



**NORTH MARIN
WATER DISTRICT**

NORTH MARIN WATER DISTRICT
AGENDA – REGULAR MEETING
June 1, 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/82191971947> **OR**

SIGN IN TO ZOOM:

Meeting ID: 82191971947

Call in Method:

Dial: +1 669 900 9128

Meeting ID: 82191971947#

Participant ID: #

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

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

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

Est. Time	Item	Subject
6:00 p.m.		CALL TO ORDER
	1.	APPROVE MINUTES FROM REGULAR MEETING - May 18, 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.
	5.	Consent – Approve: Contract Extension for NMWD Trench Restoration Paving
	6.	Consent – Approve: Text for Spring 2021 West Marin “Waterline”, Volume 19
		ACTION CALENDAR
	7.	Approve: Oceana Marin Wastewater System – Acceptance of 2021 Management Plan Update
	8.	Approve: Renew Declaration of Local Emergency Related to COVID-19 Pandemic
		INFORMATION ITEMS
	9.	Budget Review – FY21/22 Budgets Novato and West Marin Service Areas
	10.	Public Draft Release – 2020 Urban Water Management Plan and Water Shortage Contingency Plan
	11.	NBWRA April 19, 2021 - Minutes
	12.	MISCELLANEOUS Disbursements – Dated May 20, 2021 Disbursements – Dated May 27, 2021 County of Marin News Release – Supervisors to Consider Drought Emergency
		<u>News Articles:</u> Marin IJ – County faces cut in water imports Marin IJ – County sets up relief for drought – BOARD OF SUPERVISORS Argus Courier – How a long-dormant Laguna de Santa Rosa well could spare Petaluma dairies from drought Bloomberg – The Future of Water Is Recycled Sewage, And We’ll All Be Drinking It Marin IJ – Water hookup ban possible – MARIN MUNICIPAL Marin IJ – Plan for new well survives challenge – WEST MARIN Marin IJ – Agriculture chief named as Marin tackles drought year Marin IJ – Novato forgoes citizen commission on election redistricting San Francisco Chronicle – State orders sweeping water restrictions for towns, vineyards along Russian River Point Reyes Light – Commission punts NMWD well appeal

Date Posted: 5/28/2021

Est. Time	Item	Subject
7:30 p.m.	13.	<i>ADJOURNMENT</i>

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

1

1 DRAFT
2 NORTH MARIN WATER DISTRICT
3 MINUTES OF REGULAR MEETING
4 OF THE BOARD OF DIRECTORS
5 May 18, 2021

6 CALL TO ORDER

7 President Grossi announced that due to the Coronavirus outbreak and pursuant to
8 Executive Order N-29-20 issued by the Governor of the State of California this was a virtual
9 meeting. President Grossi called the regular meeting of the Board of Directors of North Marin
10 Water District to order at 6:02 p.m. and the agenda was accepted as presented. President Grossi
11 added that there was not a public location for participating in this meeting, but any interested
12 members of the public could participate remotely by utilizing the video or phone conference dial-
13 in method using information printed on the agenda.

14 President Grossi welcomed the public to participate in the remote meeting and asked that
15 they mute themselves, except during open time and while making comments on the agenda items.
16 President Grossi noted that due to the virtual nature of the meeting he will request a roll call of
17 the Directors. A roll call was done, those in remote attendance established a quorum.
18 Participating remotely were Directors Jack Baker, Rick Fraitas, Jim Grossi, Michael Joly and
19 Stephen Petterle.

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

24 President Grossi stated tonight's Board Meeting will be using a slightly different Zoom
25 format. He noted all public attendees will be invited to speak and will need to use the raised hand
26 icon in Zoom or dial *9 to be called upon. Director Grossi added, the intent is to have a more
27 orderly meeting with the rate hearings coming up, and with drought concerns we may get more
28 people from the public attending. He requested staff reports and presentations be uninterrupted.
29 He noted any questions or comments should be asked once the report or presentation is
30 complete.

31 Mr. McIntyre performed a roll call of staff, participating remotely were Drew McIntyre
32 (General Manager), Tony Williams (Assistant GM/Chief Engineer), Terrie Kehoe (District
33 Secretary), Julie Blue (Auditor-Controller), Tony Arendell (Construction/Maintenance
34 Superintendent), Ryan Grisso (Water Conservation Coordinator), Pablo Ramudo (Water Quality
35 Supervisor), and Monica Hernandez-Juarez (Receptionist/Customer Service Assistant).

36 Mr. McIntyre announced participating remotely were Morgan Biggerstaff from BPMNJ,
37 District legal counsel and IT consultant Kevin Cozart from Core Utilities.

38 President Grossi announced for those joining the virtual meeting from the public to identify
39 themselves. Ken Levin from the Point Reyes Station Village Association also joined remotely.

40 **MINUTES**

41 On motion of Director Joly seconded by Director Fraites the Board approved minutes from
42 the May 4, 2021 Regular Board Meeting by the following vote:

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

44 NOES: None

45 ABSTAIN: None

46 ABSENT: None

47 **GENERAL MANAGER'S REPORT**

48 Monica Hernandez-Juarez

49 Mr. McIntyre informed the Board that our Receptionist/Customer Services Assistant and
50 Board Meeting Zoom Host aficionado is leaving the District to pursue new opportunities. He added
51 it has been a pleasure to work with her and wished her the best on her new endeavors. Mr.
52 McIntyre also announced Kevin Cozart from Core Utilities will be the new Board Meeting Zoom
53 Host moving forward.

54 Marin County Board of Supervisors Meeting

55 Mr. McIntyre reported at the May 18th meeting the Board of Supervisors adopted a
56 resolution declaring a local emergency and eminent threat of disaster due to drought conditions.
57 He added both he and Ben Horenstein from MMWD provided presentations of local water supply
58 conditions for each water district.

59 Gallagher Well No. 2

60 Mr. McIntyre apprised the Board that the appeal to the Marin County Planning Commission
61 of the Deputy Zoning Administrator (DZA) Project approval is scheduled for May 24th. He added
62 Marin County staff is recommending that the Planning Commission deny the appeal and affirm
63 DZA's approval of the project.

64 Huffman's Drought Summit – May 10, 2021

65 Mr. McIntyre stated he had an opportunity to help participate as a panelist at the Huffman
66 Drought Summit on May 19th. He reported the discussion focused on funding needs for water
67 supply for both agricultural and fish, as well as collaborative approaches. Mr. McIntyre stated

68 Senator McGuire was also present and talked about state funds that will be made available to
69 help with the drought situation.

70 Director Joly asked if the state funding focused on supply. Mr. McIntyre replied that he
71 believes potential state funds would cover many categories, including infrastructure, water supply,
72 and agricultural. Mr. McIntyre added the water contractors and SCWA staff are developing a list
73 of projects for potential funding, which includes groundwater recharge projects. Director Joly
74 asked if Congressman Huffman will have additional meetings in reference to the infrastructure
75 package. Mr. McIntyre replied Congressman Huffman did not mention another meeting, however
76 Senator McGuire stated there will be a separate drought meeting based on state funding. Director
77 Joly stated he has had customers ask about the President Biden's Infrastructure Package, and
78 with another dry year, supply should be top priority. Mr. McIntyre stated he and Mr. Williams
79 discussed District shovel ready projects to consider for funding, which include Gallagher Well No.
80 2 and the San Mateo Tank Inlet/Outlet Project.

81 **OPEN TIME**

82 President Grossi asked if anyone from the public wished to bring up an item not on the
83 agenda.

84 Ken Levin from the Point Reyes Station Village Association stated he was in support of
85 whatever the District can do in West Marin to keep track of where their water is going when it is
86 not going to the customers who are part of the District. Mr. Levin added he would like the District
87 to find a way for tankers who fill up their trucks to not use treated water, as in the case during a
88 fire event. He understood in a fire event, tankers go to the closest hydrant, however it would be
89 good if the District could prevent treated water to be used for non-potable situations. Mr. Levin
90 asked that the District make this a priority. As a side note, he added that he plans on participating
91 in the Marin County Planning Commission Meeting on May 24th. Director Grossi stated it would
92 be good for staff to look at the outside District use. Mr. McIntyre replied in reference to West
93 Marin agricultural users, the Marin County Ag Commissioner has worked out an option to take
94 lake water out of Lake Nicasio. He also noted, some people in our service territory, like Marshall,
95 continue to haul water from our system primarily for human consumption. Mr. McIntyre stated
96 staff is not allowing potable water to be used for construction or for fire protection training at the
97 former Coast Guard Housing site during this drought.

98 **STAFF/DIRECTORS REPORTS**

99 President Grossi asked if any Directors or staff wished to bring up an item not on the
100 agenda and there was no response.

101 **MONTHLY PROGRESS REPORT W/CUSTOMER SERVICE QUESTIONNAIRE**

102 The Monthly Progress Report for April was reviewed. Mr. McIntyre reported that water
103 production in Novato was up 16% from one year ago and up 2% fiscal year to date. He stated as
104 we move into drought this is not a good trend, however we had a couple of hot days in comparison
105 to last year when we had over an inch of rainfall. Mr. McIntyre also noted that the District is
106 ramping up conservation messaging and that should have an impact going forward. In West
107 Marin, water production was down 2% from one year ago and down 3% fiscal year to date.
108 Recycled Water production was up 46% from one year ago and up 8% fiscal year to date. The
109 Board was apprised that Stafford Lake was at 54% capacity, Lake Sonoma was at 61% and Lake
110 Mendocino was at 43% capacity. In Oceana Marin effluent volume was 0.470 MG for April
111 compared to 0.347 MG one year ago and there was no irrigation field discharge. Under Safety
112 and Liability, we had 164 days without a lost time injury. Under Utility Performance there was an
113 uptick on plastic service line breaks. He noted we generally see a higher number of polybutylene
114 pipe breaks when the ground starts to dry up. On the Summary of Complaints and Service
115 Orders, the Board was informed that total numbers are up 38% from April one year ago. He
116 added that this increase is due to more customer interaction as COVID restrictions are loosening.

117 Director Joly asked what is our maximum capacity for recycled water. Mr. McIntyre replied
118 he did not know the exact number, but he would estimate that in the south service area Las
119 Gallinas could produce two to three times more than what our customers are using, and Novato
120 Sanitary District could produce up to double the current demands.

121 Director Joly asked about cybersecurity. He requested this topic be brought up at a future
122 Board Meeting. Mr. McIntyre replied that staff will provide this information at a future meeting.

123 Ms. Blue reported on the April 2021 Investments, where the District's portfolio holds \$26M
124 earning a 51% average rate of return. She noted that during April the cash balance decreased by
125 \$734,573. She also noted the Local Agency Investment Fund (LAIF) interest rate was 0.34%.

126 **CONSENT ITEMS**

127 On the motion of Director Fraites, and seconded by Director Petterle the Board approved
128 the following items on the consent calendar by the following vote:

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

130 NOES: None

131 ABSTAIN: None

132 ABSENT: None

133 **SMART RAILROAD INVOICES FOR RECYCLED WATERLINE CROSSINGS**

134 The Board authorized the General Manager to pay for five SMART undercrossing
135 easements for a total cost of \$12,500.

136 **EKI ENVIRONMENT AND WATER CONSULTING SERVICES AGREEMENT CONTRACT**
137 **AMENDMENT – 2020 URBAN WATER MANAGEMENT PLAN UPDATE**

138 The Board authorized the General Manager to amend the agreement with EKI
139 Environment and Water, Inc. for continued work in the preparation of the 2020 UWMP in the
140 amount of \$3,500.

141 **ACTION ITEMS**

142 **CONSIDER APPROVAL OF RESOLUTION 21-08 IMPLEMENTING A DROUGHT**
143 **SURCHARGE FOR THE WEST MARIN SERVICE AREA FROM JULY 1 AND AMENDING**
144 **SECTION 6 AND SECTION 10 OF ORDINANCE 39**

145 Mr. Grisso apprised the Board the water shortage emergency condition in the West Marin
146 Service Area remains in effect and dry conditions persist. He stated Stage 2 of the Water
147 Shortage Contingency Plan, which will take effect on July 1 through November 1, triggers a
148 mandatory reduction in water use of 25% . Mr. Grisso noted District Regulation 54(c)(3) provides
149 that the District will implement the drought surcharge for the West Marin Service Area
150 simultaneous with the triggering of mandatory reductions in water use under the District’s Water
151 Shortage Contingency Plan. Additionally, pursuant to the District’s Interconnection Agreement
152 with Marin Municipal Water District (MMWD), the District must impose voluntary or mandatory
153 water use reductions and prohibitions on use within the West Marin Service Area in accordance
154 with those reductions and prohibitions imposed by MMWD during water shortage emergencies.
155 Mr. Grisso also reminded the Board at the March 16, 2021 Board Meeting, the Board modified
156 Ordinance No. 39, thereby authorizing the imposition of administrative fines and penalties for
157 violation of the Ordinance and reserving for itself the authority to make subsequent amendments
158 to Ordinance No. 39 by resolution.

159 Director Joly asked if we knew what the average West Marin customer’s impact will be
160 with respect to the drought surcharge. Mr. McIntyre replied the majority of the customers in West
161 Marin are residential, and the drought surcharge only applies to those residential customers who
162 use more than 200 gallons per day. He added it will primarily impact those residential customers
163 with high outside irrigation use. Mr. McIntyre added the cost of the surcharge is \$2.50 per 1,000
164 gallons. Director Joly asked if this will affect commercial users just as much. Mr. McIntyre
165 responded the surcharged is applied for all commercial water usage.

166 On the motion of Director Petterle, and seconded by Director Baker the Board approved
167 Resolution 21-08 implementing a drought surcharge for the West Marin Service Area from July 1
168 through November 1 and amending Section 6 and Section 10 of Ordinance No. 39 by the following
169 vote:

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

171 NOES: None

172 ABSTAIN: None

173 ABSENT: None

174 **SIDE LETTER WITH EMPLOYEE ASSOCIATION CONCERNING INSURANCE BENEFITS**
175 **AND TO MODIFY EFFECTIVE DATE FOR MEDICAL, DENTAL AND VISION INSURANCE**
176 **FOR REPRESENTED AND UNREPRESENTED EMPLOYEES**

177 Mr. McIntyre informed the Board that this Side Letter with the Employee Association is to
178 modify the existing waiting period for medical, dental and vision insurance for newly hired
179 represented and unrepresented employees. Mr. McIntyre noted this change is to shorten the
180 existing three-month waiting period to one month, only impacting new hires retroactive to May 1,
181 2021. He stated the current practice was to wait three months after the first full month and this
182 continued to cause a significant hindrance in the recruitment of good candidates. Mr. McIntyre
183 added staff surveyed sixteen other Bay Area agencies and the majority of them had a similar one
184 month waiting period, which means our agency is outside of the normal practice.

185 Director Baker stated he thought the change was appropriate and staff made a good case
186 in supporting the reduction of wait time for benefits. Director Joly agreed, adding it was a good
187 memo and a good suggestion.

188 On the motion of Director Joly, and seconded by Director Baker the Board approved to
189 modify the District's existing waiting period for all new employees (i.e. represented and
190 unrepresented employees) to be eligible for medical, dental and vision coverage (or in-lieu
191 coverage) effective the first of the month following the date of hire by the following vote:

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

193 NOES: None

194 ABSTAIN: None

195 ABSENT: None

196 **AMEND CONTRACT WITH GHD – OLD RANCH ROAD TANK NO. 2**

197 Mr. Williams requested a second amendment to the Consulting Engineering Services
198 Agreement with GHD for construction support services for the Old Ranch Road Tank No. 2
199 project, which consists of construction a new 1000,000-gallon above grade potable water storage
200 tank on Old Ranch Road in Novato. He stated this amendment was anticipated as part of the
201 original contract and since the project design is complete and the project is advertised for bidding,
202 an appropriate scope and associated fee for construction support services has been developed.
203 Mr. Williams noted, GHD did a great job on the first phase, came in under budget and there was

204 a \$15,000 savings from the original design, adding this amendment to the contract will get us
205 through the project construction phase.

206 Director Baker stated he thought the amendment was appropriate. Director Joly asked
207 what the engineering estimate of the entire project was. Mr. Williams replied the construction
208 estimate was at 1.4M. Director Joly asked if this was the estimated amount for the upcoming bid
209 and Mr. Williams confirmed.

210 On the motion of Director Petterle, and seconded by Director Joly the Board authorized
211 the General Manger to amend the Consulting Services Agreement with GHD for the Old Ranch
212 Road Tank No. 2 Project in the amount of \$42,100 by the following vote:

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

214 NOES: None

215 ABSTAIN: None

216 ABSENT: None

217 **DISTRICT HEADQUARTERS UPGRADE PROJECT – CONSTRUCTION MANAGEMENT**
218 **SERVICES**

219 Mr. Williams informed the Board that two proposal, were received by the District on March
220 31st for construction management services for the District Headquarters Upgrade Project. The
221 two firms were Consolidated CM and Nova Partners, which were ranked by a staff selection
222 committee who independently reviewed the proposals, ranked them based on their qualifications.
223 Mr. Williams stated upon completion of the proposal review, Consolidated CM was ranked the
224 highest. He noted Consolidated CM had experience with special district buildings, including
225 laboratories which was relevant to this project. Mr. Williams added the focus of Consolidated CM
226 will be to analyze the overall District Headquarters Project phasing and look for cost savings
227 measures as well as a constructability review of the design.

228 Director Baker stated he was surprised only two firms submitted proposals. Mr. Williams
229 stated he thought there would be three, but one firm decided not to submit. He added there is a
230 lot of activity out there and all the firms are busy. Director Grossi stated he is currently working
231 with the community college and they have a list of twelve to fourteen firms they use from all over
232 the Bay Area. He added he will pass this information to Mr. Williams for consideration in the
233 future. Director Petterle stated it is great to get a CM firm on board early in the process. Director
234 Fraites commended Mr. Williams for a fine report.

235 On the motion of Director Joly, and seconded by Director Petterle the Board authorized
236 the General Manger to execute an agreement between Consolidated CM and the District for
237 construction management services on a time and expense basis with a not-to-exceed limit of

238 \$179,000 by the following vote:

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

240 NOES: None

241 ABSTAIN: None

242 ABSENT: None

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

244 Mr. McIntyre reminded the Board that staff has been operating under partial Emergency
245 Operations Center (EOC) activation. He noted there was a \$16,500 financial impact since the
246 last month which was mainly attributed to internal labor expenses and this amount does not
247 address delinquent bills.

248 Mr. McIntyre reported Marin County may be moving from the Orange Tier to the Yellow
249 Tier, however the numbers need to be stable for two consecutive weeks. Mr. McIntyre added that
250 the State is signaling that most of the restrictions may be eliminated by June 15th.

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

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

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

257 NOES: None

258 ABSTAIN: None

259 ABSENT: None

260 **INFORMATION ITEMS**

261 **BUDGET REVIEW – PROPOSED FY 20/21 BUDGETS NOVATO AND WEST MARIN SERVICE**

262 **AREAS**

263 Ms. Blue reviewed the FY 21/22 Budgets for North Marin Water District which included
264 Novato Water, West Marin Water, Recycled Water and Oceana Marin Sewer. Additionally, she
265 noted, at the June 15th Board meeting there will be a public rate hearing to review and approve
266 rate increases for the Novato systems, followed by West Marin and Oceana Marin public rate
267 hearings on June 22nd. Ms. Blue also recognized Ms. Holton, Accounting Supervisor for her
268 assistance in completing the budget.

269 Director Petterle commended Ms. Blue for a good report. Director Joly thanked Ms. Holton
270 and Ms. Blue for a great report. He also noted that expenses are rising, we are entering a period
271 of an increase of CIP projects and an increase in inflation. Director Baker also noted that the

272 report was well done.

273 **FY 2020/21 THIRD QUARTER PROGRESS REPORT – WATER QUALITY**

274 Mr. Ramudo provided the FY 2020-21 Third Quarter Progress Report for water quality.
275 He reported on the Novato, Point Reyes, and Novato Recycled Water systems.

276 On the Novato System, Mr. Ramudo noted Stafford lake water was not used as a source
277 of drinking water during the third quarter due to backfeeding operations. He added as required
278 by the District's potable water discharge permit, water was dechlorinated as it passed through the
279 treatment plant and out through the intake tower. Mr. Ramudo stated there was one instance on
280 March 1st where, due to a change in dechlorinating agent formulations, the backfed water may
281 have not been completely dechlorinated. He noted the situation was corrected as soon as it was
282 discovered and reported to the State Water Resources Regional Board. He added the District
283 has yet to hear a response. Mr. Ramudo also informed the Board that overall algae numbers
284 were low, however in March there was a bloom seen that may have been due to the greater
285 permeation of the sunlight into deeper waters attributed to the clarity of the backfed water.

286 In West Marin, Mr. Ramudo reported the salinity levels in the Coast Guard Wells continues
287 to be high, however by most measures the quality of the water was good. He stated Gallagher
288 Well continues to have good quality water, however he noted a very small amount of sediment
289 was detected at the treatment plant as a result of the sediment settling in the large pipeline. Mr.
290 Ramudo apprised the Board that District staff flushed the line and had success in removing the
291 sediment. He noted in the future this will be added as part of the maintenance program. Mr.
292 Ramudo also informed the Board in the Paradise Ranch Estates zones there was a chlorine
293 booster pump failure, however the problem has been resolved. He reported samples were good
294 and the disinfection byproducts continue to be low.

295 Director Baker commended Mr. Ramudo for his diligent work in keeping the water quality
296 in good standing. He added he appreciated staff experimenting with flushing the large pipeline to
297 flush out the sediment, noting it can be tricky with a pipeline of that diameter.

298 **FY 2020/21 THIRD QUARTER PROGRESS REPORT – ENGINEERING DEPARTMENT**

299 Mr. Williams provided the FY 2020-21 Third Quarter Progress Report for the Engineering
300 Department. He reported on the performance status for Improvement projects, the Novato service
301 area project costs variances, the West Marin service area (including Oceana Marin) project costs
302 variances and Engineering Department labor hours. He stated the report focused on the CIP
303 program, noting we have completed 75% of the fiscal year and have 60% of the projects complete.
304 Mr. Williams noted a total of twenty-three projects were originally budgeted, twenty-two new
305 projects were added, five were carried over and one project was deleted resulting is a new total

306 for forty-nine projects. He added of the forty-nine CIP Projects budgeted, thirty-one are under the
307 lead responsibility of the Engineering Department for completion with twenty-three in Novato and
308 eight in West and Oceana Marin.

309 Mr. Williams stated there are four large projects, which included the Lynwood Pump
310 Station, the Crest Pump Station, San Mateo Tank Transmission Pipeline and the Old Ranch Road
311 projects which are impacting expenditures since they are not yet in construction. For the West
312 Marin Area, Mr. Williams reported the PRE Tank 4A project is substantially complete and that the
313 Oceana Marin Treatment Pond project was ready for construction, but is now under environmental
314 review by FEMA, therefore it is on hold. He added the project will go to construction once the
315 District receives approval. Additionally, Mr. Williams apprised the Board that he is working closely
316 with the City of Novato, noting there is a lot of activity going on and the District can expect more
317 Developer jobs in the future.

318 Director Baker stated that it is great Mr. Williams is working closely with the City of Novato,
319 because it helps the District work out the details of upcoming projects. Director Joly stated it is
320 great news that the Engineering Department is now fully staffed, and asked how COVID may
321 have also played a part with staffing. Mr. Williams replied that he did not think it had a whole lot
322 to do with it, it may have only played a small part. He stated that he talks with the staff that work
323 remotely at least once a day. Mr. Williams also noted having a senior engineer on staff now has
324 been a big help. Director Joly asked about uncompleted CIP projects for the current year
325 impacting next year's CIP. Mr. Williams replied he works with both Mr. Clark and Mr. Arendell on
326 the CIP projects, they always take an aggressive approach and do their best to catch up when
327 possible.

328 **FY 2020/21 THIRD QUARTER PROGRESS REPORT – WATER CONSERVATION**

329 Mr. Grisso provided the FY 2020-21 Third Quarter Progress Report for water
330 conservation. He reported on water conservation participation, public outreach and
331 communications, and included a summary of the budget.

332 Mr. Grisso apprised the Board that recently the District hired a temporary Water
333 Conservation Assistant to help address the increase in workload due to the drought. He noted
334 she worked for NMWD in the past, and retired from MMWD, adding she helped out during the last
335 drought and is skilled with drought prohibitions and rebates.

336 Director Baker stated he enjoyed the report, and he liked that the District was able to hire
337 someone from MMWD who had lots of experience in working with water conservation. Director
338 Joly commended Mr. Grisso on his report and noted the hits on the webpage have increased. Mr.
339 Grisso confirmed, adding the phone calls have increased as well. He stated it has to do with the

340 news media and people wanting to know how the drought will affect them. Director Fraites asked
341 how much the Cash for Grass rebate is per square foot. Mr. Grisso replied it will be increased to
342 \$1 per square foot. Director Fraites asked if the District is steering away from artificial turf. Mr.
343 Grisso responded NMWD was one of the last districts to sunset that rebate. Director Fraites
344 praised Mr. Grisso on his report. Director Grossi stated he has worked on the design of three
345 synthetic turf fields and noted an irrigation system had to be installed, because the turf got too hot
346 and had to be sprinkled to cool it down.

347 **STAFFORD LAKE BACKFEEDING SUMMARY**

348 Mr. McIntyre summarized the 2021 Stafford Lake Backfeeding effort. He noted ~1100 AF
349 was backfed into the lake bringing the storage capacity in Stafford Lake from 29% up to 54%. He
350 added that on May 11th the Sonoma County Board of Supervisors and Board of Directors
351 approved a resolution urging a 20% reduction in water use and other specific actions in response
352 to the drought emergency. He noted as part of this action SCWA water deliveries to NMWD and
353 other water contractors will be reduced by 20% from July 1 through November 1. Mr. McIntyre
354 added the water contractors also have an allocation budget now.

355 Director Joly stated backfeeding Stafford Lake was a great suggestion by staff and the
356 Board. Director Grossi added the lake looks better with the added water in it. He noted there
357 hasn't been any water in Novato Creek at his ranch, however since the District finished
358 backfeeding Stafford Lake, he now sees some puddles of water running in the creek.

359 **WAC/TAC COMMITTEE MEETING – APRIL 5, 2021**

360 Mr. McIntyre provided information on the April 5th WAC/TAC meeting. He reported
361 Sonoma Water filed a Temporary Urgency Change Petition on May 13th, which requested lower
362 minimum instream flows on the lower Russian River and committing to diversion reductions from
363 Lake Sonoma.

364 **NBWA MEETING – MAY 7, 2021**

365 Director Fraites reported on the NBWA meeting that was held on May 7th. He stated there
366 was discussion in reference to the future use and expansion of recycled water systems throughout
367 the state. He also reported on the demands for housing by the state legislature and how that will
368 impact our current water crisis. A general discussion ensued.

369 Director Joly thanked Director Fraites for his good report on the meeting. Director Grossi
370 agreed, adding there was a lot of good information.

371 **MISCELLANEOUS**

372 The Board received the following news articles: Marin IJ – Marin drought echoes water
373 crisis of 1976-77 – MANY SIMILARITIES; Marin IJ – Editorial – Water shortage demands wiser

374 choices by all; Marin IJ – Water use restrictions tightened by MMWD – DROUGHT; Marin IJ –
375 Appeal lodged on plan for well – WEST MARIN; Times-Standard – North Coast Leaders call for
376 ‘all hands on deck effort’ to combat drought; CBSN – California Drought: Recycled Water
377 Investment Paying Off For North Marin Water District; Marin IJ – Newsom extends drought status
378 to 41 counties – CALIFORNIA; Marin IJ – Why Marin wasn’t included in California drought action
379 – EMERGENCY DECLARATION and The Press Democrat – Water rationing begins in Sonoma
380 County as cities plot steps to confront drought.

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

383 Director Joly stated it was great to see Mr. McIntyre on KPIX, and commended him for a
384 job well done. Director Fraites agreed and added Mr. McIntyre really made the District shine.

385 Director Grossi stated the new protocol with the webinar approach will help us get through
386 more discussion in the next couple of months, and added everyone did a great job.

387 Director Joly congratulated Ms. Juarez-Hernandez on her new position, thanked her for
388 her work at the District and noted staff and the Directors will miss her.

389 President Grossi adjourned the meeting at 8:02 p.m.

390 Submitted by

391

392 Theresa Kehoe
393 District Secretary
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MEMORANDUM

To: Board of Directors
 From: Tony Arendell, Construction Superintendent *TA*
 Subject: Contract Extension for NMWD Trench Restoration Paving
K:\CONST SUP\2021\2021 Paving\2021-22 Paving Contract Extension BOD Memo 5-28-21.doc

May 28, 2021

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

FINANCIAL IMPACT: Estimated at \$350,000

W.K. McLellan Company (McLellan) has been the District's contractor for trench restoration work since 1997. When last approved by the Board at the August 20, 2019 meeting, and extended at the June 2, 2020 meeting. McLellan is offering to perform work for next fiscal year at current pricing. McLellan has stated that they will have to revise their pricing next year, subject to agreement by both parties.

Annual billings to McLellan for FY21/22 are estimated to be approximately \$350,000. Annual costs for this work over the last seven years are summarized in Table 1. To prosecute the work, purchase orders will be issued monthly for trench areas to be paved at the approved unit pricing.

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

RECOMMENDATION

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

TABLE 1

YEAR	BILLINGS
FY13-14	\$149,221
FY14-15	\$234,723
FY15-16	\$295,616
FY16-17	\$173,868
FY17-18	\$201,489
FY18-19	\$378,143
FY 19-20	\$258,679

Approved by GM *BW* FOR DM

Date 5/28/21

TABLE 2

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

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

6

MEMORANDUM

To: Board of Directors

May 28, 2021

From: Ryan Grisso, Water Conservation Coordinator *RG*Subject: Approve Text for Spring 2021 West Marin "Waterline", Volume 19
V:\Memos to Board\Spring 2021 West Marin WaterLine Text 0521.doc**RECOMMENDED ACTION:** Approve Spring 2021 West Marin "Waterline" Text**FINANCIAL IMPACT:** \$2,700 (Included in FY 2020/2021 WM Budget)

Draft text and design for the Spring 2021 West Marin "Waterline", Volume 18 is attached for your review. This issue focuses on the salinity intrusion in the West Marin Service Area, the water shortage emergency, and water conservation programs available to customers. Also included is a piece on the continuation of the Flume device program for incentivizing the installation of private line water use monitoring and leak detection devices. Should any Board member have individual comments please provide them to the General Manager at the Board meeting on June 1, 2021. It is expected the Spring 2021 West Marin "Waterline" will be mailed in mid-June 2021.

RECOMMENDATION

Board authorize General Manager to approve final text and design of the Spring 2021 West Marin "Waterline", Volume 19.

Approved by GM *[Signature]* *Feb*
*DM*Date 5/28/21

The Waterline



**NORTH MARIN
WATER DISTRICT**

West Marin Service Area Newsletter | Issue 19

Water Supply Update Spring 2021

Drew McIntyre, General Manager

Water supplied by North Marin Water District (NMWD) to our West Marin customers is diverted from shallow wells adjacent to Lagunitas Creek near the former U.S. Coast Guard Housing Facility in Point Reyes Station and on Gallagher Ranch. The State Water Resources Control Board (SWRCB) has determined that Lagunitas Creek is fully appropriated in summer months of dry years and has ordered NMWD to find an alternative source of water from July to October during dry years. (A dry year occurs when the total precipitation from October 1 to April 1 is less than 28 inches as measured at Marin Municipal Water District's Kent Lake). NMWD has complied with this request by purchasing a portion of the Giacomini Ranch water rights to use during these periods.

Rainfall at Kent Lake through April 1, 2021 totals just under 21 inches and dry year conditions continue on Lagunitas Creek. This is the first time there have been two consecutive dry years since Water Right Order 95-17 was adopted by the SWRCB in October 1995 and 2014 was the only other previous single dry year condition. Pursuant to the order, Dry Year Lagunitas Creek flows are currently being maintained by Marin Municipal Water District at the regulated threshold of 10 cfs (cubic feet per second) and will drop to 6 cfs on June 16. A public hearing was held last year on May 5, 2020 where the Board of Directors declared a water shortage emergency in NMWD's West Marin Service Area, the West Marin Water Shortage Contingency Plan was enacted and an Emergency Water Conservation Ordinance was adopted (No. 39).

The water shortage emergency condition remains in effect and Ordinance 39 has been revised to reflect current conditions for 2021. Until June 30, customers are asked to voluntarily reduce



water consumption by 15% (Stage 1) when compared to the corresponding billing period in 2013 (the most recent pre-drought normal year). For a second year in a row, beginning on July 1, a mandatory 25% reduction in water use (Stage 2) will be in place (also when compared to the corresponding billing period in 2013). Customers are also required to implement other conservation measures intended to eliminate the waste and non-essential use of water. Many customers have already reduced their water use to less than these mandated reduction levels and customers using less than 200gpd (gallons per day) are already in compliance, but are requested to conserve more if possible. A drought surcharge for residential customers using more than 200 gpd takes effect with enactment of the mandatory Stage 2 restrictions from July 1 through November 1. You can see your water use history and target to reduce 25% by visiting the NMWD website at nmwd.com.

NMWD customers are encouraged to use water efficiently during this drought period, reduce outdoor irrigation and participate in NMWD Water Use Efficiency Programs described in this Waterline and at nmwd.com/drought.

Increased Salinity Levels

Pablo Ramudo, Water Quality Supervisor

NMWD is committed not only to serving water to customers that meets or surpasses all state and federal standards for quality, but also tastes good. Significant investments are being made for the permitting and construction of a new source well that is not vulnerable to salinity intrusion and is capable of meeting the production demands of the system.

Unfortunately, due to permitting delays beyond our control this new source well will not be available for use this Summer when salt levels are expected to increase again. Since a portion of NMWD's customers with severe sodium restrictions may again find it necessary to use alternative sources of water, NMWD is planning to provide a source of low saline water via a filling station. The target threshold to activate a filling station will be when salinity reaches a minimum sodium threshold of 115 mg/L. This threshold represents 10% of the recommended daily intake value for sodium

presented by the FDA dietary guidelines. The filling station facilities will be located near our treatment facilities at the former Coast Guard Housing Property in downtown Point Reyes Station.



Look for more related information on our website at nmwd.com in the coming months.

Water Use Monitoring and Leak Detection Device Pilot Program

The District is continuing the offering of a pilot program for the shared cost purchase and use of water monitoring and leak detection device called Flume. These devices attach to your meter and relay real time water use data and leak alerts through your Wi-Fi.

If you are interested in participating, please email your contact information and service address to waterconserve@nmwd.com, and staff can provide you with the website link for the shared cost purchase.

This pilot program is available to West Marin Service Area customers only.



Pay your bills online.

Visit onlinebiller.com/nmwd



Drought is here. Save water.

Summary of water waste and non-essential use prohibitions in effect

- Permitting water to escape down a gutter, ditch or other surface drain.
- Failure to repair a controllable leak of water within a reasonable time.
- Washing down exterior paved areas.
- Refilling a swimming pool drained after May 5, 2020 or initial filling of a swimming pool for which an application for a building permit was made after May 5, 2020.
- Washing privately-owned motor vehicles, trailers and boats except from a bucket and hose equipped with an automatic shut-off nozzle for a quick rinse.
- Watering of any lawn, garden, landscape area. Overhead sprinkler irrigation can be used if the customer maintains an overall 25% reduction in water use when compared to the same billing period in 2013.
- Landscape watering beyond the hours of 7:00 PM and 9:00 AM of the next day and more than 3 days per week for drip irrigation and 2 days per week for overhead sprinkler irrigation.
- Use of potable water for dust control at construction sites.
- Non-residential use in excess of 25% less than the amount used by the customer during the corresponding billing period in 2013.



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PO Box 146
Novato, CA 94948

nmwd.com

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Water Smart Savings Program

Drought is here. Save water. North Marin Water District wants to help customers use water efficiently in this continuing drought period. That's why we've put all of our water saving promotions under one umbrella. The Water Smart Savings Program encompasses all you need to get started on saving water during this drought. Call 415-761-8944 for program details or visit nmwd.com.

Water Smart Home Survey

This free service includes thorough indoor and outdoor water efficiency checks. Virtual or phone consultations offered at this time.

Water Smart Landscape Rebate

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

Pool Cover Rebate

Rebate available for qualified pool cover purchase and installation.

Cash for Grass Rebate

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

High Efficiency Clothes Washer Rebate

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

Rainwater Catchment Rebate

Rebate for collection and storage of rainwater.

High Efficiency Toilet Rebate

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

Weather-Based Irrigation Controller Rebate

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

Save up to
\$90 a year

Low Income Rate Assistance (LIRA) Program

This program is available to eligible low-income customers and provides a credit on a two-month billing cycle of \$15 per bill or \$90 per year.

A direct water customer who has a single-family residential account and is eligible for PG&E's income-based CARE program is eligible for the District's LIRA Program. Once approved the discount would apply to your next billing cycle.

To request an application or for further information call our billing department at 415-897-4133 or visit the website at nmwd.com/account/low-income-rate-assistance-lira-program/.

7

MEMORANDUM

To: Board of Directors
From: Robert Clark, Operations/Maintenance Superintendent *RC*
Subj: Oceana Marin Wastewater System – Acceptance of 2021 Management Plan Update
X:\MAINT SUP\2021\BOD\SSMP_Update BOD memo_May_2021.doc

May 28, 2021

RECOMMENDED ACTION: That the Board accept the Oceana Marin 2021 Sewer System Management Plan Update

FINANCIAL IMPACT: None at this time

On August 4, 2021, the Board authorized the General Manager to execute a \$30,000 contract with V.W. Housen and Associates for the Oceana Marin Wastewater System 2021 Sanitary Sewer Management Plan Update.

The 2021 Sewer System Management Plan (SSMP) Update Executive Summary is attached for Board review (the complete report is available in electronic form on the District's website at NMWD.com/Draft2021OMSSMP .

The 2021 SSMP Update supersedes the 2013 SSMP Update prepared by NMWD Staff and considers more recent information on system operating conditions, future flow projections and regulatory requirements. The 2021 SSMP Update also includes an overflow emergency response plan.

Staff requests that the Board accept the Oceana Marin 2021 Sewer System Management Plan Update. If there are any comments that result in corrections to the Plan, those specific pages can be modified and the current page(s) replaced with the new page(s) as appropriate. The 2021 SSMP Update will continue to serve as a guideline and blueprint for Oceana Marin sewer system operations. As currently budgeted, the SSMP is scheduled to be updated every five years per State waste discharge requirements.

RECOMMENDATION

That the Board accept the Oceana Marin 2021 Sewer System Management Plan Update final report.

EXECUTIVE SUMMARY

This Sewer System Management Plan (SSMP) has been prepared in compliance with requirements of the State Water Resources Control Board (SWRCB) Order No. 2006-0003-DWQ, and Amended Monitoring and Reporting Program (MRP), Order No. WQ 2013-0058-EXEC.

ES-1 Background

On May 2, 2006, the SWRCB issued a directive through Order No. 2006-0003-DWQ to require all public wastewater collection system agencies in California with greater than one mile of sewers to be regulated under General Waste Discharge Requirements (Statewide WDR). The SWRCB action also mandates the development of an SSMP and the reporting of SSOs using an electronic reporting system. The SWRCB amended the Statewide WDR Monitoring and Reporting Requirements through Order No. 2013-0058-EXEC, which became effective on September 9, 2013. The intent of this SSMP is to meet the requirements of the Statewide WDR.

The District's Waste Discharge ID Number (WDID) for the California Integrated Water Quality System (CIWQS) is 1SSO10052.

ES-2 District Service Area

The North Marin Water District ("NMWD" or "District") primarily serves the City of Novato and surrounding unincorporated areas in Marin County with potable water services, but is also responsible for providing wastewater services to the Oceana Marin Community. Oceana Marin, located in Marin County, was originally developed in the 1960's and has now been built into a 251-lot subdivision (approximately one square mile). It is located just north of the unincorporated community of Dillon Beach, with Bodega Bay to the west, as shown on Figure ES-1. The District provides wastewater collection services to approximately 400 residents residing in 229 dwellings. Sewage is conveyed to a wastewater treatment plant located at the top of the headlands, just east of Oceana Marin, where wastes are held and treated by aerobic decomposition.

The District's wastewater collection system includes approximately 5 miles of gravity sewer pipe and 0.75 miles of force main pipeline, as well as two lift stations. The District's system conveys approximately 15,000 gallons per day of average dry weather flow to its own wastewater treatment plant.

Figure ES-1. North Marin Water District and Oceana Marin Sewer Service Area



ES-3 SSMP Objectives

The objectives of the SSMP are to accomplish the following:

1. Establish goals that align the District’s sewer collection system operation, management and capacity assurance activities in a manner that achieves the intended purpose of this SSMP
2. Comply with the Statewide WDR through provision of the following:
 - Elements I through XI, following the outline of the Statewide WDR, including a description of the regulatory requirements and a summary of existing and planned documents and plans related to each element

- Appendices that are amended over time to reflect changes in contact personnel, job descriptions, policies, procedures and programs

Table ES-1, shown on the following page, identifies the objectives that must be addressed to comply with each SSMP element.

DRAFT

Table ES-1. SSMP Objectives

Element	Objective
I. Goals	<ul style="list-style-type: none"> • Properly manage, operate and maintain the collection system • Provide capacity to convey base and peak flows • Minimize the frequency and severity of SSOs • Mitigate the impact of SSOs
II. Organization	<ul style="list-style-type: none"> • Identify agency staff responsible for the SSMP • Identify chain of communication for responding to and reporting SSOs
III. Legal Authority	<ul style="list-style-type: none"> • Control I&I from the collection system and laterals • Require proper design and construction of sewers and connections • Require proper sewer installation, testing and inspection • Ability to impose source control requirements
IV. Operation and Maintenance Program	<ul style="list-style-type: none"> • Maintain up-to-date maps • Allocate adequate resources for system operation and maintenance • Prioritize preventative maintenance activities • Identify critical equipment and spare parts to minimize equipment and/or facility downtime • Provide staff training on a regular basis
V. Design & Construction Standards	<ul style="list-style-type: none"> • Identify minimum design and construction standards and specifications • Identify procedures and standards for inspecting and testing
VI. Overflow Emergency Response Plan (OERP)	<ul style="list-style-type: none"> • Provide SSO notification procedures • Develop and implement a plan to respond to SSOs • Develop procedures to report and notify SSOs • Develop procedures to prevent overflows from reaching surface waters, and to minimize or correct any adverse impact from SSOs
VII. FOG Control Program	<ul style="list-style-type: none"> • Develop a Fats, Oil and Grease (FOG) control plan, if needed
VIII. System Evaluation and Capacity Assurance	<ul style="list-style-type: none"> • Establish a process to assess the current and future capacity requirements • If any capacity needs are identified, implement a Capital Improvement Plan to provide hydraulic capacity
IX. Monitoring, Measurement and Program Modifications	<ul style="list-style-type: none"> • Measure the effectiveness of each SSMP element • Monitor each SSMP element and make updates as necessary
X. SSMP Audits	<ul style="list-style-type: none"> • Conduct a bi-annual (every 2 years) audit that includes deficiencies and steps to correct them
XI. Communication Program	<ul style="list-style-type: none"> • Communicate with public (Customers) on SSMP development, implementation and performance.

8

MEMORANDUM

To: Board of Directors

May 28, 2021

From: Drew McIntyre, General Manager

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

t:\gm\bad misc 2021\renew covid emergency declaration #28 5_28_21.doc

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

FINANCIAL IMPACT: ~\$191,535 as of April 30, 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 Manger, as the District's Emergency Manager activated the District's Emergency Operations Plan.

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

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

On April 29, 2020, Marin County and the other six Bay Area Public Health Officers issued a new order effective May 4, 2020 through May 31, 2020. Marin's public health order concerning use of face coverings does not have an end date and will remain in place until further notice. Under the May 4th Shelter-In-Place order, construction activities, certain businesses that operate primarily outdoors, and some outdoor activities will be allowed to resume with specific conditions.

On May 15, 2020, Marin County issued a new order allowing a limited number of additional businesses and activities to resume operations subject to specified conditions. In particular, office spaces were allowed to resume operation on June 1, 2020 subject to strict compliance with specific Marin County requirements. This new order has no end date and is to remain in effect until rescinded or superseded.

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

On September 15, 2020, Marin County successfully appealed to the California Department of Public Health (CDPH) to move into Tier 2 in the state's COVID-19 response framework. Moving from Tier 1, or "widespread" COVID-19 community risk (or purple) status, to the Tier 2 "substantial" (or red) status risk category allowing more businesses to reopen.

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 8th and the state officially

issued said Order to Marin County (as part of the Bay Area region) on December 17th.

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 24th 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.

On April 6, 2021, Governor Newsom announced that California will lift nearly all of its restrictions on business and gathering on June 15, 2021,

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

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

District emergency planning has been aggressively implemented since March 16, 2020. 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

Vendor Purchases	Procurement Type	Total Purchase Order Amount	Date
Durkin Signs & Graphics	Magnetic "Social Distance" Signs	\$1,077	4/14/2020
Winzer Corporation	Surgical Masks (2,000)	\$3,751	4/15/2020
Boucher Law	COVID Protection Plan + Ongoing Support	\$13,977	3/2020-2/2021
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
Total Procurement Amount To-Date		\$38,935	

Internal Labor Expenses

Increased on-call labor costs:	~\$94,500 thru March 31, 2021 ~\$102,300 thru April 30,2021
Families First Coronavirus Response Act (FFCRA) Allows employees to take time off for COVID medical reasons and/or childcare.	~\$33,900 thru March 31, 2021 ~\$40,500 thru April 30, 2021
Payroll Collection Costs	~\$8,600 thru March 31, 2020 ~\$9,800 thru April 30, 2021

Water Bill Delinquency Impacts


	<u>4/2019</u>	<u>4/2020</u>	<u>4/2021</u>
Customer Accounts Past Due (count)	1.9%	3.0%	3.1%
Delinquent Balances % Due on Account	5.3%	11.2%	10.1%
Delinquent Balances \$ Due on Account	\$48,000	\$78,00	\$102,063

9

MEMORANDUM

To: Board of Directors

May 28, 2021

From: Julie Blue, Auditor-Controller Subj: Budget Review – Proposed FY 21/22 Budgets Novato & West Marin Service Areas
t:\aclbudgetfy-2021.22\budget final fy 21.22\budget review 2 june 1, 2021 fy 21 22.docx**RECOMMENDED ACTION:** Information Only – Second Budget Review**FINANCIAL IMPACT:** None at this time – Total \$33.1 Million Expenditure Plan
Capital/Equipment/Debt Service - \$14.4 Million
Operations - \$18.7 Million

Attached for review are the FY 21/22 Budgets for North Marin Water District (NMWD) which include Novato Water, Recycled Water (RW), West Marin Water (WM), and Oceana Marin Sewer (OM).

To date, the Board of Directors (BOD) have reviewed financial forecasts for each service area (Novato/RW in April, OM in March and WM included with the 2021 West Marin Water Rate Study in March). These financial forecasts were 5-year projections outlining the overall financial status of each District and conveyed the need for District wide rate increases.

Budget Review and Changes:

The BOD first reviewed the FY 21/22 Capital Improvement Project Budget (CIP) and Equipment Budget at the May 4, 2021 meeting. The District wide budget (including CIP/Equipment) was presented at the May 18, 2021 Board meeting for review and Board member input. The below items are the substantive changes to the budget since the last board meeting. Where possible changes have been bolded within the budget document.

- An additional \$100,000 was added to the CIP budget for the Hydropneumatic Tank Repair project, see page 28 of the budget document. This increase was offset by deferring \$100,000 of the NMWD Headquarters Upgrade project into FY 23/24. These changes were made as a result of the reevaluation of the project costs and timing by the Engineering Department.
- An additional \$40,000 was added to Studies & Special Projects, see page 32 of the budget document, for review and redrawing of the District's boundaries. The District transitioned from at-large to district-based elections in 2019. As a result of the recent completion of the 2020 US Census NMWD will be required to redraw its election map by mid-April 2022 in anticipation of the November 2022 general election.

- The budget for Purification Chemicals for Novato Water Treatment was reduced by \$40,000. This change was due to the projected decrease in water production and reevaluation of chemical needs by the Operations Department.
- Additional text was added to the Novato Operations & Maintenance expense section of the budget narrative, pages 3-5, in response to the Board of Director's comments at the May 18, 2021 meeting.

Budget/Rate Hearing Schedule:

As listed in the budget/rate hearing schedule that follows, a public hearing will take place to consider the proposed water rate increases for Novato and RW on June 15, 2021 at 6:00 pm at the District's headquarters or via teleconference (Zoom) if COVID-19 restrictions are still in effect. Announcement of the public hearing and details of the Novato and RW rate increases will be published in the Marin IJ on June 1, 2021. The budget will be reviewed and refined if necessary prior to the next BOD's review when presented for approval at the next Board meeting on June 15, 2021 at 6:00 pm.

The public hearings to consider the proposed water and sewer rate increases for WM and OM will take place on June 22, 2021 in Novato at District Headquarters ⁽¹⁾ or via teleconference (Zoom) if COVID-19 restrictions are still in effect. Announcement of the public hearing and details of the WM water rate increase and OM sewer rate increase will be published in the Point Reyes Light on June 3 and again on June 10, 2021. The WM and OM budgets will be reviewed and refined if necessary prior to the next BOD's review and are scheduled for approval at the Board meeting on June 22, 2021 at 6:00 pm.

The following schedule outlines the upcoming additional activities related to the budget and proposed rate increases to occur over the next few weeks. This schedule was approved by the BOD during the March and April 2021 meetings.

⁽¹⁾ The Dance Palace in West Marin is not available for open meetings at the time of this memo.

Date	Item	Review/Approve	Rate Hearing	Status	Service Area
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		Complete	Novato/RW
April 20	Review and Approve Prop 218 Letters to be sent to customers	Approve		Complete	Novato/RW/WM/OM
May 4	Capital Project & Equipment Budget Schedules	Review Only		Complete	Novato/RW/WM/OM
May 18	Operations & Maintenance and Capital Budget - District	Review Only		Complete	Novato/RW/WM/OM
June 1	Operations & Maintenance and Capital Budget - District	Review Only		Current	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

(1) The Dance Palace in West Marin is not available for open meetings at the time of this memo.



**NORTH MARIN
WATER DISTRICT**

North Marin Water District

Budgets

Novato & West Marin Service Areas

Draft June 1, 2021

**Fiscal
Year
2021/22**

NORTH MARIN WATER DISTRICT
NMWD.COM
999 RUSH CREEK PLACE
NOVATO, CALIFORNIA 94945

INTRODUCTION

This document contains the fiscal year 2021/22 budgets for North Marin Water District's various enterprise service districts located in Marin County. These are:

Potable Water Service:

Novato

West Marin (Point Reyes Station, Inverness Park, Olema, Bear Valley, Silver Hills & Paradise Ranch Estates)

Recycled Water Treatment, Transmission and Distribution:

Novato

Sewage Collection, Treatment & Reuse/Disposal:

Oceana Marin

Accompanying the operating budgets are capital improvement project expenditures for the fiscal year. Questions regarding these budgets may be directed to Julie Blue, Auditor-Controller, at jblue@nmwd.com or 415-761-8950.

MISSION STATEMENT

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

VISION STATEMENT

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

NMWD VALUES

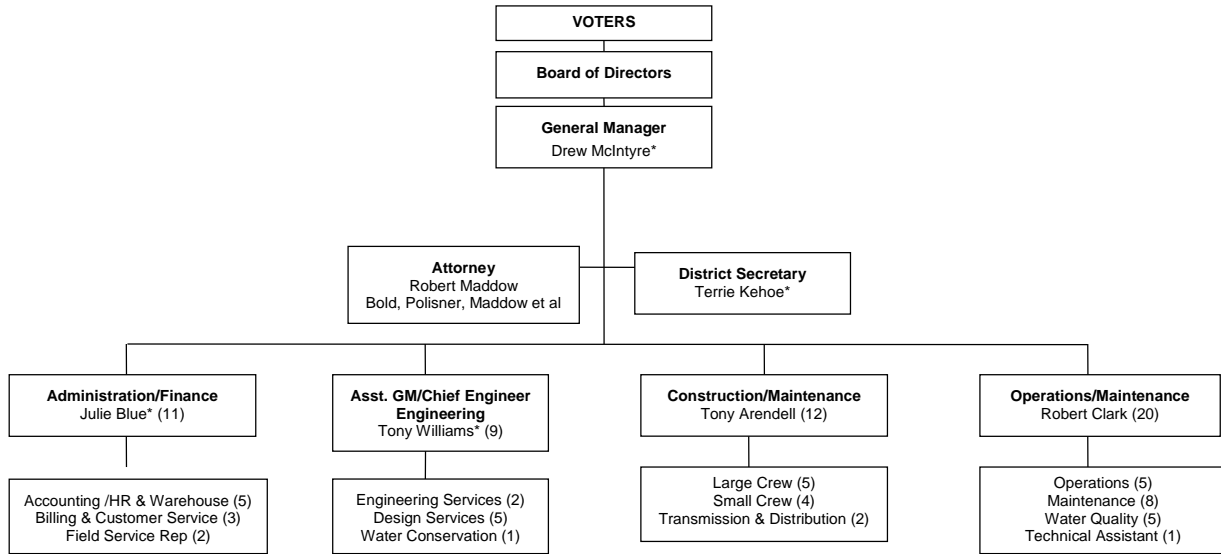
- **Accountability** – We work transparently and in full view of customers and take responsibility for our work.
- **Integrity** – Customers can count on quality and fair service from our staff and the District.
- **Teamwork** – We work cooperatively to accomplish our goals.
- **Honesty** – We always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

ORGANIZATION FACT SHEET
July 2021

Organization:

- 5 Directors elected By-District (Division) for 4-year terms
 - James Grossi (Division 1), President
 - Stephen Petterle (Division 4), Vice-President
 - Jack Baker (Division 2)
 - Rick Fraites (Division 5)
 - Michael Joly (Division 3)

- 1 General Manager, Drew McIntyre (serves at the pleasure of the Board of Directors)
- 4 Departments
- 54 Employees (regular full-time-equivalent authorized)



Authority:

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

Territory:

100 square miles (see attached map)

Distribution System Expansion Policy:

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

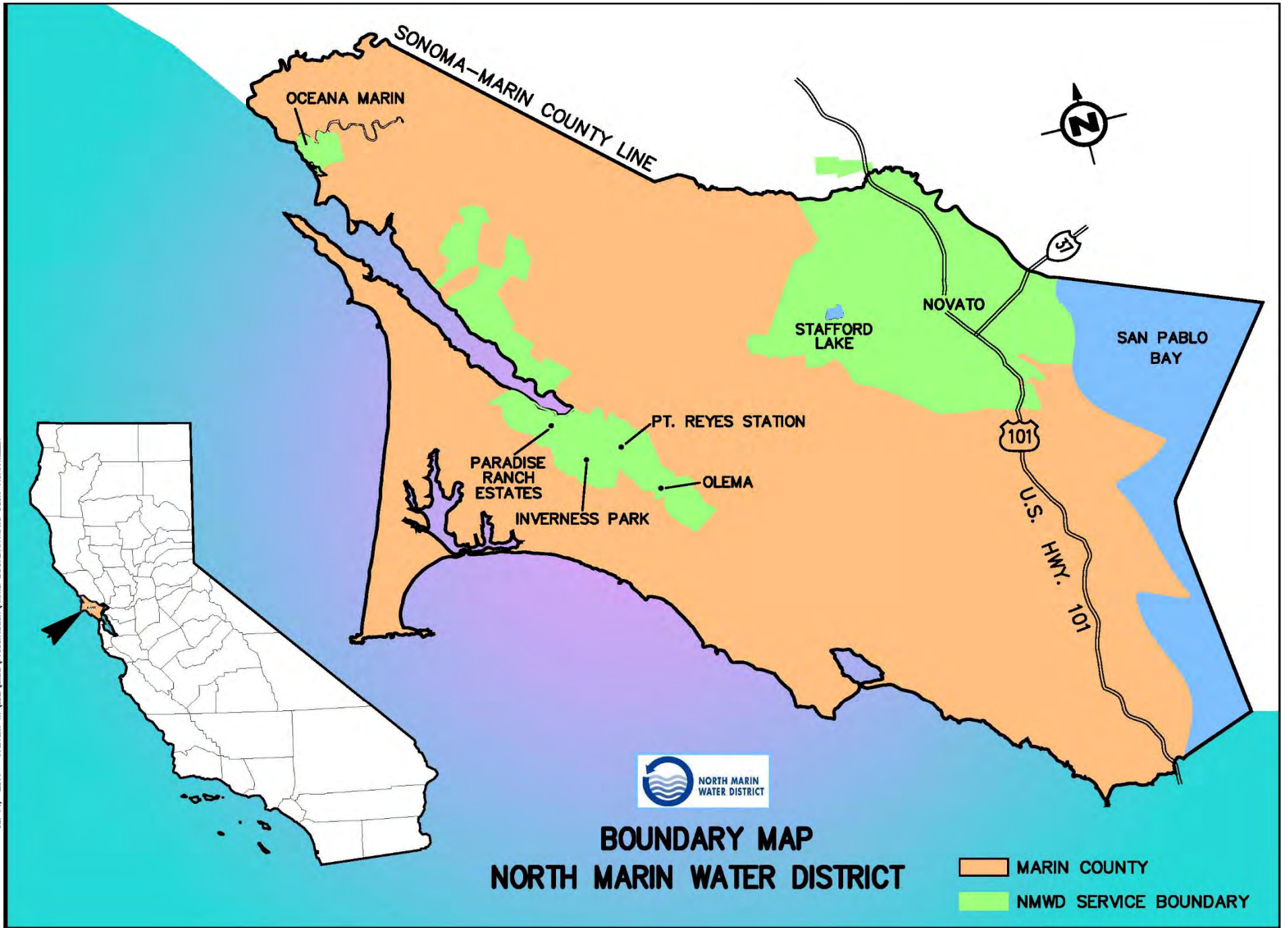
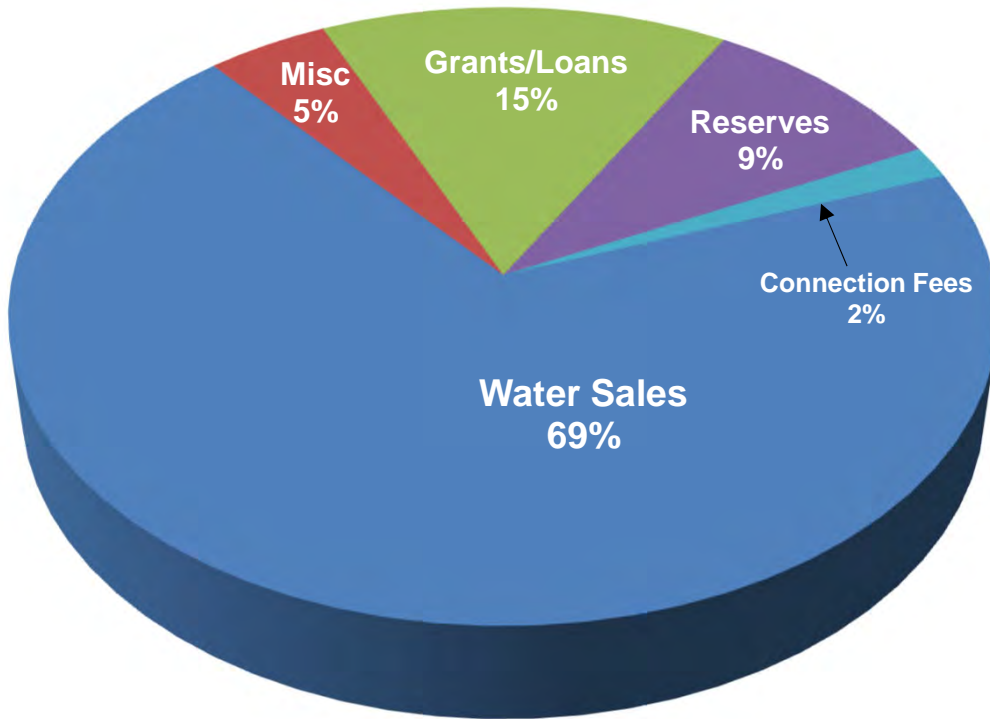


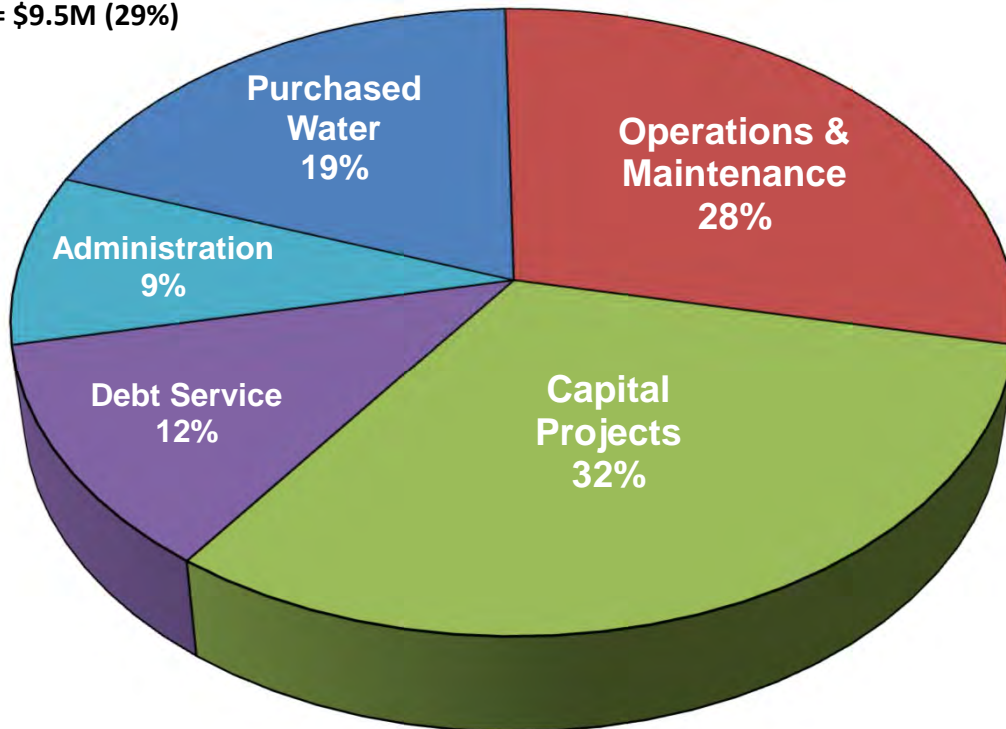
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NORTH MARIN WATER DISTRICT
FY21/22 DRAFT BUDGET - ALL SERVICE AREAS COMBINED
SOURCES = \$33,145,000



Labor = \$9.5M (29%)



USES = \$33,145,000

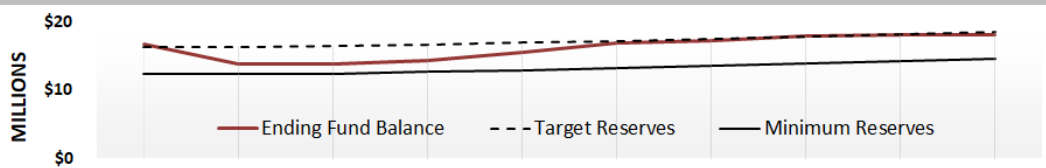
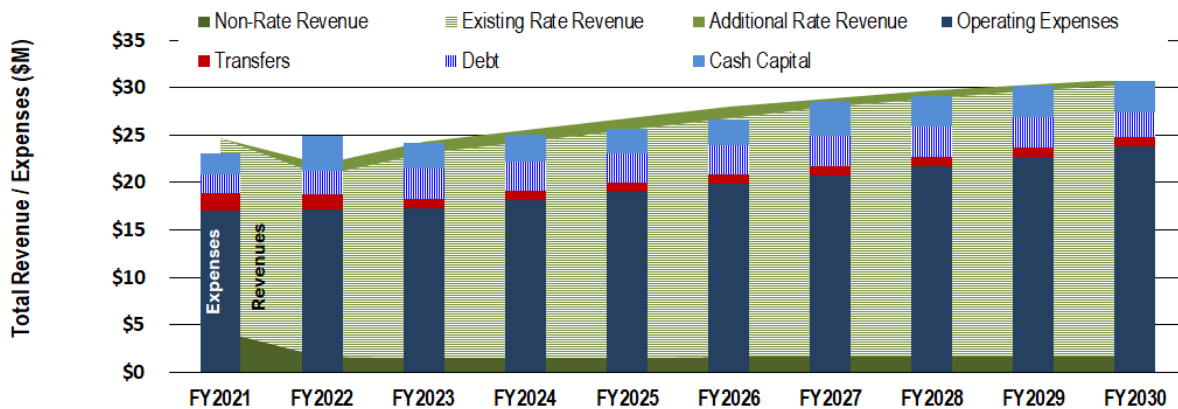
Excludes Depreciation Expense & Developer Funded Costs

Summary

The \$33.1 million consolidated budget projects operating revenue of \$23.7 million and a net operating income of \$1.2 million. The FY 21/22 budget incorporates \$5.7 million in internally funded capital improvement projects and \$6.3 million in water purchases. After payment of \$3.9 million in debt service, the consolidated budget projects a decrease in cash for the fiscal year of \$3 million.

Novato Water

The Novato Potable Water System budget projects a \$3 million cash decrease over the fiscal year. A 6% rate increase in both the commodity and service charge, effective July 1, 2021, will be considered by the Board of Directors at a public hearing occurring on June 15, 2021. Total budget outlay, which includes \$4.9 million in capital improvement projects, is projected at \$24.9 million which is \$0.3M higher than the FY 20/21 budget. The below chart shows that the Novato Water financial plan will maintain sufficient cash reserves aiming towards the designated targets and remaining above the minimum level, as established during the 2020 Novato and Recycled Water Rate Study.

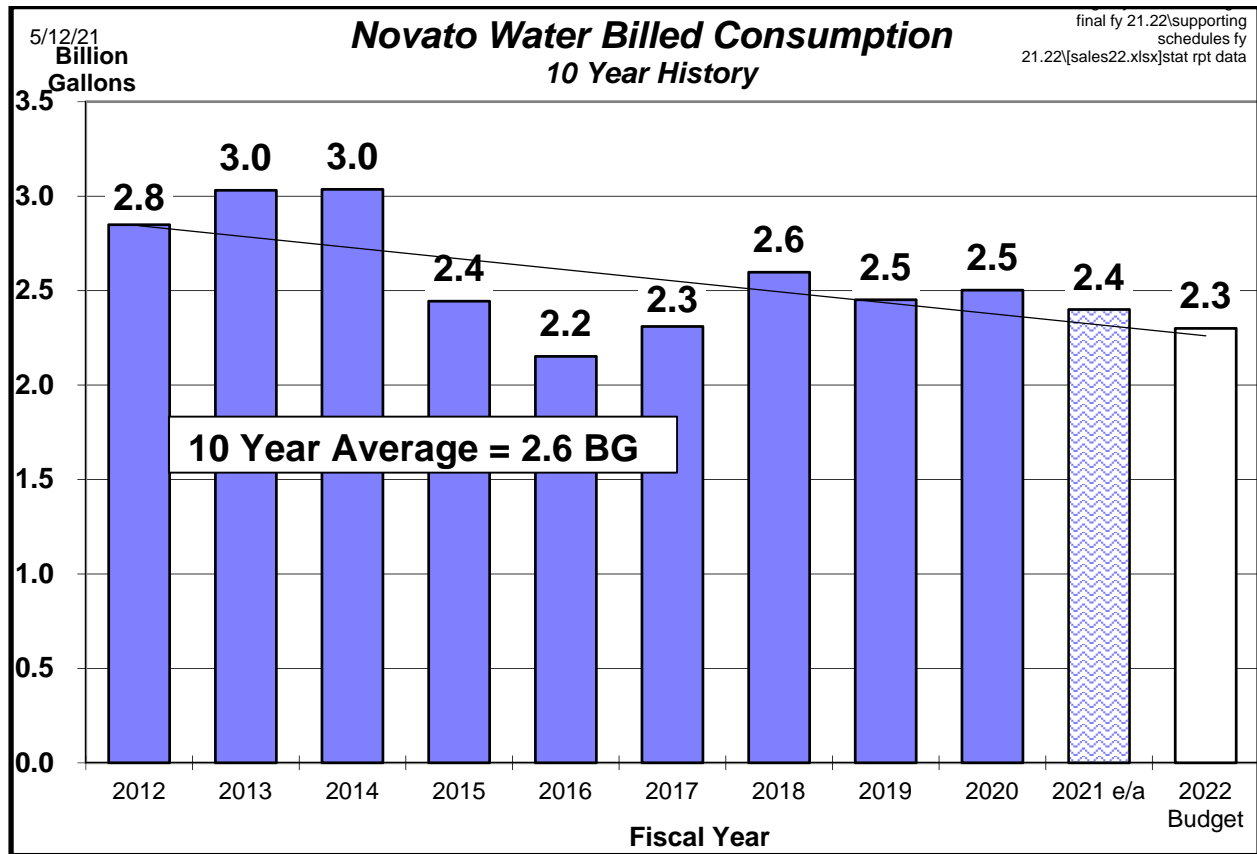


	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Debt Coverage Ratio:	0.0%	6.0%	6.0%	5.0%	5.0%	5.0%	3.0%	3.0%	2.0%	2.0%
Net Debt Proceeds:	\$0.0M	\$3.6M	\$8.0M	\$3.6M	\$0.9M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M

Operating Revenue

Water Sales - Water sales volume is budgeted at 2.3 billion gallons (BG) which is a 7% decrease from the FY 20/21 budget. The decrease is primarily due to the voluntary call for 20% water conservation through June 30th followed by a mandatory water conservation order to reduce water consumption by 20% in the months of July 2021 through October 2021, as a result of the current two year drought condition. The projected revenue lost from the reduced consumption is budgeted

at (\$1,062,000). The 6% rate increase, effective July 1, 2021 is projected to increase revenues by \$1,223,000 but is highly dependent on water sales volume. The following chart shows a 10-year history of billed consumption for the Novato Potable Water System.



Other Revenue – Connection Fee revenue is budgeted at \$558,000. Connection Fee revenue of \$1.5 million for 54 Equivalent Dwelling Units (EDUs) was collected in FY 19/20. The annual average connections have been 39 EDUs (FY 15/16 through FY 19/20). Included in the projections is annual Connection Fee revenue equivalent to 20 EDUs or about half of the actual five-year average.

The wheeling charge to Marin Municipal Water District is budgeted at \$101,000. This is based on the average revenue collected in the past five years, increased for inflation. In addition, MMWD will pay the annual fixed AEEP capital contribution of \$205,000 in accord with the terms of the 2014 Interconnection Agreement. Miscellaneous Revenue includes \$94,000 in combined income from the rental of the Point Reyes home, the Little Mountain cell phone tower lease, Indian Valley Golf Club lease, three grazing leases, rental of the District's security apartment, and rental of the Pacheco Valle tennis courts.

Operating Expenditures

Operating expenses (excluding depreciation) are budgeted to increase 3.8% or \$634,000 from the FY 20/21 budget. The increase is primarily due to inflation adjustments of approximately 3%, increases in the cost to purchase water, increases in the electrical costs of pumping, insurance costs, and increases in personnel costs. **Water purchases, and some operational costs are variable and dependent on the volume of water produced and purchased while other**

expenses such as salaries, benefits, general liability insurance, and other administrative costs are fixed. More details are outlined in this budget report.

Source of Supply – The purchase price of water from Sonoma Water (SW) (AKA Sonoma County Water Agency) is projected to increase 4.63% in FY 21/22. This change will result in a cost per acre-foot of \$1,047 for FY 21/22 versus \$1,001 for the current fiscal year and is estimated to increase the cost to purchase water by \$270,000.

Stafford Treatment Plant (STP) Water Production – STP water production is projected at 490 MG in FY 21/22 which is lower than the 10-year average annual production of 586 MG. The decrease in expected water production is due to a lower volume of water in the lake, due to the drought, which reduces the amount of water available to treat. The cost of production at the end of FY 19/20 was \$3,338/MG and varies depending on the volume and length of production.

Although the cost of STP water production is higher than purchases from SW, the benefits of having a local water supply for resiliency and emergency preparedness outweighs the additional costs in operating the plant.

Personnel Costs - The budget includes a staffing level of 54 full-time equivalent (FTE), see table below. There is an increase of one FTE in the Engineering Department to address an increase in workload demands and succession planning needs. This increase is offset by a decrease of one FTE in the Consumer Services Department. The Consumer Services Department FTE reduction aligns with planned staffing changes resulting from the implementation of the Automated Meter Information (AMI) system. The temporary staffing budget remains unchanged from the prior year's budget at 7,480 hours.

<u>FTE Staffing</u>	<u>FY22</u>	<u>FY21</u>
Administration	8.0	8.0
Consumer Services	5.0	6.0
Construction/Maintenance	12.0	12.0
Engineering	9.0	8.0
Maintenance	9.0	9.0
Operations	6.0	6.0
Water Quality	<u>5.0</u>	<u>5.0</u>
	<u>54.00</u>	<u>54.00</u>

In accordance with the Employee Association and NMWD's Memorandum of Understanding (MOU), a 3.0% cost-of-living salary increase, has been factored into the budget effective October 1, 2021. The MOU links an annual cost-of-living adjustment (COLA) to the change in the Consumer Price Index (CPI). The District entered into a 5-year MOU with the NMWD Employee Association beginning on October 1, 2018. The current MOU established a COLA minimum of 2.0% and a maximum of 4%. The 3.0% cost-of-living increase is staff's best projection at this time.

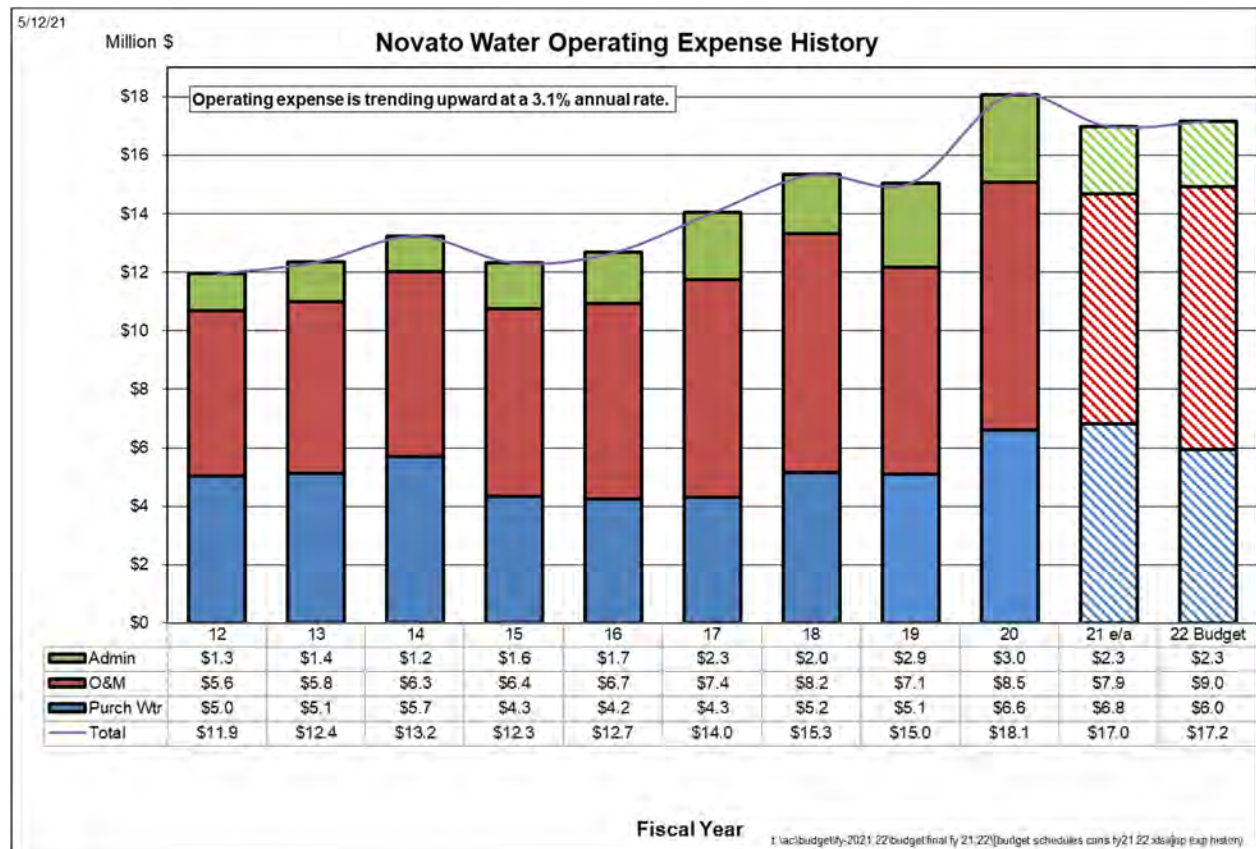
The District's average CalPERS retirement contribution rate will increase 0.6%, to 29.2% of earnings, **compared to 28.6%** from the rate budgeted last year. **When applied to the FY 21/22 budgeted earnings this equates to an increase in pension expense of \$182,000.** For context

the rate in FY 16/17 was 20.2% of earnings and any increases in pension expense has a compounding impact when tied to annual COLA increases. All employees now pay 100% of the CalPERS employee contribution. For budgeting purposes, group health insurance rates remained constant. This cost increased minimally in 2021 and in prior years.

Other Operations & Maintenance Expenses –

- Debt issuance costs totaling \$200,000 are included in the FY 21/22 budget. This is a one-time expense to secure funding for the NMWD Headquarter Upgrade Project.
- Electrical costs are budgeted to increase 5% over actual expected FY 20/21 costs and 22% over the prior year’s budget. This is due to Pacific Gas & Electric’s rate increases and time of use changes, a reduction in rebates to be received through Marin Clean Energy’s Net Energy Metering Cash Out Program, and a budget correction from the prior year’s budget.
- \$51,000 annual cost increase for lease of additional vehicles through the District Enterprise Fleet Management Program which were previously budgeted and purchased through the equipment budget.

The following chart shows the past 10-years of operating expense (excluding depreciation) for Novato Water. The five-year average increase to actual expenses is 8% which is influenced by a one-time payment of \$1.1M in FY 19/20 for bond issued debt service made to SCWA. The ten-year actual average increase is 4.3%.



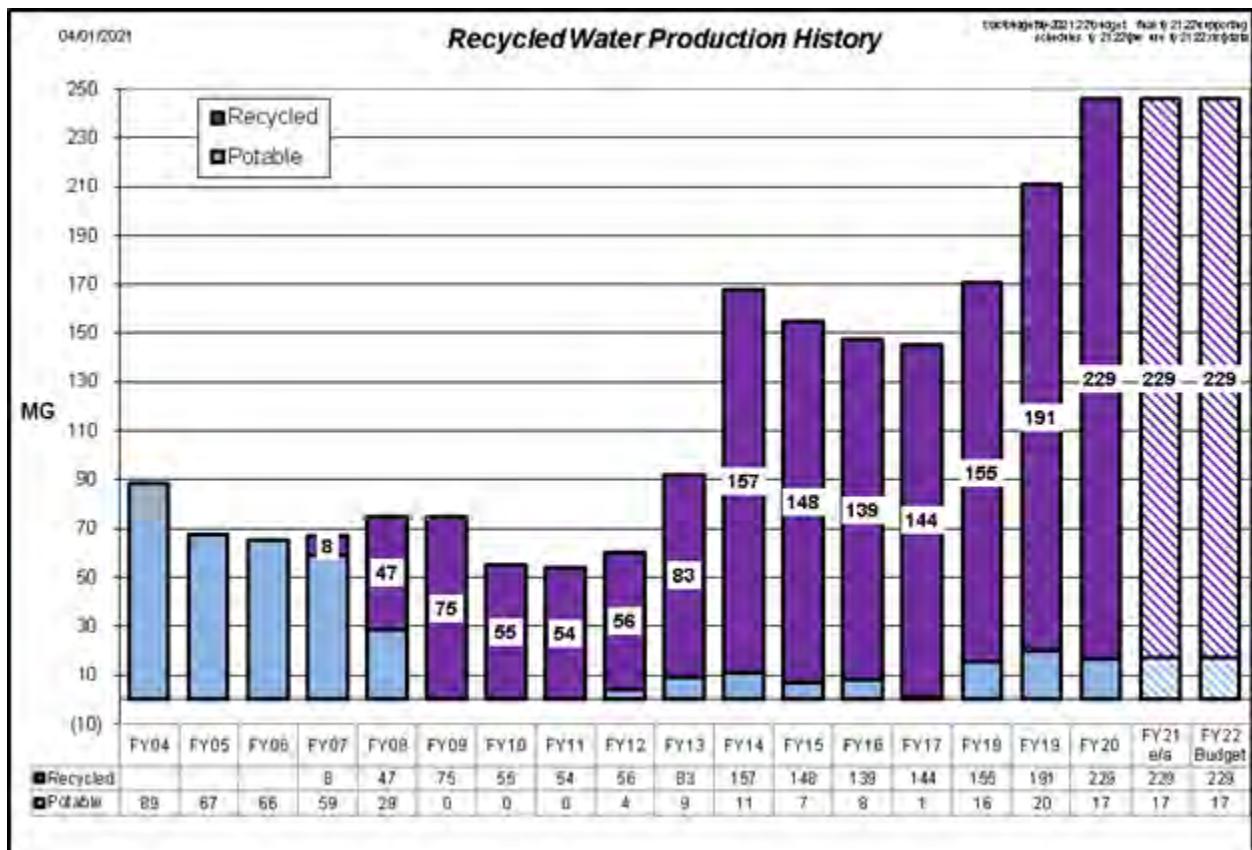
Recycled Water

The FY 21/22 Recycled Water (RW) System Budget projects demand of 235MG which is consistent with the volume budgeted in FY 20/21. Over the past few years, sales have increased primarily due to the Central expansion project completion in FY 17/18. The budget projects purchase of 180MG of tertiary treated water from Novato Sanitary District for approximately \$1,500/MG and 50MG from Las Gallinas Valley Sanitary District, at an average rate of \$2,400/MG. The Deer Island Plant is budgeted to produce 5MG during the summer, to keep it operating, and will serve as a back-up facility.

Consistent with the potable water increase, a 6% commodity rate and bimonthly service charge increase is proposed to be effective July 1, 2021. The increase is projected to generate \$88,000 in additional revenue next fiscal year.

Operating expenses (excluding depreciation) are budgeted to increase 28% or \$148,000 from the FY 20/21 budget. This increase is primarily due to a budget correction in prior years to properly reflect the cost of water from the local Sanitary Districts. The RW system is projected to show a net operating income of \$223,000 and an increase of cash for the year of \$247,000.

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

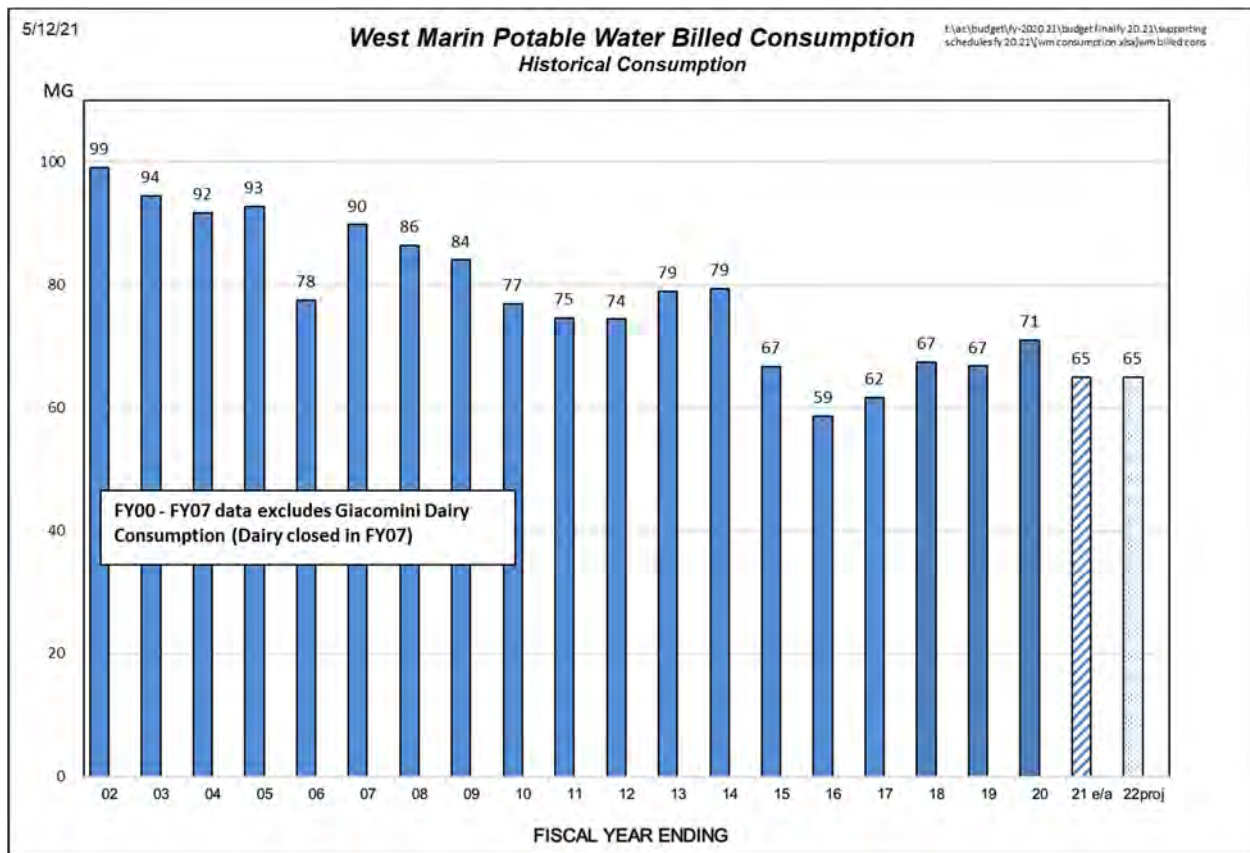


West Marin Water

Incorporated in the West Marin Water budget are proposed structural and rate changes to the commodity and bimonthly service which will generate 6% in revenue. The proposed 6% rate changes for West Marin (WM) Water customers, effective July 1, 2021, will be considered by the Board of Directors at public hearing on June 22, 2021. Growth in the past three years has remained stable. There are no connection fees budgeted for FY 21/22. Included in the 5-year financial forecast is revenue for one new connection every other year.

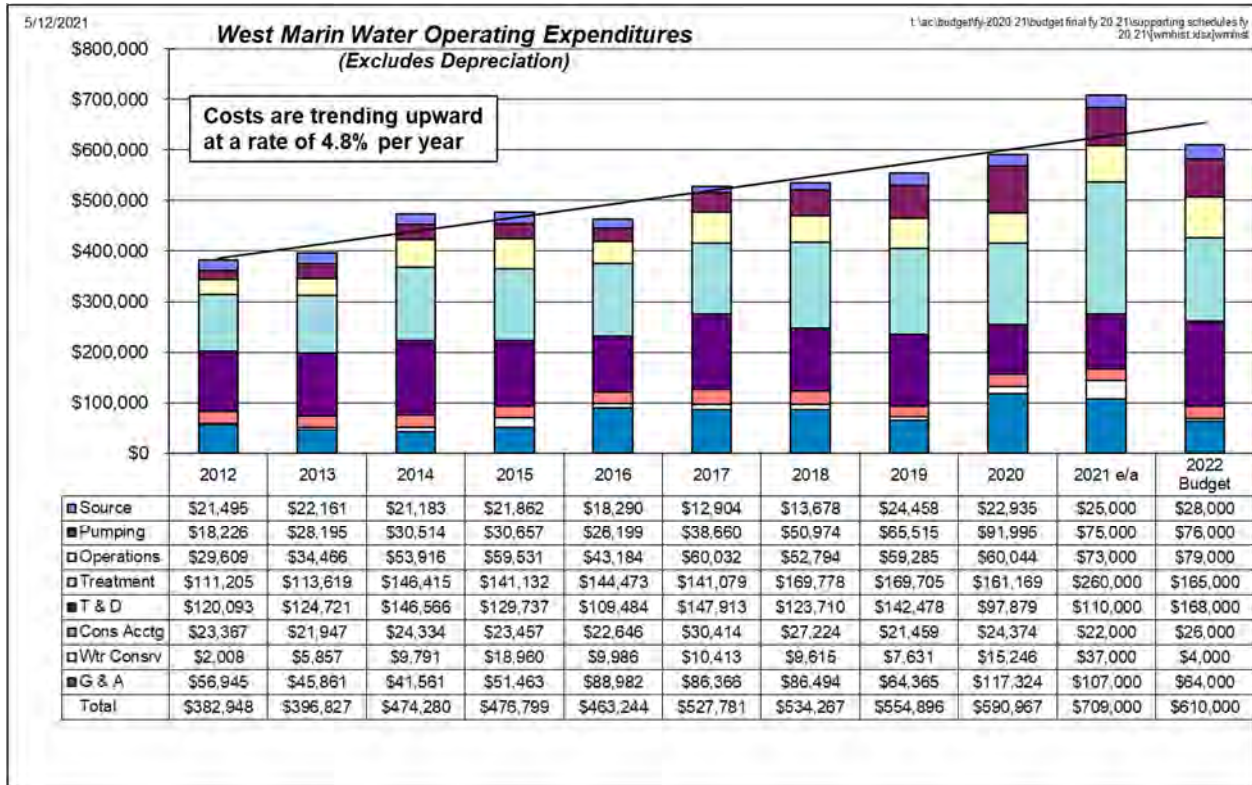
Significant Capital Improvement Projects budgeted for the year include \$400K towards the Lagunitas Creek Bridge Pipe Replacement project, and \$631K for the Gallagher Well #2 project.

FY 21/22 water sales volume is budgeted at 65MG and is based on the average of five years of actual sales (FY 15/16-FY 19/20) and is lower than the prior three years to adjust for the impact of the declaration of water shortage emergency and current drought. See the below chart for the historical consumption for the WM service area.



WM operating expenditures, before depreciation, are budgeted at \$610,000 which is an increase of \$50,000 or 9% from the FY 20/21 adopted budget of \$560,000. The increase is 3% or \$19,000 higher than the FY 19/20 actual expenditures. The budget projects a net operating income of **\$133,000** and, after capital outlay and debt service, the system is projected to show a cash decrease for the year of \$242,000.

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



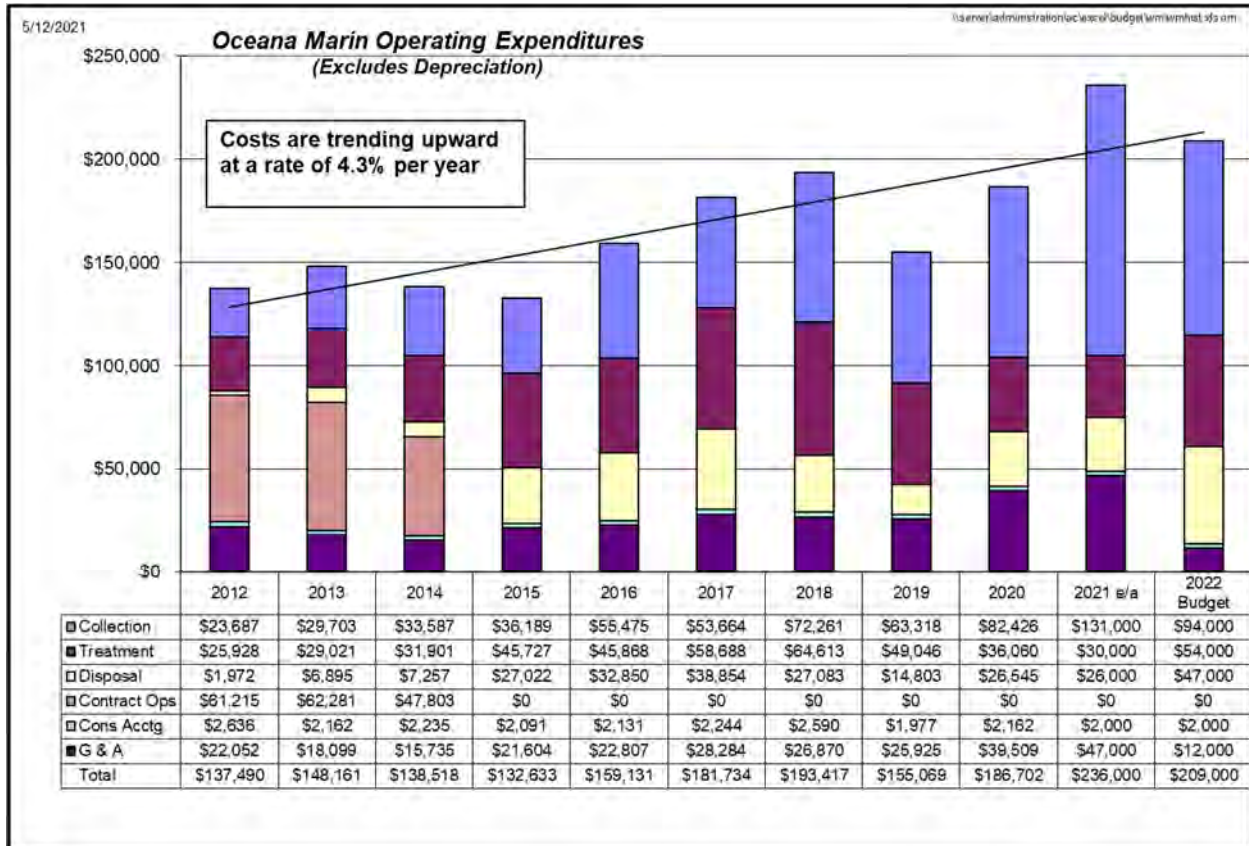
Oceana Marin Sewer

A 5% increase (\$5/month - to \$1,236/year) in the Oceana Marin Sewer service charge to be effective July 1, 2021, is projected to add \$14,000 in additional annual revenue. Growth in the past three years has remained relatively stable so conservatively there is no new connection fee budgeted for FY 21/22. Included in the 5-year financial forecast is revenue for one connection every other year.

Capital Improvement Projects budgeted for the year include the Treatment Pond Rehab with a projected cost in FY 21/22 of \$1,450,000 and a total cost of \$1,900,000. This project is expected to be 75% grant funded. It is also planned to have the Tahiti Way Lift Pumps replaced with a projected cost in FY 21/22 of \$100,000 and a total cost of \$150,000. Additionally, \$40,000 is budgeted for the ongoing Capital work to identify and repair collection pipelines to prevent inflow and infiltration.

FY 21/22 OM operating expenditures, before depreciation, are budgeted at \$209,000 which is an increase of \$2,000 or 1% from the FY 20/21 adopted budget of \$207,000. The increase is primarily due to inflation. The budget projects a net operating income of \$32,000 and, after capital outlay and debt service, the system is projected to show a cash increase for the year of \$1,000.

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



Capital Improvement Project Budget (CIP)

The Fiscal Year 21/22 and FY 22/23 Capital Improvement Project (CIP) budget includes projects recommended for Novato Water, Recycled Water, West Marin Water, and Oceana Marin Sewer. Also included is a debt service schedule detailing the principal and interest payment required to fund prior CIPs.

Below is a summary identifying the significant projects (totaling \$400,000 or more) to be undertaken over the next two fiscal years. The below table also includes the total cost of the projects which adds all costs occurring within and outside of the two-year budget period.

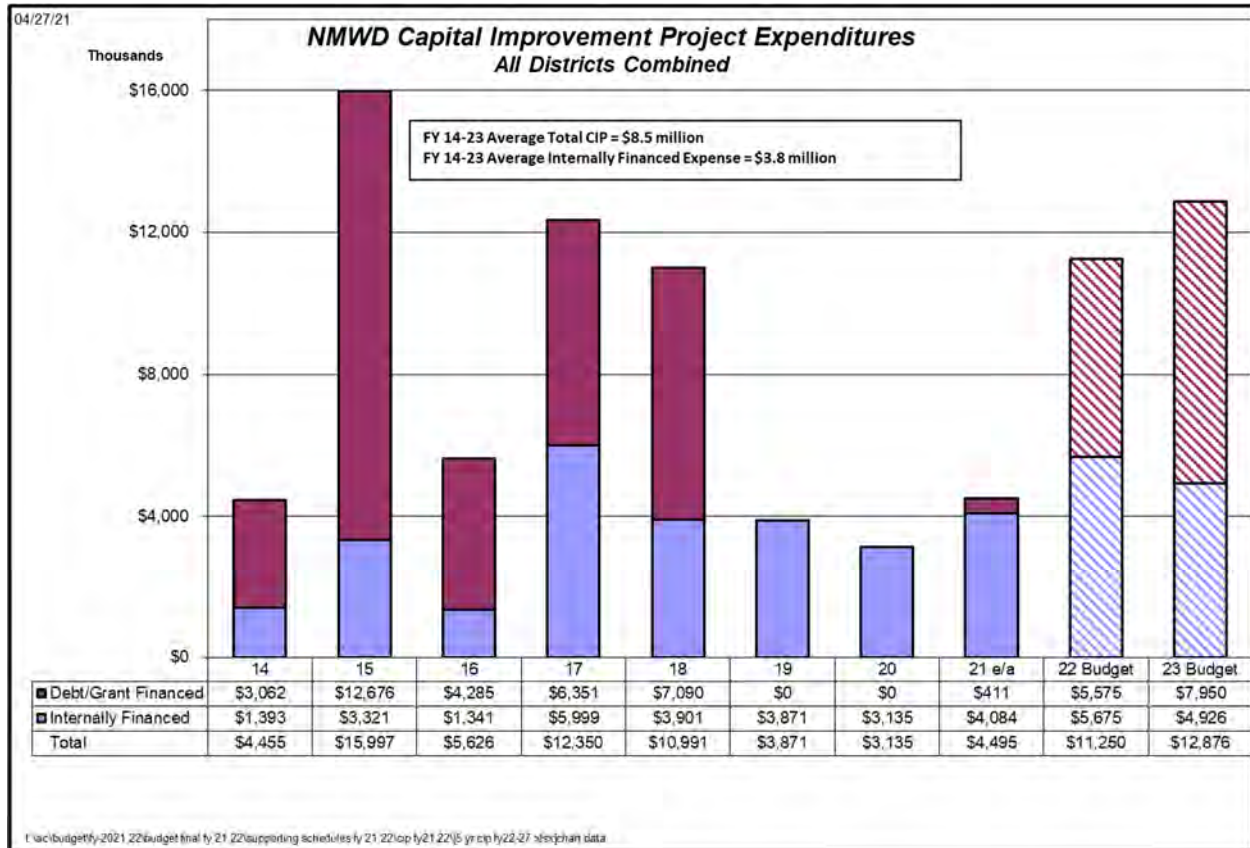
Project	FY21/22	FY22/23	Total Project Costs
NMWD Headquarters Upgrade ¹	\$3,475,000	\$7,950,000	\$16,200,000
Old Ranch Road Tank No. 2	1,600,000	-	1,900,000
Oceana Marin Treatment Pond Rehab	1,450,000	205,000	1,850,000
San Mateo 24" Inlet/Outlet Pipe (2,200')	850,000	-	925,000
New Gallagher Well #2 (WM)	631,000	-	924,000
Lagunitas Creek Bridge Pipe Replacement (WM)	400,000	52,000	477,000
Crest PS/Relocate School Rd PS	375,000	-	642,000
Novato Blvd Widening – Diablo to Grant (4,100')	200,000	1,300,000	1,520,000
Lynwood PS Motor Control Center	525,000	-	545,000
Lynwood Recoat/Seismic Upgrade	-	1,000,000	2,000,000
Replace Cast Iron Pipe – Atherton Ave. (RW)	50,000	350,000	400,000
Other Projects	<u>1,694,000</u>	<u>2,019,000</u>	-
Gross Project Outlay	11,625,000	12,876,000	27,383,000
Less Loan/Grant Funding	<u>(5,575,000)</u>	<u>(7,950,000)</u>	<u>(19,000,000)</u>
Net Project Outlay (internally funded)	<u>\$5,675,000</u>	<u>\$4,926,000</u>	<u>\$8,383,000</u>

1. This project is scheduled to be completed with an additional \$3.6M budget in FY 23/24 and \$0.9M in FY 24/25

The two-year combined total project outlay, net of grant/loan funding, totals \$10.6M, which is \$1.1M more than the \$9.5M combined two-year budget adopted last year. The CIP budget includes 34 projects in FY 21/22 and 27 projects in FY 22/23. This comprehensive plan is developed to confirm that adequate funding and staffing exists to accomplish the budgeted projects planned for FY 21/22.

	Net Cash Outlay (Pay-go)		
District	Proposed FY22 & FY23	Adopted FY21 & FY22	Increase (Decrease)
Novato Water	\$8,850,000	\$7,522,000	\$1,328,000
Recycled Water	450,000	200,000	250,000
WM Water	791,000	1,440,000	(649,000)
OM Sewer	510,000	355,000	155,000
Total	<u>\$10,601,000</u>	<u>\$9,517,000</u>	<u>\$1,084,000</u>

The below chart shows the District wide 10-year history of capital improvement projects which averages \$8.5M per year including \$3.8M of internally (or “Pay-Go”) financed projects.

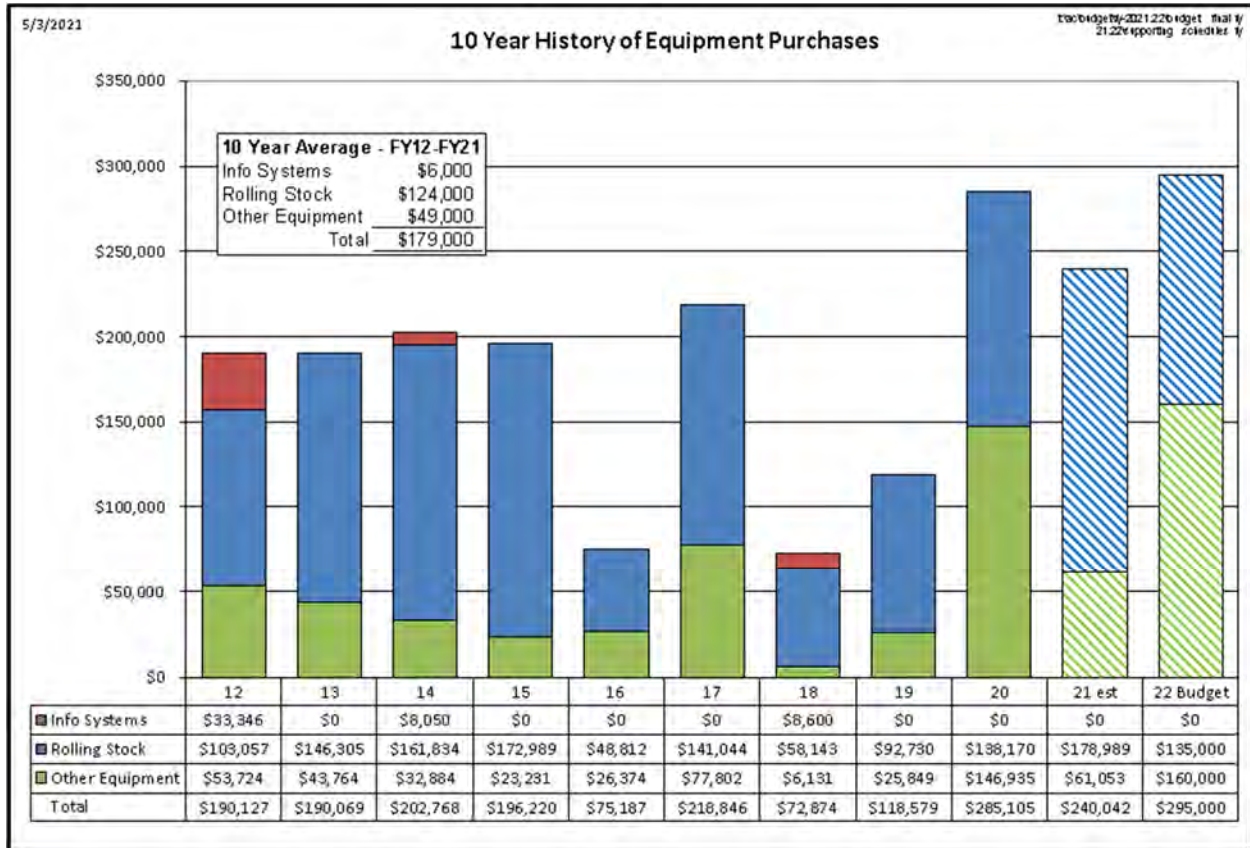


Novato Potable Water's CIP expenditure plan, when viewed over the current fiscal year and the next five years, averages \$4.1 million annually in internally funded projects, which is within the budget constraints of the five-year plan as established with the Board approved 2020 Novato and Recycled Water Rate Study.

Equipment Budget

The FY 21/22 Equipment Budget totals \$295,000. This is \$35,000 lower than the FY 20/21 Equipment Budget of \$330,000. FY 20/21 estimated actual expenditures are forecast to come in at \$240,000 which is \$90,000 below budget.

A significant purchase included in the budget is \$135,000 to replace the cab and chassis on the Peterbilt 335 Dump Truck. Additionally, a meter testing bench and equipment for \$120,000 is included. The following chart shows the ten-year history of equipment purchases.



Debt Service

Principal and interest payments totaling \$3.9 million are budgeted as the annual obligation on \$30.5 million in outstanding debt (as of June 30, 2021), comprised of:

- 1.) \$3.8 million at 2.7% for a bank loan used to fund the Advanced Meter Information (AMI) project;
- 2.) \$7.6 million at 2.4% State Revolving Fund (SRF) loan used to finance the Stafford Water Treatment Plant Rehabilitation;
- 3.) \$12.8 million in SRF loans (with interest varying from 1%-2.6%) used to finance the recycled water distribution system;
- 4.) \$4.8 million at 3.5% bank loan used to finance the Aqueduct Energy Efficiency Project and West Marin Treatment Plant Solids-Handling Facility;
- 5.) \$1.5 million at 2.4% SRF loan used to finance the Deer Island Recycled Water Facility.

The Capital Improvement schedule includes additional debt service for loans to be obtained in FY 21/22. Additional debt capacity remains available and the debt financing planned in the CIP budget will keep the District below the debt service ratio of 1.5 as required by the Board approved Debt Policy.

NORTH MARIN WATER DISTRICT
BUDGET SUMMARY - ALL SERVICE AREAS COMBINED
Fiscal Year 2021/22

	<i>Proposed Budget 2021/22</i>	<i>Estimated Actual 2020/21</i>	<i>Adopted Budget 2020/21</i>
OPERATING INCOME			
1 Water Sales	\$22,957,000	\$22,645,000	\$21,940,000
2 Sewer Service Charges	290,000	276,000	276,000
3 Wheeling & Misc Service Charges	470,000	417,000	430,000
4 Total Operating Income	\$23,717,000	\$23,338,000	\$22,646,000
OPERATING EXPENDITURES			
5 Source of Supply	\$6,559,000	\$7,283,000	\$6,286,000
6 Pumping	646,000	602,000	567,000
7 Operations	1,026,000	1,185,000	857,000
8 Water Treatment	2,794,000	2,218,000	2,628,000
9 Sewer Service	195,000	187,000	178,000
10 Transmission & Distribution	4,086,000	3,701,000	3,694,000
11 Consumer Accounting	528,000	539,000	683,000
12 Water Conservation	381,000	383,000	408,000
13 General & Administrative	2,440,000	2,520,000	2,520,000
14 Depreciation Expense	3,904,000	3,815,000	3,777,000
15 Total Operating Expenditures	\$22,559,000	\$22,433,000	\$21,598,000
16 NET OPERATING INCOME (LOSS)	\$1,158,000	\$905,000	\$1,048,000
NON-OPERATING INCOME/(EXPENSE)			
17 Tax Proceeds	\$116,000	\$114,000	\$118,000
18 Interest Revenue	241,000	316,000	316,000
19 Miscellaneous Revenue	136,000	82,000	136,000
20 Interest Expense	(1,372,000)	(748,000)	(748,000)
21 Transfers Out from Capital Expansion Fund	(501,000)	-	(369,000)
22 Miscellaneous Expense	(3,000)	(3,000)	(20,000)
23 Total Non-Operating Income/(Expense)	(\$1,383,000)	(\$239,000)	(\$567,000)
	NET INCOME/(LOSS)	\$666,000	\$481,000
OTHER SOURCES/(USES) OF FUNDS			
24 Add Depreciation Expense	\$3,904,000	\$3,815,000	\$3,777,000
25 Connection Fees	558,000	3,515,000	509,000
26 MMWD AEEP Capital Contribution	205,000	205,000	205,000
27 Loans/Grants	5,125,000	497,000	610,000
28 Marin Country Club Principal Repayment	38,000	37,000	37,000
29 Capital Improvement Projects	(11,250,000)	(4,084,000)	(6,862,000)
30 CIP Efficiency Adjustment	1,558,000	-	-
31 Capital Equipment Expenditures	(295,000)	(240,000)	(330,000)
32 Low Income Rate Assistance	(86,000)	(20,000)	-
33 Debt Principal Payments	(2,541,000)	(2,395,000)	(2,395,000)
34 Total Other Sources/(Uses)	(\$2,784,000)	\$1,330,000	(\$4,449,000)
35 CASH INCREASE/(DECREASE)	(\$3,009,000)	\$1,996,000	(\$3,968,000)

**NOVATO POTABLE WATER
BUDGET SUMMARY
Fiscal Year 2021/22**

	<i>Proposed Budget 2021/22</i>	<i>Estimated Actual 2020/21</i>	<i>Adopted Budget 2020/21</i>
OPERATING INCOME			
1 Water Sales	\$20,398,000	\$20,228,000	\$19,774,000
2 Wheeling & Misc Service Charges	347,000	340,000	365,000
3 Total Operating Income	\$20,745,000	\$20,568,000	\$20,139,000
OPERATING EXPENDITURES			
4 Source of Supply	\$6,141,000	\$6,900,000	\$5,984,000
5 Pumping	561,000	523,000	497,000
6 Operations	850,000	922,000	734,000
7 Water Treatment	2,594,000	1,944,000	2,432,000
8 Transmission & Distribution	3,853,000	3,564,000	3,466,000
9 Consumer Accounting	498,000	513,000	654,000
10 Water Conservation	377,000	346,000	399,000
11 General Administration	2,294,000	2,296,000	2,368,000
12 Depreciation Expense	2,807,000	2,785,000	2,868,000
13 Total Operating Expenditures	\$19,975,000	\$19,793,000	\$19,402,000
14 NET OPERATING INCOME (LOSS)	\$770,000	\$775,000	\$737,000
NON-OPERATING INCOME/(EXPENSE)			
15 Interest Revenue	\$150,000	\$224,000	\$150,000
16 Miscellaneous Revenue	136,000	82,000	136,000
17 Interest Expense	(1,088,000)	(456,000)	(456,000)
18 Miscellaneous Expense	(2,000)	(2,000)	(20,000)
19 Total Non-Operating Income/(Expense)	(\$804,000)	(\$152,000)	(\$190,000)
20 NET INCOME/(LOSS)	(\$34,000)	\$623,000	\$547,000
OTHER SOURCES/(USES) OF FUNDS			
21 Add Depreciation Expense	\$2,807,000	\$2,785,000	\$2,868,000
22 Connection Fees	558,000	3,515,000	486,000
24 MMWD AEEP Capital Contribution	205,000	205,000	205,000
25 Loans/Grants	3,575,000	-	-
26 Loan Repayment West Marin	100,000	-	-
27 Low Income Rate Assistance Program	(86,000)	(20,000)	-
28 Capital Equipment Expenditures	(295,000)	(240,000)	(330,000)
29 Capital Improvement Projects	(8,475,000)	(2,043,000)	(4,987,000)
30 CIP Efficiency Adjustment	1,558,000	-	-
31 Debt Principal Payments	(1,488,000)	(1,451,000)	(1,451,000)
32 Connection Fee Transfer from (to) RW	(890,000)	(894,000)	(794,000)
33 Loan Transfer to WM	(550,000)	(1,000,000)	-
34 Total Other Sources/(Uses)	(\$2,981,000)	\$857,000	(\$4,003,000)
33 CASH INCREASE/(DECREASE)	(\$3,015,000)	\$1,480,000	(\$3,456,000)

NOVATO POTABLE WATER		Budget	Forecast	Forecast	Forecast	Forecast
FY 21/22 Five-Year Financial Forecast		FY2022	FY2023	FY2024	FY2025	FY2026
1		6.00%	6.00%	5.00%	5.00%	5.00%
Rate Revenue						
2	Water Rate Revenue	\$20,294,000	\$21,532,000	\$22,840,000	\$23,999,000	\$25,216,000
3	Change due to Growth	\$15,000	\$16,000	\$17,000	\$17,000	\$18,000
4	Change due to 20% Use Reduction	(\$1,062,000)				
5	Increase due to Rate Adjustments	\$1,223,000	\$1,292,000	\$1,142,000	\$1,200,000	\$1,261,000
6	Bill Adjustments	(\$72,000)	(\$72,000)	(\$72,000)	(\$72,000)	(\$72,000)
Non-Rate Revenues						
7	Wholesale Rate Revenue	\$101,000	\$104,000	\$107,000	\$110,000	\$113,000
8	Other Charges	\$246,000	\$253,000	\$261,000	\$269,000	\$277,000
9	Interest Earnings	\$150,000	\$155,000	\$160,000	\$165,000	\$170,000
10	Connection Fees	\$558,000	\$558,000	\$558,000	\$558,000	\$558,000
11	Misc. Revenue	\$134,000	\$134,000	\$134,000	\$134,000	\$134,000
12	Loan Repayment WM	\$100,000	\$163,000	\$163,000	\$163,000	\$163,000
13	MMWD AEEP Contributions	\$205,000	\$205,000	\$205,000	\$205,000	\$205,000
14	Total Revenue	\$21,892,000	\$24,340,000	\$25,515,000	\$26,748,000	\$28,043,000
O&M Costs						
15	Source of Supply	\$6,141,000	\$5,969,000	\$6,427,000	\$6,913,000	\$7,428,000
16	Pumping	\$561,000	\$578,000	\$595,000	\$613,000	\$631,000
17	Other Operations	\$850,000	\$876,000	\$902,000	\$929,000	\$957,000
18	Water Treatment	\$2,594,000	\$2,672,000	\$2,752,000	\$2,835,000	\$2,920,000
19	Transmission & Distribution	\$3,853,000	\$3,969,000	\$4,088,000	\$4,211,000	\$4,337,000
20	Consumer Accounting	\$498,000	\$513,000	\$528,000	\$544,000	\$560,000
21	Water Conservation	\$377,000	\$388,000	\$400,000	\$412,000	\$424,000
22	General Administration	\$2,294,000	\$2,363,000	\$2,434,000	\$2,507,000	\$2,582,000
23	Total Operating Expenses	\$17,168,000	\$17,328,000	\$18,126,000	\$18,964,000	\$19,839,000
Capital Costs						
24	Total Capital Spending	\$8,770,000	\$11,900,000	\$7,545,000	\$4,605,000	\$3,800,000
25	Debt Funded Capital	\$3,575,000	\$7,950,000	\$3,575,000	\$900,000	-
27	Existing Debt Service	\$1,904,000	\$1,902,000	\$1,905,000	\$1,907,000	\$1,904,000
28	Cash Funded Capital Projects	\$5,195,000	\$3,950,000	\$3,970,000	\$3,705,000	\$3,800,000
29	CIP Efficiency Adjustment	(\$1,558,000)	(\$1,185,000)	(\$1,191,000)	(\$1,111,000)	(\$1,140,000)
30	New Debt Service	\$672,000	\$1,238,000	\$1,238,000	\$1,238,000	\$1,238,000
31	Total Capital Expenses	\$6,213,000	\$5,905,000	\$5,922,000	\$5,739,000	\$5,802,000
Transfers						
32	Transfer Out to Recycled Water	\$890,000	\$890,000	\$890,000	\$890,000	\$890,000
33	Transfer Out to WM/OM	\$550,000				
34	Funding for Affordability Program	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000
35	Total Revenue Requirement	\$24,907,000	\$24,209,000	\$25,024,000	\$25,679,000	\$26,617,000
36	Beginning Year Balance	\$16,758,000	\$13,743,000	\$13,874,000	\$14,365,000	\$15,434,000
37	Surplus/(Shortfall)	(\$3,015,000)	\$131,000	\$491,000	\$1,069,000	\$1,426,000
38	End of Year Balance	\$13,743,000	\$13,874,000	\$14,365,000	\$15,434,000	\$16,860,000
39	<i>Minimum Reserves (by policy)</i>	\$12,322,667	\$12,376,000	\$12,642,000	\$12,921,333	\$13,213,000
40	<i>Available Cash</i>	\$1,420,333	\$1,498,000	\$1,723,000	\$2,512,666	\$3,647,000
41	Debt Coverage Ratio	1.90	1.95	2.06	2.19	2.32

NMWD DRAFT BUDGET

NOVATO POTABLE WATER OPERATING BUDGET DETAIL

Fiscal Year 2021/22

	Proposed Budget 21/22	Estimated Actual 20/21	Adopted Budget 20/21	Actual 19/20	Actual 18/19	Actual 17/18	Actual 16/17	Actual 15/16
STATISTICS								
1 Active Meters	20,616	20,606	20,558	20,554	20,546	20,543	20,544	20,535
2 Avg Commodity Rate/1,000 Gal (Net)	\$6.72	\$6.34	\$6.34	\$6.37	\$6.00	\$6.00	\$5.40	\$5.25
3 Potable Consumption (BG)	2.30	2.40	2.40	2.40	2.42	2.58	2.31	2.15
OPERATING INCOME								
4 Water Sales	\$20,470,000	\$20,294,000	\$19,846,000	\$20,709,608	\$19,145,251	\$19,645,814	\$16,772,060	\$15,489,903
5 Bill Adjustments	(72,000)	(66,000)	(72,000)	(59,788)	(72,061)	(143,395)	(130,587)	(64,461)
6 Sales to MMWD	-	-	-	-	-	155,846	-	-
7 Wheeling Charges-MMWD	101,000	153,000	98,000	104,765	97,866	92,977	91,374	90,217
8 Miscellaneous Service Revenue	246,000	187,000	267,000	257,864	266,268	268,563	252,038	277,479
9 TOTAL OPERATING INCOME	\$20,745,000	\$20,568,000	\$20,139,000	\$21,012,449	\$19,437,324	\$20,019,805	\$16,984,885	\$15,793,138
OPERATING EXPENSE								
SOURCE OF SUPPLY								
10 Supervision & Engineering	\$12,000	\$9,000	\$11,000	\$13,274	\$7,564	\$9,303	\$11,264	\$10,586
11 Operating Expense - Source	15,000	7,000	14,000	8,289	9,195	6,236	8,513	11,928
12 Maintenance/Monitoring of Dam	69,000	29,000	128,000	30,588	33,686	22,203	24,059	22,796
13 Maintenance of Lake & Intakes	21,000	5,000	20,000	14,240	24,172	10,690	7,575	6,299
14 Maintenance of Watershed	46,000	9,000	45,000	19,689	4,446	29,646	36,218	17,325
15 Water Purchased for Resale to MMWD	0	-	-	-	-	111,891	-	-
16 Water Quality Surveillance	18,000	-	15,000	1,642	1,669	6,728	3,513	3,137
17 Contract Water - SCWA	5,950,000	6,830,000	5,740,000	6,623,534	5,082,987	5,151,516	4,320,623	3,997,030
18 GASB 68 Adjustment	10,000	11,000	11,000	7,592	3,690	8,535	5,682	-
19 TOTAL SOURCE OF SUPPLY	\$6,141,000	\$6,900,000	\$5,984,000	\$6,718,848	\$5,167,409	\$5,356,748	\$4,417,447	\$4,069,101
PUMPING								
20 Operating Expense	\$3,000	-	\$3,000	-	-	-	-	-
21 Maintenance of Structures/Grounds	33,000	43,000	32,000	34,416	56,801	32,611	28,514	26,347
22 Maintenance of Pumping Equipment	55,000	41,000	113,000	158,903	41,304	39,435	30,354	13,507
23 Electric Power - Pumping	450,000	430,000	340,000	341,401	285,772	293,588	246,869	212,207
24 GASB 68 Adjustment	20,000	9,000	9,000	14,298	5,272	6,967	3,496	-
25 TOTAL PUMPING	\$561,000	\$523,000	\$497,000	\$549,018	\$389,149	\$372,601	\$309,233	\$252,061
OPERATIONS								
26 Supervision & Engineering	\$171,000	\$251,000	\$163,000	\$232,895	\$215,732	\$253,594	\$234,870	\$256,231
27 Operating Expense	319,000	390,000	256,000	507,830	306,774	400,138	343,890	304,897
28 Maintenance Expense	56,000	61,000	56,000	52,959	38,570	50,339	47,202	34,755
29 Telemetry Equipment/Controls Maint	96,000	64,000	95,000	61,798	84,979	94,523	101,568	68,674
30 Leased Line Expense	20,000	17,000	20,000	16,656	16,678	17,414	17,592	17,704
31 GASB 68 Adjustment	188,000	139,000	144,000	136,794	48,442	107,728	63,553	-
32 TOTAL OPERATIONS	\$850,000	\$922,000	\$734,000	\$1,008,932	\$711,175	\$923,736	\$808,675	\$682,261

NMWD DRAFT BUDGET

NOVATO POTABLE WATER OPERATING BUDGET DETAIL

Fiscal Year 2021/22

	Proposed Budget 21/22	Estimated Actual 20/21	Adopted Budget 20/21	Actual 19/20	Actual 18/19	Actual 17/18	Actual 16/17	Actual 15/16
WATER TREATMENT								
33 Supervision & Engineering	\$157,000	\$168,000	\$149,000	\$170,261	\$156,176	\$169,851	\$168,945	\$130,358
34 Operating Expense	353,000	176,000	324,000	284,929	228,878	276,795	349,671	313,024
35 Purification Chemicals	435,000	116,000	425,000	503,664	376,960	438,348	247,260	378,562
36 Sludge Disposal	130,000	94,000	123,000	93,987	88,352	100,305	107,942	90,043
37 Maintenance of Structures/Grounds	108,000	111,000	106,000	93,901	53,090	50,913	78,910	68,351
38 Purification Equipment Maintenance	193,000	225,000	186,000	200,107	162,714	212,385	186,246	150,989
39 Electric Power - Treatment	156,000	150,000	156,000	160,692	122,831	157,374	129,652	113,223
40 Laboratory Expense (net)	726,000	629,000	679,000	729,142	649,647	758,936	768,965	705,212
41 GASB 68 Adjustment	336,000	275,000	284,000	244,230	107,310	212,624	150,494	-
42 TOTAL WATER TREATMENT	\$2,594,000	\$1,944,000	\$2,432,000	\$2,480,913	\$1,945,958	\$2,377,531	\$2,188,085	\$1,949,762
TRANSMISSION & DISTRIBUTION								
43 Supervision & Engineering	\$636,000	\$620,000	\$596,000	\$600,516	\$534,500	\$659,085	\$569,303	\$559,007
44 Maps & Records	163,000	128,000	189,000	121,602	132,053	159,512	168,267	110,877
45 Operation of T&D System	674,000	760,000	590,000	890,714	720,417	594,175	582,483	509,160
46 Storage Facilities Expense	147,000	141,000	139,000	113,029	107,033	110,077	155,641	150,066
47 Maintenance of Valves & Regulators	193,000	110,000	186,000	135,586	87,285	173,762	196,162	189,372
48 Maintenance of Mains	204,000	211,000	170,000	168,454	167,959	190,307	149,584	215,077
49 Backflow Prevention Program	243,000	235,000	216,000	187,669	231,822	186,692	155,536	150,298
50 Maintenance of Copper Services	215,000	176,000	159,000	131,389	182,789	157,337	159,769	142,083
51 Maintenance of PB Service Lines	498,000	460,000	466,000	443,334	558,788	471,527	473,695	532,436
52 Maintenance of Meters	145,000	148,000	133,000	96,608	113,810	126,985	66,356	100,402
53 Detector Check Assembly Maint	74,000	39,000	83,000	81,718	80,416	46,056	72,208	54,586
54 Maintenance of Hydrants	79,000	84,000	72,000	48,301	25,607	18,087	51,020	34,311
55 GASB 68 Adjustment	582,000	452,000	467,000	423,300	199,802	349,390	228,385	-
56 TOTAL TRANSMISSION & DISTRIB	\$3,853,000	\$3,564,000	\$3,466,000	\$3,442,219	\$3,142,281	\$3,242,992	\$3,028,409	\$2,747,675
CONSUMER ACCOUNTING								
57 Meter Reading & Collection	\$142,000	\$15,000	\$141,000	\$38,348	\$99,549	\$190,554	\$182,663	\$189,262
58 Billing & Accounting	135,000	217,000	215,000	248,703	210,805	280,268	289,503	281,010
59 Contract Billing	18,000	20,000	18,000	13,742	15,484	16,395	16,692	17,160
60 Postage & Supplies	55,000	73,000	55,000	48,071	51,267	52,735	56,373	58,903
61 Credit Card Fees	65,000	60,000	60,000	64,242	55,709	46,678	29,685	24,592
62 Lock Box Service	11,000	11,000	11,000	10,998	10,944	10,944	10,944	10,944
63 Uncollectible Accounts	5,000	22,000	5,000	8,362	14,994	12,352	12,709	15,382
64 Office Equipment Expense	35,000	15,000	63,000	35,601	12,675	45,256	11,350	23,091
65 Distributed to Other Operations	(15,000)	(17,000)	(15,000)	(17,814)	(15,104)	(19,008)	(17,161)	(16,959)
66 GASB 68 Adjustment	47,000	97,000	101,000	56,438	29,463	75,257	49,950	-
67 TOTAL CONSUMER ACCOUNTING	\$498,000	\$513,000	\$654,000	\$506,690	\$485,786	\$711,431	\$642,708	\$603,385

NMWD DRAFT BUDGET

NOVATO POTABLE WATER OPERATING BUDGET DETAIL

Fiscal Year 2021/22

	Proposed Budget 21/22	Estimated Actual 20/21	Adopted Budget 20/21	Actual 19/20	Actual 18/19	Actual 17/18	Actual 16/17	Actual 15/16
WATER CONSERVATION								
68 Residential	\$252,000	\$190,000	\$243,000	\$198,881	\$246,347	\$235,438	\$270,150	\$320,620
69 Commercial	7,000	4,000	20,000	6,481	7,983	5,818	1,702	3,711
70 Public Outreach/Information	98,000	96,000	60,000	125,537	51,040	33,789	30,618	32,287
71 Large Landscape	19,000	9,000	28,000	17,317	19,839	33,662	36,818	24,877
72 GASB 68 Adjustment	1,000	47,000	48,000	34,547	16,575	36,183	21,754	-
73 TOTAL WATER CONSERVATION	\$377,000	\$346,000	\$399,000	\$382,764	\$341,784	\$344,890	\$361,042	\$381,495
GENERAL & ADMINISTRATION								
74 Director's Expense	\$42,000	\$41,000	\$41,000	\$40,873	\$36,815	\$37,111	\$34,384	\$34,222
75 Legal Fees	21,000	15,000	21,000	16,569	20,853	20,173	28,043	20,488
76 Human Resources	51,000	71,000	55,000	52,870	96,677	62,348	31,451	25,036
77 Auditing Services	20,000	13,000	26,000	19,651	22,731	19,706	16,220	18,770
78 Consulting Services/Studies	351,000	86,000	318,000	142,010	304,645	223,041	51,567	138,735
79 General Office Salaries	1,158,000	1,268,000	1,250,000	1,157,428	1,083,904	1,441,496	1,492,719	1,309,502
80 Office Supplies	42,000	18,000	45,000	33,783	31,761	33,753	35,048	37,709
81 Employee Events	12,000	2,000	12,000	9,369	10,664	10,123	9,726	10,143
82 Other Administrative Expense	15,000	8,000	15,000	6,281	7,289	12,528	13,960	10,427
83 Election Cost	0	0	35,000	0	18,915	0	2,077	250
84 Dues & Subscriptions	97,000	140,000	99,000	83,386	79,986	59,362	59,046	59,271
85 Vehicle Expense	8,000	8,000	8,000	8,112	8,112	8,634	9,325	8,112
86 Meetings, Conf & Training	194,000	80,000	192,000	111,593	107,583	149,670	186,436	139,858
87 Telephone, Water, Gas & Electricity	52,000	48,000	48,000	46,251	38,758	40,595	45,355	42,458
88 Building & Grounds Maintenance	60,000	108,000	59,000	77,130	58,884	75,130	62,856	63,344
89 Office Equipment Expense	120,000	120,000	140,000	143,224	109,014	97,003	95,465	87,141
90 Insurance Premiums & Claims	163,000	180,000	155,000	109,939	99,040	92,292	87,319	140,366
91 Retiree Medical Benefits	224,000	210,000	200,000	186,221	197,855	174,528	164,969	168,935
92 (Gain)/Loss on Overhead Charges	(90,000)	(57,000)	(140,000)	(322,446)	905,403	(357,925)	(19,931)	(89,626)
93 G&A Distributed to Other Operations	(135,000)	(145,000)	(145,000)	(130,592)	(140,526)	(157,976)	(161,036)	(126,771)
94 G&A Applied to Construction Projects	(501,000)	(345,000)	(477,000)	(389,809)	(374,552)	(346,105)	(290,813)	(359,689)
95 GASB45/75 Adjustment (OPEB)	-	-	-	20,250	15,707	(35,788)	120,988	-
96 GASB68 Adjustment (Pension Liability)	390,000	427,000	411,000	1,558,480	124,583	342,715	207,182	-
97 TOTAL GENERAL & ADMINISTRATION	\$2,294,000	\$2,296,000	\$2,368,000	\$2,980,572	\$2,864,101	\$2,002,414	\$2,282,356	\$1,738,681
98 Depreciation Expense	\$2,807,000	\$2,785,000	\$2,868,000	\$2,660,688	2,752,212	\$2,730,867	\$2,710,627	\$2,577,081
99 TOTAL OPERATING EXPENSE	\$19,975,000	\$19,793,000	\$19,402,000	\$20,730,643	\$17,799,855	\$18,063,210	\$16,748,582	\$15,001,502
100 NET OPERATING INCOME/(LOSS)	\$770,000	\$775,000	\$737,000	\$281,805	\$1,637,470	\$1,956,595	\$236,303	\$791,636

NOVATO RECYCLED WATER
BUDGET SUMMARY
Fiscal Year 2021/22

	<i>Proposed Budget 2021/22</i>	<i>Estimated Actual 2020/21</i>	<i>Adopted Budget 2020/21</i>
OPERATING INCOME			
1 Recycled Water Sales	\$1,554,000	\$1,466,000	\$1,234,000
2 Bimonthly Service Charge	116,000	70,000	58,000
3 Total Operating Income	\$1,670,000	\$1,536,000	\$1,292,000
OPERATING EXPENDITURES			
4 Purchased Water - NSD	270,000	\$262,000	\$213,000
5 Purchased Water - LGVSD	120,000	96,000	71,000
6 Pumping	9,000	4,000	7,000
7 Operations	97,000	190,000	74,000
8 Water Treatment	35,000	14,000	31,000
9 Transmission & Distribution	65,000	27,000	62,000
10 Consumer Accounting	2,000	2,000	1,000
11 General Administration	70,000	70,000	61,000
12 Depreciation	779,000	786,000	673,000
13 Total Operating Expenditures	\$1,447,000	\$1,451,000	\$1,193,000
14 NET OPERATING INCOME (LOSS)	\$223,000	\$85,000	\$99,000
NON-OPERATING INCOME/(EXPENSE)			
15 Interest Revenue	\$70,000	62,000	\$140,000
16 MCC Interest Payments	11,000	12,000	12,000
17 Transfers Out from Capital Expansion Fund	(501,000)	-	(369,000)
18 Deer Island SRF Loan Interest Expense	(36,000)	(42,000)	(42,000)
19 Distrib System SRF Loans Interest Exp	(215,000)	(228,000)	(228,000)
20 Total Non-Operating Income/(Expense)	(\$671,000)	(\$196,000)	(\$487,000)
21 NET INCOME/(LOSS)	(\$448,000)	(\$111,000)	(\$388,000)
OTHER SOURCES/(USES) OF FUNDS			
22 Add Depreciation Expense	\$779,000	\$786,000	\$673,000
23 Connection Fees Transferred from (to) Novato	890,000	894,000	794,000
24 MCC Principal Repayment	38,000	37,000	37,000
25 Capital Improvement Projects	(100,000)	(100,000)	(100,000)
26 Deer Island SRF Loan Principal Payments	(237,000)	(232,000)	(232,000)
27 Distrib System SRF Loan Principal Pmts	(675,000)	(663,000)	(663,000)
28 Total Other Sources/(Uses)	\$695,000	\$722,000	\$509,000
29 CASH INCREASE/(DECREASE)	\$247,000	\$611,000	\$121,000

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

	Budget	Forecast	Forecast	Forecast	Forecast
Fiscal Year Ending June 30 >	2022	2023	2024	2025	2026
1 Active Services @ Fiscal Year End	96	96	96	96	96
2 Commodity Rate/1,000 Gal	\$6.61	\$7.01	\$7.36	\$7.73	\$8.12
3 Consumption (MG)	235	235	235	235	235
OPERATING REVENUE					
4 Recycled Water Sales	1,554,000	1,648,000	1,730,000	1,817,000	1,907,000
5 Bimonthly Service Charge	116,000	123,000	129,000	135,000	142,000
6 Total Operating Revenue	1,670,000	1,771,000	1,859,000	1,952,000	2,049,000
OPERATING EXPENSE					
7 Purchased Water - NSD	270,000	278,000	286,000	295,000	304,000
8 Purchased Water - LGVSD	120,000	124,000	128,000	132,000	136,000
9 OPERATING EXPENSE					
10 Other Operating Expenses	278,000	292,000	307,000	322,000	338,000
11 Depreciation	779,000	779,000	779,000	779,000	779,000
12 Total Operating Expense	1,447,000	1,473,000	1,500,000	1,528,000	1,557,000
NON-OPERATING REVENUE/(EXPENSE)					
13 Interest Revenue	70,000	70,000	70,000	70,000	70,000
14 Interest Expense	(251,000)	(210,000)	(195,000)	(192,000)	(190,000)
15 Transfers Out from Capital Expansion Fund	(501,000)	(538,000)	(569,000)	(601,000)	(635,000)
16 Other Revenue/(Expense)	11,000	11,000	11,000	11,000	11,000
17 Total Non-Op Revenue/(Expense)	(671,000)	(667,000)	(683,000)	(712,000)	(744,000)
18 NET INCOME/(LOSS)	(448,000)	(369,000)	(324,000)	(288,000)	(252,000)
OTHER SOURCES/(USES) OF FUNDS					
19 Add Depreciation Expense	779,000	779,000	779,000	779,000	779,000
20 Loan Principal Repayment Received	38,000	39,000	40,000	41,000	42,000
21 Novato Potable FRC Fund Trsf	890,000	714,000	687,000	665,000	665,000
22 Capital Improvement Projects	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
23 Deer Island TP Loan Principal Pmt	(237,000)	(243,000)	(246,000)	(249,000)	(251,000)
24 Distrib Sys Exp Loan Principal Pmt	(675,000)	(710,000)	(722,000)	(722,000)	(722,000)
25 Total Other Sources/Uses	695,000	479,000	438,000	414,000	413,000
26 Cash Increase/(Decrease)	247,000	110,000	114,000	126,000	161,000
27 Ending Reserve Balance	4,930,000	5,040,000	5,154,000	5,280,000	5,441,000
28 % Rate Increase¹	6.0%	6.0%	5.0%	5.0%	5.0%

29 ¹Fiscal year 2022 Rate increase to be reviewed for approval by the Board of Directors on June 15, 2021. FY 2023 through 2026 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.

NMWD DRAFT BUDGET

WEST MARIN WATER
BUDGET SUMMARY
Fiscal Year 2021/22

	<i>Proposed Budget 2021/22</i>	<i>Estimated Actual 2020/21</i>	<i>Adopted Budget 2020/21</i>
OPERATING INCOME			
1 Water Sales	\$1,005,000	\$951,000	\$932,000
2 Misc Service Charges	7,000	7,000	7,000
3 Total Operating Income	\$1,012,000	\$958,000	\$939,000
OPERATING EXPENDITURES			
4 Source of Supply	\$28,000	\$25,000	\$18,000
5 Pumping	76,000	75,000	63,000
6 Operations	79,000	73,000	49,000
7 Water Treatment	165,000	260,000	165,000
8 Transmission & Distribution	168,000	110,000	166,000
9 Consumer Accounting	26,000	22,000	26,000
10 Water Conservation	4,000	37,000	9,000
11 General Administration	64,000	107,000	64,000
12 Depreciation Expense	269,000	200,000	188,000
13 Total Operating Expenditures	\$879,000	\$909,000	\$748,000
14 NET OPERATING INCOME (LOSS)	\$133,000	\$49,000	\$191,000
NON-OPERATING REVENUE/(EXPENSE)			
15 PR-2 County Tax Allocation	\$56,000	\$55,000	\$57,000
16 Interest Revenue	6,000	12,000	11,000
17 Loan Interest Expense	(30,000)	(22,000)	(22,000)
18 Total Non-Operating Income/(Expense)	\$32,000	\$45,000	\$46,000
19 NET INCOME/(LOSS)	\$165,000	\$94,000	\$237,000
OTHER SOURCES/(USES) OF FUNDS			
20 Add Depreciation Expense	\$269,000	\$200,000	\$188,000
21 Connection Fees	-	-	23,000
22 Grant/Loan Proceeds	550,000	1,411,000	385,000
23 Capital Improvement Projects	(1,085,000)	(1,831,000)	(1,485,000)
24 Loan Principal Payments	(141,000)	(49,000)	(49,000)
25 Total Other Sources/(Uses)	(\$407,000)	(\$269,000)	(\$938,000)
26 CASH INCREASE/(DECREASE)	(\$242,000)	(\$175,000)	(\$701,000)

WEST MARIN WATER
FY 21/22-Five-Year Financial Forecast

	Budget 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26
BASIC DATA					
1 Active Meters	785	786	786	787	787
2 Avg Commodity Rate/1,000 Gal	\$12.21	\$12.94	\$13.72	\$14.54	\$15.42
3 Potable Consumption (MG)	65.0	67.0	67.0	67.0	67.0
OPERATING REVENUE					
4 Commodity Charge	\$794,000	\$867,000	\$919,000	\$974,000	\$1,033,000
5 Bimonthly Service Charge	211,000	224,000	237,000	251,000	251,000
6 Miscellaneous Service Charges	7,000	7,000	7,000	7,000	7,000
7 Total Operating Revenue	\$1,012,000	\$1,098,000	\$1,163,000	\$1,232,000	\$1,291,000
8 Operating Expenditures	\$610,000	\$628,000	\$647,000	\$666,000	\$686,000
9 Depreciation Expense	269,000	287,000	291,000	296,000	306,000
10 Total Operating Expense	\$879,000	\$915,000	\$938,000	\$962,000	\$992,000
11 NET OPERATING INCOME	\$133,000	\$183,000	\$225,000	\$270,000	\$299,000
NON-OPERATING REVENUE/(EXPENSE)					
12 Interest Revenue	\$6,000	\$4,000	\$5,000	\$5,000	\$3,000
13 Interest Expense	(30,000)	(48,000)	(42,000)	(38,000)	(32,000)
14 PR-2 County Tax Allocation	56,000	57,000	58,000	59,000	60,000
15 Total Non-Op Revenue/(Expense)	32,000	13,000	21,000	26,000	31,000
16 Net Income	\$165,000	\$196,000	\$246,000	\$296,000	\$330,000
OTHER SOURCES/(USES)					
17 Add Depreciation Expense	\$269,000	\$287,000	\$291,000	\$296,000	\$306,000
18 Connection Fees	-	23,000	-	23,000	-
19 Capital Improvement Projects	(1,085,000)	(256,000)	(311,000)	(624,000)	(504,000)
20 Grant/Loan Proceeds	-	-	-	-	-
21 Loan from Novato Water	550,000	(134,000)	(130,000)	(140,000)	(146,000)
22 Debt Principal Payments	(141,000)	(52,000)	(54,000)	(56,000)	(56,000)
23 Net Change in Working Capital	-	-	-	-	-
24 Total Other Sources/(Uses)	(\$407,000)	(\$132,000)	(\$204,000)	(\$501,000)	(\$400,000)
25 Cash Increase/(Decrease)	(\$242,000)	\$64,000	\$42,000	(\$205,000)	(\$70,000)
26 Operating Reserve	\$203,300	\$209,300	\$215,700	\$190,300	\$197,000
27 System Expansion Reserve	92,700	150,700	186,300	(25,000)	(101,700)
28 Liability Contingency Reserve	99,000	99,000	99,000	99,000	99,000
29 ENDING CASH BALANCE	\$395,000	\$459,000	\$501,000	\$296,000	\$226,000
% Rate Increase¹	6.0%	6.0%	6.0%	6.0%	6.0%

¹Fiscal year 2022 Rate increase to be reviewed for approval by the Board of Directors on June 22, 2021. FY 2023 through 2026 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.

**OCEANA MARIN SEWER
BUDGET SUMMARY
Fiscal Year 2021/22**

	<i>Proposed Budget 2021/22</i>	<i>Estimated Actual 2020/21</i>	<i>Adopted Budget 2020/21</i>
OPERATING INCOME			
1 Monthly Sewer Service Charge	\$290,000	\$276,000	\$276,000
2 Misc Service Charges	-	-	-
3 Total Operating Income	\$290,000	\$276,000	\$276,000
OPERATING EXPENDITURES			
4 Sewage Collection	\$94,000	\$131,000	\$88,000
5 Sewage Treatment	54,000	30,000	45,000
6 Sewage Disposal	47,000	26,000	45,000
7 Consumer Accounting	2,000	2,000	2,000
8 General Administration	12,000	47,000	27,000
9 Depreciation Expense	49,000	44,000	48,000
10 Total Operating Expenditures	\$258,000	\$280,000	\$255,000
11 NET OPERATING INCOME (LOSS)	\$32,000	(\$4,000)	\$21,000
NON-OPERATING REVENUE/(EXPENSE)			
12 OM-1/OM-3 Tax Allocation	\$60,000	\$59,000	\$61,000
13 Interest Revenue	4,000	6,000	3,000
14 Interest Expense	(3,000)	-	-
15 Miscellaneous Expense	(1,000)	(1,000)	-
16 Total Non-Op Income/(Expense)	\$60,000	\$64,000	\$64,000
	NET INCOME/(LOSS)	\$60,000	\$85,000
OTHER SOURCES/(USES) OF FUNDS			
17 Add Depreciation Expense	\$49,000	\$44,000	\$48,000
18 Connection Fees	-	-	-
19 Grant/Loan Proceeds	1,450,000	86,000	225,000
20 Capital Improvement Projects	(1,590,000)	(110,000)	(\$290,000)
21 Total Other Sources/(Uses)	(\$91,000)	\$20,000	(\$17,000)
22 CASH INCREASE/(DECREASE)	\$1,000	\$80,000	\$68,000

OCEANA MARIN SEWER
FY 21/22-Five-Year Financial Forecast

	Budget 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26
BASIC DATA					
1 Number of Connections	235	236	236	237	237
2 Monthly Service Charge	\$103.00	\$108.00	\$113.00	\$119.00	\$125.00
OPERATING REVENUE					
3 Monthly Service Charge	\$290,000	\$306,000	\$320,000	\$338,000	\$356,000
4 Miscellaneous Service Charges	-	-	-	-	-
5 Total Operating Revenue	\$290,000	\$306,000	\$320,000	\$338,000	\$356,000
OPERATING EXPENSE					
6 Operating Expenditures	\$209,000	\$215,000	\$221,000	\$227,000	\$233,000
7 Depreciation Expense	49,000	76,000	82,000	88,000	96,000
8 Total Operating Expense	\$258,000	\$291,000	\$303,000	\$315,000	\$329,000
9 NET OPERATING INCOME	\$32,000	\$15,000	\$17,000	\$23,000	\$27,000
NON-OPERATING REVENUE/(EXPENSE)					
10 Interest Revenue	\$4,000	\$4,000	\$4,000	\$2,000	\$3,000
11 Interest Expense	(3,000)	(3,000)	(2,800)	(2,500)	(6,500)
12 OM-1/OM-3 Tax Allocation	60,000	61,000	62,000	63,000	64,000
13 Miscellaneous Expense	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
14 Total Non-Op Revenue/(Expense)	\$60,000	\$61,000	\$62,200	\$61,500	\$59,500
15 Net Income	\$92,000	\$76,000	\$79,200	\$84,500	\$86,500
OTHER SOURCES/(USES)					
16 Add Depreciation Expense	\$49,000	\$76,000	\$82,000	\$88,000	\$96,000
17 Connection Fees	-	30,000	-	30,000	-
18 Capital Improvement Projects	(1,590,000)	(370,000)	(350,000)	(452,000)	(282,000)
19 Grant/Loan Proceeds	1,450,000	250,000	-	400,000	-
20 Debt Principal Payments	-	(30,000)	(30,200)	(30,500)	(72,000)
21 Total Other Sources/(Uses)	(\$91,000)	(\$44,000)	(\$298,200)	\$35,500	(\$258,000)
22 Cash Increase/(Decrease)	\$1,000	\$32,000	(\$219,000)	\$120,000	(\$171,500)
23 ENDING CASH BALANCE	\$382,000	\$414,000	\$195,000	\$315,000	\$144,000
% Rate Increase¹	5.0%	5.0%	5.0%	5.0%	5.0%

¹Fiscal year 2022 Rate increase to be reviewed for approval by the Board of Directors on June 22, 2021. FY 2023 through 2026 are projections for financial forecasting purposes only - not yet approved by the Board of Directors.

CAPITAL IMPROVEMENT PROJECTS

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		FY22	FY23	FY22 & FY23 Project Description
1.	PIPELINE REPLACEMENTS/ADDITIONS			
	a. Main/Pipeline Replacements			
1.7189.00	1 Replace 12" CI Pipe Novato Blvd (785LF)	-	\$50,000	Replace 60 year old Cast-Iron-Pipe that has a high frequency of breaks and is at the end of its useful life.
1.7183.00 & .01	2 Replace Plastic Thin Walled Pipe < 4-inch	\$150,000	\$150,000	Ongoing systematic replacement of all plastic TW pipe < 4-inch.
1.7195.00	3 Novato Blvd Widening - Diablo to Grant (4100LF)	\$200,000	\$1,300,000	Replaces 60 year old cast iron pipe and replaces 50+ old ACP with 12" PVC; Joint project with City and Novato Sanitary District.
	4 Other Main Replacements (60+ years old)	\$200,000	-	Unplanned repairs/replacements for failing mains.
		\$550,000	\$1,500,000	
	b. Main/Pipeline Additions			
1.7150.00	1 San Mateo 24" Inlet/Outlet Pipe (2,200')	\$850,000	-	
	2 Loop Los Robles Rd and Posada Del Sol	-	\$125,000	
	3 Other Main/Pipeline Additions	\$150,000	\$150,000	Misc. Projects to loop dead end mains
		\$1,000,000	\$275,000	
	c. Polybutylene Service Line Replacements			
1.7139.xx	1 Replace PB in Sync w/City Paving (30 Services)	\$70,000	\$70,000	Ongoing systematic replacement of PB services in advance of City paving projects.
1.7123.xx	2 Other PB Replacements (40 Services)	-	\$80,000	Ongoing systematic replacement of PB services.
		\$70,000	\$150,000	
	d. Relocations to Sync w/City & County CIP			
1.8737.xx	1 Other Relocations	\$70,000	\$25,000	Relocate facilities for yet to be identified City/County Projects.
		\$70,000	\$25,000	
	TOTAL PIPELINE REPLACEMENTS/ADDITIONS	\$1,690,000	\$1,950,000	

CAPITAL IMPROVEMENT PROJECTS

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		FY22	FY23	FY22 & FY23 Project Description
2.	SYSTEM IMPROVEMENTS			
1.7007.14	a. DCA Repair/Replace-FY21 (~14/yr)	\$100,000	\$100,000	Ongoing program to replace old assemblies
1.7090.04	b. Anode Installations-FY21 (150/yr)	\$10,000	\$10,000	Place anodes on copper laterals for corrosion protection. Prioritize bad sand sites
1.6313.20	c. Pressure Reducing Station - Harbor Drive	\$25,000	-	
1.6302.21	d. Pressure Reducing Station - Blackpoint	\$25,000	-	
1.7136.00	e. Facilities Security Enhancements	-	\$25,000	
1.7190.00	f. San Marin Aqueduct Valve Pit (STP to Zone 2)	\$150,000	-	Piping/Valve modifications to allow downtown Zone 1 water (from STP) to supply San Marin pump station.
	g. Other System Improvements	-	\$200,000	
	TOTAL SYSTEM IMPROVEMENTS	\$310,000	\$335,000	
3.	BUILDING, YARD, STP IMPROVEMENTS			
	a. Administration Building			
1.6501.44	1 NMWD Headquarters Upgrade (Note 1)	\$3,475,000	\$7,950,000	50-year-old building requires significant upgrading; Phases 1 - 2 shown
		\$3,475,000	\$7,950,000	
	b. Stafford Treatment Plant			
1.6600.69	1 Dam Concrete Repair (Apron)	\$50,000	-	Ongoing patch repairs as needed.
1.6600.96	2 Leveroni Creek Embankment Repair (Note 2)	\$175,000	-	Repair/stabilize culvert embankment under access road to STP/IVGC.
	3 Concrete Apron Overlay	-	\$100,000	
1.6600.xx	4 Other Treatment Plant Improvements	\$50,000	\$50,000	Miscellaneous plant improvements.
1.6600.92	5 STP - Chemical System Upgrades (Tank R&R)	\$75,000	\$75,000	Ongoing replacement of original chemical storage tanks (circa 2006) that are at the end of their useful life.
1.6600.83	6 Filter Underdrain/Media R&R	\$20,000	\$20,000	Filter underdrain inspection and media replacement for each filter unit (one per year).
		\$370,000	\$245,000	
	TOTAL BUILDING, YARD, STP IMPROVEMENTS	\$3,845,000	\$8,195,000	

CAPITAL IMPROVEMENT PROJECTS

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		FY22	FY23	FY22 & FY23 Project Description
4.	STORAGE TANKS/PUMP STATIONS			
	a. Tank Construction			
1.6207.20	1 Old Ranch Rd Tank No. 2 (100k gal)	\$1,600,000	-	Award construction in FY21, construction complete FY22
		\$1,600,000	-	
	b. Tank Rehabilitation			
1.7170.00	1 Hydropneumatic Tank Repairs	\$130,000		Ongoing program to inspect/Repair the 7 tanks in compliance with State Code.
	2 Garner Tank Recoat (0.1 MG)	-	\$170,000	
	3 Lynwood Recoat/Seismic Upgrade (0.85MG & 0.5MG)	-	\$1,000,000	
		\$130,000	\$1,170,000	
1.6112.24	c. Lynwood P.S. Motor Control Center	\$525,000		Move motor controls above-ground.
1.6141.00	d. Crest PS (Design/Const) /Reloc School Rd PS	\$375,000		Replace School Rd PS with new facility on Bahia Drive.
	e. Davies PS Upgrade	-	\$50,000	
	f. Fire Flow Backfeed Valve Nunes Tank	-	\$200,000	
		\$900,000	\$250,000	
	TOTAL STORAGE TANKS/PUMP STATIONS	<u>\$2,630,000</u>	<u>\$1,420,000</u>	
	TOTAL NOVATO SERVICE AREA	\$8,475,000	\$11,900,000	
5.	RECYCLED WATER			
5.7162.xx	a. Replace CI in Atherton Avenue (1320LF)	\$50,000	\$350,000	1950's era cast iron pipe re-purposed for RW. Sliplining maybe used.
5.7162.xx	b. Other Recycled Water Expenditures	\$50,000	-	Retrofit existing potable irrigation customers to RW.
	TOTAL RECYCLED WATER PROJECTS	<u>\$100,000</u>	<u>\$350,000</u>	

CAPITAL IMPROVEMENT PROJECTS

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	FY22	FY23	FY22 & FY23 Project Description
6. WEST MARIN WATER SYSTEM			
2.6263.20 a. Replace PRE Tank #4A (25K gal w/125K gal)	-	-	Replace and upsize redwood tank destroyed in Vision Fire with concrete tank.
2.6609.20 b. New Gallagher Well #2	\$631,000	-	Permit and construct 2nd well at Gallagher Ranch.
2.8829.xx c. PB Replace in Sync w/ County Paving	\$50,000	-	For 25 replacements.
2-7185-00 d. Gallagher Ranch Streambank Stabilization (Note 3)	\$4,000	\$4,000	Monitoring costs over 5 years.
2.8912.00 e. Lagunitas Creek Bridge Pipe Replacement (Caltrans)	\$400,000	\$52,000	Relocate/replace 8-inch water main across Lagunitas Creek Bridge.
f. Miscellaneous Water System Improvements	-	\$200,000	
TOTAL WEST MARIN WATER SYSTEM PROJECTS	\$1,085,000	\$256,000	
7. OCEANA MARIN SEWER SYSTEM			
8.8672.28 a. Infiltration Repair (Manhole Relining)	\$40,000	\$40,000	Ongoing work to identify and repair collection pipelines to prevent rainwater from leaking into the system.
8.7085.05 b. Tahiti Way Lift Pumps Replacement	\$100,000	-	Replacement of Lift Pumps
8.7173.00 c. OM Treatment Pond Rehab (Note 5)	\$1,450,000	\$205,000	Hazard mitigation project to armor the existing earthen treatment pond berms to minimize storm erosion and damage due to earthquakes.
d. North St. Lift Station Bypass	-	-	
e. Sewer Force Main Improvements	-	\$125,000	adding isolation valves or other appurtenances in the 3,000+ LF FM to allow for repairs in the system
TOTAL OCEANA MARIN SEWER SYSTEM PROJECTS	\$1,590,000	\$370,000	

CAPITAL IMPROVEMENT PROJECTS

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	FY22	FY23	FY22 & FY23 Project Description
<u>SUMMARY - GROSS PROJECT OUTLAY</u>			
Novato Water	\$8,475,000	\$11,900,000	
Recycled Water	\$100,000	\$350,000	
West Marin Water	\$1,085,000	\$256,000	
Oceana Marin Sewer	\$1,590,000	\$370,000	
GROSS PROJECT OUTLAY	\$11,250,000	\$12,876,000	
LESS FUNDED BY LOANS/GRANTS/OTHER			
a. Office/Yard Building Refurbish (Note 1)	(\$3,575,000)	(\$7,950,000)	
b. WM Novato Water Loan to WM (Note 3)	(\$550,000)	-	
c. OM Treatment Pond Rehab (Note 4)	(\$1,450,000)	-	
TOTAL LOAN/GRANT FUNDS	(\$5,575,000)	(\$7,950,000)	
<u>SUMMARY - NET PROJECT OUTLAY</u>			
Novato Capital Improvement Net Project Outlay	\$4,900,000	\$3,950,000	
Recycled Water	\$100,000	\$350,000	
West Marin Water	\$535,000	\$256,000	
Oceana Marin Sewer	\$140,000	\$370,000	
NET PROJECT OUTLAY	\$5,675,000	\$4,926,000	
Total Number of District Projects	34	27	
Novato 5-Year Average of Internally Funded Projects FY21/22-FY25/26	\$4,070,000		
RW 5-Year Average of Internally Funded Projects FY21/22-FY25/26	\$150,000		
West Marin 5-Year Average of Internally Funded Projects FY21/22-FY25/26	\$450,000		
Oceana Marin 5-Year Average of Internally Funded Projects FY21/22-FY25/26	\$240,000		

CAPITAL IMPROVEMENT PROJECTS

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	FY22	FY23	FY22 & FY23 Project Description
NOVATO POTABLE WATER DEBT SERVICE			
a. STP SRF Loan	\$1,044,000	\$1,044,000	
b. AEEP Bank Loan	\$482,000	\$482,000	
c. Advanced Meter Info Retrofit Loan	\$378,000	\$376,000	
d. Admin Building Renovation Loan (Note 1)	672,000	1,238,000	
	<u>\$2,576,000</u>	<u>\$3,140,000</u>	
NOVATO RECYCLED WATER DEBT SERVICE			
e. Deer Island Facility SRF Loan	\$273,000	\$273,000	
f. RW North Expansion SRF Loan	\$282,000	\$282,000	
g. RW South Expansion SRF Loan	\$332,000	\$332,000	
h. RW Central Exp SRF Loan (Net of MCC)	\$276,000	\$276,000	
	<u>\$1,163,000</u>	<u>\$1,163,000</u>	
WEST MARIN WATER DEBT SERVICE			
i. WM Novato Water Loan Payback	\$100,000	\$163,000	
j. TP Solids Handling Bank Loan	\$71,000	\$71,000	
	<u>\$171,000</u>	<u>\$234,000</u>	
OCEANA MARIN SEWER DEBT SERVICE			
k. CIP Financing	\$3,000	\$33,000	
	<u>\$3,000</u>	<u>\$33,000</u>	
	<u><u>TOTAL DEBT SERVICE</u></u>	<u><u>\$3,913,000</u></u>	<u><u>\$4,570,000</u></u>
	<u><u>NET PROJECT OUTLAY & DEBT SERVICE</u></u>	<u><u>\$9,588,000</u></u>	<u><u>\$9,496,000</u></u>

CAPITAL IMPROVEMENT PROJECTS

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		FY22	FY23	FY22 & FY23 Project Description
STUDIES & SPECIAL PROJECTS				
1.4057.00	a	Local Water Supply Enhancement Study	\$150,000	-
1.7039.02	b	Novato Water Master Plan Update	-	\$95,000
1.4077.00	d	Potter Valley FERC Relicensing	\$5,000	-
1.6501.43	c	Electronic Document Management System	\$60,000	-
	d	District Boundary Election Map Review and Redraw	\$40,000	-
	e	Lynwood/San Marin Zone 2 Pumping Study	-	\$30,000
	f	Cathodic Protection Master Plan	\$20,000	-
	g	Pump Efficiency/Hydraulic Study	\$30,000	-
	h	Crest/Black Point Zone Modification Eval.	-	\$27,000
			<u>\$305,000</u>	<u>\$152,000</u>

Note 1 - \$16.2M NMWD Headquarters Upgrade is proposed to be funded by 20 year 3.5% Bank Loan.

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

Note 3 - Loan from Novato Water - As included in the 2021 WM Water rate study - to be paid back with interest. Loan to occur in FY21 & FY22.

The timing of the loan will be dependent on the progress of construction of PRE Tank#4A which is uncertain due to a current appeal.

Note 4 - Project to be funded at 75% by grants. Eligible project costs are budgeted at \$2.2M (75%=\$1.425M). Also includes loans for capital projects of \$250K in FY22.

NMWD DRAFT BUDGET

EQUIPMENT EXPENDITURES

Fiscal Year 21/22 Budget

		Approved	Description
1 OPERATIONS/MAINTENANCE			
12106.01.00	a. Meter Maintenance Program	\$120,000	
		\$120,000	
2 Engineering			
12106.01.00	a. File Management System	\$40,000	Replace flat filing system
		\$40,000	
3 VEHICLE & ROLLING EQUIPMENT EXPENDITURES			
			<u>Rolling Stock to be Transferred & Auctioned or Description</u>
12104.01.00	a. Peterbilt 335 (#508) cab and chassis	\$135,000	Replace Peterbilt 335 (#508) cab and chassis
		\$135,000	
Total		\$295,000	

	Adopted Budget 2020/21	Estimated Actual 2020/21	Proposed Budget 2021/22
RECAP			
Equipment	\$142,000	\$61,000	\$160,000
Rolling Stock	\$188,000	\$179,000	\$135,000
	\$330,000	\$240,000	\$295,000

10

MEMORANDUM

To: Board of Directors

May 28, 2021

From: Ryan Grisso, Water Conservation Coordinator *RG*

Subject: Public Draft Release – 2020 Urban Water Management Plan and Water Shortage Contingency Plan

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RECOMMENDED ACTION: Information Only**FINANCIAL IMPACT:** Information Only

Urban water suppliers are required to prepare Urban Water Management Plans (UWMP) to support their long-term water resource planning and to ensure that adequate water supplies are available to meet existing and future water demands. The District is defined as an urban water supplier due to the fact that we provide more than 3,000 acre-feet of water per year to our customers and have more than 3,000 connections (This only applies to the Novato Service area). This update is required every five years and the 2020 UWMP update is due for submittal to the Department of Water Resources (DWR) by June 30, 2021. A draft 2020 UMWP has been released for Board and public review and can be accessed at NMWD.com/Draft2020UWMP+WSCP.

The draft 2020 UWMP includes all of the information and analysis required by DWR. The following outlines the various sections of the Plan:

- Section 1 Introduction
- Section 2 Plan Preparation
- Section 3 Novato Service Area and System Description
- Section 4 System Water Demands
- Section 5 Baseline Water Use and Water Conservation Targets (SBX7-7)
- Section 6 Water System Supplies
- Section 7 Water Supply Reliability
- Section 8 Water Shortage Contingency Planning
- Section 9 Water Demand Management Measures
- Section 10 Plan Adoption and Submittal to DWR
- Section 11 References

The draft 2020 Water Shortage Contingency Planning (WSCP) is a stand-alone Water Shortage Contingency Plan, which requires separate but simultaneous adoption by the Board, along with 2020 UWMP adoption. The WSCP was developed in coordination with the Sonoma County

Water Agency in regards to triggers and associated actions and is included as an Appendix to the UWMP. At the April 20th board Meeting, the District's consultant EKI gave a presentation that provided details on the demand and conservation analysis that forms the basis of the 2020 UWMP. The presentation also provided an overview of the 2020 UWMP components.

The UWMP and WSCP are currently on schedule for all of the specified deadlines for review and adoption. The 2020 UWMP must be submitted to DWR by July 1, 2021 and a public hearing has been set for June 15, 2021 Board meeting to consider approval of both. We have properly noticed (as required) other water suppliers, wastewater agencies and planning agencies to provide the two notifications prior to hearing. The draft 2020 UWMP is posted on the District website for public review and staff is looking into options for the draft 2020 UWMP to be printed and offered for review by appointment at the District office.

11

**North Bay Water Reuse Authority
Board of Directors Meeting
April 19, 2021**

1. Call to Order

Chair Rabbitt called the meeting to order at 9:34 a.m. on Monday, April 19, 2021. Due to Shelter in Place Orders, this meeting was a Zoom only meeting. Meeting participants and the public participated via the following link: <https://us02web.zoom/j/82068982789>.

2. Roll Call

PRESENT:	David Rabbitt, Chair	Sonoma Water
	Belia Ramos, Vice Chair	Napa County
	Jack Baker	North Marin Water District
	Brian Barnacle	City of Petaluma
	Mike Prinz	Las Gallinas Valley Sanitary District
	Jack Gibson	Marin Municipal Water District
	Susan Gorin	Sonoma Valley County Sanitation District
	Dennis Rodoni	Marin County
	Scott Sedgley	Napa Sanitation District
	Pierre Washington	City of American Canyon

ABSENT: Carole Dillon-Knutson, Novato Sanitary District

OTHERS

PRESENT:	Chuck Weir, Program Manager	Weir Technical Services
	Kevin Booker	Sonoma Water
	Jason Beatty	City of Petaluma
	Lorenzo Cordova	Marin County
	Anne Crealock	Sonoma Water
	Grant Davis	Sonoma Water
	Jason Farnsworth	City of Petaluma
	Jim Grossi	North Marin Water District
	Rene Guillen	Brown & Caldwell
	Pam Jeane	Sonoma Water
	Drew McIntyre	North Marin Water District
	Mark Millan	Data Instincts
	Jim O'Toole	ESA
	Larry Russell	Marin Municipal Water District
	Mike Savage	Data Instincts
	Paul Sellier	Marin Municipal Water District
	Brad Sherwood	Sonoma Water
	Jake Spaulding	Sonoma Water
	Dawn Taffler	Kennedy Jenks Consultants
	Tony Williams	North Marin Water District

3. Public Comments

There were no members of the public.

4. Introductions

For the benefit of new Board members, introductions were made.

5. Board Meeting Minutes of October 26, 2020.

Vice Chair Ramos noted that she should be listed as absent on the minutes. On a motion by Director Baker, seconded by Director Rodoni, the minutes of the February 22, 2021 meeting were approved unanimously as amended by the Board by a roll call vote.

6. Report from the Chair

Chair Rabbitt summarized the March 8, 2021 meeting of the subgroup and thanked the members for their efforts.

6.a Subgroup meeting of March 8, 2021

The Board reviewed the summary of the Zoom Meeting.

7. Consultant Progress Reports

The Board reviewed the consultant progress reports for the period January - March 2021.

8. Financial Reports for Fiscal Year Ending June 30, 2021.

The Board reviewed the financial reports for the period ending June 30, 2021. Jake Spaulding noted that there were some errors in the last report and they have all been corrected.

9. Brief History of NBWRA and Transition to the Future

Chair Rabbitt introduced this item and thanked the subgroup for their efforts in getting the Board to this point. He introduced Kevin Booker to start the workshop. Mr. Booker noted that there were only a few people including Mike Savage, Jim O'Toole, Pam Jeane, and himself who were present when NBWRA started in 2002. He indicated that the purpose of the workshop was to engage the Board and TAC in a series of topics that might impact water and wastewater agencies into the future. Not all topics will apply to each agency. At the end of the process the subgroup would develop Venn diagrams to indicate which topics apply to which agencies. At that point plans could be made to determine how NBWRA can assist the agencies in addressing their needs through cooperative study and funding efforts. He then introduced Mike Savage to provide a history of NBWRA. Mr. Savage discussed the origins, development of an MOU, chronology, Phase 1, and Phase 2 projects.

Kevin Booker then discussed the successes of NBWRA, including the economic and financial benefits, and the receipt of \$38.81M for an investment of \$12.86M. He also discussed the environmental and water supply benefits of the Phase 1 and Phase 2 projects. Mr. Booker then focused on the results of the Title XVI and state funding programs. He indicated that NBWRA is well recognized and is continuously encouraged to apply for state and federal funding. Grant Davis noted that one of the side benefits of NBWRA was the funding for Napa County's Drought Contingency Plan. Mr. Booker also noted that drought, supply issues, and new regulations are not going to go away and that NBWRA must evolve to meet a myriad of future challenges.

Mr. Booker, Mr. Davis, Chair Rabbitt, and others discussed the list of water issues for the future including groundwater, wastewater, stormwater, recycled water, drought contingency, climate and sea level rise, and energy.

Director Sedgley stated that NBWRA has been beneficial for Napa County, but that politics often plays a role in approving projects. He encouraged NBWRA to assist with coordinating with local

Resource Conservation Districts and advocacy for legislators. Director Barnacle agreed that NBWRA should assist with policy development. Director Russell stated that there was a lot of information and much to think about and indicated that decisions should wait for the next Board meeting.

Program Manager Weir thanked Mr. Russell for providing a segue to a plan that the subgroup has discussed and is seeking input from the Board. Mr. Weir explained that the plan would involve holding three meetings, one in each county for the agencies in that specific county. Participants would include NBWRA Board and TAC members and would be facilitated by the subgroup. Once the meetings are completed the subgroup would provide a summary for the next meeting.

Chair Rabbitt stated that in addition to policy the main purpose of NBWRA is to develop funding for specific projects. The individual meetings would allow the subgroup to tie all the issues together such that projects and solutions can be developed over time.

Larry Russell encouraged having discussions with Senator Hertzberg since it is likely his bill to prohibit discharge of treated wastewater to bays and the ocean will likely resurface. Mr. Weir agreed and noted that currently Hertzberg is focusing on a bill to allow wastewater agencies to collect and treat stormwater. Mr. Russell also discussed alternative uses for recycled water, such as in the dairy industry or to San Quentin.

Chair Rabbitt thanked everybody for their comments and looked forward to the results of the three county meetings.

10. Approval of Fiscal Year 2021/22 Budget

Jake Spaulding noted that based on the discussion from the workshop that he was going to recommend a revision to the proposed budget. The draft budget recommended a contribution of \$5,000 from each of the ten member agencies to the joint use account for continuation of NBWRA activities. He recommended that the contribution be increased to \$10,000 for each member agency and \$5,000 from associate member Marin County for a total of \$105,000. That level would provide \$60,000 for Brown and Caldwell for their efforts in the three county meetings, \$40,000 for Sonoma Water administrative activities, and \$5,000 in contingency funds.

A motion by Director Barnacle, seconded by Director Gorin to approve the revised FY2021/22 Budget as described was unanimously approved by a roll call vote.

11. Approval of Agreement Extensions for Brown and Caldwell for Engineering, Environmental, and Outreach Services and for Weir Technical Services for Program Management Services.

Jake Spaulding explained that with the approval of the FY2021/22 Budget he was recommending an extension of the Brown and Caldwell agreement with the addition of \$60,000 to Optional Task 7 to complete the three county workshops and then develop a scope of work for the remainder of FY21/22. Said scope of work will be based on actions to be taken by the Board at the next meeting based on the three county meetings. He also recommended a no cost two year extension to the agreement with Weir Technical Services. Both agreements need to be approved by the Sonoma Water Board of Directors, which will likely occur in July 2021.

A motion by Vice Chair Ramos, seconded by Director Gorin was unanimously approved by a roll call vote.

12. Phase 1: Status of Reconciliation and Closeout Activities

Jake Spaulding gave an update on the reconciliation and close out activities for Phase 1. He noted that the Las Gallinas Valley Sanitary District project has now been completed and the District has issued a press release to that effect. Sonoma Water is in the process of gathering all needed documentation from the Phase 1 agencies. The final date for closeout is September 30, 2021, but he anticipates it will be sooner. He further noted that he wants to make sure that all available federal funds have been utilized.

13. Status of Phase 2

Rene Guillen provided an update on the status of the Phase 2. The subgroup continues to work on developing the necessary information to include a Marin County project in Phase 2. The process also includes determining the buy in costs for Marin County. Many factors have to be considered since including Marin's project would likely be beneficial to the success of obtaining funding.

14. WIIN Application Status

Rene Guillen provided an update on the WIIN application status. Reclamation released notice of a funding opportunity on March 24, 2021 that was due on April 23, 2021. Submittal of an application for City of Petaluma and City of American Canyon was considered but ultimately it was decided to hold off until the next opportunity. The timing did not allow development of all the items required. The team will continue to work with the agencies to be prepared to submit an application at the next funding opportunity.

On a relate note, the Board reviewed the status of Assembly Bond 2021, which will provide funding for Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development.

15. Items for the Next Agenda

Chair Rabbitt listed the items for the next agenda. The items will include the regular reports, results of the three county meetings, possible amendments to the FY2021/22 Budget based on said meetings, Phase 1 and Phase 2 Status Reports, and WIIN application status. The size of the budget will depend on additional activities and opportunities that NBWRA choses to address. Director Barnacle asked if it would be possible to indicate the potential funding that could be available for the various new issues being considered by NBWRA. Grant Davis requested that addressing climate change be specifically included in the issue matrix rather than just a part of some of the issues.

Mr. Weir displayed a list of possible dates for the next meeting and recommended July 26, 2021 to allow adequate time to plan for and conduct the three county meetings. The Board concurred and the meeting was scheduled for July 26, 2021. It is not yet known whether or not face to face meetings would be allowed. Director Gorin suggested a hybrid meeting to minimize driving to Novato. All of this will depend on actions taken by Governor Newsom as well as potential legislation being considered in Sacramento.

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

There were no comments from the Chair, Board, and Member Agencies.

17. Adjournment

Chair Rabbitt adjourned the meeting at 10:48 a.m. The next meeting will be Monday, July 26, 2021 at 9:30 a.m. at location to be announced. It could be at Novato City Hall, another Zoom meeting, or some hybrid meeting depending on Shelter in Place Orders.

Minutes approved by the Board _____.

Charles V. Weir
Program Manager

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12

DISBURSEMENTS - DATED MAY 20, 2021

Date Prepared 5/18/21

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 (JD 210K)	315.82
2	Andraca, Christian	Novato "Toilet Rebate" Program	100.00
3	Arrow Benefits Group	May Dental Admin Fee	265.55
4	Arrow Benefits Group	April Dental Expense	5,327.06
5	Athens Administrators	April Indemnity Review Fee	105.00
6	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 115 of 240) (Aqueduct Energy Efficiency Project)	46,066.67
7	Boucher Law	March Labor & Employment Law Matters	2,925.00
8	Branstetter, Heather	Novato "Smart Irrigation Controller" Program	95.25
9	Buck's Saw Service	Weed Trimming Line	17.31
10	California Water Service	Water Service (O.M.) (3/2-4/28/21) (0ccf)	59.21
11	Chandrasekera, Carmela	Retiree Exp Reimb (May Health Ins)	1,063.97
12	Cilia, Joseph	Retiree Exp Reimb (May Health Ins)	372.37
13	Cinquini & Passarino	Prog Pymt#6: NMWD Headquarters Mapping (Balance Remaining on Contract \$27,518)	16,060.00
14	Clipper Direct	June Commuter Benefit Program	204.00
15	Creighton, Guy & Susan	Novato "Toilet Rebate" Program	100.00
16	Cummings Trucking	Sand (78 yds) (\$1,750) & Rock (130 yds) (\$1,960)	3,710.00
17	Dell Computers	Replacement PC's (Clyde & Juarez)	2,058.84
18	Dryco Construction	Paving Work Related to Atherton Tank Rehab Project	1,156.62

Seq	Payable To	For	Amount
19	EKI Environment & Water	Prog Pymt#5: 2020 Urban Water Management Plan Update (Balance Remaining on Contract \$8,727)	13,227.76
20	Environmental Science Association	Prog Pymt#8: San Mateo Tank Permitting Assistance (Balance Remaining on Contract \$28,042)	2,042.50
21	ETS	Prog Pymt#2: Environmental Testing Services on Fill Materials (Balance Remaining on Contract \$855)	540.00
22	Fedak & Brown	April Progress Billing (FY21 Financial Audit) (Balance Remaining on Contract \$12,537)	5,432.00
23	Fishman Supply	Safety Vests (8)	113.01
24	Fisher Scientific	Parts for Lab Glassware Washer	358.89
25	Forman, Marjorie	Novato "Smart Irrigation Controller" Program	120.00
26	Frontier Communications	Leased Lines	1,444.50
27	GHA Technologies	Cell Modem for Kastania	359.49
28	GHD	Prog Pymt#5: Old Ranch Rd Tank No. 2 Design Services (Balance Remaining on Contract \$15,753)	9,975.16
29	Grainger	Miscellaneous Maintenance Tools & Supplies (\$457) & Pressure Washer Parts for Vacs (\$477)	934.15
30	HERC Rentals	Replacement Breaker Attachment for Skidsteer (\$2,811), Breaker Rental (1 month) (\$1,260) & Steel Plate Rental (1 month) (\$1,375)	5,446.76
31	InfoSend	April Processing Fee for Water Bills (\$1,263), Postage (\$3,506) & April Monthly Support Fee (\$1,000)	5,768.82
32	Jackson, David	Retiree Exp Reimb (May Health Ins)	1,063.97
33	Kiosk Creative	Prog Pymt#21: District Directed Communication Support (Balance Remaining on Contract \$14,824)	2,748.50
34	Larsengines	Weed Trimmer Blade	38.32
35	Latanyszyn, Roman	Retiree Exp Reimb (May Health Ins)	372.37

Seq	Payable To	For	Amount
36	Latch, Jonathan W.	Novato "Washer Rebate" Program	50.00
37	Lemos, Kerry	Retiree Exp Reimb (May Health Ins)	1,063.97
38	Lindsey, Lisa	Novato "Washer Rebate" Program	50.00
39	Manzoni, Alicia	Retiree Exp Reimb (May Health Ins)	1,063.97
40	Marin Independent Journal	Legal Ad: Invitation to Bid for Old Ranch Road Tank No.2 on 4/16	501.82
41	Marin County Ford	Fuel Door ('10 F150)	41.88
42	County of Marin	Encroachment Permit (484 Wilson Avenue)	448.54
43	McMaster-Carr Supply	Routing Clamps for Lake Aeration	278.34
44	Michael Baker International	Prog Pymt#8: Engineering Services-Prepare Additional Inundation Map & EAP for Stafford Dam (Balance Remaining on Contract \$6,490)	685.00
45	Pace Supply	Angle Meter Stops (30) (\$1,499), Corp Stops (74) (\$3,541), Parts for Hydrant Backflow (\$112), Elbows (17) (\$209), Copper Pipe (2,280') (\$12,122), Valves (10), Nipples (15), Couplings (25) (\$545) & Tees (5)	18,161.70
46	Parkinson Accounting Systems	Accounting Software Support	1,597.50
47	PG&E	Power: Bldgs/Yard (\$4,249), Other (\$143), Pumping (\$74,243), Rect/Controls (\$512) & Treatment (\$205)	79,351.45
48	Pini Hardware	Miscellaneous Maintenance Tools & Supplies	548.36
49	Rader Excavating	Traffic Control & Flagging (Grant Ave)	13,660.10
50	R & B	EZ Valve Repair Parts (\$2,697), Hydrant (\$15,168), Nipples (24) (\$850), Couplings (85) (\$3,490), Double Check Valves (2) (\$959), Valves (35) (\$7,905) & PVC Pipe (100') (\$1,638)	33,550.26
51	Redwood Painting	Coating Services for the Top of the Concrete Clearwells @ STP (Balance Remaining on Contract \$6,335)	120,745.00
52	Six Robblees'	Service Parts for Vac Excavator	4,020.72
53	Soiland	Asphalt Recycling (48 tons) (\$720) & Rock (72 tons) (\$1,476)	2,195.46

DISBURSEMENTS - DATED MAY 27, 2021

Date Prepared 5/25/21

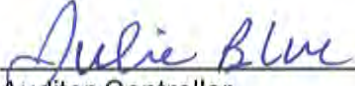
The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 5/15/21	\$148,592.54
90382*	Internal Revenue Service	Federal & FICA Taxes PPE 5/15/21	67,716.54
90383*	State of California	State Taxes & SDI PPE 5/15/21	15,317.79
90384*	CalPERS	Pension Contribution PPE 5/15/21	39,659.13
90385*	CalPERs	June Health Insurance Premium (Employer \$47,787, Retirees \$11,525 & Employee Contribution \$10,371)	\$69,682.62
EFT*	US Bank	April Bank Analysis Charge (Lockbox \$912 & Other \$342 Less Interest \$75)	\$1,179.69
1	Alpha Analytical Labs	Lab Testing	535.00
2	Amazon/Genuine-Hardware	Misc Maintenance Tools & Supplies (\$366) & Miscellaneous Office Supplies (\$73)	438.83
3	Associated Right of Way Services	Prog Pymt#7: Right of Way Real Estate Services for Gallagher Well #2 (Balance Remaining on Contract \$17,375)	2,492.50
4	AT&T	Leased Lines	66.68
5	Badger Meter	'O' Rings for Hydrant Meters (20)	150.72
6	Bay Area Barricade Service	Spray Chalk (48) (\$210) & Marking Paint (36) (\$158)	369.82
7	ChromaGraphics	Rate Increase Letters-Novato (\$5,298) (20,500) & W.M. (\$1,115) (780)	6,412.98
8		Exp Reimb: June Cobra Insurance Coverage	580.44
9	Evoqua Water Technologies	Service on Deionization System (Lab)	292.77
10	GHA Technologies	Pump for Construction	2,627.26
11	Grainger	Miscellaneous Maintenance Tools & Supplies	1,186.70


Seq	Payable To	For	Amount
12	Kaiser Foundation Health Plan	Pre-Employment Physicals (Fuelle, Poniker-Dolney & Story)	195.00
13	Keeton Industries	Compressor System to Double Aeration on Stafford Lake	19,691.82
14	Lincoln Life	Deferred Compensation PPE 5/15/21	8,580.38
15	Mallory Safety and Supply	Oxygen Sensors for Gas Monitors (2)	435.37
16	Marin Sanitary Service	Document Shredding (4 Carts)	310.00
17	Martrel Business Printing	Payment Receipts for Front Counter (1,000)	303.80
18	McAghon, Andrew	Lawn Be Gone Sheet Mulching Program (1108 Elm Drive)	572.00
19	Miller Pacific Engineering	Prog Pymt#16: San Mateo 24" Inlet/Outlet Pipe (Balance Remaining on Contract \$75,478)	475.00
20	Mitch's Certified Classes	Backflow Preventer Assembly Tester Workshop (6/24-6/25) (Garrett)	700.00
21	Mutual of Omaha	June Group Life Insurance Premium	1,038.85
22	Nationwide Retirement Solution	Deferred Compensation PPE 5/15/21	1,095.00
23	Novato-777 San Marin Dr	Refund Overpayment on Closed Account	355.47
24	Opperman & Son	Replacement Step ('02 Int'l 5 yd Dump Truck)	237.26
25	Pace Supply	Clamps (6) (\$530), Pipe (1,720') (\$20,458), Elbows (13) (\$52), Couplings (31) (\$752), Unions (2), MJ Fittings (\$2,687), Bushings (4) (\$149) & Temporary Service Line Caps (10) (\$144)	24,783.56
26	Pipette.com	Pipette Calibration & Maintenance	185.00
27	Plasencia, Veronica	Refund Overpayment on Closed Account	15.80
28	Point Reyes Prop Mgmt Assn	May HOA Fees (25 Giacomini Rd)	75.05
29	Preferred Alliance	Pre-Employment Physical (Fuelle, Ponikvar-Dolney & Story)	126.00
30	RAE Products & Chemicals	Markings for Valves & Hydrants (9)	3,116.92
31	City of Santa Rosa	Prog Pymt#2: 2020 Urban Water Management Plan Work	17,685.50

Seq	Payable To	For	Amount
32	Schwaab	"Ok to Pay" Stamp (Admin)	49.42
33	Scott Technology Group	Monthly Maintenance on Engineering Copier (5/21-6/20/21) (\$183) & Contract Overage Charge	201.54
34		Vision Reimbursement	552.00
35	SPG Solar	April Energy Delivered Under Solar Services Agreement	14,786.89
36	Star Creek Land Stewards	Refund Security Deposit on Hydrant Meter Less Final Bill	1,122.18
37	Syar Industries	Sand (47 tons) (\$1,890) & EZ Street (6 tons) (\$1,025)	2,914.48
38	TPx Communications	May Telephone Charges	663.64
39	USA BlueBook	Turbidity Standard (STP)	285.97
40	VWR International	Test Tube Basket (\$121) & Biohazard Bags (200) (Lab)	207.55
41	West Coast Coating Consulting	Prog Pymt#1: Perform Third Party Coating Inspection (Balance Remaining on Contract \$34,098)	10,902.00
42	White & Prescott	Prog Pymt#28: Gallagher Ranch Well No. 2 (Balance Remaining on Contract \$6,010)	1,350.00
43	Williamson, Matthew	Exp Reimb: Safety Boots	167.73
		TOTAL DISBURSEMENTS	<u>\$470,483.19</u>

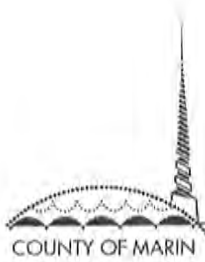
The foregoing payroll and accounts payable vouchers totaling \$470,483.19 are hereby approved and authorized for payment.


05/24/2021

 Auditor-Controller Date


5/24/2021

 General Manager Date



NEWS RELEASE

www.marincounty.org/news

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For Immediate Release

May 13, 2021

Supervisors to Consider Drought Emergency

Water districts in Marin to provide update on conditions and conservation

San Rafael, CA – The Marin County Board of Supervisors has invited representatives from the county's two largest water districts to [provide a public update](#) about local drought conditions during its May 18 meeting. During the session, the Board also will consider declaring a local emergency and imminent threat of disaster.

[Marin Water](#), the municipal water district serving the majority of water customers in Marin County, will discuss the drought not long after the meeting begins online at 9 a.m. along with an official from the [North Marin Water District](#) (NMWD), which serves Novato and some communities in West Marin. Both districts have declared water shortage emergencies and enacted mandatory conservation measures.

On May 10, Governor Gavin Newsom [expanded California's drought emergency](#) to 41 out of 58 counties. Marin is not on the list, although Sonoma County – an important source of water for Marin customers – has been under a state of emergency since April 21 because of dry conditions within the Russian River watershed.

In the rural areas of West Marin, ranchers have been importing water by truck to keep their animals alive. With far less vegetation for grazing because of the drought, animals are also eating imported feed shipped from other states at high costs to the ranchers. Dry conditions are also degrading water quality, hurting commercial fisheries and biodiversity, and will impact residents in coming weeks and months as conservation measures are enacted.

"It is important that our community hear directly from our largest water agencies about Marin's current drought conditions," said Supervisor Dennis Rodoni, the Board President and a former NMWD Board member. "This drought will soon begin to impact our daily lives and we must prepare accordingly."

Marin Water, established in 1912, serves more than 191,000 customers in central and southern Marin. About 75% of its water supply comes from reservoirs on Mount Tamalpais and in West Marin, with the remaining

-more-

supply from the Russian River watershed.

Formed in 1948, NWMD serves a customer base of about 64,000 in and around Novato, Point Reyes Station, Olema, Bear Valley, Inverness Park, and Paradise Ranch Estates. About 75% of NWMD's Novato Service Area water comes from the Russian River and the remainder from Stafford Lake, a reservoir just west of the Novato city limits.

Marin Water's board of directors recently voted to limit spray irrigation to two days per week, drip irrigation to three days per week, and to require swimming pool covers. The district was also the first in the region to adopt mandatory restrictions in April. Details are on its [water rules webpage](#).

NMWD's board recently requested a 20% voluntary reduction in customer water use from May 1 through June 30 and adopted an amended emergency water conservation ordinance that mandates a 20% reduction from July 1 through November 1, which is enforced with strict water waste and non-essential water use prohibitions including a limit on overhead irrigation to three days per week. NMWD details are on its [water rules webpage](#).

Newsom is proposing [a \\$5.1 billion package](#) of immediate drought response and long-term water resilience investments to address immediate emergency needs, build regional capacity to endure drought and safeguard water supplies for communities, the economy, and the environment. But it is not clear if the package will include relief for agricultural producers in Marin.

The Board of Supervisors meeting starts at 9 a.m., and the drought agenda item is slated to be heard after open time for public expression, a COVID-19 update, and several other matters. Viewers can watch on the [County's website](#) and learn how to participate in the session. In addition, viewers can watch the [Community Media Center of Marin's webcast](#), and Comcast and AT&T U-Verse subscribers can watch on Channel 27.



For disability accommodations, please phone (415) 473-6358 (voice), CA Relay 711, or e-mail the [Digital Access staff](#) at least five business days in advance of the event. The County will do its best to fulfill requests received with less than five business days' notice. Copies of documents are available in alternative formats, upon request.

###

County faces cut in water imports

DROUGHT

Marin Independent Journal

By Will Houston

whouston@marinij.com

Already bracing for its worst drought on record, Marin County will have even less water this summer after a major supplier announced plans to cut back on water imports by 20% beginning in July.

Sonoma Water, which provides about 25% of central and southern Marin's water supply and 75% of Novato's, will be reducing its Russian River diversions from July 1 through Oct. 31 in response to record-low supplies in its two main reservoirs: Lake Sonoma and Lake Mendocino.

"That is an unprecedented action and one that we don't take lightly but we're going to need to do it this time," Grant Davis, general manager of Sonoma Water, told the Sonoma County Board of Supervisors earlier this month.

Marin water officials expect that conservation by ratepayers will allow them to weather the 20% supply reduction during those four months. However, they said mandatory water restrictions could be tightened if needed, especially if water imports are curtailed further.

"It's not catastrophic," Marin Municipal Water District director Larry Russell said about the cuts, "but it's not insignificant."

The decision comes as the Marin County Board of Supervisors is expected to declare a local drought emergency on Tuesday following two dismal rainy seasons in a row.

The Marin Municipal Water District recorded its driest 16-month period in 143 years of records and received about a third of its normal rainfall this past winter. The North Marin Water District, which supplies water to the greater Novato area and West Marin, recorded about 8 inches of rain, its lowest amount on record dating back to 1916.

Local reservoirs are about half full, but only because of earlier purchases of Sonoma water. Both districts have adopted mandatory water restrictions, including limiting the number of days per week people can use outdoor sprinklers.

Local water officials say the cuts to Russian River imports were expected given the historically low supplies, which are similar to the 1976-77 drought.

“Our customers have historically heeded the call and have done a really good job,” said Drew McIntyre, general manager of the North Marin Water District. “We were anticipating these reductions and that’s why we implemented the emergency water conservation ordinances.”

Sonoma Water provides about 75% of the North Marin Water District’s supply for its 60,000 customers in the greater Novato area. McIntyre said the 20% cut in imported water is expected to be made up by the district’s previously adopted water restrictions that aim to cut use back by 20% during that same time period.

In those months, the district will also be relying more on its reservoir at Stafford Lake. The district brought nearly 1,100-acre feet of Russian River water — about as much needed to fill more than 540 Olympic- sized swimming pools — into Stafford Lake between February and the end of April to bolster its summer supplies. The estimated \$405,000 action brought Stafford Lake levels up from about 29% in February to about 54% as of the end of April.

“That will help us meet our demand,” McIntyre said.

The district has fed Russian River water into Stafford Lake six other times since 1988 during dry years. This year’s amount is the largest it has ever fed into the reservoir.

The Marin Municipal Water District and its 191,000 customers will also see a 20% reduction in imported water. The Russian River provides about 25% of the district’s supply, with the remaining 75% coming from its seven reservoirs in the Mount Tamalpais watershed. Similar to its northern neighbor, the district hopes to make up for the supply cuts through conservation. The district is aiming to cut back use by 40% between May to October.

“Every source of supply helps,” said Jeanne Mariani- Belding, district communications manager. “We’re also expecting to see increasing levels of conservation and that will make a difference. Conservation remains our most efficient and effective tool to preserving our water supply.”

Last year, the district decided to ramp up its Sonoma Water purchases in anticipation of another dry season. These purchases allowed the district to draw less water from its reservoirs, which are now about 49% full.

The district estimates it will have bought 7,500 acre-feet of Russian River water — as much needed to fill 3,700 Olympic-sized swimming pools — from July 2020 through June 2021, according to Mariani- Belding. That’s about 2,200 acre-feet more water, or about a 42% increase, in the district’s typical yearly purchases. The cost is estimated at about \$8.9 million, with the district paying \$1,182 per acre-foot to Sonoma Water.

For comparison, these extra 2,200 acre-feet of water represent about 3% of the district’s total supply capacity but about 8% of the district’s total water demand in 2020.

Russell said the reductions will affect the district’s ability to continue this more aggressive water purchasing, but won’t cause the district to run out of water this year.

“We’re really worried about next year,” Russell said.

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Tuesday, 05/18/2021 Page .A01

County sets up relief for drought

BOARD OF SUPERVISORS

Emergency declaration opens door for funding

Marin Independent Journal

By Will Houston

whouston@marinij.com

The Marin County Board of Supervisors declared a drought emergency on Tuesday in response to historic dry conditions, potentially opening the door to state and federal disaster aid and new tools to prevent reservoirs from depleting.

The unanimous decision was the latest action in response to what is expected to become Marin's worst drought on record. Marin water utilities saw record-low rainfall this past winter and were the first in the Bay Area to impose mandatory use restrictions on residents. "You only have to drive by Nicasio Dam or Stafford Lake to see the dire conditions we're facing for water supply this year," Supervisor Dennis Rodoni, the board president, said before the vote. "Drought conditions are the worst we've seen in over 140 years in Marin. Please take this drought and recommendations from the water agencies seriously."

County staff said the proclamation could allow Marin to access state and federal disaster relief dollars such as the proposed \$5.1 billion drought package that Gov. Gavin Newsom proposed earlier this month.

The county plans to ask Newsom's administration to add Marin to 41 counties it has already placed under an emergency drought declaration. Marin was left out of the declaration, to the surprise of some water officials, in part because it had not declared a local drought emergency.

The state designation could allow the county's largest water utility, the Marin Municipal Water District, to more quickly request temporary reductions in mandatory dam water releases for wildlife on Lagunitas Creek, for example. The district is conducting a study on whether that is possible and what impacts might occur to wildlife such as endangered coho salmon and freshwater shrimp.

Local reservoirs are half full after two dismal rainy seasons. The Marin Municipal Water District, which serves 191,000 customers in central and southern Marin, recorded its second- lowest rainfall levels on record this winter with just over 20 inches. The last 16 months have been the driest in the district's 143 years of rainfall records.

The North Marin Water District, which serves nearly 62,000 customers in the greater Novato area and 1,800 customers in West Marin, recorded just 8 inches of rain at its Stafford Lake reservoir, the lowest ever on records dating back to 1916.

Both water districts were the first in the Bay Area to impose mandatory water use restrictions on residents, including limiting days that outdoor sprinklers can be used, in an effort to prevent reservoirs from drying out this summer when water use typically doubles.

The districts will be even more strained because Sonoma Water plans to cut water exports to Marin by 20% between July and the end of October. Sonoma Water provides 25% of the Marin Municipal Water District supply and 75% of the North Marin districts.

Among the hardest hit have been dairy and beef cattle ranchers, especially in West Marin, said Stefan Parnay, the county's acting agricultural commissioner. Agricultural producers say the drought is worse than the notorious 1976-77 crisis. Many have seen their water sources go dry months earlier than normal. Poor pasture quality is requiring them to have to ship in more expensive supplemental hay and feed months earlier as well. About a dozen dairies are having to pay to truck in water, and that number is expected to increase in the coming weeks, Parnay said.

"You may have heard that our oldest dairy on the Point Reyes National Seashore, the McClure Dairy, is closing its doors because of this drought," Parnay told the board. "That's how serious it is. There is concern about other dairies as well going out of business."

Additionally, about 50% of the county's 300 acres of crop production will likely have to be fallowed because of the dry conditions.

"That means a reduction of our fruits and vegetables to our farmers' markets, to our local restaurants," Parnay

said. "So, it's really a big hit for those folks."

Local water officials told the board that they are looking to conservation by residents in combination with enhanced incentives such as turf replacement rebates as the main strategies to preserve water supplies this year. The Marin Municipal Water District is aiming to cut back collective water use by 40% through October, while the North Marin district is seeking a 20% reduction. The restrictions could become tighter should the need arise, especially if Sonoma Water imports are curtailed further.

But these strategies only go so far.

“Even if that very ambitious goal gets met, we’re still fairly dependent on the weather,” Ben Horenstein, general manager of the Marin Municipal Water District, told the board, “but it will help us get through another year.”

The district is exploring worst-case options in the event next winter is also dry. The options include a temporary desalination plant or the reconstruction of a water pipeline across the Richmond-San Rafael Bridge, similar to the one installed in the 1976-77 drought.

Meanwhile, the water districts in the region are funding a study to figure out more ways to store the water that is available.

“We really need to do a better job with storing water when the storms come through,” Drew McIntyre, general manager of the North Marin Water District, told the board.

Terra Linda resident Kim Keith-Brown urged the board to begin long-term planning for how it will be able to accommodate population growth and state housing mandates with existing water supplies and sources.

“The current situation is clearly not sustainable,” she said.

The North Marin Water District has enacted a temporary ban on new water connections. The Marin Municipal Water District board set a discussion on Tuesday evening on issues related to new housing developments, including landscaping restrictions to a temporary ban on new water meter connections.

“Marin is no stranger to droughts,” Supervisor Stephanie Moulton-Peters said before the vote. “It’s time for us to dust off our good behaviors and start practicing modern conservation. We know how to do it and now’s the time.”

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How a long-dormant Laguna de Santa Rosa well could spare Petaluma dairies from drought

 PETALUMA
ARGUS-COURIER petaluma360.com



Cows dot the lush green landscape at DeBernardi Dairy in this March 29, 2021, photo. By late March, many Sonoma County dairies were already hauling water as farm pond reserves dwindled. A new agreement would open a long-dormant well in the Santa Rosa Plain to help offset water that dairies need to keep livestock alive amid the drought. (CRISSY PASCUAL/ARGUS-COURIER STAFF)

[TYLER SILVY](#)

ARGUS-COURIER EDITOR

May 20, 2021, 5:30AM

Sonoma County water officials plan to revive a long-dormant well in the Santa Rosa Plain, a move leaders say could be key to the survival of Petaluma's storied dairy industry amid historic drought.

The \$400,000 effort, approved quietly Tuesday during the Sonoma County Board of Supervisors meeting, promises to inject new water into the county's system as reserves dwindle and more ranchers turn to hauling water for livestock.

In Petaluma, four companies are already hauling enough water to account for nearly 1% of the city's use, and with mandatory cuts looming in the coming weeks, the city, which is required to reduce consumption by 20%, has frozen any new water hauling accounts amid a growing backlog of requests.

Sonoma County Supervisor David Rabbitt said the Laguna de Santa Rosa well could allow Petaluma to reopen its metered water program, giving a lifeline to area ranchers.

"If we don't do this, I guarantee you we would lose, God knows, another half dozen dairies," said Rabbitt, who has pushed to open the well for weeks. "It would really change the landscape. I think it's important that we go to bat for them and look for solutions."

Sonoma Water owns three wells in the Santa Rosa Plain, at Occidental Road, Sebastopol Road and Todd Road. The wells, installed in 1978 and dormant since about 2010, are meant to bolster water stores during drought or other water supply interruptions, according to county documents.

Although it's not spelled out in reports related to the board action Tuesday, Rabbitt said he worked to broker a deal with water officials that would replace any water pulled from Petaluma meters for livestock with new well water, reducing Petaluma's overall water saving burden.

Grant Davis, general manager with Sonoma Water, said the agreement would make up to 500,000 gallons of water per day available for use, which he said should be sufficient to meet livestock needs.

"We're looking at the total scope and the urgency involved in meeting this demand," Davis said in a phone interview Wednesday. "They're literally culling herds right now and making decisions not to plant. You've got dairies and vibrant parts of our community that are desperate."

Restarting just one well will cost nearly a half million dollars, and require construction of 300 feet of pipeline before it can begin feeding water into the Sonoma Water system, which serves more than 600,000 residents in Sonoma and Marin counties.

Petaluma Public Works and Utilities Director Jason Beatty said city officials are set to meet with Sonoma Water staff Thursday to review the changes, adding that Petaluma wants to support the agriculture community.

"We have questions about, 'Do we need to set up more meters? Are we limited to haulers we currently have?'" Beatty said. "We'll need to work with Sonoma Water on those details. It's not something we've done before."

County officials, though, felt this year's water crisis, which has drawn comparison to the devastating 1976-77 drought, merited the novel approach.

Capacity at the region's reservoirs is already below 2013-14 drought levels, with Lake Sonoma at 59.7% of capacity and Lake Mendocino holding just 42.1% of its target water supply as of Friday, according to Sonoma Water.

And no rain is expected to refill those coffers until October, setting the stage for months of water rationing and water hauling, some of which has already started.

Beatty said the current local water haulers – Clifton Water Trucking, Leras Water Trucks, Pardini Water Trucks and Straus Family Creamery – account for about 0.7% of the city's overall water use. Petaluma also has standing agreements with Spaletta Ranch and Neil McIsaac & Son Dairy, Beatty said.

With Petaluma setting its sights on 20% cuts in water usage, those haulers have been prohibited from boosting the amount of water they pull from designated hydrant meters located throughout the city.

Officials also froze new metered accounts, creating a growing queue of 15 prospective water haulers as of Wednesday afternoon, although Beatty said some requests were from construction companies and related to dust control.

Petaluma is one of nine cities or water providers grappling with the need to reduce water consumption in the Russian River Watershed, a group that also includes Cotati, Rohnert Park, Santa Rosa, Sonoma, Forestville and Windsor.

Although each of the so-called contractors are required to meet a 20% reduction goal, Petaluma, with its metered water program and growing demand from dairies as farm ponds dry up, potentially faces a more difficult path toward savings.

“Part of my goal was to not have any one contractor carry a disproportionate burden of keeping animals alive,” said Rabbitt, whose south county district includes Petaluma.

Rabbitt, a former Petaluma City Council member and three-term county supervisor, said he anticipates the need for water hauling will increase as the dry summer months set in. Hauling he said, is expensive, making it a last resort for area farmers, many of whom have already worked to relocate animals or otherwise cull their herds to cut down on demand.

But with dairy farmers already hauling water, Rabbitt said he foresees a long, fraught summer.

“Just because I know the proximity to Two Rock – which is a notoriously fractured aquifer,” Rabbitt said, recounting its reputation as the canary in the coal mine for regional drought. “When Two Rock starts going dry, you know you’re in for severe drought. And that’s what happened again.”

Tyler Silvy is editor of the Petaluma Argus-Courier. Reach him at tyler.silvy@arguscourier.com, 707-776-8458, or @tylersilvy on Twitter.

The Future of Water Is Recycled Sewage, And We'll All Be Drinking It

Faced with another historic dry spell, California has overcome its squeamishness about "toilet-to-tap." So, should we all.

Amanda Little, Bloomberg 5/19/21

More than a few dystopian fantasies depict a future in which humanity's water supply derives from recycled human waste. As Frank Herbert imagined it in his 1965 novel "Dune" — now a much-anticipated fall 2021 blockbuster — the humans inhabiting a desiccated, rainless planet must wear "stillsuits"— a rubbery second skin that captures sweat, urine and feces and recycles them into drinking water.

Today, elements of this vision are becoming a reality. While no climate models predict a future without rain on Earth, all show severe disturbances in hydrology: increasingly excessive rain and flooding in some regions, and intensifying drought in others. California has now become a leading example of the latter. Suffering through a prolonged dry period, utilities are increasingly relying on sewage to generate the state's water needs.

Known in industry parlance as "recycled wastewater" and in lay terms as "toilet to tap," this water source understandably triggers a gag reflex in some consumers — but it shouldn't. Recycled wastewater is quickly becoming the single most important element of a drought-proof water supply in the climate-change era, and it happens to be as pure and delicious as anything you might buy bottled from the Swiss Alps.

In fact, some southern Californians already have been drinking recycled wastewater for years, thanks to a [pilot project in Orange County](#). And the [\\$5.1 billion drought-response package](#) Governor Gavin Newsom announced last week focuses heavily on making this sustainable source more widely available. But this shouldn't remain just another California experiment. The federal government should prioritize infrastructure spending on wastewater recycling facilities, as should the growing number of water-insecure states nationwide, including Texas, which [now is also experiencing severe drought](#), and [Florida](#).

There's no state in our union that faces more economic peril from an unstable water supply than California — and the repercussions will affect all of us. Roughly 80% of the water developed for agricultural and urban use flows to [California farms](#), which in turn grow more than half of all the fruits, nuts and vegetables produced in the U.S. The dairy cows that graze in California pastures produce 20% of the national milk supply. In 2014, during the last severe drought, the state racked up [more than \\$2 billion in agricultural losses alone](#).

California farmers have long faced water insecurity — John Steinbeck wrote in his 1952 novel *East of Eden* that dry years were inevitable in central California and "put a terror on the valley" — but the stresses are [now increasingly severe](#). In the next thirty years, the severity of widespread summer drought is [projected to almost triple](#). Southern California depends entirely on Northern California and the increasingly strained Colorado River to hydrate its lands and 24 million inhabitants. There's no question that the region needs new water sources to remain habitable.

One option that's been explored is desalination, a filtration method that strips salt from ocean water. In 2015 a \$1.5 billion desalination plant was built in Carlsbad, California, that now supplies 10% of San Diego's water. Since then, [many more desalination plants have been sited on the southern and central Californian coast](#). Yet recycling wastewater is much cheaper: desalinated water costs about \$3,000 per acre-foot, while recycled wastewater costs \$1,800 per acre-foot.

Both types of water are [treated mechanically, pumped through a multi-step filtration process](#) that culminates with reverse-osmosis membranes that pull out impurities — including not just visible particles, but viruses, pathogens, hormone-disrupting chemicals and salt. The most difficult impurity to remove is, in fact, salt (which isn't suspended in water, but dissolved). Sewage is easier and cheaper to filter than ocean brine simply because it has far lower salinity and therefore requires less energy to pump through the membranes. It's also more universally available; not every farm or city is located next to an ocean, but everybody has sewage.

In 2008, Orange County Water District [opened a \\$490 million toilet-to-tap facility](#) (which they prefer to call showers-to-flowers) next to the county's sewage plant and began to shift the paradigm. It pumped 70 million gallons of recycled sewage water into the underground reservoirs that supply Orange County's taps. The plant has been so successful that production was expanded to 100 million gallons a day in 2018, making it the world's largest recycled wastewater plant; another expansion to 130 gallons a day was recently announced . Orange County is soon to be outdone by Los Angeles County, which [has proposed a 150-gallon a day facility](#) that could come online as soon as 2023.

Singapore and Israel, among other countries with limited freshwater resources, have been recycling their wastewater for decades while the U.S. resisted. Twenty years ago, Los Angeles County spent millions on a recycled wastewater plant only to [shut it down](#) within weeks of its opening after an outcry from residents who objected to the idea of drinking their own sewage. Similar objections have scuttled efforts to build recycled wastewater plants in San Diego.

I get it: Even amid the desperation of drought, consuming your own waste is nobody's first choice. Paul Rozin, a social psychologist at the University of Pennsylvania who's researched consumer response to toilet-to-tap programs told me that "accepting recycled wastewater is kind of like being asked to wear Hitler's sweater. No matter how many times you clean the sweater, you just can't take the Hitler out of it."

Here's what's changed: The realities of climate change, and even Herbert's dystopia, are increasingly upon us. The technology has gotten better, too, producing an excellent product. I've drunk the water flowing out of both of the Carlsbad and Orange County plants, water that hours earlier had been ocean brine and sewage. Both tasted crystal clean without a trace of their origins. No water expert I've interviewed questions that the single biggest source of new water supply going forward will be recycled wastewater. Our state and federal lawmakers are now obligated to prepare and adapt our infrastructure to this new reality.

Link: <https://www.bloomberg.com/opinion/articles/2021-05-19/toilet-waste-to-tap-water-welcome-to-the-future-of-recycled-sewage>
—News Update



Water hookup ban possible

MARIN MUNICIPAL

Temporary halt to fight drought could jolt future housing plans

Marin Independent Journal

By Will Houston

whouston@marinij.com

The Marin Municipal Water District might temporarily ban new service hookups for the first time in nearly three decades in response to historic drought conditions.

Such a ban could impact future development in the much of the county, potentially for several years, and at a time when the state is pressing for stepped up housing production.

The district board signaled its support for the move this week, but also wants to give developers the option of paying a fee to fund local water conservation projects and programs.

“It’s going to have real-world effects,” director Larry Bragman said of the possible ban at the board meeting on Tuesday. “It’s going to inconvenience people.



Old tree stumps and logs are at the edge of Nicasio Reservoir. A suspension of water service hookups is being considered.

ALAN DEP — MARIN INDEPENDENT JOURNAL

It's going to ripple out into our economy. I know none of us are taking it less than very seriously but it's a serious decision."

The proposal is expected to go before the board for consideration at its meeting on June 1. Ben Horenstein, the district's general manager, said he plans to contact local planning departments in the coming days to gain feedback, especially on a ban's potential impact on projects working their way through the permitting process.

The water district, which serves about 191,000 customers in central and southern Marin, received only 20 inches of rain fell this past winter, the second lowest on record and less than half of normal rainfall. The lowest rainfall occurred in 1924, when only 18 inches fell.

The last 16 months have been the driest ever in the district's 143 years of rainfall records. Local reservoirs are below half full.

The district has imposed mandatory water use restrictions, such as limiting outdoor sprinkler use to two days per week, to prevent supplies from drying out. Water officials hope to have at least 30,000-acre feet of water in the district's seven reservoirs by Dec. 1, which equates to about a year's worth of supply under normal use.

The district has enacted a service connection ban twice before during major droughts. The first ban lasted from April 1973 to November 1978 and the second lasted from February 1989 to March 1993. Both were met with legal challenges but were ultimately upheld by the courts.

There are many questions to be answered on the potential escalation in the county's drought response. The district must define what the ban would apply to, whether new meter connections or new water mains. Also, undecided is what projects would be exempted from the ban, such as pipeline extensions and fire hydrants, and when the ban would take effect.

One potential model is the service connection ban in Novato approved by the North Marin Water District last month. The district, which serves about 61,000 people in Novato, will ban new and enlarged service connections after July 1.

The prohibition includes exemptions for projects in which the applicants agree not to use or install potable water-irrigated landscaping until after the ban is lifted; connections approved by the district before July 1; connections of fire hydrants; and connections of property previously supplied with well water that ran dry.

The smaller Bolinas Community Public Utilities District, which serves about 1,600 people, has had a moratorium on new connections in place since 1977 because of longstanding water shortages.

The board aims to take a hybrid approach by allowing developers to bypass the ban by paying a conservation fee. However, this fee could take months to put into effect, staff said, as it will require a potential nine- to 12-month study to determine what projects the fee would fund, what the fee amount would be and how it will be implemented.

Another question is how long a service hookup ban could impact future housing projects and the ability for the county to meet state-mandated targets on new developments. Marin might soon be required to produce close to 15,000 new residences between 2023- 2031 under the direction of the Association of Bay Area Governments.

Tom Lai, director of the Marin County Community Development Agency, said the duration of a water connection ban could determine whether the county would continue issuing new building permits.

The county and many planning agencies don't issue building permits for new construction until developers acquire permission from water suppliers that the project will be served, Lai said. While there is flexibility in this, such as allowing some construction to proceed, Lai said there is the potential that a multiyear drought could lead to housing and buildings sitting unoccupied for years if a water hookup ban is put into effect.

"We may want to hold the line early on because we don't want those impacts to the neighborhoods to occur," Lai said.

New state housing laws and upcoming targets for new developments also complicate the issue. Legislation such as Senate Bill 35 can allow certain housing developments to proceed without discretionary review if communities don't meet their housing targets, known formally as regional housing needs allocation, according to Lai. Local governments that don't meet their housing targets can also be punished by receiving less state funding.

Lai hopes the state will consider the impacts of the drought before it approves the new targets later this year.

"I think given the extended drought that we're in and the uncertainty in the future of whether there is the ability to serve new homes, I'm hoping the Legislature takes note

of this and may consider special legislation that would give cities and counties a bit more breathing space or grace period, if you will,” Lai said.

Some near-term projects that might come before the district include the 28-residence Talus Preserve project near San Rafael, the 45-residence Merrydale Townhomes project in San Rafael and the 67 seniors’ residences linked to the BioMarin development in San Rafael, according to Michael Ban, district engineering director.

Some ratepayers criticized the district staff for not including other large projects, such as the proposed 1,356 apartments at Northgate mall in Terra Linda. Another speaker called for banning connections to in-law units, also known as accessory dwelling units.

“We are aware of some of the other projects that are out there but there are significant approvals that need to happen by planning agencies before they ever come to us,” Ban said at the meeting.

As to how long such a connection ban could last, past case law gives the district discretion in determining what is essential water use and what curtailments are necessary during water shortage emergencies, said MMWD counsel Molly MacLean.

“I don’t know of any specific statute or case that says how long a moratorium on new connections must last or may last,” MacLean said. “I think it really falls to the determination under the water code as to when the water supply is refurbished.”

However, the district is not allowed to sit by until the next significant rainfall and must make efforts to augment its water supply during the shortage, MacLean said. Again, the district has discretion over what those efforts are, she said.

When the water shortage ends will be a “judgment call” by the district, but is a decision driven by when water supplies are restored based on either new sources or more rainfall, MacLean said.

Michael Kiparsky, director of the Wheeler Water Institute at the University of California at Berkeley, said while restricting new service connections reduces water demand in urban areas, there is a question of how much water would be saved as compared to other methods to reduce water consumption.

More innovative solutions to address water supply will also need to be considered by California water districts in the coming years, including ramping up wastewater recycling, stormwater capture and groundwater storage, among others, he said. Some

of these methods are set to be studied as part of an upcoming review by regional water agencies.

“Droughts are only going to become more frequent and more severe given climate change,” Kiparsky said. “And so pretty much every water district in California is or should be scrambling to try and think about how to manage their urban water cycle, not just supplies, so as to be able to maximize how water is managed and available not only for human uses but also for environmental benefits.

“Doing this is going to require innovation and probably some risk-taking,” Kiparsky said.



A hiker stops to look over a pipe exposed in a drought-stricken section of Alpine Lake in Fairfax. A suspension of water service hookups is being considered.

SHERRY LAVARS — MARIN INDEPENDENT JOURNAL

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Plan for new well survives challenge

WEST MARIN

County board backs water district project

Marin Independent Journal

By Will Houston

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The Marin County Planning Commission voted on Monday to reject an environmental group's petition to block a West Marin water supply project over potential impacts to Lagunitas Creek flows and endangered wildlife.

The decision allows the North Marin Water District to build a new well that it says is necessary to ensure its West Marin customers have adequate water supply in the face of the worsening saltwater contamination at some of its existing wells.

"On behalf of our West Marin customers, I want to thank the commission for approving the project to allow us to move forward with constructing the well that will provide additional low-saline water available to our customers in a time of need and during this drought period," Drew McIntyre, the district's general manager, said after the commission's meeting. "This will be a big help."

The district's 1,800 customers in Point Reyes Station, Olema Valley, Inverness Park and Paradise Ranch are served by three wells. Two wells on a former Coast Guard property in Point Reyes Station are at a lower elevation and prone to saltwater contamination.

In recent years, the contamination has led to customers lodging complaints about the salty taste of their drinking water. The issue has been exacerbated by drought, combined with high tides and flooding, which is only expected to worsen under current climate change projections, according to McIntyre.

A third well completed in 2015 at Gallagher Ranch outside of Point Reyes Station is at a higher elevation and not affected by saltwater. However, it only produces half of the expected 300 gallons per minute the district anticipated. The proposed new well, known as Gallagher Well No. 2, would allow the district to pump 300 gallons of water

per minute as well as provide a second source of well water unaffected by saltwater, McIntyre said.

The project can be appealed again to the Marin County Board of Supervisors before 5 p.m. June 1. Gordon Bennett, president of the Inverness-based Save Our Shores environmental group who filed the original appeal, said he plans to take the issue to the board and other agencies if needed.

“I may have to go all the way up to the Coastal Commission,” Bennett said after the meeting on Monday. “I’m hoping not but I’ll give it my best shot at the Board of Supervisors and see what happens.”

If the project is appealed again, McIntyre said the district likely would not be able to build the well until next year.

If the saltwater issue worsens this summer, the district might have to make the unprecedented move of trucking in water and setting up filling stations near the Point Reyes Station plant for residents on salt-restricted diets, McIntyre said. That possibility could have been avoided entirely if the appeals had not been filed and the second well had been able to be constructed this summer as the district intended, McIntyre said.

Save Our Shores appealed the county’s March decision to permit the well. The group said the district’s environmental review did not adequately study how a second well would impact water flows on the nearby Lagunitas Creek and the endangered wildlife such as coho salmon.

The main point of contention involves a 1995 state order requiring the county’s two main water suppliers, the Marin Municipal Water District and North Marin Water District, to maintain adequate flows in Lagunitas Creek for endangered coho salmon.

The creek has the largest remaining population of Central Coast coho between Monterey Bay and Mendocino County. Under the order, the creek must flow at a rate of at least 48 gallons of water per second at a flow gauge in Samuel P. Taylor State Park during dry periods of June 16 through Nov. 1. This is achieved through dam water releases from the Kent Lake reservoir.

McIntyre said tests found that a second well at Gallagher Ranch would have a minimal impact on flows, reducing it by about a quarter inch. However, should creek flows dip below the state’s minimum level, the district has the ability to request water releases from Kent Lake to bring them back up.

Bennett said the district has pumped water even when flows reached below this minimum amount. He told the Planning Commission that the district should not be allowed to take any water meant for salmon.

“It’s not a question of taking a little salmon water,” Bennett told the commission. “Defending the taking of unlawful water is like going into a defense of a bank robbery and saying, ‘Well, the bank robbers only took a little bit, so no problem.’ It’s not how much is taken, it’s the taking itself that’s the problem.”

Bennett asked the county add the condition that the district only be allowed to pump water when there are adequate flows for fish.

Some commissioners said issues relating to water rights and minimum flows were outside of their purview.

“I think we’re just stepping beyond our area of expertise to start talking about how the water is allocated, how they get, how much the fish get,” Commissioner Don Dickenson said.

The commission voted 4-1 to deny the appeal and approve the project. Commissioner Margot Biehle dissented, expressing concern about the potential impacts to fish. “It’s a tough line to sort of walk but I’m not comfortable approving the project knowing that there’s all these other issues with it,” Biehle said.

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Agriculture chief named as Marin tackles drought year

BUSINESS

By Richard Halstead

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Stefan Parnay, who has been Marin County's acting agricultural commissioner since September, has been appointed to the job.

"Stefan has served the county well for many years as the deputy director and more recently as the acting director," said County Administrator Matthew Hymel. "We are fortunate to have someone with Stefan's skill and ability leading the department forward, especially as we confront the challenges of a major drought."

Parnay's appointment is expected to be approved by the Board of Supervisors on Tuesday. His starting annual salary will be \$173,680.

"The drought for the agricultural industry is extremely serious," Parnay said. "Also, the pandemic response has been a significant challenge as well, so for the agricultural industry it's really a double whammy."

Marin's agricultural commissioner oversees 14 employees and an annual budget of \$3 million. The department's duties include promoting sustainable agricultural practices through an organic certification program; providing education on integrated pest management strategies; inspecting plant shipments for invasive pests; inspecting farmers markets; and producing an annual livestock and crop report.



Cows graze last month at the Corça Dairy Ranch in northeast Marin. The county agricultural department is overseeing an industry under severe economic strain from the drought and the pandemic.

SHERRY LAVARS — MARIN INDEPENDENT JOURNAL

The department also verifies retail price accuracy of commodities at the time of sale to ensure consumers receive the lowest advertised or posted price. Parnay said earlier in the COVID-19 pandemic that some of the department's price inspections had to be curtailed.

"We have opened up to doing more inspections in the last few months," Parnay said. "There is still work to be done in normalizing department operations."

Before joining Marin, Parnay worked for Sonoma County as deputy agricultural commissioner for five years and as chief deputy agricultural commissioner for six years. He grew up in Sebastopol and earned a bachelor's degree in ornamental horticulture from California Polytechnic State University in San Luis Obispo.

Because of the drought, dairy and beef cattle ranchers lack water and sufficient grass for their herds. The McClure Dairy, the oldest dairy in the Point Reyes National Seashore, recently announced it will cease operations.

"It's really difficult to see that happen," Parnay said. "I'm very concerned about other ag operations not being able to continue because of the drought."

Parnay said he is hearing that approximately half of the county's 300 acres of crops will be allowed to lay fallow due to the lack of water.

He has asked supervisors to allocate \$150,000 to help dairies and ranchers cover the cost of trucking water to their animals. The supervisors are expected to make a decision during budget discussions in late June.

"I'm hoping we will have some flexibility to use that money to support the agricultural industry at large," Parnay said. "There is not a lot of short-term support for crop producers who are fallowing land. I'm looking into possible funding to help support our crop producers as well."

The former agriculture commissioner, Stacy Carlsen, retired.

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Novato forgoes citizen commission on election redistricting

Marin Independent Journal

By [WILL HOUSTON](#) | whouston@marinij.com |

May 14, 2021 at 5:22 p.m.

Novato won't form a citizen advisory commission to help draw the city's new election district boundaries.

The City Council voted 3-2 — with Mayor Pro Tem Eric Lucan and Councilwoman Amy Peele dissenting — on Tuesday to forgo the citizen commission and instead provide the public a mapmaking tool from which it can submit its ideas.

If this all sounds familiar, it's because the city just switched to by-district council elections and [created its first district map](#) in May 2019. The city was one of several local government bodies, including the Novato Unified School District and North Marin Water District, to switch from at-large to district-based elections that year and in 2020 under threat of a lawsuit.

The recent completion of the 2020 U.S. Census, however, requires all federal, state and local election district maps to be redrawn to account for changes in population and to ensure equal representation, Assistant City Attorney Holly Whatley told the council. The city will be required to redraw its election map by mid-April 2022 in anticipation of the November 2022 general election.

"The law mandates going through redistricting," Whatley said. "Whether you will need to adjust the lines, we can't say until we go through that process."

Council members who were against forming the advisory commission said that it's unlikely that any major changes to the district boundaries will be needed, given the city's maps were drawn two years ago. Typically the boundaries are redrawn every 10 years.

Creating the commission, they said, would require more meetings, increase costs for a hired demographer and staff time and would produce the same outcome as would giving the public a mapmaking tool.

"It does put a lot of pressure on everyone," Mayor Pat Eklund said when outlining her concerns about meeting the April 2022 deadline.

Estimated costs for the redistricting process range from \$70,000 to \$115,000, not including the costs of added meetings for an advisory commission, Whatley said.

Given the strong public interest during the last mapmaking process in 2019, Peele and Lucan said a commission would provide greater public engagement and give the council more time to focus on other topics during its meetings.

"I think it sends a signal to everyone in Novato that we want complete transparency," Peele said.

Novato resident Zachary Griggy, who helped create district maps for some local jurisdictions, said a citizen commission would allow stronger collaboration and result in a better map.

“These maps will be used for the next 10 years of elections,” Griggy told the council. “A little bit of investment will go a long way to making sure all Novatans are represented by the maps that you draw.”

Scott Mckown, redistricting committee chairman for the League of Women Voters Marin, said forming some type of citizen committee is part of best practices to support transparency and public involvement in redistricting.

The city switched from at-large elections, whereby voters choose all five council members, to by-district elections, where council members are selected only by voters in their areas. The move was intended to avoid a lawsuit by attorney Kevin Shenkman, who sent letters to local governments in 2019 arguing that at-large election systems violate the California Voting Rights Act of 2001 by diluting the votes of protected voter classes such as Latinos.

Novato was given a rapid timeline to make the switch and ultimately chose a map created by Novato resident Tracy Ruiz. The map avoided any faceoff between sitting incumbents at the time. Council members Susan Wernick, Peele and Lucan were the first to be elected under the by-district election system in 2019. Councilwoman Denise Athas and Mayor Pat Eklund remain on the council as at-large council members representing the entire city until their terms expire in 2022. If they seek reelection, Athas will run for the District 2 seat and Eklund will run for the District 4 seat, assuming they don't move.

The city will have more breathing room this time around. Census data might not be released until the end of September, but the city has until April 17, 2022, to approve a map, Whatley said. However, the city must hold at least four public hearings before it can approve a map and must provide at least five days' notice — as opposed to three required under the Brown Act — for each meeting. The first public hearing on redistricting could be held by late October and the first draft of a map released by the end of September.

One thing the council must consider this time around is the passage of California's Fair Maps Act, which was signed into law a few months after the council adopted its map.

The act requires the council to choose maps based on these five factors, in order of priority: geographic contiguousness; respecting boundaries of local neighborhoods and communities; setting boundaries at easily identifiable areas such as roads, shorelines and freeways; geographical compactness; and no favoring of any political party. The law also requires a map to be published for at least seven days before it can be adopted as the final map.

As part of its vote, the council directed staff to contract with National Demographics Corp., the same consultant used during the last redistricting process.

State orders sweeping water restrictions for towns, vineyards along Russian River

**San Francisco
Chronicle**

[Kurtis Alexander](#)

May 26, 2021 Updated: May 26, 2021 5:29 p.m.

[Comments](#)



Bret Munselle, vineyard owner and manager of the Munselle Vineyards, checks on the Chardonnay vines on the Wasson home ranch in Geyserville earlier this month. His water is drawn from the Russian River, where holders of junior water rights have been ordered by the state to stop drawing from the watersheds riveras and creeks.

Rachel Bujalski/Special to The Chronicle



Several communities and hundreds of vineyards in California's Wine Country are being cut off from their water supply because there's not enough water to go around.

State regulators on Wednesday ordered nearly 1,000 water rights holders in the Russian River watershed to stop drawing supplies from the basin's many rivers and creeks, the latest turn in California's deepening drought.

The order means many small water agencies and scores of growers in Sonoma and Mendocino counties will have to fall back on stored water or other sources, if they have it, or go without water entirely. State officials say the restrictions will not apply when human health and safety are at risk, though the exceptions are made on a case-by-case basis and are yet to be issued.

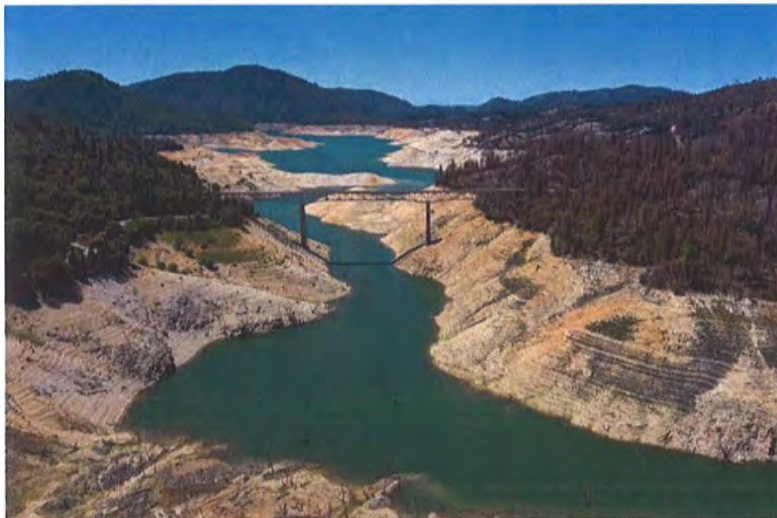
At best, municipal suppliers will be allowed to continue diverting at least some water while agricultural users will not.

The water in the Russian River basin nourishes communities from Marin County to north of Ukiah, as well as the region's vast wine industry, known for its production of Pinot Noir and Chardonnay grapes, among others.

The curtailment order by the State Water Resources Control Board is the first widespread restriction of water rights since past decade's five-year drought. It's an extraordinary move that regulators rarely use.



State plans to order drought restrictions, but it doesn't...



The order applies to anyone in the upper Russian River basin whose water rights were obtained after 1914, or about 930 rights holders. For those with rights after Jan. 28, 1949, the curtailments are effective immediately while for everyone else, the curtailments take effect June 1.

California's water rights system gives those with older rights, as well as those with land next to a waterway, priority when rivers and creeks don't have enough flow for everyone. The state water board is responsible for determining when surface supplies run low — and how many junior water rights holders need to be curtailed to reserve water for the senior rights holders.

“We need to implement the water rights system to protect supplies in case of another dry winter, which could transform the Russian River into a series of disconnected pools and restrict the availability of drinking water in the area,” said Erik Ekdahl, deputy director for the State Water Board’s Division of Water Rights.

Much of the flow in the Russian River is controlled by dam operators at Lake Mendocino, who make releases from the large reservoir north of Ukiah to keep water in the river. Water board officials said that without restricting water rights holders, the reservoir would have to release greater amounts of water to maintain river flows, leaving the reservoir at risk of drying up.

At the end of April, Lake Mendocino was at 43% of capacity.

Sonoma and Mendocino counties were the first in the state to be given a drought emergency declaration by Gov. Gavin Newsom, in April, which, among other things, helps expedite curtailment orders.

Those who continue taking water in spite of the orders could face fines of up to \$1,000 per day.

*Kurtis Alexander is a San Francisco Chronicle staff writer.
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POINT REYES LIGHT

Commission punts NMWD well appeal

By Braden Cartwright
05/26/2021

The appeal filed by Gordon Bennett of a proposed well outside of Point Reyes Station was rejected on Monday by planning commissioners, who said they did not have the expertise to evaluate it.

Mr. Bennett says he will now appeal the project to the Board of Supervisors, and will keep appealing until someone addresses his concerns about maintaining a minimum flow for endangered coho salmon in Lagunitas Creek.

The well, a project of the North Marin Water District, is planned on the Gallagher ranch, about a mile and a half upstream from Tomales Bay. It's the water district's second well on the property and is intended to mitigate salinity intrusion in wells on the former Coast Guard property. When the Coast Guard well water becomes salty, two Gallagher wells could meet demand.

Yet the project is complicated by a 1995 state order, which requires that the North Marin Water District and Marin Water—the new name given to the Marin Municipal Water District—maintain a minimum flow in Lagunitas Creek, depending on the season and rainfall.

Mr. Bennett alleges that the minimum flows have not been maintained, and a recent hydrogeologic study backs up his claim. North Marin should request more releases from Marin Water instead of unlawfully pumping water that is meant for the salmon, he said.

Planning commissioners and county staff were in over their head. No one at the meeting had the expertise to navigate the complex rules around water rights, streamflow requirements and salmon protections. They feared a condition around water releases would not comply with state law, so they punted.

“Water law is so nuanced and so complicated, and we are not the only player here as the responsible agency. There will be other state players that take over this question,” county environmental planner Rachel Reid said. “I don't really think this is something we need to tackle.”

Commissioner Don Dickenson agreed. “We're venturing into an area where we just don't have the expertise,” he said.

Only commissioner Margot Biehle supported the appeal, saying she wanted other agencies to take a closer look before she voted to advance the project. Mr. Bennett, an Inverness Park resident and a North Marin Water District customer, has until June 1 to appeal the planning commission's decision.

“On to the Board of Supervisors,” he told the Light after the meeting. “I'm going to find somebody who understands this. It's complicated and I don't blame the planning commission. But someone, somewhere is going to understand this. Maybe it's the coastal commission, or maybe it's the state water board.”

These administrative appeals are right up Mr. Bennett's alley. Whether it's e-bikes in the Point Reyes National Seashore, shark tours in the Gulf of the Farallones or salmon releases in Bodega Bay, he often outlines his environmental concerns in letters and appeals.

Mr. Bennett's well appeal alleges that the water district's environmental review is incomplete, and that the project itself would not be unnecessary if more effective water conservation measures were implemented. But neither of those issues are within the planning commission's purview, county planners said.

Mr. Bennett admits that his gripe is bigger than the second well; its permit is his leverage, he said. More importantly, he is trying to force North Marin to follow the 1995 order from the State Water Resources Control Board that says if creek flows are less than six cubic feet per second during dry-year summers, then the district is prohibited from diverting water from Lagunitas Creek. Permits and environmental review documents also back up this minimum summer flow.

North Marin contracted a groundwater and streamflow response analysis on the Gallagher ranch last summer and fall that showed creek flows are usually below the guideline of six cubic feet per second, and they are often closer to four.

Water depth in the creek fell by about a quarter-inch when 150 gallons were pumped per minute from a test well; the analysis found that level was not enough to have a significant impact on fish.

But that misses the point, Mr. Bennett told the commission. "It's not a question of taking a little salmon water," he said. "Defending the taking of unlawful water is like going into a defense of a bank robbery and saying, 'Well, the bank robbers only took a little bit, so no problem.' It's not how much is taken, it's the taking itself that's the problem."

Drew McIntyre, the district's general manager, said the streamflow analysis does not provide enough information to know if the district is complying with the 1995 state order. The district has contracted an environmental consultant to perform another study on what Lagunitas Creek looks like south of the Gallagher ranch, before and after a season of test pumping.

"It could very well show that we need to release more water during these dry years," Mr. McIntyre said. "But it doesn't make sense to always automatically release the water if there's no particular benefit."

North Marin requests releases from Marin Water based on observations of tributaries and a gauge at Samuel P. Taylor State Park, but data from the lower portion of the creek is lacking, Mr. McIntyre said.

The California Department Fish and Wildlife will review the well application's compliance as part of a streambed alteration agreement, and the State Water Resources Control Board is also reviewing the plans.

Mr. Bennett's appeal means that the well will likely not be constructed this year, leaving 1,800 customers in Point Reyes Station, Olema and Inverness Park looking at another year with salty drinking water. Last year was by far the worst ever; the sodium levels presented a health risk for people on a sodium-restricted diet, and some people couldn't gulp the water down.

Ken Levin, the president of the Point Reyes Station Village Association, advocated for the project to move forward.

"We thought that Gallagher well two would be online this year, and it would've been had it not been for Mr. Bennett's appeal," he said. "Right now, I'm a little bit confused about why he is doing this. Every time we listen to his objections and answer them, then the next time there are more objections and they're different. And it's getting a little frustrating."

The district will have water trucked to downtown Point Reyes Station this year so that customers can fill jugs with better drinking water. Notices of high sodium and chlorine content will be published in the Light.