



**NORTH MARIN WATER DISTRICT**  
**AGENDA - REGULAR MEETING**  
April 6, 2021 – 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**

**CLICK ON LINK BELOW:**

Go to: <https://us02web.zoom.us/j/8349174264>

Password: 466521

**SIGN IN TO ZOOM:**

Meeting ID: 8349174264

Password: 466521

**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.	<b>CALL TO ORDER</b>	

1. **APPROVE MINUTES FROM REGULAR MEETING**, March 16, 2021
2. **GENERAL MANAGER'S REPORT**
3. **OPEN TIME: (Please observe a three-minute time limit)**

This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.

4. **STAFF/DIRECTORS REPORTS**

#### **CONSENT CALENDAR**

The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.

- |    |  | <u>Type</u> | <u>DU</u> | <u>EU</u>         |
|----|--|-------------|-----------|-------------------|
| 5. | Springbrook Green Homes, 1602 Vallejo Avenue<br>1602 Vallejo Avenue, APN: 141-221-74 and -75 | THC         | 6.4       | 5.4<br>Resolution |
| 6. | <b>Consent – Approve:</b> SCWA Federal FY22 Budget Support Letter                            |             |           |                   |
| 7. | <b>Consent – Approve:</b> Records Retention Program – Destruction of Records                 |             |           | Resolution        |

#### **ACTION CALENDAR**

8. **Approve:** Accept 2021 Novato Potable Water and Recycled Water Financial Plan Update and Direct Staff to Prepare a Proposition 218 Notice of Public Hearing on Proposed Rate Increase.
9. **Approve:** ESA Consulting Services Agreement Amendment 1 – Environmental Support Services for New Gallagher Well No. 2
10. **Approve:** Old Ranch Road Tank No. 2 Project – Approve Bid Advertisement
11. **Approve:** Kennedy/Jenks Consultants – General Services Agreement
12. **Approve:** Amend Contracts for On-Call Construction and Repair Services – Ghilotti Construction and Team Ghilotti
13. **Approve:** Additional Stafford Lake Backfeeding
14. **Approve:** Declaration of Local Emergency Related to COVID-19 Pandemic

#### **INFORMATION ITEMS**

15. NMWD Headquarters Upgrade Design Services Update
16. PRE Tank 4A Replacement – Project Update
17. WAC/TAC Meeting – February 1, 2021
18. NBWA Meeting – April 2, 2021

Est. Time	Item	Subject
	19.	<b>MISCELLANEOUS</b> Disbursements – March 18, 2021 Disbursements – March 25, 2021 Disbursements – April 1, 2021 Update - Polybutylene Pipe Population AB 992 – Summary of Public Officials Social Media Use Restrictions Marshall De-Annexation Request - Mr. Johnston Marin Lafco – Shared Services Workshop Marin IJ – Legal Notice – NORTH MARIN WATER DISTRICT Declaration of a Water Shortage Emergency Novato Service Area (Ordinance 41) Point Reyes Light – Legal Notice – NORTH MARIN WATER DISTRICT Amendment of Emergency Water Conservation Ordinance No. 39 – West Marin Service Area Annual Aquatic Invasive Species (AIS) Report for Stafford Lake, 2020 <u>News Articles:</u> Marin IJ – Water district prepares for Novato drought measures – EMERGENCY PLAN Marin IJ – Funding Projects – NMWD considers water rate hikes for West Marin Marin IJ – Las Gallinas sewage agency completes recycling system – SAN RAFAEL Marin IJ – Drought actions mulled – Water suppliers consider mandatory restrictions
7:30 p.m.	20.	<b>ADJOURNMENT</b>

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DRAFT  
NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
March 16, 2021

**CALL TO ORDER**

President Grossi 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 Grossi called the regular meeting of the Board of Directors of North Marin Water District to order at 6:01 p.m. and the agenda was accepted as presented. President Grossi 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 Grossi 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 Grossi noted that due to the virtual nature of the meeting he will request a roll call of 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 Grossi 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), Robert Clark (Operations/Maintenance Superintendent), Tony Arendell (Construction/Maintenance Superintendent), Pablo Ramudo (Water Quality Supervisor), Ryan Grisso (Water Conservation Coordinator) and Monica Juarez (Receptionist/Customer Service Assistant).

Mr. McIntyre announced also participating remotely were Mark Hildebrand from Hildebrand Consulting, Morgan Biggerstaff from BPMNJ, District legal counsel, Lynne Rosselli from Sonoma County Water Agency (SCWA) and Will Houston from the Marin Independent Journal.

President Grossi announced for those joining the virtual meeting from the public to identify themselves. There was one unidentified participant in virtual attendance.

36 **MINUTES**

37 On the motion of Director Baker, seconded by Director Joly the Board approved the  
38 minutes from the March 2, 2021 meeting by the following vote:

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

40 NOES: None

41 ABSTAIN: None

42 ABSENT: None

43 **GENERAL MANAGER'S REPORT**

44 Stafford Lake Backfeeding

45 Mr. McIntyre reminded the Board at the February 16, 2021 meeting the Board approved  
46 initiation of backfeeding up to an amount of 600-acre feet (AF). He stated as of March 15<sup>th</sup>, 381  
47 AF has been added to Stafford Lake. Mr. McIntyre noted staff still expects to hear sometime in  
48 early April what Sonoma County Water Agency's (SCWA) water supply assessment for the year  
49 will be. He noted given the continued lack of rainfall there is a good chance that there will be a  
50 need to backfeed more than 600 AF. Mr. McIntyre stated at the April 6<sup>th</sup> Board Meeting he will  
51 provide an update on backfeeding operations, latest water supply assessments from SCWA and  
52 whether or not NMWD will need to continue to backfeeding operations above and beyond the  
53 initial 600 AF limit.

54 Dry Year Public Outreach

55 Mr. McIntyre reported there have been some recent public comments about the lack of  
56 communication by the water district to its customers regarding dry year planning and long-term  
57 water supply options such as desalination and building new reservoirs. He summarized some of  
58 the recent District public outreach efforts including a direct mailer newsletter in the fall about  
59 current dry year conditions, initiation of a winter public outreach campaign via social media with  
60 the message "It's a Dry Year, Save Water with Us" and a recent paid story in the Novato Advance  
61 regarding dry year conditions. Mr. McIntyre noted, that said, the District needs to do more, so he  
62 and Mr. Grisso are working with Kiosk to push out another updated message soon. He added,  
63 staff also plans to submit this update to the Marin IJ for the Marin Voice column and a Spring  
64 2021 Waterline direct mailer is in the works.

65 Gallagher Well No. 2 Update

66 Mr. McIntyre announced NMWD is on the agenda to present to the Lagunitas Creek TAC  
67 on the morning of March 19<sup>th</sup>. He stated staff is preparing for the Marin County Local Coastal

68 Permit Hearing on Thursday, March 25<sup>th</sup> at 10:00 a.m. Mr. McIntyre noted the District has also  
69 finished a detailed design for the well and pipeline alignment and have what is needed to move  
70 forward with an appraisal for the necessary easements using an existing contract with Associated  
71 Right of Way Services. Mr. McIntyre added, depending on the March 25<sup>th</sup> Local Coastal Permit  
72 Hearing outcome, staff will be prepared to request Board approval to advertise the well  
73 construction phase at the April 6<sup>th</sup> Board meeting.

74 **OPEN TIME**

75 President Grossi asked if anyone from the public wished to bring up an item not on the  
76 agenda and there was no response.

77 **STAFF/DIRECTORS REPORTS**

78 President Grossi asked if any Directors or staff wished to bring up an item not on the  
79 agenda and the following was discussed.

80 Ms. Blue announced Karen Clyde has been hired as our new HR/Safety Manager. She  
81 noted Karen comes to the District with extensive experience in Human Resources and is well  
82 versed in Safety.

83 Mr. Ramudo reported on current status on backfeeding Stafford Lake. He stated that a  
84 problem occurred over the weekend starting on February 26<sup>th</sup> which may have resulted in  
85 backfeeding water into Stafford Lake that was insufficiently dechlorinated. On March 1<sup>st</sup> it was  
86 discovered and reported to the Regional Water Board, which is required by our permit. Mr.  
87 Ramudo added the Regional Water Board referred it to their enforcement section and staff should  
88 hear back in the next few weeks. Mr. Ramudo stated he will report back to the Board at that time.

89 Director Joly asked if this was a public safety issue. Mr. Ramudo replied it was not, the  
90 water was only partially dechlorinated. Director Joly asked if everything is set up now so there  
91 will not be any future issues. Mr. Ramudo responded as soon as staff identified the issue, they  
92 replaced the analyzer and the operators took additional samples.

93 Director Grossi asked how much 400 acre-feet of back-fed water raises the lake. Mr. Clark  
94 replied it depends on the elevation of the lake at the time. Mr. McIntyre added that the lake level  
95 is up 2.5 feet to-date due to backfeeding.

96 Mr. Clark reported on the Residential Recycled Water Pick Up Program. He reminded the  
97 Board that a few years ago we had a water storage tank in the yard for customers to pick up  
98 recycled water for irrigation. Mr. Clark added the program was later modified to provide irrigation  
99 water from a recycled water hydrant located on Woodhollow Lane. He noted the process will be  
100 reconfigured and made available again this spring. Additionally, staff is looking at another location  
101 located in the south part of town, possibly in the Hamilton area.

Mr. Williams announced he was invited to join the Highway 37 State Route Corridor Stakeholder Group. He stated that they have had some meetings already and his first meeting will be in late March and he will be the 76<sup>th</sup> participant of the group.

**PUBLIC HEARING TO CONSIDER AN EMERGENCY WATER CONSERVATION ORDINANCE  
IN THE NOVATO SERVICE AREA**

Mr. Grisso reminded the Board that at the February 2, 2021 Regular Board Meeting, the Board received information on dry year conditions to-date in Novato and there had been no substantial rainfall. He noted, at the February 16, 2021 meeting, the Board approved to backfeed Stafford Lake with Russian River water while it is available. The Board was also advised that NMWD staff had reviewed the Novato area Water Shortage Contingency Plan and Emergency Water Conservation Ordinance and consulted with legal counsel to determine the best course of action for 2021 given the dry year conditions. Mr. Grisso stated the resulting recommended action was to preemptively approve a Water Conservation Ordinance that included water waste prohibitions, and the option to approve detailed conservation measures by future resolutions once the final rainfall totals and SCWA water supply assessments have been determined in mid-April.

Mr. Grisso presented a draft Emergency Water Conservation Ordinance (Ordinance 41) to the Board for review. The Ordinance 41 draft included a declaration that a water shortage emergency condition exists with the Novato Service Area, and specifically prohibits waste of water. Mr. Grisso stated this ordinance will allow flexibility to make updates by resolution in the future with specific reduction levels, water waste and non-essential use prohibition and other changes as needed.

Director Joly noted in Section 4 it refers to suspensions of new connections and asked how this fits in with the state's new housing mandates. Mr. Grisso replied that the District has no specifics yet on this question and will know more on this subject before requesting adoption of Section 4 prohibitions. Director Joly stated if the Board approves the ordinances, will there be bullet points on the NMWD webpage so the public can see how not to waste water. Mr. Grisso confirmed, stating staff is working on a campaign now and will have a summary sheet to replace the news item along with the outcome of the ordinances.

President Grossi declared the public hearing to consider an emergency water conservation ordinance in the Novato service area opened at 6:19 a.m. and there were no comments. President Grossi asked if it takes two meetings to approve the ordinance and Mr. McIntyre replied no.



President Grossi announced that no comments were heard from the public, therefore the public hearing was closed as of 6:20 p.m. and directed further discussion by the Board. There was no further discussion.

On the motion of Director Joly, seconded by Director Petterle the Board approved the Emergency Water Conservation Ordinance in the Novato Service Area by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

**PUBLIC HEARING TO CONSIDER AMENDING ORDINANCE 39 IN WEST MARIN SERVICE AREA**

Mr. Grisso reported the year rainfall in the Lagunitas Creek watershed measured by Marin Municipal Water District totaled 17.9 inches through March 9<sup>th</sup>, approximately 10-inches below that necessary for normal year classification, which is 28-inches or more by April 1<sup>st</sup>. This will be the second consecutive year that the District operates with flows in Lagunitas Creek at less than 8 cfs during the summer under dry year conditions and the third year since 1995. Mr. Grisso stated that by amending Ordinance 39 it will allow flexibility for the Board to make changes to the Ordinance in the future, by resolution, as the dry year conditions continue to evolve.

Mr. Grisso requested that when the Board moves to vote on the ordinance, they make a word change to amend the ordinance rather than modify the ordinance on the title page.

President Grossi declared the public hearing for amending Ordinance 39 in the West Marin service area opened at 6:33 p.m.

President Grossi announced that no comments were heard, therefore the public hearing was closed as of 6:34 p.m. and directed the discussion to the Board. There was no further discussion by the Board.

On the motion of Director Joly, seconded by Director Fraites the Board approved amending Ordinance 39 in the West Marin Service Area by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

165 **MONTHLY PROGRESS REPORT**

166 The Monthly Progress Report for February was reviewed. Mr. McIntyre reported that water  
167 production in Novato was down 8% from one year ago and up 3% fiscal year to date. In West  
168 Marin, water production was down 13% from one year ago and down 3% fiscal year to date.  
169 Stafford Lake Treatment Plant production was down 57% fiscal year to date compared to last year  
170 and recycled water production was up 6% fiscal year to date. Mr. McIntyre noted Recycled Water  
171 was up 68% from five years ago and Recycled Water production to date was approximately 70%  
172 of the total Stafford Treatment Plant production this fiscal year to date. Mr. McIntyre reminded  
173 the Board that Stafford Lake backfeeding started on February 17, 2021. The Board was apprised  
174 that Stafford Lake was at 33% capacity, Lake Sonoma was at 64% and Lake Mendocino was at  
175 48% capacity. In Oceana Marin effluent volume was 0.499 MG for February compared to 0.406  
176 MG one year ago and there was 0.940 MG of irrigation field discharge. Under Safety and Liability,  
177 we had 103 days without a lost time injury. Mr. McIntyre reviewed the program to date totals for  
178 high efficiency toilet rebates, retrofit certificates filed, cash for grass rebates paid out, washing  
179 machine rebates, and Water Smart Home Survey. Under Utility Performance Metric Mr. McIntyre  
180 reported an 8-inch main break on Eucalyptus that resulted in six customers with service disruption  
181 for up to eight hours. On the Summary of Complaints and Service Orders, the Board was apprised  
182 that total numbers were down 41% from February one year ago.

183 Ms. Blue reported on the February 2021 Investments, where the District's portfolio holds  
184 \$24.5M earning a 0.59% average rate of return. Ms. Blue noted that during February the cash  
185 balance decreased by \$151,138. She also noted the Local Agency Investment Fund (LAIF)  
186 interest rate was 0.41%.

187 Director Joly stated 80% of investment is in LAIF, which is a burden on the short-term rate.  
188 He noted there will be many CD's rolling over and wanted assurance that the 80% in one fund is  
189 safe. He stated 80-90% in one investment fund makes him nervous and he would like to feel  
190 more comfortable that LAIF is a completely safe investment. Ms. Blue asked how he would like  
191 her to deliver that message. Mr. McIntyre responded that staff will bring an item back to the Board  
192 at a future meeting discussing LAIF financial safety.

193 **ACTION ITEMS**

194 **ACCEPT 2021 WEST MARIN WATER RATE STUDY DRAFT REPORT AND DIRECT STAFF**  
195 **TO PREPARE A PROPOSITION 218 NOTICE OF PUBLIC HEARING ON PROPOSED**  
196 **REVENUE INCREASES AND RATE STRUCTURE CHANGES**

197 Ms. Blue apprised the Board that the proposed water rates need to be adopted in  
198 accordance with Proposition 218, which will require a detailed notice describing the proposed

199 charges to be mailed to each affected property owner or customer at least 45 days prior to  
200 conducting a public hearing on June 22, 2021 to adopt the rates. The proposed revenue increase  
201 and rate structure changes will result in a general revenue increase of 6%. Ms. Blue introduced  
202 consultant Mark Hildebrand and reminded the Board that this will be the second presentation of  
203 the 2021 West Marin Water Rate Study.

204 Mr. Hildebrand presented the 2021 West Marin Water Rate Study to the Board. He  
205 provided a summary, scope of study, and the methodology of the study. He reported on the  
206 proposed financial plan, reserve targets, proposed rate increases, cost-of-service, winter rates  
207 versus summer rates and tiers in addition to a conclusion and recommendation.

208 President Grossi asked if there were any questions from the Board.

209 Director Joly asked Mr. Hildebrand to explain the method for tier allocations, meter  
210 equivalency, and hydraulic zones and how they are compliant with Proposition 218. Mr.  
211 Hildebrand discussed the various reasons behind the proposed rate structure changes to ensure  
212 that each class of customer continues to pay their fair and proportional share of costs as required  
213 by Proposition 218. Director Joly noted it is important to let customers know that these percentage  
214 variances are solely a first-year equivalency issue. Director Petterle noted these same customers  
215 need to understand they were given a break in previous years. Mr. Hildebrand confirmed, stating  
216 especially in the hydraulic charges, to Directors Petterle's point, this is correcting the inequity of  
217 the past and needs to be fixed. Director Joly added, the study notes \$1.6M borrowed from the  
218 Novato Service Area and wanted to know when that would be paid off. Mr. Hildebrand replied  
219 there is a ten-year repayment period with an interest rate of .9% which is the cost of money for  
220 the District, meaning they would earn the same interest in investments. Director Baker stated this  
221 is assuming they will not have other problems and need more money. He added the repayment  
222 would be in ten years only if everything goes smoothly, noting with his experience on the Board  
223 things happen. Director Baker noted the District has inherited problems in West Marin and there  
224 is infrastructure to fix, new pump stations needed, and other unexpected issues. Mr. Hildebrand  
225 replied it is unknown how infrastructure will behave, which is why the District maintains a minimum  
226 of \$0.5M in reserves, and actual reserves are now holding at \$1M. Mr. Hildebrand added that  
227 the only other thing the District could do is to create an even larger reserve, but rate payers do  
228 not like to see money set aside if it is not being used.

229 Director Joly noted there is \$1M in Capital Improvement Projects (CIP) for two pipeline  
230 creek crossing projects and asked if there will be any other Cal Trans situations for other pipelines  
231 in the future. Mr. McIntyre stated these are the only near-term projects that we are aware of within  
232 the 5-year CIP planning horizon.

Director Petterle noted our pipeline crosses the San Andreas fault which is a concern and stated something could happen in the future. He commended Mr. Hildebrand and Ms. Blue for their remarkable job at taking something so complex and simplifying it. Director Petterle added this time it really sunk in and all the pieces fit, stating he felt comfortable and trusts the time they put into the study and felt it represents what the customers need to be charged. Director Joly agreed, stating they did a tremendous job with meeting the requirements for Proposition 218, especially considering the small population base with a high CIP. He added there will continue to be seismic and fire worries in the area that could damage infrastructure, so he does take comfort in the debt ratio. Director Baker also expressed concern in regards to Director Petterle's comment on future infrastructure failure due to a large seismic event.

President Grossi asked for public input and there was none.

Mr. McIntyre asked for clarification from the Board on whether staff is being requested to prepare a single year or multiple year rate increase notice. He stated it is the Board's decision, however he advocated for a single year rate increase notice. After additional discussion there was a consensus from the Board that the Prop 218 Notice should be for a single year. Mr. Biggerstaff stated the Board should make a motion to adopt the draft study.

On the motion of Director Petterle, with direction to file the Proposition 218 notice with a single year rate increase and seconded by Director Joly, the Board adopted the Draft 2021 West Marin Water Rate Study and provided direction to staff on preparing a single year Proposition 218 Notice of Public Hearing on proposed rate changes and revenue increases by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

#### **OCEANA MARIN SEWER SYSTEM FINANCIAL PLAN UPDATE**

Ms. Blue updated the Board on the five-year forecast for the Oceana Marin Sewer System Financial Plan. She provided information on basic data, operating revenue, operating expense, non-operating expense, other sources and uses, and projected capital improvement projects. She stated the five-year forecast did not change much from the previous year. Ms. Blue stated the proposed 5% rate increase is consistent with the prior year's 5-year financial plan and added that the District does not forecast a new connection in the next fiscal year. She added that borrowed funds were already in the prior year's forecast. Director Joly asked where the District is borrowing funds. Ms. Blue replied it is yet to be determined, she will need to go out and get costs to determine if it would be better to get a bank loan or a loan from the Novato service area.

She stated she will come back to the Board at later date to provide this information along with any grant funds that are available. Ms. Blue noted the pending Oceana Marin grant funds for the Treatment Pond Berm Rehabilitation work are often delayed and it is not predictable when they may come in, which is why it may be a short-term loan situation. Director Joly stated it all looked good except for the bottom of the first page, he stated the plan should stay solvent through 2026 and it made him nervous to borrow money due to the delay of the grant fund. Director Joly agreed that since it was for one year, the Board can review it again when more facts become available.

On the motion of Director Joly and seconded by Director Petterle the Board approved staff to draft a letter to Oceana Marin Sewer customers for Board review noticing a public hearing in Point Reyes Station on June 22<sup>nd</sup> to consider a 5% increase in the sewer service charge for one year by the following vote.

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

NOES: None

ABSTAIN: None

ABSENT: None

**AUTHORIZE AFFIRMATIVE VOTE FOR SCWA FY2021-22 WATER TRANSMISSION SYSTEM (WTS) BUDGET**

Mr. McIntyre reported that a TAC Ad Hoc Finance subcommittee was formed in December 2020 to review and negotiate the budget with the Agency. The Ad Hoc Finance subcommittee, which included Ms. Blue, met twice in January 2021 and the TAC unanimously approved the FY2021-22 SCWA WTS budget on March 1, 2021. A special WAC Meeting will be held on April 5th consider the budget. Mr. McIntyre introduced Lynne Rosselli, SCWA Finance Director who will be providing a presentation of the Draft FY2021-22 SCWA WTS Budget.

Ms. Roselli reported that the budget proposes NMWD water purchases next fiscal year at \$1,047.34 per acre-foot, versus \$1,001.00 per acre-foot this current fiscal year. As previously reported to the Board, SCWA's rate increase for NMWD will be 4.63%. She stated SCWA is forecasting future annual water rate increases between 4% and 6% for the water contractors, but the NMWD increase can fall outside of this range. The contractual arrangement between SCWA and NMWD includes a Russian River Conservation Charge and a Russian River Projects Charge in lieu of property taxes levied on Sonoma County properties which accounts for this variation

Director Joly thanked Ms. Rosselli for a wonderful presentation. A discussion ensued about the sensitivity of the 4-6% annual rate increase guidelines.

Mr. McIntyre stated, absent any objections by Board members, he recommended that the

301 NMWD WAC representative, Director Baker, vote in favor of the budget as presented.

302 On the motion of Director Joly and seconded by Director Petterle the Board approved  
303 authorization for WAC representative, Jack Baker, to vote in favor of the FY2021-22 SCWA Water  
304 Transmission System Budget by the following vote:

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

306 NOES: None

307 ABSTAIN: None

308 ABSENT: None

309 Director Grossi again thanked Ms. Rosselli for the presentation. Mr. McIntyre expressed  
310 his gratitude to Ms. Rosselli and agency staff for working with the water contactors to bring the  
311 rate increase numbers down. Director Petterle and Director Joly agreed.

312 **STP – COAT TOP OF CONCRETE CLEARWELLS PROJECT: AWARD CONTRACT TO**  
313 **REDWOOD PAINTING**

314 Mr. Williams reported on the STP Coat Top of Concrete Clearwells project. He stated this  
315 project consists of coating the upper concrete slabs that form the roofs or tops of each clearwell  
316 with the same coating system previously used in 2019. He noted the insides of both clearwells  
317 were coated in 2019 because of concern with deterioration of the untreated concrete surfaces  
318 and the potential for corrosion of the underlying steel reinforcement. He stated the District started  
319 with five qualified bidders, three bidders submitted, one pulled out and the remaining bidders were  
320 Redwood Painting and Jeffco. The low bidder was Redwood Painting. Mr. Williams added the  
321 project is scheduled to be done before the plant is back in operation.

322 On the motion of Director Fraites and seconded by Director Baker the Board approved  
323 award of the contract to Redwood Painting Company and authorized the General Manager to  
324 execute an agreement with Redwood Painting Company by the following vote:

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

326 NOES: None

327 ABSTAIN: None

328 ABSENT: None

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

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

332 Mr. McIntyre updated the Board that staff has been operating under partial Emergency  
333 Operations Center (EOC) activation. He stated maximum workplace space continues and walk  
334 in services remain suspended. He updated the Board on the financial cost through February were

included in the attachment, with total COVID cost impacts estimated at approximately \$157,000. Mr. McIntyre added that Marin County continues to operate in the red stage or Tier 2 status, but is expected to move into the orange Tier 3 status potential as soon as March 24<sup>th</sup>. Mr. McIntyre also advised the Board that on March 11<sup>th</sup>, the state moved water and wastewater workers into the Phase 1B category for Emergency Services Worker, which allows our employees to be eligible to receive a vaccination. He noted this is great news; however, the availability of vaccine supply is still troublesome and will most likely cause frustration for our staff as they move forward with trying to get actual appointments.

Director Joly stated this is overall good news. Director Grossi asked what percentage of staff are not going to get the vaccine, as he has seen it is an issue in some sectors. Mr. McIntyre stated he does not know the percentage for our staff, but has heard news reports that an estimated 20-30% of the country's population has indicated they would not get the vaccine. Director Joly stated March 16<sup>th</sup> was the anniversary of the Marin Health Services putting us under restrictions. He noted the cost for the year was \$175,000 and asked to explain the delinquencies, so he has a better understanding of what the percentages mean. Ms. Blue replied in February 2020 there was \$55,000 in delinquent balances attributed to customers with three or more late bills; that number went up as high as \$155,000 in February and as of March 16<sup>th</sup> it was down to \$104,000. She stated staff is keeping a close eye on this and the 3.6% delinquency rate out of all 20,000 plus customers was now down to 3.3%. Ms. Blue warned the number could go back up, but it was going down in a steady pace and she believed staff's collection efforts were working. She stated she is tracking this closely, collection is challenging, but the trend was in the right direction. Director Joly thanked staff for keeping the collection efforts on track.

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

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

NOES: None

ABSTAIN: None

ABSENT: None

#### **INFORMATION ITEMS**

#### **ENHANCE WATER CONSERVATION PROGRAM INCENTIVE OPTIONS FOR 2021**

Mr. Grisso updated the Board on the enhanced water conservation program incentive options for 2021. He noted in 2014 the District took similar action to enhance water conservation program incentives. Mr. Grisso stated to further increase customer participation in water

conservation programs during dry year periods, staff developed enhanced water conservation program incentive options. He reported on current and optional enhanced increase water conservation incentive levels for: Residential High-Efficiency Toilet Rebates, Residential Ultra High-Efficient Toilet Rebates, Commercial High-Efficiency Toilet Rebates, Commercial Ultra High-Efficiency Toilet rebates, High-Efficiency Clothes Washer Rebase, Weather-Based Irrigation Controller Rebates, Water Smart Landscape Rebates, Cash for Grass Rebates, Swimming Pool Cover Rebates and Hot Water Recirculation Rebates.

Director Joly stated it is good to offer enhanced incentives. He asked what the total cost would be. Mr. Grisso replied it is hard to answer as it is based on participation and similarly difficult to budget. Mr. Grisso stated he would come back to the Board with an estimate of the financial impact at the time when the updated resolution would be brought to the Board for approval. Director Joly asked if there were any customer categories missing from our conservation program or if this list covers it all. Mr. Grisso replied it is a very comprehensive list and he will have the final options brought to the Board at a later date and the amounts could always be brought up for discussion if desired. Director Fraites asked how the MMWD Cash for Grass rebate compares to NMWD. Mr. Grisso stated the MMWD rebate is \$1.00 per square foot and the NMWD rebate is currently \$0.50 per square foot. Director Fraites thought we were higher and asked how many football fields of grass was taken out from our program, since it began. Mr. Grisso replied over a million square feet. Director Fraites said comparing it to a football field is a good talking point, because it is more visual. Director Baker said we compare to MMWD frequently, what about comparing to our surrounding agencies in other counties, in the East Bay and Alameda for example. He noted other agencies are rarely mentioned, because MMWD is the most obvious to compare to. Mr. Grisso confirmed he often looks at other Bay Area agencies as well.

Director Grossi asked if expanded recycled water production offsets Stafford Lake or SCWA production. Mr. Grisso replied he would say from SCWA. Mr. McIntyre confirmed. Director Grossi asked if recycled water was cheaper than SCWA water and Mr. McIntyre confirmed. Director Joly stated he remembers it being quite a bit cheaper, and that STP water was expensive, but was still good for redundancy.

#### **REVISED FY21/22 RATE HEARING SCHEDULE**

Ms. Blue provided a revised FY2021/22 Rate Hearing Schedule. She stated the schedule was revised to create sufficient time to complete the listed activities and to allow ample time for discussion at upcoming Board meetings.

Director Petterle asked if June 22<sup>nd</sup> was a special meeting. Ms. Blue replied it is our annual



meeting in Point Reyes and the District normally has three meetings in June. Director Joly commented that if this year's rates are approved to start July 1<sup>st</sup>, noting last year's rates were delayed to October 1<sup>st</sup>, this means we will have two rate increases within the fiscal year.

**NBWA MEETING – MARCH 5, 2021**

Director Fraites reported on the March 5, 2021 NBWA Meeting. He reported on the presentation by the San Francisco Bay Regional Water Quality Control Board; in which they gave an update on water quality impacts related to people experiencing homelessness. Additionally, Director Fraites reported on the presentation by the Bay Area Regional Water Board about current water supply conditions. He stated many are concerned about the levels of the lakes, and specifically if Lake Mendocino drops below 10,000-acre feet the dam could be in peril. Director Fraites added MMWD reported pumping water from SoulaJule Lake with portable generators which they never used in the past. He stated in summary the overall water supply situation is not good.

**MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements – Dated March 4, 2021, Disbursements – Dated March 11, 2021, Rescheduled Hearing – Gallagher Family Coastal Permit and Use Permit and Russian River Biological Opinion Public Policy Facilitating Committee Annual Meeting Agenda.

The Board received the following news articles: Marin IJ – Novato drought measures weighed – Low Rainfall; Water Finance & Management – Water sector applauds House leadership for affordability program boost; Novato Advance – It's a dry year. Save water with North Marin Water District; Marin IJ – State likely faces critically dry year, water officials say – SNOWPACK RUNOFF; Marin IJ – Saturday Soapbox – North Marin Water District should share plan; Marin IJ – Editorial -Marin knows conservation will be big help; Marin IJ – Water district board president committed to conservation partnership; Washington Observer – Water Agencies Seek Relief for Ratepayers; Point Reyes Light – Bo holds off on rationing; Point Reyes Light – Inverness group asks IPUD to take lead on tax proposal; Marin IJ – Wednesday soapbox – Water districts need to control biggest users first and Marin IJ – County secures another \$8.4M in aid for renters -FEDERAL FUNDS.

The Board received the following social media posts: NMWD Web and Social Media Report – February 2021.

President Grossi adjourned the meeting at 8:37 p.m.

435  
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Submitted by  
  
Theresa Kehoe  
District Secretary

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## MEMORANDUM

To: Board of Directors

April 2, 2021

From: Tony Williams, Assistant General Manager/Chief Engineer Subject: Water Service Agreement –Springbrook Green Homes, 1602 Vallejo Ave, Novato,  
APNs: 141-221-74 and 75

r:\folders by job no\2800 jobs\2835 springbrook green homes\bod memos\_agmts\2835 memo - assignment.doc

**RECOMMENDED ACTION:** The Board approve authorization of assignment of this amended agreement.**FINANCIAL IMPACT:** None: Developer Funded

The project is located at 1602 Vallejo Ave (see attached map). The current development proposes construction of 9 attached townhouse residential units on a 1.3 acre site in two separate buildings. Water service to the aforementioned parcels was established in 1949 (APN 141-221-74) by a 5/8-inch meter which was upsized to a 1-inch service in 2008, and a second 1-inch service was installed in 2009 (APN 141-221-75) after a lot split. The two existing services will be killed after the new water facilities are installed.

Previously this project was approved by the board on April 21, 2020 and an agreement was executed, then extended six months due to complications relating to COVID19 per Amendment No. 1. The property was sold along with the drawings, and the new owner has stated he would like to proceed with the current design. As allowed by Section 11 of the Agreement, assignment to the new owner, Springbrook, LLC, from the previous owner, Stonehenge Properties, LLC, is warranted and recommended by Staff. The current amended agreement required that financial arrangements be made by May 14, 2021, and that requirement would not change with the assignment.

Normal pressure Zone 1 water will be provided for the project. Estimated static pressure for finished floor elevations will be between 40 and 57 PSI. Water facilities required for this project include 20 feet of 4-inch PVC pipe, nine (9) 1-inch domestic meters with 1- inch copier laterals and one (1) 1-inch common area irrigation meter.

Total water demand is 6.4 Equivalent Dwelling Units (EDUs): 9 condominium units @ 0.6 EDUs (5.4 EDUs) and 1 EDU for the irrigation. This site has credit for 2 EDUs paid by previous owners. The project will pay Facilities Reserve Charges (FRCs) for 4.4 EDUs.


Sewer service will be provided by the Novato Sanitary District.

Environmental Document Review

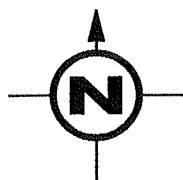
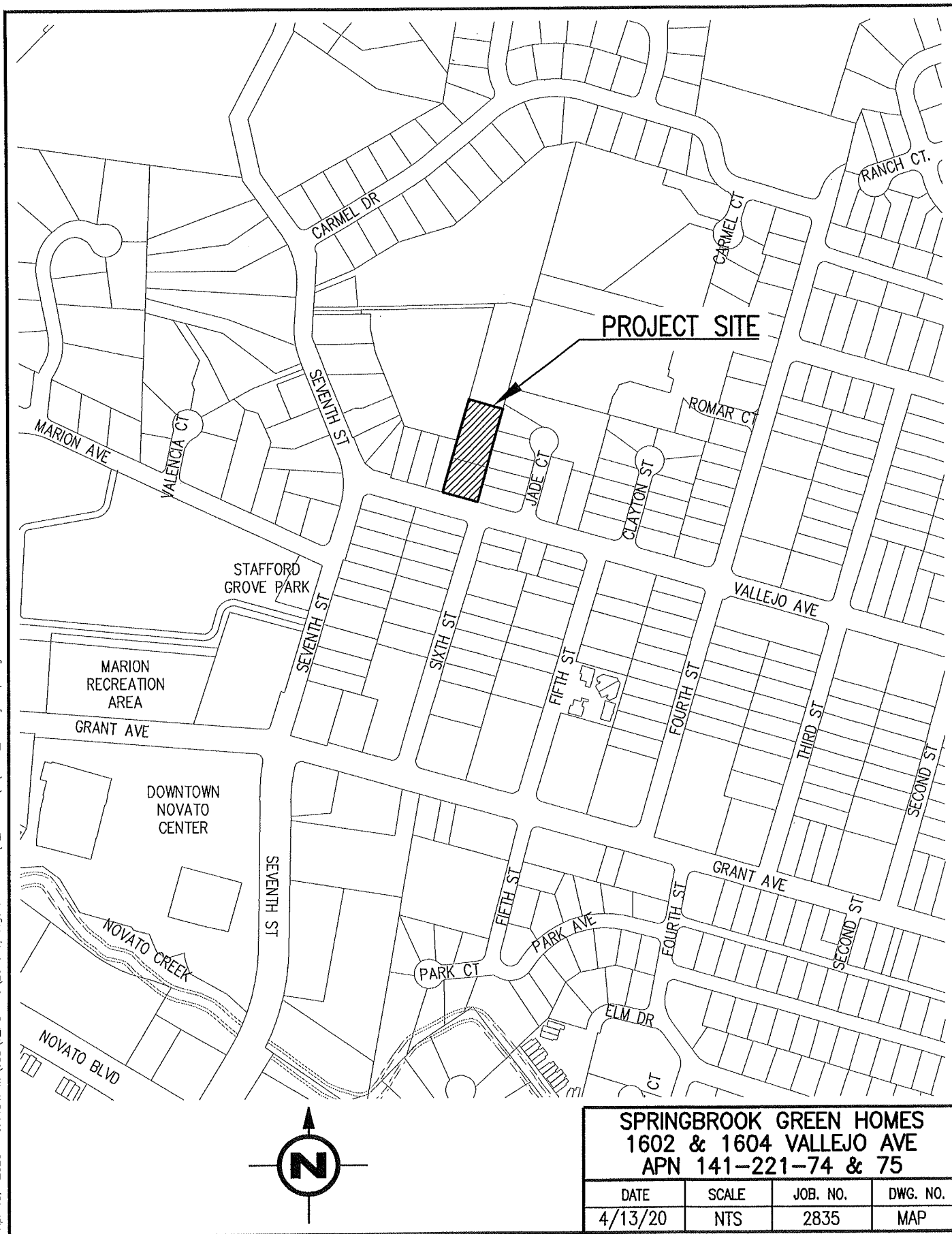
The project is categorically exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15332, In-fill Development Projects.

RECOMMENDATION:

That the Board approve authorization of assignment of this amended agreement.

Approved by GM Date 4/2/2021

Apr 13, 2020 - 9:14am W:\JOB\1\_NOVATO\2835 Springbrook Green\3\_ISSUED\B\2835\_Vicinity Map.dwg User: SDOVE



**SPRINGBROOK GREEN HOMES**  
**1602 & 1604 VALLEJO AVE**  
**APN 141-221-74 & 75**

DATE	SCALE	JOB. NO.	DWG. NO.
4/13/20	NTS	2835	MAP



ASSIGNMENT  
OF  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
FOR  
SPRINGBROOK GREEN HOMES

---

*THIS AGREEMENT*, made and entered into as of \_\_\_\_\_, 2021, by and between NORTH MARIN WATER DISTRICT, herein called "District," and SPRINGBROOK LLC, A Limited Liability Company, herein called "Applicant," and Matthew Burns, a Member, herein called "Assignee."

*WHEREAS*, the District and the Assignor, STONEHENGE PROPTERTIES, LLC, entered into an agreement dated May 14, 2020 providing for construction of water facilities to serve that certain project known as SPRINGBROOK HOMES, Marin County Assessor's Parcel Numbers 141-221-74 & 75; and

*WHEREAS*, the Agreement was amended on October 6, 2020 with a new Section 9 of Part One; and

*WHEREAS*, the Assignor is transferring all its interest in and to said SPRINGBROOK GREEN HOMES to the Assignee; and

*WHEREAS*, the Assignor desires to assign said agreement and all rights and obligations thereunder to the Assignee, together with all rights and obligations under that certain application for water service dated May 14, 2020, on file with the District, and this is agreeable to the Assignee and the District.

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

1. The Assignor hereby assigns all its rights and obligations under said agreement dated May 14, 2020, and the Amendment No. 1 dated October 6, 2020 to the Assignee, together with all rights and obligations under said application for water service dated May 14, 2020 and Amendment No. 1 dated October 6, 2020.

2. Concurrently with execution of this Assignment, the Assignor hereby transfers to the extent possible, all interest and entitlement to funds advanced to the District by the Assignor pursuant to terms and conditions of said agreement and said application for water service to the credit of the Assignee. Financial guarantees shall be acceptable to the District and based upon the District's current cost estimated of installing the facilities.

3. The Assignee hereby accepts said assignments and agrees to be bound by all of the terms and conditions of said agreement and said application for water service except as amended.

4. The District agrees to said assignments on the terms and conditions set forth herein and further agrees that the Assignee shall have all rights and obligations under said agreement, and amendment, and said application for water service.

5. *IN WITNESS WHEREOF*, upon the date and year first herein above written, the respective parties hereto have executed this assignment.

**NORTH MARIN WATER DISTRICT**  
"District"

**ATTEST:**

\_\_\_\_\_  
James Grossi, President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Theresa Kehoe, Secretary

(SEAL)

**STONEHENGE PROPERTIES LLC**  
A Limited Liability Company  
"Assignor"

(SEAL)

\_\_\_\_\_  
Vincent Sproete, Manager

\_\_\_\_\_  
Date

(SEAL)

**Springbrook LLC**  
A Limited Liability Company  
"Assignee"

(SEAL)

\_\_\_\_\_  
Matthew Burns, 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.**

RESOLUTION NO. 21-  
AUTHORIZATION OF EXECUTION  
OF  
ASSIGNMENT  
OF  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
WITH  
STONEHENGE PROPERTIES, LLC  
AND  
SPRINGBROOK, LLC

---

BE IT RESOLVED by the Board of Directors of NORTHMARIN 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 Assignment of Water Service Facilities Construction Agreement between this District and STONEHENGE PROPERTIES, LLC, A Limited Liability Company, and SPRINGBROOK, 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 SPRINGBROOK GRENN HOMES, Marin County Assessor's Parcel Numbers 141-221-74 & -75, 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 6th day of April, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:


(SEAL)

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Theresa Kehoe, Secretary  
North Marin Water District

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MEMORANDUM

To: Board of Directors  
From: Drew McIntyre, General Manager   
Subj: SCWA Federal FY22 Budget Support Letter  
c:\gm\scwa\2021\memo to scwa fy22 budget support letter.docx


April 2, 2021

**RECOMMENDED ACTION: Authorize letter of support for Sonoma County Water Agency (SCWA) Federal FY 22 Budget Requests**

Sonoma County Water Agency is requesting all retail water contractors to send a letter to Senators and House Members in support of several SCWA federal FY22 budget requests. The attached letter summaries the specific federal FY 22 budget requests that will benefit the region.

**RECOMMENDATION:**

Authorize the General Manager to send a letter to Senators and House Members signifying support of Sonoma County Water Agency's federal FY22 budget requests.

Approved by GM 

Date 4/2/2021



April XX, 2021

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

PHONE  
415-897-4133

EMAIL  
[info@nmwd.com](mailto:info@nmwd.com)

WEB  
[www.nmwd.com](http://www.nmwd.com)

Honorable Dianne Feinstein  
331 Hart Senate Office Building  
Washington, DC 20510

Honorable Mike Thompson  
268 Cannon House Office Building  
Washington, DC 20515

Honorable Alex Padilla  
112 Hart Senate Office Building  
Washington, DC 20510

Honorable Jared Huffman  
1527 Cannon House Office Building  
Washington, DC 20515

**Position: SUPPORT for Sonoma County Water Agency Federal FY22 Budget Requests**

Dear Senators and House Members:

As a retail water contractor to Sonoma County Water Agency (Sonoma Water), we urge that you favorably consider providing the following in the federal budget proposal for FY'22.

As you know, the Northern California region that is home to Coyote Valley and Warm Springs Dams has been repeatedly wracked by devastating wildfires over the past several years. A lack of precipitation this winter has again created critical dry weather conditions. Drought and fires jeopardize Biological Opinion-related hatchery operations and other valuable U.S. Army Corps of Engineers property. To help prevent a disaster on the property, we urge that an additional \$250,000 in Operation and Maintenance funding be provided at each facility for fire fuels management and reduction that is likely to include controlled burns and other measures designed to reduce fuels through vegetation control.

Additionally, and pursuant to and consistent with Section 505 of the Water Resources Development Act of 2020, we urge that \$3 million be provided for watercraft inspection stations in the Russian River Basin, California, and particularly with half to be utilized on each Lake Sonoma (Warm Springs Dam) and Lake Mendocino (Coyote Valley Dam). Lakes Sonoma and Mendocino are susceptible to becoming infested with quagga and zebra mussels, among the most devastating invasive species to infiltrate North American fresh waters. The mussels create severe ecological and economic impacts because once established they can lead to: Clogged water intake and pipes; infestation of Lake Mendocino and Sonoma's hydropower infrastructure; clogged water intake pipes to the Don Clausen Fish Hatchery; and a negative impact on the Russian River Coho Captive Broodstock Program.

Finally, \$800,000 needs to be provided to update the water control manual at Coyote Valley Dam/Lake Mendocino. As you know, the Corps and its partner, Sonoma Water, have been leaders in the development of Forecast Informed Reservoir Operations

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

OFFICERS: DREW McINTYRE, General Manager - TERRIE KEHOE, District Secretary - JULIE BLUE, Auditor-Controller - TONY WILLIAMS, Asst. GM/Chief Engineer

(FIRO). The update of the water control manual is necessary to implement the work that has been done to realize the real-world benefits that have been invested in FIRO to date.

It is our fervent hope that, to help mitigate for the decline in salmonid populations resulting from the operation of the dams, and to assure their future safe operation, the above funding will be included in the FY '22 budget.

If you or your staff have any questions, please contact me at 415-897-4133 or [dmcintyre@nmwd.com](mailto:dmcintyre@nmwd.com).

Sincerely,

Drew McIntyre  
NMWD General Manager

DM: tk

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**7**

## MEMORANDUM

To: Board of Directors  
From: Terrie Kehoe, District Secretary and Records Retention Manager  
Subject: Records Retention Program – Destruction of Records

April 2, 2021

t:\gm\admin\sec\record retention\2021\board memo 4.2021.doc

**RECOMMENDED ACTION:** Approve Destruction of Records  
**FINANCIAL IMPACT:** Estimated at \$400 for document shredding

The District's Policy for the Retention of Documents and Destruction of Specified Documents was approved by the Board in 2002 and revised in 2003. The Policy states that once a year, after Board approval, the documents designated as eligible will be destroyed in an appropriate manner.

Attached is a proposed resolution for the Board to approve the destruction of certain records for this year. Exhibit A of the proposed resolution is the Request for Destruction of Records forms for documents to be eliminated. The lists of files to be destroyed have been reviewed and approved by: (1) Department Head, (2) Records Retention Manager, (3) Auditor-Controller and (4) General Manager.

RECOMMENDATION

Approve resolution authorizing the Destruction of Certain Records in the manner consistent with District Policy.

Approved by GM

Date



4/2/2021

**RESOLUTION 21-**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
NORTH MARIN WATER DISTRICT TO  
APPROVE DESTRUCTION OF CERTAIN RECORDS**

---

**WHEREAS**, California Government Code §60200, et seq., authorizes the legislative body of a district to authorize the destruction of certain documents without retaining copies and authorizes the destruction of documents not expressly required by law to be maintained, if conditions are complied with as specified in Government Code §60203, and

**WHEREAS**, The Board of Directors of the North Marin Water District adopted Resolution 02-20 on June 4, 2002 establishing a policy for retention of documents and destruction of specified documents, and

**WHEREAS**, revisions to said policy were approved by the Board of Directors on July 15, 2003, and

**WHEREAS**, the Request for Destruction of Record forms describing the document or documents to be destroyed, with the written approval of the District's Department Heads, Records Retention Manager, Auditor-Controller and General Manager appearing thereon, is attached as Exhibit A.

**NOW, THEREFORE**, be it resolved by the Board of Directors of the North Marin Water District, that the records described in Exhibit A attached are hereby approved for destruction as soon as possible in an appropriate manner.

\* \* \* \* \*

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 sixth day of April 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

(SEAL)

---

Theresa Kehoe  
District Secretary

**NORTH MARIN WATER DISTRICT RECORDS RETENTION  
REQUEST FOR DESTRUCTION OF RECORDS**

**Admin. – Accounting**

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.

Box No.	RECORD NAME	DATE RANGE		NMWD Retention Period	Request prepared by: District Secretary, Terrie Kehoe	Date: March 31, 2021
		From	To			
AC-15-5	Monthly OH Allocation Reports	2/14/2013	5/15/2014	CY+6		
AC-15-5	Original Journal Entries Batches 5291-5453	3/12/14	6/16/14	CY+6		
AC-15-19	Disbursements - FISH02-H MISC	7/2013	6/2014	CY+6		
AC-15-20	Disbursements COLE01-FARW01	7/2013	6/2014	CY+6		
AC-15-21	Disbursements - AWWA01-CALI01	7/2013	6/2014	CY+ 6		
AC-15-22	Disbursements MISC A-ATT006	7/2013	6/2014	CY+6		
AC-15-22	Disbursements - MISC A-ATT006	7/2014	6/2015	CY+6		
AC-15-23	Disbursements - HERT02-MARI39	7/2014	6/2015	CY+6		
AC-15-24	Disbursements - MARI09-NOVI11	7/2013	6/2014	CY+6		
AC-15-24	Disbursements - MARI09-NOVI11	7/2014	6/2015	CY+6		
AC-15-25	Disbursements-NOVA24-PETT02	7/2013	6/2014	CY+6		
AC-15-25	Disbursements - NOVA24-PETT02	7/2014	6/2015	CY+6		
AC-15-26	Disbursements - PGE001-SEQU03	7/2013	6/2014	CY+6		
AC-15-26	Disbursements - PGE001-SEQU03	7/2014	6/2015	CY+6		
AC-15-27	Disbursements - SHAM01-VERI04	7/2013	6/2014	CY+6		
AC-15-27	Disbursements - SHAM01-VERI04	7/2014	6/2015	CY+6		
AC-15-28	Disbursements - VERM01-ZENI01	7/2013	6/2014	CY+6		
AC-15-28	Disbursements-VERMO01-ZENI01	7/2014	6/2015	CY+6		

DESTRUCTION APPROVALS SIGNATURES	
Department Head <i>Julie Blue</i>	Date Approved 4/1/21
Auditor-Controller <i>Julie Blue</i>	Date Approved 4/1/21
Records Retention Manager <i>T. Kehoe</i>	Date Approved 4/1/2021
General Manager <i>[Signature]</i>	Date Approved 4/1/2021
BOD Meeting Approval	
Certificate of Destruction completed: Date: _____ No. _____ By: _____	
SUGGESTED METHOD OF DESTRUCTION	
<input checked="" type="checkbox"/> Shredding <input type="checkbox"/> Waste Paper (Recycled)	<input type="checkbox"/> Other _____ <b>Note: Confidential records will be destroyed by shredding</b>



**NORTH MARIN WATER DISTRICT RECORDS RETENTION  
REQUEST FOR DESTRUCTION OF RECORDS**

**Admin. – Accounting**

**Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.**

Box No.	RECORD NAME	DATE RANGE		NMWD Retention Period	Request prepared by: District Secretary, Terrie Kehoe	Date: March 31, 2021
		From	To			
AC-16-12	Cash Receipts #18934-19436	1/21/2015	4/8/2016	CY+4		
AC-16-30	Accounts Payable Check Register	6/20/2013	6/26/2014	CY+6		
AC-16-30	WIP Posting Register	5/15/2012	1/15/2014	CY+4		
AC-16-30	Disbursement List	3/31/2010	7/25/2013	CY+6		
AC-16-30	Disbursement Payment Selection List	3/13/2012	10/31/2013	CY+ 4		
AC-17-01	Cash Receipts Journals	3/2/2015	1/5/2016	CY+4		
AC-17-01	Job Cost Work Order Changes	12/8/2014	2/23/2016	CY+4		
AC-17-04	Job Posting Registers	1/1/2016	6/20/2016	CY+4		
AC-17-04	Bank Reconciliation Transaction Registers	1/2/2015	8/19/2016	CY+4		
AC-17-04	Inventory Daily Sales Order Reports	4/2/2015	6/20/2016	CY+4		
AC-17-04	Banking: Treasury Transaction & Wire Transfers	2014	2014	CY+6		
AC-17-09	Dental Benefits Paid & Admin Fees	7/12/2013	7/10/2015	CY+6		
AC-17-09	Life Insurance (Mutual of Omaha)	7/3/2014	5/28/2015	CY+6		
AC-17-09	Employee Retirement Plans (Lincoln & Nationwide)	7/3/2013	7/3/2015	CY+6		
AC-17-09	CalPERS Retirement (CALP02)	7/10/2014	7/16/2015	CY+6		
AC-17-09	CalPERS Health (CALP03)	7/3/2014	6/4/2015	CY+6		
AC-17-09	Payment Selection Lists	11/7/2013	1/29/2015	CY+4		
AC-17-09	Payroll Posting Register	2/15/2015	8/31/2015	CY+4		

DESTRUCTION APPROVALS SIGNATURES	
Department Head <i>Julie Blue</i>	Date Approved 4/1/21
Auditor-Controller <i>Julie Blue</i>	Date Approved 4/1/21
Records Retention Manager <i>T. Kehoe</i>	Date Approved 4/1/2021
General Manager <i>[Signature]</i>	Date Approved 4/1/2021
BOD Meeting Approval	
Certificate of Destruction completed: Date: _____ No. _____ By: _____	
SUGGESTED METHOD OF DESTRUCTION	
<input checked="" type="checkbox"/> Shredding <input type="checkbox"/> Waste Paper (Recycled)	<input type="checkbox"/> Other _____ <b>Note: Confidential records will be destroyed by shredding</b>

**NORTH MARIN WATER DISTRICT RECORDS RETENTION  
REQUEST FOR DESTRUCTION OF RECORDS**

**Admin. – Accounting**

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.

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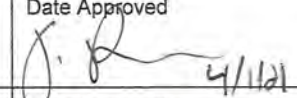
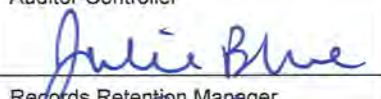
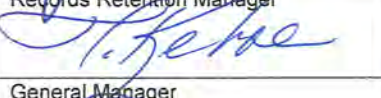
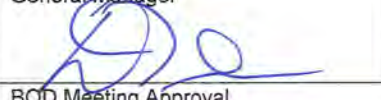
# NORTH MARIN WATER DISTRICT RECORDS RETENTION REQUEST FOR DESTRUCTION OF RECORDS

## Admin. - Billing

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.

Box No.	RECORD NAME	DATE RANGE		NMWD Retention Period	Request prepared by: District Secretary, Terrie Kehoe	Date: March 31, 2021
		From	To			
B-16-13	Adjustment Credit 2015	2015	2015	CY+6		
B-16-13	US Bank ACH Daily Batch 2015	2015	2015	CY+6		
B-17-04	Cash Register Tapes	2016	2016	CY+4		
B-17-04	Cash Receipt Books	2016	2016	CY+4		
B-17-04	Automatic Payment Service Bank Draft 2016	2016	2016	CY+4		
B-17-04	Bills Over \$100	2016	2016	CY+4		
B-17-04	Bill Adjustments	2016	2016	CY+4		
B-18-06	2015 New Services	2015	2015	CY+4		
B-18-06	2016 Bill Adjustments	2016	2016	CY+4		
B-18-06	2013 New Services	2013	2013	CY+4		
B-18-06	2016 Bank Draft	2016	2016	CY+4		
B-18-06	2017 Customer Questionnaire	2017	2017	CY+4		
B-18-06	2017 Deposit Slips	2017	2017	CY+4		
B-18-06	2017 Register Tapes	2017	2017	CY+4		
B-18-06	2017 Encoding Tapes	2017	2017	CY+4		
B-18-06	2017 Cash Receipt Books	2017	2017	CY+4		
B-19-01	2018 Deposit Slip, Encoding, Cash Register Tape	2018	2018	CY+2		
B-19-01	2018 Posted Payment Report	4/2018	4/2018	CY+2		
B-20-05	Adjustment Lists			CY+4		

DESTRUCTION APPROVALS SIGNATURES	
Department Head	Date Approved  4/1/21
Auditor-Controller 	Date Approved 4/1/21
Records Retention Manager 	Date Approved 4/1/2021
General Manager 	Date Approved 4/1/2021
BOD Meeting Approval Date: _____	
Certificate of Destruction completed: Date: _____ No. _____ By: _____	
SUGGESTED METHOD OF DESTRUCTION	
X Shredding <span style="margin-left: 200px;"><input type="checkbox"/> Other _____</span>	

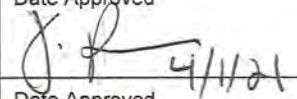
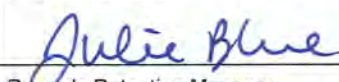


# NORTH MARIN WATER DISTRICT RECORDS RETENTION REQUEST FOR DESTRUCTION OF RECORDS

## Admin. - Billing

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.

Box No.	RECORD NAME	DATE RANGE		NMWD Retention Period	Request prepared by: District Secretary, Terrie Kehoe	Date: March 31, 2021
		From	To			
B-20-05	New Customer Letter Printout			CY+1		
B-20-05	Backflow Charge Info.			CY+3		
B-20-05	Bills Over \$100			CY		
B-20-05	Return Checks & Letters			CY+2		
B-20-05	Corrected Bills			CY+2		
B-20-05	Customer Correspondence			CY+2		
B-20-05	Encoding Tape			CY+2		
B-20-05	Service Complaint Reports			CY+2		
B-20-05	Closed Account Mail Returns			CY+2		
B-20-05	Deposit Slips			CY+2		
B-20-06	Meter Edits Cycles 1-4			CY+2		
B-20-07	Meter Edits Cycles 5-8			CY+2		
B-20-07	Payment Summary 2018	2018	2018	CY+2		
B-20-14	2019 Payment Stubs	3/2019	9/2019	CY+2		
B-20-15	2019 Payment Stubs	9/5/2019	12/31/2019	CY+2		
B-21-01	Consumer Applications Ins & Outs 2018	2018	2018	CY+2		
B-21-02	Collection Agency \$ Rec'd Report 2	2017	2017	CY+4		
B-21-02	Collection Agency Report 2017	2017	2017	CY+4		
B-21-02	Collection List 2017	2017	2017	CY+4		
B-21-02	Meter Count Reports 2019	2019	2019	CY+2		

DESTRUCTION APPROVALS SIGNATURES	
Department Head	Date Approved  4/1/21
Auditor-Controller	Date Approved  4/1/21
Records Retention Manager	Date Approved  4/1/2021
General Manager	Date Approved  4/1/2021
BOD Meeting Approval	
Date: _____	
Certificate of Destruction completed:	
Date: _____ No. _____ By: _____	

SUGGESTED METHOD OF DESTRUCTION	
<input checked="" type="checkbox"/> Shredding  <input type="checkbox"/> Waste Paper (Recycled)	<input type="checkbox"/> Other _____ <b>Note: Confidential records will be destroyed by shredding</b>



**NORTH MARIN WATER DISTRICT RECORDS RETENTION  
REQUEST FOR DESTRUCTION OF RECORDS**

**Admin. - Billing**

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.

[illegible]

**NORTH MARIN WATER DISTRICT RECORDS RETENTION  
REQUEST FOR DESTRUCTION OF RECORDS**

**Admin. - GM**

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.

[illegible]

[illegible]



[illegible]

**NORTH MARIN WATER DISTRICT RECORDS RETENTION  
REQUEST FOR DESTRUCTION OF RECORDS**

Retention periods for the listed records have expired. Please indicate your approval by signing where indicated. If you disapprove for any reason, mark through the record, initial and state reason for disapproval.


Dept	RECORD NAME	DATE RANGE		NMWD Retention Period
		From	To	
WQ-2021	Chemistry Summary Sheets	2010	2010	CY + 10
WQ-2021	Chem QA 2010 PE	2010	2010	CY + 10
WQ-2021	QA doc Chem IC stds C of A's	2007	2010	CY + 10
WQ-2021	Chem QA C of A's ref samples	2009	2010	CY + 10
WQ-2021	Micro QA EC maps 2015	2015	2015	CY + 5
WQ-2021	Micro QA 2015	2015	2015	CY + 5
WQ-2021	Chem QA solids oven 2010	2010	2010	CY + 10
WQ-2021	Chem QA temps 2010	2010	2010	CY + 10
WQ-2021	Novato Water Quality Complaints	2015	2015	CY+5
	All records are in one box.			

Request prepared by:  
Terrie Kehoe

Date:  
3/31/2021

DESTRUCTION APPROVALS SIGNATURES

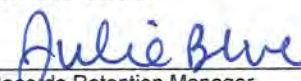
Department Head



Date Approved

3/31/21

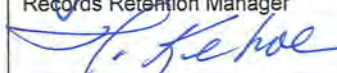
Auditor-Controller



Date Approved

4/1/21

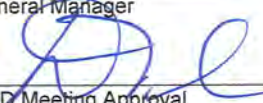
Records Retention Manager



Date Approved

4/1/2021

General Manager



Date Approved

4/1/2021

BOD Meeting Approval

Date:

Certificate of Destruction completed:

Date: \_\_\_\_\_ No. \_\_\_\_\_ By: \_\_\_\_\_

SUGGESTED METHOD OF DESTRUCTION

☒ Shredding

☐ Waste Paper (Recycled)

☐ Other \_\_\_\_\_

Note: Confidential records will be destroyed by shredding


8



## MEMORANDUM

To: Board of Directors

April 2, 2021

From: Julie Blue, Auditor-Controller 

Subj: Accept 2021 Novato Potable Water and Recycled Water Financial Plan Update and Direct Staff to Prepare a Proposition 218 Notice of Public Hearing on Proposed Rate Increase

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**RECOMMENDED ACTION: Accept 2021 Novato Potable Water and Recycled Water Financial Plan Update and Direct Staff to Prepare a Proposition 218 Notice of Public Hearing on Proposed Rate Increase**

**FINANCIAL IMPACT: None at this time**

**NOVATO**

The fiscal year (FY) 21/22 financial forecast (Attachment 1) summarizes the Novato Water System's financial plan for the next five years, through fiscal year 2026. This updated five-year financial plan follows the board approved 2020 Novato and Recycled Water Rate Study which was used as a basis and starting point for the updated FY 21/22 plan. One of the primary goals of the financial plan is to maintain sufficient reserves that aim towards a designated target and remain above a minimum level as shown in Attachment 2.

A review and discussion of the Novato Water financial plan assumptions for fiscal years 2022 through 2026 are as follows:

**1. Water Rate Increase**

Assumption: A 6% water revenue increase, structured as a 6% commodity rate increase and 6% bimonthly service charge, is proposed effective July 1, 2022, followed by a 6% rate increase for fiscal year FY 22/23, 5% rate increases for FY 23/24 and FY 24/25, and a minimum 3% rate increase for FY 25/26.

Sensitivity: A 1% change in the rate increase assumption results in a \$204,000 change in the FY 21/22 ending cash reserve balance.

Comment: The 2020 Novato and Recycled Water Rate study forecasted 6% annual increases for FY 20/21, FY 21/22, and FY 22/23, and 5% rate increases for FY 23/24 and FY 24/25. The rate increase for FY 20/21 was originally scheduled with an effective date of July 2021 but was delayed by three months to address the potential financial impacts of the COVID-19 pandemic to our customers. These remaining rate increases are unchanged in the updated financial plan. The increase to the median single-family residential customer using 7,600 gallons per month would approximate \$3.75 per month (\$45/year).

## 2. **Water Sales Volume**

Assumption: FY 21/22 sales volume is projected at 2.3 billion gallons annually. Attachment 3 shows the Novato Water 10-year historical billed consumption.

Sensitivity: A 100 MG (0.1 BG) change in the FY 21/22 projected sales volume assumption results in a \$405,000 change in the fiscal year-end cash reserve balance.

Comment: The FY 21/22 sales volume of 2.3 BG sales volume assumes a 7% decrease from the current fiscal year budget. The decrease is primarily due to an assumed spring voluntary call for conservation followed by a mandatory water conservation order to reduce water consumption by 20% in the months of July 2021 through October 2021.

## 3. **Russian River Water Cost**

Assumption: Cost is projected to increase 4.63% in FY 21/22, and 6% annually thereafter.

Sensitivity: A 1% change in the FY 21/22 projected cost increase assumption results in a \$60,000 change in the fiscal year-end cash reserve balance.

Comment: For FY 21/22, NMWD's rate increase budgeted by the Sonoma County Water Agency is 4.63%. Going forward, a projected increase of 6% annually is forecasted. The purchased water cost increase was 6.79% in FY 20/21 and 4.83% the prior year. The 6% projection going forward is consistent with the forecast last year.

## 4. **Operations and Maintenance (O&M) Expenses**

Assumption: Operations and Maintenance expenses, including labor costs, are projected to increase 3% annually.

Sensitivity: A 1% change in the FY 21/22 projected O&M cost assumption results in a \$107,000 change in the fiscal year-end cash reserve balance.

Comment: The 3% forecasted increase is consistent with the prior year's rate study and budget. Included in this expense is labor expenses. The District entered into a 5-year MOU with the NMWD Employee Association beginning on October 1, 2018. The current MOU established a COLA minimum of 2.0% and a maximum of 4%. The 3.0% increase for labor and other O&M expenses is staff's best projection at this time.

## 5. **Capital Improvement Projects (CIP)**

Assumption: CIP is budgeted to average \$4 million per year funded on a "pay-go" basis, i.e., expenditures excluding grant and debt funded projects.

Sensitivity: A dollar for dollar change in the year-end cash reserve.



Comment: The Capital Improvement Project Plan prepared in conjunction with this financial plan stays within the \$4 million average “pay-go” approved by the Board with the approval of the 2020 Novato and Recycled Water Rate Study. In addition, \$15.9 million for Renovation of the Administration Building is projected to be debt financed starting in FY 21/22.

**6. Connection Fee Revenue – Additional Equivalent Dwelling Units (EDUs)**

Assumption: Connection fee revenue is projected at 20 EDUs for FY 21/22 and going forward.

Sensitivity: The Connection fee for each equivalent dwelling unit is \$28,600, which is applied directly to the year-end cash reserve balance.

Comment: Connection fee revenue of \$1.5 million for 52 EDUs was collected in FY 19/20 and \$3.5 million for 122 EDUs has been collected to date in FY 20/21. Over the past 5 years the annual average increase has been 39 EDUs. Included in the projections is annual revenue equivalent to 20 EDUs or half of the five-year average.

**7. Stafford Water Treatment Plant Production**

Assumption: Production is projected at 490 MG (1,500 AF) in FY 21/22 and 650 MG each year thereafter.

Sensitivity: A 100 MG change in FY 21/22 production results in a \$320,000 change in the fiscal year-end cash reserve balance, which is the cost to purchase water from SCWA. This does not account for the cost to treat the water at the treatment plant.

Comment: Average annual production over the past 10 years was 586 MG.

**8. Debt Service**

Assumption: The \$15.9 million Administration Building Renovation is expected to be financed with a 3.5%, 20-year loan with payments commencing in FY 21/22.

Sensitivity: The Admin Building Renovation Project will add \$1,238,000 to the District’s annual debt service obligation.

Comment: The District financed the FY19 AMI Project with a \$4.6 million 2.7% 15-year bank loan. In addition to the debt service on the Stafford Treatment Plant Rehabilitation and the Aqueduct Energy Efficiency Projects, the Novato Potable Water System also pays the Recycled Water System debt service from its Connection Fee Reserve. The Recycled Water debt service (net of Marin Country Club payments) is \$1,163,000 annually. Payment of the Recycled Water debt service will continue to require revenue from new development connection fees annually for approximately 20 years.

## **RECYCLED WATER**

The fiscal year (FY) 21/22 financial forecast (Attachment 4) summarizes the Recycled Water (RW) System's financial plan for the next five years, through fiscal year 2026. The FY 21/22 Recycled Water System budget projects demand of 235 MG next fiscal year (see chart of historical water production - Attachment 5), which is a 17.5% increase from the FY 20/21 budgeted consumption and is equivalent to actual RW sales in FY 19/20. Consistent with the potable water rate increase, a 6% commodity rate and bimonthly service charge increase is proposed to be effective July 1, 2021. The proposed increase is projected to generate \$88,000 in additional revenue next fiscal year.

Operating expenses (excluding depreciation) are budgeted to increase 13% (\$69,000) from the existing FY 20/21 budget. This is primarily due to an estimated increase in water purchases due to projected increased sales. The FY 21/22 budget includes the purchase of 180 MG (\$270,000) of treated water from Novato Sanitary District, for approximately \$1,500/MG and 50 MG (\$120,000) from Las Gallinas Valley Sanitary District, for approximately \$2,400/MG. The Deer Island Plant is budgeted to produce 5 MG during the summer to keep it in good running order, and will continue to serve as a backup facility.

Major expansion projects to expand recycled water distribution facilities in Novato were completed in FY 17/18. The capital budget for FY 21/22 includes \$100,000 to retrofit existing potable irrigation customers. The FY 21/22 RWS budget transfers in \$747,000 in Connection Fees from the Novato potable water system to cover operations.

## **BUDGET/RATE INCREASE SCHEDULE**

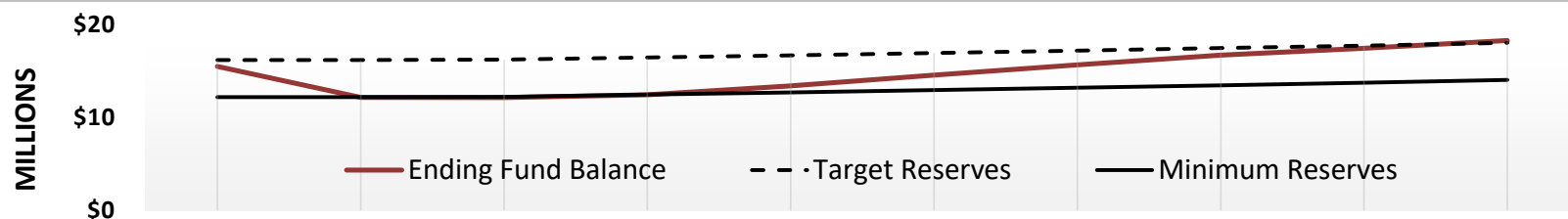
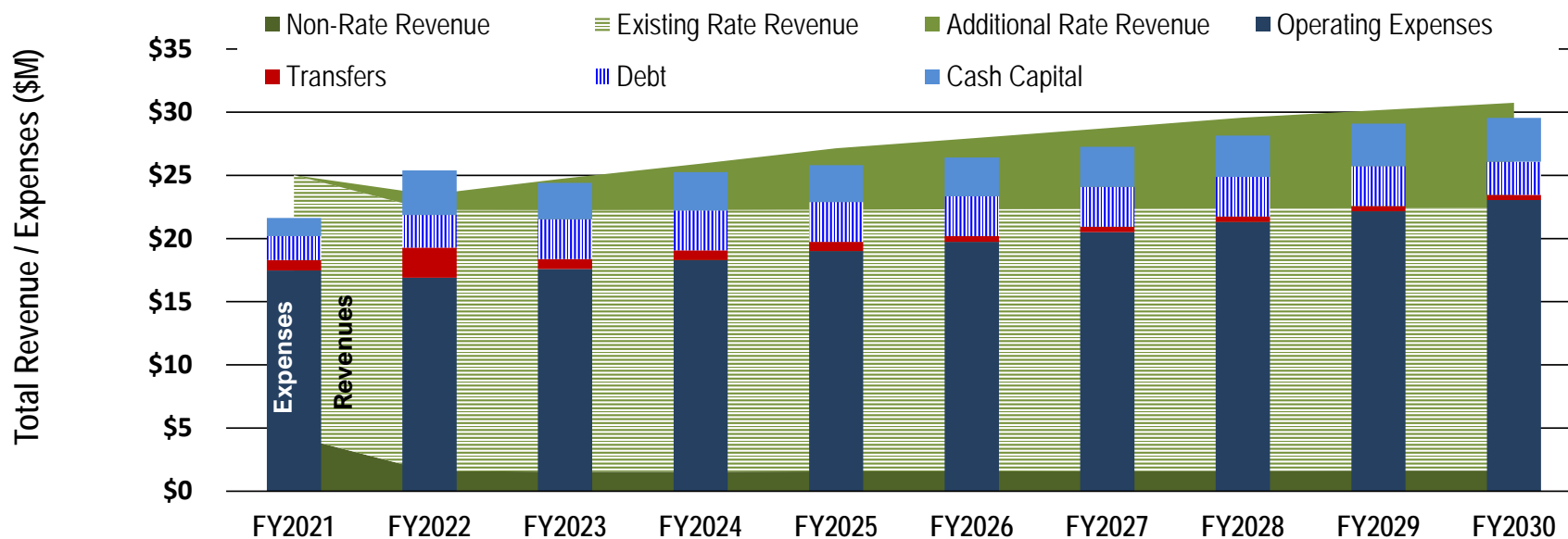
Below is a schedule of activities for the FY 21/22 rate increases and budget. The budget will be reviewed and revised in subsequent meetings allowing time for Board, Staff and Public input.

<b>Date</b>	<b>Item</b>	<b>Review/ Approve</b>	<b>Rate Hearing</b>	<b>Status</b>	<b>Service Area</b>
March 16	Financial Plan Update (Water Rate Study Approved)	Review Only		Complete	West Marin Water
March 16	Financial Plan Update	Review Only		Complete	Oceana Marin Sewer
April 6	Financial Plan Update	Review Only		Current	Novato/RW
April 20	Review and Approve Prop 218 Letters to be sent to customers	Approve		Upcoming	Novato/RW/WM/OM
May 4	Capital Project & Equipment Budget Schedules	Review Only		Upcoming	Novato/RW/WM/OM
May 18	Operations & Maintenance and Capital Budget - District	Review Only		Upcoming	Novato/RW/WM/OM
June 1	Operations & Maintenance and Capital Budget - District	Review Only		Upcoming	Novato/RW/WM/OM
June 15	Operations & Maintenance and Capital Budget - Novato and Recycled Water	Approve	X	Upcoming	Novato/Recycled Water
June 22	Operations & Maintenance and Capital Budget - West Marin Water	Approve	X	Upcoming	West Marin Water
June 22	Operations & Maintenance and Capital Budget - Oceana Marin Sewer	Approve	X	Upcoming	Oceana Marin Sewer

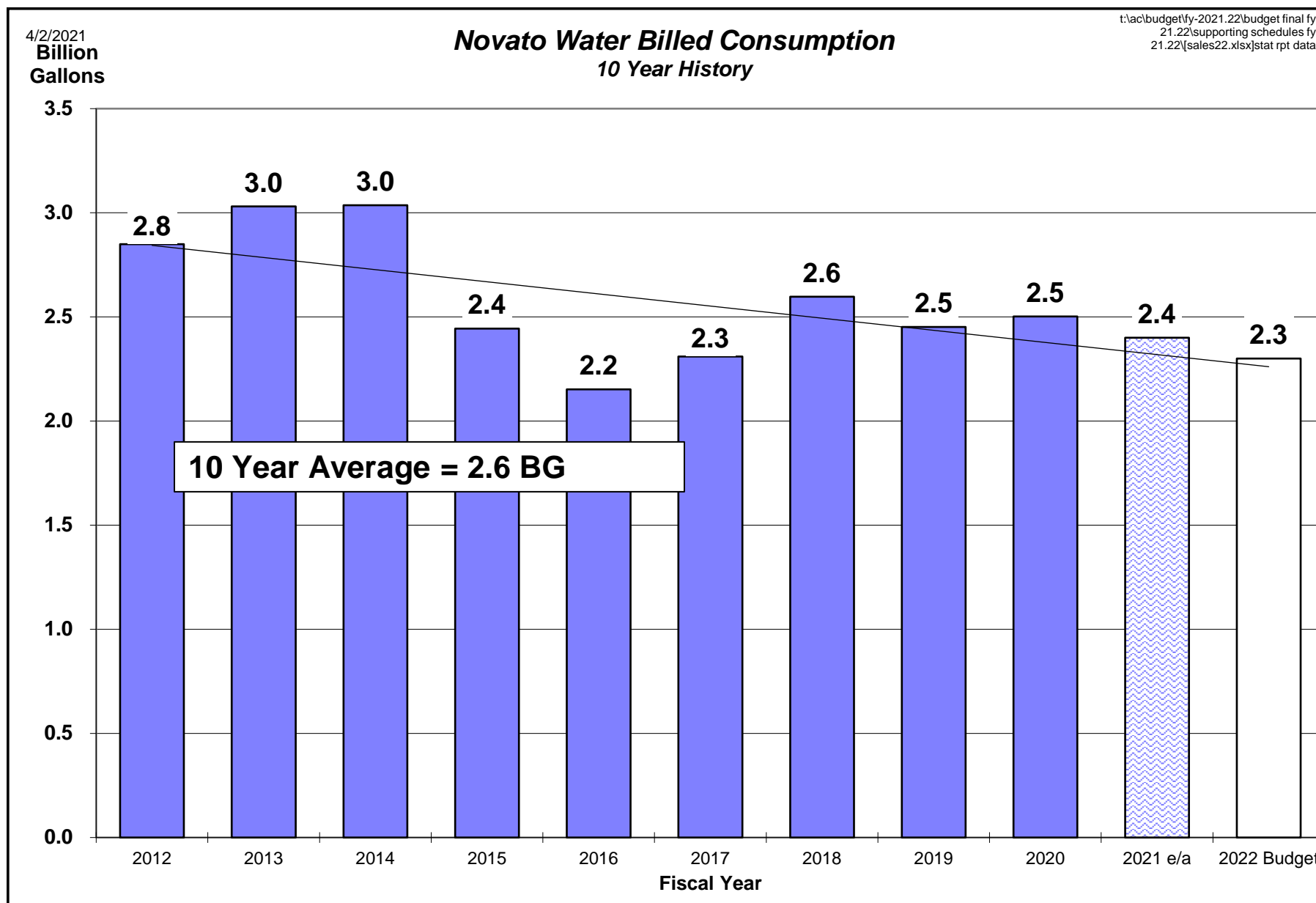
## **RECOMMENDATION:**

Accept 2021 Novato Potable Water and Recycled Water Financial Plans and direct Staff to draft a letter to Novato and RW customers for Board review noticing a public hearing on June 15 to consider a 6% rate increase.

	Projected FY 2021	Forecast FY2022	Forecast FY2023	Forecast FY2024	Forecast FY2025	Forecast FY2026
1	0.0%	6.00%	6.00%	5.00%	5.00%	3.00%
<b>Rate Revenue</b>						
2	<b>Water Rate Revenue</b>	\$20,293,000	\$20,293,000	\$21,531,000	\$22,839,000	\$23,998,000
3	Change due to growth		\$15,000	\$16,000	\$17,000	\$18,000
4	Change due to 20% Reduction		(\$1,062,000)			
5	Increase due to rate adjustments		\$1,223,000	\$1,292,000	\$1,142,000	\$1,200,000
<b>Non-Rate Revenues</b>						
6	Wholesale Rate Revenue	\$98,000	\$101,000	\$104,000	\$107,000	\$110,000
7	Other Charges	\$234,000	\$234,000	\$234,000	\$234,000	\$234,000
8	Interest Earnings	\$150,000	\$155,000	\$122,000	\$122,000	\$125,000
9	Connection Fees	\$3,500,000	\$558,000	\$558,000	\$558,000	\$558,000
10	Operating Revenue	\$116,000	\$116,000	\$116,000	\$116,000	\$116,000
11	Misc. Revenue	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000
12	Loan Repayment WM		\$163,000	\$163,000	\$163,000	\$163,000
13	MMWD AEEP Contributions	\$205,000	\$205,000	\$205,000	\$205,000	\$205,000
14	<b>Total Revenue</b>	<b>\$24,648,000</b>	<b>\$22,053,000</b>	<b>\$24,393,000</b>	<b>\$25,555,000</b>	<b>\$27,565,000</b>
<b>O&amp;M Costs</b>						
15	Source of Supply	\$7,074,000	\$6,201,000	\$6,566,000	\$6,952,000	\$7,795,000
16	Pumping	\$497,000	\$512,000	\$527,000	\$543,000	\$548,000
17	Other Operations	\$734,000	\$756,000	\$779,000	\$802,000	\$826,000
18	Water Treatment	\$2,432,000	\$2,505,000	\$2,580,000	\$2,658,000	\$2,713,000
19	Transmission & Distribution	\$3,466,000	\$3,570,000	\$3,677,000	\$3,787,000	\$3,901,000
20	Consumer Accounting	\$520,000	\$520,000	\$536,000	\$552,000	\$568,000
21	Water Conservation	\$399,000	\$411,000	\$423,000	\$436,000	\$449,000
22	General Administration	\$2,353,000	\$2,424,000	\$2,496,000	\$2,571,000	\$2,637,000
23	<b>Total Operating Expenses</b>	<b>\$17,475,000</b>	<b>\$16,899,000</b>	<b>\$17,584,000</b>	<b>\$18,301,000</b>	<b>\$19,741,000</b>
<b>Capital Costs</b>						
24	<b>Total Capital Spending</b>	<b>\$2,043,000</b>	<b>\$8,734,000</b>	<b>\$12,545,000</b>	<b>\$8,245,000</b>	<b>\$4,405,000</b>
25	<b>Debt Funded Capital</b>	<b>\$0</b>	<b>\$3,682,000</b>	<b>\$8,434,000</b>	<b>\$3,906,000</b>	<b>\$900,000</b>
27	Existing Debt Service	\$1,907,000	\$1,905,000	\$1,902,000	\$1,905,000	\$1,907,000
28	Cash Funded Capital Projects	\$1,430,100	\$3,536,400	\$2,877,700	\$3,036,600	\$2,919,000
29	New Debt Service	\$0	\$672,000	\$1,238,000	\$1,238,000	\$1,238,000
30	<b>Total Capital Expenses</b>	<b>\$3,337,100</b>	<b>\$6,113,400</b>	<b>\$6,017,700</b>	<b>\$6,179,600</b>	<b>\$6,225,500</b>
<b>Transfers</b>						
31	Transfer Out to Recycled Water	\$794,000	\$747,000	\$714,000	\$687,000	\$656,000
32	Transfer Out to WM/OM		\$1,550,000			
33	Funding for Affordability Program	\$20,000	\$86,000	\$86,000	\$86,000	\$86,000
34	<b>Total Revenue Requirement</b>	<b>\$21,626,100</b>	<b>\$25,395,400</b>	<b>\$24,401,700</b>	<b>\$25,253,600</b>	<b>\$25,809,000</b>
35	<b>Beginning Year Balance</b>	<b>\$15,278,000</b>	<b>\$15,523,000</b>	<b>\$12,181,000</b>	<b>\$12,172,000</b>	<b>\$12,473,000</b>
36	<b>Surplus/(Shortfall)</b>	<b>\$3,021,900</b>	<b>(\$3,342,400)</b>	<b>(\$8,700)</b>	<b>\$301,400</b>	<b>\$969,000</b>
37	Other Sources (Uses) of Funds	(2,777,000)				
38	<b>End of Year Balance</b>	<b>\$15,522,900</b>	<b>\$12,180,600</b>	<b>\$12,172,300</b>	<b>\$12,473,400</b>	<b>\$13,442,000</b>
39	Minimum Reserves (by policy)	\$12,225,000	\$12,225,000	\$12,261,333	\$12,500,333	\$12,734,333
40	Available Cash	\$3,297,900	(\$44,400)	(\$89,033)	(\$26,933)	\$707,667
41	Intra-district Loan Balance	(\$3,051,704)	(\$3,240,704)	(\$3,396,704)	(\$3,525,704)	(\$3,623,704)
42	<b>Debt Coverage Ratio</b>	<b>3.33</b>	<b>2.09</b>	<b>1.91</b>	<b>2.06</b>	<b>2.24</b>



	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
	0.0%	6.0%	6.0%	5.0%	5.0%	3.0%	3.0%	3.0%	2.0%	2.0%
Debt Coverage Ratio:	2.62	1.90	1.80	1.92	2.12	2.21	2.23	2.25	2.19	2.59
Net Debt Proceeds:	\$0.0M	\$3.7M	\$8.4M	\$3.9M	\$0.9M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M

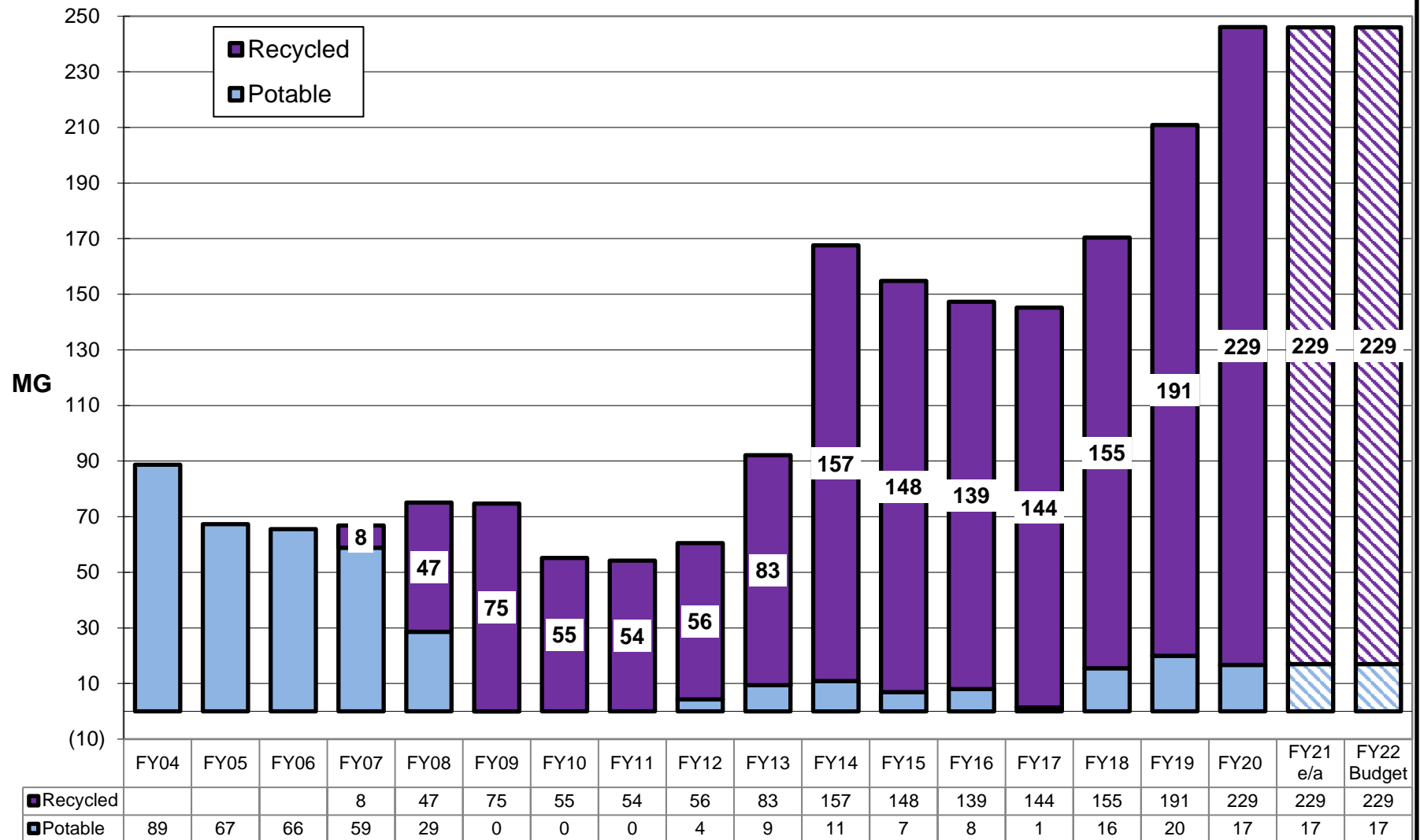


**NOVATO RECYCLED WATER**  
**FY 21/22-Five-Year Financial Forecast**

Fiscal Year Ending June 30 >		Projected	Forecast	Forecast	Forecast	Forecast	Forecast
		Actual 2021	2022	2023	2024	2025	2026
1	Active Services @ Fiscal Year End	94	91	91	91	91	91
2	Commodity Rate/1,000 Gal	\$6.24	\$6.61	\$7.01	\$7.36	\$7.73	\$7.96
3	Consumption (MG)	235	235	235	235	235	235
<b>OPERATING REVENUE</b>							
4	Recycled Water Sales	1,466,000	1,554,000	1,648,000	1,730,000	1,817,000	1,871,000
5	Bimonthly Service Charge	70,202	74,000	78,000	83,000	87,000	91,000
6	<b>Total Operating Revenue</b>	<b>1,536,202</b>	<b>1,628,000</b>	<b>1,726,000</b>	<b>1,813,000</b>	<b>1,904,000</b>	<b>1,962,000</b>
<b>OPERATING EXPENSE</b>							
7	Purchased Water - NSD	262,000	270,000	278,000	286,000	295,000	304,000
8	Purchased Water - LGVSD	96,000	120,000	124,000	128,000	132,000	136,000
9	Overheaded Operating Labor	103,000	106,000	109,000	112,000	115,000	118,000
10	Electric Power	5,500	6,000	6,000	6,000	6,000	6,000
11	Other Operating Expenses	198,500	134,000	141,000	148,000	155,000	163,000
12	Depreciation	786,000	762,000	762,000	762,000	762,000	762,000
13	<b>Total Operating Expense</b>	<b>1,451,000</b>	<b>1,398,000</b>	<b>1,420,000</b>	<b>1,442,000</b>	<b>1,465,000</b>	<b>1,489,000</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>							
14	Interest Revenue	82,000	67,000	70,000	70,000	70,000	70,000
15	Interest Expense	(275,000)	(231,000)	(212,000)	(212,000)	(212,000)	(212,000)
16	Transfers Out from Capital Expansion Fund	-	(416,000)	(449,000)	(477,000)	(507,000)	(507,000)
17	Other Revenue/(Expense)	-	-	-	-	-	-
18	<b>Total Non-Op Revenue/(Expense)</b>	<b>(193,000)</b>	<b>(580,000)</b>	<b>(591,000)</b>	<b>(619,000)</b>	<b>(649,000)</b>	<b>(649,000)</b>
17	<b>NET INCOME/(LOSS)</b>	<b>(107,798)</b>	<b>(350,000)</b>	<b>(285,000)</b>	<b>(248,000)</b>	<b>(210,000)</b>	<b>(176,000)</b>
<b>OTHER SOURCES/(USES) OF FUNDS</b>							
18	Add Depreciation Expense	786,000	762,000	762,000	762,000	762,000	762,000
19	Loan Principal Repayment Received	37,000	79,000	81,000	81,000	81,000	81,000
20	Novato Potable FRC Fund Trsf	890,000	747,000	714,000	687,000	665,000	665,000
22	Capital Improvement Projects	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
23	Deer Island TP Loan Principal Pmt	(232,000)	(237,000)	(243,000)	(243,000)	(243,000)	(243,000)
24	Distrib Sys Exp Loan Principal Pmt	(663,000)	(710,000)	(722,000)	(722,000)	(722,000)	(722,000)
25	<b>Total Other Sources/Uses</b>	<b>718,000</b>	<b>541,000</b>	<b>492,000</b>	<b>465,000</b>	<b>443,000</b>	<b>443,000</b>
26	<b>Cash Increase/(Decrease)</b>	<b>610,202</b>	<b>191,000</b>	<b>207,000</b>	<b>217,000</b>	<b>233,000</b>	<b>267,000</b>
27	<b>Ending Reserve Balance</b>	<b>5,061,321</b>	<b>4,874,000</b>	<b>5,081,000</b>	<b>5,298,000</b>	<b>5,531,000</b>	<b>5,798,000</b>
28	<b>% Rate Increase<sup>1</sup></b>	<b>6.0%</b>	<b>6.0%</b>	<b>6.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>3.0%</b>

<sup>1</sup>Fiscal year 2021 Rate increase was approved by the Board on June 16, 2020. FY 2022 through 2025 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.

04/01/2021

**Recycled Water Production History**t:\ac\budget\fy-2021.22\budget final fy 21.22\supporting  
schedules fy 21.22\[(rw use fy 21.22.xlsx)data



9

## MEMORANDUM

To: Board of Directors  
 From: Drew McIntyre, General Manager   
 Subject: Approve ESA Consulting Services Agreement Amendment 1 – Environmental Support Services for New Gallagher Well No. 2

Date: April 2, 2021

r:\folders by job no\6000 jobs\6009.20 new gallagher well #2\bod memos\esa amend 1 environmental servs gall well 2 bod memo 4-6-21.doc

**RECOMMENDED ACTION:** That the Board authorize the General Manager to amend the agreement with ESA

**FINANCIAL IMPACT:** \$45,000 with a \$5,000 contingency (no budget augmentation required)

### Background

The existing NMWD Gallagher Well No. 1 safe yield capacity of ~140 gpm has always been much less than the original expected capacity of 300 gpm. Gallagher Well No. 1 was constructed in 1993 and was idle until the Gallagher Well transmission pipeline was constructed in 2015. For over three decades now, the District has been working on expanding water supply sources that are outside the influence of salinity intrusion experienced at our two Point Reyes Station (PRS) wells (at the former Coast Guard Housing property). Gallagher Well No. 1 has proven to provide excellent quality water with very low salinity because the Lagunitas Creek minimum water surface elevation at Gallagher Ranch is ~ 15 feet above mean sea level and is not influenced by coastal tides.

While salinity intrusion at the PRS wells has been an ongoing problem for many years, it has reached unprecedented levels during dry year conditions in 2020 and corrective action is needed as soon as possible. Constructing a second well at Gallagher Ranch is imperative to achieve the original 1992 expected 300gpm supply from a source that is outside the influence of salinity intrusion.

### Consulting Agreement

At the October 6, 2020 meeting, the Board approved an agreement with ESA for permitting services to prepare an addendum to the 2009 Gallagher Wells and Pipeline Project Initial Study/Mitigated Negative Declaration (IS/MND) for an amount not to exceed \$66,000 (including contingency). This task was completed in February, 2021.

### Amendment No. 1

This Amendment is requested to cover additional efforts expended by ESA including (1) preparing detailed response to comments received during the Addendum process, (2)

providing support to staff in developing a Water Development Plan as required in the MALT easement, (3) supplemental staff report support and presentations to the Board, Lagunitas Creek Technical Advisory Committee and Marin County Local Coastal Permit Hearing, (4) regularly scheduled weekly coordination calls designed to ensure timely permit coordination and (5) additional efforts related to the Coastal Permit process. Additional services such as Mitigation studies, additional coordination with Resource Agencies, pre and post-project monitoring will be covered under a future amendment(s).

#### RECOMMENDATION

That the Board authorize the General Manager to amend the agreement with ESA for ongoing environmental support services related to the New Gallagher Well No. 2 Project for a not to exceed fee of \$45,000 plus a \$5,000 contingency.


10



## MEMORANDUM

To: Board of Directors

Date: April 2, 2021

From: Tony Williams, Assistant General Manager/Chief Engineer 

Subj: Budgeted FY21 Old Ranch Road Tank No. 2 Project - Approve Bid Advertisement

R:\Folders by Job No\6000 jobs\6207\_20 Old Ranch Rd Tank Rep\BOD Memos\April 6 2021 Item\6207\_20 ORR Tank 2 Approve Advertise BOD Memo 4-6-21.doc

**RECOMMENDED ACTION:** That the Board authorize bid advertisement of the Old Ranch Road Tank No. 2 Project

**FINANCIAL IMPACT:** \$1,415,000 (\$500,000 included in FY21 budget)

Background

The Old Ranch Road Tank No. 2 Project includes construction of a new 100,000-gallon storage tank, including solar powered control and telemetry systems, a new paved access road off Old Ranch Road as shown on the attached site map (Attachment 1), as well as approximately 700 feet of 6-inch diameter pipeline to connect the new tank to the existing distribution pipeline in Old Ranch Road. The new tank site, located approximately 180 feet to the north of the existing Tank No. 1 site, is within a new parcel purchased from the Maiero Family Trust in 2019. Easements have also been secured from the Maiero Family and the adjoining property owner (Wright Family) for the new access road and pipeline off Old Ranch Road. Prior to initiation of the current design phase of the project, an Initial Study/Mitigated Negative Declaration (IS/MND) was prepared in accordance with the requirements of the California Environmental Quality Act (CEQA). The IS/MND examined potential impacts resulting from the project, including constructing the new tank, pipeline and access road, and resulting earthwork, existing vegetation and tree removal. The District Board of Directors approved a Resolution adopting the project's IS/MND at the meeting of October 20, 2020. In addition, the Board adopted a Mitigation Monitoring and Reporting Program (MMRP).

Project Mitigation and Design

The 100% plans and specifications for the project are currently being reviewed by District staff and a water supply permit amendment has been submitted to the State Water Resources Control Board's Division of Drinking Water (DDW) for approval. The plans and specifications include the requirements in the MMRP addressing tree replacement, invasive species treatment, air quality, noise, cultural and archaeological resources, fire hazards, and erosion and sediment control. A qualified biologist will be hired by the District to conduct bird surveys prior to commencement of the construction, another MMRP requirement. The tank design is a bolted stainless-steel tank in lieu of a welded steel tank which requires an extensive coating system. The advantages of a stainless-steel tank compared to a coated steel tank are numerous, including design life, constructability (installation ease and time required), little to no maintenance costs, and corrosion resistance. The stainless-steel tank will have a dull matte gray finish similar to the example tanks shown in the attached photos (Attachment 2). The

project design also includes planting 6 new trees along the north and northwest edges of the tank site; additional trees (30 or more) will be planted at various locations within the project site, mostly along the frontage with Old Ranch Road; and many existing trees will remain within the project boundary in accordance with the provisions of the MMRP. Staff consulted with Amy Skewes-Cox, who prepared the CEQA documentation, about any issues with the stainless-steel tank compared to originally conceived painted steel tank. The stainless-steel tank is not expected to change the original aesthetic impact evaluation performed in the IS/MND because the tank's matte finish will not reflect sunlight, new trees planted on the north side of the tank will provide visual screening, and the proposed tank site has limited publicly accessible vantage points.

The following project schedule identifies key dates, including the proposed advertising date that is subsequent to the state's permit issuance. The timing of the project is intended to occur as soon as the state DDW permit is secured.

#### SCHEDULE

Complete All Design Reviews	April, 2021
Receive DDW Permit Approval	April-May 2021
Advertise Project	April-May, 2021
Bid Opening	May-June, 2021
Board Authorization of Award	June, 2021
Contractor Notice to Proceed	June-July, 2021
Construction Complete	January, 2022

The project will be advertised in the Marin IJ and on the NMWD website with electronic plans and specifications available to the prospective bidders for free download.

#### Project Elements and Costs

The FY21 Capital Improvement budget includes a line item for the project in the amount of \$500,000. The cost for the design of the project is \$110,290 and the current estimate for construction of the project is approximately \$1,415,000 including site preparation and grading, the new tank, 700 feet of new pipeline, the new access road, new tree planting and other mitigation measures associated with construction, as well as an anticipated 125 cubic yards of hard rock excavation (estimated to cost \$24,000). The cost for project management, design review, construction management, inspections, materials testing and required bird surveys are estimated to be \$165,000.

#### RECOMMENDATION

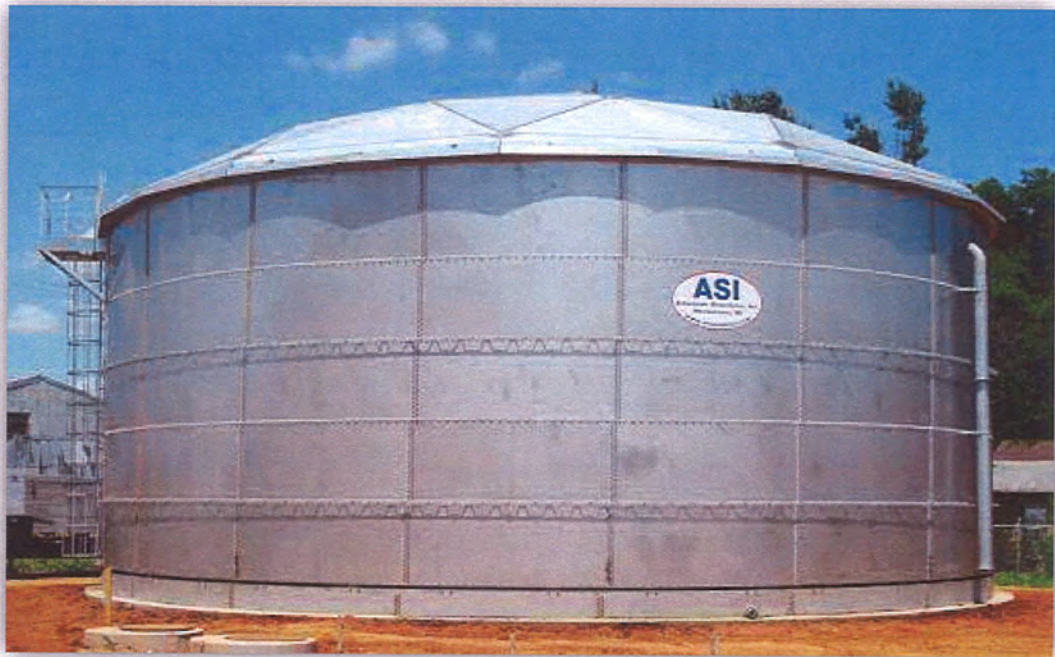
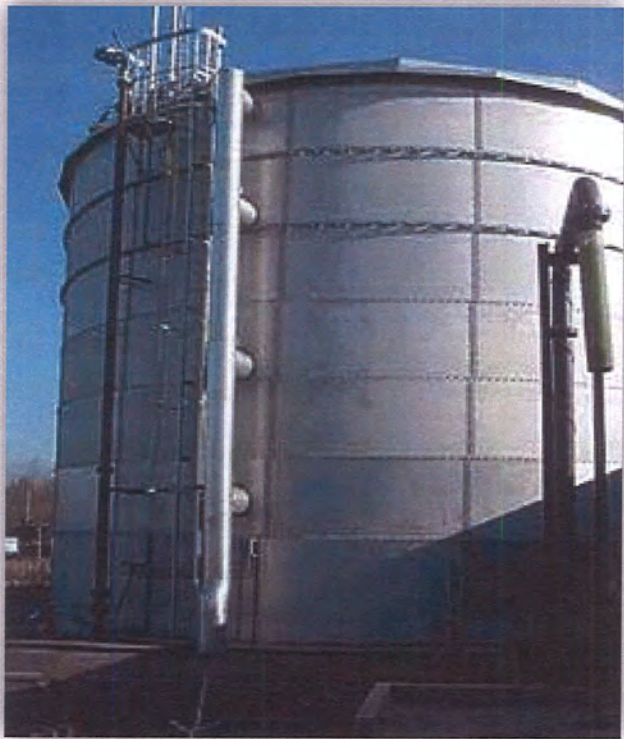
The Board authorize bid advertisement of the Old Ranch Road Tank No. 2 Project.







EXAMPLES OF A BOLTED STAINLESS-STEEL TANK






**11**

## MEMORANDUM

To: Board of Directors

Date: April 2, 2021

From: Tony Williams, Assistant GM/Chief Engineer 

Subject: Approve Kennedy/Jenks Consultants – General Services Agreement

R:\NON JOB No ISSUES\Consultants\Kennedy Jenks\BOD Memos\_Agmts\KJ Hydraulic Modeling GSA BOD Memo Apr 2021.doc

**RECOMMENDED ACTION:** That the Board authorize the General Manager to execute a General Services Agreement with Kennedy/Jenks Consultants

**FINANCIAL IMPACT:** \$45,000 plus \$2,000 contingency

Background

As part of the 2018 Novato Water System Master Plan work, a sophisticated hydraulic model was developed by Kennedy/Jenks Consultants (KJ) for the entire Novato Service Area using the modeling software called Infowater. Historically, the District has relied on EPANET, open-platform modeling software, for analysis. Infowater has many more features and graphical interface capabilities than EPANET, and provides a much more potent analysis tool for hydraulic analyses. However, model files created in Infowater can be saved as EPANET files. The District does not currently own an Infowater software license which is costly and has a 1-year term, but potentially in the future a license may be warranted.

Due to the varied type of engineering work related to District Capital Improvement Projects (CIP) as well as future large private development projects, staff feels it is necessary to request hydraulic modeling services on an as-needed basis. The purpose of this memo is to request a new consulting services agreement with KJ for hydraulic modeling services to assist staff with hydraulic analysis. KJ is an experienced design and consulting firm and has a proven track record with the Novato Water Master Plan Project and developed the current model.

Attached is an agreement for KJ to provide said survey support services with a not to exceed limit of \$45,000. If approved, the consulting services agreement will be executed based on individual task orders on a job-by-job basis.

RECOMMENDATION

That the Board authorize the General Manager to execute a General Services Agreement with Kennedy/Jenks Consultants to provide hydraulic modeling on as needed basis in the amount of \$45,000 plus a contingency of \$2,000.

## **AGREEMENT FOR CONSULTING SERVICES**

The following is an agreement between **North Marin Water District**, hereinafter "**NMWD**", and **Kennedy/Jenks Consultants**, hereinafter, "**Consultant**".

**WHEREAS**, Consultant is a duly qualified consulting firm, experienced in developing hydraulic modeling.

**WHEREAS**, in the judgment of the Board of Directors of the NMWD, it is necessary and desirable to employ the services of the Consultant to provide miscellaneous hydraulic modeling and related engineering support services.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

### **PART A -- SPECIFIC PROVISIONS:**

**1. DESCRIPTION OF SERVICES AND PAYMENT:** Except as modified in this agreement, the services to be provided and the payment schedule are:

- a. The scope of work and fee amount covered by this agreement shall be that specified in the Consultant's proposal dated March 30, 2021 and included in Attachment A of this agreement. The work shall be that specified on a task by task basis.
- b. The fee for the work shall be on a time and expense (T & E) basis utilizing the fee schedule included in Attachment A of this agreement and shall not exceed \$45,000 without prior written authorization by NMWD.

### **PART B -- GENERAL PROVISIONS**

**1. ASSIGNMENT/DELEGATION:** Except as above, neither party hereto shall assign, sublet or transfer any interest in or duty under this agreement without written consent of the other, and no assignment shall be of any force or effect whatsoever unless and until the other party shall have so consented.

**2. STATUS OF CONSULTANT:** The parties intend that the Consultant, in performing the services hereinafter specified, shall act as an independent contractor and shall have the control of the work and the manner in which it is performed. The Consultant is not to be considered an agent or employee of NMWD, and is not entitled to participate in any pension plan, insurance, bonus or similar benefits NMWD provides its employees.

**3. INDEMNIFICATION:** NMWD is relying on the professional ability and training of the Consultant as a material inducement to enter into this agreement. The Consultant hereby warrants that all its work will be performed in accordance with generally accepted professional practices and standards, as well as the requirements of applicable federal, state and local laws, it being understood that neither acceptance of the Consultant's work by NMWD nor Consultant's failure to perform shall operate as a waiver or release.

- a. With respect to design professional services provided under this agreement, Consultant shall assume the defense of and defend NMWD, its directors, officers, agents, and

employees in any action at law or in equity to the extent that liability is claimed or alleged to arise out of, pertain to, or relate to, either directly or indirectly, the intentional or willful misconduct, recklessness, or negligent act, error, or omission of Consultant (or any person or organization for whom Consultant is legally liable) in the performance of the activities necessary to perform the services for District and complete the task provided for herein. In addition, Consultant shall indemnify, hold harmless, and release NMWD, its directors, officers, agents, and employees from and against any and all actions, claims, damages, disabilities or expenses, including attorney's fees and witness costs, that may be asserted by any person or entity including the Consultant, to the extent arising out of, pertaining to, or relating to, the negligent acts, errors or omissions, recklessness, or intentional or willful misconduct of the Consultant (or any consultant or subcontractor of Consultant) in connection with the activities necessary to perform the services and complete the task provided for herein, but excluding liabilities due to the sole negligence or willful misconduct of NMWD.

- b. With respect to all services other than design professional services provided under this agreement, Consultant shall indemnify, hold harmless, release and defend NMWD, its agents and employees from and against any and all actions, claims, damages, disabilities or expenses, including attorney's fees and witness costs that may be asserted by any person or entity, including the Consultant, arising out of or in connection with the activities necessary to perform those services and complete the tasks provided for herein, but excluding liabilities due to the sole negligence or willful misconduct of NMWD.

This indemnification is not limited in any way by any limitation on the amount or type of damages or compensation payable by or for the NMWD or its agents under workers' compensation acts, disability benefit acts or other employee benefit acts.

**4. PROSECUTION OF WORK:** The execution of this agreement shall constitute the Consultant's authority to proceed immediately with the performance of this contract. Performance of the services hereunder shall be completed by April 6, 2022, provided, however, that if the performance is delayed by earthquake, flood, high water or other Act of God or by strike, lockout or similar labor disturbance, the time for the Consultant's performance of this contract shall be extended by a number of days equal to the number of days the Consultant has been delayed.

**5. METHOD AND PLACE OF GIVING NOTICE, SUBMITTING BILLS AND MAKING PAYMENTS:** All notices, bills and payment shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail should be addressed as follows:

North Marin Water District  
P.O. Box 146  
Novato, CA 94948  
Attention: Tony Williams

Consultant:  
Kennedy/Jenks  
200 Fourth Street, Suite 210  
Santa Rosa, CA 95401  
Attention: Rod Houser

and when so addressed, shall be deemed given upon deposit in the United States Mail, postage prepaid. In all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills and payments are to be given by giving notice pursuant to this paragraph.

**6. MERGER:** This writing is intended both as the final expression of the agreement between the parties hereto with respect to the included terms of the agreement, pursuant to California Code of Civil Procedure Section 1856 and as a complete and exclusive statement of the terms of the agreement. No modification of this agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

**7. SEVERABILITY:** Each provision of this agreement is intended to be severable. If any term of any provision shall be determined by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, such provision shall be severed from this agreement and shall not affect the validity of the remainder of the agreement.

**8. TERMINATION:** At any time and without cause the NMWD shall have the right in its sole discretion, to terminate this agreement by giving written notice to the Consultant. In the event of such termination, NMWD shall pay the Consultant for services rendered to such date.

**9. TRANSFER OF RIGHTS/OWNERSHIP OF DATA:** The Consultant assigns to NMWD all rights throughout the work in perpetuity in the nature of copyright, trademark, patent, and right to ideas, in and to all versions of any plans and specifications, reports and document now or later prepared by the Consultant in connection with this contract.

The Consultant agrees to take such actions as are necessary to protect the rights assigned to NMWD in this agreement, and to refrain from taking any action which would impair those rights. The Consultant's responsibilities under this contract will include, but not be limited to, placing proper notice of copyright on all versions of any plans and specifications, reports and documents as NMWD may direct, and refraining from disclosing any versions of the reports and documents to any third party without first obtaining written permission of NMWD. The Consultant will not use, or permit another to use, any plans and specifications, reports and document in connection with this or any other project without first obtaining written permission of NMWD.

All materials resulting from the efforts of NMWD and/or the Consultant in connection with this project, including documents, reports, calculations, maps, photographs, computer programs, computer printouts, digital data, notes and any other pertinent data are the exclusive property of NMWD. Re-use of these materials by the Consultant in any manner other than in conjunction with activities authorized by NMWD is prohibited without written permission of NMWD.

Consultant shall deliver requested materials to NMWD in electronic format including but not limited to modeling results, engineering calculations, plans (AutoCad, current edition), model updates (Infowater and EPANET) and specifications (MS Word, current edition).

**10. COST DISCLOSURE:** In accordance with Government Code Section 7550, the Consultant agrees to state in a separate portion of any report provided NMWD, the numbers and amounts of all contracts and subcontractors relating to the preparation of the report.

**11. NONDISCRIMINATION:** The Consultant shall comply with all applicable federal, state and local laws, rules and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition or physical handicap.

**12. EXTRA (CHANGED) WORK:** Extra work may be required. The Consultant shall not proceed nor be entitled to reimbursement for extra work unless it has been authorized, in writing, in advance, by NMWD. The Consultant shall inform the District as soon as it determines work beyond the scope of this agreement may be necessary and/or that the work under this agreement cannot be completed for the amount specified in this agreement. Said review shall occur before consultant incurs 75% of the total fee approved for any phase of the work. Failure to notify the District shall constitute waiver of the Consultant's right to reimbursement.

**13. CONFLICT OF INTEREST:** The Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Consultant further covenants that in the performance of this contract no person having any such interest shall be employed.

**14. INSURANCE REQUIREMENTS FOR CONSULTANTS**

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the consultant, his agents, representatives, employees or subcontractors.

**Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. Commercial General Liability coverage
2. Automobile Liability
3. Workers' Compensation insurance as required by the State of California.
4. Professional Liability insurance appropriate to the consultant's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

**Minimum Limits of Insurance**

Consultant shall maintain limits no less than:

1. General Liability (including operations, products and completed operations.): **\$1,000,000** per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: **\$1,000,000** per accident for bodily injury and property damage.
3. Workers' Compensation Insurance: as required by the State of California.
4. Professional Liability, **\$1,000,000** per occurrence.

**Verification of Coverage**

Consultant shall furnish the District with original certificates and amendatory endorsements effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the District before work commences. The District reserves the right to require at any time complete and certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

## **Subcontractors**

Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor to the District for review and approval. All coverage for subcontractors shall be subject to all of the requirements stated herein.

## **Self-Insured Retentions**

Any self-insured retentions must be declared to and approved by the District. At the option of the District, either: the insurer shall reduce or eliminate such self-insured retentions as respects the District, its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the District (such as a surety bond) guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **Other Insurance Provisions**

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The District, its officers, officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the District, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the District.

## **Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

**15. DISPUTE RESOLUTION:** Any dispute or claim in law or equity between District and Consultant arising out of this agreement, if not resolved by informal negotiation between the parties, shall be mediated by referring it to the nearest office of Judicial Arbitration and Mediation Services, Inc. (JAMS) for mediation. Mediation shall consist of an informal, non-binding conference or conferences between the parties and the judge-mediator jointly, then in separate caucuses wherein the judge will seek to guide the parties to a resolution of the case. If the parties cannot agree to mutually acceptable member from the JAMS panel of retired judges, a list and resumes of available mediators numbering one more than there are parties will be sent to the parties, each of whom will strike one name leaving the remaining as the mediator. If more than one name remains, JAMS arbitrations administrator will choose a mediator from the remaining names. The mediation process shall continue until the case is resolved or until such time as the mediator makes a finding that there is no possibility of resolution.

At the sole election of the District, any dispute or claim in law or equity between District and Consultant arising out of this agreement which is not settled through mediation shall be

decided by neutral binding arbitration and not by court action, except as provided by California law for judicial review of arbitration proceedings. The arbitration shall be conducted in accordance with the rules of Judicial Arbitration Mediation Services, Inc. (JAMS). The parties to an arbitration may agree in writing to use different rules and/or arbitrators.

**16. BILLING AND DOCUMENTATION:** The Consultant shall invoice NMWD for work performed on a monthly basis and shall include a summary of work for which payment is requested. The invoice shall state the authorized contract limit, the amount of invoice and total amount billed to date. The summary shall include time and hourly rate of each individual, a narrative description of work accomplished, and an estimate of work completed to date.

**17. REASONABLE ASSURANCES:** Each party to this agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise, with respect to performance of either party, the other may, in writing, demand adequate assurance of due performance and until the requesting party receives such assurance may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of the party with respect to performance under this agreement but also conduct with respect to other agreements with parties to this agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, not to exceed 30 days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance.

**18. PREVAILING WAGE REQUIREMENTS:** Prevailing Wage Rates apply to all Consultant personnel performing work under the Agreement for which wage determinations have been made by the Director of Industrial Relations pursuant to California Labor Code Sections 1770– 1782,. Consultant shall comply with all applicable prevailing wage labor code requirements.

**NORTH MARIN WATER DISTRICT  
"NMWD"**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Drew McIntyre, General Manager

**"CONSULTANT"  
KENNEDY/JENKS CONSULTANTS**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Rod Houser, Vice President



## Kennedy/Jenks Consultants

### Engineers & Scientists

200 Fourth Street, Suite 210  
Santa Rosa, CA 95401  
707-526-1064  
FAX: 707-526-1261

30 March 2021

North Marin Water District  
Attention: Tony Williams, P.E.  
PO Box 146  
Novato, CA 94948

Subject: Letter Proposal  
On-Call Hydraulic Modelling Support

Tony:

This letter serves as our proposal to provide on-call engineering support for the District's hydraulic model. These services will be managed out of our Santa Rosa office, where I will serve as the project manager and principal in charge. Modelling assignments will generally be performed by Connor Rutten out of our Pasadena office, with Leif Macrae (Santa Rosa) serving as backup modeler.

We propose a budget of \$45,000 for this assignment, from which we will invoice monthly on a time and expense reimbursement basis, according to the rate schedule attached to this letter. Modelling tasks will be assigned by the District, and a scope, budget and deliverable schedule will be negotiated for each task order prior to beginning work.

The agreement will run for a period of two years starting from the date that we have a fully executed contract for professional services.

Please feel free to call me with any questions or other feedback on this proposal.

Very truly yours,

KENNEDY/JENKS CONSULTANTS



Rodman R. Houser, P.E., BCEE  
Project Manager | Vice President

Enclosure(s)  
2021 Rate Schedule

**Client/Address:** North Marin Water District  
PO Box 146  
Novato, CA 94948

**Contract/Proposal Date:** 3/30/2021

## Schedule of Charges

January 1, 2021

### PERSONNEL COMPENSATION

Classification	Hourly Rate
Engineer-Scientist-Specialist 1 .....	\$135
Engineer-Scientist-Specialist 2 .....	\$165
Engineer-Scientist-Specialist 3 .....	\$190
Engineer-Scientist-Specialist 4 .....	\$205
Engineer-Scientist-Specialist 5 .....	\$220
Engineer-Scientist-Specialist 6 .....	\$245
Engineer-Scientist-Specialist 7 .....	\$275
Engineer-Scientist-Specialist 8 .....	\$295
Engineer-Scientist-Specialist 9 .....	\$310
CAD-Technician .....	\$130
Senior CAD-Technician .....	\$145
CAD-Designer .....	\$160
Senior CAD-Designer .....	\$175
Project Assistant .....	\$130
Administrative Assistant .....	\$110
Aide .....	\$90

In addition to the above Hourly Rates, an Associated Project Cost charge of \$9.74 per hour will be added to Personnel Compensation for costs supporting projects including telecommunications, software, information technology, internal photocopying, shipping, and other support activity costs related to the support of projects.

### Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus ten percent for items such as:

- Maps, photographs, 3rd party reproductions, 3rd party printing, equipment rental, and special supplies related to the work.
- Consultants, soils engineers, surveyors, contractors, and other outside services.
- Rented vehicles, local public transportation and taxis, travel and subsistence.
- Project specific telecommunications and delivery charges.
- Special fees, insurance, permits, and licenses applicable to the work.
- Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for vehicles used in connection with the work will be at the federally approved mileage rates or at a negotiated monthly rate.

If prevailing wage rates apply, the above billing rates will be adjusted as appropriate.

Overtime for non-exempt employees will be billed at one and a half times the Hourly Rates specified above.

Rates for professional staff for legal proceedings or as expert witnesses will be at rates one and one-half times the Hourly Rates specified above.


Excise and gross receipts taxes, if any, will be added as a direct expense.

The foregoing Schedule of Charges is incorporated into the agreement for the services provided, effective January 1, 2021 through December 31, 2021. After December 31, 2021, invoices will reflect the Schedule of Charges currently in effect.

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## MEMORANDUM

To: Board of Directors

From: Tony Williams, Assistant GM/Chief Engineer 

Subject: Amend Contracts for On-Call Construction and Repair Services –  
Ghilotti Construction and Team Ghilotti

April 2, 2021

R:\NON JOB No ISSUES\On-Call\BOD Memos\GCC\_TG Amendment BOD Memo 4-21.doc

**RECOMMENDED ACTION:** That the Board approve a budget augmentation to the On-Call Construction and Repair Services Contracts for Ghilotti Construction and Team Ghilotti

**FINANCIAL IMPACT:** Additional \$250,000 (no budget augmentation required)

Background

At the February 2, 2016 meeting, the Board authorized the General Manager to execute agreements with Ghilotti Construction (GC) and Team Ghilotti (TG) to provide On-Call Construction and Repair Services following a request for Proposals (RFP) process. The initial budget allocated to each firm was \$150,000. Since that time, both firms have provided these services to the District. An additional \$200,000 was allocated to GC for the Center Road Pipeline Replacement project in 2017. At the December 19, 2017 Board meeting an amendment to GC's on-call contract was authorized in the amount of \$100,000. In February, 2019 a new contract for \$200,000 was authorized for both GC and TG.

Project/Contracting Update

Previous work performed by GC under the 2019 on-call contract includes the following projects and costs:

Stafford Dam Apron Repairs	\$ 50,774
Country Lane Pipeline	\$ 73,543
Standby and Emergency Repairs (1-18-21)	\$ 11,803
Gallagher Ranch Streambank Stabilization	\$ 394
<b>TOTAL</b>	<b>\$136,514</b>
GC Remaining Balance	\$63,486

Previous work performed by TG under the 2019 on-call contract includes the following projects and costs:

Montego Key Pipe Replacement	\$34,283
TG Remaining Balance	\$165,717

Due to COVID work restrictions and temporary staffing limitations in the Construction Department, the District will rely more on GC and TG to cover standby shifts in case of pipe leaks or other after-hours emergencies. In addition, depending on overall scheduling and standby coverage, the contract may be used for smaller CIP projects normally performed by the Construction Department.

#### Current Agreements

When the new contracts were presented to the Board in 2019, the staff report indicated that the maximum value for individual task orders would be \$100,000. This limit seems to work for standby shifts and emergency repair response. However, based on current needs as well as discussions with the other water districts in the Bay Area, this limit is proving problematic given the cost of a typical small Capital Improvement Projects (CIPs) and the increasing need to supplement District forces. Contra Costa Water District, which began using on-call contracts similar to the District's in 2015, raised the per task order limit to \$200,000 in 2019, and in some instances to \$250,000. In addition to the ongoing need to support the Construction Department for standby work, several designed CIP projects are candidates for these contracts and range in cost between \$75,000 and \$185,000. Staff is recommending that the per task order maximum value for these contracts be adjusted and that a \$200,000 value be used as a general rule. It is important emphasize that this contracting approach minimizes District administrative costs associated with developing multiple construction contracts and allows the smaller but critical to be implemented more quickly and cost effectively.

#### Financial Impact

Funding necessary to cover the Construction Department standby shifts, repairs and emergencies is available in the appropriate GL (such as 15755.41 or 15779.41, Maintenance of Mains, Maintenance of Plastic Services, respectively) or in the approved CIP budget for planned specific projects.

#### Recommendation

Board authorize General Manager to amend the on-call agreements with Ghilotti Construction and Team Ghilotti in the amount of \$250,000 for FY21 work.

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## MEMORANDUM

To: Board of Directors  
 From: Drew McIntyre, General Manager  
 Subject: Additional Stafford Lake Backfeeding

April 2, 2021



\\nmwdserver1\administration\gm\water shortage 2021\lake backfeeding bod memo no. 2 final 04\_02\_21.doc

**RECOMMENDED ACTION:** Approve Additional Backfeeding of Russian River Water to Stafford Lake

**FINANCIAL IMPACT:** Total Estimated Cost Up to ~\$380,000 (~ 10 week total duration)

At the February 2, 2021 meeting, the Board received information on dry year conditions to-date in both the Stafford Lake and Russian River watersheds. At the February 16, 2021 meeting, the Board authorized backfeeding of Russian River water into Stafford Lake immediately with an estimated 600 AF quantify over an 8-week period. Since initial Board approval of backfeeding in mid-February, there has been no appreciable local rainfall. In fact, the rainfall has been so low that no natural stream runoff into Stafford Lake has occurred this entire winter season and the only increase in Stafford Lake capacity (29% in Feb vs 44% in March) is due solely to backfeeding operations. Similar dry year conditions continue in the Russian River watershed. As of March 29, 2021, Lake Mendocino water pool capacity is at 45% and Lake Sonoma water pool capacity is at 63%. A recent related news article from the Press Democrat is attached

Operations staff have been able to optimize backfeeding into Stafford Lake such that ~650 AF have been backfed as of March 30<sup>th</sup>. There is a high degree of likelihood that Russian River diversions will be reduced this summer to address declining storage levels. As such, it is recommended that backfeeding continue through April with a new target of ~ 1,000 AF. A summary of previous backfeeding events over the last 30 years is provided as follows:

Year	Back-Fed Amount (acre-feet)
1988	200
1989	782
1991	1000
2009	348
2014	359
2018	130

As reported earlier, the backfeeding cost is derived from the cost to pump SCWA water into Stafford Lake plus the marginal cost to re-treat SCWA water stored in Stafford Lake. The cost of pumping the water into the lake is \$48.31 per acre foot) and the marginal cost (electricity, chemicals and sludge disposal) to re-treat the water is \$320 per acre-foot for a total cost of \$368.31 per acre foot. Note that these costs do not include the cost to purchase Russian River water (\$982.21 per acre foot) since it would be paid one way or the other. Continuing backfeeding through April will result in an estimated total backfeed amount of 1000 acre-feet at a cost of approximately \$380,000. (vs the \$221,000 initial estimate in February assuming 600 AF). The projected balance in the Water Treatment budget at fiscal year-end will be \$385,000 which will still cover the cost of backfeeding the requested ~1,000 acre-feet.

#### RECOMMENDATION

Board authorize additional backfeeding of Russian River water into Stafford Lake

# Lake Sonoma and Lake Mendocino water levels at record low for this time of year

The Press Democrat  
Winner of the 2016 Pulitzer Prize



Yorty Creek on the east side of Lake Sonoma is difficult to navigate as water levels continue to drop, Friday, Jan. 15, 2021. During an average year, the trees would be completely submerged. (Kent Porter / The Press Democrat) 2021

**MARY CALLAHAN**  
THE PRESS DEMOCRAT  
March 31, 2021, 6:36AM

A second year of extremely low rainfall has left water storage in Lake Sonoma and Lake Mendocino at the lowest levels for this time of year since the reservoirs were filled decades ago, Sonoma County's water agency said Tuesday.



Lake Sonoma had 154,729 acre-feet of water at last check, or about 63% of its storage capacity for this time of year, while Lake Mendocino, the smaller of the two, had about 45% of its targeted storage, or about 36,000 acre-feet.

Together, the two reservoirs supply drinking water for more than 600,000 people in three counties — Sonoma, Mendocino and Marin.

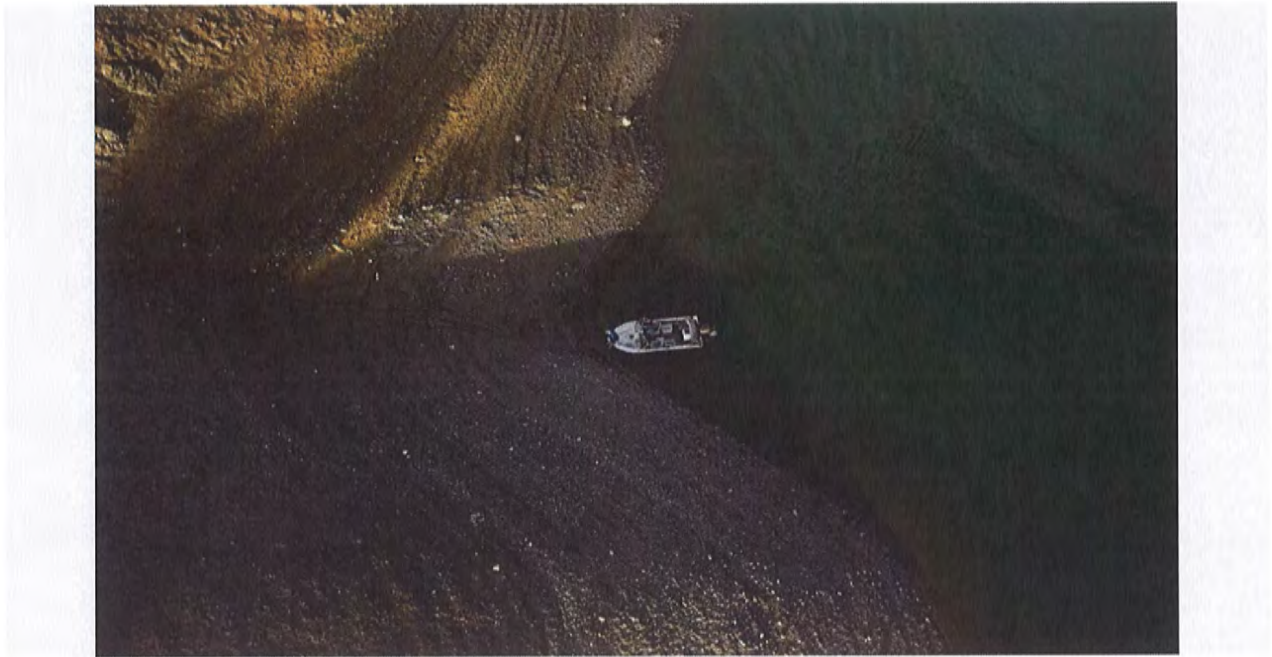


*The east fork of the Russian River cuts a deeper path through the exposed north end of Lake Mendocino, Wednesday, Feb. 3, 2021 as Ukiah residents, Riley, Seychell, Renee and Jett, 5, who didn't want their last names used, enjoy a family outing at the lake. The reservoir continues to recede as rain deficits mount in the region. (Kent Porter / The Press Democrat) 2021*

The situation is particularly dire for Lake Mendocino, which serves municipal and rural users around Ukiah and is managed to sustain flows in the upper Russian River during drier months. Given the dry summer months ahead, it could become too low to support such releases by this fall, absent sufficient conservation measures, the water agency said.

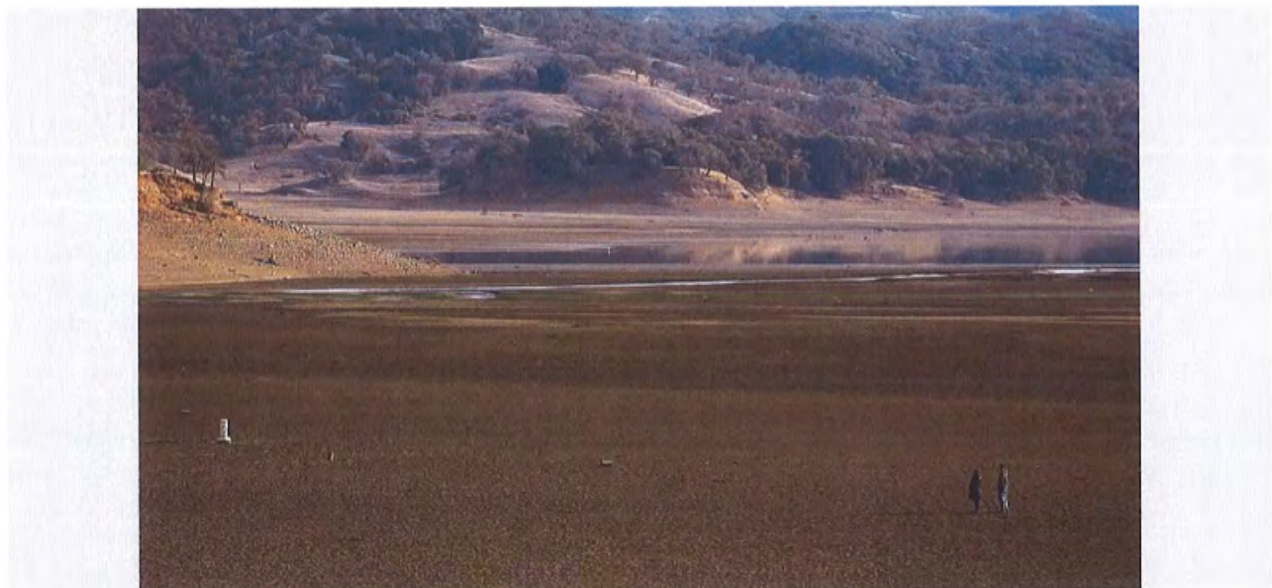
Officials are asking for voluntary reductions in water use, but that could change quickly, said Grant Davis, general manager of Sonoma Water.

"We are faced with the second year of very dry conditions, and the entire Russian River watershed will need to come together, yet again, like we've done in the past, to reduce diversions out of the Russian River system and to practice good water conservation and efficiency measures to get through this particular year and into next year," Davis said.



*A growing shoreline at Lake Sonoma, Friday, Jan. 15, 2021 underlines the lack of rainfall this winter. (Kent Porter / The Press Democrat) 2021*

The supply situation is even worse than it was during the 2012-16 drought, when reservoir levels dropped even lower than they are now toward the end of 2014, but late in the year — beyond the high-water-use summer months, with only weeks to go before the prospect of winter rain to restore supply.



*The level of Lake Mendocino continues to drop, Monday Dec. 30. 2013 in Ukiah. (Kent Porter / Press Democrat) 2013*

Right now, though there is some possibility of spring rain in the next couple of weeks, the bulk of the wet season is largely concluded, with just under 13 inches of rain since Oct. 1 in Santa Rosa, or about 40% of normal.

Last year at this time, Santa Rosa had received just under 17 inches of rain, or 53% of average rainfall of 31.90 inches by March 29.

*You can reach Staff Writer Mary Callahan at 707-521-5249 or [mary.callahan@pressdemocrat.com](mailto:mary.callahan@pressdemocrat.com). On Twitter @MaryCallahanB.*

Editor's note: The rainfall totals for Oct. 1 to March 29, 2019-20 and 2020-21 have been corrected. They previously were reversed.

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## MEMORANDUM

To: Board of Directors

April 2, 2021

From: Drew McIntyre, General Manager

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

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

**FINANCIAL IMPACT:** ~\$156,600 as of February 28, 2021 (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 Manager, 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.

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 due to fewer daily cases, and a reduction in the positivity rate.

On November 16, Governor Gavin Newsom announced that CDPH officially moved Marin County from orange Tier 3 ("moderate risk") to the more restrictive red Tier 2 ("substantial risk") on its Blueprint for a Safer Economy. The step back comes just three days after the Marin County Department of Health and Human Services (HHS) notified local businesses and agencies about preemptive restrictions to stem the virus' spread locally.

On December 3, 2020 Governor Newsom announced that all sectors other than retail and essential operations will be closed in regions of California when less than 15% of intensive care unit

(ICU) beds are available under a new Regional Stay Home Order. Marin County proactively implemented the State's Regional Stay Home Order at noon on December 8<sup>th</sup> and the state officially issued said Order to Marin County (as part of the Bay Area region) on December 17<sup>th</sup>.

On January 25, 2021, CDPH lifted the Regional Stay-Home Order for the Bay Area and statewide. All 11 counties in the Bay Area, including Marin, thereby moved into the purple (or Tier 1) stage within the State's "Blueprint for a Safer Economy".

On February 23, 2021, the State has announced that Marin County will move from "purple"(Tier 1) to "red" (Tier 2) status in the Blueprint for a Safer Economy effective Wednesday, February 24. The move from Tier 1 or "widespread risk" status to the less restrictive Tier 2 or "substantial risk" level is based on consecutive weeks of progress in Marin's COVID-19 case statistics.

**On March 11, 2021, the state opened up additional segments as eligible for the COVID-19 vaccination. This includes utility workers who have been reclassified as Emergency Service workers which includes water and wastewater workers and support staff (all NMWD employees)**

**On March 24<sup>th</sup> 2021, Marin moved from the Red status (Tier 2) to Orange status (Tier 3). This move relaxed indoor operation restrictions for a number of sectors. Non-essential offices may now reopen again. If the COVID infection numbers continue to fall Marin could move to the next less restrictive Yellow status (Tier 4) as soon as April 14.**

On April 7<sup>th</sup>, 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. The District's current COVID-19 Preparedness and Response Plan has been prepared to maintain optimum health and safety working conditions. As a result of the Plan, the District has adopted various housekeeping and physical distancing protocols and also instituted modified work schedules as appropriate. 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 86% of staff on-site or in the field full time. The balance of staff are teleworking from home with most coming into the office at least one day each week. 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**

<b>Vendor Purchases</b>	<b>Procurement Type</b>	<b>Total Purchase Order Amount</b>	<b>Date</b>
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 + Ongoing Support	\$12,3	3/2020-1/2021
JCA Construction	Misc. Office Social Distancing Modifications	\$13,177	6/30/2020
Winzer Corporation	Surgical Masks (2,000)	\$1,592	7/6/2020
Novato Glass	Plexiglass	\$3,969	6/9/2020
Amazon	Face Masks (12)	\$54	6/30/2020
USA Bluebook	Digital Forehead Thermometers (2)	\$218	7/30/2020
Amazon	Digital Thermometers (20)	\$144	6/24/2020
Amazon	Face Masks (120)	\$405	8/20/2020
Winzer Corporation	Surgical Masks (2,000)	\$570	1/14/2021
<b>Total Procurement Amount To-Date</b>		<b>\$37,267</b>	



**Internal Labor Expenses**

Increased on-call labor costs:	~\$81,750 thru January 31, 2020 ~\$87,900 thru February 28, 2021
Families First Coronavirus Response Act (FFCRA) Allows employees to take time off for COVID medical reasons and/or childcare.	~\$24,380 thru December 31, 2020
Payroll Collection Costs	~\$7,060 October 2020 -February 2021

**Water Bill Delinquency Impacts**



	<u>2/2020</u>	<u>2/2021</u>
Customer Accounts Past Due (count)	2.1%	3.6%
Delinquent Balances % Due on Account	6.3%	13.5%
Delinquent Balances \$ Due on Account	\$55,000	\$150,000

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## MEMORANDUM

To: Board of Directors

April 2, 2021

From: Tony Williams, Assistant GM/Chief Engineer   
Robert Clark, Operations/Maintenance Superintendent 

Subj: NMWD Headquarters Upgrade Design Services Update

R:\Folders by Job No\8000 jobs\6501.44 NMWD Office\_Yard Bldg Renovation\BOD Memos\BOD Memo 4.6.21 re NMWD HQ Upgrade Status.docx

**RECOMMENDED ACTION:** Information Only**FINANCIAL IMPACT:** None at this time.  
(Design Services Agreement not to exceed \$1,245,000  
authorized at 11/17/2020 BOD Meeting)

The NMWD Headquarters Upgrade Master Plan prepared by Noll & Tam Architects (N&T) was approved by the North Marin Water District (NMWD or District) Board of Directors (Board) at the February 18, 2020 meeting. The cost estimate for the Headquarters Upgrade project, including the subject Design Services, has been included in the approved FY2020/21 Budget and the approved water rate study. The Design Services Agreement with N&T was approved at the November 17, 2020 Board meeting. The Design Services Agreement was executed between the parties on December 18, 2020.

Since that time the parties have agreed upon a schedule for the design services (attached) and set up a series of meetings and an electronic share file system. This should enable issues to be resolved in a timely and transparent manner and assure the project activities remain on schedule. The design services schedule is tight and activities are currently in the Schematic Design phase (25% of project design). To-date the scheduled activities are progressing satisfactorily as follows:

- Kick-off meeting with project participants (termed Building Committee) has been held (1/14/2021).
- On site visits (1/28 and 2/25/2021) to verify existing conditions with Building Committee and sub-consultants.
- District consultant meeting (1/21/2021) with project team to clarify scope for geotechnical investigation and survey needs.
- Follow on scope approvals with District Geotech, Survey, and CEQA consultants (2/16/2021 Board meeting).
- Building Committee meetings to discuss progress and open issues (2/11 and 3/11/2021).
- Building Committee meeting to confirm space, equipment and layout needs in new laboratory structure (2/18/2021).

- Building Committee meetings to confirm space and layout needs in the main building (multiple).
- Geotechnical subsurface investigation (3/1/2021 and 3/5/2021 site work).
- Site topographic and property boundary survey (3/11 – 3/15 site work).
- Building Committee meeting scheduled 4/9/2021 to review Draft summary report on Schematic Design.


The Building Committee includes the following participants:

- NMWD: Drew McIntyre, Tony Williams, Robert Clark, Pablo Ramudo and Chris DeGabriele (consultant).
- N&T: Chris Noll, Scott Salge, James Gwise, Ursula Currie, Jessica Jobe Sea and Seth Meisner.

As indicated on the schedule, N&T will prepare a summary report at the conclusion of the Schematic Design phase for the Board's review which is tentatively scheduled for the April 20, 2021 Board of Directors meeting. The Schematic Design will firm up a floor plan and layout for the buildings.

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## MEMORANDUM

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

Date: April 2, 2021

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**RECOMMENDATION:** Information Only

**FISCAL IMPACT:** None

### Background

On December 13, 2019, the Board authorized the General Manager to execute an agreement with Piazza Construction in the amount of \$1,087,810.00. The Notice to Proceed to Piazza Construction was issued on January 21, 2020. The required date of Substantial Completion expired before this milestone was achieved by Piazza Construction, who experienced several delays are described below.

### Construction Status

The project is approximately 98% complete. The contractor placed the last structural concrete placement for the roof on December 29<sup>th</sup>, 2020. On February 11<sup>th</sup>, the contractor has placed a sloped concrete floor overlay to provide for drainage without ponding. All concrete strength tests exceeded the design requirements. On February 26<sup>th</sup>, the project was established as Substantially Complete. The District is responsible for filling and testing the new tank but has been delayed with other critical activities in the West Marin Service Area. This work is planned for early April and has delayed the Contractor's work of staining the tank exterior. This has delayed the Final Completion of the Project.

### Project Cost Variances

The current total contract cost is \$964,792, or 89% of the awarded amount. No additional costs are expected in the contract with Piazza Construction prior to closeout. Five contract change orders have been issued, for a net contract decrease of \$123,018. The contractor has submitted a notice of construction delay due to the impacts of the Woodward fire during August 2020. The project experienced additional delays due to the pandemic and materials availability. A contract change order will be issued to account for the total delays as part of final closeout.



CHANGE ORDER NO.	ACTIVITY	CONTRACT AMOUNT CHANGE	CONTRACT DURATION CHANGE
1	Remove bid item 8 (Interior cementitious coating)	(\$138,750)	0 days
2	Add Liquid Level Gauge	\$11,570	3 days
3	Interior Piping and Floor/Drain Elevation Revisions	\$684	7 days
4	Revise Vault Piping and Add Two Valves	\$2,294	7 days
5	Install Erosion Control at Berm	\$1,084	7 days



August 13, 2020: Second wall pour forms. Exterior form in place, with overflow pipe and wood patterned form liners.



December 29, 2020: Concrete placement of roof. Round forms are for roof vent curb. House at 420 Drakes View Drive is visible in upper right of photo.



March 15, 2021: Interior piping complete. Inlet pipe discharges to center of tank.  
Discharge pipe lays on floor.





March 10, 2021: View of completed tank and berm from Driveway. Staining of tank is still required. Driveway upgrade and landscaping on berm by District to follow contract completion.

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## Item #17

\*DRAFT Minutes of Water Advisory Committee and Technical Advisory Committee  
Virtual Meeting – No Physical Location  
February 1, 2021

Attendees: Easter Ledesma, City of Santa Rosa  
Gina Perez, City of Santa Rosa  
Susan Harvey, City of Cotati  
Mike Healy, City of Petaluma  
Walter Linares, City of Rohnert Park  
Tom Schwedhelm, City of Santa Rosa  
City of Sonoma Representative - Absent  
Jack Baker, North Marin Water District  
Sam Salmon, Town of Windsor  
Jon Foreman, Valley of The Moon Water District  
Jack Gibson, Marin Municipal Water District  
Craig Scott, City of Cotati  
Kent Carothers, City of Petaluma  
Mary Grace Pawson, City of Rohnert Park  
Jennifer Burke, City of Santa Rosa  
Colleen Ferguson, City of Sonoma  
Drew McIntyre, North Marin Water District  
Cristina Goulart, Town of Windsor  
Matt Fullner, Valley of The Moon Water District  
Paul Sellier, Marin Municipal Water District

Staff/Alternates: Grant Davis, SCWA  
Pam Jeane, SCWA  
Jay Jasperse, SCWA  
Lynne Rosselli, SCWA  
Don Seymour, SCWA  
Brad Sherwood, SCWA  
David Manning, SCWA  
Steven Hancock, SCWA  
Paul Piazza, SCWA  
Barry Dugan, SCWA  
Michael Thompson, SCWA  
Peter Martin, City of Santa Rosa  
Kimberly Zunino, City of Santa Rosa  
Colin Close, City of Santa Rosa  
Jason Beatty, City of Petaluma  
Chelsea Thompson, City of Petaluma  
Sandi Potter, Town of Windsor  
Tony Williams, North Marin Water District

Public: Bob Anderson, United Wine Growers  
David Keller, FOER  
Mark Millan, Data Instincts  
Jamie Neary  
Margaret DiGenova, California American Water  
Jim Downey, Penngrove/Kenwood Water Company

1. Check-in  
Susan Harvey, WAC Chair, called the meeting to order at 9:10 a.m.
2. Public Comments  
No public comments.
3. Appointment of 2021 WAC Vice Chair  
Moved by Jack Baker, North Marin Water District, seconded by Jon Foreman, Valley of the Moon Water District, by a vote of 7-Yes, 0-No, 1 absent (City of Sonoma), the WAC approved appointing Mike Healy, City of Petaluma as WAC Vice Chair for remainder of 2021 to fill the vacancy left by Dave King, City of Petaluma. No public comments.
4. WAC/TAC 2021 Meeting Schedule and WAC Members and Alternates List (Draft)  
No public comments.
5. New Member Orientation –  
Drew McIntyre, North Marin Water District. There are some new members and alternates and wanted to thank Melissa James with SCWA for putting together new member orientation material. Anyone new should have received an email from Melissa. James, please make contact if you have not. Melissa is sending out information electronically and will work with each individual if they prefer a hard copy as well. A customary spring tour of SCWA Russian River facilities has been delayed due to COVID. No public comments.
6. Recap from November 2, 2020 WAC/TAC Meeting and Approval of Minutes  
Moved by Jon Foreman, Valley of the Moon Water District, seconded by Sam Salmon, Town of Windsor; by a vote of 6-Yes, 0-No, 1 abstention (City of Santa Rosa) and 1 absent (City of Sonoma), the WAC approved the meeting minutes as presented. No public comments.
7. Recap from November 2, 2020 WAC/TAC Meeting and Approval of Minutes  
Craig Scott City of Cotati, seconded by Jennifer Burke, City of Santa Rosa; unanimously approved by the TAC. No public comments.
8. Water Supply Coordination Council-January 20, 2021  
The Water Supply Coordination Council met on January 20 and created the Agenda for this WAC/TAC meeting. No public comments.
9. Water Supply Conditions and Temporary Urgency Change Order  
Don Seymour, SCWA. Lake Mendocino is about 28,000 acre-ft which is 41% of water supply pool. Lake Sonoma is just under 157,000 acre-ft which is 64% of water supply pool. Lake Pillsbury is at 20,000 acre-ft and 36% of water supply pool. These are all at very low storage for this time of year. Sonoma Water filed the Temporary Urgency Change Petition on January 7, 2021 and requested the water supply condition should be assessed temporarily on storage levels at Lake Mendocino. Sonoma Water is anticipating the order will be issued sometime this week. Based on threshold requests, it would move the water supply condition for Lake Mendocino from Dry to Critical. Sonoma Water also anticipates the Major Deviation for Lake Mendocino will be approved by the Corps sometime this week or next week.



10. Sonoma Marin Saving Water Partnership

a. 2020 Water Production Relative to 2013 Benchmark

Drew McIntyre, North Marin Water District. Refer to handout. Water use year to date is down -9% compared to the 2013 benchmark and actual SWCA water deliveries are down 27% from the early 2000's. Public Comment: David Keller asked for someone to explain a note about California legislation requiring indoor water use standard of 55 gallons per person per day starting November 2023, with potential penalties if not met and what are the implications to water use in the County? Drew McIntyre shared that new State legislation passed in 2018 requires the State to develop different metrics with respect to ensuring efficient use of water including indoor water use targets that David Keller mentioned.

b. Water Supply Conditions Public Outreach Messaging

Paul Piazza, SCWA. Sonoma Marin Saving Water Partnership was formed in 2010 and is a collaboration of 12 utilities in Sonoma and Marin counties. In late November 2020, SCWA staff and the Partnership began conversations about low rainfall and low lake storage and the need to undertake a wintertime outreach campaign. SCWA and the Partnership put together an initial outreach campaign focusing on social media. It was brought to the Water Conservation Subcommittee staff on December 28, 2020. SCWA made updates to the campaign and provided a brief update at TAC and Water Conservation Subcommittee meetings. The main message is to bring awareness that it is a dry year and provide easy actionable tips for saving water. Ten different social media ads were created focusing on indoor and outdoor water use and the ads were created for partners to have the ability to cobrand. All outreach campaigns are bilingual in English and Spanish as well as on multiple different platforms. Public Comment: Margaret DiGenova From California American Water wanted to mention that they are still having Water audit for customers but are conducting them virtually.

11. TAC Finance Subcommittee Update FY 2021-22 Draft SCWA WTS Budget

Kimberly Zunino, City of Santa Rosa. The TAC Finance Subcommittee is working with Sonoma Water to review and work towards a recommendation of the budget. The subcommittee consists of members from Sonoma Water, Town of Windsor, City of Cotati, City of Santa Rosa, North Marin Water District, Marin Municipal Water District and Valley of the Moon Water District. The subcommittee has held two meetings and will possibly hold one more. They expect to complete the budget review work in the next two weeks in preparation of a final recommendation.

12. Biological Opinion Status Update

Pam Jeane, SCWA.

**Fish Flow Project:** Sonoma Water continues to work on the Draft Environmental Impact Report.

**Dry Creek Habitat Enhancement Project:** Required Phase III work was completed in 2020 by Hanford. There are still two more elements of Phase III work to be constructed in 2021 and Hanford also completed some maintenance work last year. Sonoma Water has been conducting physical and biological surveys on sites that have been created and/or maintained. Work with Army Corps of Engineers continues and is proceeding well, Sonoma Water is looking at construction of Phase IV projects starting next summer. Sonoma Water and the Corps are reviewing the 99% design documents and

finishing the right-of-way work that needs to be done. The bid package will go out soon and will possibly contain the work to be completed in 2021 or 2022.

**Fish Monitoring:** Sonoma Water was able to accomplish most of their objectives for fish monitoring in 2020 despite the various challenges of Covid-19 and wildfires.

**Russian River Estuary Management Projects:** There were eight closures in 2020 and two of them were during the management season (May 15-Oct 15). Sonoma Water expects to submit the draft 2021 Adaptive Management Plan by April 1, 2021.

**Interim Flow Changes:** The Temporary Urgency Change Order issued on July 28, 2020 expired December 27, 2020. Sonoma Water staff filed a Temporary Urgency Change Petition January 7, 2021. The petition was noticed January 19, 2021 and an Order from the State Water Board is pending. No public comments.

13. PVP Relicensing Update

Pam Jeanne, SCWA. The Planning Agreement Partners filed with Federal Energy Regulatory Commission the responses to comments on the Initial Study Report on December 14, 2020. FERC was supposed to release study plans in mid-January 2021, but they have not finalized a study plan. There was a Huffman Ad Hoc meeting in late January and the meeting was intended to be an opportunity to go over the study plan determination which is not ready yet but they discussed a number of items they are working on. No public comments.

14. Emergency Training and Coordination (ETC) Subcommittee Update

Steven Hancock, Sonoma Water.

- a) **Mutual Aid and Assistance Program-** The two key areas to put in place to enhance interagency operations are a Mutual Aid and Assistance Program (MAAP) and Emergency Alert Notification System. MAAP will provide quick sharing of emergency assistance in the form of personnel, equipment, materials, or other associated services across agencies during emergency events. Draft of the program is currently under review with the ETC and will go to each of the agencies' legal for review. Once that is completed it will go to TAC and WAC by June 30, 2021 for approval. Once WAC approves it, the ETC will support the formal adoption of the MAAP.
- b) **Emergency Alert Notification-** One of the biggest takeaways from initial conversations with the Emergency Training and Coordination subcommittee was timely communication and getting effective communication from Sonoma Water to the water contractors. Sonoma Water has completed system reviews and implemented an alert system called Sonoma Water Alert System that will send alerts to staff on multiple devices simultaneously; receive responses and track results. It will also automatically call individuals and connect them to a conference bridge or schedule automatic alerts and reminders. Sonoma Water will be the main user and administrator. The system will be used by both management and operational levels and is anticipated to be online March 15, 2021. No public comments.

15. Items for Next Agenda

Approve FY 2021-22 SCWA WTS Budget

16. Check Out

Meeting adjourned at 10:53 am

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# North Bay Watershed Association

## Board Meeting - Agenda

April 2 | 9:30 – 11:30 a.m.

IN ACCORDANCE WITH THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 WHICH SUSPENDS CERTAIN REQUIREMENTS OF THE BROWN ACT, THIS MEETING WILL BE HELD VIRTUALLY VIA REMOTE CONFERENCING SERVICE — NO PHYSICAL MEETING LOCATION

### Zoom Meeting:

<https://us02web.zoom.us/j/89045973861?pwd=NnFYMzFLK2JsZlFhZQ2cndIN3Uvdz09>

**Meeting ID:** 890 4597 3861 **Password:** 465908

**Dial by your location** find your local number:

<https://us02web.zoom.us/j/kdfFE2pR1G>

Agenda and materials will be available the day of the meeting at:  
[www.nbwatershed.org](http://www.nbwatershed.org)

## AGENDA

Time	Agenda Item	Proposed Action
9:30	<b>Welcome and Call to Order – Roll Call and Introductions</b> <i>Jack Gibson, Chair</i>	N/A
9:35	<b>General Public Comments</b> This time is reserved for the public to address the Committee about matters NOT on the agenda and within the jurisdiction of the Committee.	N/A
9:40	<b>Agenda Review and Approve Past Meeting Minutes</b> <i>Jack Gibson, Chair</i>	Approve
9:45	<b>Treasure's Report</b> <i>Jack Gibson, Chair</i>	Accept
9:50	<b>Guest Presentations – One Water North Bay Communities: Public Engagement, Programs and Activities (Virtual and Distanced) for Spring 2021</b> <i>Sustainable Solano, Napa Resource Conservation District, Sonoma Ecology Center, Friends of the Petaluma River, Marin County Stormwater Pollution Prevention Program, San Rafael Sustainability Program</i> As our region emerges from winter and a year of relative seclusion, representatives from six dynamic organizations in the North Bay will share their plans for offering our watershed communities opportunities for environmental education, awareness, and activities this Earth Day and Spring 2021.	Consider regional collaborations and promotions
10:50	<b>Draft FY 2021/2022 NBWA Work Plan</b> <i>Andy Rodgers, Executive Director</i>	Input/feedback

11:00	<b>Executive Director Report</b> <i>Andy Rodgers, Executive Director</i>  Andy will provide an update on active projects, communications, committees, activities, and developing initiatives since the March 5 Board meeting.	Questions/input
11:05	<b>Board Information Exchange</b> <i>Members</i>  Members will highlight issues and share items of interest.	N/A
11:15	<b>Agenda Items for Future Meetings</b> <i>Andy Rodgers, Executive Director</i>  Andy will outline ideas for next and future Board meeting topics and solicit feedback.	N/A
11:25	<b>Announcements/Adjourn</b> <b>Next Board Meeting: May 7, 2021</b>	N/A

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**DISBURSEMENTS - DATED MARCH 18, 2021**

Date Prepared 3/16/21

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

Seq	Payable To	For	Amount
1	Able Tire & Brake	Tire Repair (JD Backhoe)	\$156.40
2	ACI Payments C/O Biller Returns	Return Payment - Can't Locate Account	115.41
3	Alpha Analytical Labs	Lab Testing	644.00
4	Alphagraphics Marin	W.M. Water Rate Study Postcards (702)	845.95
5	Arrow Benefits Group	February Dental Expense	870.04
6	Asbury Environmental Services	Oily Solids Disposal	306.42
7	Blaevoet, Jeffrey	Novato "Washer Rebate" Program	50.00
8	Boucher Law	Jan Labor & Employment Law Matters	4,142.50
9	Buck's Saw Service	Chainsaw Parts	147.26
10	Building Supply Center	Bulbs (2), Hose (\$44) & Nozzles	82.20
11	Chandrasekera, Carmela	Retiree Exp Reimb (Mar Health Ins)	1,063.97
12	Charles Custom Welding	Welding Services	2,030.00
13	Cilia, Joseph	Retiree Exp Reimb (Mar Health Ins)	372.37
14	Clipper Direct	April Commuter Benefit Program	49.00
15	Cummings Trucking	Sand (16 yds) (\$350) & Rock (17 yds) (\$245)	595.00
16	DataTree	February Subscription to Parcel Data Info	100.00
17	EKI Environment & Water	Prog Pymt#4: Prepare 2020 Urban Water Management Plan Update (Balance Remaining on Contract \$21,954)	6,651.06
18	E & M	Wonderware Support Renewal for License #2	3,850.00
19	Environmental Resource Assoc	Performance Testing Study (Lab)	746.39
20	Ericksen, Todd L.	Novato "Toilet Rebate" Program	300.00

Seq	Payable To	For	Amount
21	Frontier Communications	Leased Lines	1,606.91
22	Grainger	Sheet Stock (2-48' x 6') (\$236) (STP) Paint Brushes (5) (\$114), Hip Waders (2) (\$232), Rubber Boots (2) (\$224) (STP), Construction Film (2) (\$304), Plumbing Supplies (\$251) (STP), Anti-Fatigue Mat (\$151) & Cordless Hammer Drill (\$275)	1,786.69
23	Hardy Diagnostics	Culture Controls (Lab)	171.79
24	Hildebrand Consulting	Prog Pymt#5: West Marin Water Rate Study 2021 (Balance Remaining on Contract \$2,310)	3,570.00
25	Jackson, David	Retiree Exp Reimb (Mar Health Ins)	1,063.97
26	Latanyshyn, Roman	Retiree Exp Reimb (Mar Health Ins)	372.37
27	Lemos, Kerry	Retiree Exp Reimb (Mar Health Ins)	1,063.97
28	Manzoni, Alicia	Retiree Exp Reimb (Mar Health Ins)	1,063.97
29	Marin Landscape Materials	Quik Mix (42 bags) (\$305) & Concrete (1 yd) (\$326)	630.82
30	Marin County Recorder	Replenish Draw Down Account for Official Record Copies	200.00
31	Marin County Ford	Service Parts ('20 F150), Cup Holder & Tire Sensors (2) ('12 F250) (\$281)	354.96
32	McLellan, WK	Misc Paving	15,735.79
33	Michael Baker International	Prog Pymt#6: Engineering Services-Prepare Additional Inundation Map & EAP for Stafford Dam (Balance Remaining on Contract \$7,175)	3,496.20
34	North Marin Auto Parts	Oil for Generator, Bulbs, Rags for Auto Shop (\$127), Service Parts ('10 F150) (\$56), Thermostat ('08 Chevy Colorado), Radiator ('08 Chevy Colorado) (\$209) & Fan Clutch ('08 Chevy Colorado) (\$64)	612.59
35	North Bay Gas	Nitrogen (\$121), Breathing Air (STP) & March Cylinder Rental (Lab)	181.00
36	Novato Builders Supply	Parts for Cherry Hill Electrical Enclosure (\$740), Rebar (20) (\$108), Lumber (\$79) & Concrete (\$202)	1,128.82

Seq	Payable To	For	Amount
37	O'Reilly Auto Parts	Brake Cleaner for Fleet (36)	77.73
38	Parkinson Accounting Systems	Accounting Software Support (1/1/21-3/31/21)	1,500.00
39	PES Environmental	Prog Pymt#8: Consulting Services for Gallagher Ranch Well #2 Project (Balance Remaining on Contract \$27,478)	1,361.50
40	PG&E	Energy Bill for District Apartment (\$13) & Power: Bldgs/Yard (\$3,797), Other (\$128), Pumping (\$32,185), Rectifier/Controls (\$468) & Treatment (\$242)	36,832.81
41	Pini Hardware	Thermostat for Lab (\$73), Parts for Cherry Hill Electrical Enclosure (\$103) & Miscellaneous Maintenance Parts & Supplies (\$427)	603.89
42	R & B	Valves (12) (\$8,927), Elbows (\$290), Adaptors (5) (\$396), Couplings (5) (\$830), Nipples (10) (\$727), Reducers (2) (\$423) & Sales Tax Correction	11,704.84
43	Darlene D. Rhodes	HR Consulting (2/11-2/25/21)	2,625.00
44	Shape Incorporated	Plumbing Supplies (STP)	2,349.03
45	Soiland	Asphalt Recycling (71 tons)	1,432.73
46	Syar Industries	Asphalt (6 tons)	935.28
47	TPx Communications	March Telephone Charges	647.20
48	Uline	Zip Ties for Fire Services (200)	201.51
49	Verizon Wireless	SCADA & AMI Collectors (\$650)	810.86
50	VWR International	Autoclave Deodorants (100), Flask (\$84), Sulfuric Acid & Parafilm (\$73) (Lab)	281.96
51	Waste Management	Green Waste Disposal	1,077.28

Seq	Payable To	For	Amount
52	Winzer	Grinding Disks for Shop (40)	258.22
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$118,857.66</u></b>

The foregoing payroll and accounts payable vouchers totaling \$118,857.66 are hereby approved and authorized for payment.

Julie Blue 03/16/2021  
Auditor-Controller Date

[Signature] 3/16/2021  
General Manager Date

## **DISBURSEMENTS - DATED MARCH 25, 2021**

Date Prepared 3/23/21

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 3/15/21	\$143,086.92
90366*	Internal Revenue Service	Federal & FICA Taxes PPE 3/15/21	64,835.98
90367*	State of California	State Taxes & SDI PPE 3/15/21	14,609.70
90368*	CalPERS	Pension Contribution PPE 3/15/21	38,528.70
EFT*	US Bank	February Bank Analysis Charge (Lockbox \$912 & Other \$311, Less Interest \$64)	\$1,158.29
1	Alpha Analytical Labs	Lab Testing	1,180.00
2	Amazon/Genuine-Hardware	Chlorine Reagent Powder Pillows (2,000) (\$437) (STP), Infrared Micro Sterilizer (\$324) (Lab), Concrete Mixing Mats (4) (\$304), PC Monitor (\$197) & Office Supplies (\$72)	1,333.45
3	American Family Life Ins	March AFLAC Employee Paid Benefit	3,085.53
4	Athens Administrators	February Indemnity Review Fee	105.00
5	AT&T	Leased Lines	66.68
6	Bank of Marin	Bank of Marin Loan Principal & Interest - Aqueduct Energy Efficiency Project (Pymt #113 of 240)	46,066.67
7	Battle Born Media	Water Conservation Ad Novato Advance City Guide - 02/24/21	550.00
8	Bay Area Barricade Service	Stop/Slow (8) (\$380) & Cone Signs (16) (\$309)	688.75
9	Bay Area Air Quality Mgmt Dist	Permit Fee for STP Generators	406.00
10	California Water Service	Water Service (O.M.) (1/1/21-3/1/21) (0ccf)	59.24
11	Calpico	Sleeves for Cadweld (100)	65.10
12	Cassettari, Alison	Refund Overpayment on Closed Account	42.08
13	Clark, Robert E.	Exp Reimb: Phone Case & Screen Protector	58.75

Seq	Payable To	For	Amount
14	Comcast	March Internet Connection	144.92
15	Cresco Equipment Rentals	Asphalt Cutters (4)	326.67
16	Dell Computers	Laptops (2) (Ramudo & Admin)	3,634.71
17	Diesel Direct West	Diesel (300 gal) (\$1,170) & Gasoline (1,151 gal) (\$4,125)	5,294.91
18	Fishman Supply	Leather Gloves (2) (\$141) & Safety Gloves (48) (\$149), Ear Plugs (200) & Safety Glasses (12)	385.10
19	GHD	Prog Pymt#3: Old Ranch Rd Tank No. 2 Design Services (\$50,542) (Balance Remaining on Contract \$40,225) & Prog Pymt#32: PRE Water Tank 4A Replacement (\$3,366) (Balance Remaining on Contract \$9,171)	53,908.02
20	Ghilotti Construction	Prog Pymt#4: Progress Billing-Repair Services on Center Road (Balance Remaining on Contract \$63,486)	11,802.68
21	Grainger	Starter Contacts for PRTP (\$663) & Miscellaneous Maintenance Tools & Supplies (\$631)	1,294.53
22	Green, Eric	Refund Overpayment on Open Account	99.34
23	Grisso, Ryan	Exp Reimb: Phone Case w/Screen Protector	15.28
24	HERC Rentals	Utility Truck (4 Weeks) (\$2,785) & Concrete Saw Rentals (1 Day) (\$297)	3,081.98
25	Holton, Nancy	Exp Reimb: Office Supplies for Working Remotely	88.75
26	InfoSend	February Processing Fee for Water Bills (\$1,210), Postage (\$3,360) & February Monthly Support Fee (\$897)	5,467.49
27		Vision Reimbursement	344.35
28	Kapus, Catherine & Sean	Refund Overpayment on Closed Account	155.61
29	Kiosk Creative	Prog Pymt#18: District Directed Communication Action (\$2,719) (Balance Remaining on Contract \$20,791) & Water Conservation Ad for the Novato Advance (\$499)	3,217.50
30	Lincoln Life	Deferred Compensation PPE 3/15/21	8,390.60



Seq	Payable To	For	Amount
31	Marin Independent Journal	Ad: Invitation to Bid on Stafford Treatment Plant Coat Top Concrete Clearwells Project on 2/8/21	228.76
32	Marin County Registrar of Voters	Election Setup Fee (11/3/20)	250.00
33	Nationwide Retirement Solution	Deferred Compensation PPE 3/15/21	920.00
34	Nguyen, Bong T.	Refund Excess Advance Over Actual Pre-Agreement Engineering Job Costs. (Project Cancelled by Applicant)	4,595.10
35		Vision Reimbursement	184.00
36	Pace Supply	4" Pressure Regulators (2)	7,187.91
37	Parkinson Accounting Systems	February Accounting Software Support	438.75
38	Piazza Construction	Prog Pymt#9: PRE Tank 4A Replacement Project (Balance Remaining on Contract \$134,653)	33,413.53
39	Piazza Construction Escrow Acct	5% Retainer: Piazza Construction-PRE Tank #4A Replacement	1,758.61
40	Point Reyes Light	Legal Notice: Summary of Proposed Amendment to Ordinance No. 39	166.50
41	Point Reyes Prop Mgmt Assn	March HOA Fee (25 Giacomini Rd)	75.05
42	Recology Sonoma Marin	February Trash Removal	541.78
43	Red Wing Shoe Store	Safety Boots (Rupp, Kauwe & Arendell)	590.19
44	Rock, Joan	Refund Overpayment on Closed Account	47.90
45	Ryder Homes	Refund Security Deposit on Hydrant Meter Less Final Bill	623.43
46	Sciullo, Marcella Di	Refund Overpayment on Closed Account	49.70
47	Scott Technology Group	Monthly Maintenance on Engineering Copier (3/21-4/20/21)	183.16
48	Soiland	Asphalt Recycling (40 tons)	662.52
49	Sonoma County Water Agency	Conservation Support Program (7/1/20-9/30/20)	593.37
50	SPG Solar	February Energy Delivered Under Solar Services Agreement	9,443.77

Seq	Payable To	For	Amount
51	Syar Industries	Pea & Sand (24 tons)	951.58
52	Township Building Services	February Janitorial Services	2,035.48
53	Univar	Sodium Bisulfite (11,000 lbs) (STP)	4,950.00
54	US Bank	February Safekeeping Treasury Securities	72.00
55	Wood Rodgers	Prog Pymt#3: Provide Engineering & Hydrogeological Services (Balance Remaining on Contract \$24,381)	24.81
56	Zucchi, Anne	Novato "Toilet Rebate" Program	200.00
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$483,767.18</u></b>

The foregoing payroll and accounts payable vouchers totaling \$483,767.18 are hereby approved and authorized for payment.

Julie Blue 03/23/2021  
Auditor-Controller Date

[Signature] 3/23/2021  
General Manager Date

## ***DISBURSEMENTS - DATED APRIL 1, 2021***

Date Prepared 3/30/21

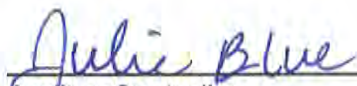
The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

<b>Seq</b>	<b>Payable To</b>	<b>For</b>	<b>Amount</b>
90369*	CalPERs	April Health Insurance Premium (Employer \$47,787, Retirees \$12,485 & Employee Contribution \$10,371)	\$70,642.80
90370*	US Bank Card	GFOA Class Registration (\$35) (Blue), Aatrix Filing for ACA Forms (\$131), Corrected W2 for Retired Employee (\$15) & Zoom for Board Meetings (\$13) (Less Credit of \$30 Received for Refund on SSL Renewal)	\$164.14
1	Alpha Analytical Labs	Lab Testing	2,095.00
2	Alphagraphics Marin	Postage for Novato 2021 Spring Waterline	3,276.00
3	Arrow Benefits Group	March Dental Admin Fee	265.55
4	AT&T	March Internet Connection	90.25
5	Backflow Distributors	Backflow Parts (\$499) & Freeze Bags for Backflow (4) (\$298)	797.46
6	Bay Alarm	Quarterly Fire Alarm Monitoring Fee (STP) (4/1-7/1/21)	338.19
7	Bold & Polisner	February Legal Fees-General (\$8,009) & Potter Valley FERC - NMWD Portion (\$427)	8,436.25
8	Charles Custom Welding	Welding Services - Check Reissue	2,030.00
9	Core Utilities	Consulting Services: February IT Support (\$6,000), SCADA Programming for PRTP (\$650), CORE Billing Maintenance (\$2,450) & Consulting for New Building Wiring, Server Room & Internet (\$100)	9,200.00
10	Dell Computers	PC for PRTP	1,029.43
11	DeMartini, Paul	Novato "Toilet Rebate" Program	200.00
12	Fiserv/Bastogne	Return Payment-Unable to Locate Account	100.25

Seq	Payable To	For	Amount
13	Fishman Supply	Rain Jacket	75.46
14	Friedman's Home Improvement	Fence Parts for O.M. Irrigation Field (\$158) & Tools for E/M Truck (\$171)	328.94
15	Grainger	Miscellaneous Maintenance Tools & Supplies	1,202.22
16	Grante, Joanne	Novato "Toilet Rebate" Program	100.00
17	Federated Indians of Graton Rancheria	Native American Monitoring for San Mateo Tank Pipeline Project	457.92
18	JW Mobile	Hydraulic Hoses (8)	293.56
19	McLellan, WK	Misc Paving	18,942.53
20	McConnell, Sean	Novato "Washer "Rebate" Program	50.00
21	Miller Pacific Engineering	Prog Pymt#13: PRE Tank 4A Replacement Project (Balance Remaining on Contract \$26,746)	4,162.50
22	Mutual of Omaha	April Group Life Insurance Premium	960.45
23	Novato Sanitary District	December 2020 RW Operating Expense (\$10,532) & Semi-Annual Billing for Yard/Office Sewer Charge (20/21) (\$2,316)	12,847.75
24	O'Reilly Auto Parts	Car Wash for Fleet (6)	58.52
25	Pace Supply	Meter Stops (4) (\$936), Tracer Wire (1,000') (\$319), 6" Ford Clamps (2) (\$1,489), Unions (7) (\$147), Pit Pump (\$175), Nipples (30) (\$370), Pipe (433') (\$3,794), Elbows (4), Bushings (5), Couplings (23) (\$2,815), Plugs (12) (\$383), Service Saddles (10) (\$595), Meter Boxes (28) (\$729), Bolts (23), Reducers (3), Corp Stops (10) (\$553) & Monster Thread Tape (12) (\$150) (Less Credit of \$324 Received for Returned Parts)	12,209.19
26	Peterson Trucks	Install Engine Emission Label ('02 Int'l Dump Truck)	284.00
27	Point Reyes Light	Subscription Renewal (1/21-1/23) (Budget \$120)	119.00
28	Pollard Water	Meter Coupling Wrench	292.14

Seq	Payable To	For	Amount
29	Poncia Fertilizer	Hauling of STP Sludge (49 Loads)	9,800.00
30	R & B	Caps (2) (\$183), Couplings (11) (\$3,835), Ball Valves (13) (\$92), Double Check Backflows (2) (\$1,074) & Service Saddles (4) (\$633)	5,817.25
31	Sarfert, Leslie	Refund Overpayment on Closed Account	54.00
32	Soiland	Rock (24 tons)	478.98
33	S-Scapes	Annual Backflow Testing Services for District Owned DC Assemblies (160)	9,600.00
34	Syar Industries	Pea & Sand (24 tons)	951.98
35	Target Solutions Learning	Annual H2O Know Training Platform Software for All Departments	6,084.21
36	USA BlueBook	Injection Nozzles (2) (STP)	837.84
37	VWR International	Dehydrated Alcohol (\$130), Mediums for Lab (2) (\$537) & Chloride Standard (Lab)	699.65
38	Waste Management	Green Waste Removal	119.21
<b>TOTAL DISBURSEMENTS</b>			<b><u>\$185,492.62</u></b>

The foregoing payroll and accounts payable vouchers totaling \$185,492.62 are hereby approved and authorized for payment.

  
Auditor-Controller

03/30/21  
Date

  
General Manager

3/30/21  
Date

## MEMORANDUM

To: Board of Directors

April 2, 2021

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

Subj: Update – Polybutylene Pipe Population  
t:\ac\board reports\board memos\2021\pb population update fy21.docx

**RECOMMENDED ACTION:** None

**FINANCIAL IMPACT:** None

In December 2010 the final product liability settlement agreement was reached with the manufacturers, extruders, and distributors of Polybutylene (PB) pipe in regards to premature failure of PB pipe. A 2011 Memorandum recounting the liability claim settlement is attached (Attachment A). This memo provides the status of the replacement plan of PB pipe.

To date the District has replaced 92% of the installed PB pipe population. Attachment B shows that the PB pipe annual failure rate jumped to over 3% of the population beginning in FY08, and has steadily climbed running at an average of 12% in the last 5 fiscal years. Assuming the failure rate remains constant at 12% and 60 services are pre-emptively replaced annually, the entire PB population will be replaced by 2026 (Attachment C).

Note on Attachment D that the number of failures occurring annually over the past 25 years averaged 94 per year. The number of failures occurring annually over the past 10 years averaged 119 per year, demonstrating that the pipe has reached the end of its useful life and that maintaining the planned replacement program is worthwhile.



## MEMORANDUM

To: Board of Directors

April 1, 2011

From: David L. Bentley, Auditor-Controller

Subj: Information – Polybutylene Pipe Product Liability Claim Close  
t:\aclword\pb\pb claim close.docx

The District's polybutylene (PB) pipe product liability claim settlement agreement with Shell Oil concluded in December 2010. Following is a wrap-up report.

### Background

The District began using PB pipe in place of copper for its service line installations in fiscal year 1970/71. PB pipe sold for pennies on the dollar compared to copper, and was warranted to have the same life as copper. The District installed 6,510 PB services through FY1984/85. Commencing in the early 1980s the District began to recognize an increasing rate of premature failure in the PB service lines, primarily cracking and pinholes near the main and meter fittings, but also longitudinally along the center of the span. Response from the manufacturer was that the District was not installing the product correctly.

Crews experimented with a variety of installation techniques, yet the failures escalated. Circa 1985/86, the District learned about a product liability claim by the City of San Antonio, Texas, regarding PB pipe. The District contacted San Antonio's legal counsel, accumulated data, and filed claim against the manufacturers, extruders, and distributors of PB pipe, as well as the manufacturers of compression fittings used for installation of the pipe. The District's claim asserted that the pipe is "subject to failure in the nature of cracking, splitting, shearing and pinholing, the pipe is not durable, prematurely deteriorates and decays, and is wholly unsatisfactory for use in the District's water distribution system." Six years later, settlement was reached with all seven defendants. Cash settlement money received totaled \$1,088,500.

### Resin Manufacturers

Mobil Oil (1,718 services installed 1971-73).....	\$100,000
Witco (2,100 services installed 1974-78) .....	495,000
Shell Oil (2,326 services installed 1978-85) .....	42,000

### Extruder

Wesflex .....	100,000
---------------	---------

### Distributor

P.E. O'Hair .....	175,000
-------------------	---------

### Fittings Manufacturers

Ford Meter Box .....	150,000
Mueller .....	26,500

Total settlement money received .....	<u>\$1,088,500</u>
---------------------------------------	--------------------

### Prospective Agreements

In addition to the cash settlements, the District entered into prospective agreements with Shell Oil and P.E. O'Hair for further reimbursement. Shell Oil agreed to share in the cost of replacement of certain PB failures occurring in pipe installed after July 1, 1978 (the date Shell assumed ownership of the resin manufacturing company) through 2010. In addition, P.E. O'Hair agreed to sell the District \$175,000 of Type K copper service line at its wholesale cost. The amount received from these defendants under the prospective agreements (now concluded) totaled \$214,504.

Shell Oil reimbursement.....	\$195,691
P.E. O'Hair wholesale discount .....	<u>18,813</u>
Received under prospective agreements.....	<u>\$214,504</u>

The District installed 2,326 services with Shell PB resin from July 1978 through December 1985. Since the settlement with Shell, the District experienced 423 Shell service line failures subject to reimbursement. Total settlement and prospective agreement money received was \$1,303,004.

Total settlement money received.....	\$1,088,500
Received under prospective agreements .....	<u>214,504</u>
Total settlement .....	<u>\$1,303,004</u>

### Cost of Litigation

The District spent \$393,061 in legal and expert witness fees to obtain the settlements achieved. Staff time incurred in researching and documenting the claim, the majority of which was expended by Chief Engineer Jim Fritz, and miscellaneous other expenses, totaled \$65,521. Staff time does not include District administrative staff, which was not accounted for separately.

#### Legal Expense:

Edward L. Kurth, Attorney at Law.....	\$38,679
Jones Kurth & Treat .....	90,673
Sawtelle Goode et al .....	204,731
Bold & Polisner .....	26,111
Bianchi Engel et al .....	11,112
Ragghianti Lusse et al.....	6,350
Expert Witness Fees .....	<u>15,406</u>
Total Legal Expense .....	<u>\$393,061</u>

#### Staff & Other Miscellaneous Expense:

Staff time.....	\$62,468
Other miscellaneous expense .....	<u>3,053</u>
Total Staff & Other .....	<u>\$65,521</u>

Total Legal & Staff Expense .....	<u>\$458,583</u>
-----------------------------------	------------------

### Damages Incurred

From 1971 through 1985, the District installed 6,143 PB services. In addition, 367 PB services that failed prior to 1986, before the problem was identified as a defective product, were replaced with new PB. Through June 30, 2010, the District suffered 2,012 service line failures and replaced 1,825 services on a pre-emptive basis (i.e., replacement prior to failure). Thus, there are 2,306 PB services remaining in the system. The repair and replacement cost of the PB thus far has been:

		Avg cost per service
PB Replacement Expense through 6/30/10		
1,645 Emergency Repairs (Post 1985).....	\$3,174,089	\$1,930
367 Emergency Repairs (Pre 1985) <sup>1</sup> .....	500,000	1,362
1,825 Pre-emptive Replacements .....	<u>1,721,674</u>	<u>943</u>
Total PB Replacement Expense to date .....	\$5,395,763	\$1,406

### Estimated Future Damages

The District has replaced 59% of the installed PB pipe population. Attachment A shows that the PB pipe annual failure rate jumped to over 3% of the population beginning in FY08 and has remained there, running in excess of 3% again in FY11. The Novato Water System Master Plan forecasts replacement of 100 PB services annually, up from the historical average of 70 per year as shown on Attachment B. Assuming the failure rate remains constant at 3% and 100 services are pre-emptively replaced annually, 740 additional failures will occur over the next 19 years, at which time the entire PB population will have been replaced. This forecast exceeds the 22 year period based on the historical trend (Attachment C).

The average cost to repair a service on a pre-emptive basis was \$1,453 over the past five years, compared to \$2,622 when done on an emergency basis. The District therefore faces another \$4,700,000<sup>2</sup> in estimated future cost to replace the remaining PB services. To recap:

#### Cost:

PB Repair Cost Incurred to Date .....	\$5,395,763
Expected Future PB Repair Cost .....	<u>4,700,000</u>
Subtotal.....	\$10,095,763
Cost to Wage Lawsuit .....	<u>458,583</u>
Total Cost .....	\$10,554,346

#### Cost Recovery:

Money Received from Lawsuit .....	\$1,303,004
Net Out-Of-Pocket	
Due to Defective PB Product.....	<u>\$9,251,342</u>

### Path Forward

<sup>1</sup> Amount is estimated - actual cost of emergency PB repairs prior to 1985 was not accounted for separately.

<sup>2</sup> Pre-emptive replacement of 1,900 services at \$1,453 plus emergency replacement of 740 services at \$2,622 = \$4,700,980.

The cost of repairing a service on a planned pre-emptive basis averaged \$1,453 over the past five years, compared to \$2,622 when done on an emergency basis. Obviously it is advantageous to replace services in mass on a pre-emptive basis in those areas where frequent failure is experienced.

Note on Attachment D that the number of failures occurring annually over the past 25 years is trending upward, and averaged over 100 during the past three years. This is a 67% increase over the prior 10-year period, suggesting that the pipe is reaching the end of its useful life and that maintaining the planned replacement program is worthwhile. Note the contrast with copper service line failures, which, as a percentage of the population of pipe in the ground, are remaining relatively constant at less than 0.5%, while PB failures over the past five years have spiked to 3% (Attachment E).

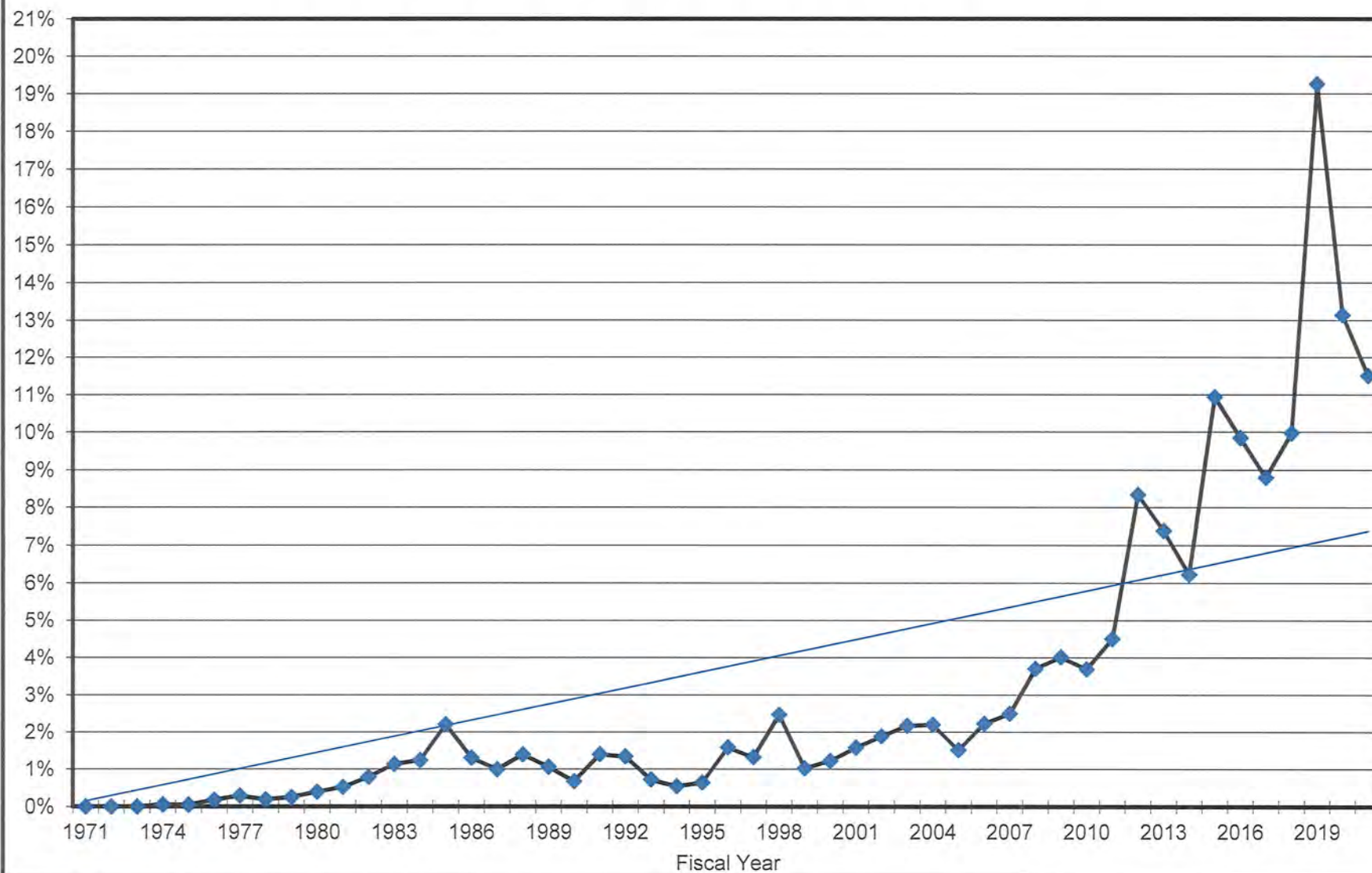
However, the rate of Shell pipe failures, tracked separately under the settlement agreement, is declining (Attachment F). This gives some credence to Shell's argument that the resin formula and extrusion process was corrected under their ownership so that the premature failure problem was resolved. In fact, over 80% of the installed Shell pipe remains in service<sup>3</sup>. T

Therefore, the preplanned replacements will be targeted to replace the Mobil and Witco services installed between 1971 and 1978. We will continue to monitor the Shell pipe failures before moving to pre-emptively replace them.

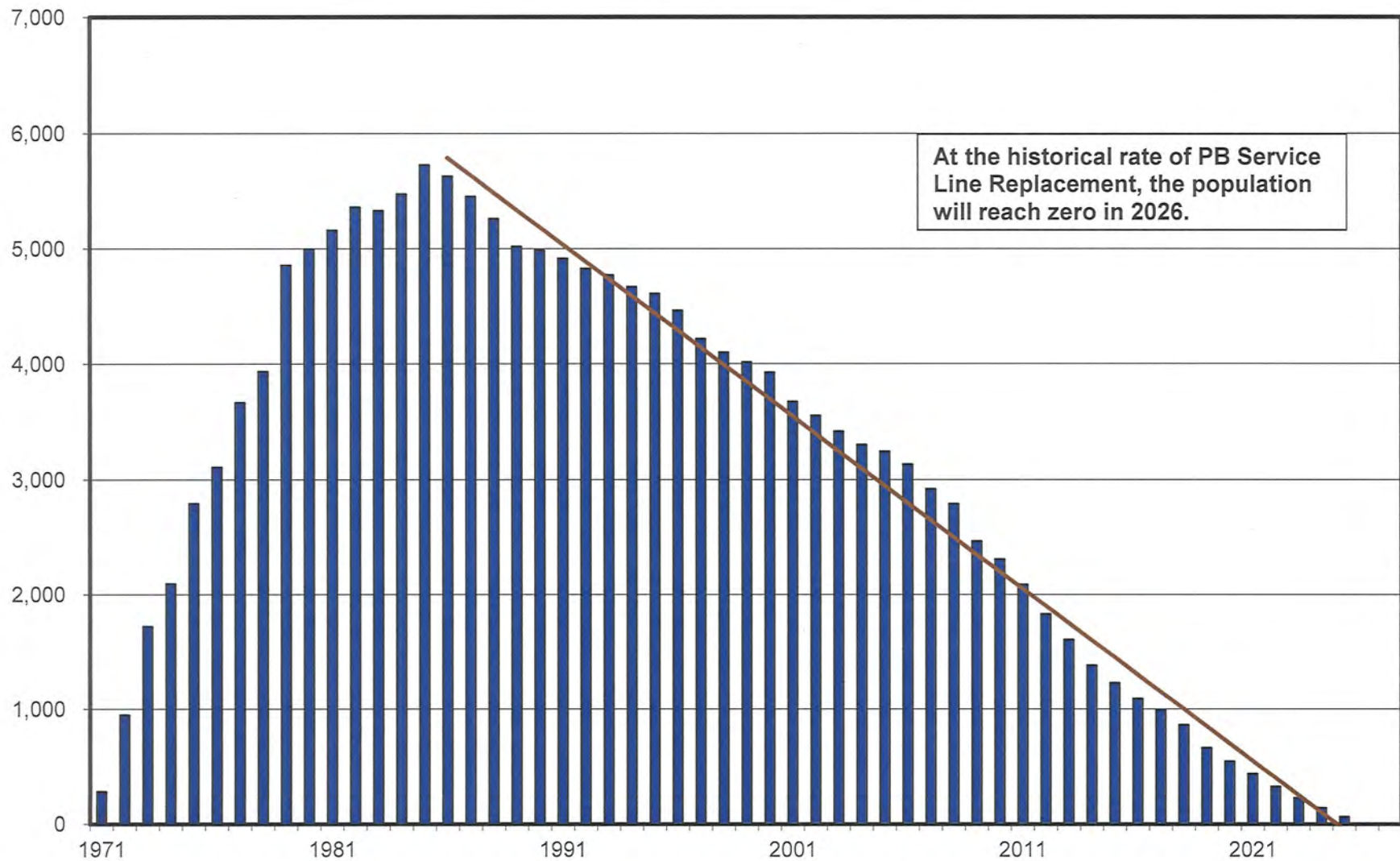
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<sup>3</sup> Services installed with Shell resin comprised 2,326 (36%) of the 6,510 total PB services installed. At 6/30/10 Shell's 1,891 remaining services comprised 71% of the 2,673 PB services remaining.

### % of Polybutylene Pipe Population Failing by Fiscal Year

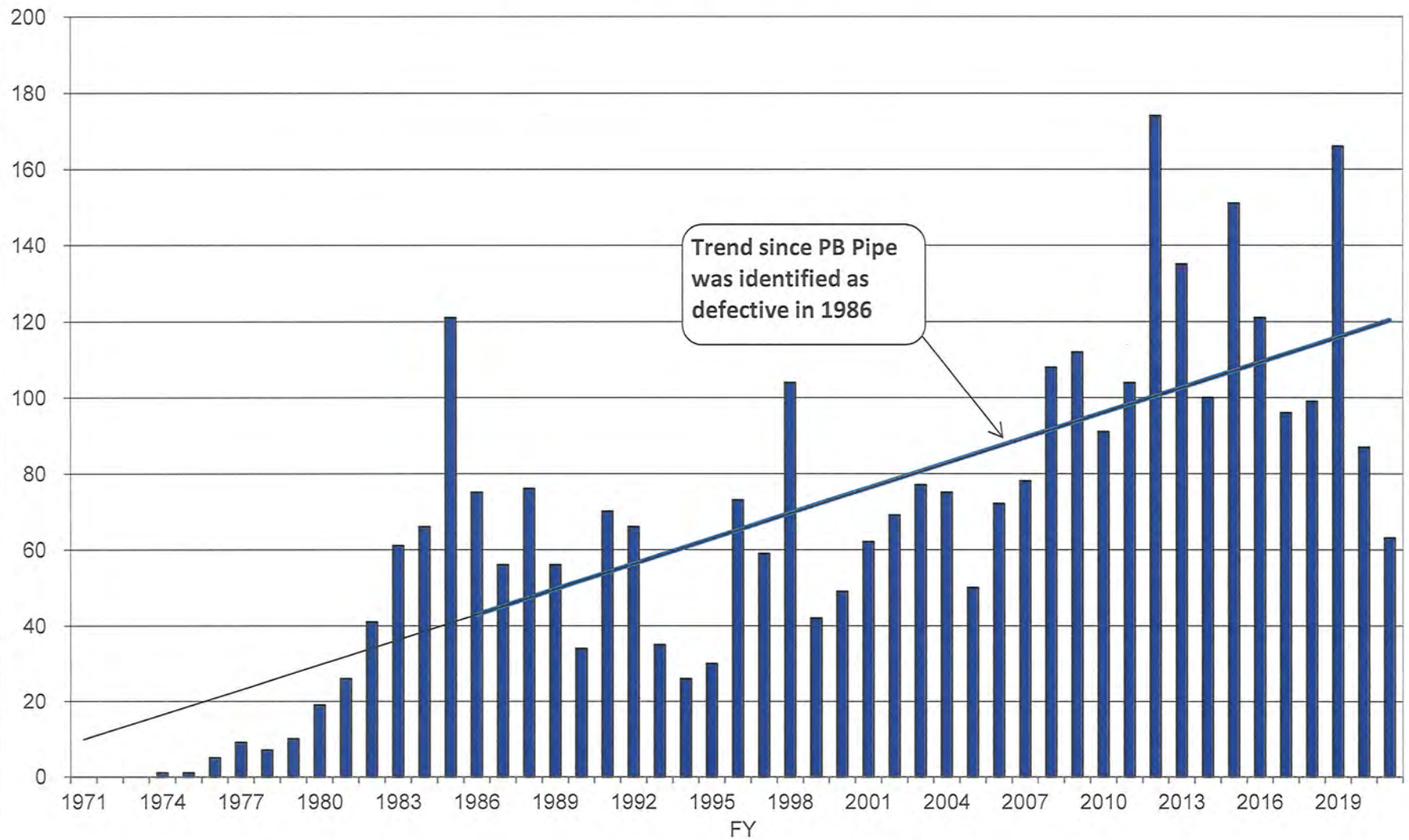


### NMWD Polybutylene Pipe Service Line Population





### Polybutylene Pipe Failures by Fiscal Year



# AB 992 Summary

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In September 2020, the California Legislature enacted AB 992 to clearly express how local agency officials may utilize social media platforms in discussing agency-related matters consistent with existing laws. Under Government Code 54952.2(b)(3)(B), the applicable social media platforms include online services which are open and accessible to the public at large, allow for participation of the general public, and are free of charge (e.g. Facebook, Twitter, Snapchat, Reddit, etc.). The new law does not address services which are not available to the public at large, including dating websites, NextDoor, and other limited access, or paid services. The new rules took effect immediately upon adoption and are set to expire on January 1, 2026.

Pursuant to Government Code 54952.2(b)(3)(A), individual Board members may utilize social media platforms to answer questions, provide information to the public, or seek public input on District matters so long as a majority of the members don't "discuss among themselves" District business on the social media platform. The new section, however, prohibits even a single Board member from "responding directly" to another Board member's communication on a social media platform concerning District matters. This second provision prohibits discussion of District-related matters between two Board members on social media, regardless of the number of members equaling a Board majority. In this way, the new social media provisions are more strict than current law affecting email, phone, and other electronic communications.

## Practical Takeaways

- If the subject regards District-related matters, Board members may not comment on each other's Facebook pages, Twitter pages, etc.
  - This includes "liking" a comment or post; giving a "thumbs up" emoji; or "retweeting" another Board member's post or comments.
- Each Board member can separately communicate with the public to answer constituent questions, provide information related to the District, or seek public feedback on a District-related matter.
- A Board member may not respond via direct private message to another Board member's post on a District-related matter.
- Other private online services that require a fee to join; or which restrict public access, are not impacted by the law as presented (e.g. dating websites such as eHarmony, NextDoor, or other special interest online services that restrict membership or charge a fee).

---

**From:** Robert Johnston <rajohnston@ucdavis.edu>  
**Sent:** Monday, February 22, 2021 12:15 PM  
**To:** Info NMWD  
**Cc:** jfried@marinlafco.org; David Lewis; klevin13@gmail.com; 'drodoni@marincounty.org'  
**Subject:** Please Forward This to the Board

Dear NMWD Board:

Re. Please Deannex Your Ag Customers on the Tomales Bay Eastshore That Are Not Currently Served

I am a resident of Inverness Park and am not on NMWD water service. I do, however, have an interest in long-term water availability in Point Reyes Station and nearby. I am a retired professor of environmental planning, have been a local planning commissioner in two California cities, and am on a State conservancy board.

With droughts becoming more frequent, NMWD should reduce the growth assumptions in its plans and stop extending service to new land use activities where possible, in its operations. Specifically, please deannex the ranches N. of R. Giacomini's dairy that are within your service boundary. Your customers/voters do not want to encourage new vineyards or dairies in this area. Generally, customers paying taxes within service districts have a right to service, eventually, and so it is wiser to reduce your service area first. The LAFCO started a process to examine this issue several years ago, but I think the turnover of directors got in the way.

I copy the LAFCO officer here. Our LAFCO may respond to the underlying State laws urging LAFCOs to merge redundant special districts and to have districts deannex parcels where services would be growth-inducing. The Little Hoover Commission report on Special Districts in 2017 recommended that Climate Change Adaptation be an objective for water and other special districts when considering resource projections.

Second, please formally notify your ag customers that State law makes ag water users lower priority than urban users, when rationing becomes necessary. Also, please consider freezing the annual and Fall quarter amounts of water available to those customers at the average of their past use levels during these two periods, to prevent them from developing new water-consuming activities on their properties.

I copy our Supervisor, Dennis Rodoni, here. He is familiar with water service issues. I have asked LAFCO and NMWD staff to bring this issue to their boards a few time for about 8 years, without results. So, I request that this go to your Board.

Thanks for considering my requests. Call if you have questions. I can “appear” in a Zoom meeting, if needed.

Bob

Robert A. Johnston  
415 663-8305 landline  
530 559-0032 cell/text  
P.O. Box 579, Point Reyes  
Station, CA 94956



**CALLING ALL**  
Board Members,  
General Managers,  
Agency Staff, and  
general public

# SHARED SERVICES WORKSHOP

A three hour, interactive workshop introducing successful shared services models in Marin County and how to implement them.

**Thursday, April 29, 2021/ 9:00 a.m. - 12:00 p.m.**

**Zoom I.D.: 856 4653 1266 | Password: 800087**

**Registration is free, but RSVP is appreciated.**

*Intros begin at 9AM, there will be a break in between panels and time for questions throughout each panel and at the end of the workshop.*

## PANEL 1: EXPLORING SUCCESSFUL SHARED SERVICES IN MARIN

Moderated by LAFCo Chair

Sashi McEntee.

Panelists:

Bob McCaskill,

*former Belvedere Councilmember*

Michael Frank,

*MGSA Executive Director*

Todd Cusimano,

*Town Manager of Corte Madera*

## PANEL 2: HOW TO IMPLEMENT A SHARED SERVICES MODEL.

Moderated by LAFCo Executive Officer

Jason Fried.

Panelists:

Cathryn Hilliard,

*Southern Marin Fire Department*

*Board Member*

Betsy Swenerton,

*Marin County Staff and former Murray*

*Park Sewer Maintenance District Staff.*

To register, email [staff@marinlafco.org](mailto:staff@marinlafco.org). Questions for the panel may be submitted early with your RSVP/resigstration

*For more information and a link to Zoom, go to [marinlafco.org/](https://marinlafco.org/)*

BROUGHT TO YOU BY



**Marin County Special  
Districts Association**



**Marin Local Agency Formation Commission**  
*Regional Service Planning | Subdivision of the State of California*

**MCCMC**

Marin County Council of Mayors & Councilmembers





101 Lucas Valley Rd. Suite 300, San Rafael, CA. 94903

Hours of Operation 6:30 am to 3:00 pm

Main Telephone Line – 415-472 -1734

Protecting public health and the environment by providing effective  
wastewater collection, treatment, and recycling services

## District Marks Major Construction Milestone: Completion of Phase 1 of the Secondary Treatment Plant Upgrade and Recycled Water Expansion Project

March 17, 2021

For Immediate Release

Contact: Mike Prinz, General Manager

Las Gallinas Valley Sanitary District

(415) 472-1734

### **District Marks Major Construction Milestone: Completion of Phase 1 of the Secondary Treatment Plant Upgrade and Recycled Water Expansion Project**

#### *Expanded Recycled Water Treatment Facility Begins Delivery of Water*

San Rafael, CA (March 17, 2021) — The Las Gallinas Valley Sanitary District is excited to announce a significant milestone in its multi-year, \$64 million Secondary Treatment Plant Upgrade and Recycled Water Expansion Project. Phase 1 of the project has been completed as of this week.

A key element of Phase 1 is the expansion of the plant's recycled water facility, to effectively quadruple its capacity to over 5 million gallons of water per day. With completion of Phase 1, recycled water delivery from the expanded facility is now underway.

Other Phase 1 work included:

- Rerouting of a force main pipeline
- Construction of aeration basins to expand secondary treatment capacity for flows up to 18 million gallons per day (MGD)
- Construction of a new primary effluent pump station
- Upgrades to the electrical systems at the plant and addition of a new standby generator
- Underground realignment of existing PG&E overhead power, installation of a new utility transformer; and more.



*“The completion of Phase 1 of this major project is really cause for celebration,” said Crystal J. Yezman, President of the District’s Board of Directors. “This is a remarkable achievement in bringing a more drought tolerant water supply to Marin County, and helps position the District as a regional leader in wastewater recycling. We’re proud of achieving this milestone, and we’re looking forward to continuing our hard work to bring the rest of the treatment plant upgrade project to completion in the next couple of years.”*

The expanded recycled water facility replaces the existing Marin Municipal Water District (MMWD) facility on the District site, which reached the end of its useful life. The expansion improves efficiency, increases the water recycling capacity from the previous 1.4 MGD to 5.4 MGD, and lowers the cost-per-gallon to produce recycled water. A large portion of the District’s recycled water is distributed to MMWD and North Marin Water District, which then sell it for use in landscape irrigation, car washes, cooling towers, commercial laundries, and toilet flushing.

With completion of Phase 1 and expansion of the recycled water facility, some components of Phase 2 (of three phases) of the project are well underway. This includes many major elements that will ensure an enhanced, reliable, efficient water treatment facility, to serve the community today and in the future. Phase 2 includes:

- Realignment of a portion of the treatment plant’s perimeter road above sea level rise elevation
- Construction of two new secondary clarifiers
- Upgrading of the Supervisory Control and Data Acquisition (SCADA) system
- Modifications to the existing disinfection system
- Other related work such as grading, fencing, pipelines, landscaping, and paving

The District’s Secondary Treatment Plant Upgrade and Recycled Water Expansion Project, the largest capital improvement project in the District’s history, got underway in early 2019 and is anticipated to continue through 2022.

The Las Gallinas Valley Sanitary Sewer District serves 30,000 customers in the northern San Rafael area and manages approximately 105 miles of sewage collection pipelines. Current LGVSD plans call for increasing capacity in order to serve the present and future residents. In addition to the wastewater treatment plant, the District is also involved in producing recycled water, solar power generation, garbage collection, and a multi-faceted reclamation project which includes a freshwater marsh, irrigated pastures, storage ponds, and a saltwater marsh which provides habitat for wildlife. The reclamation project also provides opportunities for public access and recreation. The LGVSD also provides plant tours and site educational field trips (currently postponed due to the pandemic), and community outreach activities to raise awareness of pollution prevention, water quality, and water conservation. Learn more about the District at [www.lgvsd.org](http://www.lgvsd.org).

###

**NORTH MARIN WATER DISTRICT  
Declaration of a Water Shortage Emergency  
Novato Service Area**

The North Marin Water District Board of Directors has adopted Emergency Water Conservation Ordinance No. 41 for the Novato Service Area, in response to dry year conditions, and in accordance with the Water Shortage Contingency Plan for Greater Novato Area. A Public Hearing was held on March 16, 2021 to consider adoption of Emergency Water Conservation Ordinance No. 41, and was approved by the following votes of the Board:

AYES: Directors Baker, Fraites, Grossi, Joly, Petterie

NOES: None

A full version of the Emergency Water Conservation Ordinance No. 41 is available on the NMWD website at [www.nmwd.com](http://www.nmwd.com). In order to comply with Marin County Health Shelter in Place Order, inspection of the Ordinance will not be available at the District office until such time as the Order is lifted.

Summary:

Emergency Water Conservation Ordinance No. 41 includes a declaration that a water shortage emergency conditions exists within the Novato Service Area, prohibits waste of water, authorizes future suspension of new or enlarged connections to the system via future resolution, authorizes future suspension of non-essential uses of water via future resolution, authorizes the imposition of administrative fines and penalties for violations of the Ordinance, and authorizes the Board of Directors to make subsequent modifications to Ordinance No. 41 by resolution.

A complete list prohibitions of water waste and non-essential uses can be found on the District website at [www.nmwd.com](http://www.nmwd.com)

March 25, 2021

NORTH MARIN WATER DISTRICT  
Amendment of Emergency Water Conservation Ordinance No. 39  
West Marin Service Area

The North Marin Water District Board of Directors has amended Emergency Water Conservation Ordinance No. 39 for the West Marin Service Area in response to continuing dry year conditions on Lagunitas Creek and pursuant to the State Water Resources Control Board Order 95-17 for water right permits issued to North Marin Water District. A Public Hearing was held on March 16, 2021 to consider amending Emergency Water Conservation Ordinance No. 39, and was approved by the following votes of the Board:

AYES: Directors Baker, Fraites, Grossi, Joly, Petterle

NOES: None

A full version of the amended Emergency Water Conservation Ordinance No. 39 is available on the NMWD website at [www.nmwd.com](http://www.nmwd.com). In order to comply with Marin County Health Shelter in Place Order, inspection of the Ordinance will not be available at the District office until such time as the Order is lifted.

Summary:

Ordinance No. 39 provides for the imposition of water use restrictions and prohibits specific uses of water in order to ensure adequate water supplies are available to serve public health and safety requirements within the West Marin Service Area. As amended, Ordinance No. 39 authorizes the Board of Directors to make subsequent modifications to the Ordinance by resolution and authorizes the imposition of administrative fines and penalties for violations of the Ordinance. A complete list prohibitions of water waste and non-essential uses can be found on the District website at [www.nmwd.com](http://www.nmwd.com)

## MEMORANDUM

To: Board of Directors  
From: Brad Stompe, Distribution and Treatment Plant Supervisor  
Subject: Annual Aquatic Invasive Species (AIS) Report for Stafford Lake, 2020  
p:\treatment\stp\lake\aquatic invasive species\2020 ais report\annual report for 2020.doc

April 2, 2021

**RECOMMENDED ACTION:** Information Only

**FINANCIAL IMPACT:** None

### Overview:

Stafford Lake is a 231-acre drinking water reservoir located west of Novato and is owned and operated by the North Marin Water District (NMWD). Swimming, wading and boating are prohibited, but fishing is allowed. Stafford Lake Park is operated by Marin County and the rangers work with NMWD in enforcing the no water contact rule. There are occasions when contractors need to have a boat on the lake. When this occurs, water district personnel perform an inspection of the boat and all equipment that will be in contact with the water. In addition, a survey is also filled out which includes information on; where the boat was last used, how long it has been out of the water, was it disinfected, has the boat ever been used in a body of water known to have AIS and if so what species. Based on this survey and the inspection, a decision is made as to whether the boat and equipment will be decontaminated and allowed on the lake.

### AIS Inspections

Stafford Lake is considered a low risk body of water for AIS because of the no public boating or contact with the water policy. As such, only substrate and surface surveys are conducted. NMWD has two inspection sites on the lake where small pieces of pipe (substrate) are suspended by rope from an anchored buoy at approximately 10 and 20 feet in depth. The pipe is normally inspected monthly for signs of AIS with special attention for the presence of quagga and zebra mussels, though this year with the COVID pandemic inspections were less frequent. Inspection sites revealed no signs of AIS for 2020, but we did discover a population of clams inside a piece of corrugated plastic pipe that was part of our solar mixing device. A sample of these clams were submitted to California Fish and Wildlife for identification. The determination was that they were most likely fingernail clams, Sphaeriidae, of which there are many native species.





# Water district prepares for Novato drought measures

## EMERGENCY PLAN

Conservation rules approved for use if rainfall remains low

### **Marin Independent Journal**

By Will Houston

[whouston@marinij.com](mailto:whouston@marinij.com)

The North Marin Water District adopted emergency conservation rules for Novato residents and businesses this week in response to record-low rainfall.

The district has only recorded about 8 inches of rain at its Stafford Lake reservoir since July, which is the lowest amount for this time of year since records began in 1916.

The ordinance adopted by the district board on Tuesday doesn't immediately impose new conservation requirements, but it does give the district the ability to quickly adopt stricter measures if needed in the coming weeks. Options that could be considered by the board in April include restricting outdoor irrigation, suspending new water connections and setting mandatory conservation targets.

"After consultation with our legal counsel," district water conservation coordinator Ryan Grisso told the board on Tuesday, "we thought it was the best course to kind of get the ordinance out of the way at this point so we have a little bit more flexibility at a later date once we figure out what the final rainfall supply totals are, updates from Sonoma County Water Agency — probably one month from now."

In the meantime, residents are being asked to adhere to existing conservation regulations. The rules prohibit outdoor watering that leads to runoff in gutters and storm drains; prohibit irrigation within 48 hours after significant rainfall; prohibit washing off sidewalks, walkways, driveways and parking lots that leads to runoff in gutters and storm drains; allowing car and boat washing only if a hose nozzle is used; and serving water to customers at restaurants and businesses only upon request.

The district, which serves about 61,000 residents in the greater Novato area, receives about 75% of its water supply from Sonoma Water's reservoirs at Lake Mendocino and Lake Sonoma. The other 25% is sourced from Stafford Lake, which is mostly tapped during the summer, when water is in higher demand.





Stafford Lake is at about 39% capacity as of this week. The North Marin Water District approved emergency drought measures for use if rainfall totals don't improve.

SHERRY LAVARS — MARIN INDEPENDENT JOURNAL



Options considered by the North Marin Water District include restricting outdoor irrigation, suspending new water connections and setting mandatory conservation targets.

ALAN DEP — MARIN INDEPENDENT JOURNAL

Stafford Lake is at about 39% capacity as of this week. Sonoma Water's reservoirs at Lake Mendocino and Lake Sonoma are at 48% and 64% capacity, respectively, McIntyre said.

In preparation for another dry year, the district is pumping Russian River water into Stafford Lake to bolster summer supplies. About 600 acre-feet of water will be added to Stafford Lake, representing about 30% of the normal demand of the reservoir during the summer, according to Drew McIntyre, the district's general manager. More water could be pumped into the lake if needed.

"The situation is fluid and we might need to adjust accordingly," McIntyre told the board.

Water suppliers in Marin and elsewhere are weighing the need for stricter conservation measures in the face of a second dry winter in a row. March has done little to assuage concerns of another prolonged drought. The National Weather Service forecasts another half-inch to 1 inch of rain will fall in Marin on Thursday. However, preliminary forecasts show no significant rainfall through the final two weeks of the month.

Most water districts are waiting until April to decide how restrictive their water conservation measures should be. The last time the North Marin Water District adopted mandatory conservation measures in the greater Novato area was in 2014 and 2015, when residents were required cut water use by up to 24%.

Novato City Manager Adam McGill said it's unclear how future conservation measures could affect the city, which is one of the district's largest water users.

"Until we review the final rules they impose we won't know what impacts the city will have, if any," McGill wrote in an email. "We try to be a responsible user of our resources already and do our best to conserve where we can."

The district has made several changes from the 2013-2017 drought, including bolstering the recycled water program used by the city, the school district and three car washes. The amount of recycled water used equates to about 25% of Stafford Lake's water supply, McIntyre said. Additionally, "smart" meters have been installed for all customers, allowing the district to more easily regulate high water users.

Meanwhile, the district's 1,800 customers in West Marin, who draw water from three groundwater wells partly fed by Lagunitas Creek, have been under a water conservation order since April 2020. Under the order, the customers are asked to voluntarily cut use by 15% between Nov. 1 and June 1, then required to reduce use by 25% from June through Oct. 31.

The order can only be lifted once 28 inches or more of rain falls at the Marin Municipal Water District's Kent Lake between October and April. Just under 18 inches had been recorded as of Wednesday, according to McIntyre.



The North Marin Water District has only recorded about 8 inches of rain at its Stafford Lake reservoir since July, which is the lowest amount for this time of year since records began in 1916.

SHERRY LAVARS — MARIN INDEPENDENT JOURNAL

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Thursday, 03/18/2021 Page .A01



## FUNDING PROJECTS

### NMWD considers water rate hikes for West Marin

#### Marin Independent Journal

By Will Houston

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The North Marin Water District is proposing to overhaul its West Marin water rates for the next five years to cover a variety of projects it says are vital to maintaining water supplies for both everyday use and wildfire protection.

Under the proposed changes, the district's 1,800 West Marin customers in Point Reyes Station, Olema Bear Valley, Inverness Park and Paradise Ranch Estates could see their water rates increase or decrease starting this summer depending on how much water they use.

The rate hikes proposed to begin in July would be used to help finance multi-million-dollar projects including the construction of a new well to address saltwater intrusion into two existing wells. Additionally, the district aims to begin raising money to pay for a \$4.8 million upgrade to its nearly 50-year-old Point Reyes Station treatment plant in 2030. The district is in the process of replacing a fire-prone water storage tank in Paradise Ranch Estates with a larger concrete tank with more than double the capacity.

"It means that we will continue to provide reliable, good quality water into the future as we have in the past," district General Manager Drew McIntyre said of the projects.

The district board of directors is set to take a final vote on the proposed rate changes at its June 22 meeting.

Some residents such as Ken Levin, president of the Point Reyes Station Village Association, said while the rate hikes would be large over the next five years, they're probably justified based on the threats to their water supply and the age of the district's pipes and equipment.

"It makes sense," Levin said. "We're out in the boonies and they're bringing us into the 21st century."

Residential customers are charged based on a three-tiered rate structure, with higher water users being charged higher rates. The district is proposing to change the water use thresholds that would bump a residence into a higher-paying tier. As a result, some customers who might be paying the cheapest rates now could be bumped into a higher-paying tier.

Currently, the tiers are: tier 1: use up to 400 gallons per day, \$9.66 per thousand gallons; tier 2: use between 400 to 900 gallons per day, \$13.38 per thousand gallons; tier 3: use more than 900 gallons per day, \$21.45 per thousand gallons.

Under the new plan, the rate structure as of July 1 would be: tier 1: use up to 250 gallons per day, \$8.88 per thousand gallons; tier 2: use 250 to 600 gal per day, \$12.91 per thousand gallons; tier 3: use more than 900 gallons per day, \$18.33 per thousand gallons.

While base rates for all three tiers would be cheaper, customers who use more water would be more likely to fall into a tier with higher rates. In the subsequent four years, the district would raise rates uniformly across all tiers by 6% each year both to keep up with inflation and to fund basic operations and future projects.

The district is required under state Proposition 218 to ensure what it charges to customers aligns with the costs the district incurs to serve those customers, district consultant Mark Hildebrand told the district board this week. To do this, the district proposes to base the new rates in part on the sources of water and the cost to operate the system. The district went through a similar rate restructuring process last year for its Novato customers.

The second well the district plans to dig at the Gallagher Ranch starting as soon as this summer plays an important role in this. As of now, the district's West Marin customers are served by three wells: two on the former Coast Guard housing property in Point Reyes Station and one well on Gallagher Ranch located more than a mile east of the town. Water from all three wells is blended together when it enters the system.

The Coast Guard wells are at lower elevations, which has exposed them to saltwater intrusion from Tomales Bay tides. Saltwater intrusion has only worsened with the dry weather, turning it from an infrequent issue a few days per year to customers now regularly complaining about the salty taste.

"We still operate the Coast Guard wells but the salinity gets very high in the water," McIntyre said. "It's a potential health concern for people that are on salt-restricted diets."

As a result, the district relies heavily on its one Gallagher Ranch well as the primary source of water during dry periods such as this year. To ensure the district has adequate supplies into the future, it plans to build a second well on Gallagher Ranch that is expected to cost more than \$900,000. Under the district's rate plan, the cost to build this new well will be borne by those who use the most water, which is customers in tiers 2 and 3. Additionally, customers in tier 3 will be charged more to cover the district's water conservation programs.

Rates charged to businesses are also slated to change under the plan. Commercial rates are based on the time of year, with cheaper rates being charged in the winter months and higher rates in the summer. Under the plan, the district would shrink the summer period from five to three months, July to September. At the same time, summer rates will increase by nearly 20% from the current rate of \$15.31 per thousand gallons to \$18.33 per thousand gallons. Winter rates would decrease from the current rate of \$9.77 to \$8.88 per thousand gallons.

West Marin Chamber of Commerce President Frank Borodic deferred comment on the proposal until he could obtain more input from businesses.

The changes also go beyond rates. Most customers would also see an increase in their fixed bimonthly service charge. For the nearly 75% of customers with a 5/8th-inch meter, the charge would increase from \$35.68 to \$42.59 beginning in July.

The district also plans to make changes to its hydraulic zone charge, which is charged to customers who live at higher elevations and therefore require water to be pumped up to their residences.

More information about the proposed rate changes can be found at [nmwd.com/west-marin-service-area-rate-study](http://nmwd.com/west-marin-service-area-rate-study).

March 20, 2021

# Drought actions mulled

## Water suppliers consider mandatory restrictions

### Marin Independent Journal

By Will Houston

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Following two dry winters in a row, the state and Marin County water agencies plan to take more drastic actions in the coming weeks in the face of what could be the second prolonged drought in a decade.

With rain levels at record lows in some areas, stirring thoughts of the 1976-1977 drought, Marin water suppliers plan to decide next month whether to enact mandatory conservation orders similar to those of the five-year drought in 2013-2017.

The Marin Municipal Water District, which serves 191,000 residents in central and southern Marin, plans to meet on April 6 to discuss potential mandatory restrictions. Options that could be considered later that month include limiting outdoor irrigation to one day per week; prohibiting people from refilling pools and hot tubs; and prohibiting people from washing their cars using potable water.

"We have already started the discussion of mandatory restrictions and what that might look like during our recent board meetings," said Jeanne Mariani-Belding, a district spokeswoman. "We plan to continue that discussion during our upcoming April board meetings as well, but there is no set date for board action."

Only 20 inches of rain fell at the district's Lagunitas Lake reservoir from July 1 through Wednesday, compared with the 45 inches it normally would receive by this time of year. The district receives 75% of its supply from its seven local reservoirs in the Mount Tamalpais watershed and the other 25% from Sonoma Water.

Whether it adopts voluntary or mandatory conservation orders, the district could also implement emergency water rates to cover revenue losses. This would include a 10% rate increase under voluntary measures to up to a 25% rate hike under mandatory orders. The district forecasts it would lose about \$12.5 million under voluntary conservation measures or up to \$20.5 million under a 40% mandatory conservation order.





A bridge is revealed by low water levels at Nicasio Reservoir in Nicasio. Rain levels are at record lows in some areas.

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Grass grows where water would stand during a year of average rainfall at Nicasio Reservoir.

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The North Marin Water District, which serves about 61,000 people in the Novato area, also plans to consider mandatory restrictions next month, including restricting outdoor irrigation, suspending new water connections and setting mandatory conservation targets. The district has recorded about 8 inches of water at its Stafford Lake reservoir, which is the lowest amount on record dating to 1916.

Stafford Lake supplies about 25% of the district's supply, with the other 75% coming from Sonoma Water. Stafford Lake was at about 42% capacity as of this week, according to district data.

The district's 1,800 customers in West Marin have been under conservation orders since April 2020.

About 90% of the state, including most of Marin County, was in at least a mild drought as of last week, according to the latest U.S. Drought Monitor data.

In a sign of the dire situation of the state's water supply, the California Water Resources Control Board announced this week that it will halve the requested water allocations to cities, farmers and other water users in the Bay Area, Central Valley and Southern California served by the State Water Project. The change does not affect Marin County water supplies, which primarily consist of rainfall in local reservoirs.

It's unclear whether the California State Water Board will implement mandatory conservation targets for water suppliers similar to the 2013-2017 drought. Typically, the state and other water agencies wait until April to consider any conservation orders.

"Right now, we're watching hydrology to determine the next steps," State Water Board spokesperson Ailene Voisin said Wednesday.

Smaller water districts such as Bolinas Community Public Utility District have already taken more drastic action.

Last month, the district approved what is believed to be the first water rationing measures in the Bay Area in response to the recent dry conditions. The district's customers would be required to limit water use to 125 gallons per day if they collectively use an average of 76,000 gallons of water per day in a seven-day period.

The latest data from March 16 through Monday show that residents have met the district's conservation goals and were using an average of 51,776 gallons per day.

The district last enacted mandatory rationing in 2009 but rescinded it only a few weeks later following a deluge of 10 inches of rain.

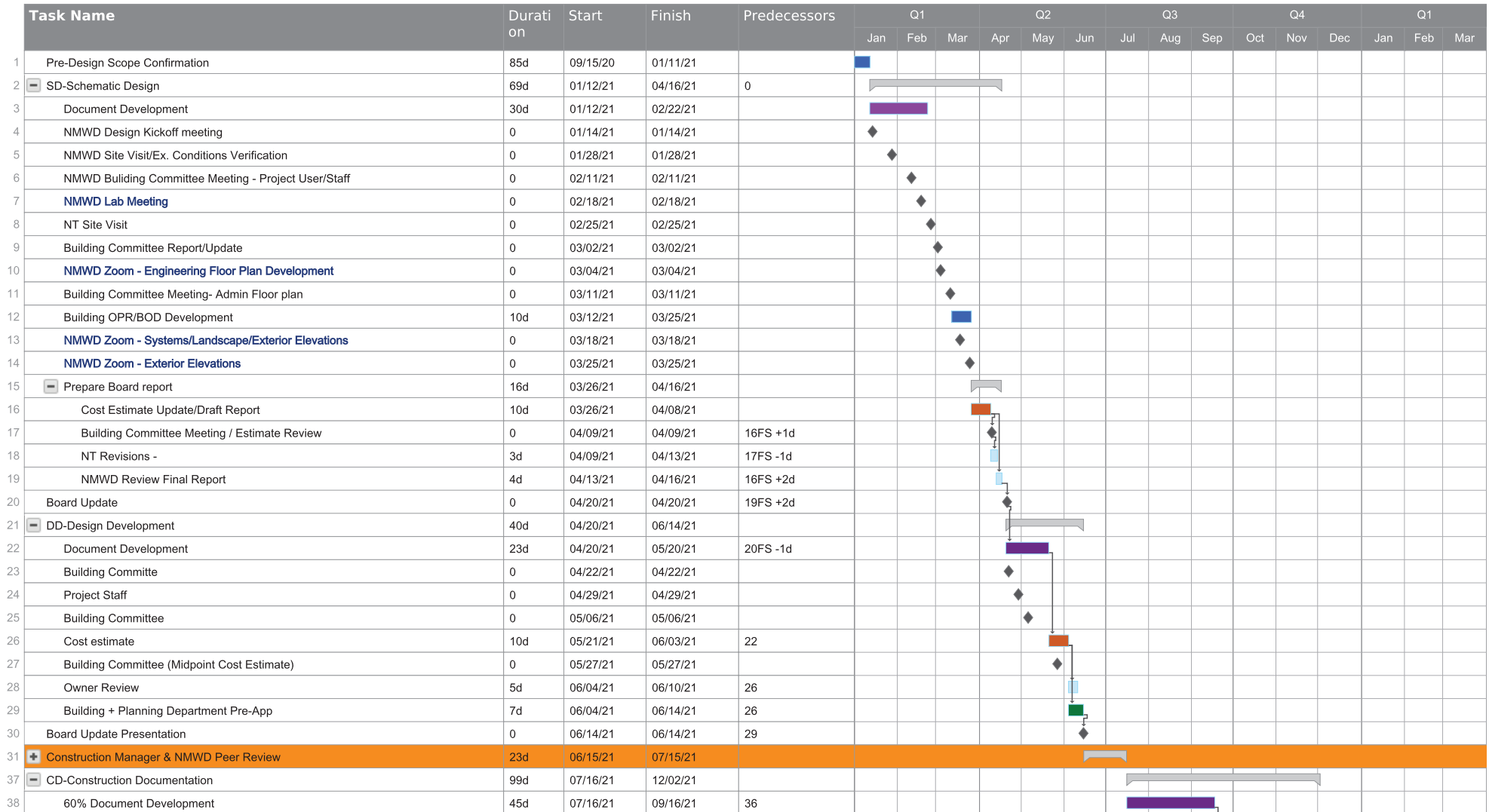
So far, the district has only received about 16 inches of rainfall, which is less than half of its annual rainfall, said Jennifer Blackman, the district general manager. The district serves about 1,600 Bolinas residents using water from Arroyo Hondo Creek and two small reservoirs, which district staff said would face being depleted as early as this summer without conservation measures.

"We are encouraging all of our customers to keep up their good work and resist any temptation to increase water use as we head into the typically dry months of the year," Blackman said. "Every drop saved today renders us more resilient tomorrow."

March 25, 2021

**SUPPLEMENTAL  
INFORMATION FOR  
ITEM #15**

NMWD Schedule 03/11/21



	Task Name	Duration	Start	Finish	Predecessors	Q1			Q2			Q3			Q4			Q1		
						Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
39	CD Kick Off meeting/OPR review/VE	0	07/22/21	07/22/21								◆								
40	Cost Estimate	10d	09/17/21	09/30/21	38															
41	Estimate and Constructability Review	0	09/24/21	09/24/21																
42	60% Cost Estimate Review	0	10/07/21	10/07/21																
43	Permit Package Issue	10d	10/01/21	10/14/21	40															
44	95% Document Development	30d	10/01/21	11/11/21	40															
45	Possible VE Date TBD	0	11/04/21	11/04/21																
46	Cost Update + Bid Prep	7d	11/12/21	11/22/21	44															
47	95% Cost Update/Bid Prep	0	12/02/21	12/02/21																
48	Package for issue for Bid	5d	11/23/21	11/29/21	46															
49	⊕ Permitting	50d	10/15/21	12/23/21	43															
54	Board Meeting (authorize bidding)	0	12/14/21	12/14/21	52FS +3d, 47															
55	⊕ Bid Process	46d	12/24/21	02/25/22	48															
59	☐ Construction Administration Phases	510d	02/28/22	02/09/24	58															
60	Phase 1A - Laboratory & Utilities	240d	02/28/22	01/27/23																
61	Phase 1B - Laboratory Move-In	15d	01/30/23	02/17/23	60															
62	Phase 1C - Temporary Office Facilities Mobilization	60d	11/07/22	01/27/23	60FS -60d															
63	Phase 1D - Surge Move-in	15d	01/30/23	02/17/23	62															
64	Phase 2A - Renovation of Existing	200d	02/20/23	11/24/23	63															
65	Phase 2B - Renovation Move-in	20d	11/27/23	12/22/23	64															
66	Phase 2C - Demobilize Temporary	35d	12/25/23	02/09/24	65															
67	Project Close-Out	35d	11/27/23	01/12/24	64															
68	Future Phase 3 - Escalated to mid-point of 2027	1d	01/15/24	01/15/24	67															