



**NORTH MARIN
WATER DISTRICT**

REVISED

**NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING**
June 15, 2021 – 6:00 p.m.
Location: Virtual Meeting
Novato, California

NOTE: SUPPLEMENTAL INFORMATION FOR ITEMS 2 & 3 PROVIDED AT THE END OF AGENDA PACKET

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 , June 1, 2021
	2.	PUBLIC HEARING Public Hearing to Consider Approval of the 2020 Urban Water Management Plan and Water Shortage Contingency Plan for Novato Service Area Resolution
	3.	PUBLIC HEARING Consider Proposed Increase in Water Rates for Novato Service Area and Resulting Revisions to District Regulation 54, Water Rates Resolution
	4.	GENERAL MANAGER’S REPORT
	5.	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.
	6.	STAFF/DIRECTORS REPORTS
	7.	MONTHLY PROGRESS REPORT
		<p>CONSENT CALENDAR</p> <p>The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.</p> <p>8. Consent – Approve: Quitclaim Existing Unused Easement (APN 153-082-16)</p> <p>9. Consent – Approve: Notice of Completion for Stafford Treatment Plant Coat Top of Concrete Clearwells Project (Redwood Painting, Inc.)</p> <p>10. Consent - Approve: Notice of Completion for PRE Tank 4A Replacement Project (Piazza Construction)</p>
		ACTION CALENDAR
	11.	Approve: Novato and Recycled Water System FY 21/22 Budgets
	12.	Approve: Advanced Meter Information (AMI) Project Implementation Corrections
	13.	Approve: Old Ranch Road Tank No. 2 Project – Award Construction Contract
	14.	Approve: Renew Declaration of Local Emergency Related to COVID-19 Pandemic
		INFORMATION ITEMS
	15.	Gallagher Well No. 2 – Coastal Permit Appeal to Board of Supervisors (County ID P3010)
	16.	NBWA Meeting – June 4, 2021
	17.	MISCELLANEOUS Disbursements – Dated June 3, 2021 Disbursements – Dated June 10, 2021 Comment Letter to SWRCB RE: SCWA Notice of TUCP for Permits

Est. Time	Item	Subject
		Marin IJ AD– Drought Drop By – Marin County Locations Point Reyes Light – Article Clarification – Gordon Bennett Appeal FY22 Insurance Renewal
		<u>News Articles:</u> Marin IJ – Editorial – Banning water hookups has consequences Marin IJ – District rethinks relief on pricing – MARIN MUNICIPAL Marin IJ – Water savings vs. housing impact – MARIN MUNICIPAL Marin IJ – Tougher rules for water use possible – MARIN MUNICIPAL Point Reyes Light – West Marin prepares for extreme drought Point Reyes Light – Marin faces short timeline for redrawing district lines Marin IJ – Businesses adapt to cope under drought restrictions -MARIN MUNICIPAL Marin IJ – Pipeline for water could be fixture – RICHMOND BRIDGE Point Reyes Light – Opinion- North Marin Water misses mark with drought plan, rate hike
		<u>Social Media Posts:</u> NMWD Web and Social Media Report – May 2021
9:00 p.m.	18.	<i>ADJOURNMENT</i>

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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
June 1, 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 Rick Fraites, Jim Grossi, Michael Joly and Stephen Petterle.
19 Director Baker was in attendance throughout the meeting, however due to technical difficulties
20 was unable to vote on Items 1, 5 and 6 and was therefore recognized as absent for the vote.

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

25 President Grossi stated all public attendees will be invited to speak and will need to use
26 the raised hand icon in Zoom or dial *9 to be called upon.

27 Mr. Williams performed a roll call of staff, participating remotely were Tony Williams
28 (Assistant GM/Chief Engineer), Terrie Kehoe (District Secretary), Julie Blue (Auditor-Controller),
29 Tony Arendell (Construction/Maintenance Superintendent), Robert Clark
30 (Operations/Maintenance Superintendent) and Ryan Grisso (Water Conservation Coordinator).

31 Mr. Williams announced also participating remotely was District IT consultant Kevin Cozart
32 from Core Utilities.

33 President Grossi announced for those joining the virtual meeting from the public to identify
34 themselves and there was no response.

35 **MINUTES**

36 On motion of Director Petterle seconded by Director Fraites the Board approved minutes
37 from the May 18, 2021 Regular Board Meeting by the following vote:

38 AYES: Director Fraites, Grossi, Joly and Petterle

39 NOES: None

40 ABSTAIN: None

41 ABSENT: Director Baker

42 **GENERAL MANAGER'S REPORT**

43 Tony Williams, Assistant General Manager gave the General Manager's Report in Mr.
44 McIntyre's absence.

45 Gallagher Well No. 2

46 Mr. Williams provided the Board with an update on the Gallagher Well No. 2 project. He
47 stated the County Planning Commission held a hearing on Monday, May 24th to consider the
48 appeal to our Coastal and Use Permit for the project. Mr. Williams reported the Commissioners
49 voted 4-1 to deny the appeal and affirm the Deputy Zoning Administrator's issuance of the permits.
50 He noted June 1st is the deadline for the appeal to be taken to the Marin County Board of
51 Supervisors and we would hope to know in a couple of days if an appeal was filed. Mr. Williams
52 added he will continue to check with county staff.

53 Kastania Pump Station

54 Mr. Williams apprised the Board that staff is participating in ongoing discussion with Marin
55 Municipal Water District (MMWD) and Sonoma County Water District (SCWA) regarding MMWD's
56 desire to operate the pump station. He stated MMWD is interested in operating the pump station
57 in order to move more water down the aqueduct. Mr. Williams informed the Board that there
58 continues to be open conversation with staff and an overall schedule was presented at the last
59 meeting. He stated the schedule is aggressive with many parts. Mr. Williams noted there will be
60 a three-way agreement with NMWD, MMWD and SCWA, adding MMWD's goal is to be operating
61 Kastania Pump Station by November of 2021.

62 May 13 Lagunitas Creek TAC Subcommittee

63 Mr. Williams reported to the Board that MMWD is exploring possible modifications to the
64 winter time releases from Kent Lake. He noted NMWD has an interest in this, and this was the
65 first kickoff meeting of a series of meetings that will continue to discuss effects on fish habitat.

66 Bid Opening

67 Mr. Williams informed the Board that the Old Ranch Road Bid Opening was held on May
68 26th. He reported five bids were received ranging for a high of \$1,785,000 to a low of \$1,187,187
69 and compared to the engineer's estimate of \$1,446,430. Mr. Williams added the apparent low
70 bid appeared to be a valid one and he hopes to take it to the Board at the June 15th meeting.

71 Director Joly asked if staff heard anything more on the Huffman's Drought Summit meeting
72 that was held on May 10, 2021. This summit was focused on funding needs for water supply and
73 included discussion on state funds that would be made available to help with the drought situation.
74 Mr. Williams replied that at this time he has not received any further information.

75 Director Joly asked what the pool policy was for NMWD. He stated he had people from
76 the public asking him and wanted clarification, asking if the policy was to shut down the building
77 of swimming pools. Mr. Williams replied the policy will not be in effect until July 1st. Mr. Grisso
78 added there is a distinction between topping off and filling the entire pool. If there is a drained
79 pool, or a new build they will have to wait until after November 1st to fill their pool and this applies
80 only to those who receive a building permit after July 1st. Mr. Grisso stated many people see what
81 MMWD is doing on news and think it also applies to them here. He apprised the Board to refer
82 any questions from the public to him and he will be happy to answer any questions they may
83 have. Director Joly stated in the future he will refer all questions to Mr. Grisso. Director Petterle
84 stated he has also received many questions about water conservation from the public and agreed
85 much of the confusion was from MMWD articles they read in the paper. He noted MMWD is in
86 the headlines more that we are, which accounts for the confusion.

87 Director Petterle expressed his concern about MMWD's interest in the Kastania Pump
88 Station. He stated NMWD performed prior CEQA and wants to be sure we are in compliance and
89 he does not want MMWD to interfere with that. Mr. Williams replied that at each meeting he
90 makes it a point to remind MMWD of the CEQA restrictions.

91 Director Grossi stated he received a question from someone who was concerned about
92 power washing and asked if there were any restrictions. He stated that he told them to call the
93 NMWD office, but would think power washing would use less water than a hose. Mr. Williams
94 replied, currently NMWD has no restrictions on power washing. Mr. Grisso added, unless the
95 water runs off the property in a storm drain or gutter. He noted power washing typically does not
96 use as much water, but people do call in and report it. Director Fraites stated consumers should
97 be focused on the 20% reduction and how they will achieve that. He noted if they decide to power
98 wash then maybe they skip a day of watering plants, it should be their choice.

99 Director Grossi asked if staff has had any discussion with MMWD about the
100 Soulajule Reservoir. He wanted to know if they are pumping out of the dam and if there are any

101 future options for us. Mr. Williams replied that under Staff and Directors report Mr. Clark will be
102 reporting out on that topic.

103 **OPEN TIME**

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

106 **STAFF/DIRECTORS REPORTS**

107 President Grossi asked if any Directors or staff wished to bring up an item not on the
108 agenda.

109 Mr. Clark reported that MMWD is pumping from Soulajule Reservoir into Nicasio Dam as of
110 the prior week through the end of July. He stated MMWD plans to take down Soulajule Reservoir as
111 much as they can, noting not all the water will feed into the main part of the Nicasio lake. He added
112 at the lower elevations there are two ponds that fill first, before filling into the main lake. Director
113 Grossi stated he has a cousin who has property that crosses one of the ponds that they use for their
114 cattle. He noted the first pond fills first, then the second, then into the lake.

115 **CONSENT ITEMS**

116 On the motion of Director Joly, and seconded by Director Fraites the Board approved the
117 following items on the consent calendar by the following vote:

118 AYES: Director Fraites, Grossi, Joly and Petterle

119 NOES: None

120 ABSTAIN: None

121 ABSENT: Director Baker

122 **CONTRACT EXTENSION FOR NMWD TRENCH RESTORATION PAVING**

123 The Board approved the contract extension with W. K. McLellan Company for NMWD
124 trench restoration paving for a total estimated cost of \$350,000.

125 **TEXT FOR SPRING 2021 WEST MARIN "WATERLINE", VOLUME 19**

126 The Board approved the text for Spring 2021 West Marin "Waterline", Volume 19.

127 **ACTION ITEMS**

128 Mr. Clark reported the 2021 Sewer System Management Plan (SSMP) Update was
129 prepared by V.W. Housen and Associates with the help of staff and considers more recent
130 information on system operating conditions, future flow projections and regulatory requirements.
131 He stated the 2021 SSMP Update supersedes the 2013 SSMP Update which was prepared solely
132 by NMWD staff. Mr. Clark added the 2021 SSMP Update also includes an overflow emergency
133 response plan. Additionally, he noted the SSMP is scheduled to be updated every five years per
134 state waste discharge requirements.

135 On the motion of Director Petterle, and seconded by Director Fraites the Board accepted
136 the Oceana Marin 2021 Sewer System Management Plan Update final report. by the following
137 vote:

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

139 NOES: None

140 ABSTAIN: None

141 ABSENT: None

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

143 Mr. Williams reminded the Board that staff has been operating under partial Emergency
144 Operations Center (EOC) activation. He noted there has been no significant change from the last
145 report. Mr. William stated staff is waiting to receive guidance from the state, noting most of the
146 restrictions may be eliminated by June 15th.

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

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

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

153 NOES: None

154 ABSTAIN: None

155 ABSENT: None

156 **INFORMATION ITEMS**

157 **BUDGET REVIEW – FY 21/22 BUDGETS NOVATO AND WEST MARIN SERVICE AREAS**

158 Ms. Blue reviewed the FY 21/22 Budgets for North Marin Water District which included
159 Novato Water, Recycled Water, West Marin Water and Oceana Marin Sewer. Additionally, she
160 informed the Board that at the June 15th Board meeting there will be a public rate hearing to review
161 and approve rate increases for the Novato systems, followed by West Marin Water and Oceana
162 Marin Sewer public rate hearings on June 22nd. Ms. Blue also noted changes since the last review
163 and provided a budget and rate hearing schedule. She added, based on a previous Operations
164 and Maintenance question Director Joly had, she expanded on the narrative.

165 Director Joly commended Ms. Blue for her highly transparent and detailed budget. He
166 thanked for her addressing the issue raised. He noted that many expenses are increased, and
167 he asked if Ms. Blue might know how high the PERS contribution might eventually go, if there
168 was some forecast as to when it may stop increasing. Ms. Blue replied she does not know how

169 high it may get, but the number of PEPRA employees will increase as more long-time employees
170 retire and over time this will start to bring the PERS contribution down.

171 Director Petterle stated he had some additional questions about the budget and would like
172 to arrange a meeting with Ms. Blue to discuss. Ms. Blue welcomed the invitation.

173 **PUBLIC DRAFT RELEASE – 2020 URBAN WATER MANAGEMENT PLAN AND WATER**
174 **SHORTAGE CONTINGENCY PLAN**

175 Mr. Grisso released a public draft of the 2020 Urban Water Management Plan and Water
176 Shortage Contingency Plan. He noted urban water suppliers are required to prepare Urban Water
177 Management Plans (UWMP) to support their long-term water resource planning and to ensure
178 that adequate water supplies are available to meet existing and future demands and this
179 requirement only applies to the Novato Service Area. Mr. Grisso added the 2020 UWMP must
180 be submitted to the Department of Water Resources by July 1, 2021 and a public hearing has
181 been set for June 15, 2021 to consider approval.

182 Mr. Grisso requested the Board contact him by the end of the week. Director Joly stated
183 he would really like to do a thorough review of 1,100-page document and asked Mr. Grisso if he
184 could extend the deadline until Monday. Mr. Grisso agreed adding he does not believe there will
185 be any substantial changes, but the earlier he gets feedback the better. Director Petterle stated
186 in the past management handed out printed copies which worked well when reviewing exhibits.
187 He asked if it was possible to get a printed copy. Mr. Grisso asked if he was referring to the
188 approved final copy and Director Petterle confirmed. Mr. Grisso replied that he may be able to
189 send it out to a printer and have the appendices as links. Director Grossi stated he was unable
190 to download the document. Mr. Grisso responded that he can send out a different link. He added
191 that the document had to be downsized to even get posted to the website. Mr. Williams noted
192 the base document alone was 4MB. Director Grossi stated that would be helpful, and Director
193 Fraites requested a draft be sent out to every member of the Board. Mr. Grisso replied he will
194 send the smaller file out to the Board.

195 Director Joly, asked in the future when providing a large document such as this, it might
196 be better to schedule it on a meeting that it less crowded, noting there are already a large number
197 of items on the June 15th agenda. Director Grossi stated perhaps we should look at the document
198 first and decide how to move ahead, suggesting any Directors that have questions may want to
199 ask staff directly. Director Petterle agreed, stating this is how he has approached it in the past
200 and why earlier in the meeting he requested a separate meeting with Ms. Blue to discuss the
201 budget. Director Grossi stated this would be the most efficient approach, to contact Mr. Grisso
202 directly with any questions.

203 **NBWRA APRIL 19, 2021 - MINUTES**

204 Mr. Williams provided the NBWRA minutes for the meeting held on April 19, 2021. Director
205 Grossi stated it was an interesting meeting and included a history of the agency.

206 **MISCELLANEOUS**

207 The Board received the following miscellaneous items: Disbursements – Dated May 20,
208 2021, Disbursements – Dated May 27, 2021 and County of Marin News Release – Supervisors
209 to Consider Drought Emergency.

210 The Board received the following news articles: Marin IJ – County faces cut in water
211 imports; Marin IJ – County sets up relief for drought – BOARD OF SUPERVISORS; Argus Courier
212 – How a long-dormant Laguna de Santa Rosa well could spare Petaluma dairies from drought;
213 Bloomberg – The Future of Water Is Recycled Sewage, And We'll All Be Drinking It; Marin IJ –
214 Water hookup ban possible – MARIN MUNICIPAL; Marin IJ – Plan for new well survives challenge
215 – WEST MARIN; Marin IJ – Agriculture chief named as Marin tackles drought year; Marin IJ –
216 Novato forgoes citizen commission on election redistricting; San Francisco Chronicle – State
217 orders sweeping water restrictions for towns, vineyards along Russian River and Point Reyes
218 Light – Commission punts NMWD well appeal.

219 Director Joly asked about the total cost for back feeding Stafford Lake. Director Grossi
220 stated he thought it was \$404,000 and Ms. Blue confirmed that was as of April. Director Joly
221 noted line item 34 stated the amount for April, but he would like to know the total amount. Ms.
222 Blue replied that the total amount will be provided at the next Board meeting and will include the
223 time from late February to the end of May.

224 President Grossi adjourned the meeting at 6:51 p.m.

225 Submitted by

226

227 Theresa Kehoe
228 District Secretary
229

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MEMORANDUM

To: Board of Directors June 11, 2021

From: Ryan Grisso, Water Conservation Coordinator *RG*

Subject: Public Hearing to Consider Approval of the 2020 Urban Water Management Plan and Water Shortage Contingency Plan for Novato Service Area
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RECOMMENDED ACTION: Hold Public Hearing to Consider Approval of the 2020 Urban Water Management Plan and Water Shortage Contingency Plan for Novato Service Area

FINANCIAL IMPACT: None at this time

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 it provides more than 3,000 acre-feet of water per year to its customers and has 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 July 1, 2021.

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. At the June 1, 2021 Board Meeting, the draft 2020 UWMP was released for Board and public review and has been continually accessible at www.nmwd.com/about/documents/.

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 Plan (WSCP) was developed in coordination with the Sonoma County Water Agency with regards to specific triggers and associated actions. The WSCP comprises Section 8 of the UWMP and as an Appendix to the UWMP. The WSCP will be adopted simultaneously with the 2020 UWMP.

The 2020 UWMP and WSCP must be submitted to DWR by July 1, 2021. We have properly noticed (as required) other water suppliers, wastewater agencies and planning agencies to provide two notifications prior to hearing. The draft 2020 UWMP has been posted on the District website for public review since June 1, 2021 and two public notices were published in the Marin IJ on June 1 and June 7, 2021 (Attachment 1). EKI will be giving a presentation on 2020 UWMP and WSCP prior to the public hearing and the presentation slides are included for your information (Attachment 2).

Recommendation

Consider approval of Resolution 21- (Attachment 3) adopting the 2020 Urban Water Management Plan and Water Shortage Contingency Plan for Novato Service Area.

Legal Notice	Legal Notice	Legal Notice
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NORTH MARIN WATER DISTRICT
NOTICE OF PUBLIC HEARING
**Consider approval of 2020 Urban Water Management Plan and 2020
Water Shortage Contingency Plan for the Novato Service Area**

Tuesday, June 15, 2021 - 6:00 p.m.
Location: North Marin Water District, 999 Rush Creek Place, Novato, CA

* Due to anticipated changes in the COVID-19 guidance and restrictions in Marin County, prior to the scheduled public hearing, additional information regarding accommodating public participation will be provided on the District's website at www.nmwd.com.

ATTENTION: This may 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 in which case there may 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 the agenda.

North Marin Water District (NMWD) will hold a public hearing on June 15, 2021 at 6:00 pm to receive comments on and consider approval of the Novato Service Area 2020 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP), which are adopted every five years. The purpose of the UWMP and WSCP is to consolidate information regarding water supply and demand, provide public information, improve state-wide water planning, and plan for water shortages. The draft UWMP and WSCP were developed in accordance with detailed guidance and requirements of the State Department of Water Resources (DWR). The community will be given the opportunity to give input on NMWD's UWMP and WSCP, and method of determining its urban water use target and compliance level in 2020. The UWMP and WSCP may be reviewed at <https://nmwd.com/>. Visit <https://nmwd.com/meetings/meetings-2021/> for the NMWD Board meeting agenda and for links to the virtual public hearing should the meeting be held virtually.

Oral and written testimony will be taken at the hearing. Written comments may also be submitted to the following for receipt prior to the hearing:

Address: North Marin Water District P.O. Box 146 Novato, CA 94948-0146
Phone: (415) 897-4133
info@nmwd.com

June 1, 7, 2021

June 1 2021

Legal Notice	Legal Notice	Legal Notice
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NORTH MARIN WATER DISTRICT
NOTICE OF PUBLIC HEARING
Consider approval of 2020 Urban Water Management Plan and 2020
Water Shortage Contingency Plan for the Novato Service Area

Tuesday, June 15, 2021 - 6:00 p.m.
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Oral and written testimony will be taken at the hearing. Written comments may also be submitted to the following for receipt prior to the hearing:

Address: North Marin Water District P.O. Box 146 Novato, CA 94948-0146
 Phone: (415) 897-4133
info@nmwd.com

June 1, 7, 2021

June 7, 2021

Public Hearing

2020 Urban Water Management Plan 2020 Water Shortage Contingency Plan



**NORTH MARIN
WATER DISTRICT**

15 June 2021
District Board Meeting

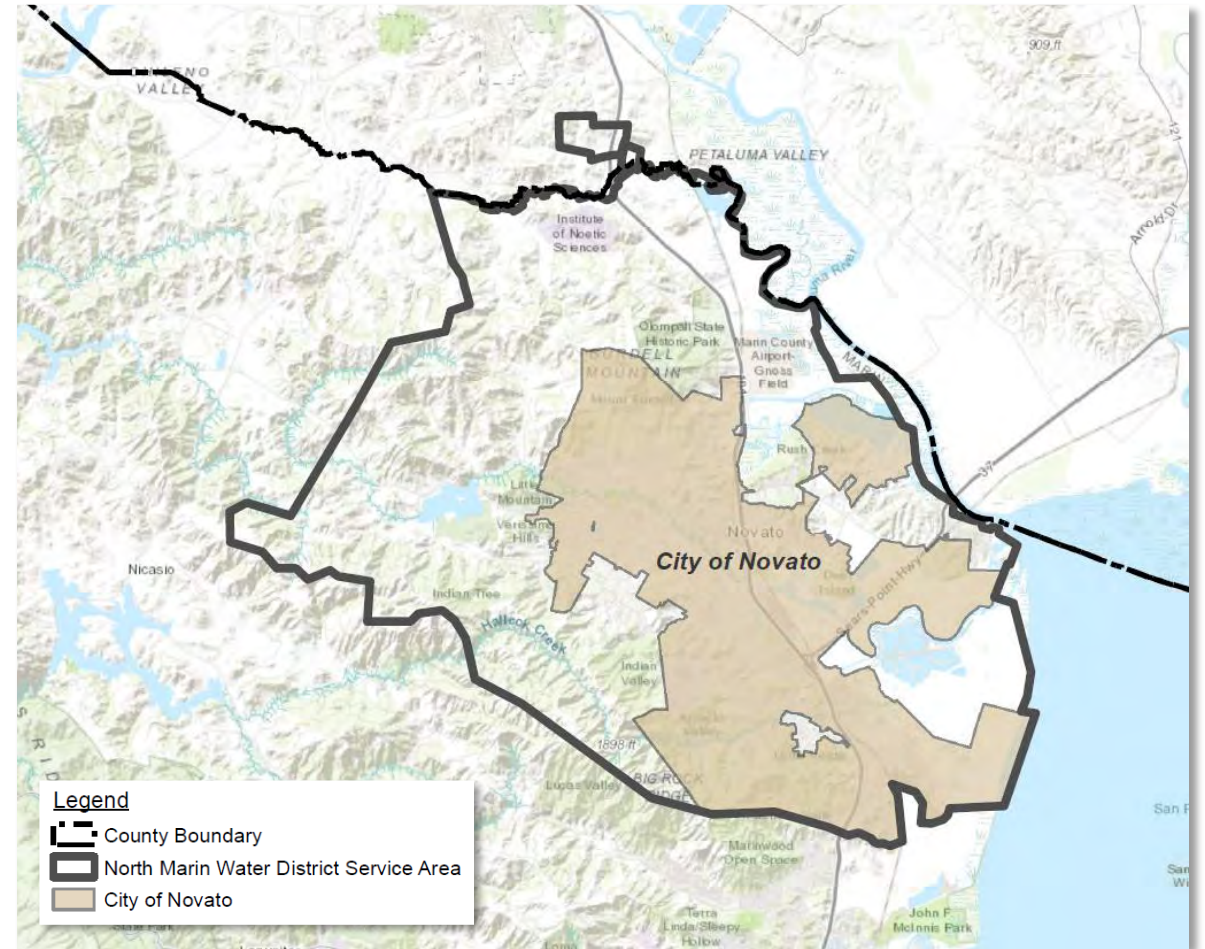


URBAN WATER MANAGEMENT PLAN (UWMP)



2020 UWMP OVERVIEW

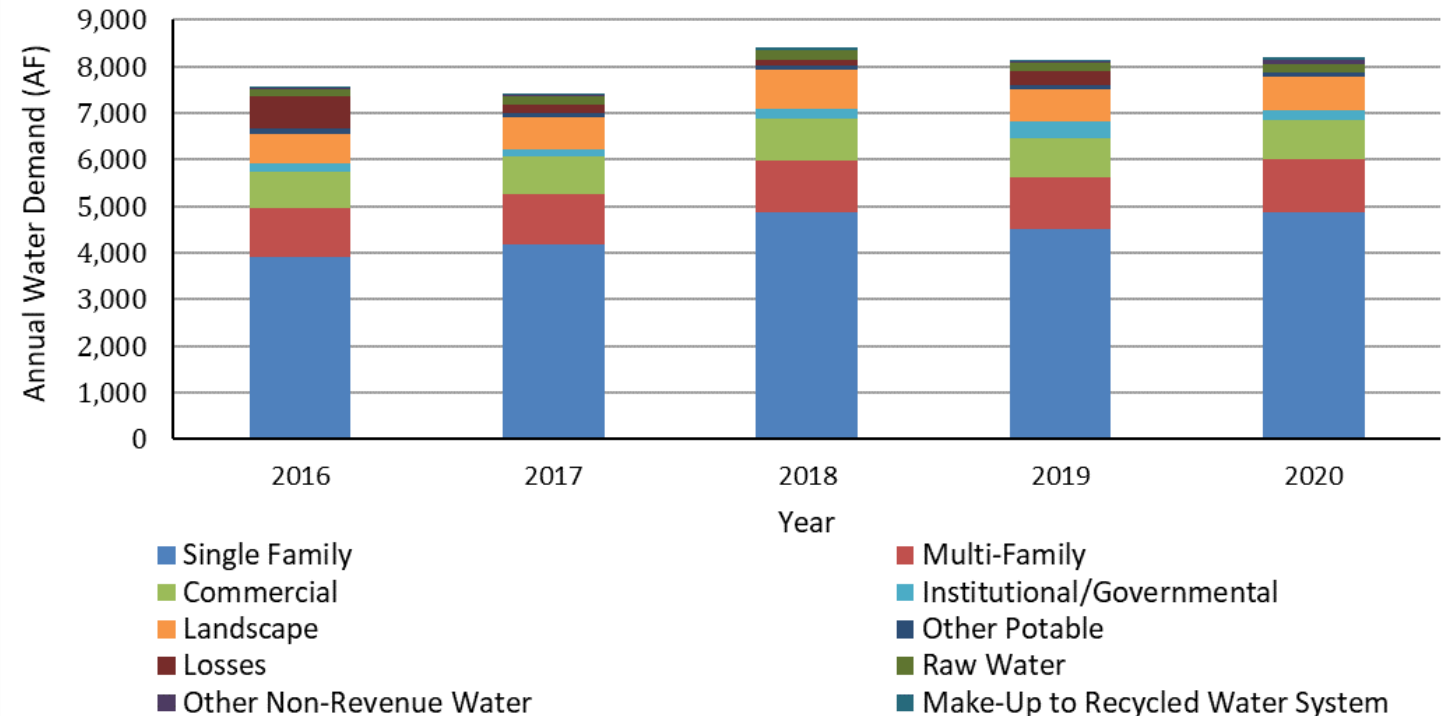
- Required to be updated every 5 years and submitted to DWR
- Service area description
- Historical supply and demand
- Supply and demand projections through 2045 in normal, single dry and multiple dry years
- Water conservation and drought planning



WATER DEMANDS HAVE SOMEWHAT INCREASED OVER THE LAST FIVE YEARS

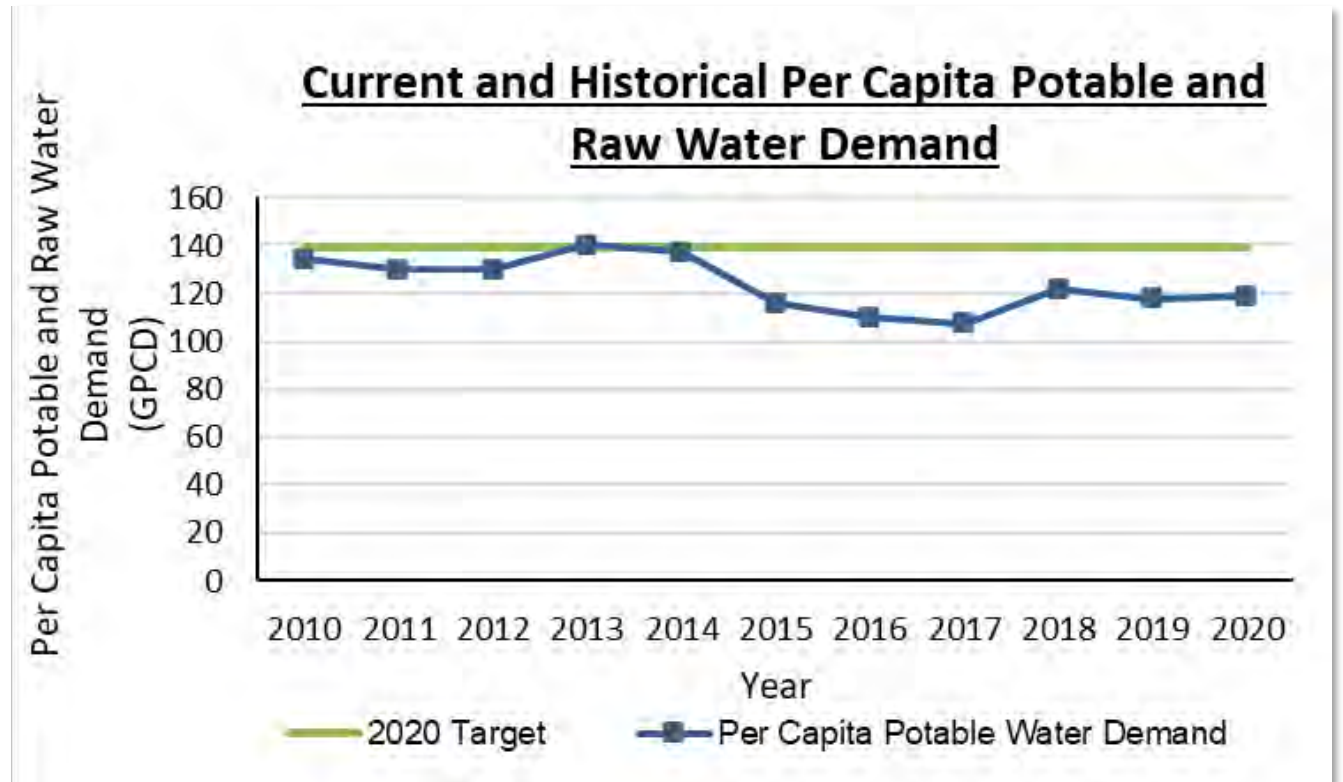
- Water demand increased 8% between 2016 and 2020
- Largest sector is Single Family (56% of total demand)
- 2020 demand similar to 2019, with increase in 2018 due to rebound from drought.

Annual Water Demand by Sector: 2016-2020



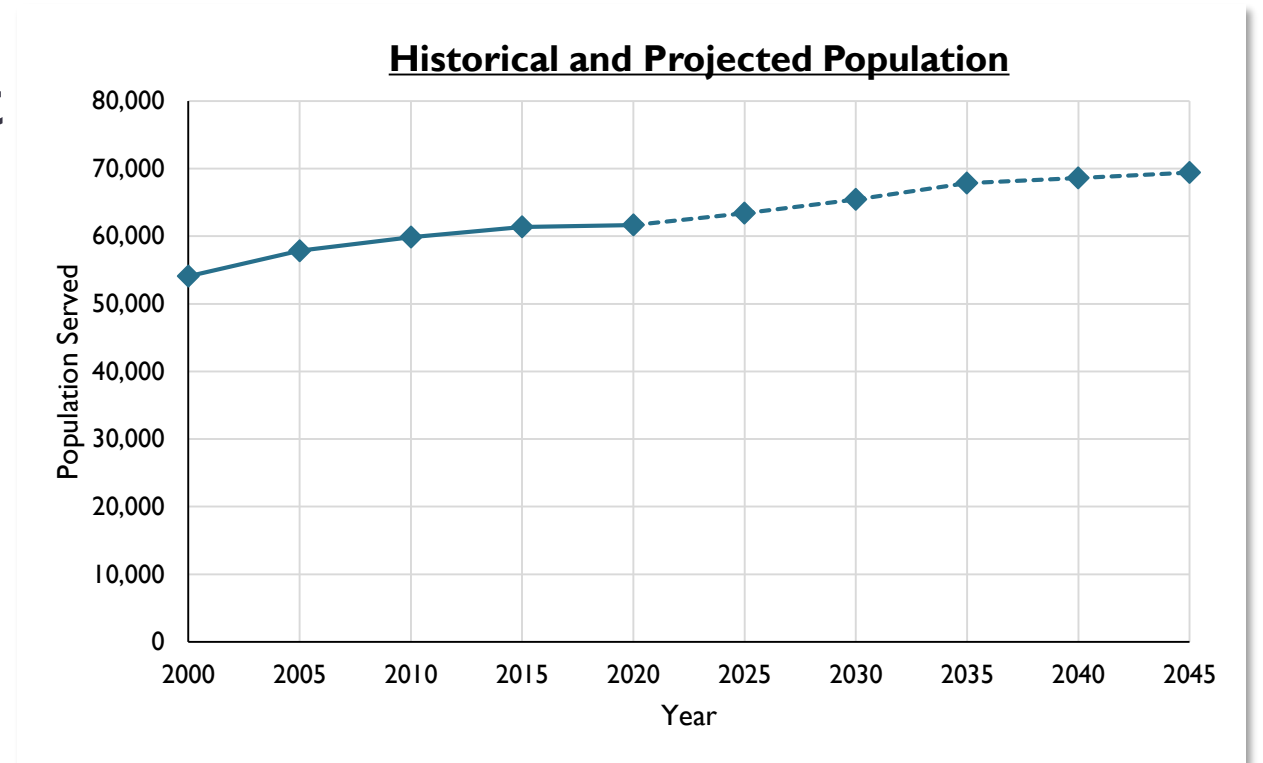
DISTRICT ACHIEVED SB x7-7 (20 BY 2020) COMPLIANCE

- 2020 water use: 119 gallons per capita per day (GPCD)
- Well below 2020 SB x7-7 20% Reduction Target of 139 GPCD
- Per capita water use has rebounded somewhat since the 2015 drought



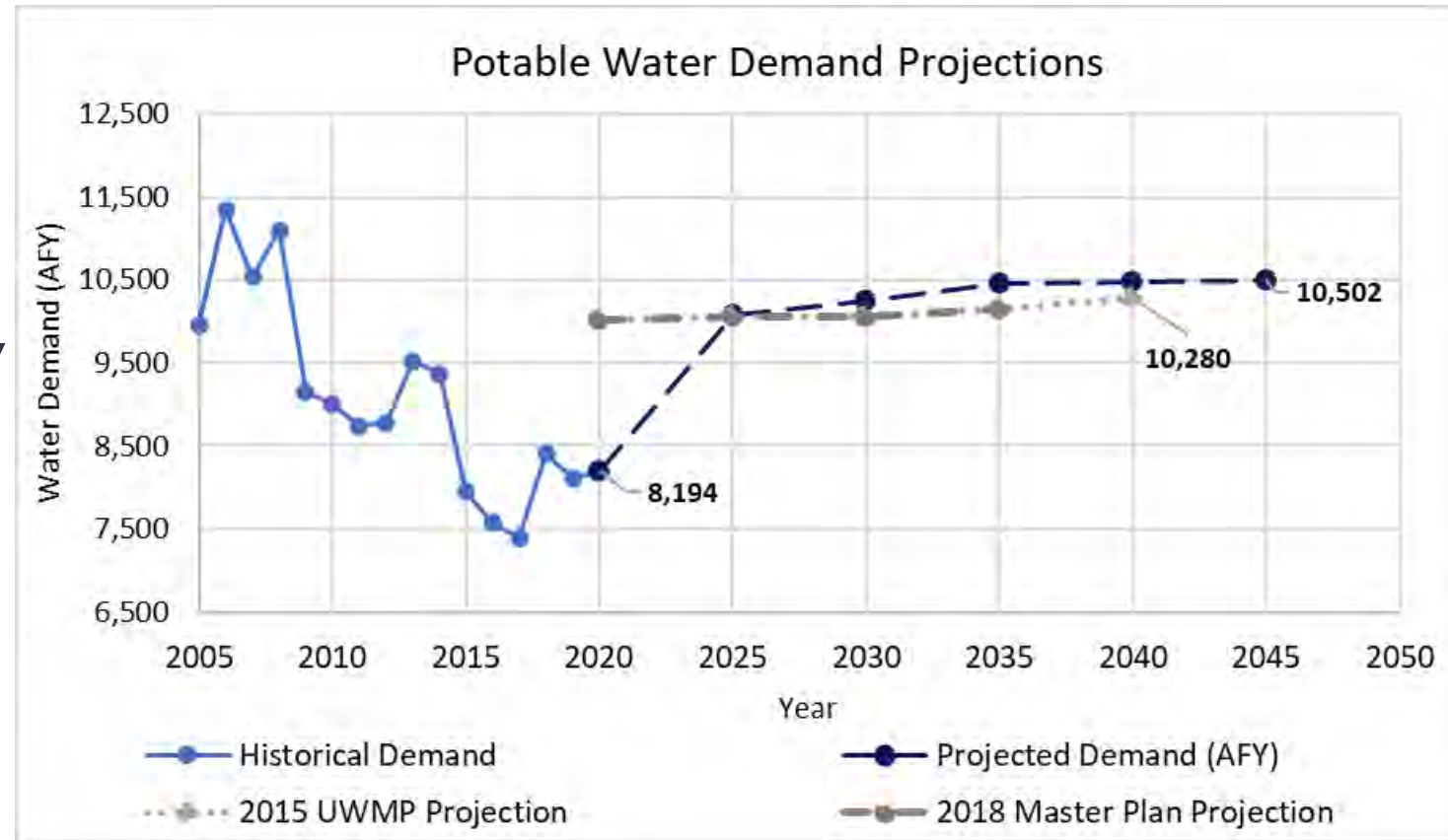
THE DISTRICT'S POPULATION IS PROJECTED TO INCREASE 13% BY 2045

- Some population and employment growth is projected for the District
- Average annual growth of 0.5%
- Total population close to 70,000 by 2045



TOTAL WATER DEMAND IS PROJECTED TO INCREASE, BUT REMAINS WITHIN RANGE OF HISTORICAL DEMANDS

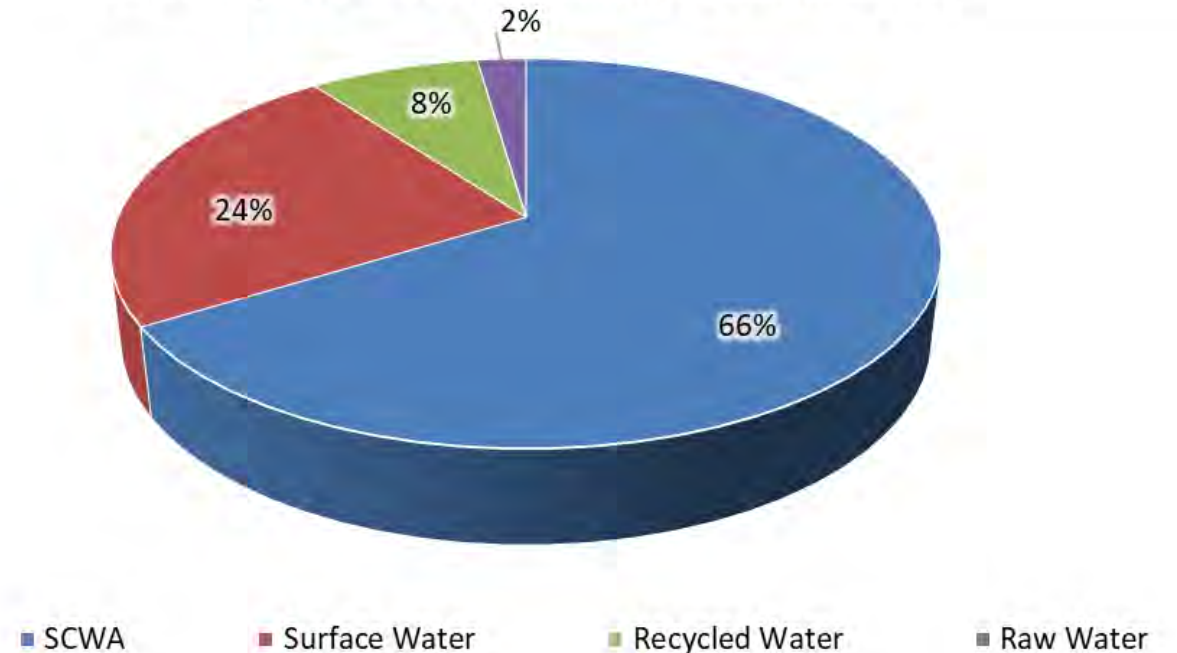
- Projections account for future population and employment growth and passive conservation savings.
- Total water demand is projected to increase to approximately 10,500 AFY by 2045.
- 2045 demand is a 28% increase over 2020, but is less than demands from the 2000s.
- Water demand projections include passive conservation savings but not active conservation savings.



HISTORICALLY, THE DISTRICT HAS BEEN ABLE TO MEET ALL WATER DEMANDS

- During Fiscal Year 2020, supply was met through a combination of imported water from SCWA, local surface water from STP, raw water, and recycled water

Percentage of Total Water Supply by Source: 2020



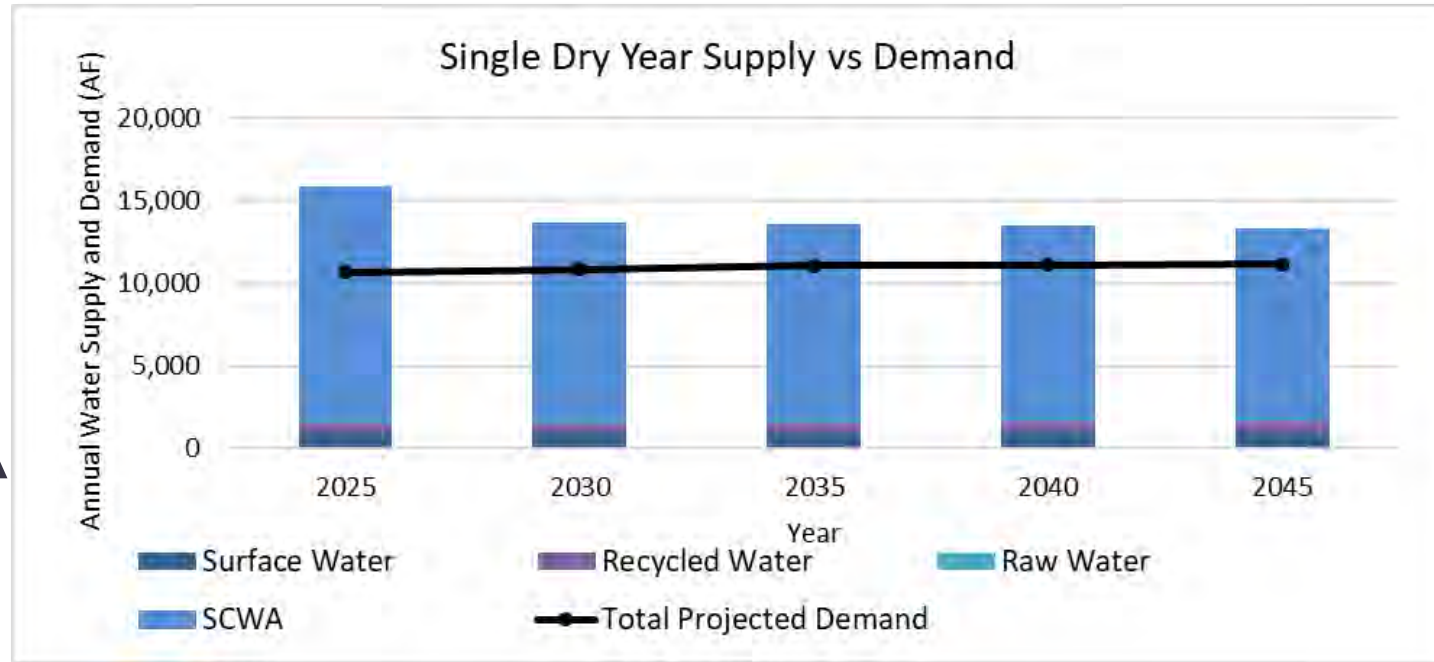
DISTRICT WILL BE ABLE TO MEET PROJECTED NORMAL YEAR DEMANDS THROUGH 2045

- In normal rainfall years, supplies are projected to be sufficient to meet demands through 2045



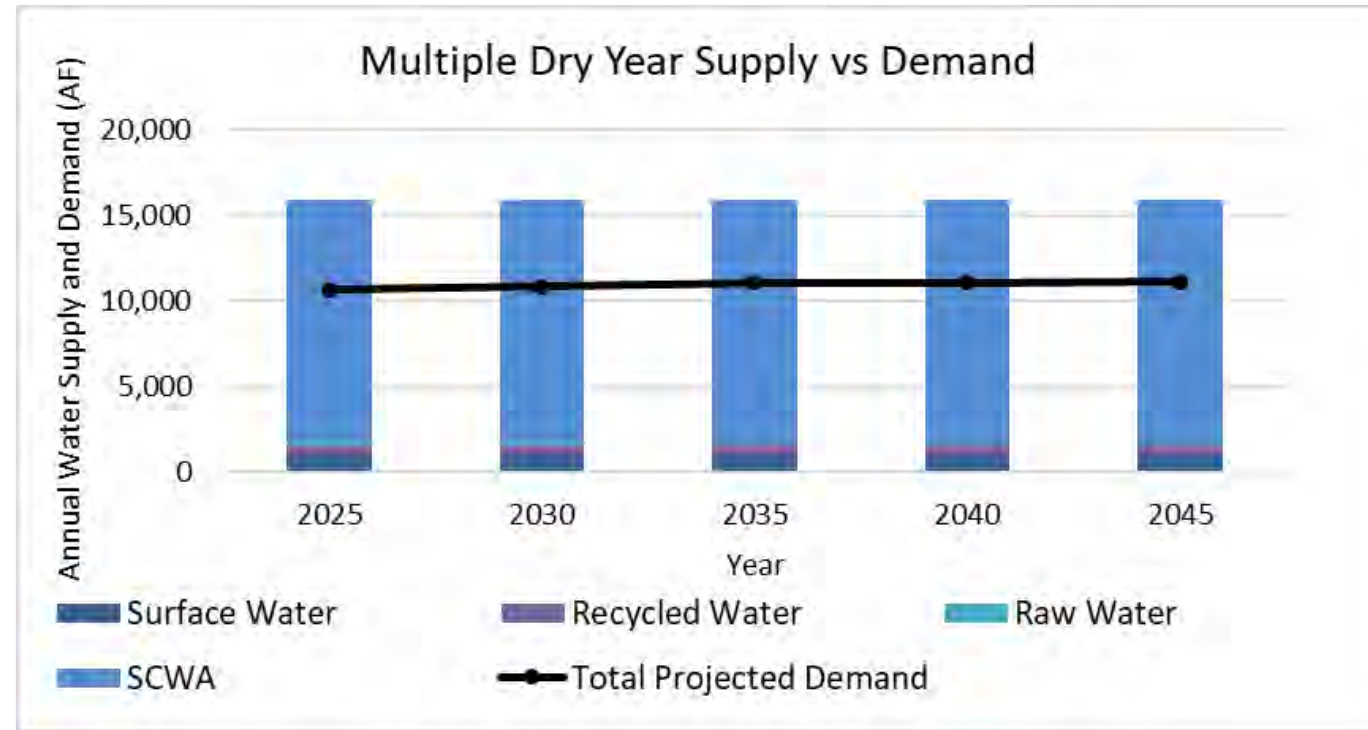
DISTRICT WILL BE ABLE TO MEET PROJECTED SINGLE DRY YEAR DEMANDS THROUGH 2045

- In a single dry year, supplies are projected to be sufficient to meet demands through 2045.
- Calculations based on SCWA estimates of reliability in a single dry year.



...AS WELL AS IN THE MULTIPLE DRY YEAR SCENARIO

- According to SCWA, it will be able to provide 100% of supply in a multiple dry-year scenario, which is based on historical five-year dry period.



WATER SUPPLY/DEMAND MANAGEMENT STRATEGIES AND ACTIONS FOR DRY YEARS

- Implementing regional water supply resiliency projects – study underway
- Implementing water conservation programs
- Actions described in the Water Shortage Contingency Plan



WATER SHORTAGE CONTINGENCY PLAN (WSCP)



WSCP ELEMENTS

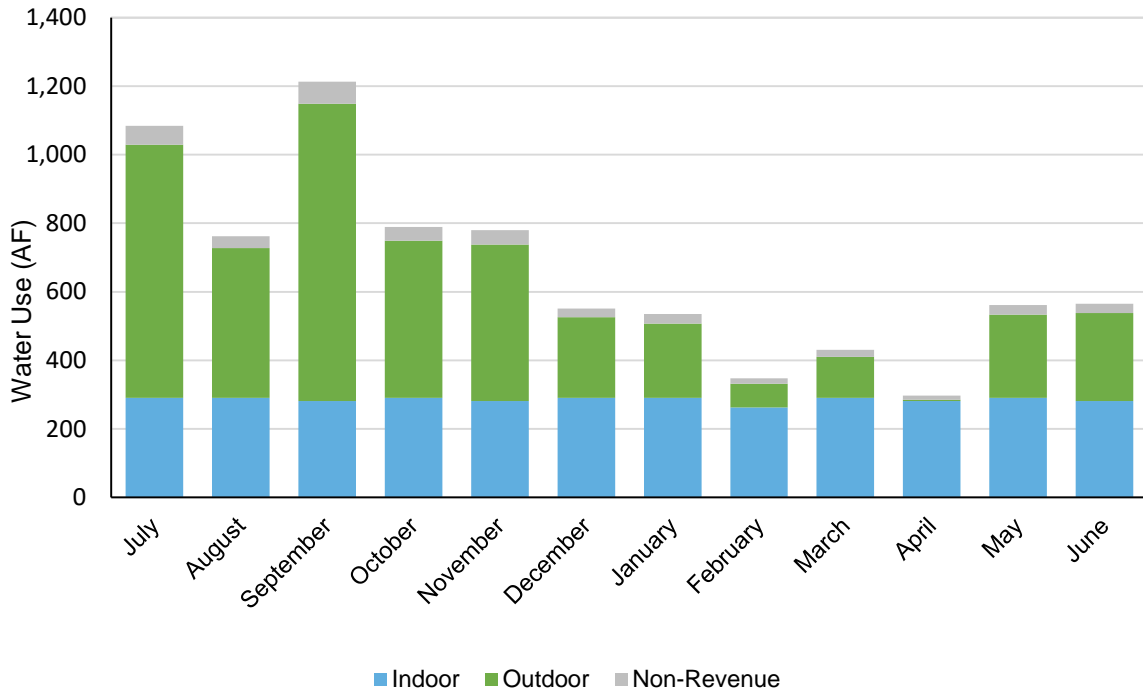
1. Water supply reliability analysis
2. Annual Assessment Procedures
3. Six standard shortage stages
4. Shortage response actions
5. Communication protocols
6. Compliance and enforcement
7. Legal authorities
8. Financial consequences
9. Monitoring and reporting
10. WSCP refinement procedures

SIX STANDARD SHORTAGE STAGES

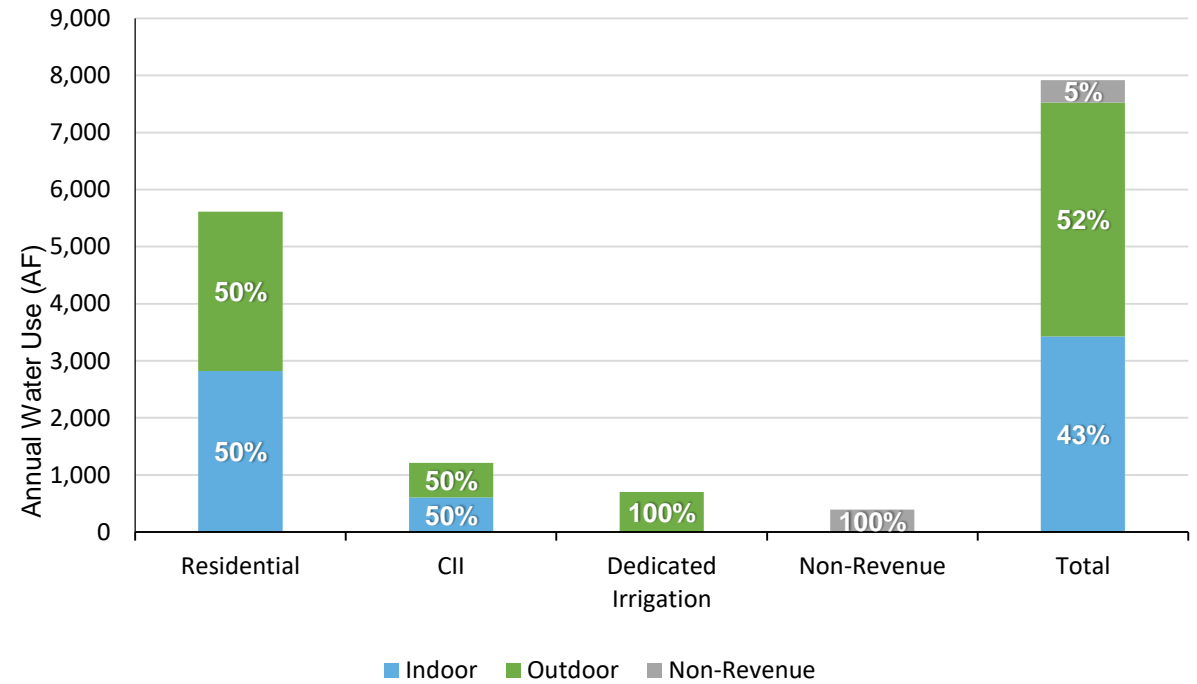
Shortage Level	Percent Shortage Range	Shortage Response Actions
1	Up to 10%	Determination based on specific Dry Conditions as determined by the District, SCWA, or SWRCB that the District must reduce water use by up to 10%.
2	Up to 20%	Determination based on specific Dry Conditions or a Temporary Impairment of water supply as determined by the District, SCWA, or SWRCB that the District must reduce water use by up to 20%.
3	Up to 30%	Determination based on Dry Conditions or a Temporary Impairment of water supply as determined by the District, SCWA, or SWRCB that the District must reduce water use by up to 30%.
4	Up to 40%	Determination based on specific Dry Conditions or a Temporary Impairment of water supply as determined by the District, SCWA, or SWRCB that the District must reduce water use by up to 40%.
5	Up to 50%	Determination based on specific Dry Conditions or a Temporary Impairment of water supply as determined by the District, SCWA, or SWRCB that the District must reduce water use by up to 50%.
6	>50%	Determination based on specific Dry Conditions or a Temporary Impairment of water supply as determined by the District, SCWA, or SWRCB that the District must reduce water use by more than 50%.

OUTDOOR WATER USE IS 52% OF TOTAL DEMAND AND IS FOCUS OF WSCP

Baseline Year (2019) Monthly Indoor vs. Outdoor Water Use



Baseline Year (2019) Annual Water Use by Sector and End Use



Indoor water use is estimated as the lowest monthly water use for each sector.

BASIS FOR SELECTION OF DROUGHT RESPONSE ACTIONS

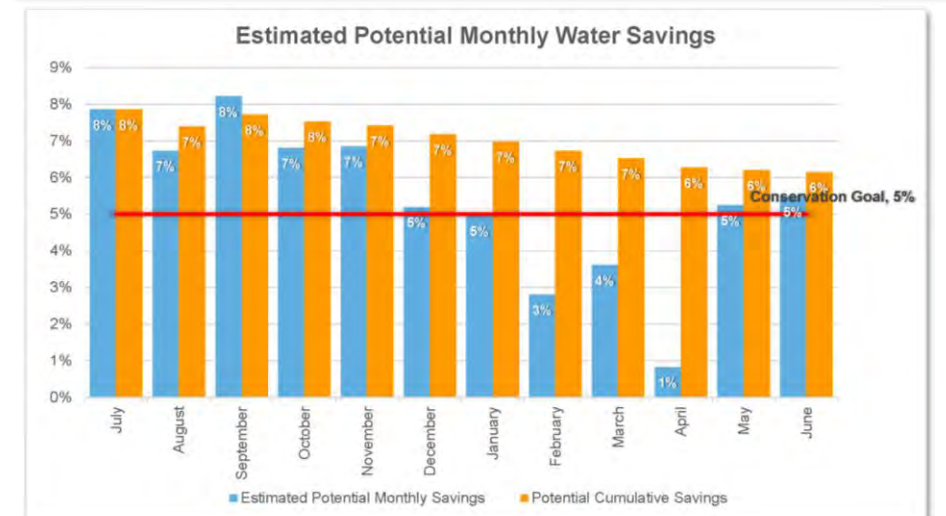
- Focus on outdoor water use
- Focus on a few, simple actions to make messaging, enforcement, and compliance easier
- Quantitatively assessed using Drought Response Tool.

eki Drought Response Tool

Home Input Baseline Year Water Use Baseline Year Water Use Profile Drought Response Actions Estimated Water Savings Drought Response Tracking

1 - Home
North Marin Water District

Enter Agency Information	
Agency Name	North Marin Water District
Total Population Served	61,658
Conservation Goal (%)	5%
Drought Stage	Stage 1
Number of Residential Accounts	18,699
Number of Commercial, Industrial, and Institutional (CII) Accounts	909
Number of Dedicated Irrigation Accounts	356
Baseline Year(s)	2019
Percentage of Residential Indoor Use During Minimum Month (%)	100%
Percentage of CII Indoor Use During Minimum Month (%)	100%
Comments	



QUESTIONS?

David Umezaki, P.E.

dumezaki@ekiconsult.com

650-292-9079

3

MEMORANDUM

To: Board of Directors
From: Julie Blue, Auditor-Controller 
Subj: Public Hearing – Proposed Novato Service Area Water Rate Increase
t:\ac\budget\fy-2021.22\rate increase & prop 218\novato public hearing - rate increase fy21.22 06.15.docx

June 11, 2021

RECOMMENDED ACTION: Approve
FINANCIAL IMPACT: Additional \$1,223,000 in FY21/22 Revenue

A public hearing to consider adoption of a proposed 6% revenue increase in the cost of water, effective July 1, 2021, is occurring at the June 15 Board Meeting at 6:00 PM. On April 30, 2021 customers were noticed individually of the proposed increase by letter (Attachment 1) and a notice of the Public Hearing was published in the June 1 edition of the Marin Independent Journal (Attachment 2). The proposed increase is structured as a 6% rate increase to both the commodity rate and bimonthly service charge rate for Novato customers. Additionally, for Recycled Water customers with meters 1" and larger, an additional charge of \$24.11 will be added to the fixed service charge. This adjustment will increase the service charge to conform with the proposed rates as shown in the 2020 Novato and Recycled Water Rate Study.

Under law, a customer protest of 50% plus one would invalidate the proposed increase. Through June 10, 2020 the District received 18 official protests against the proposed increase. The District also received one email in opposition of the rate increase. The customer letters and email are included as Attachment 3.

Staff also received 6 calls related to the rate increase. The customers had general questions regarding the rate increase, including when the rate increases would be in effect.

On March 3, 2020 the Board accepted the 2020 Novato and Recycled Water Rate Study Report. The rate study report provided a five-year financial plan, including a 6% rate increase for FY 21/22. The rate study was also used as a basis for the updated FY 21/22 financial plan and budget.

The General Manager will make a presentation on the need for the proposed water cost increase at the meeting, after which the Board can accept public comment. Attachment 4 is a draft of Regulation 54 showing the proposed changes.

Staff Recommendation

After closing the public hearing, approve Resolution 21-XX (Attachment 5) amending Regulation 54 pertaining to Water Rates and Charges to reflect a rate increase of 6% for the customers in the Novato Service Area effective July 1 of 2021.



NOTICE OF PUBLIC HEARING

REGARDING PROPOSED RATE INCREASES

For the Novato Service Area

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

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

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

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

REASONS FOR THE PROPOSED REVENUE INCREASE

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

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

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

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

MILLIONS OF DOLLARS SAVED

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

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

Details of the Propo

Proposed 6% rate increase.

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

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

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

PROPOSED BI-MONTHLY FIXED SERVICE CHARGES

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

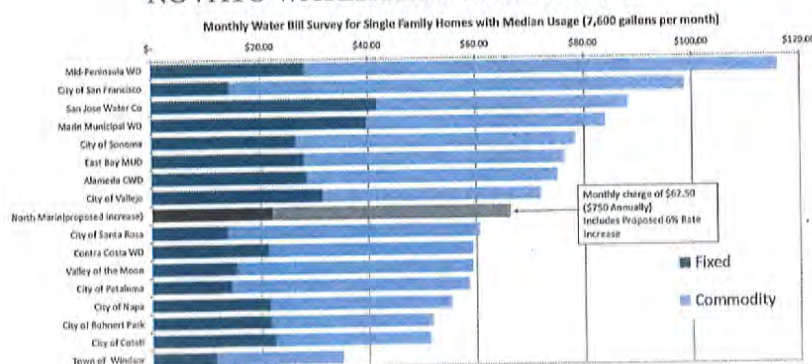
PROPOSED BI-MONTHLY FIXED SERVICE CHARGE FOR POTABLE WATER		
Meter Size (in inches)	Current Fixed Charge	Proposed Fixed Charge
5/8"	\$41.46	\$43.95
1"	\$74.06	\$78.50
1.5"	\$128.38	\$136.08
2"	\$193.57	\$205.18
3"	\$367.41	\$389.45
4"	\$562.98	\$596.76
6"	\$1,106.23	\$1,172.60
8"	\$1,432.18	\$1,518.11

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

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

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

NOVATO WATER RATE COMPARISON



Proposed Rate Increases

PROPOSED TIERED QUANTITY (USAGE) CHARGES

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

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

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

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

PROPOSED FIRE SERVICE CHARGES

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

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

PROPOSED BI-MONTHLY USAGE RATES FOR OTHER WATER SERVICES

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

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



NORTH MARIN WATER DISTRICT

**990 Rush Creek Place
PO Box 146
Novato, CA 94945
nmwd.com**

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BOARD OF DIRECTORS

James Grossi, President
Stephen Petterle, Vice President
Jack Baker, Director
Rick Fraites, Director
Michael Joly, Director

GENERAL MANAGER

Drew McIntyre

Notice of Public Hearing on Proposed Rate Increases

Where to Learn More, Get Answers, and Make Comments

CONTACT US:

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

VISIT OUR WEBSITE:

www.nmwd.com

VISIT OUR OFFICE:

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

ATTEND THE BOARD HEARING

The Board will review and consider adopting the rate increases on June 15, 2021, at 6:00 p.m. at North Marin Water District, 999 Rush Creek Place, Novato, CA 94945. Should COVID-19 restrictions remain in effect in Marin County at the time of the scheduled public hearing, additional information regarding accommodating public participation will be provided on the District's website at www.nmwd.com.

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

How to Protest the Proposed Rate Increases

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

Marin Independent Journal

4000 Civic Center Drive, Suite 301
 San Rafael, CA 94903
 415-382-7335
 legals@marinij.com
 2074361

NORTH MARIN WATER DISTRICT
 PO BOX 146
 NOVATO, CA 94948

**PROOF OF PUBLICATION
 (2015.5 C.C.P.)**

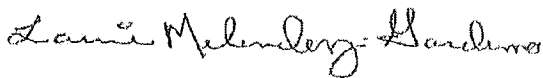
**STATE OF CALIFORNIA
 County of Marin**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above matter. I am the principal clerk of the printer of the MARIN INDEPENDENT JOURNAL, a newspaper of general circulation, printed and published daily in the County of Marin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Marin, State of California, under date of FEBRUARY 7, 1955, CASE NUMBER 25566; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

06/01/2021

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated this 1st day of June, 2021.



Signature

PROOF OF PUBLICATION

Legal No. **0006579271**

**NORTH MARIN WATER DISTRICT
 PUBLIC HEARING NOTICE**

Purpose: Consider Proposed Rate Increase
Impact Area: Greater Novato Area
Date and Time: Tuesday, June 15, 2021 at 6:00 p.m.
Place: North Marin Water District,
 999 Rush Creek Place, Novato, CA

* Due to ongoing changes in the COVID-19 pandemic guidance and restrictions in Marin County, prior to the time of the scheduled public hearing, additional information regarding accommodating public participation will be provided on the District's website at www.nmwd.com.

PROPOSAL

NMWD is proposing an increase in water rates and charges of 6% for Novato customers effective July 1 of 2021.

REASON FOR THE PROPOSED INCREASE

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

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

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

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

IMPACT

Residential Accounts: For the typical Novato single-family residence, the proposed increase would add \$3.75 per month (\$7.50 per bimonthly bill) to the cost of water beginning July 1, 2021.

Non-Residential Accounts (Commercial, Institutional & Irrigation): Non-residential accounts would see a 6% increase beginning July 1, 2021.

Customers can determine the increase in their annual water cost based on their water use over the past year from NMWD's website. Insert your NMWD account number and the name on your account into the Annual Water Cost Calculator on NMWD's website at <https://www.nmwd.com/account/annual-cost-calculator/>.

PUBLIC HEARING

A public hearing will be held at the NMWD office (999 Rush Creek Place, Novato) or via teleconference if COVID-19 restrictions are still in place, at 6:00 p.m. on Tuesday, June 15, 2021, to consider enactment of the proposed increases. You are invited to participate in the hearing, or mail your comments. Due to ongoing changes in the COVID-19 pandemic guidance and restrictions in Marin County, prior to the time of the scheduled public hearing, additional information regarding accommodating public participation will be provided on the District's website at www.nmwd.com. For more information visit NMWD's website or call the District Secretary at (415) 897-4133.

June 1, 2021

May 5, 2021

Re: Proposed Water Rate Increases

For Whom It May Concern

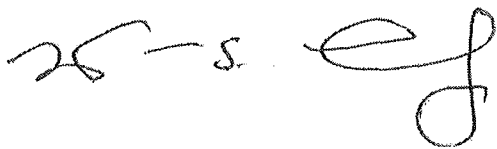
I own the home located at: 55 Cavella Cay,
Niwato, CA. and do hereby protest the proposed
water rate increase.

My NMWD Account # is:

Our property Parcel # is: 157-520-14

Below find my name and signature. Thank you!

Werner S. Lewin Jr.



RECEIVED

MAY 10 2021

North Marin Water District

May 3, 2021

District Secretary
North Marin Water District
PO Box 146
Novato Ca 94948

NMWD Account #

Dear District Secretary and NMWD Water Board,

I am writing you again this year as I do every year, to have mercy on the rate payers, the good people of Novato, and not increase the water rates.

It's not fair and it needs to stop. Yet year after year you increase the rates no matter how much water we conserve.

Constant fee increases and taxes from our government and special districts are driving the working class, middle class and seniors out of Novato, and out of the state. I know this because I am selling their houses in Novato!

The good people of Novato deserve better than constant money grabs.

Perhaps consider lowering some of the tiers to help people?

In addition, NMWD contributes to the high cost of building second units by charging inflated hookup fees and additional monthly charges that go with them. These fees among other county and government financial attacks make it almost financially impossible to build second units. As a result, fewer second units are being built, which hurts our housing needs. NMWD needs to be a good steward in this regard and has chosen not to be.

I am asking the NMWD Board not to unanimously rubber stamp another rate increase. I am hoping, (although this has not happened in the past) that at least one Board Member will be a critical thinker in this regard and vote against the increase.

On a positive note, Drew McIntyre is wonderful in so many ways. However, we cannot afford his constant recommendations for rate increases.

Sincerely,



Toni Shroyer
1955 Indian Valley Rd
Novato Ca 94947
415-640-2754

RECEIVED

MAY 10 2021

North Marin Water District

written protest to:

North Marin Water District

990 Rush Creek Place

PO Box 146

Novato, CA 94945

May 3, 2021

Dear STR-

This is an official written protest to the proposed rate increases. I am a senior, retired, no pension.

Cassandra S. Mani - owner

77 Calypso Shores

Novato, CA 94949

415.302.4424.

Thank you,

Cassandra S Mani

RECEIVED

MAY 10 2021

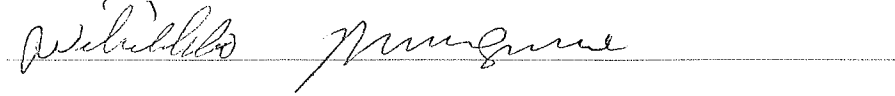
North Marin Water District

May 07, 2021

To whom it may concern,

I, Wilialdo Magana, owner of the property at 2560 Center Road, Novato, CA 94947,
oppose the proposed water rate increase.

Wilialdo Magana

A handwritten signature in cursive script, appearing to read "Wilialdo Magana", is written over a horizontal dashed line.

RECEIVED

MAY 11 2021

North Marin Water District

May 8, 2021

I oppose the NMWD increase.

111 Bolling Circle
NOVATO, CA 94949

OWNER: ANNE STEVENSON

SIG: Anne Stevenson

PARCEL: 155 561-61

Increase is too much for those out of work,
+ seniors living on soc. security.

We are all asked to cut down on water
use due to fire season. We should not
have an increase when we are doing what
we can to conserve on water

RECEIVED

MAY 13 2021

North Marin Water District

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

May 11, 2021

Re: Proposed Rate Increase

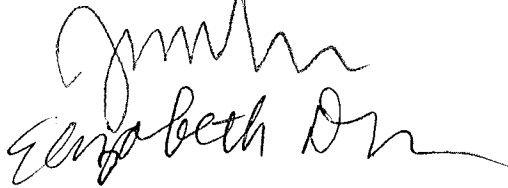
Dear NMWD:

Since, the pandemic, my wife and I have sought to grow more and more food at home in our garden. The proposed rate increase would harm that effort and on that basis we protest the proposed rate increases.

Please answer these questions,

1. Does NMWD support back-yard gardeners? If so how? Describe all efforts to support back yard gardeners?
2. Is there some sort of reduced rate or has NMWD considered a reduced rate to encourage back yard gardeners?

Thank you for your attention to this matter.



Elizabeth & John Mason
428 School Road
Novato, CA 94945
email: eandjmason@comcast.net

RECEIVED

MAY 17 2021

North Marin Water District

I oppose the NMWD July 1, 2021 proposed rate increase

Fill this form out, print it, mail it into the address below to stop the proposed NMWD rate increase:

Attn: Novato Rate Hearing
District Secretary
North Marin Water District
999 Rush Creek Place
Novato, CA 94945

YOU MUST MAIL THIS INTO THE ADDRESS ABOVE OR IT WILL NOT COUNT

* Required

Property Owner or Tenant Name *

Trevor Pressman

Property Address *

520 Calle De La Mesa, Novato, CA 94949

Property Parcel Number (APN) *

160-171-11

NMWD Customer Number *

Signature



Submit

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Google Forms

RECEIVED

MAY 11 2021

North Marin Water District

I oppose the NMWD July 1, 2021
proposed rate increase

Fill this form out, print it, mail it into the address below to stop the proposed NMWD rate increase:

Attn: Novato Rate Hearing
District Secretary
North Marin Water District
999 Rush Creek Place
Novato, CA 94945

YOU MUST MAIL THIS INTO THE ADDRESS ABOVE OR IT WILL NOT COUNT

* Required

1. Property Owner or Tenant Name *

Judith Morris

2. Property Address *

91 Gann Way
Novato, CA 94949

3. Property Parcel Number (APN) *

157-740-48

4. NMWD Customer Number *

Signature

Judith Morris

5/14/21

This content is neither created nor endorsed by Google.

RECEIVED

MAY 18 2021

North Marin Water District

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

May 18, 2021

Seyuan Wilson Shueh
106 Atherton Ave
Novato, CA 94945

To whom it may concern:

I am writing to protest the proposed increase of water service charges.
My property addresses are 104 Atherton Ave and 106 Atherton Ave
Novato, CA 94945 Novato, CA 94945.

My account number is _____ Please feel free to contact me should
you have any further questions.

925-330-9268

Thank you for your help in this matter.



Will Shueh

May 14, 2021

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

Attn: Novato Rate Hearing

Subject: Protest of the Proposed Rate Increases

Sirs

I oppose and wish to protest the rate increases that are proposed to go into effect on July 1, 2021. I am the property owner of

265 San Marin Drive
Novato, CA 94945

Regards

A handwritten signature in cursive script that reads "George Roland". The signature is written in black ink and is positioned to the right of the word "Regards".

George Roland
265 San Marin Drive
Novato, CA 94945

Tel: 415.910.6384

RECEIVED

MAY 18 2021

North Marin Water District

May 14, 2021

To:

Secretary at North Marin Water District
999 Rush Creek Place
Novato, CA 94945
Attn. Novato Rate Hearing

I herewith oppose the proposed water rate increase.

Christel Martin (Mrs. L. Martin)
144 San Felipe Way
Novato, CA 94945
Account #

RECEIVED

MAY 18 2021

North Marin Water District

Dear N. Marin Water District,

I protest the proposed 6% rate increase. Rates have increased annually by more than inflation for the last several years, if not longer. Customers on fixed incomes cannot afford the higher-than-inflation rate increases year after year. The District Directors are failing in their fiduciary duty to the public.

Respectfully,

Tim Kenney, Property Owner
(signature ↗) and NMWD customer
at 160 Laurelwood Drive
Novato, CA 94949

RECEIVED

MAY 20 2021

North Marin Water District

NMWD,

5/15/21

This letter serves as written opposition to the proposed rate increase for FY 2021/2022.

Property address

1334 Denlyn St.
Novato, Ca 94947

NAME

DEREK HOLMES

RECEIVED

MAY 21 2021

x 

North Marin Water District

The yearly rate increases **MUST STOP!** your customers do not have unlimited funds. How about lowering your outrageously high retirement benefit? Water quality goes down ↓ Rates go up ↑

NO MORE

re: NOVATO RATE HEARING

RECEIVED

JUN 02 2021

North Marin Water District

May 5, 2021

District Secretary
North Marin Water District
P.O. Box 146
Novato, CA 94948

ATTN: Novato Rate Hearing

Subject: Protest of Proposed Water Rate Increase

Dear Sir:

I received your correspondence regarding a proposed rate increase for water to take effect on July 1, 2021 and hereby register my protest.

The most troubling aspect of your correspondence is the statement that "If written protests of the proposed changes are presented by a majority of the property owners or tenants subject to the proposed changes, the proposed rate increases will not be adopted". It's obvious that voter or customer apathy will virtually guarantee that this level of protest will never be achieved. Protests via e-mail are not accepted, further making it more difficult for people to register a protest. If every public agency operated this way, no rate increase would ever be denied for anything.

After NMWD recited a litany of reasons for a rate increase, no explanation was given as to how the district plans to survive without the rate increase. Obviously, the rate increase is a done deal and the Hearing is window dressing. How about posting the salaries of NMWD staff and how much their salaries will be increased?

Many of us in the district take water conservation seriously, installing drip lines, low-flow toilets, water restrictors etc. Unlike City Hall, whose lawn surrounding the civic center remains a lush green, we took the past drought seriously and let our lawns die out. Some of us also hauled recycled water to avoid the complete death of the landscape. Our reward is a higher water bill.

Sincerely,



William G. Reifenrath
6 Christopher Court
Novato, CA 94947

Bamatter Household
811 Tamalpais Avenue
Novato, CA 94947

RECEIVED

5/28/21

JUN 02 2021

North Marin Water District

While the infrastructure needs to be upgraded and maintained, this increase is too high.

Wasn't there a cost increase in 2014?

And in a few years, will there be a request for another rate increase?

A more reasonable and modest (2.5%-3%) increase could be acceptable, Not 6%

Please consider a push to better conservation of this valuable resource. We the customers feel penalized for removing lawns, planting drought friendly plants, and other methods to conserve.

Have those who use tier 2 & 3 pay more. Those who will pay whatever the cost is and addition to a modest increase.

175003

1000
1000
1000
1000

Thank you for your time.

Regards

MARE Bamatter

Terrie Kehoe

From: PAUL WALKER <pauljwalker@comcast.net>
Sent: Monday, May 03, 2021 7:07 PM
To: Info NMWD
Subject: Oppose rate increase

Paul Walker
750 Diablo Ave
Novato, CA

I oppose rate increase. find ways to cut budget

RECEIVED

JUN 10 2021

June 7, 2021
12 Fleetwood Ct
Novato, Ca
Acct# 57780

Water Board, North Marin Water District

Here we go again - raise the service charge. A clean, convenient, automatic way to cover new expenses you know you will not get 50% opposition. Great for you, lousy for the low water users.

Using your proposed rates - two examples. Monthly -

- Your Mr. Average 7600 gals for \$62.50 or .0082 cents per gal.
- MY last bill 318 gals for \$24.06 or .075 cents per gal.

Were both in Zone 1, have 5/8 meters etc. Why am I paying over 9 times as much as Mr Average for a gal. of water? Does not seem equitable to me.

I'm sure you know - what is your actual total cost for a gal. of water delivered to tier 1 customers - summer/winter?

In your 60000 (I am told) customers, how many are low water users (1000 gals/mo or lower) winter or summer? They are all paying 3 or 4 times as much as Mr Average for their water. Why do they have to subsidize all the Mr. Averages?

P.G. & E knows the total cost of a kWh of electricity and a therm of gas - winter or summer, day or night, etc. and charges accordingly.

When will you be able to do that??

Donald C. Andersen

We're in a drought aren't we?

I oppose the increase.

Property Owners: Greg Borchardt & Linda Eurman
Address: 6 Burning Tree Drive, Novato, CA 94949
NMWD Account Number: 687106

June 5, 2021

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

Dear District Secretary at NMWD:

We are writing this letter to advise NMWD and its Board that we are **strongly opposed** to your proposed 6% water rate increase effective July 1, 2021. We find your proposal both greedy and egregious given the fact that you just raised water rates by 6% in October 2020. We are retired and on fixed income and this increase would be onerous to our budget. We believe that NMWD should learn to live within their budget just like everyone else, and **stop treating your customers like an ATM machine.**

We attended last year's virtual public hearing on your proposed 6% rate increase and it was apparent that your Board had already made up their minds to raise water rates despite the criticisms and objections of those at the hearing. This was really frustrating to us and another example of your egregious and insensitive behavior.

We would support a rate increase if NMWD was doing something to eradicate water shortage like building a desalination plant in the Bay or off the coast, but this is not your intention. Instead, you approve new pool construction at our neighbor's house on 9 Carnoustie Drive which we find incredulous and irresponsible given the drought and water conservation measures you are advocating.

Here are our proposals to reduce your costs and generate revenue:

- Reduce NMWD FTE by two employees. An obvious FTE cut should be to the operator who answers your phones; an automated phone system could be installed that routes calls to the appropriate individual or a general phone mailbox.
- Eliminate retirement pensions for all new employees and reduce pensions for existing and retired employees. Most companies have already taken this measure and encourage employees to save for their retirement via a 401(k) account.
- Institute a \$10,000 water surcharge for anyone seeking a permit for new pool construction, and a \$2,500 surcharge for those seeking a permit for a spa or hot tub.
- Install additional solar panels to eliminate all electrical costs and generate revenue by selling unused power back to PG&E.
- Seek additional grants from the state of California for water conservation programs and desalination plant initiatives.
- Exempt seniors and those living on fixed incomes from future rate increases.

We plan to attend the public hearing on June 15th to voice our concerns; we hope the Board will listen to the objections and alternative solutions proposed vs. going into the hearing with a predetermined agenda. **NMWD must stop treating its customers like an ATM machine and learn to operate within its budget in a fiscally responsible manner like all companies must do.**

Sincerely,



Greg Borchardt
6 Burning Tree Drive
Novato, CA 94949

RECEIVED

JUN 10 2021

North Marin Water District

DRAFT
NORTH MARIN WATER DISTRICT
REGULATION 54
WATER RATES

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

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

<u>A BI-MONTHLY SERVICE CHARGE OF:</u>	Rate Effective <u>10/1/207/1/21</u>
Standard 5/8-inch meter.....	\$41,4643.95
For 1-inch meter*	\$74,0678.50
1.5-inch meter*	\$128,38136.08
2-inch meter	\$193,67205.18
3-inch meter	\$367,41389.45
4-inch meter	\$562,98596.76
6-inch meter	\$1,106,231,172.60
8-inch meter	\$1,432,181,518.11
*(see paragraph f)	

<u>RECYCLED WATER</u> <u>A BI-MONTHLY SERVICE CHARGE OF:</u>	Rate Effective <u>10/1/207/1/21</u>
Standard 5/8-inch meter.....	\$48,7851.71
For 1-inch meter.....	\$61,6890.93
1.5-inch meter*	\$123,35156.31
2-inch meter	\$197,36234.76
3-inch meter	\$394,72443.96
4-inch meter	\$640,86679.31
6-inch meter	\$1,233,601,333.07

<u>PLUS, A QUANTITY CHARGE OF:</u>	Rate Effective <u>10/1/207/1/21</u>
<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	
First 262 gallons per day (gpd)	\$5,505.83
263 up to 720 gpd	\$6,236.60
Use in excess of 720 gpd	\$7,678.13
<u>Rate for 1,000 Gal for All Other Potable Water Accounts</u>	
Commercial, Institutional & Irrigation Accounts – 10/1 – 6/30	\$5,505.83
Commercial, Institutional & Irrigation Accounts - 7/1 – 9/30	\$7,678.13
<u>Rate For 1,000 Gallons For Non-Potable Water</u>	
Recycled Water	\$6,246.61
Raw (Untreated) Water from Stafford Lake.....	\$2,933.11

PLUS, AN ELEVATION ZONE CHARGE FOR EACH 1,000 GALLONS

<u>Zone</u> <u>Elevation</u>	Rate Effective <u>10/1/207/1/21</u>
A 0 through 60 feet	\$0,000.00
B 60 feet – 200 feet.....	\$0,760.81
C* 200 feet +.....	\$2,102.23

NMWD Regulation 54, adopted 1/65
 Revised: 1/67, 6/67, 1/71, 3/72, 2/74, 5/74, 6/74, 8/75, 3/75, 4/76, 5/77, 7/77, 6/78, 7/78, 7/78, 7/79, 3/80, 7/78/1, 7/21/81, 11/81, 12/82, 4/84, 2/87, 5/88, 7/89, 9/89, 7/90, 8/90, 3/91, 4/92, 6/92, 7/92, 9/92, 10/92, 3/93, 7/93, 7/94, 8/94, 11/94, 3/95, 4/95, 7/95, 2/96, 5/96, 6/96, 2/97, 6/97, 2/98, 6/98, 7/99, 6/00, 7/00, 12/00, 06/01, 07/01, 1/02, 06/02, 7/02, 06/03, 01/04, 06/04, 07/04, 6/05, 7/05, 06/06, 07/06 12/06, 07/07, 6/08, 7/08, 7/09, 6/10, 7/10, 6/11, 7/11, 9/11, 7/12, 6/13, 7/14, 5/15, 6/15, 5/16, 6/16, 5/17, 6/17, 5/18, 6/18, 5/19, 6/19, 6/16/20, 6/23/20, 11/3/20, 6/15/21

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

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

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

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

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

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

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

Size of Detector Assembly

	Novato Rate Effective <u>10/1/20</u> 7/1/21	West Marin Rate Effective <u>10/1/20</u>
1 inch.....	\$14,2415.09	\$17.85
2 inches.....	\$18,7819.91	\$17.85
4 inches.....	\$52,4055.54	\$32.99
6 inches.....	\$73,6078.02	\$64.35
8 inches.....	\$97,83103.70	\$98.44
10 inches.....	\$128,11135.80	\$128.71

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

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

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

PLUS, A QUANTITY CHARGE OF:

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

PLUS, A HYDRAULIC ZONE CHARGE FOR EACH 1,000 GALLONS

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

- (2) Effective July 1, 2020 consumers outside the Improvement District boundary shall pay an additional \$3.85 per 1,000 gallons.
- (3) In the event a mandatory reduction in water use is triggered under the District's Water Shortage Contingency Plan for the West Marin Service Area, a Drought Surcharge will be implemented simultaneous with enactment of the mandatory stage. The Drought Surcharge will serve to mitigate the revenue loss resulting from a reduction in water use, as well as the cost of water purchased from Marin Municipal Water District for release into Lagunitas Creek, pursuant to the Interconnection Agreement between Marin Municipal and NMWD. The Drought Surcharge shall be a quantity charge for each 1,000 gallons as follows:

Residential Accounts: Use in excess of 200 gallons per day..... \$2.50
 Commercial, Institutional and Irrigation Accounts: All Use \$2.50

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

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

<u>Novato Service Area</u>	Rate Effective <u>10/1/20</u> / <u>7/1/21</u>
For each 1,000 gallons	\$6.99 <u>7.41</u>
 <u>West Marin Service Area</u>	Rate Effective <u>10/1/20</u>
For each 1,000 gallons	\$19.97

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

e. Not used.

z

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

Rate Effective 10/1/2017/1/21

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

Novato: \$41.4643.95
West Marin: \$40.54

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

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

District Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>6/1/197/1/21</u>
Testing, Repair, Replacement	3/4" + 1".....	<u>\$14.0014.84</u>
Testing, Repair, Replacement	1 1/2".....	<u>\$18.5019.61</u>

Privately Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>6/1/197/1/21</u>
Testing	3/4" + 1".....	<u>\$8.008.48</u>
Testing	1 1/2".....	<u>\$14.0014.84</u>
Testing	2".....	<u>\$21.5022.79</u>
Testing	3" + 4".....	<u>\$31.5033.39</u>

District Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>6/1/197/1/21</u>
Testing, Repair, Replacement	3/4" + 1".....	<u>\$24.0025.44</u>
Testing, Repair, Replacement	1 1/2" + 2".....	<u>\$29.0030.74</u>
Testing, Repair, Replacement	3" + 4".....	<u>\$130.00137.80</u>
Testing, Repair, Replacement	6" + 8".....	<u>\$280.00296.80</u>

Privately Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>6/1/197/1/21</u>
Testing	3/4" + 1".....	<u>\$15.0015.90</u>
Testing	1 1/2" + 2".....	<u>\$28.0029.68</u>
Testing	3" + 4".....	<u>\$59.5063.07</u>
Testing	6" + 8".....	<u>\$115.00121.90</u>

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

(2) Exemptions

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

Rate Effective

~~6/1/19~~7/1/21

Each consumer that applies for and receives such an exemption shall pay a bimonthly fee of:

~~\$3.00~~3.18

RESOLUTION 21-XX**RESOLUTION OF THE BOARD OF DIRECTORS OF
NORTH MARIN WATER DISTRICT
AMENDING REGULATION 54 – WATER RATES**

WHEREAS, on March 3, 2020, the Board of Directors of the North Marin Water District (the “Board of Directors”) accepted the 2020 Novato and Recycled Water Rate Study, dated March 4, 2020 (the “Rate Study”), which described recommendations for cost allocation and rate setting; and

WHEREAS, the Board of Directors has considered the recommendation of the North Marin Water District’s (the “District”) General Manager to increase water rates consistent with the Rate Study in order to achieve a revenue increase of 6 percent; and

WHEREAS, the Board of Directors conducted a duly noticed public hearing on June 15, 2021 on the General Manager’s recommendation, and notice of the hearing was provided to all District customers by mail on April 30, 2021, and the Board has considered all of the information received by the Board regarding the proposed recommendation, including the written protests received prior to and comments received at the public hearing; and

WHEREAS, the Board of Directors accepted and caused a tabulation of all written protests against the proposed treated and untreated water rates and based upon the results of the tabulation a majority protest against the proposed rates does not exist; and

WHEREAS, the Board of Directors finds and determines that the District has complied with the procedural and substantive requirements set forth in Article XIII D of the California Constitution (Proposition 218) and all relevant statutes that provide for revisions to property-related rates and charges, including rates for treated and recycled water service, and the Board further finds and determines that the recommended revisions to the water rates are in the best interests of the District and will pay for ongoing operations, maintenance, repair and improvements to the District’s facilities; and

WHEREAS, the California Environmental Quality Act (CEQA), Section 15273. Rates, Tolls, Fares, and Charges, states that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies which the public agency finds are for the purpose of:

- (1) Meeting operating expenses, including employee wage rates and fringe benefits;
- (2) Purchasing or leasing supplies, equipment, or materials;

(4) Obtaining funds for capital projects, necessary to maintain service within existing service areas; or

(5) Obtaining funds necessary to maintain such intra-city transfers as are authorized by city charter; and

WHEREAS, the Board of Directors hereby finds and determines that certain of the water rates and charges adjusted herein or previously adopted by the Board are imposed based on the supply of water to be used or consumed by the customer. The Board of Directors also finds and determines that these rates and charges are not imposed upon real property or upon a person as an incident of property ownership, and such rates or charges may be reduced or avoided by a customer by reducing or discontinuing water use; and

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the North Marin Water District hereby declares each of the foregoing recitals true and correct and fully incorporated herein; and

BE IT RESOLVED by the Board of Directors of North Marin Water District that Regulation 54 of the North Marin Water District is amended as follows, effective on the dates as shown below:

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

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

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

<u>A BI-MONTHLY SERVICE CHARGE OF:</u>	Rate Effective <u>7/1/21</u>
Standard 5/8-inch meter	\$43.95
For 1-inch meter*	\$78.50
1.5-inch meter*	\$136.08
2-inch meter	\$205.18
3-inch meter	\$389.45
4-inch meter	\$596.76
6-inch meter	\$1,172.60
8-inch meter	\$1,518.11
*(see paragraph f)	

<u>RECYCLED WATER</u>	Rate Effective
<u>A BI-MONTHLY SERVICE CHARGE OF:</u>	<u>7/1/21</u>
Standard 5/8-inch meter	\$51.71
For 1-inch meter*	\$90.93
1.5-inch meter*	\$156.31
2-inch meter	\$234.76
3-inch meter	\$443.96

4-inch meter.....	\$679.31
6-inch meter.....	\$1,333.07

PLUS A QUANTITY CHARGE OF: Rate Effective 7/1/21

Residential Rate for Each 1,000 Gallons Per Dwelling Unit

First 262 gallons per day (gpd)	\$5.83
263 up to 720 gpd.....	\$6.60
Use in excess of 720 gpd	\$8.13

Rate for 1,000 Gal for All Other Potable Water Accounts

Commercial, Institutional & Irrigation Accounts - 10/1 – 6/30	\$5.83
Commercial, Institutional & Irrigation Accounts - 7/1 – 9/30	\$8.13

Rate For 1,000 Gallons For Non-Potable Water

Recycled Water	\$6.61
Raw (Untreated) Water from Stafford Lake.....	\$3.11

PLUS AN ELEVATION ZONE CHARGE FOR EACH 1,000 GALLONS

Rate Effective 7/1/21

<u>Zone</u>	<u>Elevation</u>	
A	0 through 60 feet	\$0.00
B	60 feet – 200 feet.....	\$0.81
C*	200 feet +.....	\$2.23

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

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

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

Residential Accounts: Use in excess of 300 gallons per day.....	\$1.00
Commercial, Institutional and Irrigation Accounts: All Use.....	\$1.00

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

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

Size of Detector Assembly

	Novato Rate Effective <u>7/1/21</u>	West Marin Rate Effective <u>10/1/20</u>
1 inch	\$15.09	\$17.85
2 inches	\$19.91	\$17.85
4 inches	\$55.54	\$32.99
6 inches	\$78.02	\$64.35
8 inches	\$103.70	\$98.44
10 inches	\$135.80	\$128.71

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

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

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

PLUS A QUANTITY CHARGE OF:

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

PLUS A HYDRAULIC ZONE CHARGE FOR EACH 1,000 GALLONS

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

4 Upper Paradise Ranch Estates (Elevation 365'+)..... \$6.46

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

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

Residential Accounts: Use in excess of 200 gallons per day \$2.50
 Commercial, Institutional and Irrigation Accounts: All Use \$2.50

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

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

<u>Novato Service Area</u>	Rate Effective <u>7/1/21</u>
For each 1,000 gallons	\$7.41

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

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

e. Not used.

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

Rate Effective
7/1/21

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

Novato:
\$43.95
10/1/20
West Marin:
\$40.54

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

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

District Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>7/1/21</u>
Testing, Repair, Replacement	3/4" + 1"	\$14.84
Testing, Repair, Replacement	1 1/2"	\$19.61

Privately Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>7/1/21</u>
Testing	3/4" + 1"	\$8.48
Testing	1 1/2"	\$14.84
Testing	2"	\$22.79
Testing	3" + 4"	\$33.39

District Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>7/1/21</u>
Testing, Repair, Replacement	3/4" + 1"	\$25.44
Testing, Repair, Replacement	1 1/2" + 2"	\$30.74
Testing, Repair, Replacement	3" + 4"	\$137.80
Testing, Repair, Replacement	6" + 8"	\$296.80

Privately Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>7/1/21</u>
Testing	3/4" + 1"	\$15.90
Testing	1 1/2" + 2"	\$29.68
Testing	3" + 4"	\$63.07
Testing	6" + 8"	\$121.90

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

(2) Exemptions

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

	Rate Effective <u>7/1/21</u>
Each consumer that applies for and receives such an exemption shall pay a bimonthly fee of:	\$3.18

* * * * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the fifteenth of June 2021, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

Theresa Kehoe, District Secretary
North Marin Water District

(SEAL)

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NORTH MARIN WATER DISTRICT
MONTHLY PROGRESS REPORT FOR May 2021
 June 15, 2021

1.

Novato Potable Water Prod* - RR & STP Combined - in Million Gallons - FYTD

Month	FY20/21	FY19/20	FY18/19	FY17/18	FY16/17	21 vs 20 %
July	341.7	317.7	341.1	331.0	310.3	8%
August	290.1	287.1	300.9	303.0	299.6	1%
September	225.6	280.5	255.0	292.4	302.3	-20%
October	307.8	286.0	265.6	273.7	202.8	8%
November	201.6	226.3	170.1	163.9	143.8	-11%
December	183.0	141.2	157.8	152.1	147.6	30%
January	156.6	111.9	114.7	130.6	120.8	40%
February	110.5	120.3	110.9	134.8	118.6	-8%
March	124.1	151.8	138.8	130.2	145.8	-18%
April	225.4	195.0	143.8	151.7	136.2	16%
May	209.9	217.6	198.6	237.4	232.0	-4%
FYTD Total	2,376.1	2,335.3	2,197.1	2,300.7	2,159.7	2%

*Excludes water backfed into Stafford Lake: FY21=363.51MG

West Marin Potable Water Production - in Million Gallons - FY to Date

Month	FY20/21	FY19/20	FY18/19	FY17/18	FY16/17	21 vs 20 %
July	8.2	8.9	10.2	9.5	7.9	-8%
August	9.2	8.4	9.9	8.8	7.4	10%
September	7.9	7.8	9.5	8.4	6.4	1%
October	6.7	7.5	8.3	7.9	5.2	-11%
November	5.8	6.7	7.3	5.4	4.2	-15%
December	5.1	4.8	5.7	5.1	3.7	6%
January	4.2	4.1	5.0	4.5	3.6	2%
February	3.8	4.4	3.5	4.5	3.3	-13%
March	5.1	5.2	4.4	5.1	4.4	-1%
April	4.8	4.9	4.9	5.1	4.8	-2%
May	7.3	6.0	5.5	7.5	6.8	22%
FYTD Total	68.1	68.7	74.2	71.8	57.7	-1%

Stafford Treatment Plant Production - in Million Gallons - FY to Date

Month	FY20/21	FY19/20	FY18/19	FY17/18	FY16/17	21 vs 20 %
July	105.8	68.2	78.6	112.6	69.9	55%
August	81.1	103.8	79.3	81.5	90.4	-22%
September	16.1	115.0	60.5	122.7	96.9	-86%
October	7.7	103.4	74.5	102.3	93.9	-93%
November	0.6	102.8	0.0	53.6	63.8	-99%
December	0.0	0.0	0.0	0.0	0.0	-
January	0.0	0.0	0.0	0.0	0.0	-
February	0.0	0.0	0.0	0.0	0.0	-
March	0.0	0.0	19.2	0.0	38.9	-
April	0.0	30.9	60.3	5.4	60.6	-
May	0.0	60.2	97.4	85.2	121.9	-
FYTD Total	211.3	584.1	469.9	563.2	636.3	-64%

Recycled Water Production* - in Million Gallons - FY to Date

Month	FY20/21	FY19/20	FY18/19	FY17/18	FY16/17	21 vs 20 %
July	39.0	36.5	30.2	27.7	27.1	7%
August	43.2	33.3	30.6	26.1	26.0	30%
September	29.5	29.7	33.5	25.0	23.5	-1%
October	22.8	26.6	20.1	19.1	8.3	-14%
November	10.9	10.8	12.7	2.5	1.2	1%
December	0.2	0.5	1.5	0.8	0.4	-62%
January	0.3	0.6	0.9	1.0	0.3	-45%
February	0.5	0.6	0.3	3.3	0.0	-11%
March	11.4	11.7	0.4	1.7	0.5	-2%
April	18.1	12.5	10.1	5.1	2.7	46%
May	39.2	27.6	19.6	17.0	22.9	42%
FYTD Total*	215.2	190.4	159.9	129.3	112.9	13%

*Excludes potable water input to the RW system: FY21=14.2 MG; FY20=19.4; FY19=20.6 MG; FY18=15.8MG; FY17=1.4MG

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2. Stafford Lake Data

	May Average	May 2021	May 2020
Rainfall this month	0.56 Inches	0 Inches	0.64 Inches
Rainfall this FY to date	26.85 Inches	8.57 Inches	18.95 Inches
Lake elevation*	192.1 Feet	185.55 Feet	189.5 Feet
Lake storage**	1,117 MG	718 MG	950 MG

* Spillway elevation is 196.0 feet

** Lake storage less 390 MG = quantity available for delivery

Temperature (in degrees)

	Minimum	Maximum	Average
May 2021 (Novato)	48	103	65
May 2020 (Novato)	46	105	67

3. Number of Services

May 31	Novato Water			Recycled Water			West Marin Water			Oceana Marin Swr		
	FY21	FY20	Incr %	FY21	FY20	Incr %	FY21	FY20	Incr %	FY21	FY20	Incr %
Total meters installed	20,808	20,771	0.2%	99	97	2.1%	793	791	0.3%	-	-	-
Total meters active	20,606	20,570	0.2%	96	92	4.3%	785	783	0.3%	-	-	-
Active dwelling units	24,094	24,085	0.0%	-	-	-	836	833	0.4%	235	235	0.0%

4. Oceana Marin Monthly Status Report (May)

Description	May 2021	May 2020
Effluent Flow Volume (MG)	0.513	0.431
Irrigation Field Discharge (MG)	0	0
Treatment Pond Freeboard (ft)	5.5	7.6
Storage Pond Freeboard (ft)	10	8.2

5. Developer Projects Status Report (May)

Job No.	Project	% Complete	% This month
1.2820.00	Bahia Heights	96	1
1.2837.00	McPhails Phase 2A	99	0
1.2831.00	Landsea Homes	95	5
1.2845.00	Marin Biologic Fire Service	100	1
1.2817.03	COM-Miwok Center	85	20

District Projects Status Report - Const. Dept. (May)

Job No.	Project	% Complete	% This month
2.6263.20	Replace PRE Tank 4A	99	0
1.7186.00	Grant Avenue CI Main Replacement	90	25
1.7193.00	Glen Rd AC Pipe Replacement	60	3
1.6600.87	STP Coat Top of Concrete Clearwells	95	95

Employee Hours to Date, FY 20/21

As of Pay Period Ending May 31, 2021

Percent of Fiscal Year Passed = 92%

Developer Projects	Actual	Budget	% YTD Budget	District Projects	Actual	Budget	% YTD Budget
Construction	1,373	1,400	98%	Construction	3,033	3,460	88%
Engineering	1,612	1,504	107%	Engineering	2,676	2,722	98%

6. Safety/Liability

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Industrial Injury with Lost Time				Liability Claims Paid		
Lost Days	OH Cost of Lost Days (\$)	No. of Emp. Involved	No. of Incidents	Incurred (FYTD)	Paid (FYTD) (\$)	
FY 21 through May	23	\$10,120	3	3	2	\$11,092*
FY 20 through May	11	\$4,424	2	2	0	\$0
Days since lost time accident through May 31, 2021				195 Days		

* (1) Vehicle accident on October 4, 2019 involving District vehicle and unoccupied parked vehicle during on-call event. Costs related to parked vehicle. (2) Vehicle accident on September 8, 2020 involving District vehicle and unoccupied parked vehicle. Costs related to parked vehicle.

7. Energy Cost

FYE	kWh	May		Fiscal Year-to-Date thru May		
		¢/kWh	Cost/Day	kWh	¢/kWh	Cost/Day
2021 Stafford TP ¹	78,021	21.6¢	\$562	517,467	21.6¢	\$333
Pumping	154,064	25.7¢	\$1,365	1,699,271	25.4¢	\$1,294
Other ²	38,844	30.0¢	\$402	530,867	27.0¢	\$430
	270,929	25.1¢	\$2,329	2,747,604	25.0¢	\$2,057
2020 Stafford TP	57,534	25.1¢	\$465	672,311	21.0¢	\$422
Pumping	140,536	24.5¢	\$1,110	1,304,567	23.5¢	\$908
Other ²	42,191	34.8¢	\$474	515,753	25.7¢	\$393
	240,261	26.4¢	\$2,049	2,492,631	23.3¢	\$1,723
2019 Stafford TP	89,366	19.8¢	\$569	600,693	20.5¢	\$367
Pumping	110,464	21.3¢	\$811	1,231,357	20.8¢	\$761
Other ²	49,677	29.2¢	\$500	525,035	24.0¢	\$375
	249,507	22.3¢	\$1,880	2,357,085	21.4¢	\$1,503

¹Actual electricity used 26,350kWh.

²Other includes West Marin Facilities

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8. Water Conservation Update

	Month of May 2021	Fiscal Year to Date	Program Total to Date
High Efficiency Toilet (HET) Rebates	9	97	4,263
Retrofit Certificates Filed	15	211	6,617
Cash for Grass Rebates Paid Out	1	14	945
Washing Machine Rebates	4	23	6,827
Water Smart Home Survey	0	0	3,899

9. Utility Performance Metric

SERVICE DISRUPTIONS (No. of Customers Impacted)	May 2021	May 2020	Fiscal Year to Date 2021	Fiscal Year to Date 2020
PLANNED				
Duration Between 0.5 and 4 hours	11	51	111	90
Duration Between 4 and 12 hours			2	96
Duration Greater than 12 hours				
UNPLANNED				
Duration Between 0.5 and 4 hours	22*	6	59	63
Duration Between 4 and 12 hours		16	29	28
Duration Greater than 12 hours			1	
SERVICE LINES REPLACED				
Polybutylene	7	14	80	65
Copper (Replaced or Repaired)	4	3	18	11

*4 on 5/25/21 2" thin wall blue plastic leak -Contractor on Glen Lane broke pipe.

*18 on 5/28/21 ¾ corp stop hit and pulled out of main on Glen Lane by Team Ghilotti doing work for NMWD.

NORTH MARIN WATER DISTRICT

Summary of Complaints & Service Orders May 2021

6/9/2021

Type	May-21	May-20	Action Taken May 2021
<u>Consumers' System Problem:</u>			
Consumer Leaks	25	17	Notified Consumer
House Valve/ Meter Off/On	7	5	Notified Consumer
Nothing Found	23	10	Notified Consumer
High Pressure	0	1	~
Total	55	33	
<u>Service Repair Reports</u>			
Meter Replacement	0	2	~
Box and Lids	3	1	Repaired
Water Off/On Due To Repairs	9	5	Notified Consumer
Misc. Field Investigation	9	7	Notified Consumer
Total	21	15	
<u>Leak NMWD Facilities</u>			
Main-Leak	0	2	~
Service- Leak	9	12	Repaired
Meter Leak/Shut Off	4	3	Repaired
Washer Leaks	5	8	Repaired
Total	18	25	
<u>High Bill Complaints</u>			
Consumer Leaks	0	1	~
Nothing Found	1	0	Notified Consumer
Total	1	1	
<u>Low Bill Reports</u>			
Total	0	0	
<u>Water Quality Complaints</u>			
Total	0	0	
TOTAL FOR MONTH:	95	74	28%

Fiscal YTD Summary

Consumer's System Problems	454	632	-28%	Decrease In Nothing Found.
Service Repair Report	187	206	-9%	Decrease In Water Off/On Due to Repairs.
Leak NMWD Facilities	166	164	1%	Increase In Service Leaks.
High Bill Complaints	42	72	-42%	Decrease In Nothing Found.
Low Bills	0	0		No Change.
Water Quality Complaints	1	15	-93%	Decrease in Other.
Total	850	1,089	-22%	

Change Primarily Due To

"In House" Generated and Completed Work Orders

<u>Check Meter:</u> possible consumer/District leak, high bill, flooded, need read, etc.	21	9
<u>Change Meter:</u> leaks, hard to read	3	2
<u>Possible Stuck Meter</u>	7	0
<u>Repair Meter:</u> registers, shut offs	5	3
<u>Replace Boxes/Lids</u>	4	0
<u>Hydrant Leaks</u>	0	0
<u>Trims</u>	0	3
<u>Dig Outs</u>	0	0
<u>Letters to Consumer:</u> meter obstruction, trims, bees, gate access, etc. get meter number, kill service, etc.	0	0
	40	17

Bill Adjustments Under Board Policy: May 21 vs. May 20

May-21	4	\$591
May-20	16	\$5,833

Fiscal Year vs Prior FY

FY 20/21	196	\$82,679
FY 19/20	256	\$77,694

MEMORANDUM

To: Board of Directors

June 11, 2021

From: Julie Blue, Auditor-Controller *JB*
Nancy Holton, Accounting Supervisor

Subj: Auditor-Controller's Monthly Report of Investments for May 2021
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RECOMMENDED ACTION: Information

FINANCIAL IMPACT: None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$24,849,796 and a market value of \$24,896,708. During May the cash balance decreased by \$1,317,379. The market value of securities held increased \$46,912 during the month. The ratio of total cash to budgeted annual operating expense stood at 140%, down 7% from the prior month.

At May 31, 2021, 83% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), 12% in Time Certificates of Deposit, 4% in the Marin County Treasury, and 1% retained locally for operating purposes. The weighted average maturity of the portfolio was 34 days, compared to 36 days at the end of April. The LAIF interest rate for the month was 0.32%, compared to 0.34% the previous month. The weighted average Portfolio rate was 0.46%, compared to 0.51% the previous month.

Investment Transactions for the month of May are listed below:

5/20/2021	LAIF	US Bank	\$1,300,000.00	Trsf from LAIF account
5/21/2021	LAIF	US Bank	\$35,000.00	Trsf from LAIF account
5/24/2021	Morgan Stanley	US Bank	\$249,955.88	TCD Matured
5/25/2021	US Bank	LAIF	\$300,000.00	Trsf to LAIF account

NORTH MARIN WATER DISTRICT
AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS
May 31, 2021

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis ¹	5/31/2021 Market Value	Yield ²	% of Portfolio
LAIF	State of CA Treasury	AA-	Various	Open	\$20,654,053	\$20,700,965	0.32% ³	83%
Time Certificate of Deposit								
TCD	TIAA Bank	n/a	1/18/19	7/19/21	246,000	246,000	2.75%	1%
TCD	Capital One Bank NA	n/a	8/21/19	8/23/21	247,000	247,000	1.85%	1%
TCD	Capital One Bank USA	n/a	9/6/19	9/7/21	247,000	247,000	1.75%	1%
TCD	Goldman Sachs Bank USA	n/a	10/11/19	10/12/21	247,000	247,000	1.70%	1%
TCD	Flagstar Bank	n/a	11/15/19	11/15/21	247,000	247,000	1.75%	1%
TCD	Synovus Bank	n/a	12/9/19	12/9/21	247,000	247,000	1.65%	1%
TCD	Morgan Stanley Bank	n/a	1/16/20	1/18/22	247,000	247,000	1.75%	1%
TCD	Wells Fargo National Bank	n/a	3/6/20	3/7/22	248,000	248,000	1.35%	1%
TCD	American Express Natl Bank	n/a	4/7/20	4/7/22	248,000	248,000	1.35%	1%
TCD	Synchrony Bank	n/a	4/17/20	4/18/22	248,000	248,000	1.20%	1%
TCD	Pinnacle Bank	n/a	5/7/20	5/9/22	248,000	248,000	0.90%	1%
TCD	Enerbank	n/a	9/25/20	9/25/24	249,000	249,000	0.45%	1%
					\$2,969,000	\$2,969,000	1.54%	12%
Other								
Agency	Marin Co Treasury	AAA	Various	Open	\$1,047,623	\$1,047,623	0.22%	4%
Other	Various	n/a	Various	Open	179,120	179,120	0.41%	1%
TOTAL IN PORTFOLIO					\$24,849,796	\$24,896,708	0.46%	100%

Weighted Average Maturity = **34 Days**

LAIF: State of California Local Agency Investment Fund.

TCD: Time Certificate of Deposit.

Agency: STP State Revolving Fund Loan Reserve.

Other: Comprised of 5 accounts used for operating purposes. US Bank Operating Account, US Bank STP SRF Loan Account, US Bank FSA Payments Account, Bank of Marin AEEP Checking Account & NMWD Petty Cash Fund.

1 Original cost less repayment of principal and amortization of premium or discount

2 Yield defined to be annualized interest earnings to maturity as a percentage of invested funds

3 Earnings are calculated daily - this represents the average yield for the month ending May 31, 2021

Interest Bearing Loans	Loan Date	Maturity Date	Original Loan Amount	Principal Outstanding	Interest Rate
Marin Country Club Loan	1/1/18	11/1/47	\$1,265,295	\$1,136,458	1.00%
Marin Municipal Water - AEEP	7/1/14	7/1/32	\$3,600,000	\$2,224,108	2.71%
Employee Housing Loans (2)	Various	Various	525,000	525,000	Contingent
TOTAL INTEREST BEARING LOANS			\$5,390,295	\$3,885,566	

The District has the ability to meet the next six months of cash flow requirements.

8

MEMORANDUM

To: Board of Directors
 From: Tony Williams, Assistant GM/Chief Engineer 
 Subject: Approve – Quitclaim Existing Unused Easement (APN 153-082-16)
R:\Folders by Job No\EASEMENT\QUITCLAIMS\8000s\8013 Hancock St quitclaim BOD memo.doc

June 11, 2021

RECOMMENDED ACTION: The Board approve authorization of this quitclaim

FINANCIAL IMPACT: None. Developer paying for quitclaim

The Hancock Street small potable water pumping system installed in 1974 included pumps, 1,000 gallon pressure tank and 400 feet of 2-inch PVC pipe. The system was superseded with a higher pressure main from Cherry Hill Tank to the Oak Park Estates development (installed in 2006), and the 1974 easement is outdated and no longer needed. The 2-inch PVC pipe was abandoned in place within the easement. The owners of the subject 3.26 acre parcel will eventually request water service(s) to said lot but prefer to "clean up" the title at this time. Additionally, the 1974 Grant of Easement language stipulates that the District "agrees to quitclaim when alternate water pressure system becomes available to provide adequate water service to lands over 60 feet above sea level". In order to properly remove the old easement encumbering said parcel, the District must record the attached quitclaim (Attachment 1). The quitclaim documents for this circumstance were reviewed by our on-call incensed surveyor as well as legal counsel.

RECOMMENDATION:

That the Board approve quitclaim for APN 153-082-16 and authorize the General Manager to execute said quitclaim.

Approved by GM  _____

Date 6/11/21 _____

RESOLUTION NO. 21-
AUTHORIZATION OF EXECUTION OF QUITCLAIM DEED TO
O DELONG STUDIES DEVELOPMENT, LLC

BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the General Manager of this District be and he hereby is authorized and directed for and on behalf of this District to execute a Quitclaim Deed quitclaiming the water line easement granted in Book 2822 at page 355, Marin County Records.

* * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the this 15th day of June 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Theresa Kehoe, Secretary
North Marin Water District

(SEAL)

Recording requested by:

NORTH MARIN WATER DISTRICT

When Recorded Mail To:

North Marin Water District
P. O. Box 146
Novato, CA 94948-0146

A.P.N. 153-082-16

J-8013

Space above this line
for Recorder's use

FOR BENEFIT OF THE DISTRICT

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

NORTH MARIN WATER DISTRICT, A Public Corporation

does hereby remise, release, abandon, and forever quitclaim to the O Delong Studios Development, a California Limited Liability Company, all of said District's right, title, and interest in that certain water line easement conveyed to North Marin County Water District by Grant of Easement recorded August 14, 1974 in Book 2822 of Official Records at page 355, Marin County Records. This Quitclaim easement is shown on Exhibit A, attached.

NORTH MARIN WATER DISTRICT

Date: _____

Drew McIntyre, General Manager

(attach notary acknowledgement)



0 100 200 300
SCALE: 1" = 100'-0"

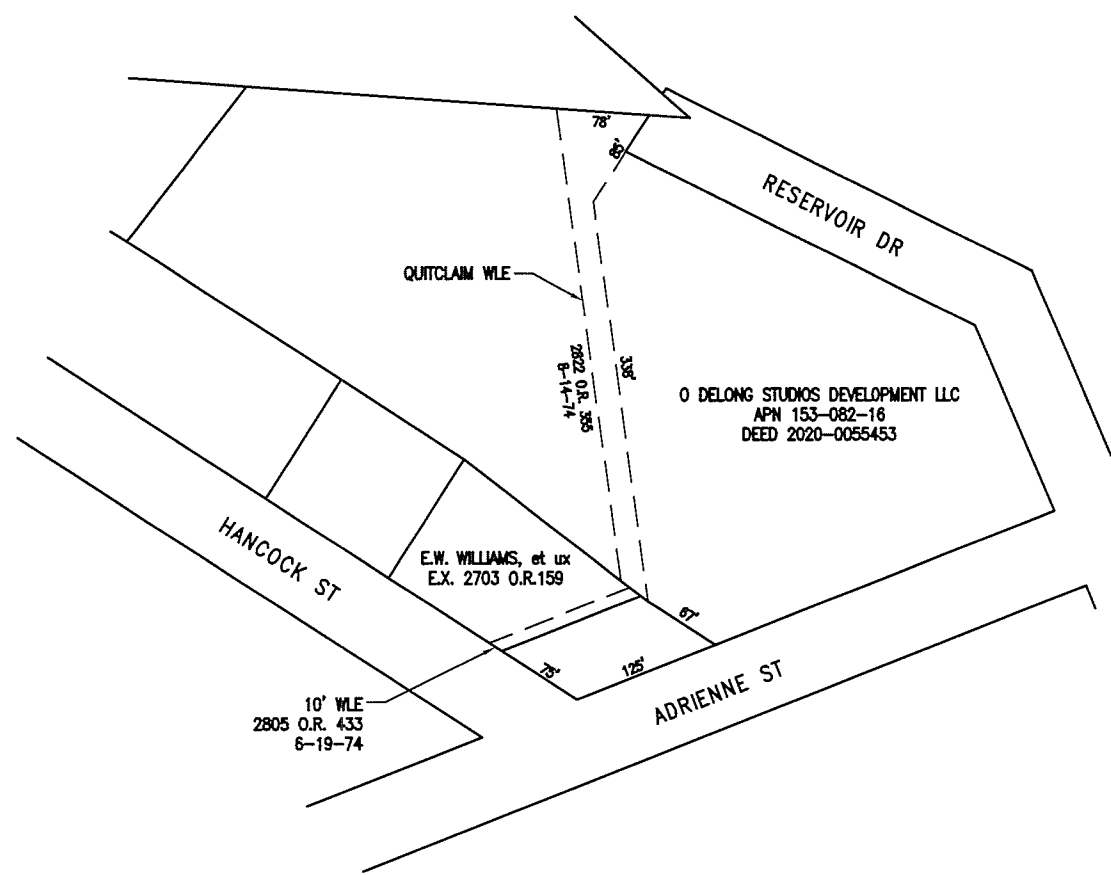


EXHIBIT A

NORTH MARIN WATER DISTRICT EASEMENT MAP		
TITLE WATERLINE EASEMENTS HANCOCK ST. PRESSURE SYSTEM		
SCALE: 1"=100'	COUNTY RECORDING DATA	JOB NO.
DATE: 7-3-74	DATE: AS SHOWN	8031
FAC. MAP NO: H-15	BOOK	PAGE

Key 27, 2021 - B:47am \\nmsdsacv\Users\hore\Videos\Waterline Emtl_Hancock St Pressure System\Map User: 800VE

9

MEMORANDUM

To: Board of Directors June 11, 2021
 From: Tony Williams, Assistant GM/Chief Engineer *ABW*
 Subject: Notice of Completion for Stafford Treatment Plant Coat Top of Concrete
 Clearwells Project (Redwood Painting, Inc.)

R:\Folders by Job No\6000 jobs\6600 STP jobs\6600.87 STP Coat Top of Concrete Clearwells\BOD\6600.87 STP CCC Redwood Painting NOC
 BOD memo.doc

RECOMMENDED ACTION: Authorize the General Manager to execute and file a Notice of Completion for the Stafford Treatment Plant Coat Top of Concrete Clearwells project

FINANCIAL IMPACT: None

Pursuant to and in conformance with contract requirements for the Stafford Treatment Plant Coat Top of Concrete Clearwells project, the contractor (Redwood Painting, Inc.) has fulfilled their obligations under the contract. Corrections of all work deficiencies and punch list items have been completed. All work performed by Redwood Painting, Inc. (RPI) has been inspected by District staff and the coating inspector (West Coast Coating Consultants). RPI's work was completed on June 4, 2021, including punchlist items.

Per the Contract Documents, RPI has furnished written notice that the work is complete and that all subcontractors and equipment suppliers have been paid (see Attachment A). RPI has released the District of all claims. A Notice of Completion is provided as Attachment B which, if approved, will be filed with Marin County on June 16, 2021. Final payment (for monies held in retention) in the amount of \$6,355.00 will be processed for release, on or after July 15, 2021 subject to absence of any additional claims filed during the 30-day notice period.

Project Cost Summary

The Board approved the award of the contract with RPI for \$127,100 for coating the top of the STP concrete clearwells with a contingency of \$6,000 (~5% of contract value). There were no change orders. Total payment to RPI will be \$127,100. The final project cost as of May 31, 2021 is \$145,346. This cost includes the construction contract with RPI (\$127,100), the cost of 3rd party inspection for \$10,902 and District staff time (\$7,344).

RECOMMENDATION

Authorize the General Manager to execute and file a Notice of Completion for the Stafford Treatment Plant Coat Top of Concrete Clearwells project.

Approved by GM *ABW*

Date 6/11/21

Posting requested by:

NORTH MARIN WATER DISTRICT

After Posting Time has Expired Mail To:

North Marin Water District
P. O. Box 146
Novato, CA 94948-0146

NORTH MARIN WATER DISTRICT
NOVATO, CALIFORNIA

NOTICE OF COMPLETION

To: Marin County Clerk
3501 Civic Center Dr., Rm 234
San Rafael, CA 94903

Date: June 16, 2021
File No.: 1 6600.87
Date of Completion: June 4, 2021

Owner: North Marin Water District
999 Rush Creek Place
Novato, CA 94947

OWNER'S ESTATE OR INTEREST:

Easement _____ Fee Title X Encroachment Permit _____
Other (describe) _____

CONTRACTOR:

Redwood Painting Inc.
620 West 10th St.
Pittsburgh, CA 94565

TITLE OF PROJECT: Stafford Treatment Plant – Coat Top of Concrete Clearwells

DESCRIPTION OF PROJECT: In general, the Work consisted of surface preparation and application of an elastomeric polyurethane coating system on concrete surfaces above treatment clearwells and requires special experience and qualifications related to the specified coating system.

DESCRIPTION OF SITE (LOCATION): Stafford Treatment Plant, 3015 Novato Blvd., Novato, CA

Final payment will be made to the above contractor on or after 35 days from the recording date of this notice of completion, except where otherwise provided for by law.

The undersigned under penalty of perjury says that he is the General Manager of the North Marin Water District, the public agency authorizing the work or improvement referred to in the foregoing notice of completion; that he has executed such notice of completion on behalf of such public agency and likewise makes this verification on behalf of said public agency pursuant to authority granted by the District's Board of Directors; and that he has read said notice of completion and knows the contents thereof and that the facts therein stated are true.

Drew McIntyre, General Manager

VERIFICATION
STATE OF CALIFORNIA)
COUNTY OF MARIN)

THE UNDERSIGNED, declares that he has read the foregoing notice, knows the contents thereof, and the same is true of his own knowledge. I certify under penalty of perjury that the foregoing is true and correct.

SEAL:

Drew McIntyre, General Manager

Date and Place

Disposition:
Original: County Recorder
Copy: Contractor
Copy: Project File

**CONDITIONAL WAIVER RELEASE
AND CERTIFICATE OF FINAL PAYMENT**

TO: North Marin Water District (District)

JOB : STP Coat Top of Concrete
Clearwells
JOB NO: 1 6600.87
CONTRACT DATED: April 1, 2021

CONTRACTOR:

Name: Redwood Painting, Inc.
Address: 620 West 10th St.
Pittsburgh, CA 94565

DESCRIPTION OF PROJECT:

In general, the Work consists of surface preparation and application of an elastomeric polyurethane coating system on concrete surfaces above treatment clearwells and requires special experience and qualifications related to the specified coating system.

DESCRIPTION OF SITE (LOCATION): Stafford Treatment Plant, 3015 Novato Blvd., Novato, CA

With reference to said contract, as amended, between the undersigned contractor and the District, the undersigned hereby certifies and represents that it has made full payment of all costs, charges and expenses incurred by it or on its behalf for work, labor, services, materials and equipment supplied to the foregoing site and/or used in connection with its work under said contract.

The undersigned further certifies that to its best knowledge and belief, each of its subcontractors and materialmen has made full payment of all costs, charges and expenses incurred by them or on their behalf for work, labor, services, materials and equipment supplied to the foregoing site and/or used by them in connection with the undersigned's work under said contract.

In consideration of the sum of \$6,355.00 as final payment under the contract to be received hereafter within a reasonable time, the undersigned, upon receipt of such final payment, waives and releases and forever discharges the District and the site and property from all claims, stop notices and obligations of every nature arising out of or in connection with the performance of said contract by the undersigned and all amendments thereto except as set forth below.

NONE

(Note: If none, write "NONE" in space above. If the space above is left blank, it is interpreted that "NONE" is claimed. Any claims excepted must be described and the specific amount claimed must be set forth.)

Unless any claims, stop notices, and obligations are described and the specific amounts claimed, are described in the space above, contractor certifies that there are none.

As additional consideration for the final payment the contractor agrees to indemnify and hold harmless the District from and against all costs, losses, damages, claims, causes of action, judgments and expenses, including attorney's fees arising out of or in connection with claims against the District which claims arise out of the performance of the work under the contract and which may be asserted by the contractor or any of its suppliers, subcontractors of any tier or any of their representatives, officers, agents or employees except for those claims listed above.

The foregoing shall not relieve the undersigned of its obligations under the provisions of said contract, as amended, which by their nature survive completion of the work including, without limitation, warranties, guarantees and indemnities.

Executed this 7th day of June 20 21

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

Redwood Painting Co., Inc.
(Name of Contractor)
By: 


Charles Del Monte
Printed Name of Signatory

Title: President

Distribution:
Original: Contractor
Copy: Job File

10

MEMORANDUM

To: Board of Directors June 11, 2021
 From: Tony Williams, Assistant General Manager/Chief Engineer 
 David Jackson, Associate Engineer
 Subject: Notice of Completion for PRE Tank 4A Replacement Project (Piazza Construction)
R:\Folders by Job No\8000 jobs\6263.20 PRE Tank 4A\BOD Memos\6263.20 Notice of Completion BOD memo.doc

RECOMMENDED ACTION: Authorize the General Manager to execute and file a Notice of Completion for the PRE Tank 4A Replacement project

FINANCIAL IMPACT: None

Pursuant to and in conformance with contract requirements for the PRE Tank 4A Replacement project (PRE Tank 4A project), the contractor, Piazza Construction (Piazza), has fulfilled their obligations under the contract. Corrections of all work deficiencies and punch list items have been completed. All work performed by Piazza has been inspected by District staff. Piazza's work was completed on May 28, 2021.

Per the Contract Documents, Piazza has furnished written notice that the work is complete and that all subcontractors and equipment suppliers have been paid (see Attachment A). Piazza has released the District of all claims. A Notice of Completion is provided as Attachment B which, if approved, will be filed with Marin County on June 16, 2021. Final payment (for monies held in retention) in the amount of \$47,658 will be processed for release, on or after July 15, 2021 subject to absence of any additional claims filed during the 30-day notice period.

Project Cost Summary

The Board approved the award of the contract with Piazza for \$1,087,810 for replacement of the PRE Tank 4A project with a contingency of \$95,000 (10% of contract value). There were five change orders, one a deductive change order for \$138,760. The other four totaled \$15,732, for an overall deduction of \$123,018 to the contract amount. Total payment to Piazza will be \$964,792, which is 19% below the budget provided to the Board at the time of award. Although the contract work by Piazza is complete, additional project work will be performed this summer including landscaping and driveway improvements under separate contracts.

RECOMMENDATION

Authorize the General Manager to execute and file a Notice of Completion for the PRE Tank 4A Replacement project.

Approved by GM  _____

Date 6/11/21

**CONDITIONAL WAIVER RELEASE
AND CERTIFICATE OF FINAL PAYMENT**

TO: North Marin Water District (District)

JOB : PRE Tank 4A Replacement
JOB NO: 2 6263.20
CONTRACT DATED: Feb 13, 2020

CONTRACTOR:

Name: Piazza Construction
Address: PO Box 573, Penngrove, CA 94951

DESCRIPTION OF PROJECT:

In general, the Work consists of but is not limited to construction of a 125,000 gallon above ground cast-in-place concrete potable water storage tank and appurtenances, including excavation, grading and piping improvements.

DESCRIPTION OF SITE (LOCATION): Drakes View Drive, Inverness Park, CA

With reference to said contract, as amended, between the undersigned contractor and the District, the undersigned hereby certifies and represents that it has made full payment of all costs, charges and expenses incurred by it or on its behalf for work, labor, services, materials and equipment supplied to the foregoing site and/or used in connection with its work under said contract.

The undersigned further certifies that to its best knowledge and belief, each of its subcontractors and materialmen has made full payment of all costs, charges and expenses incurred by them or on their behalf for work, labor, services, materials and equipment supplied to the foregoing site and/or used by them in connection with the undersigned's work under said contract.

In consideration of the sum of \$48,239.60, as final payment under the contract to be received hereafter within a reasonable time, the undersigned, upon receipt of such final payment, waives and releases and forever discharges the District and the site and property from all claims, stop notices and obligations of every nature arising out of or in connection with the performance of said contract by the undersigned and all amendments thereto except as set forth below.

Interest earned in contractor's escrow account.

(Note: If none, write "NONE" in space above. If the space above is left blank, it is interpreted that "NONE" is claimed. Any claims excepted must be described and the specific amount claimed must be set forth.)

Unless any claims, stop notices, and obligations are described and the specific amounts claimed, are described in the space above, contractor certifies that there are none.

As additional consideration for the final payment the contractor agrees to indemnify and hold harmless the District from and against all costs, losses, damages, claims, causes of action, judgments and expenses, including attorney's fees arising out of or in connection with claims against the District which claims arise out of the performance of the work under the contract and which may be asserted by the contractor or any of its suppliers, subcontractors of any tier or any of their representatives, officers, agents or employees except for those claims listed above.

The foregoing shall not relieve the undersigned of its obligations under the provisions of said contract, as amended, which by their nature survive completion of the work including, without limitation, warranties, guarantees and indemnities.

Executed this 9 day of June 20 21

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

Piazza Construction

(Name of Contractor)

By:


James A. Piazza

Printed Name of Signatory

Title: owner

Distribution:
Original: Contractor
Copy: Job File

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

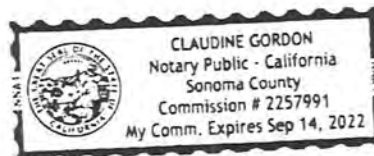
State of California
County of Sonoma)

On June 9, 2021 before me, Claudine Gordon, Notary Public
(insert name and title of the officer)

personally appeared James A. Piazza
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~
subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in
his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature *Claudine Gordon* (Seal)

Posting requested by:

NORTH MARIN WATER DISTRICT

After Posting Time has Expired Mail To:

North Marin Water District
P. O. Box 146
Novato, CA 94948-0146

NORTH MARIN WATER DISTRICT
NOVATO, CALIFORNIA

NOTICE OF COMPLETION

To: Marin County Clerk
3501 Civic Center Dr., Rm 234
San Rafael, CA 94903

Date: June 16, 2021

File No.: 2 6263.20

Date of Completion: May 28, 2021

Owner: North Marin Water District
999 Rush Creek Place
Novato, CA 94947

OWNER'S ESTATE OR INTEREST:

Easement _____ Fee Title X Encroachment Permit _____
Other (describe) _____

CONTRACTOR:

Piazza Construction
PO Box 573
Penngrove, CA 94951

TITLE OF PROJECT: PRE Tank 4A Replacement

DESCRIPTION OF PROJECT: In general, the Work consisted of but was not limited to construction of a 125,000 gallon above ground cast-in-place concrete potable water storage tank and appurtenances, including excavation, grading and piping improvements.

DESCRIPTION OF SITE (LOCATION): Drakes View Drive, Inverness Park, CA

Final payment will be made to the above contractor on or after 35 days from the recording date of this notice of completion, except where otherwise provided for by law.

The undersigned under penalty of perjury says that he is the General Manager of the North Marin Water District, the public agency authorizing the work or improvement referred to in the foregoing notice of completion; that he has executed such notice of completion on behalf of such public agency and likewise makes this verification on behalf of said public agency pursuant to authority granted by the District's Board of Directors; and that he has read said notice of completion and knows the contents thereof and that the facts therein stated are true.

Drew McIntyre, General Manager

VERIFICATION
STATE OF CALIFORNIA)
COUNTY OF MARIN)

THE UNDERSIGNED, declares that he has read the foregoing notice, knows the contents thereof, and the same is true of his own knowledge. I certify under penalty of perjury that the foregoing is true and correct.

SEAL:

Drew McIntyre, General Manager

Date and Place

Disposition:
Original: County Recorder
Copy: Contractor
Copy: Project File

11

MEMORANDUM

To: Board of Directors

June 11, 2021

From: Julie Blue, Auditor-Controller *JB*

Subj: Approve – Novato & Recycled Water System FY 21/22 Budgets

t:\ac\budget\fy-2021.22\budget final fy 21.22\budget approve june 11, 2021 fy 21.22.docx

RECOMMENDED ACTION: Approve-Novato & Recycled Water System FY 21/22 Budgets**FINANCIAL IMPACT:** Total \$29.5 Million Expenditure Plan
Capital/Equipment/Debt Service - \$11.6 Million
Operations - \$17.9 Million

Attached for review and approval 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 and June 1, 2021 Board meetings for review and Board member input. There are no changes to the budget document since the last Board review.

Novato Water and Recycled Water Budget Approval:

The budget totals for Novato and RW are as follows:

Category	Amount
Capital Improvement Projects	\$7,017,000
Debt Service	3,739,000
Equipment	295,000
Transfer RW Capital Expansion Fund	501,000
Operations & Maintenance	8,720,000
Purchased Water	6,340,000
Administration	<u>2,864,000</u>
Total Novato & RW FY 21/22 Budget	\$29,476,000

Budget/Rate Hearing Schedule:

The budget will be approved in two phases. The first is the Novato and RW sections of the budget which is presented for approval at this meeting. The recommended action is to approve the Novato and RW Operations, Capital, and Equipment Budgets.

The next phase is listed in the budget schedule that follows. The public hearings to consider the proposed water and sewer rate increases for WM and OM will take place on June 22, 2021 via a virtual Zoom meeting⁽¹⁾. The increase in the OM Sewer Service Charges, which is collected on the Property Tax roll, must be adopted by ordinance. Once the rate increases are approved a request to approve the respective budgets will follow.

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

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		Complete	Novato/RW/WM/OM
June 15	Operations & Maintenance and Capital Budget - Novato and Recycled Water	Approve	X	Current	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 15, 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

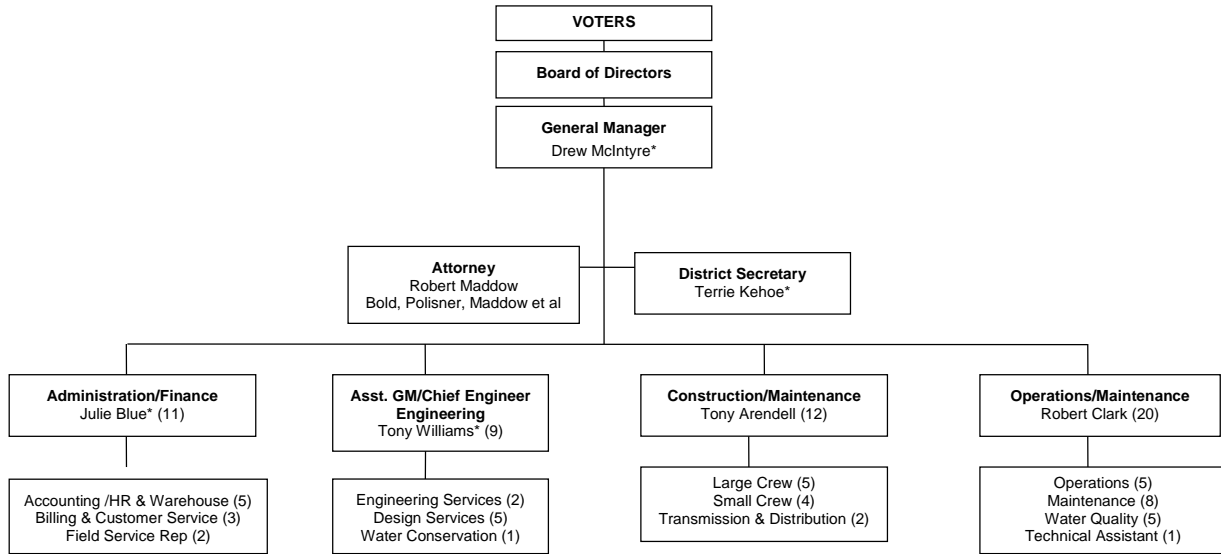
- **Accountability** – We work transparently and in full view of customers and take responsibility for our work.
- **Integrity** – Customers can count on quality and fair service from our staff and the District.
- **Teamwork** – We work cooperatively to accomplish our goals.
- **Honesty** – We always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

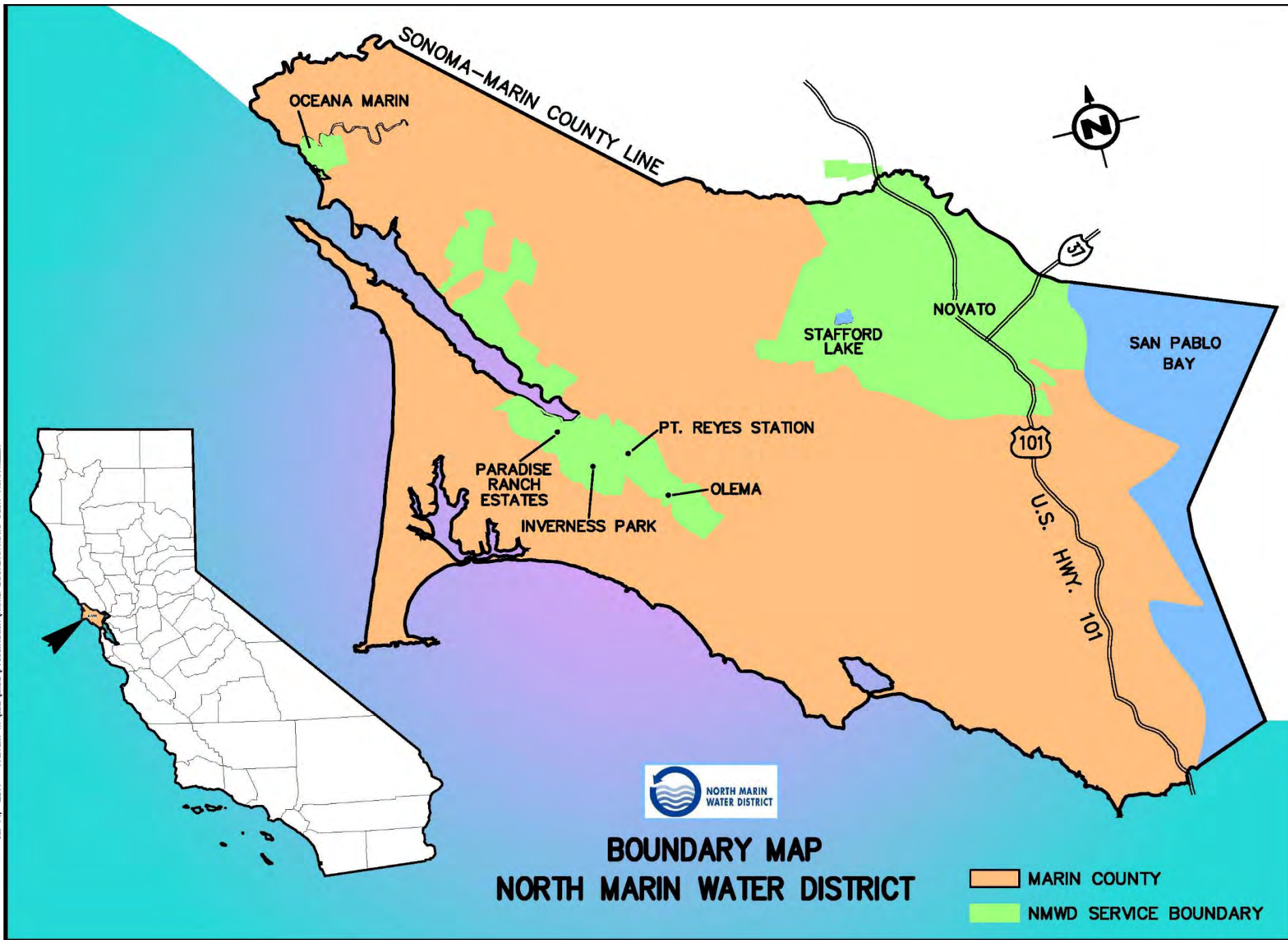
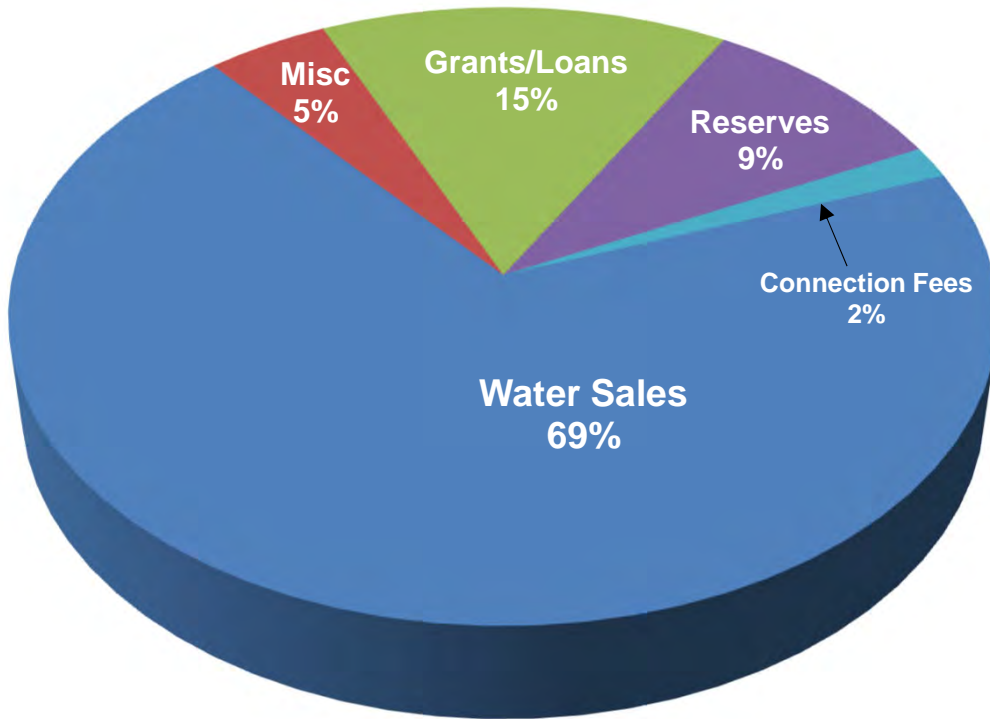


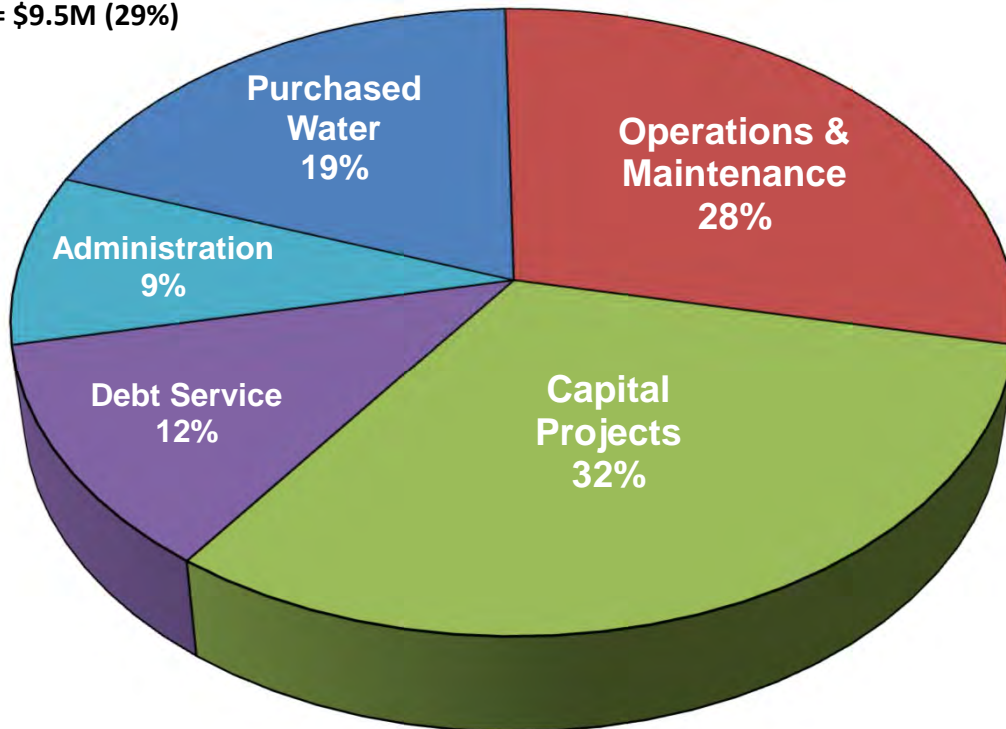
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NORTH MARIN WATER DISTRICT
FY21/22 DRAFT BUDGET - ALL SERVICE AREAS COMBINED
SOURCES = \$33,145,000



Labor = \$9.5M (29%)



USES = \$33,145,000

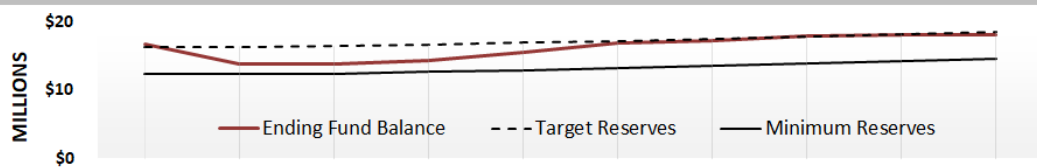
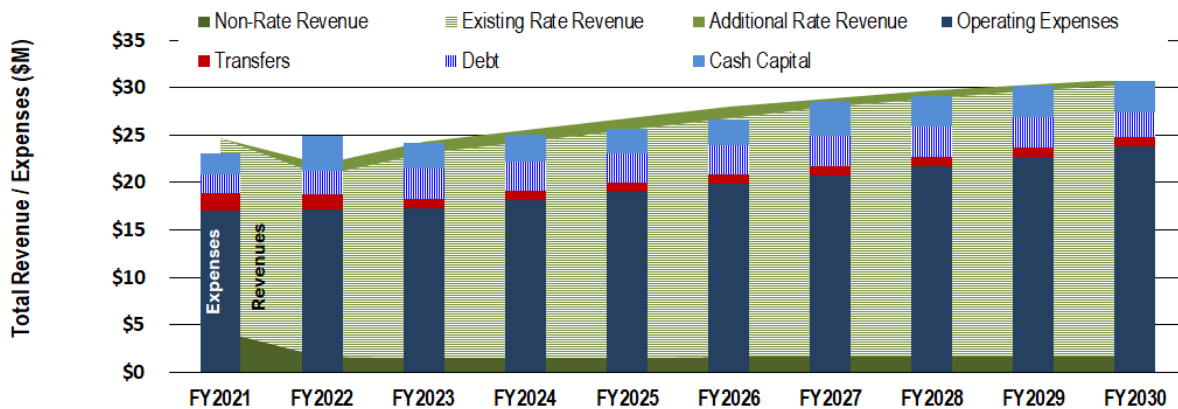
Excludes Depreciation Expense & Developer Funded Costs

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.

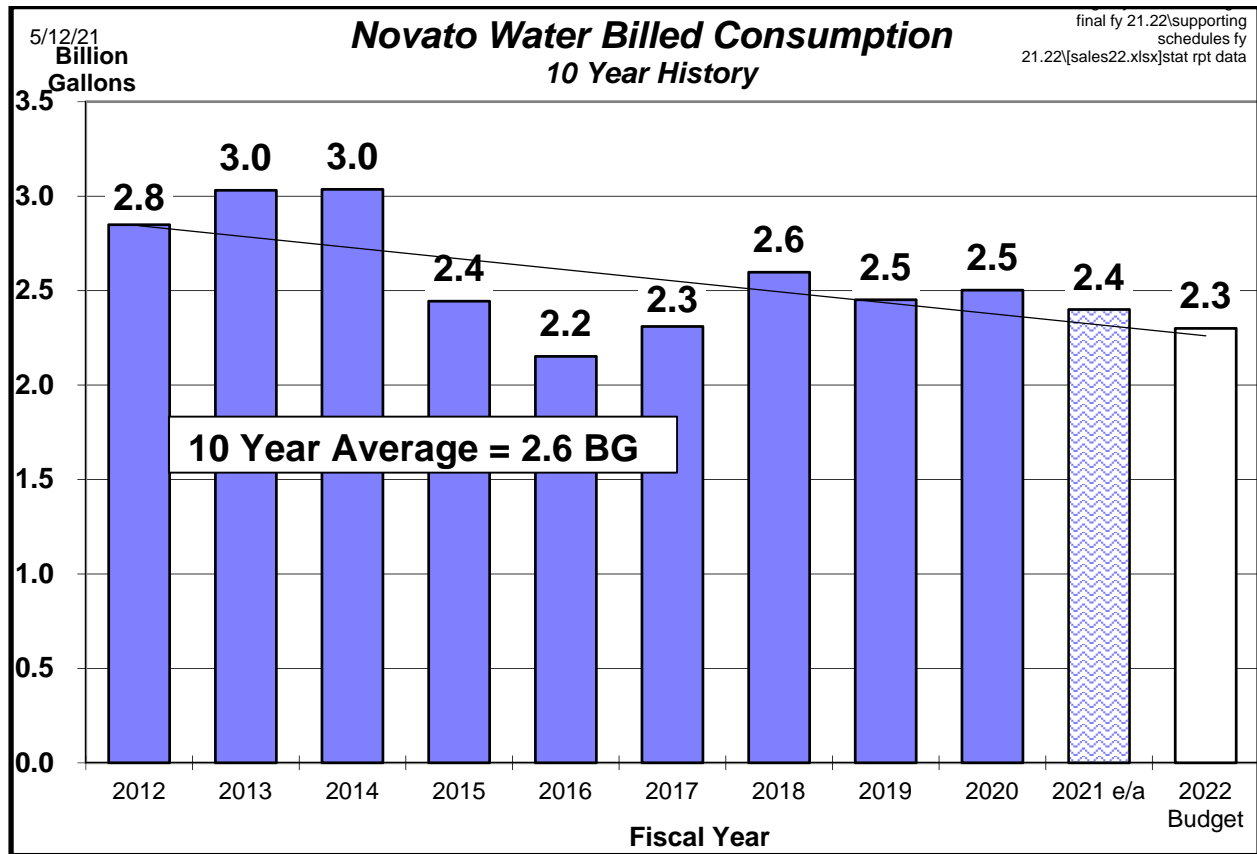


	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Debt Coverage Ratio:	0.0%	6.0%	6.0%	5.0%	5.0%	5.0%	3.0%	3.0%	2.0%	2.0%
Net Debt Proceeds:	\$0.0M	\$3.6M	\$8.0M	\$3.6M	\$0.9M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M

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.

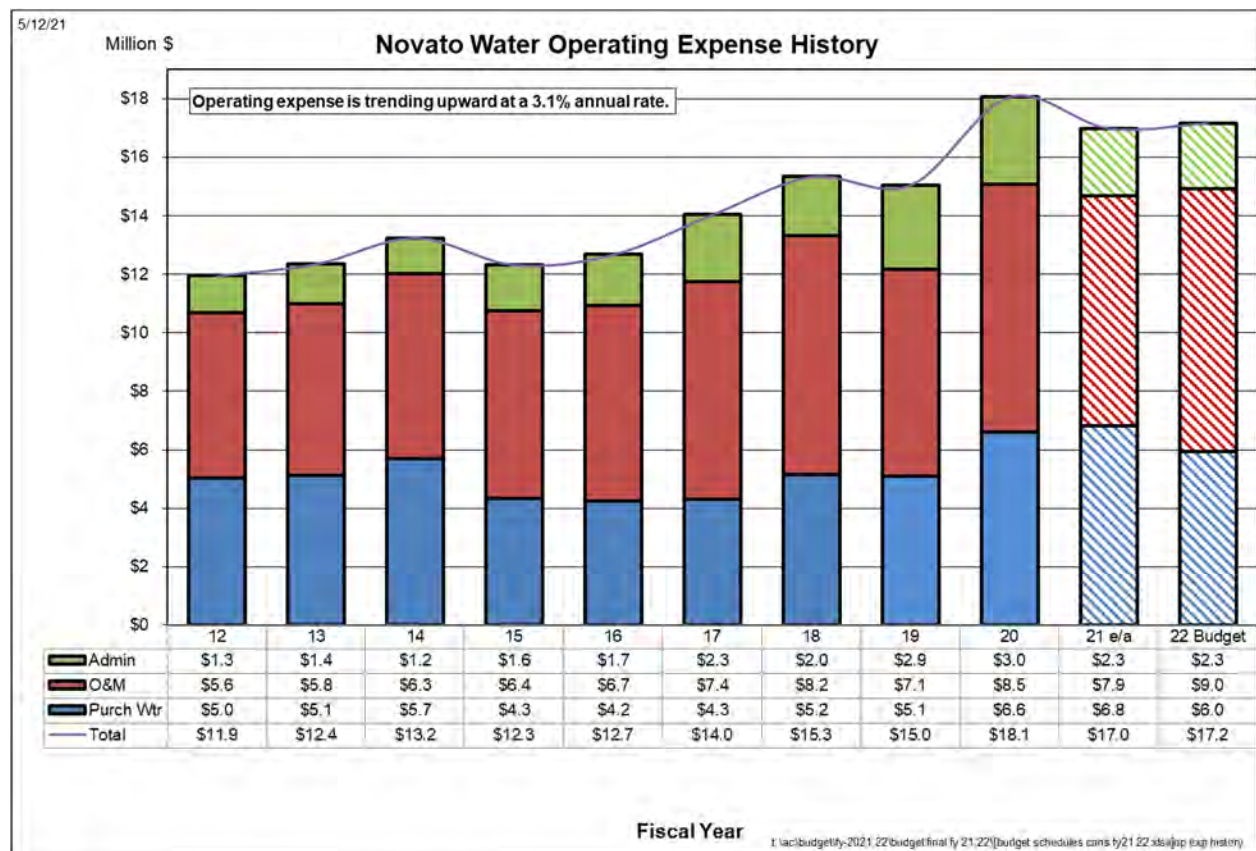
The District's average CalPERS retirement contribution rate will increase 0.6%, to 29.2% of earnings, compared to 28.6% from the rate budgeted last year. When applied to the FY 21/22 budgeted earnings this equates to an increase in pension expense of \$182,000. For context

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%.



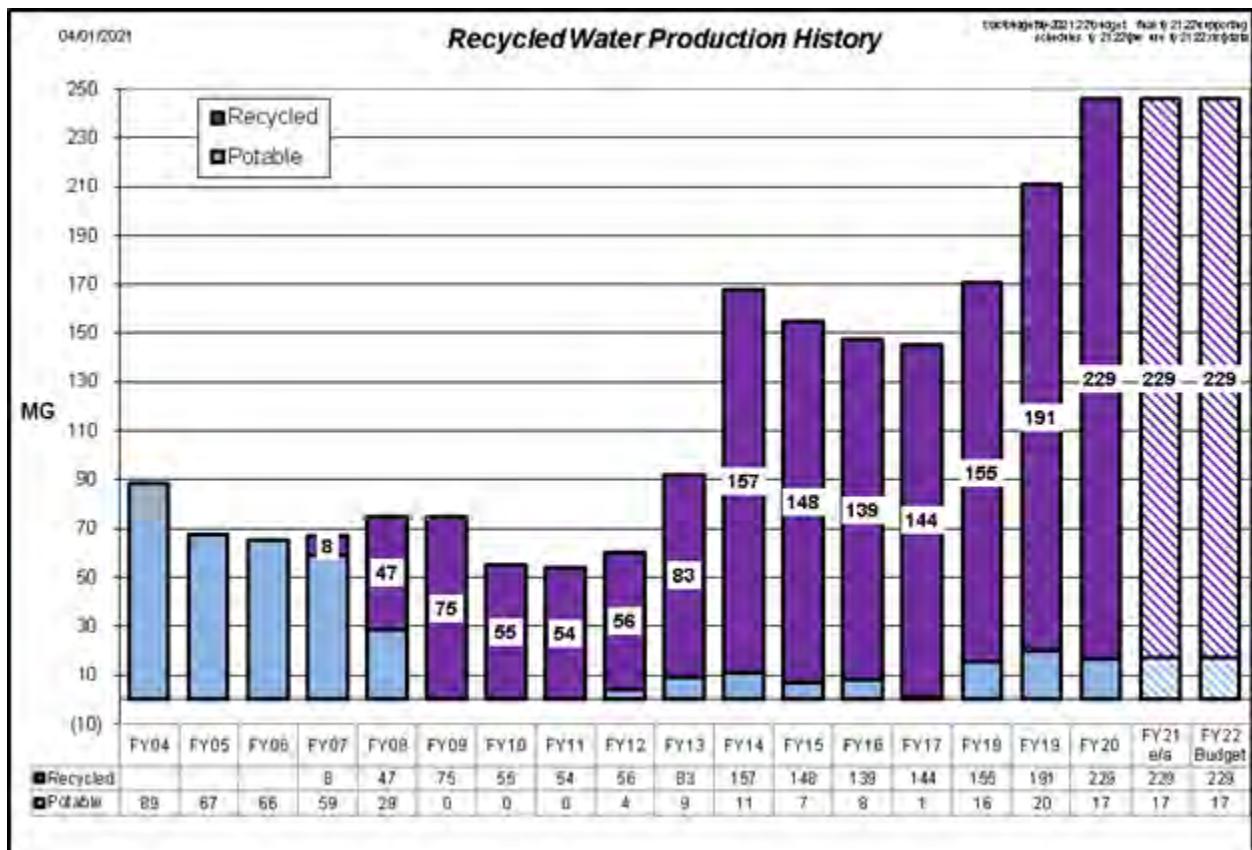
Recycled Water

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.

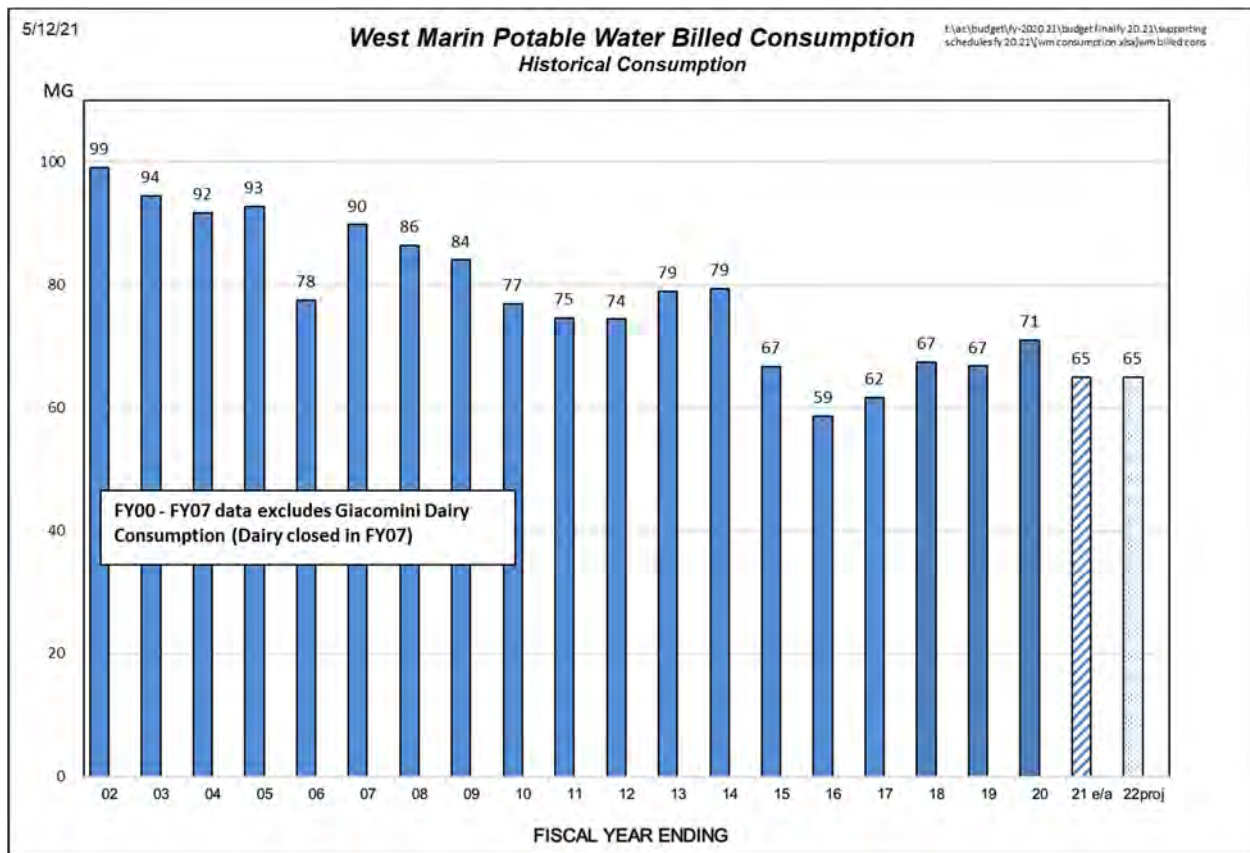


West Marin Water

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.

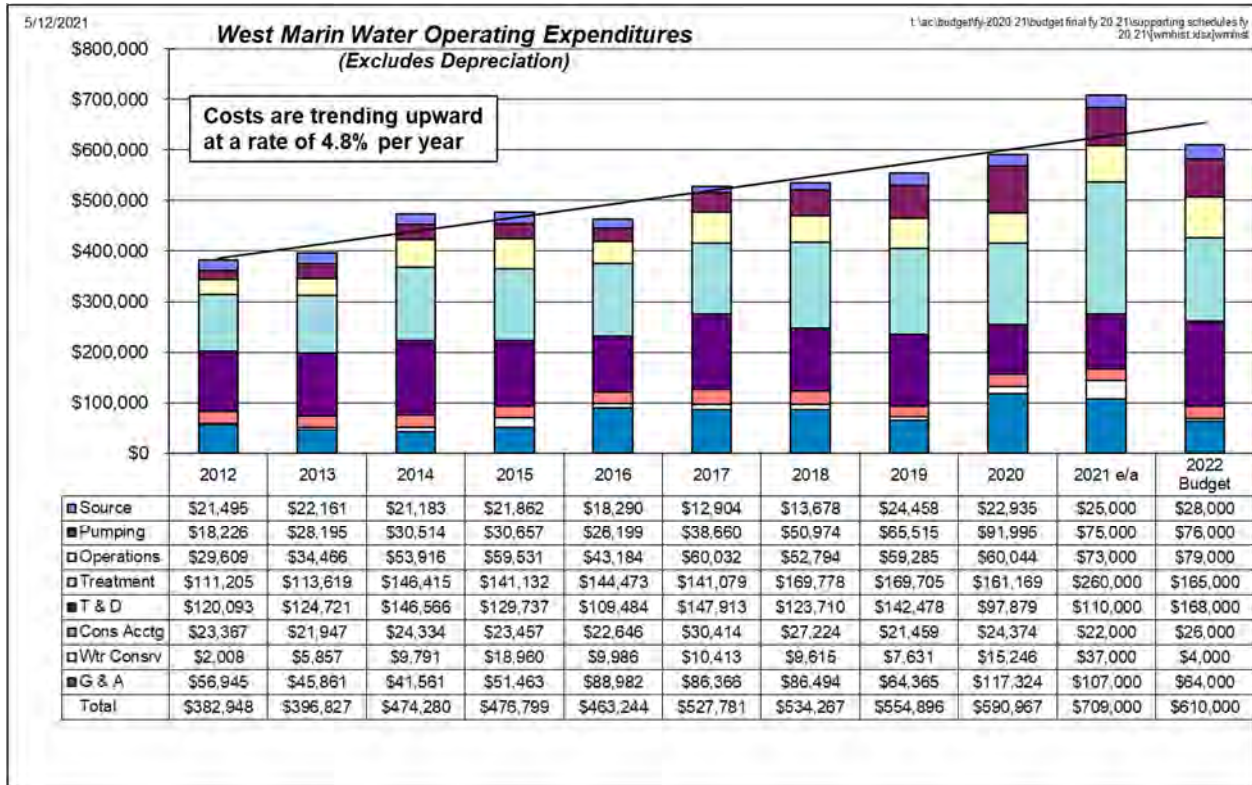
Significant Capital Improvement Projects budgeted for the year include \$400K towards the Lagunitas Creek Bridge Pipe Replacement project, and \$631K for the Gallagher Well #2 project.

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.



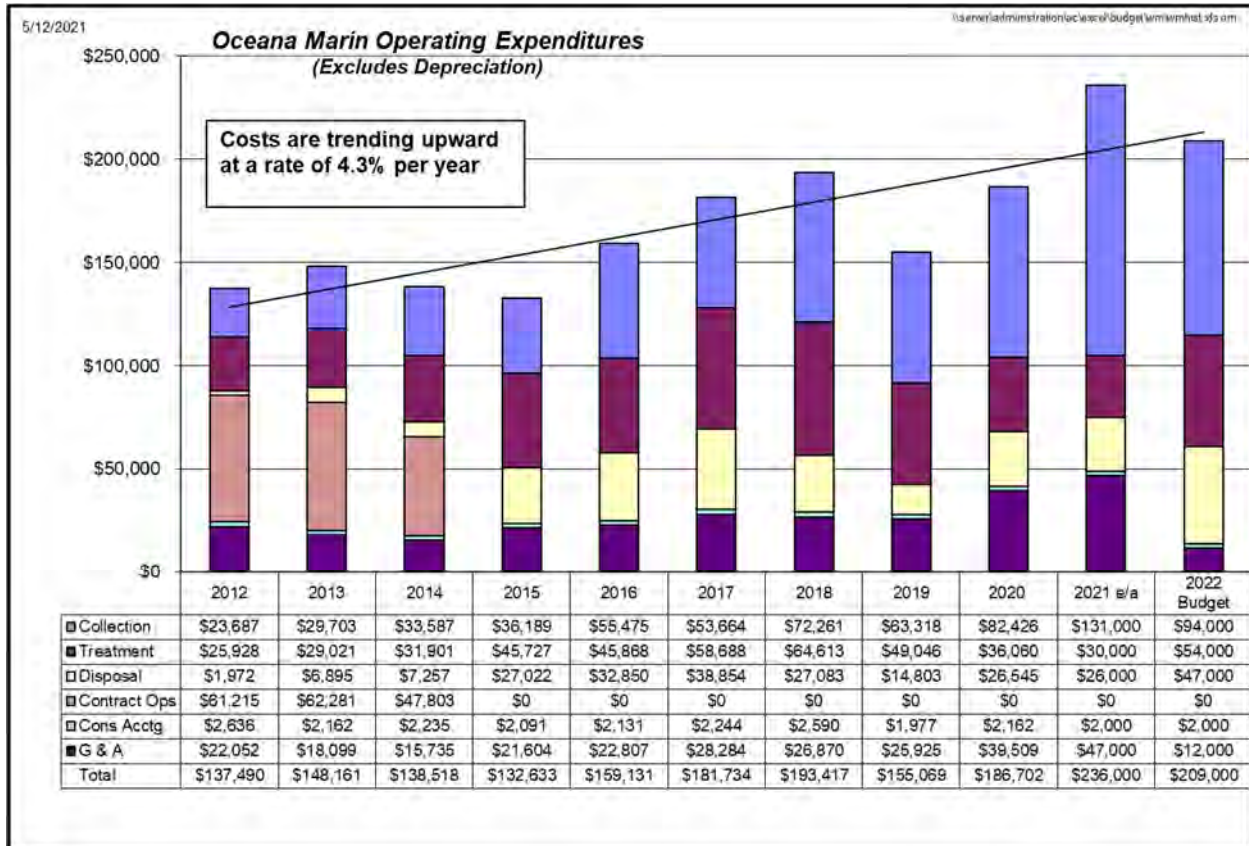
Oceana Marin Sewer

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.

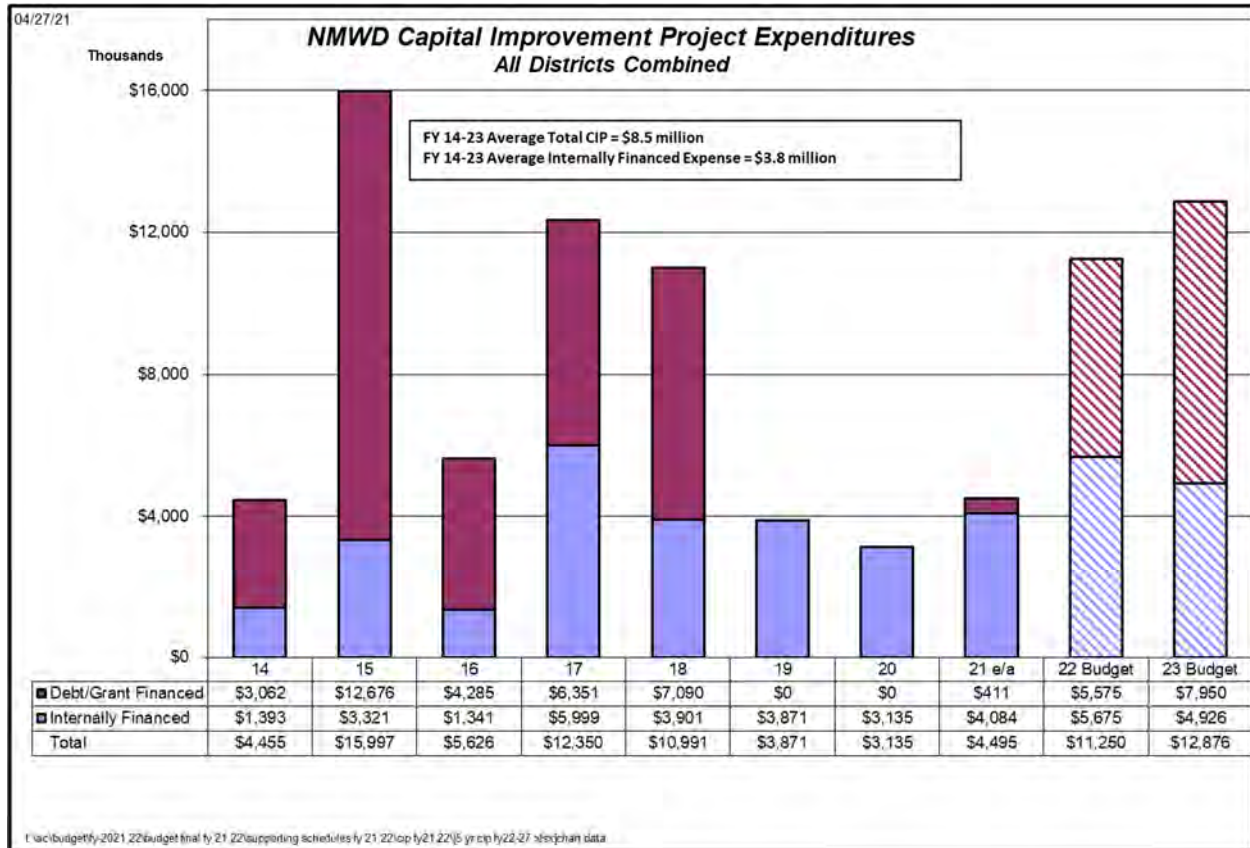
Project	FY21/22	FY22/23	Total Project Costs
NMWD Headquarters Upgrade ¹	\$3,475,000	\$7,950,000	\$16,200,000
Old Ranch Road Tank No. 2	1,600,000	-	1,900,000
Oceana Marin Treatment Pond Rehab	1,450,000	205,000	1,850,000
San Mateo 24" Inlet/Outlet Pipe (2,200')	850,000	-	925,000
New Gallagher Well #2 (WM)	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.

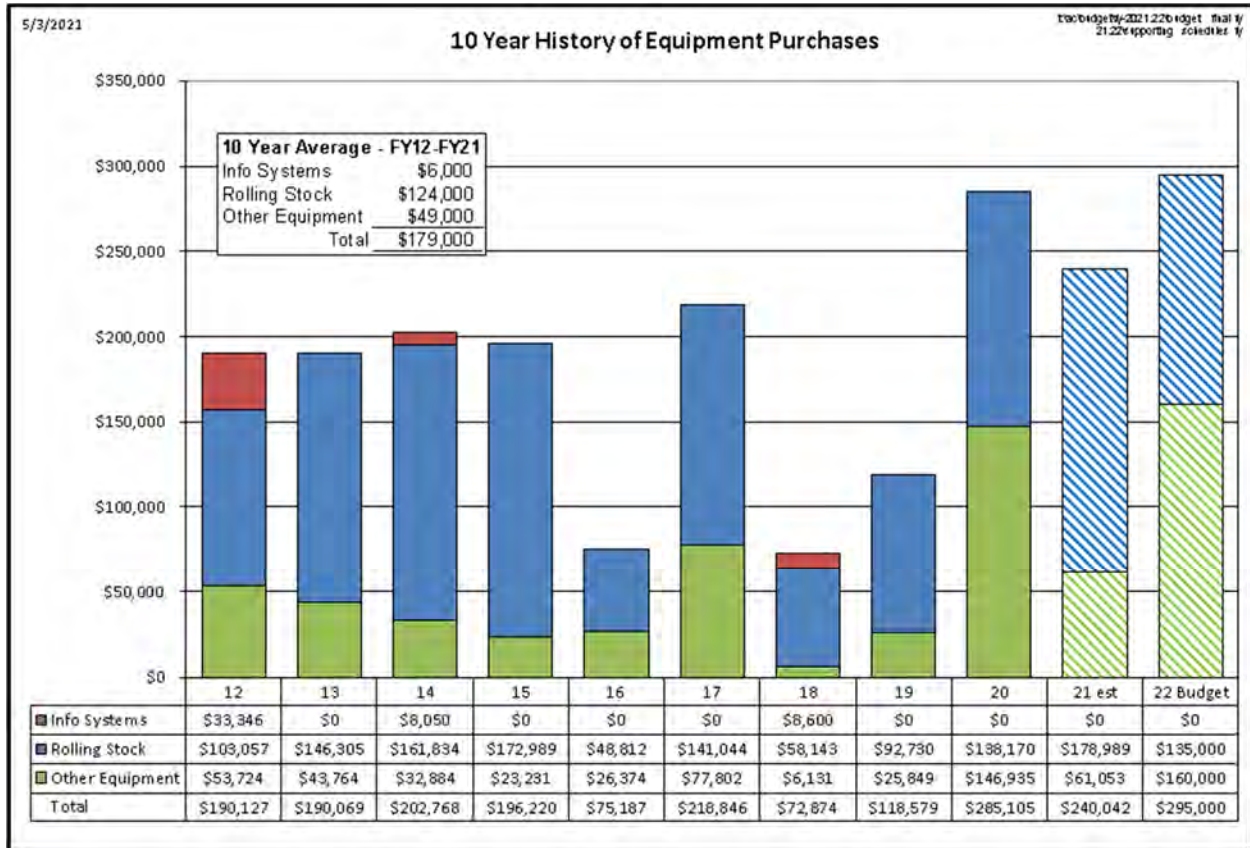


Novato Potable Water's CIP expenditure plan, when viewed over the current fiscal year and the next five years, averages \$4.1 million annually in internally funded projects, which is within the budget constraints of the five-year plan as established with the Board approved 2020 Novato and Recycled Water 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	\$20,398,000	\$20,228,000	\$19,774,000
2	347,000	340,000	365,000
3	\$20,745,000	\$20,568,000	\$20,139,000
OPERATING EXPENDITURES			
4	\$6,141,000	\$6,900,000	\$5,984,000
5	561,000	523,000	497,000
6	850,000	922,000	734,000
7	2,594,000	1,944,000	2,432,000
8	3,853,000	3,564,000	3,466,000
9	498,000	513,000	654,000
10	377,000	346,000	399,000
11	2,294,000	2,296,000	2,368,000
12	2,807,000	2,785,000	2,868,000
13	\$19,975,000	\$19,793,000	\$19,402,000
14	NET OPERATING INCOME (LOSS)	\$775,000	\$737,000
NON-OPERATING INCOME/(EXPENSE)			
15	\$150,000	\$224,000	\$150,000
16	136,000	82,000	136,000
17	(1,088,000)	(456,000)	(456,000)
18	(2,000)	(2,000)	(20,000)
19	Total Non-Operating Income/(Expense)	(\$152,000)	(\$190,000)
20	NET INCOME/(LOSS)	\$623,000	\$547,000
OTHER SOURCES/(USES) OF FUNDS			
21	\$2,807,000	\$2,785,000	\$2,868,000
22	558,000	3,515,000	486,000
24	205,000	205,000	205,000
25	3,575,000	-	-
26	100,000	-	-
27	(86,000)	(20,000)	-
28	(295,000)	(240,000)	(330,000)
29	(8,475,000)	(2,043,000)	(4,987,000)
30	1,558,000	-	-
31	(1,488,000)	(1,451,000)	(1,451,000)
32	(890,000)	(894,000)	(794,000)
33	(550,000)	(1,000,000)	-
34	Total Other Sources/(Uses)	\$857,000	(\$4,003,000)
33	CASH INCREASE/(DECREASE)	\$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	\$1,554,000	\$1,466,000	\$1,234,000
2	116,000	70,000	58,000
3	\$1,670,000	\$1,536,000	\$1,292,000
OPERATING EXPENDITURES			
4	270,000	\$262,000	\$213,000
5	120,000	96,000	71,000
6	9,000	4,000	7,000
7	97,000	190,000	74,000
8	35,000	14,000	31,000
9	65,000	27,000	62,000
10	2,000	2,000	1,000
11	70,000	70,000	61,000
12	779,000	786,000	673,000
13	\$1,447,000	\$1,451,000	\$1,193,000
14	NET OPERATING INCOME (LOSS)	\$223,000	\$99,000
NON-OPERATING INCOME/(EXPENSE)			
15	\$70,000	62,000	\$140,000
16	11,000	12,000	12,000
17	(501,000)	-	(369,000)
18	(36,000)	(42,000)	(42,000)
19	(215,000)	(228,000)	(228,000)
20	Total Non-Operating Income/(Expense)	(\$196,000)	(\$487,000)
21	NET INCOME/(LOSS)	(\$111,000)	(\$388,000)
OTHER SOURCES/(USES) OF FUNDS			
22	\$779,000	\$786,000	\$673,000
23	890,000	894,000	794,000
24	38,000	37,000	37,000
25	(100,000)	(100,000)	(100,000)
26	(237,000)	(232,000)	(232,000)
27	(675,000)	(663,000)	(663,000)
28	Total Other Sources/(Uses)	\$722,000	\$509,000
29	CASH INCREASE/(DECREASE)	\$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	\$2,630,000	\$1,420,000	
	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	\$100,000	\$350,000	

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 e.	\$40,000	-
		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	
		<u>\$120,000</u>	
2 Engineering			
12106.01.00	a. File Management System	\$40,000	Replace flat filing system
		<u>\$40,000</u>	
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
		<u>\$135,000</u>	
Total		<u>\$295,000</u>	

	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
	<u>\$330,000</u>	<u>\$240,000</u>	<u>\$295,000</u>

12

MEMORANDUM

To: Board of Directors
From: Julie Blue, Auditor-Controller *JB*
Subj: Advanced Meter Information (AMI) Project Implementation Corrections
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June 11, 2021

RECOMMENDED ACTION: Provide Direction to Staff

FINANCIAL IMPACT: Potential Uncollected Revenue of \$13,840

Background

Installation of the Advanced Meter Information (AMI) System occurred throughout the Novato Service area and over 20,000 meters and/or registers were installed. The AMI system provides real time meter reads, reduces customer water loss, provides increased accuracy in bi-monthly billing, provides water use data, and allows customers to view and monitor their individual water use. The full installation phase of the project occurred between March 2018 and March 2019 during which the District hired Ferguson Waterworks to install the registers and meters. By December 2019, the final stages of the project were completed by District employees. Now that the AMI project is complete the meter read data automatically transmits to the office for review and billing.

Register/Meter Incompatibility Errors

It was discovered in late 2020 and into early 2021 that there were a small number of accounts that had the incorrect size register installed on the meter. In some cases, the register was larger than the meter (for example a 1" register was installed on a 5/8" meter) creating more water than was used to register through the meter and in turn causing an overbilling to the customer. In other cases, the register was smaller than the meter (for example a 5/8" register was installed on a 1" meter) creating less water than was used to register through the meter and in turn causing an underbilling to the customer. In total there were 24 accounts identified with an issue or 0.12% of all installations.

Meter Installation Review

The incompatibility issues were initially discovered by either customer calls to the billing department or by the District's field staff. After discovery a Field Service Representative was sent to the property to confirm that the register was incompatible with the meter and installed the correct size register. In 2020, as part of the District's new meter maintenance program, a Field

Service Representative, physically checked each meter. The purpose was to look for leaks, stuck meters, incompatible registers and meters, or any other potential problem. As a result of the field visits he found a few more of these errors. Once alerted of the potential for a wider spread issue staff contacted Ferguson to discuss how these errors could be uncovered by reviewing available electronic data.

Data Review and Customer Corrections

Ferguson created an electronic record for each register or meter (including the size) that they installed. Staff analyzed the data and compared it to the meter size as recorded in the CORE billing database. Additionally, Ferguson matched their database against data obtained from Neptune (meter and register manufacture). These reviews uncovered the additional errors bringing the total to 24. Twelve of the customers were overbilled and 12 were underbilled. Those customers that were overbilled received credits or refunds to correct their accounts and, in all cases, the correct register sizes have been installed on their meters. Any additional occurrences of this error would be due to an incorrect meter size in CORE which is unlikely. To date none have been detected during the continued physically check of the meters through the meter maintenance program.

Underbilled Customers

The total amount underbilled to customers totals \$24,840. Since the majority of the issues were due to installation errors by Ferguson they agreed to give the District a credit of \$11,000, as acknowledgement of their failure to conduct a thorough quality assurance of their work. This has been identified as a problem unique to the AMI installation project and measures have been taken to prevent similar issues from happening in the future such as continued effort with the meter maintenance program and staff training.

Below are options presented to the Board for discussion and approval.

1. Backbill customers for water used but not billed for the amount not recovered by Ferguson for the period of December 2019 through April 2021 totaling \$13,840.
2. Backbill customers for water used but not billed for the period of January 2021 through April 2021 totaling \$1,016.
3. Waive payments due of \$13,840, amount not covered by Ferguson, due to errors and lack of quality control by installer and reverification by District Staff.

Summary

Staff's Recommendation is Option 2 which would recover revenue from the most recent water use underbilled.

RECOMMENDATION:

Give direction to staff on the Board's preferred option.

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MEMORANDUM

To: Board of Directors

June 11, 2021

From: Tony Williams, Assistant GM/Chief Engineer 
Tim Fuelle, Senior Engineer 

Subject: Old Ranch Road Tank No. 2 Project – Award Construction Contract

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RECOMMENDED ACTION: Approve award of the contract to Maggiora & Ghilotti Inc. and authorize the General Manager to execute an agreement with Maggiora & Ghilotti, Inc.

FINANCIAL IMPACT: \$1,187,187 plus contingency reserve of \$145,000 (~12%) (included in FY21 CIP Budget and proposed FY 22 CIP budget)

Background

The Old Ranch Road Tank No. 2 Project includes (1) construction of a new 100,000-gallon storage tank, including solar powered control and telemetry systems, (2) a new 700 feet paved access road off Old Ranch Road, and (3) installation of approximately 700 feet of 6-inch diameter pipeline to connect the new tank to the existing distribution pipeline in Old Ranch Road. The Board authorized bid advertisement for the above referenced project on April 6, 2021. The advertisement date for this project was April, 16, 2021 with a bid opening on May 26, 2021. The District advertised the project in the Marin IJ and posted the contract documents electronically on eBidboard (a web-based bid management service). Five (5) prime contractors attended the mandatory pre-bid meeting and site visit on April 29, 2021. The bid period was approximately five (5) weeks and included two addendums. Five bids were received ranging from a low of \$1,187,187 to a high of \$1,785,000 as indicated below:

	CONTRACTOR	TOTAL BASE BID
1.	Maggiora & Ghilotti Inc., San Rafael, CA	\$1,187,187
2.	Piazza Construction, Penngrove, CA	\$1,217,625
3.	Team Ghilotti Inc., Petaluma, CA	\$1,487,141
4.	W.R. Forde Inc., Richmond, CA	\$1,688,500
5.	Michael Paul Company, Inc., Petaluma, CA	\$1,785,000
	<i>Engineers Estimate</i>	<i>\$1,446,430</i>

The Engineer's Estimate was \$1,446,430. The bid span between the Number 1 and Number 2 low bidders (Maggiora & Ghilotti, Inc. and Piazza Construction) was \$30,438 (for a variance of 2%).

Bid Evaluation

Maggiora & Ghilotti Inc. of San Rafael, CA submitted the lowest responsive bid of \$1,187,187 which is \$259,243 (18%) below the Engineer's construction cost estimate of \$1,446,430. A bid evaluation (Attachment 1) was performed by District staff, concluding that

Maggiora & Ghilotti supplied all required bid documents in good order. Maggiora & Ghilotti has satisfactorily performed work for the District in the past. However, other references were also checked and their work was considered satisfactory by those clients.

Financial Impact

Old Ranch Road Tank No. 2 Project was most recently estimated at a total project cost of \$1,446,430. The current FY21 CIP budget includes \$500,000 for the project and the proposed FY22 CIP budget includes a line item for the project of \$1,600,000

RECOMMENDATION

That the Board approve award of the contract to Maggiora & Ghilotti Inc., authorize the General Manager to execute an agreement with Maggiora & Ghilotti Inc. for \$1,187,187 and set aside a contingency reserve of \$145,000 (~12%).

14

MEMORANDUM

To: Board of Directors
From: Drew McIntyre, General Manager
Subject: Renew Declaration of Local Emergency Related to COVID-19 Pandemic



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June 11, 2021

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

FINANCIAL IMPACT: ~\$204,235 as of May 31, 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 limited 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 7, 2020, 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.

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 June 1, 2021, Marin moved from the Orange Status (Tier 3) to Yellow Status (Tier 4) which means more reopening of the economy and another step toward pre-pandemic normalcy.

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	\$14,278	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		\$39,235	

Internal Labor Expenses

Increased on-call labor costs:	~\$102,300 thru April 30,2021 ~\$112,400 thru May 31,2021
Families First Coronavirus Response Act (FFCRA) Allows employees to take time off for COVID medical reasons and/or childcare.	~\$40,500 thru April 30, 2021 ~\$42,200 thru May 31, 2021
Payroll Collection Costs	~\$9,800 thru April 30, 2021 ~\$10,400 thru May 31, 2021

Water Bill Delinquency Impacts

	<u>5/2019</u>	<u>5/2020</u>	<u>5/2021</u>
Customer Accounts Past Due (count)	2.0%	3.5%	3.2%
Delinquent Balances % Due on Account	5.3%	6.3%	8.3%
Delinquent Balances \$ Due on Account	\$45,000	\$86,000	\$110,000

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MEMORANDUM

TO: Board of Directors June 11, 2021
FROM: Drew McIntyre, General Manager 
SUBJ: Gallagher Well No. 2 - Coastal Permit Appeal to Board of Supervisors
(County ID P3010)
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RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: Unknown at this time

Background

Although the environmental impact of Gallagher Well No. 2 was thoroughly examined in 2009, the passage of time and new evaluation requirements informed the decision to prepare an Addendum to the 2009 IS/MND. At the March 2, 2021 meeting, the Board approved the CEQA Addendum for the 2009 Gallagher Wells and Pipeline Project and adopted a Resolution finding the proposed mitigation measures were consistent with the previously approved 2009 Mitigated Negative Declaration for the Project and Staff filed a Notice of Determination with the county on March 5, 2021. No protest was received during the 30-day posting period.

Coastal Permit Process

DZA Approval

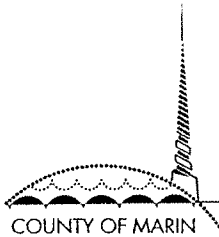
The project site, located to the north of the existing Gallagher Well No. 1 site at the Gallagher family ranch, is within the Coastal Zone and therefore subject to the policies of the Marin County Local Coastal Program (LCP). As reported to the NMWD Board at the April 16, 2021 meeting, the District submitted an LCP permit application to the Marin County Community Development Agency (CDA) which is responsible for processing a Coastal Permit application. The Marin County CDA held a public hearing on March 25, 2021 for the Project's LCP permit and the Deputy Zoning Administrator (DZA) approved the Use Permit at the same hearing. The DZA also indicated that interested parties may appeal the decision to the Marin County Planning Commission within five business days. A timely appeal was filed by Save Our Seashore (SOS) on April 1, 2021.

Appeal to Planning Commission

As a result of the April 1 SOS appeal, the Marin County (MC) Planning Commission held a public hearing on May 24, 2021 to take public testimony and consider the project (the MC staff report is provided as Attachment 1). Testimony was provided by the Appellant (Mr. Gordon Bennett), District Staff (and consultants) and the public (Mr. Ken Levin). After consideration of testimony the Planning Commission ultimately determined that the bases of appeal were insufficient to overturn the DZA's approval of the project and made many findings including the project is: (1) consistent with the goals and policies of the Marin Countywide Plan and (2) consistent with mandatory findings for Coastal Permit Approval. Final action at the meeting was to vote to deny the SOS appeal and approve the Coastal Permit (Attachment 2). The Planning Commission indicated that interested parties may appeal the decision to the Marin County Board of Supervisors within five business days. An appeal was submitted by Save Our Seashore (SOS) on May 28th, within the five-day window (Attachment 3).

The next step is for the Marin County Board of Supervisors (BOS) to hear the appeal. The tentative BOS hearing date is the afternoon of July 13th, 2021. Staff, legal counsel and our environmental consultant, ESA, are preparing a response to SOS' most recent appeal so that it can be submitted to Marin County CDA staff in advance of the Board of Supervisor's Appeal Hearing.


Installation of Gallagher Well No. 2 continues to be delayed due to this appeal.



**STAFF REPORT TO THE MARIN COUNTY
PLANNING COMMISSION
Save Our Shores appeal of the Gallagher Family (North Marin Water District)
Coastal Permit and Use Permit**

Recommendation: Deny the appeal and sustain the Deputy Zoning Administrator's Decision to approve the Gallagher Family Coastal Permit and Use Permit
Hearing Date: May 24, 2021

Application No(s): P3010
Agenda Item: 1
Last Date for Action: 4/8/2021

Owner(s): Gallagher Family LLC
Assessor's Parcel No(s): 119-050-17
Property Address: 14500 Pt. Reyes-Petaluma Road, Point Reyes
Project Planner: Immanuel Bereket
Signature: 

Countywide Plan Designation: C-AGI-1 (Coastal Agricultural)
Community Plan Area: N/A
Zoning District: C-APZ-60 (Coastal, Agricultural Production Zone)
Environmental Determination: Mitigated Negative Declaration North Marin Water District as the lead agency.

PROJECT SUMMARY

The applicant, Drew McIntyre, on behalf of the North Marin Water District (NMWD) and the Gallagher Family, is requesting Coastal Permit and Use Permit approval to construct and operate a municipal well to provide water for customers in the community of Point Reyes Station. Two wells are located on U.S. Coast Guard property in Point Reyes Station (Coast Guard Wells), while the third well (Gallagher Well No. 1). is located on the project site. The proposed project is to construct Gallagher Well No. 2 as part of the Gallagher Wells, located approximately 500 feet north of the existing Gallagher Well No. 1. The purpose of the proposed project is to increase the reliability of domestic water supply to offset the loss of water production at the NMWD's other wells located on the U.S. Coast Guard property. The proposed well would tie into the existing water transmission pipeline located south of the private Gallagher Ranch access road. The proposed well and distribution pipelines would occur within 100 feet of Lagunitas Creek, which traverses the project site.

As part of this project, the NMWD would abandon an existing well (the Downey Well), which lies within the Lagunitas Creek stream channel. The Downey Well was initially constructed on the

bank of the Lagunitas Creek stream. However, the creek has migrated over time such that the well is now located at the center of the creek channel. As a result, Downey Well produces unsafe water quality for domestic consumption. Other improvements proposed include the construction of water distribution pipelines, pump stations, a well field, and other components both within and outside the project site.

The proposed municipal water well will serve the public's critical need by creating a reliable water source for the communities of Point Reyes Station, Olema, Inverness Park, and Paradise Ranch Estates.

PROJECT SETTING

Characteristics of the site and surrounding area are summarized below:

Lot Area:	14,378,720 square feet (330 acres).
Adjacent Land Uses:	Active grazing and Agricultural uses.
Topography and Slope:	30 percent average slope
Existing Vegetation:	The site is moderately covered with vegetation. Vegetation consists of a non-native annual grassland and mature trees along the entire perimeter of the property.
Environmental Hazards:	The project is located in a Seismic Shaking Amplification Hazard Area Zone 2, but is not located within the vicinity of any known fault lines.

The project site consists of a 330-acre ranch within an agricultural production zone (APZ). It is currently used for grazing and public wells. The well site is located on a small land area within the Lot (130 feet by 85 feet). The site is sparsely improved with a residence, driveway, and a grove of various mature trees are located along the entire perimeter of the property. Point Reyes-Petaluma Road provides access to the site. The only residence near the well site is the residence on the Gallagher Ranch, which is located approximately 300 feet east of the existing well site and 400 to 800 feet from the proposed well site.

The surrounding agricultural land is characterized by grassy and steeply sloping hills, fencing, and open space. Development in the surrounding area is sparse, with occasional residences punctuating the otherwise open landscape. Much of the area is actively used for grazing and active farming. The nearest residences on adjacent ranches are more than one-half mile away from the proposed site. A segment of the Lagunitas Creek, identified as a blue-line stream on the most recent edition of the USGS 7.5-minute quadrangle map, traverses the property. An existing District well is located within approximately 100 feet of the creek channel.

BACKGROUND

The NMWD is a regulated public utility and provides water to Point Reyes Station, Olema, Inverness Park, and Paradise Ranch Estates from three wells and through a single interconnected system (the water supply network is collectively known as Point Reyes Water System). Two wells are located on U.S. Coast Guard property in Point Reyes Station ("Coast Guard Wells"), while the third well ("Gallagher Well No. 1") is located on the project site. The service area is approximately 24 square miles. The NMWD service area has approximately 776 active connections serving a population of 1,700, using approximately 263 acre-feet per year (AF/Y). Recent salinity intrusion has impacted water quality from the existing Coast Guard Wells, threatening public health for municipal water users. This change in conditions has

necessitated the construction of this project, Gallagher Well No. 2, as an urgent matter to protect the quality of water supply. The proposed project would provide an additional water source when the Coast Guard Wells cannot be operated due to salinity intrusion and other operational conditions preventing pumping.

The NMWD is the public agency responsible for carrying out the proposed project and is considered the Lead Agency under the California Environmental Quality Act (CEQA), while the County is considered a Responsible Agency with some discretionary authority over the application. The NMWD previously approved a Mitigated Negative Declaration (MND) for the entire Point Reyes Water System, which consists of three wells at two sites adjacent to Lagunitas Creek. Two wells are located on U.S. Coast Guard property in Point Reyes Station ("Coast Guard Wells"), while the third well is located on water district property approximately one mile upstream ("Gallagher Well No. 1"). The current proposal is to construct Gallagher Well No. 2 as part of the Gallagher Wells and Pipeline Project, which was approved by NMWD in 2009. The majority of proposed facilities have been constructed and are currently operational. While this new location is within the Gallagher Ranch project site described in the 2009 MND, it requires an alternate alignment for the pipeline. To address these minor project changes, the NMWD prepared and circulated a CEQA Addendum analyzing the impacts of construction and operation of the proposed Gallagher Well No. 2, which was previously studied in the 2009 MND. The CEQA addendum was circulated on January 5, 2021, for a 30-day public review. On March 2, 2021, the NMWD Board approved a resolution adopting the Addendum.

The Coastal Permit and Use Permit application was submitted on January 6, 2021. Upon receipt, the application was transmitted to the Department of Public Works (DPW), Environmental Health Services (EHS), the California Coastal Commission (CCC), California Water Board and posted online for public review and comments. A notice was posted on the project site on January 13, 2021, identifying the applicants and describing the project and its location. A site visit was conducted on the same day the notice was posted.

The application was deemed complete on February 8, 2021. The Community Development Agency provided a mailed public notice on February 15, 2021, identifying the applicant, describing the project and its location, hearing date, and location in accordance with California Government Code requirements. Said notice was mailed to all property owners within 600 feet of the subject property.

In response to the public hearing notice, the Community Development Agency received two letters from Mr. Gordan Bennett, on behalf of an organization called Save Our Seashore, objecting to the project as well several pieces of correspondence from residents of West Marin in support of the project. Since the first of the two letters from Mr. Bennett was submitted during the CEQA 30-day review, the NMWD prepared a detailed response in the Final Addendum that the NMWD adopted on March 2, 2021. The second letter from Mr. Bennett calls into question the adequacy of the CEQA documents. All correspondence has been provided as attachments to this report.

On March 25, 2021, the Deputy Zoning Administrator conditionally approved the project. On April 1, 2021, Mr. Gordan Bennett, on behalf of an organization called Save Our Seashore, submitted a timely appeal of the Bolinas Community Land Trust Coastal Permit approval.

RECOMMENDATION

Staff recommends that the Planning Commission review the administrative record, conduct a public hearing, deny Mr. Bennett's appeal, and affirm the Deputy Zoning Administrator's approval of the Gallagher Family Coastal Permit and Use Permit.

Attachments:

1. Recommended resolution
2. Deputy Zoning Administrator Staff Report and Resolution, dated March 25, 2021
3. Marin County Environmental Health Services, memorandum dated January 9, 2021
4. Appeal Petition with exhibits, dated June 4, 2020
5. Applicant's written response to the appeal petition
6. Letter from Save Our Seashore, dated February 1, 2021, and response from the district
7. Letter from Save Our Seashore, dated March 5, 2021
8. All other correspondences
9. Project plans

MARIN COUNTY PLANNING COMMISSION

RESOLUTION NO. _____

A RESOLUTION DENYING THE SAVE OUR SHORES APPEAL AND APPROVING THE GALLAGHER FAMILY COASTAL PERMIT AND USE PERMIT 14500 PT. REYES-PETALUMA ROAD, POINT REYES STATION ASSESSOR'S PARCEL: 119-050-17

SECTION I: FINDINGS

1. WHEREAS, Drew McIntyre, on behalf of the North Marin Water District (NMWD) and the Gallagher Family, is requesting Coastal Permit and Use Permit approval to construct and operate a municipal well to provide water for customers in the community of Point Reyes Station. Two wells are located on U.S. Coast Guard property in Point Reyes Station (Coast Guard Wells), while the third well (Gallagher Well No. 1). is located on the project site. The proposed project is to construct Gallagher Well No. 2 as part of the Gallagher Wells, located approximately 500 feet north of the existing Gallagher Well No. 1. The purpose of the proposed project is to increase the reliability of domestic water supply to offset the loss of water production at the NMWD's other wells located on the U.S. Coast Guard property. The proposed well would tie into the existing water transmission pipeline located south of the private Gallagher Ranch access road. The proposed well and distribution pipelines would occur within 100 feet of Lagunitas Creek, which traverses the project site.

As part of this project, the NMWD would abandon an existing well (the Downey Well), which lies within the Lagunitas Creek stream channel. The Downey Well was initially constructed on the bank of the Lagunitas Creek stream. However, the creek has migrated over time such that the well is now located at the center of the creek channel. As a result, Downey Well produces unsafe water quality for domestic consumption. Other improvements proposed include the construction of water distribution pipelines, pump stations, a well field, and other components both within and outside the project site.

The proposed municipal water well will serve the public's critical need by creating a reliable water source for the communities of Point Reyes Station, Olema, Inverness Park, and Paradise Ranch Estates.

The property is located at 14500 Pt. Reyes-Petaluma Road, Point Reyes Station, and is further identified as Assessor's Parcel 119-050-17.

2. WHEREAS, the NMWD prepared and adopted a Mitigated Negative Declaration (NMD) in 2009 in accordance with the requirements of the California Environmental Quality Act Guidelines (14 Cal. Code Regs. 15000, et seq.).

3. WHEREAS, on February 7, 2021, the NMWD prepared an Addendum to the 2009 MND, which was circulated for a 30-day public review period and was adopted by the NMWD Board at its meeting of March 2, 2021.

4. **WHEREAS**, under State CEQA Guidelines Section 15367, the NMWD is the Lead Agency responsible for carrying out or approving a project and implementing the CEQA process and preparing the CEQA document for the project (Cal. Code Regs. tit. 14, Section 15050).

5. **WHEREAS**, the County is a Responsible Agency under the State CEQA Guidelines Section 15381.

6. **WHEREAS**, The Addendum that the NMWD prepared, circulated for public review, and adopted concluded that there were no changes in circumstances and that there were no new information or previously unstudied significant environmental effects. The County's review determined that the aspects of the project subject to County approval are adequately evaluated by the 2009 MND and 2021 Addendum, and, therefore, further environmental review cannot be required by the County as a Responsible Agency.

7. **WHEREAS**, on March 25, 2021, the Marin County Deputy Zoning Administrator held a duly noticed public hearing and approved the project.

8. **WHEREAS**, on April 1, 2021, Mr. Gordan Bennett, on behalf of Save Our Shore, submitted a timely appeal of the Gallagher Family Coastal Permit Use Permit approval.

9. **WHEREAS**, on May 24, 2021, the Marin County Planning Commission held a duly noticed public hearing to take public testimony and consider the project.

10. **WHEREAS**, the bases of appeal are insufficient to overturn the Deputy Zoning Administrator's approval of the project for the reasons discussed below.

A. The appellant asserts that the 2009 Mitigated Negative Declaration is inadequate for the proposed modification, and a new environmental impact report must be prepared.

Under the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq.) and the CEQA Guidelines contained in Title 14 of the California Code of Regulations (Cal. Code Regs. Tit. 14, Section 15000), a state or local agency typically assumes one of two roles in CEQA implementation: Lead Agency or Responsible Agency. A Lead Agency has the principal responsibility for carrying out or approving a project and, therefore, has the lead responsibility for implementing the CEQA process and preparing the CEQA document for that project (Cal. Code Regs. tit. 14, Section 15050). A Responsible Agency is an agency other than the Lead Agency with some discretionary authority over a project or a portion of it, but which is not designated the Lead Agency (State CEQA Guidelines Section 15381.). CEQA also requires Lead Agencies to consult with relevant trustee agencies with jurisdiction by law when preparing CEQA documents (Cal. Code Regs. tit. 14, Section 15086). Trustee agencies, such as the Department of Fish and Wildlife (DFW), have jurisdiction over resources held in trust for California (Cal. Code Regs. tit. 14, Section 15386).

In this case, the NMWD is the public agency responsible for carrying out the proposed project and is the Lead Agency, while Marin County is a Responsible Agency. As a Lead Agency, the NMWD has the authority to determine what level of CEQA review is required for the project and for preparing and approving the appropriate document [e.g., negative declaration (ND), mitigated negative declaration (MND), or Environmental Impact Report (EIR)]. The Lead Agency's decision is binding on all Responsible Agencies, except in

unusual circumstances (PRC Section 21080.1(a); State CEQA Guidelines Section 15050(c)). The role of a Responsible Agency is much narrower than that of a Lead Agency. While the Lead Agency must consider all environmental impacts of the project before approving it, a Responsible Agency has a much more specific charge: to consider only those aspects of the project that are subject to the Responsible Agency's jurisdiction. (State CEQA Guidelines Section 15096). In other words, the County needs to rely on the environmental review adopted by the Lead Agency, but that does not mean that the County has to approve the project.

B. The appellant asserts that the Deputy Zoning Administrator erred in approving the project without preparation of a new Environmental Impact Report.

The State CEQA Guidelines allow the Lead Agency to prepare an addendum to an adopted negative declaration "if only minor technical changes or additions are necessary but none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred" (14 C.C.R., CEQA Guidelines Section 15164 (b)).

The Addendum that the NMWD prepared, circulated for public review, and adopted concluded that there were no changes in circumstances and there was no new information or previously unstudied significant environmental effects. Further, as explained in the Addendum, all environmental effects would be reduced to less than significant with the incorporation of mitigation measures adopted in the 2009 MND. The appellant chose not to challenge the NMWD decision in court, and the time limit for such a challenge has since lapsed.

C. The appellant asserts that the North Marin Water District has not fully studied the effects of multiple wells, and additional wells may not be necessary to serve its customers.

In this appeal point, the appellant raises no issues related to the project conformity with standards outlined in the Coastal Act, the Marin County Local Coastal Program (LCP), or the Interim Zoning Code. Instead, the appellant questions whether the NMWD completed the appropriate level of studies and whether an additional well is necessary to serve the NMWD's customers.

Pursuant to Interim Zoning Code Section 22.89.120I, this appeal is de novo. For the Planning Commission's "de novo" review of the application, the standard of review for the subject Coastal Permit and Use Permit is, in part, the policies and provisions of the County of Marin Local Coastal Program, the Countywide Plan and the Interim Zoning Code, which applies to the coastal areas.

As described in detail in Section 9 below, the proposed project is consistent with the mandatory findings for Coastal Permit approval and would not adversely impact any coastal resources, including coastal access and recreational facilities. Further, as discussed in Section 10 below, the proposed project is consistent with the governing C-APZ-60 zoning district and required findings under Section 22.57.036I of Interim Zoning Code because it would be compatible with and accessory to the existing agricultural uses on the property. Finally, as discussed in Section 11 below, the proposed project meets the mandatory findings to approve a Use Permit (under Section 22.88.010I.2 of the Interim Zoning Code) because public utilities, such as public wells, may be permitted with a Use Permit under

Section 22.88.0101.2 of the Interim Marin County Code when it is found to be necessary for public health, safety, convenience, or welfare.

The DZA approved the Coastal Permit application because it met the legal requirements and findings for approving such a permit. The DZA purview does not include a determination of whether a project is necessary. Instead, as discussed above, the standard of review is confined to the project's consistency with all applicable regulations. Based on the substantial evidence on record, including project plans and environmental studies, the DZA determined the project met the required findings for approval.

11. **WHEREAS**, the project is consistent with the goals and policies of the Marin Countywide Plan for the following reasons:

- A. As discussed in Section 6 below, the proposed project is compatible with the C-APZ land use designation for the project site. It would not interfere with the existing use of the ranch property for livestock grazing. The project will involve the construction of a municipal well that is accessory to the existing use. The design, location, size, and operating characteristics of the proposed facility will be compatible with the allowed uses in the vicinity.
- B. As discussed in Section 17 below, the mandatory Use Permit findings can be made under Section 22.48.0401 of the Marin County Code to allow a public utility to serve the public and is necessary for public safety, convenience, and welfare.
- C. The project is consistent with the CWP woodland preservation policy (BIO-1.3) because it would not entail the irreplaceable removal of a substantial number of mature, native trees. No vegetation removal is proposed with this project.
- D. The project is consistent with the CWP special-status species protection policy (BIO-2.2) because the subject property does not provide habitat for special-status species of plants or animals. *POTENTIAL PROTECTED S*
EXPAND TO ADDRESS WAB CRK IMPACT
- E. The project is consistent with the CWP natural transition and connection policies (BIO 2.3 and BIO 2.4) because it would not substantially alter the margins along riparian corridors, wetlands, baylands, or woodlands. As documented in the MND, two components of the proposed project would require work within the stream channel of Lagunitas Creek. Removing the existing wellhead of the Downey Well will require that an excavator, working from the top of the bank, remove the existing wellhead. No riparian vegetation would be removed to abandon the well. The relocated gauging station would be constructed on the edge of the Gallagher Ranch pasture and would not require removal of riparian or vegetation other than annual grasses.
- F. The project is consistent with the CWP stream and wetland conservation policies (BIO-3.1 and CWP BIO-4.1) because the proposed municipal water well is one of the types of improvements permitted within the wetland conservation area and stream conservation area, provided such projects would not result in any significant adverse direct or indirect impacts on wetlands and minimize impacts to stream function and to fish and wildlife habitat.

As discussed above, the proposed project is to construct a municipal well to serve the public. Although the proposed project would be located adjacent to Lagunitas

Creek, which is identified as a blue-line stream, no stream impoundments or direct diversions would occur as part of the project, nor would the project alter the stream channel or stream banks. Further, construction activities would not conflict with any Habitat Conservation Plans, Natural Conservation Community Plans, or any approved local, regional, or State habitat conservation plans. Additionally, the project proposes to dedicate certain water rights for instream flows to protect, preserve, restore, and recover aquatic organisms and wildlife habitat. This water dedication would benefit wetland habitat in West Marin by allowing the National Park Service to implement its planned Olema Marsh restoration by availing additional water, enabling full implementation of the Giacomini Wetland Restoration Project.

Strict adherence to the adopted Mitigation Monitoring and Reporting Program (MMRP) would ensure no impacts on the CWP stream and wetland conservation policies.

- G. The project is consistent with CWP water quality policies and would not result in substantial soil erosion or discharge of sediments or pollutants into surface runoff (WR-1.3, WR-2.2, WR-2.3) because the grading and drainage improvements would comply with the Marin County standards and best management practices required by the Department of Public Works.
- H. The project would not cause significant adverse impacts on water supply, fire protection, waste disposal, schools, traffic and circulation, or their services.

12. **WHEREAS**, the project is consistent with the mandatory findings for Coastal Permit approval (Marin Interim Zoning Code Section 22.56.130I).

A. Water Supply.

The NMWD historically has relied on the two Coast Guard Wells (located to the south of its treatment plant, which is located approximately 500 feet from the end of Commodore Webster Drive at the Point Reyes Station former Coast Guard Housing Facility) to supply water for the West Marin service area. Due to the wells' location in the upper tidal reach of Lagunitas Creek, they are under the influence of flows in the tidal reach of Lagunitas Creek and subject to periodic salinity intrusion and occasional flooding. The Gallagher Ranch site is upstream of any flooding and tidal reaches of Lagunitas Creek. However, the existing NMWD Gallagher Well No. 1 has a limited flow capacity (170 gallons per minute) and is not currently connected to the West Marin distribution system. This project would increase the water supply from the Gallagher site and integrate those wells into the NMWD distribution system. Because both Coast Guard Wells mostly have acceptable water quality, offer reliable water supply during most months, and have ample capacity to recharge, the Coast Guard Wells will continue to be the primary source.

The proposed Gallagher Well No. 2 would be used during periods of high tides, avoiding saltwater intrusion into the water supply system. By establishing a reliable emergency backup source of water upstream of the high tide water influences of Tomales Bay, water service reliability will increase with the implementation of the proposed project. The proposed well will serve West Marin communities of Point Reyes Station (including the Coast Guard housing area), Inverness Park, Paradise Ranch Estates, Bear Valley (including the Point Reyes National Seashore), and

Olema. The NMWD has an agreement to assist the Inverness Public Utilities District during emergency water shortages. The development of this supplementary supply, therefore, stands to benefit that community.

The project would be consistent with planned development and planned growth in the region. The LCP describes existing and projected growth in the region. The LCP also describes existing and projected water supply and demand in keeping with this projected growth. The proposed project is consistent with the LCP in that it is not growth-inducing and would not increase the NMWD's water supply. Instead, the proposed project is intended to secure a reliable and safe source of domestic water for the NMWD's customers. The project would offset pumping volumes obtained at the Coast Guard Wells only when unavailable due to salinity intrusion or other operational conditions preventing pumping. The amount of water pumped from all wells would remain within limits set in the water right permits.

B. Septic System Standards.

The Marin County Environmental Health Services Division staff reviewed the proposed project and determined that the existing septic system would not be affected by the project.

C. Grading and Excavation.

The project site has various slopes, and the project is designed to fit the site's topography and existing soil conditions. The project would include digging an approximately 500-foot-long trench to place the pipeline and digging the 59-foot deep well. The land exposed at any one time during construction will be kept to the shortest possible time. As required by the mitigation measures, the area must be restored to a similar condition as before the project. All excavated soil and excess material will be hauled to NMWD's Corporation Yard in Novato for future use. The well pad would be the only impervious surface created by the project. Chemicals, fuels, and any other materials onsite would be used only for construction and would be properly disposed of within an authorized landfill.

D. Archaeological Resources.

The project site was surveyed for archaeological and historical resources in connection with the 2009 MND and the Gallagher Ranch bank stabilization projects. No archaeological resources were identified as part of this survey or subsequent implementation of the Gallagher Well No. 1 or bank stabilization, both of which were completed in 2010. While it is unlikely that the project would result in disturbances to cultural resources, in the event archeological resources are uncovered during construction, all work shall immediately cease. The services of a qualified consulting archaeologist must be engaged to assess the value of the resource and develop appropriate mitigation measures.

E. Coastal Access.

The proposed project is not located adjacent to a shoreline. Therefore, the project would not have any impact upon coastal access.

F. Housing.

The proposed project would not remove a residential unit that would provide housing opportunities for low or moderate-income people.

G. Stream and Wetland Resource Protection.

A municipal well is allowed within stream or wetland area under the Marin County Interim Zoning Code Section 22.56.130I.G.1, which provides "[s]tream diversions shall be limited to necessary water supply projects..." and the minimum flows necessary to maintain fish habitat, existing water quality, and protect downstream resources are maintained, as determined by the Department of Fish and Game and the Division of Water Rights of the State Water Resources Control Board (SWRCB). Additionally, under the LCP's Natural Resources Policy 3.a, development of water supply infrastructure within mapped perennial or intermittent streams, including impoundments, diversions, channelizations, and other substantial alterations, are permitted, provided such projects minimize impacts on sensitive coastal resources. The LCP's Natural Resources Policy 3.b provides that for such water supply projects must "incorporate the best mitigation measures feasible, including erosion and runoff control measures, and revegetation of disturbed areas with native species. Disturbance of riparian vegetation shall be held to a minimum."

As described in the project documents, the project could result in a reduction in creek discharge. However, the magnitude of this reduction would be negligible and would not substantially reduce streamflow or lower water surface to the degree that would adversely impact stream habitat, and thus would not decrease stream flows, individually or cumulatively, below the minimum flow level required by the SWRCB.

H. Dune Protection.

The project site is located east of the community of Point Reyes Station. There are no naturally occurring dunes on or within the vicinity of the project site.

I. Wildlife Habitat Protection.

As described in the 2009 MND and subsequent Addendum, no vegetation or special-status species and sensitive natural communities would be removed or impacted by the project. Special-status animal species, including Steelhead and Coho, were identified as present in the project area along Lagunitas Creek. However, the proposed project would be sited to avoid wildlife habitat areas and to provide buffers for such habitat areas. Additionally, mitigation measure 12-25 requires protection measures for special-status species. Adherence to the required mitigation measures described in the MND would minimize impacts to special status species.

J. Protection of Native Plant Communities.

The proposed project itself would not adversely impact native plant communities because the project is proposed to occur in an area where no vegetation exists. However, according to the 2009 MND, the project site includes special-status species and non-indigenous, naturalized annual grass species. These non-indigenous grasses threaten the re-establishment of native plant species. As required by the

project mitigations, the project would include reseeding of disturbed areas with native vegetation appropriate for the habitat type following construction.

K. Shoreline Protection.

The subject property is not adjacent to the shoreline, and the proposed project would not result in adverse effects on the coastline. The project would not require additional shoreline protection.

L. Geologic Hazards.

The project is located in a Seismic Shaking Amplification Hazard Area Zone 2, but is not located within the vicinity of any known fault lines.

M. Public Works Projects.

The proposed project is not located near Highway 1, nor would it include any roadway improvements. As described in the application material, the purpose of the project is to protect the safety and reliability of NMWD's water supply for its consumers. The project would not increase NMWD production capacity but would provide a supplemental supply source when the other well sites are unavailable. The project would not expand utility service beyond the existing service limits and would conform with the resource and visual policies of the LCP and Marin municipal code.

N. Land Division Standards.

The project does not include a land division or property line adjustment.

O. Visual Resources and Community Character.

Once the construction of the project is completed, project improvements would not be visible from public vantage points because of topography and existing vegetation. The small gauging station enclosure would be screened by vegetation between Point Reyes-Petaluma Road and the creek. The wellhead vault would be almost flush with the ground surface. Piping would be underground, except where it is attached to the underside of the Gallagher Ranch bridge. The pump control steel cabinet would be aboveground but screened for public view by roadside vegetation from Point Reyes/Petaluma Road. The project would not alter existing open space views in the area.

P. Recreational/Commercial/Visitor Facilities.

The project site is governed by C-APZ-60 (Coastal, Agricultural Production Zone) zoning regulations and would not provide commercial or recreational facilities.

Q. Historic Resource Preservation.

The project site is not located within an identified historic area of the LCP. The project site was surveyed for archaeological and historical resources in 2009 for the Gallagher Ranch bank stabilization project, and no historical resources were identified.

A California Historical Resources Information System (CHRIS) records search identified one existing resource of the Black Mountain Historic era ranch. The bridge over Lagunitas Creek was identified as a new historic resource. The project would not impact these resources because the well and the mains would be primarily underground.

13. **WHEREAS**, the proposed project is consistent with the governing C-APZ-60 (Coastal, Agricultural Production Zone, one unit per 60 acres maximum density) and required findings under Section 22.57.036I of Marin County Code because:

- A. The project would be compatible with and accessory to the existing agricultural uses on the property. Public water facilities like wells are conditionally permitted in the C-APZ zoning district. The proposed well would not significantly affect agricultural production on the Gallagher Ranch. The project would affect less than 0.01 percent of the 330-acre ranch and would not interfere with the operation of the existing livestock ranching operations.
- B. The proposed project will have no significant adverse impacts on environmental resources, including stream or riparian habitats and scenic resources.
- C. The proposed project will not impact or impair other agencies' ability to provide necessary services (fire protection, police protection, schools, etc.) to serve the project site.

14. **WHEREAS**, the proposed project is consistent with the mandatory findings to approve a Use Permit (Section 22.88.010I.2 of the Interim Marin County Code), as specified below.

- A. **The establishment, maintenance or conducting of the use for which a use permit is sought will not, under the particular case, be detrimental to the health, safety, morals, comfort, convenience, or welfare of persons residing or working in the neighborhood of such use and will not, under the circumstances of the particular case, be detrimental to the public welfare or injurious to property or improvements in the neighborhood.**

The proposed project would benefit the public health, safety, and welfare by providing safe water for domestic consumption. The project would reduce the need to pump at the Coast Guard Wells during high tides or other conditions where pumping is known to cause saltwater intrusion and contamination of the aquifer. The project would reduce the need for increased off-tide pumping (which is currently done to compensate for the times when high tides prohibit pumping). The proposed project would not only increase safety but would improve supply reliability. The project, therefore, will be beneficial for public health, safety, and welfare.

The project would further benefit the environment by providing water for plants, fish, and wildlife by permanently dedicating 212.7 acre feet (0.699 cfs) of Lagunitas Creek water that the NMWD can currently divert to instream uses (i.e., for the benefit of plants, fish, and wildlife using the creek). Reduction in off-tide pumping at higher rates would also benefit the Lagunitas Creek fishery by keeping more water in the stream.

Finally, as proposed, the project would be consistent with all applicable policies of the Marin Countywide Plan. The proposed project would not result in visual impacts because the facility would be located over 400 feet from the nearest public roadway in an area that is partially screened from off-site locations by existing vegetation and topographical features. The project would not alter the drainage pattern of the area.

SECTION II: ACTION

NOW THEREFORE, BE IT RESOLVED that the Marin County Planning Commission hereby denies the Gordan Bennett appeal, on behalf of an organization called Save Our Seashore, and approves the project described in condition of approval 1 subject to the conditions of project approval.

This decision certifies the proposed project's conformance with the requirements of the Marin County Development Code and in no way affects the requirements of any other County, State, Federal, or local agency that regulates development. In addition to a Building Permit, additional permits and/or approvals may be required from the Department of Public Works, the appropriate Fire Protection Agency, the Environmental Health Services Division, water and sewer providers, Federal and State agencies.

SECTION III: CONDITIONS OF PROJECT APPROVAL

NOW, THEREFORE, BE IT RESOLVED that the Marin County Planning Commission hereby approves the Gallagher Family Coastal Permit and Use Permit application, subject to the conditions listed below.

CDA-Planning Division

1. This Coastal Permit and Use Permit approval authorizes the construction of a municipal well to provide water for customers in the community of Point Reyes Station. Two wells are located on U.S. Coast Guard property in Point Reyes Station (Coast Guard Wells), while the third well (Gallagher Well No. 1) is located on the project site. The proposed project is to construct Gallagher Well No. 2 as part of the Gallagher Wells, located approximately 500 feet north of the existing Gallagher Well No. 1. The purpose of the proposed project is to increase the reliability of domestic water supply to offset the loss of water production at the NMWD's other wells located on the U.S. Coast Guard property. The proposed well would tie into the existing water transmission pipeline located south of the private Gallagher Ranch access road. The proposed well and distribution pipelines would occur within 100 feet of Lagunitas Creek, which traverses the project site.

As part of this project, the NMWD would abandon an existing well (the Downey Well), which lies within the Lagunitas Creek stream channel. The Downey Well was initially constructed on the bank of the Lagunitas Creek stream. However, the creek has migrated over time such that the well is now located at the center of the creek channel. As a result, Downey Well produces unsafe water quality for domestic consumption. Other improvements proposed include the construction of water distribution pipelines, pump stations, a well field, and other components both within and outside the project site.

2. Plans submitted for a Building Permit shall substantially conform to plans identified as Exhibit A, entitled "Gallagher Well No. 2," consisting of 2 sheets prepared by North Marin Water

District, received in final form on February 6, 2021, and on file with the Marin County Community Development Agency, except as modified by the conditions listed herein.

3. The project shall conform to the Planning Division's "Uniformly Applied Standards 2021" with respect to all of the standard conditions of approval and the following special conditions: 10.

SECTION IV: VESTING

Unless conditions of approval establish a different time limit or an extension to vest has been granted, any permit or entitlement not vested within two years of the date of the approval shall expire and become void. The permit shall not be deemed vested until the permit holder has actually obtained any required Building Permit or other construction permit and has substantially completed improvements in accordance with the approved permits, or has actually commenced the allowed use on the subject property, in compliance with the conditions of approval.

SECTION V: APPEAL RIGHTS

This decision is final unless appealed to the Marin County Board of Supervisors. A Petition for Appeal and the required fee must be submitted in the Community Development Agency, Planning Division, Room 308, Civic Center, San Rafael, no later than five business days from the date of this decision.

SECTION VI: VOTE

PASSED AND ADOPTED at a regular meeting of the Planning Commission of the County of Marin held on this 24th day of May 2021 by the following vote:

AYES: COMMISSIONERS

NOES:

ABSENT:

CHRISTINA L. DESSER, CHAIR
MARIN COUNTY PLANNING COMMISSION

Attest:

Ana Hilda Mosher
Planning Commission Recording Secretary

JUN 04 2021

MARIN COUNTY PLANNING COMMISSION

North Marin Water District

RESOLUTION NO. PC21-005

A RESOLUTION DENYING THE SAVE OUR SHORES APPEAL AND APPROVING THE GALLAGHER FAMILY COASTAL PERMIT AND USE PERMIT 14500 PT. REYES-PETALUMA ROAD, POINT REYES STATION ASSESSOR'S PARCEL: 119-050-17

SECTION I: FINDINGS

1. WHEREAS, Drew McIntyre, on behalf of the North Marin Water District (NMWD) and the Gallagher Family, is requesting Coastal Permit and Use Permit approval to construct and operate a municipal well to provide water for customers in the community of Point Reyes Station. Two wells are located on U.S. Coast Guard property in Point Reyes Station (Coast Guard Wells), while the third well (Gallagher Well No. 1). is located on the project site. The proposed project is to construct Gallagher Well No. 2 as part of the Gallagher Wells, located approximately 500 feet north of the existing Gallagher Well No. 1. The purpose of the proposed project is to increase the reliability of domestic water supply to offset the loss of water production at the NMWD's other wells located on the U.S. Coast Guard property. The proposed well would tie into the existing water transmission pipeline located south of the private Gallagher Ranch access road. The proposed well and distribution pipelines would occur within 100 feet of Lagunitas Creek, which traverses the project site.

As part of this project, the NMWD would abandon an existing well (the Downey Well), which lies within the Lagunitas Creek stream channel. The Downey Well was initially constructed on the bank of the Lagunitas Creek stream. However, the creek has migrated over time such that the well is now located at the center of the creek channel. As a result, Downey Well produces unsafe water quality for domestic consumption. Other improvements proposed include the construction of water distribution pipelines, pump stations, a well field, and other components both within and outside the project site.

The proposed municipal water well will serve the public's critical need by creating a reliable water source for the communities of Point Reyes Station, Olema, Inverness Park, and Paradise Ranch Estates.

The property is located at 14500 Pt. Reyes-Petaluma Road, Point Reyes Station, and is further identified as Assessor's Parcel 119-050-17.

2. WHEREAS, the NMWD prepared and adopted a Mitigated Negative Declaration (NMD) in 2009 in accordance with the requirements of the California Environmental Quality Act Guidelines (14 Cal. Code Regs. 15000, et seq.).

3. WHEREAS, on February 7, 2021, the NMWD prepared an Addendum to the 2009 MND, which was circulated for a 30-day public review period and was adopted by the NMWD Board at its meeting of March 2, 2021.

4. **WHEREAS**, under State CEQA Guidelines Section 15367, the NMWD is the Lead Agency responsible for carrying out or approving a project and implementing the CEQA process and preparing the CEQA document for the project (Cal. Code Regs. tit. 14, Section 15050).
5. **WHEREAS**, the County is a Responsible Agency under the State CEQA Guidelines Section 15381.
6. **WHEREAS**, The Addendum that the NMWD prepared, circulated for public review, and adopted concluded that there were no changes in circumstances and that there were no new information or previously unstudied significant environmental effects. The County's review determined that the aspects of the project subject to County approval are adequately evaluated by the 2009 MND and 2021 Addendum, and, therefore, further environmental review cannot be required by the County as a Responsible Agency.
7. **WHEREAS**, on March 25, 2021, the Marin County Deputy Zoning Administrator held a duly noticed public hearing and approved the project.
8. **WHEREAS**, on April 1, 2021, Mr. Gordan Bennett, on behalf of Save Our Shore, submitted a timely appeal of the Gallagher Family Coastal Permit Use Permit approval.
9. **WHEREAS**, on May 24, 2021, the Marin County Planning Commission held a duly noticed public hearing to take public testimony and consider the project.
10. **WHEREAS**, the bases of appeal are insufficient to overturn the Deputy Zoning Administrator's approval of the project for the reasons discussed below.

A. The appellant asserts that the 2009 Mitigated Negative Declaration is inadequate for the proposed modification, and a new environmental impact report must be prepared.

Under the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq.) and the CEQA Guidelines contained in Title 14 of the California Code of Regulations (Cal. Code Regs. Tit. 14, Section 15000), a state or local agency typically assumes one of two roles in CEQA implementation: Lead Agency or Responsible Agency. A Lead Agency has the principal responsibility for carrying out or approving a project and, therefore, has the lead responsibility for implementing the CEQA process and preparing the CEQA document for that project (Cal. Code Regs. tit. 14, Section 15050). A Responsible Agency is an agency other than the Lead Agency with some discretionary authority over a project or a portion of it, but which is not designated the Lead Agency (State CEQA Guidelines Section 15381.). CEQA also requires Lead Agencies to consult with relevant trustee agencies with jurisdiction by law when preparing CEQA documents (Cal. Code Regs. tit. 14, Section 15086). Trustee agencies, such as the Department of Fish and Wildlife (DFW), have jurisdiction over resources held in trust for California (Cal. Code Regs. tit. 14, Section 15386).

In this case, the NMWD is the public agency responsible for carrying out the proposed project and is the Lead Agency, while Marin County is a Responsible Agency. As a Lead Agency, the NMWD has the authority to determine what level of CEQA review is required for the project and for preparing and approving the appropriate document [e.g., negative declaration (ND), mitigated negative declaration (MND), or Environmental Impact Report (EIR)]. The Lead Agency's decision is binding on all Responsible Agencies, except in

unusual circumstances (PRC Section 21080.1(a); State CEQA Guidelines Section 15050(c)). The role of a Responsible Agency is much narrower than that of a Lead Agency. While the Lead Agency must consider all environmental impacts of the project before approving it, a Responsible Agency has a much more specific charge: to consider only those aspects of the project that are subject to the Responsible Agency's jurisdiction. (State CEQA Guidelines Section 15096). In other words, the County needs to rely on the environmental review adopted by the Lead Agency, but that does not mean that the County has to approve the project.

B. The appellant asserts that the Deputy Zoning Administrator erred in approving the project without preparation of a new Environmental Impact Report.

The State CEQA Guidelines allow the Lead Agency to prepare an addendum to an adopted negative declaration "if only minor technical changes or additions are necessary but none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred" (14 C.C.R., CEQA Guidelines Section 15164 (b)).

The Addendum that the NMWD prepared, circulated for public review, and adopted concluded that there were no changes in circumstances and there was no new information or previously unstudied significant environmental effects. Further, as explained in the Addendum, all environmental effects would be reduced to less than significant with the incorporation of mitigation measures adopted in the 2009 MND. The appellant chose not to challenge the NMWD decision in court, and the time limit for such a challenge has since lapsed.

C. The appellant asserts that the North Marin Water District has not fully studied the effects of multiple wells, and additional wells may not be necessary to serve its customers.

In this appeal point, the appellant raises no issues related to the project conformity with standards outlined in the Coastal Act, the Marin County Local Coastal Program (LCP), or the Interim Zoning Code. Instead, the appellant questions whether the NMWD completed the appropriate level of studies and whether an additional well is necessary to serve the NMWD's customers.

Pursuant to Interim Zoning Code Section 22.89.120I, this appeal is de novo. For the Planning Commission's "de novo" review of the application, the standard of review for the subject Coastal Permit and Use Permit is, in part, the policies and provisions of the County of Marin Local Coastal Program, the Countywide Plan and the Interim Zoning Code, which applies to the coastal areas.

As described in detail in Section 12 below, the proposed project is consistent with the mandatory findings for Coastal Permit approval and would not adversely impact any coastal resources, including coastal access and recreational facilities. Further, as discussed in Section 13 below, the proposed project is consistent with the governing C-APZ-60 zoning district and required findings under Section 22.57.036I of Interim Zoning Code because it would be compatible with and accessory to the existing agricultural uses on the property. Finally, as discussed in Section 14 below, the proposed project meets the mandatory findings to approve a Use Permit (under Section 22.88.010I.2 of the Interim Zoning Code) because public utilities, such as public wells, may be permitted with a Use

Permit under Section 22.88.010I.2 of the Interim Marin County Code when it is found to be necessary for public health, safety, convenience, or welfare.

The DZA approved the Coastal Permit application because it met the legal requirements and findings for approving such a permit. The DZA purview does not include a determination of whether a project is necessary. Instead, as discussed above, the standard of review is confined to the project's consistency with all applicable regulations. Based on the substantial evidence on record, including project plans and environmental studies, the DZA determined the project met the required findings for approval.

11. **WHEREAS**, the project is consistent with the goals and policies of the Marin Countywide Plan for the following reasons:

- A. As discussed in Section 6 below, the proposed project is compatible with the C-APZ land use designation for the project site. It would not interfere with the existing use of the ranch property for livestock grazing. The project will involve the construction of a municipal well that is accessory to the existing use. The design, location, size, and operating characteristics of the proposed facility will be compatible with the allowed uses in the vicinity.
- B. As discussed in Section 17 below, the mandatory Use Permit findings can be made under Section 22.48.040I of the Marin County Code to allow a public utility to serve the public and is necessary for public safety, convenience, and welfare.
- C. The project is consistent with the CWP woodland preservation policy (BIO-1.3) because it would not entail the irreplaceable removal of a substantial number of mature, native trees. No vegetation removal is proposed with this project.
- D. The project is consistent with the CWP special-status species protection policy (BIO-2.2) because the subject property does not provide habitat for special-status species of plants. Protected species are in Lagunitas Creek, but potential impacts to those fish would be reduced to less than significant impacts because the Mitigation and Monitoring Program would be implemented.
- E. The project is consistent with the CWP natural transition and connection policies (BIO 2.3 and BIO 2.4) because it would not substantially alter the margins along riparian corridors, wetlands, baylands, or woodlands. As documented in the MND, two components of the proposed project would require work within the stream channel of Lagunitas Creek. Removing the existing wellhead of the Downey Well will require that an excavator, working from the top of the bank, remove the existing wellhead. No riparian vegetation would be removed to abandon the well. The relocated gauging station would be constructed on the edge of the Gallagher Ranch pasture and would not require removal of riparian or vegetation other than annual grasses.
- F. The project is consistent with the CWP stream and wetland conservation policies (BIO-3.1 and CWP BIO-4.1) because the proposed municipal water well is one of the types of improvements permitted within the wetland conservation area and stream conservation area, provided such projects would not result in any significant adverse direct or indirect impacts on wetlands and minimize impacts to stream function and to fish and wildlife habitat.

As discussed above, the proposed project is to construct a municipal well to serve the public. Although the proposed project would be located adjacent to Lagunitas Creek, which is identified as a blue-line stream, no stream impoundments or direct diversions would occur as part of the project, nor would the project alter the stream channel or stream banks. Further, construction activities would not conflict with any Habitat Conservation Plans, Natural Conservation Community Plans, or any approved local, regional, or State habitat conservation plans. Additionally, the project proposes to dedicate certain water rights for instream flows to protect, preserve, restore, and recover aquatic organisms and wildlife habitat. This water dedication would benefit wetland habitat in West Marin by allowing the National Park Service to implement its planned Olema Marsh restoration by availing additional water, enabling full implementation of the Giacomini Wetland Restoration Project.

Strict adherence to the adopted Mitigation Monitoring and Reporting Program (MMRP) would ensure no impacts on the CWP stream and wetland conservation policies.

- G. The project is consistent with CWP water quality policies and would not result in substantial soil erosion or discharge of sediments or pollutants into surface runoff (WR-1.3, WR-2.2, WR-2.3) because the grading and drainage improvements would comply with the Marin County standards and best management practices required by the Department of Public Works.
- H. The project would not cause significant adverse impacts on water supply, fire protection, waste disposal, schools, traffic and circulation, or their services.

12. **WHEREAS**, the project is consistent with the mandatory findings for Coastal Permit approval (Marin Interim Zoning Code Section 22.56.130I).

A. Water Supply.

The NMWD historically has relied on the two Coast Guard Wells (located to the south of its treatment plant, which is located approximately 500 feet from the end of Commodore Webster Drive at the Point Reyes Station former Coast Guard Housing Facility) to supply water for the West Marin service area. Due to the wells' location in the upper tidal reach of Lagunitas Creek, they are under the influence of flows in the tidal reach of Lagunitas Creek and subject to periodic salinity intrusion and occasional flooding. The Gallagher Ranch site is upstream of any flooding and tidal reaches of Lagunitas Creek. However, the existing NMWD Gallagher Well No. 1 has a limited flow capacity (170 gallons per minute) and is not currently connected to the West Marin distribution system. This project would increase the water supply from the Gallagher site and integrate those wells into the NMWD distribution system. Because both Coast Guard Wells mostly have acceptable water quality, offer reliable water supply during most months, and have ample capacity to recharge, the Coast Guard Wells will continue to be the primary source.

The proposed Gallagher Well No. 2 would be used during periods of high tides, avoiding saltwater intrusion into the water supply system. By establishing a reliable emergency backup source of water upstream of the high tide water influences of Tomales Bay, water service reliability will increase with the implementation of the proposed project. The proposed well will serve West Marin communities of Point

Reyes Station (including the Coast Guard housing area), Inverness Park, Paradise Ranch Estates, Bear Valley (including the Point Reyes National Seashore), and Olema. The NMWD has an agreement to assist the Inverness Public Utilities District during emergency water shortages. The development of this supplementary supply, therefore, stands to benefit that community.

The project would be consistent with planned development and planned growth in the region. The LCP describes existing and projected growth in the region. The LCP also describes existing and projected water supply and demand in keeping with this projected growth. The proposed project is consistent with the LCP in that it is not growth-inducing and would not increase the NMWD's water supply. Instead, the proposed project is intended to secure a reliable and safe source of domestic water for the NMWD's customers. The project would offset pumping volumes obtained at the Coast Guard Wells only when unavailable due to salinity intrusion or other operational conditions preventing pumping. The amount of water pumped from all wells would remain within limits set in the water right permits.

B. Septic System Standards.

The Marin County Environmental Health Services Division staff reviewed the proposed project and determined that the existing septic system would not be affected by the project.

C. Grading and Excavation.

The project site has various slopes, and the project is designed to fit the site's topography and existing soil conditions. The project would include digging an approximately 500-foot-long trench to place the pipeline and digging the 59-foot deep well. The land exposed at any one time during construction will be kept to the shortest possible time. As required by the mitigation measures, the area must be restored to a similar condition as before the project. All excavated soil and excess material will be hauled to NMWD's Corporation Yard in Novato for future use. The well pad would be the only impervious surface created by the project. Chemicals, fuels, and any other materials onsite would be used only for construction and would be properly disposed of within an authorized landfill.

D. Archaeological Resources.

The project site was surveyed for archaeological and historical resources in connection with the 2009 MND and the Gallagher Ranch bank stabilization projects. No archaeological resources were identified as part of this survey or subsequent implementation of the Gallagher Well No. 1 or bank stabilization, both of which were completed in 2010. While it is unlikely that the project would result in disturbances to cultural resources, in the event archeological resources are uncovered during construction, all work shall immediately cease. The services of a qualified consulting archaeologist must be engaged to assess the value of the resource and develop appropriate mitigation measures.

E. Coastal Access.

The proposed project is not located adjacent to a shoreline. Therefore, the project would not have any impact upon coastal access.

F. Housing.

The proposed project would not remove a residential unit that would provide housing opportunities for low or moderate-income people.

G. Stream and Wetland Resource Protection.

A municipal well is allowed within stream or wetland area under the Marin County Interim Zoning Code Section 22.56.130I.G.1, which provides "[s]tream diversions shall be limited to necessary water supply projects..." and the minimum flows necessary to maintain fish habitat, existing water quality, and protect downstream resources are maintained, as determined by the Department of Fish and Game and the Division of Water Rights of the State Water Resources Control Board (SWRCB). Additionally, under the LCP's Natural Resources Policy 3.a, development of water supply infrastructure within mapped perennial or intermittent streams, including impoundments, diversions, channelizations, and other substantial alterations, are permitted, provided such projects minimize impacts on sensitive coastal resources. The LCP's Natural Resources Policy 3.b provides that for such water supply projects must "incorporate the best mitigation measures feasible, including erosion and runoff control measures, and revegetation of disturbed areas with native species. Disturbance of riparian vegetation shall be held to a minimum."

As described in the project documents, the project could result in a reduction in creek discharge. However, the magnitude of this reduction would be negligible and would not substantially reduce streamflow or lower water surface to the degree that would adversely impact stream habitat, and thus would not decrease stream flows, individually or cumulatively, below the minimum flow level required by the SWRCB.

H. Dune Protection.

The project site is located east of the community of Point Reyes Station. There are no naturally occurring dunes on or within the vicinity of the project site.

I. Wildlife Habitat Protection.

As described in the 2009 MND and subsequent Addendum, no vegetation or special-status species and sensitive natural communities would be removed or impacted by the project. Special-status animal species, including Steelhead and Coho, were identified as present in the project area along Lagunitas Creek. However, the proposed project would be sited to avoid wildlife habitat areas and to provide buffers for such habitat areas. Additionally, mitigation measure 12-25 requires protection measures for special-status species. Adherence to the required mitigation measures described in the MND would minimize impacts to special status species.

J. Protection of Native Plant Communities.

The proposed project itself would not adversely impact native plant communities because the project is proposed to occur in an area where no vegetation exists. However, according to the 2009 MND, the project site includes special-status species and non-indigenous, naturalized annual grass species. These non-indigenous grasses threaten the re-establishment of native plant species. As required by the project mitigations, the project would include reseeding of disturbed areas with native vegetation appropriate for the habitat type following construction.

K. Shoreline Protection.

The subject property is not adjacent to the shoreline, and the proposed project would not result in adverse effects on the coastline. The project would not require additional shoreline protection.

L. Geologic Hazards.

The project is located in a Seismic Shaking Amplification Hazard Area Zone 2, but is not located within the vicinity of any known fault lines.

M. Public Works Projects.

The proposed project is not located near Highway 1, nor would it include any roadway improvements. As described in the application material, the purpose of the project is to protect the safety and reliability of NMWD's water supply for its consumers. The project would not increase NMWD production capacity but would provide a supplemental supply source when the other well sites are unavailable. The project would not expand utility service beyond the existing service limits and would conform with the resource and visual policies of the LCP and Marin municipal code.

N. Land Division Standards.

The project does not include a land division or property line adjustment.

O. Visual Resources and Community Character.

Once the construction of the project is completed, project improvements would not be visible from public vantage points because of topography and existing vegetation. The small gauging station enclosure would be screened by vegetation between Point Reyes-Petaluma Road and the creek. The wellhead vault would be almost flush with the ground surface. Piping would be underground, except where it is attached to the underside of the Gallagher Ranch bridge. The pump control steel cabinet would be aboveground but screened for public view by roadside vegetation from Point Reyes/Petaluma Road. The project would not alter existing open space views in the area.

P. Recreational/Commercial/Visitor Facilities.

The project site is governed by C-APZ-60 (Coastal, Agricultural Production Zone) zoning regulations and would not provide commercial or recreational facilities.

Q. Historic Resource Preservation.

The project site is not located within an identified historic area of the LCP. The project site was surveyed for archaeological and historical resources in 2009 for the Gallagher Ranch bank stabilization project, and no historical resources were identified.

A California Historical Resources Information System (CHRIS) records search identified one existing resource of the Black Mountain Historic era ranch. The bridge over Lagunitas Creek was identified as a new historic resource. The project would not impact these resources because the well and the mains would be primarily underground.

13. **WHEREAS**, the proposed project is consistent with the governing C-APZ-60 (Coastal, Agricultural Production Zone, one unit per 60 acres maximum density) and required findings under Section 22.57.0361 of Marin County Code because:

- A. The project would be compatible with and accessory to the existing agricultural uses on the property. Public water facilities like wells are conditionally permitted in the C-APZ zoning district. The proposed well would not significantly affect agricultural production on the Gallagher Ranch. The project would affect less than 0.01 percent of the 330-acre ranch and would not interfere with the operation of the existing livestock ranching operations.
- B. The proposed project will have no significant adverse impacts on environmental resources, including stream or riparian habitats and scenic resources.
- C. The proposed project will not impact or impair other agencies' ability to provide necessary services (fire protection, police protection, schools, etc.) to serve the project site.

14. **WHEREAS**, the proposed project is consistent with the mandatory findings to approve a Use Permit (Section 22.88.0101.2 of the Interim Marin County Code), as specified below.

- A. **The establishment, maintenance or conducting of the use for which a use permit is sought will not, under the particular case, be detrimental to the health, safety, morals, comfort, convenience, or welfare of persons residing or working in the neighborhood of such use and will not, under the circumstances of the particular case, be detrimental to the public welfare or injurious to property or improvements in the neighborhood.**

The proposed project would benefit the public health, safety, and welfare by providing safe water for domestic consumption. The project would reduce the need to pump at the Coast Guard Wells during high tides or other conditions where pumping is known to cause saltwater intrusion and contamination of the aquifer. The project would reduce the need for increased off-tide pumping (which is currently done to compensate for the times when high tides prohibit pumping). The proposed project would not only increase safety but would improve supply reliability. The project, therefore, will be beneficial for public health, safety, and welfare.

The project would further benefit the environment by providing water for plants, fish, and wildlife by permanently dedicating 212.7 acre feet (0.699 cfs) of Lagunitas Creek water that the NMWD can currently divert to instream uses (i.e., for the benefit of plants, fish, and wildlife using the creek). Reduction in off-tide pumping at higher rates would also benefit the Lagunitas Creek fishery by keeping more water in the stream.

Finally, as proposed, the project would be consistent with all applicable policies of the Marin Countywide Plan. The proposed project would not result in visual impacts because the facility would be located over 400 feet from the nearest public roadway in an area that is partially screened from off-site locations by existing vegetation and topographical features. The project would not alter the drainage pattern of the area.

SECTION II: ACTION

NOW THEREFORE, BE IT RESOLVED that the Marin County Planning Commission hereby denies the Gordan Bennett appeal, on behalf of an organization called Save Our Seashore, and approves the project described in condition of approval 1 subject to the conditions of project approval.

This decision certifies the proposed project's conformance with the requirements of the Marin County Development Code and in no way affects the requirements of any other County, State, Federal, or local agency that regulates development. In addition to a Building Permit, additional permits and/or approvals may be required from the Department of Public Works, the appropriate Fire Protection Agency, the Environmental Health Services Division, water and sewer providers, Federal and State agencies.

SECTION III: CONDITIONS OF PROJECT APPROVAL

NOW, THEREFORE, BE IT RESOLVED that the Marin County Planning Commission hereby approves the Gallagher Family Coastal Permit and Use Permit application, subject to the conditions listed below.

CDA-Planning Division

1. This Coastal Permit and Use Permit approval authorizes the construction of a municipal well to provide water for customers in the community of Point Reyes Station. Two wells are located on U.S. Coast Guard property in Point Reyes Station (Coast Guard Wells), while the third well (Gallagher Well No. 1) is located on the project site. The proposed project is to construct Gallagher Well No. 2 as part of the Gallagher Wells, located approximately 500 feet north of the existing Gallagher Well No. 1. The purpose of the proposed project is to increase the reliability of domestic water supply to offset the loss of water production at the NMWD's other wells located on the U.S. Coast Guard property. The proposed well would tie into the existing water transmission pipeline located south of the private Gallagher Ranch access road. The proposed well and distribution pipelines would occur within 100 feet of Lagunitas Creek, which traverses the project site.

As part of this project, the NMWD would abandon an existing well (the Downey Well), which lies within the Lagunitas Creek stream channel. The Downey Well was initially constructed on the bank of the Lagunitas Creek stream. However, the creek has migrated over time such that the well is now located at the center of the creek channel. As a result, Downey Well produces

unsafe water quality for domestic consumption. Other improvements proposed include the construction of water distribution pipelines, pump stations, a well field, and other components both within and outside the project site.

2. Plans submitted for a Building Permit shall substantially conform to plans identified as Exhibit A, entitled "Gallagher Well No. 2," consisting of 2 sheets prepared by North Marin Water District, received in final form on February 6, 2021, and on file with the Marin County Community Development Agency, except as modified by the conditions listed herein.
3. The project shall conform to the Planning Division's "Uniformly Applied Standards 2021" with respect to all of the standard conditions of approval and the following special conditions: 10.

SECTION IV: VESTING

Unless conditions of approval establish a different time limit or an extension to vest has been granted, any permit or entitlement not vested within two years of the date of the approval shall expire and become void. The permit shall not be deemed vested until the permit holder has actually obtained any required Building Permit or other construction permit and has substantially completed improvements in accordance with the approved permits, or has actually commenced the allowed use on the subject property, in compliance with the conditions of approval.

SECTION V: APPEAL RIGHTS

This decision is final unless appealed to the Marin County Board of Supervisors. A Petition for Appeal and the required fee must be submitted in the Community Development Agency, Planning Division, Room 308, Civic Center, San Rafael, no later than five business days from the date of this decision.

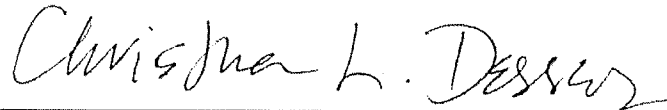
SECTION VI: VOTE

PASSED AND ADOPTED at a regular meeting of the Planning Commission of the County of Marin held on this 24th day of May 2021 by the following vote:

AYES: CHRISTINA L. DESSER, DON DICKENSON, DAVID PAOLI, PETER THERAN

NOES: MARGOT BIEHLE

ABSENT: MARGARET CURRAN

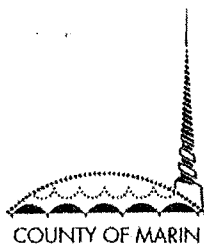


CHRISTINA DESSER, CHAIR
MARIN COUNTY PLANNING COMMISSION

Attest:



ANA HILDA MOSHER
PLANNING COMMISSION SECRETARY



RECEIVED

MAY 28 2021

PETITION FOR APPEAL
COUNTY OF MARIN
COMMUNITY DEVELOPMENT AGENCY
PLANNING DIVISION

TO: **THE MARIN COUNTY** Board of Supervisors
3501 Civic Center Drive (Planning Commission or Board of Supervisors)
San Rafael, CA 94903-4157

1. The undersigned, Sorkay Seashore, hereby files an appeal
(Appellant/Petitioner)

of the decision issued by the Planning Commission
(Director, or Deputy Zoning Administrator, or Planning Commission)

regarding the Gallagher Family Coastal Permit / Use Permit Project ID P3010
relating to property described and located as follows:

- a) Assessor's Parcel Number 119-050-17
- b) Street Address 14500 Pt Reyes - Petaluma Rd, Point Reyes

2. The basis of this appeal is: all prior letters to DZA and Planning Commission

NMWB is unlawfully pumping water reserved for salmon when it has other alternative water sources that would not impact salmon nor violate the terms of

- 1) its own 2009 CEGU IS/MNO
 - 2) WR-95-11
 - 3) water license 4324B
- } all of which ^{terms} should be made a condition of the well permit

(The pertinent facts and the basis for the appeal shall be provided to the Agency at the time the appeal is filed, but no later than the last date established for the appeal period – usually 10 days following the date of the decision. If more space is needed, please attach additional pages setting forth the bases for appeal.)

FROM Gordon Bennett
(Print Name)
10 Sunnyside Dr
(Address)
Ingersoll CA
(City/State/Zip Code)

[Signature]
(Signature)
915-663-1881
(Telephone)
ghatmuirb@aol.com
(Email)

16

North Bay Watershed Association

Board Meeting - Agenda

June 4 | 9:30 – 11:30 a.m.

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

Zoom Meeting:

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

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

Dial by your location find your local number:

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

Agenda and materials will be available the day of the meeting at:
www.nbwatershed.org

AGENDA

Time	Agenda Item	Proposed Action
9:30	Welcome and Call to Order – Roll Call and Introductions Jack Gibson, Chair	N/A
9:35	General Public Comments This time is reserved for the public to address the Committee about matters NOT on the agenda and within the jurisdiction of the Committee.	N/A
9:40	Agenda Review and Approve Past Meeting Minutes Jack Gibson, Chair	<i>Approve</i> <i>Accept</i>
9:45	Treasure's Report Jack Gibson, Chair	<i>Accept</i>
9:50	Consider Proposed 2021/2022 NBWA Workplan and Budget Andy Rodgers, Executive Director	<i>Approve</i>
9:55	Sediment for Survival: A Strategy for the Resilience of Bay Wetlands in the Lower San Francisco Estuary <i>Scott Dusterhoff, Senior Scientist & Lead Geomorphologist, San Francisco Estuary Institute</i> Scott will provide an overview of a recently released SFEI report on the future of bayland sediment demand and sediment supply under a rising sea level, and management recommendations for supporting bayland resilience.	Presentation

10:40	<p>Proposed Regional One Water Drought Strategy Funding Initiative</p> <p><i>Andy Rodgers, Executive Director</i> <i>Chris Choo, Principal Watershed Planner, Marin County Department of Public Works</i></p> <p>Chris Choo and Andy Rodgers will provide the Board with a brief conceptual overview plan to engage member agency staff through the Joint Technical Committee forum to identify, develop and position the region for mutually beneficial programs and projects funding.</p>	Questions/input
10:55	<p>Executive Director Report and Agenda Items for Future Meetings</p> <p>Andy Rodgers, Executive Director</p> <p>Andy will provide an update on active projects, communications, committees, activities, and developing initiatives since the April 2 Board meeting. Andy will outline ideas for next and future Board meeting topics and solicit feedback.</p>	Questions/input
11:05	<p>Board Information Exchange and Drought Updates</p> <p><i>Members</i></p> <p>Members will highlight issues and share items of interest.</p>	N/A
11:30	<p>Announcements/Adjourn</p> <p><i>Next Board Meeting: July 9, 2021</i></p>	N/A

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DISBURSEMENTS - DATED JUNE 3, 2021

Date Prepared 6/1/21

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
*90386	US Bank Card	NATEC International OSHA Class (Kane) (\$551), Fastrak (\$25), Bottled Water & Kitchen Supplies (\$496), Zoom for Board Meetings (\$13) & National Notary Training (T. Kehoe) (\$760)	\$1,845.35
1	Allquip Universal	Parts for Vac Excavator	149.20
2	American Family Life Ins	May AFLAC Employee Paid Benefit	3,085.53
3	Amundsen, Jean	Novato "Toilet Rebate" Program	100.00
4	AT&T	May Internet Connection	90.25
5	Bold & Polisner	April Legal Fees-General (\$12,495) & Potter Valley FERC - NMWD Portion (\$428)	12,922.50
6	Calif Dept of Fish & Wildlife	Lake & Streambed Alteration Permit for the Gallagher Well #2 Project	4,698.25
7	Canziani, Ann & Carlo	Novato "Toilet Rebate" Program	100.00
8	Comcast	May Internet Connection	144.92
9	Core Utilities	Consulting Services: April IT Support (\$6,000), SCADA Support (\$750) & Billing /Website Maintenance (\$925)	7,675.00
10	CWEA	Lab Analyst Grade 1 (Nommsen) (4/21-4/22) (Budget \$100)	91.00
11	Diesel Direct West	Diesel (650 gal) (\$2,633) & Gasoline (860 gal) (\$3,386)	6,018.82
12	Environmental Science Association	Prog Pymt#5: Gallagher Well No.2 CEQA/Coastal Permit Services (Balance Remaining on Contract \$15,256)	34,810.25
13	Fishman Supply	Maintenance and Safety Supplies	378.51
14	Fisher Scientific	Accessory for New Glassware Washer (Lab)	332.35
15	Garrett, Daniel	Exp Reimb: AWWA Backflow Test	285.00

Seq	Payable To	For	Amount
16	GHD	Prog Pymt#20: Oceana Marin Treatment & Storage Pond Repair (Balance Remaining on Contract \$19,642)	48.75
17	Grainger	Miscellaneous Maintenance Tools & Supplies	1,598.22
18	Home Depot	Push Brooms (12) & Stainless Steel Sink for Meter Shop (\$534)	741.80
19	Idexx Laboratories	Colilert Media (200) (Lab)	903.56
20	Integra Chemical	Dechlorination Tablets (1,400) (STP)	6,089.06
21	Kiosk Creative	Novato Spring Waterline Design Services	1,605.00
22	LGVSD	Recycled Water Deliveries (1/1/21-3/31/21)	24,024.55
23	Luciani, Tom	Refund Overpayment on Closed Account	114.59
24	McMaster-Carr Supply	Galvanized Steel Steps for STP	1,780.84
25	Minuteman Press	Yard Signs ("Irrigated with Well Water & Recycled Water") (75)	472.19
26	Olivo, Bill	Novato "Hot Water Recirculation System" Rebate Program	100.00
27	Pace Supply	Couplings (6) (\$324), Nipple & Bushings (2)	369.81
28	POA of Novato Heights	2021 Dues (Budget \$200) (1/21-1/22)	300.00
29	R & B	Elbows (3) (\$351), Couplings (23) (\$1,451) & Plastic Saddle Pair (\$646)	2,448.53
30	Rice Lake Weighing Systems	Calibration Required for Lab Certification	55.00
31	State Water Resources Control	RWF SRF Loan Principal & Interest (Pymt#14 of 20)	273,366.91
32	State Water Resources Control	Clean Water SRF Loan Principal & Interest-RW North Seg 3 (Pymt #9 of 20)	96,153.16
33	Story, Ryan	Exp Reimb: Safety Boots	200.00
34	Sundt Construction	Return Payment-Account Closed	356.23
35	Telderer, Ann	Novato "Washer Rebate" Program	50.00
36	USA BlueBook	Calibration Cylinder (STP)	104.68

DISBURSEMENTS - DATED JUNE 10, 2021

Date Prepared 6/8/21

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


<u>Seq</u>	<u>Payable To</u>	<u>For</u>	<u>Amount</u>
P/R*	Employees	Net Payroll PPE 5/31/21	\$156,182.36
90387*	Internal Revenue Service	Federal & FICA Taxes PPE 5/31/21	71,055.62
90388*	State of California	State Taxes & SDI PPE 5/31/21	16,024.21
90389*	CalPERS	Pension Contribution PPE 5/31/21	39,352.13
1	Able Tires	Tires (2) ('12 Compressor)	163.35
2	Allied Mechanical	Quarterly HVAC Maintenance	429.51
3	Alpha Analytical Labs	Lab Testing	55.00
4	Arrow Benefits Group	May Dental Expense	6,068.30
5	AT&T	Telephone (\$72), Fax (\$89), Leased Lines (\$142) & Data (\$286)	589.19
6	Bean, Jesse	Novato "Smart Irrigation Controller" Program	180.00
7	Bliss, Robert F	Refund Overpayment on Closed Account	207.07
8	Carrow, Ramsey	Refund of Deposit/New Development/WC Restriction-Novato	1,000.00
9	Dana, Paul	Reissue Check-Original Lost in Mail. Refund Excess Advance for Engineering Over Actual Job Cost (Park-A-Pup Novato)	23,300.73
10	DataTree	May Subscription to Parcel Data Info	100.00
11	DeLong, Robert	Novato "Toilet Rebate" Program	250.00
12	Direct Line	June Telephone Answering Service	234.00
13	EKI Environment & Water	Prog Pymt#6: Prepare 2020 Urban Water Management Plan Update (Balance Remaining on Contract \$10,377)	1,849.90

Seq	Payable To	For	Amount
14	Enterprise FM Trust	May & June Monthly Leases for Chevy Colorado, F250's (2), Nissan Rouges (2), Nissan Frontier & F150's (4)	10,081.08
15	Environmental Science Assoc	Prog Pymt#9: San Mateo Tank Permitting Assistance (Balance Remaining on Contract \$27,957)	85.00
16	ETS	Prog Pymt#2: Provide Environmental Testing Services on Fill Materials (Balance Remaining on Contract \$390)	1,930.00
17	Fishman Supply	Safety Vests (16)	116.53
18	Formslag, Sara & Barry	Refund Overpayment on Open Account	1,099.69
19	Grainger	Miscellaneous Maintenance Tools & Supplies	994.95
20	Hartquist, Karen	Novato "Toilet Rebate" Ultra High Efficiency Program	450.00
21	Kovitz, Kenn	Novato "Washer Rebate" Program	50.00
22	Lincoln Life	Deferred Compensation PPE 5/31/21	8,561.70
23	Marin Landscape Materials	Crushed Rock (1/2 yd)	33.64
24	Marin County Parks	Refund Overpayment on Open Account	1,901.09
25	Marion Park Apts	Refund Overpayment on Open Account	8,863.15
26	McMaster-Carr Supply	Feet for Water Pumps	154.76
27	Metcalfe, Kathy	Novato "Pool Cover Rebate" Program	75.00
28	National Fire Protection	Membership Dues (4/21-4/22) (Williams) (Budget \$200)	175.00
29	Nationwide Retirement Solution	Deferred Compensation PPE 5/31/21	1,095.00
30	Noll & Tam Architects	Prog Pymt#2: Provide NMWD Headquarters Upgrade A/E Services (Balance Remaining on Contract \$1,003,762)	118,354.87
31	North Marin Auto Parts	Trailer Connector, Paint for Equipment, U-Bolt & Service Parts	249.90
32	North Bay Gas	Welding Wire, Argon (\$433) (Lab), Breathing Air & May Cylinder Rental	550.22

Seq	Payable To	For	Amount
33	Novato Builders Supply	Lumber (\$698) & Posts (15)	728.33
34	Office Depot	Office Supplies	620.42
35	Pace Supply	MJ Fittings (\$550) & 6" Pipe Spool (\$984) (PRTP)	1,533.29
36	Postmaster Novato	Annual Post Office Box Fee	424.00
37	Pritchard, Lauren	Refund Overpayment on Closed Account	476.34
38	Quadient	July Postal Meter Rental	143.09
39	Recology Sonoma Marin	May Trash Removal	541.78
40	SCP Science	Palladium Nitrate (Lab)	75.51
41	Service Station Systems	Parts & Repair Services on Fuel Tanks	1,794.56
42	Silva, Paulo	Refund Overpayment on Open Account	1,778.61
43	SMART	Purchase Easements at Five Recycled Water Line Crossing Locations	12,500.00
44	Soiland	Rock (72 tons)	1,473.95
45	Staples Business Credit	Office Supplies	1,592.18
46	Suen, Yun	Novato "Smart Irrigation Controller" Program	184.44
47	Syar Industries	Sand (24 tons)	942.55
48	Univar	Sodium Hypochlorite (RWF)	685.05
49	USA BlueBook	Ammonium Hydroxide (\$90), Membrane Electrolyte Module (\$200), Tube & Roller Assemblies (\$399)	689.25
50	US Postal Service	Meter Postage	1,500.00
51	Van Bebber Bros	Flat Stock for Equipment	150.82
52	Verizon Wireless	Cellular Charges: Data (\$1,259), Airtime (\$72), iPads for Asset Management (\$200) & Equipment (\$136)	1,667.52
53	Verizon Wireless	April & May SCADA & AMI Collectors	1,621.86
54	VWR International	Syringe & Buffer (Lab)	105.86
55	Westphal, Rewald	Novato "Pool Cover Rebate" Program	25.77

Seq	Payable To	For	Amount
56	Ying, Willie	Refund Overpayment on Open Account	249.08
TOTAL DISBURSEMENTS			<u>\$503,367.21</u>

The foregoing payroll and accounts payable vouchers totaling \$503,367.21 are hereby approved and authorized for payment.

<i>Julie Blue</i>	06/08/2021
Auditor-Controller	Date
	06/08/2021
General Manager	Date



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

PHONE
415-897-4133

EMAIL
info@nmwd.com

WEB
www.nmwd.com

June 4, 2021

VIA EMAIL to Erik.Ekdahl@waterswrchs.ca.gov

Attn: Erik Ekdahl, Deputy Director
State Water Resources Control SWRCB
Division of Water Rights
P.O. Box 2000
Sacramento, CA 95812-2000

**RE: Notice of Temporary Urgency Change Petitions for Permits:
12947A, 12949, 12950, AND 16596 (Applications 12919A, 15736,
15737 and 9351) of Sonoma County Water Agency**

Dear Mr. Ekdahl:

As a retail water contractor to Sonoma County Water Agency (Water Agency) North Marin Water District (NMWD) urges the State Water Resources Control Board (SWRCB) to immediately approve the Water Agency's Petitions for Temporary Urgency Change (TUCP) – Permits 12947A, 12949, 12950 and 16596 (Applications 12919A, 15736, 15737 and 19351). The Water Agency filed the TUCPs with the SWRCB on May 13, 2021.

As you know, the Russian River watershed is facing a severe drought, with two consecutive dry years leaving Lake Sonoma currently at 57 percent of water storage capacity. Lake Sonoma is the primary source of water supply to the Water Agency's retail water contractors, including 600,000 residents in portions of Sonoma and Marin counties. NMWD is a multi-county (Marin and Sonoma) water district serving over 60,000 residents and relies on wholesale water deliveries from the Water Agency for approximately 75% of our annual water supply. We understand that the Water Agency has done everything possible to actively manage their water supplies this past winter. Without SWRCB intervention, beginning June 1st releases from Lake Sonoma into Dry Creek will exceed rates that would violate the applicable incidental take statement issued by the National Marine Fisheries Service, potentially jeopardizing the survival of threatened and endangered fish species. NMWD believes that the interim instream flow changes paired with a 20% reduction in diversions proposed in the Water Agency's TUCP is the best option to preserve critical water supplies.

Water conservation is considered to be a strong backbone of NMWD's local water supply portfolio and our customers have embraced water use efficiency practices such that demands have been reduced by 30+% since the late 1990's. During this last winter we have been messaging our customers about the dry conditions, strongly urging them to conserve water now and providing them with a variety of water use efficiency tools and resources. In March, 2021, the NMWD

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

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

Board of Directors adopted an Emergency Water Conservation Ordinance that was subsequently amended in April asking our customers to reduce water use by 20% community-wide compared to 2020 levels. We have also increased funding and staffing resources to respond to this critical situation and NMWD is fully committed to meeting the 20% reduction in water use.

Every day of delay in issuing an order approving the Water Agency's TUCP results in less water supply being preserved and stored in Lake Sonoma to meet the needs of our region. NMWD requests that the SWRCB promptly approve the TUCPs to help our communities better manage our critical water supplies during this severe drought.

Respectfully submitted,



Drew McIntyre
General Manager
North Marin Water District

DM: tk



DROUGHT DROP BY

June 12 - 9am to 1pm
Pick up a **FREE** water-saving kit.

Marin County Locations: (Outdoors)

Corte Madera – Marin Water – 220 Nellen Ave
Mill Valley – Community Center – 180 Camino Alto
Novato – North Marin Water District – 999 Rush Creek Pl
San Rafael – Community Center – 618 B St

www.SavingWaterPartnership.org

Clarification: Last week's story about the planning commission's review of Gordon Bennett's appeal of North Marin Water District's plans for a new well was flawed. We took two quotes out of their context at the meeting, leading us to believe that the commission had "punted" the decision on the water district's permit to state agencies. In fact, those quotes pertained to new conditions that Mr. Bennett hoped the commission would attach to the permit. Commissioners and county planners referenced their lack of expertise in water rights, streamflow requirements and salmon law in regard to that request. But they were confident—except for one commissioner who cast a dissenting vote—in rejecting the appeal, believing the county's permit approval, by the deputy zoning administrator, was correctly given. To obtain its permit, North Marin created an addendum to an initial study required by the California Environmental Quality Act, and it is that document that Mr. Bennett contests. Yet planning commissioners said they did not have the authority—or expertise—to re-examine that document (which resulted in a mitigated negative declaration, meaning the water district found there would be no significant impacts from the new well that could not be mitigated). No matter: Mr. Bennett has vowed to appeal the planning commission's decision and keep appealing in hopes that someone does re-examine it.

MEMORANDUM

To: Board of Directors
From: Nancy Williamson, Senior Accountant *NW*
Julie Blue, Auditor-Controller *JB*
Subject: FY22 Insurance Renewal
t:\aclword\insurance\22\fy22 ins memo updated.docx

June 11, 2021

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: \$266,506 - Included in Fiscal Year (FY) 21/22 Operations Budget

Arthur J. Gallagher & Co. Insurance Brokers of CA, Inc., in San Francisco, has been the District's brokerage firm the past nine years. Two years ago we entered into a three-year contract for Property and Liability coverage package with JPRIMA (CalMutuals Joint Powers Risk and Insurance Management Authority) and Workers' Compensation coverage with JPRIMA-Zenith Insurance Company.

JPRIMA's proposal for Property and Liability coverage is \$157,194 compared to \$136,641 last year and their 1st dollar worker's compensation coverage plan came in at \$117,363 compared to \$126,603 last year. This coverage is for a pooled type deductible plan.

Prior to FY20, the District self-insured the first \$1 million of its general and auto liability since 1989, which is also known as a Self-Insured Retention (SIR). By selecting the deductible plan package proposal, the District's risk is reduced by \$900,000 to a maximum of \$100,000 per claim.

Created in 2016, JPRIMA is a pooled insurance program designed specifically for mutual water companies, as well as smaller water programs. The Authority provides customized insurance solutions to small water systems throughout California whose operations comprise the development, transportation, management, storage, treatment or distribution of water. JPRIMA is operated by Allied Public Risk, a Managing General Underwriter (MGU) that sees to the day-to-day operations and internal practices of the pool.

The total package, including Workers Compensation, reflects a cost increase of \$16,061 (6%) from the current year premium. The increase for general liability and auto of \$24,408 (20%) is offset by a decrease in workers comp of (\$9,240) (7%). Cyber liability increased \$893 (22%).

INSURANCE MARKET RECAP

Adverse market conditions started in California and today are impacting municipalities throughout the US. This is driven by \$40 billion in wildfire claims since 2017, that has resulted in large increases in insurance and reinsurance costs and millions of dollars in automobile physical damage losses.

Another driving factor in increases to insurance costs is social inflation which has led to 300-400% increases in settlements for litigation. Extensive litigation has resulted in carriers paying losses exceeding the premiums that they collected, which continues at an accelerated pace. Water districts, like other

municipalities, are not immune to lawsuits. The costs to defend lawsuits in some cases can be upwards of \$500,000, regardless of the outcome. As a Comparative Negligence State, it only takes a claimant proving 1% fault to prevail. This has led to six major public entity carriers pulling out of the marketplace, leaving a finite amount of capacity left to purchase.

Lastly, Workers' Compensation insurance costs will be impacted by an estimated \$75-\$100 billion in COVID-19 related costs.

PROPOSAL SUMMARY

Below is a summary which outlines the total cost of insurance by type. This table compares the cost of insurance for FY 20/21 to FY 21/22.

Insurance Proposal	FY20/21	FY21/22	% Δ
Property (Includes Crime)	\$57,212	\$65,625	15%
Liability ¹ (Includes Auto & PO/Mgmt Liability)	\$62,551	\$78,546	26%
Workers' Comp	\$126,603	\$117,363	(7%)
Cyber Liability	\$4,079	\$4,972	22%
Total Cost	\$250,445	\$266,506	6%

A further breakdown is shown in the table below which outlines the total coverage, deductibles, and premiums by type of insurance. This table also compares these variables related to insurance for FY 20/21 compared to FY 21/22. Following the table are descriptions of the types of insurance policies obtained or to be obtained by the District in FY 21/22.

CARRIER	TYPE	FY 2020/21 Actual			FY 2021/22 Renewal		
		COVERAGE	DEDUCTIBLE	PREMIUM	COVERAGE	DEDUCTIBLE	PREMIUM
JPRIMA-ALLIED WORLD	Property Insurance	\$65,399,000	\$25,000	\$57,212	\$70,653,000	\$25,000	\$65,625
JPRIMA-ALLIED WORLD	General Liability	10,000,000	100,000	62,551	10,000,000	100,000	78,546
JPRIMA-ALLIED WORLD	Vehicle-Physical Damage	807,684	5,000	Included	905,423	5,000	Included
JPRIMA-ALLIED WORLD	Public Officials/Employment Pract. Liability	1,000,000	100,000	Included	1,000,000	100,000	Included
JPRIMA-ALLIED WORLD	Employee Fidelity (Crime)	\$250K-\$1M	100,000	Included	\$250K-\$1M	100,000	Included
JPRIMA-Zenith	Workers' Compensation	Statutory	-	126,603	Statutory	-	117,363
Great American	Cybercrime Insurance	1,000,000	5,000	4,079	1,000,000	10,000	4,972
	Total Cost			\$250,445			\$266,506

PROPERTY INSURANCE

Property insurance protects the District against loss or damage that occurs to the District's buildings, equipment and water storage tanks. Structures and tanks are insured in an amount up to the value of the asset. Equipment coverage is provided on an agreed value basis. In December 2015 the District obtained a certified appraisal of its buildings, pump stations and water storage tanks to minimize negotiation in the event of a property loss. The insured value of the District's property, excluding fleet vehicles increased 8% from the prior year, to \$70 million.

¹ Liability amounts shown are NMWD's net cost after MCWCFCFCD's contribution (\$16,878 in FY21 & \$13,022 in FY22).

GENERAL AND AUTO LIABILITY UMBRELLA INSURANCE

General and Auto Liability umbrella coverage provides a backstop in the event of a large liability claim (bodily injury, property damage, personal injury) where the damage exceeds both the deductible and primary General Liability coverage limit. The umbrella covers subsidence, failure to supply, inverse condemnation, eminent domain and dam failure. A 1985 agreement with the Marin County Flood Control and Water Conservation District (MCFCWCD) requires North Marin to maintain a minimum \$10 million liability policy and obligates MCFCWCD to pay the incremental cost of increasing the limit from \$5 million to \$10 million. JPRIMA's General Liability package insures the first \$1million and their Excess Liability package insures the next \$9 million, providing total coverage of \$10 million. Under JPRIMA's proposed policy, MCFCWCD's share of the cost will be \$13,022 next fiscal year for the \$5 million in additional coverage required under the agreement.

VEHICLE PHYSICAL DAMAGE INSURANCE

Comprehensive & Collision insurance for District autos and trucks protects the District against physical damage occurring due to collision, fire, theft, etc., on an agreed value basis. The insured value of the District's vehicle fleet increased 12% to \$905,423 over the prior FY.

PUBLIC OFFICIALS ERRORS & OMISSIONS AND EMPLOYEMENT PRACTICES LIABILITY

Errors and Omissions is a form of liability coverage that insures the District Board and Officers against claims made for "breach of duty" occurring through negligence, error or unintentional omission. It also includes Directors' and Officers' Employment Practice Liability Insurance, covering claims for wrongful termination, discrimination, harassment, etc.

EMPLOYEE FIDELITY (CRIME) INSURANCE

The employee blanket fidelity bond insures the District against loss occurring through dishonesty (fraud) on the part of District employees. Crime coverage includes employee theft and electronic funds transfer fraud.

WORKERS' COMPENSATION INSURANCE

In 2019 the District entered into a 1st dollar workers' compensation plan with a 3-year commitment with Zenith Insurance Company. This type of plan is a pooled plan which eliminates the risk of \$1M out of pocket costs as with a Self-Insured Retention plan as well as reduced administrative costs.

CYBER LIABILITY INSURANCE

The District first purchased a Cyber Liability policy in FY15. Cyber Liability coverage insures against loss of sensitive or personally identifiable information (such as social security numbers, credit card numbers, etc.) and third-party claims.

Banning water hookups has consequences

Editorial

Marin Independent Journal

As Marin's water supply sinks due to the drought, there has been a rising call for temporarily banning new water hookups.

Supporters of a ban are asking why local water districts should be adding customers when existing residential, business and public customers are being told to cut back.

The Marin Municipal Water District, for instance, has faced this question before, in 1973 and in 1989, when multiyear hookup bans were in place until rains returned and the local water supply rebounded.

MMWD is facing problems protecting the local supply during a historic drought, where the last 16 months has been the driest in more than 140 years. Local reservoirs are below half full and Sonoma County water managers have cut their delivery of Lake Sonoma water by 20%. MMWD relies on the Sonoma County water for 25% of its supply. It comprises more than 70% of North Marin Water District's supply.

So why allow more construction — more water connections — when you don't have enough water for existing customers?

The equation is not that simple.

Officials need to fully understand and add up the potential economic consequences of a ban that could last several years, as have other recent moratoriums.

MMWD Director Larry Bragman is right: "It's going to have real-world effects."

The financial and economic ramifications are far greater than not routinely being served a glass of water at a restaurant, not washing your car or watching your lawn and roses struggle due to less watering.

A hookup ban is going to have "real-world effects" that affect jobs, up and down the local economic ladder, and building that's dedicated to meeting a local need, such as affordable and senior housing.

MMWD General Manager Ben Hornstein is right to reach out to local planning departments to get input from the local frontline of the planning process and numbers on projects that could be stalled or scrapped as a result of not being able to get water.

For some projects, especially affordable housing projects being built on tight budgets, delay drives up their expenses and could doom them.

The district could contemplate possible exemptions, including letting developers pay a conservation fee or promise to install landscaping watered by non-potable water instead of MMWD's supply.

Also, what would a conservation fee cost and what would it be used for?

Letting deep-pocket developers pay their way around the ban because they can afford to doesn't seem fair.

Local strides toward societal and economic equity need to be reasonably accommodated in the district's plans.

All of the facts — and honest estimates — should be known and on the table before MMWD directors take any action.

MMWD needs to take into account state pressures on local communities to build more housing and whether those projects, some of which include Legislature-created exemptions from normal local public planning processes, could also be exempt from local utility-related moratoriums.

Will the state leaving Marin off of its drought emergency declaration affect the legal clout of an MMWD ban?

MMWD should not move forward blindly. Its board should know the answer to those questions before proceeding.

There is logic to making sure growth doesn't exceed supply, but there are a number of potential variables and possible impacts that may not make this as simple of an equation as it appears to those pressing for a local water ban.

It is a decision that deserves full and due public diligence in addressing those "real-world effects" before it is made.

The MMWD board should take the time needed to do it right.

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Sunday, 05/30/2021 Page .A14

District rethinks relief on pricing

DROUGHT

MMWD might shelve summer rate system

Marin Independent Journal

By Will Houston

whouston@marinij.com

The Marin Municipal Water District's latest strategy to conserve water during what could become its worst drought on record would target ratepayers' wallets.

The utility is proposing temporarily suspending its summer rate structure, which allows its 191,000 customers in southern and central Marin to use more water during the summer months without being bumped into higher-paying rate tiers.

The rate structure is typically used because of higher water demand during the summer season, especially for outdoor landscape irrigation, which the board has recently restricted to two days per week under its new drought rules.

It's unclear when the rate proposal will go to the district's board for a vote, but the board signaled its support for the idea this month.

"I know this is not going to win many popularity contests, but I think we have to suspend the summer allocation," board member Larry Bragman said during its meeting on May 18. "I mean, it directly contradicts our whole focus here of reducing irrigation use, and here the summer allocation is subsidizing it. If you want to talk about mixed messages, that's it."

"We're sending a terrible message by discounting the summer usage," board member Larry Russell said during the meeting. "I think it's just the wrong approach completely."

The district received about 20 inches of rainfall this past winter, its second-lowest amount in 143 years of records. The district's seven reservoirs in the Mount Tamalpais watershed are less than half full when normally they would be closer to 90% full at this time of year.

The district adopted mandatory water use restrictions in April for the first time since the late 1980s in response to the dry conditions. The district hopes to have 30,000 acre-feet of storage remaining by Dec. 1, which equates to about a year's worth of water use during normal years.

The district's rate structure changes depending on the time of year. In the "summer" months from June through November, customers in a single-family home can use up to 2,600 cubic feet of water, or about 19,500 gallons, on a bimonthly basis and remain in the lowest paying rate tier of \$4.36 per hundred cubic feet. In the "winter" months from July through December, customers can only use up to 2,100 cubic feet of water, or about 15,700 gallons, to remain in the lowest-paying tier. If those amounts are exceeded, the rates jump to \$7.56 per hundred cubic feet.

Summer rates are set to take effect on Tuesday.

The board is proposing to only use the winter rate structure during the drought. Doing so would require a formal notification and meeting process as required under Proposition 218. Ben Horenstein, the district's general manager, said a Proposition 218 notice would likely be sent out to customers in June if the board decides to move forward with the idea.

"We are in a crisis," Bragman said at the meeting. "And when you're in a crisis, I think we learned from the pandemic, you've got to be somewhat bold. I think we should take it up and have to take it up if we're going to meet our goal."

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Water savings vs. housing impact

MARIN MUNICIPAL

Decision delayed on proposed hookup ban after lively debate

Marin Independent Journal

By Will Houston

whouston@marinij.com

The Marin Municipal Water District has delayed a decision on a controversial service connection ban amid an ongoing debate over drought, housing and the environment.

The move — the first such action in three decades — would suspend most water meter connections and water main extensions after June 30. The district board will reconsider the controversial proposal on June 15.

A key point of the board's discussion on Tuesday was the tradeoff between saving water and meeting state demands for affordable housing development. The district estimates the suspension would save 20 to 60-acre feet of water per year, or less than one thousandth of the district's annual water demand, according to staff.



The exposed dry banks of Alpine Lake are visible in Fairfax.

SHERRY LAVARS — MARIN INDEPENDENT JOURNAL

By comparison, the district's recently adopted water use restrictions on its 191,000 customers are estimated to save 7,300-acre feet between May and October, or 25% of the district's annual water demand.

Local developers and housing advocates said the connection stoppage would save little water while worsening the dearth of affordable housing and upending years of planning and investment in housing projects just months before they are fully permitted.

“I think the effect of that is you’re going to have just a housing drought for many years if you take an approach that is quite this draconian,” San Anselmo resident John Wright told the board.

The board signaled that it needs to adopt some type of restriction on water hookups, but said more information was needed on the impacts.

Cynthia Koehler, the board president, said the district cannot send a mixed message of mandating existing ratepayers to reduce water use by 40% while still allowing new hookups.

“There’s a way to thread this needle while not ignoring the very serious housing problems in our community,” Koehler said.

“When we’re talking about trying to get people to cut by 40%, this is not going to be the solution,” board member Monty Schmitt said. “We won’t get there through this action. It will be customer consumption and conservation where we sink or swim.”

Board member Larry Bragman said there is an urgency to the decision given the alarming water supply forecasts. Projections show the district might have just a third of its total supply by December with no guarantee of normal winter rainfall.

“The numbers are dire and it’s not going to get any better,” Bragman said.

The proposal outlined on Tuesday set a high bar for what kinds of water hookups would be allowed before June 30. Only applications that included a certified building permit, a completed water service application, a graywater compliance form and full payment of fees, among other requirements, would be accepted before the end of June. Applicants would also agree to forgo landscape installations while the ban is in effect.

Exemptions might be applicable to 100% affordable housing developments; certain in-law units, also known as accessory dwelling units; connections solely needed for fire protection; improvements of public facilities; and fire hydrants.

Developers and project leaders said a June 30 cutoff date could kill vitally needed housing projects ready to break ground in the coming months. Having just 29 days to secure building permits that often take months to secure is unrealistic, they said.

Anne Grey, chief executive officer of Vivalon, formerly known as Whistlestop, said the ban threatens a project 10 years in the making to build 67 apartments for low income seniors in downtown San Rafael. The project is just months away from getting the approvals needed to break ground, she said.

“Past moratoriums have lasted as long as four-plus years, and this is time our community cannot wait,” Grey told the board.

Brendan Hickey told the board he has invested years and hundreds of thousands of dollars to build a home for his family of four on the 3-acre plot he bought in San Rafael. While the project has received entitlements, he is still waiting for the city’s decision for a building permit. He said he received a water availability letter from the water district earlier this year, though district staff said this approval is usually granted early on in the process and only acknowledges that water is available.

“Based on this commitment to service the property with water, I then rented the home next door to the vacant lot, moved my family, enrolled my children in new schools, put my house for sale and made numerous financial and other commitments to develop the property which I was expecting to build later this year,” Hickey told the board.

To further complicate the issue, Marin might soon be required to produce close to 15,000 new residences between 2023 and 2031 under the direction of the Association of Bay Area Governments. One speaker said the hookup moratorium could also threaten the state certification of city housing element updates in 2022, which would result in governments losing state funding.

Others urged the district to take all actions to secure water supply for what could be a severe drought.

“Your responsibilities are to current customers and conserving the habitat releases for the ecosystems in your care,” Barbara Salzman, president of Marin Audubon, told the board.

The district has suspended new water hookups twice before in the past 50 years, both times during severe droughts. The first was from April 1973 to November 1978 and the second from February 1989 to March 1993.

The current drought is expected to become the district's worst on record. Only 20.6 inches of rain fell this past winter — the second lowest on record — and the past 16 months were the driest in the district's 143 years of records.

The district's seven reservoirs, which make up 75% of its supplies, are less than half full when they should be around 90% full at this time of year. The district receives about 25% of its supply from Sonoma Water imports, which are set to be cut by 20% in July.

The board also was undecided on whether to include an end date for the water hookup ban or leave it open until the board deems it appropriate to lift it. Staff proposed the option of lifting the ban on April 1, 2022, but only if reservoir storage is at 60,000 acre-feet or more.

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Thursday, 06/03/2021 Page .A01Copyright Terms and Terms of Use. Please review new arbitration lan

Tougher rules for water use possible

MARIN MUNICIPAL

District says customers far below savings goal

Marin Independent Journal

By Will Houston

whouston@marinij.com

With less than a year's supply of water stored and conservation efforts lacking, the Marin Municipal Water District might impose more severe water use restrictions, with fines up to \$1,000 or service shutoffs.

One month after the district imposed a 40% conservation mandate, its 191,000 customers in central and southern Marin have fallen far short of the goal. Conservation only reached a peak of 8.9% in late May.

"I think where we are with supply and not seeing the conservation signal that we're asking for and we need, we may need to move to actions that do feel a bit more restrictive and even controlling," Ben Horenstein, the general manager, told the district board on Tuesday.

In response, the district intends to take a gradual approach and will consider tightening restrictions in the coming weeks, including limiting outdoor sprinkler use from two days per week to just one day on an assigned day. If the late fall does not bring more rain, the district will consider limiting households and businesses to a daily water allotment similar to the 1976-77 drought or set individual conservation targets that could be enforced by fines.

The district was the first major supplier in the Bay Area to adopt mandatory water use restrictions in April and May in response to historic drought conditions. About 20 inches of rain fell this past winter — less than half of normal and the second lowest on record. Most of the rain soaked into the parched ground from last year's dry winter, with the district only receiving less than 20% of its normal runoff into its reservoirs. The past 18 months have been the driest in the district's 143 years of rainfall records.

The district's current drought rules limit outdoor sprinkler use to two days per week, limit drip irrigation to three days per week, ban car washing at home and require pools

to be covered, among other rules. The district's goal is to have about 30,000 acrefeet of water available in its seven reservoirs by Dec. 1, about a third of its storage capacity.

As of Wednesday, the district had less than 37,400 acre-feet of water in its reservoirs. That amount is less than a year's supply based on current customer demands, state-mandated environmental water releases into Lagunitas Creek and pumping capacity, Horenstein said. New projections show the district dipping below 30,000 acre-feet before Dec. 1, which would automatically trigger a 50% conservation mandate. In response, the district is planning to consider tightening restrictions in early July, including the option of limiting outdoor irrigation to one day per week.

"I know we didn't want, necessarily, to come out of the gate heavy-handed, yet it would provide the opportunity to help educate folks that may just simply not be getting the message," Horenstein told the board.

Should the district move to a per-household water allotment later this fall, it will need to consider various factors, including health and safety issues and defining a fair amount of water, Horenstein said. Another issue is that the majority of customers do not have "smart" water meters, meaning they only find out about their water use two months later as part of their bill.

Penalties would also need to be defined. As part of a draft water management plan the district is proposing to adopt, the worst violators could be charged with a misdemeanor that could result in a fine of \$1,000 and even up to 30 days in county jail. Another tactic would be water shutoffs.

Board members voiced support for beginning with the one-day outdoor irrigation limit and adjusting as needed.

"We're managing to make sure that when we hit 2022, we are not out of water at all," said Cynthia Koehler, the board president.

Some ratepayers said the district should be more restrictive.

"I'm listening to you talk about not having water a year from now, and I don't hear the hair-on-fire approach to communicating this," Beryn Hammil told the board. "There needs to be a greater sense of urgency."

"8.9% for May is just dismal, I think we all see that," said Larry Minikes, a Marin Conservation League board member. "It's almost shocking that's all we dropped by in a month."

Grace Geraghty of Terra Linda said she does not have a lawn but does grow fruits and vegetables for herself and neighbors. She urged the board to consider situations such as hers when developing any more rules.

“I can tell you we will not survive without tomatoes and squash, etc., irrigating one day per week,” she said.

Meanwhile, the district is exploring other ways to bolster or conserve supplies. Options include a using a temporary desalination plant, or building a pipeline across the Richmond-San Rafael Bridge as occurred in 1977 to pump in State Water Project supplies. The board will also reconsider suspending most new water service hookups at its June 15 meeting.

This is not the first time Marin customers have had a slow rollout in its conservation efforts. After the water district adopted a 25% conservation mandate in February 1976, the district reported customers were still using about the same amount of water a month later. They eventually ramped up to 25%, but the following dry winter led to the district adopting a 57% conservation mandate and household allotments in 1977. Ratepayers conserved about 65% that year.

Other districts

The North Marin Water District’s 64,000 customers in the greater Novato area and parts of West Marin are being asked to voluntarily conserve by 20%, but that will transition to a 20% conservation mandate starting on July 1 through the end of November. Preliminary data show that customers are falling short, with Novato at 16% conservation and West Marin at 15% as of late May, according to Drew McIntyre, the district general manager.

The smaller Bolinas Community Public Utilities District posts daily water use by its 1,600 or so customers. The tracker is important given that customers will be placed under mandatory water restrictions of 125 gallons per household per day should their average daily use exceed 76,000 gallons over a one-week period.

As of Thursday, the daily average was at about 65,000 gallons.

“If we’re able to manage through this drought with our customers conserving on a voluntary basis, it’s an extraordinary thing,” said Jennifer Blackman, the district general manager. “We know people are radically changing their lives to do this.”



Water levels in the Nicasio Reservoir continue to recede, as seen in Nicasio on Thursday.

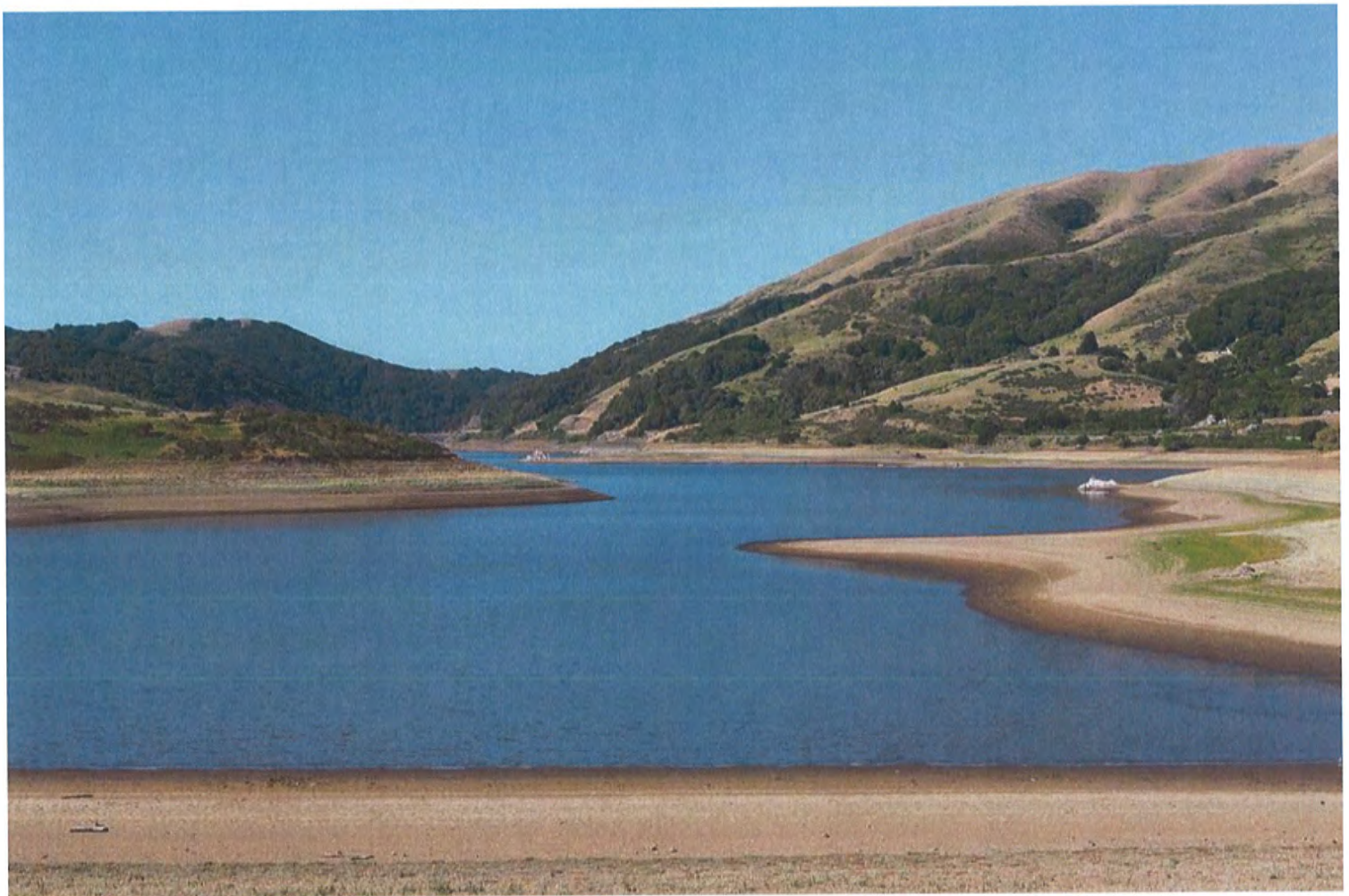
ALAN DEP — MARIN INDEPENDENT JOURNAL

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POINT REYES LIGHT

West Marin prepares for extreme drought



David Briggs

Marin's reservoirs are typically 90 percent full at this time of year, but after two dry years, they are at less than half their capacity. Nicasio Reservoir is revealing the skeletons of old buildings and roads, and that's with water pumped from the Soulajule Reservoir, which is normally used for storage. Marin County supervisors declared a drought emergency this week.

By Braden Cartwright
05/19/2021

Creeks are dwindling, reservoirs are draining, and water suppliers are sounding the alarm.

Marin declared a drought emergency this week, the latest step in a crisis that will only deepen into the summer. Water providers large and small are conserving and creating backup plans, and they are searching for new sources of water. Prospects of outside help are diminishing, so suppliers are turning to their customers to save them from running dry.

“You only have to drive by Nicasio Dam or Stafford Lake to see the dire conditions we are facing,” Supervisor Dennis Rodoni said. “Drought conditions are the worst we have seen in over 140 years in Marin. Please take this drought and recommendations from the water agencies seriously. While we have plenty of water for health and safety of our families, it is important that we do not waste any water.”

The resolution adopted by supervisors declares an imminent threat of disaster and grants Marin emergency powers to address the drought. It requests that the state extend its own emergency proclamation to include Marin, potentially making disaster funding available and waiving regulations that may hinder response efforts.

Last year was already bad. Rainfall from July 2019 to June 2020 registered among the drier years on record and around half of average. Water districts asked customers to voluntarily conserve, and they did. Storage systems and sources needed a wet winter to recharge, but the rains never arrived. This year was the driest ever recorded in parts of Marin, and no significant storm is expected for at least five months.

Droughts are a part of California’s natural weather patterns, and the problems of today have been faced in the past. Just four years ago, the state came out of the longest drought ever recorded in the region by the United States Drought Monitor. The most severe drought was in 1976 and 1977, when a six-mile pipeline was built across the Richmond-San Rafael Bridge to pump water from the East Bay to Marin, and a rainy winter turned things around.

But this drought year comes with the added stress of climate change making weather events more extreme and harder to predict.

Water agencies are offering rebates for conservation improvements and adding restrictions including limitations on outdoor watering, which is responsible for an uptick in consumption during the summer. Mandatory rationing is on the table everywhere in Marin, though questions of how to fairly enforce restrictions remain.

At least 10 different entities serve water to West Marin. Inverness, Muir Beach, Stinson Beach and Bolinas all have their own public districts. Point Reyes Station, Olema and Inverness Park are served by wells from the Novato-based North Marin Water District. The San Geronimo Valley is connected to Marin Water, the county’s largest provider. Residents in Marshall, Tomales and more remote areas get their water from private wells, and Dillon Beach is served by two private water companies.

Each of these providers is impacted to varying degrees, depending on their sources and system.

Our collective challenge

The Bolinas Community Public Utility District put up a large sign at the intersection of Mesa and Olema-Bolinas Roads that displays the town’s water use for the week, and how it compares to a mandatory ration trigger of 76,000 gallons per day. If that threshold is crossed, all households will be limited to an average of 125 gallons per day—and that limit will likely be lowered to 100 gallons in the future, general manager Jennifer Blackman said.

The sign underscores that conservation is a town-wide issue. Residents have accused others, such as weekenders and vacationers, of using too much, but at a meeting last week, Ms. Blackman stressed that the vast majority of residents increased their consumption over the past six weeks, and there are no villains. If people can keep their water use where it is now and avoid the usual summer increase, rationing can be avoided.

“This is a crisis that is our collective challenge as a town,” Ms. Blackman said. “We’re only going to survive this and get through this if we think about this as a community and not pit people against each other... Look in the mirror and ask yourself what you can do.”

Violators will receive a written warning for the first and second time they exceed the limit, and their water will be turned off after the third violation. They will then have to appear in front of the board of directors to negotiate terms to

restore their water service.

Directors are discussing an exception to the ration limit for larger households. Currently about 100 of 592 connections are using more than 125 gallons per day. Fourteen are businesses, and 30 are households whose use is very close to the limit; about 10 percent of homes are well above the ration limit.

During a drought in 2009, plumbers were busy replacing hot water heaters, showerheads and faucets with more efficient fixtures. Those investments are paying off today with lower consumption; now, the biggest place to save is outside.

Preventing leaks is important. Hoses have been left running and toilet flaps have failed, resulting in hundreds of thousands of gallons wasted in recent months.

“We really cannot afford to have those kinds of water losses, and they are absolutely avoidable if people simply turn the water off...when [they] are going to be away,” Ms. Blackman said.

Bolinas, which draws its water from Arroyo Hondo Creek, is pursuing two new wells that would greatly add to its water supply. One showed an impressive flow of a couple-hundred gallons per minute, hydrogeologist Rob Gailey said. He still must conduct tests to make sure the water is safe to drink; staff submitted applications to the state water board and asked for an expedited process.

Ms. Blackman did not share a timeline for adding the wells to the water system, but she said the goal is to bring them online this year.

Bolinas has been under a water moratorium since 1971 because of its scant supply. The town’s “checking account” is the creek, and its two reservoirs are the “savings account.” Each day the reservoirs are not used is a success.

Bill Pierce, one of the chief water operators, said that if you had long-term knowledge of the watershed but no calendar, you would think it was fall right now. Standing on its banks, he can normally hear the creek flowing at this time, but today it is quiet.

A foggy summer can offer some relief. When the weather is warm and sunny, Mr. Pierce said he can see creek flows drop, and the lower end runs dry. When the fog rolls in, the opposite happens.

“That is due to the fact that we share the Arroyo Hondo canyon with everything that lives up there, and they are all drinking out of that creek,” he said. “Fog is vitally important to this town.”

Stinson Beach and Muir Beach benefit from being on the west side of Mount Tamalpais. Ed Schmidt, the general manager of the Stinson Beach County Water District, said when the clouds hit the mountain, they rise up and drop their moisture. The tanks are at a comfortable 85 percent full.

“Fortunately, we’ve got a good fog drip here,” Mr. Schmidt said.

Inverness is on its own, too, with storage limited to aboveground tanks that are replenished by creeks each night. The district enacted a moratorium on new water connections last summer, and now four different properties are seeking meters.

Nicole Bartolini and Joshua Garcia purchased an undeveloped property in Inverness in January with plans to build a 1,200-square foot home with two bathrooms and a drought-resistant landscape. They said the seller and local real estate agent did not tell them about the water moratorium, and they made a significant financial investment thinking they had permits and water access. Now, they’re stuck.

They wrote a letter to the utility’s directors, asking for an exception on the grounds that construction won’t happen until next spring and will use trucked-in water, and they will defer landscaping work.

Directors will hear the letter at their meeting next week. In the past when Inverness instituted a moratorium, nobody applied for a new connection.

Wade Holland, the district's first general manager, said water operators have an informal rule of thumb that if the creeks are flowing at 700 gallons per minute by the end of February, the supply will be more than enough that year. Less than that doesn't necessarily mean trouble, but this year, creeks were flowing at 110 gallons per minute.

"It's ominous," Mr. Holland said.

On Wednesday, the creeks flowed at 50 gallons per minute. While individual usage is relatively low, the population of Inverness has increased during the pandemic and strained the system.

Rationing can take three different forms, each with pros and cons. The simplest way is to limit water per connection, because usage is relatively easy to observe. The downside is that larger families are disproportionately impacted. Such restrictions do not distinguish between a house with six people and one used only for a weekend.

Limiting water consumption on a per-person basis is more equitable, but it requires manpower to take a census. Mr. Holland said the district would have to hire another full-time employee to take this route.

The third rationing method is to require customers to cut back by a certain percentage based on their previous usage, which punishes those who have already conserved. All of these options would be discussed by directors before enacting any rationing.

For San Geronimo Valley customers of Marin Water, restrictions have been imposed, though employees are more focused on education than enforcement. Spray and drip irrigation are limited, pool covers are required, car washes and power washing are banned, fountains can't be refilled, and outdoor watering is prohibited between 9 a.m. and 7 p.m.

The district expanded rebates for replacing lawns, adding a hot water recirculating system, installing smart irrigation controllers and other upgrades. The goal is to reduce consumption by 40 percent from 2013 levels, and small users will play a big part.

"In Marin, there is not a tremendous amount of industry and commercial demand on the water," general manager Ben Horenstein said. "The residential is really the driver."

Water levels in the district's seven reservoirs are the lowest they have been since 1983, when the dam at Kent Lake was enlarged. Typically, reservoirs are above 90 percent capacity at this point, but today they are less than 50 percent because they did not refill this winter. The supply is supplemented by water from the Russian River, and Sonoma Water is planning to cut back on diversions.

By law, water is released from Kent Lake to keep creekflows high enough for the fish, but the district is exploring the potential for holding more in the reservoir. Staff met with the Lagunitas Creek Technical Advisory Committee, and a contractor is studying if the required releases are functioning as intended.

In Point Reyes Station, Olema and Inverness Park, the North Marin Water District is trying to reduce consumption by 25 percent this summer. Like Marin Water, customers will be prohibited from watering activities that are deemed nonessential from Jul. 1 to Nov. 1, after the board voted on Tuesday to enter a second stage of restrictions with stricter rules. Those who use more than 200 gallons per day, mostly businesses, will see a \$2.50 surcharge for every 1,000 gallons they use.

As the season wears on, the service area is likely to again experience an unprecedented intrusion of salt from Tomales Bay into the drinking water. The lower the creekflows, the saltier the water becomes in two wells on the former Coast Guard property. The district is looking to add another well dug outside of tidal influence, but the project was appealed by Inverness resident Gordon Bennett, who is arguing that the district's environmental analysis was not comprehensive enough.

The Marin County Planning Commission will hear the appeal on Monday; staff recommended denying the appeal. Still, it is unlikely that the well will come online this year, general manager Drew McIntyre said.

For the first time, the district will truck in water for customers to bring home in jugs if the sodium content in the water becomes excessive.

Dillon Beach sees its water use fluctuate with visitation. Demand was high enough last summer after the Fourth of July that the California Water Service had to bring in trucks because the company's eight wells, small and shallow, were not pumping enough water.

"Our customers are very aware. They're good about conserving," general manager Evan Markey said. "With the vacationers, they're not as cautious with their water use."

Marin's drought impacts reach far beyond the delivery of potable water.

About a dozen dairies are trucking in water to keep their cows alive, and ranchers are reducing the size of their herds. The McClure dairy shut down this month primarily because its spring wasn't recharging, and others risk going out of business.

Half of the 3,000 acres in Marin used to grow produce have been fallowed. That will mean fewer vegetables are available for farmers markets and restaurants, agricultural commissioner Stefan Parnay said.

The size of the fenced-in tule elk herd on Tomales Point fell by one-third this year because its forage was dry and lacked nutrients. Endangered coho salmon couldn't access tributaries because flows were low, so they competed for spawning habitat along the main channel of Lagunitas Creek. The fish built their nests on top of earlier ones, potentially digging up incubating eggs, watershed biologist Ayano Hayes wrote for SPAWN.

Dry and breezy conditions prompted the National Weather Service to issue a red flag warning last week for high fire danger, an alert usually not seen until later in the summer.

The hills have turned brown, and the stage is set for another major wildfire season.

POINT REYES LIGHT

Marin faces short timeline for redrawing district lines

By Ike Allen
06/02/2021

Marin County is preparing to redraw its district boundaries in the short window of time between the release of census data this fall and December, when supervisorial candidates must begin preparing for next year's election.

The county redraws its five districts after each 10-year census, but the pandemic delayed the 2020 census, posing significant challenges for this year's process. The Census Bureau missed its April deadline to release redistricting data, and once the data is released in the fall, the county will only have until Dec. 15 to finalize the new map.

At the same time, new state legislation to ensure fair and equitable representation in the redistricting process is making the redrawing of borders less discretionary for county supervisors.

"They're all great requirements to make sure people are represented," Supervisor Dennis Rodoni said, "but it makes it a bit challenging this year because of the short timeline."

The largest legislative change comes as the result of California's reforms to the phenomenon advocates call "prison gerrymandering." The census counts prisoners as residents of the areas in which they are incarcerated, which can boost the voting power of an area with a prison, despite prisoners themselves not being able to vote in most states. Starting with the 2020 census, California no longer counts incarcerated people as residents of the prison's jurisdiction, but as residents of wherever they lived before prison.

This means that for the first time, the almost 4,000 incarcerated people at San Quentin will not be counted in Marin's Fourth District, leaving Supervisor Rodoni's district with a population deficit that must be remedied through redistricting.

"Right off the bat, we're three to four thousand people short in District Four," Supervisor Rodoni said.

Along with a shrinking population of permanent residents in rural Marin, this means that the Fourth District will need to incorporate some land from a neighboring district in order to balance the populations of each district. District Four, though often thought of as the West Marin district, has been absorbing pockets of the more populous eastern corridor since the 1980 census. Today, Supervisor Rodoni said, only a quarter of the district's population lives in West Marin, with the remaining three quarters mainly in western Novato, Corte Madera and the Canal area of San Rafael.

"I think it's most challenging for District Four because obviously you have a variety of communities you're representing," Supervisor Rodoni said. "You're talking about representing the Canal area and Stinson Beach at the same time."

Preliminary data show that although the county's population may have fallen, Novato has grown, meaning that when the lines are redrawn, District Four will probably absorb more of the western side of Novato from District Five.

According to California law, however, districts can't be redrawn based on population shifts alone.

The state requires counties to engage in public outreach and minimize the division of neighborhoods and "communities of interest" to the extent possible when drawing district boundaries. Keeping these communities together unites them based on common interests and strengthens their voting power. Chris Skinnell, special counsel to the county from the law firm Nielsen Merksamer, is helping Marin comply with state elections code in the process.

"What constitutes a community of interest in one place may not in another, so it's as much an art as a science to try and determine what they are," Mr. Skinnell said.

The state's Citizens Redistricting Commission is encouraging Californians to provide input by mapping their own communities using an online tool, and Marin County hopes to have a similar tool available next month.

"We really need the public's help in order to define what a community of interest is," said Dan Eilerman, the assistant county administrator. The Citizens Redistricting Commission's online survey asks residents to name their community and describe its shared interests and values, and asks whether there are other areas they want to be grouped with or separate from.

The county also must hold four public sessions, both before and after the map is redrawn, to hear community feedback. At last week's Board of Supervisors meeting, Mr. Skinnell suggested an ad hoc working group to encourage active public participation in both these hearings and in the mapping process.

Stephanie McNally, the director of advocacy and policy at the nonprofit Canal Alliance, spoke up at last week's meeting to suggest herself as a potential member of the proposed working group. She led a county project to encourage participation in the census among historically undercounted communities like the Canal, and she believes continued community input on matters like redistricting is vital.

Although the changes to the district map will likely be small, Ms. McNally said they still offer opportunities for local government to better represent the low-income Latino community that Canal Alliance serves. She told the Light she sees an opportunity in the population shift spurred by the removal of the prison population from District Four.

"The question is, can we also take that opportunity to have that impact the re-drawing of those lines not just in response to San Quentin but also to be a more equitably representative county?" she said.

Find the Draw My CA Community Tool at drawmycacommunity.org

Businesses adapt to cope under drought restrictions

MARIN MUNICIPAL

District helps firms develop alternative conservation plans

Marin Independent Journal

By Will Houston

whouston@marinij.com

After a winter of season of record-low rainfall, Corte Madera business owner Paul Burrous knew water restrictions were imminent. That's when he decided to invest in a water truck.

While it costs Burrous several thousand dollars a month to rent and insure, the 2,000-gallon truck allows his business, the Marin Wood Restoration and Painting Co., to continue one of its most demanded services, power-washing, even during what is likely to be the county's worst drought on record.

The Marin Municipal Water District prohibits using potable water for power washing on decks and hard surfaces as part of a suite of restrictions it approved earlier this year.

After negotiating with the district, Burrous' company was able to work around this by filling the water truck with recycled water he secures from the district and using it for power-washing jobs.

"Obviously my business is first and foremost but doing the right thing is important too," Burrous said. "A lot of my clients are sensitive to it. They don't want to waste the precious water."

Burrous' water truck is but one example of ways businesses and agencies are adapting to Marin's worsening water supply issues.

With less than a year of water remaining in its seven reservoirs in the Mount Tamalpais watershed, the Marin Municipal Water District has approved mandatory use restrictions for its 191,000 central and southern Marin residents in April and May.

The rules seek to cut water use by 40% compared to average use during the three-year period of 2018-2020. Restrictions include limiting outdoor sprinkler use to two days per week, banning at-home car washing and other rules.

The same rules apply for the 4,000 businesses, industrial customers and government agencies in the district. Recognizing that certain types of businesses, such as golf courses and landscaping, rely more heavily on water use to sustain themselves, the district is working to develop alternative conservation plans that still meet the conservation target.



Gustavo Diaz of Marin Wood Restoration and Painting Co. power washes a fence in Corte Madera. The business rented a water truck and fills it with recycled water for use at job sites.

ALAN DEP — MARIN INDEPENDENT JOURNAL



Paul Burrous, owner of Marin Wood Restoration and Painting Co., stands next to a water truck he rented that is full of recycled water for use by his business.

ALAN DEP — MARIN INDEPENDENT JOURNAL

Mill Valley's municipal golf course is one example. The district's rules limit golf course watering to greens and tees only, but the utility left open the door for alternative options to reach 40% conservation. Using about 12 million gallons of

water in 2020, the Mill Valley Golf Course makes up nearly half of the city's entire outdoor irrigation and water use, said Tony Boyd, a city public works official.

To prevent the course's fairways from dying out entirely and having to be replaced, the district is allowing the city to water them as long as it conserves by 40% at the city's 42 irrigation meters at local parks, athletic fields and playgrounds, Boyd said.

"Our main thing is that we don't have to replace entire fields at the end of the summer," Boyd said. "Just try and sustain them is our main goal."

Two other golf courses have agreed to similar alternative plans, and the district will be tracking their water use monthly to ensure compliance, said Jeanne Mariani-Belding, district communications manager.

"Some are reducing irrigation overall to the roughs, some are removing sprinkler heads," she said.

Nearly 30 alternative conservation plans, also called variances, have been approved by the district for other businesses, Mariani-Belding said.

"Some are changing business practices to reduce water use overall, and others, including companies that deal with deck and hardscape pressure washing, are using recycled water instead," Mariani-Belding said.

For Joanne Webster, chief executive of the San Rafael Chamber of Commerce, what is most concerning is not the water restrictions but a proposed suspension of new water service hookups. The Marin Municipal Water District plans to discuss the idea at its meeting on June 15, and the North Marin Water District has already approved a hookup suspension in its Novato service area.

After the pandemic, the top issue among Marin employers is filling vacant jobs, Webster said, particularly lower-income jobs. Part of that stems from Marin's high cost of housing.

Limiting new housing production through a hookup suspension would be "devastating" to businesses and would only save a minimal amount of water compared to further restricting or banning lawn irrigation, Webster said.

The Marin Municipal Water District said a hookup moratorium would only save one one-thousandth of its annual potable water demand. For the North Marin Water District, the annual savings would be about 0.1%.

“For us, it’s lawns versus livelihoods of people,” Webster said. “We’re all going to have to do our part and there should be some incentive to rip up your high water use gardening and lawns.”

The Marin Municipal Water District recently tripled its turf replacement rebate from \$1 to \$3 per square foot along with offering other discounts and rebates.

At Mt. Tamalpais Cemetery and Mortuary in San Rafael, the 65 acres of grass is nearly all brown and dried. The cemetery was already under a three-day per week watering limit before the new restrictions.

“We have had to cut it down to almost nothing,” said Jack Thornton, the cemetery’s manager and funeral director.

Thornton said he gets calls almost daily asking why the lawns are so brown. While not aesthetically pleasing, the dry lawns are just a small worry compared to the potential of Marin depleting its water supply, Thornton said.

“We’d love to have the place nice and green but we just don’t want to waste water because people are going to need water to drink with,” Thornton said.

In the previous drought from 2012-2016, Bon Terra Landscapes Inc.co-owner Johnny Fort of Corte Madera said he has always tried to convey to customers how precious water is and promoted more drought tolerant landscaping over traditional lawns. “We never really got the responses we thought we were going to get,” Fort said. “People continued to put in large lawns and even larger.”

But with the second major drought in less than a decade now underway, more people are coming around to the idea. One of Fort’s customers looking to install turf in the front and back yards in recent months decided to switch to synthetic turf as the water situation worsened.

While the drought so far has not affected the business, Fort and his wife and business partner Lisa Sechser said they have noticed more people are asking questions about alternative options to traditional green lawns.

“It’s really hard to talk people into spending money on something they don’t really want, but at some point in time what they want won’t be an option,” Fort said.

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Pipeline for water could be fixture

RICHMOND BRIDGE

Officials discuss need for permanent structure

Marin Independent Journal

By Will Houston

whouston@marinij.com

Officials are raising the prospect of a permanent water pipeline over the Richmond-San Rafael Bridge as a potential drought-fighting strategy for Marin County.

“We currently have less than a year of water supply, and that’s a perilous position for a water agency to be in,” said Ben Horenstein, the general manager of the Marin Municipal Water District.

Horenstein was among the participants of a teleconference on drought and wildfires organized by Assemblyman Marc Levine on Wednesday.

“Climate change is challenging all of that planning, and what we’ve seen this year is that we’re at levels we’d typically see at year three of a drought and not in year two,” Levine said. “So you can’t say that we should have seen this coming and that it snuck up on us. This is a different type of animal in this year two of the drought.”

For Marin, Horenstein said, the focus now is on promoting as much conservation as possible through mandatory water use restrictions and rebates for water-efficient appliances and landscaping.

At the same time, he said, the district does not know if the upcoming winter will be normal or dry, and it is planning for the worst.

An option discussed at length by Levine and Horenstein was the potential for a water pipeline across the Richmond-San Rafael Bridge to pump in State Water Project supplies. The project would be similar to the pipeline built in 1977, but this one could be permanent.

The 1977 pipeline was able to pump 10 million gallons of water over San Pablo Bay into Marin every day. The pipeline was removed in 1982 after Marin's water supply was replenished and at the urging of Caltrans, which sought to restore traffic to the blocked third lane on the upper deck.

Completing such an endeavor now would be incredibly expensive — though no cost estimate has yet been provided — and would require extensive cooperation between Caltrans, the East Bay Municipal Water District and customers willing to sell their State Water Project allotments, Horenstein said.

Unlike the 1977 pipeline, which took up a lane on the upper deck of the bridge where a bike lane now exists, the new pipeline could potentially be built on the underside of the bridge's top or bottom decks.

"I think both from the impact to the users of those lanes — and as much or more so, at least for my view, of spending that sort of money and having a permanent structure in place for the next drought to help us out and potentially the region — does make more sense," Horenstein said.

The district is working with Caltrans to determine whether the structure of the bridge could be compromised by a pipeline, he said. Whether the pipeline will be needed will likely be known in December or January, Horenstein said.

Other options being explored include a temporary desalination plant as well as a groundwater storage project near Santa Rosa.

Separated from the larger network of canals and reservoirs in the State Water Project, which serves 70% of California residents, Sonoma and Marin rely heavily on reservoirs spanning from Mendocino County to Mount Tamalpais as well as groundwater for their supplies. Those supplies are running alarmingly low.

The Marin Municipal Water District, which serves 191,000 people in southern and central Marin, has reservoirs less than half full when they would normally be closer to 90% this time of year. A dry winter in 2019-2020 was followed by the district's second-lowest rainfall on record in 2020-2021, when only 20 inches of rain fell. While the district has mandated 40% conservation to preserve supplies, residents have only conserved by about 11% so far.

Sonoma Water serves about 600,000 customers and provides 25% of the Marin Municipal Water District supply and more than 75% of the Novato area's supply through the North Marin Water District. The agency's two main reservoirs on the

Russian River watershed — Lake Mendocino and the larger Lake Sonoma — are at 39% and 56% capacity.

Grant Davis, Sonoma Water’s general manager, said the watershed “has never been in such shape at this time of year.”

The agency already plans to reduce water imports to Marin by 20% beginning in July, but could cut that to 30% if Lake Sonoma dips below 100,000 acre-feet. As of Wednesday, the lake had 138,000 acre-feet, Davis said.

Davis said the idea is to have Marin’s two main water districts and Sonoma Water come together to find a way to “park” water in the winter months, store it in the ground and have it available during drought periods.

Meanwhile, as a way to promote more conservation, the water districts are providing free conservation kits.

Low-flow showerheads, shower timers, buckets to catch shower runoff and garden hose nozzles will be available at several locations throughout Marin and Sonoma counties from 9 a.m. to 1 p.m. Saturday. More information about locations is online at savingwaterpartnership.org/dropby.

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POINT REYES LIGHT

North Marin Water misses mark with drought plan, rate hike

By Gordon Bennett
06/09/2021

West Marin customers should vote no on North Marin Water District's proposed water rate increase and urge the district to revisit its drought plan. The rate increase, which will be considered at a June 22 hearing, hinges on a structure that encourages excessive landscape use that draws salt into the lower wells. By failing to create conservation tiers that reflect a sustainable yield, the district is able to use salt intrusion as a false justification for rushing to build another well—one whose potential impacts have not been adequately studied.

The drought plan discriminates against those already conserving and growing families by mandating a universal 25 percent reduction from 2013 levels—that year being the last so-called normal year. Has your household size increased since 2013? If we have to go back eight years to find a “normal” year, how can that be normal? Drought is the new normal.

Landscaping represents as much as 50 percent of North Marin's summer water use; halving it would get us to a 25 percent summer drought reduction without threatening family health and safety or punishing growing families and those already conserving.

The district's peak summer demand is 180 gallons per minute, but this year, given a 25 percent drought reduction, that amount will drop to 135. North Marin's well at the Gallagher ranch, which is not subject to salt intrusion, pumps at 140 gallons per minute—more than enough to meet demand. The Coast Guard wells can be pumped for any extra demand during lower tides, and the district could upgrade its salt monitoring from periodic to continuous to precisely predict when it can pump from the Coast Guard wells. (There are also engineered solutions— injection wells and subsurface barriers—that keep saltwater at bay and boost sustainable yields, but alternatives like this are never seriously studied.)

The rate increase's proposed tier 1 allows 250 gallons per 2.06-person household—an astonishing 121 gallons per person per day. That compares to the state goal of 55 gallons per person per day. Instead of a universal drought reduction, the district could utilize winter use as a proxy, focusing the conservation where it belongs—on landscape use. By splitting winter use into three parts—low, medium and high—those already conserving would not be penalized and water for family health and safety would not be compromised. After winter use is deducted from the drought goal, any remainder could consist of landscape use, divided equally among households so those with the most extravagant landscapes would be incentivized to conserve the most.

Water costs should be fairly and proportionally allocated to all users, with excessive water users responsible for the cost of meeting their own excessive needs. With stronger conservation, there would be no salt intrusion and the cost and construction of a new well could be delayed, perhaps indefinitely. Water for buildout is limited by North Marin's water license, not its pumping capacity. So a new well does not create more water, it just allows continued excessive landscape use.

Whether or not we need a new well, any construction should be preceded by environmental studies on possible salmon impacts. It may come as a surprise that when we turn on the faucet late in drought summers, we may be in receipt of stolen goods. By law, a specific flow is required in Lagunitas Creek to protect salmon, and North Marin is prohibited from pumping that flow. The district believes it is lawfully pumping water supplied by tributaries to Lagunitas Creek that surpass the required flow. But in dry-year summers, tributaries evaporate and flows at North Marin's pumps are lower than required. The water board requested the district establish a specific numerical flow that would determine whether it is lawfully pumping tributary water or unlawfully pumping salmon water, but the district has not done so.

Salmonids have been observed breeding and nesting by North Marin's pumps. The district argues that it only reduces creek water by a "negligible" amount, but is the effect negligible for salmon? The regional water board requested studies in February, but North Marin has been slow to respond.

For its part, Marin Water (formerly Marin Municipal Water District) is maintaining its required salmon flows while studying whether carefully reducing required flows in the future might save water for customers without doing unreasonable harm to salmon. In contrast, North Marin appears to have been taking salmon water before doing the studies to determine if it is harming salmon.

Water customers and salmon should be on the same side in drought summers when tributaries dry up. In fact, water users have a legal right to keep flows coming over and above the required salmon flows. North Marin does not have to take salmon water; instead, it can require that Marin Water release water at no additional cost. But North Marin won't ask for the water; instead, it disguises its theft of salmon water with two unsubstantiated claims: that salt intrusion is unavoidable, and that the salmon are not affected.

To vote no on North Marin Water District's rate increase plan and to tell them to revise their drought plan, mail and sign a letter stating 1) your opposition to both plans, and 2) your property address to North Marin Water District Attn: West Marin Rate Hearing, PO Box 146, Novato, CA 94945. Letters must be received by June 22.

Gordon Bennett is a member and former chair of the Lagunitas Creek Technical Advisory Committee. He lives in Paradise Ranch Estates.



**NORTH MARIN
WATER DISTRICT**

Web & Social Media Report

May 2021

Website Statistics



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	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021
2020/ 21 Visitors	4,903	3,869	4,110	5,046	4,677	5,475	6,707	9,676	

Advised for Building Owners

(Posted October 19, 2020) As Marin County implements gradual, phased reopening of business and school buildings that were dormant for months, NMWD suggests you fully flush your building's plumbing by [...]



Social Media Followers

	Oct-2020	Nov-2020	Dec-2020	Jan-2021	Feb-2021	Mar-2021	Apr-2021	May-2021	Jun-2021
 Facebook Likes	1,185	1,186	1,188	1,186	1,181	1,185	1,183	1,181	
 Twitter Followers	14	14	17	21	24	29	28	35	
 Instagram Followers	402	414	431	439	457	469	482	497	



NMWD Most Visited Pages

Pages	Unique Pageviews	% of Total
Home	5,442	27.72%
Watersmart	2,236	12.42%
Online Billing	2,017	11.18%
Emergency Water Conservation Ordinances	1,974	9.62%
Save water outdoors	539	2.49%
Save water indoors	434	2.12%
Novato Water	375	1.70%
Contact	351	1.62%
News	274	1.52%
Meetings 2021	253	1.31%



May News

Drought Drop-By: Saturday, June 12

North Marin Water District is holding a Drought Drop-by event on Saturday, June 12 from 9am to 1pm. To help you and your family do your part to save water, we will be giving away FREE Drought Tool Kits including aerator, dye tabs, shower head, bucket, hose nozzle and more. This event is in partnership with Sonoma Water and the Sonoma Marin Saving Water Partnership.

Collect yours at North Marin Water District, 999 Rush Creek Place, Novato, CA 94945 (COVID safe procedures in place).

For more information, please contact the District's Water Conservation Hotline at (415) 761-8944 or email at waterconserve@nmwd.com.

(Updated 5/26/21)



May News

2021 Drought Water Use Prohibitions for Novato

(Updated May 26, 2021) On April 20, 2021 the Board adopted an Amended Emergency Water Conservation Ordinance 41 (Ordinance 41) for the Novato Service Area to include further non-essential water use prohibitions and suspension of new connections to the system to go into effect July 1, 2021. The Amended Ordinance 41 now specifically request a 20% voluntary reduction in water use from May 1 to June 30, and mandates a 20% (Novato Service Area Wide) reduction in water use from July 1 to November 1, to be achieved with non-essential water use prohibitions.

The adopted non-essential water use prohibitions include a restriction on overhead irrigation unless the customer can maintain a 20% reduction from 2020 water use, irrigate between 7:00pm and 9:00am, and water only three days per week (assigned by odd and even addresses). Drip irrigation and hand watering would be exempt. Customers using less than 300 gallons per day would be exempt from the 20% reduction but would still have to adhere to the 3 days per week requirement. Additional water use prohibitions include pool filling (for





May Social Media Highlights | Facebook

North Marin Water District
Published by Claire Knoles • 10 May at 22:17

Category	Percentage	Wanted to date	20-year Normal Average
Earth Soils (Rainfall)	38%	12.86"	36"
Urban (Rainfall)	39%	13.48"	37"
Lake Sonoma (Capacity)	60.7%	-	-
Lake Mendocino (Capacity)	42.6%	-	-

Sonoma Water
9 May at 15:50

[En Español abajo] 💧 Drought is Here. Save Water
The Russian River watershed is a valuable resource that our community shares, and it is critical that we all protect, conserve and preserve our water supply.
View current water supply levels, visit: [Sonomawater.org/drought](https://sonomawater.org/drought)

💧💧💧
La Sequia Está Aquí. Ahorre Agua
la cuenca del río Russian River es un recurso valioso que comparte nuestra comunidad, y es fundamental que todos protejamos, conservamos y preservamos nuestro suministro de agua.
Obtenga más información en [Sonomawater.org/drought](https://sonomawater.org/drought)
[#AhorreAgua](#)
[#ItsADryYear](#)
[#DroughtIsHere](#)

See translation

76 people reached | 5 engagements

Engagements include likes, reactions, clicks and comments

North Marin Water District
Published by Hootsuite • 21 May at 01:45

Drought is here. Save water.

We have recently increased the reimbursement amount for our "Cash-For-Grass" Turf Replacement Incentive! We'll pay you up to \$1.00 per square foot of lawn area (up to \$800 for single family dwellings) for replacing automatically irrigated lawn area with District-approved, low water use planted landscapes. Learn more on our website:
<https://nmwd.com/save-water/outdoors/>

213 people reached | 13 engagements





May Social Media Highlights | Facebook

**Drought is Here.
Save Water.**

 **North Marin Water District**
Published by Hootsuite ·
29 May at 05:49 ·

If you're visiting the garden center this **#MemorialDayWeekend**, be sure to pick out low water use plants for your yard. Look for the **#WaterSmartPlant** label at participating stores. **#savewater #drought #cadrought #lowwateruse #gardening #yard**

 NORTH MARIN WATER DISTRICT

51 people reached | 0 engagements

Engagements include likes, reactions, clicks and comments

Board of Directors Meeting

 **North Marin Water District**
Published by Hootsuite · 19h ·

Customers are welcome and encouraged to attend North Marin Water District's virtual board meeting tomorrow at 6pm. To see the agenda, and info on how to join by phone or Zoom visit: nmwd.com/meetings

32 people reached | 1 engagements





May Social Media Highlights | Twitter



North Marin Water District @NorthMarinWater · May 21

#Drought is here. Save water.

We'll reimburse you up to \$1 per square ft (up to \$800 for single family dwellings) for replacing your irrigated lawn area with District-approved, low water use **#landscaping**. Link in bio.

#cashforgrass #nmwd #drought #savewater



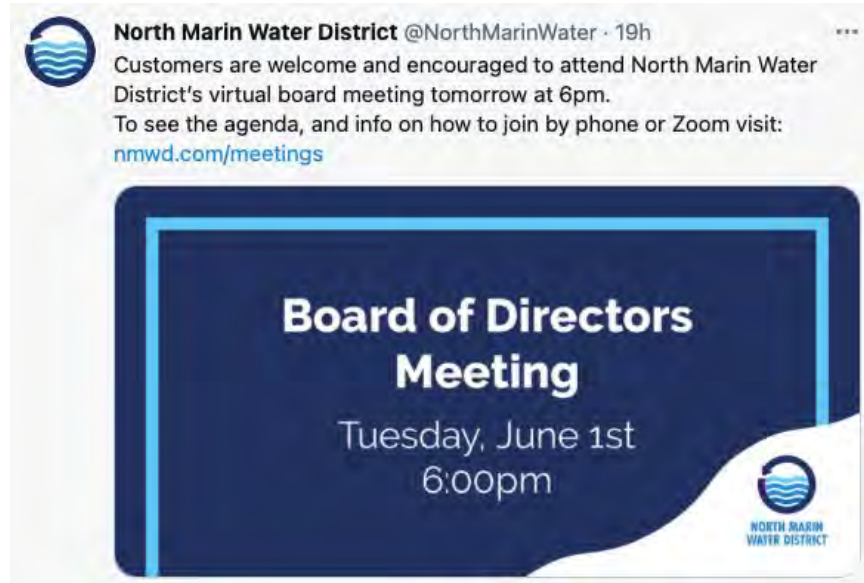
North Marin Water District @NorthMarinWater · May 29

If you're visiting the garden center this **#MemorialDayWeekend**, be sure to pick out low water use plants for your yard. Look for the **#WaterSmartPlant** label at participating stores. **#savewater #drought #cadrought #lowwateruse #gardening #yard #landscaping**





May Social Media Highlights | Twitter





May Social Media Highlights | Instagram



northmarinwaterdistrict

northmarinwaterdistrict #Drought is here. Save water. We'll reimburse you up to \$1 per square ft (up to \$800 for single-family dwellings) for replacing your irrigated lawn area with District-approved, low water use #landscaping. Link in bio. #cashforgoass #nmwd #drought #savewater

1 w

9 likes
MAY 21

Add a comment...



9 likes



northmarinwaterdistrict

northmarinwaterdistrict If you're visiting the garden center this #MemorialDayWeekend, be sure to pick out low water use plants for your yard. Look for the #WaterSmartPlant label at participating stores. #savewater #drought #cadrought #lowwateruse #gardening #yard #landscaping

3 d

6 likes
3 DAYS AGO

Add a comment...



6 likes





May Social Media Highlights | Instagram

The screenshot shows an Instagram post from the account 'northmarinwaterdistrict'. The main content is a dark blue square with a light blue border containing the text: 'Board of Directors Meeting' in large white font, and 'Tuesday, June 1st 6:00pm' in smaller white font below it. The post includes a profile picture of the North Marin Water District, a caption, and interaction icons (heart, comment, share, bookmark). The caption reads: 'Customers are welcome and encouraged to attend North Marin Water District's virtual board meeting tomorrow at 6PM. To see the agenda, and info on how to join by phone or zoom, visit nmwd.com/meetings'. The post has 1 like and was posted 18 hours ago.

Board of Directors Meeting

Tuesday, June 1st
6:00pm

northmarinwaterdistrict Customers are welcome and encouraged to attend North Marin Water District's virtual board meeting tomorrow at 6PM. To see the agenda, and info on how to join by phone or zoom, visit nmwd.com/meetings

18 h

1 like

18 HOURS AGO

Add a comment...

1 like



Spring 2021 Waterline

The Waterline

Novato Service Area Newsletter | Issue 46



Drought is Here. Save Water.

Drew McIntyre, General Manager

We're asking Novato residents to continue to do their part to save water, with a water-reduction goal of 20%. Winter's extremely dry conditions resulted in the lowest rainfall on record with only 8.6-inches of rainfall this year, less than one third of our average, and insufficient to generate runoff into Stafford Lake. Lake capacity has increased from a low of 29% in early February to just over 50% due to our back feeding of water from Sonoma County Water Agency (SCWA), to provide local supply this summer.

Sonoma's Russian River water delivery system typically provides 70-80% of our annual supply using water from Lake Sonoma and Lake Mendocino. After two consecutive dry years and following a series of Drought Declarations, SCWA will reduce deliveries to retail water contractors, including North Marin Water District, by a minimum of 20% this summer.



to landscaped areas. A drought surcharge of \$1 per 1000 gallons (over 300 gallons per day) will be in effect during the four month Stage 2 period (July through October). Residential customers using less than 300 gallons per day have already met the conservation target and would not be subject to the drought surcharge.

Our Mediterranean climate results in year-to-year rainfall fluctuations. One of our strategic goals is to increase local supply and long-term supply reliability. North Marin Water District is

The Waterline

Novato Service Area Newsletter | Issue 45



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In anticipation of this, the North Marin Water District Board of Directors declared a Water Shortage Emergency on March 16, enacted the Novato Water Shortage Contingency Plan and adopted an Emergency Water Conservation Ordinance (No. 41) prohibiting waste and non-essential use of water.

On April 30, our Board amended Ordinance #1 calling on customers to reduce water use by 20% compared to the same period last year through voluntary (Stage 1) measures until June 30 followed by mandatory (Stage 2) measures from July 1 through November 1. These percent reductions will be based on the Novato Service Area as a whole and are not an individual ration of your water use. Reductions can be achieved by eliminating water waste and our essential usage, and by reducing water applied



to landscaped areas. A drought surcharge of \$1 per 1000 gallons (over 300 gallons per day) will be in effect during the four month Stage 2 period (July through October). Residential customers using less than 300 gallons per day have already met the conservation target and would not be subject to the drought surcharge.

Our Mediterranean climate results in year-to-year rainfall fluctuations. One of our strategic goals is to increase local supply and long-term supply reliability. North Marin Water District is participating in a Regional Water Supply Reliability Study with SCWA to address this goal. We have also undertaken the largest Capital Improvement project in the District's history, in partnership with Novato and Los Gatos Valley Sanitary Districts, to increase our drought proof recycled water supply from 2% to over 10% of our summer water demands.

In 2018, NIMWD became one of the first California water districts to convert 100% of our water meters from manually read mechanical units to electronic units that offer hourly water usage reporting. See below on how you can use the new WaterSmart Portal to monitor your water use.

We hope all customers will help us to save water during this dry year, and thank you in advance for your cooperation.

Drought 2021: Summary of Prohibitions

- Outer Rodeo's permeable irrigation or watering or irrigation runoff onto pavement, streets or gutter, ditch or other drain.
 - Failure to report a controllable leak of water without a measurable loss.
 - 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.
 - Washing down exterior paved areas.
 - Refilling an existing pool drained after July 1, 2021 or initial filling of a new pool after July 1, 2021.
- This list details only a summary of the water use prohibitions in Emergency Water Conservation Ordinance #1. For the full list of prohibitions, please visit the website at www.nimwd.com. For questions on this notice and prohibitions or to report a violation, call 415-751-8844 or email waterconservation@nimwd.com.

While we're working to reduce overall water usage, residents do have options when it comes to garden watering. From July 1, 2021 to November 1, 2021 watering of any landscaping is allowed when using hand held backflow irrigator by hand, or a container (e.g. watering can) with the following exceptions:

- Overhead above ground irrigation is allowed 3 days/week:
 - Odd-numbered addresses can irrigate on: Monday, Wednesday and Friday
 - Even-numbered addresses can irrigate on: Tuesday, Thursday and Saturday
- Overhead above ground irrigation is only allowed during the hours of 7pm to 8am.
- Customers using more than 300 gallons per day who wish to use an overhead above ground irrigation must maintain a 20% reduction in water use compared to 2020. (Unless if you meet the 20% reduction requirement for use less than 300 gallons per day) Check your WaterSmart Portal at nimwd.com.

Access Your Water Use

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



Pay your bills online.

Visit nimwd.com/nimwd



What's Next?

- West Marin Spring Waterline newsletter to be published early June
- GFOA news story & social (date pending)
- “Drought is Here, Save Water.” social media campaign (4 week campaign)
- SMWSP joint partnership social posts
- New ‘Waste Water Report’ form being added to NMWD.com
- World Environment Day social posts on June 5
- Drought Drop-By promotion on social media on June 1, June 11 and June 12



Thank You

**SUPPLEMENTAL
INFORMATION
PROVIDED AT
MEETING**

**SUPPLEMENTAL
INFORMATION FOR
ITEM #2**

RESOLUTION 21-

**RESOLUTION OF THE BOARD OF DIRECTORS OF
NORTH MARIN WATER DISTRICT
ADOPTING THE 2020 URBAN WATER MANAGEMENT PLAN AND WATER SHORTAGE
CONTINGENCY PLAN FOR THE NOVATO SERVICE AREA**

WHEREAS, the Urban Water Management Planning Act, codified at California Water Code Section 10610 *et seq.*, requires that every urban water supplier directly or indirectly supplying water for municipal purposes to more than 3,000 customers prepare an Urban Water Management Plan (UWMP), the primary objective of which is to plan for the conservation and efficient use of water while balancing supply and demand; and

WHEREAS, pursuant to Water Code Section 10620(d)(2), each urban water supplier shall develop its own Water Shortage Contingency Plan (WSCP); and

WHEREAS, in November of 2020 and May of 2021, the North Marin Water District (District) circulated notice to other appropriate public agencies in the Marin and Sonoma County area that it was preparing a draft 2020 UWMP and WSCP; and

WHEREAS, District staff, with assistance from District consultant EKI Environment & Water, Inc., prepared the draft 2020 UWMP and WSCP in accordance with the requirements of the Urban Water Management Planning Act and made the draft 2020 UWMP and WSCP available for public review on June 1, 2021; and

WHEREAS, prior to, and at a duly noticed public hearing on June 15, 2021, the District's Board of Directors received and considered comments regarding the draft 2020 UWMP and WSCP and incorporated revisions and comments as appropriate.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of North Marin Water District as follows:

1. The Board of Directors does hereby find, determine and declare that the foregoing Recitals are true and correct, and incorporates the Recitals herein.
2. The Board of Directors does hereby approve and adopt the 2020 Urban Water Management Plan and all appendices.
3. The Board of Directors does hereby approve and adopt the Water Shortage Contingency Plan, which comprises Section 8 and Appendix G of the 2020 Urban Water Management Plan.

* * * * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the June 15, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Theresa, Secretary
North Marin Water District


(SEAL

**SUPPLEMENTAL
INFORMATION FOR
ITEM #3**

ROBERT RUSSELL
4 BAHAMA REEF
NOVATO, CA 94949
PARCEL# 157-372-01

TO THE NORTH MARIN WATER DISTRICT,
WE ARE OPPOSING THE PROPOSED RATE
INCREASES ~~AND~~ BY YOUR OFFICE.

SINCERELY,

 6-9-21
ROBERT RUSSELL

RECEIVED BY MAIL 6/14/2021 AFTER
THE AGENDA WAS POSTED ON
6/11/2021

RECEIVED

JUN 14 2021

North Marin Water District

RECEIVED

JUN 14 2021

Scott Urban
25 Laurie Drive
Novato 94947

North Marin Water District

RECEIVED BY MAIL 6/14/2021 AFTER
THE AGENDA WAS POSTED ON
6/11/2021

North Marin Water District
999 Rush Creek Pl
Novato CA 94945

To the Board of Directors:

I am writing this letter to protest the rate increases proposed to begin on July 1, 2021. I realize that you have good reasons to pass higher water costs onto customers following the last several years of drought, but you are NOT giving us any incentive to conserve water! Currently my bill is about 50% FIXED charges (as I'm sure many other customers are) so we have NO incentive to reduce our water use. If we conserve too much, you can't pay your escalating wage and benefit costs unless you raise rates! It makes me realize that you DON'T want customers to conserve, you just want us to pay more so you raise the fixed costs! It's a catch 22- If we conserve too much you raise fixed rates to pay your costs, so we might as well use as much water as we can! We will NEVER see a rate reduction, no matter how wet the winters become.

So if you are really serious about reducing water use and conserving this natural resource, just raise the water-use rate so abusers can pay their fair share, and conservers actually have an incentive to conserve!

Sincerely,



Scott Urban

6/9/2021