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North Marin Water District Announces Public Meeting on Proposed Rate Changes

Learn more about Novato Service Area rate structure changes and a revenue increase to enable critical investments in the water system.

The typical Novato Service Area residential customer (56% of all accounts) will pay about \$4 more per month as a result of the proposed changes.

Customers of North Marin Water District are invited to a special Rate Study Workshop of the Board of Directors to be held on February 11, 2020, at 6:00 p.m. at the District headquarters at 999 Rush Creek Place, Novato.

Costs continue to rise. The District has long focused on keeping customer rates low by controlling costs. For example, the Water District has reduced the number of full-time employees over the past decade, limited future pension costs, installed lower cost solar power, and more. These cost-saving actions help keep current water rates the lowest in Marin County and at the median for the Bay Area region. Nonetheless, rising operating costs will exceed revenue in the coming years.

District must increase revenue by 6% to pay for higher imported water costs and increased funding for critical upgrades to its aging infrastructure. The District maintains a \$137 million system of pipelines, pumps, reservoirs, treatment plants, valves and hydrants, a laboratory, monitoring systems and more. Some of these systems are over 70 years old. The District must increase re-investment from about \$2.5 million per year to \$6 million per year in order to properly maintain and upgrade the system.

Rate structure changes. The District conducted an extensive cost-of-service study of every aspect of the District's service, including water purchases, treatment and delivery, facility replacement and upgrades, and daily operations. The study found changes in the proportion of costs required to serve each customer class (residential and commercial) caused by changes in customer water use, state regulations, service costs, and other factors. As a result, the District is proposing changes to the rate structure to ensure that each class of customer continues to pay their fair and proportional share of costs.

Individual water bill changes will vary. Customer bills will be recalculated based on the actual cost of serving each customer class as determined in the cost of service study. As a result, individual customer bill changes may be more or less than the overall 6% rate increase. The typical residential customer (56% of all customers) will pay about \$4 more per month after the proposed changes (\$8 on their bi-monthly bill).

Your input is important. The Board of Directors will review the proposed rate changes on February 11, 2020 at a Special Board meeting and Water Rate Study workshop. Before the changes are approved, there will be several more public board meetings and a notice will be mailed to every property owner with more details. Public input is welcome throughout the process.

For more information. Water customers interested in learning more, asking questions, and providing input can participate in the meetings described above, or contact the District via website (nmwd.com), email info@nmwd.com, or call customer service at 415-897-4133.

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