



Questions and Answers About the West Marin Water Proposed Revenue Increase and Rate Structure Changes

The Amount of the Increase

Q: How much will my water bill increase?

A: The typical residential customer will pay about \$4 more per month after the proposed changes (\$8 on the bi-monthly bill). Some customers may pay more or less based on rate structure changes.

Q: Why Is the District Raising Rates and Revenue?

A: The District must increase revenue by 6%, primarily to pay for increase capital investment to about \$380 thousand per year to pay for critical upgrades to our aging infrastructure. The District maintains a treatment plant, a system of pipelines, pumps, tanks, wells, valves and hydrants, a laboratory, monitoring systems, and more that must be well maintained and upgraded to work without fail every day and around the clock.

Rate Structure Changes

Q: If the District is raising total revenue by 6%, Why are individual bills more or less than that?

A: The District conducted a cost of service study examining every aspect of service, treatment, delivery, facility replacement/upgrades, and other factors. The study identified changes in the proportion of costs required to serve each customer class (residential and commercial). The rate structure modifications are part of a regular process of updating rates to reflect current customer water use, state regulations, service costs, rate structure approach, etc. The proposed rate structure ensures that each customer class continues to pay a fair and proportional share of costs. These changes are proposed to be applied to individual bills, resulting in billing changes that vary by customer either more or less than the 6% global revenue increase.

Cost Saving, Cost Control, and Affordability

Q: What is North Marin Water District (NMWD) doing to control costs?

A: Cost control is a daily focus of North Marin Water District, which is one reason our West Marin Water rates are the second lowest when compared to other West Marin Coastal Area Retail Water Agencies. Here are some of the ways we have kept rates down.

- We participate in a local agency chemical purchase pool to get the best pricing available based on economies of scale.
- We obtained 57% grant/outside funding for the \$0.7 Million Lagunitas Creek Stabilization project.
- We obtained 98% grant funding for the \$1.3 Million Gallagher Well Field Transmission Pipeline project.
- Reduced future retirement benefit costs for new employees.
- Reduced the number of full-time employees from 58 a decade ago to 54 today.

Q: How do your rates compare to those of neighbor agencies?

A: With the proposed revenue increase, West Marin Water's rates will be the second lowest when compared to seven other West Marin Coastal Area Retail Water Agencies.

More Details About the Rates

Q: I don't use much water. Why are my bills going up?

A: Other fixed cost factors impact your bill such as having sufficient water available for fire protection and paying to maintain the water system facilities to ensure service is available without any interruptions. The bottom line is that the District is updating the rates to ensure customers continue to pay the true cost of service as required by law.

Q: Can the District postpone or decrease the rate increase?

A: This rate increase provides the funding necessary to ensure that all customer can have all the clean, safe water that they need any day and any time. If decreased or postponed, the District will not have the funding needed to provide the same high quality and reliable service.

Q: What about commercial, fire service, meter and other rates?

A: All District rates have been re-evaluated and increased similar to the residential rates discussed in these documents.

Q: Given the financial strain caused by the COVID-19 pandemic, shouldn't the District postpone or decrease the rate increase?

A: As the devastating effects from the coronavirus pandemic continues, the District is working tirelessly to ensure that our customers continue to have safe and reliable water service. This rate increase provides the funding necessary to ensure that all customers can turn on their faucets and have all the clean, safe water that they need any day and any time. If it is decreased or postponed, the District will not have the funding it needs to provide these services at the same quality, reliability and financial stability as it would otherwise have.

Communicating with Our Customers and Next Steps

Q: What has the District done to communicate about the proposed changes?

A: The District has carried out an extensive outreach program that began in December 2020 and includes news flashes, newsletters mailed to all customers, water bill messages, social media posts, ads in the local newspaper, web notices, public meetings and more.

Q: What are the next steps in the rate study process.

A: A series of public board meetings on the rates that began in February are complete. A notice has been sent to all West Marin Water System bill payers with details of the proposed changes. Following a 45-day period, the Board will hold a public hearing at which public comments will be considered before the Board votes on the proposed changes. The hearing will be on Tuesday, June 22, 2021 at 6 pm at the North Marin Water District, 999 Rush Creek Place, Novato, CA 94945.*

**Note: Should COVID-19 restrictions remain in effect in Marin County at the time of the scheduled public hearing, additional information regarding accommodating public participation will be provided on the District website at www.nmwd.com.*