 1)	\$900,000	\$3,000,000	50-year-old building requires significant upgrading.
1.6502.47	3 Yard Roof Repairs	-	\$100,000	
		\$970,000	\$3,170,000	
	b. Corp Yard/Warehouse/Construction Office			
1.6502.xx	1 Other Yard Improvements	\$30,000	-	Ongoing building repairs that arise unexpectedly. Ex - Roof leaks, HVAC replacements, etc.
		\$30,000	-	
	c. Stafford Treatment Plant			
1.6600.69	1 Dam Concrete Repair (Apron)	\$50,000	-	Ongoing periodic repair of Lake Stafford dam face (apron).
1.6600.96	2 Leveroni Creek Embankment Repair	\$191,000	-	Repair/stabilize culvert embankment under access road to STP/IVGC.
1.6600.xx	3 Other Treatment Plant Improvements	\$114,000	\$50,000	Miscellaneous plant improvements
1.6600.97	4 Efficiency Improvements	\$100,000	\$100,000	Improvement of sludge treatment process as suggested in the Efficiency Study.
1.6600.98	5 STP Generator	\$400,000	-	Installation of a 300KW emergency power generator.
		\$855,000	\$150,000	
	TOTAL BUILDING, YARD, STP IMPROVEMENTS	\$1,855,000	\$3,320,000	

CAPITAL IMPROVEMENT PROJECTS

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		FY20	FY21	FY20 Project Description
4.	STORAGE TANKS/PUMP STATIONS			
	a. Tank Construction			
1.6207.20	1 Old Ranch Rd Tank No. 2 (100k gal)	\$150,000	\$481,000	Replace and upsize existing redwood tank due to the current tank approaching end of useful life.
		\$150,000	\$481,000	
	b. Tank Rehabilitation			
1.7170.00	1 Hydropneumatic Tank Repairs	\$30,000	\$30,000	Ongoing program to inspect/Repair the 7 tanks in compliance with State Code.
1.6205.22	2 Cherry Hill #2 Recoat (0.2 MG)	\$400,000	-	Remove and replace coating system to extend tank life.
		\$430,000	\$30,000	
1.6112.24	c. Lynwood P.S. Motor Control Center	\$320,000	-	Move motor controls above-ground.
1.6141.00	d. Crest PS (Design/Const) /Reloc School Rd PS	\$635,000	-	Replace School Rd PS with new facility on Bahia Drive.
		\$955,000	-	
	TOTAL STORAGE TANKS/PUMP STATIONS	\$1,535,000	\$511,000	
5.	RECYCLED WATER			
5.7127.00	a. NBWRA Grant Program Administration	\$20,000	\$20,000	Continued support of NBWRA to obtain/administer recycled water project Federal/State grants for the Central Project.
5.7162.xx	b. Other Recycled Water Expenditures	\$100,000	\$100,000	Retrofit existing potable irrigation customers to RW.
		\$120,000	\$120,000	

CAPITAL IMPROVEMENT PROJECTS

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		FY20	FY21	FY20 Project Description
6.	WEST MARIN WATER SYSTEM			
2.6263.20	a. Replace PRE Tank #4A (25K gal w/125K gal)	\$550,000		- Replace and upsize redwood tank destroyed in Vision Fire with concrete tank.
2.6609.20	b. New Gallagher Well #2	\$75,000	\$260,000	Permit and construct 2nd well at Gallagher Ranch.
2.8829.00	c. PB Replace in Sync w/ County Paving	\$50,000	\$50,000	For 25 replacements.
2.7182.00	d. WM Brominated - TTHM Reduction	\$300,000		Disinfection byproduct removal
2.8912.00	e. Lagunitas Creek Bridge Pipe Replacement (Caltrans)	\$200,000	\$450,000	Relocate/replace 8-inch water main across Lagunitas Creek Bridge (bridge project 2021)
2.8737.07	f. Olema Creek Bridge Pipe Replacement (County)	\$35,000	-	Relocate/replace 8-inch water main across Olema Creek Bridge (bridge project 2022)
2.6130.23	g. Olema PS Wireless to Tank	\$20,000		- Installation of radio communications link.
		<u>\$1,230,000</u>	<u>\$760,000</u>	
7.	OCEANA MARIN SEWER SYSTEM			
8.8672.28	a. Infiltration Repair (Manhole Relining)	\$40,000	\$40,000	Ongoing work to identify and repair collection pipelines to prevent rainwater from leaking into the system.
8.7173.00	b. OM Treatment Pond Rehab (Note 2)	-	\$150,000	
	c. Tahiti Way Lift Pump 1 Assembly	\$15,000		- Rebuild of lift pump.
		<u>\$55,000</u>	<u>\$190,000</u>	

CAPITAL IMPROVEMENT PROJECTS

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	FY20	FY21	FY20 Project Description
<u>SUMMARY - GROSS PROJECT OUTLAY</u>			
Novato Water	\$4,308,000	\$5,598,000	
Recycled Water	\$120,000	\$120,000	
West Marin Water	\$1,230,000	\$760,000	
Oceana Marin Sewer	\$55,000	\$190,000	
GROSS PROJECT OUTLAY	<u>\$5,713,000</u>	<u>\$6,668,000</u>	
4. LESS FUNDED BY LOANS/GRANTS/OTHER			
a. Advanced Meter Information Retrofit (Note 1)			
a. Office/Yard Building Refurbish (Note 1)		- (\$3,900,000)	
c. RW Sys Expansion (Note 4)			
d. WM Treatment Plant Solids Handling (Note 4)			
c. WM TP Modific Design/Construct (Note 5)			
b. OM Treatment Pond Rehab (Note 2)		- (\$113,000)	
e. OM Treatment Pond-Storm Damage (Note 6)	(\$69,000)		
f. OM Parallel Force Main (Note 8)			
TOTAL LOAN/GRANT FUNDS	<u>(69,000)</u>	<u>(\$4,013,000)</u>	
<u>SUMMARY - NET PROJECT OUTLAY</u>			
Novato Capital Improvement Net Project Outlay	\$4,308,000	\$1,698,000	
Recycled Water	\$120,000	\$120,000	
West Marin Water	\$1,230,000	\$760,000	
Oceana Marin Sewer	\$55,000	\$77,000	
NET PROJECT OUTLAY	<u>\$5,713,000</u>	<u>\$2,655,000</u>	
Total Number of District Projects	34	26	

CAPITAL IMPROVEMENT PROJECTS

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	FY20	FY21	FY20 Project Description
NOVATO POTABLE WATER DEBT SERVICE			
a. STP SRF Loan	\$1,044,000	\$1,044,000	
b. AEEP Bank Loan	\$483,000	\$483,000	
c. Advanced Meter Info Retrofit Loan	\$377,000	\$377,000	
d. Admin Building Renovation Loan (Note 1)	\$0	\$844,000	
	\$1,904,000	\$2,748,000	
NOVATO RECYCLED WATER DEBT SERVICE			
e. Deer Island Facility SRF Loan	\$273,000	\$273,000	
f. RW North Expansion SRF Loan	\$282,000	\$282,000	
g. RW South Expansion SRF Loan	\$332,000	\$332,000	
h. RW Central Exp SRF Loan (Net of MCC)	\$276,000	\$276,000	
	\$1,163,000	\$1,163,000	
WEST MARIN WATER DEBT SERVICE			
i. TP Solids Handling Bank Loan	\$71,000	\$71,000	
	\$71,000	\$71,000	
OCEANA MARIN SEWER DEBT SERVICE			
j. CIP Financing	-	\$18,000	
	-	\$18,000	
TOTAL DEBT SERVICE	\$3,138,000	\$4,000,000	
NET PROJECT OUTLAY & DEBT SERVICE	\$8,851,000	\$6,655,000	

CAPITAL IMPROVEMENT PROJECTS

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		FY20	FY21	FY20 Project Description
STUDIES & SPECIAL PROJECTS				
1.4057.00	a. Local Water Supply Enhancement Study	\$25,000	\$100,000	
1.4076.00	b. CVRA - Transition from At-Large Elections	\$15,000	-	
1.4077.00	c. PG&E Potter Valley FERC Relicensing	\$10,000	-	
1.4059.00	d. Stafford Lake Water Rights Update	\$50,000	-	
1.4058.20	e. Water Rate Study	\$50,000	-	
	f. Stafford Dam Emergency Action Plan Update	\$10,000	-	
	g. Stafford Lake Sediment Survey (every 10 yrs)	-	\$50,000	
	h. Stafford Lake Sanitary Survey	15,000	-	
1.4050.00	i. Urban Water Management Plan (every 5 yrs)	\$20,000	\$30,000	
		<u>\$195,000</u>	<u>\$180,000</u>	

Note 1 - \$12M Office/Yard Renovation is proposed to be funded by 20 year 3.5% Bank Loan.

Note 2 - \$1.2M OM Treatment Project funded by debt and /or grant funds.

EQUIPMENT EXPENDITURES*Fiscal Year 19/20 Budget*

		Approved	Description
1 ADMINISTRATION			
12101.01.00	a. Website Upgrade	\$10,000	Modernize website to a current design making it more mobile and multiple browser
12101.01.00	b. Exchange Server Upgrade	\$7,000	Required Microsoft Exchange server upgrade to receive ongoing support.
12101.01.00	c. Timekeeping Software Upgrade	\$10,000	Upgrade timekeeping system from slow outdated unsupported software.
		\$27,000	
2 OPERATIONS/MAINTENANCE			
12106.01.00	a. Metals Analyzer	\$68,000	Replace 20-year old metals analyzer as its repair components are no longer available.
	b. 100 KW Towable Generator	\$90,000	Generator for PG&E Public Safety Power Shutoff (PSPS)
	c. 45 KW Towable Generator	\$50,000	Generator for PG&E Public Safety Power Shutoff (PSPS)
	d. Portable Light Generator	\$12,000	Generator for PG&E Public Safety Power Shutoff (PSPS)
		\$220,000	
4 VEHICLE & ROLLING EQUIPMENT EXPENDITURES			<u>Rolling Stock to be Transferred & Auctioned or Description</u>
12104.01.00	a. 1/2 ton 2WD Pick-Up w/Tool Box & Radio	\$28,000	Replace #47 2000 Chevy K1500.
12104.01.00	b. Vacuum Excavator	\$130,000	Replace #44 2002 International.
12104.01.00	c. Hybrid SUV w/Radio	\$28,000	Replace #56 2005 Honda Civic.
		\$186,000	
Total		\$433,000	

	Adopted Budget	Estimated Actual	Proposed Budget
RECAP	2018/19	2018/19	2019/20
Equipment	\$180,000	\$32,000	\$247,000
Rolling Stock	\$175,000	\$119,000	\$186,000
	\$355,000	\$151,000	\$433,000

12

MEMORANDUM

To: Board of Directors

June 14, 2019

From: Julie Blue, Auditor-Controller 

Subj: Oceana Marin Sewer Service Charge Increase Ordinance – First Reading
(Introduction of Ordinance and Waive Reading of Ordinance)

t:\acl\budget\fy-2019,20\board memos\om ordinance 1st reading fy 19,20.docx

RECOMMENDED ACTION: Approve Reading of Proposed Ordinance – (Read title only)

FINANCIAL IMPACT: None at this time

Pursuant to Health and Safety Code Section 5471(a), collecting the Oceana Marin Sewer Service Charge on the property tax roll requires action by ordinance rather than resolution. The ordinance must be read at two consecutive Board meetings (Attachment 1).

To provide adequate time for the County to post the sewer service charge on the property tax bills before they are mailed in October, the first reading of the Ordinance should occur at the Board's June 18 meeting. The second reading authorizing enactment of the proposed charge would then be adopted at the conclusion of the public hearing in Point Reyes Station at the June 25 meeting, and the Board will be asked to approve changes to Regulation 109c, Oceana Marin Sewer Service – Rates and Charges, at that time (draft revisions to Regulation 109 are shown on Attachment 2).

The sewer service fee increase to \$93 per month is proposed to be effective July 1, 2019. The fiscal year 2019/2020 fee would total \$1,116 (\$93 x 12) per dwelling unit.

Recommended Action:

Approve reading of proposed Ordinance No. 37 – (read title only).

**DRAFT
ORDINANCE NO. 37**

**ORDINANCE OF THE BOARD OF DIRECTORS OF
NORTH MARIN WATER DISTRICT
ELECTING TO HAVE OCEANA MARIN SEWER CHARGES BE COLLECTED ON THE TAX
ROLL OF THE COUNTY OF MARIN, STATE OF CALIFORNIA
COMMENCING FISCAL YEAR 2019-20**

Section 1. The Board of Directors hereby finds, determines and declares as follows:

- a. The District has previously developed and instituted a Sewer Service Charge Program to finance the services and facilities furnished by the District in its Improvement Districts No. OM-1 and OM-3 which are herein referred to as Oceana Marin; and
- b. The Board of Directors has reviewed the present sewer service charge and has determined that the sewer service rate should be \$1,116 per equivalent dwelling unit for fiscal year 2019-20;

Section 2. In adopting this Ordinance, the Board of Directors finds that:

- a. Written notices of the proposed increase in the sewer service charge were sent by first class U.S. mail to every customer in Improvement Districts No. OM-1 and OM-3 prior to the Public Hearing conducted on June 25, 2019 to consider said report and rate increase effective July 1, 2019.
- b. The District prepared and filed a sewer service charge report with the District Secretary.
- c. On June 6, 2019 and June 13, 2019, the District Secretary published a notice of Public Hearing and of the filing of said report in the Point Reyes Light, a newspaper of general circulation printed and published in the County.
- d. At the Public Hearing conducted on June 25, 2019, all written protests against the proposed increase in the sewer service charge, including those provided in person, by facsimile, email and U.S. mail, were considered and tallied, and the District was not presented with protests by a majority of the owners of the identified parcels affected by this change.
- e. The amount of the charge imposed does not exceed the proportional cost of the service attributable to the properties receiving service and the charge is only

imposed on those properties actually receiving service or for those which service is immediately available.

- f. This action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15273 (a) (1-4) of the District CEQA Guidelines.

Section 3. Section c. of that certain Regulation entitled "Regulation 109 – Oceana Marin Sewer Service – Rates and Charges," passed by the Board of Directors of the North Marin Water District on June 21, 1977, as amended, and attached as Exhibit 1 hereto, is hereby amended to read as follows and is hereby adopted:

"c. Sewer Service Rate

For Fiscal Year 2019-20, a sewer service rate of \$1,116 per equivalent unit per year shall be paid by the owner of the land served. In the case of new construction, said rate shall commence when connection is made to the District sewage facility. Upon written notice by the owner in the event a structure is demolished by fire or otherwise removed from the land, an appropriate adjustment shall be made taking into account the reduced use but excluding any adjustment for infiltration inflow. An appropriate portion of the charges collected during the period that no structure existed shall be refunded. The refund period, however, shall not be greater than one year and shall be measured from the date that the District receives written notice from the owner."

Section 4. The District does hereby elect, pursuant to Section 5473 of the Health and Safety Code of the State of California, to have the sewer service charge, pursuant to its Regulation 109, passed and adopted by the Board of Directors of the North Marin Water District on June 21, 1977, as amended, collected on the tax roll of the County of Marin, State of California, in the manner pursuant to Sections 5471 through 5473.11 of the Health and Safety Code of the State of California.

Section 5. The Secretary shall cause this ordinance to be published in the manner described in Section 31105 of the Water Code.

Section 6. The Secretary of North Marin Water District is hereby directed to file a copy of said report with the Treasurer-Tax Collector of Marin County on or before July 15, 2019, upon which shall be endorsed, over the Secretary's signature, a statement that the report has been adopted by the Board of Directors of the North Marin Water District.

Section 7. The Treasurer-Tax Collector of Marin County shall, upon receipt of said report,

enter the amounts of the charges against the respective lots or parcels as they appear on the assessment roll for the fiscal year 2019-2020.

* * * * *

I hereby certify that the foregoing is a true and complete copy of an ordinance duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 25th day of June 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Theresa Kehoe, Secretary
North Marin Water District

(SEAL)

**RESOLUTION 19-XX
REVISION OF NORTH MARIN WATER DISTRICT
REGULATION 109
OCEANA MARIN SEWER SERVICE - RATES AND CHARGES**

BE IT RESOLVED by the Board of Directors of North Marin Water District that Regulation 109c of the North Marin Water District is adopted as follows, effective forthwith:

c. Sewer Service Rate

For Fiscal Year 2019-20, a sewer service rate of \$1,116 per equivalent unit per year shall be paid by the owner of the land served. In the case of new construction, said rate shall commence when connection is made to the District sewage facility. Upon written notice by the owner in the event a structure is demolished by fire or otherwise removed from the land, an appropriate adjustment shall be made taking into account the reduced use but excluding any adjustment for infiltration inflow. An appropriate portion of the charges collected during the period that no structure existed shall be refunded. The refund period, however, shall not be greater than one year and shall be measured from the date that the District receives written notice from the owner.

* * * * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the twenty-fifth day of June, 2019, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

Theresa Kehoe, District Secretary
North Marin Water District

(SEAL)

13

MEMORANDUM

To: Board of Directors
From: Robert Clark, Operations / Maintenance Superintendent *MC*
Subject: Wildfire Safety Program

June 14, 2019

X:\MAINT SUP\2019\BOD\BOD Memo PGE outage plan.doc

RECOMMENDED ACTION: Information

FINANCIAL IMPACT: \$152,000 for equipment included in the proposed FY19/20 Budget and \$6,600 in the current FY18/19 Budget

Summary

PG&E recently rolled out an updated Public Safety Power Shutoff (PSPS) program to address how high voltage power lines may affect the potential for wildfires in our area. Under the program, PG&E will proactively turn off power lines to help reduce the likelihood of an ignition when extreme fire conditions are forecasted. See the PG&E web site for more information. ([Public Safety Power Shutoff \(PSPS\) - PGE.com](#)) PG&E developed a plan to significantly expand its PSPS program to include all electric lines that pass through high fire-threat areas, both transmission and distribution. Specifically, PG&E has indicated it will consider the following factors before proactively shutting off power lines:

- A red flag warning
- Low humidity levels, generally below 20%
- Forecasted sustained winds above 25 mph and gusts in excess of 45 mph
- Condition of dry fuel on the ground
- On-the-ground, real time observations by PG&E

The District has a combination of four (4) mobile backup power generators that can be transported and placed at key facilities to maintain at least a minimum water supply for our customers' health and wellbeing during these PSPS periods. In order to help improve the District's readiness to respond to the challenges posed by wildfire and the potential impacts of PG&E's expanded PSPS plan, additional backup power resources will be required. We propose to provide these additional resources for the 2019 wildfire season using a fleet of mobile generators that may be purchased, rented or borrowed from CalWARN a California Water / Wastewater Agency Response Network.

Background

Disruptions to PG&E's utility grid power supply have historically been localized, unplanned events that occurred as a result of weather-related factors, such as significant winter storm events. Backup power supplies are generally designed to perform minimal operations for short

periods of time on occasion while the utility grid power is restored, and are not generally designed or capable of providing the full range of operational needs, regular use, or run for prolonged periods of time. Our backup power systems are fueled by diesel, propane or gas.

District, water service to customers during short-term power outages is achieved by local storage, through 38 storage tank sites providing approximately 35 million gallons of drinking water storage for our Novato customers and 13 storage tanks with approximately 300,000 gallons of drinking water for our West Marin Customers.

Generator Needs

Attachments 1 and 2 are our distribution system pump station generator operation plans for Novato and West Marin. For planning purposes we used a range of system operating parameters of: (1) low winter use (no outdoor irrigation) and (2) high summer use. Our typical operating procedures for the summer months are to maintain a minimum storage level of 75% of full capacity, which we used to develop the appropriate generator operation plan. The plan has five sizes of portable generators 250 Kw, 100 Kw, 45 Kw, 25 Kw and 3000 w units (see attachment 3). The 250 Kw generator will be used at both Lynwood and San Marin pump stations. We do not plan to operate the Stafford Treatment Plant but a 250 Kw generator is required to run STP as well. The plan calls for four (4) 100 Kw portable generators one (1) to be moved around to the Novato pump stations, one (1) to be placed at the Eagle Dr. pump station, one (1) for the Office in a 24x7 time period and one (1) for the West Marin pump stations. There are a number of locations where we will need to use four (4) 45 Kw portable generators for Novato and one (1) 25Kw portable generator in West Marin. If we do not run the AC in the Yard Office we can reduce this to three (3) 45 Kw units. We will also use several 3000 W portable generators for the Yard SCADA system and the network of tank SCADA and Internet services.

The Eagle Drive and Hayden hydro systems will require the most time to operate, with at last 2 pump cycles every hour from 5 am to 1am daily. The plan calls for locating a rental portable generator at each of these sites along with having Operations or Construction staff available to refuel these generators throughout the day.

Installation of a by-pass piping at the Diablo Hills, San Marin East and Indian Hill Hydro pump stations will help reduce the number of 45 Kw generators and the number of staff required. There is nothing recommended to power the new AMI collectors since it would necessitate placing a 3000 W generator at each of the 26 collector locations.

Costs

Installation of by-pass piping at the three hydro tanks (San Marin East, Indian Hills and Diablo Hills) to reduce the generator demands is estimated at \$9,000 each. The purchase of a new 100 Kw generator will be in \$90,000 range, a new 45 Kw generator will be \$50,000, a new 25 Kw Generator

will be \$12,000 and the 3000 w generators will be \$2,100 each. Six month rental of the 100Kw generator will be \$15,300, the 45 kw will be \$8,200 and the 25Kw will be \$6,000 for each generator. We can also reach out through Water Agency Response Network (WARN) to find these generators. Six month rental of two 1500 gallon temporary diesel storage tanks will be \$18,500. Additional costs will include fuel 3000gal x \$4.25 = \$12,750, staffing shift differential and overtime = \$70,000, vehicles = \$1,400 for each week we are out of power.

Total estimated equipment costs:

Option 1		Option 2	
Rental 6 months'		Rent 6 months / Purchase	
100 Kw	3 x \$15,300 = \$45,900	2 x \$15,300 + 1 x \$90,000	= \$120,600
45 Kw	2 x \$8,200 = \$16,400	1 x \$8,200 + 1 x \$50,000	= \$58,200
25 Kw	1 x \$6,000 = \$ 6,000	1 x \$12,000	= \$12,000
3 Kw (purchase)	3 x \$2,200 = \$ 6,600	3 x \$2,200	= \$ 6,600
Fuel Tanks	2 x \$18,500 = \$18,500	2 x \$18,500	= \$18,500
Six month rent	= \$86,800	Six month rent	= \$57,300
<u>Purchases</u>	= \$6,600	<u>Purchases</u>	= \$158,600*
Total six month cost	= \$93,400	Total six month cost	= \$215,900

* Option#2 Purchase total includes \$6,600 in FY 18/19 and \$152,000 in FY 19/20

Conclusion

The FY 19/20 budget has \$152,000 in equipment purchases for the proposed additional portable generators. Staff will spend equipment expense funds already included in the current FY 18/19 budget to acquire 3-3000 W generators. Staff will continue to explore options, depending on generator availability to secure the necessary generators to enable District staff to execute our plan to maintain water in our storage facilities during the PG&E PSPS event. We will need to ask our customers to reduce outdoor water use to help reduce power outage impacts.

Novato Pump Station Emergency Generator Operation Plan											
Gen Set	Quick Connect	Pump Station	GPM	Winter Daily flow (Gal)	Daily Pump Cycle (HRS)	Number of cycles per day	Generator run hours	Summer Daily flow (Gal)	Daily Pump Cycle (HRS)	Pump cycles per day	Run hours
		Zone 1		1,980,000				11,881,290			
250 Kw	Y	STP			12	1	12	0	0	0	
250 Kw	Y	Lynwood	1800x3	1,000,000	4.7	1	5	3,184,835	15	1	15
250 Kw	Y	San Marin	1800 x 3	1,000,000	5.0	1	5	2,049,919	9	1	9
100 Kw	Y	School Rd	280x2	205,000	4.5	1	5	352,345	7	1	7
100 Kw	Y	Cherry Hill	140 x 2	44,000	3.0	1	3	156,258	9	1	9
45 Kw		San Antonio	100 x 2	6,800	1.2	every 9 days	0	51,000	1	X 9 days	0
45 Kw		Windhaven	25 x 2	850	1.0	1	1	6,900	2	1	2
45 Kw	Y	Hayden Drive	75	7,000	1.8	3	5		6	1	6
45 Kw		Diablo Hills	50	800	0.3	4	0		1	1	1
45 Kw		Nunes	100 x 2	21,000	3.2	1	3	46,324	4	1	4
45 Kw		San Andres	130 x 2	5,500	1.0	1	1	23,064	1	1	1
100 Kw	Y	Trumbull	340 x 3	115,000	2.9	1	3	313,390	7	1	7
45 Kw		Ridge	80 x 2	10,000	2.1	1	2	28,053	3	1	3
45 Kw	Y	Davies	50 x 2	250	1.0	0	1	43,800	7	1	7
45 Kw	Y	Woodland Hts	210 x 2	22,000	1.5	1	2	35,445	1	1	1
45 Kw		Truman	90 x 2	12,000	2.7	1	3	28,393	3	1	3
Gravity		Garner Drive	50	800	0.3	1	0		0	1	0
Magnum	Y	Winged Foot	180 x 2	17,000	1.0	1	1	89,092	4	1	4
45 Kw	Y	Ponti	250 x 2	26,000	1.0	1	1	95,385	3	1	3
45 Kw		San Marin East	150	4,300	0.5	10	0	11,236	10	1	10
45 Kw		Indian Hills Drive	125	4,700	0.7	5	0	5,500	5	1	5
Gravity		Bahia Tank	125	37,000	5.0	6	0	70,086	0	1	0
100 Kw	Y	Eagle Drive	245	17,200	1.2	10	12	23,346	30	1	30
45 Kw		Buck	100 x 2	15,000	1.3	1	1	41,065	7	1	7
Light Tower		Cabro	25 x 2	200	0.2	1	0	600	0	1	0
45 Kw		Wild Horse II	50 x 2	4,800	1.6	1	2	11,097	4	1	4

West Marin Pump Station Emergency Generator Operation Plan											
Gen Set	Quick Connect	Pump Station	GPM	Winter Daily flow (Gal)	Daily Pump Cycle (HRS)	Number of cycles per day	Generator run hours	Summer Daily flow (Gal)	Daily Pump Cycle (HRS)	Pump cycles per day	Run hours
45 Kw	Y	BV	35 x 2	4,072	1.0	1	1	10,420	2	1	2
45 Kw	Y	Olema	94 x 2	21,254	2	1	2	42,903	4	1	4
100 Kw	Y	IP	155 x 2	52,448	3.0	1	3	70,259	4	1	4
45 Kw	Y	PRE 1	54X2	Included in IP flow	1.5	2	3	Included in IP flow	3	2	6
45 Kw	Y	PRE 2	40x2		1.5	2	3		3	2	6
45 Kw	Y	PRE 3	32x2		1.5	2	3		3	2	6
100 Kw	Y	CG Wells	300 x 2	164,687	5.0	1	5	336,370	9	1	9

Portable Generators Required for PG&E PSPS Event

Generator Size	District Owned	Purchase	Rent for six months	Required Generators
250 Kw	1	0	0	1
100 Kw	1	1	2	4
45 Kw	1	1	1	3
25 Kw	0	1	0	1
3,000 W	2	3	0	5

14



North Bay Watershed Association

Board Meeting Notice

June 7, 2019

9:30 am– 11:30 pm

Marin Municipal

Water District

Next Meeting

July 12th, 2019

Petaluma Community

Center

Board Meeting Agenda

- | | |
|------------------------------------------------------------------------------------------------------------|----------|
| 1. Call to Order | 9:30 am |
| <i>Jack Gibson, Chair</i> | |
| 2. Public Comment | |
| 3. Approval of Agenda | 1 min. |
| <i>Action: Approve</i> | |
| 4. Approval of Minutes | 1 min. |
| <i>Action: Approve</i> | |
| 5. Treasure's Report | 1 min. |
| <i>Action: Accept</i> | |
| 6. Information Sharing | 9:45 am |
| Member Agency Delegates share items of Interest to NBWA | |
| <i>Delegates</i> | |
| <i>Information</i> | |
| 7 Overview of One Water Concept | 10:00 am |
| The presenter will review the background and principles of water integration and provide regional examples | |
| <i>Paula Kehoe,</i> | |
| <i>San Francisco Public Utility Commission</i> | |
| <i>Information</i> | |
| 8. NBWA JTC Update | 10:50 am |
| <i>Chris Choo, Chair, JTC</i> | |
| <i>Information</i> | |
| 9. WRDA 2020 Opportunity | 11:00 am |
| <i>Grant Davis, SCWA</i> | |
| <i>Damon Connolly, Marin Co.</i> | |
| <i>Information</i> | |
| 11. Review Board Leadership | 11:15 am |
| <i>Jack Gibson, NBWA Chair</i> | |
| 12. Announcements/Adjourn | 11:25 am |

Items for next meeting

15

DISBURSEMENTS - DATED JUNE 6, 2019

Date Prepared 6/4/19

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

Seq	Payable To	For	Amount
1	ADTS	Annual Random Compliance Program	\$69.50
2	All Star Rents	Propane (20 gals) (STP)	66.18
3	Amazon/Genuine-Hardware	Floor Mats ('19 F550) (\$139), Tie-Down Straps ('19 Chevy Colorado) (\$143) & Sinks for Hydration Station Project (\$340)	621.46
4	AT&T	May Internet Connection	90.00
5	AT&T	Telephone (\$61), Fax (\$75), Data (\$270) & Leased Lines (\$140)	546.54
6	Bearings & Hydraulics	Morb Fitting	47.13
7	Bruce Enterprises Parking Area	Apply Slurry Seal @Country Lane (~12,500 sq ft.)	9,350.00
8	Center Place HOA C/O Paradise Properties	Novato "WSLE" Rebate Program Residential (\$227) & Novato "Smart Irrigation Controller" Program (\$720)	946.75
9	Combs, Diane	Novato "Washer Rebate" Program	50.00
10		Vision Reimbursement	327.00
11	Dell Computers	Replacement PC's (STP & Bynum)	1,600.34
12	Gaya, DB	Prog Pymt#1: Perform Tank Coating Assessment & Prepare Samples for Lab (Cherry Hill #2 Re-Coat Project) (Balance Remaining on Contract \$2,422)	1,078.50
13	Grainger	Preformed Thermoplastic Roll (24" X 30") (\$438), Gas Test Gauge (\$113) (STP), Photo Cell for Front Office Lights, Electrical Tape (10) (\$72), Router Bit, Starter Coil for Winged Foot P/S & P1 (\$102) & Internet Switches (\$108) (San Mateo Tank)	876.28

Seq	Payable To	For	Amount
14	HERC Rentals	Vac Rental (1 Month) (While District's Unit is Repaired)	5,337.13
15	HUB International Insurance	Insurance for Dance Palace Rental for West Marin Board Meeting on 6/25/19	68.18
16	LeBrun, Kent	Exp Reimb: Lodging Costs for 3 Day Leadership Class in Santa Clara 5/20-5/22	928.00
17	Leighton Stone	Control Solenoid for Lynwood Tanks	96.35
18	Daniel Macdonald AIA Architects	Prog Pymt#3: Review & Answer Questions for Lynwood P/S Motor Control (Balance Remaining on Contract \$2,582)	333.14
19	McLellan, WK	Misc Paving	25,536.27
20	McGill, Jennifer	Refund Security Deposit on Hydrant Meter Less Final Bill	600.22
21	Mutual of Omaha	May Group Life Insurance Premium	885.90
22	Nerviani's Backflow	Annual Backflow Testing Services for Customer Owned RP Devices	7,800.00
23	New Resources Group	Plastic Hose Nozzles (450)	1,301.50
24	NSI Solutions	QC Samples (Lab)	209.00
25	Opperman & Son	Lumber for Truck Deck ('07 Trailermax Equip Trailer)	1,242.89
26	Pace Supply	Elbows (6) (\$376), Valve Boxes (10), Vaults (7)(\$4,801), Meter Box, PVC Pipe (200') (\$819), Box Lids (9), Hub Adaptors (11) (\$727), Couplings (24) (\$3,968), Flanges (9), Gaskets (50), Hydrants (17) (\$12,019), Valves (14) (\$4,335), Nipples (12), Plugs (8), Corp Stops (50) (\$2,549), Meter Stops (4), Meter Spuds (40) (\$447) & Tapping Sleeves (4) (\$2,766)	33,927.78
27	R & B	Tapping Sleeves (2) (\$1,877), Reducers (2), Couplings (13) (\$307), Valves (6) (\$1,595), Caps (5), Nipples (20) (\$167), PVC Pipe (400') (\$3,005) & Plugs (3)	6,990.87
28	Rosales, Zabaz	Novato "Toilet Rebate" Program	400.00
29	Soiland	Asphalt Recycling (5 tons)	24.80

Seq	Payable To	For	Amount
30	State Water Resources Control	RWF SRF Loan Principal & Interest (Pymt#12 of 20)	273,366.91
31	USA BlueBook	DPD 4 Dispenser (\$223) & Hydrochloric Acid (STP)	264.10
32	Wiley Price & Radulovich	May Legal Fees	135.00
33	Wilson, Nancy	Refund Alternative Compliance Reg 15 Deposit	315.00
TOTAL DISBURSEMENTS			<u>\$375,432.72</u>

The foregoing payroll and accounts payable vouchers totaling \$375,432.72 are hereby approved and authorized for payment.

Julie Blue 6/4/19
Auditor-Controller Date

[Signature] 6/4/19
General Manager Date

DISBURSEMENTS - DATED JUNE 13, 2019

Date Prepared 6/4/19


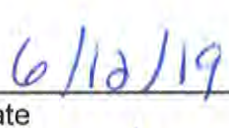


The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 5/31/19	\$139,322.74
EFT*	Internal Revenue Service	Federal & FICA Taxes PPE 5/31/19	59,143.00
EFT*	State of California	State Taxes & SDI PPE 5/31/19	12,319.34
EFT*	CalPERS	Pension Contribution PPE 5/31/19	34,551.66
90180	US Bank Card	Office Supplies, Cleaning Supplies (\$64), ACWA Conference Registration (\$400) (McIntyre), Mouse (2) (\$121), Ergonomic Keyboards (2) (\$72), Hard Drives for Various Depts (7) (\$608), Battery Backups for IT (\$300), T4 Courses (2) (\$550) (Garrett & Miranda), California Society of Municipal Finance Officers Training (\$200) & Management & Leadership Training (\$998) (LeBrun)	\$3,359.58
1	All Star Rents	Propane (7 gal) (Construction)	28.03
2	Alpha Analytical Labs	Lab Testing	415.00
3	Athens Administrators	June Monthly Fees	1,000.00
4	Automation Direct	Analog Input Cards for Various PLC Sites	364.56
5	Backflow Distributors	Backflows (6) (College of Marin - Miwok Center) (\$10,130) & Backflow Parts	10,620.06
6	Caltest Analytical Laboratory	Lab Testing	70.30
7	Dairymens Milling	Refund Overpayment on Closed Account	75.83
8	DataTree	May Subscription to Parcel Data Info	100.00
9	Diesel Direct West	Diesel (176 gal) (\$3.22/gal) & Gasoline (595 gal) (\$3.08/gal)	3,023.23
10	Direct Line	June Telephone Answering Service	363.58
11	Dublin San Ramon Svcs District	Bay Area Chemical Consortium FY2019-2020 Participation Fee	732.00

Seq	Payable To	For	Amount
12		Vision Reimbursement	282.96
13	Frontier Communications	Leased Lines	1,431.41
14		Vision Reimbursement	298.96
15	Grainger	Electrical Tape (20 rolls), Tool Totes (2) (\$71), Safety Gloves (200) (STP) (\$322) & Sump Pump (\$235)	666.07
16	JW Mobile	Fittings (2) ('13 Vac Excavator & Trailer)	40.77
17	Lincoln Life	Deferred Compensation PPE 5/31/19	10,468.72
18	Maltby Electric	Electric Tape for E/M Dept (30-66' rolls)	121.09
19	McLellan, WK	Misc Paving	15,005.04
20	McIntyre, Drew	Exp Reimb: Birthday Lunches	201.72
21	MSI Litho	Business Cards (250) (Rodriguez)	85.72
22	Nationwide Retirement Solution	Deferred Compensation PPE 5/31/19	1,670.00
23	NEXGEN	Prog Pymt#1, #2 & #3: Provide Assistance for Asset Management Software Procurement & Implementation (Balance Remaining on Contract \$268,134) (1/1/19-3/13/19)	27,610.40
24	North Marin Water District SRF Loan	STP State Revolving Fund Loan Principal & Interest (Pymt 20 of 40)	574,460.90
25	Novato Sanitary District	March 2019 RW Operating Expense	2,979.57
26	Pace Supply	Vaults (5) (\$3,429) & Fire Check Assembly (12) (\$17,627)	21,056.53
27	Postmaster Novato Ca 94947	Annual Post Office Box Fee	410.00
28	Pryor Seminars, Fred	Cal Osha Compliance Class (Kane)	179.00
29	Recology Sonoma Marin	May Trash Removal	480.66
30	Staples Business Credit	Office Supplies	940.22
31	State Water Resources Control	Clean Water SRF Principal & Interest-RW North Seg 3 (Pymt#7 of 20)	96,153.16
32	Tamagno Green Products	Sludge Removal from STP (42 yds)	420.00

Seq	Payable To	For	Amount
33	United Parcel Service	Delivery Services: Sent Backflow Test Kits in for Repair & Sent Samples & Parts Delivery for IC Instruments (Lab) (\$409)	420.60
34	USA BlueBook	Chlorine Analyzing Packets STP) (2,000)	429.73
35	Van Bebbler Bros	Steel Plates (2) ('13 Vac Excavator & Trailer)	333.71
36	Verizon Wireless	Cellular Charges: Data (\$737), Airtime (\$71) & Equipment (\$359)	1,166.66
37	Verizon Wireless	AMI Gateways, SCADA & Novato CIMIS Station	658.08
38	VWR International	16 oz. Jar (\$52), Chloride (\$37) & Nitrite (Lab)	116.82
39	Zenith Instant Printing	Logo Stickers for Water Conservation Marketing (500)	390.60
TOTAL DISBURSEMENTS			<u>\$1,023,968.01</u>

The foregoing payroll and accounts payable vouchers totaling \$1,023,968.01 are hereby approved and authorized for payment.

 Auditor-Controller	 Date
 General Manager	 Date



NORTH MARIN WATER DISTRICT
Director's Compensation Request
For Attendance at Meetings Other than District Board Meetings

BOARD MEMBER: JOHN BAKER

425 Corte Norte
Novato, CA 94949

DATE 1 / 1 /
(TODAY'S DATE)

I attended the WATER ADVISORY COMMITTEE MTG on 5/16/19
@ S. ROSA (NAME OF MEETING OR WORKSHOP) (DATE OF MEETING)

and wish to be compensated as provided under the Board Compensation Policy.



DIRECTOR SIGNATURE

FOR ACCOUNTING USE ONLY

Julie Blue
APPROVED TO PAY BY

5/19/19
DATE

CHARGE TO: 56001-01-11

AMOUNT: \$ 235.00
(filled in by Accounting)

PAID PAY PERIOD ENDING 5 / 31 / 19



NORTH MARIN WATER DISTRICT
Director's Compensation Request
for Attendance at Meetings Other than District Board Meetings

BOARD MEMBER: RICK FRAITES

50 Forrest Road
Novato, CA 94947

DATE

5.7.19
(TODAY'S DATE)

I attended the

North Bay Watershed Association on 5.3.19
(NAME OF MEETING OR WORKSHOP) (DATE OF MEETING)

and wish to be compensated as provided under the Board Compensation Policy.

DIRECTOR SIGNATURE

FOR ACCOUNTING USE ONLY

Julie Blue
APPROVED TO PAY BY

5/9/19
DATE

CHARGE TO: 56001-01-11

AMOUNT: \$ 235.00
(filled in by Accounting)

PAID PAY PERIOD ENDING

5 / 31 / 19



NORTH MARIN WATER DISTRICT

Director's Compensation Request for Attendance at Meetings Other than District Board Meetings

BOARD MEMBER: RICK FRAITES

50 Forrest Road
Novato, CA 94947

DATE 05 / 21 / 2019
(TODAY'S DATE)

I attended the Kiosk Communications - Stateholder Invoices on 05 / 15 / 2019
NMWD (NAME OF MEETING OR WORKSHOP) (DATE OF MEETING)
communications
Plan

and wish to be compensated as provided under the Board Compensation Policy.

DIRECTOR SIGNATURE

FOR ACCOUNTING USE ONLY

Julie Blue
APPROVED TO PAY BY

5/22/19
DATE

CHARGE TO: 56001-01-11

AMOUNT: \$ 235.00
(filled in by Accounting)

PAID PAY PERIOD ENDING 5 / 31 / 19



**Sonoma
Water**

PRESS RELEASE

FOR IMMEDIATE RELEASE
May 30, 2019

CONTACT
Barry Dugan
Principal Programs Specialist
707-547-1930
707-331-2040
barry.dugan@scwa.ca.gov

Russian River Inflatable Dam Goes Up – Again

Anglers, Boaters Must Portage Around Dam

(Forestville, CA) – For the second time this year, the Sonoma County Water Agency (Sonoma Water) is in the process of raising its rubber dam on the Russian River near Forestville. The seasonal dam was originally inflated on May 6 as river levels started to drop and demand for water began to increase. But heavy rains in mid-May prompted the lowering of the dam on May 16 in order to protect it from high river flows that could damage the inflatable dam structure. It was the first time since 2005 that Sonoma Water had to lower the dam due to a rainstorm after it had been raised earlier in the spring.

Sonoma Water crews began the inflation process again May 29 and expect to have the dam fully inflated in 3-5 days. The rubber dam is a critical component of the Russian River water supply system that provides naturally filtered drinking water to more than 600,000 residents in portions of Sonoma and Marin counties. The rubber dam will remain inflated through summer and into the fall.

The rubber dam is typically inflated in spring when demand for potable water increases. When fully inflated, the rubber dam creates a small pool of water from which Sonoma Water draws water for use in four off-stream infiltration ponds. The infiltration ponds help recharge groundwater which is then naturally filtered through sand and gravel and delivered to Sonoma Water's customers.

Boaters must portage around the rubber dam, located downstream of Wohler Bridge. Public notices will be posted around the rubber dam warning the public not to recreate on or near the dam. California Department of Fish and Wildlife regulations prohibit fishing within 250 feet of the upstream and downstream sides of the rubber dam.

The Russian River Biological Opinion, issued in 2008 by National Marine Fisheries Service, found that fish screens at Sonoma Water's River Diversion Structure could harm small fish, including young endangered Coho salmon and threatened steelhead. In order to comply with the Biological Opinion and continue operating its system, Sonoma Water in 2016 installed a new, improved fish screen. In conjunction with the installation of the fish screen, Sonoma Water also constructed an improved fish ladder and viewing gallery. The new fish ladder creates better conditions for adult and juvenile salmon moving up or downstream, and allows more native species to use the ladder for migration.

For more information about the rubber dam and how the Sonoma Water delivers naturally filtered Russian River water to its customers, please visit www.sonomacountywater.org/water-supply.

###

Sonoma Water provides water supply, flood protection and sanitation services for portions of Sonoma and Marin counties. Visit us on the Web at www.sonomawater.org.



Clean. Reliable. Essential. Every Day.

**NORTH MARIN WATER DISTRICT SEEKS INPUT
FROM RESIDENTS**

The North Marin Water District (NMWD) is transitioning from an at-large election system to a district-based system of elections, under the California Voting Rights Act.

Currently, all five members of the Board of Directors are chosen by constituents from the District's entire service area. Under district-based elections, NMWD will be divided into five separate election area divisions, voters residing in each individual division will select one representative to serve on the Board, and that representative will need to live in the division from which they are elected. The transition will begin with the 2020 elections and will be completed in 2022, when the Directors elected in 2018 will have completed serving their at-large terms.

Two public hearings were held in May to collect comments from residents. After the second public hearing on May 21, 2019, alternative draft maps were published and made available to the public on the District's website (www.nmwd.com) and posted at the District's office on May 28, 2019. The draft maps were reviewed at the third public hearing on June 4, 2019. The updated maps are published at www.nmwd.com and will be discussed at the fourth public hearing scheduled for June 18, 2019 as part of the District's regularly scheduled Board meeting, starting at 6:00 p.m. and located at 999 Rush Creek Place, Novato.

This is your chance to have a say in determining NMWD's election area boundaries and the sequence of elections. Residents are welcome to submit comments by email to info@nmwd.com or via mail to District Secretary, NMWD, POB 146, Novato, CA 94948.

For more information visit NMWD's website at www.nmwd.com which includes demographics of the areas, baseline maps, and supporting documents. An interactive version of all three maps can be viewed at <http://redistrictingpartners.com/nmwd-proposed-line/>

No. 787 Jun 11, 2019

California water utilities seek relief from wildfire lawsuits

Adam Beam, The Associated Press Published 5:54 p.m. PT May 29, 2019 (VC STAR)

SACRAMENTO — Facing more wildfires and the lawsuits that come with them, a group of public and private California water systems are campaigning to convince lawmakers to shield them from having to pay damages caused by fires they did not start but failed to help put out.

While wildfire lawsuits have typically targeted electric utilities and their downed powerlines that ignite the blaze, some recent lawsuits have also focused on the public water systems that are supposed to provide the water for firefighters to put out the flames.

MORE: [Water agencies say air rules need changing to keep water flowing to fight fires](#)

The group, known as the Coalition for Fire Protection and Accountability, wants to be included in legislative efforts to reduce utilities' liability, a prime topic of discussion this year following Pacific Gas & Electric Corp.'s bankruptcy filing in January.

While Democratic Gov. Gavin Newsom has urged lawmakers to discuss changing the strict legal standard that makes utilities pay for damages from wildfires caused by their equipment regardless of whether they acted negligently, lawmakers have not begun a serious conversation on the topic.

The group points to two lawsuits against water districts to make their case. One stemmed from the 2008 Freeway Fire in Orange County. That fire started when a car's exhaust system ignited some vegetation along a highway that would later destroy 275 structures, including 12 homes.

Firefighters might have been able to save those homes, but a pump station in the Yorba Linda Water District was damaged in the fire and stopped working. Homeowners sued, arguing the water system was liable for the damages even though it did not start the fire. A judge agreed and awarded the homeowners nearly \$70 million.

MORE: [Hot, dry summer weather could bring yet another destructive wildfire season](#)

More recently, homeowners sued the city of Ventura related to the Thomas Fire in 2017 in Southern California. One lawsuit says Ventura pumping stations lost power during the fire, which prevented the water pressure needed to operate hydrants in some neighborhoods. The lawsuit notes the water utility did not have backup generators.

Justin Skarb, director of government relations for California Water Service, which has about 2 million customers statewide, called it an "untenable situation" for water agencies.

"The water utility was a victim of the fire and held responsible for that same fire," he said. "That seems pretty far removed from anything remotely fair."

But that strict standard for water utilities is "part of the burden they suffer for the benefit of having a monopoly," said Brian Kabateck, a Los Angeles-based attorney who is representing homeowners against the City of Ventura water system. In that case, Kabateck notes the water system did not have backup generators to keep the pumps working when the power went out because of the fire.

"If (utilities) did something which caused damage, whether it was intentional or not intentional, they should be held responsible for the costs to their customers," Kabateck said.



The ruling said the utility had installed a wire on a control panel about four months before the fire to help them monitor pressure problems. A judge noted the utility did not remove the wire or protect it, which caught fire and caused a short in the electrical panel that shut down the pumps.

The group includes 28 water districts and labor unions. They have already had meetings with Newsom's administration and state lawmakers, spokesman Mike Roth said. And they have sent letters to the California Commission on Catastrophic Wildfire Cost and Recovery, which is expected to issue a report soon that could address this issue.

Lawmakers declined to make changes to the legal standard, known as "inverse condemnation," for utilities last year despite a push from former Gov. Jerry Brown. Changing the standard drew staunch opposition from insurers, wildfire victims and trial lawyers. Altering the liability for water districts was not a part of that discussion.

While there is no pending legislation to change the standard, lawmakers are considering a variety of options to ease the financial burden on utilities by spreading costs among utility shareholders and ratepayers.

Roth said the water group is monitoring that legislation, but said "the best solution is to adopt common sense reforms that prevent water suppliers from being held responsible for fires they don't start."

Marin officials cheered by deal for upstate plant

WATER DISTRICTS

By Will Houston

whouston@marinij.com @Will_S_Houston on Twitter

Marin County water district officials expressed encouragement after an early agreement was reached that seeks to end longstanding conflicts of a major regional water supply 100 miles to the north.

The agreement centers around the relicensing of the Potter Valley Project hydropower plant in Mendocino County, which holds a supply of water that affects fish, farmers and communities stretching from Marin to Humboldt counties. Sonoma Water, one of the main suppliers to Marin's two water districts, draws water supplied by the power plant's reservoirs.

"It is a vital regional asset to the North Coast and the North Bay," said Grant Davis, general manager of Sonoma Water.

The 110-year-old power plant is up for federal relicensing in 2022, but its owner, Pacific Gas and Electric Co., announced earlier this year that it no longer had interest in relicensing the plant. This led to concerns about the future of the plant, which has long been a point of controversy and division. Farmers, communities and water districts in nearby counties rely on plant's steady water supply while environmental groups say the plant's dams have caused detrimental harm to threatened and endangered fish populations.

PG&E's decision to pull out caused uncertainty as to who would take over the plant and whose interests would win out. But last week, the environmental organization Caltrout announced that it had

WATER»PAGE 4



Scott Dam in Mendocino County is part of the Potter Valley Project, which has links to Marin's water supply.

NATHAN DEHART — UKIAH DAILY JOURNAL

reached a compromise with Sonoma Water and several Mendocino County agencies to relicense the power plant with the goal of a “two-basin solution.”

This two-basin solution, promoted under a stakeholder ad hoc group formed by Rep. Jared Huffman, D-San Rafael, in 2017, seeks to address both the environmental impacts on the Eel River and the water supply concerns in the Potter Valley and Russian River watershed.

The timing of the agreement is important, Davis said, because the dam-regulating Federal Energy Regulatory Commission has set a July 1 deadline to submit a notice of intent to relicense the dams.

“By working together we can create the regional entity that will hopefully successfully make it for that July 1 deadline,” Davis said.

North Marin Water District receives 75 percent of its supply from Sonoma Water. District general manager Drew McIntyre said the new agreement is a good start to finding a solution that benefits the entire region.

“We’ve always taken the position that the Potter Valley Project is a regional issue and that it requires a regional solution,” Mc-Intyre said.

The Marin Municipal Water District, which receives 25 percent of its supply from Sonoma Water, is also tracking the progress.

“We view the announcement of this collaborative planning agreement as a positive step forward,” district general manager Ben Horenstein said. “While it’s too early to tell what direct impacts, if any, there may be for MMWD, we will continue to follow this process.”

Sonoma Water, CalTrout and the Mendocino County Inland Water and Power Commission have also agreed to pledge \$100,000 each toward a study that will assess the condition of the Potter Valley Project and the feasibility of a two-basin solution.

Blackouts are coming, so it's time to get ready**★ Editorial**

Marin officials are working to be prepared for the day — or days — when Pacific Gas and Electric Co. turns off the power in order to prevent a possible firestorm.

Power companies taking such action is one of the emergency safety precautions for preventing electrical lines from starting destructive wildland fires as we've seen in recent years in the North Bay and those in Paradise and around Redding.

But that means we have to figure out how we are going to endure outages, possibly longer than those caused by a bad storm or an accident. Marin County Fire Chief Jason Weber is right to be worried. While many critical services, such as hospitals, medical clinics and emergency telecommunications have back-up power, most residents don't and Weber is worried about how officials will be able to get emergency notifications — such as evacuation orders — to them.

“From my perspective, it's absolutely critical that we are all ready for this,” says Weber.

We agree. And officials are playing catch-up as we approach another fire season. PG& E turning off the power became a possible emergency safety strategy after the state Public Utilities Commission approved the measure for the state's power companies in the wake of last year's Camp Fire, a devastating blaze that was fed by sparks from PG& E equipment. The PUC gave PG& E permission to proactively shut off power to its lines in preparation to periods of high fire risk. Much of Marin is a high risk area.

PG& E says its goal is to provide customers with 48-hour notice of a planned shutoff and follow up that notice with updates.

PG& E says it is working to minimize the possible impact of those outages. PG& E has also been working with critical services to help them prepare for possible outages.

For instance, the Marin Municipal Water District is spending \$1.2 million to rent about 25 portable generators and purchase a permanent backup generator for one of its treatment plants so that residents — and firefighters — can get water.

Weber and other officials are working to help residents and businesses get prepared for the outage. Bolstering public awareness is a priority.

PG& E has posted tips on a website: prepareforpowerdown.com, offering suggestions to plan for emergencies such as the need to keep medications cold, knowing how to manually open your electric garage door or having flashlights or lanterns and fresh batteries readily available.

There are many other preparations residents and employers should consider. Links to those are posted on the website.

The objective is to improve public safety by removing a possible cause of wildland fire. The threat is a reality and the death and destruction we've seen over the past two years underscores the need to focus on doing what we can to help reduce that risk.

We should be better prepared and ready to do our part. Given that we are approaching another fire season, the sooner the better.

NEWS > ENVIRONMENT

Supervisors take another step toward Potter Valley involvement

Humboldt County looks to have a seat at the table in project discussions



Hank Seemann, deputy director of county Public Works, addresses the Board of Supervisors today about the Potter Valley project. (Shomik Mukherjee — The Times-Standard)

By SHOMIK MUKHERJEE | smukherjee@times-standard.com |

PUBLISHED: June 4, 2019 at 8:15 pm | **UPDATED:** June 5, 2019 at 1:26 pm

Humboldt County could soon join a number of agencies around California teaming up to license the Potter Valley Project, a water development in the Eel and Russian river basins.

ADVERTISING

The Humboldt County Board of Supervisors on Tuesday morning unanimously affirmed support for the coalition, which proposes a “two-basin solution” to fix the various environmental problems created by the enormous development.

Now the other participants — including Cal Trout and water agencies in Mendocino and Sonoma counties — will need to sign off on Humboldt County joining the crew. At that point, the county could officially enter as a stakeholder in the process.

“This is really a big undertaking,” said Hank Seemann, deputy director of county Public Works. “The amount of investment that will be needed to develop a viable, reconfigured project — it’s going to be more than \$100 million. We’re talking about that order of magnitude.”

In its finished form, the two-basin solution would curb the effects of the Scott Dam on the Eel River's fish populations while protecting the Russian River's water supply, which serves residents in the Potter Valley.

For such a large endeavor, the agencies involved would likely welcome the county's participation, said 2nd District Supervisor Estelle Fennell.

"I do believe that the three who signed on already are fully aware that, should Humboldt County come on board, it would just strengthen their work on that task," Fennell said.

The coalition is looking to take the Potter Valley Project off the hands of Pacific Gas and Electric Co., its current owner, while ensuring the utility remains financially responsible for future changes to the development.

Members of the public pushed the supervisors to assert their own involvement in the process, especially after the two-basin solution team announced itself in May without first involving Humboldt County.

"I would like to remind all of you that we all live in the Eel River basin," said Denver Nelson, a longtime Humboldt County resident. "If you're going to start at some point, it isn't the conciliatory point."

If the county does get onto this "exalted" team, Nelson said pointedly, the other agencies might have ideas contrary to the county's needs. He advised the supervisors to push to fully remove the Scott Dam, which has harmed the Eel River's fish populations by diverting the river's water to the Russian River basin.

Vivian Helliwell, a director at the Pacific Coast Federation of Fishermen's Associations, agreed the county needs to make sure it's part of the conversation.

"I think this is a really good example of the old saying, 'If you're not at the table, you're on the menu,'" Helliwell said.

But there are points of convergence, Helliwell pointed out, including the need to address invasive pikeminnow that preys on Eel River salmon and further jeopardizes the native populations.

First District Supervisor Rex Bohn, who said at a previous meeting the county was "screwed" in the early committee process, eased up Tuesday in his stance toward the other agencies.

"It wasn't that I don't trust Mendocino and Sonoma," Bohn said. "It just seemed like we were on the outside looking in."

The goal is to find some functionality across the river systems, 3rd District Supervisor Mike Wilson said, adding that there's likely going to be some disagreement along the way.

"I hope that all the interests advocate for themselves, as we will," Wilson said. "That's the only expectation we have with them. That's why we are in negotiations. That's how it works. If we all walked in the room in total agreement, there wouldn't be a negotiation."

Shomik Mukherjee can be reached at 707-441-0504.

Tags: **newsletter**, **top headlines**



Shomik Mukherjee

Shomik Mukherjee can be reached at 707-441-0504.



Click [here](#) to view it in your browser.

ACWA ADVISORY

SAFE DRINKING WATER
June 10, 2019

Governor, Legislative Leaders Collaborate on Safe Drinking Water Solution

Conference Committee Acts on Sunday to Approve Funding Plan

On Sunday, the 2019 Conference Committee approved a safe drinking water funding solution for disadvantaged communities in California that do not have access to safe drinking water. The solution will be enacted through the 2019-'20 Budget and related trailer bill language. ACWA strongly supports this solution.

In the first year, Fiscal Year 2019-'20, the safe drinking water funding solution will be funded with \$100 million from the Greenhouse Gas Reduction Fund (GGRF) and \$30 million from the General Fund. This will be part of the 2019-'20 Fiscal Year State Budget.

After the first year, the funding will be 5% of the GGRF continuously appropriated – capped at \$130 million per year. The agreement includes General Fund funding as a backstop if 5% of the GGRF is less than \$130 million in any year. The funding will sunset in 2030. The solution does not include a water tax.

Trailer bill language will create a safe drinking water fund and provide the framework for the funding program.

"ACWA appreciates the leadership of the Governor, the Senate President pro Tem, and the Speaker and the work of the Conference Committee in solving a complex problem to ensure that all Californians have access to safe drinking water," said ACWA Deputy Executive Director for Government Relations Cindy Tuck. "ACWA strongly supports this solution and looks forward to its enactment."

Many Legislators on both sides of the aisle played key roles in making this agreement possible. To name just a few of those, Senator Monning (D-Carmel) has championed this issue from the beginning. Assembly Water, Parks and Wildlife Committee Chair Eduardo Garcia (D-Coachella) encouraged stakeholders to come forward with ideas for how to solve the problem. Senator Anna

Caballero (D-Salinas) authored the ACWA and California Municipal Utilities Association co-sponsored SB 669, which proposed a Safe Drinking Water Trust. Discussions on that bill helped inform the broader discussion regarding solutions.

ACWA staff appreciate the guidance on this critical issue from the ACWA Board of Directors, the ACWA DAC Drinking Water Initiative Task Force, and the State Legislative Committee and its Safe Drinking Water Funding Working Group. ACWA also appreciates the legislative outreach support from member agencies.

Questions

For questions about the agreement or Conference Committee action, please contact ACWA Deputy Executive Director for Government Relations Cindy Tuck at (916) 441-4545.

Pension reform isn't happening fast enough

Editorial

The annual public release of the Transparent California summation of the county pension's payouts is a needed reminder that without meaningful reform, local governments will continue to play a costly game of catch-up to cover their past promises.

Those promises to former and current employees, however, looked a lot better when pension fund returns were routinely bringing in doubledigit increases, easily covering the local cost for covering those pensions.

Those council members who boosted pension benefits, who let short-term gains cloud the reality of long-term risk, have left today's municipal leaders with the problem of large shares of yearly budgets going to pay retirees.

Private business saw the downside of these so-called legacy promises and shifted away from defined-benefit pensions where the employer was on the hook for any fund shortfalls. They transitioned to defined-payment plans, such as the widely used 401(k).

But public agencies have resisted making that and other possible reforms, mostly because unions, understandably, have opposed them.

So, local supervisors, council members, trustees, directors and others avoid the issue. They can't avoid the cost to their budgets, but they raise fees and taxes and cut back local services to help cover the rising outlay. They ask voters to approve taxes for police and fire services and to fix roads and pipes without publicly facing up to the fact that the rising cost of pensions are a big reason why tax dollars aren't keeping pace with expenses.

The annual Transparent California report details the annual pension payouts for the Marin County Employees' Retirement Association. MCERA is

While Transparent California focuses on its count that MCERA's full-career pension payout is \$100,437, up 4% since 2017, local pension and union officials prefer to focus on an average — \$43,384 per pensioner — that also includes shorter-term workers' and survivors' benefits.

That average, however, does not paint a correct picture, especially since it is affected by a growing list of topmanagement retirees who are getting annual payouts of \$280,325, \$246,788, \$245,224 or \$232,654.

These long-time employees essentially are getting paid close to the full paychecks they earned while working, plus an annual cost-of-living increase.

We're not sure today's officials would make that same promise today. They'd realize they can't afford it. We would hope.

While some agencies have tinkered with local pension promises their workers' contracts, most have said they can't make any big changes without state lawmakers approving statewide reforms. California's lawmakers have been quiet on this issue since passage of the 2011 California Pension Reform Act, which was considered an important first step toward fixing public pensions. Lawmakers have steadfastly avoided taking any more steps.

Gov. Gavin Newsom has done little to address the issue.

So, taxpayers are on the hook to pay for the promises their elected representative have made — and aren't doing much to change.

Employees and retirees deserve to be treated fairly and respectfully, but the rising cost of public pensions should also be fair to taxpayers, most of whom have to get by on social security, 401(k) accounts and other savings.

the pension fund for county, San Rafael and Novato and Southern Marin fire districts.

According to Transparent California, MCERA wrote \$142 million in pension checks in 2018, up 37 percent since 2013.

The county's annual MCERA payout was \$48.3 million in 2018, just above \$400 in local tax dollars per household. That's a significant public cost.

Most of Marin's public agencies are members of either the California Public Employees System or California State Teachers' Retirement System, which have taken similar tolls on local budgets.

The annual Transparent California tally, at least, keeps this issue and its growing costs in front of the public, where it deserves to be.

Tuesday, 06/11/2019 Pag.A09

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Novato school chief heading to San Rafael

School

MARIN DISTRICTS

Board members vote to hire Hogeboom as superintendent

By Keri Brenner

kbrenner@marinij.com @KeriWorks on Twitter

The San Rafael City Schools board voted unanimously Monday to appoint Novato schools chief Jim Hogeboom as superintendent, effective July 1. "I think we're all really excited about being able to move forward," board member Rachel Kertz said after the 5-0 vote before about 50 people at Monday's school board meeting.

"I couldn't be happier," said board member Maika Llorens Gulati. "Welcome aboard."

Board president Greg Knell said Hogeboom was selected from a field of 2

4 applicants, "all sitting superintendents and assistant superintendents who wanted to come and work here because we're the best

petri dish for education in the state. Jim came

SCHOOL >> PAGE 2



Hogeboom

Novato school chief heading to San Rafael

School

FROM PAGE 1

out on top out of a real pool of top people already."

Hogeboom, 60, of Novato, the Novato Unified School District superintendent for the past four years, will be paid \$260,000 for the first year of the four-year contract approved Monday. The contract, which also grants him an annual raise on par with other managers' increases, is split in two to cover his duties heading both the San Rafael High School District and the San Rafael

18. Cosca, 49, of Napa, was one of Hogeboom's first hires at Novato and has been handling key administrative duties there for some time.

Hogeboom said his immediate tasks, in addition to meeting as many people as possible, will be to "work with the board and the site administrators to build teamwork" and to "agree on a common focus for the district."

Longer-term goals include installing an "equity planning committee" to enhance existing programs, finishing the new district board elections mapping process and "strengthening community partnerships and parent outreach." Ultimately, his goals are to "improve student

Elementary School District. Both districts are jointly administered as San Rafael City Schools with a combined total student population of more than 7,200.

“I was humbled at the warm reception,” Hogeboom said in an email Tuesday. “I can’t wait to get started on July 1. I appreciate the trust the board has put in me.

“San Rafael has amazing support from parents and the community,” he added. “I want to meet with as many people as possible as soon as possible so I can see what is working and what needs improvement.” Hogeboom said he will move to San Rafael over the summer “so I can be closer to work.”

Hogeboom will replace Michael Watenpaugh, who will retire from the district after 12 years when his contract expires June 30. In February, the board voted to deny him a contract extension after district parents and teachers mounted a three-month campaign to press for a change in administration, saying they wanted fresh energy, more engagement and transparency.

At NUSD, meanwhile, Kris Cosca, deputy superintendent, is expected to be promoted to superintendent to replace Hogeboom at the next Novato school board meeting June

achievement — especially in the subgroups — as well as graduation rates,” he said.

“I plan to do a lot of listening over the next few months and then see if we can pull everyone together around some key priorities and goals that we all are committed to for our students.”

Reaction from district teachers was positive.

“We are looking forward to working with Dr. Hogeboom as he has administrative experience in several Marin districts,” said Chris Simenstad, president of the San Rafael Federation of Teachers. “We hope he can bring fresh perspectives and renewed energy to San Rafael City Schools.”

Hogeboom was raised in the East Bay and graduated from San Ramon High School and the University of California, Berkeley. His education resume includes stints as a teacher at Tamalpais High School in Mill Valley, where he was also a girls’ basketball coach, Hill Middle School in Novato, where he was assistant principal, school districts in Roseville and in Corvallis, Oregon, and seven years as superintendent at LuciaMar Unified School District in San Luis Obispo County.

Wednesday, 06/12/2019 Pag.A01

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County to weigh adopting 5G rules

Antennas

ANTENNAS

By Matthew Pera

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With 5G technology on the way, Marin County has released a draft ordinance that would regulate the placement and design of new wireless transmitting infrastructure.

The Board of Supervisors is scheduled to discuss the proposed regulations at its July 9 meeting.

The ordinance spells out design guidelines for 5G-transmitting antennas, which include limiting them to one per pole, keeping them off historic buildings and installing them at least 1,000 feet apart. They must also match the color of the structure they are placed on.

“We want them to blend in and not stick out,” said Immanuel Bereket, a county senior planner.

Preferred locations for the antennas, according to the ordi-

ANTENNAS >> PAGE 2

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FROM PAGE 1

nance, include industrial, commercial or agricultural sites, or near public facilities. The least-preferred locations include residential or mixed-use sites, and areas within 1,500 feet of schools and daycare centers.

Without local policies in place that set guidelines for companies hoping to set up the new hardware, municipalities have little ability to dictate where the infrastructure is installed and how it looks.

“They look generally awful,” said Susan Cleveland-Knowles, a Sausalito councilwoman. “They’re a massive aesthetic impact.”

The new technology operates on higher radio frequencies than older iterations of wireless. Those frequencies transmit data faster, but they don’t travel as far. As a result, more transmitters will be needed and they’ll need to be placed closer to the people using them — on telephone poles and light posts in the public right of way.

Some say the technology emits radio waves that can cause symptoms including insomnia, depression, anxiety and headaches.

“The more you can keep these away from people, the more we can protect health and well-being,” said Andy Peri, a member of an opposition group called 5G-Free Marin.

Roughly 200 people, many from the opposition group, showed up to a February board meeting, urging county supervisors to resist the new technology, despite federal regulations that

On Tuesday, the Sausalito City Council held a public hearing for an ordinance that sets that city's design and permitting guidelines for 5G. The council approved it unanimously on a first reading, joining several other Marin cities and towns that have enacted similar regulations ahead of the anticipated 5G rollout.

Federal regulations, first adopted decades ago and fortified this year, limit the ability of local governments to restrict wireless infrastructure. Those laws, according to the Federal Communications Commission, are aimed at maintaining a free market for the communications industry.

The 5G rollout has spurred international competition among countries eager to get it up and running. The new system is expected to boost internet speeds and is billed as a revolutionary technology that will be necessary to make possible future innovations, such as driverless cars.

5G has come under scrutiny in Marin. Residents afraid of potential negative health impacts they say are associated with wireless infrastructure have packed city halls around the county to voice their opposition to 5G.

prohibit municipalities from banning it on the basis of environmental or health concerns.

The FCC has determined what it calls safe levels of emissions, and says that technology that complies with its standards can't be prohibited.

The Cellular Telecommunications Industry Association has said in a statement that radiofrequency energy from networks such as 5G "has not been shown to cause health problems, according to the consensus of the international scientific community."

"The health-related issues, while they may be unknown, are not part of the consideration of this ordinance, because we're restricted from considering them," said Supervisor Dennis Rodoni, who is on a wireless regulations subcommittee.

"The draft we've come up with tries to address as many community concerns we can," he said, "within the legal bounds we have to work with."

Friday, 06/14/2019 Pag.A01

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16