



NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING
 November 3, 2020 – 6:00 p.m.
 Location: Virtual Meeting
 Novato, California

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

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.

Video Zoom Method

<p><u>CLICK ON LINK BELOW:</u></p> <p>Go to: https://us02web.zoom.us/j/8349174264 OR</p> <p>Password: 466521</p>	<p><u>SIGN IN TO ZOOM:</u></p> <p>Meeting ID: 8349174264</p> <p>Password: 466521</p>
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Call in Method:

Dial:

- +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.

Est. Time	Item	Subject																
6:00 p.m.		CALL TO ORDER																
	1.	APPROVE MINUTES FROM REGULAR MEETING , October 20, 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																
	5.	QUARTERLY FINANCIAL STATEMENT																
		<p>CONSENT CALENDAR</p> <p>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.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Consent - Approve Water Agreement</th> <th style="text-align: center;"><u>Type</u></th> <th style="text-align: center;"><u>DU</u></th> <th style="text-align: center;"><u>EU</u></th> </tr> </thead> <tbody> <tr> <td>6. Marin Biologic Lab – Fire Service</td> <td style="text-align: center;">CM</td> <td style="text-align: center;">0</td> <td style="text-align: center;">1</td> </tr> <tr> <td> 378 Bel Marin Keys, Novato APN: 157-461-08</td> <td></td> <td></td> <td style="text-align: right;">Resolution</td> </tr> <tr> <td>7. Consent - Approve: Text for Fall 2020 Novato “Water Line”, Volume 21, Issue 45</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Consent - Approve Water Agreement	<u>Type</u>	<u>DU</u>	<u>EU</u>	6. Marin Biologic Lab – Fire Service	CM	0	1	378 Bel Marin Keys, Novato APN: 157-461-08			Resolution	7. Consent - Approve: Text for Fall 2020 Novato “Water Line”, Volume 21, Issue 45			
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6. Marin Biologic Lab – Fire Service	CM	0	1															
378 Bel Marin Keys, Novato APN: 157-461-08			Resolution															
7. Consent - Approve: Text for Fall 2020 Novato “Water Line”, Volume 21, Issue 45																		
		ACTION CALENDAR																
	8.	Approve: Resolution 20-XX Amending Regulation 54 to Adjust Recycled Water Bi-Monthly Service Charges Resolution																
	9.	Approve: Renew Declaration of Local Emergency Related to COVID-19 Pandemic																
	10.	Approve: Renewal of Grazing Leases – Grossi, Bell & Leveroni IV																
	11.	MISCELLANEOUS Disbursements – Dated October 22, 2020 Disbursements – Dated October 29, 2020 Point Reyes Light – Salinity Notice for October 22, 2020 NOAA Three Month Precipitation Outlook FY20 1 st Quarter Labor Cost Report																
		<u>News Articles:</u> Marin IJ – Winds could prompt outages – WILDFIRE WEATHER Marin IJ – Hotel in Novato eyed for housing – IGNACIO Marin IJ – Winds force broad outages – WILDFIRE WEATHER Marin IJ – Coalition spurs homeowners to add apartments																

All times are approximate and for reference only.
 The Board of Directors may consider an item at a different time than set forth herein.

(Continued)

Est. Time	Item	Subject
		<u>Social Media Posts:</u> Facebook – October 22, 2020 Instagram – October 22, 2020 Facebook – October 22, 2020
7:00 p.m.	12.	<i>ADJOURNMENT</i>

All times are approximate and for reference only.
The Board of Directors may consider an item at a different time than set forth herein.

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NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
October 20, 2020

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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 6:00 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 remotely by utilizing the video or phone conference dial-in method using information printed on the agenda.

President Joly welcomed the public to participate in the remote meeting and asked that they mute themselves, 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, those in remote attendance established a quorum. Participating remotely were Directors Jack Baker, Rick Fraites, Jim Grossi, Michael Joly and Stephen Petterle.

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 remotely were Drew McIntyre (General Manager), Tony Williams (Assistant GM/Chief Engineer), Terrie Kehoe (District Secretary), Julie Blue (Auditor-Controller), Tony Arendell (Construction/Maintenance Superintendent), Robert Clark (Operations/Maintenance Superintendent), and Monica Juarez (Cashier/Receptionist).

President Joly gave a special welcome to Tony Williams NMWD's new Assistant General Manager/Chief Engineer.

President Joly announced for those joining the virtual meeting from the public to identify themselves. District consultants Amy Skewes-Cox and James Martin from AICP Environmental Planning and District legal counsel, Morgan Biggerstaff were participating remotely and available for comments or questions on Action Item #7. Novato resident Don Rose from 6 Old Ranch Road also participated. Additionally, there were two members of the public that joined the meeting, but

36 they did not identify themselves.

37 **MINUTES**

38 On motion of Director Baker seconded by Director Petterle the Board approved minutes
39 from the October 6, 2020 meeting by the following vote:

40 AYES: Director Baker, Fraitas, Grossi, Joly and Petterle

41 NOES: None

42 ABSTAIN: None

43 ABSENT: None

44 **GENERAL MANAGER'S REPORT**

45 Dillon Beach Village Wastewater Study

46 Mr. McIntyre reminded the Board that at the September 15th meeting he gave an update
47 on Marin County's activities related to a Dillon Beach Village wastewater study. He advised the
48 Board that he had a recent video meeting on October 15th with Marin County Environmental
49 Health Services and their consultant to further discuss the county's efforts in this matter. Mr.
50 McIntyre stated that he used this video meeting opportunity to again remind County staff and their
51 consultant about District Board Policy 34 regarding future expansion of wastewater services in
52 West Marin. He stated it appears that the County of Marin still plans on submitting a grant
53 application to the state to fund a feasibility study to evaluate various wastewater treatment options
54 for the Village. Mr. McIntyre added one option would be to evaluate the feasibility for connection
55 to NMWD's Oceana Marin wastewater system. Mr. McIntyre stated he will continue to keep the
56 Board apprised with future grant application updates.

57 Director Baker commented that people will be more upset with us than the county when
58 they do the study and determine that it is not feasible in the foreseeable future to connect to the
59 District's Oceana Marin system. Director Baker added that we need to continue to voice our
60 concerns to the county about this issue.

61 West Marin Dry Year Conditions/Salinity Update

62 Mr. McIntyre reported that the water meter read data for August and September is now
63 being analyzed and it appears that actual consumption savings for the last two months is in the
64 range of 20+%. He noted a complete Dry Year Report will be given to the Board in December
65 and that Woodward Fire water use will be estimated. Mr. McIntyre stated, regarding salinity, the
66 numbers are still quite high and the Lab tests salinity levels weekly and is now publishing four
67 weeks of data in the Point Reyes Light on a weekly basis so customers can see how it is trending.

68 Director Grossi asked what water we are testing, blended or only the Coast Guard Well
69 water. Mr. McIntyre responded blended water through our distribution system and the sample is
70 taken in downtown Point Reyes Station at the old red barn location. Mr. Clark added the Lab also
71 analyzes raw water samples from each well, but that data does not get sent to the Point Reyes
72 Light. Director Joly asked if we have heard much from our West Marin customers in regards to
73 fires, smoke and salinity. Mr. McIntyre replied that we are still getting some taste complaints and
74 continue to hear from customers who are frustrated about the high salinity levels. He commented
75 on the article in the Point Reyes Light about Gallagher Well No. 2 under Miscellaneous in this
76 agenda. Director Joly noted the article stated that Well No. 2 will start producing mid-summer
77 2021, in order to meet that timeline, we will have to make every effort to make that possible. Mr.
78 McIntyre confirmed, pointing out however that permitting is the driving factor on meeting that goal.

79 **OPEN TIME**

80 President Joly asked if anyone from the public wished to bring up an item not on the
81 agenda, and there was no response.

82 **STAFF/DIRECTORS REPORTS**

83 Mr. Clark gave a PG&E PSPS update. He announced the prior week was the first
84 announced power shut off for the year, which did not affect Marin County. Mr. Clark added he
85 received another notice from PG&E on October 20th, but again Marin was not affected. He
86 apprised the Board that staff is, however, on standby and ready take required action as needed.

87 Mr. Clark announced he was working on grazing lease agreements that we renew every
88 couple of years. He notified the Board that there have been some changes in ownership so some
89 modifications will have to be made to the agreements and they will be presented to the Board at
90 the next meeting.

91 Director Joly asked Mr. Clark if he could give an update on the leak that occurred at the
92 Point Reyes Treatment Plant. Mr. Clark replied that he has given staff a copy of the final review
93 to comment on and they are still working on revisions and will have recommendations to update
94 the system. Mr. Clark stated however, currently the plant is holding up and he will bring an update
95 back to the Board at a future meeting.

96 Ms. Blue announced the District's outside auditor, Chris Brown, will be presenting the 2020
97 audit at the first Board of Director's Meeting in December.

98 Director Grossi stated he and Director Baker went on a site tour of the PRE-Tank 4A
99 during the third phase of the concrete wall pour with Mr. Jackson. He noted it was interesting to
100 see the area and all the activities associated with the project. Director Baker stated the process
101 seemed more complicated when you are actually there to see the pour. He added that he was

102 happy to see the progress and is sure the residents were happy to see the tank well on its way.

103 **MONTHLY PROGRESS REPORT**

104 The Monthly Progress Report for September was reviewed. Mr. McIntyre reported that
105 water production in Novato is down 20% from one year ago and there is some question as to the
106 accuracy of the billing data from SCWA. In West Marin, water production is down 4% from one
107 year ago. Recycled Water production is down 1% from one year ago. Stafford Treatment Plant
108 production for September is down 86% from one year ago. The Board was apprised that Stafford
109 Lake is at 31% capacity, Lake Sonoma is at 73% and Lake Mendocino is at 62% capacity. In
110 Oceana Marin effluent volume is up 44% from one year ago and irrigation field discharge was
111 0.656 MG compared to 0 MG one year ago. Under Safety and Liability, we had 99 days without
112 a lost time injury. Under Utility Performance Metric, Mr. McIntyre noted that there were twelve
113 polybutylene service lines replaced verses no copper service line replacements. On the Summary
114 of Complaints and Service Orders, the Board was apprised that total numbers are down 30% from
115 September one year ago and there were no unusual trends in complaints and service orders for
116 the month. He noted the numbers are down from last year, most likely a result of less consumer
117 system problems being identified in the second year of AMI implementation versus the first-year
118 roll-out of the new system. Mr. McIntyre added we received a 54% response rate on our
119 questionnaire with a 97% approval rating. He noted that even during COVID pandemic
120 conditions, staff are providing the services needed to our customers.

121 Ms. Blue reported on the September 2020 Investments, where the District's portfolio holds
122 \$23.2M earning a 1.00% average rate of return. Ms. Blue noted that during September the cash
123 balance increased by \$2,903,308. She also noted the LAIF rate is 0.69%.

124 **CONSENT ITEMS**

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

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

128 NOES: None

129 ABSTAIN: None

130 ABSENT: None

131 **RENEWAL OF HORIZON CATV LICENSE AGREEMENT**

132 The Board approved the renewal of Horizon CATV License Agreement. The Horizon
133 extension term is one-year from November 1, 2020 to October 31, 2021. The annual revenue
134 generated will be \$5,464.00.

135 **ACTION ITEMS**

136 **OLD RANCH ROAD TANK NO. 2 PROJECT – CONSIDER ADOPTION OF MITIGATED**
137 **NEGATIVE DECLARATION**

138 Mr. McIntyre provided a report to the Board for the Old Ranch Road Tank No. 2 project.
139 He reminded the Board that a Public Hearing was held at the January 7, 2020 meeting to review
140 the Draft Initial Study for the Old Ranch Road Tank No. 2 Project and receive public comment.
141 He noted the Draft Initial Study found that mitigation measures could be incorporated in the project
142 design to mitigate potential adverse impacts to a less than significant level. Mr. McIntyre
143 introduced District permitting consultants Amy Skewes-Cox and Jim Martin to provide additional
144 information.

145 Ms. Skewes-Cox advised that all impacts have been identified and mitigation measures
146 have been recommended. She added that most of the impact will be due to construction which
147 would affect air quality, nesting birds, archeological findings, ground shaking and erosion, fire,
148 etc. She noted there are a number of mitigation measures to address these impacts. Ms.
149 Skewes-Cox added comments from the public and the Board, and other agencies such as
150 California Department of Fish and Game (CDFW) were incorporated which included concerns
151 regarding northern spotted owls and removal of oaks. These comments were made at the hearing
152 at a previous Board meeting, and an additional concern was the damage to the road.

153 Mr. Martin stated there were some concerns from CDFW. The District had a site meeting
154 with them and provided follow up surveys that were done by Point Blue which contained both day
155 and night data on the northern spotted owls. CDFW was satisfied with the findings. The final
156 concern was tree loss, because the oak woodlands provide habitat for wildlife. During a site visit
157 it was apparent to CDFW that many of the trees had died from drought and it was a declining
158 unhealthy woodland, concluding and agreeing to a 1 to 1 replacement value. Additionally, the
159 French Broom plant must not become established. Mr. Martin said the regulatory agency staff
160 was pleased the District addressed all concerns.

161 Director Petterle stated he thought this was a good Initial Study and the caliber of work
162 was well done. He stated he has worked with wildlife throughout much of his life and suggested
163 the we shut down construction during high fire conditions. He asked what the construction
164 schedule was for this project and when it will begin. Mr. McIntyre replied the project is planning
165 to start in 2021, which is when the work was budgeted. He also stated that the District has
166 standard language added in many projects to not allow construction during red flag warnings for
167 extreme fire weather events and will do so for this project. Director Petterle stated he is not an
168 advocate of pesticides and it is tough to remove French Broom. Mr. Martin replied that staff can
169 slowly up root the plant and, in a year or two they will be able to get rid of it with no pesticides.

170 Director Joly asked what the construction timeline duration would be. Mr. McIntyre responded
171 that field construction will be around six months.

172 Mr. McIntyre reminded the Board there was a public hearing in January, and the public
173 could still provide comment tonight. He added that staff recommends approval of all three
174 recommendations and District legal counsel Morgan Biggerstaff is available if there are any
175 questions.

176 Director Joly asked if there was anyone from the public that wished to express any
177 comments. Mr. Don Rose a resident on Old Ranch Road stated he lives opposite the tank and
178 believes it will impact him more than the other residents. He stated he did not know about the
179 public hearing in January and wanted to join the meeting tonight to get more information and see
180 if he had any concerns. Mr. Rose stated he appreciated the use of buffers for the noise control,
181 however a concern he had with another resident, Nancy Moxie, was with damage to the road. He
182 stated it is mostly gravel and it seems like a lot of traffic with large equipment will be on the road
183 and they are concerned about damage. Mr. Rose wanted to know how the District plans to
184 mitigate or repair any damage after construction is completed. Mr. McIntyre responded this
185 question came up at the last meeting, noting the District as a matter of practice will assess the
186 condition of the road at the beginning of the project and at the end. He noted if there is any
187 damage caused from the project we will address it, it is the fair thing to do and we do it with all
188 District projects. Mr. Rose asked how damage is assessed, visually or with a soils engineer. Mr.
189 McIntyre replied visually, staff will look for cracks in the road, tire ruts, etc. Mr. Rose stated the
190 road in front of his house is in poor condition. He heard about our project so he postponed the
191 repair he was planning to do. Mr. Rose asked if there is an opportunity to get additional work
192 done outside from the repair. Mr. McIntyre replied, in the past if the District has a paving
193 contractor performing repairs on a private street we make outreach to the homeowners to see if
194 they want any additional repairs done at that time. The additional repairs would be paid by the
195 homeowner and they can make that decision at that time and often it can be a cost savings to
196 them. Director Joly thanked Mr. Rose for his comments.

197 Mr. McIntyre asked Mr. Biggerstaff if the three recommendations needed to be moved
198 separately or if it can be approved together. Mr. Biggerstaff replied all at once. Director Joly
199 thanked Ms. Skewes-Cox and Mr. Martin for a good presentation.

200 On the motion of Director Petterle, and seconded by Director Fraites the Board: (1)
201 approved the resolution certifying that the Mitigated Negative Declaration for the Old Ranch Road
202 Tank No. 2 Project which has been completed in accordance with applicable law and regulations
203 and adopt the Mitigated Negative Declaration; (2) approved the project including Mitigation

204 Monitoring or Reporting Program and (3) authorized staff to file the Notice of Determination with
205 the Marin County Clerk and the State Clearinghouse by the following vote:

206 AYES: Director Baker, Fraitas, Grossi, Joly and Petterle

207 NOES: None

208 ABSTAIN: None

209 ABSENT: None

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

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

213 Mr. McIntyre reminded the Board that staff has been operating under partial Emergency
214 Operations Center (EOC) activation since March 18th. Mr. McIntyre explained the County of Marin
215 continues at Tier 2 Level which is considered substantial. He stated in order to move to the next
216 less restricted tier, Tier 3, the county will need to meet new equity metrics and demonstrate
217 targeted investments to address disparities in the levels of transmission. He was happy to report
218 that no staff have been instructed to be isolated or are self-quarantined as a result of the
219 coronavirus. Mr. McIntyre reported the positivity rate in Marin County has decreased from 1.8%
220 to 1.5% over the last week which is less than the state goal of below 8% and the impact level is
221 ranked minimal. The seven-day average number of new cases has not changed from 4 per
222 100,000 residents over the last week and is very close to the states goal of less than 4 and the
223 impact level is still moderate. Mr. McIntyre added maximum workplace spacing continues and
224 walk in services remain suspended. He stated the delinquency rate is now estimated at 8%
225 versus 4% this time the prior year and Ms. Blue will have more details on this later on in the
226 agenda.

227 Director Grossi asked how the field staff were handling all of this. Mr. Arendell responded
228 that it is stressful for them not to have the time off since they are on call every third weekend,
229 however he is proud of them and they are taking care of business. Director Joly expressed that
230 the Board is proud of them too. Mr. Clark added his staff are also under stress especially since
231 maintenance had one co-worker out with an injury. He said that employee recently returned to
232 work and it has made a huge positive impact. Additionally, he stated many of the staff took some
233 vacation time in the fall and they came back re-energized. He added the lab is also down one
234 person and that is putting an extra amount of work and stress on the existing staff. Director Joly
235 stated 85% of staff are now on site and in the field, and 15% are teleworking, asking if those
236 teleworking staff are working remotely 100% of the time. Mr. McIntyre explained some are, but
237 most staff teleworking are also working in the office one to three days a week. He added we are

238 doing what we can to keep physical separation and protect the health and safety of our
239 employees. Director Joly stated these are extraordinary times and thankfully none of our staff
240 have been affected by the virus.

241 On the motion of Director Baker, and seconded by Director Grossi the Board approved
242 renewal of the Declaration of Local Emergency Related to COVID-19 Pandemic by the following
243 vote:

244 AYES: Director Baker, Fraitas, Grossi, Joly and Patterle

245 NOES: None

246 ABSTAIN: None

247 ABSENT: None

248 **INFORMATION ITEMS**

249 **STRATEGIC PLAN PROGRESS REPORT – YEAR 2 REVIEW (FY 2019-20)**

250 Mr. McIntyre reviewed the Strategic Plan Progress Report 2 Year Review (FY 2019-20).
251 He reminded the Board that at the June 19, 2018 meeting, the Board approved the five-year
252 Strategic Plan through FY 2022-23 and implementation schedule which included annual updates
253 and commitment to review and update the Strategic Plan every five years. He noted that six
254 major goals were also identified along with forty-three associated objectives/action items. Mr.
255 McIntyre summarized the objectives of the six major goals which includes: 1) Water Supply,
256 Quality and Reliability; 2) Customer Engagement and Service; 3) Operations, Asset Management
257 and Infrastructure; 4) People, Technology and Equipment; 5) Rates and Finance and 6)
258 Emergency Planning and Resilience.

259 Mr. McIntyre reviewed the four objectives that were behind scheduled adding that most of
260 the planned activities have been completed or in progress. Director Joly asked if staff have done
261 work on evaluating the merits of transferring commercial fire services from District owned to
262 private owned. Mr. McIntyre responded our cross-connection control program revisions are on
263 hold until we have an opportunity to review the new state requirements that have yet to be issued.
264 Mr. Clark added that he has been attending AWWA committee meetings on this subject and they
265 are in communication with the state and the State's manual for Title 17 was supposed to be
266 reviewed in August, it has since been pushed to November and looks like it will be pushed out
267 again.

268 Director Patterle asked if there has been any further discussion with MMWD about
269 Soulajule Reservoir. Mr. McIntyre replied that in the last year their staff and Board seem more
270 receptive. He added it will be interesting to hear what the water contractors have to say when the
271 Regional Resiliency Water Supply Study comes out.

272 **ACCOUNTS RECEIVABLE ANALYSIS**

273 Ms. Blue presented the Accounts Receivable Analysis. Julie updated the Board on the
274 current status of customer account delinquencies due to the changes to revisions to the shut-off
275 policy (Board Policy No. 6), Executive Order N-42-20 and to the overall state of the economy due
276 to the COVID-19 pandemic. Ms. Blue stated the analysis includes the changes made prior to the
277 pandemic due to SB 998 which related to the time period the District is allowed until they can shut
278 off water for nonpayment. In April, the Governor signed an execute order due to COVID which
279 does not allow us to shut off water and reminded the Board in June they approved a plan to
280 postpone shut-offs once the Executive Order expires and the set up a twenty-four-month payment
281 plan.

282 Ms. Blue noted that in August of 2019 the delinquent rate was lower, partially because we
283 could not shut off water to consumers for non-payment. Since that time the past due rate has
284 increased from 4.1% in August of 2019 to 8.1% in August of 2020. Director Joly asked if the
285 delinquency is mostly in Novato. Ms. Blue stated it is all of Novato, she did not include West
286 Marin or Recycled Water because the delinquency rate had not increased in those service areas.
287 Director Joly asked if people are making any effort to pay as the delinquency balance increases.
288 Ms. Blue replied some are requesting payment plans and others are not paying possibly because
289 they know we cannot shut them off. Director Grossi asked if we are looking at a bigger problem
290 as COVID persists. Ms. Blue stated that we could be looking at a bigger problem, adding we
291 don't know what is ahead or what we can do to collect the past due amounts for customers that
292 don't pay their bills. She stated she is working with legal counsel to make sure we are complying
293 with state laws and to put in a plan for customers that are not paying. Ms. Blue stated currently
294 there are eight customers who signed up for a payment plan. Staff is exploring the possibility of
295 sending the others to collection.

296 Director Joly stated many businesses are going out of business and wondered what their
297 delinquency rate looks like. Ms. Blue replied that for those that go through bankruptcy we will
298 need to follow the direction provided in the bankruptcy notices which include writing off past due
299 balances. She stated that this analysis includes all customers and does not break out commercial
300 from residential. Director Joly asked if the analysis was before the rate increase. Ms. Blue
301 confirmed, and also added that it was also before the catch-up bills issued on September 30,
302 2020. Director Grossi asked if we have the ability to lien properties, or if owners could be
303 responsible for their renters. Ms. Blue replied we would have to look into that and see what steps
304 we would need to take and figure out which accounts are owner occupied and which are renters.
305 Director Joly stated COVID started in March, but in February we were already seeing an increase

306 in delinquency. Ms. Blue reminded the Board that is because we changed our shut off policy due
307 to the state mandate prior to COVID and that made an impact. Director Joly requested Ms. Blue
308 keep the Board apprised on this once a month. Ms. Blue stated she can give a verbal update in
309 November. Director Joly stated providing a verbal update on the trend was fine.

310 **MISCELLANEOUS**

311 The Board received the following miscellaneous items: Disbursements – Dated October
312 8, 2020, Disbursements – Dated October 15, 2020, Salinity Notice – Point Reyes Light - October
313 1, 2020 and Salinity Notice – Point Reyes Light - October 8, 2020.

314 The Board received the following news articles: Marin IJ - MMWD board candidates see
315 funding, climate as top issues; Marin IJ - Housing mandate estimate balloons; Marin IJ – Marin
316 Voice – Water District ready to deliver amid threats of fire, drought; Point Reyes Light – Relief on
317 the horizon for dramatically salty Point Reyes water; Marin IJ – Fire fully contained in national
318 seashore – West Marin; Marin IJ – Editorial - Lubamersky a good pick for water board; Marin IJ –
319 Below-normal rain forecast increases fire fears in Marin – Winter Months; Point Reyes Light -
320 Lawson’s Landing gets state approval for major upgrades and Point Reyes Light – Inverness and
321 Bolinas step up water restrictions, warn of rationing.

322 Director Pettele reminded Mr. McIntyre and the Board that at the last meeting he
323 requested a short agenda for the November 3rd meeting since it will be election night. Mr. McIntyre
324 replied he is aware of the request and will do what he can to keep it light. Director Joly agreed it
325 should be light and fast moving. He commented that the agenda on November 17th will be a busy
326 session.

327 **ADJOURNMENT**

328 President Joly adjourned the meeting at 7:50 p.m.

329 Submitted by

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332 Theresa Kehoe
333 District Secretary

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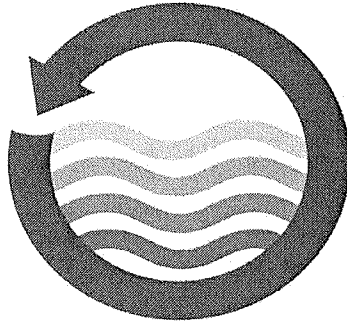
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NORTH MARIN WATER DISTRICT



FINANCIAL STATEMENT FISCAL YEAR 2020-21

September 30, 2020

**NORTH MARIN WATER DISTRICT
FINANCIAL STATEMENTS
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MEMORANDUM

To: Drew McIntyre, General Manager

October 30, 2020

From: Reviewed by: Julie Blue, Auditor-Controller

Prepared by: Nancy Holton, Accounting Supervisor and Nancy Williamson, Senior Accountant

Subj: Information – FY20/21 September Financial Statement

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FISCAL YEAR PERFORMANCE COMPARED TO THE ANNUAL BUDGET

<u>CONSOLIDATED SUMMARY</u>	Sep-20	FY20/21	FY20/21	FYTD /
<u>Actual vs. Budget</u>	<u>Actual</u>	<u>Actual YTD</u>	<u>Budget</u>	<u>Budget %</u>
Operating Revenue	\$2,564,602	\$7,980,705	\$22,646,000	35%
Operating Expense	1,960,290	6,193,799	21,598,000	29%
Non-Operating Revenue / (Expense)	(3,923)	(55,143)	(199,000)	28%
Net Income / (Loss)	\$600,390	\$1,731,763	\$849,000	204%
Other Sources / (Uses)*	2,293,587	(686,875)	(4,817,000)	14%
Cash Increase / (Decrease)	\$2,893,977	\$1,044,888	(\$3,968,000)	-

* See Page 8.

For the first quarter of fiscal year 2020-2021, the District generated a net income of \$1,731,763 and saw a net cash increase of \$1,044,888. On a seasonally adjusted basis, Operating Revenue came in 8% over budget and Operating Expense came in 3% over budget. \$980,079 (14%) of the Capital Improvement Projects Budget was expended this fiscal year. At month end the ratio of total cash to budgeted annual operating expense (sans depreciation) stood at 131%.

**SUMMARY INCOME STATEMENTS BY SERVICE AREA
PRESENTED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPALS**

<u>NOVATO WATER</u>	Sep-20	FY20/21	FY19/20	FY21 vs 20
<u>Year over Year Comparison</u>	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$2,252,412	\$6,924,981	\$6,072,240	14%
Operating Expense	1,709,906	5,395,015	5,062,669	7%
Other Income / (Expense)	7,685	(14,205)	(44,546)	(68%)
Net Income / (Loss)	\$550,192	\$1,515,760	\$965,024	57%
Active Accounts	20,561	20,561	20,541	(0%)
Consumption (MG)	286	892	838	7%
Average Commodity Rate / 1,000 gal	\$5.61	\$6.09	\$5.71	7%
Income / (Loss) / Active Account	\$26.76	\$73.72	\$46.98	57%
Income / (Loss) / 1,000 Gal	\$1.92	\$1.70	\$1.15	47%
Connection Fee Revenue	\$1,633,400	\$1,643,400	\$896,600	83%
FRC Transfer (to)/from Recycled Water	\$0	(\$216,362)	(\$218,155)	(1%)
Caltrans Capital Contribution	\$2,340	\$8,100	\$90	8900%
MMWD AEEP Capital Contribution	\$0	\$205,320	\$205,320	0%
Developer 'In-Kind' Contributions	\$70,526	\$139,252	\$414,390	(66%)

Consumption for the fiscal year to date was 7% more than the prior year same period. Total operating revenue, which includes wheeling and other miscellaneous service charges, increased 14% (\$852,741) from the prior year same period. Total operating expense was \$332,346 more than last year same period.

The Stafford Treatment Plant produced 203 MG this fiscal year-to-date at a cost of \$2,531/MG¹ versus \$3,071/MG³ from SCWA. The budget for Stafford is 650 MG at a cost of \$3,305/MG.

Staff time (hours) charged to Novato operations was the same as last year. Salary and benefit cost was \$1,497,385, which was 23% of the \$6,514,000 budget for Novato operations.

The fiscal year net income (which includes non-operating items such as interest revenue and expense) of \$1,515,760 compares to a budgeted net income for the year of \$546,000 and to a net income of \$965,024 for the prior year. \$266,723 (5%) of the Novato Water Capital Improvement Project Budget was spent versus \$303,689 (7%) for the prior year. \$1,643,400 in connection fees have been collected (\$486,000 is budgeted). Connection Fee reserves totaling \$216,362 were transferred this fiscal year from the Novato Water Fund to the Recycled Water Fund. The Novato Connection Fee Reserve has a net deficit of \$5,314,048 arising from transfers to the RW Fund in advance of Connection Fee receipts. This is down from a net deficit of \$7,146,992 last year. That deficit will be reimbursed by future Connection Fee revenue. The Novato cash balance increased \$2,948,712 in September, and stood at \$17,601,567 at month end, compared to a budgeted projection of \$13,079,000 at fiscal year-end.

NOVATO RECYCLED	Sep-20	FY20/21	FY19/20	FY21 vs 20
Year over Year Comparison	Actual	Actual YTD	Actual YTD	Up/(Down)
Operating Revenue	\$202,923	\$692,263	\$596,071	16%
Operating Expense	144,301	503,267	293,680	71%
Other Income / (Expense)	(13,400)	(45,105)	(28,892)	56%
Net Income / (Loss)	<u>\$45,222</u>	<u>\$143,892</u>	<u>\$273,499</u>	(47%)
Active Accounts	94	94	91	3%
Consumption (MG)	32.4	112.4	96.7	16%
Average Commodity Rate / 1,000 gal (net)	\$5.97	\$5.97	\$5.97	(0%)
Deer Island Production (MG)	3.0	3.0	6.4	(53%)
Novato Sanitary Production (MG)	54.5	92.1	69.2	33%
Las Gallinas Production (MG)	6.2	16.5	24.1	(31%)
Potable Water Input (MG)	1.6	9.1	0.0	-

112.4 MG was delivered to RW customers this fiscal year-to-date, 16% more than the prior year. Operating revenue was 16% more than last year. Total operating expense was 71% more than the prior year same period. The recycled water was produced at a cost of \$1,979/MG² (including potable water consumed) versus \$3,071/MG³ from SCWA. The budgeted production cost of recycled water is \$2,023/MG.

The fiscal year net income of \$143,892 compares to a budgeted net loss for the year of \$19,000 and a net income of \$273,499 for the prior year same period. None of the Capital Improvement Project Budget has been expended this fiscal year-to-date.

The Novato Recycled cash balance stood at \$4,882,802 at month end, \$4.2M of which amount resides in restricted reserves for debt service, the Deer Island Facility Replacement Fund and the Recycled Water Capital Replacement and Expansion Fund.

¹ Stafford production cost = TP op expense (\$316,453) + SRF loan interest (\$50,681) + plant depreciation (\$146,687) / 203 MG produced

² Recycled Water production cost = purchased water cost (\$191,696) + treatment expense (\$8,192) + Deer Island RW Facility SRF loan interest (\$10,558) + Deer Island plant depreciation (\$28,980) / 121 MG produced

³ SCWA production cost per MG = O&M charge (\$2,512) + debt service charge (\$207) + Russian River conservation charge (\$326) + Russian River projects charge (\$27)

WEST MARIN WATER	Sep-20	FY20/21	FY19/20	FY21 vs 20
Year over Year Comparison	Actual	Actual YTD	Actual YTD	Up/(Down)
Operating Revenue	\$86,335	\$294,665	\$317,741	(7%)
Operating Expense	89,669	249,101	176,978	41%
Other Income / (Expense)	313	951	13,917	(93%)
Net Income / (Loss)	<u>(\$3,021)</u>	<u>\$46,515</u>	<u>\$154,680</u>	(70%)
Active Accounts	782	782	783	(0%)
Consumption (MG)	6.4	21.4	23.1	(7%)
Average Commodity Rate / 1,000 gal (net)	\$10.98	\$11.47	\$11.66	(2%)
Income/ (Loss) / Active Account	(\$3.86)	\$59.48	\$197.55	(70%)
Income / (Loss) / 1,000 Gal	(\$0.47)	\$2.17	\$6.70	(68%)
Connection Fee Revenue	\$0	\$0	\$0	-
Developer 'In-Kind' Contributions	\$0	\$0	\$0	-

Consumption for the fiscal year was 7% less than the prior year. Operating revenue of \$294,665 was 7% less than prior year.

Operating expenditures were \$72,123, or 41% more than the previous year same period. The fiscal year net income of \$46,515 compares to a budgeted annual net income of \$237,000 and to a net income of \$154,680 for the prior year same period. \$980,079 of the Capital Improvement Project Budget was expended this fiscal year-to-date, and no connection fees were collected (\$23,000 is budgeted). The West Marin Water cash balance decreased \$151,934 in September and stood at \$554,926 at month end, compared to a budgeted projection of \$386,000 at June 30, 2021.

OCEANA MARIN SEWER	Sep-20	FY20/21	FY19/20	FY21 vs 20
Year over Year Comparison	Actual	Actual YTD	Actual YTD	Up/(Down)
Operating Revenue	\$22,932	\$68,796	\$65,286	5%
Operating Expense	16,413	46,416	53,000	(12%)
Other Income / (Expense)	1,478	3,216	4,045	(21%)
Net Income / (Loss)	<u>\$7,997</u>	<u>\$25,596</u>	<u>\$16,331</u>	57%
Active Accounts	235	235	235	0%
Monthly Sewer Service Charge	\$98	\$293	\$93	215%
Income / (Loss) / Active Account	\$34.03	\$108.92	\$69.49	-
Connection Fee Revenue	\$0	\$0	\$0	-

Operating revenue of \$68,796 was 5% more than the previous year due to the 5% rate increase effective July 1, 2020. Operating expenditures were 12% \$6,584 less than the previous year. The fiscal year-to-date net income of \$25,596 compares to a budgeted annual net income of \$85,000 and to a net income of \$16,331 for the prior year. \$16,115 of the Capital Improvement Project Budget has been expended this fiscal year-to-date.

No connection fees have been collected (\$0 is budgeted). The Oceana Marin cash balance decreased \$12,436 in September and stood at \$254,410 at month end, compared to a budgeted projection of \$387,000 at June 30, 2021.

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
ASSETS					
Cash & Investments					
Unrestricted/Undesignated Cash	\$2,702,998	\$1,949,702	\$483,041	\$90,843	\$179,411
Restricted Cash (Note 1)					
Connection Fee Fund	\$0	\$0	\$0	\$0	\$0
Bank of Marin Project Fund	\$178,929	\$17,993	\$0	\$160,936	\$0
AMI Project Loan Fund	\$0	\$0	\$0	\$0	\$0
Deer Island RWF Replacement Fund	\$1,767,087	\$0	\$1,767,087	\$0	\$0
Capital Replacement & Expansion Fund	\$1,561,481	\$0	\$1,561,481	\$0	\$0
Tax Receipts Held in Marin Co Treasury	\$629	\$0	\$0	\$574	\$56
STP SRF Reserve-Marine Co Treasury	\$1,048,761	\$1,048,761	\$0	\$0	\$0
RWS North/South SRF Reserve Fund	\$614,299	\$0	\$614,299	\$0	\$0
RW Central Area SRF Reserve Fund	\$275,773	\$0	\$275,773	\$0	\$0
Designated Cash (Note 2)					
Liability Contingency Fund	\$1,430,370	\$1,331,485	\$0	\$98,885	\$0
Workers' Compensation Fund	\$532,750	\$501,996	\$8,122	\$16,689	\$5,943
Retiree Medical Benefits Fund	\$4,658,025	\$4,658,025	\$0	\$0	\$0
Maintenance Accrual Fund	\$2,500,000	\$2,500,000	\$0	\$0	\$0
Operating Reserve Fund	\$5,940,000	\$5,511,000	\$173,000	\$187,000	\$69,000
Total Cash	\$23,211,100	\$17,518,962	\$4,882,802	\$554,926	\$254,410
Gain/(Loss) on MV of Investments	\$82,605	\$82,605	\$0	\$0	\$0
Market Value of Cash & Investments	\$23,293,706	\$17,601,567	\$4,882,802	\$554,926	\$254,410
Current Assets					
Net Receivables - Consumers	\$4,560,984	\$4,001,856	\$471,595	\$18,737	\$68,796
Accrued Water Sales	471,758	276,982	19,857	174,919	0
Accounts Receivable-Other	706,887	70,720	24,827	336,398	274,943
Prepaid Expense	957,384	956,860	0	0	523
Reimbursable Small Jobs	79,129	78,287	0	842	0
Interest Receivable	73,251	73,251	0	0	0
Inventories	597,465	597,465	0	0	0
Deposits Receivable	23,671	23,671	0	0	0
Total Current Assets	\$7,470,530	\$6,079,093	\$516,279	\$530,897	\$344,262

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**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Loans Receivable					
Employee Loans (Note 3)	\$525,051	\$525,051	\$0	\$0	\$0
Other Long Term Receivables (Note 4)	3,549,969	2,224,108	1,325,861	0	0
Loans Receivable	\$4,075,377	\$2,749,159	\$1,325,861	\$0	\$0
Property and Plant					
Land & Land Rights	\$1,473,091	\$1,368,872	\$0	\$103,411	\$808
Dam, Lake, & Source Facilities	5,675,845	5,183,433	0	492,412	0
Treatment Facilities	22,604,626	18,625,907	2,666,198	454,159	858,362
Storage Facilities	24,593,098	20,844,117	1,643,458	2,105,523	0
Transmission Facilities (16"+)	29,405,627	29,283,304	0	122,324	0
Distribution and Pumping Facilities	107,265,963	69,901,573	31,455,961	5,908,429	0
Sewer Mains, Pumps, & Laterals	1,258,111	0	0	0	1,258,111
Sub-Total	\$192,276,361	\$145,207,205	\$35,765,617	\$9,186,257	\$2,117,282
Less Accumulated Depreciation (Note 5)	(60,779,164)	(51,063,117)	(4,450,352)	(4,163,037)	(1,102,658)
Net Property and Plant	\$131,497,197	\$94,144,088	\$31,315,265	\$5,023,220	\$1,014,624
Buildings and Equipment (Note 6)					
Buildings	\$2,119,365	\$2,119,365	\$0	\$0	\$0
Office Equipment	840,251	840,251	0	0	0
Laboratory Equipment	313,376	313,376	0	0	0
Trucks & Automobiles	1,253,081	1,253,081	0	0	0
Construction Equipment	974,660	974,660	0	0	0
Tools, Shop Equipment	220,890	220,890	0	0	0
Sub-Total	\$5,721,624	\$5,721,624	\$0	\$0	\$0
Less Accumulated Depreciation (Note 5)	(4,392,991)	(4,392,991)	0	0	0
Net Buildings and Equipment	\$1,328,633	\$1,328,633	\$0	\$0	\$0
Construction In Progress					
Developer	\$1,294,543	\$1,294,543	\$0	\$0	\$0
District	4,498,962	1,697,657	470,660	2,070,001	260,644
Total Construction in Progress	5,793,505	2,992,200	470,660	2,070,001	260,644
Net Utility Plant	138,619,335	98,464,920	31,785,925	7,093,221	1,275,268
Deferred Outflow of Resources-GASB68	2,795,641	2,795,641	0	0	0
Deferred Outflow of Resources-GASB75	341,851	341,851	0	0	0
TOTAL ASSETS	\$176,596,083	\$128,032,232	\$38,510,868	\$8,179,044	\$1,873,939

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**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
LIABILITIES AND NET ASSETS					
Current Liabilities					
Trade Accounts Payable	\$1,559,135	\$1,382,444	\$151,090	\$25,601	\$0
Reimbursement Prog. Unclaimed Funds	163,261	152,161	0	11,100	0
Loan Debt Principal Payable-Current	1,661,028	848,442	812,586	0	0
Bank of Marin Principal Payable-Current	384,431	335,223	0	49,207	0
JP Morgan/Chase AMI Loan-Current	270,000	270,000	0	0	0
Accrued Interest Payable-SRF Loan	179,418	50,681	128,737	0	0
JP Morgan/Chase AMI Loan Interest Payable	9,307	9,307	0	0	0
Deposits/Performance Bonds	373,187	340,370	0	29,817	3,000
Unemployment Insurance Reserve (Note 8)	23,491	23,491	0	0	0
Workers' Comp Future Claims Payable	23,440	21,682	656	797	305
Payroll Benefits (Note 9)	983,710	902,587	30,286	36,776	14,061
Deferred Revenue	206,388	0	0	0	206,388
Total Current Liabilities	\$5,836,796	\$4,336,389	\$1,123,355	\$153,298	\$223,754
Restricted Liabilities					
Construction Advances	\$746,060	\$714,460	\$0	\$31,600	\$0
Total Restricted Liabilities	\$746,060	\$714,460	\$0	\$31,600	\$0
Long Term Liabilities (Note 7)					
JP Morgan/Chase AMI Loan Payable	\$3,830,000	\$3,830,000	\$0	\$0	\$0
STP Rehab SRF Loan	7,564,614	7,564,614	0	0	0
RWF SRF Loan	1,510,788	0	1,510,788	0	0
RWS North/South Expansion SRF Loan	6,224,853	0	6,224,853	0	0
RWS Central Expansion SRF Loan	6,497,101	0	6,497,101	0	0
Bank of Marin Loan	4,709,376	4,106,576	0	602,800	0
Net Pension Liability @ 6/30/20	13,653,187	13,653,187	0	0	0
Total OPEB Liability (Note 2)	4,658,025	4,658,025	0	0	0
Total Long Term Liabilities	\$48,647,945	\$33,812,402	\$14,232,743	\$602,800	\$0
Deferred Inflow of Resources-GASB 68	801,855	801,855	0	0	0
Deferred Inflow of Resources-GASB 75	121,829	121,829	0	0	0
TOTAL LIABILITIES	\$56,154,485	\$39,786,935	\$15,356,098	\$787,698	\$223,754

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Net Assets					
Invested in Capital Assets					
Contributions in Aid of Construction	\$85,843,007	\$77,214,776	\$5,810,128	\$2,138,348	\$679,755
Grants in Aid of Construction	13,551,937	426,448	9,961,904	3,163,585	0
Connection Fees	40,838,836	28,180,670	10,149,559	1,769,457	739,151
Total Investment	\$140,233,780	\$105,821,895	\$25,921,590	\$7,071,389	\$1,418,905
Restricted Reserves					
Connection Fee Fund	(\$5,859,081)	(\$5,314,048)	\$0	(\$299,578)	(\$245,455)
Bank of Marin Project Fund	178,929	17,993	0	160,936	0
Deer Island RWF Replacement Fund	1,767,087	0	1,767,087	0	0
Capital Replacement & Expansion Fund	1,561,481	0	1,561,481	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	275,773	0	275,773	0	0
Designated Reserves					
Liability Contingency Fund	1,430,370	1,331,485	0	98,885	0
Maintenance Accrual Fund	2,500,000	2,500,000	0	0	0
Workers' Compensation Fund	509,308	480,313	7,465	15,892	5,638
Retiree Medical Benefits Fund	2,759,513	2,759,513	0	0	0
Operating Reserve Fund	5,940,000	5,511,000	173,000	187,000	69,000
Earned Surplus - Prior Yrs	(33,038,563)	(26,240,076)	(7,258,665)	81,596	378,582
Net Income/(Loss)	1,731,763	1,515,760	143,892	46,515	25,596
Transfer (To)/From Reserves (see below)	(163,059)	(138,537)	(51,151)	28,710	(2,080)
Total Restricted & Designated	(\$19,792,182)	(\$17,576,597)	(\$2,766,821)	\$319,956	\$231,280
TOTAL NET POSITION	\$120,441,598	\$88,245,297	\$23,154,770	\$7,391,346	\$1,650,185
Transfer (To)/From Reserves					
Connection Fee	0	0	0	0	0
AMI Project Fund	0	0	0	0	0
Liability Reserve	0	0	0	0	0
Capital Replacement & Expansion Fund	0	0	0	0	0
Maintenance Reserve	0	0	0	0	0
RWF Replacement Fund	(46,024)	0	(46,024)	0	0
Retiree Medical Insurance Fund	0	0	0	0	0
(Gain)/Loss WC Fund	(6,929)	(6,500)	(127)	(222)	(80)
Bank of Marin Project Fund	34,894	1,962	0	32,932	0
Operating Reserve Fund	(145,000)	(134,000)	(5,000)	(4,000)	(2,000)
Total Transfer	(\$163,059)	(\$138,537)	(\$51,151)	\$28,710	(\$2,080)
TOTAL LIABILITIES AND FUND BALANCE					
	\$176,596,083	\$128,032,232	\$38,510,868	\$8,179,044	\$1,873,939

**NORTH MARIN WATER DISTRICT
SOURCES AND USES OF FUNDS STATEMENT - ALL SERVICE AREAS COMBINED
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	YTD Actual	Annual Budget	YTD/ Budget %	Prior YTD Actual
OPERATING REVENUE				
Water Sales	\$6,347,634	\$16,330,000	39%	\$5,633,381
Bimonthly Service Charge	1,469,796	5,610,000	26%	1,242,958
Sewer Service Charge	68,796	276,000	25%	65,286
Wheeling & Misc Service Charges	94,479	430,000	22%	109,713
TOTAL OPERATING REVENUE	\$7,980,705	\$22,646,000	35%	\$7,051,338
OPERATING EXPENDITURES				
Source of Supply	\$2,240,797	\$6,286,000	36%	\$1,902,161
Pumping	179,711	567,000	32%	138,996
Operations	304,455	857,000	36%	187,239
Water Treatment	556,529	2,628,000	21%	631,687
Sewer Service	23,320	178,000	13%	31,035
Transmission & Distribution	869,973	3,694,000	24%	798,011
Consumer Accounting	115,576	683,000	17%	124,783
Water Conservation	85,555	408,000	21%	76,992
General & Administrative	835,392	2,520,000	33%	834,531
Depreciation	982,491	3,777,000	26%	860,892
TOTAL OPERATING EXPENDITURES	\$6,193,799	\$21,598,000	29%	\$5,586,327
NET OPERATING INCOME (LOSS)	\$1,786,906	\$1,048,000	171%	\$1,465,011
NON-OPERATING REVENUE/(EXPENSE)				
Tax Proceeds	\$1,618	\$118,000	1%	\$1,531
Interest Revenue	85,144	316,000	27%	127,589
Miscellaneous Revenue	47,768	135,000	35%	19,975
Bond & Loan Interest Expense	(189,493)	(748,000)	25%	(203,920)
Miscellaneous Expense	(181)	(20,000)	1%	(651)
Capital Contribution Expense-NSD & LGVSD	0	0	-	0
TOTAL NON-OP REVENUE/(EXPENSE)	(\$55,143)	(\$199,000)	28%	(\$55,476)
NET INCOME/(LOSS)	\$1,731,763	\$849,000	204%	\$1,409,535
OTHER SOURCES/(USES) OF FUNDS				
Add Depreciation Expense	\$982,491	\$3,777,000	26%	\$860,892
Connection Fees	1,643,400	509,000	323%	896,600
Loan Proceeds	0	647,000	0%	0
Grant Proceeds	0	0	-	0
Marin County Club Loan Principal Pmts	12,445	0	-	12,259
StoneTree RWF Loan Principal	0	0	-	37,438
Caltrans AEEP Capital Contribution	8,100	1,000	810%	90
MMWD AEEP Capital Contribution	205,320	205,000	100%	205,320
Capital Equipment Expenditures	(70,404)	(699,000)	10%	(277,090)
Capital Improvement Projects	(980,079)	(6,862,000)	14%	(405,337)
Bond & Loan Principal Payments	(251,208)	(2,395,000)	10%	(244,350)
Change in Working Capital	(2,236,938)	0	-	(1,560,502)
TOTAL OTHER SOURCES/(USES)	(\$686,875)	(\$4,817,000)	14%	(\$474,679)
CASH INCREASE/(DECREASE)	\$1,044,888	(\$3,968,000)	-	\$934,855

**NORTH MARIN WATER DISTRICT
INCOME STATEMENT AND CASH FLOW BY SERVICE AREA
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

<u>SUMMARY INCOME STATEMENT</u>	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Operating Revenue	\$7,980,705	\$6,924,981	\$692,263	\$294,665	\$68,796
Operating Expense	6,193,799	5,395,015	503,267	249,101	46,416
OPERATING INCOME/(LOSS)	\$1,786,906	\$1,529,965	\$188,996	\$45,564	\$22,380
Non-Operating Revenue/(Expense)	(55,143)	(14,205)	(45,105)	951	3,216
NET INCOME/(LOSS)	\$1,731,763	\$1,515,760	\$143,892	\$46,515	\$25,596

CAPITAL CONTRIBUTIONS

Developer In-Kind Contributions	\$139,252	\$139,252	\$0	\$0	\$0
Caltrans AEEP Capital Contributions	8,100	8,100	0	0	0
MMWD Capital Contribution	205,320	205,320	0	0	0
Connection Fees	1,643,400	1,643,400	0	0	0
FRC Transfer	0	(216,362)	216,362	0	0
CAPITAL CONTRIBUTIONS	\$1,996,072	\$1,779,711	\$216,362	\$0	\$0
Prior Period Adjustments	0	0	0	0	0
CHANGE IN NET POSITION	\$3,727,835	\$3,295,471	\$360,253	\$46,515	\$25,596
Net Position June 30, 2020	116,713,763	84,949,826	22,794,516	7,344,831	1,624,590
Net Position September 30, 2020	\$120,441,598	\$88,245,297	\$23,154,770	\$7,391,346	\$1,650,185

CASH FLOW STATEMENT

Net Income/(Loss)	\$1,731,763	\$1,515,760	\$143,892	\$46,515	\$25,596
Add back Depreciation	982,491	706,203	214,532	50,663	11,093
Cash Generated From Operations	\$2,714,254	\$2,221,964	\$358,424	\$97,178	\$36,688
Other Sources (Uses) of Funds					
Connection Fee Revenue	\$1,643,400	\$1,643,400	\$0	\$0	\$0
Loan Proceeds	0	0	0	0	0
Grant Proceeds	0	0	0	0	0
Capital Assets Acquisition	(1,050,483)	(337,127)	0	(697,241)	(16,115)
Caltrans AEEP Capital Contribution	8,100	8,100	0	0	0
MMWD AEEP Capital Contribution	205,320	205,320	0	0	0
Marin Country Club Loan Principal Pmts	12,445	0	12,445	0	0
Principal Paid on Debt	(251,208)	(82,071)	(157,090)	(12,047)	0
Consumer Receivables Decr (Incr)	(2,995,021)	(2,897,989)	(100,363)	72,127	(68,796)
Construction Advances (Decr) Incr	199,056	178,956	(10,000)	30,100	0
Other Assets Decr (Incr)	1,833,603	2,138,996	(10,733)	(88,799)	(205,862)
Other Liabilities (Decr) Incr	63,774	(161,312)	19,492	(1,763)	207,358
Trade Accounts Payable (Decr) Incr	(1,338,351)	(1,449,123)	103,146	7,627	0
Connection Fee Transfer	0	(216,362)	216,362	0	0
Total Other Sources (Uses)	(\$1,669,366)	(\$969,213)	\$73,259	(\$689,997)	(\$83,415)
Net Cash Provided (Used)	\$1,044,888	\$1,252,751	\$431,683	(\$592,819)	(\$46,727)
MV Cash & Investments June 30, 2020	\$22,248,817	\$16,348,817	\$4,451,119	\$1,147,745	\$301,137
MV Cash & Investments Sept 30, 2020	\$23,293,706	\$17,601,567	\$4,882,802	\$554,926	\$254,410

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	SEPTEMBER 2020	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$1,610,817	\$5,441,571	38%	\$4,799,359
Bill Adjustments	(4,117)	(10,693)	15%	(13,018)
Bimonthly Service Charges	615,907	1,400,777	26%	1,177,306
Account Turn-on Charges	0	0	0%	23,474
New Account Charges	1,385	2,205	32%	2,090
Returned Check Charges	0	45	5%	234
Hydrant Meter Up/Down Charges	400	1,700	34%	2,000
Backflow Service Charges	15,432	40,638	29%	37,197
Lab Service-Outside Clients	3,347	12,841	39%	11,644
Wheeling Charges - MMWD	9,241	35,896	37%	31,954
TOTAL OPERATING REVENUE	\$2,252,412	\$6,924,981	34%	\$6,072,240
TOTAL EXPENDITURES				
SOURCE OF SUPPLY				
Supervision & Engineering	\$485	\$2,152	20%	\$1,842
Operating Expense - Source	600	1,544	11%	2,649
Maint/Monitoring of Dam	106	18,759	15%	28,641
Maint of Lake & Intakes	0	1,287	6%	2,610
Maint of Structures	0	0	0%	0
Maint of Watershed	0	2,658	6%	354
Water Quality Surveillance	79	79	1%	85
Erosion Control	0	0	-	0
Ground Water Well Monitoring	0	0	-	0
Purchased Water	681,364	2,051,744	36%	1,725,978
SOURCE OF SUPPLY	\$682,634	\$2,078,223	35%	\$1,762,158
PUMPING				
Operating Expense - Pumping	\$0	\$0	0%	
Maint of Structures & Grounds	\$6,742	\$11,758	37%	\$3,531
Maint of Pumping Equipment	4,429	8,770	8%	2,561
Electric Power	41,718	131,856	39%	115,981
PUMPING	\$52,888	\$152,384	31%	\$122,073
OPERATIONS				
Supervision & Engineering	\$16,841	\$58,563	36%	\$54,826
Operating Expense - Operations	40,523	106,449	42%	80,285
Maintenance Expense	5,444	14,299	26%	9,429
Telemetry Equipment/Controls Maint	7,821	17,386	18%	10,503
Leased Lines	1,389	4,166	21%	4,164
OPERATIONS	\$72,018	\$200,864	34%	\$159,207

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2020

	SEPTEMBER 2020	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER TREATMENT				
Supervision & Engineering	\$7,869	\$30,285	20%	\$31,066
Operating Expense - Water Treatment	20,038	92,520	29%	122,622
Purification Chemicals	7,076	75,852	18%	131,043
Sludge Disposal	6,243	28,679	23%	25,863
Maint of Structures & Grounds	6,050	9,888	9%	7,068
Maint of Purification Equipment	5,337	35,289	19%	43,082
Electric Power	11,140	43,940	28%	47,018
Water Quality Programs	6,486	20,331	21%	26,760
Laboratory Direct Labor	26,642	95,607	28%	93,451
Lab Service-Outside Clients	3,529	14,035	31%	17,650
Water Quality Supervision	4,588	17,176	24%	17,418
Laboratory Supplies & Expense	7,556	15,141	18%	20,120
Customer Water Quality	2,237	6,825	11%	12,141
Lab Cost Distributed	(2,583)	(5,683)	23%	(6,456)
WATER TREATMENT	\$112,206	\$479,887	22%	\$588,845
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$48,637	\$140,728	24%	\$130,020
Maps & Records	13,929	38,509	20%	30,765
Operation of T&D System	23,273	73,116	108%	33,557
Facilities Location	13,472	54,856	39%	42,008
Safety: Construction & Engineering	714	5,894	10%	9,463
Customer Service Expense	19,560	57,886	21%	77,310
Flushing	7	7	0%	447
Storage Facilities Expense	6,534	18,178	15%	15,924
Cathodic Protection	0	2,458	14%	2,239
Maint of Valves/Regulators	11,154	19,418	10%	41,522
Maint of Mains	11,579	50,890	31%	41,099
Leak Detection - Mains	3,162	7,298	56%	2,174
Backflow Prevention Program	11,315	36,605	17%	58,154
Maint of Copper Services	6,497	33,363	22%	14,856
Maint of PB Service Lines	60,134	192,691	41%	190,700
Single Service Installations	(5,305)	6,660	-	84
Maint of Meters	14,169	65,438	49%	38,490
Detector Check Assembly Maint	0	540	1%	32,695
Maint of Hydrants	7,389	16,562	23%	12,055
TRANSMISSION & DISTRIBUTION	\$246,221	\$821,097	27%	\$773,560
CONSUMER ACCOUNTING				
Meter Reading	\$2,523	\$4,941	5%	\$8,349
Collection Expense - Labor	0	0	0%	8,212
Collection Expense - Agency	53	104	5%	118
Billing & Consumer Accounting	19,237	52,769	25%	63,000
Contract Billing	1,776	5,934	33%	3,892
Stationery, Supplies & Postage	7,604	22,123	40%	13,073
Online Payment Processing Fees	4,708	13,655	23%	19,776
Lock Box Service	912	2,736	25%	2,736
Uncollectable Accounts	7,572	7,715	154%	1,818
Office Equipment Expense	1,180	3,955	6%	2,090
Distributed to West Marin (4.1%)	(1,778)	(4,350)	29%	(4,400)
CONSUMER ACCOUNTING	\$43,786	\$109,582	20%	\$118,665

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2020

	SEPTEMBER 2020	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER CONSERVATION				
Residential	\$14,183	\$48,748	20%	\$47,483
Commercial	0	1,390	7%	2,092
Public Outreach/Information	11,308	20,950	35%	21,924
Large Landscape	866	2,587	9%	4,811
TOTAL WATER CONSERVATION	\$26,356	\$73,674	21%	\$76,310
GENERAL AND ADMINISTRATIVE				
Directors Fees	\$2,884	\$8,728	21%	\$7,158
Legal Fees	2,183	5,040	24%	2,709
Human Resources	(5,106)	6,785	12%	7,193
Auditing Fees	4,125	6,000	23%	10,820
Consulting Services/Studies	7,677	15,047	5%	35,077
General Office Salaries	102,873	312,589	26%	258,716
Safety: General District Wide	3,371	10,839	19%	8,692
Office Supplies	2,658	5,268	12%	7,481
Employee Events	52	52	0%	800
Other Administrative Expense	423	896	6%	1,818
Election Cost	0	0	0%	0
Dues & Subscriptions	23,650	72,715	73%	48,723
Vehicle Expense	676	2,028	25%	2,028
Meetings, Conferences & Training	3,195	8,801	5%	44,927
Recruitment Expense	7,992	8,142	-	192
Gas & Electricity	3,558	11,109	29%	11,204
Telephone	671	2,088	30%	2,274
Water	0	468	16%	380
Buildings & Grounds Maint	5,541	45,755	78%	10,298
Office Equipment Expense	7,446	35,607	25%	64,162
Insurance Premiums & Claims	16,911	37,555	24%	32,087
Retiree Medical Benefits	15,982	46,168	23%	45,237
(Gain)/Loss on Overhead Charges	(16,473)	(64,408)	46%	(3,858)
G&A Applied to Other Operations (5.9%)	(12,565)	(39,057)	27%	(35,689)
G&A Applied to Construction	(28,958)	(94,116)	20%	(99,010)
GASB68 Adjustment (Pension)	94,608	329,004	80%	314,897
GENERAL & ADMINISTRATIVE	\$243,372	\$773,101	33%	\$778,317
Depreciation (Note 5)	230,424	706,203	25%	683,534
TOTAL OPERATING EXPENSE	\$1,709,906	\$5,395,015	29%	\$5,062,669
OPERATING INCOME/(LOSS)	\$542,506	\$1,529,965	83%	\$1,009,570

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	SEPTEMBER 2020	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest:				
General Funds	\$0	\$4,218	6%	\$0
Retiree Medical Insurance Fund	17,045	45,785	92%	55,418
Workers' Comp Fund	1,826	4,950	-	6,795
Aqueduct Energy Efficiency Proj Fund	72	198	-	354
Total Interest Revenue	\$18,943	\$55,150	44%	\$62,568
Rents & Leases	4,022	35,491	43%	28,731
Other Non-Operating Revenue	5,200	5,666	11%	1,319
Gain/(Loss) on MV of Investments	18,154	6,361	-	(10,325)
NON-OPERATING REVENUE	\$46,318	\$102,668	39%	\$82,293
NON-OPERATING EXPENSE				
Bank of Marin AEEP Loan Interest Exp	\$12,735	\$38,439	26%	\$41,194
STP SRF Loan Interest Expense	16,526	50,681	26%	55,672
JP Morgan/Chase AMI Loan Interest Expense	9,191	27,572	25%	29,321
Other Non-Operating Expense	181	181	1%	651
NON-OPERATING EXPENSE	\$38,633	\$116,873	25%	\$126,839
NET INCOME/(LOSS)	\$550,192	\$1,515,760	94%	\$965,024
BEGINNING FUND EQUITY				
		\$84,949,826		\$79,168,973
NET INCOME/(LOSS)	550,192	1,515,760		965,024
Developer 'In-Kind' Contributions	70,526	139,252	-	414,390
Caltrans AEEP Capital Contribution	2,340	8,100	810%	90
MMWD AEEP Capital Contribution	0	205,320	100%	205,320
Connection Fees	1,633,400	1,643,400	483%	896,600
FRC Transfer to/from Recycled Water	0	(216,362)	-24%	(218,155)
Prior Period Adjustment (Note 12)	0	0	-	0
ENDING FUND EQUITY		\$88,245,297		\$81,432,242

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	SEPTEMBER 2020	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Recycled Water Sales	\$193,210	\$671,179	54%	\$577,550
Bimonthly Service Charges	9,613	20,884	36%	18,421
Water Loads	100	200	-	100
Account Turn-on Charges	0	0	-	0
TOTAL OPERATING REVENUE	\$202,923	\$692,263	54%	\$596,071
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Purchased Water - NSD	\$28,689	\$128,909	61%	\$96,851
Purchased Water - LGVSD	8,782	33,437	47%	33,775
SOURCE OF SUPPLY	\$37,471	\$162,347	57%	\$130,625
PUMPING				
Maint of Structures & Grounds	\$0	\$0	0%	\$0
Maint of Pumping Equipment	\$0	\$134	4%	\$0
Electric Power	452	1,371	46%	1,385
PUMPING	\$452	\$1,505	22%	\$1,385
OPERATIONS				
Supervision & Engineering	\$1,228	\$5,022	39%	\$6,088
Operating Expense - Operations	1,980	2,515	19%	6,024
Potable Water Consumed	29,168	78,007	520%	3,056
Maintenance Expense	0	0	0%	0
Telemetry Equipment/Controls Maint	650	2,698	22%	0
OPERATIONS	\$33,027	\$88,241	140%	\$15,168
WATER TREATMENT				
Purification Chemicals	\$885	\$1,350	34%	\$2,748
Maint of Purification Equipment	220	4,892	33%	350
Electric Power	1,950	1,950	65%	0
Laboratory Direct Labor	256	365	9%	1,118
Lab Expense Distributed from Novato	112	158	5%	590
WATER TREATMENT	\$3,423	\$8,716	30%	\$4,806
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	7	93	0%	306
Maps & Records	0	0	0%	0
Operation of T&D System	0	0	0%	0
Facilities Location	214	535	54%	144
Cathodic Protection	0	0	0%	0
Customer Service Expense	0	1,632	23%	2,409
Storage Facilities Expense	23	68	1%	471
Maint of Valves/Regulators	0	3,466	69%	0
Backflow Prevention Program	0	0	0%	0
Maint of Meters	0	0	0%	0
Maint of Mains	0	3,150	315%	3,179
TRANSMISSION & DISTRIBUTION	\$244	\$8,944	15%	\$6,510

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	SEPTEMBER 2020	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Distributed from Novato (0.2%)	\$173	\$422	42%	\$329
CONSUMER ACCOUNTING	\$173	\$422	42%	\$329
GENERAL AND ADMINISTRATIVE				
Legal Fees	\$0	\$68	-	\$0
Distributed from Novato (2.4%)	5,077	15,781	27%	14,350
GASB68 Adjustment	932	2,711	136%	2,050
GENERAL & ADMINISTRATIVE	\$6,008	\$18,559	30%	\$16,400
Depreciation (Note 5)	63,505	214,532	32%	118,457
TOTAL OPERATING EXPENSE	\$144,301	\$503,267	43%	\$293,680
OPERATING INCOME/(LOSS)	\$58,622	\$188,996	164%	\$302,391
NON-OPERATING REVENUE				
Interest:				
General Funds	\$1,517	\$1,837	3%	\$12,518
RWF Replacement Fund	6,408	17,274	\$0	20,732
Self-Insured Workers' Comp Fund	30	80	-	116
StoneTree RWF Loan	911	2,862	24%	9,428
Total Interest Revenue	\$8,865	\$22,053	15%	\$42,793
Other Non-Operating Revenue	0	0	-	0
NON-OPERATING REVENUE	\$8,865	\$22,053	15%	\$42,793
NON-OPERATING EXPENSE				
RWF SRF Loan Interest Expense	\$3,443	\$10,558	25%	\$11,926
Expansion SRF Loan Interest Expense	18,821	56,599	25%	59,760
Other Non-Operating Expense	0	0	-	0
Capital Contribution Expense-NSD&LGVSD	0	0	-	0
NON-OPERATING EXPENSE	\$22,264	\$67,157	25%	\$71,686
NET INCOME/(LOSS)	\$45,222	\$143,892	(4796%)	\$273,499
BEGINNING FUND EQUITY				
		\$22,794,516		\$23,421,587
NET INCOME/(LOSS)	45,222	143,892		273,499
Developer 'In-Kind' Contributions	0	0	-	0
State Prop 50 Grant	0	0	-	0
IRWMP Prop 84 Grant	0	0	-	0
Water Smart Grant	0	0	-	0
Federal ARRA Grant	0	0	-	0
FRC Transfer to/from Novato	0	216,362	-24%	218,155
ENDING FUND EQUITY		\$23,154,770		\$23,913,241

**WEST MARIN WATER
 DETAIL INCOME STATEMENT
 FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	SEPTEMBER 2020	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$75,036	\$258,454	35%	\$274,053
Bill Adjustments	(4,764)	(13,077)	-	(4,664)
Bimonthly Service Charges	16,045	48,135	24%	47,232
Account Turn-on Charges	0	0	0%	78
New Account Charges	0	5	1%	30
Returned Check Charges	0	9	-	0
Backflow Service Charges	19	1,139	23%	1,012
TOTAL OPERATING REVENUE	\$86,335	\$294,665	31%	\$317,741
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	\$144	\$144	-	\$510
Operating Expense	42	84	1%	182
Maint of Structures	0	0	0%	8,685
Water Quality Surveillance	0	0	0%	0
Purchased Water - MMWD	0	0	-	0
SOURCE OF SUPPLY	\$186	\$228	1%	\$9,377
PUMPING				
Maint of Structures and Grounds	\$1,054	\$1,138	11%	\$2,961
Maint of Pumping Equip	3,658	12,198	53%	505
Electric Power	3,787	12,486	45%	12,072
PUMPING	\$8,500	\$25,822	42%	\$15,538
OPERATIONS				
Supervision & Engineering	\$1,172	\$3,439	23%	\$4,260
Operating Expense	3,337	4,914	27%	4,075
Maintenance Expense	491	491	-	229
Maint of Telemetry Equipment	692	5,448	36%	3,272
Leased Lines	353	1,058	21%	1,028
OPERATIONS	\$6,044	\$15,350	29%	\$12,864
WATER TREATMENT				
Supervision & Engineering	\$1,177	\$3,934	36%	\$3,152
Operating Expense	6,727	10,698	43%	4,870
Purification Chemicals	465	1,993	40%	1,536
Maint of Structures & Grounds	756	756	76%	0
Maint of Purification Equipment	5,182	8,636	86%	5,101
Electric Power	2,329	6,491	27%	5,874
Laboratory Direct Labor	4,860	12,039	33%	10,126
Laboratory Services	450	2,230	32%	1,605
Water Quality Supervision	4,770	9,381	235%	309
Customer Water Quality	3,772	6,546	131%	119
Lab Expense Distributed from Novato	2,170	5,224	25%	5,345
WATER TREATMENT	\$32,657	\$67,927	46%	\$38,037

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	SEPTEMBER 2020	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$151	\$453	6%	\$1,738
Facilities Location - USA	1,486	3,624	30%	3,505
Customer Service Expense	249	1,075	22%	993
Flushing	0	7	-	0
Storage Facilities Expense	1,275	2,758	14%	3,122
Cathodic Protection	0	0	0%	0
Maint of Valves	0	0	0%	0
Valve Operation Program	0	0	0%	0
Maint of Mains	2,760	3,134	39%	0
Water Quality Maintenance	0	0	0%	0
Maint of Backflow Devices	0	0	0%	0
Backflow Dev Inspection/Survey	0	345	6%	0
Maint of Copper Services	0	2,353	78%	0
Maint of PB Service Lines	273	15,217	52%	7,741
Maint of Meters	627	1,206	60%	0
Detector Check Assembly Maint	0	0	0%	842
Maint of Hydrants	0	0	0%	0
Hydrant Operation	0	0	0%	0
Single Service Installation	308	9,758	163%	0
TRANSMISSION & DISTRIBUTION	\$7,130	\$39,931	34%	\$17,941
CONSUMER ACCOUNTING				
Meter Reading	\$0	\$1,644	21%	\$1,719
Collection Expense - Labor	0	0	0%	0
Distributed from Novato (3.6%)	1,451	3,553	27%	3,672
CONSUMER ACCOUNTING	\$1,451	\$5,197	24%	\$5,390
WATER CONSERVATION				
Water Conservation Program	\$6,777	\$11,881	132%	\$681
TOTAL WATER CONSERVATION	\$6,777	\$11,881	132%	\$681
GENERAL AND ADMINISTRATIVE				
Legal Fees	\$23	\$113	6%	\$0
Consulting Services/Studies	0	0	0%	0
Distributed from Novato (3.6%)	5,467	16,995	27%	15,634
GASB68 Adjustment (Pension)	4,919	14,995	750%	14,498
GENERAL & ADMINISTRATIVE	\$10,409	\$32,103	32%	\$30,132
Depreciation (Note 5)	16,517	50,663	27%	47,018
TOTAL OPERATING EXPENSE	\$89,669	\$249,101	34%	\$176,978
OPERATING INCOME/(LOSS)	(\$3,334)	\$45,564	21%	\$140,763

**WEST MARIN WATER
 DETAIL INCOME STATEMENT
 FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	<u>SEPTEMBER 2020</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD ACTUAL</u>
NON-OPERATING REVENUE				
Interest - General Funds	\$1,068	\$4,282	43%	\$12,201
Interest - FRC	0	0	0%	910
Interest - Self-Insured WC Fund	61	165	-	227
Interest - Bank of Marin Project Fund	346	1,363	-	5,884
Rents & Leases	0	0	-	0
Tax Proceeds - PR-2 Tax Allocation	708	783	1%	741
Other Non-Operating Revenue	0	0	-	0
NON-OPERATING REVENUE	<u>\$2,182</u>	<u>\$6,593</u>	10%	<u>\$19,964</u>
NON-OPERATING EXPENSE				
Bank of Marin Loan Interest Expense	\$1,869	\$5,642	26%	\$6,047
Other Non-Operating Expense	0	0	-	0
NON-OPERATING EXPENSE	<u>\$1,869</u>	<u>\$5,642</u>	26%	<u>\$6,047</u>
NET INCOME/(LOSS)	<u>(\$3,021)</u>	<u>\$46,515</u>	18%	<u>\$154,680</u>
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	(3,021)	46,515		154,681
CONTRIBUTED CAPITAL				
Developer 'In-Kind' Contributions	0	0	-	0
Connection Fees	0	0	-	0
ENDING FUND EQUITY		<u>\$7,391,346</u>		<u>\$6,840,646</u>

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	SEPTEMBER 2020	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Sewer Service Charges	\$22,932	\$68,796	25%	\$65,286
TOTAL OPERATING REVENUE	\$22,932	\$68,796	25%	\$65,286
OPERATING EXPENSE				
SEWAGE COLLECTION				
Supervision & Engineering	\$568	\$2,044	9%	\$2,436
Inspection	0	0	0%	0
Maps & Records	0	0	-	0
Operating Expense	696	3,502	27%	4,522
Facilities Location	14	167	4%	236
Maint of Telemetry Equipment	167	449	9%	389
Maint of Lift Stations	0	0	0%	3,652
Maint of Manholes	0	0	0%	0
Maint of Sewer Mains	0	0	0%	0
Electric Power	1,608	6,297	48%	3,734
SEWAGE COLLECTION	\$3,054	\$12,459	17%	\$14,969
SEWAGE TREATMENT				
Operating Expense	\$1,208	\$2,171	11%	\$853
Maint of Equipment	0	348	4%	2,380
Laboratory Direct Labor	694	694	14%	987
Lab Expense Distributed from Novato	301	301	15%	521
Electric Power	1,207	2,594	43%	4,216
SEWAGE TREATMENT	\$3,410	\$6,109	15%	\$8,957
SEWAGE DISPOSAL				
Operating Expense	\$2,285	\$2,375	20%	\$801
Maint of Pump Stations	0	1,062	15%	327
Maint of Storage Ponds	296	937	7%	4,532
Maint of Irrigation Field	0	379	5%	1,450
SEWAGE DISPOSAL	\$2,581	\$4,753	12%	\$7,109
CONSUMER ACCOUNTING				
Collection Expense - County of Marin	\$0	\$0	-	\$0
Distributed from Novato (0.6%)	154	375	19%	399
CONSUMER ACCOUNTING	\$154	\$375	19%	\$399

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2020**

	SEPTEMBER 2020	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
GENERAL AND ADMINISTRATIVE				
Legal Fees	\$0	\$878	-	\$0
Distributed from Novato (1.1%)	2,021	6,282	25%	5,706
Liability Insurance	175	526	26%	528
GASB68 Adjustment	1,320	3,943	-	3,449
GENERAL AND ADMINISTRATIVE	\$3,516	\$11,628	43%	\$9,683
Depreciation (Note 5)	3,698	11,093	23%	11,884
TOTAL OPERATING EXPENSE	\$16,413	\$46,416	20%	\$53,000
OPERATING INCOME/(LOSS)	\$6,519	\$22,380	51%	\$12,286
NON-OPERATING REVENUE				
Rents & Leases	\$0	\$250	-	\$250
Interest - General Funds	702	2,072	69%	2,924
Interest - Self Insured WC Fund	22	59	-	81
Tax Proceeds - OM-1/OM-3 Tax Alloc	754	835	1%	790
Other Non-Operating Revenue	0	0	-	0
NON-OPERATING REVENUE	\$1,478	\$3,216	5%	\$4,045
NON-OPERATING EXPENSE				
Interest - Advance from Novato (Note 11)	\$0	\$0	-	\$0
County O&M Tax Collection Fee	0	0	-	0
County Tax Administration Expense	0	0	-	0
Other Non-Operating Expense	0	0	-	0
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$0	\$0	-	\$0
NET INCOME/(LOSS)	\$7,997	\$25,596	24%	\$16,331
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	7,997	25,596		16,331
CONTRIBUTED CAPITAL				
Contribution in Aid of Construction	0	0	-	0
Connection Fees	0	0	-	0
PRIOR YEAR ADJUSTMENTS (Note 11d)	0	0		0
ENDING FUND EQUITY		\$1,650,185		\$1,539,058

**NORTH MARIN WATER DISTRICT
EQUIPMENT EXPENDITURES
PERIOD ENDING SEPTEMBER 30, 2020**

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	SEPTEMBER 2020	FYTD TOTAL	FY 20/21 BUDGET	(OVER) UNDER	Notes
1 OPERATIONS/MAINTENANCE					
a. Metals Analyzer	\$0	\$61,053	\$85,000	\$23,947	1
b. Meter Maintenance Program	0	0	57,000	57,000	
	\$0	\$61,053	\$142,000	\$80,947	
2 VEHICLE & ROLLING EQUIPMENT EXPENDITURES					
a. 5-Yard Dump Truck	\$0	\$0	\$135,000	\$135,000	1
b. 9,000 GVWR Hyd Dump Trailer	0	0	11,000	11,000	
c. 14,000 GVWR Tilt Deck Trailer	9,352	9,352	17,000	7,648	
d. Cart-Away 1 Yard Concrete Mixer	0	0	25,000	25,000	
	\$9,352	\$9,352	\$188,000	\$178,648	
TOTAL EQUIPMENT EXPENDITURES	\$9,352	\$70,404	\$330,000	\$259,596	

Notes:

(1) Replacement item.

**NORTH MARIN WATER DISTRICT
EXPENDITURES BY CATEGORY
FOR PERIOD ENDING SEPTEMBER 30, 2020**

	Novato	Recycled	West Marin	Oceana Marin	YTD Total	Annual Budget	YTD Budget %	Prior YTD Actual	% Change
OPERATING EXPENSE									
1 Salaries & Benefits	\$1,497,385	\$18,751	\$95,901	\$13,245	\$1,625,282	\$6,360,000	26%	\$1,497,394	8 %
2 Water Purchases	2,051,744	162,347	0	0	2,214,090	5,985,000	37%	1,856,603	19 %
3 Depreciation	706,203	214,532	50,663	11,093	982,491	3,777,000	26%	860,892	14 %
4 Materials, Services & Supplies	519,590	82,048	25,968	3,026	630,632	2,093,000	30%	536,034	17 %
5 Consulting Services/Studies	15,047	0	0	0	15,047	145,000	10%	35,077	-57 %
6 Chemicals	75,852	1,350	1,993	0	79,195	484,000	16%	135,327	-41 %
7 Electric Power	172,648	3,321	18,976	6,788	201,734	513,000	39%	190,280	6 %
8 Vehicles and Equipment (Distrib)	55,877	1,301	5,696	525	63,399	325,000	20%	57,716	9 %
9 Tools & Supplies (Distrib)	62,295	544	9,038	613	72,490	180,000	40%	58,578	23 %
10 Retiree Medical Expenses	46,168	0	0	0	46,168	172,000	27%	45,237	2 %
11 Water Conservation Rebates	5,870	0	100	0	5,970	104,000	6%	8,738	-31 %
12 Insurance & Claims	37,555	0	0	526	38,080	173,000	22%	32,616	16 %
13 Office Supplies & Postage	27,391	0	0	0	27,391	102,000	27%	40,330	-32 %
14 GASB 68 Adjustments	329,004	2,711	14,995	3,943	350,654	0	-	334,894	-
15 Overhead Charges (Gain)/Loss	(64,408)	0	0	0	(64,408)	(39,000)	165%	(3,858)	1569 %
16 Distributed Costs (Lab,G&A,ConsAcctg)	(143,207)	16,362	25,771	6,657	(94,417)	(374,000)	25%	(99,531)	-5 %
17 Total Operating Expense	\$5,395,015	\$503,267	\$249,101	\$46,416	\$6,193,799	\$20,000,000	31%	\$5,586,327	10 %
18 Interest Expense & Other	116,873	67,157	5,642	0	189,673	870,000	22%	157,970	20 %
19 Total Expense	\$5,511,888	\$570,424	\$254,743	\$46,416	\$6,383,472	\$20,870,000	31%	\$5,744,297	11 %
<u>Warehouse, Shop & Yard</u>									
20 Salaries & Benefits	\$50,783	\$0	\$0	\$0	\$50,783	\$277,000	18%	\$52,785	-3 %
21 Materials, Services & Supplies	121,152	0	0	0	121,152	341,000	36%	\$138,004	-12 %
22 Depreciation	34,436	0	0	0	34,436	0	0%	\$29,854	15 %
23 Distributed Costs	(206,370)	0	0	0	(206,370)	(618,000)	33%	(220,643)	-6 %
24 Total W/H, Shop & Yard	\$0	\$0	\$0	\$0	\$0	\$0	-	\$0	-
<u>District Capital Outlay</u>									
25 Salaries & Benefits	\$91,449	\$0	\$33,605	\$1,194	\$126,248	\$645,000	20%	\$92,993	35 %
26 Equipment Expenditures	70,404	0	0	0	70,404	355,000	20%	277,090	-74 %
27 Debt Principal Payments	82,071	157,090	12,047	0	251,208	2,279,000	11%	244,350	2 %
28 Materials, Services & Supplies	175,273	0	663,636	14,921	853,831	6,418,000	13%	312,344	173 %
29 Total District Capital Outlay	\$419,198	\$157,090	\$709,288	\$16,115	\$1,301,691	\$9,697,000	13%	\$926,777	40 %
<u>Developer Funded Projects</u>									
30 Salaries & Benefits	\$58,838	\$0	\$65	\$0	\$58,903	\$209,000	28%	\$119,189	-50 %
31 Materials, Services & Supplies	59,112	0	(1,075)	0	58,037	122,000	48%	303,214	-80 %
32 Total Developer Projects	\$117,950	\$0	\$(1,010)	\$0	\$116,940	\$331,000	35%	\$422,403	-72 %
33 Total	\$6,049,036	\$727,514	\$963,022	\$62,531	\$7,802,104	\$30,898,000	25%	\$7,093,476	9 %

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**NORTH MARIN WATER DISTRICT
VEHICLE FLEET ANALYSIS
FOR PERIOD ENDING SEPTEMBER 30, 2020**

Year	Description	Veh#	Assigned	Fiscal Year to Date				Vehicle Cost per Mile			
				Mileage	Expense ¹	Recovery ²	Gain/(Loss)	Mileage	Life to Date	FYTD21	FYTD20
1	2002 Chev K1500 4x4	47	Construction	577	\$232	\$511	\$279	149,946	\$0.38	\$0.40	\$0.60
2	2003 Dodge Dakota 4x4	49	STP	2,763	\$1,118	\$581	(\$537)	121,688	\$0.43	\$0.40	\$0.51
4	2004 Chev C1500 Xtra Cab	54	Pool	0	\$0	\$0	\$0	109,681	\$0.46	\$0.00	\$0.35
6	2007 Chev Colorado	504	Pool	0	\$39	\$0	(\$39)	89,496	\$0.42	\$0.00	(\$0.54)
7	2008 Ford F250 4x4	505	Maintenance	241	\$266	\$0	(\$266)	107,542	\$0.77	\$1.10	(\$1.86)
8	2008 Ford F250 4x4	506	STP	336	\$969	\$0	(\$969)	80,047	\$0.79	\$2.88	(\$2.42)
9	2008 Chev Colorado 4x4	509	Engineering	2,498	\$368	\$2,041	\$1,673	114,408	\$0.35	\$0.15	\$0.49
11	2010 Ford F150 4x4	511	STP	1,010	\$203	\$560	\$357	92,661	\$0.50	\$0.20	\$0.50
12	2010 Ford F150	512	Elec/Mech	1,827	\$318	\$805	\$487	116,705	\$0.50	\$0.17	\$0.76
13	2010 Ford F150	513	Construction	1,697	\$285	\$665	\$380	89,202	\$0.48	\$0.17	\$0.69
14	2012 Ford F250	515	Reed	2,855	\$1,173	\$3,360	\$2,187	74,089	\$0.61	\$0.41	\$0.67
15	2012 Ford F250	516	Castellucci	4,127	\$1,222	\$3,430	\$2,208	79,740	\$0.54	\$0.30	\$0.74
16	2014 Ford F150	517	Kurfirst	1,771	\$238	\$2,286	\$2,048	17,536	\$0.71	\$0.13	\$2.99
17	2015 Ford F250 4x4	518	Ocodhain	1,706	\$342	\$917	\$575	96,043	\$0.43	\$0.20	\$0.62
18	2015 Ford Escape 4X4	520	Arendell	5,361	\$2,261	\$2,098	(\$163)	87,865	\$0.28	\$0.42	\$0.35
19	2015 Ford F150 4X4	521	Watkins/Shop	3,593	\$995	\$823	(\$173)	47,863	\$0.34	\$0.28	\$0.77
20	2016 Nissan Frontier	522	Roberto	1,282	\$193	\$165	(\$28)	52,006	\$0.38	\$0.15	\$0.42
21	2017 Ford Escape 4X4	523	Lab	1,724	\$462	\$558	\$96	26,331	\$0.33	\$0.27	\$0.47
22	2016 Nissan Frontier	524	Bynum	2,200	\$1,479	\$1,570	\$91	33,304	\$0.46	\$0.67	\$0.54
23	2018 Ford Cargo Van	526	On-Call	2,854	\$455	\$733	\$91	18,772	\$0.55	\$0.16	\$0.34
24	2018 Dodge Ram 2500	527	Rupp	3,417	\$1,137	\$3,315	\$279	21,881	\$0.63	\$0.33	\$0.62
25	2019 Chev Colorado 4x4	528	Stompe	1,481	\$239	\$795	\$2,177	9,779	\$0.49	\$0.16	\$0.30
26	2019 NISSAN ROGUE	531	Clark	2,337	\$182	\$666	\$556	13,462	\$0.33	\$0.08	\$0.37
27	2019 NISSAN ROGUE	532	Eng/Wtr Consv	3,184	\$513	\$1,438	\$484	4,986	\$0.37	\$0.16	\$0.63
28	2019 NISSAN FRONTIER	533	Castellucci	2,806	\$860	\$3,554	\$925	6,791	\$0.39	\$0.31	\$0.30
29	2019 FORD F-150 2WD	534	Grisso	559	\$117	\$1,827	\$2,694	1,747	\$0.46	\$0.21	\$0.58
30	2019 FORD F-150 4x4	535	STP	2,598	\$743	\$2,117	\$1,710	7,297	\$0.29	\$0.29	\$0.29
31	2020 CHEVROLET COLORADO 2WI	536	Rodriguez	3,190	\$326	\$802	\$1,375	3,430	\$0.46	\$0.10	\$5.21
32	2020 FORD F250 4X4	537	Kehoe, Chris	4,854	\$1,200	\$5,062	\$476	5,470	\$0.54	\$0.25	\$2.85
33	2020 FORD F250 4X4	538	STP	1,447	\$406	\$175	\$3,862	1,447	\$1.19	\$0.28	\$0.00
34	2020 FORD F150 2WD	539	Pool	0	\$120	\$0	(\$231)	0	\$0.00	\$0.00	\$0.00
35	2020 FORD F150 2WD	540	LeBrun	2,725	\$444	\$1,306	(\$120)	3,246	\$0.23	\$0.16	\$0.57
Total 3/4 Ton & Under				67,020	18,902	42,158	22,485	1,684,461	\$0.48	\$0.28	\$0.38
1	1999 Ford F350 W/Svc Body	19	Pool	315	\$118	\$112	(\$6)	138,689	\$0.00	\$0.37	\$1.57
2	2002 Int'l 5 Yd Dump	44	Construction	2,197	\$2,572	\$5,558	\$2,986	111,312	\$1.76	\$1.17	\$2.11
3	1999 Ford F550 3-Yd Dump ³	52	Construction	152	\$61	\$0	\$4,740	98,657	\$0.00	\$0.40	\$0.00
4	2006 Int'l 4300 Crew	503	Bergstrom	946	\$832	\$5,572	\$4,740	49,771	\$2.49	\$0.88	\$2.59
5	2009 Peterbilt 325 Crew	508	Breit/Crew	1,559	\$1,185	\$6,076	\$4,891	40,644	\$2.20	\$0.76	\$14.43
6	2012 Int'l 5 Yd Dump	514	Rupp	1,654	\$1,547	\$4,956	\$3,409	45,833	\$1.45	\$0.94	\$0.00
7	2015 Int'l 5 Yd Dump	519	Sjoblom	2,721	\$3,448	\$4,809	\$1,361	43,443	\$1.33	\$1.27	\$20.77
8	2017 Ford F350 4x4	525	Davenport	2,937	\$1,243	\$4,872	\$3,629	37,589	\$0.59	\$0.42	\$0.00
9	2019 FORD F550 3 YD DUMP	530	Construction	1,405	\$666	\$3,724	\$3,058	3,663	\$1.50	\$0.47	\$1.77
Total 1 Ton & Over				13,886	\$11,673	\$35,679	\$28,807	569,601	\$1.36	\$0.47	\$5.76

¹ Expense amount shown excludes depreciation (approximately \$81,000 for FY21).

² Recovery is the amount charged to projects and operations to recover the expense of owning and operating the vehicle. Commencing 7/1/17 the recovery rate for vehicles 3/4-ton and under is \$7/hr and the recovery rate for vehicles 1-ton and over is \$14/hr. An additional 50% is charged to developer projects to reflect the fair market value of the vehicle being used.

³ Purchased used in 2004 with 32,500 miles. Mileage shown is total incurred since District purchase.

**NORTH MARIN WATER DISTRICT
WATER CONSERVATION PROGRAM DETAIL
PERIOD ENDING SEPTEMBER 30, 2020**

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Description		COST THRU JUNE 2020	SEPTEMBER 2020	FYTD TOTAL	FY 20/21 BUDGET	(OVER) UNDER	TOTAL COST		
NOVATO									
a. Residential									
1-7700-01	1-7700-26	1	Cash for Grass	\$436,415	\$970	\$4,576	\$35,000	\$30,424	\$440,991
1-7700-02	1-7700-27	2	Landscape Efficiency Rebates	24,907	31	310	5,000	4,690	25,218
1-7700-03		3	Fixtures Purchases	53,519	0	0	5,000	5,000	53,519
1-7700-06	1-7700-28	4	Washing Machine Rebates	351,148	168	903	5,000	4,097	352,051
1-7700-07		5	Demonstration Garden Improvements	55,105	0	0	1,000	1,000	55,105
1-7700-11	1-7700-29	6	Toilet Rebate SF	1,019,555	1,407	4,691	18,000	13,309	1,024,245
1-7700-12	1-7700-30	7	Toilet Rebate MF	18,507	0	65	2,000	1,935	18,572
1-7700-13		8	Residential Audits	474,729	834	2,265	65,000	62,735	476,994
1-7700-15		9	High Efficiency Toilet Distribution	242,177	0	0	0	0	242,177
1-7700-16		10	Water Waste Ordinance Monitoring	92,739	0	0	7,000	7,000	92,739
1-7700-17	1-7700-31	11	Swimming Pool Cover Rebate	3,547	0	0	1,000	1,000	3,547
1-7700-19	1-7700-32	12	ET Controller Rebate	41,010	725	3,441	5,000	1,559	44,451
1-7700-08		13	Administration	1,650,751	7,784	28,009	130,000	101,992	1,678,760
1-7700-20		14	New Development Wtr Cons Program	116,121	834	3,058	15,000	11,942	119,179
1-7700-21	1-7700-33	15	Demand Offset Rebate Program	3,843	0	0	2,000	2,000	3,843
1-7700-23		16	Grant Administration	3,300	0	0	1,000	1,000	3,300
1-7700-24	1-7700-34	17	Hot Water Recirculation Rebate	2,491	0	0	2,000	2,000	2,491
1-7700-25		18	Residential Fill Station	66,421	0	0	0	0	66,421
1-7700-35		19	UWMP	0	1,400	1,400	0	(1,400)	1,400
b. Commercial									
1-7701-02	1-7701-05	1	Toilet Rebate Program	67,561	0	0	10,000	10,000	67,561
1-7701-03	1-7701-04	2	Commercial Audits	35,572	0	1,390	9,000	7,610	36,962
c. Public Outreach/Information									
1-8672-16		1	Fall Newsletter	89,458	500	500	8,000	7,500	89,958
1-8672-17		2	Spring Newsletter	103,959	0	0	9,000	9,000	103,959
1-8672-18		3	Summer Newsletter	20,290	0	0	0	0	20,290
1-7700-04		4	Public Outreach / H ₂ O Fair	236,197	3,475	13,117	17,000	3,883	249,314
1-7700-05		5	Marketing	172,908	0	0	15,000	15,000	172,908
1-7700-22		6	Public Outreach/Leadership Novato	11,327	0	0	0	0	11,327
d. Large Landscape									
1-8653-02		1	Large Landscape Audits	91,788	0	0	3,000	3,000	91,788
1-7702-01		2	Large Landscape Budgets	40,123	0	162	1,000	838	40,285
1-7702-02	1-7702-04	3	Large Landscape Irrig Efficiency Rebates	14,960	0	0	4,000	4,000	14,960
1-8653-01		4	CIMIS Station Maintenance	19,760	32	62	2,000	1,938	19,822
1-7702-03		5	Administration-Large Landscape	103,892	834	2,363	13,000	10,637	106,255
TOTAL NOVATO WATER CONSERVATION				\$5,664,080	\$18,994	\$66,312	\$390,000	\$323,688	\$5,730,392
WEST MARIN WATER									
2-5166-00		a.	Water Conservation Program	\$117,535	\$6,777	\$11,881	\$9,000	(\$2,881)	\$129,415
TOTAL WATER CONSERVATION EXPENDITURES				\$117,535	\$6,777	\$11,881	\$9,000	(\$2,881)	\$129,415

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2020**

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Description		COST THRU JUNE 2020	SEPTEMBER 2020	FYTD TOTAL	FY 20/21 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
1 PIPELINE REPLACEMENTS/ADDITIONS							
a. Main/Pipeline Replacements							
1-7189-00	1 Replace 12" CI Pipe (785LF) S. Novato Blvd	\$0	\$0	\$0	\$100,000	\$100,000	\$0
1-7183-xx	2 Replace Plastic thin Walled Pipe < 4-inch	0	0	0	150,000	150,000	0
1-7183-00	3 Replace Plastic thin Walled Pipe-Scown	15,329	6,478	82,812	0	(82,812)	98,142
1-7183-01	4 Replace Plastic thin Walled Pipe-Wilson	0	0	15,793	0	(15,793)	15,793
1-7186-00	5 Replace CI Pipe-Grant Ave	5,665	395	1,452	0	(1,452)	7,117
	5 Other Main Replacements (60+ years old)	0	0	0	200,000	200,000	0
b. Main/Pipeline Additions							
1-7150-00	1 San Mateo Inlet/Outlet Pipe (2,200')	137,340	3,122	26,305	910,000	883,695	163,645
1-7191-00	2 Loop South/North Zone 2-Indian Valley Campus	0	8,612	8,612	0	(8,612)	8,612
	3 Other Main/Pipeline Additions	0			150,000		
c. PB Service Line Replacements							
1-7139-xx	1 Repl PB in Sync w/City Paving (30 Svcs)	0	0	0	70,000	70,000	0
1-7123-xx	2 Other PB Replacements (80 Svcs)	0	0	0	80,000	80,000	0
1-7123-28	3 Repl PB-San Ramon/Vivian/Verismo (47)	0	35,605	38,824	0	(38,824)	38,824
d. Relocations to Sync w/City & County CIP							
1-8737-xx	1 Other Relocations	0	0	0	70,000	70,000	0
TOTAL PIPELINE REPLACEMENTS/ADDITIONS		\$158,334	\$54,212	\$173,799	\$1,730,000	\$1,406,201	\$332,132
e. Aqueduct Replacements & Enhancements							
1-7118-02	1 MSN B2-Utility Agreement Costs ¹	\$118,247	\$0	\$8,100	\$0	(\$8,100)	\$126,347
1-7118-11	2 AEEP Post Construction Costs	19,507	0	2,160	0	(2,160)	21,667
		\$137,753	\$0	\$10,260	\$0	(\$10,260)	\$148,013
2 SYSTEM IMPROVEMENTS							
1-7007-14	a. Detector Check Assembly Repair/Repl (~14/yr)	\$0	\$12,141	\$18,139	\$100,000	\$81,861	\$18,139
1-7090-04	b. Anode Installations (150/yr)	264	0	0	10,000	10,000	264
1-7178-00	c. Asset Management Software Procurement/Implementation	276,168	632	6,239	0	(6,239)	282,407
1-7136-00	d. Facilities Security Enhancements	68,635	0	0	25,000	25,000	68,635
1-7190-00	e. San Marin Aqueduct Valve Pit (STP to Zone 2)	0	0	0	110,000	110,000	0
1-7188-00	f. Watershed Property-Vineyard Fence	0	0	35,453	0	(35,453)	35,453
TOTAL SYSTEM IMPROVEMENTS		\$345,067	\$12,773	\$59,831	\$245,000	\$185,169	\$404,898
3 BUILDINGS, YARD, & S.T.P. IMPROVEMENTS							
a. Administration Building							
1-6501-44	1 Office/Yard Building Renovation	\$109,936	\$2,406	\$3,855	\$1,000,000	\$996,145	\$113,791
b. Corp Yard/Warehouse/Construction Office							
1-6502-47	1 Other Yard Improvements	173	(173)	(173)	0	173	0
c. Stafford Treatment Plant							
1-6600-96	1 Leveroni Creek Embankment Repair	45,724	0	0	192,000	192,000	45,724
1-6600-xx	2 Other Treatment Plant Improvements	0	0	0	100,000	100,000	0
1-6600-97	3 Efficiency Improvements	0	0	0	100,000	100,000	0
1-6600-92	4 STP-Chemical System Upgrades	68,996	0	0	75,000	75,000	68,996
1-6600-34	5 STP-High Service Pump #3 Replacement	15,803	0	0	20,000	20,000	15,803
1-6600-83	6 Filter Underdrain/Media R&R	0	0	0	20,000	20,000	0
1-6600-40	7 STP-Upgr Plant Water Booster Pump Station	0	0	4,814	0	(4,814)	4,814
1-6600-39	8 STP-Replace Chlorine Control System	10,787	0	0	0	0	10,787
1-6600-72	9 STP-Discharge/Treatment	0	0	358	0	(358)	358
TOTAL BUILDING, YARD, & STP IMPROVEMENTS		\$251,419	\$2,234	\$8,854	\$1,507,000	\$1,498,146	\$260,273

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2020**

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Description	COST THRU JUNE 2020	SEPTEMBER 2020	FYTD TOTAL	FY 20/21 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
4 STORAGE TANKS & PUMP STATIONS						
a. Tank Construction						
1-6207-20 1 Old Ranch Rd Tank Replacement	\$142,752	\$1,858	\$3,152	\$500,000	\$496,848	\$145,904
b. Tank Rehabilitation						
1-7170-00 1 Hydro pneumatic Tank Repairs	15,145	0	0	30,000	30,000	15,145
1-6112-24 c. Lynwood Pump Station Motor Control Center	150,067	0	0	400,000	400,000	150,067
1-6141-00 d. Crest P.S.(Design/Const)/Reloc School Rd P.S.	226,865	5,259	10,827	550,000	539,173	237,692
e. Other Tank & PS Improvements	0	0	0	25,000	25,000	0
TOTAL STORAGE TANKS & PUMP STATIONS	\$534,828	\$7,117	\$13,980	\$1,505,000	\$1,491,020	\$548,808
5 RECYCLED WATER						
a. Other Recycled Water Expenditures	\$0	\$0	\$0	\$100,000	\$100,000	\$0
TOTAL RECYCLED WATER	\$0	\$0	\$0	\$100,000	\$100,000	\$0
6 WEST MARIN WATER SYSTEM						
2-6263-20 a. Replace PRE Tank #4A (25K Gal w/125K Gal)	\$578,764	\$169,382	\$304,152	\$1,000,000	\$695,848	\$882,916
2-6609-20 b. New Gallagher Well #2	82,616	10,953	10,953	75,000	64,047	93,569
2-8829-00 c. PB Replace in Sync w/County Paving	1,455	0	0	50,000	50,000	1,455
2-7185-00 d. Gallagher Ranch Streambank Stabilization ²	386,826	29,783	335,440	260,000	(75,440)	722,266
2-8912-00 e. Lagunitas Bridge Pipeline Replacement	32,357	0	514	100,000	99,486	32,871
2-7123-27 f. PB Replace-SR1 PT Reyes Caltrans	75,876	14,154	37,652	0	(37,652)	113,528
2-6130-23 g. Olema PS Wireless to Tank	8,468	35	168	0	(168)	8,636
4-6133-20 h. PRE P.S. #2 Pumping Equipment	0	0	8,361	0	(8,361)	8,361
TOTAL WEST MARIN WATER SYSTEM	\$1,166,360	\$224,307	\$697,241	\$1,485,000	\$787,759	\$1,863,601
7 OCEANA MARIN SEWER SYSTEM						
8-8672-28 a. Infiltration Repair (Manhole Relining)	\$77,813	\$0	\$0	\$40,000	\$40,000	\$77,813
8-7085-05 b. Tahiti Way Lift Pump Replacement	9,489	0	0	25,000	25,000	9,489
8-7173-00 c. OM Treatment Pond Rehab-404 Grant-FEMA ³	157,227	1,667	16,115	225,000	208,885	173,342
TOTAL OCEANA MARIN SEWER SYSTEM	\$244,529	\$1,667	\$16,115	\$290,000	\$273,885	\$260,644
TOTAL PROJECT EXPENDITURES	\$2,838,290	\$302,309	\$980,079	\$6,862,000	\$5,731,921	\$3,818,370

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2020**

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Description	COST THRU JUNE 2020	SEPTEMBER 2020	FYTD TOTAL	FY 20/21 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
8 LESS FUNDED BY GRANTS, LOANS & REIMBURSEMENTS						
(Accrued)/Deferred						
a. MSN Aqueduct Caltrans Reimb-Segment B2 ¹	(\$26,372)	\$0	\$0	\$0	\$0	(\$26,372)
b. Gallagher Ranch Streambank Stabilization ²	0	(29,783)	(335,440)	(385,000)		
c. OM Treatment Pond Rehab-404 Grant-FEMA ³	0	(1,250)	(12,086)	(225,000)		
FUNDING BY OTHERS (ACCRUED)/DEFERRED	(\$26,372)	(\$31,032)	(\$347,526)	(\$610,000)	\$0	(\$26,372)
Received						
a. MSN Aqueduct Caltrans Reimb-Segment B2 ¹	(\$116,642)	(\$4,042)	(\$4,042)	\$0	\$4,042	(\$120,684)
b. Gallagher Ranch Streambank Stabilization ²	0	0	0	(385,000)		
c. OM Treatment Pond Rehab-404 Grant-FEMA ³	0	0	0	(225,000)		
FUNDING BY OTHERS RECEIVED	(\$116,642)	(\$4,042)	(\$4,042)	(\$610,000)	(\$734,726)	(\$120,684)
NET PROJECT EXPENDITURES	\$2,695,277	\$267,235	\$628,511	\$5,642,000	\$4,997,195	\$3,671,314

CIP SUMMARY-GROSS EXPENDITURES:	Current Month	FYTD Total	FY 20/21 Budget	FYTD/ Budget%
Novato Water Capital Projects	\$76,336	\$266,723	\$4,987,000	5%
Novato Recycled Water Capital Projects	0	0	100,000	0%
West Marin Water Capital Projects	224,307.03	697,241	1,485,000	47%
Oceana Marin Sewer Capital Projects	1,667	16,115	290,000	6%
Gross Capital Improvement Project Outlays	\$302,309	\$980,079	\$6,862,000	14%

CIP SUMMARY-NET EXPENDITURES:	Current Month	FYTD Total	FY 20/21 Budget	FYTD/ Budget%
Novato Water Capital Projects	\$72,294	\$262,681	\$4,987,000	5%
Novato Recycled Water Capital Projects	0	0	100,000	0%
West Marin Water Capital Projects	\$194,524	361,801	1,100,000	33%
Oceana Marin Sewer Capital Projects	417	4,029	65,000	6%
Net Capital Improvement Project Outlays	\$267,235	\$628,512	\$6,252,000	10%

Notes to Capital Improvement Projects Schedule:

- (1) Funding provided 100% by Caltrans.
- (2) Gallagher Ranch Streambank Stabilization-\$385K funded by others (\$310K NRCS, \$50K MALT, \$25K MMWD)
- (3) OM Treatment Pond Rehab-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.

CONSULTING SERVICES/STUDIES							
1-4055-00	a. Stafford Lake Sanitary Survey	\$26,396	\$4,466	\$5,436	\$0	(\$5,436)	\$31,832
1-4057-00	b. Local Water Supply Enhancement Study	0	0	0	25,000	25,000	0
1-4077-00	c. Potter Valley Project FERC Relicensing	12,071	0	1,890	10,000	8,110	13,961
1-7140-01	d. Stafford Dam EAP & Inundation Mapping Updates	14,367	0	0	10,000	10,000	14,367
1-4050-01	e. Urban Water Management Plan	17,053	0	0	50,000	50,000	17,053
1-6501-43	f. Electronic Document Management System	4,427	0	0	60,000	60,000	4,427
8.4080.00	g. Oceana Marin Sewer System Management Plan	0	0	510	50,000	49,490	510
	h. Stafford Lake Sediment Survey	0	0	0	60,000	60,000	0
	i. West Marin Water Rate Study	0	0	0	35,000	35,000	0
	j. Design Report (Eagle Dr & Hayden Hydro-P System Upgrade	0	0	0	20,000	20,000	0
1-4078-00	k. COVID Impacts-Safety	6,303	0	109	0	(109)	6,412
1-4079-00	l. COVID Impacts-Bldg Maintenance	0	0	13,177	0	(13,177)	13,177
		\$80,616	\$4,466	\$21,122	\$320,000	\$298,878	\$101,738

North Marin Water District Financial Statement Notes

Note 1 - Restricted Cash

Connection Fee Fund: Cash available from collection of Connection Fees. The fee is charged to developers based upon the estimate of cost necessary to construct capacity to serve the new development. These funds are restricted by law for expansion of the water or sewer facilities within the service area where the development occurs. Funds are disbursed from the Connection Fee Reserve as expenditures are incurred to increase system capacity to serve new development. The fund balance accrues interest monthly.

Bank of Marin Project Fund: The District received an \$8 million loan from the Bank of Marin in October 2011 to fund the Aqueduct Energy Efficiency Project. The 20-year, 3.54% annual percentage rate loan requires monthly payments of \$46,067 and will be fully amortized on 10/27/2031. In June 2012 the Board authorized reallocating \$1 million of this loan to West Marin Water to repay Novato Water \$223,000 owed for previous loans to fund Long Range Improvement Projects and the remainder to fund the Solids Handling Facility at the Point Reyes Water Treatment Plant. The unexpended fund balance accrues interest monthly.

Deer Island RWF Replacement Fund: The State Revolving Fund (SRF) loan agreement required the District to agree to establish and maintain a Water Recycling Capital Reserve Fund (WRCRF) for the expansion, major repair, or replacement of the Deer Island Recycled Water Treatment Plant. The WRCRF is maintained in compliance with the "Policy for Implementing the State Revolving fund for Construction of Wastewater Treatment Facilities" in effect at the time the agreement was signed by the District. The September 2003 Recycled Water Master Plan prepared by Nute Engineering recommended limiting the reserve to fund replacement of the RWF electrical and mechanical equipment (including transmission pumps) as they wear out. The cost of said equipment was \$1,483,000 which, at Nute's recommended 6% interest rate factor and 25-year life, renders an annual funding requirement \$115,000. The fund balance accrues interest monthly.

Recycled Water Capital Replacement and Expansion Fund: The 2011 Interagency Agreements for Recycled Water between NSD, LGVSD & NMWD require that any payments to the Distributor (NMWD) by the End User (Consumers) in excess of actual costs (marginal payments) shall be deposited in this fund. Operation and Maintenance Costs are defined as the actual cost of: labor (including general and administrative overhead plus tools and supplies normally applied), equipment and vehicle charges, consumables (such as chemicals and electrical power), and spare parts and/or replaced components necessary to reliably treat and deliver recycled water to the End Users. Operation and Maintenance Costs do not include costs for major capital replacement or process changes. A payment of \$305,711 was made to Novato Sanitary District in December 2019 for the Clearwell Improvement Project.

Tax Receipts held in Marin County Treasury: Balance of tax proceeds collected and disbursed by the County of Marin for repayment of the Olema (OL-2) general obligation bond debt. The County credits interest to these funds quarterly.

STP SRF Reserve Fund – Marin County Treasury: The 2004 Stafford Treatment Plant State Revolving Fund (SRF) loan agreement requires the District to build a Reserve Fund equal to one year of payments (\$1,044,474) in the Marin County Treasury during the first ten years of the 20-year repayment period. Every January 1 and July 1, commencing January 1, 2010, the District deposits with the County 10% of the semi-annual SRF payment. This Reserve Fund was fully funded at 6/30/19. The County credits the fund with interest quarterly, which is applied to the semi-annual payments, and will use the Reserve to pay the last 2 semi-annual SRF loan payments.

RWS North/South SRF Reserve Fund: The State Water Resource Control Board Agreements for the seven Clean Water State Revolving Fund Loans made for expansion of the Recycled Water System distribution system require that the District establish a reserve fund equal to one year's debt service (\$614,299) prior to the construction completion date.

RWS Central SRF Reserve Fund: The State Water Resource Control Board Agreement for the Clean Water State Revolving Fund Loan made for expansion of the Recycled Water System distribution system requires that the District establish a reserve fund equal to one year's debt service (\$275,773) prior to the construction completion date.

Note 2 - Designated Cash

Liability Contingency Fund: Established in 1986 when the District first elected to self-insure its general liability risk. This reserve was funded with \$1 million initially and \$200,000 annually thereafter until it reached a balance of \$2 million. In FY98 the West Marin Water System was included in the fund and built-up a proportional reserve of \$74,000 over several years. Commencing FY93, \$1 million of the reserve was made available to fund loans to eligible employees under the District's Employer Assisted Housing Program. In August 2008, \$500,000 was transferred into this reserve from the Self-Insured Workers' Compensation Fund and made available to fund Employer Assisted Housing Program loans. Currently there is \$525,000 in Employer Assisted Housing Loans outstanding (see Note 3). In March 2005, \$652,400 was expended from the fund to purchase a home at 25 Giacomini Road in Point Reyes Station. The home is currently rented. In 2006, \$8,885 was added from the sale of surplus property in West Marin. The fund balance does not accrue interest.

Workers' Compensation Fund: Commencing July 2019, the District switched from self-insuring its workers' compensation liability to 1st dollar workers' compensation insurance with Zenith Insurance Company. The premium for 1st dollar insurance is higher than staying with the SIR plan, but the risk of \$1M out of pocket costs is eliminated.

Retiree Medical Benefits Fund: NMWD pays the cost of health insurance for retirees between the ages of 55 and 65 and spouse under any group plan offered by CalPERS. The retiree must be at least 55 and have a minimum of 12 years (for employees hired on or before September 30, 2018) and a minimum of 20 years (for employees hired after September 30, 2018) of NMWD service at the date of retirement. NMWD's contribution toward the chosen plan is capped in the same manner as all other NMWD employees in the same class. Coverage terminates for the spouse when the spouse becomes eligible for Medicare, or for both the retiree and spouse when the retiree becomes eligible for Medicare. When the retiree or spouse becomes eligible for Medicare, NMWD pays up to the couple annuitant rate, which is capped at \$3,830 per year (\$319/month). In August 2003, NMWD transferred \$2.55 million (\$2.3 million for current retirees plus \$250,000 for future retirees) from unrestricted cash into a reserve to fund this obligation. In 2010 the Board directed staff to add \$1,500 per employee annually as a payroll overhead to accrue and accelerate amortization of this liability. The accrual is maintained as a Long-Term Liability entitled Total OPEB Liability. In 2020 an Actuarial Analysis calculated NMWD's total actuarial liability at \$4.7 million. The Retiree Medical Benefits cash fund earns interest monthly.

Maintenance Accrual Fund: Established in FY91 to provide a source of maintenance money for replacement of treatment, storage, transmission and distribution facilities as they wear out. The annual contribution from operating reserves was initially \$200,000. Net polybutylene claim settlement proceeds of \$671,060 were closed into the fund in FY93. In FY94 the annual contribution was reduced to \$100,000. The District's goal is to build a reserve equal to 10% of the net book value of Novato's existing plant, currently \$7.0M. Funds are borrowed from the Maintenance Accrual Fund to offset the shortfall in unrestricted Cash & Investments. The fund balance does not accrue interest.

Operating Reserve Fund: This reserve, comprised of four months of budgeted operating expenditures (less depreciation) as recommended by the District's financial advisors, serves to ensure adequate working capital for operating, capital, and unanticipated cash flow needs that arise during the year. Funds are borrowed from the operating Reserve Fund to offset the shortfall in unrestricted Cash & Investments. The fund balance does not accrue interest.

Note 3 – Employee Loans

Housing Loans: The District's Employer Assisted Housing Program allows up to \$300,000 to be loaned to an employee for a period of up to 15 years for the purchase of a home within the District service territory that will enable the employee to respond rapidly to emergencies affecting the operation of the District. Repayment is due upon sale, termination of employment, or other event as described in the Program.

Interest on the loan is contingent upon and directly proportional to the appreciation in value occurring on the purchased property. There are two employee-housing loans currently outstanding totaling \$525,000: a \$250,000 loan dated March 2015, and a \$275,000 loan dated June 2018.

Note 4 – Other Long Term Receivables

In 2015 the District entered into an agreement with Marin Country Club for their share of the pipeline extension to provide recycled water for the Marin Country Club Golf Course. In 2016 the District received a \$6.6 million 30-year 1.0% SRF loan to finance the Recycled Water Central project, and Marin Country Club agreed to pay the District \$1,265,295 in bimonthly payments of \$8,142 at 1.0% over 30 years for their share of the pipeline extension. Marin Country Club also agreed to pay \$430,463 of the District’s local share of the project in bimonthly payments of \$8,242 over 10 years at 2.8%, which is the Novato Potable Fund’s weighted average cost of debt. The payments will coincide with Marin Country Club’s water service payments. Marin Country Club paid the 10 year loan in full in December 2018. The final payment from Marin Country Club for the 30 year loan is due in November 2047.

Note 5 – Depreciation

Assets are assigned a useful life based on consultations with the District Chief Engineer and a survey of other water agencies. Depreciation is computed on a straight-line basis over the estimated useful life of the various classes of property as follows:

<u>Facility</u>	<u>Life (Years)</u>
Aqueduct.....	150
Dam.....	100
Buildings & Structures.....	40
Mains.....	50
Pumping Equipment.....	25
Water Treatment Equipment.....	20
Storage & Transmission (16"+) Facilities.....	50
Distribution Facilities (includes Pump Stations).....	50
Office, Laboratory, Construction & Shop Tools & Equipment.....	10
Vehicles 1 ton or greater.....	10
All other vehicles.....	5
Sewer Mains.....	40
Sewer Pumps.....	10

Note 6 - Capitalization Policy

The Government Finance Officers Association *Guide for State and Local Governments* recommends that a capitalization policy incorporate a minimum threshold of \$5,000 and an estimated useful life of at least two years. It also cautions that federal grant and loan requirements prevent the use of capitalization thresholds in excess of \$5,000. Thus NMWD’s capitalization threshold is \$5,000.

Note 7 – Bond & Loan Servicing Schedule for Fiscal Year 2020-2021

Service Area	Description	Issue Date	Rate	Original Amount	Payment Due	Final Pmt	FY21		6/30/21 Outstanding Balance
							Interest Expense	Principal Paid	
1 Novato	SRF Loan - STP	2004	2.39%	\$16,528,850	7/1 & 1/1	7/1/29	\$196,033	\$848,442	\$7,564,614
2 Novato	Bank Loan Marin	2011	3.54%	\$7,000,000	27 th /mo	10/27/31	\$149,511	\$332,531	\$4,191,417
3 Novato	Chase Bank Loan	2018	2.69%	\$4,600,000	3/1 & 9/1	3/1/33	\$110,290	\$270,000	\$3,830,000
Novato Total							\$455,834	\$1,450,973	\$15,586,031
4 RW TP	SRF Loan	2006	2.4%	\$4,302,560	6/20	6/19/27	\$41,816	\$231,551	\$1,510,788
5 RW North	SRF Loans (4)	2013	2.6%	\$4,375,605	Varies	Varies	\$76,891	\$205,002	\$2,752,334
6 RW South	SRF Loans (3)	2013	2.2%	\$5,361,952	Varies	Varies	\$83,532	\$248,874	\$3,548,055
7 RW Central	SRF Loan	2016	1.0%	\$7,130,503	12/19	12/31/47	\$67,058	\$208,715	\$6,497,101
Recycled Water Total							\$269,297	\$894,142	\$14,308,278
8 WM Water	Bank Loan Marin	2012	3.54%	\$1,000,000	27 th /mo	10/27/31	\$21,946	\$48,812	\$614,949
West Marin Water Total							\$21,946	\$48,812	\$614,949
FY21 Total							\$747,077	\$2,393,927	\$30,509,258

1. In April 2004 the California State Department of Water Resources approved a 2.39% 20-year loan for reconstruction of the Stafford Water Treatment Plant. The project was completed in FY09 with repair of the Outlet Tower Sluice Gate. Interest paid during construction totaled \$1,636,378. The loan covenants require an annual reserve fund contribution of \$104,447 (10% of the annual debt service obligation) be deposited into the Marin County Treasury during each of the first ten years of the repayment period. Debt service is funded 25% by Facility Reserve Charges. The first payment was made in December 2009.
2. In October 2011 Bank of Marin made a 20-year 3.54% (APR) loan of \$8 million to fund the District's share of the Aqueduct Energy Efficiency Project. See Note 15 below, and note to loan 9 above.
3. In March 2018 Chase Bank made a 15-year 2.69% (APR) loan of \$4.6 million to fund the District's Automated Meter Information system Project.

4. In August 2006 the California State Department of Water Resources approved a 2.4% 20-year loan of \$4,264,545 for construction of the Deer Island Recycled Water Facility. With the addition of \$38,015 in Construction Period Interest, the loan principal totaled \$4,302,560. The project was completed in June 2007, and the first payment was made June 19, 2008.
5. In July 2011 the California State Department of Water Resources approved a series of four 2.6% 20-year loans which totaled \$4,375,605 for the Recycled Water North Service Area Expansion Project. The projects were completed on October 31, 2012, and the first payment was made in November of 2012.
6. In March 2012 the California State Department of Water Resources approved a series of three 2.2% 20-year loans totaling \$5,361,952 for the Recycled Water South Service Area Expansion Project. The projects were completed on September 4, 2013, and the first payment was made in December of 2013.
7. In May 2016 the California State Department of Water Resources approved a 1.0% 30-year loan of \$7,130,503 for the Recycled Water Central Service Area Expansion. The project will be completed in December 2017, and the first payment will be made December 31, 2018.
8. In June 2012 the Board authorized reallocating \$1 million of the Bank of Marin loan to West Marin Water to repay Novato Water \$223,000 owed for loans to fund Long Range Improvement Projects and the remainder to fund the Solids Handling Facility at the Point Reyes Water Treatment Plant. See note to loan 2 above.

Note 8 – Unemployment Insurance Reserve

NMWD uses the "Reimbursable Method" of paying for Unemployment Costs. Under this method, the District reimburses the State Employment Development Department for all unemployment benefits paid on our behalf. The reserve is maintained at an amount equal to the higher of the average claim amount paid over the last 5 years or 52 times the maximum weekly benefit amount (currently \$450 x 52 = \$23,400).

Note 9 – Payroll Benefits

Payroll Benefits payable includes payroll taxes; vacation, sick, and holiday leave; Section 125 payments; cancer, long term care and disability insurance premiums; union dues; and employee benefit fund.

Note 10 - Interest Policy on Inter-District Loans

In the event an improvement district expends all of its Undesignated Funds, it shall borrow funds from that improvement district's Board Designated Fund reserves to meet ongoing requirements. In the event an improvement district expends all of its Board Designated Fund reserves, it may receive a loan from the Novato Improvement District in an amount sufficient to meet its ongoing requirements. Restricted Funds shall not be used to finance ongoing normal operating expenses.

No interest shall be paid by an improvement district on funds borrowed from that improvement district's Board Designated Fund reserves. Interest on loans from the Novato Improvement District shall be paid by the recipient district to the Novato district based upon the outstanding loan balance at the close of the previous accounting period. Interest shall be calculated at the higher of: 1. The weighted average interest rate of Novato improvement district debt (2.78% at 6/30/18); or 2. The average interest rate earned on the District treasury since the close of the previous accounting period; plus \$50 per month.

Note 11 – Budget Augmentations

Note 12 – Prior Period Adjustment

Note 13 – Explanation of Financial Statement Components

The District's financial statement is comprised of four components: 1) Statement of Net Position, 2) Sources and Uses of Funds Statement – All Service Areas Combined, 3) Income Statement and Cash Flow by Service Area, and 4) Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The Statement of Net Position (page 4) reports the District's assets and liabilities and provides information about the nature and amount of investments in resources (assets) and the obligations to the District's

creditors (liabilities). The difference between assets and liabilities is reported as *net position*. Over time, increases or decreases in the fund balance may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Sources and Uses of Funds Statement – All Service Areas Combined (page 8) compares fiscal year-to-date performance against the Board approved annual budget – presented in the adopted budget format. This Sources and Uses of Funds Statement varies from the income statement in that it includes capital expenditures, debt principal repayment, connection fee revenue, and cash infusions from debt issuance.

The Income Statement and Cash Flow by Service Area (page 9) presents the net income (loss) for the fiscal year-to-date (FYTD) period for each of the District’s four service areas. The income and expenses on this report are presented in conformity with Generally Accepted Accounting Principles (GAAP) and comply with Governmental Accounting Standards Board pronouncements. Accordingly, all income and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement measures the success of each service area’s operations and can be used to determine whether the service area has successfully recovered all costs through user fees and other charges.

Also included at the bottom of page 9 is a statement of Cash Flow by Service Area. The primary purpose of this statement is to reconcile in an informative manner the difference between the net income/(loss) for period of each service area with the resultant change in cash balance that occurred over the same period.

Notes to the Financial Statements (page 28) provide a summary of significant accounting policies and assumptions and other information of value to the financial statement reader.

Other Supplementary Information includes Detail Income Statements presented in accordance with GAAP for each of the four service areas (pages 10, 14, 16, 19). These statements present income and expenditures in close detail for further analysis. Other supplementary schedules of note include the Vehicle Fleet Analysis (page 23), Equipment Expenditures (page 21) and Capital Improvement Project Expenditures (page 25), which show outlays to date, compared with budget authority.

Note 14 –Connection Fee Transfers from Novato Water To Recycled Water

The following Connection Fee (FRC) reserve amounts have been transferred to the Recycled Water fund:

	Expansion Local Share			SRF RWF Expansion				Transfer		
	North	South	Central	NBWR	Loan	SRF Loan	BPGL Loan Repayment	CIP	Total	Executed
FY07				\$29,725					\$29,725	
FY08				\$50,478	\$22,795				\$73,273	
FY09				\$150,455	\$22,795				\$173,250	
FY10	\$133,659			\$75,198	\$22,795				\$231,652	\$133,659
FY11				\$133,319	\$22,795				\$156,114	\$1,175,098
FY12	\$233,478	\$265,500		\$115,883	\$22,795				\$637,656	(\$7,088)
FY13				\$315,023	\$22,795	\$464,572			\$802,390	\$1,970,400
FY14	\$236,291	\$723,525	\$4,024	\$63,035	\$22,795	\$500,529			\$1,550,200	\$1,550,200
FY15		\$17,563	(\$4,024)	\$38,283	\$22,795	\$614,299			\$688,916	\$688,916
FY16	\$0	\$0	\$66,729	\$102,842	\$22,795	\$614,299			\$806,664	\$806,664
FY17			\$362,524	\$194,636	\$22,795	\$614,299		\$36,687	\$1,230,940	\$1,230,940
FY18			\$5,071,512	\$38,908	\$22,795	\$614,299			\$5,747,513	\$5,747,513
FY19			(\$2,168,755)	\$6,966	\$22,795	\$890,072			(\$1,248,922)	(\$1,248,922)
FY20			\$5,499	\$0	\$0	\$350,287	(\$1,046,471)	\$1,084	(\$689,600)	(\$689,600)
FY21						\$216,362			\$216,362	\$216,362
	\$603,428	\$1,006,589	\$3,337,509	\$1,314,751	\$273,539	\$4,879,018	\$0	\$37,771	\$11,452,604	\$10,406,133

Note 15 –Debt Service Coverage Ratio

North Marin Water District
 Financial Statement Notes

Debt Service Coverage Ratio is the ratio of net income/(loss) plus interest expense, depreciation, and connection fee revenue for the fiscal year to the sum of the fiscal year's principal and interest payments on the District's total debt.

	FY17	FY18	FY19	FY20	FY21
Net Income/(Loss)	\$597,600	\$1,860,520	\$1,159,000	\$1,830,000	\$849,000
Depreciation	\$3,416,507	\$3,434,069	\$3,528,000	\$3,486,000	\$3,777,000
Interest Expense	\$757,935	\$833,197	\$850,000	\$806,000	\$748,000
Connection Fees	\$1,034,585	\$1,455,400	\$733,000	\$340,000	\$509,000
Total Available For Debt Service	\$5,806,627	\$7,583,186	\$6,270,000	\$6,462,000	\$5,883,000
Annual Debt Service	\$2,527,021	\$2,201,451	\$3,129,000	\$3,139,000	\$3,141,004
Debt Service Coverage Ratio	2.30	3.45	2.01	2.06	1.87

6

MEMORANDUM

To: Board of Directors
From: Tony Williams, PE - Chief Engineer
Subject: Water Service Agreement – Marin Biologic Lab Fire Service, 378 Bel Marin Keys. Novato APN: 157-461-08

October 30, 2020

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RECOMMENDED ACTION: The Board approve authorization of this agreement.

FINANCIAL IMPACT: None: Developer Funded

The project is located at 378 Bel Marin Keys. (see attached map). The Marin Biologic Lab Fire Service plans propose a new fire service close to the entrance of the building.

Water facilities required for this project includes 15 feet of 4-inch PVC pipe and one below grade 6-inch DCDA fire service. Normal pressure Zone 1 water will continue to be provided for the project.

The service at 378 Bel Marin Keys has a historical one EDU allocation from a water service agreement with Ignacio Industrial Park Unit No. 2 in June 19, 1975. Based on historical water use two EDUs are appropriate for this service. Therefore an additional EDU will be applied when calculating Facilities Reserve Charges and one additional FRC will be collected.


Sewer service is currently provided by the Novato Sanitary District.

Environmental Document Review

The project is categorically exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities.

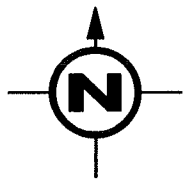
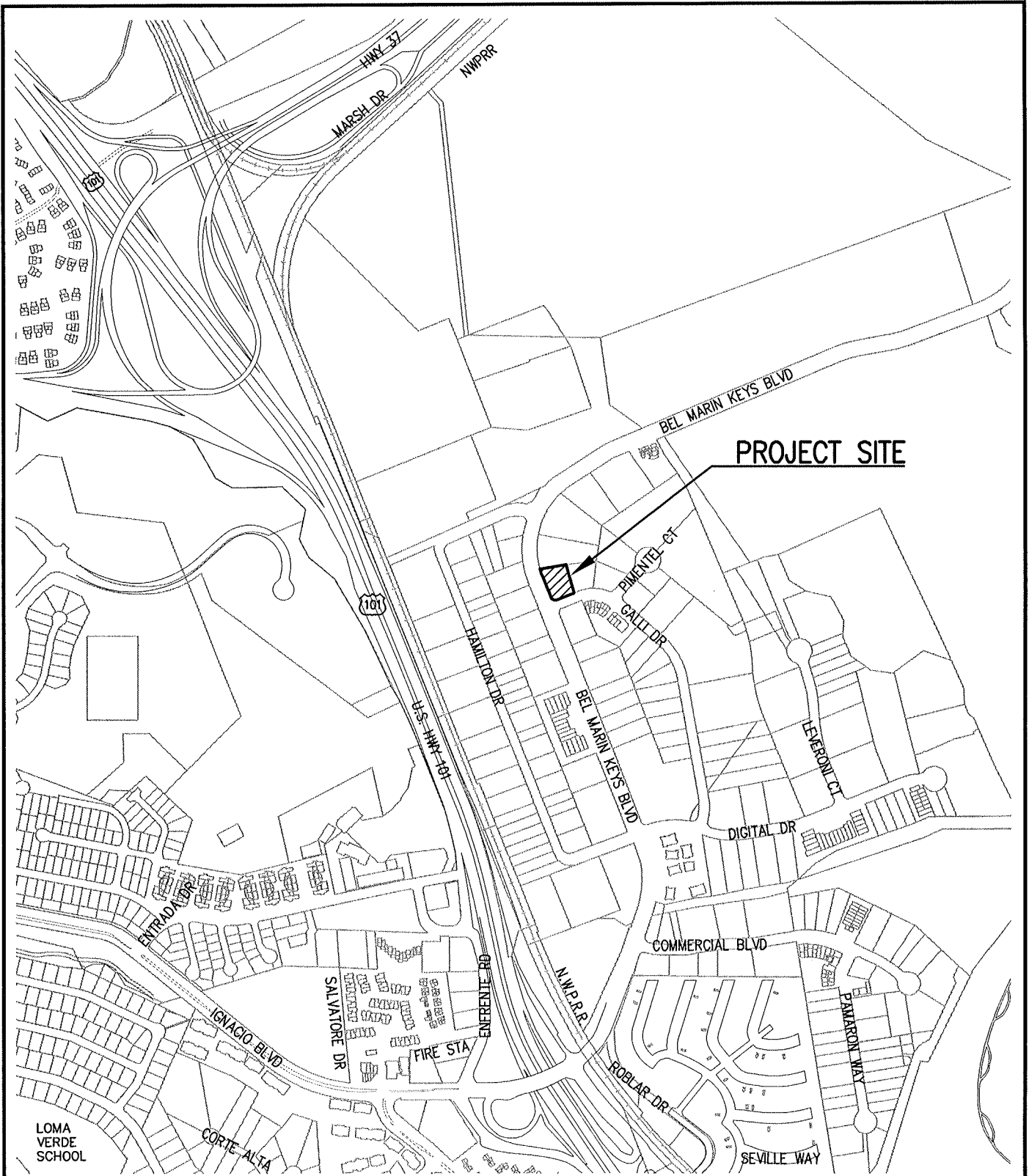
RECOMMENDATION:

That the Board approve authorization of this agreement.

Approved by GM 

Date 10/30/20

Oct 21, 2020 - 8:52am j:_MMWD Files\2845 378 Bel Marin Keys\3_ISSUED\A_2845_Vicinity Map.dwg User: SUSAN



MARIN BIOLOGIC			
378 BEL MARIN KEYS BLVD			
APN 157-461-08			
DATE	SCALE	JOB. NO.	DWG. NO.
10/21/20	NTS	2845	MAP

RESOLUTION NO. 20-
AUTHORIZATION OF EXECUTION
OF
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
WITH
MARIN BIOLOGIC LAB – BEL MARIN KEYS BLVD.

BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain water service facilities construction agreement between this District and MBL Properties, LLC, a limited liability company, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as 378 Bel Marin Keys Blvd., Novato, Marin County Assessor's Parcel Number 157-461-08, NOVATO, CALIFORNIA.

* * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 3rd day of November, 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

(SEAL)

Theresa Kehoe, Secretary
North Marin Water District

PART ONE
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT
FOR
MARIN BIOLOGIC LAB FIRE SERVICE

THIS AGREEMENT, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of _____, 2020, by and between NORTH MARIN WATER DISTRICT, herein called "District," and MBL Properties, LLC, A Limited Liability Company, herein called "Applicant."

WHEREAS, the Applicant, pursuant to District Regulation 1, the State of California Subdivision Map Act and all applicable ordinances of the City of Novato and/or the County of Marin, has pending before the City or County a conditionally approved Tentative Subdivision Map, Precise Development Plan, Tentative Parcel Map or other land use application for the real property in the District commonly known as Marin County Assessor's Parcel Number 157-461-08 and the project known as MARIN BIOLOGIC LAB, consisting of one (1) lot for commercial development; and

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

WHEREAS, the Applicant is the owner of real property in the District commonly known as 378 Bel Marin Keys Blvd., Novato (Marin County Assessor's Parcel 157-461-08); and,

WHEREAS, as part of the June 19, 1975 water service agreement with Ignacio Industrial Park Unit No. 2, a 1-inch water service was established at 378 Bel marin Keys with an entitlement at 1 EDU; and,

WHEREAS, the current project total water demand is 2 EDUs and Facilities Reserve Charges for 1 EDU will be collected after applying credit for 1 EDU paid previously; and

NOW THEREFORE, the parties hereto agree as follows:

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

acceptance of the completed water facilities, the District shall provide water service to said real property and project in accordance with its regulations from time to time in effect.

2. Prior to the District issuing written certification to the City, County or State that financial arrangements have been made for construction of the required water facilities, the Applicant shall complete such arrangements with the District in accordance with Section 5 of this agreement.

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

a. deliver to the District vellum or mylar prints of any revised utility plans approved by the City or County to enable the District to determine if any revisions to the final water facilities construction drawings are required. The proposed facilities to be installed are shown on Drawing No. 1 2845.001, entitled, "MARIN BIOLOGIC LAB FIRE SERVICE", a copy of which is attached, marked Exhibit "A", and made a part hereof. (For purposes of recording, Exhibit "A" is not attached but is on file in the office of the District.)

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

c. deliver to the District a written construction schedule to provide for timely withdrawal of guaranteed funds for ordering of materials to be furnished by the District and scheduling of either construction inspection or construction pursuant to Section 5 hereof.

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

Initial Charges

Meter Charges FS Bypass (Included in Estimated District Costs)	One 5/8-inch @	\$ 0.00	\$ 0.00
Reimbursement Fund Charges (domestic meter)	One 5/8-inch @	\$ 420.00	\$ 420.00
Facilities Reserve Charges (2 EDUs) Two @	\$ 28,600.00	\$ 57,200.00
Credit for Existing Services To Be Removed (1 EDUs)	One @	\$ 28,600.00	\$ <28,600.00>
Credit for Existing Service (domestic meter)	One 5/8-inch @	\$ 420.00	\$ <420.00>
Subtotal - Initial Charges			\$ 28,600.00

Estimated District Costs

Pipe, Fittings & Appurtenances.....	\$ 7,273.00
District Construction Labor.....	\$ 14,605.00
Engineering & Inspection.....	\$ 1,671.00
Bulk Materials.....	\$ 586.00

Subtotal –Estimated District Costs..... \$ 24,135.00

Estimated Applicant Installation Costs

Installation Labor..... \$ 0.00
Contractor Furnished – Pipe Fittings & Appurtenances..... \$ 0.00
Bulk Materials..... \$ 0.00

Subtotal- Estimated Applicant Installation Costs..... \$ 0.00

TOTAL ESTIMATED WATER FACILITIES COSTS..... \$52,735.00

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

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

Initial Charges and Estimated District Costs

The Applicant shall either pay to the District or provide a two (2) year irrevocable letter of credit in form satisfactory to the District and payable at sight at a financial institution in the Novato area the sum of Initial Charges and Estimated District Costs as set forth in Section 4 hereof in the amount of **\$52,735**. If the Applicant provides the two (2) year irrevocable letter of credit, the District shall immediately draw down Initial Charges and shall draw upon the remaining funds guaranteed by the letter at any time the District deems appropriate to recover the Estimated District Costs which normally will be at least thirty (30) days prior to the anticipated start of construction for the ordering of materials to be furnished by the District.

Estimated Installation Costs

Installation By District: Due to the proprietary nature of construction required to install said facilities, the District reserves the right to install the facilities utilizing District construction forces. The Applicant shall either pay to the District the total Estimated Installation Costs set forth in Section 4 hereof in the amount of **\$52,735** or shall include such amount in the irrevocable letter of credit provided for the Initial Charges and Estimated District Costs set forth first above. The District shall draw upon installation funds guaranteed by the letter at any time the District deems appropriate which normally will be at least thirty (30) days prior to the anticipated start of construction.

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

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

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

8. All estimated costs set forth in this agreement shall be subject to periodic review and revision at the District's discretion. In the event the Applicant has not completed financial arrangements with the District in accordance with Section 5 hereof prior to expiration of six (6) months from the date of this agreement, all Initial Charges and estimated costs set forth in Section 4 hereof shall be revised to reflect then current District charges and estimates. In the event the Applicant has not secured final land use approval for the project from the City of Novato or County of Marin, recorded a final map and diligently commenced construction of improvements required by those agencies and the District prior to expiration of one (1) year from the date of this agreement, the District may, at its option, either retract financial certifications issued to City, County and State agencies and terminate this agreement or require amendment of this agreement and review of all Initial Charges and estimated costs contained herein. The Applicant shall pay any balance due upon demand or furnish a guarantee of such payment satisfactory to the District.

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

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

NORTH MARIN WATER DISTRICT
"District"

ATTEST:

Michael H. Joly, President

Date

Theresa Kehoe, Secretary

(SEAL)

MBL PROPERTIES, LLC
A Limited Liability Company
"Applicant"

(SEAL)

Tania L. Weiss, Managing Member

Date

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

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

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

7

MEMORANDUM

To: Board of Directors

October 30, 2020

From: Ryan Grisso, Water Conservation Coordinator *RG*

Subject: Approve Text for Fall 2020 Novato "Waterline", Volume 21, Issue 45
V:\Memos to Board\Fall 2020 Waterline Text 1020.doc

RECOMMENDED ACTION: Approve Fall 2020 Novato "Waterline" Text

FINANCIAL IMPACT: \$8,000 (Included in FY 2020/2021 Budget)

Draft text and design for the Fall 2020 Novato "Waterline", Volume 21, Issue 45 is attached for your review. Should any Board member have individual comments please provide them to the General Manager at the Board meeting on November 3, 2020. It is expected the "Waterline" will be mailed in mid-November 2020.

RECOMMENDATION

Board authorize General Manager to approve final text and design of Fall 2020 Novato "Waterline", Volume 21, Issue 45.

Approved by GM



Date

10/30/20

Water Supply Update Fall 2020

Draw McIntyre, General Manager

This year has presented many challenges, including low winter rainfall, regional wildfires, ongoing power shut-offs, and a global health pandemic. These events strengthen the importance of water and the need to value it as a vital resource. Protecting our currently available water supplies from the Russian River and Stafford Lake, expanding our use of recycled water in outside irrigation to offset potable supplies, and continuing to emphasize water use efficiency are all vitally important to our water supply resiliency. In addition, North Marin Water District is participating in a Regional Water Supply Resiliency Study with our wholesale water agency, Sonoma County Water Agency, to improve integrated water resources coordination and to make the region more resilient to potential short- and long-term water shortages.

This summer, North Marin Water District continued to supply customers with high-quality, potable water from the Russian River and Stafford Lake. In cooperation with Novato Sanitary and Las Gallinas Valley Sanitary Districts, we have significantly expanded our distribution of recycled water over the last six years to large landscape irrigation customers and various commercial car washes in Novato. In total, recycled water delivery capacity is quickly approaching 30% of Stafford Treatment Plant capacity. This directly addresses the District's 2018 Strategic Plan Goal No. 1: To increase local control and long-term water supply reliability.

State legislation passed in November 2009 (SB7X-7) required a 20% reduction in per capita water use by 2020. North Marin Water District's current total water use of 115 gallons per day per capita (GPCD) represents a 35% reduction in water use, which



is well below the state's 20% reduction target to 139 GPCD. As previously reported, the state is developing long-term water use efficiency measurements based on legislation passed in 2018. The measurements focus on urban and agricultural water use and drought resiliency. New regulations are expected in 2022, with compliance triggers starting in 2023.

Regardless of the upcoming winter's rainfall levels, we recognize that water use efficiency must continue and customers are urged to participate in the many water conservation programs offered by North Marin Water District.

During fiscal year 2019/20, the District continued to invest in significant infrastructure projects, expending close to \$2M to ensure the reliable delivery of good quality water. The current cost of water service for a typical Novato customer — at the median of 16 comparable urban area retail water agencies — continues to offer good value.

New Low Income Rate Assistance (LIRA) Program

This program is available to eligible low-income customers and provides a credit on a two-month billing cycle of \$15 per bill or \$90 per year. A direct water customer who has a single-family residential account and is eligible for PG&E's income-based CARE program is eligible for the District's LIRA Program.

Once approved, the discount would apply to your first billing cycle after July 1, 2020. To request an application or for further information, call our billing department at 415-897-4133 or visit the website at nmwd.com.

Novato Water Rate and Structure Changes

Rate and structure changes for Novato Potable and Recycled Water went into effect October 1, 2020. Due to these changes, a partial bill was sent out for the period of water use from your last bill through September 30, 2020. This bill was for water use only, may not represent a full billing period, and was sent out in order to bill you properly at the previous rate.

Additionally, your next bill may also be for a shorter period than the average two-month billing period. Normal billing will resume for upcoming bills issued after November 27, 2020. If you have questions, please contact the billing department at billing@nmwd.com, or call 415-897-4133.

Access Your Water Use

In 2018, the District commenced deployment of an Advanced Metering Infrastructure (AMI) system to improve water use efficiency as well as meter reading efficiency, accuracy, and customer service. The project included meter upgrades for customers throughout North Marin Water District's Novato service territory. With the AMI system, digital meter data is sent securely via radio to North Marin Water District headquarters for billing purposes. This technology provides early leak detection and enables customers to view water use information online, thereby gaining a better understanding of their water use patterns.

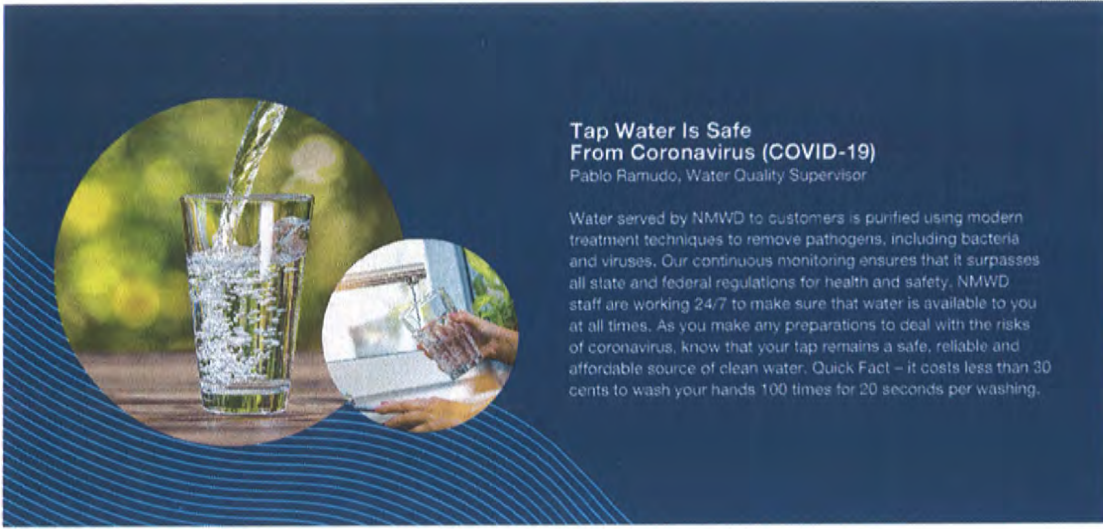
A WaterSmart Portal was developed as a part of the new AMI system, and we encourage you to sign up and log in on the portal to get acquainted with the system and learn more about your water use. The portal gives customers access to hourly water use data and the ability to set up alerts for high use and leak events. Please visit the District's new website at nmwd.com to learn more about accessing the WaterSmart Portal (and online bill pay). If you experience any issues registering or logging in to the WaterSmart Portal, please call 415-897-4133, and a staff member can guide you through the process.



Pay your bills online.

Visit onlinebiller.com/nmwd





Tap Water Is Safe From Coronavirus (COVID-19)

Pablo Ramudo, Water Quality Supervisor

Water served by NMWD to customers is purified using modern treatment techniques to remove pathogens, including bacteria and viruses. Our continuous monitoring ensures that it surpasses all state and federal regulations for health and safety. NMWD staff are working 24/7 to make sure that water is available to you at all times. As you make any preparations to deal with the risks of coronavirus, know that your tap remains a safe, reliable and affordable source of clean water. Quick Fact – it costs less than 30 cents to wash your hands 100 times for 20 seconds per washing.



999 Rush Creek Place
PO Box 148
Novato, CA 94948
nmwd.com

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Water Smart Savings Program

North Marin Water District wants to help customers use water efficiently. That's why we've put all of our water saving promotions under one umbrella. The Water Smart Savings Program encompasses all you need to get started on saving water and saving money. Call (415) 761-8944 for program details or visit nmwd.com.

Water Smart Home Survey

This free service includes thorough indoor and outdoor water efficiency checks. On hold during Covid-19, but will resume in 2021.

Water Smart Landscape Rebate

Rebates available for water efficient landscape equipment, such as a new drip irrigation system replacing a spray system or a rain shut off device.

Cash for Grass Rebate

Get cash for removing irrigated and maintained lawn and replacing it with low water use plants. Pre-qualification is required.

High Efficiency Clothes Washer Rebate

NMWD offers a rebate to customers when they purchase a qualifying high efficiency clothes washer.

Rainwater Catchment Rebate

Rebate for collection and storage of rainwater.

High Efficiency Toilet Rebate

Customers who replace an old water-guzzling toilet with a high efficiency toilet may be eligible for a rebate.

Weather-Based Irrigation Controller Rebate

Rebate for weather-based irrigation controllers that use weather data and site information such as plant type and sprinkler system output to automatically adjust watering times and frequency.



Water Quality Precaution Advised as Businesses and Schools Reopen

As Marin County implements gradual, phased reopening of business and school buildings that were dormant for months, North Marin Water District recommends you fully flush your building's plumbing by running water from cold taps for several minutes before using. Flushing will remove any water that has become stale and has lost quality while in contact with metal plumbing and from dissipation of chlorine disinfectant. North Marin Water District staff are ready to answer your questions or help with water related problems you may be experiencing. Contact us by email at info@nmwd.com, or call 415-897-4133.


More information and guidance on procedures to restore water quality for building owners and operators can be found on the US EPA's website:

www.epa.gov/coronavirus/information-maintaining-or-restoring-water-quality-buildings-low-or-no-use

8

MEMORANDUM

To: Board of Directors October 30, 2020

From: Julie Blue, Auditor-Controller 

Subj: Approve Resolution 20-XX Amending Regulation 54 to adjust Recycled Water Bi-Monthly Service Charges

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RECOMMENDED ACTION: Approve

FINANCIAL IMPACT: None

A public hearing to consider adoption of a proposed 6% revenue increase in the cost of water, occurred on June 16, 2020. Prior to the public hearing customers were noticed individually for the proposed increase by mail. The proposed commodity and bimonthly service charge rate increase for Novato and Recycled Water customers was estimated to generate an additional 6% in revenue. At the close of the public hearing the Board approved the amendment to Regulation 54 which established the new water rates with an effective date of October 1, 2020.

Previous to the public hearing and enacting of the new rates, the Board accepted the 2020 Novato and Recycled Water Rate Study Report. This comprehensive study was developed through numerous meetings with the rate study consultant, District staff and the Board's Ad Hoc Water Rate Study Subcommittee over several months. The rate study results were reviewed again at the June 2020 public hearing.

The rate study included an analysis of the bi-monthly fixed service charge which includes an account charge and a meter charge. Each customer is charged this fixed service charge based on the size of their meter. Historically, Novato Water and Recycled Water customers have been charged the same rate for their service charge. The rate study established a separate set of rates for the Recycled Water service charges. The detailed rates are included in the final rate study and were provided to all Novato and Recycled Water customers in the required notification prior to the public hearing, as shown in Attachment 1.

While the rates were clearly established during the rate study and rate hearing process the regulation did not include the new set of fixed service charges for Recycled Water. The Resolution, will amend Regulation 54 (Attachment 2), by properly including the Recycled water fixed charges as intended.

Staff Recommendation

Approve Resolution 20-XX (Attachment 3) amending Regulation 54 to adjust Recycled Water Bi-Monthly Service Charges.



NOTICE OF PUBLIC HEARING

REGARDING PROPOSED REVENUE INCREASES AND RATE STRUCTURE CHANGES

For the Novato Service Area

This Notice provides information about proposed increases to North Marin Water District's water rates and charges and proposed rate structure modifications. The Board of Directors will hold a public hearing at which public comments will be considered before the Board votes on the proposed changes.

HEARING DATE: Tuesday, June 16, 2020
TIME: 6:00 p.m.
LOCATION*: North Marin Water District
 999 Rush Creek Place
 Novato, CA 94945

The District proposes increasing revenue and revising the water rate structure for fiscal year 2020-2021. If approved at the public hearing on June 16, 2020, the new rates and rate structure changes will go into effect on July 1, 2020.

**If shelter-in-place restrictions remain in effect in Marin County at the time of the scheduled public hearing, additional information regarding accommodating public participation shall be provided on the District website at www.nmwd.com.*

REASONS FOR THE PROPOSED REVENUE INCREASE

The key reasons that a 6% revenue increase is needed are described below.

Increased investment in water facilities. The District must increase investments in facility upgrades and replacements from \$3 million to \$6 million per year. This will help address the need to properly maintain the District's \$137 million system of pipelines, pumps, reservoirs, treatment plants, valves, hydrants, laboratory, monitoring systems, and more.

Rising costs to purchase imported water. The District imports 75% of its water from Sonoma County Water Agency. The cost of purchasing imported water accounts for 30% of the budget and the water supplier has forecast that the costs will continue to increase by 6% every year.

Impact of inflation on all costs. The proposed revenue increase is designed to meet all the costs of providing water service. This includes purchasing, treating, and delivering safe, high-quality, reliable water to your home or business without fail, every day and around the clock.

REASONS FOR THE PROPOSED RATE STRUCTURE CHANGES

The District regularly reviews its water rate structure to ensure that each class of customer continues to pay their fair and proportional share of costs. The cost for serving each class of customers varies over time because of changes in customer water use, state regulations, service costs, and other factors.

MILLIONS OF DOLLARS SAVED

The District raises revenue only when necessary—first seeking to stretch its existing resources. As a result, cost control is a daily focus of North Marin Water District, which is one reason our rates are the lowest in Marin County and at the median for water agencies around the Bay Area region. Here are some of the ways we have kept rates down.

- We decreased electrical costs by installing clean solar energy systems.
- We obtained over \$10 million in grants for recycled water expansion.
- We saved \$18 million by sharing the cost of a large aqueduct project with other public agencies.
- We reduced future retirement benefit costs for new employees.
- The new recycled water system was implemented without additional staffing. Recycled water costs our customers less than potable water.

We've reduced the number of full-time employees from 58 a decade ago to 54 today, saving \$675,000 per year.

Details of the Proposed Revenue Increase

Proposed 6% revenue increase. North Marin Water District is proposing a global 6% rate revenue increase to cover the increasing costs of providing quality potable and recycled water service to our Novato service area customers.

Proposed rate structure modifications will result in individual customer bills that may increase more or less than the 6% global revenue increase. The District conducted an extensive cost of service study examining every aspect of service, including water purchase, treatment, delivery, facility replacement/upgrades, and many other factors. The study identified changes in the proportion of costs required to serve each customer class (residential and commercial). The rate structure modifications are part of a regular process to update rates to reflect current customer water use, state regulations, service costs, rate structure approach, etc. The proposed rate structure will ensure that each customer class continues to pay a fair and proportional share of the costs.

The typical residential customer (approximately 56% of all customers) will pay about \$4 more per month if the changes are approved (\$8 on the bi-monthly bill). Note that amounts in individual customer bills will vary based on water use, property elevation, and meter size.

PROPOSED BI-MONTHLY FIXED SERVICE CHARGES

The Bi-Monthly Fixed Service Charge includes an account charge and a meter charge. The meter charge is based on an industry standard that apportions costs based on meter size and flow capacity. Most single-family residential customers have a 5/8" meter. Residential accounts that have a 1" meter due to fire requirements, but would otherwise have a 5/8" meter, are charged at the 5/8" meter rate.

PROPOSED BI-MONTHLY FIXED SERVICE CHARGE FOR POTABLE WATER		
Meter Size (in inches)	Current Fixed Charge	Proposed Fixed Charge
5/8"	\$34.15	\$41.46
1"	\$68.30	\$74.06
1.5"	\$83.30	\$128.38
2"	\$129.90	\$193.57
3"	\$257.20	\$367.41
4"	\$413.00	\$562.98
6"	\$864.00	\$1,106.23
8"	\$1,288.00	\$1,432.18

PROPOSED BI-MONTHLY FIXED SERVICE CHARGE FOR RECYCLED WATER		
Meter Size (in inches)	Current Fixed Charge	Proposed Fixed Charge
5/8"	\$34.15	\$48.78
1"	\$68.30	\$61.68
1.5"	\$83.30	\$123.35
2"	\$129.90	\$197.36
3"	\$257.20	\$394.72
6"	\$864.00	\$1,233.50

To learn how the proposed rates will affect your specific water bill, check out the District's water cost calculator, available at www.nmwd.com/account_balance.php.

The proposed changes in rates are based on detailed engineering, financial, and legal evaluations carried out with the help of recognized experts in water rates. The rates conform to California law requiring that each class of customers (residential and commercial) pay their proportionate share of the cost to serve them.

The maximum rates that may be imposed are shown in this document. Prior to implementing the rates, the Board of Directors may choose to implement the full amount or less, but not more.

Increase and Rate Structure Changes

PROPOSED TIERED QUANTITY (USAGE) CHARGES

The proposed update to Tiered Quantity (Usage) Charges has three tiers that reflect the cost of the different sources of water. Tier 1 is based on the cost of imported water. Tier 2 is based on the cost of locally treated water from Stafford Lake. Tier 3 is based on the cost of locally treated water plus the cost of the District's conservation program, which is paid by those customers that use the most water. Usage charges include an **elevation zone charge** to recover the costs of pumping water to higher elevations.

PROPOSED BI-MONTHLY TIERED USAGE RATES FOR RESIDENTIAL POTABLE WATER						
Quantity Charge Per 1,000 Gallons	CURRENT RATES			PROPOSED RATES		
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
Residential Elevation Zone A	\$5.42	\$8.64	\$15.05	\$5.50	\$6.23	\$7.67
Residential Elevation Zone B	\$6.07	\$9.29	\$15.70	\$6.26	\$6.99	\$8.43
Residential Elevation Zone C	\$7.50	\$10.72	\$17.13	\$7.60	\$8.33	\$9.77

PROPOSED BI-MONTHLY TIERED USAGE RATES FOR COMMERCIAL POTABLE WATER				
Quantity Charge Per 1,000 Gallons	CURRENT RATES		PROPOSED RATES	
	Winter	Summer	Winter	Summer
Commercial Elevation Zone A	\$5.97	\$6.42	\$5.50	\$7.67
Commercial Elevation Zone B	\$6.62	\$7.07	\$6.26	\$8.43
Commercial Elevation Zone C	\$8.05	\$8.50	\$7.60	\$9.77

PROPOSED FIRE SERVICE CHARGES

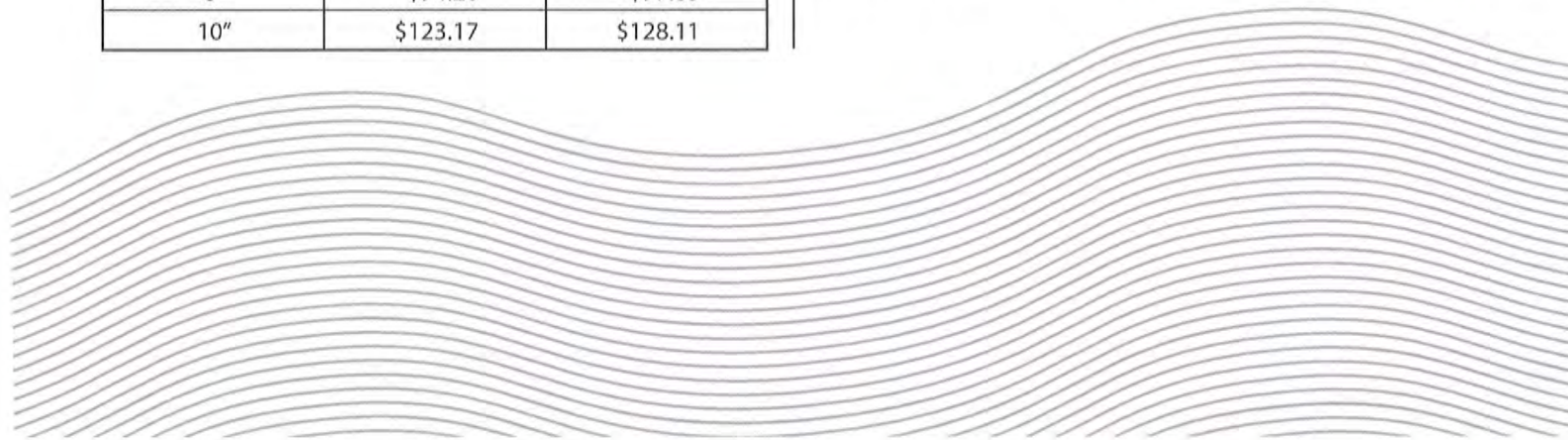
Fire Service Charges apply to commercial connections with fire sprinklers. The charges are based on the actual cost of maintaining fire service lines.

PROPOSED BI-MONTHLY FIRE CONNECTION CHARGE		
Service Size	Current	Proposed
1"	\$17.08	\$14.24
2"	\$17.08	\$18.78
4"	\$31.57	\$52.40
6"	\$61.60	\$73.60
8"	\$94.20	\$97.83
10"	\$123.17	\$128.11

PROPOSED BI-MONTHLY USAGE RATES FOR OTHER WATER SERVICES

These charges are for additional services that are offered to customers.

PROPOSED BI-MONTHLY USAGE RATES		
Quantity Charge Per 1,000 Gallons		
Water Type	Current	Proposed
Raw	\$2.46	\$2.93
Recycled	\$5.97	\$6.24
Temporary	\$8.88	\$6.99





NORTH MARIN WATER DISTRICT

990 Rush Creek Place
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Novato, CA 94945
nmwd.com

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James Grossi, Vice President
Jack Baker, Director
Rick Fraitas, Director
Stephen Petterle, Director

GENERAL MANAGER

Drew McIntyre

Notice of Public Hearing on Proposed Revenue Increases and Changes to the Rate Structure

Where to Learn More, Get Answers, and Make Comments

CONTACT US:

Phone: 415-897-4133
Email: info@nmwd.com

VISIT OUR WEBSITE:

www.nmwd.com

VISIT OUR OFFICE:

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

ATTEND THE BOARD HEARING

The Board will review and consider adopting the rate increases and rate structure modifications on June 16, 2020, at 6:00 p.m. at North Marin Water District, 999 Rush Creek Place, Novato, CA 94945.

At the Public Hearing: The Board of Directors will accept and consider all written protests and will hear and consider all verbal comments to the proposed rate increases and rate structure modifications at the Public Hearing. Verbal comments must be accompanied by a written protest to qualify as a protest. Before the conclusion of the Hearing, the Board of Directors will consider adoption of the proposed revenue increases and changes to the rate structure described in this notice. If written protests of the proposed changes are presented by a majority of the property owners or tenants subject to the proposed changes, the proposed rate increases and rate structure modifications will not be adopted.

How to Protest the Proposed Changes

Any owner of a parcel upon which the water service charges are proposed to be changed, or any tenant that directly pays the water bill for such parcel, may submit a written protest of the proposed rate changes. Only one protest will be counted per parcel. Written protests must: (1) state that the property owner or tenant is opposing the proposed increases; (2) provide the location of the parcel (by street address, assessor's parcel number, or customer account number); and (3) include the name and signature of the property owner or tenant submitting the protest. Written protests may be submitted by mail or in person to the District Secretary at North Marin Water District, 999 Rush Creek Place, Novato, CA 94945, or in person at the Public Hearing. All written protests must be received prior to the close of the public input portion of the Public Hearing. Protests submitted via email or other electronic means will not be accepted. Please mark the protest: Attn: Rate Hearing.



**NORTH MARIN WATER DISTRICT
REGULATION 54
WATER RATES**

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

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

<u>A BI-MONTHLY SERVICE CHARGE OF:</u>	Rate Effective 10/1/20
Standard 5/8 inch meter	\$41.46
For 1-inch meter*	\$74.06
1.5-inch meter*	\$128.38
2-inch meter	\$193.57
3-inch meter	\$367.41
4-inch meter	\$562.98
6-inch meter	\$1,106.23
8-inch meter	\$1,432.18

*(see paragraph f)

<u>RECYCLED WATER</u> <u>A BI-MONTHLY SERVICE CHARGE OF:</u>	Rate Effective 10/1/20
<u>Standard 5/8 inch meter</u>	<u>\$34.15 \$48.78</u>
<u>For 1-inch meter</u>	<u>\$68.30 \$61.68</u>
<u>1.5-inch meter*</u>	<u>\$83.30 \$123.35</u>
<u>2-inch meter</u>	<u>\$129.90 \$197.36</u>
<u>3-inch meter</u>	<u>\$257.20 \$394.72</u>
<u>6-inch meter</u>	<u>\$864.00 \$1,233.50</u>

<u>PLUS A QUANTITY CHARGE OF:</u>	Rate Effective 10/1/20
<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	
First 262 gallons per day (gpd)	\$5.50
263 up to 720 gpd	\$6.23
Use in excess of 720 gpd	\$7.67
<u>Rate for 1,000 Gal for All Other Potable Water Accounts</u>	
Commercial, Institutional & Irrigation Accounts – 10/1 – 6/30	\$5.50
Commercial, Institutional & Irrigation Accounts - 7/1 – 9/30	\$7.67
<u>Rate For 1,000 Gallons For Non-Potable Water</u>	
Recycled Water	\$6.24
Raw (Untreated) Water from Stafford Lake	\$2.93

PLUS AN ELEVATION ZONE CHARGE FOR EACH 1,000 GALLONS

<u>Zone</u>	<u>Elevation</u>	Rate Effective 10/1/20
A	0 through 60 feet	\$0.00
B	60 feet – 200 feet	\$0.76
C*	200 feet +	\$2.10

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

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

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

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

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

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

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

Size of Detector Assembly

	Novato Rate Effective <u>10/1/20</u>	West Marin Rate Effective 10/1/20
1 inch	\$14.24	\$17.85
2 inches	\$18.78	\$17.85
4 inches	\$52.40	\$32.99
6 inches	\$73.60	\$64.35
8 inches	\$97.83	\$98.44
10 inches	\$128.11	\$128.71

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

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

<u>BI-MONTHLY SERVICE CHARGE</u>	Rate Effective <u>10/1/20</u>
For 5/8 x 3/4-inch meter	\$35.68
For 1-inch meter*	\$71.36
For 1 1/2-inch meter*	\$87.05
For 2-inch meter	\$135.74
For 3-inch meter	\$268.77
For 4-inch meter	\$431.59
For all meters in Paradise Ranch Estates	\$54.08

*(see paragraph f)

PLUS A QUANTITY CHARGE OF:

<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	Rate Effective <u>10/1/20</u>
First 400 gallons per day (gpd).....	\$9.66
401 up to 900 gpd.....	\$13.38
Use in excess of 900 gpd.....	\$21.45
<u>Rate Per 1,000 Gallons for All Other Accounts</u>	
Commercial, Industrial and Irrigation Accounts Nov 1 – May 31	\$9.77
Commercial, Industrial and Irrigation Accounts June 1 – Oct 31	\$13.51

PLUS A HYDRAULIC ZONE CHARGE FOR EACH 1,000 GALLONS

<u>Zone</u>	<u>Hydraulic Zone</u>	Rate Effective <u>10/1/20</u>
1	Point Reyes Station	\$0.00
2	Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0'–365').....	\$0.25
3	Olema	\$0.95
4	Upper Paradise Ranch Estates (Elevation 365'+).....	\$6.46

(2)

(2) Effective July 1, 2020 consumers outside the Improvement District boundary shall pay an additional \$3.85 per 1,000 gallons.

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

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

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

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

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

<u>Novato Service Area</u>	Rate Effective <u>10/1/20</u>
For each 1,000 gallons	\$6.99

<u>West Marin Service Area</u>	Rate Effective <u>10/1/20</u>
For each 1,000 gallons	\$19.97

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

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

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

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

Rate Effective 10/1/20

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

Novato: \$41.46
West Marin: \$40.54

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

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

District Owned DCV Devices:

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

Privately Owned DCV Devices:

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

District Owned RPP Devices:

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

Privately Owned RPP Devices:

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

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

(2) Exemptions

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

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

RESOLUTION 20-XX**RESOLUTION OF THE BOARD OF DIRECTORS OF
NORTH MARIN WATER DISTRICT
AMENDING REGULATION 54 – WATER RATES**

WHEREAS, the 2020 Novato and Recycled water rate study prepared by Hildebrand Consulting (“Rate Study”), accepted and adopted by the Board at its meeting of March 3, 2020, recommends the following adjustments to the Recycled Water Bi-Monthly Service Charges: a 5/8 inch meter should be charged \$48.78, a 1 inch meter should be charged \$61.68, a 1 and one-half inch meter should be charged \$123.35, a two inch meter should be charged \$197.36, a three inch meter should be charged \$394.72, and a six inch meter should be charged \$1,233.50; and

WHEREAS, the proposed adjustments to the Recycled Water Bi-Monthly Service Charges in the amounts recommended in the Rate Study and listed in the preceding recital, were included in the notification of the proposed rate adjustment and public hearing which was prepared and delivered to District customers and property owners in compliance with the procedural requirements of Article XIID of the California Constitution (“Proposition 218”); and

WHEREAS, the Board of Directors (“Board”) of the North Marin Water District (“District”), following a properly noticed and duly held public hearing at its meeting on June 16, 2020, adopted Resolution 20-12 amending District Regulation 54 pertaining to water rates and charges for potable water and recycled water customers in the Novato Service Area; and

WHEREAS, due to a clerical error, Resolution 20-12 omitted the proposed adjustments to the Recycled Water Bi-Monthly Service Charges; and

WHEREAS, the Board’s intention at the June 16, 2020 Public Hearing was to adjust the Recycled Water Bi-Monthly Service Charges to the amounts recommended in the Rate Study and as proposed in the District’s Proposition 218 notices; and

WHEREAS, it is the intent of the Board to correct the clerical error and adjust the Recycled Water Bi-Monthly Service Charges to the amounts recommended in the Rate Study and proposed in the District’s Proposition 218 notices.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of North Marin Water District that Regulation 54 is hereby amended in the manner indicated below to include a Recycled Water Bi-Monthly Service Charge, which shall be effective as of the date shown below:

A RECYCLED WATER BI-MONTHLY SERVICE CHARGE OF

Rate Effective
10/1/20

Standard 5/8 inch meter.....	\$48.78
For 1-inch meter.....	\$61.68
1.5-inch meter.....	\$123.35
2-inch meter.....	\$197.36
3-inch meter.....	\$394.72
6-inch meter.....	\$1,233.50

* * * * *

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 3rd of November 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

Theresa Kehoe, District Secretary
North Marin Water District

(SEAL)

9

MEMORANDUM

To: Board of Directors

October 30, 2020

From: Drew McIntyre, General Manager

Subject: Renew Declaration of Local Emergency Related to COVID-19 Pandemic

I:\gm\bod misc 2020\renew covid emergency declaration #14 11_3_20 doc

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

FINANCIAL IMPACT: ~\$85,000 to-date (total 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 issued a new order effective May 4, 2020 through May 31, 2020. 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 May 4th 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 May 15, 2020, Marin County issued a new order allowing a limited number of additional businesses and activities to resume operations subject to specified conditions. In particular, office spaces were allowed to resume operation on June 1, 2020 subject to strict compliance with specific Marin County requirements. This new order has no end date and is to remain in effect until rescinded or superseded.

On July 13, 2020 Governor Newsom issued a statewide order to dial back on recent loosening of restrictions due to a significant increase in the number of confirmed cases. As a result, various activities in Marin County were once again closed down, including: office space for non-essential operations, indoor malls, hair salons/barbershops and indoor seating at restaurants.

On September 15, 2020, Marin County successfully appealed to the California Department of Public Health (CDPH) to move into Tier 2 in the state's COVID-19 response framework. Moving from Tier 1, or "widespread" COVID-19 community risk (or purple) status, to the Tier 2 "substantial" (or red) status risk category allowing more businesses to reopen. Per state regulations, Tier 2 counties that maintain Tier 2 data for at least two consecutive weeks may reopen schools to classroom-based learning, with modification.

On October 27, 2020 Marin County was notified that California was moving the county from Tier 2 or "substantial risk" status to the Tier 3 or "moderate risk" level. Fewer daily cases, and a reduction in the proportion of positive tested. The primary changes allowed under the state order at Marin moves in Tier 3: (1) Allowed indoors at full capacity: retail establishments; indoor malls; libraries, office space (although continued telework is encouraged), (2) Allowed indoors at 50% capacity or 200 people (whichever is fewer); restaurants; museums; places of worship; movie theaters, (3) Allowed indoors at 25% capacity or 100 people (whichever is fewer): gyms and fitness centers (and can utilize indoor pools); family entertainment centers; wineries; card rooms and (4) Allowed outdoors only: bars and breweries.

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 regular 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. Initially approximately 50% of the District's staff were 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 additional staff back to the District buildings, and

certain other projects and activities has occurred and the District is now operating with 85% of staff on-site or in the field. Walk-in customer service is still suspended. A summary of key emergency actions taken and current estimated costs is provided in Attachment 1.

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.

Emergency Actions Summary

Emergency Operations Team Actions

- Water treatment plants have been closed to all non-essential staff and the public; expanded social distancing and safety measures for essential plant staff.
- Public lobby in the District Administration building has been closed and customers have been provided with alternative methods for communicating with District staff.
- Developed guidelines for social distancing in the office and in the field; distributed guidance to all employees and posted social distancing protocol at facility entrances.
- Developed an initial rotational schedule for operations and maintenance staff to reduce staffing density on-site and minimize the number of employees on duty while completing essential work. (This approach reduced productivity, but improved the likelihood of healthy backup staff.)
- During initial response, shifted ~50 percent of employees to rotating schedule and/or rotating work currently ~15% of employees are on full or partial temporary telework assignments.
- Procured additional District cell phones for field staff to have better access to District communications and direct contact with supervisors.
- Disinfected District vehicles and reconfigured vehicle assignments to accommodate single occupancy to allow for social distancing, including re-deployment of vehicles scheduled for auction
- Suspended discretionary water service turn-offs for the duration of the emergency declaration.
- Continuing coordination with local agency, county and state contracts to share information and implement best practices.
- Participating in weekly multi agency coordination calls through Marin County Office of Emergency Services (OES).
- Updating public website, messaging and social media posts as necessary including messages on suspension of walk-in services and water safety and reliability.
- Spring 2020 Waterline newsletter, direct mailed to all customers, included COVID-19 messaging with information on water safety and reliability.
- Posted magnetic signage on vehicles to inform public to respect distancing around crews.
- Issued guidance on face coverings in compliance with Centers for Disease Control and Prevention and County recommendations; revised to address April 29 County order generally requiring members of the public and workers to wear face coverings.
- Developed and rolled out an employee self-assessment screening questionnaire for use by any District employee or vendor prior to entering a District workspace; self-assessment questions are reviewed and updated as needed.
- Continue to procure necessary face coverings and personal protective equipment, including disposable masks, face covering and N95 equivalent masks.
- Tracking customer delinquency and comparing to last year to assess potential revenue impacts.

- Developing a living “lessons learned” document.
- Installed hand disinfecting stations at District facilities.
- Expanded use of District’s on-call requirements to ensure construction crew staff maintain their work “bubbles” to ensure adequate back-up staff availability.
- Increased janitorial services to include disinfection of frequently touched areas (door handles, knobs, etc.).
- Modified work spaces to improve physical separation between staff.
- Developed a COVID-19 Preparedness and Response Plan and provided training.
- Implemented a daily self-assessment reporting program for all staff reporting to work.
- Modifying District office front lobby in preparation of re-opening walk-in services (Date to be determined.).
- Installed “No Touch” drinking fountains in both Administration Building and Construction Building.

General Manager Authorizations

- Extended vacation accrual maximums from July 1, 2020 to September 30, 2020.
- Extended FY 2019/20 vision insurance reimbursement eligibility from July 1 to August 31, 2020.

COVID Cost Summary

PROCUREMENT EXPENSES

Vendor Purchases	Procurement Type	Total Purchase Order Amount	Date
Durkin Signs & Graphics	Magnetic "Social Distance" Signs	\$1,077	4/14/2020
Winzer Corporation	Surgical Masks (2,000)	\$3,751	4/15/2020
Boucher Law	COVID Protection Plan	\$3,250	5/26/2020
JCA Construction	Misc. Office Social Distancing Modifications	\$12,427	6/30/2020
Winzer Corporation	Surgical Masks (2,000)	\$1,573	7/6/2020
Novato Glass	Plexiglass	\$3,969	6/9/2020
Total Procurement Amount To-Date		\$26,047	

Internal Labor Expenses

Increased on-call labor costs: **~\$43,700, thru October 15, 2020**
 (~\$2,100/week)

Families First Coronavirus Response Act (FFCRA)
 Allows employees to take time off for COVID medical reasons and/or childcare. **~\$14,900 thru October 15, 2020.**

Water Bill Delinquency Impacts

Delinquency Rate

*8% for August, 2020
 *(vs. 4% for August, 2019)

*(To be updated for 11/17 Mtg.)

10

MEMORANDUM

To: Board of Directors

October 30, 2020

From: Robert Clark, Maintenance/Operations Superintendent *MC*

Subj: Approve – Renewal of Grazing Leases – Grossi, Bell & Leveroni IV
x:\lease agreements\grazing agreement renewal 100220.docx

RECOMMENDED ACTION: Approve

FINANCIAL IMPACT: \$2,620 in Annual Grazing Lease Revenue (\$23.82/acre vs. \$21.95/acre in 2018).

The three attached grazing leases renew one existing lease with Grossi and Son (AKA Grossi Beef) in Attachment 1 and two new agreements. One with the Bell Cattle Company in Attachment 2 and one with David Leveroni IV Family in Attachment 3, each for two-year periods commencing November 1, 2020. There are a few changes to the agreements, description of an animal unit month (AUM) with a revised calculation, the Grossi & Son lease removing parcel # 3, the annual rent amount and new lessees for Parcel No. 4 (Bell Cattle Company) and Parcel No. 5 (David IV and Anne Marie Leveroni)

Changes to Parcel Lessee's

<u>LOCATION</u>	<u>SIZE</u>	<u>LESSEE</u>	
		<u>2018</u>	<u>2020</u>
Parcel 1	16 Acres	Traded with Grossi and Marin Co.	No longer NMWD's
Parcel 2	72 Acres*	Grossi and Son	Grossi Beef
Parcel 3	31 Acres	Grossi and Son	Not Leased
Parcel 4	28 Acres	David Leveroni III	Bell Cattle Company
Parcel 5	10 Acres	Not Leased	David Leveroni IV
<u>Parcel 6</u>	<u>40 Acres</u>	<u>Not Leased</u>	<u>Not Leased</u>
Total Acres	197 Acres	131 Acres	110 Acres

* Parcel 2 usable acres have been reduced over the years from 98 acres to improve lake water quality and provide space for the STP Solar field.

Animal Unit Months

The Districts lease agreements have referenced an AUM which has not been well defined nor reviewed in the past 30 years. Staff reached out to the Marin County Department of Agricultural, Weights and Measure (AWM) and identified an industry standard formula with well-defined parameters. This formula includes the total amount of land in acres, the amount of grass

feed the land can produce in pounds and is based on the amount of food a 1,000-pound cow can consume per day.

$$\text{AUM} = \frac{(\text{Parcel Acres}) \times (\text{Pounds of feed per acre}) \times (0.5) \text{ grazing factor}}{(23.3) \text{ lbs./day/animal} \times (30) \text{ days}}$$

The pounds of feed per acre are derived from a Range Production report developed by Marin County in cooperation with the National Resource Conservation Service on September 2, 2020 (see Attachment #4). The 0.5 grazing factor is included to ensure the available grass does not get totally consumed and will allow for the land to reestablish year over year. The 23.3 lbs./day/animal was derived from table 2-3 in the USDA NOP 5017-3 report dated February 12, 2020 and normalized for a 1,000 lb. cow.

After further discussion with the Marin County Dept. of AWM as well as the University of California Cooperative Extension Range Management Advisor to Marin and Sonoma Counties it was determined that rents per AUM range from \$15.00 - \$25.00 which aligns with what we have charged over the past 15 years. This range depends on various aspects to the agreement, such as will the lessee be responsible for fence repairs, will the lessee have to provide their own water, does the lessor gain security from additional people on the land, is land management important, will there be a benefit to cooperative relationships from the agreement. Because the District would like to have additional oversight of our property and desire the land to be well managed for fire and erosion control and would like to maintain a cooperative relationship with the watershed land owners and other visitors we have used the mid-point of this range.

Summary of lease rental, which is the AUM's per parcel multiplied by the \$20.00 per AUM: Parcel No. 2 for Grossi Beef, we have agreed that the 72 acres can sustain 83 AUM's of grazing per year for a total annual fee of \$1,660. Parcel No. 4 for the Bell Cattle Company, we have agreed that the 28 acres can sustain 30 AUM's of grazing per year for a total annual fee of \$600, Parcel No. 5 for the Leveroni family, we have agreed that the 10 acres can sustain 18 AUM's of grazing per year for a total annual fee of \$360.

RECOMMENDATION: Approve the grazing lease agreements for:

1. Grossi Beef for Parcel No. 2
2. Bell Cattle Company for Parcel No. 4
3. David Leveroni IV Family for Parcel No. 5.

GRAZING AGREEMENT

THIS AGREEMENT, by and between NORTH MARIN WATER DISTRICT, a public corporation, hereinafter referred to as "Lessor," and GROSSI BEEF, hereinafter referred to as "Lessee."

WITNESSETH:

WHEREAS, Lessor is the owner of various parcels of land in the vicinity of Stafford Lake shown on the attached map which is made part hereof and described as follows:

Parcel No. 2 (portion of AP 125-090-07): Approximately seventy-two (72) acres of land lying easterly of Stafford Lake and south of Lessor's treatment plant, which land borders but does not include the lands leased by Indian Valley Golf Club, Inc.;

WHEREAS, the parties desire to enter into a grazing agreement concerning said property,
NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. **GRAZING PERIOD.** In consideration of the payment of the rent hereinafter specified and except as provided in paragraph 9 hereof, Lessee shall have the exclusive grazing rights of the said property for the period commencing November 1, 2020, through October 31, 2022, to graze cattle. Lessee agrees, however, not to graze any animals on the described property during the period between November 15 or first heavy rainfall as determined solely by the Lessor, whichever shall first occur, and the following April 1 or such earlier or later date as determined and authorized by the Lessor in the event of a dry or wet spring.
2. **ANIMAL UNIT MONTHS (AUM).** In normal rainfall years and following good range management practices to maintain a healthy stand of grass, avoiding overgrazing which could result in unsightly soil erosion, or other practices which may adversely impact lake water quality, the parties agree Parcels No. 2 can sustain approximately 83 animal months of grazing per year. An animal month of grazing is based on the amount of food required by a 1,000-pound cow.

The AUMs are calculated based on the following equation and documentation reference.

$$\frac{(72 \text{ Parcel Acres}) \times (1,610 \text{ Pounds of feed per acre}) \times (0.5) \text{ grazing factor}}{(23.3) \text{ lbs/day/animal} \times (30) \text{ days}}$$

Pounds of feed per acre is based on the Marin County Range Production for a normal year report dated 9/2/20. Parcel No. 2 can therefore maintain 83 AUM's per year.

3. **RENT.** Lessee shall pay \$1,660 in advance on the 1st day of February of each year rent for Parcel No. 2 in accordance with the following formula:

$$\text{Annual Rent} = \text{animal months of grazing} \times \$20.00 \text{ per animal month}$$

$$\text{Annual Rent} = 83 \times \$20.00 = \$1,660.00$$

Under conditions such as insufficient rainfall that would result in poor grass yield or range management practices on the part of Lessee which would result in overgrazing, at the sole discretion of Lessor, the animal months of grazing may be decreased and Lessee will be reimbursed for such decrease at the rate of \$20.00 per animal month.

4. **RANGE MANAGEMENT.** The Lessee agrees to follow good range management practices to maintain a healthy stand of grass, avoiding overgrazing which could result in soil erosion or other practices which may adversely impact lake water quality. The parties shall mutually agree on activities to be conducted and any decrease in actual animal unit months resulting from these activities will be reimbursed to the Lessee. Lessee agrees to maintain a log of animal use on each parcel using forms provided by the Lessor and provide this information on a quarterly basis.
5. **FENCE MAINTENANCE.** Lessee agrees to maintain, at his own cost and expense, all fences surrounding all leased parcels that fall under disrepair due to cattle use. Lessor agrees to maintain fence if damage occurs due to malicious events not from cattle containment. Fence is in good condition as of this agreement.
6. **EARLY TERMINATION.** Lessor reserves the right to terminate this agreement at any time during the term thereof upon thirty (30) days written notice to Lessee. Upon the effective date of such termination Lessor shall return on a prorata basis all prepaid rent.
7. **GRAZING ONLY, NO HORSES.** Lessee agrees that his use of the above-described real property shall be limited solely to grazing of cattle and that Lessee will not graze horses on the property.
8. **RESPONSIBILITY FOR DAMAGE.** Lessor shall not be liable for any damage to any person or property occurring on the demised premises from any cause whatever. Lessee shall hold the Lessor harmless from any such liability or claim of liability. Should it become necessary for the District to defend itself against any claims asserted, Lessee will reimburse Lessor for reasonable attorney's fees and all other costs thus incurred.
9. **PUBLIC ACCESS.** Lessee agrees to permit public access through the property through which Marin County Open Space has maintained trails, provided self closing type gates satisfactory to the Lessee are installed and maintained by the County of Marin Open Space District and provided further, notwithstanding the provisions of paragraph 8 hereof, that Lessee shall in no way be held liable by Lessor for any damage to any person or property occurring on the demised premises by hikers, horses or horse riders utilizing said public trail. In such event the parties shall mutually agree on fencing requirements, if any.
10. **POSSESSORY INTEREST.** Lessee acknowledges that he has been informed that under Section 107 of the Revenue and Taxation Code of the State of California the Marin County Assessor is required to place a value on all possessory interest. Possessory interest is defined as the right of a private taxable person or entity to use property owned by a tax-exempt agency for private purposes. A possessory interest will, therefore, be levied by the County Assessor on the leased premises against the Lessee as of the lien date, which is March 1 of each year. Any possessory interest tax so levied shall be paid by Lessee.
11. **INSURANCE.** Lessee shall procure and maintain for the duration of this agreement insurance against claims for injuries to persons or damage to property that may arise from or in connection with the grazing of animals by Lessee, its agents, representatives, employees or subcontractors. Coverage shall be at least as broad as: Farmers Comprehensive Personal Liability Insurance in an amount not less than one million dollars (\$1,000,000.00) combined single limit per occurrence for bodily injury, personal injury and property damage; and Workers' Compensation Insurance in the amount required by the labor code of the State of California. The liability policy is to contain, or be endorsed to contain, the following provisions:
 - a) The District, its officials, employees and volunteers are to be covered as insured as respects liability arising out of activities performed by or on behalf of Lessee.
 - b) Lessee's insurance coverage shall be primary as respects the District, its

officials, employees and volunteers. Any insurance or self-insurance maintained by the District, its officials, employees or volunteers shall be excess of Lessee's insurance and shall not contribute with it.

- c) Coverage shall state that Lessee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limit of the insurer's liability.
- d) The Insurer shall not cancel the insured's coverage without first providing thirty (30) days prior written notice by certified mail to the District.

Lessee shall furnish the Lessor with certificates of insurance and with an original endorsement affecting coverage required under this agreement. The certificates and endorsements for each policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the Lessor before grazing commences.

IN WITNESS WHEREOF, the parties have executed this agreement on the dates shown below.

ATTEST:

NORTH MARIN WATER DISTRICT

Theresa Kehoe, District Secretary
(SEAL)

Michael Joly, President Date

GROSSI BEEF

Dominic Grossi Date



GRAZING PARCEL NO. 2 (~ 72 ACRES)
PORTION OF APN 125-090-07

SCALE: 1" = 500'



GRAZING AGREEMENT

THIS AGREEMENT, by and between NORTH MARIN WATER DISTRICT, a public corporation, hereinafter referred to as "Lessor," and BELL CATTLE COMPANY, hereinafter referred to as "Lessee."

WITNESSETH:

WHEREAS, Lessor is the owner of various parcels of land in the vicinity of Stafford Lake shown on the attached map which is made part hereof and described as follows:

Parcel No. 4 (portion of AP 125-090-25):

Approximately twenty-eight (28) acres of land owned by the Lessor north of Novato Boulevard; and

WHEREAS, the parties desire to enter into a grazing agreement concerning said property,

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. **GRAZING PERIOD.** In consideration of the payment of the rent hereinafter specified, Lessee shall have the exclusive grazing rights of the said property for the period commencing November 1, 2020 through October 31, 2022, to graze cattle.
2. **ANIMAL UNIT MONTHS (AUM).** In normal rainfall years and following good range management practices to maintain a healthy stand of grass thus avoiding overgrazing which could result in soil erosion, or other practices which may adversely impact lake water quality, the parties agree that Parcel No. 4 can sustain approximately 30 animal months of grazing per year. An animal month of grazing is based on the amount of food required by a 1,000-pound cow.

The AUMs are calculated based on the following equation and documentation reference.

$$\frac{(28 \text{ Parcel Acres}) \times (1,491 \text{ Pounds of feed per acre}) \times (0.5 \text{ grazing factor})}{23.3\text{lbs/day/animal} \times 30 \text{ days}}$$

Pounds of feed per acre is based on the Marin County Range Production for a normal year report dated 9/2/20. Parcel No. 4 can therefore maintain 30 AUM's per year.

3. **RENT.** Lessee shall pay in advance on the first day of February of each year rent for Parcel No. 4 in accordance with the following formula:

Parcel # 4

$$\begin{aligned} \text{Annual Rent} &= \text{animal months of grazing} \times \$20.00 \text{ per animal month} \\ \text{Annual Rent} &= 30 \text{ AUMs} \times \$20 = \$600.00 \end{aligned}$$

Under conditions such as insufficient rainfall that would result in poor grass yield or range management practices on the part of Lessee which would result in overgrazing, at the sole discretion of Lessor, the animal months of grazing may be decreased and Lessee will be reimbursed for such decrease at the rate of \$20.00 per animal month.

4. **RANGE MANAGEMENT.** The Lessee agrees to follow good range management practices to maintain a healthy stand of grass, avoiding overgrazing which could result in soil erosion or other practices which may adversely impact lake water quality. The parties shall mutually agree on activities to be conducted and any decrease in actual animal unit months resulting from these activities will be reimbursed to the Lessee. Lessee agrees to maintain a log of animal use on each parcel using forms provided by the Lessor and provide this information on a quarterly basis.
5. **FENCE MAINTENANCE** Lessee agrees to maintain, at his own cost and expense, all fences surrounding all leased parcels that fall under disrepair due to cattle use. Lessor agrees to maintain fence if damage occurs due to malicious events not from cattle containment. Fence along Novato Boulevard is in fair condition; however, the north segment is in complete disrepair and the Western fence is not aligned with the property line as of this agreement.
6. **EARLY TERMINATION** Lessor reserves the right to terminate this agreement at any time during the term thereof upon thirty (30) days written notice to Lessee. Upon the effective date of such termination Lessor shall return on a prorata basis all prepaid rent.
7. **GRAZING ONLY, NO HORSES.** Lessee agrees that his use of the above-described real property shall be limited solely to grazing of cattle and that Lessee will not graze horses on the property.
8. **RESPONSIBILITY FOR DAMAGE.** Lessor shall not be liable for any damage to any person or property occurring on the demised premises from any cause whatever. Lessee shall hold the Lessor harmless from any such liability or claim of liability. Should it become necessary for the District to defend itself against any claims asserted, Lessee will reimburse Lessor for reasonable attorney's fees and all other costs thus incurred. Neither party shall be held liable by the other for any damage to persons or property caused by third parties trespassing on the demised property.
9. **POSSESSORY INTEREST.** Lessee acknowledges that he has been informed that under Section 107 of the Revenue and Taxation Code of the State of California the Marin County Assessor is required to place a value on all possessory interest. Possessor interest is defined as the right of a private taxable person or entity to use property owned by a tax-exempt agency for private purposes. A possessory interest will, therefore, be levied by the County Assessor on the leased premises against the Lessee as of the lien date, which is March 1 of each year. Any possessory interest tax so levied shall be paid by Lessee.
10. **INSURANCE.** Lessee shall procure and maintain for the duration of this agreement insurance against claims for injuries to persons or damage to property that may arise from or in connection with the grazing of animals by Lessee, its agents, representatives, employees or subcontractors. Coverage shall be at least as broad as: Farmers Comprehensive Personal Liability Insurance in an amount not less than one million dollars (\$1,000,000.00) combined single limit per occurrence for bodily injury, personal injury and property damage; and Workers' Compensation Insurance in the amount required by the labor code of the State of California. The liability policy is to contain, or be endorsed to contain, the following provisions:
 - a) The District, its officials, employees and volunteers are to be covered as insured as respects liability arising out of activities performed by or on behalf of Lessee.

b) Lessee's insurance coverage shall be primary as respects the District, its officials, employees and volunteers. Any insurance or self-insurance maintained by the District, its officials, employees or volunteers shall be excess of Lessee's insurance and shall not contribute with it.

c) Coverage shall state that Lessee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limit of the insurer's liability.

d) The Insurer shall not cancel the insured's coverage without first providing thirty (30) days prior written notice by certified mail to the District.

Lessee shall furnish the Lessor with certificates of insurance and with an original endorsement affecting coverage required under this agreement. The certificates and endorsements for each policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the Lessor before grazing commences.

IN WITNESS WHEREOF, the parties have executed this agreement on the date shown below.

ATTEST:

NORTH MARIN WATER DISTRICT

Theresa Kehoe, District Secretary
(SEAL)

Michael Joly, President Date

BELL CATTLE COMPANY

Matt Bell, Date



GRAZING PARCEL NO. 4 (~ 28 ACRES)
APN 125-090-25

SCALE: 1" = 500'



GRAZING AGREEMENT

THIS AGREEMENT, by and between NORTH MARIN WATER DISTRICT, a public corporation, hereinafter referred to as "Lessor," and DAVID LEVERONI, IV and ANNE MARIE LEVERONI hereinafter referred to as "Lessee."

WITNESSETH:

WHEREAS, Lessor is the owner of various parcels of land in the vicinity of Stafford Lake shown on the attached map which is made part hereof, and one of said parcels is described as follows:

Parcel No. 5 (portion of AP 121-110-34):

Approximately ten (10) acres of land adjacent to and on the south side of Vineyard Road Extension; and

WHEREAS, the parties desire to enter into a grazing agreement concerning said property,

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. **GRAZING PERIOD** In consideration of the payment of the rent hereinafter specified, Lessee shall have the exclusive grazing rights of the said property for the period commencing November 1, 2020, through October 31, 2022, to graze cattle. For this lease period Lessee agrees to observe animals on the described property during the period between November 15 or first heavy rainfall as determined solely by the Lessor, whichever shall first occur, and the following April 1 or such earlier or later date as determined and authorized by the Lessor in the event of a dry or wet spring in order to determine any adverse effects to watershed runoff into Stafford Lake. District staff will monitor and collect watershed samples to determine water quality after each significant rainfall.
2. **ANIMAL UNIT MONTHS (AUM)** In normal rainfall years and following good range management practices to maintain a healthy stand of grass thus avoiding overgrazing which could result in soil erosion, or other practices which may adversely impact lake water quality, the parties agree that Parcel No. 5 can sustain approximately 18 animal months of grazing per year. An animal month of grazing is based on the amount of food required by a 1,000-pound cow.

The AUMs are calculated based on the following equation and documentation reference.

$$\frac{(10 \text{ Parcel Acres}) \times (2,484 \text{ Pounds of feed per acre}) \times (0.5 \text{ grazing factor})}{23.3\text{lbs/day/animal}) \times 30 \text{ days}}$$

Pounds of feed per acre is based on the Marin County Range Production for a normal year report dated 9/2/20. Parcel #5 can therefore maintain 18 AUM's per year.

3. **RENT** Lessee shall pay \$360 in advance on the first day of February of each year rent for Parcel No. 5 in accordance with the following formula:

Parcel #5

$$\begin{aligned} \text{Annual Rent} &= \text{animal months of grazing} \times \$20.00 \text{ per animal month} \\ \text{Annual Rent} &= 18 \text{ AUMs} \times \$20 = \$360.00 \end{aligned}$$

Under conditions such as insufficient rainfall that would result in poor grass yield or range management practices on the part of Lessee which would result in overgrazing, at the sole discretion of Lessor, the animal months of grazing may be decreased and Lessee will be reimbursed for such

decrease at the rate of \$20.00 per animal month.

4. **RANGE MANAGEMENT** Lessee agrees to follow good range management practices to maintain a healthy stand of grass, avoiding overgrazing which could result in soil erosion or other practices which may adversely impact lake water quality. The parties shall mutually agree on activities to be conducted and any decrease in actual animal unit months resulting from these activities will be reimbursed to the Lessee. Lessee agrees to maintain a log of animal use on each parcel using forms provided by the Lessor and provide this information on a quarterly basis.
5. **FENCE MAINTENANCE** Lessee agrees to maintain, at his own cost and expense, all fences surrounding all leased parcels that fall under disrepair due to cattle use. Lessor agrees to maintain fence if damage occurs due to malicious events not from cattle containment. Fence is in new condition as of this agreement and was installed on July 15, 2020.
6. **EARLY TERMINATION** Lessor reserves the right to terminate this agreement at any time during the term thereof upon thirty (30) days written notice to Lessee. Upon the effective date of such termination Lessor shall return on a prorata basis all prepaid rent.
7. **GRAZING ONLY, NO HORSES** Lessee agrees that the use of the above-described real property shall be limited solely to grazing of cattle and that Lessee will not graze horses on the property.
8. **RESPONSIBILITY FOR DAMAGE** Lessor shall not be liable for any damage to any person or property occurring on the demised premises from any cause whatever. Lessee shall hold the Lessor harmless from any such liability or claim of liability. Should it become necessary for the District to defend itself against any claims asserted, Lessee will reimburse Lessor for reasonable attorney's fees and all other costs thus incurred. Neither party shall be held liable by the other for any damage to persons or property caused by third parties trespassing on the demised property.
9. **POSSESSORY INTEREST** Lessee acknowledges that they have been informed that under Section 107 of the Revenue and Taxation Code of the State of California the Marin County Assessor is required to place a value on all possessory interest. Possessor interest is defined as the right of a private taxable person or entity to use property owned by a tax-exempt agency for private purposes. A Possessory interest will, therefore, be levied by the County Assessor on the leased premises against the Lessee as of the lien date, which is March 1 of each year. Any Possessory interest tax so levied shall be paid by Lessee.
10. **INSURANCE** Lessee shall procure and maintain for the duration of this agreement insurance against claims for injuries to persons or damage to property that may arise from or in connection with the grazing of animals by Lessee, its agents, representatives, employees or subcontractors. Coverage shall be at least as broad as: Farmers Comprehensive Personal Liability Insurance in an amount not less than one million dollars (\$1,000,000.00) combined single limit per occurrence for bodily injury, personal injury and property damage; and Workers' Compensation Insurance in the amount required by the labor code of the State of California. The liability policy is to contain, or be endorsed to contain, the following provisions:
 - a) The District, its officials, employees and volunteers are to be covered as insured as respects liability arising out of activities performed by or on behalf of Lessee.
 - b) Lessee's insurance coverage shall be primary as respects the District, its officials, employees and volunteers. Any insurance or self-insurance maintained by the District, its officials, employees or volunteers shall be excess of Lessee's insurance and shall not contribute with it.

c) Coverage shall state that Lessee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limit of the insurer's liability.

d) The Insurer shall not cancel the insured's coverage without first providing thirty (30) days prior written notice by certified mail to the District.

Lessee shall furnish the Lessor with certificates of insurance and with an original endorsement affecting coverage required under this agreement. The certificates and endorsements for each policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the Lessor before grazing commences.

IN WITNESS WHEREOF, the parties have executed this agreement on the date shown below.

ATTEST:

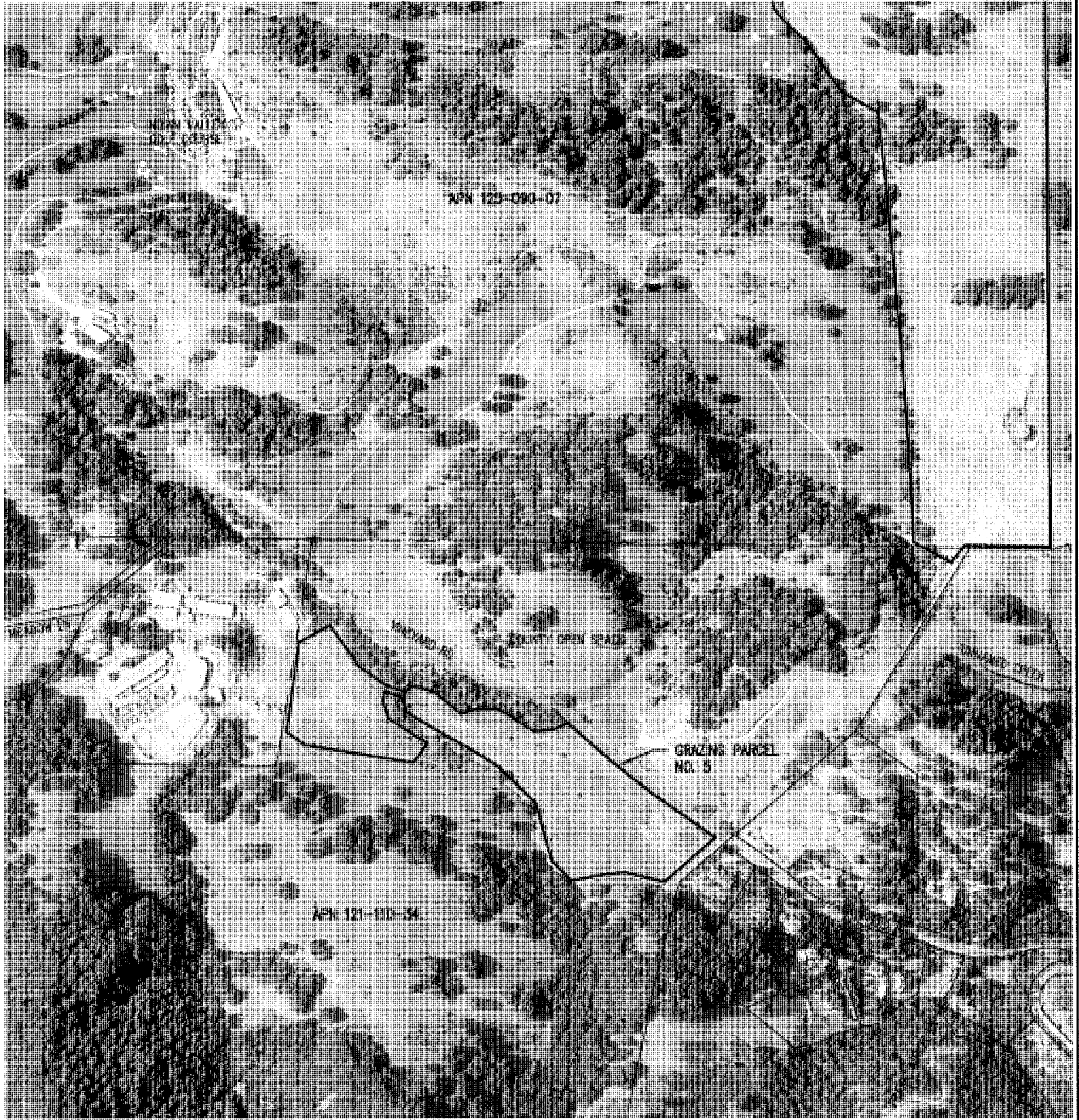
NORTH MARIN WATER DISTRICT

Theresa Kehoe, District Secretary
(SEAL)

Michael Joly, President Date

David Leveroni, IV Date

Anne Marie Leveroni Date

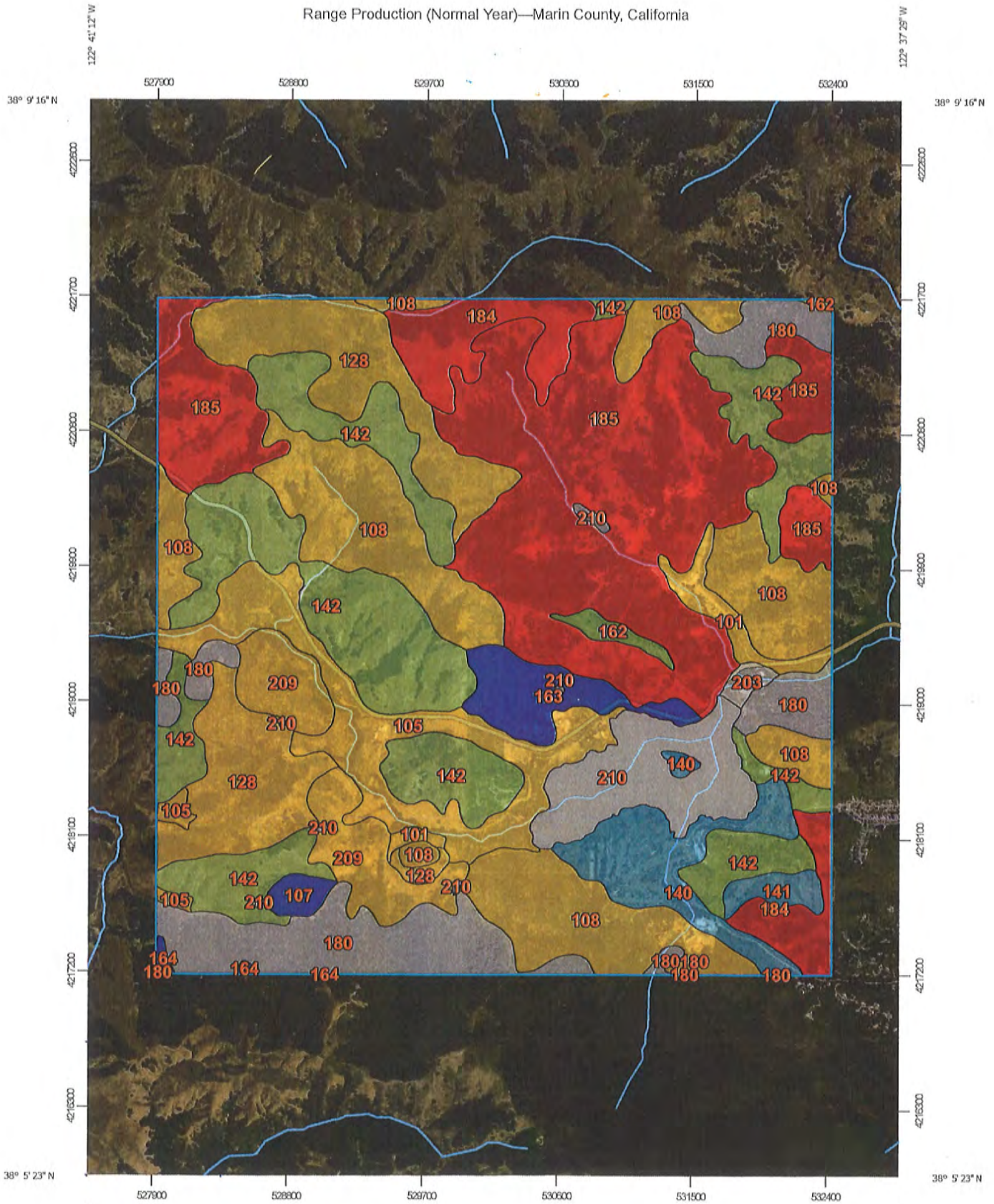


**GRAZING PARCEL NO. 5 (~ 10 ACRES)
PORTION OF APN 121-110-34**

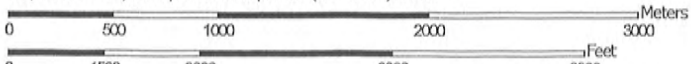
SCALE: 1" = 500'



Range Production (Normal Year)—Marin County, California



Map Scale: 1:34,900 if printed on A portrait (8.5" x 11") sheet.



Map projection: Web Mercator Corner coordinates: WGS84 Edge tics: UTM Zone 10N WGS84




Natural Resources
Conservation Service

Web Soil Survey
National Cooperative Soil Survey

ATTACHMENT 4







MAP LEGEND

Area of Interest (AOI)





 Area of Interest (AOI)

Soils







Soil Rating Polygons

-  ≤ 968
-  > 968 and ≤ 1806
-  > 1806 and ≤ 2440
-  > 2440 and ≤ 2626
-  > 2626 and ≤ 2837
-  Not rated or not available


Soil Rating Lines

-  ≤ 968
-  > 968 and ≤ 1806
-  > 1806 and ≤ 2440
-  > 2440 and ≤ 2626
-  > 2626 and ≤ 2837
-  Not rated or not available





Soil Rating Points

-  ≤ 968
-  > 968 and ≤ 1806
-  > 1806 and ≤ 2440
-  > 2440 and ≤ 2626
-  > 2626 and ≤ 2837
-  Not rated or not available


Water Features

 Streams and Canals

Transportation

-  Rails
-  Interstate Highways
-  US Routes
-  Major Roads
-  Local Roads

Background

 Aerial Photography

MAP INFORMATION

The soil surveys that comprise your AOI were mapped at 1:24,000.

Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service
 Web Soil Survey URL:
 Coordinate System: Web Mercator (EPSG:3857)

Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.

Soil Survey Area: Marin County, California
 Survey Area Data: Version 14, May 29, 2020

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.

Date(s) aerial images were photographed: Apr 22, 2019—Jul 5, 2019

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

Range Production (Normal Year)

Map unit symbol	Map unit name	Rating (pounds per acre per year)	Acres in AOI	Percent of AOI
101	Ballard gravelly, loam 2 to 9 percent slopes	1700	59.8	1.2%
105	Blucher-Cole complex, 2 to 5 percent slopes	1750	327.8	6.5%
107	Bonnydoon gravelly loam, 30 to 75 percent slopes	2720	23.9	0.5%
108	Bonnydoon-Gilroy-Typic Argixerolls, 50 to 75 percent slopes	1535	748.2	14.9%
128	Gilroy-Typic Argixerolls-Bonnydoon, 30 to 50 percent slopes	1655	449.4	8.9%
140	Los Osos-Bonnydoon complex, 5 to 15 percent slopes	2626	177.8	3.5%
141	Los Osos-Bonnydoon complex, 15 to 30 percent slopes	2515	33.5	0.7%
142	Los Osos-Bonnydoon complex, 30 to 50 percent slopes	2440	876.3	17.4%
162	Saurin-Bonnydoon complex, 15 to 30 percent slopes	2298	24.9	0.5%
163	Saurin-Bonnydoon complex, 30 to 50 percent slopes	2837	110.2	2.2%
164	Saurin-Bonnydoon complex, 50 to 75 percent slopes	2837	6.9	0.1%
180	Tocaloma-McMullin complex, 50 to 75 slopes		404.6	8.0%
184	Tocaloma-Saurin association, very steep	938	208.9	4.1%
185	Tocaloma-Saurin association, extremely steep	968	1,163.4	23.1%
203	Xerorthents, fill		15.1	0.3%
209	Yorkville-Rock outcrop complex, 15 to 30 percent slopes	1806	191.9	3.8%
210	Water		213.2	4.2%

Map unit symbol	Map unit name	Rating (pounds per acre per year)	Acres in AOI	Percent of AOI
Totals for Area of Interest			5,035.7	100.0%

Description

Total range production is the amount of vegetation that can be expected to grow annually in a well managed area that is supporting the potential natural plant community. It includes all vegetation, whether or not it is palatable to grazing animals. It includes the current year's growth of leaves, twigs, and fruits of woody plants. It does not include the increase in stem diameter of trees and shrubs. It is expressed in pounds per acre of air-dry vegetation. In a normal year, growing conditions are about average. Yields are adjusted to a common percent of air-dry moisture content.

In areas that have similar climate and topography, differences in the kind and amount of vegetation produced on rangeland are closely related to the kind of soil. Effective management is based on the relationship between the soils and vegetation and water.

Rating Options

Units of Measure: pounds per acre per year

Aggregation Method: Weighted Average

Component Percent Cutoff: None Specified

Tie-break Rule: Higher

Interpret Nulls as Zero: Yes

Range Production by Parcel

Parcel #2: 33% in area 108, 2% in area 140, 6% in area 141, 23% in area 142, 36% in area 184

$$\begin{aligned} \text{Production} &= 0.33 \times 1,535 \text{ lbs/ac} + 0.02 \times 2,626 \text{ lbs/ac} + 0.06 \times 2,515 \text{ lbs/ac} + .23 \times 2,440 \text{ lbs/ac} \\ &\quad + 0.36 \times 938 \text{ lbs/ac} \\ &= \underline{1,610 \text{ lbs/ac}} \end{aligned}$$

$$\text{AUM} = \frac{(\text{Parcel Acres}) \times (\text{Pounds of feed per acre}) \times (0.5) \text{ grazing factor}}{(23.3) \text{ lbs./day/animal} \times (30) \text{ days}}$$

$$= \frac{72 \text{ ac} \times 1,610 \text{ lbs/ac} \times 0.5}{23.3 \text{ lbs./day/animal} \times 30 \text{ days}} = \underline{83 \text{ AUM's}}$$

Parcel #3: 11% in area 140, <1% in area 141, <1% in area 142, 88% in area 184

$$\begin{aligned} \text{Production} &= 0.11 \times 2,626 \text{ lbs/ac} + 0.01 \times 2,515 \text{ lbs/ac} + 0.01 \times 2,440 \text{ lbs/ac} + 0.88 \times 1,610 \text{ lbs/ac} \\ &= \underline{1,730 \text{ lbs/ac}} \end{aligned}$$

$$\text{AUM} = \frac{(\text{Parcel Acres}) \times (\text{Pounds of feed per acre}) \times (0.5) \text{ grazing factor}}{(23.3) \text{ lbs./day/animal} \times (30) \text{ days}}$$

$$= \frac{31 \text{ ac} \times 1,730 \text{ lbs/ac} \times 0.5}{23.3 \text{ lbs./day/animal} \times 30 \text{ days}} = \underline{38 \text{ AUM's}}$$

Parcel #4: 28% in area 163, 72% in area 185

$$\begin{aligned} \text{Production} &= 0.28 \times 2,837 \text{ lbs/ac} + 0.72 \times 968 \text{ lbs/ac} \\ &= \underline{1,491 \text{ lbs/ac}} \end{aligned}$$

$$\text{AUM} = \frac{(\text{Parcel Acres}) \times (\text{Pounds of feed per acre}) \times (0.5) \text{ grazing factor}}{(23.3) \text{ lbs./day/animal} \times (30) \text{ days}}$$

$$= \frac{28 \text{ ac} \times 1,491 \text{ lbs/ac} \times 0.5}{23.3 \text{ lbs./day/animal} \times 30 \text{ days}} = \underline{30 \text{ AUM's}}$$

Parcel #5: 13% in area 108, 87% in area 140

$$\begin{aligned} \text{Production} &= 0.13 \times 1,535 \text{ lbs/ac} + 0.87 \times 2,626 \text{ lbs/ac} \\ &= \underline{2,484 \text{ lbs/ac}} \end{aligned}$$

$$\text{AUM} = \frac{(\text{Parcel Acres}) \times (\text{Pounds of feed per acre}) \times (0.5) \text{ grazing factor}}{(23.3) \text{ lbs./day/animal} \times (30) \text{ days}}$$

$$= \frac{10 \text{ ac} \times 2,484 \text{ lbs/ac} \times 0.5}{23.3 \text{ lbs./day/animal} \times 30 \text{ days}} = \underline{18 \text{ AUM's}}$$

11

DISBURSEMENTS - DATED OCTOBER 22, 2020

Date Prepared 10/20/20

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 10/15/20	\$145,885.28
90323*	Internal Revenue Service	Federal & FICA Taxes PPE 10/15/20	61,196.18
90324*	State of California	State Taxes & SDI PPE 10/15/20	13,455.74
90325*	CalPERS	Pension Contribution PPE 10/15/20	38,853.23
EFT*	US Bank	September Bank Analysis Charge (Lockbox \$912 & Other \$364, Less Interest \$93)	1,182.35
1	Alpha Analytical Labs	Lab Testing	2,172.00
2	Alten, Shannon	Refund Overpayment on Closed Account	36.51
3	Amazon/Genuine-Hardware	Trailer Hitch ('19 F150) (\$175), Office Supplies (\$190), Radio Speaker for Fleet (\$137) & IT Supplies (\$110)	611.99
4	AT&T	Leased Lines	66.18
5	Autoworld	Bump Stops ('03 Dodge Dakota)	28.76
6	AWWA CA-NV SEC	WQ Lab Analyst Certification Renewal G-3 (Reischmann) (11/20-10/21)	75.00
7	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 108 of 240) Aqueduct Energy Efficiency Project	46,066.67
8	Caltest Analytical Laboratory	Lab Testing	82.95
9	CDW-Government	Battery Back-ups for PRTP (\$389) & Novato Controls (\$148)	536.67
10	Charles Custom Welding	Welding Services	580.00
11	Clipper Direct	November Commuter Benefit Program (1)	52.00
12	Comcast	October Internet Connection (\$143) Less Overpayment (-\$132)	10.86
13	F.N. Cuthbert	Pressure Gauges for Novato Regulators (15)	365.67

Seq	Payable To	For	Amount
14	DeGabriele, Chris	Prog Pymt#10: Consulting Services-Office/Yard Building Refurbish (Balance Remaining on Contract \$2,945)	1,718.40
15	Diesel Direct West	Diesel (415 gal) & Gasoline (500 gal)	2,700.27
16	Environmental Express	Tubes (1,000) (Lab)	108.03
17	Ferguson Waterworks	Flange Strainer	560.25
18	Fishman Supply	Safety Gloves (500)	144.63
19	Fisher Scientific	Agar & Endo Broth (Lab)	239.64
20	Frontier Communications	Leased Lines	1,433.77
21	GHD	Prog Pymt#13: O.M. Treatment & Storage Pond Rehab & Design (Balance Remaining on Contract \$27,794)	1,016.98
22	Grainger	Pipe Fittings (W.M. Pump Station) (\$175), Hooks for Equipment Trailers (\$109), Batteries (3-20 Volt) (\$387), Hole Saw (\$407), 36" Fan for Auto Shop (\$456) & Miscellaneous Maintenance Tools & Supplies (\$276)	1,809.96
23	HERC Rentals	Generator (\$9,949) & Fuel Tank Rentals to Power Pump Station During Power Outages (4 Weeks)	10,559.93
24	InfoSend	Sept Processing Fee for Water Bills (\$1,776), Postage (\$4,845) & Sept Monthly Support Fee (\$888)	7,509.47
25	Intellaprint Systems	Quarterly Equipment Maintenance on KIP 3000 Engineering Copier/Scanner	447.00
26	JCA Construction	Installation of Water Bottle Filling Station (Front Office)	2,280.00
27	Kiosk Creative	Prog Pymt#9: (\$963), Prog Pymt#10: (\$700), Prog Pymt#11: Implement District Directed Communication Actions (\$795) & Prog Pymt#12: Forms & Security of Customer Information Submitted for the Website (Balance Remaining on Contract \$34,783)	7,332.50
28	KP Promotions	Jacket w/ Logo	38.52
29	Lincoln Life	Deferred Compensation PPE 10/15/20	7,521.56

Seq	Payable To	For	Amount
30	Marin Independent Journal	Subscription Renewal Delivery & Digital Access (McIntyre) (10/20-10/21)	669.81
31	McLellan, WK	Misc Paving (WM)	6,563.80
32	McMaster-Carr Supply	2" Angle	25.39
33	Michael Baker International	Prog Pymt#4: Engineering Services to Prepare Additional Inundation Map for Stafford Dam (Balance Remaining on Contract \$1,310)	2,123.35
34	Nationwide Retirement Solution	Deferred Compensation PPE 10/15/20	920.00
35	North Bay Gas	Carbon Dioxide (Construction) (\$73), Breathing Air (\$248), Nitrogen (\$136) (STP) & Sept Cylinder Rental (Lab)	503.03
36	NSI Solutions	QC Sample (Lab)	60.00
37	PES Environmental	Prog Pymt#6: Consulting Services Gallagher Ranch Well #2 Project (Balance Remaining on Contract \$47,975)	27,702.06
38	Piazza Construction	Prog Pymt#5: PRE Tank 4A Replacement Project (Balance Remaining on Contract \$575,796)	154,556.97
39	Piazza Construction Escrow Acct	5% Retainer: Piazza Construction-PRE Tank #4A Replacement	8,134.58
40	Pini Hardware	Shovels (10) (\$381), Parts for Trumbull P/S (\$84), Faucet for Lunchroom (\$94) & Miscellaneous Maintenance Parts & Supplies (\$452)	1,011.26
41	Point Reyes Prop Mgmt Assn	October HOA Fees (25 Giacomini Rd)	75.05
42	Quadient	November Postal Meter Rental	143.09
43	Rauch Communication Consultant	Prog Pymt#11: Consulting Services Outreach Support (Balance Remaining on Contract \$4,879)	525.00
44	Red Wing Shoe Store	Safety Boots (Pearce, Kane & Castellucci)	586.38
45	Ridge, Margaret	West Marin Water Smart Landscape Efficiency	100.00
46	Soiland	Asphalt (14 tons)	135.20

Seq	Payable To	For	Amount
47	SPG Solar	September Energy Delivered Under Solar Services Agreement	10,867.05
48	Township Building Services	September Janitorial Services	2,035.48
49	TPx Communications	October Telephone Charges	648.27
50	Univar	Sodium Hypochlorite (200 gal) (PRTP)	465.02
51	USA BlueBook	Hand Sanitizer (10-13 oz Bottles)	114.93
52	VBS	Engineering Bond Paper (3' x 500')	100.45
53	VWR International	Nitric Acid, Safety Gloves (200) (\$124) & Titrant (Lab)	223.56
54	Waste Management	Green Waste Disposal	250.09
55	White & Prescott	Prog Pymt#21: Novato Library Water Line Easement (\$225), Prog Pymt#22: Starbucks Water Line Easement (\$90), Prog Pymt#23: Hamilton Village Water Line Easement (\$1,665) (Balance Remaining on Contract \$9,140)	1,980.00
56	Winzer	Hardware for Auto Shop	298.25
		TOTAL DISBURSEMENTS	<u>\$577,497.02</u>

The foregoing payroll and accounts payable vouchers totaling \$577,497.02 are hereby approved and authorized for payment.

Julie Blue 10/21/2020
 Auditor-Controller Date

[Signature] 10/21/2020
 General Manager Date

DISBURSEMENTS - DATED OCTOBER 29, 2020

Date Prepared 10/27/20


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
90326*	US Bank Card	6' Patio Tables (3) (\$781), Fastrak (\$25), 941 & DE-9 Filings (\$48), Zoom for Board Meetings (\$13), Craigslist Posting for Elect/Mech Tech (\$75), CSMFO-Online Classes (2) (\$300), GFOA-Online Classes (2) (\$35) & Office/Ops Supplies (\$216)	\$1,496.56
90327*	CalPERs	November Health Insurance Premium (Employer \$49,440, Retirees \$12,194 & Employee Contribution \$10,575)	72,208.95
*58228	Marin County Clerk	Environmental Fees for Dept of Fish & Wildlife to file Notice of Determination for the Old Ranch Road Tank No. 2 Replacement Project	2,406.75
*58229	Marin County Clerk	Filing Fee for Notice of Determination for Old Ranch Road Tank No. 2 Replacement Project	50.00
1	Alpha Analytical Labs	Lab Testing (W.M. & Novato)	925.00
2	American Family Life Ins	October AFLAC Employee Paid Benefit	3,027.83
3	Arrow Benefits Group	October Dental Admin Fee	259.90
4	Bold & Polisner	September Legal Fees - General (\$2,430) & Potter Valley Project-FERC (\$338)	2,767.50
5	Casa, Fran & Frank	Refund Overpayment on Closed Account	156.08
6	CDW-Government	Cell Modem for Frosty Lane (\$432) & Power Supply (Novato Controls)	455.07
7	Core Utilities	Consulting Services: September IT Support (\$6,000), IT/SCADA Support for Novato Radio/Cell Modem Sites (\$600), SCADA Programming for W.M. Controls (\$1,450), Maintenance on SCADA @ STP (\$75), Utility Billing Support - N360 Upgrade & Cons Services Supervisor Training (\$2,550) & Server Upgrade (\$1,025)	11,700.00

Seq	Payable To	For	Amount
8	Evoqua Water Technologies	Service on Deionization System	360.68
9	Fishman Supply	Safety Vests (16)	168.04
10	Fisher Scientific	Pipets (1,000) (Lab)	93.81
11	Flint, William	Novato "Toilet Rebate" Program	400.00
12	Arthur J. Gallagher	FY21 Cyber Liability Insurance	4,096.00
13	GHD	Prog Pymt#27: Water Tank PRE 4A Replacement (Balance Remaining on Contract \$15,579)	133.25
14	Grainger	Pressure Sensor (O.M. Lift) (\$273), Beverage Cooler for Elect/Mech Truck (\$98), Tubing Cutters (2) (\$97), Disposable Respirators (160) (\$473), Potassium Iodide (STP) (\$201), Disposable Gloves (900) (STP) (\$175) & Miscellaneous Maintenance Tools & Supplies (\$217)	1,534.63
15	Guerrero Fencing	Mowing on Air Base Road for Fire Protection	1,200.00
16	Hopkins Technical Products	Miscellaneous Hardware for STP	40.19
17	Lewis, Debbie	Novato "Toilet Rebate" Program	300.00
18	McLellan, WK	Misc Paving	16,661.32
19	Pace Supply	PVC Pipe (240') (\$1,541), Couplings (9) (\$558), Valves (11) (\$5,555), Gaskets (6), Repair Clamps (6) (\$185), Corp Stops (70) (\$3,960), Tube Nuts (8) (\$130), Tee (\$165), Plugs (20), Nipples (34) (\$1,513), Flanges (14) (\$324), Hydrants (5) (\$12,031) & Elbows (20) (\$335)	26,336.61
20	Preferred Alliance	Pre-Employment Physical (T. Williams)	42.00
21	R & B	4" Fire Check Assembly	1,670.90
22	Reed Trailer Sales	New Dump Truck Trailer	7,724.28
23	Scott Technology Group	October Maintenance on Engineering Copier (10/21/20-11/20/20) (\$167) & Overage Charge	271.10
24	Skewes-Cox, Amy	Prog Pymt#8: Old Ranch Rd Tank No.2 - CEQA Phase (Balance Remaining on Contract \$936)	1,517.50

Seq	Payable To	For	Amount
25	Sonoma County Water Agency	September Contract Water	643,364.34
26	SRT Consultants	Prog Pymt#11: Consulting Services to Complete Stafford Lake Sanitary Survey (Balance Remaining on Contract \$17,691)	4,465.85
27	Stompe, Brad	Exp Reimb: Safety Snacks	67.64
28	Tamagno Green Products	Sludge Removal @ STP (60 yds)	2,100.00
29	Tangeman, Kurt	Refund Overpayment on Closed Account	5.22
30	VWR International	Ampules (140) (Lab)	84.17
31	Waste Management	Green Waste Removal	1,488.77
		TOTAL DISBURSEMENTS	<u>\$809,579.94</u>

The foregoing payroll and accounts payable vouchers totaling \$809,579.94 are hereby approved and authorized for payment.


10/27/2020
 Auditor-Controller Date


10/27/2020
 General Manager Date

Notice:

Salinity intrusion into the Point Reyes well supply serving the West Marin communities of Point Reyes, Olema, Inverness Park, and Paradise Ranch Estates has occurred and has caused sodium levels to increase from background levels of 15-30 milligrams per Liter (mg/L). While there is no direct health concern from the salt for most people at this concentration, it does affect the taste. Customers that are on sodium restricted diets should consult their physicians to see if the additional sodium is a concern for them. The table below lists the most recent concentrations for sodium in the West Marin water supply:

Date	Sodium	Chloride	Units
9/22/20	71.7	202	mg/L
9/29/20	228	711	mg/L
10/6/20	182	541	mg/L
10/13/20	24.8	29.4	mg/L

*milligrams per liter

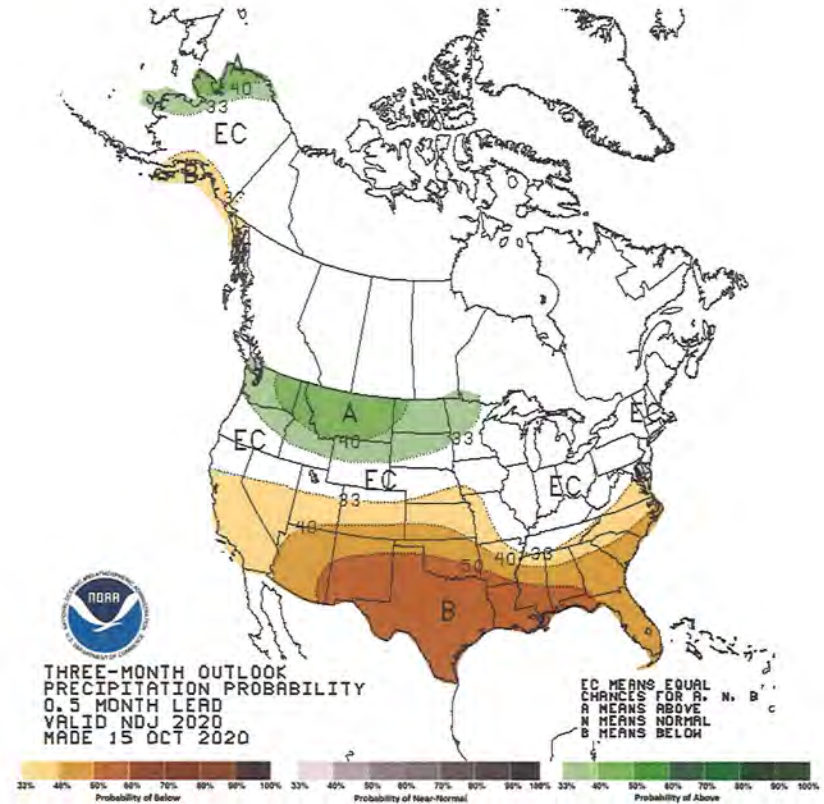
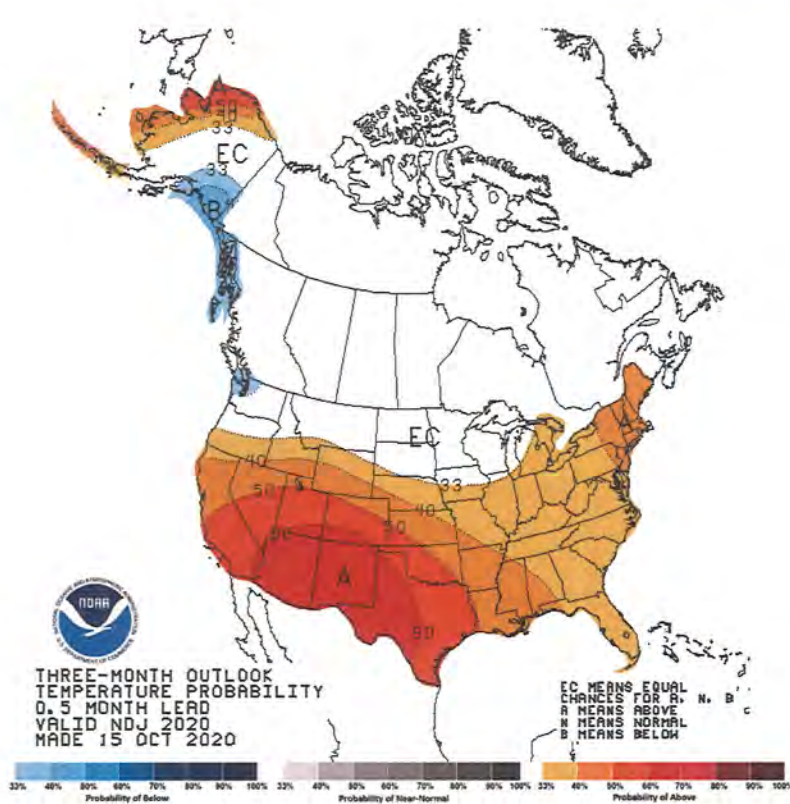
Three-Month Outlooks

Revised OFFICIAL Forecasts

October 2020

Precipitation Probability
(Nov-Dec-Jan_2020/21)

https://www.cpc.ncep.noaa.gov/products/predictions/long_range/two_class.php



[UPDATED MONTHLY FORECASTS SERVICE CHANGE NOTICE]
[EXPERIMENTAL TWO-CLASS SEASONAL FORECASTS]

MEMORANDUM

To: Board of Directors
From: Nancy Williamson, Senior Accountant *NW*
Subj: Information – FY21 1st Quarter Labor Cost Report
t:\ac\word\memo\21\1st qtr labor cost rpt.doc

October 30, 2020

RECOMMENDED ACTION: Information Only
FINANCIAL IMPACT: None

Total labor cost increased \$142,231 7.0% from the prior fiscal year. Attached in graphical format is a five-year comparative summary of total labor cost (Attachment A), overtime cost (Attachment B) and temporary employee cost (Attachment C) expended during each fiscal year. Also attached is a summary of total labor cost vs. budget (Attachment D), which shows that labor was 13.3% under budget through the end of the first quarter of the fiscal year.

Department	Increase / (Decrease) in Labor Cost vs prior FY	% Change
Administration	\$26,899	5.3%
Engineering	\$27,193	8.9%
Operations/Maint	\$25,487	3.3%
Construction/Maint	\$62,652	14.6%
Net Increase/(Decrease)	\$142,231	7.0%

Comment on Change from Prior Year

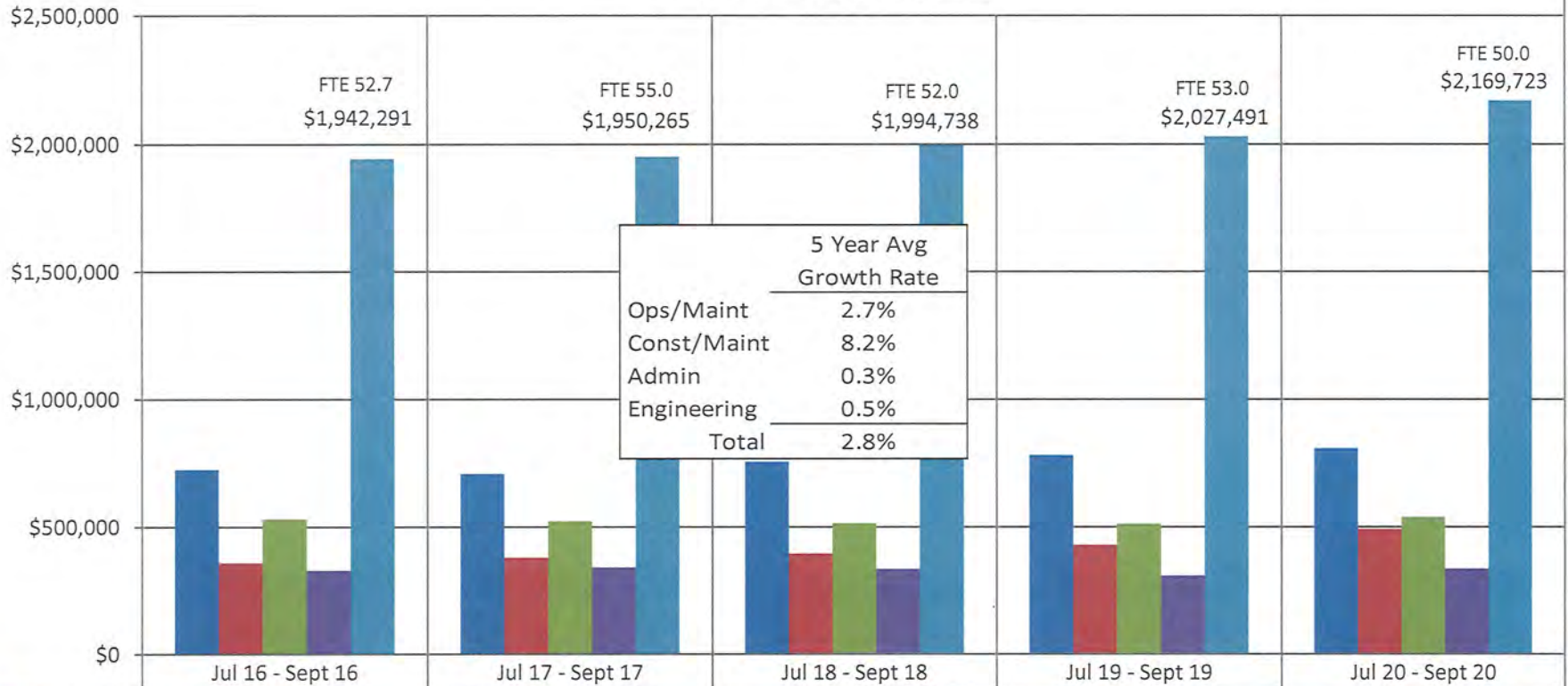
Administration: Labor Cost increased \$26,899, or 5.3%. The Accounting/HR Supervisor position had been vacant since July 24, 2018. A Senior Accountant was promoted to the Accounting Supervisor position on November 1, 2019 and an HR/Safety Manager was hired on July 20, 2020. The increase was also due to seven 5% step increases and the 2.7% cost of living adjustment (COLA) effective October 1, of 2019. The increase was offset by less temporary hours worked.

Engineering: Labor Cost increased \$27,193, or 8.9%. The increase is primarily due the October 2019 COLA, three 5% step increases and more temporary hours worked. The increase was offset by the resignation of the Chief Engineer on February 4, 2020 and that position remaining vacant through September 30, 2020.

Operations/Maintenance: Labor Cost increased \$25,487, or 3.3%. The increase was primarily due to nine 5% step increases and the October 2019 COLA.

Construction/Maintenance: Labor Cost increased \$62,652, or 14.6%. The increase was due to nine 5% step-increases, the October 2019 COLA and to more On Call pay due to an entire crew being on call in order to keep crews separate due to COVID-19 distancing precautions.

Total Labor Cost NMWD Fiscal Year through September 5-Year Comparison



5 Year Avg Growth Rate	
Ops/Maint	2.7%
Const/Maint	8.2%
Admin	0.3%
Engineering	0.5%
Total	2.8%

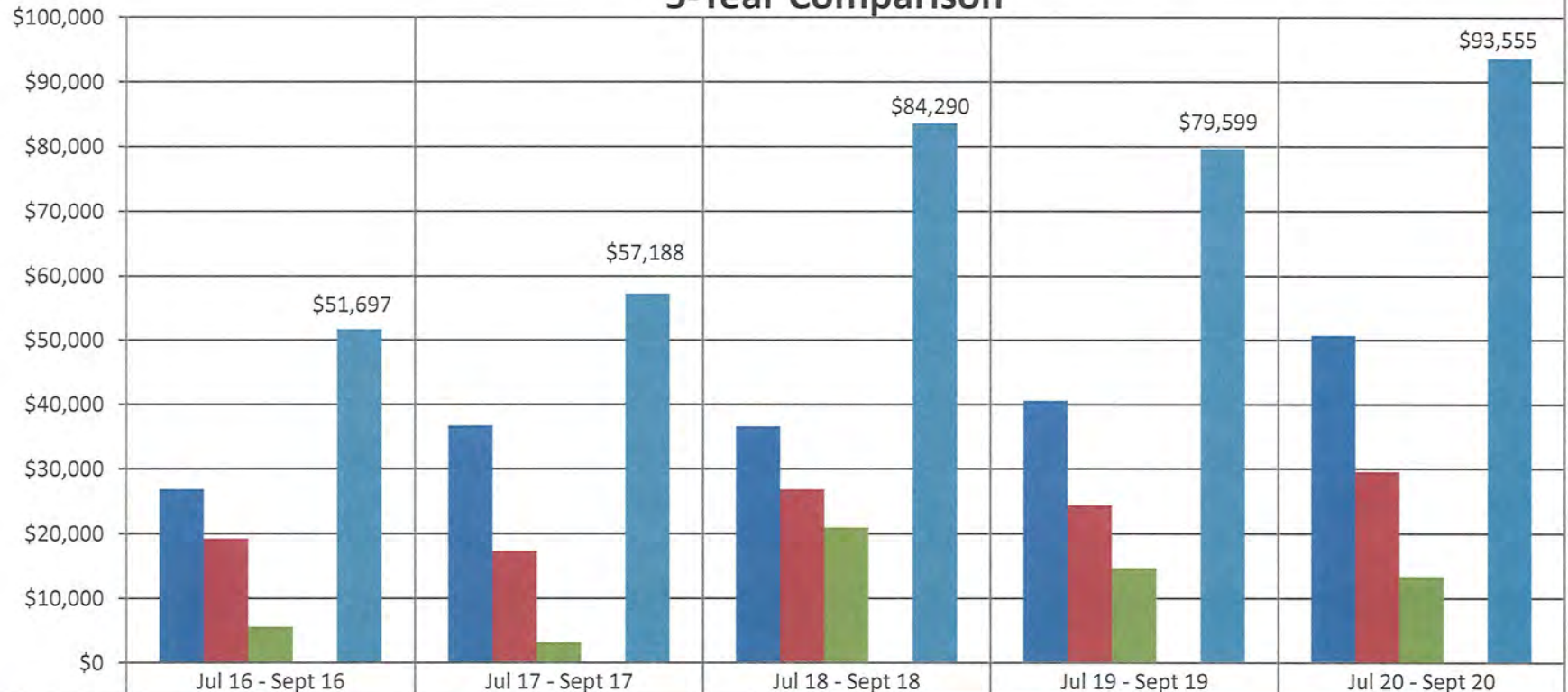
Ops/Maint	\$725,263	\$709,107	\$754,607	\$781,410	\$806,897
Const/Maint	\$358,043	\$378,495	\$393,309	\$428,173	\$490,825
Admin	\$530,975	\$522,964	\$513,349	\$510,769	\$537,668
Eng	\$328,010	\$339,700	\$333,473	\$307,139	\$334,332
Total	\$1,942,291	\$1,950,265	\$1,994,738	\$2,027,491	\$2,169,723

■ Ops/Maint
 ■ Const/Maint
 ■ Admin
 ■ Eng
 ■ Total

10/30/20

t:\finance\hrs\rt\fy21 1st qtr labor cost report\ot \$ chart

Overtime Cost NMWD Fiscal Year through September 5-Year Comparison



■ Ops/Maint	\$26,867	\$36,708	\$36,544	\$40,540	\$50,688
■ Const/Maint	\$19,172	\$17,296	\$26,829	\$24,394	\$29,503
■ Admin	\$5,574	\$3,184	\$20,918	\$14,666	\$13,364
■ Eng	\$84	\$0	\$0	\$0	\$0
■ Total	\$51,697	\$57,188	\$84,290	\$79,599	\$93,555

■ Ops/Maint ■ Const/Maint ■ Admin ■ Eng ■ Total

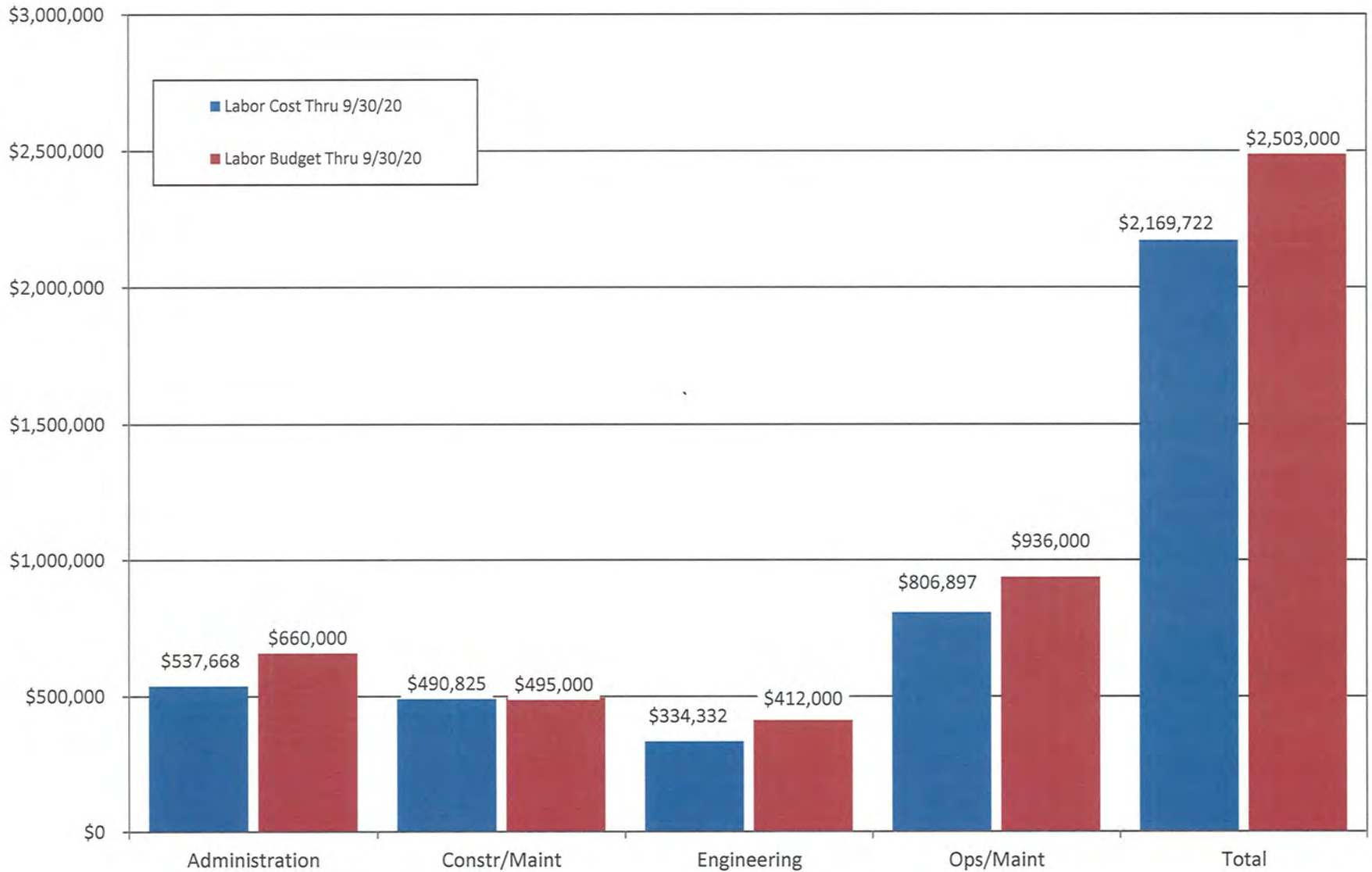
Temporary Employee Cost NMWD Fiscal Year through September 5-Year Comparison



10/30/20

t:\finance\hrs rpt\labor cost compared to budget fy21\salary chart.xls

Total Labor Cost vs. Budget NMWD Fiscal Year through September



Winds could prompt outages

WILDFIRE WEATHER

By Matthew Pera

Marin Independent Journal

Bay Area News Group

The strongest winds of the year are expected to arrive in Marin on Sunday, triggering a “red flag” warning for fire weather and possible power shutoffs, county officials announced Friday.

Pacific Gas & Electric Co. has issued a “watch alert” for Marin, warning that it could preemptively shut off power for about 20,000 residents in the county beginning Sunday afternoon. Officials said residents living in higher elevation neighborhoods and along the West Marin coast are most likely to experience outages.

The utility said the outages could include 19,626 meters in Marin.

The announcement came after the National Weather Service issued a red flag warning for the entire Bay Area. It is scheduled to be in effect from 8p.m. Sunday through 11 a.m. Tuesday.

Meteorologists said powerful offshore winds could increase the risk of uncontrolled wildfire spread at a time when vegetation is dry after months without rain. Conditions will be similar to 2017, when the Wine Country fires devastated the North Bay, forecasters said.

The strongest winds are expected to arrive overnight on Sunday and could knock down trees and power lines, the weather service said. Gusts could reach 50 mph, with sustained winds between 20 and 25 mph.

“Model data points to this being the strongest wind event of the season,” said Jeff Lorber, a weather service meteorologist.

Lorber said people should “secure any loose furniture that you might have outside, bring in any pets that are outdoors and be aware of falling objects if you have old trees.”

The Marin County Fire Department has doubled its staffing for Sunday in preparation for the predicted weather, said Chief Jason Weber. He warned that preemptive power outages, which PG& E calls “public safety power shutoffs,” could hamstring the county’s emergency notification systems.

“Coupled with the PSPS event, this is as bad as it gets, because if we do have a fire start, our conventional warning systems might not be available to us with cell towers down,” Weber said. “We really need people to be on high alert.”



A Pacific Gas & Electric Co. worker checks equipment near the site of a fire along Hamilton Drive in Novato in June. The utility said it might cut power in parts of Marin on Sunday because of the wildfire threat from high winds.

ALAN DEP — MARIN INDEPENDENT JOURNAL

The collision of heavy offshore winds with dry fuels is typical for California in October, which has historically been the most dangerous month for fire risk in the state.

“On a scale of 1 to 10, this event is a 9,” said Craig Clements, director of San Jose State University’s Fire Weather Lab. “Historically our biggest fires are in October. We are in a critical period. And these are the strongest winds of the year. It was 29 years ago this week that the Oakland Hills fire happened.”

Eight of California’s 10 deadliest fires in recorded history have occurred in October or November, including the Camp fire that killed 85 people in the town of Paradise in 2018; the Wine Country fires in Napa and Sonoma counties in 2017 that killed 44; and the Oakland Hills fire in 1991, when 25 people died.

Similarly, six of the 10 most destructive fires in California history, measured by the number of homes burned, came in October or November.

Strong winds are also expected to hit Southern California from Sunday through Tuesday, raising fire risk there. Additionally, there are red flag warnings across much of the rest of Northern California from Sunday to Tuesday, including Modesto, Stockton, Sacramento, Redding and the Sierra.

Fire experts urge residents this weekend to closely follow the forecast. The good news: Temperatures are expected to be modest through next week, with highs in the 70s across most of the Bay Area.

What will end fire season is rain. But for now, there's none on the horizon.

"The unfortunate part is as of right now, at least through the end of October we aren't seeing any precipitation," King said, "and probably none through the first week in November."

"Everyone is ready for fire season to be done," he added. "But right now the only thing we can hope for is to get through this event and for the winds to shift direction next week."

The Bay Area News Group contributed to this report.

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Saturday, 10/24/2020 Page .A03

Hotel in Novato eyed for housing

IGNACIO

County stuns city with fast plan for homeless

Marin Independent Journal

By Will Houston

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Marin County is proposing to buy a Novato hotel by early December to use for long-term housing for homeless residents impacted by the coronavirus pandemic.

Novato city officials said they were only notified of the proposal last week and expressed alarm at the expedited timeline, which does not require any city vetting. If approved, the sale would result in the city losing hundreds of thousands of dollars in tax revenue during an economic downturn.

“While Novato has been a leader in affordable housing in Marin County, it is disappointing this project has an expedited timeline that doesn’t include Novato’s typical development process and subsequent community engagement,” City Manager Adam McGill said. “We remain committed to transparency and encourage the community to review the county’s proposal and provide feedback to city and county leaders.”

The proposed sale of the Inn Marin and Suites at 250 Entrada Drive is the third potential housing site the county is looking to buy through the state’s Homekey program. Launched in July, the statewide program provides grants for cities and counties to purchase hotels and other properties at market value to be used as supportive housing for homeless residents.

The county is also proposing to use Homekey grants to buy an 18-room motel at 1591 Casa Buena Drive in Corte Madera for \$4.1 million and an office complex at 3301 Kerner Boulevard in San Rafael for \$7.2 million.

The Marin County Board of Supervisors is set to decide on Tuesday whether to continue negotiating for the 70-room Novato inn.

Similar to the negative reaction in Corte Madera this month, Novato officials are raising concerns about what they say is a rushed timeline for the purchase, which could be approved by the board as soon as Nov. 17. The board is set to decide on Nov. 10 whether to purchase the Corte Madera and San Rafael properties.

The county is scheduled to provide an overview of the proposal at the Novato City Council at its next meeting at 6 p.m. Tuesday.

County planning manager Leelee Thomas said while the timeline is not ideal, it is necessary given the constraints of the funding and the immediate threats posed by the coronavirus pandemic to homeless residents.

The county has until Dec. 2 to close escrow on the inn as federal funding is only available through the end of the year under the Coronavirus Aid, Relief and Economic Security Act, Thomas said.

“We would much prefer to have a much more robust community engagement process but, given the constraints we’re under, that isn’t possible,” Thomas said.

A recent state law, AB 83, approved in June, allows these pandemic-related homeless housing projects to skip local government reviews if they meet certain criteria.

The Novato inn’s owning company, 250 Entrada LLC, is seeking \$18 million for the property, though an appraisal could change that price. About two-thirds of the purchase is expected to be covered by the Homekey grants, as would the Corte Madera and San Rafael property purchases, according to Thomas.

Mayor Denise Athas said the city was aware the inn was being eyed as a potential Homekey location in August. The idea seemed to disappear until the county reached out again to the city last week, she said.

“For us, we have tried so hard to be transparent and to have something like this be thrown in our laps — all county related, no city input or influence, no constituents being able to speak to it — we just didn’t feel it was appropriate at all,” Athas said.

The county was notified by the state on Oct. 10 that it received tentative approval for funds to purchase the Novato and San Rafael properties, according to Thomas.

While the city has supported homeless housing projects, most recently with the approval of the Homeward Bound veterans housing complex in Hamilton, Athas said the county proposal allows for no city vetting and would cut into the city’s already problematic revenues.

The city estimates it would lose about \$300,000 per year in hotel use tax revenues, which is equivalent to the money needed to cover the salaries of almost four new police officers and about 16% of the city’s annual hotel tax revenue.

This potential revenue hit also comes just over a week before city voters will decide whether to raise the city’s hotel use tax rate from 10% to 12% through Measure Q to address the city’s revenue shortfalls.

Another \$10,000 in annual property tax revenues also would be lost, which would also affect the Novato Unified School District and other special districts, according to Mc-Gill.

The inn's location at 250 Entrada Drive is not suitable for this type of housing, Athas said, as it is not located near transit services.

If the purchase is approved, the county eventually plans to turn ownership of the property over to its partnering property management company, Eden Housing.

However, the state requires the county move residents into purchased properties within 30 days of escrow closing. For this quick turnaround, the county plans to partner with Catholic Charities to provide temporary service and management of the building, Thomas said.

There were 1,034 homeless residents in Marin County as of the most recent "point-in-time" count in January 2019.

Gov. Gavin Newsom announced at a press conference in San Jose on Friday that the Homekey project's budget would be expanded from \$600 million to \$800 million. The state has received 147 applications from 73 cities and counties with more than \$1 billion requested, according to the governor. About \$709 million has been awarded so far to 45 applicants and 78 projects that total 5,068 units.

"We are not walking away from our commitment, not taking our eye off the ball at all and we are weathering the current economic storm," Newsom said.

Some of these funds will be used to cover projects on the Homekey waiting list in areas such as Los Angeles, Santa Clara, San Francisco, Oakland and San Bernardino, Newsom said.

Not all cities are on board with the program. The Milpitas City Council voted unanimously on Thursday to sue the state and a developer for a proposed \$80 million purchase of a 146-unit hotel through the Homekey program.

Having worked on emergency efforts this year to provide temporary motel and hotel rooms for homeless people through Homekey's predecessor, Project Roomkey, Thomas said she has witnessed how the pandemic has affected the county's homeless.

"It really felt like these could be any of our family members if they just didn't have the support services and network to keep them housed," Thomas said. "I'm really happy to see that there is an opportunity to house a significant number of folks."

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Winds force broad outages

WILDFIRE WEATHER

PG& E cuts power to thousands in Marin, region

Marin Independent Journal

Bay Area News Group

Pacific Gas & Electric Co. cut off power to tens of thousands of customers in Marin County and elsewhere on Sunday as violent winds began whipping across a severely parched Northern California.

The electricity shutoffs took effect in broad sections of Marin on Sunday evening. PG& E had warned earlier it identified about 15,000 meters for shutdown in Marin.

The meters on the list included 5,560 in Mill Valley; 3,927 in Fairfax; 1,956 in San Anselmo; 263 in San Geronimo; 822 in Stinson Beach; 627 in Woodacre; 401 in Forest Knolls; 666 in Kentfield; 274 in Lagunitas; 178 in Muir Beach; 322 in Nicasio; 15 in Olema; six in Point Reyes Station; 605 in Ross; five in Bolinas; 164 in Sausalito; eight in San Rafael; and one in Novato.

In anticipation of winds that could bring the “most critical” fire conditions

of the season, the utility company had warned earlier this week that it would turn off power to some 500,000 customers in an effort to limit the threat of fires sparked by power lines. By Sunday, the plan had been scaled back to about 360,000 customers across 36 counties and 17 tribal communities, sparing some 100,000 homes and businesses in Northern California.



A red flag signifying elevated fire danger flies at the fire station on Union Street in San Rafael on Friday.

SHERRY LAVARS — MARIN INDEPENDENT JOURNAL

PG& E incident commander Mark Quinlan called the planned power shut off the utility's "last resort option" and said that the company tried to make it "as small as possible" based on the most up to-date weather forecasts.

Citing hazardous winds and extremely low humidity levels, the National Weather Service issued a red flag warning lasting through 5 p.m. Tuesday in the North Bay mountains and East Bay hills and through 11 a.m. Monday in the coastal regions and Santa Cruz Mountains. Commonly referred to as Diablo winds, the strong offshore gales with gusts up to 70 mph atop mountains and 50 mph at lower levels were expected to be at their strongest overnight.

"The big concern is the area that is going to be affected will be a lot more widespread than previous events," said meteorologist Gerry Diaz, who noted that the anticipated conditions bore a resemblance to those that led to the devastating Oakland hills conflagration in 1991.

The most dangerous wind event of the year comes as California has already set a state record for most acres burned in a year. As of Sunday, this year's fires have consumed more than 4.1 million acres, destroyed at least 9,200 structures and killed 31 people. Four of the state's five largest fires in recorded history have occurred this year, including the August Complex — the state's first fire to burn more than 1 million acres.

By Sunday afternoon, crews in Shasta County were already working to contain four different fires that broke out earlier in the day and prompted several evacuation orders.

Berkeley and Contra Costa County officials urged residents in high-risk areas to relocate Sunday ahead of the dangerous conditions that were expected overnight. Popular parks in San Mateo and Sonoma counties announced closures through Monday due to the risk of wildfires.

Heeding the warnings from officials, a steady stream of evacuees checked into Doubletree Hotel in the Berkeley Marina on Sunday afternoon.

Cathy and Everett Moran had ignored many red-flag warnings in the past. But Sunday, the elderly couple decided to leave their Berkeley Hills home of 51 years to spend the night at the hotel.

"This one seemed serious," said Everett Moran, one of more than a dozen evacuees who checked into the hotel after city officials encouraged them to leave and noted special offers to city residents fleeing the danger. Officials stressed that their message was not an evacuation order, but an effort to keep roads clear in hilly communities in the event of such a notice.

The couple had two small bags, with plans to stay two nights at the hotel. They packed books, puzzles and their hiking sticks — turning their evacuation into a "little getaway," said Cathy Moran.

"There's no use worrying," she said. "We will be alarmed if a fire happens."

Katie Peterson, another evacuee who left her home of two years with her 2-year-old and husband, said the situation Sunday afternoon felt less stressful than what might follow.

“This is a minor inconvenience,” said Peterson, a UC Davis English professor who lives near Grizzly Peak. “Our lives aren’t in upheaval yet. Let’s hope we don’t get to upheaval.”

The dangerous conditions — caused by a mix of low humidity, high winds and dry fire fuel — prompted CalFire officials early Sunday morning to keep all personnel who were already on duty working through at least Monday morning, according to spokesman Robert Foxworthy. Going into the evening hours, CalFire was staging personnel, equipment and reserve engines across Northern California in locations at the highest risk of fire activity.

“This wind event isn’t going to surprise anybody,” Foxworthy said. “Everyone is mentally prepared for what could happen.”

The Marin Independent Journal contributed to this report.



A bicyclist rides past closure signs at an entrance to Tilden Regional Park on Sunday in Berkeley. High winds were in the forecast for the East Bay and North Bay hills, among other areas in Northern California.

ARIC CRABB/BAY AREA NEWS GROUP

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Monday, 10/26/2020 Page .A01

Coalition spurs homeowners to add apartments

HOUSING

Marin Independent Journal

By Adrian Rodriguez
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In an effort to boost the affordable housing stock, county and municipal planners are trying to make it easier for homeowners to build rental apartments on their property.

Through a new partnership between the county and 10 Marin municipalities, planners launched a website this month called ADUMarin.org, which is designed to help homeowners apply for and build an “accessory dwelling unit,” also called an ADU.

The project includes a webinar series set to begin Monday, a workbook with checklists for homeowners, and up to- date ADU regulations for the 11 participating jurisdictions. There are also sample floor plans, a calculator to estimate costs and video testimonials from those who recently completed their ADU projects to inspire others who might be interested in building their own.

“All of us think it’s a great way to increase the inventory in the affordable housing market,” said Jillian Nameth Zeiger, a county planner with the Community Development Agency’s Housing and Grants Division. “It’s a great to house a family member, or employee, and to keep residents from being priced out of the county.”

The effort is supported by a modest influx of state funding. The county of Marin and city of San Rafael, which is not a member of the ADU Marin partnership, each received \$310,000, while other jurisdictions were awarded \$160,000, according to the county.

An ADU is an attached or detached dwelling on the same parcel as an existing single-family or multi-family residence. It provides complete independent living amenities such as sleeping space, cooking, bathing and sanitation. It is common for ADUs to be created by modifying an extra bedroom.

There is also a “junior accessory dwelling unit,” or JADU. The main difference is that JADUs are not required to have a dedicated bathroom. JADUs also usually have smaller food preparation areas. Both ADUs and JADUs feature entrances and exits separate from the property’s main entrances and exits.

The Marin County Board of Supervisors voted in January to relax the local ADU rules to encourage more building.

Under expanded incentives, the county will waive up to \$10,000 in fees for anyone who creates an ADU and rents it at rates affordable to tenants with household incomes below 80% of the local median. Fees will be waived up to \$5,000 for people creating an ADU and renting it at rates affordable to people earning between 80% and 120% of the median income.

Fee waivers up to \$2,500 are available to people who rent their ADUs to people making more than that, and

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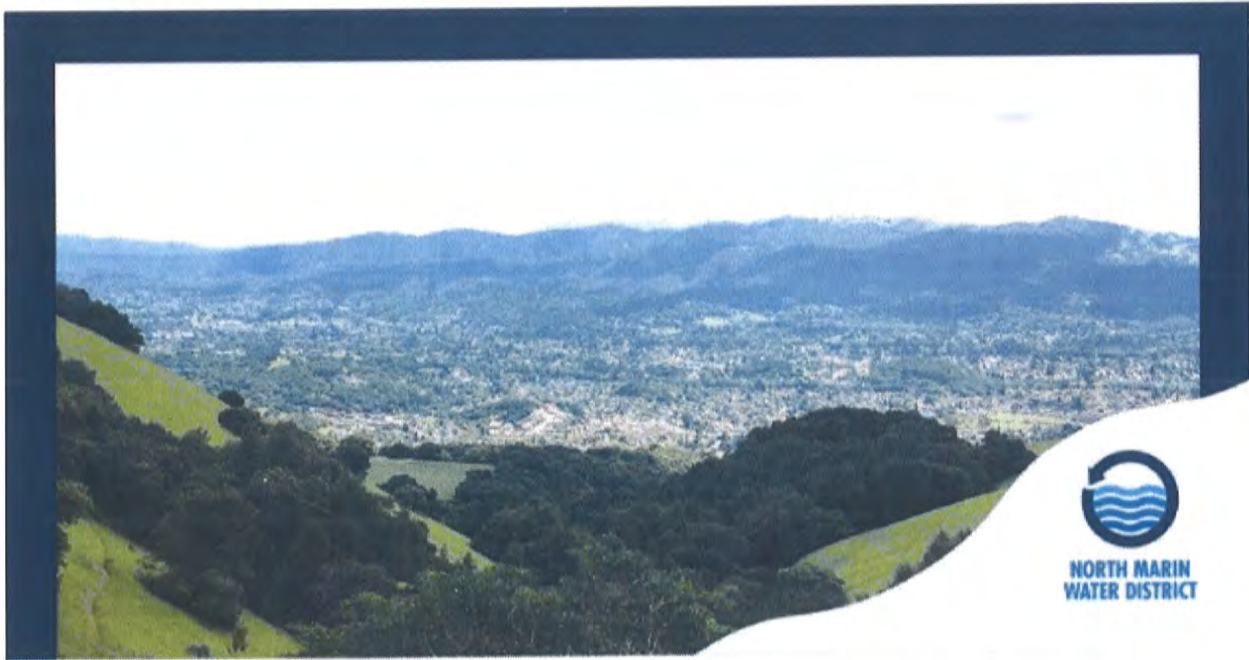
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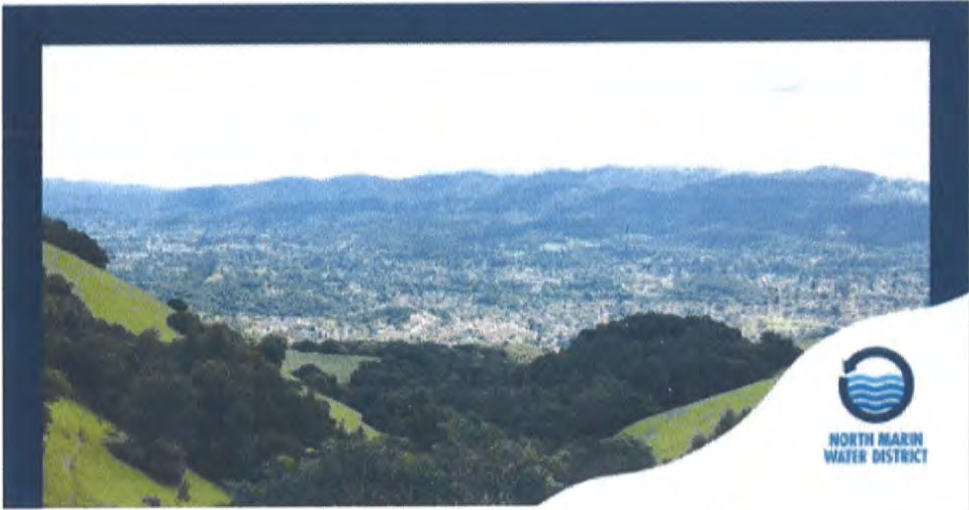
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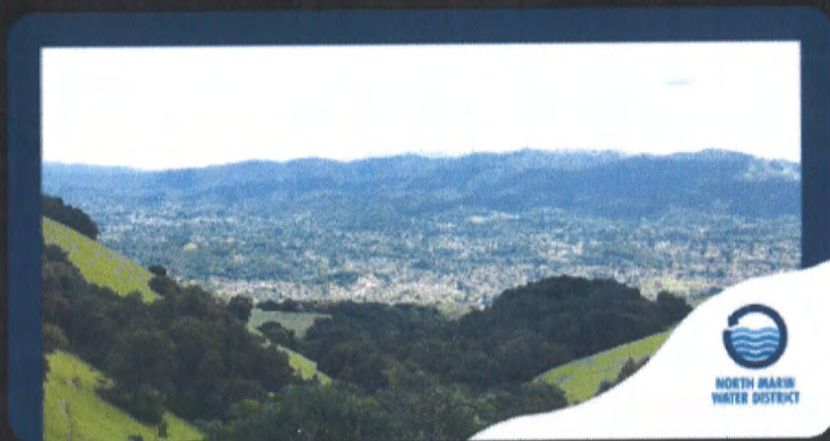


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