



**NORTH MARIN WATER DISTRICT**  
**AGENDA - REGULAR MEETING**  
 May 21, 2019 – 6:00 p.m.  
 District Headquarters  
 999 Rush Creek Place  
 Novato, California

Information about and copies of supporting materials on agenda items are available for public review at 999 Rush Creek Place, Novato, at the Reception Desk, or by calling the District Secretary at (415) 897-4133. A fee may be charged for copies. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District Secretary as soon as possible, but at least two days prior to the meeting.

Est. Time 6:00 p.m.	Item	Subject
	<b>CALL TO ORDER</b>	
	1. <b>APPROVE MINUTES FROM REGULAR MEETING</b> , May 7, 2019	
	2. <b>PUBLIC HEARING</b>	
		<b><i>Consider Proposed Increase in Water Rates for Novato Service Area and Resulting Revisions to District Regulation 54, Water Rates</i></b>
		Resolution
	3. <b>PUBLIC HEARING NO. 2 – CALIFORNIA VOTING RIGHTS ACT (CVRA) AND ELECTIONS CODE (EC) 10010:</b>	
		<b><i>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</i></b>
	4. <b>GENERAL MANAGER'S REPORT</b>	
	5. <b>OPEN TIME: (Please observe a three-minute time limit)</b>	
		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.
	6. <b>STAFF/DIRECTORS REPORTS</b>	
	7. <b>MONTHLY PROGRESS REPORT</b>	
	<b>CONSENT CALENDAR</b>	
	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.	
	<b>Consent - Approve Water Agreement</b>	<b><u>Type</u>    <u>DU</u>    <u>EU</u></b>
8.	Avesta Water Facilities Novato 516 Hospital Drive, Novato APN 157-690-52	CM    80    23    Resolution
9.	<b>Consent – Approve:</b> Contract Amendment for Engineering Services – White and Prescott	

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
		<b>INFORMATION ITEMS</b>
	10.	Budget Review – Proposed FY 19/20 Budgets Novato and West Marin Service Areas
	11.	FY 18/19 Third Quarter Progress Report – Operations/Maintenance
	12.	<b>MISCELLANEOUS</b> Disbursements – Dated May 9, 2019 Disbursements – Dated May 16, 2019 Novato Chamber Leadership Novato 2019 Graduation Ceremony– Julie Blue  <u>News Articles:</u> West Marin faces better representation on North Marin board NOVATO – Fire district begins election transition Fire board increases parcel tax rates Marin could face long fire prevention outages Opinion - Referendum could target Novato incumbent protection Letter to Editor - Time to stop continual NMWD rate increases Sonoma County supervisors eye future of key water diversion project County hopes for key ranch purchase Opinion -MMWD's fee hike proposal shines light on odd practices Letter to Editor - Representing West Marin at North Marin Water One less tax. California lawmakers mover to reject Gavin Newsom's water fee
	13.	<b>CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL- Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (one case)</b>
9:00 p.m.	14.	<b>ADJOURNMENT</b>

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DRAFT  
NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
May 7, 2019

**CALL TO ORDER**

President Baker 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 Jack Baker, Rick Fraites, James Grossi (arrived at 6:05 p.m.), Michael Joly, and Stephen Petterle. Also present were General Manager Drew McIntyre, District Secretary Terrie Kehoe, and Auditor-Controller Julie Blue. Chief Engineer Rocky Vogler was absent.

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 District legal counsel representative, Carl Nelson and Kim Moore (Bold, Polisner, Maddow, Nelson and Judson); special counsel Tom Willis (Remcho, Johansen & Purcell); Paul Mitchell, Chris Chaffee and Jacob Thompson Fisher; and Nic Zateslo (Political Data, Inc.). Also in the audience were Lucas Bachman and Mark Wing from Enterprise Fleet Management.

**MINUTES**

On motion of Director Fraites, seconded by Director Petterle the Board approved the minutes from the April 23, 2019 meeting as presented by the following vote:

AYES: Director Baker, Fraites, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Grossi

**PUBLIC HEARING NO. 1 – CALIFORNIA RIGHTS ACT (CVRA) AND ELECTIONS CODE (ED)**

**10010:**

President Baker declared the public hearing opened at 6:02 p.m.

Mr. McIntyre opened the discussion by reminding the Board that this is the first public hearing, of a total of five, related to a transition process from At-Large to By-District elections. The



33 first two hearings will be to gather information to be used in the development of the maps of the  
34 proposed divisions and the subsequent hearings will be working with proposed maps, taking  
35 comments on and developing and refining the maps. Mr. McIntyre stated that he attended Public  
36 Hearing No. 3 of the Novato Sanitary District, in which they released their proposed map for  
37 discussion. Mr. McIntyre added that Novato Sanitary District is about a month ahead of us and the  
38 Novato Fire Protection District will follow shortly. Director Baker asked about Novato Unified School  
39 District. Mr. McIntyre stated that they are on a different timeline schedule.

40 Mr. Nelson of District legal counsel, introduced Kim Moore of his office, special counsel Tom  
41 Willis, and the two principals of Redistricting Partners, the demographer retained by special counsel,  
42 Paul Mitchell, and Chris Chaffee, who in turn introduced staff members who would be assisting in  
43 the effort, Jacob Thompson Fisher, and Nic Zateslo. Mr. McIntyre also introduced District employee,  
44 Monica Juarez, who is bilingual and was available for Spanish translation if needed.

45 Mr. Mitchell went through a PowerPoint presentation, and explained that the maps will be  
46 drawn so as not to gerrymander. The lines or areas will be drawn so that no one area would have  
47 an advantage. The districts must be equal in population size; the population must include all  
48 residents, not just registered voters, per the census. He explained that we must take into  
49 consideration communities of interest, protected classes, and ethnicity. Board and public input will  
50 be valuable. He stated that the District can look at existing data and other maps and build upon  
51 them, but the goal is to keep the districts compact and draw circles and squares if possible.

52 Director Fraites asked about the source of the data. Mr. Mitchell responded that they are  
53 using 2010 census data. Based on 2010 population figures, the District could be divided into five  
54 equal district areas, with an average population of 12,300 in each district, the biggest and smallest  
55 areas within 10% of each other. Director Grossi asked how the number of voters factor in. Mr.  
56 Mitchell replied they look at the voting population and the people who could potentially vote, to come  
57 up with the eligible voters' population. Mr. Mitchell remarked that Novato has a high rate of voter  
58 participation. Director Grossi agreed, and stated 36,000 voted in the last election. Mr. Mitchell  
59 stated that by law we have to get input from each Director and public hearings are required to solicit  
60 public input. He noted that he does not know any of the incumbents' addresses, and will not be  
61 drawing the lines using this information.

62 Director Fraites asked about if it is determined whether racially polarized voting occurred.  
63 Mr. Mitchell stated that it is based on statistical analysis, comparing overall voting results within  
64 areas with differing amounts of minorities, and looking for statistically significant correlations.

65 Director Baker stated that the City of Novato, Novato Sanitary District and Novato Fire

66 Protection District are all working on this same process, and asked Mr. Mitchell if he was working  
67 with any of these agencies. Mr. Mitchell replied he may be working with Novato Fire Protection  
68 District but that it has not been finalized yet. Director Baker inquired if we can have our lines drawn  
69 close to theirs. Mr. Mitchell responded that he has not looked at the existing or proposed lines, but  
70 he intends to do so. Director Baker asked how this process relates to the County Elections process.  
71 Mr. Mitchell replied that the County does not approve the lines; but will implement our decision.  
72 Director Grossi asked if tax districts would be considered. Mr. Mitchell stated they could; but it may  
73 not be of interest to anyone else. Director Petterle asked if our pressure zones, which are based by  
74 elevation, would be considered. Mr. Mitchell stated that it would be worth looking at, because it  
75 could be considered a community of interest. Director Baker stated that we work well with Novato  
76 Sanitary District and their map would be worth looking at. Mr. Mitchell confirmed and noted that they  
77 did have that map. Director Grossi added that there are some common areas between water, sewer  
78 and fire, other than the District's West Marin service areas.

79 Director Joly asked if there were any comments received since the last public meeting in  
80 which the Board passed the resolution. Mr. McIntyre replied that we have not received any so far.  
81 He added that the District issued a press release to the Marin IJ and the Point Reyes Light and both  
82 newspapers wrote front page articles, which provided good public penetration. Additionally, a notice  
83 was included in the Spring Waterline direct mailer to both Novato and West Marin customers.  
84 Director Fraites inquired about the outside service area customers, if they were considered, and  
85 whether we would be looking at all the anomalies. Mr. McIntyre replied that the outside service  
86 areas are not included. Mr. Nelson added that since the rate hearings will also be going on the  
87 same time as the election hearing, some of the rate payers may wish to comment on the maps.  
88 Director Baker stated that some areas in Point Reyes and Marshall do not have service with us and  
89 will not see a bill or a flyer since they are not rate payers.

90 Director Baker closed the Public Hearing at 6:40 p.m.

91 Director Baker announced that he will be on vacation from May 22<sup>nd</sup> to June 3<sup>rd</sup>, and Director  
92 Grossi added he will be on vacation from July 3<sup>rd</sup> to July 24<sup>th</sup>.

### 93 **GENERAL MANAGER'S REPORT**

94 Mr. McIntyre announced that Rocky Vogler is attending the ACWA conference this week and  
95 that he will be covering Mr. Vogler's agenda items.

### 96 **Meetings**

97 Mr. McIntyre reported that last week he participated in two NBWRA scheduled outreach

efforts, one at Novato Sanitary District with the new US Bureau of Reclamation Title XVI project manager and the other at the City of Petaluma with Senator Hertzberg's policy consultant working on SB 332. Mr. McIntyre also added that he will be attending the ACWA conference this Thursday.

**OPEN TIME**

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

**QUARTERLY FINANCIAL STATEMENT – MARCH 31, 2019**

Ms. Blue presented the Quarterly Financial Statement noting that Operating Revenue came in at 5% under budget and Operating Expenses came in 6% under budget.

Director Grossi had a question about the medical benefits, maintenance and depreciation and how we spread those costs to West Marin. Ms. Blue stated the expenses get spread out depending on the work hours reported. Director Grossi asked about the retiree medical cost. Ms. Blue stated that all are classified under Novato because most administrative costs are recorded in Novato. She added that some costs are allocated to other service areas depending on the types of expense. Director Baker commented that he thought our West Marin customers were getting a break. Mr. McIntyre replied that we are being as accurate as we can.

**STAFF/DIRECTORS REPORTS**

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

Mr. Clark advised that Board that precautionary water quality notices were issued in two areas recently. The first was in Bel Marin Keys because water pressure was lost during installation of a new pipeline and the second was in West Marin where a landscaper broke a fire hydrant. Mr. McIntyre added that this protocol is approved by the Division of Drinking Water as an alternative to a mandatory boil water order when pressure in limited areas of the distribution drops below 5psi but no contamination is suspected and disinfectant residual levels remain adequate.

**CONSENT CALENDAR**

On the motion of Director Petterle, and seconded by Director Joly the Board approved the following items on the consent calendar by the following vote:

AYES: Director Baker, Fraites, Grossi, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: None

130 **McPHAIL'S PHASE 1 WATER FACILITIES – 5400 HANNA RANCH ROAD- APN 153-220-16 & 19**

131 The McPhail's project consists of construction of three office buildings in two phases on a  
132 4.91 acre parcel. The agreement pertains to only one lot. This project includes a fire hydrant, five  
133 service laterals and one fire service. Phase one includes water demand of eight equivalent dwelling  
134 units. The Board approved the McPhail's Phase 1 Water Facilities Project.

135 **IPAD PRICING AND SPECIFICATIONS**

136 The Board was provided a list of iPads to purchase, with a breakdown of cost and  
137 specifications. The current iPads are approaching 9 years and the operating system is becoming  
138 outdated with the current software. The Board approved purchase of the recommended iPad  
139 model.

140 **RATE INCREASE LETTER TO WEST MARIN WATER AND OCEANA MARIN SEWER**

141 A rate letter was provided proposing a 3.5% West Marin Water increase and a 3.5% rate  
142 Oceana Sewer Rate Increase effective July 1, 2019. The Board approved the mailing of the rate  
143 increase letters to the customers with one noted correction to the West Marin letter.

144 **ACTION CALENDAR**

145 **ENTERPRISE FLEET MANAGEMENT PROGRAM FOR FLEET VEHICLES**

146 Mr. Clark presented a fleet lease agreement with Enterprise Fleet Management that would  
147 transition the NMWD fleet of 1-ton and smaller vehicles (a total of 27 vehicles) over a five year  
148 period. The financial impact would result in an estimated annual cost saving of \$12,000 and provide  
149 newer and more fuel efficient vehicles.

150 Mr. Bachman from Enterprise went over the handout with the Directors. Director Joly asked  
151 where their office was located and Mr. Wing replied they were local, out of San Ramon. Mr. Wing  
152 noted that they have worked with many municipalities and special districts and that Enterprise  
153 focuses on how resale has a huge impact on cost and knows when it is the time to sell the vehicles.  
154 He added that their goal is to work with the District two to four times annually to review overall fleet  
155 management. Director Baker stated that in his opinion local was Marin County. Mr. Clark replied  
156 that we have not purchased a vehicle locally for years because we buy the vehicles through the  
157 state bid program with dealerships in Sacramento, Vacaville and Vallejo. Mr. Wing added that when  
158 they order the vehicles they may be able to go through a local dealership. Director Joly stated that if  
159 we can say to the customer that cash flow is going to Novato that is important. Mr. Wing said they  
160 can make the program the most cost effective, and provide a sense of dependability and reliability,  
161 with limited downtime and a sense of pride for the employees. Director Joly stated there is an 8%

reduction of cost, and wanted to know if this affects depreciation. Ms. Blue replied that the leased vehicles are not depreciated. Mr. Wing added that their clients have demonstrated savings; however we do not know what the saving would be in the future because that would depend on actual vehicle resale values. He added that five years down the road the District could choose to purchase the vehicles; therefore it allows flexibility. Director Joly stated that he finds the 8% savings marginal, and wanted to know if any of their clients have found an inflation of cost rather than a savings. Mr. Wing replied that the only time they see this is when a client replaces a vehicle with a more expensive choice.

Director Grossi inquired about the in-house maintenance cost. Mr. Clark replied that the tires are serviced at Able, the oil changes are done here, and anything under warranty goes to a local dealership shop. He stated that in the beginning we will do the maintenance to see if the program is beneficial to the District. Mr. Wing reminded the Board that we will not be replacing the whole fleet this year, and that it will be done in phases. Director Joly asked if we are only authorizing the General Manager to approve the agreement for one year. Mr. Clark stated that \$43,000 was earmarked for six vehicles, and now it may only be five. We will evaluate the program every six months and will not renew if the Board does not wish to continue with the program. Director Baker was concerned that the agreement does not say one year. Mr. Wing explained that it is a blanket agreement that sets up a partnership; each vehicle would be a different lease. If NMWD is unhappy with the lease we can purchase the vehicle. Mr. Clark added that our legal counsel looked at the agreement and had no problem with it.

On the motion of Director Joly, and seconded by Director Fraites the Board approved the agreement with Enterprise Fleet Management by the following vote:

AYES: Director Baker, Fraites, Grossi, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: None

**SUPPORT LETTER FOR USDA EMERGENCY WATERSHED PROGRAM GRANT ASSISTANCE  
– GALLAGHER BRIDGE ABUTMENT ARMORING**

Mr. McIntyre reviewed a draft letter to be submitted in support for USDA Emergency Watershed Program Grant Assistance. He asked the Board to approve submission of the letter to determine eligibility for 75% federal grant funding to construct an erosion control project along Lagunitas Creek at the Gallagher Ranch to protect the District's Gallagher Well and pipeline supported along the Gallagher Bridge.

Director Baker asked if we could just move upstream to another location that can provide a different crossing. Mr. McIntyre replied that it is most cost effective to protect our existing well and pipeline at this location. Director Joly asked if there was any damage to the pipeline. Mr. McIntyre replied that there was not. Director Grossi stated that the County of Marin will be fixing various culverts along the roadway between Platform Bridge and Sir Francis Drake, and eleven million dollars will be spent, so maybe there will be some money there.

Director Joly wanted to know how much the match was. Mr. McIntyre stated that it is unknown at this time, but he estimates the match to be less than \$100,000. Director Baker commented that he thought the timing was quick. Mr. McIntyre responded that there is a short 60-day window in which this request is to be made after the event. Director Baker said he was reluctant. Mr. McIntyre stated that the letter is not contractually binding.

On the motion of Director Joly, and seconded by Director Petterle the Board approved submission of the Support Letter for USDA Emergency Watershed Program Grant Assistance for the Gallagher Bridge Abutment Armoring by the following vote:

AYES: Director Baker, Fraites, Grossi, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: None

### **INFORMATION ITEMS**

### **BUDGET REVIEW**

Mr. Blue reviewed the proposed FY 19/20 Budgets for Novato and West Marin Service Areas. Only one change was noted since the last meeting, replacing a 5 yard dump truck with the purchase of an additional vacuum excavator, which would result in no change to the budget. Director Baker asked if we already had a vacuum excavator. Mr. Arendell confirmed and stated the crews use it every single day and we are starting to have some issues with it. He added that having a second vacuum excavator would allow two crews to use it and shorten the time during the repair of an emergency break. Director Baker wanted to know where we dispose of the discharge. Mr. Arendell replied in the back lot in the District yard. Director Baker complemented Director Joly for having budget meetings with Ms. Blue.

### **FY 18-19 THIRD QUARTER PROGRESS REPORT – WATER CONSERVATION**

Mr. McIntyre reported that current water conservation participation levels are lower than historical levels. However, the Cash for Grass rebate program has picked up with the removal of

17,000 square feet of turf versus 11,000 square feet the previous year. Director Baker noted that he still sees a lot of lawn removals, but it is not as dramatic as in the past. Mr. McIntyre added that Ryan Grisso and staff participated in the Tour of Novato and the Garden Tour which had good participation. Mr. McIntyre also noted that the stakeholder interviews are now underway by our marketing firm consultant, Kiosk. He added that they will be interviewing Director Petterle and Director Fraites within the next week or so.

### **FY 18-19 THIRD QUARTER PROGRESS REPORT – ENGINEERING DEPARTMENT**

Mr. McIntyre gave an update on the FY 18-19 Third Quarter Progress Report. The forecast shows that all CIPs expenditures will be at or below budget and no augmentation is needed. The only project that exceeded budget expenditures was Asset Management, which was brought to the Board at a previous meeting. All the West Marin projects are expected to be completed below budget except for one carry over project from last year, the Oceana Marin Treatment Pond Rehab – 404 Grant. . Mr. McIntyre noted that we are starting to get some developer activity in town. Director Baker commented that some of the projects are pretty big.

### **NBWA MEETING – MAY 3, 2019**

Director Fraites gave an update of the NBWA meeting for May 3, 2019. He stated that two new members joined both Napa County and Solano County Water Agency. The NBWA dues are due and are the same this year as last. Director Fraites stated that Solano County Water Agency gave a presentation as a new member that was very interesting since they deal with a lot of agriculture. He announced the next NBWA conference will be held in Petaluma on April 3<sup>rd</sup>, 2020 at the Sheraton. Director Fraites also noted that the board leadership has changed; Damien Conaway is now Vice Chair and Jack Gibson remains Chair.

### **MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements – Dated April 25, 2019, Disbursements – Dated May 2, 2019, Spring 2019 Novato “Water Line”, Volume 20, Issue 42, Spring 2019 West Marin’s “Water Line”, Volume 16, Self-Insured Workers’ Comp – 3<sup>rd</sup> Quarter Status Report, Information – FY 19 3<sup>rd</sup> Quarter Labor Cost Report, SCWA Press Release – Public Opportunity to Learn How Habitat Classification Enhancement Projects are Benefitting Russian River Coho, Steelhead, Thank You Letter – Marin Country Day School and SWRCB Letter – 2019 Lagunitas Creek Water Year Classification.

The Board received the following news articles: Cancer-causing chemical taint water after fire – PARADISE, Opinion – District maps protect incumbents, MMWD – Councils skeptical of pitch for funds, NMWD seeks water rate increase, CITY OF NOVATO - Maps for district elections debated, Marin closes in on deal for Coast guard property, Editorial – MMWD – should heed rate



261 hike opposition, MMWD - Revisions possible for water rate plan, More Novato agencies move to  
262 district elections, CITY OF NOVATO – Citizens unload on district maps and Regional strategy urged  
263 to prepare for sea-level rise

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

265 **CLOSED SESSION**

266 President Baker announced that since there is no need to go into Closed Session he will  
267 adjourn the meeting.

268 **ADJOURNMENT**

269 President Baker adjourned the meeting at 8:18 p.m.

270

271 Submitted by

272

273


274 Theresa Kehoe  
275 District Secretary  
276

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## MEMORANDUM

To: Board of Directors

May 17, 2019

From: Julie Blue, Auditor-Controller Subj: Public Hearing – Proposed Novato Water Rate Increase  
t:\ac\budget\fy-2019.20\rate increase fy 19.20\novato public hearing - rate increase fy19 05.21.19.docx**RECOMMENDED ACTION:** Approve**FINANCIAL IMPACT:** Additional \$652,000 in FY20 Revenue

A public hearing to consider adoption of a proposed 3.5% increase in the cost of water, effective June 1, 2019, is scheduled for May 21 at 6:00 PM. Customers were noticed individually of the proposed increase by letter (Attachment A) and a notice of the Public Hearing was published in the May 6 edition of the Marin Independent Journal (Attachment B).

Under law, a customer protest of 50% plus one would invalidate the proposed increase. Through May 15, the District received fourteen official protests against the proposed increase. The customer letters received are included as Attachment C.

Staff also received nine calls related to the rate increase. Two customers were in support of the increase. Five customers had general questions regarding the rate increase, including how it would personally effect their bills and if meter size was a factor. Customers were directed to the NMWD website's annual water cost calculator to see how the increase would impact their individual bill. Another customer inquired about the possibility of a low income assistance program. Lastly, a customer wanted to know if there would be a Spanish translator at the rate hearing.

The General Manager will make a presentation on the need for the proposed water cost increase at the meeting, after which the Board can accept public comment. Attachment D is a draft of Regulation 54 incorporating the proposed changes.

**Staff Recommendation**

After closing the public hearing, approve Resolution 19-XX (Attachment E) amending Regulation 54 pertaining to Water Rates and Charges to reflect an increase of 3.5% for the customers in the Novato Service Area effective June 1 of 2019.

March 31, 2019

**Re: Notice of Proposed Water Rate Increase**

Dear Customer:

The mission of North Marin Water District (NMWD) is to meet the expectations of our customers in providing potable and recycled water services that are reliable, high-quality, environmentally responsible, and reasonably priced. To fulfill this mission, NMWD must generate revenue sufficient to cover its cost of operations.

Accordingly, North Marin Water District is proposing an increase in the cost of water which averages \$2.10 per month (3.5%) for the typical Novato customer, effective June 1, 2019.

This letter provides details on the need for the increase and information about the public hearing where public comment will be taken prior to a vote by the District Board of Directors on the proposed water rate increase.

**You can determine the increase in your annual water cost based on your personal water use over the past year from our website. Insert your NMWD account number and the name on your account into the Rate-Increase Model on NMWD's website at [https://www.nmwd.com/account\\_balance.php](https://www.nmwd.com/account_balance.php)**

**REASON FOR THE PROPOSED INCREASE**

**Higher Water Costs:** Chemical and power costs to operate Stafford Water Treatment Plant continue to rise. In addition, the Sonoma County Water Agency (SCWA), which provides 75% of Novato's water supply is increasing the rate it charges NMWD by 4.8% effective July 1, 2019.

**Water System Infrastructure Maintenance/Repair:** Established over 70 years ago, NMWD's water system has grown to include 330 miles of pipeline, 39 million gallons of finished water storage distributed across 33 tanks, 26 pump stations, 13 pressure-regulating stations, 2,674 fire hydrants, and a multitude of valves – all of which require ongoing maintenance and repair. Investment in our facilities and infrastructure must increase to ensure continued, efficient, and reliable operations.

**Employee Compensation:** Our skilled and valued employees earn a wage at or near the median of comparable Bay Area agencies, and increases are generally consistent with the consumer price index. Competitive wages are necessary to help retain our specialized staff as well as attract highly qualified new employees as vacancies occur.

**Increased Government Regulations and Permit Fees:** New and expanded Federal and State regulations and increases in permit fees are an annual occurrence with which the District must comply.

**RATE COMPARISON**

Are North Marin's rates reasonable? It's a fair question. You can answer this yourself by comparing NMWD's rates to 16 counterpart Bay Area water agencies (see "Urban Area Water Cost Comparison", page 4 of this letter). This chart shows that the typical cost of service for a Novato single-family residence is at the median of these comparison agencies.



### **PROPOSED RATE INCREASE**

The District is a public agency that does not earn a profit. All rates and charges collected from customers go toward District operating expenses and maintaining prudent operating and capital reserve balances. A table showing the existing rates and charges, and the amounts proposed, is included on page 3 of this letter.

**Residential Accounts:** It is proposed that a 3.5% increase in the commodity rate and the bimonthly service charge be implemented effective June 1, 2019. For the typical Novato single-family residence, the proposed increase in the total cost of water (commodity charge plus bimonthly service charge) would add \$2.10 per month (\$4.20 per bimonthly bill) to the cost of water beginning June 1, 2019.

**Non-Residential Accounts (Commercial, Institutional & Irrigation):** It is proposed that a 3.5% increase in the commodity rate and the bimonthly service charge be implemented effective June 1, 2019. The increase for non-residential customers will vary based upon water use. In Novato the median non-residential account uses more water than the median residential account, but would still see an increase in the total cost of water (commodity charge plus bimonthly service charge) of 3.5%. You can determine the increase in your annual water cost based on your consumption over the past year from our website. See the boxed area above for instructions.

### **WATER RATE PUBLIC HEARING**

**A public hearing will be held at the NMWD office (999 Rush Creek Place, Novato) at 6:00 p.m. on Tuesday, May 21, 2019, to consider enactment of a 3.5% increase effective June 1, 2019.**

### **HOW TO PARTICIPATE**

You are invited to present oral or written testimony on these proposals at the public hearing. You have the right to protest these proposed rate increases. If you do, you must submit your protest in writing, even if you plan to attend the public hearing. If written protests are submitted by a majority of the affected property owners or customers, the proposed increases will not be imposed.

Your written protest must be received prior to the close of the May 21, 2019 public hearing. Written protests must be signed by the property owner or customer of record and must include a description of the parcel (parcel number) or NMWD account number. Send or deliver written protests to:

District Secretary  
North Marin Water District  
PO Box 146  
Novato, CA 94948

For more information visit NMWD's website at [www.nmwd.com](http://www.nmwd.com) or call the District Secretary at (415) 897-4133.

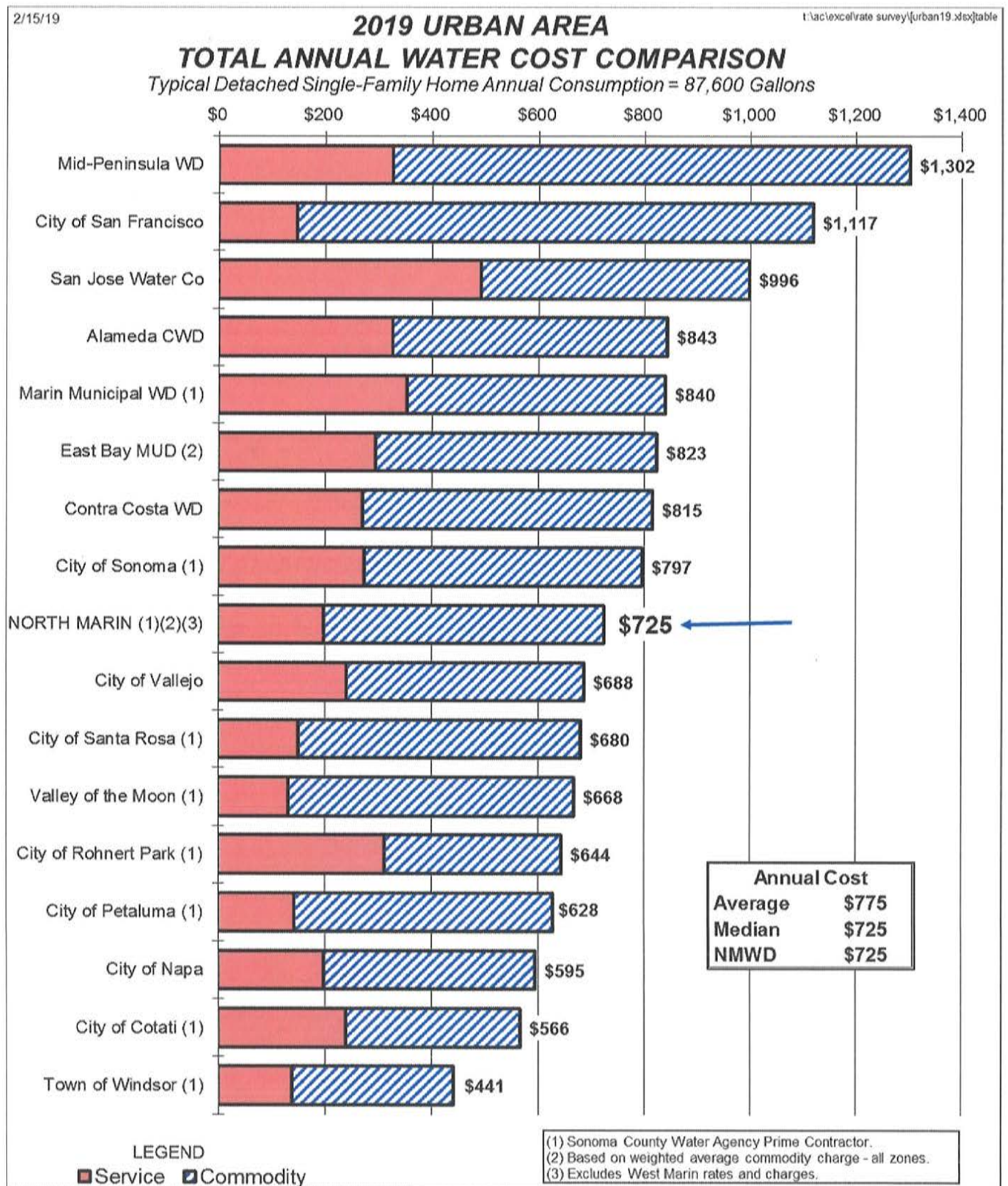
Sincerely,



Drew McIntyre, General Manager

## NOVATO WATER CHARGES

	Existing 6/1/18	Proposed 6/1/19	% Increase
<b>A BI-MONTHLY SERVICE CHARGE OF:</b>			
STANDARD 5/8-INCH METER .....	\$33.00	\$34.15	3.5%
1 -inch residential meter for fire sprinklers .....	\$37.50	\$38.80	3.5%
1 -inch meter .....	\$66.00	\$68.30	3.5%
1.5 -inch meter .....	\$80.50	\$83.30	3.5%
2 -inch meter .....	\$125.50	\$129.90	3.5%
3 -inch meter .....	\$248.50	\$257.20	3.5%
4 -inch meter .....	\$399.00	\$413.00	3.5%
6 -inch meter .....	\$835.00	\$864.00	3.5%
8 -inch meter .....	\$1,244.50	\$1,288.00	3.5%
<b>PLUS A QUANTITY RATE OF:</b>			
<u>Residential rate for each 1,000 gallons</u>	<u>Rate</u>	<u>Rate</u>	
First 615 gallons per day .....	\$5.24	\$5.42	3.5%
616 - 1,845 gallons per day .....	\$8.35	\$8.64	3.5%
Use in excess of 1,845 gallons per day.....	\$14.54	\$15.05	3.5%
<u>Rate for each 1,000 gallons for all other potable water accounts</u>			
Commercial, institutional & irrigation accounts - 11/1-5/31.....	\$5.77	\$5.97	3.5%
Commercial, institutional & irrigation accounts - 6/1-10/31.....	\$6.20	\$6.42	3.5%
<u>Rate for each 1,000 gallons for non-potable water</u>			
Recycled Water .....	\$5.77	\$5.97	3.5%
Raw (Untreated) Water .....	\$2.38	\$2.46	3.5%
<b>PLUS AN ELEVATION ZONE RATE FOR EACH 1,000 GALLONS OF:</b>			
<u>Zone</u> <u>Elevation</u>	<u>Rate</u>	<u>Rate</u>	
A 0 through 60 feet.....	\$0.00	\$0.00	-
B 60 feet - 200 feet.....	\$0.63	\$0.65	3.5%
C 200 feet +.....	\$2.01	\$2.08	3.5%
<b>Hydrants or Temporary Service.....</b>	<b>\$8.49</b>	<b>\$8.79</b>	<b>3.5%</b>





# Marin Independent Journal

4000 Civic Center Drive, Suite 301  
San Rafael, CA 94903  
415-382-7335  
legals@marinij.com  
2074361

NORTH MARIN WATER DISTRICT  
PO BOX 146  
NOVATO, CA 94948

## PROOF OF PUBLICATION (2015.5 C.C.P.)

### STATE OF CALIFORNIA County of Marin

I am a citizen of the United States and a resident of the County aforesaid: I am over the age of eighteen years, and not a party to or interested in the above matter. I am the principal clerk of the printer of the MARIN INDEPENDENT JOURNAL, a newspaper of general circulation, printed and published daily in the County of Marin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Marin, State of California, under date of FEBRUARY 7, 1955, CASE NUMBER 25566; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

05/06/2019

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated this 6th day of May, 2019.



Signature

## PROOF OF PUBLICATION

Legal No. 0006334644

North Marin Water District  
**WATER RATE HEARING**  
**Purpose:** Consider Proposed Rate Increase  
**Impact Area:** Greater Novato Area  
**Date and Time:** Tuesday, May 21, 2019 at 6:00 p.m.  
**Place:** 999 Rush Creek Place, Novato

#### PROPOSAL

NMWD is proposing an increase in water rates and charges of 3.5% for Novato customers. The increase is proposed to be effective June 1 of 2019.

#### REASON FOR THE PROPOSED INCREASE

**Higher Water Costs:** Chemical and power costs to operate Stafford Water Treatment Plant continue to rise. In addition, the Sonoma County Water Agency (SCWA), which provides 75% of Novato's water supply is increasing the rate it charges NMWD by 4.8% effective July 1, 2019.

**Water System Infrastructure Maintenance/Repair:** Established over 70 years ago, NMWD's water system has grown to include 330 miles of pipeline, 39 million gallons of finished water storage distributed across 33 tanks, 26 pump stations, 13 pressure-regulating stations, 2,674 fire hydrants, and a multitude of valves - all of which require ongoing maintenance and repair. Investment in our facilities and infrastructure must increase to ensure continued, efficient, and reliable operations.

#### IMPACT

**Residential Accounts:** For the typical Novato single-family residence, the proposed increase in the total cost of water (commodity charge plus bimonthly service charge) is 3.5%. The proposed increase would add \$2.10 per month (\$4.20 per bimonthly bill) to the cost of water for a typical single-family residence beginning June 1, 2019.

**Non-Residential Accounts (Commercial, Institutional & Irrigation):** The increases for non-residential customers will vary based upon water use. Non-residential accounts would see a 3.5% increase commencing June 1, 2019.

**Customers can determine the increase in their annual water cost based on their water use over the past year from NMWD's website. Insert your NMWD account number and the name on your account in to the Rate-Increase Model on NMWD's website at <http://www.nmwd.com/accountbalance.php>.**

#### PUBLIC HEARING

A public hearing will be held at the NMWD office (999 Rush Creek Place, Novato) at 6:00 p.m. on Tuesday, May 21, 2019, to consider enactment of the proposed increases. You are cordially invited to attend the hearing, or mail your comments. For more information visit NMWD's website or call the District Secretary at (415) 897-4133.

NO. 619 MAY 6, 2019

RECEIVED

APR 10 2019

North Marin Water District

MARTIN DAVIS  
104 LAURELWOOD DRIVE  
NOVATO, CALIFORNIA 94949

April 5, 2019

North Marin Water District  
District Secretary  
P. O. Box 146  
Novato CA 94948

RE: **NOTICE OF OBJECTION AND  
OPPOSITION TO PROPOSED  
RATE INCREASE**

I own the property identified above, which is within the territorial boundaries of the District.

I hereby **OPPOSE and OBJECT** to the proposed rate increase.

The rate increase is unnecessary because the District can easily reduce its operating costs by reducing the size of its staff and by reducing the inflated salaries and benefits being paid to District employees.

Moreover, I also oppose the proposed rate increase on the basis that the purported notice fails to comply with the requirements of Proposition 218.

Sincerely,



MARTIN DAVIS

APRIL 10, 2019

PROTEST

I protest the proposed rate increase for residential customers that is set to begin June 1, 2019.

NMWD's continues to increase its rates every year at a rate that exceeds inflation. This is unsustainable for NMWD's residential customers, whose income - on average - is not increasing at the same pace as NMWD's rates.

Thank you,

Tim Kenney  
160 Laurelwood DR.  
Novato, CA 94949

Acct # 4212703

RECEIVED

APR 15 2019

North Marin Water District

RECEIVED

APR 15 2019

Novato  
April 7, 2019

North Marin Water District

To: District Secretary  
North Marin Water District

From: Frank Divita  
4 Woodfern Ct.  
Novato, Ca. 94949

Parcel Number: 160-920-03

As a retired long term resident of Novato on a fixed income I am opposing the proposed rate increase as unnecessary. Since we are at the median price for the bay area there should be no reason for this increase. Instead of raising rates which is the easy thing to do, why not find ways to improve efficiency and increase productivity.

My social security certainly hasn't risen 3.5 %. The district should do a better job of managing the resources already in place.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Divita", with a stylized, flowing script.

Frank Divita

April 8, 2019

To:

District Secretary  
North Marin Water District  
PO Box 146  
Novato, CA 94948

RECEIVED

APR 15 2019

North Marin Water District

From:

George Roland  
265 San Marin Dr.  
Novato, CA 94945

Reference: NMWD Account # 697001

Subject: Protesting the Proposed NMWD Rate Increase

Dear NMWD District Secretary

I am sending you this letter to provide my written protest to the rate increase proposed in the March 31, 2019 letter sent to me by Drew McIntyre, the NMWD General Manager. I feel that the rate increase is unjustified since the rates of several neighboring areas such as Windsor, Cotati, Napa, Petaluma, Rohnert Park, Santa Rosa and Vallejo are lower than the Novato water rates.

Please take whatever action is necessary to register my protest to the proposed rate increase.

Thanks.

A handwritten signature in black ink that reads "George Roland". The signature is written in a cursive, flowing style.

George Roland



RECEIVED

APR 15 2019

North Marin Water District

April 10, 2019

District Secretary  
North Marin Water District  
PO Box 146  
Novato Ca 94948

NMWD Account #1874304

Dear District Secretary and NMWD Water Board,

**Below is the letter I wrote to you on May 8, 2018 and I am writing you again one year later asking you NOT to raise the rates again this year. The good people of Novato cannot afford to live here with the constant rate hikes from every government and special district agency.**

**It's not fair and it needs to stop.**

**I am writing again this year to ask you not to raise the water rates.** Constant fee increases and taxes from our government and special districts are driving the working class, middle class and seniors out of Novato, and out of the state.

The good people of Novato deserve better than constant money grabs.

Perhaps consider lowering some of the tiers to help people?

In addition, NMWD contributes to the high cost of building second units by charging inflated hookup fees and additional monthly charges that go with them. These fees among other county and government financial attacks make it almost financially impossible to build second units. As a result, fewer second units are being built, which hurts our housing needs. NMWD needs to own this.

**I am asking the NMWD Board not to rubber stamp another rate increase.**

On a positive note, I would like to acknowledge the employees of NMWD are very pleasant to work with and I really like them. A special shout out to Drew McIntyre and Corey Reed.

Kindly,



Toni Shroyer  
1955 Indian Valley Rd  
Novato Ca 94947  
415-640-2754

Dear NMWD

April 15, 2019

I'm protesting the new water

rate increases scheduled in June

of this. Please add my vote of a  
NO on the new rate hikes.

NMWD Account # 841202

A handwritten signature in blue ink, appearing to be 'D. Smith' with a stylized flourish at the end.

RECEIVED

APR 18 2019

North Marin Water District



Re:

Account Number #1621709

1755 Novato Blvd #C21

Novato Ca 94947

April 21, 2019

Dear District Secretary,

**I am writing to oppose the proposed rate increase of 3.5%.** I am paying the water bill for my tenants at the above address as I am trying to help them. This increase will add to the high cost of being a housing provider (landlord). The combined costs of maintaining and paying fees and taxes for a rental are becoming cost prohibitive for both a landlord and a tenant paying rent.

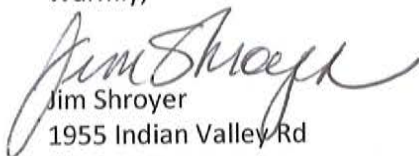
Being a landlord is not for "the faint of heart." With added rate increases, such as the one proposed by NMWD, I am considering selling the property and investing in something else. If this happens, the home will most likely be sold to an owner occupied buyer, thus further reducing the availability of rental units.

Not a single politician or governmental agency or special district is talking about these unintended consequences.

**If the NMWD Board votes for the proposed increase, they will be voting to hurt tenants and housing providers (landlords) and eventually decreasing the rental housing market.**

Again, I respectfully oppose this water increase as it hurts all of us.

Warmly,



Jim Shroyer  
1955 Indian Valley Rd  
Novato Ca 94947  
415-328-9000

RECEIVED

APR 29 2019

North Marin Water District

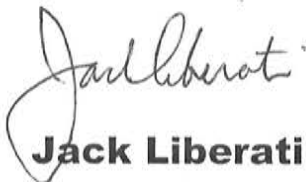
**Account #1196904**

**Dear District Secretary and NMWD Water Board,**

**I am writing to inform you of my strong opposition to the water rate increase. Such increases only add to the already high cost of living in this community. I am retired and looking for more affordable property out of state.**

**Many other people of my age bracket and income are doing the same. After making Novato my home for 35 years, my family and I will join the ranks of Novato's ex patriots who have been forced out of this beautiful community in favor of the elite and government dependents who will be the only people who can remain here.**

**Sincerely,**

  
**Jack Liberati**

**RECEIVED**

**MAY 02 2019**

**North Marin Water District**

April 29, 2019

District Secretary  
North Marin Water District  
PO Box 146  
Novato, CA 94948

RE: NMWD Acct # 1660905

Dear District Secretary:

We are writing to protest the proposed 3.5% increase in the cost of residential water effective June, 1 2019. We ask that you explore ways to better control distribution costs so these recurring rate increase proposals can be delayed and correlated to the true rate of consumer inflation.

Thank you,

  
Kevin & Robin Jenkins

RECEIVED

MAY 02 2019

North Marin Water District

District Secretary  
North Marin Water District  
P.O. Box 146  
Novato, CA 94948

April 30, 2019

I protest the proposed rate increases.

Christel Martin  
Account # 720401

Mrs. Christel Martin  
144 San Felipe Way  
Novato, CA 94945  
Account # 720401

RECEIVED

MAY 03 2019

North Marin Water District

RECEIVED

MAY 07 2019

North Marin Water District

Account #

4090704

Against rate increases.

Protest against  
raising prices  
again!

Robbery by the  
water company

Remate Prongos  
52 Portsmouth Dr.  
Novato



RECEIVED

MAY 09 2019

North Marin Water District

May 5, 2019

District Secretary  
North Marin Water District  
PO Box 146  
Novato, CA 94948

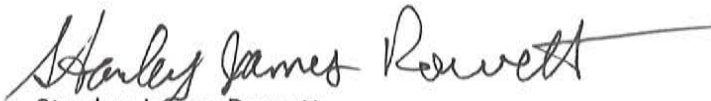
RE: NMWD Account # 4105806

Dear District Secretary,

I would like to formally protest the water rate increase.

I would also like to protest that we are charged at a higher rate because we have fire sprinklers installed in our home. We should be charged the same rate as the standard 5/8 inch meter.

Respectfully,

A handwritten signature in black ink that reads "Stanley James Rowett". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

Stanley James Rowett  
15 Thorsson Court  
Novato, CA 94947  
(714) 474-4119

RECEIVED

April 29, 2019

MAY 13 2019

District Secretary  
North Marin Water District  
PO Box 146  
Novato, CA 94948

North Marin Water District

RE: NMWD Acct # 1661405

Dear District Secretary:

We are writing to protest the proposed 3.5% increase in the cost of residential water effective June, 1 2019. We ask that you explore ways to better control distribution costs so these recurring rate increase proposals can be delayed and correlated to the true rate of consumer inflation.

Thank you,

*If you increase the already high rates  
I will vote to remove you from office.*

A handwritten signature in black ink, appearing to be "G. V. [unclear]", written in a cursive style.

Joseph & Carrie Gray  
8 Guisela Court  
Novato, CA 94945  
NMWD Account # 1527803

RECEIVED

MAY 13 2019

North Marin Water District

May 8, 2019


District Secretary  
North Marin Water District  
PO Box 146  
Novato, CA 94948

RE: Proposed Rate Increase

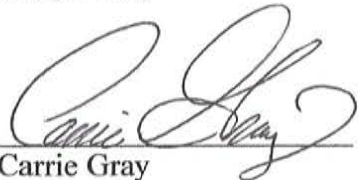
Dear District Secretary:

We STRONGLY OPPOSE and PROTEST any rate increase. Please record our opposition.

Thank you,



Joseph Gray



Carrie Gray

# DRAFT

## NORTH MARIN WATER DISTRICT REGULATION 54 WATER RATES

### a. Rates for Domestic, Commercial and Industrial Users, Novato Service Area

- (1) The following minimum service charge and water quantity rates shall be paid for domestic, commercial and industrial water service for each meter once every two months:

#### A BI-MONTHLY SERVICE CHARGE OF:

	Rate Effective <u>6/1/186/1/19</u>
Standard 5/8 inch meter.....	<del>\$33.00</del> <u>34.15</u>
For 1-inch meter* .....	<del>\$66.00</del> <u>68.30</u>
1.5-inch meter* .....	<del>\$80.50</del> <u>83.30</u>
2-inch meter .....	<del>\$125.50</del> <u>129.90</u>
3-inch meter .....	<del>\$248.50</del> <u>257.20</u>
4-inch meter .....	<del>\$399.00</del> <u>413.00</u>
6-inch meter .....	<del>\$835.00</del> <u>864.00</u>
8-inch meter .....	<del>\$1,244.50</del> <u>1,288.00</u>

\*(see paragraph f)

#### PLUS A QUANTITY CHARGE OF:

	Rate Effective <u>6/1/186/1/19</u>
<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	
First 615 gallons per day (gpd) .....	<del>\$5.24</del> <u>5.42</u>
616 up to 1,845 gpd.....	<del>\$8.35</del> <u>8.64</u>
Use in excess of 1,845 gpd .....	<del>\$14.54</del> <u>15.05</u>

#### Rate for 1,000 Gal for All Other Potable Water Accounts

Commercial, Institutional & Irrigation Accounts - 11/1 – 5/31	<del>\$5.77</del> <u>5.97</u>
Commercial, Institutional & Irrigation Accounts - 6/1 – 10/31	<del>\$6.20</del> <u>6.42</u>

#### Rate For 1,000 Gallons For Non-Potable Water

Recycled Water .....	<del>\$5.77</del> <u>5.97</u>
Raw (Untreated) Water from Stafford Lake.....	<del>\$2.38</del> <u>2.46</u>

#### PLUS AN ELEVATION ZONE CHARGE FOR EACH 1,000 GALLONS

<u>Zone</u>	<u>Elevation</u>	Rate Effective <u>6/1/186/1/19</u>
A	0 through 60 feet .....	\$0.00
B	60 feet – 200 feet.....	<del>\$0.63</del> <u>0.65</u>
C*	200 feet +.....	<del>\$2.01</del> <u>2.08</u>

\*Any consumer receiving water through a District owned and maintained hydro-pneumatic system shall be assigned to Zone C irrespective of said consumer's actual elevation.

- (2) Consumers outside the Improvement District boundary shall pay the Elevation Zone C Rate.



- (3) In the event a mandatory reduction in water use is triggered under the District's Water Shortage Contingency Plan for the Greater Novato Area, a Drought Surcharge will be implemented simultaneous with enactment of the mandatory stage. The Drought Surcharge will serve to mitigate the revenue loss resulting from a reduction in water use, as well as the liquidated damages assessed by the Sonoma County Water Agency pursuant to the water shortage and apportionment provisions of the Restructured Agreement for Water Supply. The Drought Surcharge shall be a quantity charge for each 1,000 gallons of potable water use as follows:

Residential Accounts: Use in excess of 300 gallons per day .....\$1.00

Commercial, Institutional and Irrigation Accounts: All Use .....\$1.00

b. Rates for Service to Privately Owned Fire Protection Systems, All Service Areas

The rates for service through detector check assemblies owned by the District to privately owned and maintained systems supplying sprinklers, hydrants or other facilities exclusively for firefighting shall be paid once every two months as follows:

Size of Detector Assembly

	Rate Effective <del>6/1/18</del> 6/1/19
2 inches or less .....	\$16.5017.08
4 inches .....	\$30.5031.57
6 inches .....	\$59.5061.60
8 inches .....	\$91.0094.20
10 inches .....	\$119.00123.17

c. Rates for Domestic, Commercial and Industrial Users, West Marin Service Area

- (1) The following minimum service charge and water quantity rates shall be paid for domestic, commercial and industrial water service for each meter once every two months:

<u>BI-MONTHLY SERVICE CHARGE</u>	Rate Effective 7/1/18
For 5/8 x 3/4-inch meter .....	\$33.00
For 1-inch meter* .....	\$66.00
For 1 1/2-inch meter* .....	\$80.50
For 2-inch meter .....	\$125.50
For 3-inch meter .....	\$248.50
For 4-inch meter .....	\$399.00
For all meters in Paradise Ranch Estates .....	\$50.00
*(see paragraph f)	

PLUS A QUANTITY CHARGE OF:

<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	Rate Effective 7/1/18
First 400 gallons per day (gpd) .....	\$8.93
401 up to 900 gpd .....	\$12.37
Use in excess of 900 gpd .....	\$19.84

Rate Per 1,000 Gallons for All Other Accounts

Commercial, Industrial and Irrigation Accounts Nov 1 – May 31	\$9.03
Commercial, Industrial and Irrigation Accounts June 1 – Oct 31	\$12.49



**PLUS A HYDRAULIC ZONE CHARGE FOR EACH 1,000 GALLONS**

<u>Zone</u>	<u>Hydraulic Zone</u>	<u>Rate Effective</u> <u>7/1/18</u>
1	Point Reyes Station .....	\$0.00
2	Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0'-365').....	\$0.23
3	Olema .....	\$0.88
4	Upper Paradise Ranch Estates (Elevation 365'+) .....	\$5.97

(2)

(2) Effective July 1, 2018 consumers outside the Improvement District boundary shall pay an additional \$3.57 per 1,000 gallons.

(3) In the event a mandatory reduction in water use is triggered under the District's Water Shortage Contingency Plan for the West Marin Service Area, a Drought Surcharge will be implemented simultaneous with enactment of the mandatory stage. The Drought Surcharge will serve to mitigate the revenue loss resulting from a reduction in water use, as well as the cost of water purchased from Marin Municipal Water District for release into Lagunitas Creek, pursuant to the Interconnection Agreement between Marin Municipal and NMWD. The Drought Surcharge shall be a quantity charge for each 1,000 gallons as follows:

Residential Accounts: Use in excess of 200 gallons per day ..... \$2.50

Commercial, Institutional and Irrigation Accounts: All Use ..... \$2.50

d. Rates for Water Service from Hydrants or Other Temporary Service

The following rates shall be paid for water delivered via hydrant meter or pursuant to permit issued by the District from hydrants or for any temporary service as authorized in Regulation 5 or for use through a fire service meter.

<u>Novato Service Area</u>	<u>Rate Effective</u> <u>6/4/18</u> <u>6/1/19</u>
For each 1,000 gallons .....	<del>\$8.21</del> <u>8.50</u>

<u>West Marin Service Area</u>	<u>Rate Effective</u> <u>7/1/18</u>
For each 1,000 gallons .....	\$18.46

The quantity of water delivered as aforesaid shall be determined by the District.

e. Service Arrangements Requiring Assessment of Additional Service Charge, All Service Areas

A minimum service charge established by this regulation, equal to ~~\$16.50~~17.00 bi-monthly shall be paid for each dwelling unit which includes a kitchen and which is metered pursuant to Regulation 4.b.(5).

f. Minimum Service Charge for Residential Connections with Fire Fighting Equipment

	<u>Rate Effective</u> <u>6/4/18</u> <u>6/1/19</u>
Where a meter larger than is otherwise required is installed solely to provide capacity for private fire sprinklers or other firefighting equipment in single-family residential connections the minimum bi-monthly service charge shall be:	<del>\$37.50</del> <u>38.80</u>

g. Charges for Testing & Maintenance of Backflow Preventers Performed by District

- (1) Each consumer having a backflow prevention device serviced by the District shall pay a bimonthly fee for servicing the device as shown below.

District Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>6/1/18</u> <u>6/1/19</u>
Testing, Repair, Replacement	3/4" + 1" .....	<del>\$13.50</del> <u>14.00</u>
Testing, Repair, Replacement	1 1/2" .....	<del>\$18.00</del> <u>18.50</u>

Privately Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>6/1/18</u> <u>6/1/19</u>
Testing	3/4" + 1" .....	<del>\$7.50</del> <u>8.00</u>
Testing	1 1/2" .....	<del>\$13.50</del> <u>14.00</u>
Testing	2" .....	<del>\$21.00</del> <u>21.50</u>
Testing	3" + 4" .....	<del>\$30.50</del> <u>31.50</u>

District Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>6/1/18</u> <u>6/1/19</u>
Testing, Repair, Replacement	3/4" + 1" .....	<del>\$23.00</del> <u>24.00</u>
Testing, Repair, Replacement	1 1/2" + 2" .....	<del>\$28.00</del> <u>29.00</u>
Testing, Repair, Replacement	3" + 4" .....	<del>\$125.50</del> <u>130.00</u>
Testing, Repair, Replacement	6" + 8" .....	<del>\$270.50</del> <u>280.00</u>

Privately Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>6/1/18</u> <u>6/1/19</u>
Testing	3/4" + 1" .....	<del>\$14.50</del> <u>15.00</u>
Testing	1 1/2" + 2" .....	<del>\$27.00</del> <u>28.00</u>
Testing	3" + 4" .....	<del>\$57.50</del> <u>59.50</u>
Testing	6" + 8" .....	<del>\$111.00</del> <u>115.00</u>

If any customer requires that testing or maintenance be performed outside of normal work hours of the District, an additional charge equivalent to the overtime charges incurred by the District will be assessed.

(2) Exemptions

Exemptions from the testing program are permitted on a case-by-case basis as may be approved by the District and the California Department of Public Health, Office of Drinking Water, District Sanitary Engineer. All such exemptions are conditioned on periodic inspection to ensure that exemption criteria are still being met.

	Rate Effective <u>6/1/18</u> <u>6/1/19</u>
Each consumer that applies for and receives such an exemption shall pay a bimonthly fee of:	\$3.00

## RESOLUTION 19-XX

### RESOLUTION OF THE BOARD OF DIRECTORS OF NORTH MARIN WATER DISTRICT AMENDING REGULATION 54 – WATER RATES

WHEREAS, the Board of Directors hereby finds and determines that certain of the water rates and charges adjusted herein or previously adopted by the Board are imposed based on the supply of water to be used or consumed by the customer. The Board of Directors also finds and determines that these rates and charges are not imposed upon real property or upon a person as an incident of property ownership, and such rates or charges may be reduced or avoided by a customer by reducing or discontinuing water use; and

BE IT RESOLVED by the Board of Directors of North Marin Water District that Regulation 54 of the North Marin Water District is adopted as follows, effective June 1, 2019:

a. Rates for Domestic, Commercial and Industrial Users, Novato Service Area

- (1) The following minimum service charge and water quantity rates shall be paid for domestic, commercial and industrial water service for each meter once every two months:

<u>A BI-MONTHLY SERVICE CHARGE OF:</u>	Rate Effective 6/1/19
Standard 5/8 inch meter.....	\$34.15
For 1-inch meter* .....	\$68.30
1.5-inch meter* .....	\$83.30
2-inch meter.....	\$129.90
3-inch meter.....	\$257.20
4-inch meter.....	\$413.00
6-inch meter.....	\$864.00
8-inch meter.....	\$1,288.00
*(see paragraph f)	

<u>PLUS A QUANTITY CHARGE OF:</u>	Rate Effective 6/1/19
<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	
First 615 gallons per day (gpd) .....	\$5.42
616 up to 1,845 gpd.....	\$8.64
Use in excess of 1,845 gpd .....	\$15.05
<u>Rate for 1,000 Gal for All Other Potable Water Accounts</u>	
Commercial, Institutional & Irrigation Accounts - 11/1 – 5/31	\$5.97
Commercial, Institutional & Irrigation Accounts - 6/1 – 10/31	\$6.42
<u>Rate For 1,000 Gallons For Non-Potable Water</u>	
Recycled Water .....	\$5.97
Raw (Untreated) Water from Stafford Lake .....	\$2.46

**PLUS AN ELEVATION ZONE CHARGE FOR EACH 1,000 GALLONS**

<u>Zone</u>	<u>Elevation</u>	Rate Effective <u>6/1/19</u>
A	0 through 60 feet .....	\$0.00
B	60 feet – 200 feet .....	\$0.65
C*	200 feet + .....	\$2.08

\*Any consumer receiving water through a District owned and maintained hydro-pneumatic system shall be assigned to Zone C irrespective of said consumer's actual elevation.

(2) Consumers outside the Improvement District boundary shall pay the Elevation Zone C Rate.

(3) In the event a mandatory reduction in water use is triggered under the District's Water Shortage Contingency Plan for the Greater Novato Area, a Drought Surcharge will be implemented simultaneous with enactment of the mandatory stage. The Drought Surcharge will serve to mitigate the revenue loss resulting from a reduction in water use, as well as the liquidated damages assessed by the Sonoma County Water Agency pursuant to the water shortage and apportionment provisions of the Restructured Agreement for Water Supply. The Drought Surcharge shall be a quantity charge for each 1,000 gallons of potable water use as follows:

Residential Accounts: Use in excess of 300 gallons per day ..... \$1.00

Commercial, Institutional and Irrigation Accounts: All Use ..... \$1.00

b. **Rates for Service to Privately Owned Fire Protection Systems, All Service Areas**

The rates for service through detector check assemblies owned by the District to privately owned and maintained systems supplying sprinklers, hydrants or other facilities exclusively for firefighting shall be paid once every two months as follows:

**Size of Detector Assembly**

	Rate Effective <u>6/1/19</u>
2 inches or less .....	\$17.08
4 inches .....	\$31.57
6 inches .....	\$61.60
8 inches .....	\$94.20
10 inches .....	\$123.17

c. **Rates for Domestic, Commercial and Industrial Users, West Marin Service Area**

(1) The following minimum service charge and water quantity rates shall be paid for domestic, commercial and industrial water service for each meter once every two months:

<b><u>BI-MONTHLY SERVICE CHARGE</u></b>	Rate Effective <u>7/1/18</u>
For 5/8 x 3/4-inch meter .....	\$33.00
For 1-inch meter* .....	\$66.00
For 1 1/2-inch meter* .....	\$80.50
For 2-inch meter .....	\$125.50
For 3-inch meter .....	\$248.50
For 4-inch meter .....	\$399.00
For all meters in Paradise Ranch Estates .....	\$50.00
*(see paragraph f)	

**PLUS A QUANTITY CHARGE OF:**

<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	Rate Effective <u>7/1/18</u>
--	---------------------------------

First 400 gallons per day (gpd) .....	\$8.93
401 up to 900 gpd.....	\$12.37
Use in excess of 900 gpd.....	\$19.84

Rate Per 1,000 Gallons for All Other Accounts

Commercial, Industrial and Irrigation Accounts Nov 1 – May 31	\$9.03
Commercial, Industrial and Irrigation Accounts June 1 – Oct 31	\$12.49

**PLUS A HYDRAULIC ZONE CHARGE FOR EACH 1,000 GALLONS**

<u>Zone</u>	<u>Hydraulic Zone</u>	Rate Effective <u>7/1/18</u>
1	Point Reyes Station .....	\$0.00
2	Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0'–365').....	\$0.23
3	Olema .....	\$0.88
4	Upper Paradise Ranch Estates (Elevation 365'+) .....	\$5.97

(2)

(2) Effective July 1, 2018 consumers outside the Improvement District boundary shall pay an additional \$3.57 per 1,000 gallons.

(3) In the event a mandatory reduction in water use is triggered under the District's Water Shortage Contingency Plan for the West Marin Service Area, a Drought Surcharge will be implemented simultaneous with enactment of the mandatory stage. The Drought Surcharge will serve to mitigate the revenue loss resulting from a reduction in water use, as well as the cost of water purchased from Marin Municipal Water District for release into Lagunitas Creek, pursuant to the Interconnection Agreement between Marin Municipal and NMWD. The Drought Surcharge shall be a quantity charge for each 1,000 gallons as follows:

Residential Accounts: Use in excess of 200 gallons per day .....\$2.50

Commercial, Institutional and Irrigation Accounts: All Use .....\$2.50

d. Rates for Water Service from Hydrants or Other Temporary Service

The following rates shall be paid for water delivered via hydrant meter or pursuant to permit issued by the District from hydrants or for any temporary service as authorized in Regulation 5 or for use through a fire service meter.

<u>Novato Service Area</u>	Rate Effective <u>6/1/19</u>
For each 1,000 gallons .....	\$8.50

<u>West Marin Service Area</u>	Rate Effective <u>7/1/18</u>
For each 1,000 gallons .....	\$18.46

The quantity of water delivered as aforesaid shall be determined by the District.

e. Service Arrangements Requiring Assessment of Additional Service Charge, All Service Areas

A minimum service charge established by this regulation, equal to \$17.00 bi-monthly shall be paid for each dwelling unit which includes a kitchen and which is metered pursuant to Regulation 4.b.(5).

f. Minimum Service Charge for Residential Connections with Fire Fighting Equipment

Rate Effective  
6/1/19



Where a meter larger than is otherwise required is installed solely to provide capacity for private fire sprinklers or other firefighting equipment in single-family residential connections the minimum bi-monthly service charge shall be: \$38.80

g. Charges for Testing & Maintenance of Backflow Preventers Performed by District

- (1) Each consumer having a backflow prevention device serviced by the District shall pay a bimonthly fee for servicing the device as shown below.

District Owned DCV Devices:

Services Performed by District	Size	Rate Effective 6/1/19
Testing, Repair, Replacement	3/4" + 1" .....	\$14.00
Testing, Repair, Replacement	1 1/2" .....	\$18.50

Privately Owned DCV Devices:

Services Performed by District	Size	Rate Effective 6/1/19
Testing	3/4" + 1" .....	\$8.00
Testing	1 1/2" .....	\$14.00
Testing	2" .....	\$21.50
Testing	3" + 4" .....	\$31.50

District Owned RPP Devices:

Services Performed by District	Size	Rate Effective 6/1/19
Testing, Repair, Replacement	3/4" + 1" .....	\$24.00
Testing, Repair, Replacement	1 1/2" + 2" .....	\$29.00
Testing, Repair, Replacement	3" + 4" .....	\$130.00
Testing, Repair, Replacement	6" + 8" .....	\$280.00

Privately Owned RPP Devices:

Services Performed by District	Size	Rate Effective 6/1/19
Testing	3/4" + 1" .....	\$15.00
Testing	1 1/2" + 2" .....	\$28.00
Testing	3" + 4" .....	\$59.50
Testing	6" + 8" .....	\$115.00

If any customer requires that testing or maintenance be performed outside of normal work hours of the District, an additional charge equivalent to the overtime charges incurred by the District will be assessed.

(2) Exemptions

Exemptions from the testing program are permitted on a case-by-case basis as may be approved by the District and the California Department of Public Health, Office of Drinking Water, District Sanitary Engineer. All such exemptions are conditioned on periodic inspection to ensure that exemption criteria are still being met.

	Rate Effective 6/1/19
Each consumer that applies for and receives such an exemption shall pay a bimonthly fee of:	\$3.00

\* \* \* \* \*

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-first of May 2019, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAINED:

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Theresa Kehoe, District Secretary  
North Marin Water District

(SEAL)

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## MEMORANDUM

To: Board of Directors

May 17, 2019

From: Drew McIntyre, General Manager



Subj: Public Hearing No. 2 – California Voting Rights Act (CVRA) and Elections Code (EC) 10010

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**RECOMMENDED ACTION:** Conduct second public hearing to receive public input on the composition of new voting districts (divisions).**FINANCIAL IMPACT:** None

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. 1 was held during the District's Regularly Scheduled Board meeting on May 7, 2019. Public Hearing No. 2 is the second of two public hearings that will give the public an opportunity to weigh in on the composition of the districts (divisions). At the completion of Public Hearing No. 2, draft District maps will be drawn and two

additional public hearings (hearings three and four) will be held for the public to provide input regarding the content of the draft maps and proposed sequence of elections.

. The third public hearing is scheduled for the regularly scheduled Board meeting on June 4, 2019, and the fourth public hearing is scheduled for the regularly scheduled Board meeting on June 18, 2019. In addition to the two 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 25<sup>th</sup>, when an agenda item will be included to summarize activities to-date regarding the transition to district-based elections. Finally, at a fifth public hearing (July 16<sup>th</sup> regular meeting), the Board will consider adoption of an ordinance that establishes NMWD’s district-based elections (see timeline provided in Attachment 1)

Consistent with the first public hearing, 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:**

Conduct second public hearing to receive public input on the composition of new voting districts (divisions) to be established by the transition to by-district (division) elections and provide direction to Demographer concerning draft maps.



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**NORTH MARIN WATER DISTRICT**  
**MONTHLY PROGRESS REPORT FOR April 2019**  
 May 21, 2019

**Item #7**

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%
<b>FYTD Total</b>	<b>1,998.6</b>	<b>2,063.4</b>	<b>1,927.7</b>	<b>1,803.6</b>	<b>-3%</b>

**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%
<b>FYTD Total</b>	<b>68.6</b>	<b>64.3</b>	<b>50.8</b>	<b>51.7</b>	<b>7%</b>

**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	-
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%
<b>FYTD Total</b>	<b>372.5</b>	<b>478.1</b>	<b>514.4</b>	<b>382.0</b>	<b>-22%</b>

**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%
<b>FYTD Total*</b>	<b>140.1</b>	<b>112.3</b>	<b>90.1</b>	<b>95.1</b>	<b>25%</b>

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

\*\*Excludes potable water input to the RW system: FY19=19.8 MG; FY18=15.35MG; FY17=1.4MG; FY16=7.4MG

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## 2. Stafford Lake Data

	April Average	April2018	April2019
Rainfall this month	1.74 Inches	3.66 Inches	0.76 Inches
Rainfall this FY to date	26.13 Inches	20.49 Inches	35.55 Inches
Lake elevation*	193.4 Feet	191.3 Feet	195.1 Feet
Lake storage**	1206 MG	1064 MG	1389 MG

\* Spillway elevation is 196.0 feet

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

## Temperature (in degrees)

	Minimum	Maximum	Average
April 2018 (Novato)	41	87	60
April 2019 (Novato)	49	100	64

## 3. Number of Services

April 30	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	20,751	20,778	-0.1%	96	57	68.4%	791	789	0.3%	-	-	-
Total meters active	20,543	20,556	-0.1%	92	53	73.6%	783	781	0.3%	-	-	-
Active dwelling units	24,075	24,013	0.3%	-	0	-	833	831	0.2%	234	234	0.0%

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## 4. Oceana Marin Monthly Status Report (April)

Description	April 2018	April 2019
Effluent Flow Volume (MG)	0.703	0.586
Irrigation Field Discharge (MG)	0.556	1.016
Treatment Pond Freeboard (ft)	6.6	5.0
Storage Pond Freeboard (ft)	6.2	5.2

## 5. Developer Projects Status Report (April)

Job No.	Project	% Complete	% This month
1.2784.00	Novato Village (801 State Access)	100	1
1.2817.01	College of Marin – Admin Bldg. 11	99	0
1.2817.02	College of Marin – Organic Farm	98	5
1.2807.00	Hamilton Cottages	91	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	5	5
1.2821.00	Atherton Place	10	10

## District Projects Status Report - Const. Dept. (April)

Job No.	Project	% Complete	% This month
1.6112.24	Lynwood Pump Station MCC	15	0
1.8737.06	Montego Keys	95	95
1.7169.00	Country Lane	100	100
1.7123.24	PB Replacements Lanham Village	50	50

## Employee Hours to Date, FY 18/19

As of Pay Period Ending April 30, 2019

Percent of Fiscal Year Passed = 83%

Developer Projects	Actual	Budget	% YTD Budget		District Projects	Actual	Budget	% YTD Budget
Construction	703	1,400	50%		Construction	2,439	4,654	52%
Engineering	1,083	1,404	77%		Engineering	2,005	3,370	59%

**6. Safety/Liability**

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FY 19 through April

FY 18 through April

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	\$26,411	3	2	4	\$1,965

Days without a lost time accident through April 30, 2019

32 Days

**7. Energy Cost**

FYE	kWh	April		Fiscal Year-to-Date thru April		
		¢/kWh	Cost/Day	kWh	¢/kWh	Cost/Day
2019 Stafford TP	64,763	19.8¢	\$427	511,327	20.6¢	\$347
Pumping	69,360	20.7¢	\$479	1,120,893	20.7¢	\$756
Other*	51,083	20.4¢	\$347	475,358	23.4¢	\$363
	185,206	20.3¢	\$1,252	2,107,579	21.4¢	\$1,465
2018 Stafford TP	64,288	19.7¢	\$423	549,737	19.6¢	\$354
Pumping	80,202	20.2¢	\$558	1,155,650	20.9¢	\$794
Other*	40,933	22.0¢	\$311	413,736	24.5¢	\$333
	185,423	20.4¢	\$1,292	2,119,123	21.2¢	\$1,481
2017 Stafford TP	59,157	19.2¢	\$378	522,790	19.0¢	\$332
Pumping	69,088	20.5¢	\$443	956,300	20.4¢	\$657
Other*	37,270	21.6¢	\$251	405,402	23.8¢	\$324
	165,515	20.3¢	\$1,072	1,884,492	20.8¢	\$1,313

\*Other includes West Marin Facilities

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**8. Water Conservation Update**

	Month of April 2019	Fiscal Year to Date	Program Total to Date
High Efficiency Toilet (HET) Rebates	4	135	4017
Retrofit Certificates Filed	16	150	6220
Cash for Grass Rebates Paid Out	3	16	919
Washing Machine Rebates	3	11	6792
Water Smart Home Survey	15	205	3411

**9. Utility Performance Metric**

<b>SERVICE DISRUPTIONS</b> (No. of Customers Impacted)	April 2019	April 2018	Fiscal Year to Date 2019	Fiscal Year to Date 2018
<b>PLANNED</b>				
Duration Between 0.5 and 4 hours	19	10	86	278
Duration Between 4 and 12 hours		3		101
Duration Greater than 12 hours				
<b>UNPLANNED</b>				
Duration Between 0.5 and 4 hours	5	9	78	66
Duration Between 4 and 12 hours		2		92
Duration Greater than 12 hours			3	1
<b>SERVICE LINES REPLACED</b>				
Polybutylene	9	12	95	89
Copper (Replaced or Repaired)	3	2	11	12

Note: Main leak at Montego Keys, 8 homes, 3 hours

# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Orders April 2019

5/13/2019

Type	Apr-19	Apr-18	Action Taken April 2019
<b><u>Consumers' System Problems</u></b>			
Service Line Leaks	36	3	Notified Consumer
Meter Leak Consumer's Side	0	7	~
House Plumbing	0	2	~
Noisy Plumbing	0	2	~
Seepage or Other	0	2	~
House Valve / Meter Off	18	10	Notified Consumer
Nothing Found	22	5	Notified Consumer
Low Pressure	0	1	~
High Pressure	5	1	PRV failed @ 95-100 PSI. PRV failed @ 95-100 PSI. Failed irrigation & PRV failed @ 100 PSI. PRV failed @ 105 PSI. PRV failed @ 95 PSI.
Water Waster Complaints	0	1	~
<b>Total</b>	<b>81</b>	<b>34</b>	
<b><u>Service Repair Reports</u></b>			
Meter Replacement	4	3	Replaced
Meter Box Alignment	1	0	Aligned
Box and Lids	1	0	Replaced
Water Off/On Due To Repairs	7	15	Notified Consumer
Misc. Field Investigation	12	6	Notified Consumer
<b>Total</b>	<b>25</b>	<b>24</b>	
<b><u>Leak NMWD Facilities</u></b>			
Main-Leak	1	3	Repaired
Mains-Nothing Found	0	1	~
Service- Leak	10	1	Repaired
Services-Nothing Found	1	2	Notified Consumer
Meter Leak	0	1	~
Meters-Nothing Found	0	4	~
Washer Leaks	10	2	Repaired
<b>Total</b>	<b>22</b>	<b>14</b>	
<b><u>High Bill Complaints</u></b>			
Consumer Leaks	1	7	Notified Consumer
Meter Testing	1	0	Notified Consumer
Meter Misread	0	3	~
Nothing Found	3	17	Notified Consumer
Excessive Irrigation	1	4	Notified Consumer
<b>Total</b>	<b>6</b>	<b>31</b>	
<b><u>Low Bill Reports</u></b>			
Nothing Found	0	1	Notified Consumer
<b>Total</b>	<b>0</b>	<b>1</b>	
<b><u>Water Quality Complaints</u></b>			
Other	0	1	
<b>Total</b>	<b>0</b>	<b>1</b>	
<b>TOTAL FOR MONTH:</b>	<b>134</b>	<b>105</b>	<b>28%</b>

# NORTH MARIN WATER DISTRICT

## Summary of Complaints & Service Orders April 2019

5/13/2019

Type	Apr-19	Apr-18	Action Taken April 2019
<b><u>Fiscal YTD Summary</u></b>			<b><u>Change Primarily Due To</u></b>
Consumer's System Problems	758	301	60% Increase In Service Line Leaks
Service Repair Report	270	109	60% Increase In Water Off/On Due To Repairs
Leak NMWD Facilities	199	168	16% Increase In Service Leaks
High Bill Complaints	236	472	-100% Decrease In Nothing Found
Low Bills	7	3	57% Increase in Nothing Found
Water Quality Complaints	23	31	-35% Decrease In Other
Total	<u>1,493</u>	<u>1,084</u>	<u>24%</u>

### **"In House" Generated and Completed Work Orders**

<b><u>Check Meter:</u></b> possible consumer/District leak, high bill, flooded, need read, etc.	80	169
<b><u>Change Meter:</u></b> leaks, hard to read	70	7
<b><u>Possible Stuck Meter</u></b>	1	6
<b><u>Repair Meter:</u></b> registers, shut offs	2	5
<b><u>Replace Boxes/Lids</u></b>	7	5
<b><u>Trims</u></b>	0	14
<b><u>Dig Outs</u></b>	4	92
	<u>164</u>	<u>298</u>

### Bill Adjustments Under Board Policy:

#### **April 19 vs. April 18**

Apr-19	20	\$12,226
Apr-18	18	\$6,979

#### **Fiscal Year vs Prior FY**



18/19 FY	274	\$105,089
17/18 FY	346	\$142,114

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## MEMORANDUM

To: Board of Directors

May 17, 2019

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

Subj: Auditor-Controller's Monthly Report of Investments for April 2019  
t:\aclword\invest\19\investment report 0419.doc

**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$19,337,620 and a market value of \$19,340,437. During April the cash balance increased by \$1,372,718. The market value of securities held increased \$2,817 during the month. The ratio of total cash to budgeted annual operating expense stood at 110%, up 8% from the prior month.

At April 30, 2019, 40% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), 31% in Time Certificates of Deposit, 10% 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 172 days, compared to 193 days at the end of March. The LAIF interest rate for the month was 2.45%, compared to 2.44% the previous month. The weighted average Portfolio rate was 2.37%, compared to 2.36% the previous month.

**NORTH MARIN WATER DISTRICT**  
**AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS**  
**April 30, 2019**

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis <sup>1</sup>	4/30/2019 Market Value	Yield <sup>2</sup>	% of Portfolio
<b>LAIF</b>	State of CA Treasury	AA-	Various	Open	\$7,803,261	\$7,804,408	2.45% <sup>3</sup>	<b>40%</b>
<b>Time Certificate of Deposit</b>								
TCD	Morgan Stanley Private Bank	n/a	11/22/17	5/22/19	248,000	248,000	1.60%	1%
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%
					<b>\$5,934,000</b>	<b>\$5,934,000</b>	<b>2.39%</b>	<b>31%</b>
<b>US Treasury Notes</b>								
Treas	1.380%	n/a	1/10/18	7/31/19	499,379	498,545	1.87%	3%
Treas	2.250%	n/a	7/26/18	3/31/20	997,178	998,359	2.56%	5%
Treas	2.750%	n/a	3/5/19	9/30/20	1,003,024	1,005,352	2.75%	5%
					<b>\$2,499,580</b>	<b>\$2,502,256</b>	<b>2.50%</b>	<b>13%</b>
<b>Federal Agency Securities</b>								
FHLB	1.625% MTN	n/a	11/21/17	6/14/19	\$999,957	\$999,027	1.70%	5%
FFCB	2.00 MTN%	n/a	4/12/18	5/8/19	999,974	999,898	2.24%	5%
					<b>\$1,999,931</b>	<b>\$1,998,925</b>	<b>1.97%</b>	<b>10%</b>
<b>Other</b>								
Agency	Marin Co Treasury	AAA	Various	Open	\$1,019,651	\$1,019,652	2.37%	5%
Other	Various	n/a	Various	Open	81,197	81,197	0.41%	0%
<b>TOTAL IN PORTFOLIO</b>					<b>\$19,337,620</b>	<b>\$19,340,437</b>	<b>2.37%</b>	<b>100%</b>
Weighted Average Maturity =					<b>172 Days</b>			

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, FFCB: Federal Farm Credit 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 April 30, 2019.

<b>Interest Bearing Loans</b>	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	\$1,216,745	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
<b>TOTAL INTEREST BEARING LOANS</b>			<b>\$6,022,598</b>	<b>\$3,049,336</b>	

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



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## MEMORANDUM

To: Board of Directors

May 17, 2019

From: Rocky Vogler, Chief Engineer Subject: Water Service Agreement – Avesta Water Facilities – 516 Hospital Drive, Novato  
APN 157-690-52

R:\Folders by Job No\2800 Jobs\2823 Avesta Novato\2823 BOD Memo.doc

**RECOMMENDED ACTION:** Approve authorization of this agreement**FINANCIAL IMPACT:** None (Developer funded)

Hamilton Hospital Assisted Living Facility project (Avesta Novato) proposes to construct a four-story senior assisted living facility upon a 3.41-acre parcel located at the old hospital site in Hamilton, Novato (see attached map). The facility will be approximately 71,072 sq. ft. and will include 48 senior assisted living units and 32 senior memory care units.

New Zone 1 water facilities required include 700 feet of 8-inch PVC main, 180 feet of 6-inch PVC main and laterals, 3 commercial fire hydrants, one (1) 6-inch fire service, one (1) 2-inch domestic meter and one (1) 1-inch recycled water irrigation water meter. The domestic meter will be provided with a reduced pressure principle (RPP) back flow preventer. The project will receive normal pressure Zone 1 water service. Private on-site booster pumps may be required for domestic water service. Total water demand is 23 equivalent dwelling units (21 EDUs for the domestic service and 2 EDUs for irrigation service).

Sewer service will be provided by the Novato Sanitary District.

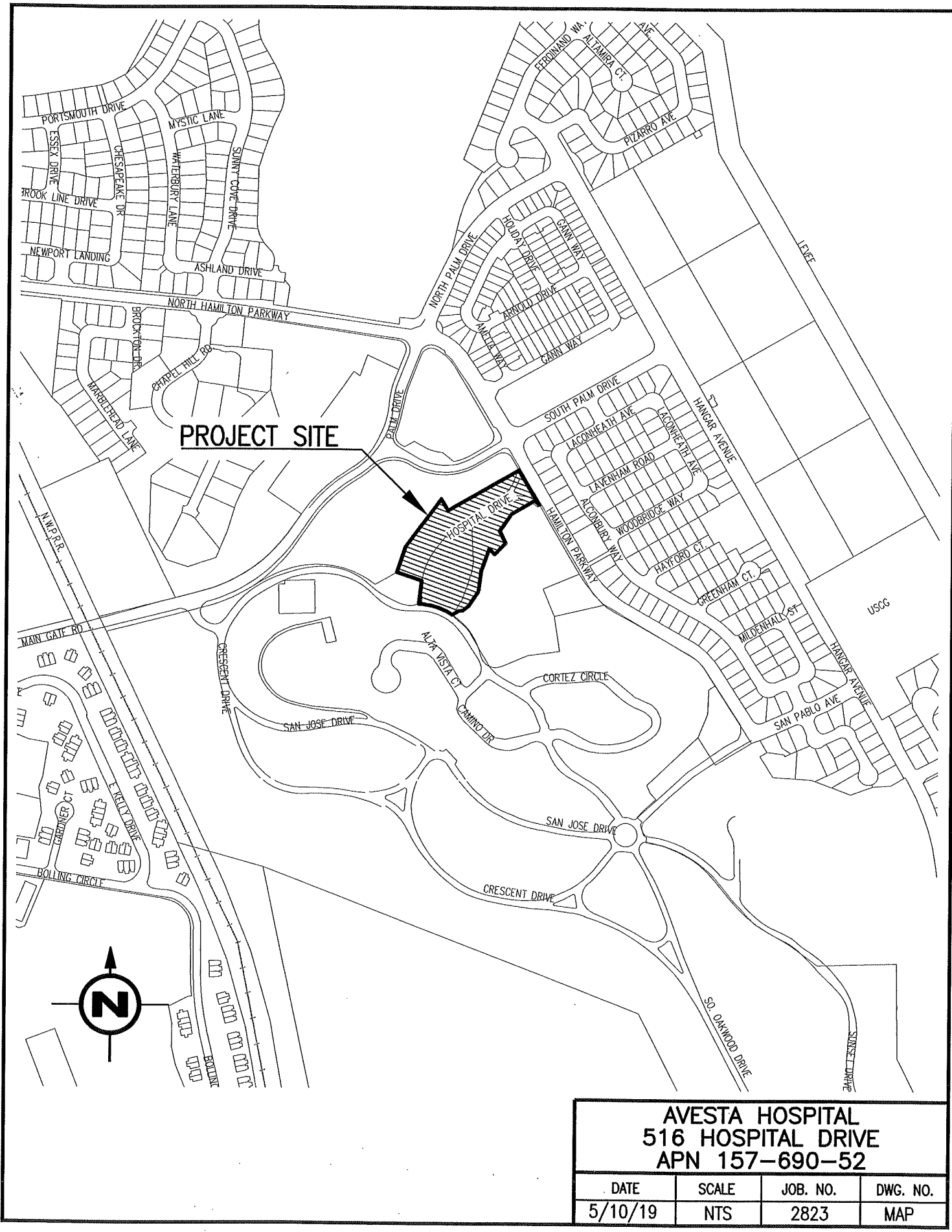
Environmental Document Review

A Mitigated Negative Declaration was approved on September 15, 2015.

RECOMMENDATION:

That the Board approve authorization of this agreement.

Approved by GM Date 5/17/19



AVESTA HOSPITAL 516 HOSPITAL DRIVE APN 157-690-52			
DATE	SCALE	JOB. NO.	DWG. NO.
5/10/19	NTS	2823	MAP

RESOLUTION NO. 19-  
AUTHORIZATION OF EXECUTION  
OF  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
WITH  
AVESTA NOVATO

---

BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain water service facilities construction agreement between this District and Novato Ca. Real Estate LLC, an applicant, providing for the installation of water distribution facilities to provide domestic and recycled irrigation water service to that certain real property known as 516 Hospital Drive, Novato, Marin County Assessor's Parcel Number 157-690-52, NOVATO, CALIFORNIA.

\* \* \*

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 21st day of May, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

(SEAL)

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Theresa Kehoe, Secretary  
North Marin Water District

PART ONE  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
FOR  
AVESTA NOVATO

---

*THIS AGREEMENT*, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of \_\_\_\_\_, 2019, by and between NORTH MARIN WATER DISTRICT, herein called "District," and Novato Ca. Real Estate, A Limited Liability Company, herein called "Applicant."

*WHEREAS*, the Applicant, pursuant to District Regulation 1, the State of California Subdivision Map Act and all applicable ordinances of the City of Novato and/or the County of Marin, has pending before the City or County a conditionally approved Tentative Subdivision Map, Precise Development Plan, Tentative Parcel Map or other land use application for the real property in the District commonly known as Marin County Assessor's Parcel Number 157-690-52 and the project known as AVESTA NOVATO, consisting of one (1) lot for commercial development; and

*WHEREAS*, prior to final approval by the City or County of a Subdivision Map, Precise Development Plan, Parcel Map or other land use application and recording of a final map for the project, the Applicant shall enter into an agreement with the District and complete financial arrangements for water service to each lot, unit or parcel of the project; and

*WHEREAS*, the Applicant is the owner of real property in the District commonly known as 516 Hospital Drive, Novato (Marin County Assessor's Parcel 157-690-52); and

*WHEREAS*, the project total water demand is 23 EDUs; and

*NOW THEREFORE*, the parties hereto agree as follows:

1. The Applicant hereby applies to the District for water service to said real property and project and shall comply with and be bound by all terms and conditions of this agreement, the District's regulations, standards and specifications and shall construct or cause to be constructed the water facilities required by the District to provide water service to the real property and project. Upon acceptance of the completed water facilities, the District shall provide water service to said real property and project in accordance with its regulations from time to time in effect.

2. Prior to the District issuing written certification to the City, County or State that financial arrangements have been made for construction of the required water facilities, the Applicant shall complete such arrangements with the District in accordance with Section 6 of this agreement.

3. Prior to release or delivery of any materials by the District or scheduling of either construction inspection or installation of the facilities by the District, the Applicant shall:

a. deliver to the District vellum or mylar prints of any revised utility plans approved by the City or County to enable the District to determine if any revisions to the final water facilities construction drawings are required. The proposed facilities to be installed are shown on Drawing No. 1 2823.001 and 1 2823.002, entitled, "AVESTA NOVATO", a copy of which is attached, marked Exhibit "A", and made a part hereof. (For purposes of recording, Exhibit "A" is not attached but is on file in the office of the District.)

b. grant or cause to be granted to the District without cost and in form satisfactory to the District all easements and rights of way shown on Exhibit "A" or otherwise required by the District for the facilities.

c. deliver to the District a written construction schedule to provide for timely withdrawal of guaranteed funds for ordering of materials to be furnished by the District and scheduling of either construction inspection or construction pursuant to Section 6 hereof.

4. Except for fire service, new water service shall be limited to the number and size of services for which Initial Charges are paid pursuant to this agreement. Initial Charges for new services, estimated District costs and estimated applicant installation costs are as follows:

**Initial Charges**

Meter Charges (Domestic)	One 2-inch @	\$ 0.00	\$ 0.00
Meter Charges (Irrigation RW)	One 1-inch @	\$ 0.00	\$ 0.00
Meter Charges (Fire Service)	One 5/8-inch @	\$ 0.00	\$ 0.00
Reimbursement Fund Charges (Domestic)	One 2-inch @	\$ 3,140.00	\$ 3,140.00
Reimbursement Fund Charges (Irrigation RW)	One 1-inch @	\$ 0.00	\$ 0.00
Facilities Reserve Charges (Domestic)	Twenty-one @	\$ 28,600.00	\$ 600,600.00
Facilities Reserve Charges (Irrigation RW)	Two @	\$ 28,600.00	\$ 57,200.00
<b>Subtotal - Initial Charges.....</b>			<b>\$ 660,940.00</b>

**Estimated District Costs**

Pipe, Fittings & Appurtenances.....	\$ 29,306.00
District Construction Labor.....	\$ 25,197.00
Engineering & Inspection.....	\$ 10,459.00
Bulk Materials.....	\$ 8,700.00
<b>Subtotal –Estimated District Costs.....</b>	<b>\$ 73,662.00</b>

**Estimated Applicant Installation Costs**

Installation Labor.....	\$ 69,144.00
Contractor Furnished – Pipe Fittings & Appurtenances.....	\$ 14,613.00
Bulk Materials.....	\$ 19,196.00
<b>Subtotal- Estimated Applicant Installation Costs.....</b>	<b>\$ 102,953.00</b>



**TOTAL ESTIMATED WATER FACILITIES COSTS..... \$ 837,555.00**

(Bulk materials are such items as crushed rock, imported backfill, concrete, reinforcing steel, paving materials, and the like, which are to be furnished by the contractor performing the work.)

5. In addition to the Initial Charges, Estimated District costs and Contributions, and Estimated Applicant Installation costs set forth in Section 4 above, the Applicant shall furnish at no cost to the District all PVC pipe (4-inch diameter and larger), valves and water line fittings shown on Exhibit "A" or otherwise required by the District. The quantities, type and quality of said materials shall be approved by the District prior to purchase by the Applicant and shall conform to District standards as stated and shown on Specifications (15100 Valves, 15056 Pipeline Fittings, 15064 Polyvinyl Chloride (PVC) Pressure Pipe) marked as Exhibit "B" attached hereto and made a part hereof and as otherwise may be required. (For purposes of recording, Exhibit "B" is not attached but is on file in the office of the District.) The cost of said materials is estimated to be **\$14,613**. The District reserves the right to reject and prohibit installation of all nonconforming materials furnished by the Applicant.

6. Financial Arrangements to be made by the Applicant shall consist of the following:

Initial Charges and Estimated District Costs

The Applicant shall either pay to the District or provide a two (2) year irrevocable letter of credit in form satisfactory to the District and payable at sight at a financial institution in the Novato area the sum of Initial Charges and Estimated District Costs as set forth in Section 4 hereof in the amount of **\$734,602**. If the Applicant provides the two (2) year irrevocable letter of credit, the District shall immediately draw down Initial Charges and shall draw upon the remaining funds guaranteed by the letter at any time the District deems appropriate to recover the Estimated District Costs which normally will be at least thirty (30) days prior to the anticipated start of construction for the ordering of materials to be furnished by the District.

Estimated Installation Costs

Alternate No. 1 – Installation By Applicant: If the Applicant elects to install the facilities or hire a private contractor to install the facilities, the Applicant shall provide financial guarantees satisfactory to the District in the form of a performance bond in the amount of **\$102,953** conditioned upon installation of the facilities and furnishing of bulk materials and a maintenance bond in the amount of **\$25,739** conditioned upon payment of the cost of maintaining, repairing, or replacing the facilities during the period of one (1) year following completion of all the facilities and acceptance by the District. Performance and maintenance bonds shall be executed by a California admitted surety insurer with a

minimum A.M. Best rating of A-VII. In lieu of posting bonds, the Applicant may provide an irrevocable letter or letters of credit payable at sight at a financial institution in the Novato area guaranteeing funds in the same amounts. All financial guarantees shall be provided by the Applicant rather than the contractor. The Applicant or contractor, whichever performs the work, shall be properly licensed therefore by the State of California and shall not be objectionable to the District.

Alternate No. 2 – Installation By District: If the Applicant requests the District to install the facilities and the District consents to do so, the Applicant shall either pay to the District the total Estimated Installation Costs set forth in Section 4 hereof in the amount of **\$102,953** or shall include such amount in the irrevocable letter of credit provided for the Initial Charges and Estimated District Costs set forth first above. The District shall draw upon installation funds guaranteed by the letter at any time the District deems appropriate which normally will be at least thirty (30) days prior to the anticipated start of construction.

Whenever an irrevocable letter of credit is required by this agreement, the Applicant may substitute a certificate of deposit at a financial institution in the Novato area provided the certificate may be cashed at sight by the District at any time.

7. Water service through the facilities to be installed pursuant to this agreement will not be furnished to any building unless the building is connected to a public sewer system or to a waste water disposal system approved by all governmental agencies having regulatory jurisdiction. This restriction shall not apply to temporary water service during construction.

8. New construction in the District's Novato service area is required to be equipped with high efficiency water conserving equipment and landscaping specified in Regulation 15 sections e. and f.

9. The District has determined that recycled water will be supplied for irrigation and requires that the Applicant's irrigation system be designed to use recycled water per District regulations and specifications. Provisions shall be made, as directed by the District, to allow for connection of Applicant's irrigation system to the recycled distribution main.

10. All estimated costs set forth in this agreement shall be subject to periodic review and revision at the District's discretion. In the event the Applicant has not completed financial arrangements with the District in accordance with Section 6 hereof prior to expiration of six (6) months from the date of this agreement, all Initial Charges and estimated costs set forth in Section 4 hereof shall be revised to reflect then current District charges and estimates. In the event the Applicant has not secured final land use approval for the project from the City of Novato or County of Marin, recorded a final map and diligently commenced construction of improvements required by those agencies and

the District prior to expiration of one (1) year from the date of this agreement, the District may, at its option, either retract financial certifications issued to City, County and State agencies and terminate this agreement or require amendment of this agreement and review of all Initial Charges and estimated costs contained herein. The Applicant shall pay any balance due upon demand or furnish a guarantee of such payment satisfactory to the District.

11. The Applicant shall install a privately owned and maintained Reduced Pressure Principal (RPP) backflow device and booster pump system to provide minimum 40 PSI water service within all building floors on said land in accordance with local ordinances and plumbing codes prior to furnishing water service to the property any said private pumping equipment shall not be a part of District's water system. The maintenance of said pumping facilities shall be the responsibility of the owner of said land. The Applicant shall submit plans and specification for said private pumping system to the District for approval prior to installation.

12. All extensions of time granted by the City of Novato or the County of Marin for the Applicant to comply with conditions of land use approval or to construct improvements pursuant to a subdivision improvement agreement shall require concurrent extensions of this agreement and shall be cause for review and revision of all Initial Charges and estimated costs set forth in Section 4 hereof. The Applicant shall apply to the District for extension of this agreement prior to approval of the Applicant's requests for such extensions by either the City of Novato or the County of Marin.

13. This agreement shall bind and benefit the successors and assigns of the parties hereto; however, this agreement shall not be assigned by the Applicant without the prior written consent of the District. Assignment shall be made only by a separate document prepared by the District at the Applicant's written request.

**NORTH MARIN WATER DISTRICT**  
"District"

**ATTEST:**

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Jack Baker, President

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Theresa Kehoe, Secretary

(SEAL)

**NOVATO CA. REAL ESTATE LLC**  
A Limited Liability Company  
"Applicant"

(SEAL)

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Kenneth R. Assiran

**NOTES:** *If the Applicant executing this agreement is a corporation, a certified copy of the bylaws or resolutions of the Board of Directors of said corporation authorizing designated officers to execute this agreement shall be provided.*

*This agreement must be executed by the Applicant and delivered to the District within thirty (30) days after it is authorized by the District's Board of Directors. If this agreement is not signed and returned within thirty days, it shall automatically be withdrawn and void. If thereafter a new agreement is requested, it shall incorporate the Initial Charges (connection fees) and cost estimates then in effect.*

**ALL APPLICANT SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.**

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## MEMORANDUM

To: Board of Directors May 17, 2019

From: Rocky Vogler, Chief Engineer *RV*

Re: Contract Amendment for Engineering Services - White and Prescott  
R:\NON JOB No ISSUES\Consultants\White&Prescott\FY18-19\Agmts\_BOD Memos\W&P FY18-19 Contract Amend No. 1 BOD Memo 5-19.doc

**RECOMMENDED ACTION:** Authorize General Manager to amend the Consulting Services Agreement with White and Prescott

**FINANCIAL IMPACT:** \$30,000 (no budget augmentation necessary)

Background

At the September 18, 2018 meeting, the Board authorized a new Consulting Services Agreement between the District and White and Prescott for miscellaneous engineering services. A cost breakdown for the \$30,000 FY18-19 contract by task is summarized as follows:

Starting Contract Amount	\$30,000
Carryover from FY16-17 Contract	\$500
Adjusted Contract Balance	\$30,500
Projects (billings to date)	
AEEP Easement Support	<\$12,750>
Old Ranch Road Tank Site	<\$2,475>
Crest Pump Station	<\$2,240>
Vineyard Rd Maintenance Agreement	<\$1,170>
Recycled Water Central – City of Novato Easements	<\$640>
Hamilton Cottages Easement Review	<\$200>
Remaining Balance on Contract	\$11,025

Expenditures

FY18-19 White and Prescott expenditures currently total \$19,475 leaving a balance of \$11,025 on the contract. Although the contract amount has not been completely expended, planned expenditures coupled with the following upcoming tasks make a contract amendment necessary:

- Old Ranch Road Tank Site \$12,525 (ongoing work)
- On-going MSN/AEEP Easements \$ 4,400

RECOMMENDATION

That the Board authorize the General Manager to amend the Consulting Services Agreement with White and Prescott in the amount of \$30,000.

Approved by GM *[Signature]*

Date *5/17/19*

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## MEMORANDUM

To: Board of Directors

May 17, 2019

From: Julie Blue, Auditor-Controller 

Subj: Budget Review – Proposed FY 19/20 Budgets Novato & West Marin Service Areas  
t:\aclbudget\fy-2019.20\budget final fy 19.20\novato & marin budget review 2 may 21, 2019 fy 19.20.docx

**RECOMMENDED ACTION:** Information Only – Budget Review

**FINANCIAL IMPACT:** None at this time – Total \$26.7 Million Expenditure Plan  
 Capital/Equipment/Debt Service - \$9.3 Million  
 Operations - \$17.7 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 Ocean 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, 2019 Board meeting for review and Board member input. Changes made since the last review are outlined below.

- \$400K to Novato Water CIP project added for installation of 300 kilowatt emergency power generator at Stafford Treatment Plant (STP).
- \$300K to West Marin CIP project added for Brominated Total Trihalomethanes (TTHM) Reduction, for disinfection byproduct removal.
- \$16K overall increase in Operating Expenditures (a decrease in Operations of \$26K offset by an increase in Maintenance of \$32K and an increase in Water Quality of \$10K).
- Accelerated payoff of West Marin loans with interest rates of 5% totaling \$47K shown in FY 18/19. The payoff will save the District interest expense and administrative costs.
- Connection Fee revenue increase of \$2.2M in FY 18/19 estimated actuals – collected or expected subsequent to prior budget draft.

This budget will be reviewed and refined prior to the next BOD's review which is scheduled at the next Board meeting on June 4, 2019 at 6:00 pm.

The following schedule outlines the upcoming additional activities related to the budget and proposed rate increases to occur over the next few weeks. 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	Current	Novato/RW/WM/OM
June 4	Novato	Operations & Maintenance and Capital Budget - District	Review Only		Upcoming	Novato/RW/WM/OM
June 19	Novato	Operations & Maintenance and Capital Budget - Novato and	Approve		Upcoming	Novato/Recycled Water
June 25	Pt Reyes	Operations & Maintenance and Capital Budget - West Marin	Approve	X	Upcoming	West Marin Water
June 25	Pt Reyes	Operations & Maintenance and Capital Budget - Oceana Marin	Approve	X	Upcoming	Oceana Marin Sewer



## **NORTH MARIN WATER DISTRICT**

999 Rush Creek Place  
PO Box 146  
Novato, CA 94948  
Phone 415.897.4133  
[www.nmwd.com](http://www.nmwd.com)

**Draft - May 21, 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](mailto: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**

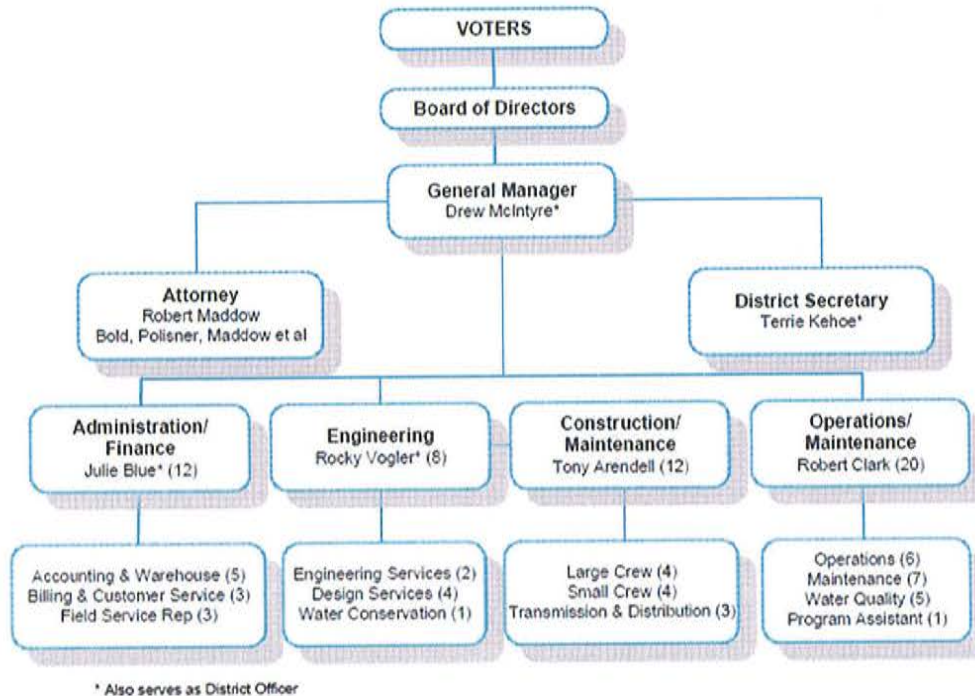
- Accountability – We work transparently and in full view of customers and take responsibility for our work.
- Integrity – Customers can count on quality and fair service from our staff and the District.
- Teamwork – We work cooperatively to accomplish our goals.
- Honesty – We always seek the truth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



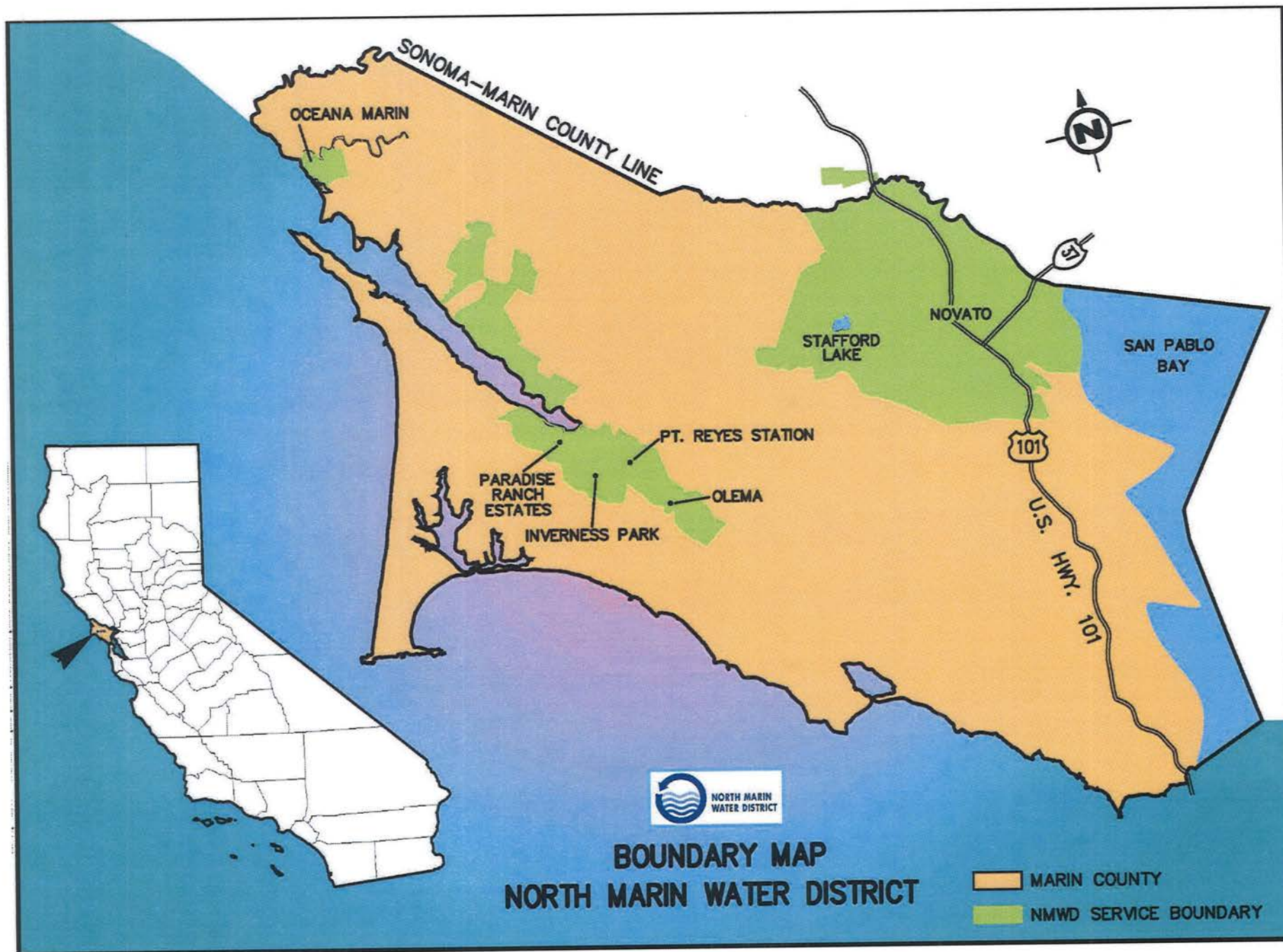


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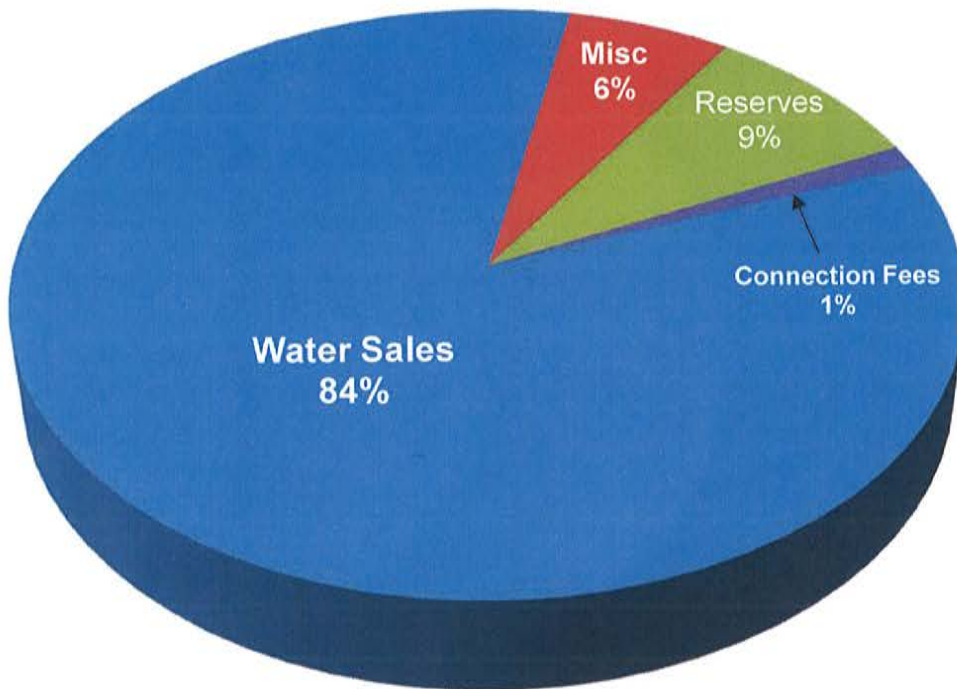
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***Capital Improvement Projects, Debt Service and Equipment***

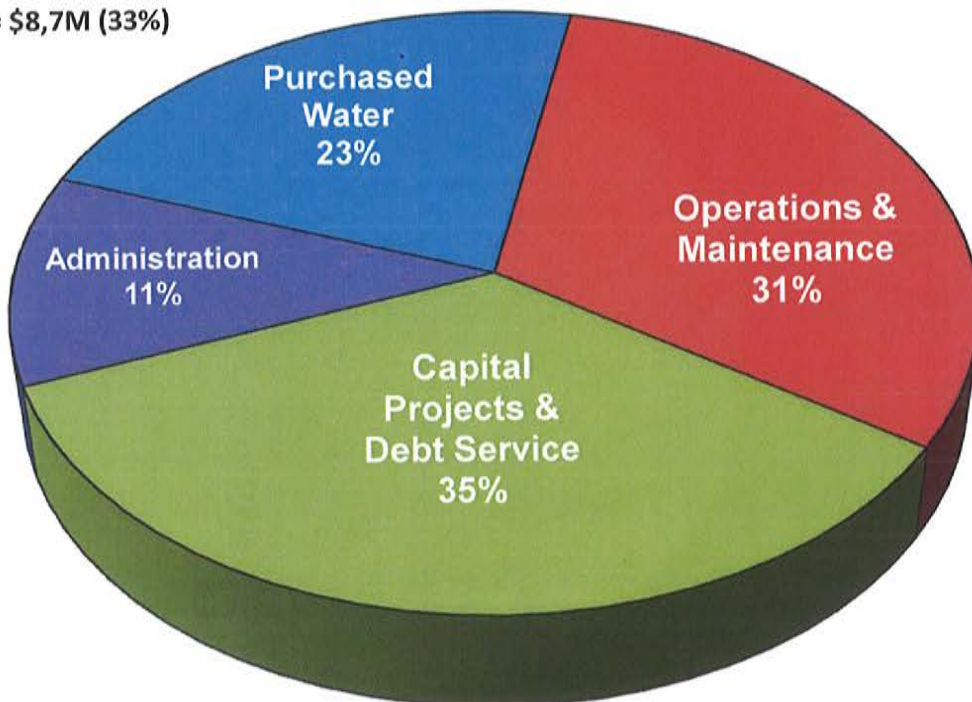
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**NORTH MARIN WATER DISTRICT**  
**FY19/20 DRAFT BUDGET - ALL SERVICE AREAS COMBINED**  
**SOURCES = \$26,679,000**



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



**USES = \$26,679,000**

Excludes Depreciation Expense & Developer Funded Costs

## NMWD DRAFT BUDGET

### Summary

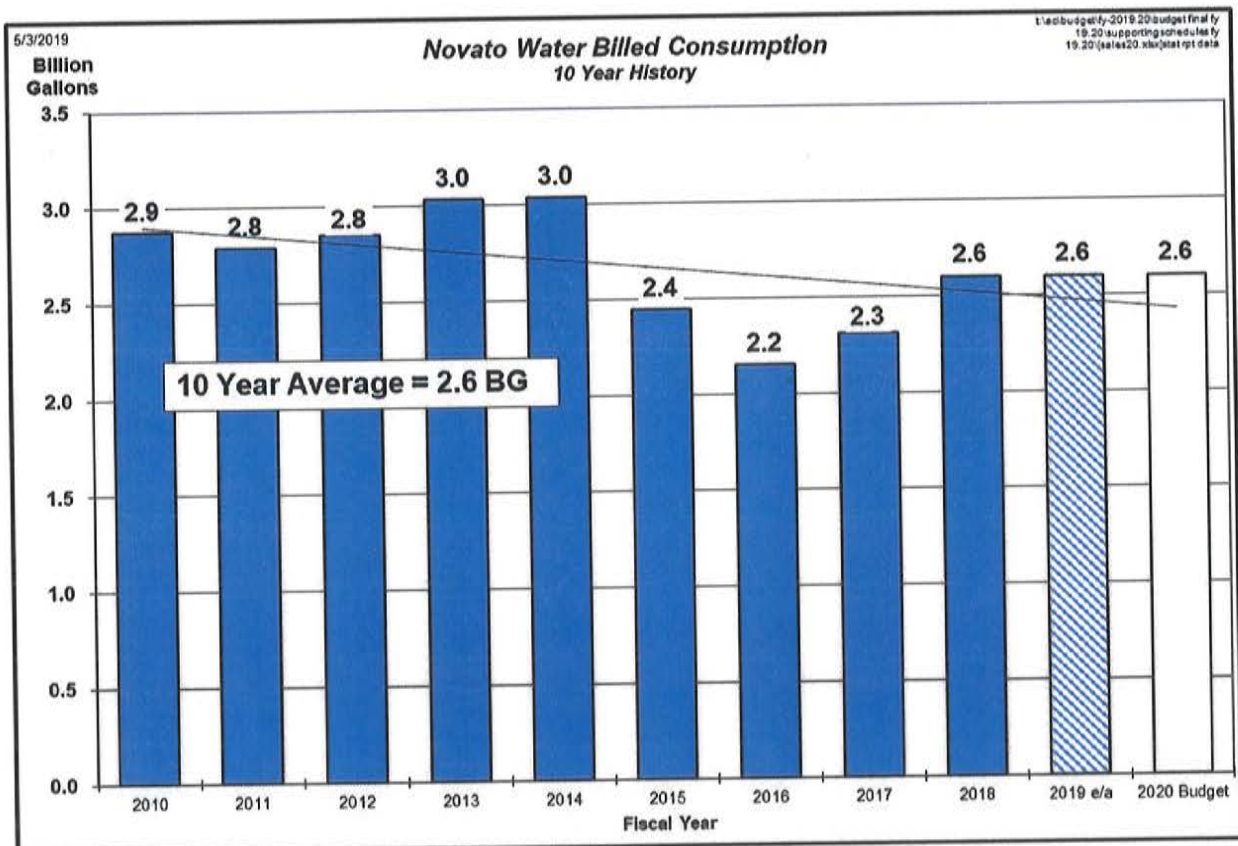
The \$26.7 million consolidated budget projects operating revenue of \$23 million and a net income of \$1.8 million. The FY 19/20 budget incorporates \$5.8 million in capital improvement projects and \$6 million in water purchases. After payment of \$3.1 million in debt service, the consolidated budget projects a decrease in cash for the fiscal year of \$2.3 million.

### Novato Water

The Novato Potable Water System budget projects a \$2.1 million cash decrease over the fiscal year. A 3.5% rate increase in both the commodity and bimonthly service charge, effective June 1, 2019, will be considered 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 \$23.5 million which is \$0.3M 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 proposed 3.5% rate increase 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***

**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>



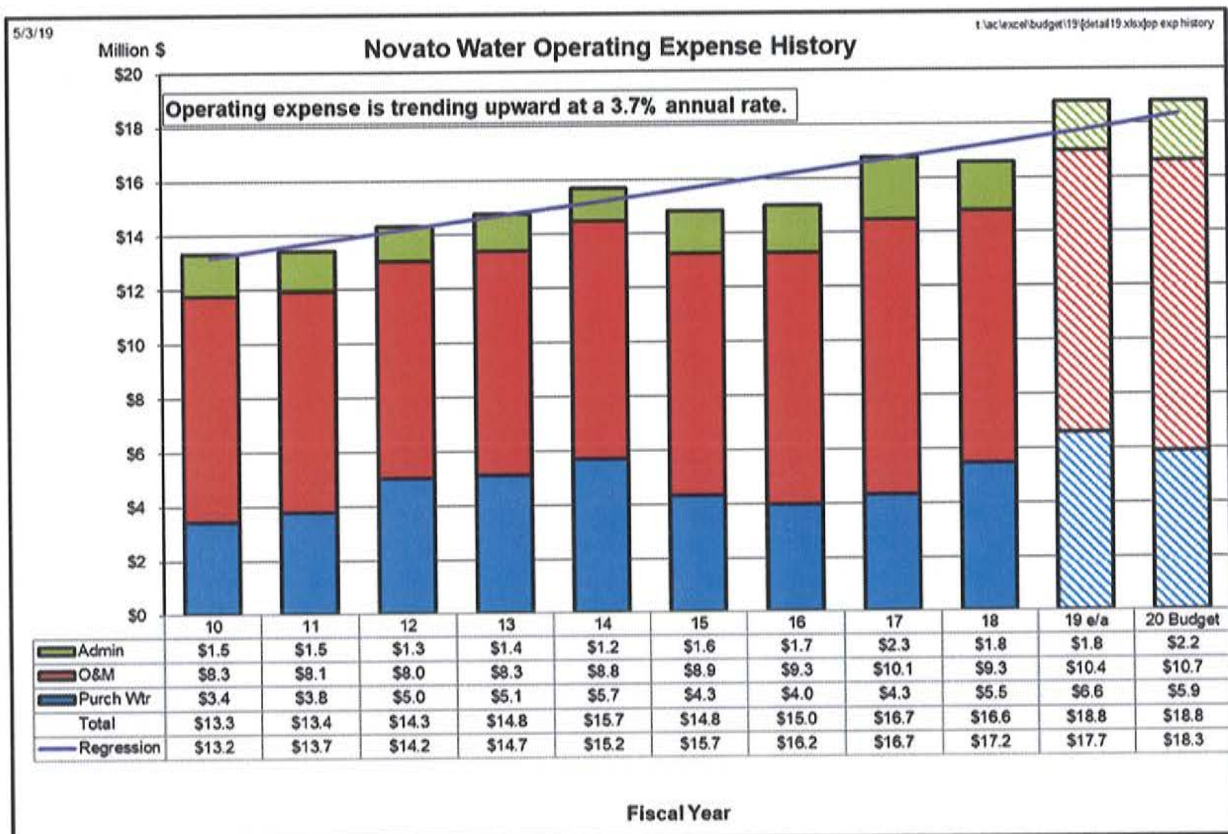
## NMWD DRAFT BUDGET

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 for Novato Water.



## NMWD DRAFT BUDGET

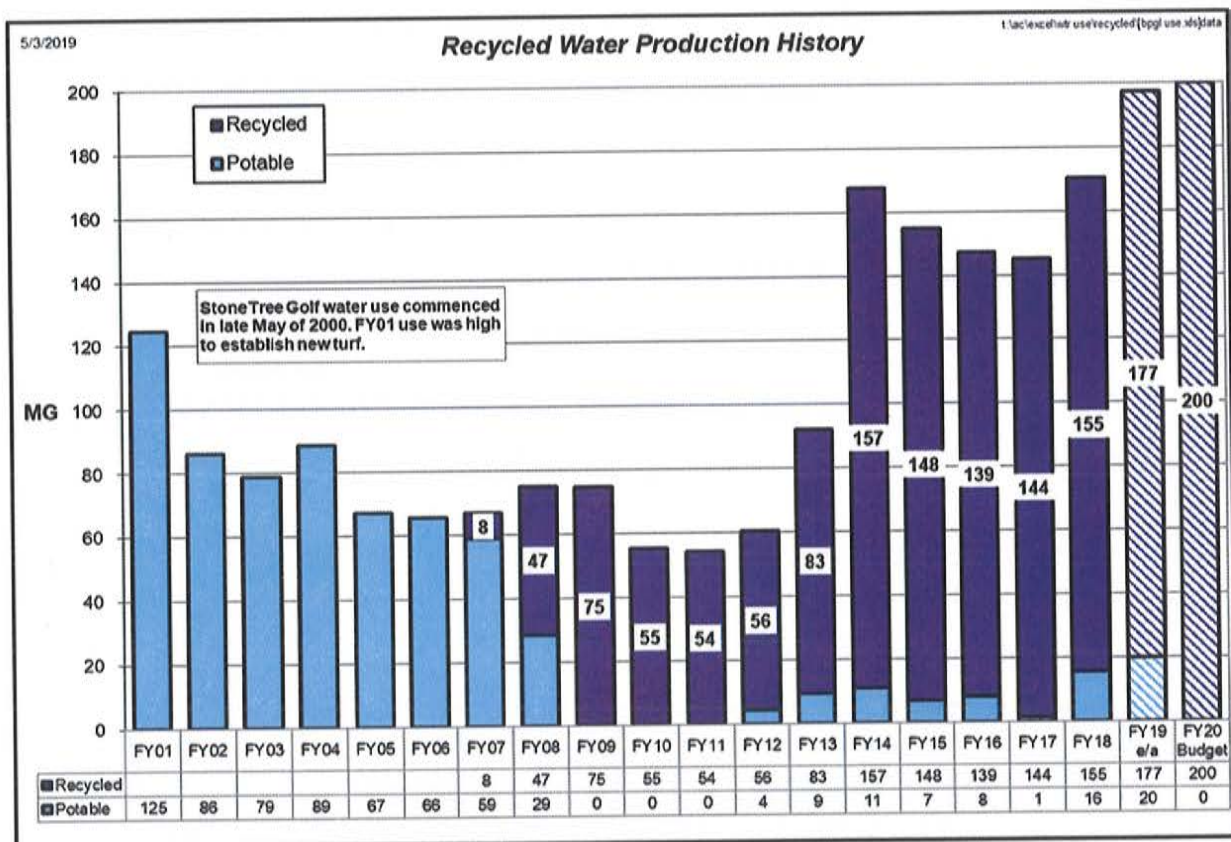
### Recycled Water

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 is proposed to be effective June 1, 2019. The proposed 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 to 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

A 3.5% rate increase for West Marin Water customers effective July 1, 2019, will add \$2.10 per month (\$25.20 annually) to the typical residential customer water cost, and is projected to generate \$30,000 in additional revenue annually.

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 next fiscal year (FY 19/20). Additional projects include \$200K towards the Lagunitas Creek Bridge Pipe Replacement project and \$300K for the disinfection byproduct removal project, WM TTHM reduction.

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). Operating expenditures, before depreciation, are budgeted to increase \$40,000 or 7.4% from the FY 18/19 adopted budget. The budget projects a net income of \$222,000 and, after capital outlay and debt service, the system is projected to show a cash decrease for the year of \$868,000.

### Oceana Marin Sewer

A 3.5% increase (\$3/month - to \$1,116/year) in the Oceana Marin Sewer service charge effective July 1, 2019, is projected to add \$8,400 in additional annual revenue. FY 19/20 operating expenditures, before depreciation are budgeted to increase 17.2% from the FY19 adopted budget. The budget projects a net gain of \$57,000 and the system is projected to see a cash increase for the year of \$8,000.

### 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.

<b>Project</b>	<b>FY 19/20</b>	<b>FY 20/21</b>
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	2,453,000	1,735,000
<b>Gross Project Outlay</b>	<b>5,813,000</b>	<b>6,668,000</b>
Less Loan/Grant Funding	(-)	(4,013,000)
<b>Net Project Outlay (internally funded)</b>	<b>\$5,813,000</b>	<b>\$2,655,000</b>

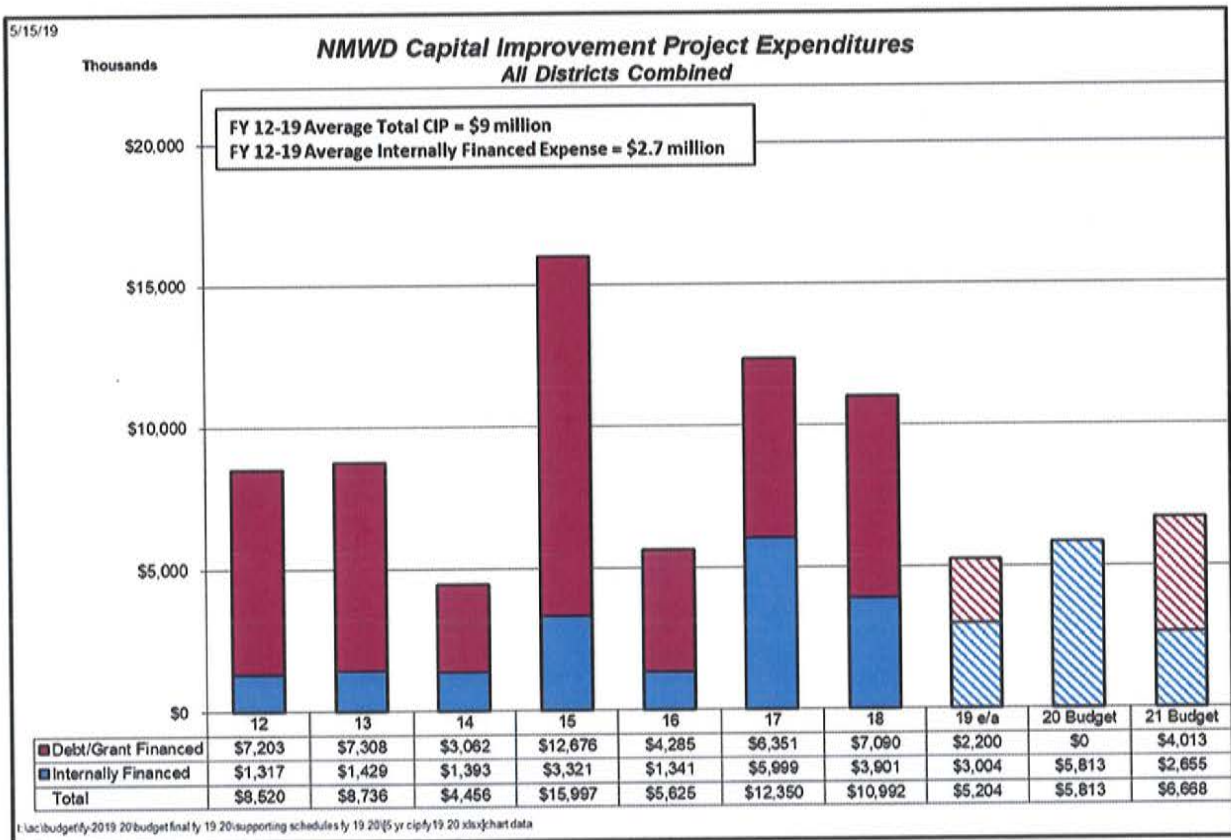


## NMWD DRAFT BUDGET

The proposed two-year combined total project outlay, net of grant/loan funding, totals \$8.5 million, consistent with 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.

District	Net Outlay		Increase (Decrease)
	Proposed FY20 & FY21	Adopted FY19 & FY20	
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	232,000	573,000	(341,000)
<b>Total</b>	<b>\$8,468,000</b>	<b>\$8,513,000</b>	<b>(\$45,000)</b>

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.





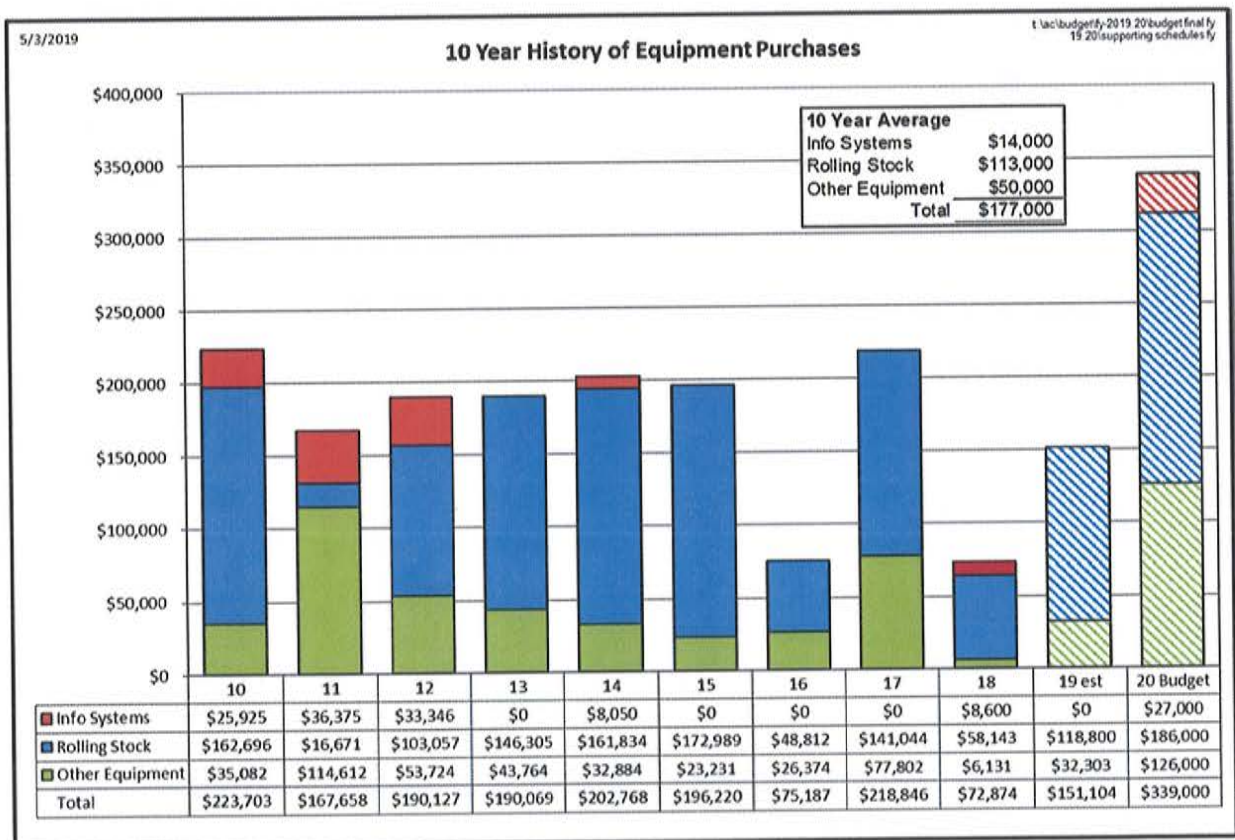
## NMWD DRAFT BUDGET

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.

### Equipment Budget

The proposed FY 19/20 Equipment Budget totals \$339,000. This is \$16,000 lower than the FY 18/19 Equipment Budget of \$355,000. FY 18/19 estimated actual expenditures are forecast to come in at \$151,000.

A significant purchase included in the proposed budget is \$130,000 for a Vacuum Excavator. Additionally, a metals analyzer for \$105,000 to replace a 20-year old piece of equipment is included for the lab. Below is a chart showing the history of the past ten years of equipment purchases.



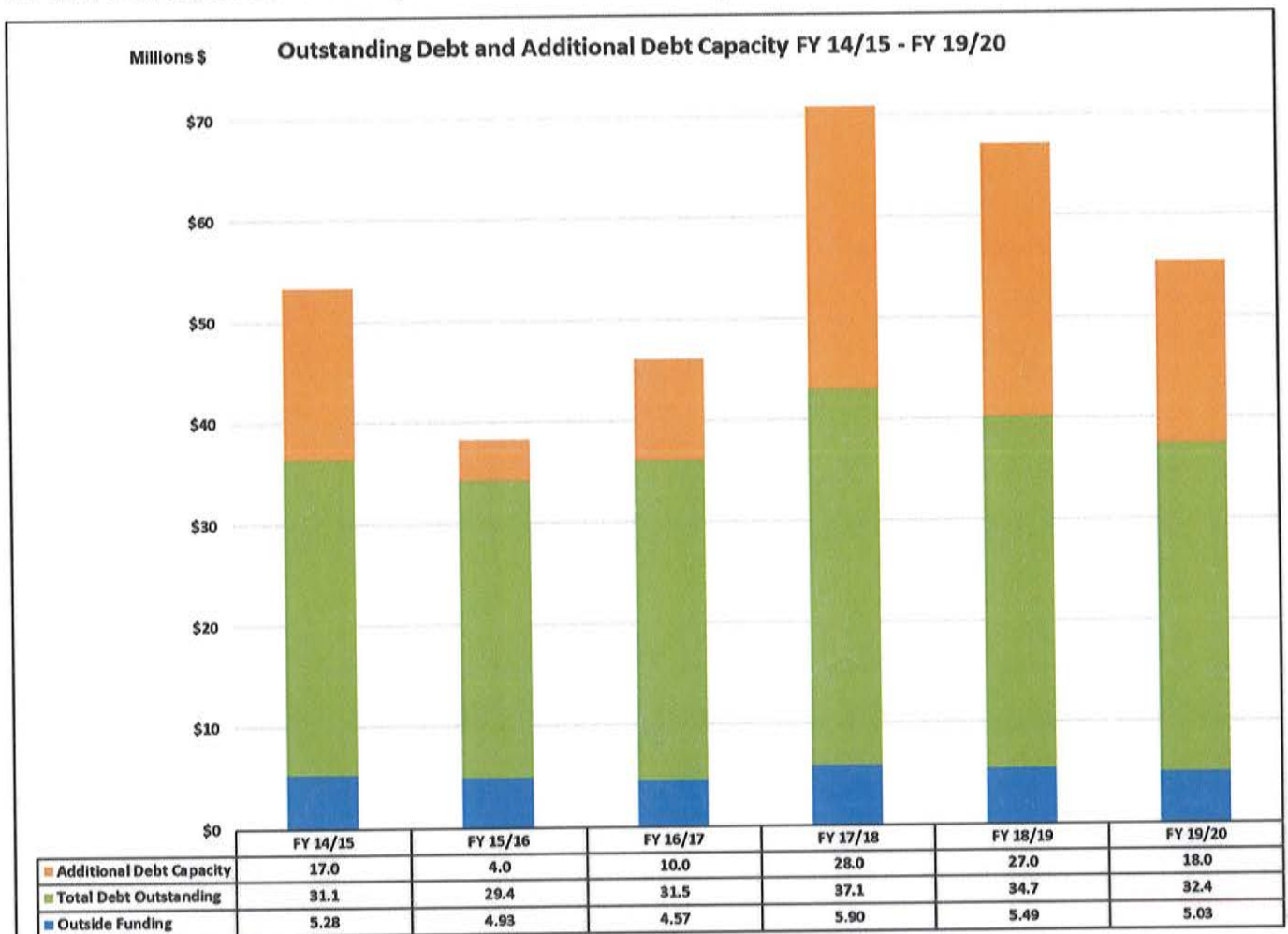
## NMWD DRAFT BUDGET

### 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**

	<i>Proposed Budget 2019/20</i>	<i>Estimated Actual 2018/19</i>	<i>Adopted Budget 2018/19</i>
<b>OPERATING INCOME</b>			
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 <b>Total Operating Income</b>	<b>\$22,998,000</b>	<b>\$21,912,000</b>	<b>\$22,806,000</b>
<b>OPERATING EXPENDITURES</b>			
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	191,000	132,000	164,000
10 Transmission & Distribution	3,630,000	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	2,375,000	1,931,705	2,392,000
14 Depreciation Expense	3,486,000	3,440,000	3,528,000
15 <b>Total Operating Expenditures</b>	<b>\$20,854,000</b>	<b>\$20,856,705</b>	<b>\$21,187,000</b>
16 <b>NET OPERATING INCOME (LOSS)</b>	<b>\$2,144,000</b>	<b>\$1,055,295</b>	<b>\$1,619,000</b>
<b>NON-OPERATING INCOME/(EXPENSE)</b>			
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 <b>Total Non-Operating Income/(Expense)</b>	<b>(\$300,000)</b>	<b>(\$195,000)</b>	<b>(\$460,000)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$1,844,000</b>	<b>\$860,295</b>	<b>\$1,159,000</b>
<b>OTHER SOURCES/(USES) OF FUNDS</b>			
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	(339,000)	(250,000)	(355,000)
30 Capital Improvement Projects	(5,813,000)	(5,141,000)	(7,770,000)
31 Debt Principal Payments	(2,333,000)	(2,336,000)	(2,279,000)
33 <b>Total Other Sources/(Uses)</b>	<b>(\$4,157,000)</b>	<b>(\$1,477,000)</b>	<b>(\$5,326,000)</b>
34 <b>CASH INCREASE/(DECREASE)</b>	<b>(\$2,313,000)</b>	<b>(\$616,705)</b>	<b>(\$4,167,000)</b>

**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>
<b>OPERATING INCOME</b>			
1 Water Sales	\$20,239,000	\$19,225,000	\$20,144,000
2 Wheeling & Misc Service Charges	342,000	337,000	340,000
3 <b>Total Operating Income</b>	<b>\$20,581,000</b>	<b>\$19,562,000</b>	<b>\$20,484,000</b>
<b>OPERATING EXPENDITURES</b>			
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	3,406,000	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	2,182,000	1,791,705	2,216,000
12 Depreciation Expense	2,788,000	2,742,000	2,820,000
13 <b>Total Operating Expenditures</b>	<b>\$18,838,000</b>	<b>\$18,823,705</b>	<b>\$19,262,000</b>
14 <b>NET OPERATING INCOME (LOSS)</b>	<b>\$1,743,000</b>	<b>\$738,295</b>	<b>\$1,222,000</b>
<b>NON-OPERATING INCOME/(EXPENSE)</b>			
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 <b>Total Non-Operating Income/(Expense)</b>	<b>(\$232,000)</b>	<b>(\$117,000)</b>	<b>(\$320,000)</b>
21 <b>NET INCOME/(LOSS)</b>	<b>\$1,511,000</b>	<b>\$621,295</b>	<b>\$902,000</b>
<b>OTHER SOURCES/(USES) OF CASH</b>			
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	(339,000)	(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 <b>Total Other Sources/(Uses)</b>	<b>(\$3,633,000)</b>	<b>\$759,000</b>	<b>(\$2,184,000)</b>
34 <b>CASH INCREASE/(DECREASE)</b>	<b>(\$2,122,000)</b>	<b>\$1,380,295</b>	<b>(\$1,282,000)</b>

**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
<b>SERVICES</b>						
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
<b>WATER PRODUCTION (MG)</b>						
3	Stafford Production	650	650	650	650	650
4	Russian River Purchases	2,080	2,080	2,080	2,080	2,080
5	<b>Total Water Production</b>	<b>2,730</b>	<b>2,730</b>	<b>2,730</b>	<b>2,730</b>	<b>2,730</b>
<b>REVENUE &amp; EXPENSE (\$ in 000's)</b>						
<b>OPERATING REVENUE</b>						
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	<b>Total Operating Revenue</b>	<b>\$20,581</b>	<b>\$21,505</b>	<b>\$22,471</b>	<b>\$23,481</b>	<b>\$24,535</b>
<b>OPERATING EXPENSE</b>						
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	2,382	2,453	2,527	2,603	2,681
14	Depreciation	2,788	2,820	2,850	2,880	2,910
15	<b>Total Operating Expense</b>	<b>\$18,838</b>	<b>\$19,523</b>	<b>\$20,235</b>	<b>\$20,979</b>	<b>\$21,757</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>						
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	<b>Total Non-Op Revenue/(Expense)</b>	<b>(\$232)</b>	<b>(\$697)</b>	<b>(\$691)</b>	<b>(\$686)</b>	<b>(\$682)</b>
20	<b>Net Income</b>	<b>\$1,511</b>	<b>\$1,286</b>	<b>\$1,545</b>	<b>\$1,816</b>	<b>\$2,097</b>
<b>OTHER SOURCES/(USES) OF FUNDS</b>						
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	(339)	(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	<b>Total Other Sources/(Uses)</b>	<b>(\$3,633)</b>	<b>\$13,280</b>	<b>\$1,308</b>	<b>\$1,336</b>	<b>\$4,115</b>
31	<b>Cash Increase/(Decrease)</b>	<b>(\$2,122)</b>	<b>\$14,566</b>	<b>\$2,853</b>	<b>\$3,152</b>	<b>\$6,212</b>
32	<b>Ending Reserve Balance</b>	<b>\$6,067</b>	<b>\$20,633</b>	<b>\$23,486</b>	<b>\$26,637</b>	<b>\$32,849</b>
33	<b>Target Reserve Balance (90% Op Exp)</b>	<b>\$14,445</b>	<b>\$15,033</b>	<b>\$15,647</b>	<b>\$16,290</b>	<b>\$16,962</b>
34	<b>% Rate Increase<sup>1</sup></b>	<b>3.5%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.5%</b>
35	<b>Median Monthly Single-Family Residential Bill</b>	<b>\$57</b>	<b>\$59</b>	<b>\$62</b>	<b>\$65</b>	<b>\$67</b>
36	Fiscal year 2020 Rate increase to be reviewed for approval 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.					

# DRAFT BUDGET

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
<b>STATISTICS</b>								
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
<b>OPERATING INCOME</b>								
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	<u>\$20,581,000</u>	<u>\$19,562,000</u>	<u>\$20,484,000</u>	<u>\$20,019,805</u>	<u>\$16,984,885</u>	<u>\$15,793,138</u>	<u>\$16,414,448</u>	<u>\$19,087,864</u>
<b>OPERATING EXPENSE</b>								
<b>SOURCE OF SUPPLY</b>								
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	<u>\$5,896,000</u>	<u>\$6,638,000</u>	<u>\$6,756,000</u>	<u>\$5,356,748</u>	<u>\$4,417,447</u>	<u>\$4,069,101</u>	<u>\$4,390,549</u>	<u>\$6,033,812</u>
<b>PUMPING</b>								
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	<u>\$384,000</u>	<u>\$395,000</u>	<u>\$343,000</u>	<u>\$372,601</u>	<u>\$309,233</u>	<u>\$252,061</u>	<u>\$316,703</u>	<u>\$329,909</u>
<b>OPERATIONS</b>								
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	<u>\$685,000</u>	<u>\$800,000</u>	<u>\$580,000</u>	<u>\$923,736</u>	<u>\$808,675</u>	<u>\$682,261</u>	<u>\$628,361</u>	<u>\$654,217</u>

## DRAFT BUDGET

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
<b>WATER TREATMENT</b>								
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 <b>TOTAL WATER TREATMENT</b>	<b>\$2,494,000</b>	<b>\$2,295,000</b>	<b>\$2,413,000</b>	<b>\$2,377,531</b>	<b>\$2,188,085</b>	<b>\$1,949,762</b>	<b>\$1,873,680</b>	<b>\$1,767,931</b>
		3,553	3,735	3,351				
<b>TRANSMISSION &amp; DISTRIBUTION</b>								
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	115,000	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 <b>TOTAL TRANSMISSION &amp; DISTRIB</b>	<b>\$3,406,000</b>	<b>\$3,291,000</b>	<b>\$3,136,000</b>	<b>\$3,242,992</b>	<b>\$3,028,409</b>	<b>\$2,747,675</b>	<b>\$2,528,492</b>	<b>\$2,244,647</b>
<b>CONSUMER ACCOUNTING</b>								
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 <b>TOTAL CONSUMER ACCOUNTING</b>	<b>\$613,000</b>	<b>\$527,000</b>	<b>\$618,000</b>	<b>\$711,431</b>	<b>\$642,708</b>	<b>\$603,385</b>	<b>\$562,252</b>	<b>\$560,499</b>



## DRAFT BUDGET

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
<b>WATER CONSERVATION</b>								
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 <b>TOTAL WATER CONSERVATION</b>	<b>\$390,000</b>	<b>\$344,000</b>	<b>\$380,000</b>	<b>\$344,890</b>	<b>\$361,042</b>	<b>\$381,495</b>	<b>\$460,401</b>	<b>\$429,444</b>
<b>GENERAL &amp; ADMINISTRATION</b>								
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	128,000	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)	(319,210)	(39,000)	(357,925)	(19,931)	(89,626)	(85,682)	(222,710)
93 G&A Distributed to Other Operations	(183,000)	(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 <b>TOTAL GENERAL &amp; ADMINISTRATION</b>	<b>\$2,182,000</b>	<b>\$1,791,705</b>	<b>\$2,216,000</b>	<b>\$2,002,414</b>	<b>\$2,282,356</b>	<b>\$1,738,681</b>	<b>\$1,557,531</b>	<b>\$1,222,343</b>
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 <b>TOTAL OPERATING EXPENSE</b>	<b>\$18,838,000</b>	<b>\$18,823,705</b>	<b>\$19,262,000</b>	<b>\$18,063,210</b>	<b>\$16,748,582</b>	<b>\$15,001,502</b>	<b>\$14,825,093</b>	<b>\$15,688,436</b>
100 <b>NET OPERATING INCOME/(LOSS)</b>	<b>\$1,743,000</b>	<b>\$738,295</b>	<b>\$1,222,000</b>	<b>\$1,956,595</b>	<b>\$236,303</b>	<b>\$791,636</b>	<b>\$1,589,355</b>	<b>\$3,399,428</b>

**NOVATO RECYCLED WATER**  
**BUDGET SUMMARY**  
**Fiscal Year 2019/20**

	<b>Proposed Budget 2019/20</b>	<b>Estimated Actual 2018/19</b>	<b>Adopted Budget 2018/19</b>
<b>OPERATING INCOME</b>			
1 Recycled Water Sales	\$1,194,000	\$1,136,000	\$1,154,000
2 Bimonthly Service Charge	43,000	41,000	41,000
3 <b>Total Operating Income</b>	<b>\$1,237,000</b>	<b>\$1,177,000</b>	<b>\$1,195,000</b>
<b>OPERATING EXPENDITURES</b>			
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 <b>Total Operating Expenditures</b>	<b>\$977,000</b>	<b>\$1,132,000</b>	<b>\$956,000</b>
14 <b>NET OPERATING INCOME (LOSS)</b>	<b>\$260,000</b>	<b>\$45,000</b>	<b>\$239,000</b>
<b>NON-OPERATING INCOME/(EXPENSE)</b>			
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 <b>Total Non-Operating Income/(Expense)</b>	<b>(\$206,000)</b>	<b>(\$209,000)</b>	<b>(\$249,000)</b>
20 <b>NET INCOME/(LOSS)</b>	<b>\$54,000</b>	<b>(\$164,000)</b>	<b>(\$10,000)</b>
<b>OTHER SOURCES/(USES) OF FUNDS</b>			
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 <b>Total Other Sources/(Uses)</b>	<b>\$615,000</b>	<b>(\$1,665,000)</b>	<b>(\$1,539,000)</b>
29 <b>CASH INCREASE/(DECREASE)</b>	<b>\$669,000</b>	<b>(\$1,829,000)</b>	<b>(\$1,549,000)</b>

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

Fiscal Year Ending June 30 >		Proposed <b>2020</b>	Projected <b>2021</b>	Projected <b>2022</b>	Projected <b>2023</b>	Projected <b>2024</b>
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
<b>OPERATING REVENUE</b>						
4	Recycled Water Sales	\$1,194	\$1,248	\$1,304	\$1,363	\$1,424
5	Bimonthly Service Charge	43	45	47	49	51
6	<b>Total Operating Revenue</b>	<b>\$1,237</b>	<b>\$1,293</b>	<b>\$1,351</b>	<b>\$1,412</b>	<b>\$1,475</b>
<b>OPERATING EXPENSE</b>						
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	<b>Total Operating Expense</b>	<b>\$977</b>	<b>\$990</b>	<b>\$1,005</b>	<b>\$1,020</b>	<b>\$1,035</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>						
14	Interest Revenue	\$81	\$64	\$67	\$70	\$70
15	Interest Expense	(287)	(248)	(231)	(212)	(212)
16	Other Revenue/(Expense)	-	-	-	-	-
17	<b>Total Non-Op Revenue/(Expense)</b>	<b>(\$206)</b>	<b>(\$184)</b>	<b>(\$164)</b>	<b>(\$142)</b>	<b>(\$142)</b>
18	<b>NET INCOME/(LOSS)</b>	<b>\$54,000</b>	<b>\$119,000</b>	<b>\$182,000</b>	<b>\$250,000</b>	<b>\$298,000</b>
<b>OTHER SOURCES/(USES) OF FUNDS</b>						
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	<b>Total Other Sources/Uses</b>	<b>\$615</b>	<b>(\$197)</b>	<b>(\$213)</b>	<b>(\$229)</b>	<b>(\$229)</b>
28	<b>Cash Increase/(Decrease)</b>	<b>\$669</b>	<b>(\$78)</b>	<b>(\$31)</b>	<b>\$21</b>	<b>\$69</b>
29	<b>Ending Reserve Balance</b>	<b>\$4,821</b>	<b>\$4,743</b>	<b>\$4,712</b>	<b>\$4,733</b>	<b>\$4,802</b>
30	<b>% Rate Increase</b>	<b>3.5%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.5%</b>
31	Fiscal year 2020 Rate Increase to be reviewed for approval 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**

	<b>Proposed Budget 2019/20</b>	<b>Estimated Actual 2018/19</b>	<b>Adopted Budget 2018/19</b>
<b>OPERATING INCOME</b>			
1 Water Sales	<b>\$912,000</b>	\$913,000	\$868,000
2 Misc Service Charges	<b>7,000</b>	8,000	7,000
3 <b>Total Operating Income</b>	<b>\$919,000</b>	\$921,000	\$875,000
<b>OPERATING EXPENDITURES</b>			
4 Source of Supply	<b>\$15,000</b>	\$21,000	\$15,000
5 Pumping	<b>48,000</b>	52,000	42,000
6 Operations	<b>49,000</b>	51,000	52,000
7 Water Treatment	<b>173,000</b>	152,000	159,000
8 Transmission & Distribution	<b>162,000</b>	154,000	139,000
9 Consumer Accounting	<b>28,000</b>	21,000	27,000
10 Water Conservation	<b>9,000</b>	4,000	10,000
11 General Administration	<b>96,000</b>	63,000	96,000
12 Depreciation Expense	<b>187,000</b>	187,000	197,000
13 <b>Total Operating Expenditures</b>	<b>\$767,000</b>	\$705,000	\$737,000
14 <b>NET OPERATING INCOME (LOSS)</b>	<b>\$152,000</b>	\$216,000	\$138,000
<b>NON-OPERATING REVENUE/(EXPENSE)</b>			
15 PR-2 County Tax Allocation	<b>\$56,000</b>	\$55,000	\$55,000
16 Miscellaneous Revenue	-	-	4,000
17 Interest Revenue	<b>38,000</b>	38,000	14,000
18 Bond & Loan Interest Expense	<b>(24,000)</b>	(28,000)	(29,000)
19 <b>Total Non-Operating Income/(Expense)</b>	<b>\$70,000</b>	\$65,000	\$44,000
20 <b>NET INCOME/(LOSS)</b>	<b>\$222,000</b>	\$281,000	\$182,000
<b>OTHER SOURCES/(USES) OF FUNDS</b>			
21 Add Depreciation Expense	<b>\$187,000</b>	187,000	\$197,000
22 Connection Fees	-	8,000	23,000
23 Capital Improvement Projects	<b>(1,230,000)</b>	(246,000)	(1,325,000)
24 Bond & Loan Principal Payments	<b>(47,000)</b>	(116,000)	(69,000)
25 <b>Total Other Sources/(Uses)</b>	<b>(\$1,090,000)</b>	(\$167,000)	(\$1,174,000)
26 <b>CASH INCREASE/(DECREASE)</b>	<b>(\$868,000)</b>	\$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
<b>BASIC DATA</b>						
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
<b>OPERATING REVENUE</b>						
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	<b>Total Operating Revenue</b>	<b>\$919,000</b>	<b>\$959,000</b>	<b>\$1,000,000</b>	<b>\$1,042,000</b>	<b>\$1,087,000</b>
8	Operating Expenditures	\$580,000	\$597,000	\$615,000	\$633,000	\$652,000
9	Depreciation Expense	187,000	188,000	188,000	192,000	192,000
10	<b>Total Operating Expense</b>	<b>\$767,000</b>	<b>\$785,000</b>	<b>\$803,000</b>	<b>\$825,000</b>	<b>\$844,000</b>
11	<b>NET OPERATING INCOME</b>	<b>\$152,000</b>	<b>\$174,000</b>	<b>\$197,000</b>	<b>\$217,000</b>	<b>\$243,000</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>						
12	Interest Revenue	\$38,000	\$19,000	\$23,000	\$24,000	\$28,000
13	Interest Expense	(24,000)	(23,000)	(20,000)	(17,934)	(17,934)
14	PR-2 County Tax Allocation	56,000	56,000	57,000	58,000	59,000
15	Miscellaneous	-	-	-	-	-
16	<b>Total Non-Op Revenue/(Expense)</b>	<b>70,000</b>	<b>52,000</b>	<b>60,000</b>	<b>64,066</b>	<b>69,066</b>
17	<b>Net Income</b>	<b>\$222,000</b>	<b>\$226,000</b>	<b>\$257,000</b>	<b>\$281,066</b>	<b>\$312,066</b>
<b>OTHER SOURCES/(USES)</b>						
18	Add Depreciation Expense	\$187,000	\$188,000	\$188,000	\$192,000	\$192,000
19	Connection Fees	-	23,000	-	23,000	-
20	Capital Improvement Projects	(35,000)	0	(225,000)	0	0
21	Loan Proceeds	-	-	-	-	-
22	Debt Principal Payments	(47,000)	(70,000)	(79,000)	(81,000)	(72,000)
23	Net Change in Working Capital	-	-	-	-	-
24	<b>Total Other Sources/(Uses)</b>	<b>\$105,000</b>	<b>\$141,000</b>	<b>(\$116,000)</b>	<b>\$134,000</b>	<b>\$120,000</b>
25	<b>Cash Increase/(Decrease)</b>	<b>\$327,000</b>	<b>\$367,000</b>	<b>\$141,000</b>	<b>\$415,066</b>	<b>\$432,066</b>
26	Operating Reserve	\$199,000	\$205,000	\$211,000	\$217,300	\$217,300
27	System Expansion Reserve	1,589,000	1,950,000	2,100,000	2,523,766	2,955,766
28	Liability Contingency Reserve	99,000	99,000	99,000	99,000	99,000
29	Bond Redemption Reserve	30,000	15,000	-	-	-
30	<b>ENDING CASH BALANCE</b>	<b>\$1,917,000</b>	<b>\$2,284,000</b>	<b>\$2,425,000</b>	<b>\$2,840,000</b>	<b>\$3,272,000</b>

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.

**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>
<b>OPERATING INCOME</b>			
1 Monthly Sewer Service Charge	\$261,000	\$252,000	\$252,000
2 Misc Service Charges	-	0	-
3 <b>Total Operating Income</b>	<b>\$261,000</b>	<b>\$252,000</b>	<b>\$252,000</b>
<b>OPERATING EXPENDITURES</b>			
4 Sewage Collection	\$94,000	\$63,000	\$78,000
5 Sewage Treatment	51,000	55,000	47,000
6 Sewage Disposal	46,000	14,000	39,000
7 Consumer Accounting	2,000	2,000	2,000
8 General Administration	42,000	25,000	29,000
9 Depreciation Expense	37,000	37,000	37,000
10 <b>Total Operating Expenditures</b>	<b>\$272,000</b>	<b>\$196,000</b>	<b>\$232,000</b>
11 <b>NET OPERATING INCOME (LOSS)</b>	<b>(\$11,000)</b>	<b>\$56,000</b>	<b>\$20,000</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>			
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 <b>Total Non-Op Income/(Expense)</b>	<b>\$68,000</b>	<b>\$66,000</b>	<b>\$65,000</b>
<b>NET INCOME/(LOSS)</b>	<b>\$57,000</b>	<b>\$122,000</b>	<b>\$85,000</b>
<b>OTHER SOURCES/(USES) OF FUNDS</b>			
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	(155,000)	(441,000)	(565,000)
21 <b>Total Other Sources/(Uses)</b>	<b>(\$49,000)</b>	<b>(\$404,000)</b>	<b>(\$429,000)</b>
22 <b>CASH INCREASE/(DECREASE)</b>	<b>\$8,000</b>	<b>(\$282,000)</b>	<b>(\$344,000)</b>

**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
# <b>BASIC DATA</b>					
1 Number of Connections	234	234	235	235	236
2 Monthly Service Charge	\$93.00	\$98.00	\$102.00	\$107.00	\$112.00
<b>OPERATING REVENUE</b>					
3 Monthly Service Charge	\$261,000	\$275,000	\$288,000	\$302,000	\$317,000
4 Miscellaneous Service Charges	-	-	-	-	-
5 <b>Total Operating Revenue</b>	<b>\$261,000</b>	<b>\$275,000</b>	<b>\$288,000</b>	<b>\$302,000</b>	<b>\$317,000</b>
<b>OPERATING EXPENSE</b>					
6 Operating Expenditures	\$235,000	\$242,000	\$249,000	\$256,000	\$263,000
7 Depreciation Expense	37,000	37,000	38,000	39,000	40,000
8 <b>Total Operating Expense</b>	<b>\$272,000</b>	<b>\$279,000</b>	<b>\$287,000</b>	<b>\$295,000</b>	<b>\$303,000</b>
9 <b>NET OPERATING INCOME</b>	<b>(\$11,000)</b>	<b>(\$4,000)</b>	<b>\$1,000</b>	<b>\$7,000</b>	<b>\$14,000</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>					
10 Interest Revenue	\$8,000	\$4,000	\$5,000	\$17,000	\$16,000
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 <b>Total Non-Op Revenue/(Expense)</b>	<b>\$68,000</b>	<b>\$66,000</b>	<b>\$60,000</b>	<b>\$75,000</b>	<b>\$76,000</b>
<b>Net Income</b>	<b>\$57,000</b>	<b>\$62,000</b>	<b>\$61,000</b>	<b>\$82,000</b>	<b>\$90,000</b>
<b>OTHER SOURCES/(USES)</b>					
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	0	0	0	(260,000)	0
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 <b>Total Other Sources/(Uses)</b>	<b>\$106,000</b>	<b>\$37,000</b>	<b>\$1,097,000</b>	<b>(\$230,000)</b>	<b>\$46,000</b>
23 <b>Cash Increase/(Decrease)</b>	<b>\$163,000</b>	<b>\$99,000</b>	<b>\$1,158,000</b>	<b>(\$148,000)</b>	<b>\$136,000</b>
24 <b>ENDING CASH BALANCE</b>	<b>\$442,000</b>	<b>\$541,000</b>	<b>\$1,699,000</b>	<b>\$1,551,000</b>	<b>\$1,687,000</b>

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 BI (btwn Rowland/Adele)	-	\$100,000	
	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			
1.7007.11	a. DCA Repair/Replace (~14/yr)	\$100,000	\$60,000	Detector Check Assembly replacements.
1.7090.04	b. Anode Installations (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			
1.6502.47	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 Dam Concrete Repair (Apron)	\$50,000	-	Ongoing periodic repair of Lake Stafford dam face (apron).
1.4064.00	2 Leveroni Creek Embankment Repair	\$191,000	-	Repair/stabilize culvert embankment under access road to STP/IVGC.
1.6600.92	3 Other Treatment Plant Improvements	\$114,000	\$50,000	Miscellaneous plant improvements
1.4060.00	4 Efficiency Improvements	\$100,000	\$100,000	Improvement of sludge treatment process as suggested in the Efficiency Study.
	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).
	f. Olema Creek Bridge Pipe Replacement (County)	\$35,000	-	Relocate/replace 8-inch water main across Olema Creek Bridge (bridge project 2022).
	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	\$115,000	-	Replacement of lift pump.
		<u>\$155,000</u>	<u>\$190,000</u>	

**CAPITAL IMPROVEMENT PROJECTS**

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	FY20	FY21	FY20 Project Description
<b><u>SUMMARY - GROSS PROJECT OUTLAY</u></b>			
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	\$155,000	\$190,000	
GROSS PROJECT OUTLAY	<u>\$5,813,000</u>	<u>\$6,668,000</u>	
4. LESS FUNDED BY LOANS/GRANTS/OTHER			
a. Office/Yard Building Refurbish (Note 1)	-	(\$3,900,000)	
b. OM Treatment Pond Rehab (Note 2)	-	(\$113,000)	
TOTAL LOAN/GRANT FUNDS	-	<u>(\$4,013,000)</u>	
<b><u>SUMMARY - NET PROJECT OUTLAY</u></b>			
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	\$155,000	\$77,000	
NET PROJECT OUTLAY	<u>\$5,813,000</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
<b>NOVATO POTABLE WATER DEBT SERVICE</b>			
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	
	<u>\$1,904,000</u>	<u>\$2,748,000</u>	
<b>NOVATO RECYCLED WATER DEBT SERVICE</b>			
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	
	<u>\$1,163,000</u>	<u>\$1,163,000</u>	
<b>WEST MARIN WATER DEBT SERVICE</b>			
i. TP Solids Handling Bank Loan	\$71,000	\$71,000	
	<u>\$71,000</u>	<u>\$71,000</u>	
<b>OCEANA MARIN SEWER DEBT SERVICE</b>			
j. CIP Financing	-	\$18,000	
	<u>-</u>	<u>\$18,000</u>	
TOTAL DEBT SERVICE	<u>\$3,138,000</u>	<u>\$4,000,000</u>	
NET PROJECT OUTLAY & DEBT SERVICE	<u>\$8,951,000</u>	<u>\$6,655,000</u>	

**CAPITAL IMPROVEMENT PROJECTS**

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		FY20	FY21	FY20 Project Description
<b>STUDIES &amp; SPECIAL PROJECTS</b>				
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
<b>1 ADMINISTRATION</b>			
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.
		<b>\$27,000</b>	
<b>2 OPERATIONS/MAINTENANCE</b>			
12106.01.00	a. Metals Analyzer	\$105,000	Replace 20-year old metals analyzer as its repair components are no longer available.
		<b>\$105,000</b>	
<b>3 CONSTRUCTION/MAINTENANCE</b>			
12106.01.00	b. Fittings & Hose for Emergency Hose Trailer	\$21,000	Potable Water Hose 660' (6")
		<b>\$21,000</b>	
<b>4 VEHICLE &amp; ROLLING EQUIPMENT EXPENDITURES</b>			<u>Rolling Stock to be Transferred &amp; 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.
		<b>\$186,000</b>	
<b>Total</b>		<b>\$339,000</b>	
		Adopted	Estimated
		Budget	Actual
		2018/19	2018/19
		2019/20	
<b>RECAP</b>			
Equipment	\$180,000	\$32,000	\$153,000
Rolling Stock	\$175,000	\$119,000	\$186,000
	<b>\$355,000</b>	<b>\$151,000</b>	<b>\$339,000</b>

**11**

## MEMORANDUM

To: Board of Directors  
From: Robert Clark, Operations / Maintenance Superintendent *RKC*  
Subject: FY 18/19 Third Quarter Progress Report - Operations/Maintenance  
X:\MAINT SUP\2019\BOD\Q3 18-19 O&M update.doc

May 17, 2019

**RECOMMENDED ACTION:** Information

**FINANCIAL IMPACT:** None

**Novato**

With 36 inches of rain or 133 percent of average rainfall during the three month period Stafford Lake reached a maximum elevation of 199.5 feet or 120% of full capacity (overflow elevation is 196 feet). Stafford Lake Treatment Plant began operation on March 21<sup>st</sup> after the clear well coating project was completed. During the period Stafford Treatment Plant produced 20 MG of water. Major projects during the STP shut down included recoating of the Actifloc and finished water clear wells along with re-plumbing of all water quality and chemical dosing lines in the clear wells, replacement of five turbidimeters for improved water quality response and relocation of the primary coagulant aid feed point for improved dose efficiency.

Maintenance staff completed scheduled tasks this period including replacement of the Wild Horse Valley Tank PG&E service, replacement of a leaking hydraulic cylinder for Stafford Lake outlet tower gate and deployment of generators to West Marin for two winter storms and an unplanned PG&E power outage that lasted 18 hours. Cross-Connection Control (CCC) staff performed an audit of the Bel Marin Keys area for required backflow device needs and found that we need to plan for over 600 residential backflow device installations. The 2018 CCC annual report was completed; highlights from the CCC program include; 94% completion of the 2,223 backflow device testing and 100% completion of the commercial fire services testing. The total number of devices dropped by 78 due to the recycled water program and AMI projects. Novato Unified School District continues to fail to properly test their backflow devices. Staff has reached out to the NUSD Maintenance Superintendent and will follow up with a new program relieving them from all testing responsibilities and bring those responsibilities back into the District.

**West Marin System / Oceana Marin**

Staff responded to two severe weather events by placing a mobile power generator at the Point Reyes Treatment Plant but no power outages occurred. Staff responded to disinfection by product (DBP's) concern in the West Marin distribution system with a modified operations plan for the short term and has hired a consultant to investigate long term options to reduce the potential for DBP formation. Failure of one of the primary lift station pumps at the Tahiti Way Lift station required staff to change out the pump set and order a rebuild kit. After reinstallation of the repaired pump, the lift station is operating at full design capacity.

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**DISBURSEMENTS - DATED MAY 9, 2019**

Date Prepared 5/7/19

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 4/30/19	\$134,492.89
EFT*	Internal Revenue Service	Federal & FICA Taxes PPE 4/30/19	56,840.85
EFT*	State of California	State Taxes & SDI PPE 4/30/19	11,728.58
EFT*	CalPERS	Pension Contribution PPE 4/30/19	34,002.26
1	Allquip Universal	Press Regulator for Vac Trailer (\$295) & Clutch ('13 Excavator & Trailer) (\$682)	977.39
2	Alpha Analytical Labs	Lab Testing	45.00
3	Athens Administrators	April Replenishment for Check Written (\$1,160) & May Monthly Fees (\$1,000)	2,160.00
4	AT&T	Telephone (\$61), Fax (\$74), Data (\$270) & Leased Lines (\$140)	547.39
5	Backflow Distributors	Repair Parts for Fire Services and Backflows (\$5,480) & 1" DC Backflow Assembly (\$1,042)	6,522.31
6	Bauman Landscape	Refund Security Deposit on Hydrant Meter Less Final Bill	758.42
7	Building Supply Center	Pipe Insulation for Level Trans Line PRE#1	2.48
8	Clark, Robert	Exp Reimb: Purchased Spray Nozzle from Bete Fog for PRE1 DBP Control	125.61
9	Coast Counties Peterbilt	Stop Light & Pressure Switch ('09 Peterbilt 335)	74.45
10	DataTree	April Subscription to Parcel Data Info	107.80
11	Direct Line	May Telephone Answering Service	232.54
12	Environmental Express	Standards & Iron (Lab)	106.32
13	Evoqua Water Technologies	Service on Lab Deionization System	263.85
14	Farr Construction	Prog Pymt#3: Release of Retention STP Coat Concrete Project (Total Project Cost \$481,400)	23,919.46

Seq	Payable To	For	Amount
15	Fisher Scientific	Hydrochlor (Lab)	107.79
16	Gallup, Kathy	Novato "Toilet Rebate" Program	100.00
17	Grainger	Pressure Hose for Vac Excavator (\$122), Fuses for STP PLC's (30) (\$76), Intrusion Switches (2) (\$107), Ice Bags (1,000) (\$193), Reciprocating Saw Blades (100) (\$244) & Bag for Traffic Signs	777.58
18	Hinkle, Lynne	Refund Overpayment on Closed Account	15.25
19	Jeung, Curtis	Novato "Toilet Rebate" Program	100.00
20	Kaiser	DMV/DOT Physical (LeBrun) (\$115) & Pre-Employment Physical (Simpson)	180.00
21	Leech, Ben	Refund Overpayment on Closed Account	18.68
22	Lincoln Life	Deferred Compensation PPE 4/30/19	10,354.86
23	Nationwide Retirement Solution	Deferred Compensation PPE 4/30/19	1,670.00
24	Nikpour, Haideh	Novato "Toilet Rebate" Program	100.00
25	Noll & Tam Architects	Prog Pymt #11: NMWD Headquarters Upgrade Master Plan (Balance Remaining on Contract \$39,539)	6,375.00
26	Northern Safety	Vinyl Aprons (72) (Lab)	24.16
27	Novato Builders Supply	Concrete Nails (1 lb) & Materials for Lobby Door Repair (\$73)	75.78
28	Novato Village, L.P.	Refund Excess Advance for Cost Over Actual Job Cost-Novato Village	8,741.60
29	O'Donnell, Megan	Refund Overpayment on Closed Account	62.06
30	Pace Supply	Lock-Out Plates for Meters & Backflows (\$89), Brass Caps (4) & Meter Gaskets (200) (\$54)	174.38
31	NMWD Petty Cash	Safety Snack (\$57), Business Lunch (\$15) & Car Wash (\$3)	75.04
32	Patel, Pritesh & Rita	Novato "Washer Rebate" Program	50.00
33	Perry's #2	Refund Overpayment on Closed Account	235.01
34	Preferred Alliance	Pre-Employment Physical (Simpson)	42.00



Seq	Payable To	For	Amount
35	Recology Sonoma Marin	April Trash Removal	480.66
36	Reichert Townhouses Assoc	Refund Overpayment on Closed Account	149.96
37	Save The Bay	Refund Security Deposit on Hydrant Meter Less Final Bill	816.87
38	Scott Technology Group	Admin Photocopier Maintenance (4/30/19-4/29/20)	1,715.80
39	Simpson, Austin	Exp Reimb: Safety Boots	196.19
40	Soiland	Asphalt Recycling (12 tons) & Rock (24 tons) (Country Ln Pipeline Replacement Project) (\$578)	635.78
41	State Water Resources Control	Grade 1 Certification Fee (Watkins)	70.00
42	SWK Technologies	Accounting Software Support	43.75
43	Syar Industries	Asphalt Recycling (6 tons)	926.33
44	Township Building Services	April Janitorial Supplies	477.89
45	Team Ghilotti	Prog Pymt#1: Montego Keys Pipeline Replacement Project (Balance Remaining on Contract \$175,685)	23,099.25
46	Univar	Sodium Hypochlorite (200 gal) (W.M.)	447.71
47	Verizon Wireless	Cellular Charges: Data (\$606) & Airtime (\$80)	686.43
48	VWR International	Nitrile Gloves, Bacteria Organism (\$100), Brush, Rimless Lens, Manual Pipette Controller & Membranes (1,000) (\$212) (Lab)	448.09
<b>TOTAL DISBURSEMENTS</b>			<b><u>\$332,381.50</u></b>

The foregoing payroll and accounts payable vouchers totaling \$332,381.50 are hereby approved and authorized for payment.

  
Auditor-Controller

5/7/19  
Date

  
General Manager

5/7/19  
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

4/22/19  
(TODAY'S DATE)

I attended the

NORTH BAY WATER REUSE AUTHORITY

on

4/22/19

(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

4/30/19

DATE

CHARGE TO: 56001-01-11

AMOUNT: \$

(filled in by Accounting)

PAID PAY PERIOD ENDING \_\_\_\_/\_\_\_\_/\_\_\_\_



**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

4/10/19  
(TODAY'S DATE)

I attended the

WAC Mtg in Santa Rosa  
(followed by tour of SCWA facilities)  
(NAME OF MEETING OR WORKSHOP)

on

4/8/19  
(DATE OF MEETING)

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

*JBaker*  
DIRECTOR SIGNATURE

**FOR ACCOUNTING USE ONLY**

*Audie Blue*  
APPROVED TO PAY BY

4/10/19  
DATE

CHARGE TO: 56001-01-11

AMOUNT: \$ \_\_\_\_\_  
(filled in by Accounting)

PAID PAY PERIOD ENDING \_\_\_\_ / \_\_\_\_ / \_\_\_\_



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

BOARD MEMBER: MICHAEL JOLY

228 San Ramon Way  
Novato, CA 94945

DATE

4/10/19  
(TODAY'S DATE)

I attended the

SCWA Facilities Tour on 4/10/19  
(NAME OF MEETING OR WORKSHOP) (DATE OF MEETING)

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

Michael A. Joly  
DIRECTOR SIGNATURE

**FOR ACCOUNTING USE ONLY**

Julie Blue

APPROVED TO PAY BY

4/16/19

DATE

CHARGE TO: 56001-01-11

AMOUNT: \$ \_\_\_\_\_  
(filled in by Accounting)

PAID PAY PERIOD ENDING \_\_\_\_/\_\_\_\_/\_\_\_\_



**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 04/15/2019  
(TODAY'S DATE)

I attended the North Bay Watershed Association on 04/10/2019  
(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

4/16/19  
DATE

CHARGE TO: 56001-01-11

AMOUNT: \$ \_\_\_\_\_  
(filled in by Accounting)

PAID PAY PERIOD ENDING \_\_\_\_/\_\_\_\_/\_\_\_\_



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

BOARD MEMBER: JAMES GROSSI

3801 Novato Boulevard

Novato, CA 94947

DATE

4/23/2019  
(TODAY'S DATE)

I attended the

Dry Creek Ribbon Cutting and

(NAME OF MEETING OR WORKSHOP)

PPFC mtg

on 4/22/2019

(DATE OF MEETING)

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

  
DIRECTOR SIGNATURE

**FOR ACCOUNTING USE ONLY**

Julie Rine  
APPROVED TO PAY BY

4/24

DATE

CHARGE TO: 56001-01-11

AMOUNT: \$ \_\_\_\_\_  
(filled in by Accounting)

PAID PAY PERIOD ENDING \_\_\_\_/\_\_\_\_/\_\_\_\_

## ***DISBURSEMENTS - DATED MAY 16, 2019***

Date Prepared 5/14/19

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:

<b>Seq</b>	<b>Payable To</b>	<b>For</b>	<b>Amount</b>
1	Able Tire & Brake	Tires (7) ('17 Ford F-350-\$1,310 & Magnum Generator & Trailer)	\$1,377.76
2	Arrow Benefits Group	April Dental Expense	3,844.64
3	Bartley Pump	Pump Rental for Front Office A/C	108.25
4	Bergstrom, Kyle	Exp Reimb: D1 Distribution Certification Renewal Fee (6/19-8/22)	70.00
5	Buck's Saw Service	Parts & Weedline for String Trimmer & Pressure Washer Tips (8) (\$54)	106.55
6	California Water Service	Water Service (0 ccf) (3/2/19-5/1/19)	48.52
7	Caltest Analytical Laboratory	Lab Testing	70.30
8	Carpenter Rigging & Supply	Wire Rope (1,000') Used to Replace Plastic Services	663.13
9	Champie, Michael	Novato "Washer Rebate" Program	50.00
10	Cilia, Joseph	Retiree Exp Reimb (May Health Ins)	333.79
11	Comcast	May Internet Connection	153.29
12	Diesel Direct West	Diesel (500 gals) (\$3.08/gal)	2,079.49
13	Diggs, James	Retiree Exp Reimb (May Health Ins)	311.19
14	Environmental Science Assoc	Permitting Assistance for San Mateo Tank & Lagunitas Bridge Projects (Total Project Cost \$4,999)	4,998.60
15	Fishman Supply	Bandages (440) (Const)	28.47
16	Frontier Communications	Leased Lines	1,431.41
17	Gonyea, Valerie	Novato "Washer Rebate" Program	50.00
18	Gordon N Ball	Refund Security Deposit on Hydrant Meter Less Final Bill	435.83



Seq	Payable To	For	Amount
19	Grainger	Reciprocating Saw Blades (25) (\$145), Chemical Gloves (STP), Pipe Cutters (8) (\$96), Replacement Pump for Front Office A/C (\$1,010) & Sump Pump for Lynwood P/S (\$235)	1,494.78
20	Hach	pH Sensor, pHTester (\$159) & Chlorine Reagent (\$122) (STP)	381.21
21	International Dioxide	Parts for Chlorine Dioxide Generator (STP)	1,350.08
22	Jackson, David	Retiree Exp Reimb (May Health Ins)	986.81
23	Jung, Michael	Novato "Washer Rebate" Program	50.00
24	Latanyshyn, Roman	Retiree Exp Reimb (May Health Ins)	333.79
25	Lemos, Kerry	Retiree Exp Reimb (May Health Ins)	986.81
26	Marin Landscape Materials	Rebar & Sand (1 yd) (\$49)	59.19
27	Marin County Ford	Brake Pads ('17 Ford F350) (\$166), Side Steps ('19 F350) (\$404) & Air Bag Switch Assembly ('05 Ford Ranger) (\$102)	672.01
28	McLellan, WK	Misc Paving	9,436.11
29	McMahon, Kay	West Marin "Water Smart Landscape Efficiency" Program	25.00
30	North Marin Auto Parts	Tire Valve, Wheel Guard for Tire Machine, Cleaners & Brushes for Fleet Equipment (\$178) & Service Parts for Multiple Vehicles (\$254)	498.13
31	North Bay Gas	Dip Tubes (3) (\$111), Nitrogen for TOC Monitors (\$622) (STP) & April Cylinder Rental (\$151)	884.46
32	Novato Sanitary District	January (\$6,983) & February (\$8,937) 2019 RW Operating Expense	15,919.84
33	Pace Supply	Angle Meter Stops (20) (\$936), Tees (6), 12" Butterfly Valves (4) (\$5,312), Brass Nipples (6) (\$102), Couplings (6) & Soil Probes (4) (\$289)	6,695.19
34	PG&E	Connection Fee for New Power Service for Crest Tank P/S	2,000.00

Seq	Payable To	For	Amount
35	Pini Hardware	Shovels (24) (\$821), Tools & Supplies for Maintenance (\$231), Materials for Tank Security Upgrades, Materials for Lobby Door Repair, Parts for Air Lines & Air Couplings for STP (\$111)	1,185.83
36	Portable Pipeline Systems	Potable Water Hose for Temporary Service to Consumers	6,103.81
37	Poydessus, Raymond	Refund Overpayment on Closed Account	90.07
38	R & B	Elbows (10) (\$1,026), Couplings (26) (\$4,478), PVC Pipe (140') (\$1,382), Gate Valves (7) (\$4,681) Hex Nuts (1,000) (\$477), Fiberlyte Box Lids (10) (\$1,056), Materials for College of Marin-Miwok Center Project (\$5,159), Test Plates (2) Hydrants (3) (\$716), Nipples (5), Tees (2) (\$614), Unions (2), Double Check Fire Assembly (3) (\$9,307) & Valve (\$697)	28,752.18
39	R & B Equipment	Refund Security Deposit on Hydrant Meter Less Final Bill	817.01
40	Red Wing Shoe Store	Safety Boots (Reed & Gibbs)	396.19
41	Darlene D. Rhodes	Prog Pymt#3: HR Consulting Services (Balance Remaining on Contract \$8,575)	1,881.25
42	Rodriguez, Christopher	Exp Reimb: D1 Distribution Certification Exam Fee	70.00
43	Soiland	Drain Rock (12 tons)	285.73
44	Sonoma County Water Agency	Conservation Program Support (1/1/19-3/31/19)	4,024.58
45	Stafford, Vernon	Retiree Exp Reimb (May Health Ins)	333.79
46	Staples Business Credit	Keyboard Drawer (\$69), Date Stamp, Shredder Bags (150) (\$88) & Copy Paper (100 reams) (\$451)	647.91
47	Synectic Technologies	Quarterly Phone System Maintenance	446.70
48	Thatcher of California	Ferric Chloride (9 tons) (STP)	5,195.99
49	TPx Communications	May Telephone Charges	522.15
50	United Parcel Service	Delivery Services: Scrubber Media Testing for STP & Flow Pressure Transmitter Rebuild for Maintenance (\$18)	30.40

Seq	Payable To	For	Amount
51	Univar	Sodium Hypochlorite (8 Drums) (STP)	1,619.84
52	USA BlueBook	Turbidity Standard (STP)	259.20
53	US Bank	April Safekeeping Treasury Securities	148.00
54	US Postal Service	Meter Postage	1,000.00
55	VBS CAL	Vellum (\$137) & Bond Paper (\$174) for Engineering	310.13
56	Verizon Wireless	AMI Gateways, SCADA, Novato (\$643) & CIMIS Station	658.16
57	Volvo Construction Equipment	Service Parts ('11 & '12 Compressor)	673.89
58	VWR International	Bottles (12) (\$94), Replacement Turbidimeter (\$2,486), Reagent Alcohol (\$106) & Endo Broth (Lab)	2,767.12
<b>TOTAL DISBURSEMENTS</b>			<b><u>\$116,154.56</u></b>

The foregoing payroll and accounts payable vouchers totaling \$116,154.56 are hereby approved and authorized for payment.

  
Auditor-Controller

5/14/19  
Date

  
General Manager

5/14/19  
Date



## Graduation Ceremony

# CLASS OF 2019

### *Class of 2019*

Imee Birkett | Isagenix  
 Julie Blue | North Marin Water District  
 Jeff Boheim | Novato Sanitary District  
 Kent Cai | Cameron Coffey & Kaye Professional Corporation  
 Elizabeth Clary | Alchemia  
 Rachel Farac Lorraine | Coldwell Banker  
 John Green | Sonoma State University  
 Cynthia Gregory | Sutter Health Novato Community Hospital  
 Martine Hoefnagels | Daniel Macdonald AIA Architects  
 Michael Jackson | Coldwell Banker  
 Garen Kazanjian | Recology Sonoma Marin  
 Erich Mesenburg | Novato Fire Protection District  
 Isaac Munene | Coldwell Banker  
 Angela Olmanson | College of Marin  
 Sherri Jacobs | Valley Memorial Park Cemetery  
 Ashley Robertson | Bank of Marin  
 AJ Vazquez | Umpqua Bank  
 Sarah Walton | Keaton's Redwood Chapel  
 Sophia Winter | City of Novato, Novato Police  
 Jennifer Witherington | The Witherington Group  
 Mike Woolard | Novato Unified School District  
 Lisa Zahorenko | KIOSK  
 Jie Zheng | Mei Jie Preschool

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# POINT REYES LIGHT

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## West Marin faces better representation on North Marin board

By Anna Guth  
05/02/2019

West Marin residents will soon have more reliable representation on the North Marin Water District board, after directors voted last week to replace their at-large seats with seats tied to geographic districts. Over the coming months, the board will draw the boundaries of five new districts within its service area that are meant to spread representation more equally among customers.

The move comes alongside a wave of changes on Novato public boards triggered by an accusation that the Novato City Council was violating the California's Voting Rights Act of 2001, which seeks to reduce "racially polarized voting."

On behalf of the Southwest Voter Registration Education Project, attorney Kevin Shenkman sent a letter to the council in February that argued that its at-large elections are shutting out representation of the city's Latino residents.

According to Mr. Shenkman, the state's voting act disfavors at-large election methods, which serve to dilute the voting strength of minorities.

Although there has never been a Latino representative on the Novato City Council, 21 percent of Novato's population of 51,904 was Latino in 2010, the year of the last census count. In the past 20 years, just one Latino candidate ran for the council; he lost in 2011.

The city is pushing back, denying the accusation of racially polarized voting but shifting to by-district elections effective June 10 nonetheless. The California cities that have fought Mr. Shenkman—who has brought similar claims against many districts statewide—have lost in multimillion-dollar settlements. Though Novato will avoid these heavier costs, per the state voting act, it will owe Mr. Shenkman compensation for his time.

The threat of such fees has prompted other agencies in Novato—including the school district, sanitary district and fire district—to consider changing their election methods. North Marin Water District has followed suit.

"We recognize that most of our customers fall within the city's boundaries, and since the city is going through this process already, we decided it was time to stop and look at this also," said Drew McIntyre, North Marin's general manager.

The water district has consisted of at-large directors since it formed in 1948. The district expanded to provide service for Point Reyes Station, Bear Valley and Inverness Park in 1967; in the 1970s, it took over operation of the areas serviced by the Olema Water Company and the developer of the Paradise Ranch Estates on the Inverness ridge, and created the sewer system in Oceana Marin in Dillon Beach.

Today, the district serves a total of 783 meters throughout West Marin and around 20,500 meters in the Novato area. Sewer service to Oceana Marin includes an additional 229 connections.

Because the state's voting rights act requires that districts be drawn around equal portions of the population, Mr. McIntyre said the district that includes West Marin will likely also include some of western Novato. There are an estimated 61,400 people living within North Marin's Novato area, and around 2,000 throughout West Marin.



Currently, all five of North Marin's board members live in Novato or its unincorporated areas. Olema resident Dennis Rodoni, who left the board in 2016 to fill his present role as District Four supervisor, was the last West Marin resident to serve on the board, after 20 years at the post. Rhonda Kutter, a Point Reyes Station resident, lost her bid to take over his seat and continue to represent the interests of West Marin residents. (She now serves as Supervisor Rodoni's aide.)

The supervisor told the Light this week that he was supportive of having a West Marin representative on the board, though the change to by-district elections will likely not guarantee it.

"Someone who is more connected can help bring the community's message to the whole board," he said. "It is helpful to have representation particular to this particular cross section of residents, especially since it is so remote. In my 20 years, my focus was infrastructure, and the message from residents seemed to be strong support—they were willing to pay for better infrastructure."

Some projects that commenced during Supervisor Rodoni's tenure with the water district are still in the works, including a \$775,000 effort to replace a water tank that burned in the Mount Vision fire, the construction of wells and a solids-handling facility, and upgrades to the Point Reyes Station treatment plant, which will together cost around \$75,000. The construction of a \$300,000 second well on the Gallagher Ranch, meant to curb the district's use of old wells at its Coast Guard site, is also planned.

Three of North Marin's board seats will come up for election in 2020, when the terms of Michael Joly, Jack Baker and Stephen Petterle end. Directors James Grossi and Rick Fraites will face elections in 2022.

*North Marin Water District's board of directors will discuss new district boundaries during the regular meetings of May 7, May 21, May 28, June 4, June 11, June 18, July 9 and July 16. Meetings start at 6 p.m. at district headquarters (999 Rush Creek Place), in Novato. All materials will be available at nmwd.com.*

## **NOVATO**

### **Fire district begins election transition**

The Novato Fire Protection District is beginning the process of switching to district elections.

The district board voted unanimously last week to launch the process, which would take effect for the November 2020 election. The process is expected to cost up to \$59,000 to cover legal and map-making costs. The district is one of several local government agencies in Novato switching from at-large elections.

A series of public hearings to solicit suggestions for possible district boundaries will begin May 22.



## Fire board increases parcel tax rates

Ta x

NOVATO

By Will Houston

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The Novato Fire Protection District board has approved increase in parcel taxes beginning in July.

Approved in a unanimous vote this month, the new tax rate will rise from 9.16 cents to 9.51 cents per square foot for residential properties and from 13.73 cents to 14.26 cents per square foot for commercial and industrial properties.

The tax hike will bring the district another \$214,000 in tax revenue for a total of about \$5.8 million in the 2019-20 fiscal year, according to district staff. The district regularly increases the tax rate to keep up with inflation.

“It’s primarily to keep pace of the rising cost of doing business,” said Joe Valenti, the district’s finance director. “The cost of fuel, personnel, benefits and insurance; all the costs are going up every year.”

Originally approved by voters in 1991 to pay for ambulance, paramedic and fire protection services, the tax can be adjusted annually to keep up with inflation following an amendment to the tax measure approved by voters in 2002. The fire district is citing a 3.87% increase in the Bay Area’s consumer price index in 2018 as justification for the rate increase. This is the largest bump in the consumer price in-

**TAX»PAGE 4**

## Fire board increases parcel tax rates

Ta x

FROM PAGE 3

dex since 2001, which saw a 5.38% increase, according to the district staff report. Adjustments have increased the tax rate yearly since at least 2013, Valenti said.

Last year, the district collected \$5.58 million in revenue from the 56.1 million square feet of Novato and unincorporated land within its

agencies like the district are also preparing for higher pension costs for employees as the California Public Employees’ Retirement System, or CalPERS, continues to lower its discount rate. The discount rate essentially indicates how much CalPERS investments of employer and employee pension payments are expected to earn in the future. The rate is being lowered from about 7.4% in 2017 to 7% by the 2019-20 fiscal year, which begins in July.

Fire Chief Bill Tyler said Monday that the district is in good financial shape as it heads into the new

jurisdiction. Property taxes make up the vast majority of the district's revenue. Within that the special assessment tax makes up about 18% of the district's revenue, Valenti said.

The decision comes as the district board begins its review of its 2019-2020 budget.

The district budgeted for 75 employees in the current fiscal year, down two positions from the preceding 2017-18 budget. Public

fiscal year, but said economic forecasts show property tax revenues are expected to remain fairly flat.

“While oftentimes Southern Marin enjoys higher property taxes, it's not the same for the north end of the county,” Tyler said.

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Tuesday, 05/07/2019 Pag.A03

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## Marin could face long fire prevention outages

### Outages

#### EMERGENCY MEASURE

PG& E to shut off power lines if threat becomes extreme

By Richard Halstead

[rhalstead@marinij.com](mailto:rhalstead@marinij.com) @HalsteadRichard on Twitter

Marin residents need to prepare for power outages that could extend for days as part of Pacific Gas and Electric Co.'s plan to deactivate power lines more frequently in extreme weather to reduce the risk of wildfires.

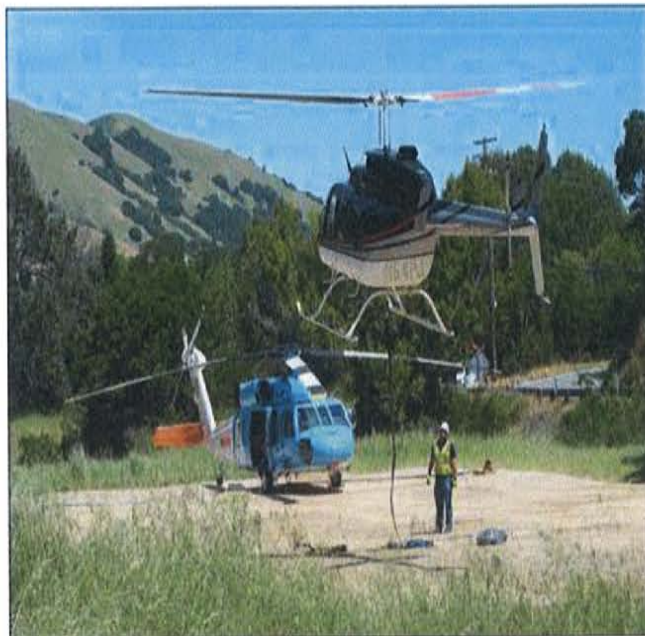
The utility has occasionally switched off power to fire-prone areas when there were high winds or other extreme weather events as a safety precaution. In the future those power cuts may not be occasional.

"PG& E has informed us they plan to be substantially more aggressive," Marin County fire Chief Jason Weber said.

"They have to visually inspect all of the lines before they re-energize, which means public agencies and the general public need to be prepared for outages that could last three or four days," Weber said. "We're certainly not ready for that."

California's three largest energy companies — PG& E, Southern California Edison and San Diego Gas & Electric Co. — this week launched a wildfire preparedness campaign at the direction of the California Public

**OUTAGES >> PAGE 2**



Helicopters are being used to replace approximately 22 wooden poles with light-duty steel poles along transmission and distribution power lines in an unincorporated area of Marin near San Rafael.

PHOTOS BY ALAN DEP — MARIN INDEPENDENT JOURNAL



Steel power poles are staged near a PG& E helicopter landing zone along Lucas Valley Road in San Rafael.

## Marin could face long fire prevention outages

### Outages

#### FROM PAGE 1

Utilities Commission.

The multimedia campaign stresses that all Californians need an emergency plan “in the event your family is affected by a power shutoff — or any other emergency.”

“We are working with public agencies throughout the entire county to assist PG& E in its messaging,” Weber said, “because the impacts are going to be huge.”

In an email, Deanna Contreras, a PG& E spokeswoman, wrote, “We anticipate that a Public Safety Power Shutoff could occur several times per year in PG& E’s service area although it is impossible to predict with complete certainty when, where and how often.”

“While customers in high fire-threat areas are more likely to be affected,” Contreras wrote, “any of PG& E’s more than 5 million electric customers could have their power shut off because the energy system relies on power lines working together to provide electricity across cities, counties and regions.”

PG& E advises that an appropriate emergency plan needs to account for medical needs such as medications that require refrigeration or medical devices that require power. The company cautions that people also need to learn how to manually open their garage doors and identify backup charging methods for phones.

The decision to turn off the power will be based on a combination of factors: high winds, low humidity and dry conditions on the ground. PG& E intends to notify customers of shutoffs in advance via phone, text alert, email and other means.

This week, PG& E began using two helicopters in Marin as part of its community wildfire safety program.

“Our ongoing and expanded efforts include further enhancing vegetation management around power lines, conducting accelerated safety inspections of electric infrastructure in high firethreat areas, and hardening our electric system,” wrote Contreras.

PG& E is replacing approximately 22 wooden poles with light-duty steel poles along transmission and distribution power lines in an unincorporated area of Marin near San Rafael, the utility said.

“We worked with the private property owner to establish a helicopter landing zone and a temporary yard for equipment at 2400 Lucas Valley Road in San Rafael,” Contreras wrote. “We need to use helicopters to help install the new poles in this location. Repairs and upgrades are happening across our service territory.”

PG& E will be using two helicopters, a Black Hawk and a Bell LongRanger 206L3. If power interruptions to replace the equipment occur, customers will receive a mailed letter. The flights started Monday and are expected to continue through May 18.

According to a posting on PG& E’s website, the company is performing accelerated safety inspections of electric infrastructure in high fire-threat areas.

PG& E says it regularly inspects equipment every two to five years depending on the pole or tower. The company says it has enhanced the criteria it uses for inspections based on a riskbased approach to identify components on electric towers and poles that have an increased risk of potential wildfire ignition.



## ***Referendum could target Novato incumbent protection***

### **Dick Spotswood**

Novato's City Council remains on track to pass an ordinance drawing boundaries for five council member districts for this November's election. The incumbents — with the exception of Josh Fryday — aren't shy acknowledging that a big factor in crafting district lines is to prevent any incumbent from being forced to run against another.

The proposed incumbent protection plan is one of the few items the City Council's two competing factions — the "ins" and the "outs" — agree on.

If the council goes ahead with this scheme, there remains one remedy to counter their self-serving move. It's called a referendum. If 2,460 valid signatures are gathered — which is 10 percent of the votes cast for governor within Novato's city limits in the last election — a referendum automatically goes on this November's ballot.

That device enables Novato residents to approve or reject any ordinance. Since it's a "yes" or "no" question, drafting a referendum isn't complicated. Gathering 2,640 signatures from registered voters isn't particularly daunting for any group with a modicum of organization. Once sufficient signatures are turned in, the proposed new district boundaries are automatically put on hold.

If voters decide against the proposed district election plan for any reason — whether believing the new districts are unrepresentative, favor a directly elected mayor, wish to impose term limits or just want to object on principle — the council's district boundary plan is out.

Council members will then start from scratch after the 2020 census to make certain new districts are in place for the 2021 election.

If a referendum makes the ballot and the "no" side prevails, the entire council will have gotten the message that voters want district boundaries

**The proposed incumbent protection plan is one of the few items the City Council's two competing factions — the 'ins' and the 'outs' — agree on.**

the losing end of a frivolous lawsuit action with him paying the city, not vice versa.

... I recently spoke at the Rotary Club of San Rafael. During the question-and-answer period a Rotarian offered that while she doesn't closely follow politics, she was interested in my suggestion on how to stay informed about the presidential primary without being overwhelmed.

For political junkies — those addicted to the cable television outlet which most matches their prejudices or the many plagued by Trump Derangement Syndrome — following the race 24-7 is a fulfilling habit. For the rest of America more interested in living a normal life, it's just too much.

My advice was to quit cable news and concentrate instead on baseball by following the Giants, win or lose. When their 162-game season is complete and the World Series decided it'll be Nov. 1.

By then, the Democrats' circular firing squad — Barack Obama's term, not mine — will have eliminated a good half of the current crop of 22 presidential candidates. The GOP slime campaign against whoever remains will just be starting, leaving three full months to focus on the presidential primaries before California voters make their decision on Super Tuesday — March 7, 2020.

*Columnist Dick Spotswood of Mill Valley writes on local issues Sundays and Wednesdays. Email him at [spotswood@comcast.net](mailto:spotswood@comcast.net).*



crafted to promote communities of interest and not to artificially preserve incumbents' careers.

## **Dick Spotswood**

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Wednesday, 05/08/2019 Pag.A13

Those who either publicly or sub rosa favor both district elections and the proposed incumbent-serving district maps claim that a referendum will subject the city to a lawsuit from Malibu attorney Kevin Shenkman. He's the statewide instigator of municipal district elections supposedly because, in some jurisdictions, the at-large election system is disadvantageous to Latinos.

By the time a referendum is voted on, Shenkman will have gotten his easy-money \$30,000 fee. He'll have little to complain about if Novato simply but formally commits to adopting district council elections by the 2021 balloting. It's the odd Superior Court judge who'll penalize any jurisdiction after its good faith compliance with Shenkman's request. The Malibu litigator might even find himself on

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## Saturday soapbox

### Time to stop continual NMWD rate increases

Does your North Marin Water District bill just seem to increase every year, and be so much more than it used to be? That is because this is exactly what has happened.

Since 2010 the rate hikes have been: 2010 — 9%; 2011 — 6%; 2012 — 7%; 2013 — 8%; 2014 — 6.5%; 2015 — 4%; 2016 — 7%; 2017 — 5%; 2018 — 4.5%; and 2019 has a proposed increase of 3.5%.

So what does the continued increases result in overall? Based on the compounded rate of year to year, the price of water has increased 80% since 2010.

When will this never-ending increase in water, an essential service need for all citizens, end? Water is not a service like cable TV where you can just cancel or move to another vendor. You can reduce usage, but that has its limitations for the quality of life.

It is time for NMWD to determine how they can control these costs before the simple cost of water is too high-priced for retirees on a fixed budget.

Do we need to build more reservoirs? Think how much rain water this winter ran off into the bay. Will the cost of water supplied by Sonoma continue to see increased rates beyond our control? Business as usual is not the answer.

It is complicated, but now is the time to stop this never-ending escalation in water prices by NMWD and plan a future that does not include increased spiraling escalated water cost.

— Al Dugan, Novato



## Sonoma County supervisors eye future of key water diversion project



### SLIDE 1 OF 18

The spillway gates at Scott Dam are running full blast thanks to heavy rain and snow in the Lake Pillsbury watershed, Thursday, March 14, 2019. (Kent Porter / The Press Democrat) 2019

GUY KOVNER



Sonoma County supervisors agreed Tuesday to study the possibility of applying for a license to operate a remote Mendocino County hydropower project, marking the first move to maintain a long-standing water transfer deemed critical to residents and ranchers in both counties.

A coalition of five Mendocino County agencies and California Trout, a 50-year-old environmental nonprofit, are collaborating with Sonoma County's water agency in the consideration of taking over the federal license for the Potter Valley Project, which delivers 20 billion gallons of water a year from the Eel River into the Russian River basin.

Each of the three partners is putting \$100,000 into the study, an amount dwarfed by the potential cost of establishing free passage for the Eel River's protected salmon and steelhead — likely a requisite step to extend the project's life.

PG&E, the state's largest utility now in bankruptcy, surrendered the project in January, upending the license renewal process, and no entity has responded to a Federal Energy Regulatory Commission (FERC) call for a new operator.

The utility, which had owned the project since 1930, said it was no longer economical to operate a plant that generated less than 1 percent of its power.

But the water flowing through the powerhouse is virtually invaluable to the towns and ranches along the upper Russian River from Potter Valley to Healdsburg and is a critical source for Sonoma Water, which delivers water to 600,000 Sonoma and Marin county customers.

"This is a historic day," Sonoma Water General Manager Grant Davis told the supervisors, calling the interagency collaboration "just the beginning of a long process."

"We actually have a feasible path forward," Supervisor James Gore said.

But the \$300,000 pledged in equal parts by Sonoma County, CalTrout and the Mendocino County Inland Water & Power Commission for the license study is a trifle compared with the ultimate cost of their goal, touted as a "two-basin solution" for Eel and Russian river interests.

Any new licensee would almost certainly be on the hook for the \$55 to \$90 million cost of installing a fish ladder at Scott Dam or about \$70 million to remove the dam built on the Eel River in 1922 to hold water in Lake Pillsbury and release it to maintain a summertime diversion to Potter Valley.

The National Marine Fisheries Service, under federal law, has the authority to require fish passage at hydropower projects that are either changing hands or shutting down.

Supervisor Susan Gorin, without mentioning those details, noted a "fear factor" involved in the solution should it prove to be "enormously expensive" and beyond the means of water ratepayers.

Asked about that concern, Davis said in an interview that the feasibility study, to be submitted to FERC by April 2020, would include a project plan, fisheries restoration plan and a financial plan.

Asserting that the Eel-Russian river system is on a scale similar to the Klamath and San Joaquin rivers, Davis said he would seek federal and state financial assistance to develop an entity to manage the Potter Valley Project.

“I’m holding out hope we are able to move quickly and engage in the FERC process successfully,” he said.

The local collaborators have until July 1 to officially notify FERC of their intent seek a license.

CalTrout has identified Scott Dam as one of five aging dams it considers “ripe for removal,” especially in the wake of its abandonment by PG&E. Environmentalists see the dam, located in Lake County’s portion of the Mendocino National Forest, as a barrier keeping salmon and steelhead out of spawning habitat in the upper Eel watershed.

Curtis Knight, CalTrout’s executive director, said in a statement Tuesday his group is committed to a solution that “meets the needs of fish, water and people.”

Janet Pauli, a Potter Valley rancher who chairs the water and power commission, said she is comfortable collaborating with the advocates for removal of Scott Dam.

“We made it clear every consideration was on the table,” she said.

The collaborators’ planning agreement is silent on the dam’s fate, Pauli said, noting that “we don’t have enough information to make that determination.”

Gore noted that PG&E, despite its surrender of the federal license, is not free of responsibility for the dam or the sediment amassed behind it for nearly a century.

“Our assessment is they cannot walk away from it,” he said.

David Keller of Petaluma, a director of the Friends of the Eel River, which also advocates removal of Scott Dam, said he was pleased to see the progress made by groups working toward a solution.

But he cautioned that difficulties may lie ahead.

“Nothing’s simple,” Keller said. “Welcome to western water.”

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On Twitter [@guykovner](https://twitter.com/guykovner).

## County hopes for key ranch purchase

### Ranch

#### NOVATO AREA

\$10.67M needed to complete greenbelt around the city

**By Richard Halstead**

*[rhalstead@marinij.com](mailto:rhalstead@marinij.com) @HalsteadRichard on Twitter*

Marin County has secured an 18-month option to buy the remaining 688 acres of Bowman Canyon Ranch in Novato for \$10.67 million and must now try to raise the money to complete the purchase.

“We are hopeful but realistic that this is a challenge,” Max Korten, director of Marin parks and open space, told Marin supervisors Tuesday. “This is just an opportunity to try to accomplish this challenge.”

Supervisors voted unanimously to authorize Korten to execute the agreement with the property owner, Jay Garlick. Garlick purchased the land during the mid-1960s. The ranch, where beef cattle now graze, abuts Novato’s urban growth boundary near Stafford Lake.

“It would really complete a greenbelt for habitat protection, open space, and recreation around the city of Novato,” Korten said.

The land was singled out as a priority for acquisition in the Parks and Open Space’s 2

008 strategic plan and was listed as a priority conservation area in Plan Bay Area.

Carl Somers, parks planning manager, said, “Public interest in conservation of that land goes all the way back to the early 1970s with the adoption of the Marin County General Plan.”

Under the option to purchase agreement, county staff will consult with Garlick after six months to advise him if they think fundraising is possible. If it appears unlikely, Garlick has said he is willing to discuss the possibility of selling a smaller portion of the land for less money.

The county is paying a refundable deposit of

**RANCH >> PAGE 2**

## County hopes for key ranch purchase

### Ranch

#### FROM PAGE 1

“I have now become a very strong supporter of the grazing program,” said Stompe, who said one year when grazing didn’t occur thistles and weeds abounded. “It really preserves the habitat. It preserves the vegetation, and it changes the vegetation.”

\$468,000 for the purchase option. The money will come from Measure A proceeds. If the purchase is completed, the \$468,000 will become part of the payment. If it doesn't happen, the deposit will be either refunded or Garlick will turn ownership of another 34 acres of the property over to the county.

In December 2018, the Open Space District purchased 167 acres of the original 855-acre ranch for about \$2.5 million in Measure A money. The acquired land was incorporated into the existing Mount Burdell Open Space Preserve and grazing there continued.

If the county succeeds in purchasing the remaining 688 acres, the plan is to incorporate it into the preserve and allow low-impact recreational use — hiking, biking, horseback riding and dog walking — on the existing access roads. There are no plans for development.

“What they’ve found is that grazing cattle in a thoughtful way is beneficial for the ecosystems there,” Korten said.

Grazing provides an opportunity to bolster Marin agriculture while also protecting biodiversity and reducing wildland fire risk. It also reduces county costs for managing the property, Korten said.

Sam Dolcini, who serves on the boards of the Marin County Farm Bureau and the Marin Agricultural Land Trust, said, “I understand and completely appreciate this is a big reach, and we in the agricultural community look forward to the opportunity to help shorten that reach with our support.”

Dolcini said the ranch currently helps to support an adjoining organic dairy by growing enough grass each year to produce 1,000 tons of silage. The dairy, operated by Jim McIsaac, employs four families who are provided with housing and health care.

Susan Stompe, Novato’s former mayor and a Marin Conservation League board member, said she was initially skeptical about allowing grazing in the Mount Burdell Open Space Preserve.

Stompe and Supervisor Judy Arnold recalled the many years that Garlick sought to secure approvals to develop the land for housing. Arnold said Garlick had a project proposal pending when the county adopted zoning regulations for West Marin that permit only one housing unit per 60 acres. Stompe said Novato’s adoption of an urban growth boundary ended the possibility that the land would be incorporated into the city.

To pay for the purchase, Somers said the most likely source is the state, which is “relatively flush right now with proposition bond dollars” for various agencies.

The county had hoped to get most of the \$8.85 million it needed to buy the former San Geronimo Golf Course from the same source and appeared on the brink of receiving a \$3.42 million grant from the Wildlife Conservation Board when a court challenge by a local group opposed to the golf course’s closing caused the board to rethink. The group successfully argued in court that the county needed to complete an environmental study before completing the purchase.

The Bowman Canyon ranch purchase would be categorically exempt from the California Environmental Quality Act, according to a staff report. The exemption allows for the transfer of land to create parks where the land is in a natural condition and there is no management plan that would direct its future uses.

“I think this is a great opportunity for the county and the city of Novato,” said Supervisor Dennis Rodoni, who championed the San Geronimo Golf Course purchase.

“I know it’s going to be very challenging,” Rodoni said. “I want to make sure we have plenty of outreach in this process, not only in searching for funding but outreach to the city and citizens of Novato and the agricultural community.”

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Wednesday, 05/15/2019 Pag.A01

## *MMWD's fee hike proposal shines light on odd practices*

### **Dick Spotswood**

When an under-the-radar local agency moves into the news, all sorts of facts — some good some not so — emerge. The Marin Municipal Water District is experiencing this inevitable phenomenon.

The district's recent effort to raise rates for its basic services and to fund needed capital improvements has been met with surprising opposition.

The district — Central and Southern Marin's drinking water and fireflow provider — does have substantial unmet longterm capital needs that can't be ignored.

The opposition stems in part from the ham-handed methods the agency has used to announce the proposed increases.

The district's ad blitz failed to communicate just how much rates are proposed to increase. The Coalition of Sensible Taxpayers, known as CO\$T Marin, stepped into the gap and has done the numbers. It reported: The average residential user with a 5/8-inch meter faces a 28% increase in its average bill. The average residential user with a 1-inch meter (21% of MMWD's customers) faces a 35% increase.

To convince the public of the need for such a substantial increase, MMWD directors need to have full confidence from their constituents. The district's odd practices hobble that effort.

Transparency should be a core value of every public agency. MMWD is one of the few Marin governments refusing to enter the 21st Century by webcasting its meetings. Only MMWD and the Tiburon, Belvedere and Ross councils fail to televise their meetings.

The argument is that televising meetings is too costly. With an \$86 million annual budget, the water district is talking about pennies. The city of

perhaps only in event of an illness. Far better for the public, staff and directors when the decisionmakers are all sitting around the same table. As it's been said, half of any job is just showing up.

Teleconferencing is legal, but the rules are strict. The formal agenda must specify their exact location. At each distant location, the director who is calling in must post the agenda on the door of their precise location, not — as has occurred — the street address of the Paris Las Vegas casino. They must also allow the public into their off-site location.

Director Armando Quintero often calls in from his UC Merced office. The others, including Larry Russell and Cynthia Koehler, have phoned in from such diverse sites as the Admiral's Club at Phoenix's airport, Puerto Vallarta, Paris-Las Vegas Casino, Harrah's New Orleans and Austin, Texas and Washington, D.C. If water directors regard board service a top priority, they need to show up in person.

Directors are paid \$200 per day, whether they come to their Corte Madera boardroom or call in from afar. Each also receives medical benefits costing \$20,790 annually.

If MMWD is to persuade a skeptical public that its rate scheme is justified, it'll need to increase transparency by webcasting all meetings, cut administrative overhead and reduce director perks by paying their daily stipend only when they personally appear at meetings. *Columnist Dick Spotswood of Mill Valley writes on local issues Sundays and Wednesdays. Email him at [spotswood@comcast.net](mailto:spotswood@comcast.net).*

**Transparency should be a core value of every public agency. MMWD is one of the few Marin governments refusing to enter the 21st Century by webcasting its meetings.**

Mill Valley does a fine job of webcasting its sessions at an approximate annual cost of \$6,000. They also had a one-time cost of \$42,000 to set up the operation. That relatively small sum enables citizens to watch their government in action.



**Dick Spotswood**

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Wednesday, 05/15/2019 Pag.A11

One reason MMWD may not want to webcast its sessions is because three of its board members often aren't physically in the boardroom, they're teleconferencing. Seeing empty seats at the dais might not be an appealing image for directors who'll soon be seeking re-election.

The good government best practice is that teleconferencing should be used rarely,

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# POINT REYES LIGHT

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## ***Representing West Marin at North Marin water***

Regarding your May 2 article on the proposed district elections for North Marin Water District: I was elected to the board in November and will serve until 2022. Even though my address is

Novato, I consider myself from West Marin, due to having lived my entire life on a ranch west of Novato and have many contacts in West Marin. I and many of my family members and lifelong friends are involved in the Marin County Farm Bureau, MALT and the Point Reyes National Seashore. I have served on the board of the Lincoln-Union School District since 1981.

As an N.M.W.D. board member, I have taken part in discussions regarding the Paradise Ranch Estates tank replacement and am intimately involved in the second Gallagher well, having been part of the design team for the first one. I look forward to receiving input from local residents at our June 25 board meeting in Point Reyes Station. I am also reaching out to others in West Marin with interest or concerns in the district. I can be available to meet and discuss my thoughts and interests at your convenience.

**Jim Grossi**  
Novato

# SACRAMENTO BEE

## One less tax. California lawmakers move to reject Gavin Newsom's water fee

**BY HANNAH WILEY**

MAY 15, 2019 02:51 PM, UPDATED MAY 15, 2019 08:30 PM

A Senate budget subcommittee rejected Gov. Gavin Newsom's water tax plan on Wednesday, instead recommending finding \$150 million elsewhere to finance a safe and affordable drinking water fund.

Newsom [proposed the tax](#) in his January budget to help communities clean contaminated water systems. His May budget revise also [included a fee](#) to address the statewide problem that [affects one million Californians](#).

"The governor has made his proposal in the budget, and he is encouraged by the conversations with the Legislature," Newsom's spokesperson Nathan Click said. "His objective remains providing a permanent and sustained funding source for safe drinking water."

Instead of a tax, the newest proposal is contingent on the passage of Carmel Democrat Bill Monning's [Senate Bill 200](#), which establishes a fund that the \$150 million would finance.

The subcommittee's decision to lock in funds for future budget cycles could eliminate the challenge of securing votes to pass another tax. A water fee proposal [died in budget compromise talks](#) last year as Democrats worried about asking constituents to pay more.

"It's been a big stumbling block when it's called a tax," said Steve Maviglio, a Democratic strategist who worked with water tax backers. "That's the beauty of this. It'll be in every budget."

The money would come from the state's general fund, but lawmakers did not clarify what other programs might be cut to obtain the money or whether they'd dip into a state surplus to pay for it.

"We have a \$22 billion surplus and dealing with this onetime infrastructure problem by all accounts is going to be about \$150 million," said David Wolfe, legislative director for Howard Jarvis Taxpayers Association. "Once these projects are done, this isn't something we have to revisit. We're way more in favor of that than a precedent-setting tax."



**HANNAH WILEY**

916-321-1387

Hannah Wiley joined The Bee as a legislative reporter in 2019. She produces the morning newsletter for Capitol Alert and previously reported on immigration, education and criminal justice. She's a Chicago-area native and a graduate of Saint Louis University and Northwestern.

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