



NORTH MARIN WATER DISTRICT
AGENDA – REGULAR MEETING
June 2, 2020 – 6:00 p.m.
Location: Virtual Meeting via
Teleconference
Novato, California

ATTENTION: This will be a virtual meeting of the Board of Directors pursuant to Executive Order N-29-20 issued by the Governor of the State of California.

There will not be a public location for participating in this meeting, but any interested member of the public can participate telephonically by utilizing the dial-in information printed on this agenda.

Teleconference Zoom Information Call in Line:

+1 669 900 9128
+1 253 215 8782
+1 346 248 7799
+1 301 715 8592
+1 312 626 6799
+1 646 558 8656

Meeting ID: 834 917 4264#

Participant ID: #

Password: 466521#

For clarity of discussion, the Public is requested to MUTE except:

1. During Open Time for public expression item
2. Public comment period on agenda items

Please note: In the event of technical difficulties during the meeting, the District Secretary will adjourn the meeting and the remainder of the agenda will be rescheduled for a future special meeting which shall be open to the public and noticed pursuant to the Brown Act.

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	Item	Subject
6:00 p.m.	CALL TO ORDER	
	1.	APPROVE MINUTES FROM REGULAR MEETING - May 19, 2020
	2.	GENERAL MANAGER'S REPORT
	3.	OPEN TIME: (Please observe a three-minute time limit) This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
	4.	STAFF/DIRECTORS REPORTS
	CONSENT CALENDAR The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.	
	5.	Consent – Approve: Resolution re Consolidation of District election and Filing Information District Election, November 3, 2020 Resolution
	6.	Consent - Approve: Set Meeting for Assistant General Manager/Chief Engineer Interview
	7.	Consent - Approve: Response to Civil Grand Jury Request – Follow-Up Report on Web Transparency Compensation Practices
	ACTION CALENDAR	
	8.	Approve: Renew Declaration of Local Emergency Related to COVID-19 Pandemic
	9.	Approve: Contract Extension for NMWD Trench Restoration Paving
	10.	Approve: District Cross Connection Control Program Revision for Residential Pools
	11.	Approve: Recommendation for Purchase of Atomic Absorption Spectrometer
	12.	Approve: Resolution of Appreciation for Alicia Manzoni Resolution
	INFORMATION ITEMS	
	13.	Budget Review – FY20/21 Budgets Novato and West Marin Service Areas
	14.	PRE Tank 4A Replacement - Project Update
	15.	NBWRA April 27, 2020 - Minutes
	16.	MISCELLANEOUS Disbursements – Dated May 21, 2020 Disbursements – Dated May 28, 2020 NBWA Meeting June 5, 2020 WAC Support Letter - FERC Project No. 77-285; Feasibility Study Report for the Potter Valley Project <u>News Articles:</u> Editorial – New wildfire authority faces critical time Editorial – Rate-hike delay smart for MMWD 'Concerning' data on virus Dry winter spurs water managers to cut Russian River flows to retain reservoir supplies

Date Posted: 5/29/2020

Est. Time	Item	Subject
		Marin gears up for number of key possible reopenings 58 billion PG&E plan is approved by regulators Editorial – City, county, online security problems costly
7:15 p.m.	17.	ADJOURNMENT

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)

1

DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
May 19, 2020

CALL TO ORDER

President Joly announced that due to the Coronavirus outbreak and pursuant to Executive Order N-29-20 issued by the Governor of the State of California this was a virtual meeting. President Joly called the regular meeting of the Board of Directors of North Marin Water District to order at 6:05 p.m. and the agenda was accepted as presented. President Joly added that there was not a public location for participating in this meeting, but any interested members of the public could participate telephonically by utilizing the dial-in information printed on the agenda. President Joly asked if there were any members of the public on the line to announce themselves, and there was no reply.

President Joly welcomed the public to participate in the call and asked that they mute their phone, except during open time and while making comments on the agenda items. President Joly noted that due to the virtual nature of the meeting he will conduct a roll call from the Directors. A roll call was done, and four Directors were in remote attendance therefore establishing a quorum. Participating remotely by phone were Directors Jack Baker, James Grossi, Michael Joly and Stephen Petterle. Director Fraites joined the meeting remotely at 6:30 p.m.

President Joly announced in the event of technical difficulties during the meeting, the District Secretary will adjourn the meeting and the remainder of the agenda will be rescheduled for a future special meeting which shall be open to the public and noticed pursuant to the Brown Act.

Mr. McIntyre performed a roll call of staff, participating by phone were General Manager Drew McIntyre, District Secretary Terrie Kehoe, Auditor-Controller Julie Blue, Tony Arendell (Construction/Maintenance Superintendent), Robert Clark (Operations/Maintenance Superintendent) and Monica Juarez (Cashier/Receptionist). District IT consultant, Kevin Cozart (Core Utilities) was also participating remotely.

MINUTES

On motion of Director Petterle, seconded by Director Baker the Board approved minutes from the May 5, 2020 meeting by the following vote:

AYES: Director Baker, Grossi, Joly and Petterle

NOES: None

ABSTAIN: None

ABSENT: Director Fraites

GENERAL MANAGER'S REPORT

Mr. McIntyre reminded everyone of the protocol of the meeting and asked all participants to announce their name when talking and to mute their phone as much as possible unless they are speaking.

Gallagher Ranch Streambank Stabilization Project

Mr. McIntyre reminded the Board that at the last meeting a question was raised regarding the Department of Public Works (DPW) permit for the Gallagher Ranch Streambank Stabilization Project. He reported upon further discussions with DPW staff, he was successful in eliminating the requirement for on-site inspection thereby saving the District over \$3,000 in additional permitting costs.

Old Ranch Road Tank No. 2

Mr. McIntyre reported that the Northern Spotted Owl surveys continue. He stated that a total of about six surveys need to be completed, and only three have been finished to date. Mr. McIntyre apprised the Board that some NSO activity was found within a quarter mile of the project site and more detailed analysis will be needed.

Director Baker asked if the NSO survey was based on a response of a bird call only, or if it included visual sightings. Mr. McIntyre replied that our consultant performs the bird surveys at night, so he believes their initial assessments are based on bird calls, not visual siting.

Potter Valley Project

Mr. McIntyre announced that the five Potter Valley Project Planning Agreement Partners, consisting of SCWA, Mendocino County Inland Water and Power Commission, Humboldt County, Cal Trout and Round Valley Indian Tribes, filed their Feasibility Study Report with FERC on Wednesday, May 13th one day ahead of the May 14th FERC deadline. He added that at the May 18th Special WAC virtual meeting, the WAC approved submitting a support letter for the project. Mr. McIntyre stated there is much more to report on the subject and he will do so at a future meeting.

Director Grossi stated he also participated in the meeting in addition to Director Baker, but was only able to listen and thought the meeting was informative.

Assistant General Manager/Chief Engineer Position (AGM/CE)

Mr. McIntyre announced that the top three candidates for the AGM/CE position have been

67 identified and a second round of interviews are being scheduled with mid-level management and
68 engineering staff for additional input. He stated that he is favoring a Special Board Meeting in
69 June for what he would hope will be in-person interviews. Mr. McIntyre noted that Ms. Kehoe will
70 be contacting each Board member to see what date will work for everyone.

71 Director Baker asked of the top candidates, if there were any from this area. Mr. McIntyre
72 replied that one is from Novato, another from Santa Rosa, and third is from out of the area.

73 **OPEN TIME**

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

76 **STAFF/DIRECTORS REPORTS**

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

79 Ms. Kehoe announced that the 2020 Board of Directors Meeting Schedule inadvertently
80 shows a meeting the first Tuesday in July. She noted that since July 2013 there has typically
81 been only one meeting scheduled in July since we started holding three meetings in June, one of
82 which is the West Marin Meeting. Accordingly, Ms. Kehoe advised the Board that she will be
83 cancelling the first meeting on July 7th, unless the Board feels the need to hold this
84 meeting. Director Baker said it would be good to keep it on the calendar for now in case we need
85 it. Ms. Kehoe replied that she will keep it on the calendar until the beginning of July.

86 Mr. Clark gave the Board an update on the Oceana Marin sewer manhole relining project
87 and praised the contractor for doing a good job. He also provided an update on the Admin.
88 Building roof repair noting that the contractor was able to make the building water tight before the
89 recent late season rains. Mr. Clark complimented the contractor for doing a fantastic job and
90 stated that he will be providing photos and a full description to the Board at a future meeting.
91 Director Joly inquired about the \$157,000 disbursement for the contractor. Mr. Clark responded
92 that \$188,000 was the initial bid price, however at the time we did not know about the localized
93 areas of water damage, which required additional repair. He stated the full purchase order
94 amount is now \$210,000. Director Baker asked if, when we redo the structure of the building, that
95 the roof will not need to be redone when the building is refurbished. Mr. Clark confirmed, stating
96 staff is performing the existing work with full acknowledgment from the architect we used to
97 prepare the Headquarters Upgrade Master Plan and that the Master Plan cost estimate assumes
98 the roof replacement occurs in advance of the Upgrade Project.

99 Ms. Blue announced that the Prop 218 letters for West Marin and Oceana Marin were sent
100 out on May 8th. She apprised the Board that to date we have seven letters in opposition for

Novato, one for West Marin, four emails in opposition for Novato, one in opposition for Oceana Marin, and twenty phone calls from Novato with varying questions. Ms. Blue added that most of the phone calls were customers who wanted to know how their individual rates would be affected. She added that staff has directed them to the website or directly answered their questions. Ms. Blue stated other inquiries were about our low-income rate assistance program.

Director Joly asked if we are using our social media outreach to alert the public of the June 16th and 23rd meetings, as well as directing them to our rate calculator on our website. Ms. Blue replied that the information was in the Prop 218 letters that were mailed out to every customer. Mr. McIntyre informed the Board that we also have included a newsflash about these hearings on our website.

MONTHLY PROGRESS REPORT

Mr. McIntyre reviewed the Monthly Progress Report for April with the Board noting that water production in Novato was up 36% from one year ago and up 5% year to date. In West Marin, he stated that water production was flat from one year ago and down 9% year to date. Mr. McIntyre advised the Board that Stafford Treatment Plant produced 31 MG during the month of April and production was up 37% fiscal year to date. He added that Recycled Water production was up 24% from one year ago and up 16% fiscal year to date. The Board was apprised that Stafford Lake was at 74% capacity, Lake Sonoma was at 88% and Lake Mendocino was at 83% capacity. In Oceana Marin the freeboard was excellent in both the treatment and storage ponds, and there was zero irrigation discharge

Under Safety and Liability, Mr. McIntyre stated that we had 102 days without a lost time injury and there were no unusual trends under the Utility Performance Metrics section. On the Summary of Complaints and Service Orders, the Board was apprised that the total numbers were down 57% from April one year ago and down 26% year to date.

Ms. Blue reported on the April 2020 Investments, where the District's portfolio holds \$23.5M earning a 1.83% average rate of return. Julie noted that during April the cash balance increased by \$860,518. She also noted the LAIF rate is 1.65%. Ms. Blue announced that the District bought two twenty-four-month Certificates of Deposit, one at 1.35% and the other at 1.2%.

After hearing that Director Fraites was able to join the meeting, Director Joly asked him if there were any questions he had since he was unable to join the meeting at the start. Director Fraites replied that he had a hard time logging into Zoom, and he had no questions.

CONSENT ITEMS

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

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

136 NOES: None

137 ABSTAIN: None

138 ABSENT: None

139 **NOTICE OF COMPLETION FOR CHERRY HILL TANK 2 RECOAT AND REHABILITATION**
140 **PROJECT (PASO ROBLES TANK, INC.)**

141 The Board approved the Notice of Completion for Cherry Hill Tank 2 Recoat and
142 Rehabilitation Project. Paso Robles Tank, Inc. (PRT) completed work on April 22nd and all work
143 performed has been inspected by District staff and the coating inspector (D.B. Gaya Consulting).
144 A Notice of Completion, once approved by the Board, will be filed with Marin County on May 20,
145 2020. The total project cost (\$390,000) was 22% below the budget (\$499,000); which was
146 provided to the Board on October 1, 2019.

147 **ACTION ITEMS**

148 **RENEW DECLARATION OF LOCAL EMERGENCY RELATED TO COVID-19 PANDEMIC**

149 Mr. McIntyre requested the Board find that there still exists a need to continue the State
150 of Emergency due to the COVID-19 pandemic as reflected by Resolution No. 20-07.

151 Mr. McIntyre reminded the Board that staff has been operating under partial Emergency
152 Operations Center (EOC) activation since March 18th and summarized various key measures
153 implemented by the District's emergency management team since that time.

154 He stated the District's staff are physically separated as much as possible by rotation shifts
155 and having some employees work from home, but all critical operations needed to maintain
156 essential services continue. Mr. McIntyre also noted relocation of some staff back to the District
157 buildings, and certain other projects and activities are delayed until after the Marin County and
158 Statewide shelter-in-place orders are both significantly modified, suspended, or terminated. Mr.
159 McIntyre provided the Board with an update on current coronavirus conditions in Marin County.
160 He apprised the Board that currently we have no employees who have been instructed to be
161 isolated or are self-quarantined. He advised physical Board meetings will be re-instated as soon
162 as it is safe for Board members, public and staff to do so.

163 On the motion of Director Baker, and seconded by Director Fraites the Board approved
164 the renewal of the Declaration of Local Emergency Related to COVID-19 Pandemic by the
165 following vote:

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

167 NOES: None

168 ABSTAIN: None

ABSENT: None

INFORMATION ITEMS

BUDGET REVIEW – PROPOSED FY20/21 BUDGETS NOVATO AND WEST MARIN SERVICE

AREAS

Mr. McIntyre stated that before having Ms. Blue review the proposed Novato and West Marin Service Area budgets, he wanted to discuss the MMWD article under Miscellaneous where their Board voted to defer a proposed rate increase for six months. He stated that staff is continuing to move forward with the current proposed rate increases as noticed in the respective Prop 218 compliance notices sent to all customers in our three service areas. Mr. McIntyre added that if there is a desire from the Board to look at other options it is important to get some direction from the Board at this time.

There was a general discussion by the Board regarding the proposed rate increases, concern over financial impacts to customers due to the COVID-19 pandemic and the need to ensure financial stability necessary to continue reliable service to our customers. At the end of this discussion, there was a consensus from the Board to continue the budget review process as currently proposed and noticed in the Prop 218 letters. The Board also requested staff to explore other actions the Board might take to help those customers that have been financially impacted by the global health crisis.

Ms. Blue reviewed the Proposed FY 20/21 Budgets for the Novato and West Marin Service areas. She stated rate increases are proposed for Novato (6%), West Marin Water (4.5%) and Oceana Marin Sewer (5%). Ms. Blue noted the financial forecasts for each service area has been reviewed with five-year projections outlining the overall financial status of each enterprise fund. Additionally, she reviewed the Capital Improvement Project Budgets and Equipment Budgets. Ms. Blue reminded the Board that the budgets will be reviewed and refined prior to the next Board meeting on June 2nd, and at the June 16th Board meeting there will also be a public rate hearing to review and approve rate increases for the Novato system.

Director Fraites asked about one of the places that we receive revenue compensation, the Pacheco Valley tennis court. He inquired if anyone can access the courts or if they have to be part of Pacheco Valley community. Mr. Clark stated the Pacheco Valley HOA operates it and it is not open to the public. Director Baker stated the agreement goes back many years. Director Baker noted if the fees have not gone up over the last ten years, we may want to consider increasing them.

Ms. Blue continued to review the budget. She stated that she added the total projects costs as was advised by Directors Joly and Grossi at the last meeting. Both Directors replied that

203 this was very helpful. Director Joly commented on the footnote on page 30, and asked if we
204 should secure the loans for the remodel since the interest rates are so low. Ms. Blue responded
205 that she has been working with a financial advisor and we are not going to borrow money for the
206 sake of borrowing, no interest rate is worth that. She added it is hard to say what interest rates
207 are going to do in the future, but getting a \$15M loan is not advisable now. Director Joly stated it
208 is a very large item that is being funded by a loan, and it would be helpful if she could advise the
209 Board of the timing and availability of the funding. Ms. Blue stated that it will be pushed out to
210 2021-22 as far as timing. She recognized it is a large sum and we want to keep close attention
211 to it and get the best interest rates when it is time to secure funding.

212 Director Fraites asked a question about the location of Silver Hills in our West Marin
213 service area and Mr. McIntyre replied that it is a small subdivision area next to Bear Valley and is
214 fed off the Bear Valley tank system.

215 Director Fraites requested that on the second page it lists the five Directors, and he would
216 like it to include the division that each Director represents.

217 Director Joly thanked Ms. Blue and staff for a wonderful and detailed report.

218 **FY 19-20 THIRD QUARTER PROGRESS REPORT – WATER CONSERVATION**

219 Mr. McIntyre provided an update on water conservation and public outreach activities
220 implemented during the first three quarters of Fiscal Year 2020 on behalf of Mr. Grisso. He noted
221 water conservation participation has continued to trend low recently which is consistent with other
222 utilities throughout Northern California. Cash for Grass participation levels continue to be
223 extraordinarily low and clothes washer rebates continue to be well below historical participation
224 levels with the absence of an energy provider rebate. The Retrofit on Resale programs have
225 remained fairly consistent, and Weather Based Irrigation Controller rebates continue to gain in
226 popularity with the increasing presence of Wi-Fi based controllers as they continue to become
227 more cost effective.

228 Mr. McIntyre also reported that the District has initiated the process of developing a new
229 website which is now almost complete and began implementing the communication actions as
230 dictated in the approved Communications Strategy and Plan for FY 2019/2020. Additionally, Mr.
231 McIntyre reported that FY20 expenditures have increased slightly mainly due to communication
232 and public outreach projects, however we anticipate that we will stay within budget.

233 Director Joly asked Mr. McIntyre when the website will be up and running. Mr. McIntyre
234 replied that the District is expecting to start beta testing with staff within the week but stated he is

hesitant to launch the website before the June 16th Novato rate hearing because he doesn't want to risk anything going wrong with the water rate calculator feature during the transition.

FY 19-20 THIRD QUARTER PROGRESS REPORT – ENGINEERING DEPARTMENT

Mr. McIntyre provided a summary of the third quarter Engineering Department progress report. He reported on the District's performance in completing budgeted FY 19-20 Capital Improvements Projects with a primary emphasis on planned versus actual performance. In summary, the CIP expenditures for Novato, Novato Recycled Water and West Marin service areas will not exceed approved FY 19-20 budget levels. Mr. McIntyre noted the actual performance for the Novato Water system (55%) trails planned performance for projection completion (71%). In the West Marin Service Area, which included Oceana Marin, two projects were added: Gallagher Ranch Streambank Stabilization and the Olema Pump Station Pump Replacement and one project the PB Replacements on Drakes View Drive was carried over. He also stated that Mr. Clark and Mr. Ramudo have found other, more cost-effective means, to control THM production in West Marin and staff is hopeful we will not need to proceed any further on the related capital improvement project shown at this time. Mr. McIntyre stated at the end of the third quarter, actual engineering labor hours expended for Developer work was 85% (1,365 hours) versus 75% (1,155 hours) budgeted and with respect to District Projects, 1,507 engineering labor hours (46% budgeted) were expended to date.

FY 19-20 THIRD QUARTER PROGRESS REPORT – OPERATIONS/MAINTENANCE

Mr. Clark provided a summary of the third quarter Operations/Maintenance progress report. He reported on the Stafford Lake Treatment Plant operations, scheduled task completion by the maintenance staff and gave an update on the West Marin and Oceana Marin systems. He apprised the Board that the Stafford Lake Treatment Plant production has been impacted by COVID-19, however they should meet their goal of 650 MG by the end of this fiscal year. Mr. Clark continued to review the status of various capital improvement projects including the addition of a 300KW generator installed at STP to help us prepare for the PG&E Public Safety Power Shut-Offs (PSPS).

Mr. Clark reported on the Cross-Connection Control program and apprised the Board that 2,100 backflow devices have been tested so far this year.

In West Marin Mr. Clark announced that Olema Pump #1 was replaced after seventeen years of service, and our North Street lift station was upgraded so we can remotely monitor operational status through our SCADA system even during power outages.

Lastly, Mr. Clark reported that our recently hired Assistant Treatment Plant Operator, Vanden Hughes has caught on quickly and Mr. Clark is impressed with his capability and very pleased with his work. Director Joly stated it was great to hear Mr. Hughes is doing well.

TECHNICAL ADVISORY COMMITTEE – MARCH 2, 2020

Mr. McIntyre shared the minutes of March 2nd Technical Advisory Committee (TAC) meeting with the Board. He commented on Item 5, noting that rainfall in Lake Pillsbury area is the third driest year on record since the early 1900's. Mr. McIntyre added that while Lake Mendocino water storages levels look reasonably good right now, SCWA will need to submit a temporary change request to the State to receive approval to reduce release flows from Lake Mendocino due to extremely low Eel River water diversions this year.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated May 7, 2020, Disbursements – Dated May 14, 2020 and Proof of Publication – Declaration of a Water Shortage Emergency West Marin Service Area.

The Board received the following news articles: With much of state, Marin is in moderate drought; Golfers all smiles as courses reopen; Drought makes early start of the fire season likely in Northern California; Marin Municipal delays rate, fee hikes; Editorial – Agencies need to share salary information and Sonoma County backs plan to remove Scott Dam, assume control of hydropower project.

Director Joly on behalf of the Board thanked all staff that participated on the call.

ADJOURNMENT

President Joly adjourned the meeting at 7:38 p.m.

Submitted by

Theresa Kehoe
District Secretary

2

3

4


5

MEMORANDUM

Item #5

To: Board of Directors

May 29, 2020

From: Theresa Kehoe, District Secretary 

Subj: Resolution re Consolidation of District Election and Filing Information
District Election, November 3, 2020

L:\bog\elections\memo re cons of election 2020.doc

RECOMMENDED ACTION: Approve Resolution Re Consolidation of District Election

FINANCIAL IMPACT: Approximately \$2,000 Cost Saving for Consolidating Election

Attached for the Board's approval is a resolution requesting consolidation of the District's election on November 3, 2020, and requesting election services by the County Clerk. The Marin County Registrar of Voters has requested that the District's resolution include language stating that the North Marin Water District is requesting that Marin County hold the election for the few Sonoma County voters eligible to vote for the District's Board.

Regular 4-Year Terms of the following Directors will end in 2020:

Stephen Petterle

John Baker

Michael Joly

The filing period for the November 3, 2020 District Election is **July 13 through August 7, 2020**. Nomination papers will be available from the County Clerk/Elections Division, Hall of Justice, Civic Center, San Rafael.

If nomination papers are not filed by ALL incumbents by 5:00 p.m. on August 7, 2020, the filing period will be extended to 5:00 p.m., August 12, 2020.


Note: Only non-incumbent candidates may file nomination papers during an extended filing period.

Upon taking out nomination papers, candidates will be given a copy of Candidates Guidelines with detailed information. If you have any questions, please contact the County Clerk's office (Dan Miller) at 415-473-6437. Please be aware that **all candidates are required to file a Candidates Statement of Economic Interests (Form 700)** with the county elections where they file their Declaration of Candidacy. I will provide copies of Form 700 to the three current Directors whose terms will end in 2020.

Candidates who are elected, or appointed in lieu of a contested election, take office at 12 noon on Friday, December 4, 2020 and serve two- or four-year terms as noted above.

RECOMMENDATION

Board adopt attached resolution.

Approved by GM 

Date 5/29/20

RESOLUTION NO. 20-XX

**RESOLUTION OF THE GOVERNING BODY OF THE
NORTH MARIN WATER DISTRICT**

**A REGULARLY SCHEDULED ELECTION TO BE HELD IN THIS JURISDICTION;
REQUESTING THE BOARD OF SUPERVISORS TO CONSOLIDATE WITH ANY
OTHER ELECTION CONDUCTED ON SAID DATE, AND REQUESTING
ELECTION SERVICES BY THE MARIN COUNTY ELECTIONS DEPARTMENT**

WHEREAS, it is the determination of said governing body the regularly scheduled election to be held on the 3RD day of November, 2020, at which election the issue to be presented to the voters shall be to elect the following members to the Board of Directors:

Number of Regular Term Positions (4-year) 3

Number of Short Term Positions (2-year) 0

NOW, THEREFORE, BE IT RESOLVED, pursuant to Elections Code §10002, the Board of Supervisors of the County of Marin is hereby requested to:

- 1) Consolidate said election with any other applicable election conducted on the same day in the manner prescribed in Elections Code §10418;
- 2) Authorize and direct the Elections Department at District expense, to provide all necessary election services and to canvass the results of said election.

PASSED AND ADOPTED this second day of June, 2020 by the following vote, to wit:

AYES:

NOES:

ABSENT:

MICHAEL H. JOLY
PRESIDENT, BOARD OF DIRECTORS

ATTEST: _____
Theresa Kehoe, District Secretary

6

MEMORANDUM

To: Board of Directors

May 29, 2020

From: Drew McIntyre, General Manager

Subj: Set Meeting for Assistant General Manager/Chief Engineer Interview

t:\hr\employment\engineering\assist gm chief engineer 2020\agm ce board memo.docx

RECOMMENDED ACTION: Board set a date and time for Assistant General Manager/
Chief Engineer Interview

FINANCIAL IMPACT: \$1,205.00

The District solicitation for Assistant General Manager/Chief Engineer position closed on April 24th. Applications were reviewed in-house by District staff and interviews were conducted with two panels. One consisting of the General Manager, Auditor-Controller and Maintenance Superintendent and Human Resources Consultant, Darlene Rhodes. The other consisting of District Secretary, Engineering Secretary, Construction Superintendent, Water Quality Supervisor and Water Conservation Coordinator. We are now ready for the Board of Directors to interview the Assistant General Manager/Chief Engineer candidate and propose that a special meeting be scheduled on June 9th at 6:00 p.m.

RECOMMENDED ACTION:

Board set June 9th at 6:00 p.m. as a special meeting to conduct Assistant General Manager/Chief Engineer Interviews.

Approved by GM

Date



5/29/20

7

MEMORANDUM

To: Board of Directors

May 29, 2020

From: Julie Blue, Auditor-Controller JB

Subj: Response to Civil Grand Jury Request – Follow-Up Report on Web Transparency Compensation Practices

L:\ac\board reports\board memos\2020\marin grand jury follow-up web transparency\mccgj response web transparency.docx

RECOMMENDED ACTION: Approve Response**FINANCIAL IMPACT: None**

On April 28, 2020, the Marin County Civil Grand Jury (MCCGJ) issued a report titled, "Follow-Up Report on Web Transparency of Agency Compensation Practices" (Attachment 1). Since 2014, the MCCGJ has published four reports on web transparency. This most recent report was based on the MCCGJ's examination of 34 Marin public agency websites to determine if they are meeting transparency standards with respect to compensation disclosures. Each agency's websites were reviewed for full transparency of their elected officials and employee's compensation. MCCGJ recognized that the North Marin Water District has excellent practices with regard to transparency on compensation of their elected officials.

The MCCGJ requested the reviewed agencies to respond to selected recommendations. There are two recommendations that the MCCGJ directed NMWD to address. The response letter (Attachment 2) is included with this memo for the Board's review and approval. The measures implemented by the District successfully satisfy the recommendations as outlined by the MCCGJ.

Please note that the letter is postdated to July 1, 2020 which will give sufficient time for the Board to review and approve the response and for Staff to update the website.

Recommendation:

Approve the proposed response to the Marin County Civil Grand Jury Report - Follow-Up Report on Web Transparency Compensation Practices.

Approved by GM



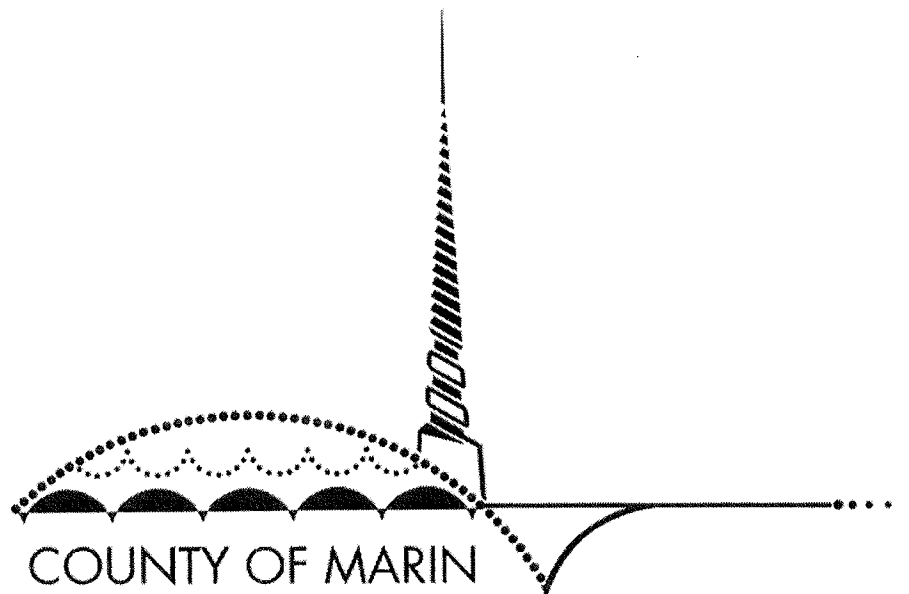
Date

5/29/20

2019–2020 MARIN COUNTY CIVIL GRAND JURY

Follow-Up Report on Web Transparency of Agency Compensation Practices

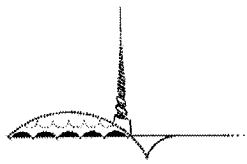
April 28, 2020



A Note about the Coronavirus Pandemic

The 2019–2020 Marin County Civil Grand Jury is issuing its reports during the unprecedented conditions of the COVID-19 pandemic. We are well aware that Marin County is in crisis and that critical public health concerns, operational difficulties, and financial challenges throughout the county have a greater claim to government attention right now than the important issues raised by this Grand Jury.

We are confident that, in due course, Marin will come through this crisis as strong as ever.



Follow-Up Report on Web Transparency of Agency Compensation Practices

Summary

Many Marin public agencies fail to make the compensation for their elected officials and employees fully transparent on their public websites, despite state legal requirements and past Grand Jury recommendations that they do so. The 2019–2020 Grand Jury examined the current status of 34 Marin public agency websites to determine if they are meeting transparency standards with respect to compensation disclosures.

California law requires most public agencies to report the annual compensation of their “elected officials, officers, and employees” to the state controller’s office, which posts this information on its Government Compensation in California website at *publicpay.ca.gov* (Public Pay).¹ Each local agency with a website also is legally required to post “in a conspicuous location . . . information on the annual compensation of its elected officials, officers and employees.”²

All of Marin’s cities, towns, and major agencies have websites, so each of them is required to post annual compensation data, and the public should be able to easily find this information.

Over and above these basic legal requirements, the public has an interest in understanding compensation policies with regard to elected officials, including information about wages, health and retirement benefits, and reimbursement policies. There is a wide variance in compensation policies and the total amounts and benefits paid to elected officials. The public should be able to access this information easily and quickly rather than having to dig through meeting minutes or policy manuals that may or may not be easy to find on a website.

The 34 agency websites audited included those of the County of Marin, Marin’s 11 cities and towns, 10 sanitary districts, 9 fire districts, and 3 water districts. The Grand Jury wanted to know if the legal disclosure requirements were met and if detailed information about compensation and benefits for elected officials was readily available.

This investigation revealed that a great majority of audited agency websites failed to comply fully with legal compensation disclosure requirements. Compensation information was often difficult to find and outdated. Information on actual compensation paid to elected officials was also missing, difficult to find, or insufficient. In many cases, it was difficult to find information about compensation policies for elected officials. In contrast, the Marin Municipal Water

¹ California Government Code § 53892, accessed March 30, 2020, https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=53892.

² California Government Code § 53908, accessed March 30, 2020, http://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=53908.

District³ (MMWD) and the North Marin Water District⁴ each annually post a detailed report on the compensation of their elected officials.

This Grand Jury report makes specific recommendations for every agency to follow to ensure compliance with legal requirements and to go beyond compliance to achieve higher standards of public transparency.

Background

The transparency of public agencies and their compensation policies has been an ongoing topic of state and local concern. In recent years, the state legislature amended the California Government Code to require the posting of annual compensation data on agency websites.⁵ Local agencies are now required to report their compensation data to the state controller's office, which posts the data on the Public Pay site.⁶

Since 2014, the Marin County Civil Grand Jury has published four reports on web transparency:

- A 2013–2014 Grand Jury report, *What Are Special Districts and Why Do They Matter?*, recommended that the county post a complete list of all of Marin's special districts on its website to enable residents to understand the extent of local government.⁷ The county did not fulfill this recommended action.
- In March 2016, the 2015–2016 Grand Jury followed up with its *Web Transparency Report Card*, reiterating, among other things, that the master list of special districts should be completed.⁸ It also recommended that all agencies should update their websites “to include the annual compensation of . . . elected officials, officers and employees.”⁹ These recommended actions were not completed.
- The 2016–2017 Grand Jury issued its *Web Transparency Report Card Update*, which noted a marked improvement in the quality of agency websites. This report card also noted additional room for improvement for many agencies.¹⁰

³ Marin Municipal Water District, *Annual Report on Board Compensation*, August 7, 2018, <http://marinwater.org/DocumentCenter/View/3602/Board-Compensation-Annual-Report?bidId=>.

⁴ North Marin Water District, 2018 Compensation Report, accessed March 30, 2020, <https://www.nmwd.com/pdfs/NMWDCompensationReportCY2018.pdf>.

⁵ California Government Code § 53908

⁶ Government Compensation in California, accessed March 30, 2020, <https://publicpay.ca.gov>.

⁷ Marin County Civil Grand Jury, *What Are Special Districts and Why Do They Matter?*, May 20, 2014, https://www.marincounty.org/-/media/files/departments/gj/reports-responses/2013/spd_master_list_report.pdf.

⁸ Marin County Civil Grand Jury, *2015–2016 Web Transparency Report Card: Bringing Marin County's Local Governments to Light*, March 10, 2016, https://www.marincounty.org/-/media/files/departments/gj/reports-responses/2015/responses/webtransparencyrptcard/2015_16-web-transparency-report-card.pdf.

⁹ Marin County Civil Grand Jury, *2015–2016 Web Transparency Report Card: Bringing Marin County's Local Governments to Light*, p. 10.

¹⁰ Marin County Civil Grand Jury, *2016–2017 Web Transparency Report Card Update*, June 8, 2017, <https://www.marincounty.org/-/media/files/departments/gj/reports-responses/2017/web-transparency-update.pdf>.

- In a report entitled *Special Districts Transparency Update*, the 2018–2019 Grand Jury noted that the special districts list recommended by the 2013–2014 Grand Jury still had not been created.¹¹ The report reiterated this recommendation and suggested that the special district list include “complete compensation components and amounts (including salary, insurance, stipends, in kind goods, conference fees and other benefits, and reimbursements).”¹²

The Grand Jury has focused on these issues for more than six years, without satisfactory resolution. Perhaps with this follow-up report, agencies will come to understand the vital importance of public transparency and will be more forthcoming with this information and finally improve their websites. Public transparency regarding compensation of elected officials is essential because the public needs accurate information about its government agencies. Transparency helps to maintain trust in the government and gives information to the public that helps guide decisions on matters of self-governance. It makes responsive democracy work.

Approach

The Grand Jury reviewed the work of prior juries as published in the four previous reports and audited the websites of 34 of Marin’s public agencies, including the County of Marin, Marin’s 11 cities and towns, 10 sanitary districts, 9 fire districts, and 3 water districts (this report uses the term “agency” to refer to these diverse jurisdictions). Jurors reviewed these websites to determine if they met the legal requirements by providing easy access to accurate, current compensation data for public employees. Jurors also checked the board or council pages of these websites to determine if they included detail about annual compensation for elected officials.

The audit was conducted by having at least one juror review each agency’s website and compile a list of any deficiencies. This work was then reviewed by at least two other jurors. Those three jurors then reached a consensus for each agency. These agency website reviews were valid as of February 20, 2020.

Discussion

The Public Should Know the Compensation of Its Elected Officials

The taxpaying public has a right to know the compensation of its elected officials. Compensation may include the following:

- Monthly wages or a fixed stipend per meeting attended
- Additional compensation for sitting on affiliated boards, subcommittees, or commissions, or for attending extra meetings on behalf of their agency

¹¹ Marin County Civil Grand Jury, *Special Districts Transparency Update*, June 13, 2019, <https://www.marincounty.org/-/media/files/departments/gj/reports-responses/2018-19/special-districts-transparency-update.pdf>.

¹² Marin County Civil Grand Jury, *Special Districts Transparency Update*, p. 5.

- Healthcare benefits
- Retirement benefits
- Reimbursement for travel, attending conferences, or industry events
- Reimbursement for cell phones, computers, or tablets (or free use of such equipment)

The public should be informed that there is a wide variance in compensation policies. Some agencies have adopted a policy not to compensate their elected officials. In addition, total compensation and benefits paid to elected officials for similar agencies varies. The high and low ranges for compensation at various types of agencies are summarized in Table 1. In some cases, elected officials waive their right to some or all compensation.

County Supervisors

Unlike elected officials in most cities, towns, and other agencies, Marin County supervisors are full-time employees and receive full-time salaries and benefits. Total 2018 annual compensation for members of the Marin County Board of Supervisors ranged from \$173,000 to \$186,000, plus benefits.

Table 1. Ranges of Elected Officials Annual Compensation in 2018

Agency Type	Low*	High
Cities/Towns	\$0	\$17,000
Fire Districts	0	2,800
Sanitation Districts	0	19,000
Water Districts	1,600	39,000

* Low does not reflect those who waive compensation in agencies that pay their elected officials.

City and Town Council Members

For town and city councilmembers, total annual compensation for 2018 ranged from zero in Belvedere, Ross, and Tiburon to about \$17,000 in San Rafael. Annual compensation was typically in the \$3,000 to \$5,000 range, and councilmembers in some municipalities, including San Rafael, elected to waive compensation.

Fire District Board Members

Total 2018 compensation for individual board members in Marin's nine audited fire districts ranged from zero to \$2,800. Board members in the Bolinas, Sleepy Hollow, Southern Marin, and Stinson Beach Fire Protection Districts do not receive compensation. In the Novato Fire Protection District, 2018 compensation for one board member was about \$2,800. The Central Marin Fire Authority was formed in 2018 and, as of February 1, 2020, had not yet filed its first compensation data with the state controller, but the agency is included in this report so that it will fulfill the requirement that it post its compensation data.

Sanitation District Board Members

In Marin's 10 sanitation districts, 2018 total annual board member compensation ranged from zero in the Tiburon and Central Marin Sanitation Districts to as high as \$19,000 in the Las Gallinas Valley Sanitary District. Typically, annual board member compensation in Marin's sanitation districts ranges from \$1,000 to \$4,000.

Water District Board Members

The 2018 annual board member compensation in Marin's three water districts ranged from \$1,600 in the Stinson Beach Water District to \$9,000 in the North Marin Water District to \$39,000 in the Marin Municipal Water District.

Legal Requirements Regarding Compensation Disclosures

There are two sections in the California Government Code requiring compensation disclosures. Section 53892 requires that most public agencies (school districts are excluded) report annually to the state controller the total compensation of all "elected officials, officers and employees."¹³ The state controller publishes this information for all agencies on the Public Pay website.

Section 53908 requires that if an agency has a website "it shall post, in a conspicuous location on its Internet Web site, information on the annual compensation of its elected officials, officers, and employees that is submitted to the controller." An agency could comply with this provision by posting a complete table on its website that includes all of the data actually filed with the state controller, and by updating that table each year. Section 53908 also allows an agency to comply with the transparency requirement by posting, "in a conspicuous location on its Internet Web site, a link to" the Public Pay site.¹⁴

The Grand Jury also notes that Section 53908 mentions *twice* that the Public Pay link must be "conspicuous," a term that is not defined in the code. For purposes of its investigation, the Grand Jury decided that a link could be deemed conspicuous if it satisfies *both* of the following criteria:

- The link is located on a page that is within three clicks of the website's home page (where a hover causing a menu to be revealed is equivalent to a click).
- The link can be found within five minutes of starting a search, whether by browsing menus or using a search box on the website.

This is a commonsense approach that, if anything, is generous to agencies, since internet users are unlikely to invest as much as five minutes in such a search.

The Grand Jury also determined that a Public Pay link that does not go directly to the agency's page on the Public Pay site for the most recently available year should not be considered compliant with the intent of the transparency requirements set forth in the law.

During its investigation, the Grand Jury discovered that some agencies were not reporting board member compensation to the state controller's office because they had been advised by the state controller's office that this was not required unless a W-2 form for the compensation was issued. Some elected officials are paid fees for which W-2 forms are not issued. State officials have now confirmed that the elected officials' compensation must be reported regardless of how they are paid.

¹³ California Government Code § 53892.

¹⁴ California Government Code § 53908.

Public Transparency of Compensation for Elected Officials

Beyond the basic legal requirements in California state law, public transparency goals would be better served by stronger disclosure of compensation policies and detailed compensation paid to elected officials. While total compensation paid to elected officials can be found by clicking an “Elected Officials” button on the agency’s page on the Public Pay site, as shown in Figure 1, most users would not necessarily see this link and might need to scroll through multiple pages of employees before finding the elected officials.

To make locating the information easier, a link can be included directly from the agency’s website to the elected officials data on the Public Pay site. This can be done by simply adding `&rpt=5` to the end of a regular Public Pay URL link.

The data on the Public Pay site for elected officials is limited to total wages and total retirement and health contributions. The site does not break out elements such as per-meeting stipends, reimbursements or payments for serving as an agency liaison to other advisory committees, councils, and forums. For better transparency on their websites, local agencies should disclose all elements of compensation for their elected officials and establish this higher standard as best practice for all of Marin County.

Both MMWD and the North Marin Water District have excellent practices with regard to transparency on compensation of their elected officials. The MMWD website’s board page provides a quick link to an annual compensation report detailing board compensation policies

Figure 1. Public Pay Elected Officials Page Example

Position	County	Department	Total Wages	Total Retirement & Health Contribution
District Attorney	Marin County	District Attorney	\$256,503	\$70,442
Sheriff-Coroner	Marin County	Sheriff	\$246,322	\$101,003
Assessor-Recorder-County Clerk	Marin County	Assessor-Recorder	\$206,001	\$55,321
Board Of Supervisors	Marin County	Board Of Supervisors	\$140,949	\$45,520

Source: Government Compensation in California, accessed March 30, 2020, <https://publicpay.ca.gov/Reports/Countries/County.aspx?entityid=21&year=2018&rpt=5>

and annual amounts paid to each member for regular board meetings, board committees, other special board meetings, and liaison assignments to advisory committees, councils, and forums. It also details total annual payments for conferences, training, and memberships, as well as medical and dental benefits and other benefits, including iPad data plans. North Marin Water District discloses several annual board compensation elements by a direct link to the financial report it files with the state controller's office, but it is not as detailed as the MMWD report.

Results of the Website Audit

The Grand Jury audit found that many website compensation links were missing or broken. In other cases, links were not easy to find. Policies and compensation for elected officials were not always posted. Thirty of the 34 audited agency websites failed to comply fully with legal disclosure requirements.

Missing or Inconspicuous Links

Fifteen of 34 of the audited agency websites failed to post a compensation report or a "conspicuous" link to their data on the Public Pay site. These agencies are shown in Table 2. The worst example of this was the County of Marin's website, where four jurors were each unable to locate a compensation link after searching for at least 15 minutes.

In the investigation, the Grand Jury observed that several agencies post a link to the Transparent California website rather than to the Public Pay website.¹⁵ Transparent California is not included in Government Code Section 53908, so this does not comply with the legal requirements.

The Grand Jury recommends that all the noncompliant agencies identified in Table 2 remedy these deficiencies by placing a Public Pay link on the web page listed in the table. Generally, the audit revealed that the best location for a Public Pay link is either the finance or human resources section of the agency's website.

Link Does Not Go Directly to the Agency's Most Recent Data

Many agencies include a Public Pay link on their website that is deficient because it connects the user to an outdated page or to the state's Public Pay home page rather than directly to the local agency data on the Public Pay site. The Grand Jury believes this is largely due to a technical oversight.

Appendix A contains the recommended Public Pay link for each audited agency, as well as links for 22 additional agencies that were not audited. A key feature of these links is that they include the ID number of the agency, but exclude any parameter specifying a year (an example of this parameter is *&year=2016*). By *excluding* the specific year parameter, the link will automatically lead a user to the most recent available data for that agency, and it will not become outdated over time. This will save the agency the work of updating the link on an annual basis while reducing the chance of errors in future postings.

¹⁵ Transparent California, accessed March 30, 2020, <https://transparentcalifornia.com>.

Table 2. Agency Websites with Missing or Inconspicuous Links to Compensation Data

Agency	Recommended Conspicuous Location for Link
City of Mill Valley	http://www.cityofmillvalley.org/gov/departments/finance/default.htm
City of Sausalito	https://www.sausalito.gov/departments/administration/finance/financial-documents
Town of Tiburon	http://townoftiburon.org/154/Administration-Finance
County of Marin	https://www.marincounty.org/depts/df
Bolinas Fire Protection District*	https://www.bolinasfire.org/board-members
Central Marin Fire Authority**	https://centralmarinfire.org/admin/finance
Kentfield Fire Protection District	https://www.kentfieldfire.org/administration/finance-a-budget
Sleepy Hollow Fire Protection District	https://shfcpd.org/about-us/finances
Southern Marin Fire Protection District	https://www.southernmarinfire.org/admin
Stinson Beach Fire Protection District*	https://www.stinsonbeachfireprotectiondistrict.org/financials-budgets
Almonte Sanitary District	https://www.almontesd.org/governance.php
Central Marin Sanitation Agency	https://www.cmsa.us/finance/
Las Gallinas Valley Sanitation District	http://www.lgvsd.org/about-us/board-of-directors/
Ross Valley Sanitary District (Sanitary District No. 1)	https://www.rvsvd.org/31/Open-Government
Stinson Beach Water District	http://stinson-beach-cwd.dst.ca.us/index.html

* Existing link goes to Transparent California rather than Public Pay

** Formed in 2018 and not required to report for that year

Agency Websites Should Have a Link Directly to Elected Officials Data

Although it is simple to link directly to a page on the Public Pay website showing actual compensation paid to elected officials, none of the audited agencies currently do so. All Marin public agency websites should have a direct link from their board or council page to their “Elected Officials” page on the Public Pay site. All Marin agencies should adopt this higher standard of transparency.

A link to the “Elected Officials” page on the Public Pay site can be added simply by adding a new parameter to the end of the normal Public Pay link as is shown for all agencies in Appendix A. For instance, the City of San Rafael could include such a link by adding *&rpt=5* to

the end of its Public Pay link, resulting in the following:

<https://publicpay.ca.gov/Reports/Cities/City.aspx?entityid=256&rpt=5>.

Agencies Should Post Compensation Policies and Annual Compensation Details

The Grand Jury audit revealed that compensation policies for many agencies either were not posted or were scattered in a wide variety of hard-to-find locations. Eighteen of the 34 agencies did not post such information on the board or council pages of their websites. As described previously, public transparency is promoted by posting detailed information about the compensation policies for elected officials. All agencies should post this information on their board or council web pages. As an example, MMWD posts detailed information about the annual compensation of its elected officials. All Marin agencies should adopt this higher standard of transparency.

Conclusion

To make informed decisions on matters of self-governance, the public needs to understand the workings of their public agencies, including the compensation of elected officials. Public transparency helps to maintain trust in the government. It makes responsive democracy work.

By following the recommendations in this report, Marin's public agency websites can come into compliance with state legal requirements. Following these recommendations will reduce the chance of errors and minimize the time needed to keep websites current. These changes also will improve public access to important information while increasing the transparency that is essential to good government in a democratic society.

Findings

- F1. Many Marin public agencies fail to include on their websites either a link to the *publicpay.ca.gov* site showing compensation for their elected officials, officers, and employees, or a table showing such data. The Grand Jury determined that these agencies fail to comply with the requirements of Government Code Section 53908.
- F2. Any link to compensation data on an agency's website that takes more than five minutes or three clicks from the home page to locate, does not reasonably satisfy the intent of the Government Code that the information be easily located and "conspicuous" on the agency's website.
- F3. Any link to *publicpay.ca.gov* on an agency's website that fails to go directly to the agency's current compensation data on that website does not satisfy the intent of the Government Code that information be easily located.
- F4. Regarding compensation policies for elected officials, many public agencies do not provide the public with easy access to information regarding salary, meeting fees or stipends (including compensation for serving as liaison to other advisory committees, councils and forums), reimbursements, health and retirement benefits, and other benefits such as equipment.

- F5. Regarding detailed disclosure of total compensation paid, most public agencies do not break out all components of compensation paid to their elected officials, including salary, meeting fees or stipends (including compensation for serving as liaison to other advisory committees, councils and forums), reimbursements, health and retirement benefits, and other benefits such as equipment.
- F6. By comparison to other public agencies, Marin Municipal Water District annually publishes an exemplary report on its website of total compensation paid to its elected officials for salary, meeting fees or stipends (including compensation for serving as liaison to other advisory committees), councils and forums, reimbursements, health and retirement benefits, and other benefits such as equipment.

Recommendations

- R1. To comply with the intent of Government Code Section 53908, no later than 90 days after the date of this report, agencies should include on their websites a link to the *publicpay.ca.gov* site showing compensation of their elected officials, officers, and employees using the formatted URL examples that are shown in Appendix A.
- R2. No later than 90 days after the date of this report, agencies should modify the location of their existing *publicpay.ca.gov* links to satisfy the requirement of Government Code Section 53908 that their link be “conspicuous.” Conspicuous locations for agencies are suggested in Table 2.
- R3. No later than 90 days after the date of this report, agencies should modify their existing *publicpay.ca.gov* links so that they provide a direct link to their current compensation data on the state site. To eliminate the need for annual updates, the URL used for the link should exclude any parameter specifying a year. Formatted URL examples are shown on Appendix A.
- R4. No later than 90 days after the date of this report, in addition to any other compensation links, agencies should include a link on their board or council web pages that leads directly to their “Elected Officials” page on the *publicpay.ca.gov* site, conforming to the format suggested on Appendix A.
- R5. No later than 120 days after the date of this report, agencies should include on their board or council web pages a comprehensive description of their policies regarding all compensation paid to elected officials specifying, at a minimum, salary, meeting fees or stipends (including compensation for serving as liaison to other advisory committees, councils and forums), reimbursements, health and retirement benefits, and other benefits such as equipment.
- R6. No later than 120 days after the date of this report, agencies should adopt a practice to compile and publish each year an annual report detailing the compensation actually paid to their elected officials for the previous calendar year. Compensation disclosures should include, at a minimum, salary, meeting fees or stipends (including compensation for serving as liaison to other advisory committees, councils and forums), reimbursements, health and retirement benefits, and other benefits such as equipment. A link to this report should be posted on the agency’s board or council web page.

R7. No later than 90 days after the date of this report, agencies not audited in this report should review their websites for compliance with the legal requirements and higher public transparency standards recommended in Recommendations R1–R6 of this report and ensure that their websites include links to the *publicpay.ca.gov* site as shown in Appendix A.

Request for Responses

According to the California Penal Code, agencies required to respond to Grand Jury reports generally have no more than 90 days to issue a response. It is not within the Grand Jury's power to waive or extend these deadlines, and to the Grand Jury's knowledge, the Judicial Council of California has not done so. But we recognize that the deadlines may be burdensome given current conditions caused by the COVID-19 pandemic.

Whether the deadlines are extended or not, it is our expectation that Marin's public agencies will eventually be able to return to normal operations and will respond to this report. In the meantime, however, public health and safety issues are of paramount importance and other matters might need to wait.

Pursuant to Penal Code Section 933.05, the Grand Jury requests responses from the following governing bodies:

Respondent	F1	F2	F3	F4	F5	R1	R2	R3	R4	R5	R6	R7
Audited Agencies												
County of Marin		X	X	X	X		X	X	X	X	X	
City of Belvedere			X		X			X	X		X	
City of Larkspur			X	X	X			X	X	X	X	
City of Mill Valley	X	X	X		X	X	X	X	X		X	
City of Novato			X		X			X	X		X	
City of San Rafael			X		X			X	X		X	
City of Sausalito		X			X		X		X		X	
Town of Corte Madera			X	X	X			X	X	X	X	
Town of Fairfax			X		X			X	X		X	
Town of Ross			X		X			X	X		X	
Town of San Anselmo			X		X			X	X		X	

Respondent	F1	F2	F3	F4	F5	R1	R2	R3	R4	R5	R6	R7
Town of Tiburon		X	X		X		X	X	X		X	
Bolinas Fire Protection District	X	X	X	X		X		X	X	X		
Central Marin Fire Authority	X	X				X						
Kentfield Fire Protection District		X	X		X		X	X	X		X	
Novato Fire Protection District			X	X	X			X	X	X	X	
Ross Valley Fire Department				X	X				X	X	X	
Sleepy Hollow Fire Protection District	X	X	X	X	X	X	X	X	X	X	X	
Southern Marin Fire Protection District		X			X		X		X		X	
Stinson Beach Fire Protection District	X	X	X			X		X	X			
Tiburon Fire Protection District			X	X	X			X	X	X	X	
Almonte Sanitary District	X	X	X	X	X	X	X	X	X	X	X	
Alto Sanitary District			X		X			X	X		X	
Central Marin Sanitation Agency		X	X		X		X	X	X		X	
Homestead Valley Sanitary District			X	X	X			X	X	X	X	
Las Gallinas Valley Sanitary District		X	X		X		X	X	X		X	
Novato Sanitary District			X	X	X			X	X	X	X	
Richardson Bay Sanitary District			X	X	X			X	X	X	X	
Ross Valley Sanitary District (Sanitary District No. 1)	X	X	X	X	X	X	X	X	X	X	X	
Sanitary District No. 5 – Tiburon-Belvedere				X	X				X	X	X	

Respondent	F1	F2	F3	F4	F5	R1	R2	R3	R4	R5	R6	R7
Sausalito-Marín City Sanitary District			X		X			X	X		X	
Marin Municipal Water District					X				X		X	
North Marin Water District					X				X		X	
Stinson Beach County Water District	X	X			X	X			X		X	
Agencies Not Audited												
Bel Marin Keys Community Services District												X
Belvedere-Tiburon Joint Recreation Committee District												X
Belvedere-Tiburon Library Agency												X
Bolinas Community Public Utility District												X
Central Marin Police Authority												X
Firehouse Community Park Agency												X
Inverness Public Utility District												X
Marin City Community Services District												X
Marin Clean Energy (MCE)												X
Marin County Resource Conservation District												X
Marin County Transit District												X
Marin General Services Authority (MGSA)												X
Marin Healthcare District												X

Respondent	F1	F2	F3	F4	F5	R1	R2	R3	R4	R5	R6	R7
Marin/Sonoma Mosquito and Vector Control District												X
Marinwood Community Services District												X
Muir Beach Community Services District												X
Sonoma-Marin Area Rail Transit District												X
Tamalpais Community Services District												X
Tomaes Village Community Services District												X
Transportation Authority of Marin												X

The governing bodies indicated above should be aware that the comment or response of the governing body must be conducted in accordance with Penal Code Section 933 (c) and subject to the notice, agenda, and open meeting requirements of the Brown Act.

Note: At the time this report was prepared, information was available at the websites listed.

Reports issued by the Civil Grand Jury do not identify individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury *not* contain the name of any person or facts leading to the identity of any person who provides information to the Civil Grand Jury. The California State Legislature has stated that it intends the provisions of Penal Code Section 929 prohibiting disclosure of witness identities to encourage full candor in testimony in Grand Jury investigations by protecting the privacy and confidentiality of those who participate in any Civil Grand Jury investigation.

Appendix A – Direct Public Pay Internet Links

Properly Formatted PublicPay.ca.gov Link

Note: Agencies listed here can create a link to their “Elected Officials” page by adding *&rpt=5* at the end of their Public Pay URL below.

Agency	Agency Public Pay URL
Audited Agencies	
City of Belvedere	https://publicpay.ca.gov/Reports/cities/city.aspx?entityid=248
City of Larkspur	https://publicpay.ca.gov/Reports/cities/City.aspx?entityid=251
City of Mill Valley	https://publicpay.ca.gov/Reports/cities/city.aspx?entityid=252
City of Novato	https://publicpay.ca.gov/Reports/Cities/City.aspx?entityid=253
City of San Rafael	https://publicpay.ca.gov/Reports/Cities/City.aspx?entityid=256
City of Sausalito	https://publicpay.ca.gov/Reports/Cities/City.aspx?entityid=257
Town of Corte Madera	https://publicpay.ca.gov/Reports/Cities/City.aspx?entityid=249
Town of Fairfax	https://publicpay.ca.gov/Reports/Cities/City.aspx?entityid=250
Town of Ross	https://publicpay.ca.gov/Reports/Cities/City.aspx?entityid=254
Town of San Anselmo	https://publicpay.ca.gov/Reports/Cities/City.aspx?entityid=255
Town of Tiburon	https://publicpay.ca.gov/Reports/Cities/City.aspx?entityid=258
County of Marin	https://publicpay.ca.gov/Reports/Counties/County.aspx?entityid=21
Marinwood Community Services District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=947

Properly Formatted PublicPay.ca.gov Link

Note: Agencies listed here can create a link to their “Elected Officials” page by adding *&rpt=5* at the end of their Public Pay URL below.

Agency	Agency Public Pay URL
Bolinas Fire Protection District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1237
Central Marin Fire Authority	Link not available at Public Pay as of February 20, 2020
Novato Fire Protection District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1239
Ross Valley Fire Department	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2827
Sleepy Hollow Fire Protection District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1240
Southern Marin Fire Protection District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1241
Stinson Beach Fire Protection District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1242
Tiburon Fire Protection District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1243
Almonte Sanitary District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1986
Alto Sanitary District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1987
Central Marin Sanitation Agency	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2814
Las Gallinas Valley Sanitary District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1989
Novato Sanitary District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1990
Ross Valley Sanitary District (Sanitary District No. 1)	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1992
Marin Municipal Water District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2529
North Marin Water District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2404

Properly Formatted PublicPay.ca.gov Link

Note: Agencies listed here can create a link to their “Elected Officials” page by adding *&rpt=5* at the end of their Public Pay URL below.

Agency	Agency Public Pay URL
Stinson Beach County Water District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2405
Agencies Not Audited	
Bel Marin Keys Community Services District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=945
Belvedere-Tiburon Joint Recreation Committee District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2813
Belvedere-Tiburon Library Agency	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1623
Bolinas Community Public Utility District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2198
Central Marin Police Authority	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2831
Firehouse Community Park Agency	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2818
Inverness Public Utility District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2199
Marin City Community Services District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=946
Marin Clean Energy (MCE)	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2821
Marin County Resource Conservation District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2108
Marin County Transit District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=3399
Marin General Services Authority (MGSA)	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2822
Marin Healthcare District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1552
Marin/Sonoma Mosquito and Vector Control District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1685

Properly Formatted PublicPay.ca.gov Link

Note: Agencies listed here can create a link to their “Elected Officials” page by adding *&rpt=5* at the end of their Public Pay URL below.

Agency	Agency Public Pay URL
Marinwood Community Services District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=947
Muir Beach Community Services District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=948
Sonoma-Marin Area Rail Transit District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=3400
Strawberry Recreation District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=1905
Tamalpais Community Services District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=949
Tomaes Village Community Services District	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=950
Transportation Authority of Marin	https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=3480

Response to Grand Jury Report

Report Title: Follow-Up Report on Web Transparency of Compensation Practices

Respondent/Agency Name: North Marin Water District

Your Name: Drew McIntyre Title: General Manager

FINDINGS

- I (we) agree with the findings numbered: F5
- I (we) disagree *partially* with the findings numbered: _____
- I (we) disagree *wholly* with the findings numbered: _____

(Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered R4 & R6 have been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered _____ have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
- Recommendations numbered _____ require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)
- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: 06/02/2020 Signed: _____

Number of pages attached: 3



**NORTH MARIN
WATER DISTRICT**

999 Rush Creek Place
P.O. Box 146
Novato, CA 94948-0146

PHONE
415-897-4133

EMAIL
info@nmwd.com

WEB
www.nmwd.com

July 1, 2020

The Honorable Judge Andrew Sweet
Marin County Superior Court
PO Box 4988
San Rafael, CA 94913-4988

Lucy Dilworth, Foreperson
Marin County Civil Grand Jury
3501 Civic Center Drive, Room #275
San Rafael, CA 94903

RE: Follow-Up Report on Web Transparency of Agency Compensation Practices

The referenced report requests that the North Marin Water District (NMWD) respond to recommendations R4 and R6, listed below. Following the recommendations are responses which summarize the implementation action that has been taken to address each recommendation.

- R4. No Later than 90 days after the date of this report, in addition to any other compensation links, agencies should include a link on their board or council web pages that leads directly to their "Elected Officials" page on the *publicpay.ca.gov* site, conforming to the format suggested on Appendix A.

RESPONSE/IMPLEMENTATION - The link (listed below), as suggested in Appendix A of the Grand Jury report, has been added to the District's website under the about NMWD Board of Directors section of the website (https://www.nmwd.com/about_directors.php):

<https://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?entityid=2404&year=2018&rpt=5>

- R6. No later than 120 days after the date of this report, agencies should adopt a practice to compile and publish each year an annual report detailing the compensation actually paid to their elected officials for this previous calendar year. Compensation disclosures should include, at a minimum, salary, meeting fees or stipends (including compensation for serving as liaison to other advisory committees, councils and forums), reimbursements, health and retirement benefits, and other benefits such as equipment. A link to this report should be posted on the agency's board or council web page.

DIRECTORS: JACK BAKER · RICK FRAITES · JAMES GROSSI · MICHAEL JOLY · STEPHEN PETTERLE

OFFICERS: DREW McINTYRE, General Manager/Acting Chief Engineer · TERRIE KEHOE, District Secretary · JULIE BLUE, Auditor Controller ·

RESPONSE/IMPLEMENTATION –NMWD includes the Board of Directors annual compensation as an agenda item at a public Board Meeting in January of each year. This report includes all payments made to the members of the Board of Directors (BOD) for items listed in the Grand Jury's recommendation above. The link to this report has been added to the District's website under the about NMWD Board of Directors section of the website (https://www.nmwd.com/about_directors.php) titled *Annual Report on Board Compensation*. The current memo represents calendar year 2019. All compensation paid to the BOD for 2019 was for compensation for attendance at regular and special meetings, and attendance at Advisory Committees, Councils, and Forums.

With the addition of the above referenced website links NMWD is confident that the recommendations are satisfied as requested by the Marin County Civil Grand Jury.

Sincerely,

Drew McIntyre
General Manager

8

MEMORANDUM

To: Board of Directors
 From: Drew McIntyre, General Manager/Acting Chief Engineer
 Subject: Renew Declaration of Local Emergency Related to COVID-19 Pandemic

\\gmibod\misc\2020\renew covid emergency declaration #4 06_02_20.doc

May 29, 2020

RECOMMENDED ACTION: Approve continuation of the local emergency resulting from the COVID-19 pandemic as declared in District Resolution No. 20-07

FINANCIAL IMPACT: The actual fiscal impacts are currently unknown.

On March 4, 2020, the Governor of the State of California declared a State of Emergency as a result of the coronavirus (COVID-19) pandemic. On March 13, 2020, the President of the United States declared a National Emergency as a result of the threat of COVID-19.

On March 16, 2020, the County of Marin by Order of the Health Officer issued a Shelter in Place Order limiting the travel of all county residents and ordering county businesses to cease all non-essential activities and to take further actions as described in said Order through April 7, 2020. The order limits activity, travel and business functions to most essential needs.

On March 16, 2020 the General Manger, as the District's Emergency Manager activated the District's Emergency Operations Plan.

On March 19, 2020, Governor Newsom issued Executive Order N-33-20 ordering all individuals living in California to stay home at their place of residence, with certain exceptions for critical services and other qualifying exceptions. This shelter-in-place order has no specified termination date.

On March 31, 2020, the County of Marin by Order of the Health Officer issued an extended Shelter in Place Order through May 3, 2020 that is more restrictive than the original order. The new order continues to provide an exception for the operations and maintenance of "Essential Infrastructure," which includes, but is not limited to, water, wastewater, and recycled water service. Exemptions are also in place for Essential Government Functions, for certain "Minimum Basic Operations," for emergency management functions, for certain narrowly prescribed "Essential Business" functions, and for certain qualifying private construction, such as housing projects meeting low-income needs.

On April 29, 2020, Marin County and the other six Bay Area Public Health Officers who ordered a shelter-in-place in mid-March extended the orders through May 31 effective Monday, May 4. Marin's public health order concerning use of face coverings does not have an end date and will remain in place until further notice. Under the new Shelter-In-Place order, construction activities,

certain businesses that operate primarily outdoors, and some outdoor activities will be allowed to resume with specific conditions.

On April 7th, the Board of Directors approved Resolution No. 20-07 proclaiming the existence of a local emergency, granting the General Manager to take actions necessary for emergency response due to the COVID-19 pandemic until the State of Emergency is terminated.

Since April 21, 2020, the Board of Directors has, at every meeting, approved continuation of the local emergency resulting from the COVID-19 pandemic as declared in District Resolution No. 20-07.

District emergency planning has been aggressively implemented since March 16, 2020. Approximately 50% of the District's staff are physically separated as much as possible by rotating shifts and having some employees work from home, but all critical operations needed to maintain essential services continue. Relocation of some staff back to the District buildings, and certain other projects and activities, are delayed until after the Marin County and Statewide shelter-in-place orders are both significantly modified, suspended, or terminated.

As the COVID-19 emergency continues in our service area, Staff is requesting the Board find that there still exists a need to continue the State of Emergency reflected by Resolution No. 20-07.

RECOMMENDED ACTION:

Approve continuation of the local emergency resulting from the COVID-19 pandemic as declared in District Resolution No. 20-07.

9

MEMORANDUM

To: Board of Directors
 From: Tony Arendell, Construction Superintendent *TA*
 Subject: Contract Extension for NMWD Trench Restoration Paving
K:\CONST SUP\2020\Memos\2020-21 Paving Contract Extension BOD Memo 5-28-20.doc

May 29, 2020

RECOMMENDED ACTION: The Board authorize extension of the paving contract to W.K. McLellan Company

FINANCIAL IMPACT: Estimated at \$350,000

W.K. McLellan Company (McLellan) has been the District's contractor for trench restoration work since 1997. When last approved by the Board at the August 20, 2019 meeting, McLellan is offering to perform work for next fiscal year at current pricing. The District reserves the right to extend the contract beyond FY20/21, subject to agreement by both parties.

Annual billings to McLellan for FY20/21 are estimated to be approximately \$350,000. Annual costs for this work over the last five years are summarized in Table 1. To prosecute the work, purchase orders will be issued monthly for trench areas to be paved at the approved unit pricing.

District staff wants to advise the Board that McLellan has had an excellent working relationship with NMWD, City of Novato, and Marin County and they go out of their way to ensure that District paving needs are met. The quality of McLellan's work has been excellent and there have been very few complaints from City or County staff or customers on the workmanship or longevity of trench restoration paving.

RECOMMENDATION

Board authorize extension of the trench restoration paving contract with W.K. McLellan Company based on current unit prices provided.

TABLE 1

YEAR	BILLINGS
FY13-14	\$149,221
FY14-15	\$234,723
FY15-16	\$295,616
FY16-17	\$173,868
FY17-18	\$201,489
FY18-19	\$378,143

TABLE 2

ITEM	BID DESCRIPTION	MCLELLAN PRICING
1.	EXCAVATE, PRIME AND RESURFACE <u>2-INCH GRIND AND PAVE</u>	
	a) 0-1000 square feet	\$8.40
	b) 1000-2500 square feet	\$8.40
	c) 2500-5000 square feet	\$8.40
2.	EXCAVATE, PRIME AND RESURFACE <u>WITH 4-INCH ASPHALT CONCRETE</u>	
	a) 0-29 square feet	\$10.58
	b) 30-99 square feet	\$10.58
	c) 100-499 square feet	\$10.31
	d) Excess of 500 square feet	\$10.07
3.	EXCAVATE, PRIME AND RESURFACE <u>WITH 6-INCH ASPHALT CONCRETE</u>	
	a) 0-29 square feet	\$12.64
	b) 30-99 square feet	\$12.35
	c) 100-499 square feet	\$12.05
	d) Excess of 500 square feet	\$11.76
4.	EXCAVATE, PRIME AND RESURFACE <u>WITH 8-INCH ASPHALT CONCRETE</u>	
	a) 0-29 square feet	\$16.46
	b) 30-99 square feet	\$16.46
	c) 100-499 square feet	\$16.46
	d) Excess of 500 square feet	\$16.46
5.	EXCAVATE, PRIME AND RESURFACE <u>WITH 12-INCH ASPHALT CONCRETE</u>	
	a) 0-100 square feet	\$21.17
	c) 100-499 square feet	\$21.17
	d) Excess of 500 square feet	\$21.17
6.	<u>VALVES</u>	
	Includes a 3'x3' patch	
	Installing of aluminum ring in valve riser	
	Rising to grade	\$175.00

Note: Striping will be billed separately with 5% mark up.
 Compaction tests will be billed separately with 5% mark up.
 Traffic Control will be billed separately with 5% mark up.

10

MEMORANDUM

To: Board of Directors
From: Robert Clark, Operations / Maintenance Superintendent 
Subject: District Cross Connection Control Program Revision for Residential Pools
x:\maint sup\2020\bed\bad memo ccc pool control approach 05_27_20 rev ddm.doc

May 29, 2020

RECOMMENDED ACTION: Approve Staffs recommendations to revise approach to comply with the California Code of Regulations as Related to Drinking Water Protection from Contamination from Swimming Pools and Provide Direction Pertaining to Recent Customer Charges.

FINANCIAL IMPACT: Initial Costs Estimated at \$1,500-\$4,000

Since late 2019, staff have been working towards an update to the current Cross Connection Control (CCC) Program that will ultimately include revisions to Regulation 6, Regulation 36, Regulation 54 and the Backflow manual. At the same time, the State Water Board Division of Drinking Water (DDW) has been developing a new manual of their own that will provide new updated rules for water systems to adopt. It appears that these new rules will be ready for public comment this summer. Accordingly, staff will not be ready to fully update the District's CCC Program until these State rules have been updated.

During the interim period, Staff would still like to move forward on some of the planned revisions to the Program as it relates to cross connection concerns regarding swimming pools. Over the past few years District staff have addressed cross connection concerns regarding residential swimming pools through site surveys that have required various customers to revise their water fill lines to include an air gap, conform to the Uniform Plumbing Codes and for a few instances, required installation of a backflow device at the meter. During the recent review of our CCC Program, staff surveyed 47 agencies in Northern California to determine how they are protecting their potable water systems from contaminants. In our survey we found that 60 percent of these agencies do not require a backflow device at the meter for swimming pools, but rely on the local city or county building department to enforce cross connection protection requirements in the Uniform Plumbing Code. The others required some sort of protection and require annual inspection, testing and repair (IT&R) of the backflow devices.

At issue is the current California Code of Regulations state that retail water suppliers must protect the public water system from contamination and without a testable backflow device at the meter, water suppliers do not have ready access to the other private-side protection devices described by the Uniform Plumbing Code (UPC). To do so requires a comprehensive inspection of the pool fill apparatus and a scheduled appointment to perform the inspection. As seen in our survey, other agencies have chosen to approach this in different ways.

Currently the City of Novato and the County of Marin only inspect the initial installation of these private devices required by the UPC when swimming pools are installed. There is no follow up nor further inspection of these devices required by the city or county. Through work on the CCC program update, staff is now of the opinion that a full inspection of all 3,200 residential services with swimming pools is required to confirm UPC compliance and identify if there are any additional backflow protection requirements. There are two methods we can use to do this. One is to have our staff set up appointments and perform the inspections which would take multiple years to complete. A second option would be to have these customers provide the District with a passing inspection and test of the pool fill apparatus backflow device performed by a licensed backflow tester. This is the method utilized by a majority of the agencies we surveyed and is recommended by staff to be the most efficient and cost-effective approach for our customers.

Additionally, as a result of the recent CCC Program review effort, we have modified our approach to requiring backflow devices for residences with swimming pools such that no backflow device will be required at the meter if our inspection confirms there is a UPC approved backflow device properly installed on the pool fill line. This new approach differs from what we have been requiring over the last couple of years. As a result, some customers in 2019 and 2020 were required to pay backflow installation charges and ongoing bi-monthly testing and maintenance charges. If these customers were to have their pools installed now, there is a good chance that these additional District charges would not be required. Staff has already refunded these charges (~\$700) to one customer who was recently caught up in the transition from old to new cross connection requirements for residential swimming pools. To be fair to other recent similar situation customers, staff is proposing two options for the Board to consider:

- Option 1 Inspect all residences (~ 6 customers) that were required to pay for backflow devices at the meter and/or bi-monthly charges in 2020 and refund or credit the customers for said charges if they have a fully compliant UPC private cross connection device for their pool.
Estimated Cost ~\$1,500
- Option 2 Inspect all residences (~ 14 customers) that were required to pay for backflow devices at the meter and/or bi-monthly charges in the years 2019 and 2020 and refund or credit the customers for said charges if they have a fully compliant UPC private cross connection device for their pool.

RECOMMENDED ACTION:

That the Board:

- (1) Approve staff's recommendations to revise approach to comply with the California Code of Regulations as related to drinking water protection from contamination from swimming pools.
- (2) Provide direction to staff for the preferred Option 1 or Option 2 regarding potential reimbursement for recent customers caught in the transition to newer swimming pool cross connection requirements.

11

MEMORANDUM

To: Board of Directors
From: Pablo Ramudo, Water Quality Supervisor *PR*
Subject: Recommendation for Purchase of Atomic Absorption Spectrometer
p:\lab\wq supv\2020\memo to board re aa purchase recommendation.docx

May 29, 2020

RECOMMENDED ACTION: Authorize purchase of Agilent Atomic Absorption Spectrometer and Graphite Furnace System

FINANCIAL IMPACT: \$61,000 (FY 2019/2020 budget for this item is \$85,000)

The Board of Directors authorized \$85,000 in the fiscal year 2019/2020 budget for the replacement of the water quality laboratory's aging Varian Atomic Absorption spectrometer (AA). The Varian AA instrument was purchased in 1998 and has been used weekly to perform analysis of metals in water and drinking water samples (Iron, Manganese, Copper, Lead, Sodium, Zinc, and Magnesium). One component of the Varian Instrument, the graphite furnace - which is used to test for lead in drinking water, stopped working in 2018 and could not be repaired or serviced. Since that time NMWD has been sending samples to be analyzed for lead to a contract lab. Although the main component of the system is currently operable, it has had several mechanical issues and the software which runs it cannot be updated so it runs on an obsolete computer. Since the AA instrument is no longer supported it must be replaced.

Lab staff contacted several manufacturers of instruments capable of running analytical methods for metals in drinking water to receive demonstrations, specifications, and quotes. A distinct type of instrument, inductively coupled plasma spectrometer, was investigated but rejected due to poor performance and sensitivity with some metals. Two vendors responded with quotes for AAs, Agilent (which acquired Varian) and Shimadzu. Both vendors are well qualified with decades developing and marketing broad lines of analytical laboratory instruments.

After evaluating the two proposals, NMWD lab staff have chosen the Agilent System due to the features offered.

- **The ability to run several metals analysis in the same analytical run.** The Agilent instrument has a "fast sequential" feature which allows the instrument to analyze several different metals from the same sample during the same analytical run.
- **Automation-** Our current AA instrument requires that each sample must be introduced into the instrument by the analyst. The Agilent AA has an autosampler that draws each

sample in an analytical sequence into the instrument. Additionally, the autosampler can perform dilutions, formulate calibration samples from a stock solution, and add the needed matrix modifier solutions to the samples analyzed for certain metals; all of these actions are currently performed by the analyst by hand and must be done in a separate step in preparation for an analytical run.

Request for Quotes

We solicited three vendors for bids and only two vendors responded.

Vendor	Model names and bundled modules	Cost
Agilent	240FS AA Spec GTA 120/PDS120 Graphite Furnace SPS Autosampler for AA SIPS 20 Autodiluter	\$61,014
Shimadzu	AA-7000F AA Spec GFA-7000 Graphite Furnace ASC-7000 sampler for GF	\$45,144

The biggest difference between the two systems is the autosampler and autodiluter offered by Agilent and not available with Shimadzu. These features add about \$16,000 to the total cost of the instrument but offer the potential to save many times that in labor costs over the life of the instruments (approximately 2.5 hours per week are spent on sample preparation). Both vendors offer a sampler for use with the graphite furnace modules for lead analysis. Both systems are capable of running the two standard methods used to analyze and report metals concentrations in water and drinking water for compliance with regulations, and both systems have similar detection limits

The Agilent AA also has a few other features not present in the Shimadzu system:

- Camera and fume extraction for the graphite furnace for optimal performance.
- Up to 40% less use of acetylene during data acquisition
- Safety functions: spray chamber auto-lock to prevent flashback and built-in fixed place ignition system

Recommendation

Based on the advanced sampling and diluting features of the Agilent Atomic absorption Spectrometer, I recommend that the Board authorize its purchase.

12

MEMORANDUM

To: Board of Directors

May 29, 2020

From: Drew McIntyre, General Manager



Subj: Resolution of Appreciation for Alicia Manzoni

L:\gm\2020 misc\manzoni memo resolution.docx

RECOMMENDED ACTION: Board Approve the Resolution of Appreciation to Alicia Manzoni

FINANCIAL IMPACT: None

Alicia Manzoni is retiring on June 5, 2020 after 23 years of employment with the North Marin Water District. It is appropriate to convey appreciation for Alicia's many years of dedicated service to the District and adopt the attached resolution of appreciation.

RECOMMENDED ACTION:

Board adopt the resolution of appreciation to Alicia Manzoni after many years of employment with the North Marin Water District.

Resolution 20-XX
North Marin Water District
Resolution of Appreciation
To
Alicia Manzoni

WHEREAS:

- Alicia Manzoni grew up in Novato and began employment at the District as the Cashier/Receptionist on October 6, 1997;
- On April 1, 1998 Alicia was promoted to Account/Credit Clerk I;
- On November 1, 2000 Alicia was promoted to Account/Credit Clerk II;
- On September 16, 2003 Alicia was promoted to Customer Services Supervisor;
- During her 23 years of employment Alicia has provided excellent customer service and has been successful in leading the Consumer Services team. She has consistently dealt with customers in a tactful and effective manner. Under her lead the District continually receives exemplary feedback from customers;
- Alicia has done an outstanding job of keeping the billing system running accurately and on time.
- Alicia was instrumental in the successful implementation of the Advanced Meter Information (AMI) project which converted over 21,000 meters to be read electronically. This undertaking took substantial time and effort. Alicia provided the support and assistance needed to complete the project, all while leading the CS Department and performing her regular job duties.
- On June 5, 2020 Alicia will retire from the District. Her dedication to the District's customers and to her fellow employees will be greatly missed.

THEREFORE BE IT RESOLVED:

That the Board of Directors and staff of North Marin Water District hereby expresses its sincere appreciation to Alicia Manzoni for her many years of dedication, loyal service and valuable contributions to North Marin Water District and the Novato and West Marin communities; and

BE IT FURTHER RESOLVED:

That the Board of Directors and staff of North Marin Water District extend their best wishes to Alicia Manzoni for all her future endeavors and wish her many happy and rewarding years filled with all the good things life has to offer.

Dated at Novato, California
June 2, 2020

Michael H. Joly, President
North Marin Water District

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 2nd day of June 2020 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

Theresa Kehoe, Secretary
North Marin Water District

(SEAL)

13

MEMORANDUM

To: Board of Directors

May 29, 2020

From: Julie Blue, Auditor-Controller 

Subj: Budget Review – Proposed FY 20/21 Budgets Novato & West Marin Service Areas
t:\aclbudget\fy-2020.21\budget final fy 20.21\budget review 2 june 2, 2020 fy 20.21.docx

RECOMMENDED ACTION: Information Only – Budget Review

FINANCIAL IMPACT: None at this time – Total \$28.5 Million Expenditure Plan
 Capital/Equipment/Debt Service - \$10.7 Million
 Operations - \$17.8 Million

Attached for review are the FY 20/21 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 February and 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. Due to the COVID-19 pandemic the most recent Board meetings have been conducted via teleconference. If shelter in place restrictions remain in effect in Marin County at the time of any upcoming Board meeting or Public Hearing additional information regarding accommodating public participation will be provided on the District website at www.nmwd.com.

Budget Review and Changes:

The BOD first reviewed the FY 20/21 Capital Improvement Project Budget (CIP) and Equipment Budget at the May 5, 2020 meeting. The District wide budget (including CIP/Equipment) was presented at the May 19, 2020 Board meeting for review and Board member input. This review resulted in staff making one requested change which was to add the division of each Director by their name in the introductory section of the budget as shown on page ii.

Response to COVID-19 Customer Financial Impact:

The BOD also requested staff review options addressing the potential financial impacts of the COVID-19 pandemic to our customers. One mechanism the District has implemented to help low income customers is the newly adopted Low Income Rate Assistance (LIRA) Program which was approved by the BOD in February 2020. The LIRA Program is effective July 1, 2020 and will provide a \$15 credit on each two-month bill. The program is available for all single-family

residential customers who are low-income and also participating in Pacific Gas & Electric's (PG&E) California Alternate Rates for Energy (CARE) program.

To further support customers with financial need the BOD may make changes to the newly updated Late Charge and Shut-off policy (Policy No. 6). This policy was updated to comply with Senate Bill 998 which further supports the California Safe Drinking Water Act which declares that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

On April 2, 2020 California Governor Newsom signed Executive Order N-42-20 which suspended disconnection of water services for non-payment with an undetermined end date. Proposed changes to the District's Late Payment and Shut-Off Policy would include: (1) an extension of 1 to 3 months to the suspension of disconnections, once the end date of the order has been established, (2) extension of the duration of payment plans to 18 or 24 months from the current 12 months as outlined in the policy and (3) extension of the District's current forbearance of customer late fees through policy change for a 3 to 6-month duration.

Budget/Rate Hearing Schedule:

As listed in the budget/rate hearing schedule that follows, a public hearing will take place to consider the proposed water rate increases for Novato and RW on June 16, 2020 at 6:00 pm at the District's headquarters or via teleconference if shelter in place restrictions are still in effect. Announcement of the public hearing and a summary of the Novato and RW rate increases will be published in the Marin IJ in early June. The budget will be reviewed and refined if necessary prior to the next BOD's review and is scheduled for approval at the next Board meeting on June 16, 2020 at 6:00 pm.

The public hearings to consider the proposed water and sewer rate increases for WM and OM will take place on June 23, 2020 in Novato at District Headquarters ⁽¹⁾ or via teleconference if shelter in place restrictions are still in effect. Announcement of the public hearing and a summary of the WM water rate increase and OM sewer rate increase will be published in the Point Reyes Light on June 11 and again on June 18, 2020. The WM and OM budgets will be reviewed and refined if necessary prior to the next BOD's review and are scheduled for approval at the Board meeting on June 23, 2020 at 6:00 pm.

⁽¹⁾ The Dance Palace in West Marin has canceled all events through the end of June.

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 4, 2020 meeting.

Date	Location	Item	Review/Approve	Rate Hearing	Status	Service Area
March 3	Novato	Financial Plan Update (Water Rate Study Approved)	Review Only		Complete	Novato/RW
April 21	Novato	Financial Plan Update	Review Only		Complete	WM/OM
May 5	Novato	Capital Project & Equipment Budget Schedules	Review Only		Complete	Novato/RW/WM/OM
May 19	Novato	Operations & Maintenance and Capital Budget - District	Review Only		Complete	Novato/RW/WM/OM
June 2	Novato	Operations & Maintenance and Capital Budget - District	Review Only		Current	Novato/RW/WM/OM
June 16	Novato	Operations & Maintenance and Capital Budget - Novato and Recycled Water	Approve	X	Upcoming	Novato/Recycled Water
June 23	Pt Reyes	Operations & Maintenance and Capital Budget - West Marin Water	Approve	X	Upcoming	West Marin Water
June 23	Pt Reyes	Operations & Maintenance and Capital Budget - Oceana Marin Sewer	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

Draft - June 2, 2020

BUDGETS

Novato & West Marin Service Areas

FISCAL YEAR

2020/21

Directors: Michael Joly * James Grossi * Jack Baker * Rick Fraites * Stephen Petterle

Officers: Drew McIntyre, General Manager/Acting Chief Engineer * Terrie Kehoe, Secretary * Julie Blue, Auditor-Controller

INTRODUCTION

This document contains the fiscal year 2020/21 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 capital improvement project expenditures for the fiscal year. Questions regarding these budgets may be directed to Julie Blue, Auditor-Controller, at jblue@nmwd.com or 415-761-8950.

MISSION STATEMENT

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

VISION STATEMENT

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

NMWD VALUES

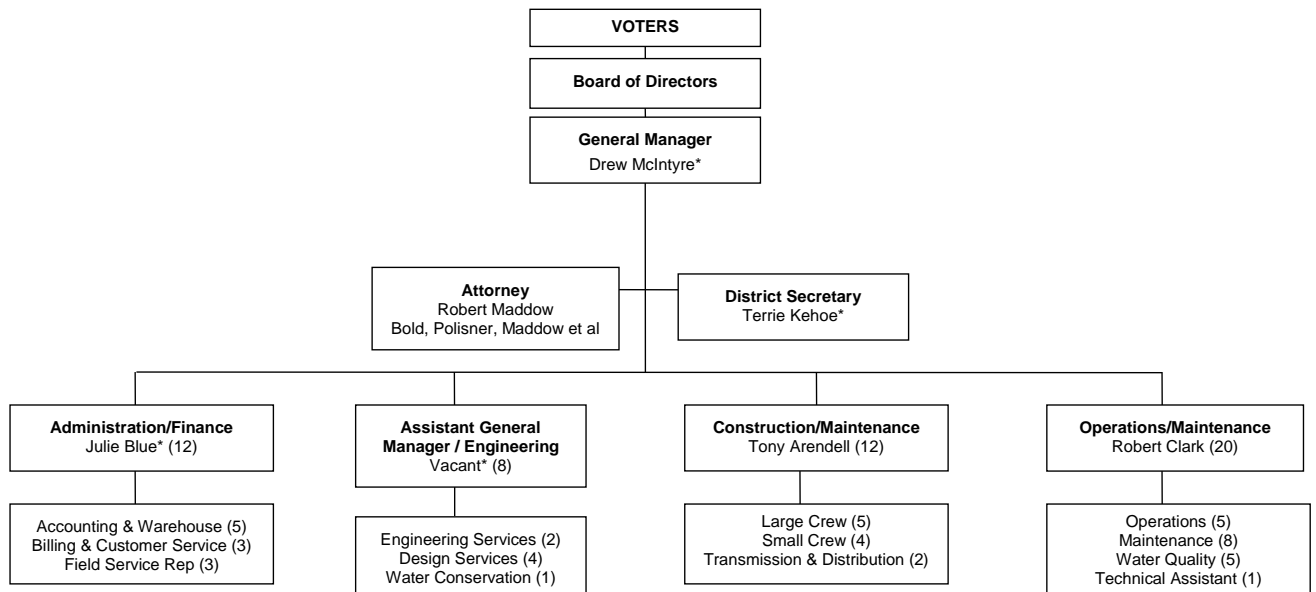
- Accountability – We work transparently and in full view of customers and take responsibility for our work.
- Integrity – Customers can count on quality and fair service from our staff and the District.
- Teamwork – We work cooperatively to accomplish our goals.
- Honesty – We always seek the truth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

ORGANIZATION FACT SHEET

July 2020

Organization:

- 5 Directors elected By-Division for 4-year terms
 - Michael Joly (Division 3), President
 - James Grossi (Division 1), Vice-President
 - Jack Baker (Division 2)
 - Rick Fraites (Division 5)
 - Stephen Petterle (Division 4)
- 1 General Manager, Drew McIntyre (serves at the pleasure of the Board of Directors)
- 4 Departments
- 54 Employees (regular full-time-equivalent authorized)



Authority:

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

Territory:

100 square miles (see attached map)

Distribution System Expansion Policy:

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

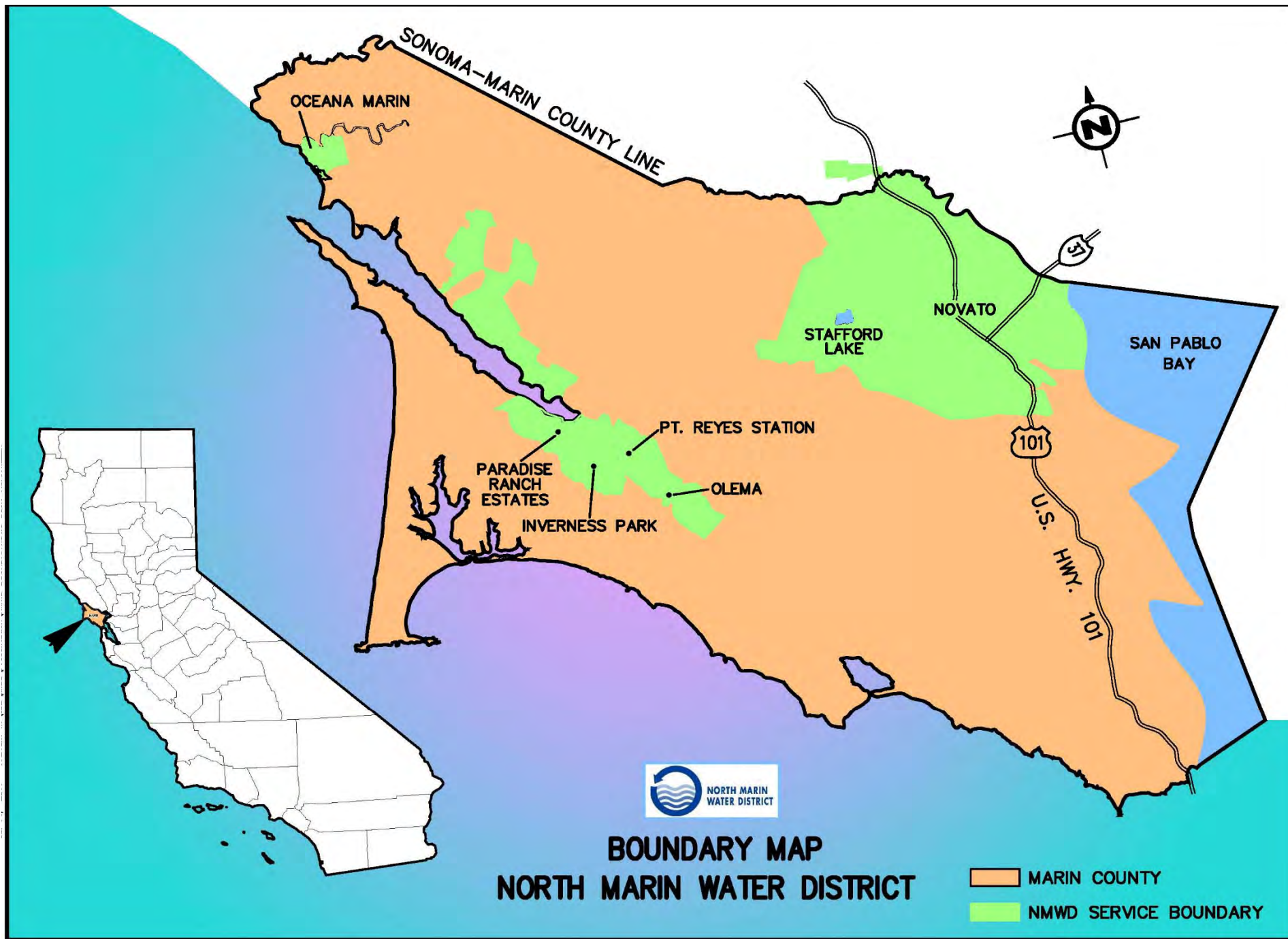


TABLE OF CONTENTS
NORTH MARIN WATER DISTRICT
FISCAL YEAR 2020/21 WATER AND SEWER BUDGETS

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

Budget Narrative

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

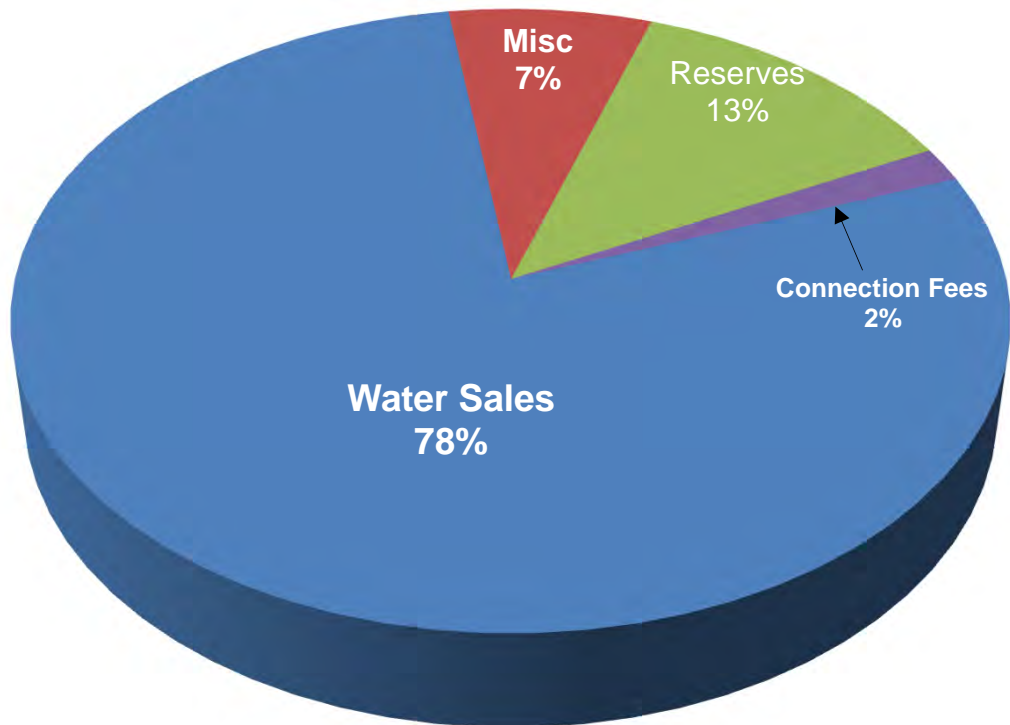
Budget Schedules

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

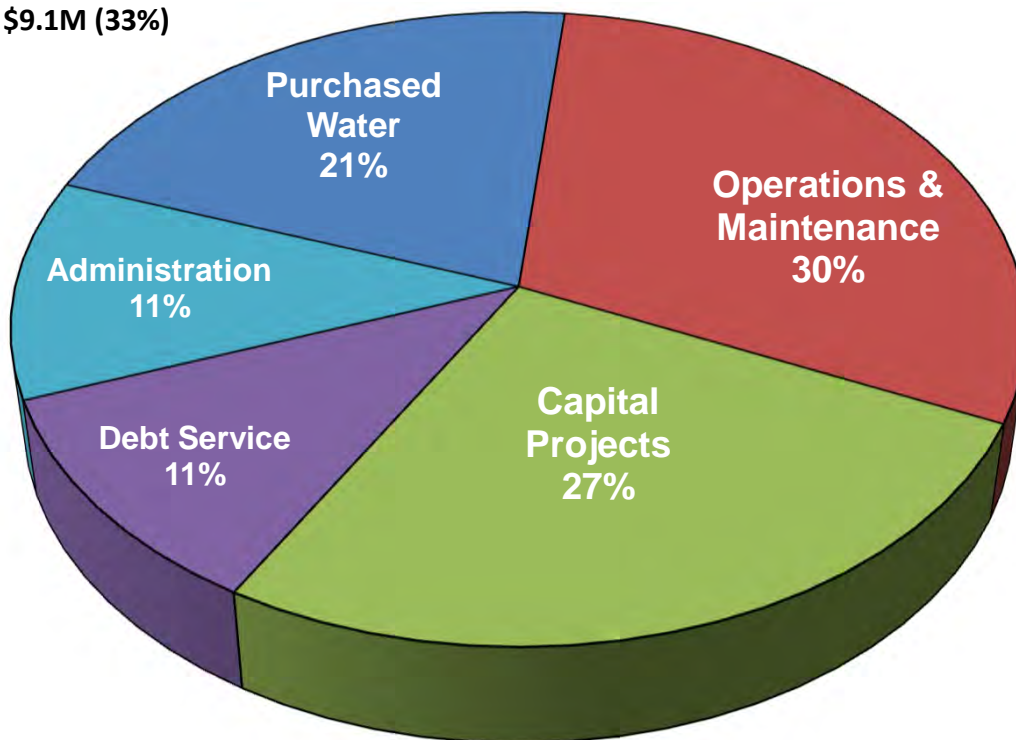
Capital Improvement Projects, Debt Service and Equipment

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

NORTH MARIN WATER DISTRICT
FY20/21 DRAFT BUDGET - ALL SERVICE AREAS COMBINED
SOURCES = \$28,545,000



Labor = \$9.1M (33%)



USES = \$28,545,000

Excludes Depreciation Expense & Developer Funded Costs

NMWD DRAFT BUDGET

Summary

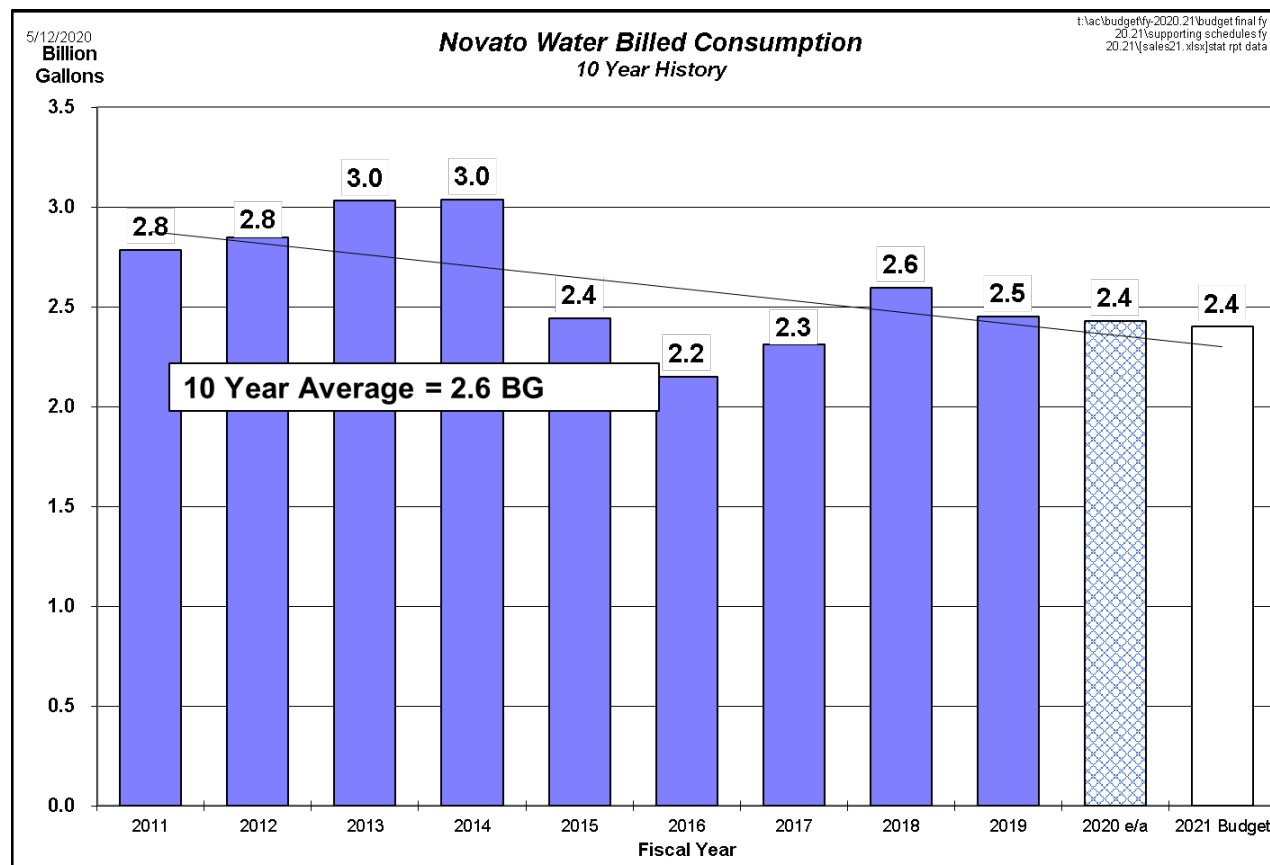
The \$28.5 million consolidated budget projects operating revenue of \$23 million and a net income of \$1.3 million. The FY 20/21 budget incorporates \$6.3 million in internally funded capital improvement projects and \$6 million in water purchases. After payment of \$3.1 million in debt service, the consolidated budget projects a decrease in cash for the fiscal year of \$3.6 million.

Novato Water

The Novato Potable Water System budget projects a \$3.1 million cash decrease over the fiscal year. Incorporated in the budget are proposed structural and rate changes to the commodity and bimonthly service charge which will generate an additional 6% in revenue. The proposed 6% rate changes, effective July 1, 2020, will be considered by the Board of Directors at a public hearing occurring on June 16, 2020. Total budget outlay, which includes \$5 million in capital improvement projects, is projected at \$24.6 million which is \$0.9M higher than the FY 19/20 budget.

Operating Revenue

Water Sales - Water sales volume is budgeted at 2.4 billion gallons (BG) which is consistent with the FY 19/20 projections and consistent with FY 18/19 actual sales. The 6% rate increase, effective July 1, 2020 is projected to increase revenues by \$1.1 million 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 \$486,000. Connection fee revenue of \$1.5 million for 52 Equivalent Dwelling Units (EDUs) was collected in FY 18/19. The annual average connections have been 34 EDUs (FY 14/15 through FY 18/19). Included in the projections is annual connection fee revenue equivalent to 17 EDUs or half of the actual five-year average.

The wheeling charge to Marin Municipal Water District is budgeted at \$98,000. 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 of \$205,000 in accord with the terms of the 2014 Interconnection Agreement. Miscellaneous Revenue includes \$94,000 in combined income from the rental of the Point Reyes home, the Little Mountain cell phone tower lease, Indian Valley Golf Club lease, two grazing leases, rental of the District's security apartment, and rental of the Pacheco Valle tennis courts.

Operating Expenditures

Operating expenses (excluding depreciation) are budgeted to increase 2.5% or \$403,000 from the FY 19/20 budget. The increase is primarily due to an increase in the cost to purchase water and increases in personnel costs. More details are outlined in this budget report.

Source of Supply – The purchase price of water from Sonoma Water (SW) (AKA Sonoma County Water Agency) is projected to increase 6.79% in FY 20/21. This change will result in a cost per acre-foot of \$1,001 for FY 20/21 versus \$937.34 for the current fiscal year and is estimated to increase the cost to purchase water by \$360,000. This increase in the cost of purchase water is offset by a slight decrease in water sales.

Stafford Treatment Plant (STP) Water Production – STP water production is projected at 650 MG in FY 20/21 which is lower than the average annual production of 665 MG over the past 10 years. The cost of production at the end of FY 18/19 was \$3,464/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>FY21</u>	<u>FY20</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>

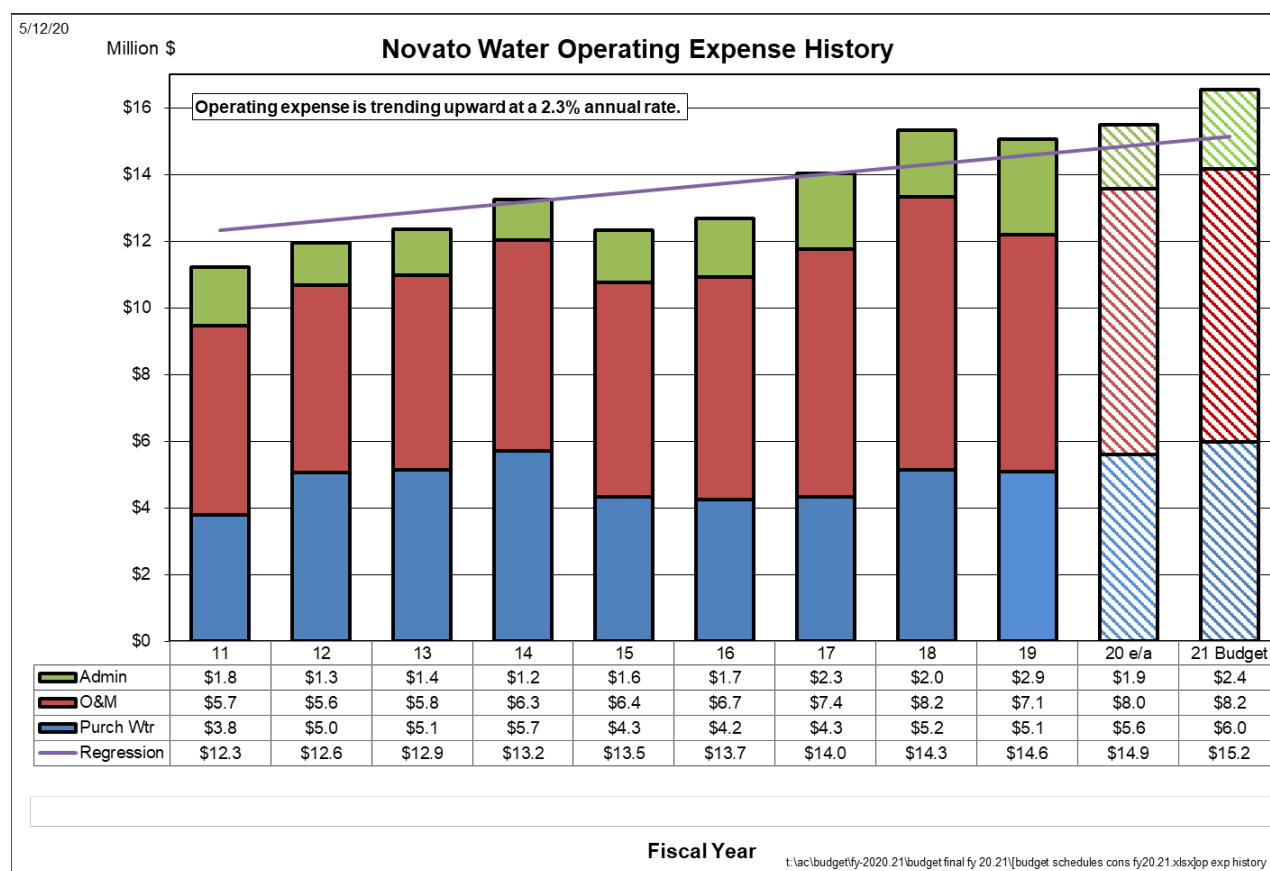
Temporary staffing budget is proposed to decrease by 425 hours from the prior year's budget to 7,480 hours. The decrease is due to a reduction in administration hours needed for assistance on special projects.

NMWD DRAFT BUDGET

In accordance with the Employee Association and NMWD's Memorandum of Understanding (MOU), a 3.0% cost-of-living salary increase, has been factored into the budget effective October 1, 2020. 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 3.0% cost-of-living increase is staff's best projection at this time.

The District's average CalPERS retirement contribution rate will increase 2.2% (to 28.6%) 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 remained constant in 2020 and was a minimal increase in prior years.

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



NMWD DRAFT BUDGET

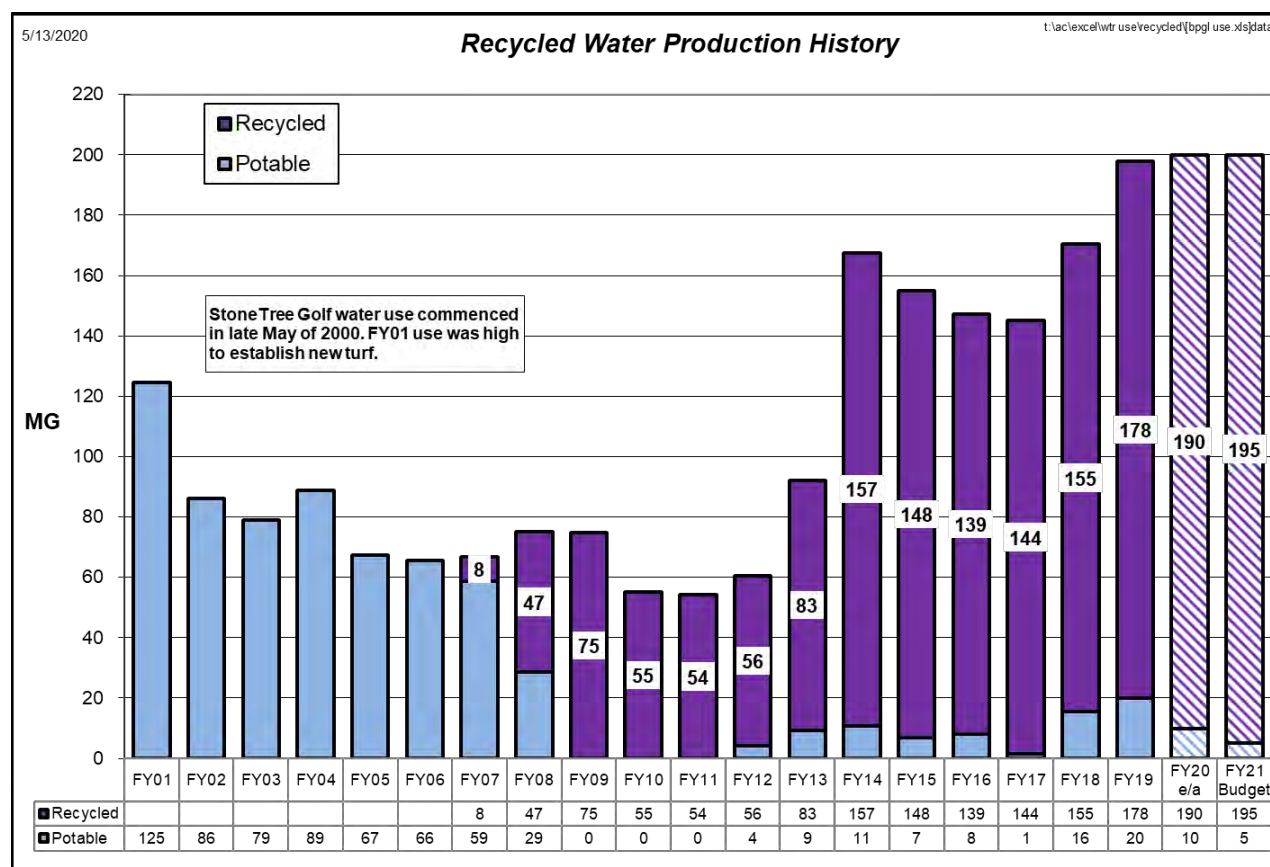
Recycled Water

The FY 20/21 Recycled Water (RW) System Budget projects demand of 200MG which is consistent with the volume budgeted in FY19/20. Over the past few years, sales have increased primarily due to the Central expansion project completed in FY 17/18. The budget projects purchase of 145MG of tertiary treated water from Novato Sanitary District and 40MG from Las Gallinas Valley Sanitary District, at an average rate of \$1,500/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. Potable water used to supply water to RW customers is estimated at 5MG which is an average of the past year's actual use.

Consistent with the potable water increase, a 6% commodity rate and bimonthly service charge increase is proposed to be effective July 1, 2020. The increase is projected to generate \$75,000 in additional revenue next fiscal year.

Operating expenses (excluding depreciation) are budgeted to increase 3% or \$17,000 from the FY 19/20 budget. This increase is primarily due to the increase in the cost to purchase water from the local Sanitary Districts.

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



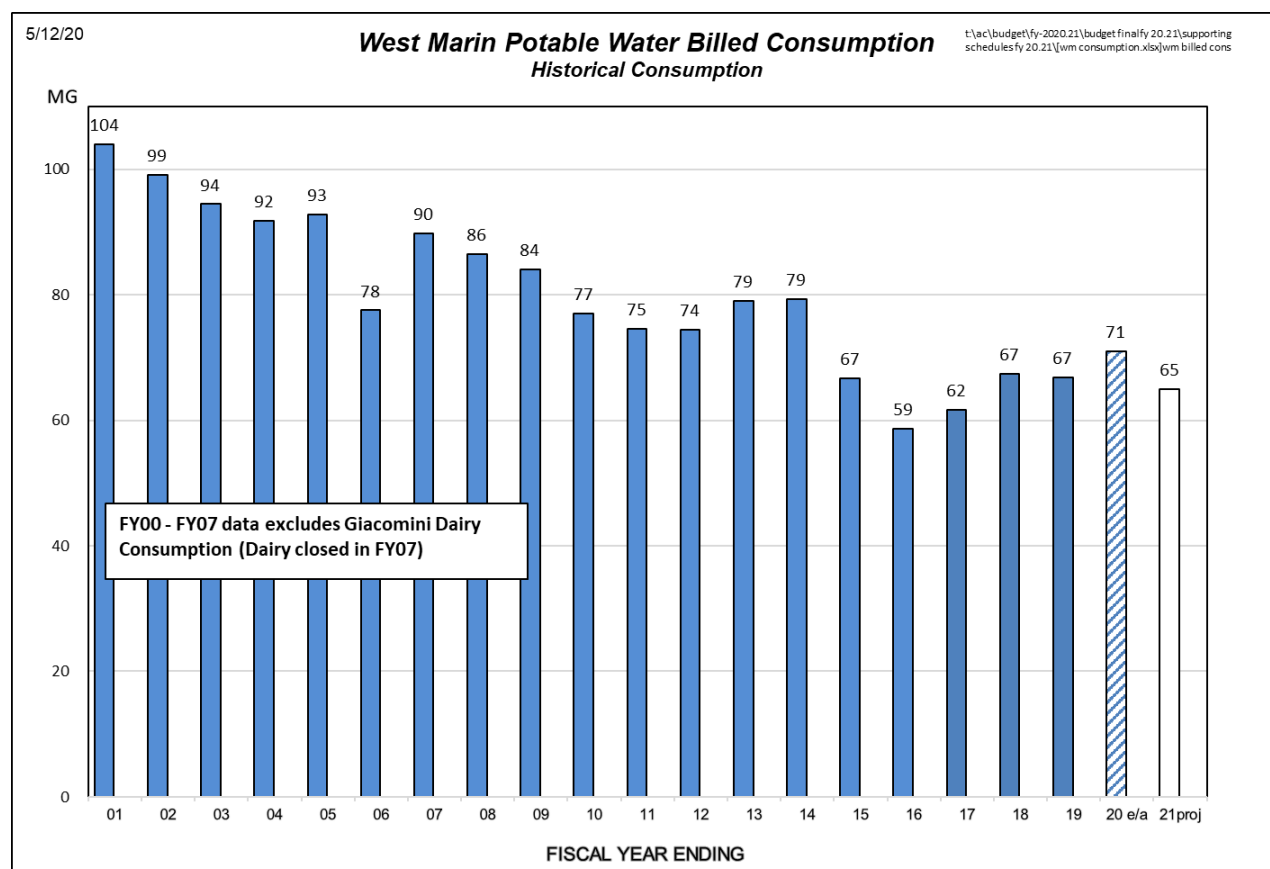
NMWD DRAFT BUDGET

West Marin Water

The proposed 4.5% rate increase for West Marin (WM) Water customers to be effective July 1, 2020, will add approximately \$2.70 per month (\$32 annually) to the typical residential customer water cost. The increase is for both the commodity rate and the bimonthly service charge and is projected to generate \$33,000 in additional revenue annually. Growth in the past three years has remained stable. There is one connection fee budgeted for FY 20/21. Included in the 5-year financial forecast is revenue for one connection every other year.

Significant Capital Improvement Projects budgeted for the year include continued work on the \$1.6 million project to replace the Paradise Ranch Estates Tank 4A which is scheduled to be completed in FY 20/21. Additional projects include \$100K towards the Lagunitas Creek Bridge Pipe Replacement project, \$75K for the Gallagher Well #2 project, and \$260,000 for the balance of the work for the Gallagher Ranch Streambank Stabilization Project which is substantially funded by outside sources.

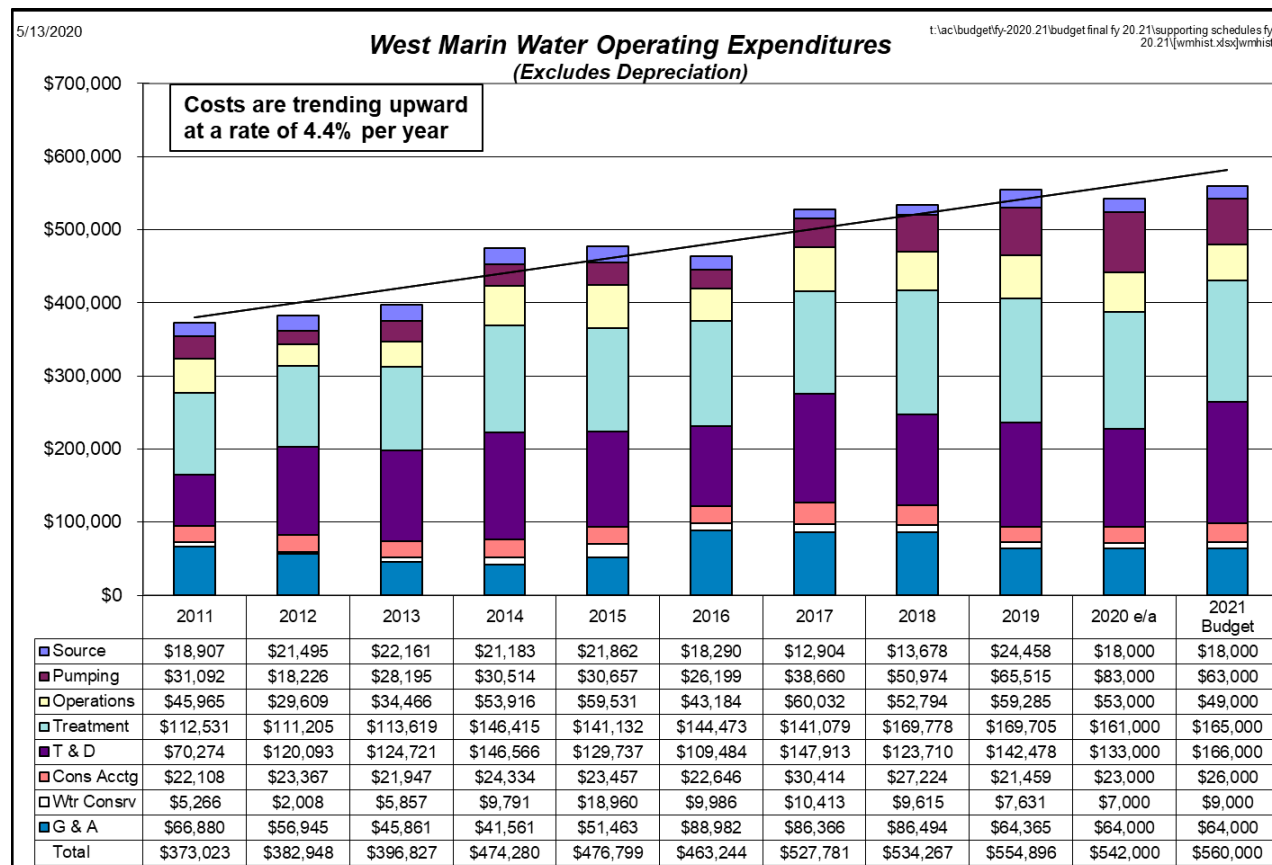
FY 20/21 water sales volume is budgeted at 65MG and is based on the average of five years of actual sales (FY 14/15-FY 18/19) adjusted for the potential impact of the declaration of water shortage emergency effective May 5, 2020. See the below chart for the historical consumption for the WM service area.



NMWD DRAFT BUDGET

WM operating expenditures, before depreciation, are budgeted at \$560,000 which is an increase of \$12,000 or 2.2% from the FY 19/20 adopted budget of \$548,000. The budget projects a net operating income of \$203,000 and, after capital outlay and debt service, the system is projected to show a cash decrease for the year of \$689,000.

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



Oceana Marin Sewer

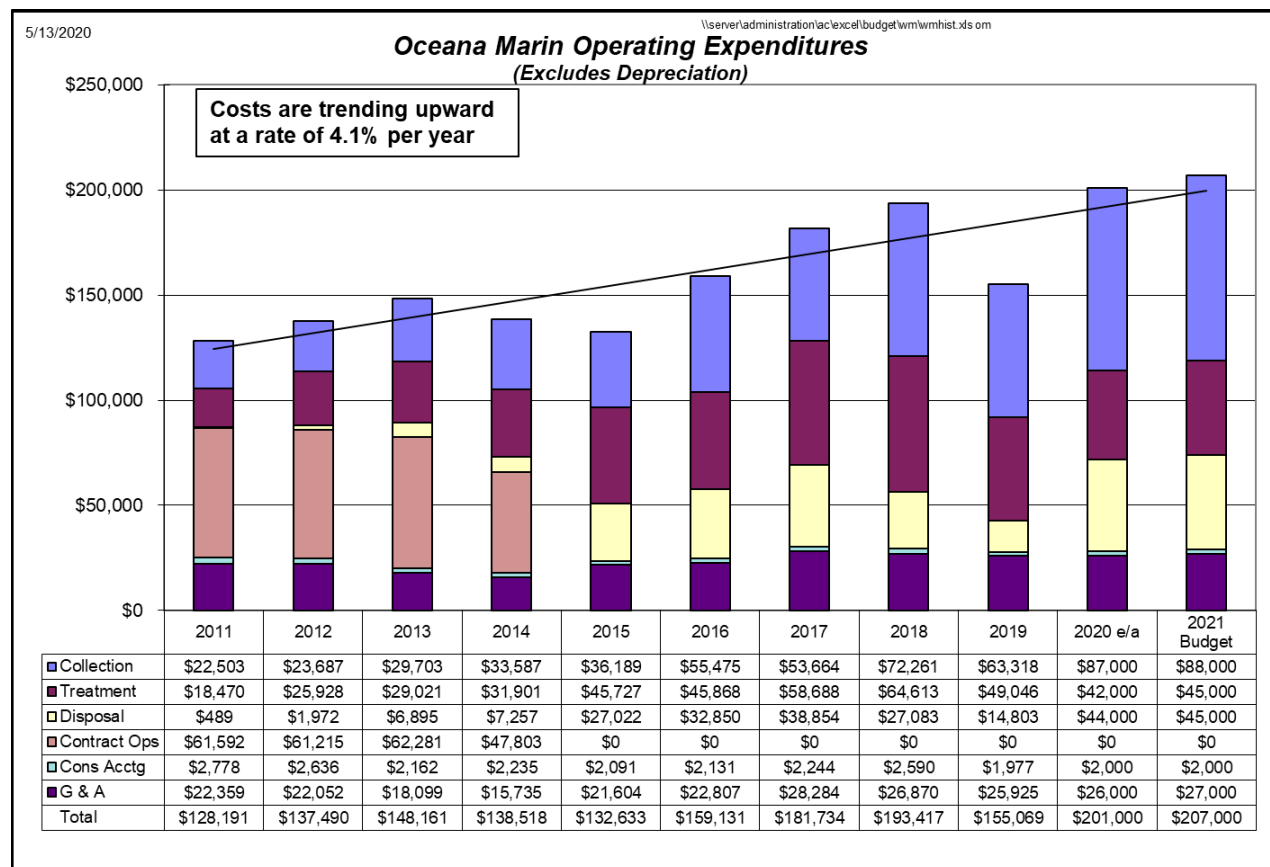
A proposed 5% increase (\$5/month - to \$1,176/year) in the Oceana Marin Sewer service charge to be effective July 1, 2020, is projected to add \$14,000 in additional annual revenue. Growth in the past three years has remained relatively stable so conservatively there are no connection fees budgeted for FY 20/21. Included in the 5-year financial forecast is revenue for one connection every other year.

Capital Improvement Projects budgeted for the year include the Treatment Pond Rehab with a projected cost in FY 20/21 of \$225,000 and a total cost of \$1.9M. This project is expected to be 75% grant funded. It is also planned to have the Tahiti Way Lift Pumps Replaced with a projected cost in FY 20/21 of \$25,000 and a total cost of \$125,000. Additionally, \$40,000 is budgeted for the ongoing Capital work to identify and repair collection pipelines to prevent inflow and infiltration.

NMWD DRAFT BUDGET

FY 20/21 OM operating expenditures, before depreciation, are budgeted at \$207,000 which is an increase of \$7,000 or 3.5% from the FY 19/20 adopted budget of \$200,000. The increase is primarily due to an increase in staff labor to maintain the system. The budget projects a net operating income of \$21,000 and, after capital outlay and debt service, the system is projected to show a cash increase for the year of \$68,000.

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



NMWD DRAFT BUDGET

Capital Improvement Project Budget (CIP)

The proposed Fiscal Year 20/21 and FY 21/22 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. The below table also includes the total cost of the projects which adds all costs occurring within and outside of the two-year budget period.

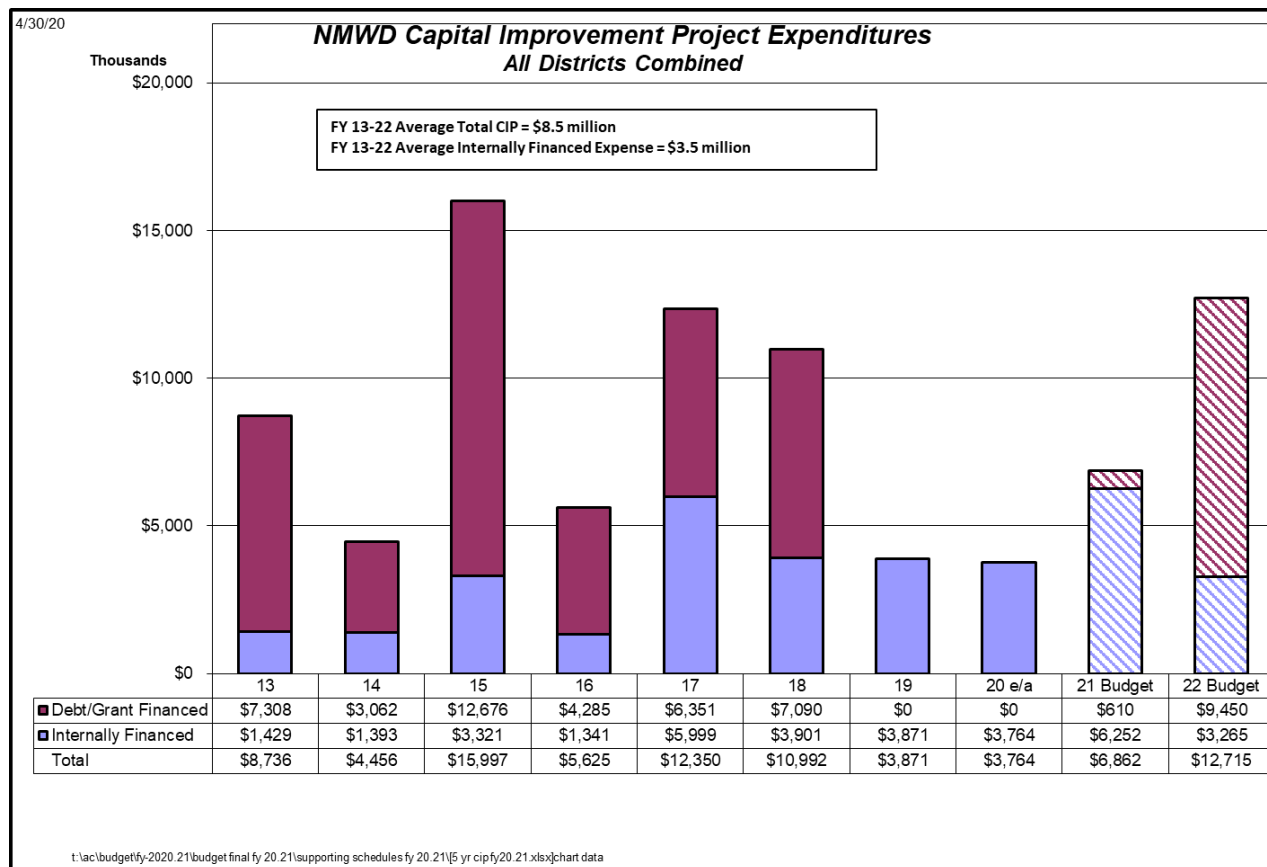
<u>Project</u>	FY 20/21	FY 21/22	Total Project Costs
Office/Yard Building Refurbish	\$1,000,000	\$7,000,000	\$15,100,000
Replace PRE Tank 4A	1,000,000	-	1,600,000
San Mateo 24" Inlet/Outlet Pipe (2,200')	910,000	-	1,070,000
Crest PS/Relocate School Rd PS	550,000	-	765,000
Old Ranch Rd. Tank #2	500,000	-	701,000
Lynwood P.S. Motor Control Center	400,000	-	535,000
OM Treatment Pond Rehab	225,000	1,600,000	1,900,000
Lagunitas Creek Bridge Pipe Replacement	100,000	400,000	620,000
New Gallagher Well #2	<u>75,000</u>	<u>335,000</u>	<u>510,000</u>
Other Projects	<u>2,102,000</u>	<u>1,645,000</u>	<u>-</u>
Gross Project Outlay	6,862,000	12,715,000	22,801,000
Less Loan/Grant Funding	<u>(610,000)</u>	<u>(9,450,000)</u>	<u>(9,450,000)</u>
Net Project Outlay (internally funded)	<u>\$6,252,000</u>	<u>\$3,265,000</u>	<u>\$13,351,000</u>

The proposed two-year combined total project outlay, net of grant/loan funding, totals \$9.5 million, which is \$1.1 million higher than the \$8.4 million combined two-year budget adopted last year. The proposed CIP budget includes 33 projects in FY 20/21 and 28 projects in FY 21/22. This comprehensive plan is developed to confirm that adequate funding and staffing exists to accomplish the budgeted projects planned for FY 20/21.

	Net Outlay		
<u>District</u>	Proposed FY21 & FY22	Adopted FY20 & FY21	Increase (Decrease)
Novato Water	\$7,522,000	\$6,006,000	\$1,516,000
Recycled Water	200,000	240,000	(40,000)
WM Water	1,440,000	1,990,000	(550,000)
OM Sewer	355,000	132,000	223,000
Total	<u>\$9,517,000</u>	<u>\$8,368,000</u>	<u>\$1,149,000</u>

NMWD DRAFT BUDGET

The below chart shows the District wide 10-year history of capital improvement projects which averages \$8.5M per year including \$3.5M of internally (or “Pay-Go”) financed projects.



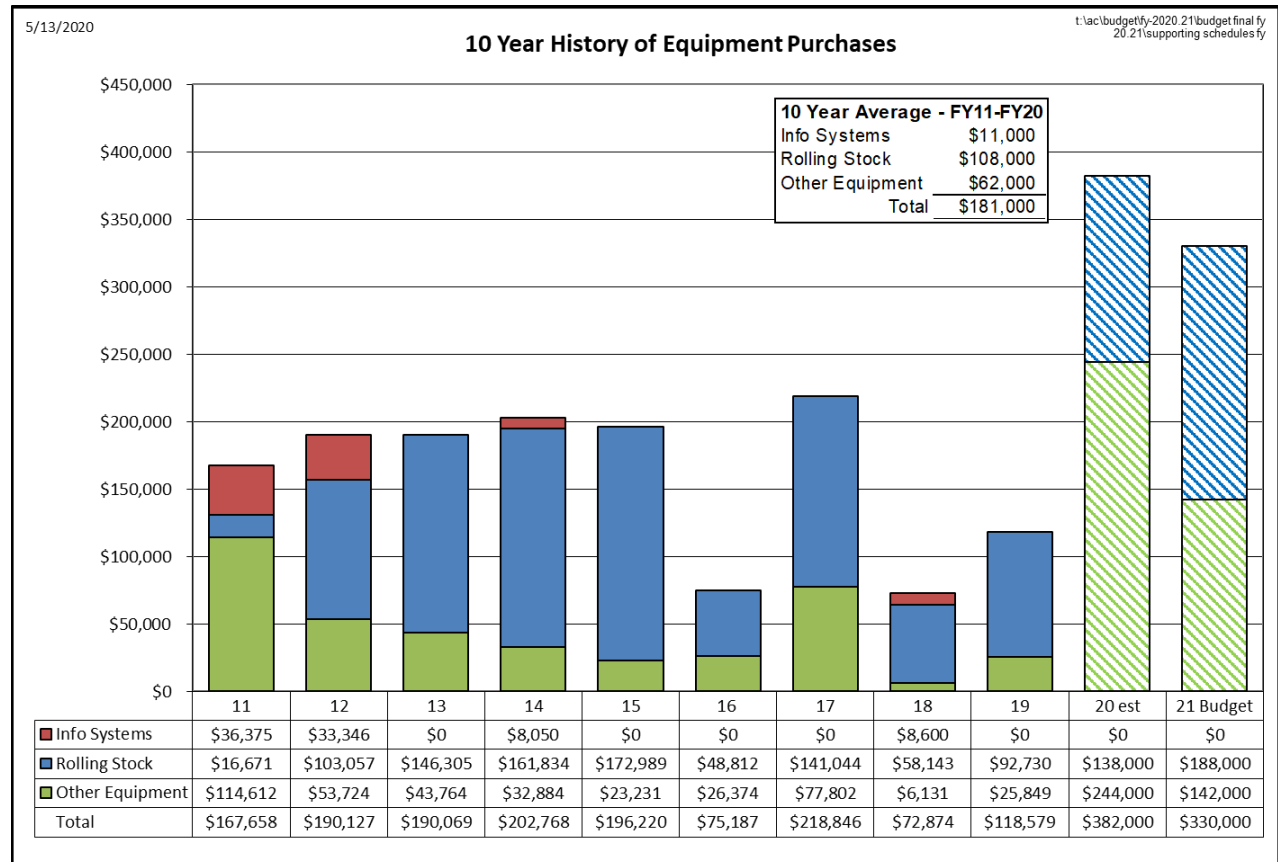
Novato Potable Water's CIP expenditure plan, when viewed over the current fiscal year and the next five years, averages \$3.5 million annually in internally funded projects, which is consistent with the five-year plan as established with the Board approved 2020 Novato and Recycled Water Rate Study.

NMWD DRAFT BUDGET

Equipment Budget

The proposed FY 20/21 Equipment Budget totals \$330,000. This is \$103,000 lower than the FY 19/20 Equipment Budget of \$433,000. FY 19/20 estimated actual expenditures are forecast to come in at \$382,000 which is \$51,000 below budget. Due to equipment needs the amount not spent in FY 19/20 has been allocated to FY 20/21.

A significant purchase included in the proposed budget is \$135,000 for a 5-yard Dump Truck. Additionally, a metals analyzer for \$85,000 is budgeted to replace a 20-year old piece of equipment for the lab. The following chart shows the ten-year history of equipment purchases.



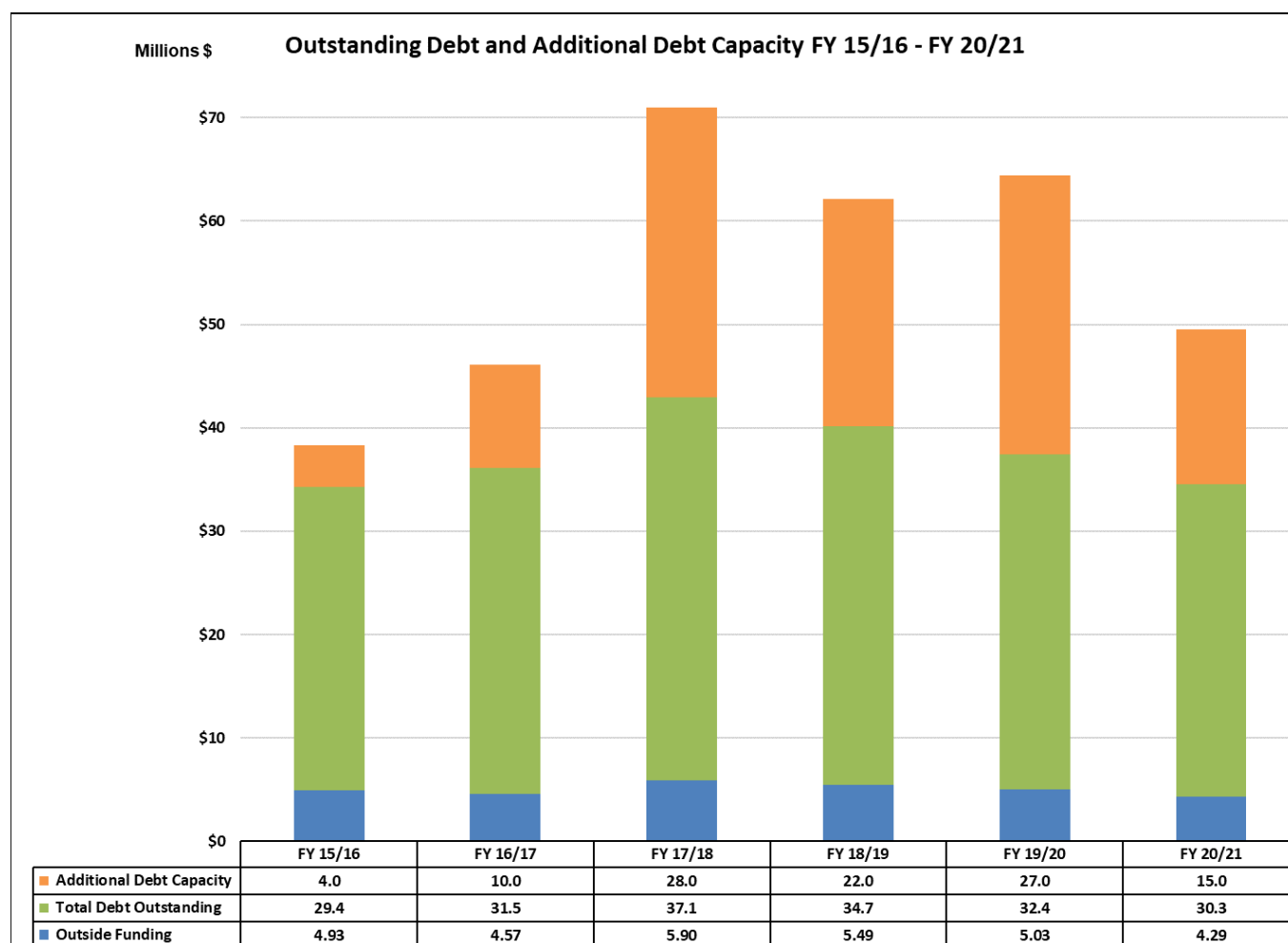
NMWD DRAFT BUDGET

Debt Service

Principal and interest payments totaling \$3.1 million are budgeted as the annual obligation on \$32.9 million in outstanding debt (as of June 30, 2020), comprised of:

- 1.) \$4.1 million at 2.7% for a bank loan used to fund the Advanced Meter Information (AMI) project;
- 2.) \$8.4 million at 2.4% State Revolving Fund (SRF) loan used to finance the Stafford Water Treatment Plant Rehabilitation;
- 3.) \$13.9 million in SRF loans (with interest varying from 1%-2.6%) used to finance the recycled water distribution system;
- 4.) \$5.2 million at 3.5% bank loan used to finance the Aqueduct Energy Efficiency Project and West Marin Treatment Plant Solids-Handling Facility;
- 5.) \$1.7 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 20/21 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 2020/21

	<i>Proposed Budget 2020/21</i>	<i>Estimated Actual 2019/20</i>	<i>Adopted Budget 2019/20</i>
OPERATING INCOME			
1 Water Sales	\$22,342,000	\$21,347,000	\$22,345,000
2 Sewer Service Charges	276,000	265,000	261,000
3 Wheeling & Misc Service Charges	430,000	420,000	392,000
4 Total Operating Income	\$23,048,000	\$22,032,000	\$22,998,000
OPERATING EXPENDITURES			
5 Source of Supply	\$6,286,000	\$5,891,000	\$6,186,000
6 Pumping	567,000	628,000	438,000
7 Operations	857,000	1,029,000	808,000
8 Water Treatment	2,628,000	2,530,000	2,697,000
9 Sewer Service	178,000	173,000	171,000
10 Transmission & Distribution	3,694,000	3,447,000	3,656,000
11 Consumer Accounting	683,000	574,000	644,000
12 Water Conservation	408,000	373,000	399,000
13 General & Administrative	2,520,000	2,089,000	2,383,000
14 Depreciation Expense	3,777,000	3,380,000	3,486,000
15 Total Operating Expenditures	\$21,598,000	\$20,114,000	\$20,868,000
16 NET OPERATING INCOME (LOSS)	\$1,450,000	\$1,918,000	\$2,130,000
NON-OPERATING INCOME/(EXPENSE)			
17 Tax Proceeds	\$118,000	\$116,000	\$116,000
18 Interest Revenue	316,000	591,000	277,000
19 Miscellaneous Revenue	135,000	132,000	133,000
20 Interest Expense	(748,000)	(805,000)	(806,000)
21 Miscellaneous Expense	(20,000)	(2,000)	(20,000)
22 Total Non-Operating Income/(Expense)	(\$199,000)	\$32,000	(\$300,000)
NET INCOME/(LOSS)	\$1,251,000	\$1,950,000	\$1,830,000
OTHER SOURCES/(USES) OF FUNDS			
23 Add Depreciation Expense	\$3,777,000	\$3,380,000	\$3,486,000
24 Connection Fees	509,000	1,446,000	340,000
25 Caltrans AEEP Reimbursement	1,000	13,000	1,000
26 MMWD AEEP Capital Contribution	205,000	205,000	205,000
27 Loans/Grants	610,000	-	69,000
28 Stone Tree Golf Principal Repayment	37,000	1,118,000	227,000
29 Transfers Out from Capital Expansion Fund	(369,000)	(305,700)	-
30 Capital Equipment Expenditures	(330,000)	(382,000)	(433,000)
31 Capital Improvement Projects	(6,862,000)	(3,763,500)	(5,713,000)
32 Debt Principal Payments	(2,395,000)	(2,333,000)	(2,333,000)
33 Total Other Sources/(Uses)	(\$4,817,000)	(\$622,200)	(\$4,151,000)
34 CASH INCREASE/(DECREASE)	(\$3,566,000)	\$1,327,800	(\$2,321,000)

NOVATO POTABLE WATER
BUDGET SUMMARY
Fiscal Year 2020/21

	<i>Proposed Budget 2020/21</i>	<i>Estimated Actual 2019/20</i>	<i>Adopted Budget 2019/20</i>
OPERATING INCOME			
1 Water Sales	\$20,144,000	\$19,184,000	\$20,239,000
2 Wheeling & Misc Service Charges	365,000	370,000	342,000
3 Total Operating Income	\$20,509,000	\$19,554,000	\$20,581,000
OPERATING EXPENDITURES			
4 Source of Supply	\$5,984,000	\$5,589,000	\$5,896,000
5 Pumping	497,000	540,000	384,000
6 Operations	734,000	888,000	685,000
7 Water Treatment	2,432,000	2,362,000	2,494,000
8 Transmission & Distribution	3,466,000	3,276,000	3,432,000
9 Consumer Accounting	654,000	548,000	613,000
10 Water Conservation	399,000	366,000	390,000
11 General Administration	2,368,000	1,934,000	2,237,000
12 Depreciation Expense	2,868,000	2,674,000	2,788,000
13 Total Operating Expenditures	\$19,402,000	\$18,177,000	\$18,919,000
14 NET OPERATING INCOME (LOSS)	\$1,107,000	\$1,377,000	\$1,662,000
NON-OPERATING INCOME/(EXPENSE)			
15 Interest Revenue	\$150,000	332,000	150,000
16 Miscellaneous Revenue	135,000	132,000	133,000
17 Interest Expense	(456,000)	(494,000)	(495,000)
18 Miscellaneous Expense	(20,000)	(\$2,000)	(20,000)
19 Total Non-Operating Income/(Expense)	(\$191,000)	(\$32,000)	(\$232,000)
20 NET INCOME/(LOSS)	\$916,000	\$1,345,000	\$1,430,000
OTHER SOURCES/(USES) OF CASH			
21 Add Depreciation Expense	\$2,868,000	\$2,674,000	\$2,788,000
22 Connection Fees	486,000	1,446,000	340,000
23 Caltrans AEEP Capital Contribution	1,000	13,000	1,000
24 MMWD AEEP Capital Contribution	205,000	205,000	205,000
25 Capital Equipment Expenditures	(330,000)	(382,000)	(433,000)
26 Capital Improvement Projects	(4,987,000)	(2,523,000)	(4,308,000)
27 Debt Principal Payments	(1,451,000)	(1,410,000)	(1,410,000)
28 Connection Fee Transfer from (to) RWS	(794,000)	(843,000)	(910,000)
29 Working Capital Increase/(Decrease)	-	-	-
30 Total Other Sources/(Uses)	(\$4,002,000)	(\$820,000)	(\$3,727,000)
31 CASH INCREASE/(DECREASE)	(\$3,086,000)	\$525,000	(\$2,297,000)

NOVATO POTABLE WATER**FY 20/21-Five-Year Financial Forecast**

Fiscal Year Ending June 30 >		Proposed 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025
SERVICES						
1	Active Meters @ Fiscal Year End	20,558	20,568	20,578	20,588	20,598
2	Increase for Year - Active Meters	10	10	10	10	10
WATER PRODUCTION (MG)						
3	Stafford Production	650	650	650	650	650
4	Russian River Purchases	1,880	1,880	1,880	1,880	1,880
5	Total Water Production	2,530	2,530	2,530	2,530	2,530
REVENUE & EXPENSE (\$ in 000's)						
OPERATING REVENUE						
6	Potable Water Sales	\$20,144	\$21,353	\$22,634	\$23,992	\$25,431
7	Wheeling & Other Misc Service Charges	365	380	395	411	427
8	Total Operating Revenue	\$20,509	\$21,732	\$23,029	\$24,402	\$25,858
OPERATING EXPENSE						
9	Russian River Water	\$5,740	\$6,084	\$6,449	\$6,836	\$7,247
10	Overheaded Operating Labor	7,220	7,437	7,660	7,889	8,126
11	Purification Chemicals	425	438	451	464	478
12	Electric Power	496	511	526	542	558
13	Other Operating Expenses	2,653	2,733	2,815	2,899	2,986
14	Depreciation	2,868	2,900	2,930	2,960	2,990
15	Total Operating Expense	\$19,402	\$20,102	\$20,831	\$21,591	\$22,385
NON-OPERATING REVENUE/(EXPENSE)						
16	Interest Revenue	\$150	\$150	\$150	\$150	\$150
17	Interest Expense	(456)	(724)	(961)	(959)	(958)
18	Misc Other Revenue/(Expense)	115	118	122	126	129
19	Total Non-Op Revenue/(Expense)	(\$191)	(\$456)	(\$689)	(\$683)	(\$679)
20	Net Income	\$916	\$1,174	\$1,509	\$2,128	\$2,794
OTHER SOURCES/(USES) OF FUNDS						
21	Add Depreciation Expense	\$2,868	\$2,900	\$2,930	\$2,960	\$2,990
22	Connection Fees	486	486	486	486	486
23	MMWD/Caltrans AEEP Capital Contribution	206	206	206	206	206
24	Loans/Grants	-	8,000	7,000	-	-
25	Capital Equipment Purchases	(330)	(250)	(250)	(250)	(250)
26	Capital Improvement Projects	(4,987)	(9,835)	(9,610)	(3,180)	(4,330)
27	Debt Principal Payments	(1,451)	(1,629)	(1,788)	(1,790)	(1,800)
28	FRC Funds Transferred to Recycled Water	(794)	(747)	(714)	(687)	(656)
29	Working Capital Increase	-	-	-	-	-
30	Total Other Sources/(Uses)	(\$4,002)	(\$869)	(\$1,740)	(\$2,255)	(\$3,354)
31	Cash Increase/(Decrease)	(\$3,086)	\$305	(\$231)	(\$127)	(\$560)
32	Ending Reserve Balance	\$13,449	\$13,755	\$13,524	\$13,396	\$12,837
33	Target Reserve Balance (90% Op Exp)	\$14,881	\$15,482	\$16,111	\$16,768	\$17,456
34	% Rate Increase¹	6.0%	6.0%	6.0%	6.0%	6.0%
35	Median Monthly Single-Family Residential Bill	\$61	\$65	\$69	\$73	\$77

36 ¹Fiscal year 2021 Rate increase to be reviewed for approval by the Board on June 16, 2020. FY 2022 through 202 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.

NOVATO POTABLE WATER OPERATING BUDGET DETAIL

Fiscal Year 2020/21

	Proposed Budget 20/21	Estimated Actual 19/20	Adopted Budget 19/20	Actual 18/19	Actual 17/18	Actual 16/17	Actual 15/16	Actual 14/15
STATISTICS								
1 Active Meters	20,558	20,548	20,553	20,546	20,543	20,544	20,535	20,498
2 Avg Commodity Rate/1,000 Gal (Net)	\$6.34	\$6.25	\$6.25	\$6.00	\$6.00	\$5.40	\$5.25	\$4.87
3 Potable Consumption (BG)	2.40	2.43	2.60	2.42	2.58	2.31	2.15	2.44
OPERATING INCOME								
4 Water Sales	\$20,216,000	\$19,256,000	\$20,320,000	\$19,145,251	\$19,645,814	\$16,772,060	\$15,489,903	\$16,101,706
5 Bill Adjustments	(72,000)	(72,000)	(81,000)	(72,061)	(143,395)	(130,587)	(64,461)	(82,790)
6 Sales to MMWD	-	-	-	-	155,846	-	-	-
7 Wheeling Charges-MMWD	98,000	98,000	75,000	97,866	92,977	91,374	90,217	119,144
8 Miscellaneous Service Revenue	267,000	272,000	267,000	266,268	268,563	252,038	277,479	276,388
9 TOTAL OPERATING INCOME	\$20,509,000	\$19,554,000	\$20,581,000	\$19,437,324	\$20,019,805	\$16,984,885	\$15,793,138	\$16,414,448
OPERATING EXPENSE								
SOURCE OF SUPPLY								
10 Supervision & Engineering	\$11,000	\$12,000	\$11,000	\$7,564	\$9,303	\$11,264	\$10,586	\$11,641
11 Operating Expense - Source	14,000	10,000	14,000	9,195	6,236	8,513	11,928	11,044
12 Maintenance/Monitoring of Dam	128,000	41,000	67,000	33,686	22,203	24,059	22,796	11,635
13 Maintenance of Lake & Intakes	20,000	19,000	20,000	24,172	10,690	7,575	6,299	511
14 Maintenance of Watershed	45,000	25,000	50,000	4,446	29,646	36,218	17,325	15,151
15 Water Purchased for Resale to MMWD	-	-	-	-	111,891	-	-	-
16 Water Quality Surveillance	15,000	2,000	14,000	1,669	6,728	3,513	3,137	7,467
17 Contract Water - SCWA	5,740,000	5,470,000	5,710,000	5,082,987	5,151,516	4,320,623	3,997,030	4,333,100
18 GASB 68 Adjustment	11,000	10,000	10,000	3,690	8,535	5,682	-	-
19 TOTAL SOURCE OF SUPPLY	\$5,984,000	\$5,589,000	\$5,896,000	\$5,167,409	\$5,356,748	\$4,417,447	\$4,069,101	\$4,390,549
PUMPING								
20 Operating Expense	\$3,000	\$0	\$3,000	\$0	\$0	\$0	\$0	\$237
21 Maintenance of Structures/Grounds	32,000	31,000	32,000	56,801	32,611	28,514	26,347	51,544
22 Maintenance of Pumping Equipment	113,000	171,000	53,000	41,304	39,435	30,354	13,507	51,013
23 Electric Power - Pumping	340,000	330,000	288,000	285,772	293,588	246,869	212,207	213,909
24 GASB 68 Adjustment	9,000	8,000	8,000	5,272	6,967	3,496	-	-
25 TOTAL PUMPING	\$497,000	\$540,000	\$384,000	\$389,149	\$372,601	\$309,233	\$252,061	\$316,703
OPERATIONS								
26 Supervision & Engineering	\$163,000	\$230,000	\$158,000	\$215,732	\$253,594	\$234,870	\$256,231	\$241,264
27 Operating Expense	256,000	409,000	238,000	306,774	400,138	343,890	304,897	244,900
28 Maintenance Expense	56,000	40,000	57,000	38,570	50,339	47,202	34,755	37,667
29 Telemetry Equipment/Controls Maint	95,000	64,000	87,000	84,979	94,523	101,568	68,674	86,544
30 Leased Line Expense	20,000	17,000	17,000	16,678	17,414	17,592	17,704	17,986
31 GASB 68 Adjustment	144,000	128,000	128,000	48,442	107,728	63,553	-	-
32 TOTAL OPERATIONS	\$734,000	\$888,000	\$685,000	\$711,175	\$923,736	\$808,675	\$682,261	\$628,361

NOVATO POTABLE WATER OPERATING BUDGET DETAIL

Fiscal Year 2020/21

	Proposed Budget 20/21	Estimated Actual 19/20	Adopted Budget 19/20	Actual 18/19	Actual 17/18	Actual 16/17	Actual 15/16	Actual 14/15
WATER TREATMENT								
33 Supervision & Engineering	\$149,000	\$186,000	\$143,000	\$156,176	\$169,851	\$168,945	\$130,358	\$112,433
34 Operating Expense	324,000	279,000	322,000	228,878	276,795	349,671	313,024	333,020
35 Purification Chemicals	425,000	400,000	475,000	376,960	438,348	247,260	378,562	358,907
36 Sludge Disposal	123,000	108,000	124,000	88,352	100,305	107,942	90,043	72,720
37 Maintenance of Structures/Grounds	106,000	115,000	122,000	53,090	50,913	78,910	68,351	79,728
38 Purification Equipment Maintenance	186,000	233,000	191,000	162,714	212,385	186,246	150,989	104,290
39 Electric Power - Treatment	156,000	151,000	156,000	122,831	157,374	129,652	113,223	120,592
40 Laboratory Expense (net)	679,000	636,000	707,000	649,647	758,936	768,965	705,212	691,990
41 GASB 68 Adjustment	284,000	254,000	254,000	107,310	212,624	150,494	-	-
42 TOTAL WATER TREATMENT	\$2,432,000	\$2,362,000	\$2,494,000	\$1,945,958	\$2,377,531	\$2,188,085	\$1,949,762	\$1,873,680
TRANSMISSION & DISTRIBUTION								
43 Supervision & Engineering	\$596,000	\$579,000	\$591,000	\$534,500	\$659,085	\$569,303	\$559,007	\$562,934
44 Maps & Records	189,000	128,000	160,000	132,053	159,512	168,267	110,877	108,956
45 Operation of T&D System	590,000	775,000	607,000	720,417	594,175	582,483	509,160	404,243
46 Storage Facilities Expense	139,000	110,000	143,000	107,033	110,077	155,641	150,066	167,362
47 Maintenance of Valves & Regulators	186,000	171,000	192,000	87,285	173,762	196,162	189,372	151,691
48 Maintenance of Mains	170,000	164,000	177,000	167,959	190,307	149,584	215,077	149,898
49 Backflow Prevention Program	216,000	174,000	220,000	231,822	186,692	155,536	150,298	156,590
50 Maintenance of Copper Services	159,000	121,000	146,000	182,789	157,337	159,769	142,083	202,193
51 Maintenance of PB Service Lines	466,000	396,000	481,000	558,788	471,527	473,695	532,436	432,820
52 Maintenance of Meters	133,000	112,000	141,000	113,810	126,985	66,356	100,402	100,401
53 Detector Check Assembly Maint	83,000	74,000	84,000	80,416	46,056	72,208	54,586	65,749
54 Maintenance of Hydrants	72,000	55,000	73,000	25,607	18,087	51,020	34,311	25,655
55 GASB 68 Adjustment	467,000	417,000	417,000	199,802	349,390	228,385	-	-
56 TOTAL TRANSMISSION & DISTRIB	\$3,466,000	\$3,276,000	\$3,432,000	\$3,142,281	\$3,242,992	\$3,028,409	\$2,747,675	\$2,528,492
CONSUMER ACCOUNTING								
57 Meter Reading & Collection	\$141,000	\$41,000	\$142,000	\$99,549	\$190,554	\$182,663	\$189,262	\$166,919
58 Billing & Accounting	215,000	247,000	213,000	210,805	280,268	289,503	281,010	269,054
59 Contract Billing	18,000	15,000	18,000	15,484	16,395	16,692	17,160	16,946
60 Postage & Supplies	55,000	49,000	55,000	51,267	52,735	56,373	58,903	60,032
61 Credit Card Fees	60,000	69,000	60,000	55,709	46,678	29,685	24,592	23,893
62 Lock Box Service	11,000	11,000	11,000	10,944	10,944	10,944	10,944	10,080
63 Uncollectible Accounts	5,000	9,000	5,000	14,994	12,352	12,709	15,382	14,818
64 Office Equipment Expense	63,000	34,000	35,000	12,675	45,256	11,350	23,091	16,743
65 Distributed to Other Operations	(15,000)	(17,000)	(16,000)	(15,104)	(19,008)	(17,161)	(16,959)	(16,233)
66 GASB 68 Adjustment	101,000	90,000	90,000	29,463	75,257	49,950	-	-
67 TOTAL CONSUMER ACCOUNTING	\$654,000	\$548,000	\$613,000	\$485,786	\$711,431	\$642,708	\$603,385	\$562,252

NOVATO POTABLE WATER OPERATING BUDGET DETAIL

Fiscal Year 2020/21

	Proposed Budget 20/21	Estimated Actual 19/20	Adopted Budget 19/20	Actual 18/19	Actual 17/18	Actual 16/17	Actual 15/16	Actual 14/15
WATER CONSERVATION								
68 Residential	\$243,000	\$200,000	\$255,000	\$246,347	\$235,438	\$270,150	\$320,620	\$410,154
69 Commercial	20,000	7,000	20,000	7,983	5,818	1,702	3,711	5,352
70 Public Outreach/Information	60,000	96,000	44,000	51,040	33,789	30,618	32,287	34,148
71 Large Landscape	28,000	20,000	28,000	19,839	33,662	36,818	24,877	10,747
72 GASB 68 Adjustment	48,000	43,000	43,000	16,575	36,183	21,754	-	-
73 TOTAL WATER CONSERVATION	\$399,000	\$366,000	\$390,000	\$341,784	\$344,890	\$361,042	\$381,495	\$460,401
GENERAL & ADMINISTRATION								
74 Director's Expense	\$41,000	\$37,000	\$41,000	\$36,815	\$37,111	\$34,384	\$34,222	\$30,400
75 Legal Fees	21,000	13,000	21,000	20,853	20,173	28,043	20,488	9,956
76 Human Resources	55,000	47,000	52,000	96,677	62,348	31,451	25,036	33,977
77 Auditing Services	26,000	21,000	21,000	22,731	19,706	16,220	18,770	18,380
78 Consulting Services/Studies	318,000	160,000	195,000	304,645	223,041	51,567	138,735	107,015
79 General Office Salaries	1,250,000	1,090,000	1,211,000	1,083,904	1,441,496	1,492,719	1,309,502	1,191,792
80 Office Supplies	45,000	29,000	47,000	31,761	33,753	35,048	37,709	36,877
81 Employee Events	12,000	12,000	12,000	10,664	10,123	9,726	10,143	7,379
82 Other Administrative Expense	15,000	7,000	15,000	7,289	12,528	13,960	10,427	13,390
83 Election Cost	35,000	-	-	18,915	0	2,077	250	-
84 Dues & Subscriptions	99,000	98,000	95,000	79,986	59,362	59,046	59,271	53,296
85 Vehicle Expense	8,000	8,000	8,000	8,112	8,634	9,325	8,112	8,112
86 Meetings, Conf & Training	192,000	129,000	189,000	107,583	149,670	186,436	139,858	136,863
87 Telephone, Water, Gas & Electricity	48,000	47,000	49,000	38,758	40,595	45,355	42,458	38,580
88 Building & Grounds Maintenance	59,000	55,000	60,000	58,884	75,130	62,856	63,344	48,891
89 Office Equipment Expense	140,000	140,000	129,000	109,014	97,003	95,465	87,141	97,868
90 Insurance Premiums & Claims	155,000	146,000	146,000	99,040	92,292	87,319	140,366	102,073
91 Retiree Medical Benefits	200,000	190,000	172,000	197,855	174,528	164,969	168,935	175,580
92 (Gain)/Loss on Overhead Charges	(140,000)	(162,000)	(120,000)	905,403	(357,925)	(19,931)	(89,626)	(85,682)
93 G&A Distributed to Other Operations	(145,000)	(130,000)	(146,000)	(140,526)	(157,976)	(161,036)	(126,771)	(113,218)
94 G&A Applied to Construction Projects	(477,000)	(399,000)	(326,000)	(374,552)	(346,105)	(290,813)	(359,689)	(353,998)
95 GASB45/75 Adjustment (OPEB)	-	-	-	15,707	(35,788)	120,988	-	-
96 GASB68 Adjustment (Pension Liability)	411,000	396,000	366,000	124,583	342,715	207,182	-	-
97 TOTAL GENERAL & ADMINISTRATION	\$2,368,000	\$1,934,000	\$2,237,000	\$2,864,101	\$2,002,414	\$2,282,356	\$1,738,681	\$1,557,531
98 Depreciation Expense	\$2,868,000	2,674,000	\$2,788,000	2,752,212	\$2,730,867	\$2,710,627	\$2,577,081	\$2,507,124
99 TOTAL OPERATING EXPENSE	\$19,402,000	\$18,177,000	\$18,919,000	\$17,799,855	\$18,063,210	\$16,748,582	\$15,001,502	\$14,825,093
100 NET OPERATING INCOME/(LOSS)	\$1,107,000	\$1,377,000	\$1,662,000	\$1,637,470	\$1,956,595	\$236,303	\$791,636	\$1,589,355

NOVATO RECYCLED WATER
BUDGET SUMMARY
Fiscal Year 2020/21

	Proposed Budget 2020/21	Estimated Actual 2019/20	Adopted Budget 2019/20
OPERATING INCOME			
1 Recycled Water Sales	\$1,254,000	\$1,194,000	\$1,194,000
2 Bimonthly Service Charge	58,000	43,000	43,000
3 Total Operating Income	\$1,312,000	\$1,237,000	\$1,237,000
OPERATING EXPENDITURES			
4 Purchased Water - NSD	\$213,000	\$213,000	\$212,000
5 Purchased Water - LGVSD	71,000	71,000	63,000
6 Pumping	7,000	5,000	6,000
7 Operations	74,000	88,000	74,000
8 Water Treatment	31,000	7,000	30,000
9 Transmission & Distribution	62,000	38,000	62,000
10 Consumer Accounting	1,000	1,000	1,000
11 General Administration	61,000	65,000	55,000
12 Depreciation	673,000	474,000	474,000
13 Total Operating Expenditures	\$1,193,000	\$962,000	\$977,000
14 NET OPERATING INCOME (LOSS)	\$119,000	\$275,000	\$260,000
NON-OPERATING INCOME/(EXPENSE)			
15 Interest Revenue	\$140,000	\$153,000	\$45,000
16 Stone Tree Golf/MCC Interest Payments	12,000	22,000	36,000
17 Deer Island SRF Loan Interest Expense	(42,000)	(47,000)	(47,000)
18 Distrib System SRF Loans Interest Exp	(228,000)	(240,000)	(240,000)
19 Total Non-Operating Income/(Expense)	(\$118,000)	(\$112,000)	(\$206,000)
20 NET INCOME/(LOSS)	\$1,000	\$163,000	\$54,000
OTHER SOURCES/(USES) OF FUNDS			
21 Add Depreciation Expense	\$673,000	\$474,000	\$474,000
22 Connection Fees Transferred from (to) Novato	794,000	843,000	910,000
23 Transfers Out from Capital Expansion Fund	(369,000)	(305,700)	-
24 Stone Tree Golf/MCC Principal Repayment	37,000	1,118,000	227,000
25 Capital Improvement Projects	(100,000)	(23,000)	(120,000)
26 Deer Island SRF Loan Principal Payments	(232,000)	(226,000)	(226,000)
27 Distrib System SRF Loan Principal Pmts	(663,000)	(650,000)	(650,000)
28 Total Other Sources/(Uses)	\$140,000	\$1,230,300	\$615,000
29 CASH INCREASE/(DECREASE)	\$141,000	\$1,393,300	\$669,000

NMWD DRAFT BUDGET

NOVATO RECYCLED WATER
FY 20/21-Five-Year Financial Forecast

Fiscal Year Ending June 30 >		Proposed 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025
1	Active Services @ Fiscal Year End	95	95	95	95	95
2	Commodity Rate/1,000 Gal	\$6.27	\$6.64	\$7.04	\$7.47	\$7.91
3	Consumption (MG)	200	200	200	200	200
OPERATING REVENUE						
4	Recycled Water Sales	\$1,254	\$1,329	\$1,409	\$1,493	\$1,583
5	Bimonthly Service Charge	58	61	65	69	72
6	Total Operating Revenue	\$1,312	\$1,390	\$1,474	\$1,562	\$1,655
OPERATING EXPENSE						
7	Purchased Water - NSD	\$213	\$219	\$226	\$233	\$240
8	Purchased Water - LGVSD	71	73	75	77	79
9	Overheaded Operating Labor	103	106	109	112	115
10	Electric Power	6	6	6	6	6
11	Other Operating Expenses	128	130	133	136	139
12	Depreciation	673	673	673	673	673
13	Total Operating Expense	\$1,193	\$1,207	\$1,222	\$1,237	\$1,252
NON-OPERATING REVENUE/(EXPENSE)						
14	Interest Revenue	\$152	\$67	\$70	\$70	\$70
15	Interest Expense	(270)	(231)	(212)	(212)	(212)
16	Total Non-Op Revenue/(Expense)	(\$118)	(\$164)	(\$142)	(\$142)	(\$142)
17	NET INCOME/(LOSS)	\$1	\$19	\$110	\$183	\$261
OTHER SOURCES/(USES) OF FUNDS						
18	Add Depreciation Expense	\$673	\$673	\$673	\$673	\$673
19	Marin CC Principal Repayment	37	79	81	81	81
20	Novato Potable FRC Fund Trsf	794	747	714	687	665
21	Transfers Out from Capital Expansion Fund	(369)	(416)	(449)	(477)	(507)
22	Capital Improvement Projects	(100)	(100)	(100)	(100)	(100)
23	Deer Island TP Loan Principal Pmt	(232)	(237)	(243)	(243)	(243)
24	Distrib Sys Exp Loan Principal Pmt	(663)	(710)	(722)	(722)	(722)
25	Total Other Sources/Uses	\$140	\$36	(\$46)	(\$101)	(\$153)
26	Cash Increase/(Decrease)	\$141	\$55	\$64	\$82	\$108
27	Ending Reserve Balance	\$4,683	\$4,738	\$4,802	\$4,884	\$4,992
28	% Rate Increase¹	6.0%	6.0%	6.0%	6.0%	6.0%

¹Fiscal year 2021 Rate increase to be reviewed for approval by the Board on June 16, 2020. FY 2022 through 2025 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.

WEST MARIN WATER
BUDGET SUMMARY
Fiscal Year 2020/21

	Proposed Budget 2020/21	Estimated Actual 2019/20	Adopted Budget 2019/20
OPERATING INCOME			
1 Water Sales	\$944,000	\$969,000	\$912,000
2 Misc Service Charges	7,000	7,000	7,000
3 Total Operating Income	\$951,000	\$976,000	\$919,000
OPERATING EXPENDITURES			
4 Source of Supply	\$18,000	\$18,000	\$15,000
5 Pumping	63,000	83,000	48,000
6 Operations	49,000	53,000	49,000
7 Water Treatment	165,000	161,000	173,000
8 Transmission & Distribution	166,000	133,000	162,000
9 Consumer Accounting	26,000	23,000	28,000
10 Water Conservation	9,000	7,000	9,000
11 General Administration	64,000	64,000	64,000
12 Depreciation Expense	188,000	186,000	187,000
13 Total Operating Expenditures	\$748,000	\$728,000	\$735,000
14 NET OPERATING INCOME (LOSS)	\$203,000	\$248,000	\$184,000
NON-OPERATING REVENUE/(EXPENSE)			
15 PR-2 County Tax Allocation	\$57,000	\$56,000	\$56,000
16 Interest Revenue	11,000	73,000	38,000
17 Bond & Loan Interest Expense	(22,000)	(24,000)	(24,000)
18 Total Non-Operating Income/(Expense)	\$46,000	\$105,000	\$70,000
19 NET INCOME/(LOSS)	\$249,000	\$353,000	\$254,000
OTHER SOURCES/(USES) OF FUNDS			
20 Add Depreciation Expense	\$188,000	\$186,000	\$187,000
21 Connection Fees	23,000	-	-
22 Grant/Loan Proceeds	385,000	-	-
23 Capital Improvement Projects	(1,485,000)	(1,093,000)	(1,230,000)
24 Bond & Loan Principal Payments	(49,000)	(47,000)	(47,000)
25 Total Other Sources/(Uses)	(\$938,000)	(\$954,000)	(\$1,090,000)
26 CASH INCREASE/(DECREASE)	(\$689,000)	(\$601,000)	(\$836,000)

NMWD DRAFT BUDGET

WEST MARIN WATER

FY 20/21-Five-Year Financial Forecast

	Budget 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25
BASIC DATA					
1 Active Meters	784	784	785	785	786
2 Avg Commodity Rate/1,000 Gal	\$11.43	\$11.95	\$12.48	\$13.05	\$13.63
3 Potable Consumption (MG)	65.0	67.0	67.0	67.0	67.0
OPERATING REVENUE					
4 Commodity Charge	\$743,000	\$800,000	\$836,000	\$874,000	\$913,000
5 Bimonthly Service Charge	201,000	210,000	220,000	230,000	241,000
6 Miscellaneous Service Charges	7,000	7,000	7,000	7,000	7,000
7 Total Operating Revenue	\$951,000	\$1,017,000	\$1,063,000	\$1,111,000	\$1,161,000
8 Operating Expenditures	\$560,000	\$577,000	\$594,000	\$612,000	\$630,000
9 Depreciation Expense	188,000	213,000	230,000	233,000	243,000
10 Total Operating Expense	\$748,000	\$790,000	\$824,000	\$845,000	\$873,000
11 NET OPERATING INCOME	\$203,000	\$227,000	\$239,000	\$266,000	\$288,000
NON-OPERATING REVENUE/(EXPENSE)					
12 Interest Revenue	\$11,000	\$4,000	\$5,000	\$7,000	\$6,000
13 Interest Expense	(22,000)	(20,000)	(18,000)	(38,000)	(38,000)
14 PR-2 County Tax Allocation	57,000	58,000	59,000	60,000	61,000
15 Miscellaneous	-	-	-	-	-
16 Total Non-Op Revenue/(Expense)	46,000	42,000	46,000	29,000	29,000
17 Net Income	\$249,000	\$269,000	\$285,000	\$295,000	\$317,000
OTHER SOURCES/(USES)					
18 Add Depreciation Expense	\$188,000	\$213,000	\$230,000	\$233,000	\$243,000
19 Connection Fees	23,000	-	23,000	-	23,000
20 Capital Improvement Projects	(1,485,000)	(1,040,000)	(200,000)	(575,000)	(775,000)
21 Grant/Loan Proceeds	385,000	-	-	-	-
22 Loan from Novato Water	-	700,000	(50,000)	(50,000)	(50,000)
23 Debt Principal Payments	(49,000)	(51,000)	(52,000)	(54,000)	(56,000)
24 Total Other Sources/(Uses)	(\$938,000)	(\$178,000)	(\$49,000)	(\$446,000)	(\$615,000)
25 Cash Increase/(Decrease)	(\$689,000)	\$91,000	\$236,000	(\$151,000)	(\$298,000)
26 Operating Reserve	\$186,700	\$192,300	\$198,000	\$204,000	\$178,300
27 System Expansion Reserve	112,300	197,700	428,000	271,000	(33,000)
28 Liability Contingency Reserve	99,000	99,000	99,000	99,000	99,000
29 ENDING CASH BALANCE	\$398,000	\$489,000	\$725,000	\$574,000	\$276,000
% Rate Increase¹	4.5%	4.5%	4.5%	4.5%	4.5%

¹Fiscal year 2021 Rate increase to be reviewed for approval by the Board on June 23, 2020. FY 2022 through 2025 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.

OCEANA MARIN SEWER
BUDGET SUMMARY
Fiscal Year 2020/21

	Proposed Budget 2020/21	Estimated Actual 2019/20	Adopted Budget 2019/20
OPERATING INCOME			
1 Monthly Sewer Service Charge	\$276,000	\$265,000	\$261,000
2 Misc Service Charges	-	-	-
3 Total Operating Income	\$276,000	\$265,000	\$261,000
OPERATING EXPENDITURES			
4 Sewage Collection	\$88,000	\$87,000	\$79,000
5 Sewage Treatment	45,000	42,000	46,000
6 Sewage Disposal	45,000	44,000	46,000
7 Consumer Accounting	2,000	2,000	2,000
8 General Administration	27,000	26,000	27,000
9 Depreciation Expense	48,000	46,000	37,000
10 Total Operating Expenditures	\$255,000	\$247,000	\$237,000
11 NET OPERATING INCOME (LOSS)	\$21,000	\$18,000	\$24,000
NON-OPERATING REVENUE/(EXPENSE)			
12 OM-1/OM-3 Tax Allocation	\$61,000	\$60,000	\$60,000
13 Interest Revenue	3,000	11,000	8,000
14 Total Non-Op Income/(Expense)	\$64,000	\$71,000	\$68,000
NET INCOME/(LOSS)	\$85,000	\$89,000	\$92,000
OTHER SOURCES/(USES) OF FUNDS			
15 Add Depreciation Expense	\$48,000	\$46,000	\$37,000
16 Grant/Loan Proceeds	225,000	-	69,000
17 Capital Improvement Projects	(290,000)	(124,500)	(\$55,000)
18 Total Other Souces/(Uses)	(\$17,000)	(\$78,500)	\$51,000
19 CASH INCREASE/(DECREASE)	\$68,000	\$10,500	\$143,000

OCEANA MARIN SEWER**FY 20/21-Five-Year Financial Forecast**

	Budget 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25
BASIC DATA					
1 Number of Connections	235	236	236	237	237
2 Monthly Service Charge	\$98.00	\$103.00	\$108.00	\$113.00	\$119.00
OPERATING REVENUE					
3 Monthly Service Charge	\$276,000	\$292,000	\$306,000	\$321,000	\$338,000
4 Miscellaneous Service Charges	-	-	-	-	-
5 Total Operating Revenue	\$276,000	\$292,000	\$306,000	\$321,000	\$338,000
OPERATING EXPENSE					
6 Operating Expenditures	\$207,000	\$213,000	\$219,000	\$225,000	\$231,000
7 Depreciation Expense	48,000	53,000	82,000	83,000	89,000
8 Total Operating Expense	\$255,000	\$266,000	\$301,000	\$308,000	\$320,000
9 NET OPERATING INCOME	\$21,000	\$26,000	\$5,000	\$13,000	\$18,000
NON-OPERATING REVENUE/(EXPENSE)					
10 Interest Revenue	\$3,000	\$4,000	\$3,000	\$4,000	\$2,000
11 Interest Expense	-	(9,000)	(8,000)	(7,000)	(21,000)
12 OM-1/OM-3 Tax Allocation	61,000	62,000	63,000	64,000	65,000
13 Total Non-Op Revenue/(Expense)	\$64,000	\$57,000	\$58,000	\$61,000	\$46,000
# Net Income	\$85,000	\$83,000	\$63,000	\$74,000	\$64,000
OTHER SOURCES/(USES)					
15 Add Depreciation Expense	\$48,000	\$53,000	\$82,000	\$83,000	\$89,000
16 Connection Fees	-	30,000	-	30,000	-
17 Capital Improvement Projects	(290,000)	(1,740,000)	(40,000)	(340,000)	(440,000)
18 Grant/Loan Proceeds	225,000	1,450,000	-	-	400,000
19 Debt Principal Payments	-	-	(9,000)	(9,000)	(24,000)
20 Total Other Sources/(Uses)	(\$17,000)	(\$207,000)	\$33,000	(\$236,000)	\$25,000
21 Cash Increase/(Decrease)	\$68,000	(\$124,000)	\$96,000	(\$162,000)	\$89,000
22 ENDING CASH BALANCE	\$387,000	\$263,000	\$359,000	\$197,000	\$286,000
% Rate Increase¹	5.0%	5.0%	5.0%	5.0%	5.0%

¹Fiscal year 2021 Rate increase to be reviewed for approval by the Board on June 23, 2020. FY 2022 through 2025 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.

CAPITAL IMPROVEMENT PROJECTS

t:\ac\budget\fy-2020.21\budget final fy 20.21\supporting schedules fy 20.21\5 yr cip fy20.21.xlsx\5 yr cip

		FY21	FY22	FY21 Project Description
1.	PIPELINE REPLACEMENTS/ADDITIONS			
	a. Main/Pipeline Replacements			
	1 Replace 12" CI Pipe (785LF) S. Novato Bl (btwn Rowland/Adele)	\$100,000	\$240,000	Replace 60 year old Cast-Iron-Pipe that has a high frequency of breaks and is at the end of its useful life.
1.7183.00	2 Replace Plastic Thin Walled Pipe < 4-inch	\$150,000	\$150,000	Ongoing systematic replacement of all plastic TW pipe < 4-inch.
	3 Other Main Replacements (60+ years old)	\$200,000	\$650,000	Unplanned repairs/replacements for failing mains.
		\$450,000	\$1,040,000	
	b. Main/Pipeline Additions			
1.7150.00	1 San Mateo 24" Inlet/Outlet Pipe (2,200')	\$910,000	-	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 Loop Mariner Way to Redwood Bl.	-	\$125,000	
	3 Other Main/Pipeline Additions	\$150,000	\$150,000	Misc. Projects to loop dead end mains
		\$1,060,000	\$275,000	
	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 (40 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	\$1,730,000	\$1,535,000	

CAPITAL IMPROVEMENT PROJECTS

t:\ac\budget\fy-2020.21\budget final fy 20.21\supporting schedules fy 20.21\5 yr cip fy20.21.xlsx\5 yr cip

		FY21	FY22	FY21 Project Description
2.	SYSTEM IMPROVEMENTS			
1.7007.13	a. DCA Repair/Replace-FY20 (~14/yr)	\$100,000	\$100,000	
1.7090.04	b. Anode Installations-FY20 (150/yr)	\$10,000	\$10,000	Place anodes on copper laterals for corrosion protection.
1.7136.00	c. Facilities Security Enhancements	\$25,000	-	Tanks & PS security improvements.
	d. San Marin Aqueduct Valve Pit (STP to Zone 2)	\$110,000	-	Piping/Valve modifications to allow downtown Zone 1 water (from STP) to supply San Marin pump station.
	e. Other System Improvements	-	\$200,000	
	TOTAL SYSTEM IMPROVEMENTS	\$245,000	\$310,000	
3.	BUILDING, YARD, STP IMPROVEMENTS			
	a. Administration Building			
1.6501.44	1 Office/Yard Building Renovation (Note 1)	\$1,000,000	\$7,000,000	50-year-old building requires significant upgrading.
		\$1,000,000	\$7,000,000	
	b. Stafford Treatment Plant			
1.6600.69	1 Dam Concrete Repair (Apron)	-	\$50,000	Ongoing patch repairs as needed.
1.6600.96	2 Leveroni Creek Embankment Repair (Note 2)	\$192,000	-	Repair/stabilize culvert embankment under access road to STP/IVGC.
1.6600.xx	3 Other Treatment Plant Improvements	\$100,000	\$50,000	Miscellaneous plant improvements.
1.6600.97	4 Efficiency Improvements	\$100,000	-	Improvement of sludge treatment process as suggested in the Efficiency Study.
1.6600.92	5 STP - Chemical System Upgrades (Tank R&R)	\$75,000	\$75,000	Ongoing replacement of original chemical storage tanks (circa 2006) that are at the end of their useful life.
	6 HSPS #3 Motor R&R	\$20,000	-	Purchase and install new motor for High Service Pump Station Unit #3.
	7 Filter Underdrain/Media R&R	\$20,000	\$20,000	Filter underdrain inspection and media replacement for each filter unit (one per year).
		\$507,000	\$195,000	
	TOTAL BUILDING, YARD, STP IMPROVEMENTS	\$1,507,000	\$7,195,000	

CAPITAL IMPROVEMENT PROJECTS

t:\ac\budget\fy-2020.21\budget final fy 20.21\supporting schedules fy 20.21\5 yr cip fy20.21.xlsx\5 yr cip

		FY21	FY22	FY21 Project Description
4.	STORAGE TANKS/PUMP STATIONS			
	a. Tank Construction			
1.6207.20	1 Old Ranch Rd Tank No. 2 (100k gal)	\$500,000	-	Replace and upsize existing redwood tank due to the current tank approaching end of useful life.
		\$500,000	\$0	
	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.
	2 Garner Tank Recoat (0.1 MG)	-	\$340,000	
		\$30,000	\$370,000	
1.6112.24	c. Lynwood P.S. Motor Control Center	\$400,000	-	Move motor controls above-ground.
1.6141.00	d. Crest PS (Design/Const) /Reloc School Rd PS	\$550,000	-	Replace School Rd PS with new facility on Bahia Drive.
	e. Davies PS Upgrade	-	\$225,000	
	f. Fire Flow Backfeed Valve Nunes Tank	-	\$200,000	
	g. Other Tank & PS Improvements	\$25,000	-	New portable tank cleaning pumping system.
		\$975,000	\$425,000	
	TOTAL STORAGE TANKS/PUMP STATIONS	\$1,505,000	\$795,000	
5.	RECYCLED WATER			
5.7162.xx	a. Other Recycled Water Expenditures	\$100,000	\$100,000	Retrofit existing potable irrigation customers to RW.
	TOTAL RECYCLED WATER PROJECTS	\$100,000	\$100,000	

CAPITAL IMPROVEMENT PROJECTS

t:\ac\budget\fy-2020.21\budget final fy 20.21\supporting schedules fy 20.21\5 yr cip fy20.21.xlsx\5 yr cip

		FY21	FY22	FY21 Project Description
6.	WEST MARIN WATER SYSTEM			
2.6263.20	a. Replace PRE Tank #4A (25K gal w/125K gal)	\$1,000,000	-	Replace and upsize redwood tank destroyed in Vision Fire with concrete tank.
2.6609.20	b. New Gallagher Well #2	\$75,000	\$335,000	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.
2-7185-00	d. Gallagher Ranch Streambank Stabilization (Note 3)	\$260,000	-	Hazard mitigation project to stabilize a section of Lagunitas Creek upstream of Gallagher Ranch bridge to protect NMWD well and pipeline from flooding damage.
2.8912.00	e. Lagunitas Creek Bridge Pipe Replacement (Caltrans)	\$100,000	\$400,000	Relocate/replace 8-inch water main across Lagunitas Creek Bridge.
2.8737.07	f. Olema Creek Bridge Pipe Replacement (County)	-	\$255,000	
	TOTAL WEST MARIN WATER SYSTEM PROJECTS	<u>\$1,485,000</u>	<u>\$1,040,000</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.
8.7085.02	b. Tahiti Way Lift Pumps Replacement	\$25,000	\$100,000	Replacement of Lift Pumps
8.7173.00	c. OM Treatment Pond Rehab (Note 5)	\$225,000	\$1,600,000	Hazard mitigation project to armor the existing earthen treatment pond berms to minimize storm erosion and damage due to earthquakes.
	TOTAL OCEANA MARIN SEWER SYSTEM PROJECTS	<u>\$290,000</u>	<u>\$1,740,000</u>	

CAPITAL IMPROVEMENT PROJECTS

t:\ac\budget\fy-2020.21\budget final fy 20.21\supporting schedules fy 20.21\5 yr cip fy20.21.xlsx\5 yr cip

	FY21	FY22	FY21 Project Description
<u>SUMMARY - GROSS PROJECT OUTLAY</u>			
Novato Water	\$4,987,000	\$9,835,000	
Recycled Water	\$100,000	\$100,000	
West Marin Water	\$1,485,000	\$1,040,000	
Oceana Marin Sewer	\$290,000	\$1,740,000	
GROSS PROJECT OUTLAY	<u>\$6,862,000</u>	<u>\$12,715,000</u>	
LESS FUNDED BY LOANS/GRANTS/OTHER			
a. Office/Yard Building Refurbish (Note 1)	-	(\$8,000,000)	
b. Gallagher Ranch Streambank Stabilization (Note 3)	(\$385,000)	-	
c. WM Novato Water Loan to WM (Note 4)	-	(\$700,000)	
d. WM Novato Water Loan to WM (Note 4)	-	\$700,000	
e. OM Treatment Pond Rehab (Note 5)	(\$225,000)	(\$1,450,000)	
TOTAL LOAN/GRANT FUNDS	<u>(\$610,000)</u>	<u>(\$9,450,000)</u>	
<u>SUMMARY - NET PROJECT OUTLAY</u>			
Novato Capital Improvement Net Project Outlay	\$4,987,000	\$2,535,000	
Recycled Water	\$100,000	\$100,000	
West Marin Water	\$1,100,000	\$340,000	
Oceana Marin Sewer	\$65,000	\$290,000	
NET PROJECT OUTLAY	<u>\$6,252,000</u>	<u>\$3,265,000</u>	
Total Number of District Projects	33	28	
5-Year Average of Internally Funded Projects FY20/21-FY24/25	3,530,000		

CAPITAL IMPROVEMENT PROJECTS

t:\ac\budget\fy-2020.21\budget final fy 20.21\supporting schedules fy 20.21\5 yr cip fy20.21.xlsx]5 yr cip

	FY21	FY22	FY21 Project Description
NOVATO POTABLE WATER DEBT SERVICE			
a. STP SRF Loan	\$1,045,000	\$1,044,000	
b. AEEP Bank Loan	\$483,000	\$482,000	
c. Advanced Meter Info Retrofit Loan	\$380,000	\$378,000	
d. Admin Building Renovation Loan (Note 1)	-	\$563,000	
	\$1,908,000	\$2,467,000	
NOVATO RECYCLED WATER DEBT SERVICE			
e. Deer Island Facility SRF Loan	\$274,000	\$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	\$227,000	
	\$1,164,000	\$1,114,000	
WEST MARIN WATER DEBT SERVICE			
i. TP Solids Handling Bank Loan	\$71,000	\$71,000	
	\$71,000	\$71,000	
OCEANA MARIN SEWER DEBT SERVICE			
j. CIP Financing	-	\$18,000	
	\$0	\$18,000	
TOTAL DEBT SERVICE			
	\$3,143,000	\$3,670,000	
NET PROJECT OUTLAY & DEBT SERVICE			
	\$9,395,000	\$6,935,000	

CAPITAL IMPROVEMENT PROJECTS

t:\ac\budget\fy-2020.21\budget final fy 20.21\supporting schedules fy 20.21\5 yr cip fy20.21.xlsx\5 yr cip

		FY21	FY22	FY21 Project Description
STUDIES & SPECIAL PROJECTS				
1.4057.00	a	Local Water Supply Enhancement Study	\$25,000	\$100,000
1.7039.02	b	Novato Water Master Plan Update	-	\$95,000
1.4059.00	c	Stafford Lake Water Rights Update	-	\$50,000
1.4077.00	d	Potter Valley FERC Relicensing	\$10,000	-
1.7140.01	e	Stafford Dam EAP & Inudation Mapping Updates	\$10,000	-
1.4050.00	f	Urban Water Management Plan (every 5 yrs)	\$50,000	-
1.6501.43	g	Electronic Document Management System	\$60,000	\$80,000
	h	Oceana Marin Sewer System Management Plan	\$50,000	-
	i	Stafford Lake Sediment Survey (every 10 yrs)	\$60,000	-
	j	West Marin Water Rate Study	\$35,000	-
	k	Design Report (Eagle Dr. & Hayden Hydro-P System Upgrades)	\$20,000	-
	l	Lynwood/San Marin Zone 2 Pumping Study	-	\$30,000
	m	Pump Efficiency/Hydraulic Study	-	\$30,000
			<u>\$320,000</u>	<u>\$385,000</u>

Note 1 - \$15M Office/Yard Renovation is proposed to be funded by 20 year 3.5% Bank Loan.

Note 2 - Project developed as part of October 2017 Feasibility Assessment prepared by Prunuske Chatham, Inc.

Note 3 - \$385K funded by others (\$310K NRCS, \$50K MALT, \$25K MMWD)

Note 4 - Loan from Novato Water - to be paid back with interest.

Note 5 - Project to be funded at 75% by grants. Eligible project costs are budgeted at \$2.2M (75%=\$1.425M). Also includes loans for capital projects of \$250K in FY22.

NMWD DRAFT BUDGET

EQUIPMENT EXPENDITURES


Fiscal Year 20/21 Budget

		Approved	Description
1 OPERATIONS/MAINTENANCE			
12106.01.00	a. Metals Analyzer	\$85,000	Replace 20-year old metals analyzer as its repair components are no longer available.
12109.01.00	b. Meter Maintenance Program	\$57,000	Equipment to test meters up to 2".
		\$142,000	
2 VEHICLE & ROLLING EQUIPMENT EXPENDITURES			
		<u>Rolling Stock to be Transferred & Auctioned or Description</u>	
12104.01.00	a. 5-Yard Dump Truck	\$135,000	Replace #44 Dump Truck (over 110K miles and non-CA exhaust compliant).
12104.01.00	b. 9,000 GVWR Hyd Dump Trailer	\$11,000	Needed for building and grounds maintenance.
12104.01.00	c. 14,000 GVWR Tilt Deck Trailer	\$17,000	Needed for Construction Department to transport BobCat track loader.
12104.01.00	d. Cart-Away 1 Yard Concrete Mixer	\$25,000	Needed for Construction Department for more reliable transport of cement.
		\$188,000	
Total		\$330,000	

	Adopted Budget	Estimated Actual	Proposed Budget
RECAP	2019/20	2019/20	2020/21
Equipment	\$247,000	\$244,000	\$142,000
Rolling Stock	\$186,000	\$138,000	\$188,000
	\$433,000	\$382,000	\$330,000

14

MEMORANDUM

To: Board of Directors
From: David Jackson, Associate Engineer 
Re: PRE Tank 4A Replacement - Project Update

Date: May 29, 2020

R:\Folders by Job No\6000 jobs\6263.20 PRE Tank 4A\BOD Memos\PRE Tank 4A Project Update 5-29-20.doc

RECOMMENDATION: Information Only

FISCAL IMPACT: None

Background

On December 13, 2019, the Board authorized the General Manager to execute an agreement with Piazza Construction in the amount of \$1,087,810.00. The Notice to Proceed to Piazza Construction was issued on January 21, 2020. The required date of Substantial Completion is currently November 8, 2020.

Construction Status

The contractor has excavated to the depth of the foundation and will begin forming the foundation and floor slab soon. The contractor will prepare samples of the tank shell for review by two of the nearest neighbors. These samples will include staining to color the exterior. District crews modified the existing facilities prior to the contractor's arrival, removing piping, relocating a water service and a fire hydrant.

Project Cost Variances

As of May 26, 2020, a total of \$336,946 has been spent on the project. No contract change orders have been issued yet. There are a number of potential change orders, including the elimination of the cementitious interior coating, potentially reducing the construction cost \$138,750.



March 5, 2020: Tank site prior to construction. Looking northeast from driveway.



April 22, 2020: View looking North from driveway circle. Valve risers for new isolation valves on left of picture.



April 22, 2020: View looking northwest from tank 4B.



May 4, 2020: Tank subgrade being leveled and compacted. Tank 4B visible on left.

15

**North Bay Water Reuse Authority
Board of Directors Meeting
Conference Call Meeting
Minutes
April 27, 2020**

1. Call to Order

Chair Rabbitt called the meeting to order at 9:35 a.m. on Monday, April 27, 2020. Due to Shelter in Place Orders, this meeting was a conference call only meeting. Meeting participants and the public participated by calling 866-906-7447, pass code 2428170#.

2. Roll Call

PRESENT:	David Rabbitt, Chair	Sonoma Water
	Jill Techel, Vice Chair	Napa Sanitation District
	Mariam Aboudamous	City of American Canyon
	Jack Baker	North Marin Water District
	Carole Dillon-Knutson	Novato Sanitary District
	Susan Gorin	Sonoma Valley County Sanitation District
	Kevin McDonnell	City of Petaluma
	Belia Ramos	Napa County
	Dennis Rodoni	Marin County
	Paul Sellier	Marin Municipal Water District

ABSENT: Las Gallinas Valley Sanitary District

OTHERS

PRESENT:	Chuck Weir, Program Manager	Weir Technical Services
	Kevin Booker	Sonoma Water
	Anne Crealock	Sonoma Water
	Grant Davis	Sonoma Water
	Jim Grossi	North Marin Water District
	Rene Guillen	Brown & Caldwell
	Tim Healy	Napa Sanitation District
	Pam Jeane	Sonoma Water
	Sandeep Karkal	Novato Sanitary District
	Drew McIntyre	North Marin Water District
	Mark Millan	Data Instincts
	Jim O'Toole	ESA
	Larry Russell	Marin Municipal Water District
	Mike Savage	Data Instincts
	Paul Sellier	Marin Municipal Water District
	Brad Sherwood	Sonoma Water
	Jake Spaulding	Sonoma Water
	Dawn Taffler	Kennedy Jenks Consultants
	Chelsea Thompson	City of Petaluma
	Leah Walker	City of Petaluma

MEMBERS OF THE PUBLIC

Dan Baxter
Ginger Bryant

Wilke Fleury
Bryant & Associates

3. Public Comments

Chair Rabbitt asked if any members of the public wished to speak on any topic. Dan Baxter introduced himself and Ginger Bryant. He indicated that he was an attorney representing Ms. Bryant, that they desired to comment on Agenda Item No. 13, and that Ms. Bryant would speak first. Ms. Bryant cited her long history with NBWRA and how she tried to treat all members professionally and with respect. Mr. Baxter cited that documents in the packet and that he believed that NBWRA did not follow the Brown Act in not renewing the agreement with Bryant & Associates.

4. Introductions

Introductions were not made.

5. Board Meeting Minutes of December 9, 2019.

On a motion by Director Dillon-Knutson, seconded by Director Baker, the minutes of the December 9, 2019 meeting were unanimously approved by the Board by a roll call vote.

6. Election of Officers

Vice Chair Techel inquired if Chair Rabbitt was willing to continue as Chair and he indicated that he was if that was the pleasure of the Board. Vice Chair nominated David Rabbitt as Chair for 2020. The nomination was seconded by Director Gorin. Vice Chair Techel stated that she was not running for reelection and that she would be leaving NBWRA as of December 31, 2020. She then nominated Belia Ramos as Vice Chair for 2020. The nomination was seconded by director Gorin. Chair Rabbitt indicated that both items would be considered together. David Rabbitt was elected as Chair and Belia Ramos was elected as Vice Chair unanimously by the Board by a roll call vote. Lastly, Chair Rabbitt thanked Mayor Jill Techel for her many years of service to NBWRA.

7. Report from the Chair

Chair Rabbitt noted that it was likely there would be a federal stimulus package in the future that would probably include funding for water related projects and that NBWRA needed to be in position to respond accordingly

7.a Summary of TAC Conference Call of February 3, 2020

The Board reviewed the summary of the call.

8. Consultant Progress Reports

The Board reviewed the consultant progress reports for the period October 2019 – March 2020.

9. Financial Reports for Fiscal Years Ending June 30, 2019 and June 30, 2020.

The Board reviewed the financial reports for the period ending June 30, 2020. Jake Spaulding noted that there were surplus funds due to low levels of activity and that would be further discussed in Item No. 14 for the FY2020/21 Budget.

10. Phase 1: Status of Reconciliation and Closeout Activities and Approval of a Request for a Six-Month Extension with USBR on Closeout

Jake Spaulding gave an update on the reconciliation and close out activities for Phase 1. There is still one ongoing project with Las Gallinas. He said progress was still being made on the Las Gallinas project, but delays due to COVID-19 could result in going beyond the current September 30, 2020 deadline. He recommended that the Board approve a request to USBR for a six-month extension through March 31, 2021. He noted that all costs associated with an extension would be borne by the grant and not NBWRA. A motion by Director Baker, seconded by Director McDonnell to request a six-month extension with USBR was unanimously approved by the Board by a roll call vote.

11. Status of Phase 2 EIR/EIS

Jim O'Toole provided an update on the status of the Phase 2 EIR/EIS. He also noted that there could be another federal stimulus package that would provide funding for water related projects and that if that occurs it would be time to reach out to USBR regarding completing the necessary tasks to get the Record of Decision issued. This could also lead to additional federal funding for projects. Lastly, he noted that there was \$30,000 remaining in their agreement that could go toward this effort. This was an information item only.

12. Acceptance of Funding from IRWMP for City of Petaluma and City of American Canyon and Authorization for Sonoma Water to Act as the Fiscal Agent and Program Administrator.

Jake Spaulding gave a summary report. He noted that the draft funding list was released in early April for a comment period. The list included funding of more than \$4 million for the American Canyon and Petaluma projects. Now that the comment period has passed NBWRA can expect the award to become official in May, at which time contracts would need to be approved. Administrative costs will be borne by the two cities through agreements with Sonoma Water at no cost to the other NBWRA members. A motion by Director McDonnell, seconded by Director Aboudamous was unanimously approved by the Board by a roll call vote.

13. Consideration of Continuation of a Formal Consulting Agreement for Program Development, State Advocacy, and Federal Advocacy

Chair Rabbitt provided a summary of the process undertaken by the review committee and that the Board approved not funding this program at the December 9, 2019 Board meeting. The recommended action would formalize that prior action by the Board. Director Rodoni asked if a Request for Proposal process would be used in the future if the need arose for these services. Chair Rabbitt stated that was correct. A motion by Vice Chair Techel, seconded by Director Gorin was unanimously approved by the Board by a roll call vote.

14. Approval of Fiscal Year 2020/21 Budget

Jake Spaulding provided a summary of the proposed FY2020/21 Budget and noted that there are remaining funds to cover all proposed all activities. The only invoice that will be issued is for \$5,000 for Marin County's Associate Membership. Kevin Booker stated that Sonoma Water was in the process of amending the agreements with Brown and Caldwell and Weir Technical

Services for time extensions only. A motion by Director Dillon-Knudson, seconded by Director McDonnell was unanimously approved by the Board by a roll call vote.

15. Items for the Next Agenda

Chair Rabbitt listed the items for the next agenda that will hopefully be back at Novato City Hall. The items will include the regular reports, Phase 1 and Phase 2 Status Reports, IRWMP Grand Funding, and Water Bond status and provisions.

16. Comments from the Chair, Board, and Member Agencies.

Director Rodoni asked about SB 45 a water related Bond Act that may be on the November ballot. Chair Rabbitt stated that NBWRA would review it at the October Board meeting. Grant Davis asked if the TAC would be meeting between now and the next Board meeting. Chuck Weir stated that the TAC would be holding conference calls on July 20 and September 28.

17. Adjournment

Chair Rabbitt adjourned the meeting at 10:16 a.m. The next meeting will be Monday, October 26, 2020 at 9:30 a.m. at Novato City Hall.

Minutes approved by the Board _____.

Charles V. Weir
Program Manager

C:\Users\chuck\Documents\Weir Technical Services\NBWRA\Agendas\2020\2020-04\2020-04-27_NBWRA_Board_Minutes.docx

16

DISBURSEMENTS - DATED MAY 21, 2020

Date Prepared 5/19/20

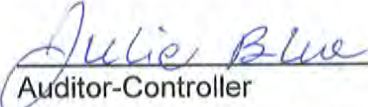
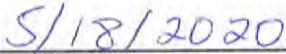

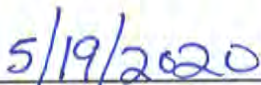
The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

Seq	Payable To	For	Amount
EFT*	CalPERS Retirement	Payment for CalPERS EE/ER Contribution for EE Reclassification from Pepra to Classic 8/29/13-3/15/20	\$30,127.67
EFT*	US Bank	March Bank Analysis Charge (Lockbox \$912 & Other \$365, Less Interest \$118)	1,159.58
1	Alpha Analytical Labs	Lab Testing	205.00
2	Alphagraphics Marin	Novato Rate Increase Letters (18,250) (\$3,543) & Mailing Services (\$1,798)	5,341.25
3	Athens Administrators	April Indemnity Review Fee	105.00
4	Automation Direct	Programmable Logic Control Parts for Various Sites	368.90
5	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 91 of 240) (Aqueduct Energy Efficiency Project)	46,066.67
6	CDW-Government	Back-up Disks (2)	222.06
7	Cilia, Joseph	Retiree Exp Reimb (Apr Health Ins)	334.00
8	Clipper Direct	June Commuter Benefit Program (2)	107.00
9	Comcast	May Internet Connection	144.92
10	Cook, Chris	Novato "Smart Irrigation Controller" Program	270.00
11	Ken Cooper Roofing Gutter Systems	Prog Pymt#2: Labor Cost, HVAC & Materials (Balance Remaining on Contract \$107,265)	50,000.00
12	Underground Service Alert of Northern CA & NV	Regulatory Cost for 2018 California Underground Service Alert Tags (3,297)	1,989.03
13	Ferguson Waterworks	AMI Watersmart Portal Annual Fee (4/20-3/21)	25,000.00
14	Robert N. Foehr	Novato "Toilet Rebate" Program-Commercial	200.00
15	Frontier Communications	Leased Lines	1,431.41

Seq	Payable To	For	Amount
16	Grainger	Magnetic Lock for Back Gate (\$391), Parts for Generator Connectors (\$394) & Miscellaneous Maintenance Parts & Supplies (\$927)	1,712.16
17	InfoSend	March Processing Fee for Water Bills (\$1,191), Postage (\$3,377), March Monthly Support Fee (\$831) & Programming Fee (\$150)	5,549.72
18	Jackson, David	Retiree Exp Reimb (Apr Health Ins)	987.21
19	Latanyshyn, Roman	Retiree Exp Reimb (Apr Health Ins)	334.00
20	Lemos, Kerry	Retiree Exp Reimb (Apr Health Ins)	987.21
21	McLellan, WK	Misc Paving	32,462.25
22	McDonald, Richard	Novato "Toilet Rebate" Program	100.00
23	Novato Community Television	Filming & Video Creation for Rate Hearings	300.00
24	North Bay Gas	Nitrogen (\$725) & Breathing Air (\$125) (STP)	849.33
25	Novato Sanitary District	Sewer Service Charge for Stafford Lake Facility	644.31
26	Pace Supply	Vaults (4) (\$2,901), 12" Reducer (\$292), Meter Gaskets (10), Double Check Backflow Valve (\$452) & 8" Tee (\$249)	3,928.01
27	PG&E	Power: Bldgs/Yard (\$3,272), Other (\$149), Pumping (\$25,687), Rect/Controls (\$465) & TP (\$173)	29,746.02
28	Piazza Construction	Proj Pymt#1: PreTank 4A Replacement Project (Balance Remaining on Contract \$1,050,192)	35,737.34
29	Piazza Construction Escrow Acct	5% Retainer: Piazza Construction-PRE Tank #4A Replacement	1,880.91
30	Point Reyes Prop Mgmt Assn	May HOA Fee (25 Giacomini Rd)	75.05
31	Gary Rivara & Audrey Newman	Novato "Toilet Rebate" Program	200.00
32	Scott Technology Group	Admin Photocopier Maintenance (4/30/20-4/29/21)	1,767.28
33	Sonoma County Tree Experts	Tree Removal @ Pacheco Tank Site	1,300.00
34	Synectic Technologies	Conference Call Phone System	506.40

Seq	Payable To	For	Amount
35	Target Solutions Learning	H2O Know Training Platform Software	5,907.00
36	TPx Communications	May Telephone Charges	648.14
37	VWR International	pH Strips (100) (\$216) & Safety Gloves (1,000) (Lab)	312.85
38	WRA	Prog Pymt#6: Design Phase Services for the Lagunitas Creek Slope Stabilization Project (Balance Remaining on Contract \$23,492)	17,395.45
TOTAL DISBURSEMENTS			<u>\$306,403.13</u>

The foregoing payroll and accounts payable vouchers totaling \$306,403.13 are hereby approved and authorized for payment.

 Auditor-Controller	 Date
 General Manager	 Date

DISBURSEMENTS - DATED MAY 28, 2020

Date Prepared 5/26/20

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



Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 5/15/20	\$142,506.98
EFT*	Internal Revenue Service	Federal & FICA Taxes PPE 5/15/20	63,466.96
EFT*	State of California	State Taxes & SDI PPE 5/15/20	13,384.27
EFT*	CalPERS	Pension Contribution PPE 5/15/20	37,501.08
*90283	CalPERS	June Health Insurance Premium (Employees \$47,831.99, Retirees \$11,879.45 & Employee Contribution \$10,505.96)	\$70,217.40
1	Alpha Analytical Labs	Lab Testing	25.00
2	Amazon/Genuine-Hardware	Key Bits for E/M Shop, Tie Down Ratchets (8) (\$207), First Aid Gel Pack, Truck Floor Liner (\$117) ('20 F250) & Pull Starter for Leaf Blower (\$85)	442.48
3	American Family Life Ins	May AFLAC Employee Paid Benefit	3,027.83
4	AT&T	Leased Lines	66.06
5	Automation Direct	Flow Meter for Bear Valley P/S	1,018.82
6	Bay Area Barricade Service	Signs for Stafford Lake "Restricted Area-No Trespassing-No Fishing" (3) (\$130) & Paint Stripping Machine (\$95)	225.13
7	Bearings & Hydraulics	Belt for Office A/C	8.24
8	Boucher Law	April Legal Fees	1,075.00
9	Broner, Peleg	Refund Overpayment on Closed Account	450.00
10	California Water Service	Water Service (O.M.) (2/20-5/20) (O ccf)	37.68
11	Charles Assoc, Leonard	Prog Pymt#1: PRE Tank 1 Water Facilities Improvement Project - CEQA Work (Balance Remaining on Contract \$11,513)	9,375.00

Seq	Payable To	For	Amount
12	Ken Cooper Roofing Gutter Systems	Prog Pymt#3: Installation of New Title 24 Roofing System, Moving & Resetting Water Chiller/AC Unit, Permit Costs & Dry Rot Repair (Balance Remaining on Contract \$6,245)	101,019.99
13	Core Utilities	Consulting Services: April IT Support (\$6,000), IT & SCADA Support for Novato Radio/Cell Modem Sites (\$225), IT & SCADA Support @ STP (\$1,000), CORE Billing Maintenance (\$275), Website Maintenance (\$550) & Programming for Customer Water Data on NMWD Website (\$675)	8,725.00
14	Diesel Direct West	Diesel (454 gal) (\$1,154) & Gasoline (351 gal) (\$822)	1,975.26
15	Durkin Signs & Graphics	12" x 18" Magnetic Signs w/Covid-19 Info (20)	1,077.41
16	Electrical Equipment	Replacement Motor for STP High Service P1	15,803.02
17	Fedak & Brown	April Progress Billing (FY20 Financial Audit)	4,500.00
18	Fishman Supply	Insect Repellent (12-4oz cans)	96.50
19	Garcia, Frank	Refund Excess Advance Over Job Cost-95 Cherry Tree Lane	1,965.13
20	GHD	Prog Pymt#8: O.M. Treatment & Storage Pond Repair Project (Balance Remaining on Contract \$46,260)	7,728.33
21	Grainger	Faucet for Auto Shop (\$100), Pressure Washer Fitting (\$118), Scissors & Stretch Wrap for Warehouse, First Aid/Tick Removal Kits (10) (\$198), Magnetic Lock for Middle Gate (\$392), Duct Tape (10) (\$110), Radios for Gates (3) (\$123), Shop Air Compressor (\$1,941), Adaptor & Couplers (2)	3,040.94
22	Hach	Phosphoric Acid (\$331), Standard (\$142) & Service on Hach Equipment (\$274) (STP) (Less Credit of \$446 Received)	301.90
23	Hickerson, Ann	Novato "Toilet Rebate" Program	100.00
24		Vision Reimbursements	368.00
25	Idexx Laboratories	Quanti-Trays (100) (Lab)	274.41
26	Industrial Scientific	Replacement Gas Monitor	449.59

Seq	Payable To	For	Amount
27	Kiosk Creative	Prog Pymt#2: Website Design & Development (\$14,076) (Balance Remaining on Contract \$2,449) & Prog Pymt#3: Implement Communication Action Plan (\$1,990) (Balance Remaining on Contract \$52,570)	16,066.00
28	Lincoln Life	Deferred Compensation PPE 5/15/20	9,701.27
29	Marin County	Creek Permit for Gallagher Ranch Streambank Stabilization Project	958.85
30	McMaster-Carr Supply	Batteries for STP Equipment (2)	83.09
31	Mutual of Omaha	June Group Life Insurance Premium	1,034.65
32	Nationwide Retirement Solution	Deferred Compensation PPE 5/15/20	920.00
33	North Bay Gas	Carbone Dioxide Tip Tube, Nitrogen & Breathing Air (\$136) & Monthly Cylinder Rental (\$30)	202.89
34	Novato Builders	Combination Pad Locks (2) (\$43) & Wood for Partitions (\$16)	59.39
35	Novato, City of	Rosalia Tank Parcel Merger (Dec 2019-\$676 & Jan 2020-\$734)	1,410.00
36	Pace Supply	Elbows (4), Nipples (5), Reducers (20) (\$112), Tees (7), Dual Wedge Pipe, Bolts, Nuts, Gasket & Cap (\$35), Pipe (2) (\$128) & Wheel Cutters (5)	455.05
37	Parkinson Accounting Systems	April Accounting Software Support	585.00
36	Paso Robles Tank	Prog Pymt#5: Perform Recoating & Rehab of Cherry Hill Tank No. 2 Project (Balance Remaining on Contract \$12,050)	67,450.95
39	R & B	2.5" Hydrants (5) (\$11,007) & Gate Valves (8) (\$252)	11,259.05
40	Scott Technology Group	May Monthly Maintenance on Savin Engineering Copier (5/21/20-6/20/20) (\$167) & Overage Charge (\$126)	292.43
41	Skewes-Cox, Amy	Prog Pymt#7: CEQA Hearing (Balance Remaining on Contract \$2,453)	238.00
42	Sonoma County Water Agency	April Contract Water	471,959.81

Seq	Payable To	For	Amount
43	SPG Solar Facility	April Energy Delivered Under Solar Services Agreement	12,200.69
44	Syserco	On Site Visit to Check & Repair HVAC Problem	1,757.00
45	USA BlueBook	Replacement Air Compressors for Lake Aeration (2)	1,390.77
46	White & Prescott	Prog Pymt#7: AEEP Easement Support B2 Reach A Project (Balance Remaining on Contract \$30,290)	135.00
47	WRA	Prog Pymt#7: Design Phase Services for the Lagunitas Creek Slope Stabilization Project (Balance Remaining on Contract \$21,962)	1,530.00
48	Zenith Insurance	Annual Workers' Compensation Deposit Billing & Premium (5/1/2020-5/1/2021)	126,603.00
TOTAL DISBURSEMENTS			<u>\$1,216,546.30</u>

The foregoing payroll and accounts payable vouchers totaling \$1,216,546.30 are hereby approved and authorized for payment.

	<u>5/27/2020</u>
Auditor-Controller	Date
	<u>5/27/2020</u>
General Manager	Date



North Bay Watershed Association

Board Meeting Notice

June 5th, 2020

Zoom call

Next Meeting

July 10th, 2020

Board Meeting Agenda

1. Call to Order 9:30 am

Jack Gibson, Chair

Zoom reminders – Judy/SFEI

2. Public Comment

3. Approval of Agenda 1 min.

Proposed Action: Approve

4. Approval of May Summary 1 min.

Proposed Action: Approve

5. Treasure's Report 1 min.

Proposed Action: Accept

Water Flows for Fish and People 9:45 am

6. *Bryan McFadin, Sen. Water Resources*

Engineer, NCRWQCB

Gregory Andrew, Fisheries Program Mgr.

MMWD

Bryan will provide an overview of State planning efforts underway to enhance and protect instream flows. Greg will talk about the flow rules in place for MMWD watersheds and the results so far of MMWD's actions.

7. Potter Valley Project Status 10:45 am

Pam Jeane, Assistant Manager, Sonoma Water

Pam will review the flow requirements on the Russian River and update the Board on the Potter Valley Project with its goal to enhance project benefits for fish, farms and communities.

8. Adjourn 11:30 am



VIA ELECTRONIC FILING

May 21, 2020

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: FERC Project No. 77-285; Feasibility Study Report for the Potter Valley Project

Dear Secretary Bose:

This support letter is submitted by the eight Water Agency Contractors and Marin Municipal Water District who purchase water from the Sonoma County Water Agency (Agency) in accordance with various existing contractual agreements. The Agency is one of the Notice of Intent (NOI) parties that submitted the above referenced Report to FERC on May 13, 2020. The eight Water Agency Contractors include the Cities of Cotati, Petaluma, Rohnert Park, Santa Rosa, Sonoma, Town of Windsor, and the North Marin and Valley of the Moon Water Districts. For ease of reference, the eight Water Agency Contractors and Marin Municipal Water District are collectively referred to here as the "water contractors."

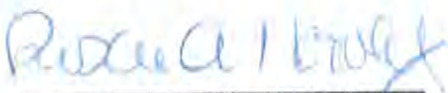
We would like to express our ongoing appreciation to the Agency for the opportunities that have been offered to provide input in this process. The water contractors are committed to supporting the Agency in its cooperative efforts with the other NOI Parties in working towards mutually beneficial FERC License terms, based on the Shared Objectives of a Two-Basin Solution for the mutual benefit of the Eel River and Russian River basins. Those Shared Objectives were developed over many months through a comprehensive and broadly based multi-party effort concerning the future of the Potter Valley Project (PVP) led by Congressman Jared Huffman, and the water contractors fully support them. Furthermore, we continue to be committed to the Agency's efforts to retain water supply resiliency for the water contractors and for the fisheries in both River basins, and we understand and acknowledge the high degree of complexity and difficulty faced by the NOI Parties in completing the Feasibility Study Report and related work required by the FERC Process in a timely manner.

Kimberly D. Bose
May 21, 2020
Page 2

The Feasibility Study Report includes the following sections: Regional Entity, Project Plan, Fisheries Restoration Plan, Application Study Plan, and Financial Plan. With respect to Regional Entity formation, the Water Contractors support the concept but need to know more about the boundaries, mission and governance. The water contractors also support "Water Supply Scenario 2" (Scott Dam removed, seasonal PVP diversions from Van Arsdale Reservoir) identified in the Report, recognizing that to the extent a new FERC License results in operational changes in water available to the Agency from Lake Mendocino, the Agency can draw on water stored in Lake Sonoma to fully meet its contractual water supply obligations to the water contractors. We also recognize the inherent financial uncertainties identified in the Financial Plan, but fully support the development of a Financial Plan which includes specific sources of initial capital funding and subsequent revenue streams adequate for long term sustainable operations of the PVP; and which ensure that water contractors will not be obligated to pay any cost that is disproportionate to the benefit received by the water contractors and their customers.

In closing, the water contractors support the Feasibility Study Report submitted to FERC by the NOI parties and respectfully urge FERC to approve their pre-filing process plan in advance of a formal License Application in May, 2022.

Respectfully submitted,



Susan Harvey, City of Cotati Council Member
Chair
Water Advisory Committee

Cc: Service List, P-77-285

New wildfire authority faces critical time

Marin Independent Journal

Editorial

In March, Marin voters approved a new 10-year tax to launch the Marin Wildfire Prevention Authority to help make our community better prepared to prevent a wildland fire from causing the heartbreaking death and destruction that we've witnessed in other Northern California communities.

Although much of the concern of local fire departments has been on responding to the ongoing coronavirus crisis, officials have correctly made sure that we haven't lost the necessary momentum needed to improve preventive and protective measures in the ongoing threat of a wildland fire, especially after a relatively dry winter.

The risk posed by a wildland fire is not going to wait for the threat of coronavirus to wane.

Certainly, the fledgling agency faces expectations from the public that it start work toward fulfilling its critical mission of building on protective measures that have been made in recent years.

While the agency has started holding its public board meetings, it also needs to make sure the public is effectively informed about discussions and decisions on its agenda. That means keeping the public informed and involved both before and after decisions are made.

There are more important issues than divvying up the revenue — an estimated \$19.3 million annually — between local fire departments.

Agency leaders are considering focused attention on inspections of private properties to make them more “fire safe.” That job is going to involve hiring 20 seasonal workers.

Its success is also going to hinge on how that job is carried out, but firefighters who have been on the front lines of fighting wildland fires report that making properties fire safe is important both to saving homes as well as preventing the spread of destruction.

But inspections and subsequent recommendations can stir controversy.

The creation of a new bureaucracy can also raise the hackles of taxpayers.

After all, the rising cost of salaries, benefits and pensions among Marin's fire departments are among the reasons why there are already local special taxes for fire protection and the need for a countywide wildland fire tax — starting at \$210 on the annual property tax bill — to pay for an expanded initiative.

It is important that the authority get off on the right foot, both in getting right to work at proving its effectiveness and in keeping the public informed about issues and actions facing the authority's decision makers. It needs to show real progress in making Marin safer, both from preventive and protective standpoints.

The authority also needs to keep the campaign-trail promise of its leadership that it will not become another public agency that makes decisions within a bureaucratic silo, without effectively seeking and fostering public involvement.

Winning voter approval of Measure C — especially in an election where other tax measures failed — was an important first step. That success took a focus on informing, educating and persuading local voters.

If the authority wants to live up to its promise of making Marin safer, it needs to make that focus one of its top priorities.

Rate-hike delay smart for MMWD

Marin Independent Journal

Editorial

The widespread economic challenges brought on by the coronavirus crisis have knocked the Marin Municipal Water District off its multiyear plan to increase local water charges.

Actually, it was the MMWD board that decided to slam the brakes on that plan, realizing that now is not the time to increase charges for local residents and businesses.

MMWD's leadership should prompt other public officials to take a harder look at such plans, some yearly automatic increases in fees and taxes, and give taxpayers a break.

It's one of the reasons we have routinely questioned built-in automatic increases in local fees and taxes that are intentionally designed to circumvent annual public review and approval.

Certainly, officials can make the case for needing more revenue, but they also need to consider the plight of their taxpayers, many of whom have lost their own paychecks due to layoffs, furloughs and being forced to close their businesses as a result of more than a month of shelter-in-place orders.

The MMWD board took a lot of public heat two years ago when it approved its multi-year plan of rate and fee increases. To its credit, the board included provisions for subsequent review of those planned increases.

The COVID-19 pandemic served up a good reason for re-evaluation and the MMWD board deserves praise for showing compassion toward its struggling ratepayers.

The board's five members proved that they are not out of touch with the community and recognized that water is a necessity. It is also vital in practicing the good hygiene that's been prescribed as one of the most effective ways to remain safe from this fast-spreading and potentially deadly virus.

"The outlook for the economy is devastating. It seems to all of us that this is exactly the wrong time to be increasing water rates," said veteran MMWD board member Cynthia Koehler.

The board's reassessment of its planned 4% increase that was supposed to be enacted in July is reassuring. The board also voted to begin — one month earlier than planned — to start charging its lower summer rates.

It also has suspended water service shutoffs for customers who have not paid their bills, and stopped charging fees for late payments.

The district's measures could mean an estimated \$2.1 million loss in expected revenue. That may require the agency to take a harder look at its priorities, especially some planned capital projects.

The board would be wise not to delay much-needed fire prevention and protection work in MMWD's Mount Tamalpais watershed. That work should remain a public safety priority.

MMWD officials say they are seeing an increase in customers contacting the districts saying they are struggling to pay their bills.

Demonstrating a clear understanding of what "we're all in this together" means, MMWD's board is showing compassionate and commonsense leadership, which these days should be a standard for government.

‘Concerning’ data on virus

THE COUNTY

Marin cases surpass 400 amid persistent spikes

Marin Independent Journal

By Matthew Pera

mpera@marinij.com @MatthewRPera on Twitter

Coronavirus cases in Marin have climbed by more than 50% over the past two weeks, bringing the county’s total to 420 on Tuesday.

The county has reported five of its six highest one-day jumps in cases in those two weeks since May 12, when there were 271 cumulative cases. “It’s concerning,” said Dr. Matt Willis, the county’s chief public health officer, noting that Marin’s coronavirus curve is increasing.

But it’s unclear whether the spike in confirmed cases represents a new coronavirus outbreak, Willis said.

The trend, he noted, aligns with an increase in testing for the virus. The county says it has nearly tripled its testing capacity over the past

three weeks, and is now testing at least 500 people per day on average. In total, 11,796 people have been tested in Marin.

Health officials are focused on testing people who live in communities with high concentrations of workers deemed “essential” during the pandemic, Willis told the county Board of Supervisors on Tuesday.

Those communities include San Rafael’s Canal neighborhood and parts of Novato, he said.

Testing has “revealed spikes of cases among people who work in public service jobs, such as grocery stores, construction sites, gas stations, food service and restaurants, school services, and landscaping,” the county said Tuesday in a statement.

Almost 200 people who have tested positive in Marin — roughly half of the county’s total — live in an area that includes San Rafael and surrounding neighborhoods, according to data provided by the county Department of Health and Human Services. The department only provides a breakdown of cases for five regions within the county. An area that includes Novato has almost 100 cases, the Southern Marin area has 59, Central Marin has 46 and West Marin has 15.

VIRUS » PAGE 2

Virus

FROM PAGE 1

Marin County has declined the Independent Journal's public record request for a breakdown of cases by city and town. Deputy County Counsel Valorie Boughey said that "sharing such information publicly would constitute an unwarranted invasion of personal privacy, especially given the smaller size of both Marin County's

communities and its COVID-19-positive populations."

Because the number of coronavirus diagnoses in the county is influenced by variabilities in testing, public health officials look to other factors — including hospitalizations — in assessing the trajectory of the virus, according to Willis. The number of coronavirus patients in Marin's hospitals has remained relatively stagnant, Willis said, with just a few hospitalized Tuesday.

The number of coronavirus deaths has remained unchanged since it hit 14 on May 5.

About 4.4% of coronavirus test results have been positive over the past week — down from about 7%, on average, before the county increased its testing capacity earlier this month, according to Willis. The percentage of positive tests is another indicator that officials use in determining whether a spike in cases represents an outbreak, he said.

Willis said he plans to extend Marin's stay-at home order, which is set to expire June 1, but he will ease certain restrictions depending on this week's test results and hospitalizations. More cases could mean more restrictions will stay in place, he said.

"I'm looking very carefully at the numbers throughout this week," he said.

Dry winter spurs water managers to cut Russian River flows to retain reservoir supplies



SLIDE 1 OF 2

(FILE PHOTO) Familiar drought landmarks begin to reappear on Lake Mendocino in Ukiah, as Travis Parsons of Ukiah finishes a walk around the shoreline, Wednesday June 18, 2014. (Kent Porter / Press Democrat) 2014



MARY CALLAHAN

THE PRESS DEMOCRAT

May 26, 2020, 7:45PM

Updated 14 hours ago

In a stark reminder that drought has once again taken hold on the North Coast, Sonoma County is preparing to ask state water regulators for permission to reduce water levels in the Russian River this summer to conserve water stored in Lake Mendocino and ensure minimal late-season flows for fish.

The request, to be filed with the State Water Resources Control Board as soon as this week, comes in recognition that the inland areas of Mendocino County, where Lake Mendocino retains runoff into the upper Russian River, has had less than half the normal rainfall this year.

In addition, supplemental flows from the Eel River have been reduced under a separate move by PG&E, further straining supplies that would normally help replenish Lake Mendocino and sustain water levels in the upper Russian River. Those flows support farmers, imperiled salmon and steelhead trout and municipal supplies stretching downstream to Healdsburg.

In a bid to retain reserves across the system, Sonoma Water, the region's main wholesaler, is also set to reduce flows on the lower Russian River below the confluence with Dry Creek, the outlet for Lake Sonoma.

The combined impact means water managers, just 15 months after historic flooding on the lower Russian River, are having to maneuver to safeguard drinking water supplies for up to 600,000 Sonoma and Marin county residents, while also lowering minimal flows to ensure enough water exists for salmon and steelhead through the year.

"It's been a really dry year ... the third-driest year for the last 127 years," said Don Seymour, principal engineer for Sonoma Water, the county water agency. "We don't take it lightly to file with the state board to change the minimum in-stream flow."

The agency is required to maintain certain flow rates in the upper and lower reaches of the river, as well as Dry Creek, which flows into the river downstream of Healdsburg.

During normal dry-year conditions, the minimum flow between July 1 and December would be 75 cubic feet per second from Lake Mendocino to the confluence with Dry Creek and 85 cfs from Dry Creek to the Pacific Ocean at Jenner.

Sonoma Water is requesting permission to reduce releases from Lake Mendocino to 50 cfs in the upper river and 60 cfs in the lower river. The agency is seeking permission to drop even lower — to 25 cfs and 35 cfs in the upper and lower stretches, respectively — if storage in Lake Mendocino drops to a critical level.

The plan is similar to one pursued on three successive occasions during the last drought to the dismay of anglers and those who depend on river recreation to draw tourists. Already, those businesses are suffering greatly amid the pandemic shutdown.

"We can't catch a break this year," said Sonoma County Supervisor Lynda Hopkins, who represents the lower river.

Reduced water levels also means slower moving water, raising concerns about the potential for harmful blue-green algae blooms, Hopkins said.

"Of course, the concern is always water quality," she said. "Lower slower, shallow in combination with high temperature and, of course, nutrients are what results in toxic algal blooms."

But water agency officials said there's little choice.

Marin gears up for number of key possible reopenings

JUNE 1 TARGET

Outdoor dining and retail sales, beaches might get green light

Marin Independent Journal

By Richard Halstead

rhalstead@marinij.com @HalsteadRichard on Twitter



A pedestrian glimpses at the empty outdoor dining area of the Crepevine restaurant on Fourth Street in San Rafael on Wednesday. Outdoor dining is still not allowed due to shelter-in-place.



Sherry Lavars – Marin Independent Journal

Preparations are underway for the next major step to reopening Marin.

Office space, outdoor retail sales, and coastal parks and beaches are slated to reopen June 1 in Marin, barring an increase in COVID-19 infection rates signaling increased spread of the coronavirus.

If the state permits, the county also is preparing to allow summer camps and outdoor restaurant dining beginning Monday. Gov. Gavin Newsom has not yet given the green light for these two activities, but Marin officials are hopeful it will come by the end of the month.

Marin County supervisors were briefed this week on the efforts of a consortium of local government officials and business leaders to develop guidelines for reopening with as little risk as possible.

"Our response to COVID-19 is not just solely focused on limiting transmission," Dr. Matt Willis, Marin County's public health officer, told supervisors Tuesday, "because we know if that was our only goal we would simply remain locked down until a vaccine was developed. We do need to reopen."

Max Korten, director of Marin parks and open space director who is helping to oversee the consortium, said, "Local businesses are at a really challenging point in terms of staying in business."

While heartened by news, some members of the business community expressed frustration with the pace at which the reopening is moving.

"Dr. Willis did the best he could today to explain to us the risk," Joanne Webster, president of the San Rafael Chamber of Commerce, commented at Tuesday's meeting, "however, every day I get calls and emails from our businesses that don't understand why we can't reopen for indoor retail."

58 billion PG&E plan is approved by regulators

BANKRUPTCY

By Michael Liedtke

Marin Independent Journal

The Associated Press

California power regulators on Thursday unanimously approved Pacific Gas & Electric's \$58 billion plan for getting out of a bankruptcy caused by a series of deadly wildfires, despite ongoing worries about the utility's ability to safely operate its crumbling electrical grid.

The vote by the Public Utilities Commission came just a few hours after a federal judge ripped the company for continuing to engage in reckless behavior that he believes is endangering even more lives.

U.S. District Judge William

Alsup blasted PG& E for "flim flammings" him about its newfound commitment to safety in previous hearings. He also raised worries that state power regulators haven't done enough to prevent "a recalcitrant criminal" from causing more death and destruction as the risk of wildfires rises with the summer temperatures.

-“If there ever was a corporation that deserved to go to prison, it is PG& E,” Alsup said.

After enduring Alsup's scorn, PG& E cleared a key hurdle to end its nearly year-and-half bankruptcy with the PUC's approval of a complex plan resolving more than \$50 billion in claimed losses after the company was blamed for igniting a series of catastrophic wildfires in 2017 and 2018. The Northern California fires killed more than 100 people and destroyed more than 27,000 homes and other buildings

PG& E used the bankruptcy process to settle those claims for \$25.5 billion, including \$13.5 billion earmarked for wildfire victims, although some survivors are convinced they will wind up getting much less. Half of the \$13.5 billion consists of PG& E stock that critics worry will be worth considerably less, especially if the company is blamed for causing more fires this year.

Before regulators voted, a litany of speakers urged the company's chief regulator to reject the complex proposal, saying it doesn't do enough to ensure the nation's largest utility will act to protect the 16 million people who rely on it for power.

PG& E» PAGE2

PG&E

FROM PAGE 1

“More communities are angry, frustrated and finished with PG& E,” commission President Marybel Batjer acknowledged before the agency’s vote.

After the approval, PG& E issued a statement promising to do better. Company CEO Bill Johnson said the plan “will help PG& E become the utility that our customers and communities expect and deserve.”

Alsup, the federal judge, wants to crack down on PG& E by ordering the utility to hire more people to inspect its power lines, trim trees and adhere to other potentially expensive requirements aimed at reducing the fire risks from its poorly maintained equipment. The company is appealing his proposed restriction on the grounds that those policing powers should be left to the Public Utilities Commission.

He is considering the mandate as part of a five-year probation that PG& E began serving in January 2017 for felony convictions stemming from an explosion in its natural gas lines that killed eight people in San Bruno, California, in 2010.

If it were up to Alsup, PG& E would be serving

time behind bars instead of providing power to a service territory with a population larger than all but a handful of states.

Companies can’t be imprisoned, though, an issue likely to be highlighted again next month when PG& E plans to plead guilty to 84 felony counts of involuntary manslaughter for a 2018 wildfire that wiped out the town of Paradise, California. PG& E will pay a maximum fine of \$4 million for those crimes.

In Thursday’s hearing, Alsup repeatedly expressed frustrations about the company’s past assurances that it had become more vigilant about trimming trees and upgrading its equipment, only to ignite more fires. Those promises “ring hollow after a while,” Alsup scolded PG& E’s lawyers before labeling past attempts at improving the maintenance of its power lines as “crappy.”

While Alsup was raising the idea of more safety hearings, one of PG& E’s top executives delivered reassurances about the company’s future direction during Thursday’s hearing in a federal bankruptcy court trial, which will determine whether PG& E’s plan also can gain the required court approval by a June 30 deadline.

“We can provide safe service moving forward,” testified Jason Wells, PG& E’s chief financial officer.

Christine Hammond, an attorney for the PUC, told Alsup that state regulators believe PG& E has been making significant progress toward operating more safely and said regulators are committed to “do more, do better, do faster.”

Michael Aguirre, a lawyer representing two PG& E customers, urged Alsup not to trust the commission or the company that it regulates. “Keep the pressure on,” he pleaded.

The plan approved by regulators clears a path for them to revoke PG& E’s state license and make it easier for the state to turn the utility into a not-for profit cooperative. It also requires PG& E to break up its sprawling service into regional divisions and overhaul its board of directors. The company plans to replace 11 of its 14 current board members, including Johnson, who will step down as CEO on June 30 after only 14 months on the job.

But the reforms included in PG& E’s plan still might not be enough, acknowledged Clifford Rechtschaffen, one of the five PUC board members.

“It’s not perfect from any stakeholder’s perspective,” he said before voting in favor of the plan.

City, county online security problems costly

Marin Independent Journal

Editorial

The 2019-20 Marin County Civil Grand Jury has produced some surprising findings that should raise public concern.

They haven't before now because local municipalities have chosen to keep the public in the dark about their technological mishaps, even ones that have cost taxpayers hundreds of thousands of dollars.

The largest discovered by the grand jury's digging was at the county Civic Center, where more than \$300,000 was stolen by fraudulent electronic transfers, unwittingly approved by county financial gatekeepers in 2018.

According to the grand jury, county officials did not own up publicly about the loss, but they did publicly brag about follow up measures they took to prevent repeat attacks — and the professional recognition they got for those improvements.

That's sort of like getting praise for the design of new locks for a bank after it's already been robbed. But at least there's no question that those new locks were needed.

In fact, the grand jury found that the county's computer network has been hacked into and breached at least five times between July 2017 and August 2018. In addition, more than half of Marin's cities — Corte Madera, Fairfax, Larkspur, Novato, Sausalito and Tiburon — have had their cybersecurity compromised.

The common thread is officials' decision to keep such breaches quiet, figuring the public is better off not knowing. Only Sausalito discussed its hacking incident publicly.

We definitely don't agree with the strategy of leaving the public in the dark. The public has every right to know the details and cost of any hacking attacks and the measures taken to tighten security.

Credit the grand jury for digging into this issue.

It also looked into the cybersecurity of the county's elections office. Serious questions have been raised — including outrageous broadsides from President Donald Trump about elections being “rigged” — about the integrity of our elections.

What the grand jury's research found was that Marin's election system is safe, sound and accurate.

But not so for other parts of the county's operations.

Despite the county's hyper focus

on its electronic information system — especially after its estimated \$28.6 million stumble with its 2005 purchase of a financial software overhaul — the county's system fell victim to five cyberattacks, including one where wire transfers of funds were repeatedly requested and processed.

More than \$300,000 in taxpayer money was wired to the hacker's bank account. Once discovered, the county was able to recover \$63,000, but nearly \$250,000 was lost.

"This breach and financial loss were reported to local law enforcement and the FBI, but not disclosed to the public," the grand jury reported in its May 11 report, "Cyberattacks: A Growing Threat to Marin Government."

That costly attack led the county to strengthen its online protections, financial protocols and authorization hierarchies to safeguard from another attack. Those measures need to be regularly audited and updated to help make sure they are as secure as possible.

The grand jury concluded that the county's systems are much stronger and secure, but encouraged the county to remain vigilant with ongoing efforts to bolster safeguards.

Other Marin municipalities have had similar compromises and strengthened their cybersecurity only after having their computer networks hit with ransomware or fraudulent requests for financial wire transfers. The county's after-the-fact security steps could serve as a model for local municipalities, but the grand jury concluded that there is a lack of significant concern among local governmental leaders.

"The absence of a public discussion of these vulnerabilities is a missed opportunity to educate employees, residents and local organizations about cybersecurity risks faced by all," the grand jury said.

The grand jury has brought this important issue to the public's attention. Now, it's up to local public agencies to show they are taking the grand jury's advice and recommendations seriously. As we've seen locally, better late than never.