



NOTICE OF PUBLIC HEARING

REGARDING PROPOSED RATE INCREASES

For the Novato Service Area

This Notice provides information about proposed increases to North Marin Water District's water rates and charges for the Novato Service Area. The Board of Directors will hold a public hearing at which public comments will be considered and written protests will be counted before the Board votes on the proposed increases.

HEARING DATE: Tuesday, June 15, 2021
TIME: 6:00 p.m.
LOCATION*: North Marin Water District
999 Rush Creek Place
Novato, CA 94945

The District proposes increasing revenue for fiscal year 2021-2022. If approved at the public hearing on June 15, 2021, the new rates will go into effect on July 1, 2021.

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

REASONS FOR THE PROPOSED RATE INCREASE

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

Increased investment in water facilities. The District must continue to invest in facility upgrades and replacements with an approximate cost of \$4 million per year. This will help address the need to properly maintain the District's \$138 million system of pipelines, pumps, reservoirs, treatment plants, valves, hydrants, laboratory, monitoring systems, and more.

Advanced Meter Information (AMI) System. The District invested \$5.8 million dollars to implement an AMI system. This system provides real time meter reads, reduces customer water loss, provides increased accuracy in bi-monthly billing and water use data, and allows customers to view and monitor their individual water use.

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

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

MILLIONS OF DOLLARS SAVED

Cost control is a daily focus of North Marin Water District, which is one reason our rates are the lowest in Marin County and at the median for water agencies around the Bay Area region. Here are some of the ways we have kept rates down.

- We decreased electrical costs by installing clean solar energy systems.
- We obtained over \$10 million in grants for recycled water expansion.
- We saved \$18 million by sharing the cost of a large aqueduct project with other public agencies.
- We reduced future retirement benefit costs for new employees and reduced the number of full-time employees from 58 a decade ago to 54 today.
- The recycled water (RW) system was implemented without additional staffing. RW reduces potable water use.

Details of the Proposal

Proposed 6% rate increase.

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

Recycled Water - A 6% rate increase is proposed for the Recycled Water System. Additionally, for all meters 1" and larger, an additional charge of \$24.11 will be added to the fixed service charge. This additional charge will increase the service charge to conform with the proposed rates as shown in the 2020 Novato and Recycle Water Rate Study.

The typical residential customer (approximately 56% of all customers) will pay about \$3.75 more per month if the changes are approved (\$7.50 on the bi-monthly bill).

PROPOSED BI-MONTHLY FIXED SERVICE CHARGES

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

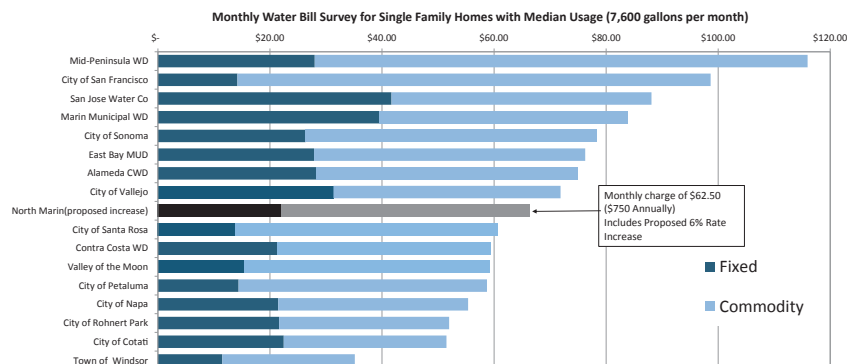
PROPOSED BI-MONTHLY FIXED SERVICE CHARGE FOR POTABLE WATER		
Meter Size (in inches)	Current Fixed Charge	Proposed Fixed Charge
5/8"	\$41.46	\$43.95
1"	\$74.06	\$78.50
1.5"	\$128.38	\$136.08
2"	\$193.57	\$205.18
3"	\$367.41	\$389.45
4"	\$562.98	\$596.76
6"	\$1,106.23	\$1,172.60
8"	\$1,432.18	\$1,518.11

PROPOSED BI-MONTHLY FIXED SERVICE CHARGE FOR RECYCLED WATER		
Meter Size (in inches)	Current Fixed Charge	Proposed Fixed Charge
5/8"	\$48.78	\$51.71
1"	\$61.68	\$90.93
1.5"	\$123.35	\$156.31
2"	\$197.36	\$234.76
3"	\$394.72	\$443.96
4"	\$640.86	\$679.31
6"	\$1,233.50	\$1,333.07

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

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

NOVATO WATER RATE COMPARISON



Proposed Rate Increases

PROPOSED TIERED QUANTITY (USAGE) CHARGES

The Tiered Quantity (Usage) Charges has three tiers that reflect the costs of the different sources of water.

Tier 1 (1-262 gallons per day - GPD) is based on the cost of imported water. Tier 2 (263-720 GPD) is based on the cost of locally treated water from Stafford Lake. Tier 3 (>720 GPD) is based on the cost of locally treated water plus the cost of the District's conservation program, which is paid by those customers that use the most water. Usage charges include an **elevation zone charge** to recover the costs of pumping water to higher elevations.

PROPOSED BI-MONTHLY TIERED USAGE RATES FOR RESIDENTIAL POTABLE WATER						
Quantity Charge Per 1,000 Gallons	CURRENT RATES			PROPOSED RATES		
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
Residential Elevation Zone A	\$5.50	\$6.23	\$7.67	\$5.83	\$6.60	\$8.13
Residential Elevation Zone B	\$6.26	\$6.99	\$8.43	\$6.64	\$7.41	\$8.94
Residential Elevation Zone C	\$7.60	\$8.33	\$9.77	\$8.06	\$8.83	\$10.36

PROPOSED BI-MONTHLY TIERED USAGE RATES FOR COMMERCIAL POTABLE WATER				
Quantity Charge Per 1,000 Gallons	CURRENT RATES		PROPOSED RATES	
	Winter	Summer	Winter	Summer
Commercial Elevation Zone A	\$5.50	\$7.67	\$5.83	\$8.13
Commercial Elevation Zone B	\$6.26	\$8.43	\$6.64	\$8.94
Commercial Elevation Zone C	\$7.60	\$9.77	\$8.06	\$10.36

PROPOSED FIRE SERVICE CHARGES

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

PROPOSED BI-MONTHLY FIRE CONNECTION CHARGE		
Service Size	Current	Proposed
1"	\$14.24	\$15.09
2"	\$18.78	\$19.91
4"	\$52.40	\$55.54
6"	\$73.60	\$78.02
8"	\$97.83	\$103.70
10"	\$128.11	\$135.80

PROPOSED BI-MONTHLY USAGE RATES FOR OTHER WATER SERVICES

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

PROPOSED BI-MONTHLY USAGE RATES		
Quantity Charge Per 1,000 Gallons		
Water Type	Current	Proposed
Raw	\$2.93	\$3.11
Recycled	\$6.24	\$6.61
Temporary	\$6.99	\$7.41



NORTH MARIN WATER DISTRICT

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nmwd.com**

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Notice of Public Hearing on Proposed Rate Increases

Where to Learn More, Get Answers, and Make Comments

CONTACT US:

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

VISIT OUR WEBSITE:

www.nmwd.com

VISIT OUR OFFICE:

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

ATTEND THE BOARD HEARING

The Board will review and consider adopting the rate increases on June 15, 2021, at 6:00 p.m. at North Marin Water District, 999 Rush Creek Place, Novato, CA 94945. 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's website at www.nmwd.com.

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

How to Protest the Proposed Rate Increases

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