Date Posted: 5/11/2023

NORTH MARIN WATER DISTRICT

NORTH MARIN WATER DISTRICT
AGENDA – REGULAR MEETING
May 16, 2023 – 4:00 p.m.
Location: 100 Wood Hollow Dr
Novato, California

Information about and copies of supporting materials on agenda items are available for public review at the District Office, at the Reception Desk, by calling the District Secretary at (415) 897-4133 or on our website at nmwd.com. 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.

Est. Time	Item	Subject
4:00 p.m.		***CALL TO ORDER***
	1.	***APPROVE MINUTES FROM REGULAR MEETING***, May 2, 2023
	2.	***GENERAL MANAGER'S REPORT***
	3.	***OPEN TIME: (Please observe a three-minute time limit)***
		This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
	4.	***STAFF/DIRECTORS REPORTS***
		CONSENT CALENDAR
		The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.
	5.	***Consent – Approve:*** ESA Consulting Services Agreement Amendment 3 – Biological Monitoring Services for New Gallagher Well No. 2 Permit Conditions
	6.	***Consent – Approve:*** Amend Contract for On-Call Painting and Coating Services – Redwood Painting, Inc.
		INFORMATION ITEMS
	7.	Quarterly Financial Statement – March 31, 2023
	8.	Administration & Laboratory Upgrade Project – Construction Update
	9.	Annual Water Supply and Demand Assessment
	10.	Inspection of the Stafford Treatment Plant's Risk Management Plan
	11.	NBWA Meeting – May 5, 2023
	12.	***MISCELLANEOUS*** Disbursements – Dated May 4, 2023 Disbursements – Dated May 11, 2023

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

Date Posted: 5/11/2023

Est. Time	Item	Subject
		North Marin Aqueduct – Redwood Blvd Landslide Status – 4-28-23 Monthly Progress Report FY 23/24 Insurance Renewal News Articles: Marin IJ – Water-wise gardening – UC MARIN MASTER GARDENER Marin IJ – Agencies plan massive wildfire buffer in Novato – PROTECTION PROJECT Marin IJ – MMWD settles lawsuit over fee – LONG LEGAL FIGHT Marin IJ – Bid rate increases to pay for water supply projects – MARIN MUNICIPAL Social Media Posts: NMWD Web and Social Media Report – April 2023
5:30 p.m.	13.	***ADJOURNMENT***

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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
May 2, 2023

CALL TO ORDER

President Fraites called the regular meeting of the Board of Directors of North Marin Water District to order at 4:00 p.m. at the District Headquarters and the agenda was accepted as presented. Present were Directors Jack Baker, Ken Eichstaedt, Rick Fraites, Michael Joly, and Stephen Petterle. Also present were General Manager Tony Williams, District Secretary Eileen Mulliner, Auditor-Controller Julie Blue and AGM/Chief Engineer Eric Miller.

District employees Chris Kehoe (Construction Superintendent), Robert Clark (Operations and Maintenance Supervisor), and Ryan Grisso (Water Conservation Coordinator) were also in attendance.

Claire Garvie and Camille Milliner of Kiosk were also in attendance.

MINUTES

On motion of Director Joly, seconded by Director Baker, the Board approved the minutes from the April 18, 2023 meeting as presented by the following vote:

AYES: Director(s) Baker, Eichstaedt, Fraites, Joly and Petterle
NOES: None
ABSENT: None
ABSTAIN: None

GENERAL MANAGER'S REPORT

During the General Manager's report, Mr. Williams summarized the various meetings he recently attended. He also noted a Potter Valley Project related item in the Miscellaneous section and future updates will follow. Regarding meetings, on April 19, Mr. Williams gave a presentation on the history of the District at Leadership Novato and Robert Clark gave a tour at Stafford Treatment Plant as well. Mr. Williams also attended Congressman Huffman's annual environmental breakfast on April 24. Mr. Williams gave an interview to KPIX Channel 5 wherein he explained the rate increase. However, when the story aired it focused more on carwashes and recycled water. On April 27, he attended a regional water manager's meeting that in the future President Fraites will also be invited to. On April 28, Mr. Williams gave a presentation at Novato Rotary. He also met with Ben Horenstein of Marin Water and the Caltrans' District 4 Deputy Manager on May 2 to get an update on the Redwood Blvd. landslide and Caltrans' commitment to a repair schedule. Mr. Williams said that there will be a more detailed update on the slide provided at one of the June Board meetings. He said that approximately 44 million gallons (MG) has flowed through the

aqueduct since March 22 when the slide occurred. He also stated that the interim gas pipeline that PG&E temporarily installed in the median is no longer being used and has been removed.

OPEN TIME

President Fraites asked if anyone in the audience wished to bring up an item not on the agenda and there was no response.

STAFF/DIRECTORS REPORTS

President Fraites asked if staff or Directors wished to bring up an item not on the agenda. Chris Kehoe informed the Board that the District construction crews were in West Marin to perform the flushing of the distribution system. The last flushing was done in 2020.

Director Baker inquired about the 5/8-inch meters purchase on an earlier disbursement record. He asked what the new policy is for new housing. Tony Williams answered that those meters were replacement meters for existing homes. Mr. Williams said that a 1-inch meter is typical for new construction to meet fire sprinkling requirements.

Director Joly noted that the management team has done a fine job staying abreast on things that come up and keeping the Board informed.

CONSENT CALENDAR

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

AYES: Director(s) Baker, Eichstaedt, Fraites, Joly and Petterle

NOES: None

ABSENT: None

ABSTAIN: None

TEXT FOR SPRING 2023 NOVATO "WATERLINE", ISSUE 50

The Board approved the Spring 2023 Novato "Waterline", Issue 50.

TEXT FOR SPRING 2023 WEST MARIN "WATERLINE", ISSUE 22

The Board approved the Spring 2023 West Marin "Waterline", Issue 22.

ACTION CALENDAR

LETTER OF SUPPORT FOR SONOMA WATER GRANT APPLICATION FOR THE POTTER VALLEY PROJECT

Mr. Williams summarized the Letter of Support for Sonoma Water Grant Application for the Potter Valley Project and that this was a good opportunity to fund further analysis for future water transfers.

On the motion of Director Petterle, and seconded by Director Joly, the Board approved by the following vote:

AYES: Director(s) Baker, Eichstaedt, Fraites, Joly, and Petterle

NOES: None

ABSENT: None

ABSTAIN: None

INFORMATION ITEMS

PUBLIC COMMUNICATIONS IMPLEMENTATION UPDATE

Claire Garvie of Kiosk gave a presentation which was a recap on the communications program Kiosk has put together for North Marin Water District including the website, annual report, web analytics, photo shoots, and social media. The District is on Facebook, Instagram and Twitter and Kiosk works closely with Ryan Grisso on the content that is put out. Kiosk also assists with the Waterline newsletters and other mailers. Ms. Garvie also mentioned that all information is translated into Spanish as well. Director Eichstaedt said that having communications in Spanish is very important and was pleased to see it. The Board complimented Kiosk and thanked them for the work they have done for the District.

Ryan Grisso, Ms. Garvie and Ms. Milliner left the meeting.

PREVIEW OF FY 23/24 CAPITAL IMPROVEMENT PROGRAM (CIP)

Eric Miller gave a presentation on the FY 23/24 Capital Improvement Program. He noted that in the Novato Service Area, one project is related to North Marin Aqueduct and the landslide and one is for the interconnection modifications with Marin Water. He said that the Novato Blvd. Widening project has been continued to be budgeted for several years even though it continues to be postponed by the City of Novato. He said that overall approximately $1 million has been budgeted for pipeline work for the fiscal year. He also mentioned that the Crest Pump Station will go out to bid this fiscal year. The CIP includes a plan to upgrade one of our hydro-pneumatic pump stations and, if the project goes well, the remaining high priority ones will be budgeted over the next several years. Director Baker commented that these hydro-pneumatic systems are only in certain areas of the distribution system where storage tanks don't exist. Mr. Miller noted that the Lynwood Pump Station has been budgeted for preliminary design and also said that the supernatant line (waste line) from the Stafford Treatment Plant to Center Road will be a big project for this next year. Regarding the West Marin budget, Mr. Miller summarized the projects that are slated for FY 23/24. Two of the larger projects are the Gallagher Well No. 1 Rehabilitation and Galvanized Pipeline Replacement on Balboa. Mr. Miller summarized the Recycled Water and Oceana Marin projects as well.

NBWRA MEETING – APRIL 24, 2023

Tony Williams and Director Baker attended the April 24, 2023 North Bay Water Reuse Association (NBWRA) meeting. Mr. Williams stated that at one time the District was a full member

but has now transitioned to Associate Member. The drought contingency plan is the only current NBWRA project that the District is involved with.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements Dated April 20, and April 27, 2023, Auditor-Controller's Monthly Report of Investments for March 2023, FY 23 3rd Quarter Labor Cost Report, U.S. Seasonal Drought Outlook – April 20, Russian River Forum – Planning Group Roster.

The Board also received the following news articles: Marin IJ – Hearing scheduled on 126-home project – NOVATO, North Marin Water District plans 9.5% Novato rate hike - NEW PROPOSAL, City's housing plan rejected – NOVATO, Pt. Reyes Light – Reservoirs full, but officials say risks remain.

ADJOURNMENT

President Fraites adjourned the meeting at 5:30 p.m.

Submitted by

Eileen Mulliner
District Secretary

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NORTH MARIN WATER DISTRICT

MEMORANDUM

To: Board of Directors Date: May 16, 2023

From: Tony Williams, General Manager

Subject: Approve ESA Consulting Services Agreement Amendment 3 – Biological Monitoring Services for New Gallagher Well No. 2 Permit Conditions
R:\Folders by Job No\6000 jobs\6609.20 New Gallagher Well No 2\BOD Memos\2023 0516 ESA Amendment\5-16-23 BOD Memo ESA Amendment Permitting.docx

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

FINANCIAL IMPACT: $29,775 to be included in the FY 2023/24 budget

Background

At the October 6, 2020 meeting, the Board approved an agreement with ESA for permitting services to prepare an addendum to the 2009 Gallagher Wells and Pipeline Project Initial Study/Mitigated Negative Declaration (IS/MND) for an amount not to exceed $66,000 (including contingency). At the April 6, 2021 meeting, the Board approved a $50,000 amendment (including contingency) to ESA's agreement to cover additional efforts including assistance with the Marin County Local Coastal Permit and the subsequent Appeal to the Coastal Commission (which was denied). Amendment No. 2, approved at the May 4, 2021 Board meeting, covered required supplemental groundwater, Lagunitas Creek stream flow and biological monitoring and reporting efforts outlined in Mitigation Measure BR-2 as revised in the Gallagher Wells and Pipeline CEQA Addendum approved by the Board at the March 2, 2021 meeting.

On February 18, 2022, the California Department of Fish & Wildlife (CDFW) issued a Streambed Alteration Agreement (EPIMS No. MAN-19777) for the Gallagher Wells. This permit primarily focuses on operations (water diversions) of both wells as opposed to the actual construction of Well No. 2. The various "water diversion measures" in the permit include streamflow and water use data which is being reported by District staff. However, one of the measures requires in-stream habitat monitoring for a 0.8-mile reach of Lagunitas Creek upstream and downstream of the well sites, including Pre-Project flow conditions, with no well operation, and Post-Project flow conditions, with both Gallagher wells operating. Pre- and Post-Project monitoring must occur during spring and fall periods to capture seasonal variations in flow. In-stream habitat data collected shall include physical measurements of each habitat unit including mean depth, maximum depth, linear length, and wetted width; and water quality metrics including dissolved oxygen and water temperature.

Approved by GM

Date 5/9/23

Discussion

The Gallagher Well No. 2 construction was completed, tested and approved by the state and went into full operation in November 2022. The timing and urgency in bringing the new well online conflicted with the required timing and well operations needed for in-stream monitoring required by the CDFW permit. The in-stream monitoring report had a January 1, 2023 deadline per the permit but CDFW granted an extension. The attached ESA proposal summarizes the scope of services needed to conduct the in-stream work and satisfy the CDFW permit conditions. Staff will work with CDFW to extend the new deadline for this work with a new start date sometime in the fall of this calendar year.

RECOMMENDATION

That the Board authorize the General Manager to execute amendment No. 3 with ESA for a not-to-exceed fee of $29,775 to be billed on an hourly basis as approved by staff.

ATTACHMENT: 1. GW02 Supplemental Biologic Condition Monitoring proposal from ESA, dated May 5, 2023

1425 N. McDowell Boulevard
Suite 200
Petaluma, CA 94954
707.795.0900
707.795.0902

2023-05-05

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

Subject: Gallagher Well No. 2: Supplemental Biologic Condition Monitoring Scope of Work

ESA has prepared the following scope modification to provide 2023 and 2024 Environmental Monitoring Services to support implementation of the Gallagher Well No. 2 and meet CDFW Streambed Alteration Agreement (SAA) requirements. Our scope of work is based upon current project status and links up with the overall scope of work to support implementation of Gallagher Well No. 2. It includes Biological Resource Monitoring to confirm post-project flow conditions to meet SAA permit requirements.

ESA appreciates the opportunity to continue our long-standing working relationship with NMWD, and we look forward to continuing to support the District in the successful implementation of this project. Please feel free to contact me at 707-795-0904 or 415-307-3139 (cell) or jotoole@esassoc.com if you have any questions or comments regarding this scope of work.

Sincerely,

James E. O'Toole
Senior Vice President

ATTACHMENT #1

Task 1. Biological Resource Monitoring

The purpose of this task is to establish baseline conditions and assess whether well operations would affect streamflows or biologic habitat conditions downstream of the Gallagher Well site. Monitoring will include pre-project and post project conditions.

Task 1C. Field Monitoring: Pre-Project Flow Condition: Fall 2023 > 6 cfs

The ESA Team will complete Biological Resource Monitoring in Fall 2023 when Park Gage flow conditions are greater than 6 cfs and wells are not operating. ESA will review operational conditions with NMWD, as one well may need to remain operational due to delivery needs.

Task 1D. Field Monitoring: Post-Project Flow Condition: Fall 2023 > 6 cfs

The ESA Team will complete Biological Resource Monitoring in Fall 2023 when Park Gage flow conditions are greater than 6 cfs and both wells are operating. This monitoring will provide post project confirmation that well operations are not having an effect during lower Summer/Fall flow periods.

Task 1E. Field Monitoring: Pre-Project Flow Condition: Spring 2024 > 10 cfs

The ESA Team will complete Biological Resource Monitoring in Spring 2024 when Park Gage flow conditions are greater than 10 cfs. ESA will review operational conditions with NMWD, as one well may need to remain operational due to delivery needs. This monitoring will provide confirmation that well operations are not having an effect during lower Summer/Fall flow periods.

Task 1F. Field Monitoring: Post-Project Flow Condition: Spring 2024 > 10 cfs

If deemed necessary, the ESA Team will complete Biological Resource Monitoring identified in Spring 2024 when Park Gage flow conditions are greater than 10 cfs and both wells are operating. This monitoring will provide post project confirmation that well operations are not having an effect during Spring flow periods.

Task 3. Draft and Final Technical Memos

Task 3.C/D. Post Project Technical Memorandum: Fall 2023 TM > 6 cfs

The ESA Team will update the TM to include Fall 2023 data and review post-project conditions versus baseline. The ESA Team will synthesize the analysis and provide a technical memorandum, which will describe well operations and corresponding field observations, instream habitat assessment observations, and conclusions. Our scope of work assumes one round of comment by NMWD, and completion of a Final TM.

Task 3.E/F. Post Project Technical Memorandum: Spring 2024 TM > 10 cfs

The ESA Team will update the TM to include Spring 2024 data and review post-project conditions versus 2021 baseline. The ESA Team will synthesize the analysis and provide a technical memorandum, which will describe

results of pump test and field observations, instream habitat assessment observations, and conclusions. Our scope of work assumes one round of comment by NMWD, and completion of a Final TM.

Task 4. Project Management

Our project management task includes oversight of technical data collection, coordination of access, project safety plan development, and bi-monthly conference calls, and up to 2 meetings with stakeholders to present findings.

Table 1: Cost Proposal NMWD Well No. 2
ESA Labor Detail and Expense Summary

	Employee Names	J. O'Toole	C. Fitzer B. Pittman	G. Leidy	P. Hudson	A. Fink	A. Sung-Jereczek		R. Teitel L. Laxamana			
	Labor Category	Senior Director III	Director III	Managing Associate II	SA II	Senior Associate II	Associate II	*Subtotal*	Project Technician III	*Subtotal*	Total Hours	Labor Price
Task #	**Task Name/Description**	**$ 300**	**$ 240**	**$ 180**	**$ 160**	**$ 160**	**$ 125**		**$ 100**			
1.0	**Biological Resource Monitoring**							$ -		$ -	-	$ -
1.C	Pre-Project Habitat Monitoring Fall 2023		2	16	4		16	*$ 6,000*		$ -	38.00	$ 6,000
1.D	Post Project Habitat Monitoring Fall 2023			16	4		16	*$ 5,520*		$ -	36.00	$ 5,520
1.E	Pre-Project Flow Condition Spring 2024			16	4		16	*$ 5,520*		$ -	36.00	$ 5,520
1.F	Post-Project Flow Condition Spring 2024	2			4			*$ 1,240*		$ -	6.00	$ 1,240
3.0	**Draft and Final Technical Memoranda**							$ -		$ -	-	$ -
3.C/D	Post Project Fall 2023	2		12	4		2	*$ 3,650*		$ -	20.00	$ 3,650
3.E/F	Post Project TM Spring 2024	2		12	4		2	*$ 3,650*	16	*$ 1,600*	36.00	$ 5,250
4.0	**Project Management**	2					4	*$ 1,100*		$ -	6.00	$ 1,100
Total Hours		8	2	72	24	-	56	*162*	16	*16*	**178**	
Total Labor Costs		$ 2,400	$ 480	$ 12,960	$ 3,840	$ -	$ 7,000	*$ 26,680*	$ 1,600	*$ 1,600*		**$ 28,280**
Percent of Effort - Labor Hours Only		4.5%	1.1%	40.4%	13.5%	0.0%	31.5%	*91.0%*	9.0%	*9.0%*	100.0%	
Percent of Effort - Total Project Cost		8.1%	1.6%	43.5%	12.9%	0.0%	23.5%		5.4%			95.0%

ESA Labor Cost		**$ 28,280**
ESA Non-Labor Expenses		
Reimbursable Expenses		$ 1,495
Subtotal ESA Non-Labor Expenses		**$ 1,495**

PROJECT TOTAL:	**$ 29,775**

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NORTH MARIN WATER DISTRICT

MEMORANDUM

To: Board of Directors May 16, 2023

From: Eric Miller, Assistant GM/Chief Engineer EM

Subject: Amend Contract for On-Call Painting and Coating Services – Redwood Painting, Inc.
\\nmwdfileserver\Engineering\NON JOB No ISSUES\On-Call\BOD Memos\BOD Memo RPI Amendment 1 05.16.2023.doc

RECOMMENDED ACTION: That the Board authorize the GM to amend the On-Call Painting and Coating Services Contract for Redwood Painting, Inc.

FINANCIAL IMPACT: Additional $250,000 (will be included in FY 23/24 CIP budget)

Background

At the July 20, 2021 meeting, the Board authorized the General Manager to execute an agreement with Redwood Painting, Inc. (RPI) to provide On-Call Painting and Coating Services as a result of a solicitation process conducted by staff. The initial budget allocated to RPI under that agreement was $250,000.

Budget Status

Work performed by RPI at the Stafford Treatment Plant (STP) under the initial 2021 on-call agreement includes the following projects and associated costs:

Relining Secondary Containment Area at STP		$ 55,048
Above Grade Piping at STP		$ 43,706
	TOTAL	$ 98,754
RPI Remaining Balance to Date		$151,246

Proposed Services

As a result of a corrosion study performed earlier this year at STP, staff identified two new coating projects at STP. RPI provided a quote for the work associated with coating the three (3) filter basins and staff's conservative estimate for coating walls of the chlorine building have been included is the list below:

Coating of 3 Filter Basins at STP		$288,604
Coating walls of Chlorine Building at STP		$100,000
	TOTAL	$388,604

Approved by GM BGW

Date 5/9/23

Completion of both projects require STP to be out of operation when the work takes place, which means the window for both projects is between December and April. Engineering staff will coordinate with Operations staff to execute both projects within the short time window.

Financial Impact

The costs for these proposed services exceed RPI's remaining contract balance to date by $237,358. Staff has anticipated these costs and they will be included in the proposed Capital Improvement Program (CIP) budget for Fiscal Year 2023/24 that is scheduled for Board consideration next month.

Recommendation

That the Board authorize the General Manager to amend the on-call agreement with Redwood Painting, Inc. in the amount of $250,000 for an increased not-to-exceed amount of $500,000, and to extend the contract completion date by 1 year for a new completion date of June 30, 2024.

ATTACHMENT: 1. Quote for coating filter basins from Redwood Painting, Inc. dated February 23, 2023

Redwood Painting Co., Inc.

620 West 10th Street
P.O. Box 1269
Pittsburg, CA 94565
(925) 432-4500 Phone
(925) 432-6129 Fax

DIR:100005253
License No. 302617
Commercial**Industrial Coatings**Abrasive blasting

February 23, 2023

Scope & Quotation Letter
For Information Contact: Robert Grangnelli

Project: **Stafford Treatment Plant Coating**
Actifloc Filter Basins
North Marin Water District
Novato, CA

Inclusion:

1. Coating Removal from interior of Actifloc Filter Basin.
2. Recoat interior of Basin per Tnemec Email dated 2/6/2023 (attached).
3. Covering and Containment of Basin.
4. Testing and Disposal of Spent Grit from Grit Blasting.

Exclusions:

1. Exterior of Actifloc Filter Basin.
2. Filter Media Removal.
3. Removal of Tube Modules.
4. Initial Complete cleanout of Basin.
5. Piping.
6. Overtime.

Clarifications:

1. Dehumidifier to run 24 hours a day until coating is complete.
2. 110v power available onsite to run DH.
3. RPC will remove grating as needed for access.
4. Once the final coat is applied to any item, any subsequent touch up required due to damage by others will be extra work.

Quotation,
Lump Sum Price One Basin: $109,214

Lump Sum Price All Three Basins: $288,604

Grangnelli, Robert

From: Oswald, Paul <poswald@tnemec.com>
Sent: Monday, February 6, 2023 12:10 PM
To: Grangnelli, Robert; Bowers, Carl
Cc: Amos, Kelly
Subject: RE: Recoating Antifloc tanks North Marin WD
Attachments: Redwood Painting Co - NMWD Stafford Treatment Plant - 2-6-23.pdf

Hey Robert,

Thank you for getting back to me with those answers. Considering the condition for which these tanks are in, the only course of action is a complete removal of the current coating system. This will provide the Owner with the longest possible service life to protect their asset. We recommend the following NSF Std. 61/NSF 600 certified lining:

> Tank Interior, Immersion Service: Zinc/Epoxy System:
> Meets AWWA D102, Interior coating system ICS No. 3.
> Surface Preparation: SSPC-SP10/NACE No. 2.
> Primer: Tnemec Series 91-H_2O | Hydro-Zinc or Series 94-H_2O | Hydro-Zinc applied at a rate to achieve 2.5 – 3.5 mils dry film thickness
> Stripe Coat: Tnemec Series L140F | Pota-Pox Plus (Color 1255 Beige) applied by brush at a rate to achieve 2.0 – 4.0 mils dry film thickness.
> Pit Filler: Tnemec Series 215 | Surfacing Epoxy
> Finish: Tnemec Series 21 | Epoxoline (Color WH16 Off White) applied at a rate to achieve 10.0 mils minimum, up to 20.0 mils maximum (applied in one coat or two coats)

Hyperlinks are included above and will redirect to the corresponding product pages on Tnemec's website. I have also included a price quote on the material. Please let us know when we can be of further assistance and if you have any questions then please just ask.

Robert, this hi-build system is designed with the applicator in mind allowing for cost saving on your labor. I'd like to make this one of our case studies. This will allow for Tnemec to track the history on performance over the years. Do you have any idea as to when this project might happen?

Best Regards,

Paul R. Oswald | *Coatings Consultant*
Amos and Associates, Inc.
Independent Representative of Tnemec Company, Inc.
East Bay / Central Valley
Tel: 866-317-3206 | Fax: 530-643-7367 | Cell: 925-567-6527

From: Grangnelli, Robert <rgrangnelli@redwoodptg.com>
Sent: Monday, February 6, 2023 10:29 AM
To: Oswald, Paul <poswald@tnemec.com>; Bowers, Carl <cbowers@tnemec.com>
Subject: RE: Recoating Antifloc tanks North Marin WD

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NORTH MARIN WATER DISTRICT

FINANCIAL STATEMENT
FISCAL YEAR 2022-23

March 31, 2023

5/9/2023 11:38

NORTH MARIN WATER DISTRICT
FINANCIAL STATEMENTS
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MEMORANDUM

To: Tony Williams, General Manager May 9, 2023

From: Reviewed by: Julie Blue, Auditor-Controller

Prepared by: Nancy Williamson, Accounting Supervisor and Ling Reilly, Senior Accountant

Subj: Information – FY22/23 March Financial Statement
t:\accountants\financials\stmtfy23\md&a0323.doc

FISCAL YEAR PERFORMANCE COMPARED TO THE ANNUAL BUDGET

CONSOLIDATED SUMMARY Actual vs. Budget	Mar-23 Actual	FY22/23 Actual YTD	FY22/23 Budget	FYTD / Budget %
Operating Revenue	$1,943,471	$17,867,193	$25,510,000	70%
Operating Expense	1,806,675	17,520,266	23,093,000	76%
Non-Operating Revenue / (Expense)	(96,186)	353,774	(1,519,000)	(23%)
Net Income / (Loss)	$40,609	$700,701	$898,000	78%
Other Sources / (Uses)*	(420,054)	(5,749,638)	(3,823,000)	150%
Cash Increase / (Decrease)	($379,445)	($5,048,938)	($2,925,000)	173%

* See Page 8.

For the first nine months of the fiscal year 2022-2023, the District generated a net income of $700,701 and saw a net cash decrease of $5,048,938. On a seasonally adjusted basis, Operating Revenue came in 5% under budget and Operating Expense came in 4% over budget. $6,451,356 (34%) of the Capital Improvement Projects Budget was expended this fiscal year to date. At month end the ratio of total cash to budgeted annual operating expense (sans depreciation) stood at 208%.

SUMMARY INCOME STATEMENTS BY SERVICE AREA PRESENTED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPALS

NOVATO WATER Year over Year Comparison	Mar-23 Actual	FY22/23 Actual YTD	FY21/22 Actual YTD	FY23 vs 22 Up/(Down)
Operating Revenue	$1,852,754	$15,891,272	$15,208,773	4%
Operating Expense	1,603,888	15,424,636	14,990,293	3%
Other Income / (Expense)	(101,877)	460,690	(135,219)	-
Net Income / (Loss)	$146,990	$927,326	$83,260	1014%
Active Accounts	20,821	20,821	20,677	1%
Consumption (MG)	111	1,456	1,507	(3%)
Average Commodity Rate / 1,000 gal	$10.29	$7.31	$6.92	6%
Income / (Loss) / Active Account	$7.06	$44.54	$4.03	1006%
Income / (Loss) / 1,000 Gal	$1.32	$0.64	$0.06	0%
Connection Fee Revenue	$12,920	$208,280	$850,380	(76%)
FRC Transfer (to)/from Recycled Water	$0	($518,146)	($793,919)	(35%)
Caltrans Capital Contribution	$135	$2,089	$12,400	0%
Developer 'In-Kind' Contributions	$31,328	$558,184	$490,482	14%

Consumption for the fiscal year to date was 3% less than the prior year same period. Total operating revenue, which includes wheeling and other miscellaneous service charges, increased $682,499 from the prior year same period. Included in the above charges is a drought surcharge of 5% for all customers. Total operating expense was $434,342 more than last year.

The Stafford Treatment Plant produced 316 MG this fiscal year-to-date at a cost of $5,947/MG[1] versus $3,382/MG[3] from SCWA. The budget for Stafford is 500 MG at a cost of $4,365/MG.

The fiscal year net income (which includes non-operating items such as interest revenue and expense) of $927,326 compares to a budgeted net income for the year of $1,098,000 and to a net income of $83,260 for the prior year. $5,977,020 (36%) of the Novato Water Capital Improvement Project Budget was spent versus $2,329,298 (27%) for the prior year. $208,280 in connection fees have been collected ($872,000 is budgeted). Connection Fee reserves totaling $518,146 were transferred this fiscal year from the Novato Water Fund to the Recycled Water Fund. The Novato Connection Fee Reserve has a net deficit of $8,661,192 arising from transfers to the RW Fund in advance of Connection Fee receipts. This is up from a net deficit of $5,941,496 last year. That deficit will be reimbursed by future Connection Fee revenue. The Novato cash balance decreased $518,754 in March, and stood at $31,498,450 at month end, compared to a budgeted projection of $16,319,000 at fiscal year-end.

NOVATO RECYCLED Year over Year Comparison	Mar-23 Actual	FY22/23 Actual YTD	FY21/22 Actual YTD	FY23 vs 22 Up/(Down)
Operating Revenue	$15,179	$1,044,846	$1,120,265	(9%)
Operating Expense	82,946	1,041,588	970,228	7%
Other Income / (Expense)	5,348	(92,750)	(147,820)	(37%)
Net Income / (Loss)	($62,418)	($89,493)	$2,217	-
Active Accounts	100	100	96	4%
Consumption (MG)	0	131	153.5	(14%)
Average Commodity Rate / 1,000 gal (net)	$6.38	$6.95	$6.61	5%
Deer Island Production (MG)	0.0	0.0	0.0	-
Novato Sanitary Production (MG)	0.0	113.8	129.1	(12%)
Las Gallinas Production (MG)	0.4	31.4	30.7	2%
Potable Water Input (MG)	0.0	5.8	9.7	(40%)
Connection Fee Alloc from Novato	$0	$518,146	$793,919	(35%)
Developer 'In-Kind' Contributions	$0	$0	$0	-
RW Costs	$931	$249,368	$208,634	20%

131.4 MG was delivered to RW customers this fiscal year to date, 14% less than the prior year. Operating revenue was 9% less than last year. Total operating expense was 7% more than the prior year. The recycled water was produced at a cost of $2,377/MG[2] (including potable water consumed) versus $3,382/MG[3] from SCWA. The budgeted production cost of recycled water is $2,827/MG.

The fiscal year net loss of $89,493 compares to a budgeted net loss for the year of $389,000 and a net income of $2,217 for the prior year. $0 (0%) of the Recycled Water Capital Improvement Project Budget was spent versus $29,475 (29%) for the prior year.

The Novato Recycled cash balance stood at $7,030,460 at month end, $3.5M of which amount resides in restricted reserves for debt service, the Deer Island Facility Replacement Fund and the Recycled Water Capital Replacement and Expansion Fund.

[1] Stafford production cost = TP op expense ($1,315,208) + SRF loan interest ($121,312) + plant depreciation ($442,628)/316 MG produced

[2] Recycled Water production cost = purchased water cost ($249,368) + treatment expense ($0) + Deer Island RW Facility SRF loan interest ($22,926) + Deer Island plant depreciation ($86,940)/151.1 MG produced

[3] SCWA production cost per MG = O&M charge ($2,753) + debt service charge ($232) + Russian River conservation charge ($354) + Russian River projects charge ($43)

WEST MARIN WATER Year over Year Comparison	Mar-23 Actual	FY22/23 Actual YTD	FY21/22 Actual YTD	FY23 vs 22 Up/(Down)
Operating Revenue	$50,158	$702,656	$711,057	(1%)
Operating Expense	101,280	832,141	683,568	22%
Other Income / (Expense)	(2,488)	(22,798)	24,949	-
Net Income / (Loss)	($53,610)	($152,284)	$52,438	-
Active Accounts	792	792	789	0%
Consumption (MG)	2.96	38.2	39.3	(3%)
Average Commodity Rate / 1,000 gal (net)	$9.90	$12.93	$13.58	(5%)
Income/ (Loss) / Active Account	($67.69)	($192.28)	$66.46	-
Income / (Loss) / 1,000 Gal	($18.11)	($3.99)	$1.34	-
Connection Fee Revenue	$0	$0	$38,800	(100%)
Developer 'In-Kind' Contributions	$0	$0	$7,490	(100%)

Consumption for the fiscal year was 3% less than the prior year. Operating revenue was 1% less than last year.

Operating expenditures were $148,573, or 22% more than the previous year. The fiscal year net loss of $152,284 compares to a budgeted annual net income of $129,000 and to a net income of $52,438 for the prior year. $396,916 (61%) of the Capital Improvement Project Budget was expended this fiscal year, and $0 in connection fees have been collected ($0 is budgeted). The West Marin cash balance increased $160,629 in March and stood at $671,698 at month end, compared to a budgeted projection of $934,000 at fiscal year-end.

OCEANA MARIN SEWER Year over Year Comparison	Mar-23 Actual	FY22/23 Actual YTD	FY21/22 Actual YTD	FY23 vs 22 Up/(Down)
Operating Revenue	$25,380	$228,420	$217,845	5%
Operating Expense	18,562	221,901	213,839	4%
Other Income / (Expense)	2,829	8,633	40,119	(78%)
Net Income / (Loss)	$9,647	$15,152	$44,125	(66%)
Active Accounts	235	235	235	0%
Monthly Sewer Service Charge	$108	$108	$103	5%
Income / (Loss) / Active Account	$41.05	$64.48	$187.77	-
Connection Fee Revenue	$0	$0	$0	-

Operating revenue of $228,420 was 5% more than the previous year due to the 5% rate increase effective July 1, 2022. Operating expenditures were 4%, or $8,062 more than the previous year. The fiscal year net income of $15,152 compares to a budgeted annual net income of $102,000 and to a net income of $44,125 for the prior year. $77,420 (6%) of the Capital Improvement Project Budget has been expended this fiscal year.

No connection fees have been collected ($0 is budgeted). The Oceana Marin cash balance decreased $27,390 in March and stood at $408,641 at month end, compared to a budgeted projection of $297,000 at June 30, 2023.

NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING MARCH 31, 2023

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
ASSETS					
Cash & Investments					
Unrestricted/Undesignated Cash	$5,524,111	$1,594,945	$3,272,644	$322,147	$334,375
Restricted Cash (Note 1)					
Connection Fee Fund	$0	$0	$0	$0	$0
Deer Island RWF Replacement Fund	215,000	0	215,000	0	0
Capital Replacement & Expansion Fund	2,417,211	0	2,417,211	0	0
STP SRF Reserve-Marin Co Treasury	1,047,297	1,047,297	0	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	275,773	0	275,773	0	0
DL Falk Const Escrow Acct	191,559	191,559	0	0	0
Designated Cash (Note 2)					
Liability Contingency Fund	1,705,370	1,606,485	0	98,885	0
Workers' Compensation Fund	20,125	18,659	534	666	266
Retiree Medical Benefits Fund	4,343,600	4,343,600	0	0	0
Maintenance Accrual Fund	4,000,000	4,000,000	0	0	0
Operating Reserve Fund	6,339,000	5,780,000	235,000	250,000	74,000
Webster Bank-Admin Bldg/CIP Fund	13,210,615	13,210,615	0	0	0
Total Cash	$39,903,960	$31,793,161	$7,030,460	$671,698	$408,641
Gain/(Loss) on MV of Investments	(294,711)	($294,711)	$0	$0	$0
Market Value of Cash & Investments	$39,609,249	$31,498,450	$7,030,460	$671,698	$408,641
Current Assets					
Net Receivables - Consumers	$997,720	$894,317	$23,891	$18,600	$60,912
Accrued Water Sales	1,585,966	1,486,631	(23,420)	122,755	0
Accounts Receivable-Other	299,114	216,610	6,364	0	76,140
Prepaid Expense	378,392	376,444	0	0	1,948
Reimbursable Small Jobs	(267)	(267)	0	0	0
Interest Receivable	283,038	283,038	0	0	0
Inventories	814,185	814,185	0	0	0
Deposits Receivable	23,274	23,274	0	0	0
Total Current Assets	$4,381,420	$4,094,231	$6,834	$141,355	$139,000

NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING MARCH 31, 2023

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Loans Receivable					
Employee Loans (Note 3)	250,000	$250,000	$0	$0	$0
Other Long Term Receivables (Note 4)	4,286,869	3,163,315	1,106,201	17,353	0
Loans Receivable	$4,536,869	$3,413,315	$1,106,201	$17,353	$0
Property and Plant					
Land & Land Rights	$1,493,091	$1,368,872	$0	$123,411	$808
Dam, Lake, & Source Facilities	5,675,845	5,183,433	0	492,412	0
Treatment Facilities	23,012,983	19,003,260	2,666,198	485,163	858,362
Storage Facilities	26,174,758	20,962,751	1,643,458	3,568,548	0
Transmission Facilities (16"+)	29,503,127	29,380,803	0	122,324	0
Distribution and Pumping Facilities	110,799,201	72,805,972	31,863,471	6,129,757	0
Sewer Mains, Pumps, & Laterals	1,267,600	0	0	0	1,267,600
Sub-Total	$197,926,605	$148,705,092	$36,173,127	$10,921,615	$2,126,771
Less Accumulated Depreciation (Note 5)	(69,788,437)	(57,470,912)	(6,412,297)	(4,687,687)	(1,217,540)
Net Property and Plant	$128,138,168	$91,234,180	$29,760,830	$6,233,928	$909,231
Buildings and Equipment (Note 6)					
Buildings	$2,119,365	$2,119,365	$0	$0	$0
Office Equipment	1,239,527	1,239,527	0	0	0
Laboratory Equipment	323,072	323,072	0	0	0
Trucks & Automobiles	1,942,282	1,942,282	0	0	0
Construction Equipment	974,333	974,333	0	0	0
Tools, Shop Equipment	347,955	347,955	0	0	0
Lease Assets	587,691	587,691	0	0	0
Sub-Total	$7,534,226	$7,534,226	$0	$0	$0
Less Accumulated Depreciation (Note 5)	(5,604,424)	(5,604,424)	0	0	0
Net Buildings and Equipment	$1,929,802	$1,929,802	$0	$0	$0
Construction In Progress					
Developer	$1,551,117	$1,551,117	$0	$0	$0
District	13,166,190	10,444,473	89,594	2,232,042	400,081
Total Construction in Progress	14,717,307	11,995,589	89,594	2,232,042	400,081
Net Utility Plant	144,785,277	105,159,571	29,850,424	8,465,970	1,309,312
Deferred Outflow of Resources-GASB68	2,769,512	2,769,512	0	0	0
Deferred Outflow of Resources-GASB75	28,485	28,485	0	0	0
TOTAL ASSETS	$196,110,813	$146,963,564	$37,993,919	$9,296,376	$1,856,953

NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING MARCH 31, 2023

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
LIABILITIES AND NET ASSETS					
Current Liabilities					
Trade Accounts Payable	$1,753,509	$1,709,712	$43,796	$0	$0
Reimbursement Prog. Unclaimed Funds	386,136	365,886	0	20,250	0
Loan Debt Principal Payable-Current	1,843,341	900,362	942,978	0	0
Bank of Marin Principal Payable-Current	418,998	365,356	0	53,642	0
JP Morgan/Chase AMI Loan-Current	290,000	290,000	0	0	0
Webster Bank-Admin Bldg/CIP Loan-Currer	753,254	753,254	0	0	0
WM Loan Due to Novato-Current	88,253	0	0	88,253	0
Accrued Interest Payable-SRF Loan	142,224	41,297	100,927	0	0
JP Morgan/Chase AMI Loan Interest Payable	7,341	7,341	0	0	0
Webster Bank Loan Interest Payable	49,554	49,554	0	0	0
WM Loan from Novato-Loan Interest Payable	20,600	0	0	20,600	0
Deposits/Performance Bonds	427,053	393,372	0	30,681	3,000
Unemployment Insurance Reserve (Note 8)	14,519	14,519	0	0	0
Workers' Comp Future Claims Payable	20,125	18,659	534	666	266
Payroll Benefits (Note 9)	874,521	795,852	33,025	35,183	10,461
Enterprise Vehicle Leases	52,259	52,259	0	0	0
Lease Liability-Current	117,928	117,928	0	0	0
Deferred Revenue	76,140	0	0	0	76,140
Total Current Liabilities	$7,335,755	$5,875,352	$1,121,260	$249,276	$89,867
Restricted Liabilities					
Construction Advances	$352,510	$277,510	$0	$75,000	$0
Total Restricted Liabilities	$352,510	$277,510	$0	$75,000	$0
Long Term Liablilities (Note 7)					
JP Morgan/Chase AMI Loan Payable	$2,985,000	$2,985,000	$0	$0	$0
Webster Bank-Admin Bldg/CIP Loan Payabl	18,367,077	18,367,077	0	0	0
WM Loan from Novato	911,747		0	911,747	0
STP Rehab SRF Loan	5,353,189	5,353,189	0	0	0
RWF SRF Loan	1,030,881	0	1,030,881	0	0
RWS North/South Expansion SRF Loan	4,949,207	0	4,949,207	0	0
RWS Central Expansion SRF Loan	5,858,350	0	5,858,350	0	0
Bank of Marin Loan	3,686,696	3,214,799	0	471,897	0
Enterprise Vehicle Leases	346,041	346,041	0	0	0
Lease Liability	66,841	66,841	0	0	0
Net Pension Liability	9,267,034	9,267,034	0	0	0
Total OPEB Liability (Note 2)	4,343,600	4,343,600	0	0	0
Total Long Term Liabilities	$57,165,664	$43,943,581	$11,838,439	$1,383,644	$0
Deferred Inflow of Resources-GASB 68	8,578,329	8,578,329	0	0	0
Deferred Inflow of Resources-GASB 75	249,134	249,134	0	0	0
Deferred Inflow of Resources-Leases	367,114	$351,420	0	$15,694	0
TOTAL LIABILITIES	$74,048,506	$59,275,326	$12,959,699	$1,723,614	$89,867

NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING MARCH 31, 2023

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Net Assets					
Invested in Capital Assets					
Contributions in Aid of Construction	$87,695,712	$79,006,419	$5,810,128	$2,199,410	$679,755
Grants in Aid of Construction	14,198,830	426,448	10,108,537	3,564,427	99,418
Connection Fees	47,869,521	32,553,869	12,084,852	2,503,891	726,909
Total Investment	$149,764,064	$111,986,737	$28,003,518	$8,267,728	$1,506,082
Restricted Reserves					
Connection Fee Fund	($9,866,389)	($8,661,192)	$0	($972,399)	($232,798)
Deer Island RWF Replacement Fund	215,000	0	215,000	0	0
Capital Replacement & Expansion Fund	2,417,211	0	2,417,211	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	275,773	0	275,773	0	0
Designated Reserves					
Liability Contingency Fund	1,705,370	1,606,485	0	98,885	0
Maintenance Accrual Fund	4,000,000	4,000,000	0	0	0
Retiree Medical Benefits Fund	2,759,513	2,759,513	0	0	0
Operating Reserve Fund	6,339,000	5,780,000	235,000	250,000	74,000
Webster Bank-Admin Bldg/CIP Reserve	13,210,615	13,210,615	0	0	0
Earned Surplus - Prior Yrs	(54,907,311)	(48,819,123)	(6,625,087)	127,832	409,067
Net Income/(Loss)	700,701	927,326	(89,493)	(152,284)	15,152
Transfer (To)/From Reserves (see below)	4,834,462	4,897,878	(12,000)	(47,000)	(4,416)
Total Restricted & Designated	($27,701,757)	($24,298,498)	($2,969,297)	($694,966)	$261,004
TOTAL NET POSITION	$122,062,307	$87,688,238	$25,034,220	$7,572,762	$1,767,086
Transfer (To)/From Reserves					
Connection Fee	($416)	$0	$0	$0	($416)
Liability Reserve	0	0	0	0	0
Capital Replacement & Expansion Fund	0	0	0	0	0
Maintenance Reserve	0	0	0	0	0
RWF Replacement Fund	0	0	0	0	0
Retiree Medical Insurance Fund	0	0	0	0	0
(Gain)/Loss WC Fund	0	0	0	0	0
Bank of Marin Project Fund	0	0	0	0	0
Operating Reserve Fund	(120,000)	(57,000)	(12,000)	(47,000)	(4,000)
Trsf to Webster Bank-Admin Bldg/CIP Fund	4,954,878	4,954,878	0	0	0
Total Transfer	$4,834,462	$4,897,878	($12,000)	($47,000)	($4,416)
TOTAL LIABILITIES AND FUND BALANCE	$196,110,813	$146,963,564	$37,993,919	$9,296,376	$1,856,953

NORTH MARIN WATER DISTRICT
SOURCES AND USES OF FUNDS STATEMENT - ALL SERVICE AREAS COMBINED
FOR THE PERIOD ENDING MARCH 31, 2023

	YTD Actual	Annual Budget	YTD/ Budget %	Prior YTD Actual
OPERATING REVENUE				
Water Sales	$12,077,191	$19,105,000	63%	$11,990,728
Bimonthly Service Charge	5,269,850	5,718,000	92%	4,781,895
Sewer Service Charge	228,420	306,000	75%	217,845
Wheeling & Misc Service Charges	291,732	381,000	77%	267,472
TOTAL OPERATING REVENUE	$17,867,193	$25,510,000	70%	$17,257,939
OPERATING EXPENDITURES				
Source of Supply	$4,113,747	$6,182,000	67%	$4,563,939
Pumping	371,639	627,000	59%	364,818
Operations	788,495	1,120,000	70%	755,879
Water Treatment	1,996,274	2,802,000	71%	1,592,653
Sewer Service	134,554	195,000	69%	142,278
Transmission & Distribution	2,735,110	3,898,000	70%	2,597,597
Consumer Accounting	376,162	508,000	74%	307,818
Water Conservation	302,233	462,000	65%	336,889
General & Administrative	3,282,865	3,222,000	102%	3,248,917
Depreciation	3,419,188	4,077,000	84%	2,947,140
TOTAL OPERATING EXPENDITURES	$17,520,266	$23,093,000	76%	$16,857,928
NET OPERATING INCOME (LOSS)	$346,927	$2,417,000	14%	$400,011
NON-OPERATING REVENUE/(EXPENSE)				
Tax Proceeds	$78,103	$123,000	63%	$71,841
Interest Revenue	801,010	332,000	241%	205,858
Miscellaneous Revenue	395,133	142,000	278%	48,108
Bond & Loan Interest Expense	(908,039)	(1,119,000)	81%	(513,871)
Miscellaneous Expense	(12,434)	(590,000)	2%	(29,907)
Capital Contribution Expense-NSD & LGVSD	0	(407,000)	0%	0
TOTAL NON-OP REVENUE/(EXPENSE)	$353,774	($1,519,000)	-23%	($217,971)
NET INCOME/(LOSS)	$700,701	$898,000	78%	$182,040
OTHER SOURCES/(USES) OF FUNDS				
Add Depreciation Expense	$3,419,188	$4,077,000	84%	$2,947,140
Connection Fees	208,280	902,000	23%	889,180
Loan Proceeds	0	12,150,000	0%	0
Grant Proceeds	287,825	1,300,000	22%	0
Marin County Club Loan Principal Pmts	35,879	39,000	92%	31,345
Caltrans AEEP Capital Contribution	2,089	0	-	12,400
MMWD AEEP Capital Contribution	0	205,000	0%	0
Transfers In from Capital Expansion Fund	0	350,000		
Capital Equipment Expenditures	(329,409)	(557,000)	59%	(341,131)
Capital Improvement Projects	(6,451,356)	(18,899,000)	34%	(2,772,061)
Lease Assets Acquisition	0	0	-	0
Bond & Loan Principal Payments	(2,668,847)	(3,459,000)	77%	(1,444,657)
Change in Working Capital	(253,288)	69,000		1,278,044
TOTAL OTHER SOURCES/(USES)	($5,749,638)	($3,823,000)	150%	$600,260
CASH INCREASE/(DECREASE)	($5,048,938)	($2,925,000)	173%	$782,301

NORTH MARIN WATER DISTRICT
INCOME STATEMENT AND CASH FLOW BY SERVICE AREA
FOR THE PERIOD ENDING MARCH 31, 2023

SUMMARY INCOME STATEMENT	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Operating Revenue	$17,867,193	$15,891,272	$1,044,846	$702,656	$228,420
Operating Expense	17,520,266	15,424,636	1,041,588	832,141	221,901
OPERATING INCOME/(LOSS)	$346,927	$466,636	$3,258	($129,486)	$6,519
Non-Operating Revenue/(Expense)	353,774	460,690	(92,750)	(22,798)	8,633
NET INCOME/(LOSS)	$700,701	$927,326	($89,493)	($152,284)	$15,152
CAPITAL CONTRIBUTIONS					
Developer In-Kind Contributions	$606,835	$558,184	$0	$48,651	$0
Caltrans AEEP Capital Contributions	2,089	2,089	0	0	0
Connection Fees	208,280	208,280	0	0	0
Cal OES & CA Dept of Water Resources Grants	287,825	0	0	276,675	11,151
FRC Transfer	0	(518,146)	518,146	0	0
CAPITAL CONTRIBUTIONS	$1,105,030	$250,407	$518,146	$325,326	$11,151
Prior Period Adjustments	0	0	0	0	0
CHANGE IN NET POSITION	$1,805,730	$1,177,733	$428,653	$173,042	$26,302
Net Position June 30, 2022	120,256,577	86,510,505	24,605,568	7,399,720	1,740,784
Net Position March 31, 2023	$122,062,307	$87,688,238	$25,034,220	$7,572,762	$1,767,086
CASH FLOW STATEMENT					
Net Income/(Loss)	$700,701	$927,326	($89,493)	($152,284)	$15,152
Add back Depreciation	3,419,188	2,617,396	591,383	175,351	35,058
Cash Generated From Operations	$4,119,889	$3,544,722	$501,891	$23,068	$50,209
Other Sources (Uses) of Funds					
Connection Fee Revenue	$208,280	$208,280	$0	$0	$0
Grant Proceeds	287,825	0	0	276,675	11,151
Capital Assets Acquisition	(6,780,765)	(6,306,429)	0	(396,916)	(77,420)
Caltrans AEEP Capital Contribution	2,089	2,089	0	0	0
Marin Country Club Loan Principal Pmts	35,879	0	35,879	0	0
Principal Paid on Debt	(2,668,847)	(2,230,450)	(399,230)	(39,166)	0
Consumer Receivables Decr (Incr)	480,405	147,407	343,075	50,834	(60,912)
Construction Advances (Decr) Incr	(392,029)	(305,038)	0	(86,991)	0
Other Assets Decr (Incr)	1,004,109	1,011,059	18,916	48,755	(74,621)
Other Liabilities (Decr) Incr	(525,034)	(356,435)	(251,637)	7,447	75,591
Trade Accounts Payable (Decr) Incr	(820,738)	(859,272)	43,796	(5,263)	0
Connection Fee Transfer	0	(518,146)	518,146	0	0
Interdistrict Transfers	0	0	0	0	0
Total Other Sources (Uses)	($9,168,827)	($9,206,934)	$308,944	($144,626)	($126,211)
Net Cash Provided (Used)	($5,048,938)	($5,662,212)	$810,835	($121,559)	($76,002)
MV Cash & Investments June 30, 2022	$44,658,187	$37,160,662	$6,219,625	$793,256	$484,643
MV Cash & Investments Mar 31, 2023	$39,609,249	$31,498,450	$7,030,460	$671,698	$408,641

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	$1,154,948	$10,686,608	64%	$10,477,823
Bill Adjustments	(8,762)	(46,736)	78%	(49,942)
Bimonthly Service Charges	679,430	4,966,719	93%	4,518,500
Account Turn-on Charges	7,690	66,315	109%	0
New Account Charges	265	2,990	75%	3,850
Returned Check Charges	18	234	20%	135
Hydrant Meter Up/Down Charges	0	300	8%	360
Backflow Service Charges	14,685	128,956	107%	120,887
Lab Service-Outside Clients	1,511	21,181	81%	19,580
Wheeling Charges - MMWD	2,969	64,706	46%	117,578
TOTAL OPERATING REVENUE	$1,852,754	$15,891,272	71%	$15,208,773
TOTAL EXPENDITURES				
SOURCE OF SUPPLY				
Supervision & Engineering	$488	$5,209	58%	$6,089
Operating Expense - Source	183	3,954	26%	3,895
Maint/Monitoring of Dam	201	20,548	54%	17,640
Maint of Lake & Intakes	568	581	4%	231
Maint of Structures	0	35	1%	0
Maint of Watershed	0	15,352	49%	3,549
Water Quality Surveillance	67	651	30%	626
Fishery Maint	0	0	0%	0
Erosion Control	0	0	0%	0
Purchased Water	245,405	3,804,993	67%	4,255,074
Purchased Water-Backfeed	0	0	-	40,796
GASB68 Adjustment	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SOURCE OF SUPPLY	$246,912	$3,851,323	67%	$4,327,900
PUMPING				
Operating Expense - Pumping	$0	$0	-	$2,191
Maint of Structures & Grounds	$4,142	$24,203	76%	$18,381
Maint of Pumping Equipment	132	11,984	24%	36,155
Electric Power	20,768	277,926	62%	259,690
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
PUMPING	$25,042	$314,113	57%	$316,417
OPERATIONS				
Supervision & Engineering	$22,182	$207,435	98%	$198,150
Operating Expense - Operations	46,115	367,565	97%	360,256
Maintenance Expense	3,722	35,624	56%	48,723
Telemetry Equipment/Controls Maint	8,042	49,482	81%	41,332
Leased Lines	2,238	17,920	90%	13,955
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
OPERATIONS	$82,300	$678,026	73%	$662,416

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER TREATMENT				
Supervision & Engineering	$17,201	$197,619	106%	$140,533
Operating Expense - Water Treatment	44,928	254,645	102%	151,525
Purification Chemicals	12,792	301,777	69%	119,679
Sludge Disposal	2,030	69,523	63%	65,670
Maint of Structures & Grounds	2,809	58,209	70%	95,030
Maint of Purification Equipment	69,795	332,692	151%	251,848
Electric Power	10,711	100,743	64%	87,038
Water Quality Programs	6,741	65,778	80%	74,068
Laboratory Direct Labor	33,659	290,336	62%	301,164
Lab Service-Outside Clients	1,712	20,319	185%	15,498
Water Quality Supervision	4,896	66,630	76%	68,084
Laboratory Supplies & Expense	6,080	67,899	91%	55,201
Customer Water Quality	2,486	28,569	63%	13,867
Lab Cost Distributed	(2,157)	(26,887)	-	(24,692)
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
WATER TREATMENT	$213,684	$1,827,850	73%	$1,414,513
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	$39,080	$466,179	69%	$632,183
Maps & Records	15,899	174,944	120%	115,212
Operation of T&D System	9,951	115,579	125%	165,601
Facilities Location	16,142	100,981	73%	108,848
Safety: Construction & Engineering	11,840	49,602	125%	37,579
Customer Service Expense	20,822	171,200	65%	167,098
Flushing	26,696	88,055	173%	3,305
Storage Facilities Expense	11,242	93,728	88%	62,428
Cathodic Protection	0	6,079	55%	3,702
Maint of Valves/Regulators	20,407	110,797	72%	138,184
Maint of Mains	57,903	191,530	115%	142,996
Leak Detection - Mains	590	13,698	57%	21,251
Backflow Prevention Program	35,696	280,031	118%	184,932
Maint of Copper Services	2,520	131,820	98%	123,347
Maint of PB Service Lines	7,268	289,238	68%	328,478
Single Service Installations	5,916	15,368	19%	27,955
Maint of Meters	15,566	103,210	96%	98,440
Detector Check Assembly Maint	4,536	71,375	86%	74,447
Maint of Hydrants	14,725	42,259	53%	51,243
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TRANSMISSION & DISTRIBUTION	$316,799	$2,515,672	69%	$2,487,231

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Meter Reading	$2,593	$18,529	69%	$18,727
Collection Expense - Labor	985	8,579	36%	1,065
Collection Expense - Agency	106	341	17%	1,034
Billing & Consumer Accounting	12,561	111,736	73%	102,590
Contract Billing	1,392	12,030	80%	12,010
Stationery, Supplies & Postage	6,277	53,739	90%	47,950
Online Payment Processing Fees	337	53,845	90%	47,456
Lock Box Service	6,956	14,252	130%	8,262
Uncollectable Accounts	684	23,588	236%	13,635
Office Equipment Expense	25,268	69,148	108%	45,474
Distributed to West Marin (4.1%)	(2,069)	(13,310)	83%	(11,295)
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
CONSUMER ACCOUNTING	$55,088	$352,476	74%	$286,907
WATER CONSERVATION				
Residential	$21,111	$189,119	71%	$196,662
Commercial	917	4,607	92%	2,634
Public Outreach/Information	20,970	100,500	91%	108,825
Large Landscape	1,014	4,605	46%	10,026
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TOTAL WATER CONSERVATION	$44,013	$298,830	67%	$318,147
GENERAL AND ADMINISTRATIVE				
Directors Fees	$5,273	$30,337	66%	$34,112
Legal Fees	1,463	13,545	44%	$26,287
Human Resources	10,632	111,402	57%	141,043
Auditing Fees	550	10,936	44%	16,536
Consulting Services/Studies	33,875	91,041	28%	288,193
General Office Salaries	145,638	1,052,897	84%	948,104
Safety: General District Wide	3,251	27,584	61%	27,327
Office Supplies	1,129	20,150	56%	11,912
Employee Events	(75)	4,440	37%	3,254
Other Administrative Expense	51	2,607	24%	7,103
Election Cost	250	250	1%	0
Dues & Subscriptions	5,195	77,813	79%	104,167
Vehicle Expense	676	6,084	76%	6,084
Meetings, Conferences & Training	25,357	158,784	102%	75,024
Recruitment Expense	107	1,705	85%	969
Gas & Electricity	822	7,161	18%	30,511
Telephone	1,501	14,657	94%	6,360
Water	0	1,104	55%	1,362
Buildings & Grounds Maint	4,160	52,135	163%	52,262
Office Equipment Expense	8,413	120,995	95%	97,214
Insurance Premiums & Claims	15,059	163,425	84%	111,857
Retiree Medical Benefits	17,725	159,837	72%	158,439
(Gain)/Loss on Overhead Charges	(57,507)	7,947	5%	84,954
G&A Applied to Other Operations (5.9%)	(20,717)	(159,251)	94%	(149,923)
G&A Applied to Construction	(45,084)	(277,702)	77%	(263,223)
GASB75 Adjustment (OPEB)	0	0	-	0
GASB68 Adjustment (Pension)	168,402	1,269,066	273%	1,171,107
GENERAL & ADMINISTRATIVE	$326,146	$2,968,948	99%	$2,991,036
Depreciation (Note 5)	293,903	2,617,396	87%	2,185,726
TOTAL OPERATING EXPENSE	$1,603,888	$15,424,636	76%	$14,990,293
OPERATING INCOME/(LOSS)	$248,866	$466,636	24%	$218,479

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest:				
General Funds	($22,836)	$140,184	56%	$52,353
Retiree Medical Insurance Fund	29,339	101,816	1131%	59,229
Interest Revenue-Leases	295	11,687	-	0
Worker's Comp Fund	119	444	-	2,612
Admin Bldg/CIP Project Fund	(17,592)	386,618	-	0
Funds Held in County Treasury	0	12,544	63%	(5,090)
MMWD Interconnection Agreement Loan	0	52,378		56,418
Total Interest Revenue	($10,674)	$705,671	253%	$165,522
Rents & Leases	4,146	66,068	83%	78,807
Tax Proceeds	1,733	78,103		1,366
Other Non-Operating Revenue	109	19,150	34%	42,278
Gain/(Loss) on MV of Investments	88,076	304,202	-	(79,752)
NON-OPERATING REVENUE	$83,391	$1,173,194	283%	$208,220
NON-OPERATING EXPENSE				
Bank of Marin AEEP Loan Interest Exp	$10,290	$94,628	75%	$104,574
STP SRF Loan Interest Expense	11,144	121,312	78%	133,175
JP Morgan/Chase AMI Loan Interest Expense	7,424	71,177	75%	76,674
Webster Bank Loan Interest Expense	153,220	412,963	88%	0
Other Non-Operating Expense	3,190	12,425	3%	29,016
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	$185,268	$712,504	57%	$343,439
NET INCOME/(LOSS)	$146,990	$927,326	85%	$83,260
BEGINNING FUND EQUITY		$86,510,505		$89,023,591
NET INCOME/(LOSS)	146,990	927,326		83,260
CONTRIBUTED CAPITAL				
Developer 'In-Kind' Contributions	31,328	558,184	-	490,482
Caltrans AEEP Capital Contribution	135	2,089	-	12,400
Connection Fees	12,920	208,280	24%	850,380
FRC Transfer to/from Recycled Water	0	(518,146)	58%	(793,919)
Prior Period Adjustment (Note 12)	0	0	-	0
ENDING FUND EQUITY		$87,688,238		$89,666,195

NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Recycled Water Sales	$2,406	$913,458	52%	$1,014,659
Bimonthly Service Charges	11,343	101,073	82%	90,711
Water Loads	1,430	30,315	202%	14,895
TOTAL OPERATING REVENUE	$15,179	$1,044,846	55%	$1,120,265
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	$0	$757	-	$0
Purchased Water - NSD	0	179,472	66%	191,187
Purchased Water - LGVSD	931	69,139	63%	17,447
SOURCE OF SUPPLY	$931	$249,368	66%	$208,634
PUMPING				
Maint of Structures & Grounds	$0	$0	0%	$0
Maint of Pumping Equipment	0	0	0%	369
Electric Power	31	1,860	62%	2,158
GASB68 Adjustment (Pension)	0	0	0%	0
PUMPING	$31	$1,860	27%	$2,527
OPERATIONS				
Supervision & Engineering	$720	$6,153	47%	$8,493
Operating Expense - Operations	0	213	2%	519
Potable Water Consumed	5	33,182	66%	42,208
Maintenance Expense	0	3,984	48%	1,450
Telemetry Equipment/Controls Maint	0	0	0%	0
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
OPERATIONS	$725	$43,532	42%	$52,670
WATER TREATMENT				
Purification Chemicals	$0	$0	0%	$1,073
Maint of Purification Equipment	0	0	0%	1,589
Electric Power	0	0	0%	2,622
Water Quality Programs	0	0	-	1,662
Laboratory Direct Labor	0	603	19%	11
Customer Water Quality	0	180	2%	2
Lab Expense Distributed from Novato	(12)	320	-	6
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
WATER TREATMENT	($12)	$1,103	3%	$6,965
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	$75	$2,656	50%	($539)
Maps & Records	0	0	0%	0
Operation of T&D System	0	0	0%	0
Facilities Location	0	0	0%	812
Cathodic Protection	0	0	0%	0
Customer Service Expense	1,414	20,666	155%	25,908
Storage Facilities Expense	23	98	2%	1,932
Maint of Valves/Regulators	0	10,040	115%	0
Backflow Prevention Program	0	0	0%	0
Single Service Installations	0	8,987	-	0
Hydrant Maint & Operations	0	0	0%	0
Maint of Meters	0	0	0%	0
Maint of Mains	0	5,389	82%	336
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TRANSMISSION & DISTRIBUTION	$1,513	$47,836	65%	$28,450

NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Distributed from Novato (0.2%)	$204	$1,336	67%	$1,129
CONSUMER ACCOUNTING	$204	$1,336	67%	$1,129
GENERAL AND ADMINISTRATIVE				
Legal Fees	$0	$0	0%	$0
Dues & Subscriptions	0	0	0%	0
Consulting Services/Studies	2,916	21,088	-	18,944
Distributed from Novato (2.4%)	8,697	66,853	74%	67,350
GASB68 Adjustment	2,232	17,229	-	7,484
GENERAL & ADMINISTRATIVE	$13,845	$105,170	101%	$93,777
Depreciation (Note 5)	65,709	591,383	75%	576,077
TOTAL OPERATING EXPENSE	$82,946	$1,041,588	70%	$970,228
OPERATING INCOME/(LOSS)	($67,767)	$3,258	1%	$150,037
NON-OPERATING REVENUE				
Interest:				
General Funds	$24,145	$74,347	1487%	$9,509
RWF Replacement Fund	0	0	$0	18,305
Self-Insured Workers' Comp Fund	3	13	-	45
StoneTree RWF Loan	0	6,347	63%	8,419
Total Interest Revenue	$24,148	$80,706	202%	$36,278
Other Non-Operating Revenue	0	0	-	0
NON-OPERATING REVENUE	$24,148	$80,706	202%	$36,278
NON-OPERATING EXPENSE				
RWF SRF Loan Interest Expense	$2,547	$22,926	76%	$27,273
Expansion SRF Loan Interest Expense	16,252	150,530	75%	156,825
Other Non-Operating Expense	0	0	-	0
Interest-Advance from Novato (Note 10)	0	0	-	0
Capital Contribution Expense-NSD&LGVSD	0	0	0%	0
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	$18,800	$173,456	21%	$184,098
NET INCOME/(LOSS)	($62,418)	($89,493)	23%	$2,217
BEGINNING FUND EQUITY		$24,605,568		$23,632,803
NET INCOME/(LOSS)	(62,418)	(89,493)		2,217
Developer 'In-Kind' Contributions	0	0	-	0
FRC Transfer to/from Novato	0	518,146	58%	793,919
RW Central Area Expansion Grant	0	0	-	0
Prior Period Adjustment (Note 12)	0	0		0
ENDING FUND EQUITY		$25,034,220		$24,428,939

WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	$29,298	$501,996	60%	$558,407
Bill Adjustments	0	(8,450)	34%	(25,115)
Bimonthly Service Charges	20,843	202,059	80%	172,684
Account Turn-on Charges	0	1,540	154%	0
New Account Charges	0	85	-	60
Returned Check Charges	0	9	-	0
Backflow Service Charges	16	5,417	77%	5,021
TOTAL OPERATING REVENUE	$50,158	$702,656	65%	$711,057
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	$126	$2,141	31%	$2,212
Operating Expense	49	1,779	30%	1,551
Maint of Structures	0	9,135	102%	8,363
Water Quality Surveillance	0	0	0%	0
Purchased Water - MMWD	0	0	-	15,279
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SOURCE OF SUPPLY	$175	$13,055	48%	$27,405
PUMPING				
Maint of Structures and Grounds	$508	$2,376	45%	$10,793
Maint of Pumping Equip	2,713	24,362	146%	4,631
Electric Power	2,788	28,929	64%	30,451
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
PUMPING	$6,009	$55,666	76%	$45,875
OPERATIONS				
Supervision & Engineering	$4,536	$21,202	108%	$17,858
Operating Expense	2,456	24,056	118%	15,752
Maintenance Expense	0	0	0%	1,076
Maint of Telemetry Lines	0	0	0%	0
Maint of Telemetry Equipment	14,000	18,555	144%	3,060
Leased Lines	333	3,123	62%	3,047
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
OPERATIONS	$21,325	$66,936	81%	$40,793
WATER TREATMENT				
Supervision & Engineering	$400	$9,155	81%	$12,208
Operating Expense	3,135	34,950	78%	30,374
Purification Chemicals	0	(473)	-9%	1,936
Maint of Structures & Grounds	0	1,874	43%	6,612
Maint of Purification Equipment	616	6,813	35%	9,390
Electric Power	5,649	16,290	68%	15,202
Laboratory Direct Labor	5,019	45,615	93%	43,870
Laboratory Services	1,325	6,275	63%	6,459
Water Quality Supervision	3,248	15,442	86%	7,383
Customer Water Quality	901	7,157	36%	15,059
Lab Expense Distributed from Novato	1,851	24,223	-	22,683
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
WATER TREATMENT	$22,143	$167,320	65%	$171,175

WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	$21	$13,694	91%	$6,322
Maps & Records	0	0	0%	0
Facilities Location - USA	0	0	0%	5,787
Customer Service Expense	233	8,388	122%	5,987
Flushing	0	0	-	21
Storage Facilities Expense	11,444	50,814	138%	21,422
Cathodic Protection	0	0	0%	0
Maint of Valves	0	2,740	91%	1,379
Valve Operation Program	0	8,509	-	0
Maint of Mains	458	16,379	190%	23,207
Water Quality Maintenance	0	0	0%	33
Maint of Backflow Devices	0	0	0%	0
Backflow Dev Inspection/Survey	3,298	9,626	150%	707
Maint of Copper Services	1,057	1,824	73%	1,746
Maint of PB Service Lines	16	49,922	186%	13,533
Maint of Meters	0	405	11%	1,040
Detector Check Assembly Maint	0	475	28%	272
Maint of Hydrants	0	194	6%	2,986
Hydrant Operation	0	8,633	-	0
Single Service Installation	0	0	0%	(2,525)
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TRANSMISSION & DISTRIBUTION	$16,528	$171,602	105%	$81,916
CONSUMER ACCOUNTING				
Meter Reading	$0	$8,085	77%	$9,029
Collection Expense - Labor	0	361	72%	236
Uncollectable Accounts	0	1579	158%	0
Distributed from Novato (3.6%)	1,657	10,865	84%	$9,231
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
CONSUMER ACCOUNTING	$1,657	$20,890	75%	$18,496
WATER CONSERVATION				
Water Conservation Program	$0	$3,403	23%	$18,742
GASB68 Adjustment (Pension)	0	0	-	0
GASB75 Adjustment (OPEB)	0	0	-	0
TOTAL WATER CONSERVATION	$0	$3,403	23%	$18,742
GENERAL AND ADMINISTRATIVE				
Legal Fees	$0	$0	0%	$1,948
Consulting Services/Studies	0	25,802	74%	14,429
Distributed from Novato (3.6%)	9,265	71,221	110%	61,502
GASB68 Adjustment (Pension)	4,888	60,894	-	50,812
GENERAL & ADMINISTRATIVE	$14,154	$157,917	153%	$128,690
Depreciation (Note 5)	19,289	175,351	76%	150,477
TOTAL OPERATING EXPENSE	$101,280	$832,141	85%	$683,568
OPERATING INCOME/(LOSS)	($51,122)	($129,486)	(133%)	$27,489

WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest - General Funds	$1,308	$5,528	79%	$0
Interest - Self-Insured WC Fund	4	16	-	87
Interest Revenue-Leases	0	698	-	0
Rents & Leases	0	5,447	91%	5,628
Tax Proceeds - PR-2 Tax Allocation	0	0	0%	34,102
Other Non-Operating Revenue	0	16	-	898
NON-OPERATING REVENUE	$1,312	$11,705	16%	$40,716
NON-OPERATING EXPENSE				
Bank of Marin Loan Interest Expense	$1,511	$13,903	73%	$15,350
Loan from Novato-Interest Expense	2,289	20,600	-	0
Other Non-Operating Expense	0	0	0%	417
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	$3,799	$34,503	82%	$15,767
NET INCOME/(LOSS)	($53,610)	($152,284)	(119%)	$52,438
BEGINNING FUND EQUITY		$7,399,720		$7,337,198
NET INCOME/(LOSS)	(53,610)	(152,284)		52,438
CONTRIBUTED CAPITAL				
New Gallagher Well #2 Grant	276,675	276,675	-	0
Developer 'In-Kind' Contributions	0	48,651	-	7,490
Connection Fees	0	0	-	38,800
PRIOR YEAR ADJUSTMENTS (Note 11c)	0	0		0
ENDING FUND EQUITY		$7,572,762		$7,435,925

OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Sewer Service Charges	$25,380	$228,420	75%	$217,845
TOTAL OPERATING REVENUE	$25,380	$228,420	75%	$217,845
OPERATING EXPENSE				
SEWAGE COLLECTION				
Supervision & Engineering	$1,038	$42,321	95%	$35,716
Inspection	0	0	0%	0
Maps & Records	0	0	0%	0
Operating Expense	85	964	5%	15,322
Facilities Location	0	0	0%	2,352
Maint of Telemetry Equipment	28	939	94%	181
Maint of Lift Stations	0	9,363	117%	9,526
Maint of Manholes	0	0	0%	0
Maint of Sewer Mains	0	2,855	48%	0
Electric Power	2,047	16,063	100%	18,181
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SEWAGE COLLECTION	$3,198	$72,505	69%	$81,279
SEWAGE TREATMENT				
Supervision & Engineering	$0	$0	-	$0
Operating Expense	1,394	25,167	76%	5,700
Maint of Structures	0	0	0%	0
Maint of Equipment	912	2,396	27%	2,615
Laboratory Direct Labor	738	4,413	-	3,876
Lab Expense Distributed from Novato	318	2,343	39%	2,004
Electric Power	1,279	10,998	92%	10,305
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SEWAGE TREATMENT	$4,640	$45,318	101%	$24,499
SEWAGE DISPOSAL				
Operating Expense	$947	$8,337	71%	$9,442
Maint of Pump Stations	517	3,879	39%	13,575
Maint of Storage Ponds	0	0	0%	11,921
Maint of Irrigation Field	0	4,516	58%	1,563
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SEWAGE DISPOSAL	$1,464	$16,732	37%	$36,501
CONSUMER ACCOUNTING				
Collection Expense - County of Marin	$0	$351	-	$351
Distributed from Novato (0.6%)	208	$1,109	55%	935
CONSUMER ACCOUNTING	$208	$1,460	73%	$1,286

OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2023

	MARCH 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
GENERAL AND ADMINISTRATIVE				
Consulting Services/Studies	$0	$10,816	-	$492
Distributed from Novato (1.1%)	2,755	21,177	88%	21,072
Liability Insurance	217	1,912	96%	1,733
GASB68 Adjustment	2,184	16,925	-	12,118
GENERAL AND ADMINISTRATIVE	$5,156	$50,829	195%	$35,415
Depreciation (Note 5)	3,895	35,058	75%	34,860
TOTAL OPERATING EXPENSE	$18,562	$221,901	82%	$213,839
OPERATING INCOME/(LOSS)	$6,818	$6,519	18%	$4,006
NON-OPERATING REVENUE				
Rents & Leases	$0	$250	-	$250
Interest - General Funds	2,828	8,385	210%	3,939
Interest - Self Insured WC Fund	2	6	-	31
Tax Proceeds - OM-1/OM-3 Tax Alloc	0	0	0%	36,373
Other Non-Operating Revenue	(0)	0	-	0
NON-OPERATING REVENUE	$2,829	$8,642	13%	$40,594
NON-OPERATING EXPENSE				
Other Non-Operating Expense	$0	$9	1%	$474
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	$0	$9	1%	$474
NET INCOME/(LOSS)	$9,647	$15,152	15%	$44,125
BEGINNING FUND EQUITY		$1,740,784		$1,690,572
NET INCOME/(LOSS)	9,647	15,152		44,125
CONTRIBUTED CAPITAL				
Contribution in Aid of Construction	0	0	-	0
Connection Fees	0	0	0%	0
FEMA/CAL OES Grant-OM Treatment Pond	0	11,151		0
PRIOR YEAR ADJUSTMENTS (Note 11d)	0	0		0
ENDING FUND EQUITY		$1,767,086		$1,734,697

NORTH MARIN WATER DISTRICT
EQUIPMENT EXPENDITURES
PERIOD ENDING MARCH 31, 2023

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	MARCH 2023	FYTD TOTAL	FY 22/23 BUDGET	(OVER) UNDER	Notes
1 Administration					
a. Admin Copier	$0	$17,794	$40,000	$22,206	
	$0	$17,794	$40,000	$22,206	
2 OPERATIONS/MAINTENANCE					
a. Meter Maintenance Program	$0	$127,065	$150,000	$22,935	
b. Total Organic Carbon (TOC) Analyzer	0	0	42,000	42,000	
	$0	$127,065	$192,000	$64,935	
3 ENGINEERING					
a. GPS Unit (Surveying)	$0	$0	$40,000	$40,000	
	$0	$0	$40,000	$40,000	
4 VEHICLE & ROLLING EQUIPMENT EXPENDITURES					
a. STP Forklift (5,000 Lbs)	$0	$0	$60,000	$60,000	
b. 100KW Portable Generator	0	0	60,000	60,000	
c. Leased Vehicles	0	184,551	205,000	20,449	
	$0	$184,551	$325,000	$140,449	
TOTAL EQUIPMENT EXPENDITURES	$0	$329,409	$557,000	$245,385	

NORTH MARIN WATER DISTRICT
VEHICLE FLEET ANALYSIS
FOR PERIOD ENDING MARCH 31, 2023

	Year	Description	Veh#	Assigned	Fiscal Year to Date Mileage	Expense[1]	Recovery[2]	Gain/(Loss)	Vehicle Cost per Mile Mileage	Life to Date	FYTD23	FYTD22
1	2002	Chev K1500 4x4	47	Construction	776	$20,337	$798	($19,539)	156,070	$0.40	$0.00	$1.28
3	2008	Ford F250 4x4	506	Pool	0	$5,676	$35	($5,641)	82,211	$0.85	$0.00	$0.23
4	2008	Chev Colorado 4x4	509	Construction	1,312	$1,482	$277	($1,206)	120,870	$0.39	$1.13	$1.87
5	2010	Ford F150 4x4	511	Maintenance	2,940	$545	$259	($286)	107,071	$0.51	$0.19	$3.61
6	2010	Ford F150	512	To be Auctioned	2,131	$4,375	$1,512	($2,863)	136,701	$0.52	$2.05	$1.21
7	2010	Ford F150	513	Construction	3,944	$1,559	$1,533	($26)	98,109	$0.47	$0.40	$0.12
8	2012	Ford F250	515	Williamson	9,538	$6,345	$8,372	$2,027	97,161	$0.64	$0.67	$2.83
9	2012	Ford F250	516	Pearce	9,541	$7,234	$9,523	$2,289	108,540	$0.60	$0.76	$1.14
10	2014	Ford F150	517	Kurfirst	6,076	$2,134	$8,005	$5,871	33,123	$0.59	$0.35	$0.22
11	2015	Ford F250 4x4	518	Maintenance	11,033	$7,097	$6,620	($477)	116,654	$0.46	$0.64	$0.47
12	2015	Ford Escape 4X4	520	To be Auctioned	4,825	$1,340	$1,015	($325)	119,270	$0.31	$0.28	$1.82
13	2015	Ford F150 4X4	521	Watkins/Shop	4,067	$2,611	$1,355	($1,257)	61,590	$0.39	$0.64	$0.26
14	2016	Nissan Frontier	522	Roberto	5,416	$2,003	$289	($1,714)	58,985	$0.39	$0.37	$0.21
15	2017	Ford Escape 4X4	523	Lab	2,232	$907	$1,206	$299	38,567	$0.34	$0.41	$1.92
16	2016	Nissan Frontier	524	Bynum	13,320	$6,013	$5,618	($395)	60,175	$0.53	$0.45	$1.20
17	2018	Ford Cargo Van	526	On-Call	6,812	$4,573	$1,062	($3,512)	45,374	$0.50	$0.67	$0.79
18	2018	Dodge Ram 2500	527	Breit	14,429	$7,992	$10,964	$2,972	55,038	$0.62	$0.55	$0.67
19	2019	Chev Colorado 4x4	528	Stompe	3,845	$2,986	$1,351	($1,636)	21,482	$0.54	$0.78	$0.17
20	2019	NISSAN ROGUE	531	Eng/Wtr Consv	1,293	$554	$899	$346	18,535	$0.33	$0.00	$0.33
21	2019	NISSAN FRONTIER	533	Pool	7,802	$4,177	$5,908	$1,731	33,556	$0.41	$0.54	$0.39
22	2019	FORD F-150 2WD	534	Reed	4,366	$1,579	$4,277	$2,698	9,894	$0.48	$0.36	$0.17
23	2019	FORD F-150 4x4	535	STP	5,098	$1,457	$1,365	($92)	26,945	$0.29	$0.29	$0.56
24	2020	CHEVROLET COLORADO 2WD	536	Lawrence	14,146	$3,904	$4,827	$922	34,946	$0.33	$0.28	$0.53
25	2020	FORD F250 4X4	537	Kehoe, Chris	11,063	$6,064	$5,849	($215)	41,525	$0.52	$0.55	$0.85
26	2020	FORD F250 4X4	538	STP	3,555	$1,792	$1,631	($161)	12,876	$0.54	$0.50	$0.16
27	2020	FORD F150 2WD	539	Construction	7,223	$2,940	$3,185	$245	13,760	$0.36	$0.41	$0.32
28	2020	FORD F150 2WD	540	Bergstrom	7,040	$2,737	$4,106	$1,369	23,400	$0.36	$0.39	$0.78
29	2021	NISSAN ROGUE	541	Clark	11,147	$5,598	$1,731	($3,867)	20,665	$0.27	$0.50	$0.36
30	2021	NISSAN FRONTIER	542	STP	8,661	$6,101	$8,454	$2,354	17,133	$0.36	$0.70	$0.29
31	2021	Ford Ranger 4x4	543	LeBrun	6,755	$5,573	$9,033	$3,460	20,732	$0.27	$0.82	$0.41
32	2020	FORD F150	544	Grisso	1,434	$658	$2,030	$1,372	1,434	$0.46	$0.46	$0.00
33	2021	FORD F150	545	Kane	2,434	$1,104	$546	($558)	3,744	$0.29	$0.45	$1.37
34	2021	FORD F150 4x4	546	Engineering	5,423	$2,829	$4,704	$1,875	8,826	$0.32	$0.52	$3.40
35	2022	CHEVY BOLT EUV	548	LAB	4,371	$197	$1,685	$1,488	4,371	$0.05	$0.05	$0.00
36	2023	CHEVY BOLT EUV	549	LeBrun	4,866	$458	$420	($38)	4,866	$0.09	$0.00	$0.00
37	2022	Ford Ranger 4x4	550	Davenport	1,661	$1,035	$875	($160)	1,661	$0.62	$0.00	$0.00
38	2022	Ford Ranger 2WD	551	Ladd	209	$433	$119	($314)	209	$2.07	$0.00	$0.00
39	2022	Ford Ranger 2WD	552	Castellucci	2,478	$843	$2,254	$1,411	2,478	$0.34	$0.00	$0.00
40	2022	Ford Ranger 2WD	553	Moniz	1,305	$1,219	$1,547	$328	1,305	$0.93	$0.00	$0.00
				Total 3/4 Ton & Under	**214,567**	**136,458**	**125,236**	**(11,222)**	**1,819,852**	**$0.47**	**$0.64**	**$0.56**
1	1999	Ford F350 W/Svc Body	19	Pool	335	$692	$343	($349)	140,315	$0.00	$0.00	$0.25
2	2002	Int'l 5 Yd Dump	44	Construction	467	$462	$224	($238)	117,394	$1.70	$0.99	$3.78
3	2006	Int'l 4300 Crew	503	Construction/Crew	1,591	$3,003	$19,978	$16,975	56,863	$2.39	$1.89	$1.76
4	2009	Peterbilt 325 Crew	508	Construction/Crew	2,909	$19,458	$14,399	($5,059)	48,987	$1.85	$6.69	$2.08
5	2012	Int'l 5 Yd Dump	514	Construction	3,619	$6,993	$10,948	$3,955	56,986	$1.26	$1.93	$3.29
6	2015	Int'l 5 Yd Dump	519	Sjoblom	3,651	$7,815	$8,526	$5,649	58,400	$0.63	$2.14	$0.59
7	2017	Ford F350 4x4	525	Lemos	6,304	$8,182	$11,487	$3,305	54,825	$0.49	$1.30	$2.26
8	2019	FORD F550 3 YD DUMP	530	Construction	2,244	$2,275	$7,924	$5,649	12,834	$0.63	$1.01	$0.59
9	2021	Int'l 5 Yd Dump	547	Breit	2,568	$10,231	$420	($9,811)	4,082	$0.11	$3.98	$3.55
				Total 1 Ton & Over	**23,688**	**$59,112**	**$74,249**	**$20,075**	**550,686**	**$1.29**	**$2.50**	**$2.79**

[1] Expense amount shown excludes depreciation (approximately $195,000 for FY23).

2 Recovery is the amount charged to projects and operations to recover the expense of owning and operating the vehicle. Commencing 7/1/17 the recovery rate for vehicles 3/4-ton and under is $7/hr and the recovery rate for vehicles 1-ton and over is $14/hr. An additional 50% is charged to developer projects to reflect the fair market value of the vehicle being used.

NORTH MARIN WATER DISTRICT
WATER CONSERVATION PROGRAM DETAIL
PERIOD ENDING MARCH 31, 2023

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		Description	COST THRU JUNE 2022	MARCH 2023	FYTD TOTAL	FY 22/23 BUDGET	(OVER) UNDER	TOTAL COST	Notes	
		NOVATO								
		a. Residential								
1-7700-01	1-7700-26	1 Cash for Grass	$513,533	$2,716	$30,982	$60,000	$29,018	$544,515	(e)	58001-01-21
1-7700-02	1-7700-27	2 Landscape Efficiency Rebates	32,897	403	6,377	6,000	(377)	39,273	(e)	58001-01-21
1-7700-03		3 Fixtures Purchases	71,840	0	0	5,000	5,000	71,840	(e)	58001-01-21
1-7700-06	1-7700-28	4 Washing Machine Rebates	362,244	74	3,346	5,000	1,654	365,590	(e)	58001-01-21
1-7700-07		5 Demonstration Garden Improvements	55,105	0	0	0	0	55,105	(e)	58001-01-21
1-7700-11	1-7700-29	6 Toilet Rebate-Residential	1,062,742	1,467	11,731	25,000	13,269	1,074,473	(e)	58001-01-21
1-7700-13		7 Residential Audits	492,345	60	6,440	20,000	13,560	498,785	(e)	58001-01-21
1-7700-15		8 High Efficiency Toilet Distribution	242,197	0	0	0	0	242,197	(e)	58001-01-21
1-7700-16		9 Water Waste Ordinance Monitoring	133,328	2,290	26,659	30,000	3,341	159,987	(e)	58001-01-21
1-7700-17	1-7700-31	10 Swimming Pool Cover Rebate	10,747	101	1,700	5,000	3,300	12,447	(e)	58001-01-21
1-7700-19	1-7700-32	11 ET Controller Rebate	56,235	86	1,709	6,000	4,291	57,944	(e)	58001-01-21
1-7700-08		12 Administration	1,852,654	12,691	92,119	126,000	33,881	1,944,773	(e)	58001-01-21
1-7700-20		13 New Development Wtr Cons Program	137,234	1,223	7,310	10,000	2,690	144,544	(e)	58001-01-21
1-7700-21	1-7700-33	14 Demand Offset Rebate Program	4,437	0	425	2,000	1,575	4,862	(e)	58001-01-21
1-7700-23		15 Grant Administration	3,300	0	0	1,000	1,000	3,300	(e)	58001-01-21
1-7700-24	1-7700-34	16 Hot Water Recirculation Rebate	4,145	0	321	2,000	1,679	4,466	(e)	58001-01-21
1-7700-25		17 Residential Fill Station	66,442	0	0	0	0	66,442	(e)	58001-01-21
1-7700-35		18 UWMP	16,733	0	0	0	(0)	16,733	(e)	58001-01-21
		b. Non-Residential Programs								
1-7701-03	1-7701-04	1 Commercial Programs	42,953	917	4,607	6,295	1,688	47,559	(e)	58002-01-21
1-7702-01		2 Large Landscape Programs	43,829	1,014	4,605	12,967	8,362	48,434	(e)	58004-01-21
1-7700-04		c. Public Outreach/Information	408,279	20,970	100,500	139,739	39,239	508,779	(e)	58003-01-21
		TOTAL NOVATO WATER CONSERVATION	$5,613,217	$44,013	$298,830	$462,000	$163,170	$5,912,047		
		WEST MARIN WATER								
2-5166-00		a. Water Conservation Program	$181,122	$0	$3,403	$14,700	$11,297	$184,524	(e)	58000-02-21
		TOTAL WEST MARIN WATER CONSERVATION	$181,122	$0	$3,403	$14,700	$11,297	$184,524		

NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING MARCH 31, 2023

	Description	COST THRU JUNE 2022	MARCH 2023	FYTD TOTAL	FY 22/23 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
	1 PIPELINE REPLACEMENTS/ADDITIONS						
	a. Main/Pipeline Replacements						
1-7189-xx	1 Replace 12" Pipe S. Novato Blvd (785LF)	$0	$0	$0	$50,000	$50,000	$0
1-7183-xx	2 Replace Plastic thin Walled Pipe < 4-inch	0	0	0	150,000	150,000	0
1-7195-00	3 Novato Blvd Widening Diablo to Grant	65,725	612	10,742	1,000,000	989,258	76,467
1-7205-00	4 Copper Replacement-Jamison Ct (6)	16,532	0	22,700	0	(22,700)	39,232
1-7209-00	5 George St Main Replacement	0	2,616	7,530	0	(7,530)	7,530
	b. Main/Pipeline Additions						
1-7150-00	1 San Mateo Tank 24" Transmission Main	231,968	518	4,433	20,000	15,567	236,401
1-7206-00	2 Loop Zone Mall Area Near Nave Ct/S. Novato	0	0	1,802	275,000	273,198	1,802
1-7204-00	3 Loop Dead End Mains-NMWD Yard	13,663	0	107,791	0	(107,791)	$121,454
	c. PB Service Line Replacements						
1-7139-xx	1 Repl PB in Sync w/City Paving (30 Svcs)	0	0	0	60,000	60,000	0
1-7123-xx	2 Other PB Replacements (40 Svcs)	0	0	0	80,000	80,000	0
	d. Relocations to Sync w/City & County CIP		0				
1-8737-xx	1 Other Relocations	0	0	0	25,000	25,000	0
1-8737-08	Repl 8" CI w/pvc-Railroad/Rose	0	4,923	54,118		(54,118)	54,118
	TOTAL PIPELINE REPLACEMENTS/ADDITIONS	$327,888	$8,668	$209,116	$1,660,000	$1,450,884	$537,004
	e. Aqueduct Replacements & Enhancements						
1-7118-02	1 MSN B2-Utility Agreement Costs[1]	$141,379	$135	$2,089	$12,000	$9,911	$143,469
		$141,379	$135	$2,089	$12,000	$9,911	$143,469
	2 SYSTEM IMPROVEMENTS						
1-7007-16	a. Detector Check Assembly Repair/Repl-FY23 (~8/yr)	$0	$528	$6,136	$100,000	$93,864	$6,136
1-7007-15	b. Detector Check Assembly Repair/Repl-FY22 (~8/yr)	36,203	0	33,938	0	(33,938)	70,141
1-7090-04	c. Anode Installations-FY23 (150/yr)	264	0	0	10,000	10,000	264
1-7136-00	d. Facilities Security Enhancements	0	0	0	25,000	25,000	0
	e. Other System Improvements	0	0	0	200,000	200,000	0
1-7178-00	f. Asset Management Software Procurement/Implementation	337,596	0	0	0	0	337,596
	TOTAL SYSTEM IMPROVEMENTS	$374,063	$528	$40,074	$335,000	$294,926	$414,137
	3 BUILDINGS, YARD, & S.T.P. IMPROVEMENTS						
	a. Administration Building						
1-6501-44	1 NMWD Headquarters Upgrade[2]	$1,736,740	$1,299,776	$5,078,645	$12,650,000	$7,571,355	$6,815,385
	b. Yard						
1-6502-48	1 Repave Corp Yard	0	0	1,316	0	(1,316)	1,316
1-6502-47	2 Other Yard Improvements	0	0	673	0	(673)	673
	c. Stafford Treatment Plant						
1-6610-22	1 Repair Sludge Line to Center Road (4" @ 4,400')	0	523	18,765	25,000	6,235	18,765
1-6600-xx	2 Other Treatment Plant Improvements	0	0	0	50,000	50,000	0
1-6600-97	3 Efficiency Improvements	0	0	0	50,000	50,000	0
1-6610-23	4 Water Supply Enhancement-STP Modifications	0	0	0	50,000	50,000	0
1-6600-96	5 Leveroni Creek Embankment Repair[3]	88,393	0	3,902	0	(3,902)	92,294
1-6610-21	6 STP-Corrosion Assessment	26,553	0	17,415	0	(17,415)	43,968
1-6610-25	7 STP-Spillway Improvements	0	3,611	3,611	0	(3,611)	3,611
	d. Stafford Dam/Watershed						
1-6610-24	1 Water Supply Enhancements-Dam	0	684	8,393	50,000	41,607	8,393
1-6610-26	2 STP-Chemical System Upgrade	0	0	7,944	0	(7,944)	7,944
1-6600-34	HSPS #3 MOTOR R&R	101,182	0	53,313	0	(53,313)	154,494
	TOTAL BUILDING, YARD, & STP IMPROVEMENTS	$1,952,867	$1,304,594	$5,193,976	$12,875,000	$7,681,024	$7,146,843

NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING MARCH 31, 2023

	Description	COST THRU JUNE 2022	MARCH 2023	FYTD TOTAL	FY 22/23 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
	4 STORAGE TANKS & PUMP STATIONS						
	a. Clear Tank Sites						
1-6207-20	1 Old Ranch Rd Tank Replacement	$1,539,765	$5,835	$312,921	$100,000	($212,921)	$1,852,686
	b. Tank Rehabilitation						
1-6216-20	1 Fire Flow Backfeed Valve-Nunes Tank	0	0	0	200,000	200,000	0
	2 Recoating of Other Tanks	0	0	0	170,000	170,000	0
1-6213-24	3 Lynwood Tank #1 Seismic Upgrade/Coating	0	0	0	500,000	500,000	0
1-6414-20	4 Lynwood Tank #2 Seismic Upgrade/Coating	0	0	0	500,000	500,000	0
1-6209-20	5 Garner Tank Recoat	0	4,017	10,244	0	(10,244)	10,244
	c. Pump Station Rehabilitation and Replacement						
1-6141-00	1 Crest PS	286,906	3,228	25,740	10,000	(15,740)	312,645
1-6112-26	2 Lynwood PS Upgrade	0	10,595	113,157	40,000	(73,157)	113,157
1-6112-24	3 Lynwood PS Motor Control Center	153,233	0	1,218	0	(1,218)	154,451
1-7187-00	4 Mobil Pump Station for Tank Cleaning	15,279	0	3,976	0	(3,976)	19,255
	d. Hydropneumatic Systems						
1-7170-00	1 Hydropneumatic Tank Repairs	111,207	8,800	64,508	50,000	(14,508)	175,715
	e. Other Tank & PS Improvements						
	1 Other Tank & PS Improvements	0	0	0	75,000	75,000	0
	TOTAL STORAGE TANKS & PUMP STATIONS	$2,106,389	$32,475	$531,764	$1,645,000	$1,113,236	$2,638,154
	5 RECYCLED WATER						
5-7162-04	1 Replace CI-Atherton Ave[6]	$0	$0	$0	$350,000	$350,000	$0
	TOTAL RECYCLED WATER	$0	$0	$0	$350,000	$350,000	$0
	6 WEST MARIN WATER SYSTEM						
2-6609-20	a. New Gallagher Well #2[4]	$772,056	$22,396	$182,897	$380,000	$197,103	$954,953
2-6609-21	b. GW #2-DWR Grant T1-Admin	0	0	3,422	0	(3,422)	3,422
2-6609-22	c. GW #2-DWR Grant T2-Well	21	0	3,597	0	(3,597)	3,618
2-6609-23	d. GW #2-DWR Grant T31-M&P	56,922	0	93,735	0	(93,735)	150,657
2-7185-00	e. Gallagher Ranch Streambank Stabilization	724,960	0	3,690	5,000	1,310	728,650
2-8912-00	f. Lagunitas Bridge Pipeline Replacement	75,768	0	9,794	52,000	42,206	85,562
	g. Miscellaneous Water System Improvements[5]	0	0	0	120,000	120,000	0
2-7192-xx	h. Repl PRE 2" Galv Pipe	0	0	0	45,000	45,000	0
2-7192-01	i. Replace PRE 2" Galv Pipe-Balboa/Drakesview/Baywood	5,598	0	2,693	0	(2,693)	8,290
2-7192-02	j. PRE 2" Galvanized Pipe-Sunnyside/Dover/Carlton/Balboa	28	0	58,392	0	(58,392)	58,420
2-7203-00	k. Raise Valves for Hwy 1 Paving	9,122	0	805	15,000	14,195	9,927
2-6604-23	l. Gallagher Well #1-Assess/Rehab	0	18,490	24,151	15,000	(9,151)	24,151
2-7123-31	m. PB Repl-Fox Dr	0	12,184	13,741	15,000	1,259	13,741
	TOTAL WEST MARIN WATER SYSTEM	$1,644,475	$53,070	$396,916	$647,000	$250,084	$2,041,391
	7 OCEANA MARIN SEWER SYSTEM						
8-8672-28	a. Infiltration Repair (Manhole Relining)	$113,113	$0	$25,462	$40,000	$14,538	$138,575
8-7173-00	b. OM Treatment Pond Rehab-404 Grant-FEMA[7&8]	194,628	0	10,522	1,200,000	1,189,478	205,150
8-7173-01	c. OM Treatment Pond Rehab-Grant Management	3,414	0	4,283	10,000	5,717	7,697
8-7208-xx	d. Sewer Force Main Improvements				125,000	125,000	0
8-7208-01	e. Sewer Force Main Improvements-FM 1A	0	14,763	37,153	0	(37,153)	37,153
	TOTAL OCEANA MARIN SEWER SYSTEM	$311,155	$14,763	$77,420	$1,375,000	$1,297,580	$388,574
	TOTAL PROJECT EXPENDITURES	$6,858,216	$1,414,232	$6,451,356	$18,899,000	$12,447,644	$13,309,572

NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING MARCH 31, 2023

Description	COST THRU JUNE 2022	MARCH 2023	FYTD TOTAL	FY 22/23 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
8 LESS FUNDED BY GRANTS, LOANS & REIMBURSEMENTS						
(Accrued)/Deferred						
a. MSN Aqueduct Caltrans Reimb-Segment B2[1]	($45,462)	$0	($2,089)	$0	$2,089	($47,552)
b. NMWD Headquarters Upgrade[2]	18,139,260	(1,299,776)	(5,078,645)	0	5,078,645	13,060,615
c. Leveroni Creek Embankment Repair[3]	0	0	(3,902)	0	3,902	(3,902)
d. New Gallagher Well #2[4]	(40,083)	254,277	177,862	0	(177,862)	137,779
e. WM Miscellaneous Water System Improvements[5]	0	0	0	0	0	0
f. Replace CI-Atherton Ave[6]	0	0	0	0	0	0
g. OM Treatment Pond Rehab-404 Grant-FEMA[7&8]	(61,949)	0	5,466	0	(5,466)	(56,482)
FUNDING BY OTHERS (ACCRUED)/DEFERRED	$17,991,765	($1,045,499)	($4,901,308)	$0	$4,901,308	$13,090,458
Received						
a. MSN Aqueduct Caltrans Reimb-Segment B2[1]	($120,684)	$0	$0	$0	$0	($120,684)
b. NMWD Headquarters Upgrade[2]	($19,876,000)	0	0	0	0	(19,876,000)
c. Leveroni Creek Embankment Repair[3]	$0	0	0	0	0	0
d. New Gallagher Well #2[4]	($40,083)	(276,673)	(360,759)	(340,000)	$20,759	(400,842)
e. WM Miscellaneous Water System Improvements[5]	0	0	0	(150,000)	($150,000)	0
f. Replace CI-Atherton Ave[6]	0	0	0	(350,000)	($350,000)	0
g. OM Treatment Pond Rehab-404 Grant-FEMA[7&8]	(86,060)	0	(13,358)	(960,000)	($946,642)	(99,418)
FUNDING BY OTHERS RECEIVED	($20,122,827)	($276,673)	($374,117)	($1,800,000)	($22,573,616)	($20,496,944)
NET PROJECT EXPENDITURES	$4,727,154	$92,060	$1,175,932	$17,099,000	($5,224,665)	$5,903,086

CIP SUMMARY-GROSS EXPENDITURES:	Current Month	FYTD Total	FY 22/23 Budget	FYTD/ Budget%
Novato Water Capital Projects	$1,346,399	$5,977,020	$16,527,000	36%
Novato Recycled Water Capital Projects	0	0	350,000	0%
West Marin Water Capital Projects	53,070	396,916	647,000	61%
Oceana Marin Sewer Capital Projects	14,763	77,420	1,375,000	6%
Gross Capital Improvement Project Outlays	$1,414,232	$6,451,356	$18,899,000	34%

CIP SUMMARY-NET EXPENDITURES:	Current Month	FYTD Total	FY 22/23 Budget	FYTD/ Budget%
Novato Water Capital Projects	$46,623	$896,286	$16,527,000	5%
Novato Recycled Water Capital Projects	0	0	350,000	0%
West Marin Water Capital Projects	30,674	210,118	647,000	32%
Oceana Marin Sewer Capital Projects	14,763	69,528	1,375,000	5%
Net Capital Improvement Project Outlays	$92,060	$1,175,932	$18,899,000	6%

Notes to Capital Improvement Projects Schedule:

(1) Funding provided 100% by Caltrans.
(2) $16.2M NMWD Headquarters Upgrade funded by a 20 year 3.11% bank loan.
(3) Project developed as part of October 2017 Feasability Assessment prepared by Prunuske Chatham.
(4) WM CA DWR Drought Relief Grant.
(5) Loan from Novato Water-As included in the 2021 WM Water rate study - to be paid with interest. Loan received 6/30/22.
(6) Funded by Capital Replacement & Expansion Fund.
(7) OM Treatment Pond Rehab-Project to be funded at 75% by grants. Eligible project costs are budgeted at $2.2M (75%=$1.425M)
(8) Loan from Novato Water-As included in the five-year financial forecast

NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING MARCH 31, 2023

	Description	COST THRU JUNE 2022	MARCH 2023	FYTD TOTAL	FY 22/23 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
CONSULTING SERVICES/STUDIES							
	a. Novato Water Master Plan Study	$0	$0	$0	$175,000	$175,000	$0
1-4097-00	b. Novato Connection Fee Study	0	0	20,352	20,000	(352)	20,352
	c. Compensation Survey & Review	0	0	0	15,000	15,000	0
	d. Lynwood/San Marin Zone 2 Modification Evaluation	0	0	0	30,000	30,000	0
	e. Drought Contingency Plan-NBWRA	0	0	0	9,000	9,000	0
2-4098-00	f. West Marin Connection Fee Study	0	0	10,580	10,000	(580)	10,580
2-4089-00	g. Coast Guard Housing-PRTP Study	6,459	0	14,748	25,000	10,253	21,206
	h. Stafford Dam Master Plan	0	0	0	25,000	25,000	0
1-4100-00	i. STP-Chlorine Code Compliance	0	564	2,256	0	(2,256)	0
	j. Pipeline Condition Assessment	0	0	0	50,000	50,000	0
1-4050-02	k. Annual Water Supply & Demand Assessment	4,531	0	634	0	(634)	0
1-4057-00	l. Local Water Supply Enhancement Study	271,351	0	10,889	0	(10,889)	282,240
1-4095-01	m. Stafford Lake Water Rights Review	0	0	4,626	0	(4,626)	4,626
1-4069-00	n. Strategic Long Range Plan	18,537	0	758	0	(758)	19,295
1-4077-00	o. Potter Valley Project FERC Relicensing	23,365.50	653	5,416	0	(5,416)	28,781
1-4093-00	p. Gateway Commons Backflow Study	5,993	658	3,071	0	(3,071)	9,064
1-6501-43	q. Electronic Document Mgmt System	30,415	0	6,540	0	(6,540)	36,955
5-4087-00	r. Recycled Water Program Strategy	0	2,916	10,738	0	(10,738)	10,738
5-4099-00	s. Connection Fee Study-RW	0	0	10,350	0	(10,350)	10,350
8-4096-00	t. Dillon Beach Wastewater Study	0	0	678	0	(678)	678
8-4080-00	u. OM Sewer System Management Plan	0	0	10,138	0	(10,138)	10,138
2-4101-00	v. Black Mountain Ranch Well Feasability Study	0	0	474	0	(474)	474
1-4076-01	w. District Boundary Election Map Review	0	32,000	32,000	0	(32,000)	32,000
	x. GASB 75 (OPEB) Disclosure Information & Acturial Valuation	0	0	4,500	0	(4,500)	4,500
		$360,652	$36,791	$148,747	$359,000	$210,254	$501,977

North Marin Water District Financial Statement Notes

Note 1 - Restricted Cash

Connection Fee Fund: Cash available from collection of Connection Fees. The fee is charged to developers based upon the estimate of cost necessary to construct capacity to serve the new development. These funds are restricted by law for expansion of the water or sewer facilities within the service area where the development occurs. Funds are disbursed from the Connection Fee Reserve as expenditures are incurred to increase system capacity to serve new development. The fund balance accrues interest quarterly.

Deer Island RWF Replacement Fund: The State Revolving Fund (SRF) loan agreement for construction of the Deer Island RW Facility requires the District to establish and maintain a Water Recycling Capital Reserve Fund (WRCRF) for the expansion, major repair, or replacement of the water recycling facilities. The WRCRF is maintained in compliance with the State Water Resources Control Board's "Policy for Implementing the State Revolving Fund for Construction of Wastewater Treatment Facilities" in effect at the time the agreement was executed, July 2006. NMWD is required to deposit a minimum reserve of 0.5% of the SRF loan amount each year for a period of ten years. The balance in the DICRF is $215,000 ($4.3M x .5% x 10 years). The fund balance does not accrue interest.

Recycled Water Capital Replacement and Expansion Fund: The 2011 Interagency Agreements for Recycled Water between NSD, LGVSD & NMWD require that any payments to the Distributor (NMWD) by the End User (Consumers) in excess of actual costs (marginal payments) shall be deposited in this fund. Operation and Maintenance Costs are defined as the actual cost of: labor (including general and administrative overhead plus tools and supplies normally applied), equipment and vehicle charges, consumables (such as chemicals and electrical power), and spare parts and/or replaced components necessary to reliably treat and deliver recycled water to the End Users. Operation and Maintenance Costs do not include costs for major capital replacement or process changes. A payment of $305,711 was made to Novato Sanitary District in December 2019 for the Clearwell Improvement Project. This fund balance does not accrue interest.

STP SRF Reserve Fund – Marin County Treasury: The 2004 Stafford Treatment Plant State Revolving Fund (SRF) loan agreement requires the District to build a Reserve Fund equal to one year of payments ($1,044,474) in the Marin County Treasury during the first ten years of the 20-year repayment period. Every January 1 and July 1, commencing January 1, 2010, the District deposits with the County 10% of the semi-annual SRF payment. This Reserve Fund was fully funded at 6/30/19. The County credits the fund with interest quarterly, which is applied to the semi-annual payments, and will use the Reserve to pay the last 2 semi-annual SRF loan payments.

RWS North/South SRF Reserve Fund: The State Water Resource Control Board Agreements for the seven Clean Water State Revolving Fund Loans made for expansion of the Recycled Water System distribution system require that the District establish a reserve fund equal to one year's debt service ($614,299) prior to the construction completion date.

RWS Central SRF Reserve Fund: The State Water Resource Control Board Agreement for the Clean Water State Revolving Fund Loan made for expansion of the Recycled Water System distribution system requires that the District establish a reserve fund equal to one year's debt service ($275,773) prior to the construction completion date.

Note 2 - Designated Cash

Liability Contingency Fund: Established in 1986 when the District first elected to self-insure its general liability risk. This reserve was funded with $1 million initially and $200,000 annually thereafter until it reached a balance of $2 million. In FY98 the West Marin Water System was included in the fund and built-up a proportional reserve of $74,000 over several years. Commencing FY93, $1 million of the reserve was made available to fund loans to eligible employees under the District's Employer Assisted Housing Program. In August 2008, $500,000 was transferred into this reserve from the Self-Insured Workers' Compensation Fund and made available to fund Employer Assisted Housing Program loans. Currently there is $250,000 in one Employer Assisted Housing Loan outstanding (see Note 3). In March 2005, $652,400 was expended from the fund to purchase a home at 25 Giacomini Road in Point Reyes Station. The home is currently rented. In 2006, $8,885 was added from the sale of surplus property in West Marin. The fund balance does not accrue interest.

Workers' Compensation Fund: Commencing July 2019, the District switched from self-insuring its workers' compensation liability to 1st dollar workers' compensation insurance with Zenith Insurance Company. The premium for 1st dollar insurance is higher than staying with the SIR plan, but the risk of $1M out of pocket costs is eliminated. The Worker's Comp Reserve Fund now stands at $20,125, the amount of the one remaining claim filed when the District was self-insured, with the balance transferred to Unrestricted Cash.

Retiree Medical Benefits Fund: NMWD pays the cost of health insurance for retirees between the ages of 55 and 65 and spouse under any group plan offered by CalPERS. The retiree must be at least 55 and have a minimum of 12 years (for employees hired on or before September 30, 2018) and a minimum of 20 years (for employees hired after September 30, 2018) of NMWD service at the date of retirement. NMWD's contribution toward the chosen plan is capped in the same manner as all other NMWD employees in the same class. Coverage terminates for the spouse when the spouse becomes eligible for Medicare, or for both the retiree and spouse when the retiree becomes eligible for Medicare. When the retiree or spouse becomes eligible for Medicare, NMWD pays up to the couple annuitant rate, which is capped at $3,830 per year ($319/month). In August 2003, NMWD transferred $2.55 million ($2.3 million for current retirees plus $250,000 for future retirees) from unrestricted cash into a reserve to fund this obligation. In 2010 the Board directed staff to add $1,500 per employee annually as a payroll overhead to accrue and accelerate amortization of this liability. The accrual is maintained as a Long-Term Liability entitled Total OPEB Liability. In 2022 an Actuarial Analysis calculated NMWD's total actuarial liability at $4.3 million. The Retiree Medical Benefits cash fund earns interest quarterly.

Maintenance Accrual Fund: Established in FY91 to provide a source of maintenance money for replacement of treatment, storage, transmission and distribution facilities as they wear out. The annual contribution from operating reserves was initially $200,000. Net polybutylene claim settlement proceeds of $671,060 were closed into the fund in FY93. In FY94 the annual contribution was reduced to $100,000. Starting in FY21/22, this reserve was increased to $4.0 million based on the District's planned pay-go capital spending per the 2020 Novato Water Rate Study and subsequent financial plans. Funds are borrowed from the Maintenance Accrual Fund to offset the shortfall in unrestricted Cash & Investments. The fund balance does not accrue interest.

Operating Reserve Fund: This reserve, comprised of four months of budgeted operating expenditures (less depreciation) as recommended by the District's financial advisors, serves to ensure adequate working capital for operating, capital, and unanticipated cash flow needs that arise during the year. Funds are borrowed from the operating Reserve Fund to offset the shortfall in unrestricted Cash & Investments. The fund balance does not accrue interest.

Webster Bank-Admin Bldg/CIP Fund: The District received a $20 million loan from Webster Bank in May 2022 to fund the Admin Building Renovation and other CIP Projects. The 20-year, 3.11% annual percentage rate loan requires semi-annual payments and will be fully amortized on 3/1/42. The unexpended fund balance accrues interest quarterly.

Note 3 – Employee Loans

Housing Loans: The District's Employer Assisted Housing Program allows up to $300,000 to be loaned to an employee for a period of up to 15 years for the purchase of a home within the District service territory that will enable the employee to respond rapidly to emergencies affecting the operation of the District. Repayment is due upon sale, termination of employment, or other event as described in the Program. Interest on the loan is contingent upon and directly proportional to the appreciation in value occurring on the purchased property. There is one employee-housing loan currently outstanding totaling $250,000 dated March 2015.

Note 4 – Other Long Term Receivables

In 2014, the District entered into an interconnection agreement with MMWD for their share of the Aqueduct Energy Efficiency Project. The 2.71% $3,622,882 loan will have yearly payments due of $205,320, and the final payment is due in July 2032. In 2015 the District entered into an agreement with Marin Country Club for their share of the pipeline extension to provide recycled water for the Marin Country Club Golf Course. In 2016 the District received a $6.6 million 30-year 1.0% SRF loan to finance the Recycled Water Central project, and Marin Country Club agreed to pay the District $1,265,295 in bimonthly payments of $8,142 at 1.0% over 30 years for their share of the pipeline extension. Marin Country Club also agreed to pay $430,463 of the District's local share of the project in bimonthly payments of $8,242 over 10 years at 2.8%, which is the Novato Potable Fund's weighted average cost of debt. The payments will coincide with Marin Country Club's water service payments. Marin Country Club paid the 10 year loan in full in December 2018. The final payment from Marin Country Club for the 30 year loan is due in November 2047.The Marin Country Club also owes the District $189,402.89 in previously unbilled water receipts due to a recording error in their 6" AMI meter. $89,990.87 of this amount was paid by Marin Country Club in October 2020 and the remaining balance due of $99,412.02 will be re-paid in $2,000 monthly installment payments and will be paid in full March 2025.

Note 5 – Depreciation

Assets are assigned a useful life based on consultations with the District Chief Engineer and a survey of other water agencies. Depreciation in computed on a straight-line basis over the estimated useful life of the various classes of property as follows:

Facility	Life (Years)
Aqueduct	150
Dam	100
Buildings & Structures	40
Mains	50
Pumping Equipment	25
Water Treatment Equipment	20
Storage & Transmission (16"+) Facilities	50
Distribution Facilities (includes Pump Stations)	50
Office, Laboratory, Construction & Shop Tools & Equipment	10
Vehicles 1 ton or greater	10
All other vehicles	5
Sewer Mains	40
Sewer Pumps	10

Note 6 - Capitalization Policy

The Government Finance Officers Association *Guide for State and Local Governments* recommends that a capitalization policy incorporate a minimum threshold of $5,000 and an estimated useful life of at least two years. It also cautions that federal grant and loan requirements prevent the use of capitalization thresholds in excess of $5,000. Thus NMWD's capitalization threshold is $5,000.

Note 7 – Bond & Loan Servicing Schedule for Fiscal Year 2022-2023

							FY 23		
Service Area	Description	Issue Date	Rate	Original Amount	Payment Due	Final Pmt	Interest Expense	Principal Paid	6/30/23 Outstanding Balance
Novato	SRF Loan - STP	2004	2.39%	$16,528,850	7/1 & 1/1	07/01/29	$154,744	$889,730	$5,806,043
Novato	Bank Marin Loan	2011	3.42%	$7,000,000	27th/mo	10/27/31	$125,917	$356,125	$3,490,933
Novato	Chase Bank Loan	2018	2.69%	$4,600,000	3/1 & 9/1	03/01/33	$95,630	$280,000	$3,275,000
Novato	Webster Bank	2022	3.11%	$20,000,000	3/1 & 9/1	03/01/42	$608,321	$879,669	$19,120,331
						Novato Total	$984,612	$2,405,524	$31,692,307
RW TP	SRF Loan	2006	2.40%	$4,302,560	20-Jun	06/19/27	$30,568	$242,799	$1,030,881
RW North	SRF Loans (4)	2013	2.60%	$4,375,605	Varies	Varies	$66,092	$215,800	$2,326,202
RW South	SRF Loans (3)	2013	2.20%	$5,361,952	Varies	Varies	$72,462	$259,945	$3,033,761
RW Central	SRF Loan	2016	1.00%	$7,130,503	19-Dec	12/31/47	$62,863	$212,910	$6,073,389
						Recycled Water Total	$231,985	$931,454	$12,464,233
WM Water	Bank Marin Loan	2012	3.42%	$1,000,000	27th/mo	10/27/31	$18,483	$52,275	$512,431
						West Marin Water Total	$18,483	$52,275	$512,431
						FY23 Total	$1,235,080	$3,389,253	$44,668,971

1. In April 2004 the California State Department of Water Resources approved a 2.39% 20-year loan for reconstruction of the Stafford Water Treatment Plant. The project was completed in FY09 with repair of the Outlet Tower Sluice Gate. Interest paid during construction totaled $1,636,378. The loan covenants require an annual reserve fund contribution of $104,447 (10% of the annual debt service obligation) be deposited into the Marin County Treasury during each of the first ten years of the repayment period. Debt service is funded 25% by Facility Reserve Charges. The first payment was made in December 2009.
2. In October 2011 Bank of Marin made a 20-year 3.54% (APR) loan of $8 million to fund the District's share of the Aqueduct Energy Efficiency Project. See Note 15 below, and note to loan 9 above.
3. In March 2018 Chase Bank made a 15-year 2.69% (APR) loan of $4.6 million to fund the District's Automated Meter Information system Project.
4. In August 2006 the California State Department of Water Resources approved a 2.4% 20-year loan of $4,264,545 for construction of the Deer Island Recycled Water Facility. With the addition of $38,015 in Construction Period Interest, the loan principal totaled $4,302,560. The project was completed in June 2007, and the first payment was made June 19, 2008.
5. In July 2011 the California State Department of Water Resources approved a series of four 2.6% 20-year loans which totaled $4,375,605 for the Recycled Water North Service Area Expansion Project. The projects were completed on October 31, 2012, and the first payment was made in November of 2012.
6. In March 2012 the California State Department of Water Resources approved a series of three 2.2% 20-year loans totaling $5,361,952 for the Recycled Water South Service Area Expansion Project. The projects were completed on September 4, 2013, and the first payment was made in December of 2013.

7. In May 2016 the California State Department of Water Resources approved a 1.0% 30-year loan of $7,130,503 for the Recycled Water Central Service Area Expansion. The project will be completed in December 2017, and the first payment was made December 31, 2018.
8. In June 2012 the Board authorized reallocating $1 million of the Bank of Marin loan to West Marin Water to repay Novato Water $223,000 owed for loans to fund Long Range Improvement Projects and the remainder to fund the Solids Handling Facility at the Point Reyes Water Treatment Plant. See note to loan 2 above.
9. In May 2022, Webster Bank made a 20-year 3.11% (APR) loan pf $20 million to fund the Admin Building Renovation and other Capital Improvement Projects. The first payment was made August 26, 2022

Note 8 – Unemployment Insurance Reserve

NMWD uses the "Reimbursable Method" of paying for Unemployment Costs. Under this method, the District reimburses the State Employment Development Department for all unemployment benefits paid on our behalf. The reserve is maintained at an amount equal to the higher of the average claim amount paid over the last 5 years or 52 times the maximum weekly benefit amount (currently $450 x 52 = $23,400).

Note 9 – Payroll Benefits

Payroll Benefits payable includes payroll taxes; vacation, sick, and holiday leave; Section 125 payments; cancer, long term care and disability insurance premiums; union dues; and employee benefit fund.

Note 10 - Interest Policy on Inter-District Loans

In the event an improvement district expends all of its Undesignated Funds, it shall borrow funds from that improvement district's Board Designated Fund reserves to meet ongoing requirements. In the event an improvement district expends all of its Board Designated Fund reserves, it may receive a loan from the Novato Improvement District in an amount sufficient to meet its ongoing requirements. Restricted Funds shall not be used to finance ongoing normal operating expenses.

No interest shall be paid by an improvement district on funds borrowed from that improvement district's Board Designated Fund reserves. Interest on loans from the Novato Improvement District shall be paid by the recipient district to the Novato district based upon the outstanding loan balance at the close of the previous accounting period. Interest shall be calculated at the higher of: 1. The weighted average interest rate of Novato improvement district debt (2.77% at 6/30/22); or 2. The average interest rate earned on the District treasury since the close of the previous accounting period; plus $50 per month.

Note 11 – Budget Augmentations

Note 12 – Prior Period Adjustment

Note 13 – Explanation of Financial Statement Components

The District's financial statement is comprised of four components: 1) Statement of Net Position, 2) Sources and Uses of Funds Statement – All Service Areas Combined, 3) Income Statement and Cash Flow by Service Area, and 4) Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The Statement of Net Position (page 4) reports the District's assets and liabilities and provides information about the nature and amount of investments in resources (assets) and the obligations to the District's creditors (liabilities). The difference between assets and liabilities is reported as *net position.* Over time, increases or decreases in the fund balance may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Sources and Uses of Funds Statement – All Service Areas Combined (page 8) compares fiscal year-to-date performance against the Board approved annual budget – presented in the adopted budget format. This Sources and Uses of Funds Statement varies from the income statement in that it includes capital expenditures, debt principal repayment, connection fee revenue, and cash infusions from debt issuance.

The Income Statement and Cash Flow by Service Area (page 9) presents the net income (loss) for the fiscal year-to-date (FYTD) period for each of the District's four service areas. The income and expenses on this report are presented in conformity with Generally Accepted Accounting Principles (GAAP) and comply with Governmental Accounting Standards Board pronouncements. Accordingly, all income and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement measures the success of each service area's operations and can be used to determine whether the service area has successfully recovered all costs through user fees and other charges.

Also included at the bottom of page 9 is a statement of Cash Flow by Service Area. The primary purpose of this statement is to reconcile in an informative manner the difference between the net income/(loss) for period of each service area with the resultant change in cash balance that occurred over the same period.

Notes to the Financial Statements (page 27) provide a summary of significant accounting policies and assumptions and other information of value to the financial statement reader.

Other Supplementary Information includes Detail Income Statements presented in accordance with GAAP for each of the four service areas (pages 10, 14, 16, 19). These statements present income and expenditures in close detail for further analysis. Other supplementary schedules of note include the Vehicle Fleet Analysis (page 22), Equipment Expenditures (page 21) and Capital Improvement Project Expenditures (page 24), which show outlays to date, compared with budget authority.

Note 14 –Connection Fee Transfers from Novato Water To Recycled Water

The following Connection Fee (FRC) reserve amounts have been transferred to the Recycled Water fund:

Recycled Water
FRC Transfers from Novato

t:\finance\frc\[recycled water frc transfers from novato.xlsx]sheet1

	Expansion Local Share			SRF RWF Expansion						Transfer	
	North	South	Central	NBWRA	Loan	SRF Loan	BPGL Loan Repayment	CIP	Total	Executed	
FY07				$29,725					$29,725		
FY08				$50,478	$22,795				$73,273		
FY09				$150,455	$22,795				$173,250		
FY10	$133,659			$75,198	$22,795				$231,652	$133,659	$133,659
FY11				$133,319	$22,795				$156,114		$1,175,098
FY12	$233,478	$265,500		$115,883	$22,795				$637,656		($7,088)
FY13				$315,023	$22,795	$464,572			$802,390	$1,970,400	$802,390
FY14	$236,291	$723,525	$4,024	$63,035	$22,795	$500,529			$1,550,200	$1,550,200	$1,550,200
FY15		$17,563	($4,024)	$38,283	$22,795	$614,299			$688,916	$688,916	$688,916
FY16	$0	$0	$66,729	$102,842	$22,795	$614,299			$806,664	$806,664	$806,664
FY17			$362,524	$194,636	$22,795	$614,299		$36,687	$1,230,940	$1,230,940	$1,230,940
FY18			$5,071,512	$38,908	$22,795	$614,299			$5,747,513	$5,747,513	$5,747,513
FY19			($2,168,755)	$6,966	$22,795	$890,072			($1,248,922)	($1,248,922)	($1,248,922)
FY20			$5,499	$0	$0	$350,287	($1,046,471)	$1,084	($689,600)	($689,600)	($689,600)
FY21						$890,072			$890,072	$890,072	$890,072
FY 22						$743,438			$743,438	$743,438	$743,438
FY23						$518,146			$518,146	$518,146	$518,146
	$603,428	**$1,006,589**	**$3,337,509**	**$1,314,751**	**$273,539**	**$6,814,311**	**($1,046,471)**	**$37,771**	**$12,341,427**	**$12,341,427**	**$12,341,427**

8

Item #8

NORTH MARIN WATER DISTRICT

MEMORANDUM

To: Board of Directors Date: May 16, 2023

From: Eric Miller, Assistant General Manager / Chief Engineer

Subject: Administration & Laboratory Upgrade Project – Construction Update

r:\folders by job no\6000 jobs\6501.44 nmwd office_yard bldg renovation\bod memos\2023 0516 - project update ppt\5-16-23 bod memo bldg project update.docx

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None at this time

On April 29, 2022 your Board approved award of a contract to D.L. Falk Construction Inc. for the construction phase of the Administration and Laboratory Upgrade Project. The project consists of a renovation of the District's existing nearly 60-year old office building and a new one-story addition to provide a new water quality laboratory and new staff lunchroom and lobby area.

The construction phase began with a pre-construction meeting on June 21, 2022. Since that meeting, District staff has been deeply involved in coordination with the design team, construction administrator and the contractor. The most recent schedule indicates project completion in January 2024.

District staff provided a project update at the February 7, 2023 Board meeting and plans to continue providing quarterly informational presentations to the Board with details regarding schedule updates, progress photos, unforeseen issues, and budget status.

ATTACHMENTS: Presentation slides dated May 16, 2023

NORTH MARIN WATER DISTRICT

Administration & Laboratory Upgrade Project Construction Update

May 16, 2023

Contents

1	Progress Photos
2	Unforeseen Issues
3	Schedule Update
4	Budget Status

04/11/23

01/17/23

Progress Photos

Aerial Drone Footage

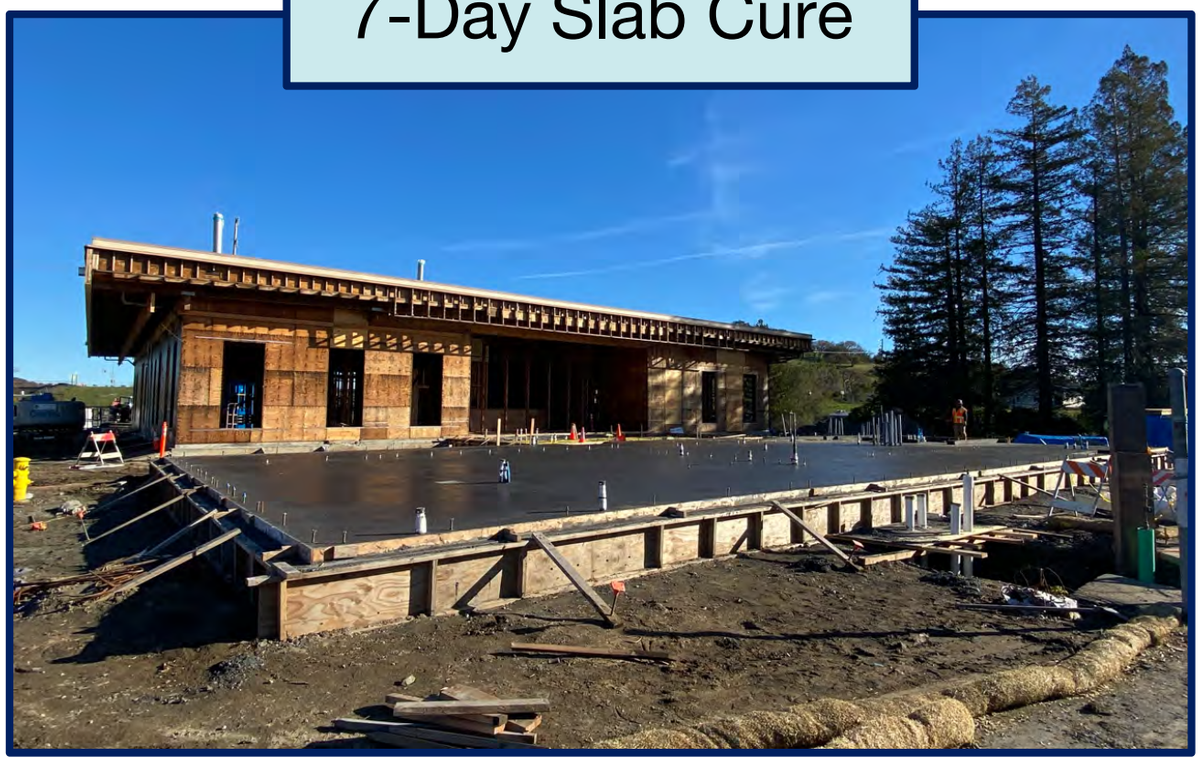
05/02/23

Progress Photos

Pouring Lab Slab

03/01/23

7-Day Slab Cure



03/02/23

Progress Photos

Pouring Lunch Room Slab

04/19/23

7-Day Slab Cure

04/19/23

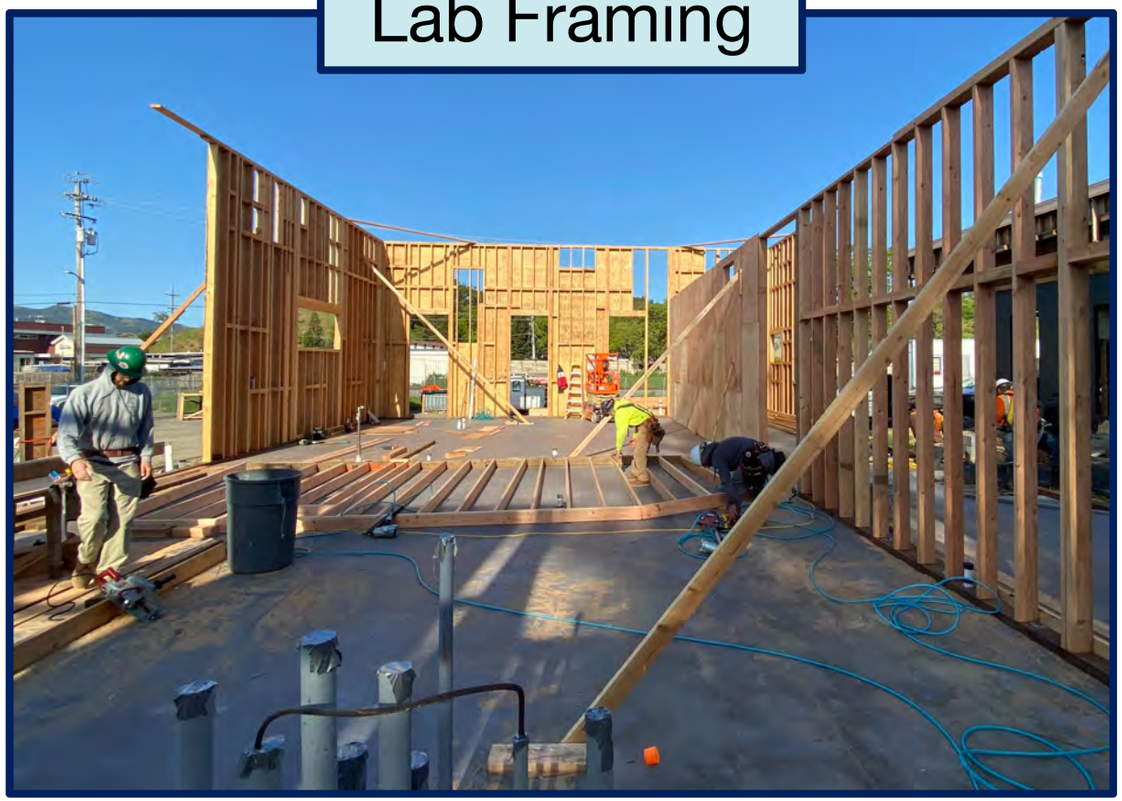
Progress Photos

Lunch Room – Facing West

05/08/23

Progress Photos

Lab Framing



04/19/23

Lab Exterior

05/08/23

Progress Photos

Overhead View – Both Buildings

05/02/23

Progress Photos

Soffit Framing

05/08/23

Employee Entrance

05/08/23

Progress Photos

Lobby

05/08/23

Public Entrance

05/08/23

Progress Photos

Utility Rough-In

04/19/23

Lobby Framing

05/08/23

Unforeseen Issues

Supply Chain Delays

3/15/23

Many of the critical materials are currently long-lead items due to global supply chain delays.

Some items have lead times more than three times (3x) pre-Covid conditions.

Materials Impacted	
Electrical Equipment	12 months
Mechanical Equipment	3 months
Glass / Storefronts	3 months
Exterior Paneling	6 months
Lab Equipment	4 months

Wet Weather Delays

Rain Days per Month	
September	3 days
November	3 days
December	9 days
January	11 days
February	5 days
March	9 days
to date	**40 days**

03/28/23

The two slab pours (lab & lunch room) took place on 3/1/23 & 4/19/23 respectfully. The combined pour was initially scheduled to take place on 10/19/22.

Project Schedule

Project Schedule

05/05/23

1st Day of Work	July 11, 2022
Original Project Duration	420 calendar days
Time Elapsed as of 3/31/23	263 calendar days (62.6%)
Original Project Completion	September 4, 2023

Weather Days Added	25 working days [1]
Days Added via Change Order	18 working days
Adjusted Project Completion	November 3, 2023

Contractor's Scheduled Completion	January 18, 2024
Difference in Completion Dates	76 calendar days

[1] base contract included 15 assumed weather days. (40-15=25)

3-Month Look Ahead Schedule

Item of Work	May				June				July			
Administration Building												
Finish Utility Rough-In	x	x	x	x								
Prep Building Exterior, incl. roof			x	x	x	x						
Gypsum, place, finish, paint					x	x	x	x	x	x		
Interior Ceiling System										x	x	x

Lab Building												
Framing Interior Walls	x	x	x	x								
Framing Roof Assemblies					x	x	x	x				
Begin Utility Rough-In					x	x	x	x	x	x	x	x
Install Roofing									x	x	x	x

Budget Status

Budget Status

[1] through March 2023

05/08/23

DL Falk Contract	$	11,614,000	
Billings to Date [1]	$	3,831,187	33%

Contingency	$	1,252,000	
CO Forecast [2]	$	249,000	19.9% [3]

Project Start	July 11, 2022	
Time Elapsed	263 days	
Orig. End Date	Sept. 4, 2023	62.6%
Adj. End Date	Nov. 3, 2023	54.8%

[2] includes bid add. for landscape - $96k (7.7%)

[3] no change orders processed since last presentation (2/7/23)

Questions?

9

NORTH MARIN WATER DISTRICT

MEMORANDUM

To: Board of Directors May 16, 2023

From: Tony Williams, General Manager
Ryan Grisso, Water Conservation Coordinator RG

Subject: Annual Water Supply and Demand Assessment
V:\Memos to Board\Annual Water Supply and Demand Assessment 23_24_FINAL.doc

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: Information Only

As a result of the 2018 State Legislation, "Making Water Conservation a California Way of Life", the State is mandating each urban water supplier to submit to the California Department of Water Resources (DWR) an annual water shortage assessment report with information on anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions as described in the Water Shortage Contingency Plan (WSCP). The report is now formally called an Annual Water Supply and Demand Assessment (AWSDA). This report compares unconstrained demand projections to available supply projections for each upcoming July to June year (fiscal year, FY) to identify any water supply shortfalls, if any, triggering implementation of an appropriate stage of the WSCP if such a shortfall was projected. The WSCP was developed to serve as a flexible framework of planned response measures to mitigate future water supply shortages as part of the District's adopted 2020 Urban Water Management Plan Update for the Novato Service Area, and is available on the District's website: https://nmwd.com/wp-content/uploads/2021/07/WSCP_20210629.pdf.

Attached you will find the District's FY 2023/24 AWSDA report that will be submitted to the State by July 1, 2023 (Attachment 1). Unconstrained demand was derived from interpolating the projected demand between 2020 and 2025, for 2023 and 2024 from the 2020 Urban Water Management Plan and then averaging the two years to get a fiscal year demand projection. The water supply data is provided by Sonoma Water with supplemental amount supplied by Stafford Lake. As expected, there are no water shortages projected for the next year. It is important to note that the projected demand (unconstrained) in the report differs from the demand projected in the upcoming rate proposal due to the fact that projected demand contains an estimate of the future demand with continuing or residual conservation practices from the customers (known as demand hardening), similar to the demands we have seen in the years following past droughts; where the unconstrained demand used in the AWSDA is a projected number without the demand hardening affect following the drought period or any other conservation measures that could reduce demand.

The AWSDA report development includes a series of steps leading up to the draft report presented at this meeting. Key staff began internal discussions in January which included review of reservoir levels, water demands to date, and climate forecasts. Regional coordination with Sonoma County Water Agency (Sonoma Water) and the water contractors also began earlier this year at various Technical Advisory Committee (TAC) meetings culminating in the issuance of a water supply assessment from Sonoma Water in April 2023. Another element of the District's AWSDA development is consideration of infrastructure capabilities and constraints that may affect its ability to deliver supplies to meet expected customer water demands in the coming year. The Redwood Blvd. landslide that occurred in late March along the District's North Marin Aqueduct (NMA) had an immediate impact of water supply deliveries from Sonoma Water and highlighted the importance of this component of the AWSDA analysis and report development. Although a landslide event isn't specifically addressed in the WSCP, the consideration of a seismic event is included, and the emergency response and actions (WSCP Table 6-5) are similar and were actually implemented by the District in response to the March landslide. Currently, the impacts of the landslide on the NMA is not expected to change the supply data included in the draft report.

ATTACHMENTS:

1. North Marin Water District Draft Annual Water Supply and Demand Assessment for 2023/2024.

Table 1. Annual Assessment Information

Annual Assessment Information (Required)	
Year Covered By This Shortage Report	
Start: July 1,	2023
End: June 30,	2024
Supplier's Annual Assessment Planning Cycle	
Start Month:	July
End Month:	June
Data Reporting Interval Used:	Annually
Volume Unit for Reported Supply and Demand: *(Must use the same unit throughout)*	AF
Water Supplier's Contact Information	
Water Supplier's Name:	North Marin Water District
Contact Name:	Ryan Grisso
Contact Title:	Water Conservation Coordinator
Street Address:	PO box 146
ZIP Code:	94948
Phone Number:	415-761-8933
Email Address:	rgrisso@nmwd.com
Report Preparer's Contact Information *(if different from above)*	
Preparer's Organization Name:	
Preparer's Contact Name:	
Phone Number:	
Email Address:	
Supplier's Water Shortage Contingency Plan	
WSCP Title	2020 Water Shortage Contingency Plan
WSCP Adoption Date	6/15/2021
Other Annual Assessment Related Activities (Optional)	
Activity	**Timeline/ Outcomes / Links / Notes**
Annual Assessment/ Shortage Report Title:	Optional
Annual Assessment / Shortage Report Approval Date:	MM/DD/YYYY
Other Annual Assessment Related Activities:	Optional
(Add rows as needed)	

ATTACHMENT 1

= From prior tables
= Auto calculated

Table 2: Water Demands[1]

Use Type			Start Year:	2023				Volumetric Unit Used[2]:	AF						
Drop-down list May select each use multiple times These are the only Use Types that will be recognized by the WUEdata online submittal tool (Add additional rows as needed)	Additional Description (as needed)	Level of Treatment for Non-Potable Supplies **Drop-down list**	Projected Water Demands - Volume[3]												
			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total by Water Demand Type
Demands Served by Potable Supplies															
All Demands														9504	9504
															0
															0
															0
															0
															0
															0
															0
															0
															0
Total by Month (Potable)			0	0	0	0	0	0	0	0	0	0	0	9504	9504
Demands Served by Non-Potable Supplies															
															0
															0
															0
															0
															0
Total by Month (Non-Potable)			0	0	0	0	0	0	0	0	0	0	0	0	0

Notes: List considered factors impacting demands

[1]Projections are based on best available data at time of submitting the report and actual demand volumes could be different due to many factors.

[2]Units of measure (AF, CCF, MG) must remain consistent.

[3]When opting to provide other than monthly volumes (bi-monthly, quarterly, or annual), please see directions on entering data for Projected Water Demand in the Table Instructions.

Optional (for comparison purposes)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Last year's total demand													0
Two years ago total demand													0
Three years ago total demand													0
Four years ago total demand													0

	= From prior tables
	= Auto calculated

Table 3: Water Supplies[1]

Water Supply	Start Year:	2023	Volumetric Unit Used[2]:	AF

Drop-down List May use each category multiple times.These are the only water supply categories that will be recognized by the WUEdata online submittal tool (Add additional rows as needed)	Additional Detail on Water Supply	Projected Water Supplies - Volume[3]												Water Quality Drop-down List	Total Right or Safe Yield* (optional)
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total by Water Supply Type	
Potable Supplies															
Purchased/Imported Water	SCWA												8689	8689	
Surface water (not desal.)	Stafford Lake												815	815	
														0	
														0	
														0	
														0	
														0	
														0	
														0	
														0	
Total by Month (Potable)		0	0	0	0	0	0	0	0	0	0	0	9504	9504	0
Non-Potable Supplies															
													608	608	
														0	
														0	
														0	
														0	
Total by Month (Non-Potable)		0	0	0	0	0	0	0	0	0	0	0	608	608	0

Notes: List hydrological and regulatory conditions, infrastructure capabilities, and plausible constraints which may impact the water supplies

[1]Projections are based on best available data at time of submitting the report and actual supply volumes could be different due to many factors.

[2]Units of measure (AF, CCF, MG) must remain consistent.

[3]When opting to provide other than monthly volumes (bi-monthly, quarterly, or annual), please see directions on entering data for Projected Water Supplies in the Table Instructions.

Optional (for comparison purposes)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
eAR Reported Total Water Supplies													0

	= Auto calculated
	= From prior tables
	= For manual input

Table 4(P): Potable Water Shortage Assessment[1]	Start Year: 2023					Volumetric Unit Used[2]:					AF		
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun[3]	Total
Anticipated Unconstrained Demand	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9504.0	9504.00
Anticipated Total Water Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9504.0	9504.00
Surplus/Shortage w/o WSCP Action	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
% Surplus/Shortage w/o WSCP Action												0%	0%
State Standard Shortage Level	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned WSCP Actions													
Benefit from WSCP: Supply Augmentation													0.0
Benefit from WSCP: Demand Reduction													0.0
Revised Surplus/Shortage with WSCP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
% Revised Surplus/Shortage with WSCP												0%	0%

[1]Assessments are based on best available data at time of submitting the report and actual volumes could be different due to many factors.

[2]Units of measure (AF, CCF, MG) must remain consistent.

[3]When optional monthly volumes aren't provided, verify Tables 2 and 3 use the same columns for data entry and are reflected properly in Table 4 and make sure to use those same columns to enter the benefits from Planned WSCP Actions. Please see directions on the shortage balancing exercise in the Table Instructions. If a shortage is projected, the supplier is highly recommended to perform a monthly analysis to more accurately identify the time of shortage.

<------ This row would allow Supplier to include a supply augmentation action that may ONLY trigger with a particular 'shortage level' selected

<------ This row would allow Supplier to represent the likely reduction in water use expected by the 'shortage reponse' that is implemented (e.g. limited outdoor irrigation would reduce

	= Auto calculated
	= From prior tables
	= For manual input

Table 4(NP): Non-Potable Water Shortage Assessment[1]	Start Year: 2023						Volumetric Unit Used[2]:					AF	
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun[3]	Total
Anticipated Unconstrained Demand: Non-Potable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00
Anticipated Total Water Supply: Non-Potable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	608.0	608.0
Surplus/Shortage w/o WSCP Action: Non-Potable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	608.0	608.0
% Surplus/Shortage w/o WSCP Action: Non-Potable													
Planned WSCP Actions													
Benefit from WSCP: Supply Augmentation													0.0
Benefit from WSCP: Demand Reduction													0.0
Revised Surplus/Shortage with WSCP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	608.0	608.0
% Revised Surplus/Shortage with WSCP													

[1]Assessments are based on best available data at time of submitting the report and actual volumes could be different due to many factors.

[2]Units of measure (AF, CCF, MG) must remain consistent.

[3]When optional monthly volumes aren't provided, verify Tables 2 and 3 use the same columns for data entry and are reflected properly in Table 4 and make sure to use those same columns to enter the benefits from Planned WSCP Actions. Please see directions on the shortage balancing exercise in the Table Instructions. If a shortage is projected, the supplier is highly recommended to perform a monthly analysis to more accurately identify the time of shortage.

<------ This row would allow Supplier to include a supply augmentation action that may ONLY trigger with a particular 'shortage level' selected

<------ This row would allow Supplier to represent the likely reduction in water use expected by the 'shortage reponse' that is implemented (e.g. limited outdoor irrigation would reduce

Table 5: Planned Water Shortage Response Actions			July 1, 2023		to June 30, 2024	
Anticipated Shortage Level Drop-down List of State Standard Levels (1 - 6) and Level 0 (No Shortage)	**ACTIONS: Demand Reduction, Supply Augmentation, and Other Actions. (Drop-down List)** These are the only categories that will be accepted by the WUEdata online submittal tool. Select those that apply.	Is action already being implemented? **(Y/N)**	How much is action going to reduce the shortage gap?		When is shortage response action anticipated to be implemented?	
			Enter Amount	*(Drop-down List) Select % or Volume Unit*	*Start Month*	*End Month*
Add additional rows as needed						
0 (No Shortage)						
NOTES:						

10

NORTH MARIN WATER DISTRICT

MEMORANDUM

To: Board of Directors May 16, 2023

From: Robert Clark, Operations / Maintenance Superintendent

Subject: Inspection of the Stafford Treatment Plant's Risk Management Plan
X:\MAINT SUP\2023\BOD\STP RMP EPA INSP 22-23 BOD Final1.docx

RECOMMENDED ACTION: Information only (staff intends to pay proposed settlement fee)

FINANCIAL IMPACT: $8,580

On September 2, 2022 the District received a letter informing Staff of a planned site visit and inspection of our chlorine system Risk Management Plan by the Environmental Protection Agency (EPA). The EPA is responsible for enforcing several federal regulations related to chlorine gas systems including the Emergency Planning and Community Right-to-Know Act (EPCRA), the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) and the Risk Management Program of the Clean Air Act (CAA). As part of this inspection process the letter requested Staff to provide some 40 documents, including 1,800 pages, which was completed prior to the site visit on September 19th.

During the 8-hour site visit the EPA Staff interviewed Stafford Treatment Plant (STP) Operators, Operations Management, inspected all of the Risk Management Plan (RMP) Documents and performed a visual inspection of the entire chlorine system from 1-ton containers to the points of application throughout the plant. At the conclusion of the inspection, EPA staff provided District staff with a list of 19 Areas of Concern[1] that ranged from further documentation requests, documentation completeness, record keeping practices for training and RMP certification. District staff then began to make the corrections and updates outlined. The report also noted that the District had no violations related to environmental or safety compliance as documented in state and federal reporting systems.

On November 9, 2022 the EPA provided the District with a formal inspection report and information request that outlined 23 Areas of Concern (AOC) and six recommendations that were due within 30 day of this notice (see attachment 1). As part of this request staff was required to make various minor corrections to previously reported information, modify components of the RMP and develop other program elements. Staff provided another 43 documents including 250 pages documenting that all follow-up tasks were completed or scheduled to be completed.

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1 The inspection report clearly stated that the AOCs didn't constitute a determination of violation

Over the next few months Staff completed most of the follow-up tasks and had a couple of additional communications with the EPA Inspection team. Staff reached out to the consulting firm of SCS Engineering to evaluate building code changes over the life of the treatment plant. The preliminary report indicates that there are minor room ventilation code compliance upgrades required that will be incorporated into the next capital improvement plan. In March 2023, the EPA Inspection team held an internal review of the information they had gathered and in conclusion decided to issue the District with an Expedited Settlement Agreement (see Attachment 2).

As described in the agreement the EPA is offering the District an opportunity to quickly resolve our compliance issues by correcting the previously mentioned violations, which have been completed, and pay a substantially reduced penalty under the EPA's Expedited Settlement process. It is Staffs decision to have the District choose to participate in the process and pay $8,580 agreement fee versus a potential penalty of up to $48,192.

In the attached agreement the alleged violations include 16 items that District staff have already provided the inspection team with satisfactory responses. By signing the agreement, the District neither admits nor denies the specific factual allegations out lined in the items listed. We will be waiving our rights to a hearing and commit to pay the reduced penalty.

ATTACHMENTS

1. Inspection Report & Request for Information from EPA
2. Opportunity to Expedited Settlement Agreement from EPA

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

Delivered via email to:
rclark@nmwd.com
RETURN RECEIPT REQUESTED

In Reply Refer to:
Stafford Water Treatment Plant

Robert Clark
Operations & Maintenance Superintendent
Stafford Water Treatment Plant
North Marin Water District
3015 Novato Blvd.
P.O. Box 146, 999 Rush Creek Place
Novato, California 94948

RE: Inspection Report and Request for Information Pursuant to Section 114 of the federal Clean Air Act

Dear Superintendent Clark:

The U.S. Environmental Protection Agency ("EPA") Region 9 conducted an inspection at the Stafford Water Treatment Plant, which is owned and operated by the North Marin Water District ("Operator"), located at 3015 Novato Blvd, Novato, California ("Facility"), on September 19, 2022, 2022 to determine the Facility's compliance with requirements under the Emergency Planning and Community Right-to-Know Act ("EPCRA") Sections 304-312, the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA") Section 103, and the Risk Management Program of Section 112(r)(7), of the Clean Air Act ("CAA").

With this letter and its enclosure ("Information Request"), EPA seeks additional information and documents concerning the Facility compliance with CAA § 112(r), 42 U.S.C. § 7412(r). This Information Request is authorized pursuant to CAA § 114, 42 U.S.C. § 9614. The letter enclosures include the EPA inspection report for the Facility dated November 9, 2022 ("Inspection Report"), as well as Instructions, Definitions, and Information Request Questions.

Confidential Business Information ("CBI")
Please review the enclosed Inspection Report and your responses to the enclosed information request. If you believe that some or all of the information is entitled to treatment as CBI, please provide a cover sheet or other notice that certain information is being claimed as CBI and specify

which portions of the information you consider confidential. Please be specific by page, paragraph, and sentence when identifying the information subject to your claim. Where your claim does not include all information on a page, please clearly describe the portions for which you consider to be CBI or attach a copy of each such page with brackets around the text that you so claim.

If a page, document, or group or class of documents claimed by you to be CBI contains information that the Regional Counsel determines is not CBI, your CBI claim regarding that page, document, group or class of documents may be denied. Any information not specifically identified as subject to a confidentiality claim may be disclosed to the public without further notice to you.

You may not withhold any information from EPA on the grounds that it is CBI. EPA has promulgated regulations, under 40 C.F.R. Part 2, Subpart B, to protect CBI that it receives. You may assert a CBI claim as described herein and consistent with 40 C.F.R. § 2.203(b) for all or part of the information requested by EPA; however, information is entitled to confidential treatment only if it satisfies the criteria set forth in 40 C.F.R. § 2.208. EPA will disclose business information entitled to confidential treatment only as authorized by 40 C.F.R. Part 2, Subpart B. Accordingly, for each item or class of information that you identify as being subject to CBI, please answer the following questions, giving as much detail as possible:

1. For what period of time do you request that the information be maintained as confidential, e.g., until a certain date, until the occurrence of a specified event, or permanently? If the occurrence of a specific event will eliminate the need for confidentiality, please specify that event.

2. Information submitted to EPA becomes stale over time. Why should the information you claim as CBI be protected for the time period specified in your answer to question #1?

3. What measures have you taken to protect the information claimed as CBI? Have you disclosed the information to anyone other than a governmental body or someone who is bound by an agreement not to disclose the information further? If so, why do you claim the information still be considered CBI?

4. Is the information contained in any publicly available material such as the Internet, publicly available databases, promotional publications, annual reports, or articles? Is there any means by which a member of the public could obtain access to the information through legitimate means? Is the information of a kind that you would customarily not release to the public?

5. Has any governmental body made a determination as to the confidentiality of the information? Is so, please attach a copy of the determination.

6. For each category of information claimed as CBI, explain with specificity why release of the information is likely to cause substantial harm to your competitive

position. Explain the specific nature of those harmful effects, why they should be viewed as substantial, and the causal relationship between disclosure and such harmful effects. How would your competitors make use of this information to your detriment?

You are not required to respond to this question in light of the Supreme Court's decision in *Food Marketing Institute v. Argus Leader Media*, 139 S. Ct. 2356 (2019). As a result of that decision, EPA will not consider whether there is substantial competitive harm in evaluating your CBI claim.

7. Do you assert that the information is submitted on a voluntary or a mandatory basis? Please explain the reason for your assertion. If the Operator asserts that the information is voluntarily submitted, please explain whether and why disclosure of the information would tend to lessen the availability to EPA of similar information in the future.

8. If you believe any information to be a trade secret or trade secrets, please so state and explain the reason for your belief. Please attach copies of those pages with brackets around the text that you claim to be a trade secret or trade secrets.

9. State any other information that you deem relevant, including, if pertinent, reasons why you believe that the information you claim to be CBI is not emissions data or effluent data.

Please note that you bear the burden of substantiating your CBI claim(s). Conclusory allegations and statements will be given little or no weight in the determination. Information designated as CBI will be disclosed by EPA only to the extent allowed by, and by means of the procedures set forth in, 40 C.F.R. Part 2, Subpart B. If you fail to substantiate your claim that the information you provided to EPA is confidential, it may be made available to the public without further notice to you.

Notice is hereby given that, pursuant to 40 C.F.R. § 2.301(h), EPA may disclose CBI that you provide to EPA's authorized representatives, including its contractors, Eastern Research Group, for the following reasons: to assist with document handling, inventory and indexing; to assist with document review and analysis for verification of completeness; and to provide expert technical review of the contents of the response. Pursuant to 40 C.F.R. § 2.301(h), you may submit any comments or concerns regarding EPA's disclosure of CBI to the representative identified below.

Enclosed Information Request

In addition to the Inspection Report, the enclosed Information Request includes Instructions, Definitions, and Information Request Questions. Please review the enclosed Inspection Report, which identifies Areas of Concern ("AOC"), for your information and response. These AOCs describes potential areas of noncompliance with the regulations promulgated pursuant to CAA §112(r)(7). Any omissions in the report shall not be construed as a determination of compliance with these statutes or any other applicable regulations.

Submittal Instructions

The Operator's comments regarding CBI in the Inspection Report must be delivered electronically (either secure email or link to a file transfer site) to steiner.cyntia@epa.gov by the 15th calendar day after your receipt of this letter. You may seek an extension of time to submit your comments to this office, but the request must be made before the end of the 15-day period. Except in extraordinary circumstances, no extension will be approved. Failure to submit your comments within that time will be regarded as a waiver of your confidentiality claim or claims, and EPA may release the information.

The Operator's responses to the Information Request in the enclosure must be delivered electronically (either secure email or a link to file transfer site if containing CBI) to steiner.cyntia@epa.gov by the 30th calendar day after your receipt of this letter. Please identify CBI, if any, in your response.

Your responses must be made by a letter, signed by a person or persons duly authorized to represent the Operator.

If you have any questions about the legal aspects of this Information Request, please contact Andrew Helmlinger, Assistant Regional Counsel, at (415) 972-3904 or helmlinger.andrew@epa.gov. The Region IX technical contact for this Information Request is Cyntia Steiner, Enforcement Officer, at (415) 947-4112 or steiner.cyntia@epa.gov.

We thank you in advance for your cooperation.

Sincerely,

CALEB WRIGHT Digitally signed by CALEB WRIGHT
Date: 2022.11.09 12:01:29 -08'00'

Caleb Wright, Acting Manager (for Kaoru Morimoto)
Hazardous Waste and Chemicals Section
Enforcement and Compliance Assurance Division

Enclosures

cc (via email letters only):
J. Barnes, Marin County CUPA, JBarnes@marincounty.org
M. Faryna, Marin County CUPA, MFaryna@marincounty.org
E. Brega, CalEPA, elizabeth.brega@calepa.ca.gov

US EPA Region 9 Enforcement and Compliance Assurance Division
Clean Air Act Section 112(r), EPCRA, CERCLA
Inspection Report

Inspection Date(s):	September 19, 2022	**Inspection Announced:** Yes
Time:	**Entry:** 09:00 (PDT)	**Exit:** 16:30 (PDT)
Media:	Air	
Regulatory Program(s)	Risk Management Plan (RMP) 112r, (non-313) Emergency Planning and Community Right-to-Know Act (EPCRA), Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)	
Company Name:	North Marin Water District	
Facility or Site Name:	Stafford Water Treatment Plant	
Facility/Site Physical Location:	3015 Novato Blvd.	
(city, state, zip code)	Novato, CA 94948	
Geographic Coordinates:	38.119722, -122.630278	
Mailing address:	P.O. Box 146, 999 Rush Creek Place	
(city, state, zip code)	Novato, CA 94948	
County:	Marin	
Facility/Site Contact:	Robert Clark, Operations & Maintenance Superintendent	
	(415) 897-4133	
	rclark@nmwd.com	
Facility/Site Identifier:	1000 0015 1364	
Facility DUNS Number:	926106048	
NAICS:	22131 (Water Supply and Irrigation Systems)	
SIC:	-	

Facility/Site Personnel Participating in Inspection: (see Attachment 1)

Additional Persons Participating in Inspection:

Julia Barnes	Inspector, Supervisor - Marin County CUPA	415-473-7085	JBarnes@marincounty.org
Michael Faryna	Inspector - Marin County CUPA	415-419-7934	MFaryna@marincounty.org

Inspector(s):			
Cyntia Steiner	**Signature:** CYNTIA STEINER Digitally signed by CYNTIA STEINER Date: 2022.11.07 17:04:46 -08'00'		**Date:**
	USEPA	Lead Inspector	Steiner.cyntia@epa.gov (415) 947-4112
Bridget Johnson	USEPA	Inspector	Johnson.bridget@epa.gov (415) 972-3766
Supervisor Review:			
Caleb Wright	**Signature:**		**Date:**
	USEPA	Acting Manager	Wright.Caleb@epa.gov (415) 972-3841

SECTION I – INTRODUCTION

Purpose of the Inspection

The purpose and scope of United States Environmental Protection Agency (USEPA) inspection was to evaluate Stafford Water Treatment Plant's ("Plant" or "Facility") implementation of and compliance with the requirements under CAA § 112(r) Risk Management Program, EPCRA §§ 302-312, and CERCLA § 103. The inspection was announced to Facility representatives on September 2, 2022 via an email from Bridget Johnson, USEPA Region 9. The email to the Facility encouraged employee representatives to participate in all meetings, interviews, and discussions. This report documents the USEPA inspection.

Opening Conference

The USEPA inspection team, consisting of EPA inspectors Cyntia Steiner and Bridget Johnson, arrived at the Plant at 9 am on September 19, 2022, for an announced inspection. The opening conference included the inspection team and Plant representatives (see Attachment 1). USEPA inspectors presented credentials to Plant representatives. USEPA inspectors explained that the inspection included both records review and a Plant walk through. Plant personnel were presented with, and signed, the Notice of Inspection and the Notice of Right to Claim Confidentiality ("CBI") (see Attachment 1).

Facility/Process Description

The Plant is owned and operated by North Marin Water District, which is a potable (drinking) water treatment plant located at 3015 Novato Boulevard, four miles west of Novato, California. The Plant typically operates from April through November each year depending on water levels in Stafford Lake. The Plant most recent upgrade was in 2006.

Chlorine is used to make chlorine dioxide, which is used as a primary oxidant in the water treatment process. Chlorine is also used in the process as a final disinfectant in the water leaving the plant.

Chlorine equipment is housed inside the chlorine building. Leak detectors have been installed to monitor for chlorine leaks. If a chlorine leak is detected, it triggers a local alarm and the halogen control valves to close, starts the gas containment scrubber system, and relays an alarm signal to plant's control (e.g., SCADA) system. According to the Plant, the chlorine gas scrubber system is designed to neutralize any accidental chlorine leaks from the system and can neutralize the contents of an entire one-ton container of chlorine gas.

The Plant documents that chlorine gas is provided for finished water disinfection, oxidation in the contact chamber by way of reformation of chlorite to chlorine dioxide, oxidation/disinfection on the filters, disinfection in the clear well, and for the production of chlorine dioxide. The system is designed such that under some conditions chlorine gas can also be fed in place of chlorine dioxide. The system is designed to apply chlorine at multiple locations within the process.

The system consists of the following components:

- Two one-ton containers mounted 500 pounds per day (ppd) (maximum) vacuum regulators, with integral automatic switchover function;
- Four chlorinators, wall mounted, 200 ppd each with integral automatic valve, rotameter, and controller;
- Seven injectors, 200 ppd, anti-siphon style;
- One standby vacuum relief valve;
- Chlorine gas detectors, dual sensor style;
- Two free chlorine /pH analyzers; and
- Two halogen emergency shutoff valves.

Prior Enforcement History

- There are no California Accidental Release Prevention Program (CalARP) violations or enforcement actions documented in California Environmental Reporting System (CERS) in the last 5 years.
- There are no enforcement actions documented in Occupational Safety and Health Administration's Establishment Search Database in the last 5 years.[1]

SECTION II – OBSERVATIONS

The following observations were made by the inspection team based on the field observations and review of the documentation.

II.A Field Observations

The USEPA inspection team completed a physical inspection of the Plant. The purpose of the physical inspection was to provide the USEPA inspection team with an "on the ground"

[1] https://www.osha.gov/pls/imis/establishment.html

orientation. Sixty-eight photographs of the Plant were taken during the inspection, which are documented in Attachment 2.

II.B - PROGRAM-SPECIFIC OBSERVATIONS – DOCUMENTATION REVIEW

A review of the documents is provided in the Program Level 3 Process Checklist in Attachment 3. The inspection also covered a review of EPCRA §§ 302-312 hazardous materials management and EPCRA § 304/CERCLA § 103 release reporting (see EPCRA § 304/CERCLA § 103 checklist in Attachment 4).

SECTION III – AREAS OF CONCERN (AOC)

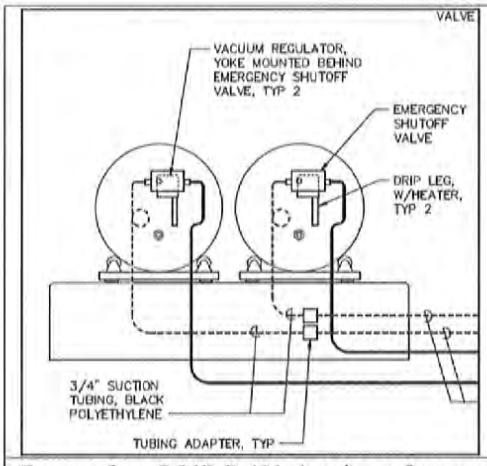
The presentation of AOCs identified during the field observations and document review does not constitute a formal compliance determination or violation.

Area of Concern #1
Observation Summary: There was no documentation of safe upper and lower limits for such items as temperature, pressures, flows or compositions.
Citation: **40 CFR 68.65 Process Safety Information.** *(c)(1) Information concerning the technology of the process shall include at least the following: ... (iv) Safe upper and lower limits for such items as temperatures, pressures, flows or compositions; ...*
Supporting Information: 2019 Risk Management Plan, page D-2
Description of Observation: Page D-2 of the RMP states, "*Safe Upper and Lower Limits.* These are the limits on operating parameters defined by the engineering standards utilized in the design. The parameters for chlorine processes are operating pressure, temperature, and flow. Safe upper and lower limits for the facility and chlorine system are included in the PSI files." EPA did not observe during the inspection that the Plant had this documentation.

Area of Concern #2
Observation Summary: Equipment configuration and materials of construction in piping and instrument diagram (P&ID) P-401 did not reflect equipment observed in the field.
Citation: **40 CFR 68.65 Process Safety Information.** *(d) Information pertaining to the equipment in the process. (1) Information pertaining to the equipment in the process shall include: (i) Materials of construction; (ii) Piping and instrument diagrams (P&ID's)...*
Supporting Information: P&ID P-401 (6600.31 P-401.pdf) Cover Letter, dated October 3, 2022 2019 Risk Management Plan, page D-3 Photograph 19

Description of Observation: P&ID P-401 documents the chlorine suction tubing as "black, polyethylene." During the inspection, the tubing observed was transparent and we were told it was PTFE (or PolyTetraFluoroEthylene) tubing (see side-by-side comparison below). After the inspection, the Plant provided additional information on October 3, 2022, confirming use of PTFE tubing. P&ID P-401 also indicates use of "vacuum regulator, yoke mounted behind emergency shut off valve, type 2" and "drip leg w/heater, type 2." In the field, it was observed that the regulator and emergency shutoff valve are side-by-side rather than described in the P&ID as regulator mount being the emergency shutoff valve. Additionally, the reference to "type 2" equipment in the P&ID is unclear (e.g., Chlorine Institute or other standard). P&ID P-401 has also not been updated for the chlorinators as the vacuum indicators were disconnected by the Plant and not in use during the inspection, but are still shown as available on the P&ID. The 2003 P&ID is not consistent with field observations.

The 2019 RMP indicates that "*Materials of construction.* These are specified in the design documents for any new or modified chlorine system. Materials of construction for existing systems are included in the PSI files for the site." The materials of construction, documented in the P&ID, are incorrect for the chlorine vacuum tubing and likely the vacuum regulator and emergency shutoff valves.



Excerpt from P&ID P-401 showing reference to chlorine vacuum lines using black, polyethylene tubing and vacuum regulator (Type 2), emergency shutoff, and drip leg w/heater (type 2).

Excerpt from Photograph 19 showing transparent chlorine vacuum tubing, vacuum regulator, and emergency shut off valve on each one-ton container.

Area of Concern #3
Observation Summary: The Plant did not have adequate ventilation system design information.
Citation: **40 CFR 68.65 Process Safety Information.** *(d) Information pertaining to the equipment in the process. (1) Information pertaining to the equipment in the process shall include: ...(v) Ventilation system design*
Supporting Information:

Section 11354.4, Emergency Chlorine Gas Scrubber Unit
Description of Observation: The Plant had information on the emergency ventilation capacity of 8,200 cubic feet per minute in its information on the gas scrubber (page 11354.4-4). The Plant did not have adequate ventilation system design information showing the codes and standards used to size the fan and engineering calculations demonstrating that that the fan and make-up air vents are adequate to maintain a negative pressure for both the Chlorine Storage and V-notch Rooms.

Area of Concern #4
Observation Summary: The Plant did not have adequate labeling on the chlorine piping.
Citation: **40 CFR 68.65 Process Safety Information.** *(d)(2) The owner or operator shall document that equipment complies with recognized and generally accepted good engineering practices.*
Supporting Information: *Scheme for Identification of Piping Systems*, Standard A13.1, American Society of Mechanical Engineers (ASME), 2015 Photographs 12, 55, and 56
Description of Observation: Section 3.1 of the AMSE Standard No. A13.1 states, "Positive identification of the contents of a piping system shall [include]… name of the contents …. Arrows shall be used to indicate direction of flow…Contents shall be identified …with sufficient additional details such as temperature, pressure, etc., as are necessary to identify the hazard." Chlorine labeling was not attached securely to some piping and missing from others (see Photographs 12, 55, and 56).

Area of Concern #5
Observation Summary: The Plant did not document compliance with 40 C.F.R. 68.65(d)(2) and (3).
Citation: **40 CFR 68.65 Process Safety Information.** *d)(2) The owner or operator shall document that equipment complies with recognized and generally accepted good engineering practices (RAGAGEP).* *(d)(3) For existing equipment designed and constructed in accordance with codes, standards, or practices that are no longer in general use, the owner or operator shall determine and document that the equipment is designed, maintained, inspected, tested, and operating in a safe manner.*
Supporting Information: 2019 Process Hazard Analysis 2019 RMP Manual, page E-3
Description of Observation: The 2019 RMP manual states, "Applicable codes and standards will be identified by the PHA leader prior to conducting the PHA. These will include the Uniform Fire Code, the Uniform Building Code, Chlorine Institute standards, engineering standards for hoists, etc. During the PHA, the covered process(es) will be reviewed for compliance with the identified codes and standards."

The Plant documented compliance with RAGAGEP in the PHA (see excerpt below).

CODE COMPLIANCE CHECKLIST

Code/Standard	Compliance Yes/No/NA	Comments/Recommendations
Chlorine Institute, Chlorine Manual	Y	No Chlorine Room modification since new facility completion, compliance with codes and standards are inherent in system design.
Chlorine Institute, Pamphlet 6 – Piping Systems for Dry Chlorine	Y	
Uniform Building Code – General	Y	
Uniform Building Code – Seismic	Y	
Uniform Fire Code, Article 80 A	Y	
National Electrical Code (NEC)	Y	
Concrete Structures (per ASTM Standards)	Y	
Fire Pumps per NFPA	Y	
Hoists	Y	
Is the facility designed and operated consistent with "Recognized and Generally Accepted Good Engineering Practices"?	Y	

Except from 2019 PHA, page 19

The list of codes/standards applicable to the Plants seems incomplete. First, there are no dates associated with the codes/standards listed and there may also be other applicable standards, such as, but not limited to:

- Pamphlet 155: Water and Wastewater Operators Chlorine Handbook, 3rd Ed
- Pamphlet 89: Chlorine Scrubber Systems, 5th Ed
- Pamphlet 165: Instrumentation for Chlorine Service, 3rd Ed
- ASME Standard A13.1, 2020

Additionally, "Hoists" is listed in the checklist as a code/standard; the hoist is likely subject to OSHA 1910.179, at a minimum.

The Plant's comment that "No Chlorine Room modification since new facility completion, compliance with codes and standards are inherent in system design" implies that the Plant is in compliance with codes and standards that are about 20 years old, as the Plant began operations in 2006 under the current configuration. The checklist does not appear to take into account that codes and standards are periodically updated when organizations that develop codes update them based on newly identified or recognized hazards; improved understanding of existing hazards; industry operating experience; and/or incidents indicating that more stringent hazard control is needed. The PHA should identify code/standard updates, if any, and evaluate them for the Plant during the PHA.

According to the code compliance check list above, the Plant did not determine and document that the equipment is designed, maintained, inspected, tested, and operating in a safe manner "for existing equipment designed and constructed in accordance with codes, standards, or practices that are no longer in general use."

Area of Concern #6
Observation Summary: The Plant did not resolve recommendations in a timely manner from the 2015 Process hazard analysis (PHA).
Citation: **40 CFR 68.67 Process hazard analysis.** *(e) The owner or operator shall establish a system to promptly address the team's findings and recommendations; assure that the recommendations are resolved in a timely manner and that the resolution is documented; document what actions are to be taken; complete actions as soon as possible; develop a written schedule of when these actions are to be completed; communicate the actions to operating, maintenance and other employees whose work assignments are in the process and who may be affected by the recommendations or actions.*
Supporting Information: 2015 Process Hazard Analysis 2019 Process Hazard Analysis Table 4. Summary of Recommendations (2015, pg.10, summary table.pdf)
Description of Observation: The 2015 PHA generated 15 recommendations. Eight of the recommendations were identified as "High" priority and the remainder as "Moderate" priority. The PHA defined "High" priority as "Serious Concern: Need to address the recommendation as soon as possible" and "Medium" as "Moderate Concern: Need to address the recommendation in a timely manner using routine work processes." At the time of the inspection, "High" priority item B.2.1.E was listed as "OPEN" under the status column. The recommendation is to "Add a comment to cylinder check list "Treat all cylinders as full."" This recommendation was recommended again in the 2019 PHA, along with three "moderate" recommendations that were generally carried over from the 2015 PHA.

Area of Concern #7
Observation Summary: At the time of the inspection, the Plant did not document its most recent PHA revalidation, which is required at least every five years.
Citation: **40 CFR 68.67 Process hazard analysis.** *(f) At least every five (5) years after the completion of the initial process hazard analysis, the process hazard analysis shall be updated and revalidated .... to assure that the process hazard analysis is consistent with the current process...* *(g) The owner or operator shall retain process hazards analyses and updates or revalidations for each process ...for the life of the process.*
Supporting Information: 2015 Process Hazard Analysis 2019 Process Hazard Analysis RMP reported to EPA on March 31, 2021 2019 RMP Manual, page E-3
Description of Observation: Before the inspection, the Plant sent EPA a copy of its PHA dated December 2015. During the time of the inspection, the Plant indicated that it had completed a revalidated PHA in May 2020 (consistent with date submitted to EPA in its 2021 RMP). However, the Plant staff said that they did not document the revalidated PHA as

nothing had changed from 2015 PHA. After the inspection, the Plant provided a copy of a revalidated PHA dated December 2019.

Area of Concern #8
Observation Summary: Use of SCBA during chlorine handling procedure does not seem to be consistent with Plant's SOP 2.
Citation: **40 CFR 68.66 Operating procedures.** *(a) The owner or operator shall ... implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process ...*
Supporting Information: SOP 2 (December 2019) Photographs 13 and 14
The sign on the exterior door of the Chlorine Storage Room "Use SCBA when changing chlorine gas cylinders" (see Photographs 13 and 14). However, Plant personnel indicated verbally that they have the SCBA in possession, but do not wear them while performing the chlorine cylinder exchanges. Section 4.2 of the SOP 2 states, "Two persons are required for connecting or disconnecting chlorine containers. First person is to perform the necessary operations, second person to act as a safety observer. The second person shall be outside the chlorine room observing with the doors open and escape SCBA in possession but not donned. .... Both persons shall be equipped with hose supplied air for a SCBA system. Operators shall have SCBA systems on while performing any chlorine procedures at the plant." There seems to be inconstancies between the SOP/door signage and operator practices.

Area of Concern #9
Observation Summary: For steps of each operating phase, including startup and shutdown, the Plant did have operating procedures.
Citation: **40 CFR 68.66 Operating procedures.** *(a) The owner or operator shall develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process consistent with the process safety information and shall address at least the following elements. (1) Steps for each operating phase ...*
Supporting Information: SOPs 01-04 (December 2019)
Description of Observation: The plant typically operates from April through November each year, so it starts up and shuts down at least yearly. The Plant indicated that it is currently developing operating procedures for when they start up and shut down operations each year. EPA was told that end of season operating procedures will include instructions on how to evacuate chlorine from all equipment and piping to ensure that no chlorine is present in piping and equipment during the offseason, when much of the maintenance is done.

Another normal operating procedure that was not observed to be documented in an SOP is measuring and adjusting chlorine flow. SOP-01 states, "The chlorine flow rate is set manually at the chlorinator to feed the correct amount of chorine." The SOP, however, does not describe how to manually set the chlorinator or what the correct amount is (or the minimum and maximum operating range under normal conditions).

Area of Concern #10
Observation Summary: The operating procedures were missing the required safety and health considerations of the properties of, and hazards presented by, the chemicals used in the process.
Citation: **40 CFR 68.66 Operating procedures.** *(a) The owner or operator shall develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process consistent with the process safety information and shall address at least the following elements. (3) Safety and health considerations: (i) Properties of, and hazards presented by, the chemicals used in the process...*
Supporting Information: SOPs 01-04 (December 2019)
Description of Observation: The SOPs did not include or reference information on properties of, and hazards presented by, chlorine. The Plant's SOPs do include some information scattered throughout the processes. For example, SOP 1 is the only place that describes, "Chlorine gas is heavier than air" in the context of the "Emergency Gas Leak Containment Operations" section. Typically, operating procedures include a separate section about properties and hazards in each procedure or provide reference to the information which is documented elsewhere.

Area of Concern #11
Observation Summary: The Plant did not annually certify that the operating procedures are current and accurate.
Citation: **40 CFR 68.66 Operating procedures.** *(c) The operating procedures shall be reviewed as often as necessary to assure that they reflect current operating practice, including changes that result from changes in process chemicals, technology, and equipment, and changes to stationary sources. The owner or operator shall certify annually that these operating procedures are current and accurate.*
Supporting Information: Plant Interview
Description of Observation: The Plant said they review the SOPs as training every year but have not been certifying annually that the operating procedures are current and accurate.

Area of Concern #12
Observation Summary: The Plant did not have a written operating procedure for opening process equipment or piping.
Citation: **40 CFR 68.66 Operating procedures.** *(d) The owner or operator shall develop and implement safe work practices to provide for the control of hazards during operations such as ....opening process equipment or piping by maintenance, contractor, laboratory, or other support personnel...*
Supporting Information: SOPs 1-4 (December 2019)
Description of Observation: The Plant does not appear to have a written line break procedure to ensure chlorine is properly evacuated from the system before opening equipment/piping prior to maintenance/repair activities.

Area of Concern #13
Observation Summary: The Plant did not adequately document that an operator was provided initial training in the operating procedures.
Citation: **40 CFR 68.71 Training.** *(a)* ***Initial Training*** *(1) Each employee presently involved in operating a process, and each employee before being involved in operating a newly assigned process, shall be trained in an overview of the process and in the operating procedures as specified in § 68.69...* *(c)* ***Training Documentation.*** *The owner or operator shall ascertain that each employee involved in operating a process has received and understood the training required by this paragraph. The owner or operator shall prepare a record which contains the identity of the employee, the date of training, and the means used to verify that the employee understood the training.*
Supporting Information: Austin's Initial Training Docs.pdf AS Training Docs. Pdf
Description of Observation: Initial training materials provided include out of date information. For example, the training materials include information for the "Treatment Plant" that references sulfur dioxide cylinders (Step 4), which are no longer used by the Plant. Step 6 states, 6. **If chlorine gas detector is activated, follow Cl_2 emergency procedures safety rules as posted in laboratory/control room. Rules yet to be set up.** Step 6 is not consistent with the current operating procedures. Table G.5 lists each of the operating procedures and the date that the operator completed each training. For each procedure, the "Procedure Review/Test" date is completed but not "the means used to verify that the employee understood the training" as the trainer and observed columns in the table are blank (see excerpt below).

Item	Procedure Review/Test		Observed	
	Date	Trainer	Date	Trainer
SOP-01 Chlorine System Overview	3/5/2019		[redacted]	
SOP-02 Safe Handling and Storage	9/2019			
SOP-03 Taking Delivery of Ton Containers	9/2019			
SOP-04 Ton Container Hookup and Change Out	9/2019			
EOM-01 Responding to a Chlorine Event	9/2019			
EOM-02 Evacuation and Notification	3/5/2019			
EOM-03 First Aid and Medical Treatment	9/2019		[redacted]	

Area of Concern #14

Observation Summary: The Plant did not document operator refresher training every three years.

Citation:

40 CFR 68.71 Training.

(b) Refresher training. *Refresher training shall be provided at least every three years... to each employee involved in operating a process to assure that the employee understands and adheres to the current operating procedures of the process. ...*

(c) ***Training Documentation.*** *The owner or operator shall ascertain that each employee involved in operating a process has received and understood the training required by this paragraph. The owner or operator shall prepare a record which contains the identity of the employee, the date of training, and the means used to verify that the employee understood the training.*

Supporting Information:

BS Training Docs.pdf
DG Training Docs.pdf
JC Training Docs.pdf
RF Training Docs.pdf

Description of Observation: At the time of the inspection, the Plant indicated that they did not track refresher training.

After the inspection, the Plant did provide two pages of training documents for each operator. The first page consists of online Chlorine Institute (CI) training modules, which was documented using Table G.3 titled "CHLORINE SOP TRAINING COMPLETION FORM." It should be noted that the CI training does not appear to count as refresher training for the Plant's operating procedures because the CI training is generic and does not ensure that an operator "understands and adheres to the current operating procedures of the process." It is also noted that the CI training was completed after the EPA inspection.

The second page of the documentation provided is a filled-out Table G.5 titled, "OPERATOR/MECHANIC TRAINING TRACKING SYSTEM," which lists each operating and maintenance procedure. Only one table was proved for each operator (not one for every three years) and the completion dates in the tables ranged from 2005 to 2008.

Area of Concern #15
Observation Summary: The Plant did not document chlorine sensor calibration and testing adequately.
Citation: **40 CFR 68.73 Mechanical integrity.** ***(d) Inspection and Testing.*** *(3) The frequency of inspections and tests of process equipment shall be consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience. .*
Supporting Information: Acutec 35 Gas Detection System, BOOK NO. WT.050.130.000.UA.IM.0614 Photographs 25, 52, and 58
Description of Observation: At the time of the inspection, the Plant indicated that they did not conduct calibrations for the chlorine sensors. Rather the sensors were replaced every two years per manufacturer's recommendations. Two types of sensors were observed during the inspection – USFilter Acutec 35 (see Photographs 25 and 52) and Siemens (see Photograph 58). The Plant provided a copy of the user's manual for the Acutec detectors, which states "If on-site calibration is not practical, it is recommended that a new, factory calibrated Sensor/Transmitter be purchased every two years." It is not clear if the sensor had been replaced as the sensor was not dated (see Photograph 35). The Plant did not provide a user's manual for the Siemens sensor, so it not known if the manufacture allows for replacement in lieu of calibration. The Acutec sensor includes an auto-test enabling mode. The user's manual states, "For systems not equipped with Auto-Test, at least monthly manual sensor response testing is recommended." The Plant did not document sensor configuration or testing frequency. The PHA indicates that the chlorine detectors include a "weekly test." Testing documentation was not provided to EPA.

Area of Concern #16
Observation Summary: The Plant did not adequately document inspection and testing of process equipment.
Citation: **40 CFR 68.73 Mechanical integrity.** ***(d) Inspection and Testing.*** *(3) The frequency of inspections and tests of process equipment shall be consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience.* *(4) The owner or operator shall document each inspection and test that has been performed on process equipment. The documentation shall identify the date of the inspection or test, the name of the person who performed the inspection or test, the serial number or other identifier of the equipment on which the inspection or test was performed, a description of the inspection or test performed, and the results of the inspection or test.*

Supporting Information:
Photographs 34 and 35
Document Review/Request List (Attachment 1)
Documents provided to EPA on October 4, 2022

Description of Observation: At the end of the inspection, EPA asked the Plant to send a copy of its preventive maintenance schedule for the chlorine system process equipment, testing information for the emergency shutdown system, including the ventilation system and scrubber, as well as crane (or hoist)[2] testing information (see Attachment 1). The Plant did not provide this information to EPA as requested. It should also be noted that EPA requested emergency shutdown system testing records during the inspection and testing, but the Plant was not able to locate it while EPA was present. It is not clear if the Plant is regularly inspecting and testing process equipment.

Additionally, EPA observed that halogen emergency shutoff drive (ESD or halogen valves) testing was documented on a whiteboard in the Chlorine Storage Room (see Photographs 34 and 35). The whiteboard includes A and B valves and sometimes includes what appears to include the initials of the tester. Testing documentation on the whiteboard is summarized as follows:

Summary of halogen ESD testing dates in Photographs 35 and 36		
Month/Year	**Valve A**	**Valve B**
June 2020	None	6-23
July 2020	7-20	7-23
	7-30	-
August 2020	-	8-13
September 2020	9-16	-
November 2020	-	11-2
August 2021	8-3	-
September 2021	-	9-3

The testing frequency for the halogen valves is irregular, and no testing was documented for 2022. Based on this testing information, the Plant does not appear to have a regular testing schedule and documentation is inconsistent with RMP requirements described in 68.73(d)(4).

The Plant needs to document and implement the required testing frequency for all of its process equipment to "all be consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience."

[2] Section 3.1.2 of SOP 3 states, "The crane and hoist shall be inspected by a certified crane inspection firm annually for proper operation and lifting integrity."

Area of Concern: #17
Observation Summary: The Plant was not sure if preventative maintenance on its chlorine vacuum tubing was necessary or how often it needed to be replaced.
Citation: **40 CFR 68.73 Mechanical integrity.** ***(d) Inspection and Testing.*** *(3) The frequency of inspections and tests of process equipment shall be consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience.* *(4) The owner or operator shall document each inspection and test that has been performed on process equipment. The documentation shall identify the date of the inspection or test, the name of the person who performed the inspection or test, the serial number or other identifier of the equipment on which the inspection or test was performed, a description of the inspection or test performed, and the results of the inspection or test.*
Supporting Information: CI Pamphlet 155, Water and Wastewater Operators Chlorine Handbook, 3rd Edition Cover Letter, dated October 3, 2022
Description of Observation: When asked about the vacuum tubing and how often it needed to be replaced, the Plant indicated that they did not know. After the inspection, the Plant responded with the following information, "The other missing item is the PTFE tubing PM as we are performing inspections and the tubing is in double containment. We will be reaching out to our supplier and other local users of chlorine gas to develop a PM and replacement plan. In the RMP there is a pre-startup safety review identified for the system initial startup in 2006 and after any significant changes have been made. To date the system has not had any significant changes. With that said we will need to retrieve initial startup documentation from our off-site warehouse for the initial review documents." Section 5.5 of CI Pamphlet 155 states, "Flexible hoses … should be visually inspected, pressure tested, and replaced according to the manufacturer's recommendations. Periodic inspection should be part of a preventative plant maintenance program. Replacement of flexible connectors is recommended annual as a minimum."

Area of Concern #18
Observation Summary: The chlorine gas from the one-ton container was operating at a negative pressure (or vacuum) than could not be measured by its pressure gauge.
Citation: **40 CFR 68.73 Mechanical integrity.** ***(e) Equipment deficiencies.*** The owner or operator shall correct deficiencies in equipment that are outside acceptable limits (defined by the process safety information in § 68.65) before further use or in a safe and timely manner when necessary means are taken to assure safe operation.
Supporting Information: Photographs 16-18 P&ID P-401 (6600.31 P-401.pdf)

Description of Observation: The pressure gauges for the one-ton chlorine gas lines were pegged at the minimum range of the gauge. It did not appear that Plant personnel monitor the pressure gauges on a regular basis as Plant staff did not know what the gauge should be reading. P&ID P-401 list the pressure gauges as "VACUUM INDICATOR." Process safety information related to the chlorine gas tubing was not observed during the inspection. With too high of a vacuum, there is the potential for the chlorine vacuum tubing to collapse.

Area of Concern #19
Observation Summary: The air intake vents for the emergency ventilation system in the Chlorine Storage and V-notch Rooms appeared to be covered in a thick layer of dust and grime, which can block free airflow.
Citation: **40 CFR 68.73 Mechanical integrity.** ***(e) Equipment deficiencies.*** The owner or operator shall correct deficiencies in equipment that are outside acceptable limits (defined by the process safety information in § 68.65) before further use or in a safe and timely manner when necessary means are taken to assure safe operation.
Supporting Information: Photographs 29-30 and 50
Description of Observation: External air intake vents in the chlorine storage room (see Photographs 29-30) and V-notch room (see Photograph 50) appeared to be coated with a thick layer of dust. This can cause a reduction in make-up air during an emergency scrubbing event (potentially affecting the ability to create a negative pressure in the rooms).

Area of Concern #20
Observation Summary: The chlorine gas vacuum tubing feeding Oxidation Injector #3 is unprotected from potential impacts.
Citation: **40 CFR 68.73 Mechanical integrity.** ***(e) Equipment deficiencies.*** The owner or operator shall correct deficiencies in equipment that are outside acceptable limits (defined by the process safety information in § 68.65) before further use or in a safe and timely manner when necessary means are taken to assure safe operation.
Supporting Information: Photographs 65
Description of Observation: The location of the chlorine vacuum tubing on Oxidation Injector #3 is in an area that is not protected from accidental equipment and human impacts (see Photograph 65).

Area of Concern #21
Observation Summary: The Plant did not implement written procedures to manage change when the chlorinators were not be serviced prior to startup.
Citation: **40 CFR 68.75 Management of change (MOC).**

(a) *The owner or operator shall ... implement written procedures to manage changes (except for "replacements in kind") to process chemicals, technology, equipment, and procedures; and, changes to stationary sources that affect a covered process..*
Supporting Information: 6-13-20 Incident Report Table L.4, MOC Log (2019)
Description of Observation: During the inspection, the Plant indicated that they do not complete MOCs often and the MOC table that the Plant provided shows that the last three MOCs done since 2010 relate to updating the RMP. The incident report states that, "REPLACEMENT OF THESE CHLORINATORS SHOULD BE DONE PRIOR TO START UP. SUPPLY DID NOT ALLOW FOR THIS TO HAPPEN THIS YEAR." Based on the inspection, EPA understanding of the chlorinators is that the Plant rebuilds them each year and that the Plant does this work based on manufacturer's re-build kit. Because there was a deviation from normal procedures, a MOC should have been completed to ensure this deviation was safe and if not, alternatives should have been explored to mitigate (e.g., increased and inspection preventative maintenance). The change in procedure should have been documented per EPA guidance and implemented with a MOC.[3]

Area of Concern #22
Observation Summary: The Plant's emergency response procedures are inconsistent on use of CI emergency kits.
Citation: **40 CFR 68.95 Emergency Response Program** *(a) The owner or operator shall develop and implement an emergency response program for the purpose of protecting public health and the environment. Such program shall include the following elements... (1) An emergency response plan, which shall be maintained at the stationary source and contain at least the following elements: ... (iii) Procedures and measures for emergency response after an accidental release of a regulated substance...*
Supporting Information: Chlorine Institute ("CI") Emergency Kit "B" for Chlorine Ton Containers, Edition 12 CI Pamphlet 64, Emergency Response Plans for Chloro-Alkali, Sodium Hypochlorite and Hydrogen Chloride Facilities, 2020 EOM-01, Responding to a Chlorine Event (EOM1 2019.pdf) SOP 2-4 (December 2015 and 2019)
Description of Observation: EOM 1 is the Plant's procedure for responding to a chlorine event. Part 3.2 lists "Equipment Requirements" that includes item #2, "Emergency "A-Kit" and "B-Kit."" The CI kit "A" is for 100 and 150-pound chlorine cylinders and the kit "B" is for one-ton chlorine containers. The Plant only had one-ton containers onsite at the time of the inspection.

[3] See https://www.epa.gov/enforcement/covid-19-implications-epas-enforcement-and-compliance-assurance-program

Part 3.1, Step 5 of EOM 1 states, "There are two main types of release: (1) an incidental release which can be repaired following normal operating and maintenance procedures, and (2) an emergency release which cannot be repaired using normal operating procedures…" Step 8 of Part 4.1 states, "For incidental releases follow Part 4.2, and for emergency releases follow Part 4.3 of this procedure." Step 4 in Part 4.2 states, "Use the repair kit to apply the appropriate patch (Refer to Chlorine Institute Instructions) for leaking containers/cylinders." During the inspection, Plant staff said they had not trained on how to use the kit "B", as the Plant expectation was that the fire department would use them if needed. After the inspection, EOM 1 was edited with a comment stating, "We do not have a repair kit other than our outdated B kit which operators are not authorized to use."

Area of Concern #23

Observation Summary: The Plant's emergency kit "B" contained expired gaskets.

Citation:
40 CFR 68.95 Emergency Response Program
(a) The owner or operator shall develop and implement an emergency response program for the purpose of protecting public health and the environment. Such program shall include the following elements… (2) Procedures for the use of emergency response equipment and for its inspection, testing, and maintenance…

Supporting Information:
Chlorine Institute Emergency Kit "B" for Chlorine Ton Containers, Edition 12, January 2021
EOM-01, Responding to a Chlorine Event (EOM1 2019.pdf)
EOM 4, Inspection and Maintenance of ER Equipment (EOM4 2019.pdf)
Photographs 66-68
2019 Process Hazards Analysis

Description of Observation: Section 2.5 of Chlorine Institute document on the kit "B" states, "All Viton® gaskets for the emergency kit are stamped with the date of manufacture and should be removed and replaced every four years …" Section 7 states, "All Viton gaskets are stamped with the date of manufacture and should be removed from emergency use after a four-year shelf life." Photograph 66 shows the gaskets from the two different "B" kits onsite at the time of the inspection. One set is stamped with a 2003 manufacture date and the other did not have date of manufacture on the gaskets.

EOM 4 provides information on maintaining/inspecting the "Container/Cylinder Repair Kits." There are instructions on making sure kits are located in proper location, verifying seals on kit storage boxes are intact, and if seals are broken, checking that the leak repair kit for all parts. It did not appear that the kits were sealed during the inspection. There are no instructions to check if gaskets are expired and safe for continued use.

After the inspection, EOM 1 was edited with a comment stating, "We do not have a repair kit other than our outdated B kit …"

EPA notes that the Plant should have checked if the B kits were appropriate during the 2019 PHA because it is listed as a safeguard:

PROCESS HAZARD ANALYSIS WORKSHEET

Activity Description: **Safety System** — North Marin Water District
Drawing No.: — PHA Leader: Robert Clark
Date: 10-9-19

Item	Equipment / Activity	Questions	Causes	Consequences/ Hazards	Safeguards	Safeguards Adequate?	Recommendation
4H	Safety Instrumentation Systems	What if the Repair Kits are outdated or inappropriate?	Lack of attention to SOP	Unable to cap a failed cylinder or stop a leak	Two B Kits will be available.	Y	

The Plant answer of "Safeguard Adequate? Y" was inaccurate.

Area of Concern #24

Observation Summary: The Plant did not document annual emergency response coordination activities.

Citation:

40 CFR 68.93 Emergency response coordination activities

The owner or operator of a stationary source shall coordinate response needs with local emergency planning and response organizations ...

(a) Coordination shall occur at least annually...

(c) The owner or operator shall document coordination with local authorities, including: The names of individuals involved and their contact information (phone number, email address, and organizational affiliations); dates of coordination activities; and nature of coordination activities.

Supporting Information:

CI Pamphlet 155, Water and Wastewater Operators Chlorine Handbook, 3rd Edition
Inspection discussion

Description of Observation: The Plant indicated that coordination with local responders, including the Novato fire department hazmat team was frequent, but said that these coordination activities had not been documented. The Plant needs to coordinate with the fire department to ensure they have and can use the CI kit "B" for chlorine leaks. Section 10.1 of CI Pamphlet 155 says, "An inventory of locally available items should be accessible to responders. Likewise, the locations of emergency kits for …ton containers … should be known."

Area of Concern #25

Observation Summary: The worst case and alternative release scenarios reported to EPA are not consistent with the Plant's offsite consequence analysis documentation.

Citation:

Subpart G - Risk Management Plan, 40 CFR 68.165 Offsite consequence analysis

(a) The owner or operator shall submit in the RMP information: ...

(2) For Program 2 and 3 processes, one worst-case release scenario to represent all regulated toxic substances held above the threshold quantity and one worst-case release scenario to represent all regulated flammable substances held above the threshold quantity. If additional worst-case scenarios for toxics or flammables are required by § 68.25(a)(2)(iii), the owner or operator shall submit the same information on the additional scenario(s). The owner or operator of Program 2 and 3 processes shall also submit information on one alternative release scenario for each regulated toxic substance held above the threshold quantity and one

alternative release scenario to represent all regulated flammable substances held above the threshold quantity.
Supporting Information: Offsite Consequence Analysis, December 2019 RMP reported to EPA on March 31, 2021
Description of Observation: The Plant stated during the inspection that it revised its offsite consequence analysis in 2019. The distance to endpoint data for the worst case and alternative release scenarios submitted to EPA in the 2021 RMP are not consistent with the Plant's 2019 Offsite Consequence Analysis.

Area of Concern #26

Observation Summary: The Plant's Hazardous Materials Business Plan (HMBP or Tier II Report) was submitted late for reporting years 2018 and 2020. The most recent submittal included a Facility Site Plan/Storage Map that included an error related to sulfur dioxide storage.

Citations:

EPCRA § 312, Tier II Inventory, What is Tier I inventory information?, 40 CFR § 370.41

...Tier II inventory form includes the following data elements:...

(v) The general location of hazardous chemicals in each hazard category within your facility. General locations should include the names or identification of buildings, tank fields, lots, sheds or other such areas.

EPCRA § 312, Tier II Inventory, When must I submit the inventory information?, 40 CFR § 370.45

(a) You must submit the required inventory information on or before March 1, and on or before March 1 of each year afterwards. Your submission must contain the required inventory information on hazardous chemicals present at your facility during the preceding calendar year at or above threshold levels. [4]

Supporting Information:

Hazardous Materials Business Plan, Reporting Years 2017-2021, CERS

Description of Observation: The Plant submitted its 2018 and 2020 (reporting years) HMBP late to CERS. The following table summarizes recent submittals:

Reporting Year	Date Submitted	Days between Submittals
2021	1/20/2022	323
2020	**3/3/2021**	**397**
2019	1/31/2020	241
2018	**6/4/2019**	**540**
2017	12/11/2017	-

The most recent Tier II Report submittal included a Facility Site Plan/Storage Map (dated May 10, 2019) that documented a storage location for sulfur dioxide. During the inspection, Plant staff indicated that they currently do not store sulfur dioxide.

[4] In California, submittals are due March 31 of each year unless the last submittal was less than 365 days before.

Recommendation #1
Observation Summary: The quantity of chlorine in the one-ton containers was slightly different on the control room computer system (8 and 1,088 lbs – see Photograph 1) than the Wizard 4000 monitor in the Chlorine Storage Room (4 and 1,074 lbs – see Photograph 22).
Supporting Information: Photographs 1 and 22
Description of Observation: Evaluate why there is a difference and correct discrepancy if necessary.

Recommendation #2
Observation Summary: NFPA diamonds are faded on the doors of the Chlorine Storage and V-notch rooms.
Supporting Information: Photographs 4-6
Description of Observation: NFPA hazard diamond for chlorine is visible but the color-coding is faded. The NFPA system uses a color-coded diamond with four quadrants in which numbers are used in the upper three quadrants to signal the degree of health hazard (blue), flammability hazard (red), and reactivity hazard (yellow). It is recommended that the signs be replaced so that first responders have easy hazard recognition.

Recommendation #3
Observation Summary: Electrical plug and cords were present near and on the floor around the chlorine one-ton containers and debris around the eye wash/safety shower located between chlorine rooms, which could be a potential trip hazard.
Supporting Information: Photographs 9 and 39
Description of Observation: Evaluate if plugs/cords can be protected or moved to eliminate potential trip hazards. Remove debris around eye wash/safety shower.

Recommendation #4
Observation Summary: During the inspection, it was unclear if aqueous ammonia solution used to detect chlorine leaks in the Chlorine Storage Room was "maintained fresh."
Supporting Information: CI Pamphlet 155, Water and Wastewater Operators Chlorine Handbook, 3rd Edition Photographs 19 and 39 SOP 2
Description of Observation: An aqueous ammonia bottle pointed out during the inspection was not labeled with contents or date (see Photograph 19). Section 4.3.1 of CI Pamphlet 155 says, "To produce ammonia vapor, a plastic squeeze bottle containing commercial, 26° Baumé (30 wt.%) or stronger, aqua ammonia (ammonium hydroxide solution) should be used. A weaker solution such as household ammonia may not be concentrated enough to detect minor leaks." Section 3.2 of SOP 2 states that the solution should be replaced "quarterly to refresh."

EPA recommends placing expiration date on bottle to ensure solution is refreshed regularly and operators are aware of such date.

Section 4.3 of SOP 2 states, "Always tightly close the ammonia bottle after use." The squeeze bottle provided to operators did not appear have a way to close it. EPA notes that the bottle has a sponge in it, which might have been added to reduce evaporation. Evaluate if Section 4.3 is still applicable.

Recommendation #5
Observation Summary: There was confusing signage on the outside of the door to the Chlorine Storage Room.
Supporting Information: Photograph 13
Description of Observation: The Chlorine Storage Room had a label on the door stating, "Caution 300lbs per square foot weight capacity" (see Photograph 13). This sign likely applies to the hoist. However, it is not clear what this means practically as the hoist is designed for the one-ton containers. Please remove sign or provide documentation in SOPs as to why this is important and train operators why they need to be aware of this limitation.

Recommendation #6
Observation Summary: The compressed air cylinders in the Chlorine Storage Room have not had a safety inspection in over five years.
Supporting Information: Photographs 27 and 28
Description of Observation: The compressed air cylinders in the Chlorine Storage Room had a safety inspection tag, with annual inspections beginning in 2011 and ending in 2016. The Plant needs to develop inspection procedure for regular inspections for support equipment. Also, high pressure cylinders are typically required to be hydrostatically tested at least every five years indicating that these cylinders may need to be sent out for testing.

SECTION V – LIST OF APPENDICES

Attachment 1: Inspection Participation Sign-in Sheet, Signed Notice of Inspection, Signed Receipt of Notice of Right to Claim Confidentiality, & Documents Review/Documents Requested
Attachment 2: Photograph Log and Photographs
Attachment 3: Risk Management Program Level 3 Process Checklist
Attachment 4: EPCRA §§ 302-312 / CERCLA § 103 Inspection Checklist

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

Enclosure

Information Request
Stafford Water Treatment Plant, Novato, California

INSTRUCTIONS

1. Please provide a separate response to each request and identify each response by the number of the request to which it corresponds. For each document produced, identify the request to which it is responsive.

2. Knowledge or information that has not been memorialized in any document, but is nonetheless responsive to a request, must be provided in a narrative form.

3. The scope of this Information Request includes all information and documents obtained or independently developed by the Operator, its attorneys, consultants or any of their agents, consultants, or employees.

4. The Operator may not withhold any information from EPA on the grounds that it is confidential business information. EPA has promulgated regulations, under 40 C.F.R. Part 2, Subpart B, to protect confidential business information that it receives. The Operator may assert a business confidentiality claim (in the manner specified in 40 C.F.R. § 2.203(b)) for all or part of the information requested by EPA. However, business information is entitled to confidential treatment only if it satisfies the criteria set forth in 40 C.F.R. § 2.208. EPA will disclose business information entitled to confidential treatment only as authorized by 40 C.F.R. Part 2, Subpart B. If no claim of confidentiality accompanies the information at the time EPA receives it, EPA may make it available to the public without further notice.

5. Notice is hereby given that, pursuant to 40 C.F.R. § 2.301(h), EPA may disclose confidential information provided by the Operator to EPA's authorized representatives, including its contractors. Confidential information may be disclosed to EPA's authorized representatives for the following reasons: to assist with document handling, inventory and indexing; to assist with document review and analysis for verification of completeness; and to provide expert technical review of the contents of the response. Pursuant to 40 C.F.R. § 2.301(h), the Operator may submit, along with its response to this Information Request, any comments regarding EPA's disclosure of confidential information to its authorized representatives.

6. If information or documents not known or available to the Operator at the time of its response to this Information Request later become known or available to it, it must supplement its response to EPA. Moreover, should the Operator find at any time after the submission of its response that any portion of the submitted information is false or misrepresents the truth, the Operator must notify EPA as soon as possible and provide EPA with a corrected response.

7. If information responsive to a request is not in the Operator's possession, custody, or control, identify the persons or entities from whom such information may be obtained. For each individual or entity that possesses responsive information, please provide the following: name, last known or current address, telephone number, and affiliation with the Operator or the Facility.

8. If you believe there are grounds for withholding information or documents that are responsive to this request, e.g., attorney-client privilege, you must identify the information or documents and state the basis for withholding.

DEFINITIONS

The following definitions apply to the following terms (words or phrases) as they appear in this Information Request. Defined terms are enclosed in quotation marks:

1. "You" or the "Operator" shall mean the North Marin Water District, or its officers, managers, employees, contractors, trustees, partners, successors, assigns, and agents.

2. "Facility" means all buildings, equipment, structures, installations, pipes, or stationary items owned, leased, or operated by the Operator, at the property or properties located at: 3015 Novato Blvd, Novato, CA, or contiguous or adjacent to that address.

3. As used here, "document" and "documents" shall include writings of any kind, formal or informal, whether or not wholly or partially in handwriting (included by the way of illustration and not by way of limitation), any invoice, receipt, endorsement, check, bank draft, canceled check, deposit slip, withdrawal slip, order, correspondence, record book, minutes, memoranda of telephone and other conversations (including meetings, agreements and the like), diary, calendar, desk pad, scrap book, notebook, bulletin, circular, form, pamphlet, statement, journal, postcard, letter, telegram, telex, report, notice, message, analysis, comparison, graph, chart, interoffice or intra office communications, photo-stat or other copy of any documents, microfilm or other film record, any photograph, sound recording on any type of device, any disc or other type of memory generally associated with computers and data processing (together with the programming instructions and other written material necessary to use such disc other type of memory). The terms "document" and "documents" include (a) every copy of each document that is not an exact duplicate of a document which is produced, (b) every copy that has any writing, figure or notation, annotation or the like, (c) drafts, (d) attachments to or enclosures with any documents and (e) every document referred to in any other document.

4. All terms not defined herein shall have their ordinary meaning, unless such terms are defined in the Clean Air Act or its implementing regulations at 40 CFR Part 68, in which case the statutory or regulatory definitions shall apply.

INFORMATION REQUEST QUESTIONS

1) Provide a response to each AOC listed in the Inspection Report accompanying this Information Request, indicating if the Operator accepts or disputes the factual basis for each AOC.

   a) If the Operator accepts the factual basis for the AOC, indicate if the Operator is presently in compliance with the cited requirement.

      i) If the Operator is *presently in compliance* with the cited requirement provide the following information: (1) a description of what activities the Operator undertook to come into compliance; and (2) the date on which the Operator came into compliance.

      ii) If the Operator is *presently not in compliance* with the cited requirement provide the following information: (1) a description of what actions the Operator will undertake in order to come into compliance; and (2) the date by which compliance will be achieved.

   b) If the Operator disputes the factual basis for the AOC or any portion of the AOC, including the dates asserted for each AOC, provide the basis and supporting documentation for each such assertion.

2) For each AOC listed in the Inspection Report, provide cost information relating to work undertaken, planned, or considered to correct identified deficiencies. Cost information may be either actual or estimated and shall be disaggregated by: a) one-time costs (such as for engineering and permitting); b) capital costs (such as for equipment); and c) incremental annual operation and maintenance costs relative to the Operator's level of effort as that existed in March 2022. For each cost item provided indicate if actual or estimated.

3) Provide a statement and supporting documentation for the population serviced by the Operator for calendar and/or fiscal year 2021.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

Delivered via email: rclark@nmwd.com

In Reply Refer to:
Stafford Water Treatment Plant
3015 Novato Boulvard, Novato, California 94948
RMP# 1000 0015 1364

Robert Clark
Operations & Maintenance Superintendent
North Marin Water District
999 Rush Creek Place
Novato, California 94948

RE: Opportunity for Expedited Settlement Agreement ("ESA") pursuant to Section 113(a)(3) and (d) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(a)(3) and (d), and by 40 C.F.R. § 22.13(b).

Dear Robert Clark:

Representatives from the U.S. Environmental Protection Agency ("EPA") Region IX conducted an inspection of the North Marin Water District Stafford Water Treatment Plant facility located at 3015 Novato Boulvard, Novato, California ("Facility") on September 19, 2022 to determine compliance with requirements under the Emergency Planning and Community Right-to-Know Act ("EPCRA") Sections 304-312, the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA") Section 103, and the Risk Management Program of Section 112(r)(7), of the Clean Air Act ("CAA"). Potential violations were identified as outlined in the inspection report sent to the Facility November 11, 2022.

EPA Region IX is extending to you an opportunity to quickly resolve your infractions by correcting your violations and paying a substantially reduced penalty under EPA's Expedited Settlement process. If you choose to participate in the Expedited Settlement process, we will settle the violations listed in the attached ESA for a civil penalty of $8,580. We are providing this incentive to resolve outstanding violations as quickly as possible. Otherwise, under CAA § 113(b), 42 U.S.C. § 7413(b), and 40 C.F.R. Part 19, potential violators may be penalized up to $48,192 per day for violations discovered.

We encourage you to immediately review the RMP requirements to determine your compliance status. You have forty-five (45) days from the date you receive this letter to take advantage of this opportunity.

If you determine that you are not subject to or have not violated the RMP requirements described in the attached ESA, please provide a written explanation, along with any supporting documentation within forty-five (45) days of your receipt of this letter.

If you confirm that you did not properly comply with the RMP requirements described below, you may take advantage of the Expedited Settlement process and reduced penalty by responding to this notice within forty-five (45) days of your receipt of this letter.

In signing the attached ESA, you are certifying that you have corrected your CAA § 112(r) RMP violations and paid the assessed penalty, and you are waiving your opportunity for a hearing or an appeal concerning your violation of the CAA § 112(r) RMP requirements. This Agreement covers only the violations alleged in the ESA. The Agreement does not address compliance with any other CAA § 112(r) RMP requirements.

Please be advised that correcting the violations without participating in a settlement with EPA does not resolve your liability for the violations alleged in the ESA, nor your responsibility to comply with all applicable requirements under CAA § 112(r).

If you do not follow the procedures outlined in the attached ESA (e.g., comply with the CAA § 112(r)(7) requirements described below, pay the assessed penalty, and sign the ESA) within forty-five (45) days of receipt of this letter, this settlement offer will be automatically withdrawn without prejudice to EPA's ability to file an enforcement action for the cited violation. EPA may seek penalties of up to $48,192 per day for each violation.

We are committed to the fair and rapid settlement of this matter. Please email a copy of all correspondence relating to this notice to Cyntia Steiner, Enforcement Officer, at steiner.cyntia@epa.gov.

Sincerely,

AMY MILLER-BOWEN

Digitally signed by AMY MILLER-BOWEN
Date: 2023.04.13 15:53:45 -07'00'

Amy C. Miller-Bowen, Director
Enforcement and Compliance Assurance Division
U.S. EPA Region IX

cc: J. Barnes, Marin County CUPA, JBarnes@marincounty.org
M. Faryna, Marin County CUPA, MFaryna@marincounty.org
E. Brega, CalEPA, elizabeth.brega@calepa.ca.gov

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO: CAA(112r)-09-2023-0047

This ESA is issued to: North Marin Water District
999 Rush Creek Place
Novato, California 94948

For: Violation of Section 112(r)(7) of the Clean Air Act.
At: Stafford Water Treatment Plant, 3015 Novato Blvd., California 94948

This Expedited Settlement Agreement ("ESA") is being entered into by the United States Environmental Protection Agency ("EPA"), Region IX, by its duly delegated official, Amy C. Miller-Bowen, Director, Enforcement and Compliance Assurance Division, and North Marin Water District ("Respondent") pursuant to Section 113(a)(3) and (d) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(a)(3) and (d), and by 40 C.F.R. § 22.13(b). EPA has obtained the concurrence of the U.S. Department of Justice, pursuant to Section 113(d)(1) of the Act, 2 U.S.C. § 7413(d)(1), to pursue this administrative enforcement action.

ALLEGED VIOLATIONS

Following its September 19, 2022 inspection, EPA alleges Respondent's failure to:

1. Document adequatly information concerning the technology of the process, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.65(c)(1).
2. Document adequatly information pertaining to the equipment in the process, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.65(d)(1).
3. Document adequatly that equipment complies with recognized and generally accepted good engineering practices, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.65(d)(2).
4. Address recommendations from the 2015 Process hazard analysis (PHA) in a timely manner, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.67(e).
5. Include steps of each operating phase, including normal startup and shutdown each season, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.69(a)(1).
6. Include the required safety and health considerations of the properties of, and hazards presented by, the chemicals used in the process in the operating procedures, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.69(a)(3)(i).
7. Certify annually that the operating procedures are current and accurate in 2021, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.69(c).
8. Develop safe working practices to provide for the hazard of opening process equipment or piping, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.69(d).
9. Provide adequate initial training in the operating procedures, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.71(a).
10. Provide refresher training at least every three years, in accordance with Section 112(r)(7) of the

Clean Air Act and 40 C.F.R. § 68.71(b).

11. Conduct inspections and tests of process equipment are consistent with applicable manufacturers' recommendations and good engineering practices, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.73(d)(3).
12. Correct equipment deficiencies outside of acceptable limits (defined by the process safety information in § 68.65) before further use or in a safe and timely manner when necessary means are taken to assure safe operation, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.73(e).
13. Develop accurate emergency response procedures relating to use of the Chlorine Institute Emergency Kits, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.95(a)(1)(iii).
14. Develop emergency response procedures for the use of equipment emergency response equipment and for its inspection, testing, and maintenance, such as the Chlorine Institute Emergency Kits, in accordance with Section 112(r)(7) of the Clean Air Act and 40 C.F.R. § 68.95(a)(2).

SETTLEMENT

In consideration of Respondent's population served, its full compliance history and previous penalties assessed, if any, its good faith effort to comply, the duration and seriousness of the violation, the economic impact of the penalty, and other factors as justice may require, the parties enter into this ESA in order to settle the violations described above for the total penalty amount of **$8,580.**

This settlement is subject to the following terms and conditions:

1) The Respondent by signing below admits to jurisdiction, neither admits nor denies the specific factual allegations contained above, and consents to the assessment of the penalty as stated above. Respondent waives its rights to a hearing afforded by Section 113(d)(2)(A) of the Act, 42 U.S.C §7413(d)(2)(A), and to appeal this ESA. Each party to this action shall bear its own attorney's fees and costs, if any. Respondent also certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the Respondent has corrected the violations listed above and has sent an **Online Payment through the Department of Treasury:** WWW.PAY.GOV (Enter SFO 1.1 in search field. Open form and complete required fields). EPA encourages electronic payments, but **alternatively you may send a cashier's check or certified check** (payable to the Treasurer, United States of America) in the amount of **$8,580** in payment of the full penalty amount to the following address:

US Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
PO Box 979077
St. Louis, MO 63197-9000

The payment should reference Respondent's name and a copy of this ESA must be included with the check/online payment. Please send a copy of your payment confirmation and the signed ESA to Cyntia Steiner at: steiner.cyntia@epa.gov.

2) Pursuant to CAA § 114(a)(1)(B) [42 U.S.C. § 7414(a)(1)(B)] **please provide documentation to USEPA Region IX describing how each area of identified non-compliance has been addressed**. Such documentation is due to EPA within 45 calendar days of your receipt of this letter. If you have corrected non-compliance and intend to resolve EPA's penalty action through the enclosed ESA, your signature affirms that the listed violations have been corrected. When you return the signed ESA to EPA, please provide documentation describing how each area of identified non-compliance was addressed along with an estimate of the cost you incurred fixing those deficits.

Upon Respondent's submission of the signed original ESA, EPA will take no further civil penalty action against Respondent for the violations of the Act alleged above. This ESA shall not be construed as a covenant not to sue, a release, waiver, or limitation of any rights, remedies, powers, or authorities, civil or criminal that EPA has under the Act or any other statutory, regulatory, or common law enforcement authority of the United States, except as stated above.

If the signed ESA with an attached copy of the payment is not returned to the EPA Region IX office at the above address in correct form by the Respondent within 45 days of the date of Respondent's receipt of the proposed ESA and EPA has not granted an extension of its offer to settle, the ESA is withdrawn, without prejudice to EPA's ability to file an enforcement action for the violations identified herein.

This ESA is binding on the parties signing below.

This ESA is effective upon filing with the Regional Hearing Clerk.

FOR RESPONDENT: North Marin Water District

Signature: _____ Date: _____

Name (print):

Title (print):

FOR COMPLAINANT: Environmental Protection Agency

_____Date:_____

Amy C. Miller-Bowen, Director
Enforcement and Compliance Assurance Division
U.S. EPA Region IX

It is hereby ORDERED that this ESA be entered, and Respondent pays the above penalty.

_____Date:_____

Steven L. Jawgiel
Regional Judicial Officer
U.S. EPA Region IX

Penalty Calculation

Municipality Name: North Marin Water District
Municipality Address: 999 Rush Creek Place, Novato, California 94948
Facility Name: Stafford Water Treatment Plant
Facility Address: 3015 Novato Blvd., California 94948

SUMMARY OF VIOLATIONS: (See attached Base Penalty Cost Matrix)

Statute Violation	Penalty Unit Charge	Quantity of Violations	Penalty Total (Unit x Quantity)
40 C.F.R. § 68.65 (c)(1)	$600	1	$600
40 C.F.R. § 68.65 (d)(1)	$600	3	$1,800
40 C.F.R. § 68.65 (d)(2)	$1,500	1	$1,500
40 C.F.R. § 68.67(e)	$1,500	1	$1,500
40 C.F.R. § 68.69(a)	$1,200	3	$3,600
40 C.F.R. § 68.69(c)	$1,200	1	$1,200
40 C.F.R. § 68.69(d)	$900	1	$900
40 C.F.R. § 68.71(a)	$1,500	1	$1,500
40 C.F.R. § 68.71(b)	$1,500	1	$1,500
40 C.F.R. § 68.73(d)(3)	$900	3	$2,700
40 C.F.R. § 68.73(e)	$900	3	$2,700
40 C.F.R. § 68.95(a)(1)(iii)	$750	1	$750
40 C.F.R. § 68.95(a)(2)	$1,200	1	$1,200
Unadjusted Base Penalty Sub-total			$21,450

Adjusted Total Penalty: **$8,580** (See penalty adjustment calculation chart below)

PENALTY ADJUSTMENT CALCULATION:

Facility RMP ID #: 1000 0015 1364
Program Level: 3
Population Served: 63,995[1]

Chemical/Quantity reported: Chlorine 8,000 lbs.
Threshold Quantity (TQ): 2,500 lbs.
Times TQ: 3.2

Total Population Served	Times TQ for Chemical in process: 1-5	5-10	>10	MULTIPL
1 — 10,000	0.2	0.4	0.6	
10,001 — 100,000	0.4	0.6	0.8	

[1] https://nmwd.com/about/about/#:~:text=North%20Marin%20Water%20District%20serves,Marin%20area%20near%20the%20coast

> 100,000	0.6	0.8	1.0	**I E R**

Adjusted Penalty Calculation:

Unadjusted Base Penalty Sub-total x Multiplier Adjustment = $21,450 x 0.4 = **$8,580** **Final Adjusted Penalty**

40 C.F.R. -- Part 40 of Code of Federal Regulations

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Item #11

North Bay Watershed Association
Board Meeting - Agenda

May 5, 2023| 9:30 – 11:30 a.m.

MEETING WILL BE HELD AT THE
City of Petaluma Ellis Creek Treatment Plant
3890 Cypress Dr, Petaluma, CA 94954

For those wishing to attend virtually
Join Zoom Meeting:
https://us02web.zoom.us/j/81630673971?pwd=dm94TXJCRWMyWFBLc3U5V2pTSmNRZz09
Webinar ID: 816 3067 3971 **Password**: 216460

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** *Jean Mariani, 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 and Past Meeting Minutes Review** *Jean Mariani, Chair* **Treasurer's Reports** *Jean Mariani, Chair*	*Approve/ Review*
9:45	**NBWA FY23/24 Workplan Overview** *Andy Rodgers, Executive Director* Andy will summarize NBWA's FY23/24 workplan for Board consideration of approval.	*Approval*
10:15	**NBWA Website Re-Design Preview** *Tony Hale, PhD, Program Director, Environmental Informatics Program San Francisco Estuary Institute* Tony will share a beta version of an updated NBWA website that SFEI and NBWA staff have been working on this year.	*Presentation*

10:40	**Executive Director Report** *Andy Rodgers, Executive Director* Andy will provide general updates on NBWA activities since the April 7 Board meeting, including active projects, recent meetings, regional programs and initiatives, communications, and committees. Andy will summarize a new initiative to support workforce development in the north bay.	*ED updates, Board questions, and input*
11:00	**Water Year 2023 Updates / Board Information Exchange** *Members* Members will highlight issues and share items of interest.	*N/A*
11:30	**Announcements/Adjourn** **Next Board Meeting: June 2, 2023 (Field Trip?)**	*N/A*

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DISBURSEMENTS - DATED MAY 4, 2023

Date Prepared 5/1/23

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

Seq	Payable To	For	Amount
1	All Star Rents	Propane (STP)	$32.64
2	American Family Life Ins	April 2023 Employee Paid Benefit	3,582.90
3	Andros, Blake	Refund Overpayment on Closed Account	373.33
4	Barbieri, Doris	Refund Overpayment on Closed Account	26.16
5	Beardmore, Neal	Novato "Cash for Grass" Rebate Program	800.00
6	Bold & Polisner	Legal Fees-General ($4,088) & NMWD Portion Potter Valley FERC ($652)	4,740.30
7	Borges & Mahoney	Annual Halogen Valve Certification (STP)	579.98
8	Caltest Analytical Laboratory	Lab Testing (O.M. Sewer)	60.80
9	Connolly, Wendi	Novato "Cash for Grass" Rebate Program	800.00
10	Consolidated CM	Prog Pymt#23: Provide Construction Management Services for NMWD Admin Building Renovation (Balance Remaining on Contract $404,382)	60,910.36
11	Core Utilities, Inc	Consulting Services: March IT Support ($6,000), SCADA Support ($3,075), Programmable Logic Controllers-West Marin ($1,025) & Maintenance of Telemetering Equipment-West Marin) ($300)	10,400.00
12	Cummings Trucking	Rock (16yds) & Sand (32 yds) Deliveries	945.00
13	East Bay MUD	Annual Bay Area Chemical Consortium Participation Fee	1,718.00
14	Electrical Equipment Co	Motor Contacts & Overloads for Grinder Motor @ Oceana Marin Lift Station	320.45
15	Ferguson Waterworks	5/8" Meters (100)	25,823.00
16	Fiserv/Bastogne Inc.	Return Payment-Not Our Customer	126.02

Seq	Payable To	For	Amount
17	Fishman Supply Co	Rain Pants (2)	67.86
18	Grainger	Miscellaneous Maintenance Tools & Supplies	1,528.34
19	Home Depot	Rapid Set Concrete (50) & Sprinkler Wire (500')	888.79
20	Kehoe, Chris	Exp Reimb: Lunch, Drinks for Construction & Maintenance During Clean-up Day & Drinks for Crew Operating Aqueduct Valve Over an Extended Time	250.88
21	KP Promotions	Uniform Order	135.31
22		Vision Reimbursement	290.70
23	Mazur, Robert	Reissue Payment-Original Check Sent to Wrong Address (Refund Overpayment on Closed Account)	188.57
24	Mutual of Omaha	May 2023-Group Life Insurance Premium	1,230.92
25	National Safety Council	Membership Renewal (Clyde) (7/23-6/24) (Budget $500)	549.00
26	Nerviani's Backflow	Backflow Testing for District & Customer Owned Assemblies (72)	4,815.00
27	Noll & Tam Architects	Prog Pymt#24: Consulting Services for NMWD Headquarters Upgrade A/E Services (Balance Remaining on Contract $86,448)	23,363.25
28	Northbay Nissan	Wheel Hub Assembly ('16 Nissan Frontier)	278.56
29	ODP Business Solutions, LLC	Misc Office Supplies	158.39
30	Pace Supply	Gasket (Water Treatment Maintenance)	41.20
31	Pape Machinery Inc.	Service Parts ('04 Backhoe)	394.38
32	Pavement Coating Co.	Reissue Payment-Original Lost in Mail (Refund Security Deposit on Hydrant Meter Less Final Bill)	683.30
33	Pipette.com	Lab Testing	205.00
34	Soiland Co., Inc.	Rock (32 yds) ($1,077) & Asphalt Recycling (8 yds)	1,306.28
35	Symonds, Lisa	Novato "Cash for Grass" Rebate Program	800.00

Seq	Payable To	For	Amount
36	USA BlueBook	Triodes (2) (STP)	800.72
37	US Geological Survey (USGS)	1/3 Share of FY24 Gallagher Stream Gauge Maintenance	8,770.00
38	VWR International LLC	Sulfuric Acid (Lab)	98.08
39	Waste Management	Waste Disposal	114.80
40	ZORO	Carbide Blades (2) & Hard Hat	229.21
		TOTAL DISBURSEMENTS	**$158,427.48**

The foregoing payroll and accounts payable vouchers totaling $158,427.48 are hereby approved and authorized for payment.

Julie Blue 05/2/23

Auditor-Controller Date

5/2/23

General Manager Date

DISBURSEMENTS - DATED MAY 11, 2023

Date Prepared 5/8/23

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

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 4/30/23	$174,399.41
90586*	Internal Revenue Service	Federal & FICA Taxes PPE 4/30/23	75,998.21
90585*	State of California	State Taxes & SDI PPE 4/30/23	16,109.55
90587*	CalPERS	Pension Contribution PPE 4/30/23	44,086.10
90584*	CalPERS	May Insurance Premium (Employer $48,868, Retirees $12,194 & Employees $8,278)	69,340.54
1	AT&T	Telephone, Fax, Leased Lines & Data	496.75
2	Baradaran, Hamid	Novato "Washer Rebate" Program	100.00
3	Borges & Mahoney	Vacuum Regulator Repair (STP)	1,164.03
4	Braun, Steve	West Marin "Washer Rebate" Program	100.00
5	Comcast	Ethernet Dedicated Internet (999 Rush Creek Place)	1,562.93
6	Core & Main	Couplings (60) ($1,557), Nipples (20), Plugs (15) & Elbows (20)	1,815.50
7	DataTree	April Subscription to Parcel Data Info	100.00
8	Direct Line Inc	April Telephone Answering Services	376.82
9	Flume Water	Installation of Flume Leak Detection Devices for Pilot Program (15) (West Marin)	2,278.50
10	Forevergreen Landscape & Maintenance	Weed Removal @ Lynwood Pump Station	490.00

Seq	Payable To	For	Amount
11	Freyer & Laureta, Inc.	Prog Pymt#6: Engineering & Design Services for Lynwood Pump Station ($22,916) (Balance Remaining on Contract $86,575) & Prog Pymt#17: Engineering & Design Services for NMWD's Hydropnematic Pressure Stations ($6,163) (Balance Remaining on Contract $13,481)	29,078.51
12	Friedman's Home Improvement	Miscellaneous Hardware, SmartKey Deadbolt & Lumber	574.66
13	Grainger	Sump Pump Tether Float ($338) (STP), Air Valves (3) ('02 Int'l Dump Truck) ($324) & Miscellaneous Maintenance Tools & Supplies	1,846.81
14	Kemira Water Solutions	Ferric Chloride (10 dry tons) (STP)	11,822.98
15		Vision Reimbursement	119.00
16	LGVSD	Recycled Water Deliveries (1/1/23-3/31/23)	1,362.14
17	Lincoln Life Employer Serv	Deferred Compensation PPE 4/30/23	11,804.20
18	Marin Color Service	Paint & Supplies	126.14
19	Marin Landscape Materials	Crushed Rock (5 yds)	396.03
20	Moyer, Scott	Novato "Washer Rebate" Program	100.00
21	Nationwide Retirement Solution	Deferred Compensation PPE 4/30/23	2,035.00
22	Nerviani's Backflow	Backflow Testing on District & Customer Owned RP (27) & DC (17) Assemblies	2,945.00
23	North Marin Auto Parts	Service Parts ('16 Nissan Frontier & '18 Dodge Ram, '13 Vac Excavator) & Miscellaneous Maintenance Tools & Supplies	1,657.93
24	North Bay Gas	Drill Index, Lube Stick, Nitrogen & Breathing Air (STP)	1,105.82
25	Novato Builders Supply	Shims, Caulk & Lumber	156.93
26	Novato 4th of July Parade	Entry Fee for 2023 Parade	100.00
27	ODP Business Solutions, LLC	Misc Office Supplies	153.89
28	Orellana, Luis	Novato "Pool Cover Rebate" Program	75.00

Seq	Payable To	For	Amount
29	Pace Supply	Pipe (80'), Couplings (6) (STP), 8" Double Check Detector Assembly Bypass ($9,506), Tapped Flange (STP), Meter Wrench & Plumbing Supplies (STP)	10,176.59
30	Recology Sonoma Marin	April Trash Removal	618.51
31	RH & Sons Water Services	Backflow Testing on RP Assemblies (105)	6,825.00
32	Sanders, Donna M.	Novato "Pool Cover Rebate" Program	75.00
33	Scott Technology Group	Monthly Maintenance on Engineering Copier	229.52
34	Stocker, Michael	Novato "Toilet Rebate" Program	125.00
35	Thatcher Company of California	Chlorine (4,000 lbs) (STP)	3,866.00
36	Toyota Material Handling	Parts & Labor for Repair on 2018 Gem Cart	2,202.06
37	USA BlueBook	Turbidity Standard (STP)	320.51
38	Verizon Wireless	Cellular Charges: Data ($1,365), Airtime, iPads for Asset Management & Equipment	1,752.70
39	Verizon Wireless	April SCADA & AMI Collectors	1,099.40
40	Vulcan Materials Company	EZ-Street (3 yds)	696.83
41	Weishaar, Richard	Refund Overpayment on Closed Account	119.56
42	Winzer Corporation	Miscellaneous Hardware for Auto Shop	384.63
43	West Yost Associates	Prog Pymt#19: Novato Master Plan Update ($14,534) & Prog Pymt#20: Recycled Water Reg 18 Update ($2,703) (Balance Remaining on Contract $73,610)	17,237.25
44	ZORO	Pump Repair Kits (2)	653.78
		TOTAL DISBURSEMENTS	**$500,260.72**

The foregoing payroll and accounts payable vouchers totaling $500,260.72 are hereby approved and authorized for payment.

Julie Blue 05/08/23

Auditor-Controller Date

5/9/23

General Manager Date

NORTH MARIN WATER DISTRICT

North Marin Aqueduct – Redwood Blvd Landslide Status

R:\Folders by Job No\4000 jobs\4098.00 Aqueduct Landslide Damage-Repair\Memos\Weekly BOD Updates\NMA RedBlvd Landslide 4-14 to 4-27-23 Status.docx

Date of Report: 4-28-23

Period Covered: 4-17-23 to 4-27-23

Overall Status: *Aqueduct in limited operation in conjunction with STP operating to meet demands.*

Activities Completed/In-progress:

Assessments (NMWD):

a. Interior Pipe Inspection: Completed 4-6-23.
b. Landslide/pipeline survey: completed 4-7-23
c. Test Pit at slide toe: 4-25 and 4-26-23
d. Installed pipeline “benchmark” (movement monitor) 4-26-23

Outcome: The test pit revealed that there are two distinct slide masses: one is deep and one is shallower. The deeper slide plane appears to cross through the pipeline trench above spring line of the pipe and may have continued directly over the top of the pipeline. The upper slide is well above the pipeline elevation. A simple benchmark/movement monitor was installed directly over the top of pipe. This consists of a reflective marking on the pipe and a 6-inch pipe riser to the surface (see photos).

Assessments (Others):

a. Caltrans engineer observed conditions in NMWD’s test pit 4-26-23.
b. Survey of subsurface conditions, including pipe location 4-27-23.

Outcome: Caltrans will use the survey information for their slide repair/roadway reconstruction.

Activity by Others

PG&E has completed the relocation/installation of one transmission main using directional drilling techniques. Removal of the Highway 101 temporary bypass will likely occur soon. Planning and coordination for the second transmission main has begun.

Meetings:

1. Weekly coordination meetings with Caltrans and PG&E.
2. Regular NMWD response staff meetings on Tuesdays and Thursdays.

Water Demand Analysis

A water demand analysis was completed to demonstrate adequate supply is available through June (see table below). Actual demands in late March and April fall within estimates.

NMWD 6-month Water Supply Contingency

	Demands		Supply Options (MGD)				Response
	Time Period	Historical Demand (MGD)	STP Production	NMWD SUPPLY Deficit w/o NMA	NMA Surplus/ (Deficit) @ 4.8 MGD	NMA Surplus/ (Deficit) @ 7.2 MGD	Emergency Demand Reduction Measures or Operational Changes
6-month period	1-Apr-23	7.3	4.3	(3.0)	1.8	4.2	sprinkler system restriction (4-7 to 4-14)
	15-Apr-23	8.4	3.6	(4.8)	0.0	2.4	Isolation valves staffed/no restrictions
	1-May-23	7.9	3.6	(4.3)	0.5	2.9	NMA flows as needed to meet demand
	15-May-23	7.4	3.6	(3.8)	1.0	3.4	NMA flows as needed to meet demand
	1-Jun-23	8.7	3.6	(5.1)	(0.3)	2.1	NMA flows as needed to meet demands
	15-Jun-23	9.2	3.6	(5.6)	(0.8)	1.6	NMA flows as needed to meet demands
	1-Jul-23	12.1	3.6	(8.5)	(3.7)	(1.3)	*Increase NMA flow*
	15-Jul-23	11.6	3.6	(8.0)	(3.2)	(0.8)	*Increase NMA flow*
	1-Aug-23	12.4	3.6	(8.8)	(4.0)	(1.6)	*Increase NMA flow*
	15-Aug-23	11.8	3.6	(8.2)	(3.4)	(1.0)	*Increase NMA flow*
	1-Sep-23	9.7	3.6	(6.1)	(1.3)	1.1	TBD
	15-Sep-23	9.1	3.6	(5.5)	(0.7)	1.7	TBD
	1-Oct-23	8.5	3.6	(4.9)	(0.1)	2.3	TBD
End of production	*15-Oct-23*	7.9	3.6	(4.3)	0.5	2.9	TBD
	1-Nov-23	6.8	3.6	(3.2)	1.6	4.0	TBD
	15-Nov-23	5.3	3.6	(1.7)	3.1	5.5	TBD

NOTES:

Historical demand based on average of FY18/19 to 20/21 production

STP production baseline at 3.6 MGD to allow flexibility

Communications:

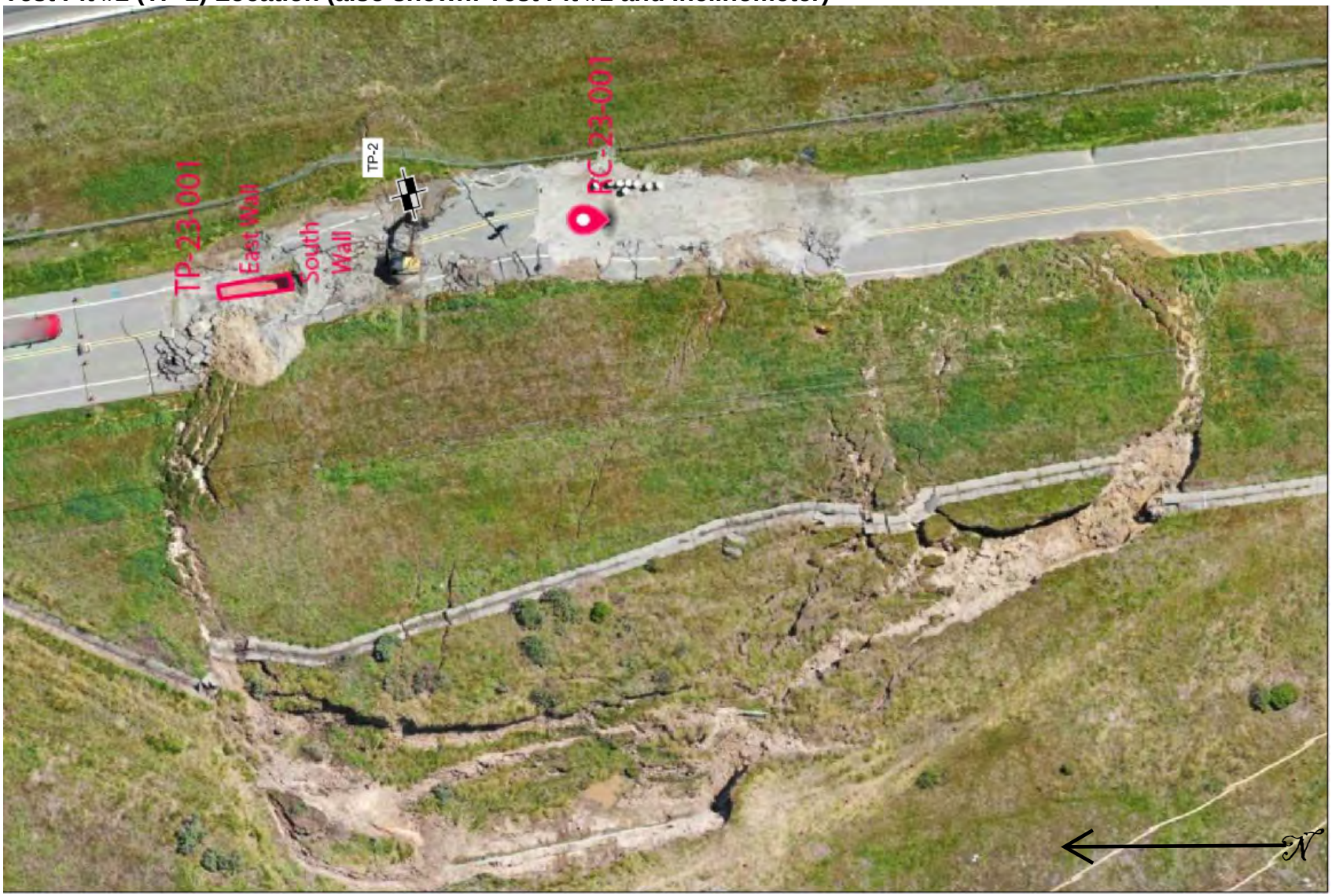
Ongoing coordination with MMWD and SCWA.

1. Website News Story (no changes from last period):
    a. See website: https://nmwd.com/landslide-near-north-marin-aqueduct/

Photos:

Test Pit #2 (by NMWD))

Test Pit #2 (TP-2) Location (also shown: Test Pit #1 and Inclinometer)



Test Pit #2 (top of pipe exposed)

Simplified Cross-Section of Landslide (at test pit #2)

Pipeline “Benchmark” (movement monitor)

Attachments

- None

NORTH MARIN WATER DISTRICT
MONTHLY PROGRESS REPORT FOR APRIL 2023
May 16, 2023

1.

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

Month	*FY22/23*	*FY21/22*	*FY20/21*	*FY19/20*	*FY18/19*	*23 vs 22 %*
July	224.5	282.9	341.7	317.7	341.1	-21%
August	235.9	212.4	290.1	287.1	300.9	11%
September	203.5	214.5	225.6	280.5	255.0	-5%
October	191.6	198.5	307.8	286.0	265.6	-4%
November	137.4	94.1	201.6	226.3	170.1	46%
December	106.6	137.1	183.0	141.2	157.8	-22%
January	113.8	118.3	156.6	111.9	114.7	-4%
February	105.2	118.6	110.5	120.3	110.9	-11%
March	123.1	130.3	124.1	151.8	138.8	-6%
April	146.4	137.7	225.4	195.0	143.8	6%
FYTD Total	1,587.8	1,644.5	2,166.2	2,117.7	1,998.6	-3%

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

Month	*FY22/23*	*FY21/22*	*FY20/21*	*FY19/20*	*FY18/19*	*23 vs 22 %*
July	6.3	6.0	8.2	8.9	10.2	4%
August	6.8	5.7	9.2	8.4	9.9	19%
September	6.3	5.9	7.9	7.8	9.5	8%
October	5.7	5.1	6.7	7.5	8.3	13%
November	4.6	3.5	5.8	6.7	7.3	30%
December	4.3	4.0	5.1	4.8	5.7	7%
January	3.9	3.8	4.2	4.1	5.0	4%
February	3.3	4.0	3.8	4.4	3.5	-16%
March	3.7	4.1	5.1	5.2	4.4	-10%
April	4.9	5.1	4.8	4.9	4.9	-2%
FYTD Total	49.9	47.1	60.8	62.7	68.6	6%

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

Month	*FY22/23*	*FY21/22*	*FY20/21*	*FY19/20*	*FY18/19*	*23 vs 22 %*
July	56.3	67.0	105.8	68.2	78.6	-16%
August	67.9	31.3	81.1	103.8	79.3	117%
September	57.8	41.7	16.1	115.0	60.5	39%
October	54.0	28.2	7.7	103.4	74.5	92%
November	30.0	0.0	0.6	102.8	0.0	
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	50.5	0.0	0.0	0.0	19.2	
April	110.0	0.0	0.0	30.9	60.3	
FYTD Total	426.4	168.1	211.3	524.0	372.5	154%

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

Month	*FY22/23*	*FY21/22*	*FY20/21*	*FY19/20*	*FY18/19*	*23 vs 22 %*
July	43.1	42.9	39.0	36.5	30.2	0%
August	41.6	41.4	43.2	33.3	30.6	1%
September	29.2	39.6	29.5	29.7	33.5	-26%
October	24.7	18.3	22.8	26.6	20.1	35%
November	5.1	0.8	10.9	10.8	12.7	526%
December	0.3	0.3	0.2	0.5	1.5	-1%
January	0.4	0.8	0.3	0.6	0.9	-44%
February	0.4	1.3	0.5	0.6	0.3	-71%
March	0.4	14.3	11.4	11.7	0.4	-97%
April	5.1	16.7	18.1	12.5	10.1	-69%
FYTD Total*	150.4	176.5	176.0	162.8	140.3	-15%

*Excludes potable water input to the RW system: FY23= 10.2 MG FY22=10 MG; FY21=24.7 MG; FY20=16.7; FY19=20.0 MG

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2. Regional and Local Water Supply

Lake Sonoma

	Current	2022
Lake Storage*	85,975 MG	46,630 MG
Supply Capacity	99.9 %	58.4 %

*Normal capacity =-245,000 AF (79,833.5 MG); deviation storage pool of 264,000 AF *86,025 MG)

Lake Mendocino

	Current	2022
Lake Storage *	32,557 MG	15,509 MG
Supply Capacity	93.3 %	55.3 %

*Normal capacity = 70,000-110,000 AF (22,800-35,840MG); flood control pool at 80,000 AF (26,000 MG)

3. Stafford Lake Data

	April Average	April 2023	April 2022
Rainfall this month	1.67 Inches	0.20 Inches	1.23 Inches
Rainfall this FY to date	25.85 Inches	38.77 Inches	18.13 Inches
Lake elevation*	193.2 Feet	196.8 Feet	191.5 Feet
Lake storage**	1195 MG	1378 MG	1077 MG
Supply Capacity	98.6 %	99.9 %	97.7 %

* Spillway elevation is 196.0 feet
** Lake storage less 390 MG = quantity available for normal delivery

Temperature (in degrees)

	Minimum	Maximum	Average
April 2023 (Novato)	37	88	56
April 2022 (Novato)	38	88	58

4. Number of Services

	Novato Water			Recycled Water			West Marin Water			Oceana Marin Swr		
April 30	FY23	FY22	Incr %	FY23	FY22	Incr %	FY23	FY22	Incr %	FY23	FY22	Incr %
Total meters installed	20,970	20,852	0.6%	102	101	1.0%	800	799	0.1%	-	-	-
Total meters active	20,820	20,694	0.6%	100	96	4.2%	792	789	0.4%	-	-	-
Active dwelling units	24,097	24,099	0.0%	-	-	-	837	837	0.0%	235	235	0.0%

5. Oceana Marin Monthly Status Report (March)

Description	April 2023	April 2022
Effluent Flow Volume (MG)	0.631	0.478
Irrigation Field Discharge (MG)	0.927	0.407
Treatment Pond Freeboard (ft)	4.8	6.8
Storage Pond Freeboard (ft)	4.8	9.2

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 23 through April	152	$90,752	3	3	1	$37,590	*
FY 22 through April	86	$28,014	3	3	0	$0	

Days since lost time accident through April 30, 2023 **185 Days**

* (1) Claim settlement for driveway and concrete repair due to water damage to a property on Bugeia Lane. & (2) Landscape repair due to water line break on Taft Ct.

7. Energy Cost

		April			*Fiscal Year-to-Date thru April*		
FYE		*kWh*	*¢/kWh*	*Cost/Day*	*kWh*	*¢/kWh*	*Cost/Day*
2023	Stafford TP	70,592	22.9¢	$506	512,990	22.5¢	$379
	Pumping	86,076	30.7¢	$826	1,075,040	28.5¢	$1,002
	Other[1]	28,089	35.9¢	$315	333,711	33.0¢	$360
		184,756	28.5¢	$1,646	1,921,740	27.7¢	$1,741
2022	Stafford TP	68,791	22.2¢	$509	455,604	22.0¢	$330
	Pumping	105,457	27.3¢	$930	1,048,098	27.7¢	$955
	Other[1]	41,812	30.6¢	$413	414,945	31.2¢	$425
		216,060	26.3¢	$1,852	1,918,647	27.1¢	$1,710
2021	Stafford TP	68,583	21.6¢	$494	439,446	21.6¢	$311
	Pumping	258,596	25.7¢	$2,081	1,545,206	25.4¢	$1,288
	Other[1]	45,356	27.3¢	$387	492,023	26.8¢	$433
		372,535	25.2¢	$2,962	2,476,675	25.0¢	$2,032

[1]Other includes West Marin Facilities

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8. Water Conservation Update

	Month of April 2023	Fiscal Year to Date	Program Total to Date
High Efficiency Toilet (HET) Rebates	0	64	4,472
Retrofit Certificates Filed	5	75	6,774
Cash for Grass Rebates	4	39	1,056
Washing Machine Rebates	1	17	6,884
Water Smart Home Survey	2	11	3,919

9. Utility Performance Metric

SERVICE DISRUPTIONS (No. of Customers Impacted)	April 2023	April 2022	Fiscal Year to Date 2023	Fiscal Year to Date 2022
PLANNED				
Duration Between 0.5 and 4 hours	56	39	160	110
Duration Between 4 and 12 hours	0	0	11	17
Duration Greater than 12 hours	0	0	0	0
UNPLANNED				
Duration Between 0.5 and 4 hours	33	97	158	114
Duration Between 4 and 12 hours	0	0	74	0
Duration Greater than 12 hours	0	0	0	0
SERVICE LINES REPLACED				
Polybutylene	3	1	47	35
Copper Replaced or Repaired)	1	0	15	16

Planned

For the month of April, we had 56 planned service disruptions.

Plastic: We replaced 3 plastic services on Alameda De La Loma, Novato Blvd, and a 2” service on Escallonia Dr.

Copper: We replaced 1 copper service on San Andreas Dr.

Valve Replacement: There were 3 valves replaced on Ignacio Valley Circle. 2-2” blow off valves and 1-4” valve that was broken during the shutdown for one of the blo- off valves.

Unplanned

Unplanned: There was two main breaks in Novato for the month of April. A 6” ac break on Feliz Rd and a 2” PVC on Los Dias Ct which affected 33 services.

10. Summary of Complaints and Service Orders

Tag Breakdown:								
Total:	214	Consumer:	98	Office:	116			
Type		**Apr-23**		**Apr-22**	**Added Notes**			
Billing								
High Bill		2		1				
Total		**2**		**1**				
Meter Replacement		26		17				
Total		**26**		**17**				
Need Read				1				
Total		**0**		**1**				
No-Water		5		5				
Total		**5**		**5**				
Leak								
Consumer		113		156				
District		14		10				
Total		**127**		**166**				
Water Quality								
Taste/ Odor		3		0				
Turbidity		0		2				
Color		2		0				
Total		**5**		**2**				
Check Pressure		9		0				
Turn Off / On		31		26				
Total		**31**		**26**				
Other		9		14				
Total		**9**		**14**				
TOTAL FOR MONTH:		**214**		**232**	**-8%**			
Fiscal YTD Summary						**Change Primarily Due To**		
Billing		18		17	6%	Increase in Billing		
Meter Replacement		188		176	7%	Increase in Meter Replacements		
Need Read		45		45	0%	No Change.		
No-Water		33		17	94%	Increase in No-Water		
Leak		1,697		1,639	4%	Increase in Leaks		
Water Quality		7		4	75%	Increase - Tags Incl Feb. & Mar.		
Noisy Pipes		-		3		Decrease in Noisy Pipes		
Pressure		29		18	61%	Increase in Water Pressure		
Turn Off / On		302		226	34%	Increase in Water On/Off		
Other		142		103	38%	Increase in Misc. Tags		
Total		2,461		2,248	9%	Increase overall		
Bill Adjustments Under Board Policy:								
April 23 vs. April 22								
Apr-23		10		$4,274				
Apr-22		10		$3,853				
Fiscal Year vs Prior FY								
FY 22/23		139		$37,976				
FY 21/22		151		$61,361				

NORTH MARIN WATER DISTRICT

MEMORANDUM

To: Board of Directors Date: May 16, 2023

From: Nancy Williamson, Accounting Supervisor NW
Julie Blue, Auditor Controller JB

Subject: FY 23/24 Insurance Renewal
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RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: $360,427 – Included in Fiscal Year (FY) 23/24 Operations Budget

Arthur J. Gallagher & Co. Insurance Brokers of CA, Inc., in San Francisco, has been the District's brokerage firm the past eleven years. JPRIMA (CalMutuals Joint Powers Risk and Insurance Management Authority) has carried our Property and Liability coverage package for the past four years, including Workers' Compensation coverage with JPRIMA-Zenith Insurance Company.

JPRIMA's proposal for Property and Liability coverage is $230,014 compared to $181,730 last year and their 1st dollar worker's compensation coverage plan came in at $143,365 compared to $129,532 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 $63,294 (21%) from the current year premium. General liability and auto increased $47,492 (30%), Workers Comp increased $14,013 (11%) and Cyber liability increased $1,790 (26%).

INSURANCE MARKET RECAP

Insurance buyers have faced a challenging market from 2019 through 2022, as carriers have become more selective on risks, raised rates and reduced limits. The excess loss market has been particularly challenging, with significant rate gains and threshold increases. Hurricane Ian's impact on the property market is still unclear, but carriers are closely scrutinizing submitted replacement cost valuations to ensure accuracy. Property remains a hard market for those in challenging asset classes, with higher rate increases and increased deductible structures. The Cyber market is also tough, with carriers increasing retention amounts and imposing revenue thresholds, resulting in rate/premium increases of 40% to over 100%.

PROPOSAL SUMMARY

Below is a summary which outlines the total cost of insurance by type. This table compares the cost of insurance for FY 22/23 to FY 23/24.

Insurance Proposal	FY22/23	FY23/24	% Δ
Property (Includes Crime)	$75,089	$107,407	43%
Liability[1] (Includes Auto & PO/Mgmt Liability)	$85,891	$101,065	18%
Workers' Comp	$129,352	$143,365	11%
Cyber Liability	$6,801	$8,591	26%
Total Cost	**$297,133**	**$360,427**	**21%**

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 22/23 compared to FY 23/24. Following the table are descriptions of the types of insurance policies obtained by the District in FY 23/24.

		FY 2022/23 Actual			FY 2023/24 Renewal		
CARRIER	TYPE	COVERAGE	DEDUCTIBLE	PREMIUM	COVERAGE	DEDUCTIBLE	PREMIUM
JPRIMA-ALLIED WORLD	Property Insurance	$ 77,518,398	$ 25,000	$ 73,464	$ 85,518,398	$ 50,000	$ 105,782
JPRIMA-ALLIED WORLD	General Liability	10,000,000	100,000	44,648	10,000,000	100,000	49,345
JPRIMA-ALLIED WORLD	Vehicle-Physical Damage	1,039,431	25,000	28,526	1,039,431	25,000	36,711
JPRIMA-ALLIED WORLD	Public Officials/Employment Pract. Liability	1,000,000	100,000	12,717	1,000,000	100,000	15,009
JPRIMA-ALLIED WORLD	Employee Fidelity (Crime)	$250K-$1M	100,000	1,625	$250K-$1M	100,000	1,625
JPRIMA-Zenith	Workers' Compensation	Statutory	-	129,352	Statutory	-	143,365
Great American	Cybercrime Insurance	1,000,000	10,000	6,801	1,000,000	10,000	8,591
	Total Cost			$297,133			$360,427

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

[1] Liability amounts shown are NMWD's net cost after MCWCFCD's contribution ($20,751 in FY23 & $21,542 in FY24).

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. These values are adjusted each year by the San Francisco Construction Cost index published in the Engineering News Record. The insured value of the District's property, excluding fleet vehicles increased 8% from the prior year, to $85 million.

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 $21,542 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 26% to $1,305,981 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 Zenith Insurance Company. This type of plan is a pooled plan which eliminates the risk of $1M out of pocket costs as with the previous Self-Insured Retention plan as well as reduced administrative costs.

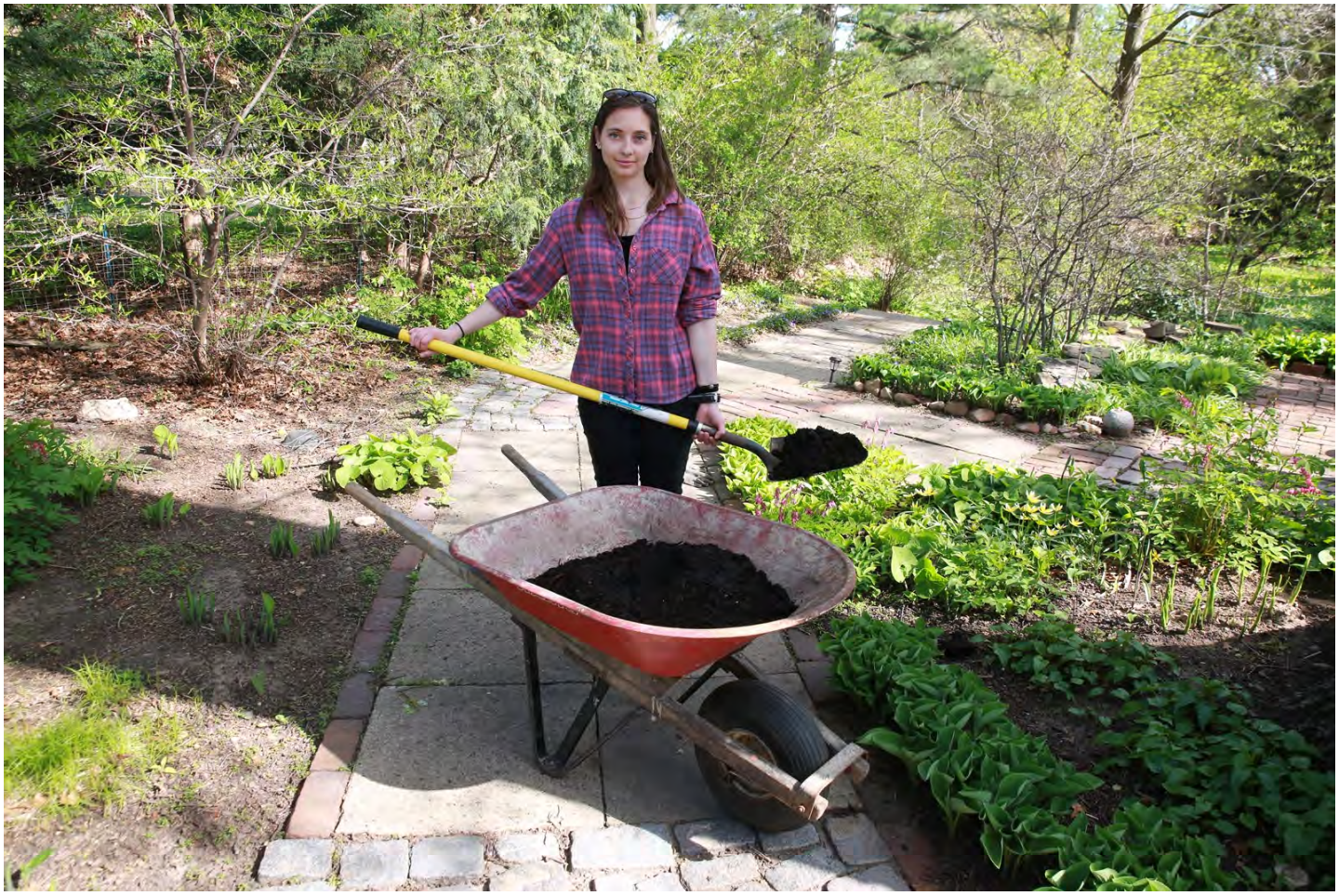
CYBER LIABILITY INSURANCE

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.

UC MARIN MASTER GARDENER

Water-wise gardening

A few easy tweaks can go far in reducing consumption



Adding compost and mulch to your garden regularly increases the soil's ability to retain moisture. COURTESY OF MPCA

Dig down or use a simple water moisture meter after your irrigation system runs to check its efficiency.

BY RON FILSON

IJ CORRESPONDENT

If you're working to reduce your water bill, consider reviewing your current usage. We all understand the importance of conserving water in the household. Your garden is one of the easiest places to reduce your water consumption.

Several studies have demonstrated that 50% of residential clean drinking water is used outdoors and most frequently to water gardens. Watering regimens, especially automated systems, need to include simple testing, regular observation and periodic adjustment.

Ideally, in our winter wet, summer dry climate, you should only provide supplemental water during a few months in the summer and only if the plants look stressed. Exceptions are if you have turf lawns or food gardens. The goal is healthy plants throughout the year. Consider redesigning your garden with plants that thrive in the various microclimates in our area. That will help you to have a garden you can enjoy year-round.

Properly hydrated plants will maintain optimum health without wasting water and are one of the elements of a fire-smart landscape plan. The most straightforward test for your irrigation system efficiency is to wait a little while after watering an area, dig down a couple of inches and note if the soil is damp. Another option is to purchase a moisture meter for the task. The same idea applies to potted plants.

Please note that too dry soil can be difficult to re-moisten. Likewise, water runoff on the ground or from your pots may indicate that your manual or automated system is overwatering the area. A little investigation will show you what you need to adjust.

Regularly adding compost and mulch to garden beds has been demonstrated to be effective in holding moisture in and reducing evaporation from the soil. Continuing to add compost year after year will improve the soil water retention and benefit the soil biome, the many organisms that make the soil more livable for plants.

The recent legal mandate to control organic waste in landfill is making quality compost readily available. If you don't have sufficient space or don't want to commit the time and effort to compost the organic material produced by your garden and home, use your compost bin.

Rain catchment systems are an excellent way to capture water, even if it is only used to water houseplants. In most local areas, homeowners can collect rainwater and have the additional benefit of being the right pH for plant health. Rainwater also doesn't contain the chemicals added to city water to sanitize for drinking and protect pipes from corrosion. As with greywater systems, many system designs are available for the DIY-er or contractor, with commercially available components ranging from simple and inexpensive to complex and pricey.

Greywater systems capture sink, shower and laundry water, and can provide supplemental water for garden beds and trees. For people living with septic systems, there are aerobic modifications available that will allow you to utilize the water portion in your landscape safely.

Marin Water and North Marin Water District have rebates and incentive programs to help conserve and better utilize water. You'll find those programs online at marinwater.org/rebates and nmwd.watersmart.com. Marin Water currently offers Flume water meters at a subsidized cost, while North Marin customers have digital meters installed. Both systems allow you to view your water usage by day and hour. Seeing when and how much water you are using can guide your decisions around conservation.

Resource Conservation Districts (RCDs) and other organizations have resources available for rural properties. UC Marin Master Gardeners and Marin Municipal Water District will do a site visit and provide homeowners in Marin with information and advice on improving their irrigation practices to help conserve Marin's precious water resources.

For more information, look into the Marin Master Gardener's Garden Walks program at marinmg.ucanr.edu.

Sponsored by UC Cooperative Extension, the University of California Marin Master Gardeners provides science- and research-based information for Marin home gardeners. Email questions to helpdesk@marinmg.org. Attach photos for inquiries about plant pests or diseases. Please call 415-473-4910 to see when a master gardener will be at the office or drop off samples 24/7 in the sample box outside the office. To attend a gardening workshop or subscribe to Leaflet, a free quarterly e-newsletter, go to marinmg.ucanr.edu.

PROTECTION PROJECT

Agencies plan massive wildfire buffer in Novato

Work to begin this summer on 60-mile long fuel break

Work was done during the winter to clear shrubs and low branches near homes in the wildland-urban interface in Novato. A planned fuel break and related fire fuel reduction work will cover more than 3,000 acres. PHOTOS BY ALAN DEP — MARIN INDEPENDENT

Mike Swezy, vegetation program manager for the Novato Fire Protection District, stands by a brush pile in a wildland-urban interface area in Novato.

BY WILL HOUSTON

WHOUSTON@MARINIJ.COM

One of Marin County's largest fire prevention projects set to begin this summer is aiming to encircle the city of Novato with a protective buffer against future wildfires.

Over the next five years, the Marin Wildfire Prevention Authority and Novato Fire District plan to create a 60-mile-long, up to 300-foot-wide shaded fuel break around the city. The fuel break and related fire fuel reduction work will cover more than 3,000 acres and will run alongside 5,200 residences on the outer edges of the city.

Marin Wildfire Prevention Authority Executive Director Mark Brown said these fuel breaks work to influence fire behavior, namely by preventing the spread of fires into neighborhoods and allowing firefighters to access fires more easily.

“The work that we do in the shaded fuel breaks keeps the fire on the ground, doesn’t create the embers and it doesn’t create the radiant heat that can burn homes down,” Brown said.

The authority plans to hold a community meeting on the project at 6 p.m. May 24 at the Hamilton Community Center, which will also be live-streamed online.

Similar shaded fuel breaks are present throughout the county. The Marin Wildfire Prevention Authority is currently a year into building a 38-mile shaded fuel break in the greater Ross Valley area. A network of fuel breaks also exists in San Rafael, southern Marin and West Marin.

These types of buffers work by removing dense vegetation, invasive plants, downed or dead trees and low-lying tree limbs, but not clear-cutting trees. Brown said having shade from the higher canopy dramatically decreases the probability of embers causing ignition in fuels, almost by half.

“The fire science behind that is if we maintain the shade, we maintain the ground moisture,” said Brown, who previously served 30 years with the Marin County Fire Department. “And that ground moisture helps keep fuels that are on the ground more moist.”

Novato Fire District vegetation program manager Mike Swezy said another benefit of shade is that it reduces the growth of the plants in the understory.

“So it reduces our maintenance requirements and costs,” Swezy said.

The fuel break will need to be maintained every one to five years depending on the type of plant material, Swezy said.

Spanning such a large area, the project will require the cooperation of both private and public landowners, including the city of Novato, Marin County Parks and Open Space, North Marin Water District, Pacific Gas & Electric Co. and College of Marin.The project will also cover a variety of terrain, with priority work being given to grasslands on the western side of the city that prevent high fire risk. Other areas will have steep terrain that will require vegetation to be removed by hand, which can significantly increase costs to about $10,000 to $15,000 per acre, Brown said.

Work is expected to begin this summer likely around August, though Swezy said some work will need to begin earlier given the fire risk.

The authority is a joint powers authority of various Marin agencies, including fire departments, that manages nearly $19 million in annual parcel tax revenues meant to fund wildfire prevention projects throughout the county.

Given the scope of the Novato project, Swezy said state assistance will be needed.

“It all depends on the funding,” Swezy said of the timeline for completing the Novato project. “We have substantial MWPA funding but it’s not enough to get all the work done. We’ve scoped 3,000 acres in this plan. We just don’t have funding to do all of that.”

About 11 miles of the Ross Valley shaded fuel break has been completed in its first year at a price tag of about $2 million, Brown said. The authority was able to secure more than $3.5 million in state grant funding for the project.

The authority has applied for a $5 million grant through Cal Fire for the Novato project and is expecting to hear back in the coming months, Brown said.

North Marin Water District General Manager Tony Williams said the agency is supporting the project and penned a letter of support for the state grant in March.

“Any fire prevention or mitigation work such as this project located within our service territory has a potential benefit of minimizing the demand on the water system to fight fires, especially in the (wildland-urban interface) areas,” Williams wrote in an email. “It also helps prevent fire-related impacts on our own facilities, mostly storage tanks. As of last year, we no longer have any wooden storage tanks in the Novato area.”

The project was able to quickly move through the environmental clearance process, which was completed in about eight months, Brown said. The reason is that the project falls under the California Vegetation Treatment Program, which was approved in 2019 and allows public agencies to use a variety of pre-approved treatment methods in state-managed areas to reduce wildfire risk.

The program has been controversial in Marin recently with a planned project to thin trees and remove vegetation in Tomales Bay State Park.

Brown said the authority meets with several environmental organizations regularly to discuss the various projects and hear feedback. Swezy said project sites will be surveyed for sensitive plants, nesting birds and cultural artifacts and resources prior to work beginning.

Former Novato city councilwoman and a former 43-year Marin Conservation League board member Susan Stompe said the fire district’s mission is to prevent and suppress fire, “so protecting the little animals and birds that depend on shrubs and brush for nesting is understandably not a major concern.”

“Environmental groups met with MWPA early on to make sure some consideration is given to habitat, so there is some care given by hand brushing particularly sensitive areas,” Stompe said. “It will still be a huge change in that 200-foot fuel break area.”

LONG LEGAL FIGHT

MMWD settles lawsuit over fee

Plaintiffs wanted charge tied to actual water use

BY WILL HOUSTON

WHOUSTON@MARINIJ.COM

A nearly four-year legal battle challenging a controversial water fee is set to end after a settlement agreement was announced this week.

The agreement between Marin Municipal Water District and Coalition of Sensible Taxpayers, known as COST, would end a dispute over how the district charges fixed fees to customers. Unlike water rates, the fees are charged based on the size of a customer's water meter and not by the amount of water they use.

Under the settlement, the district has agreed to tie its fee calculations more closely to district ratepayers' water use, which was the coalition's intention when filing the lawsuit in 2019. Additionally, the district also agreed to pay $1.5 million in attorneys' fees to COST within 30 days of the lawsuit's dismissal. The district plans to pay the attorneys' fees using its liability claim reserve funds.

"We see this as a win for ratepayers and for COST as an advocate of fairness in local taxes and fees," COST president Mimi Willard wrote in a statement. "Disposing of the lawsuit also allows MMWD to focus on improving the condition of its finances and water supply."

"In general, it took us a while to get to where we are but overall I think we did fine and I'm satisfied with the outcome of the lawsuit," said Larry Russell, a member of the Marin Municipal Water District Board of Directors. "There is a lot of work ahead for the district as you can imagine and the settlement allows us to put this matter behind us and focus on our priorities."

The settlement will take effect if the district Board of Directors adopts its proposed fee and water rate changes at its May 16 meeting.

Under the agreement, the district would be able to continue to charge ratepayers a "capital maintenance fee" that it adopted in 2019.

The fee was adopted to pay for millions of dollars worth of backlogged repairs to its aging pipes, tanks, treatment plants and other facilities, as well as for fire prevention projects. The intent was to pay for these projects using cash rather than by incurring debt and interest charges.

The capital maintenance fee, as well as the district's "watershed maintenance fee" and "base service charge" fee, are all fixed fees charged based on the size of a ratepayer's water meter. The district charges higher fees to customers with larger meters because of the potential demand on the water system posed by the meters.

Most ratepayers pay a capital maintenance fee of about $180 per year, a base service charge of about $268 and a watershed maintenance fee of about $72 per year.

COST sued the district in 2019 in Marin County Superior Court a few months after the agency adopted the new capital maintenance fee.

The group stated the fee and other fixed fees should be charged based on actual water use, similar to water rates. The lawsuit alleged that charging the fee based on water meter size violated state Proposition 218, the voter-approved measure that requires water charges to be based on the cost of service.

The district has based its fixed fee charges largely on national recommendations set by the American Water Works Association nonprofit organization on the relative capacity of different water meter sizes.

Under the new rate and fee plan set for adoption on May 16, the district now plans to incorporate aggregated Marin-specific water use data between the various water meter classes when calculating the fixed fee amounts. The fee charges will not be based on the individual water usage by a customer.

Additionally, the settlement agreement would limit annual fee increases to 5% from now through the 2026-2027 fiscal year.

The agency will also eliminate its watershed maintenance fee and replace it with a volumetric water charge. The new fee will charge ratepayers 61 cents for every 748 gallons, or 100 cubic feet of water, that is used.

Through the proposed fee changes, revenue from fixed fees would only make up 29% of the district's total revenue during the next two years compared to about 43% currently.

"This is fairer to everyone, and especially those who don't use much water or happen to have larger meters that they don't really need," Willard wrote.

Under the settlement, the district maintains that the fee structure it passed in 2019 was legal and complied with Proposition 218.

"I am very appreciative of the collaborative spirit of COST's approach to working with Marin Water to reach the terms of this settlement," district General Manager Ben Horenstein wrote in a statement.

MARIN MUNICIPAL

Big rate increases to pay for water supply projects

A mountain biker rides a trail at Phoenix Lake near Ross. The median residential customer of the Marin Municipal Water District would face a 20% increase on their bimonthly bills under a district plan. SHERRY LAVARS — MARIN INDEPENDENT JOURNAL

BY WILL HOUSTON

WHOUSTON@MARINIJ.COM

Marin Municipal Water District has released a plan to spend millions of dollars collected under a proposed rate hike to pay for new water supply projects in the next two years.

The agency, which serves 191,000 residents in central and southern Marin, is considering substantial rate increases to pay for new water supply projects, repair aging facilities and recover financial reserves lost during the recent two-year drought.

The median residential customer would face a 20% cost increase on their bimonthly bills under the plan.

The district Board of Directors is set to vote on the rate proposal at its 6:30 p.m. May 16 meeting, which will be held in person and via teleconference at the district's headquarters in Corte Madera. The new rates would take effect on July 1.

Overall, the district plans to increase its expenses on capital projects, such as maintenance and new water supply projects, by 40%, from $18.8 million in the current fiscal year to $26.3 million in the 2023-2024 fiscal year, which begins July 1.

"This is a historic investment that this agency is making in our infrastructure that I don't know we have seen in a very, very long time — probably decades," board member Jed Smith said during an informational hearing on the proposed budget on Tuesday.

"The tasks that you guys are taking on are significant and I think our community should be proud that we're making these bold steps to help ensure that we have a safe water supply and infrastructure to meet everybody's needs," he said.

The agency plans to invest nearly $12 million over the next two years to begin work on a variety of water supply projects. Over the next four years, it plans to invest a total of $24.7 million.

The first projects would make upgrades to two existing reservoirs to allow the district to draw water more efficiently and quickly.

At the same time, the district plans to invest in early planning and exploration of more expensive, longer-term projects in its recently adopted water supply roadmap. These projects include expansion of reservoir capacity, a potential brackish water desalination plant on the Petaluma River, expanding the district's recycled water system and a regional groundwater bank in Sonoma County, among other options.

The district plans to spend $4 million in the next two years on a project to connect its Soulajule Reservoir to the electric grid. The reservoir is the district's third-largest and makes up about 13% of the district's storage capacity. Despite its size, the reservoir is often only drawn on during water shortages because it is not connected to the electrical grid, making it cumbersome and more expensive to pump water out of it.

"Right now we currently have to rent a generator and bring in fuel to operate and utilize Soulajule Reservoir," district engineering manager Elysha Irish told the board on Tuesday.

The project is estimated to cost $7.2 million in total and be completed in two to four years.

"We are exploring grant funding to help us with this cost," Irish told the board.

The timing of the project depends on when Pacific Gas & Electric Co. is able to complete an analysis of the proposal, including potential options for solar power, Irish said. The district plans to hire an electrical engineer and begin a formal environmental analysis after the preferred project is selected.

The district plans to spend another $2.2 million during the next two years on a project to permanently connect Phoenix Lake to Bon Tempe Lake. Phoenix Lake is the district's second-oldest and second-smallest reservoir, making up only about a half-percent of the district's reservoir storage capacity.

Similar to Soulajule Reservoir, Phoenix Lake is only tapped during times of water shortage. The lake is not connected to the water distribution systems or other reservoirs. Any time the district wants to draw on the lake, it requires the district to undergo a four-week effort to set up temporary pipelines and a pump station to connect it to the nearby Bon Tempe Treatment Plant.

The proposed $5.2 million effort would create a permanent pipeline connection from Phoenix Lake to Bon Tempe Lake, located about a mile to the west. With the pipeline and pump station installed, the district would also be able to extract water from Phoenix Lake more frequently, allowing it to draw on the reservoir multiple times as it refills after rains.

Previous estimates by district staff showed about 200 to 250 acre-feet of water can currently be drawn from the 411-acre-foot reservoir. The upgrades could allow it to obtain an additional 300 to 600 acre-feet, depending on the options, according to district staff.

Three pipeline routes are currently being evaluated. The project will require a new raw water pump station, a larger barge pump station on Phoenix Lake and the installation of 4,000 feet of 12- to 18-inch diameter pipe.

"We plan to be in construction on this project in the next fiscal year," Irish told the board.

The largest investment in new water supply options will go toward exploring the longer-term, more complex water supply projects. The district proposes investing $5.8 million during the next two years and a total of $12.3 million over the next four years toward these projects.

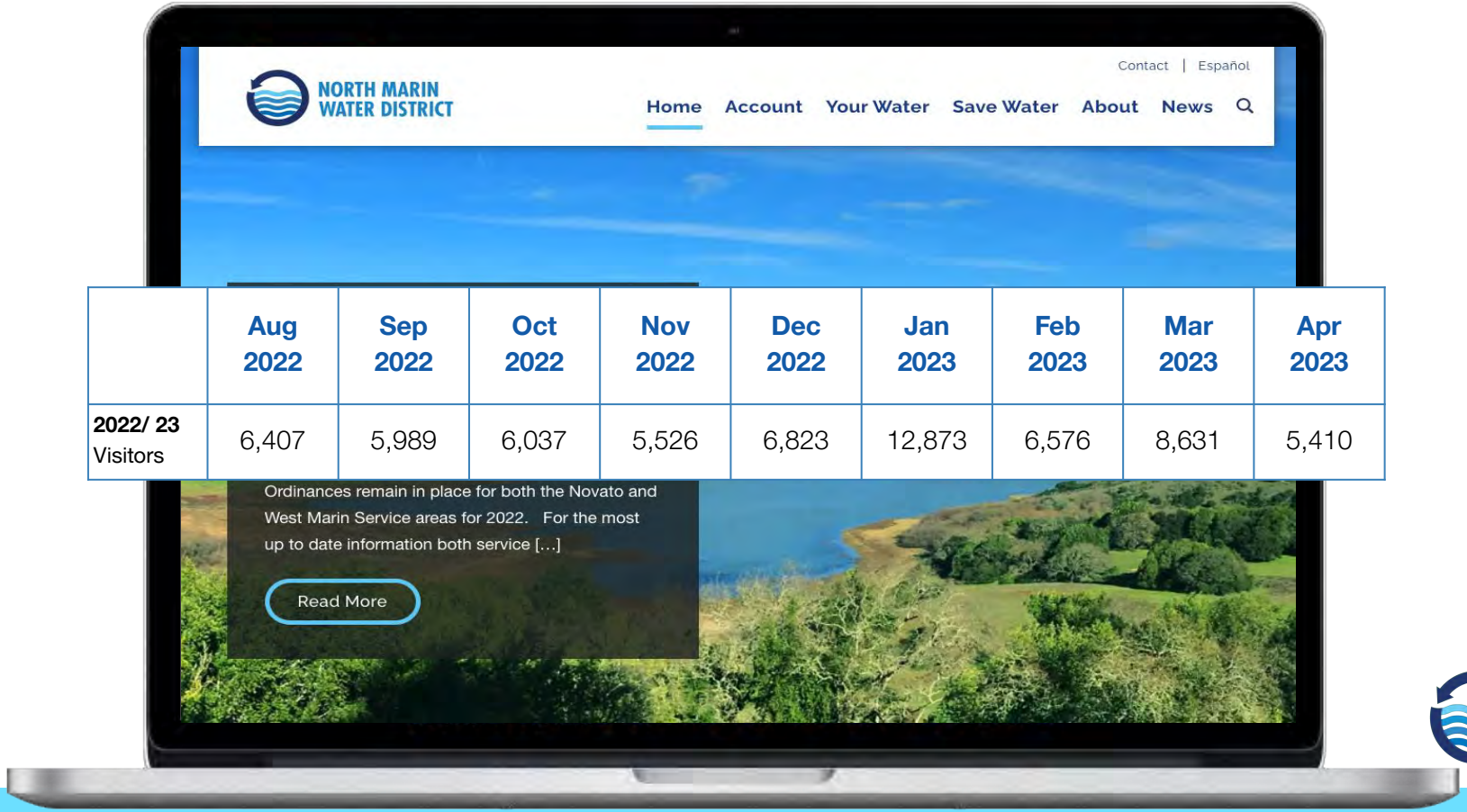
More information about the district's proposed rate and fee changes can be found at marinwater.org/2023RateSetting.

NORTH MARIN
WATER DISTRICT

Web & Social Media Report

April 2023

Website Statistics



	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023
2022/ 23 Visitors	6,407	5,989	6,037	5,526	6,823	12,873	6,576	8,631	5,410

Social Media Followers

	Aug-2022	Sep-2022	Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023
 Facebook Followers	1,904	1,964	2,005	2,042	2,095	2,172	2,202	2,243	2,300
 Twitter Followers	77	75	74	71	76	110	112	113	120
 Instagram Followers	689	693	709	722	735	748	759	774	794

NMWD Most Visited Pages

Pages	Unique Pageviews	% of Total
Home	3,028	30.16%
Online Billing	1,876	18.69%
My Water Usage	775	7.72%
Weather & Production Statistics	368	3.67%
Landslide Near North Marin Aqueduct	220	2.19%
Meetings 2023	183	1.82%
Contact	171	1.70%
What Is An Acre Foot?	143	1.27%
Drought is Over. Thank You.	134	1.33%

April Social Media Highlights | Facebook

180 people reached | 5 engagements

497 people reached | 48 engagements

Engagements include likes, reactions, clicks and comments

April Social Media Highlights | Facebook

264 people reached | 6 engagements

384 people reached | 16 engagements

Engagements include likes, reactions, clicks and comments

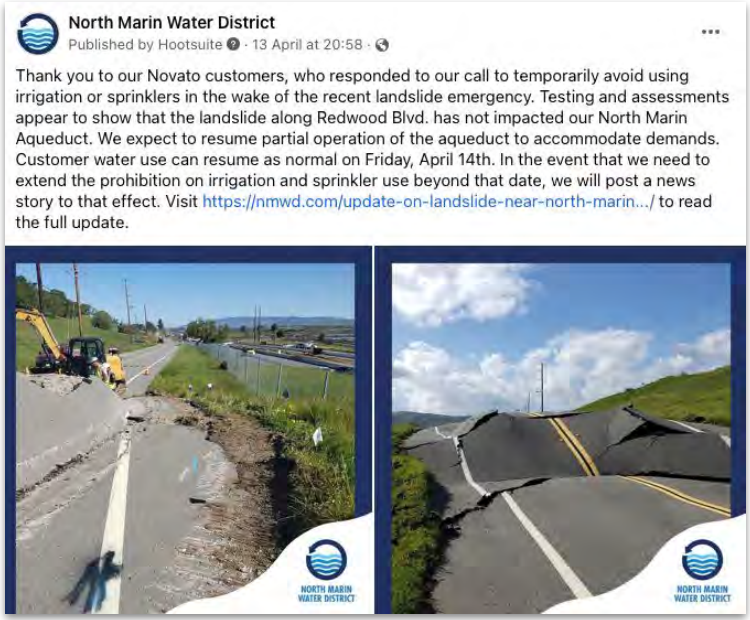
April Social Media Highlights | Facebook

9,641 people reached | 1,656 engagements

527 people reached | 63 engagements

Engagements include likes, reactions, clicks and comments

April Social Media Highlights | Facebook



214 people reached | 31 engagements

276 people reached | 11 engagements

Engagements include likes, reactions, clicks and comments

April Social Media Highlights | Facebook

136 people reached | 1 engagement

287 people reached | 28 engagements

Engagements include likes, reactions, clicks and comments

April Social Media Highlights | Facebook

367 people reached | 29 engagements

69 people reached | 2 engagements

Engagements include likes, reactions, clicks and comments

April Social Media Highlights | Facebook

371 people reached | 34 engagements

958 people reached | 45 engagements

Engagements include likes, reactions, clicks and comments

April Social Media Highlights | Facebook

1,152 people reached | 30 engagements

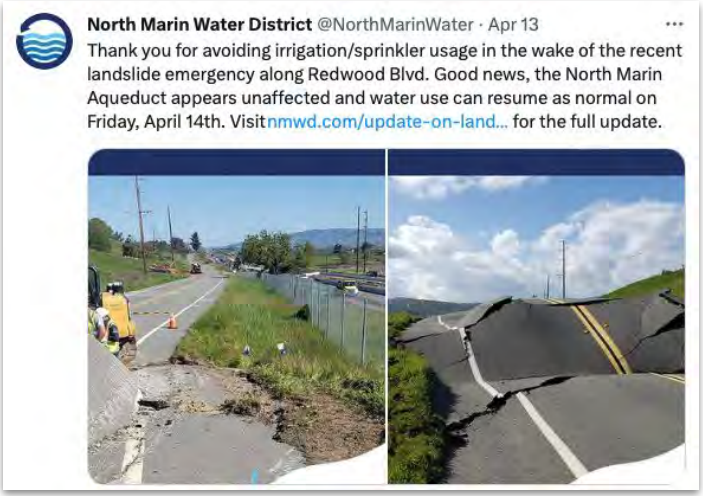
Engagements include likes, reactions, clicks and comments

April Social Media Highlights | Twitter

April Social Media Highlights | Twitter

April Social Media Highlights | Twitter

April Social Media Highlights | Twitter



April Social Media Highlights | Twitter

April Social Media Highlights | Twitter

April Social Media Highlights | Twitter

April Social Media Highlights | Twitter

April Social Media Highlights | Instagram

12 likes

5 likes

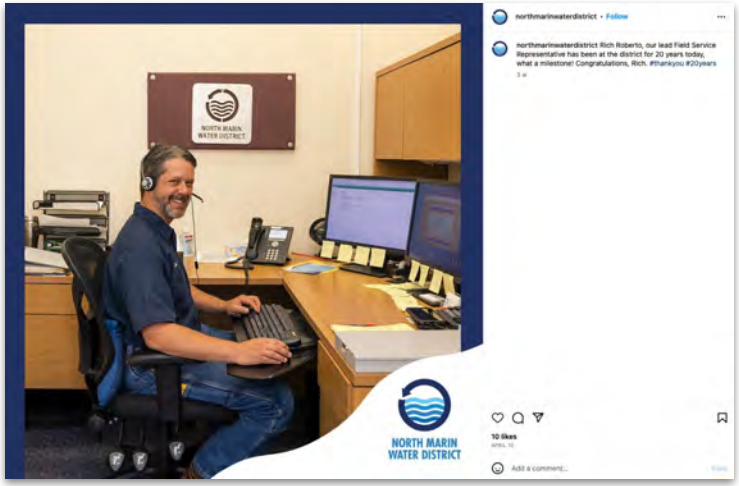
April Social Media Highlights | Instagram

3 likes

3 likes

April Social Media Highlights | Instagram

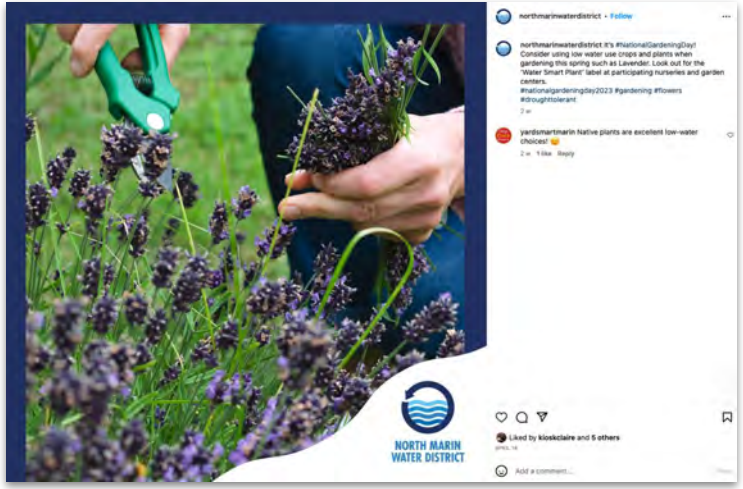
14 likes



10 likes

April Social Media Highlights | Instagram

31 likes



6 likes

April Social Media Highlights | Instagram

3 likes

12 likes

April Social Media Highlights | Instagram

4 likes

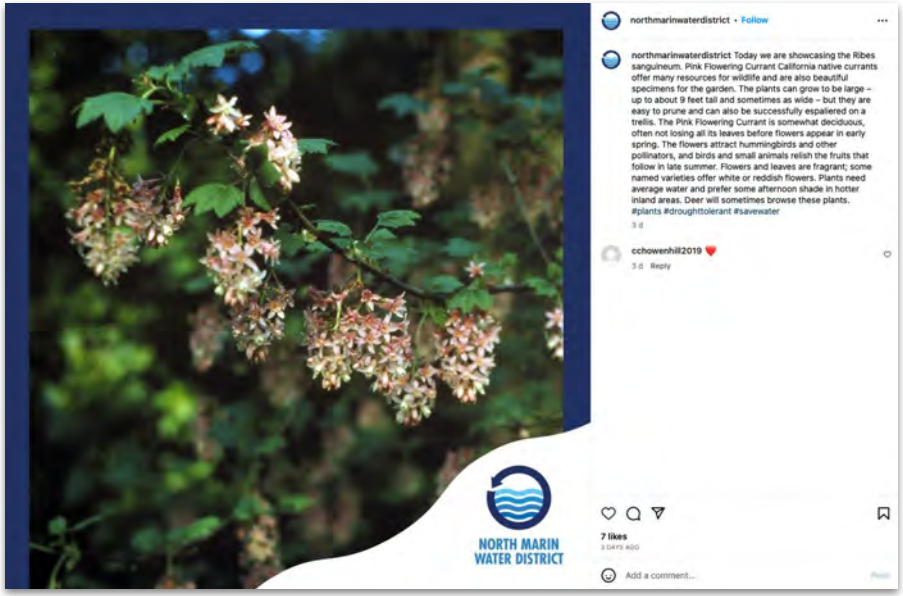
4 likes

April Social Media Highlights | Instagram

16 likes

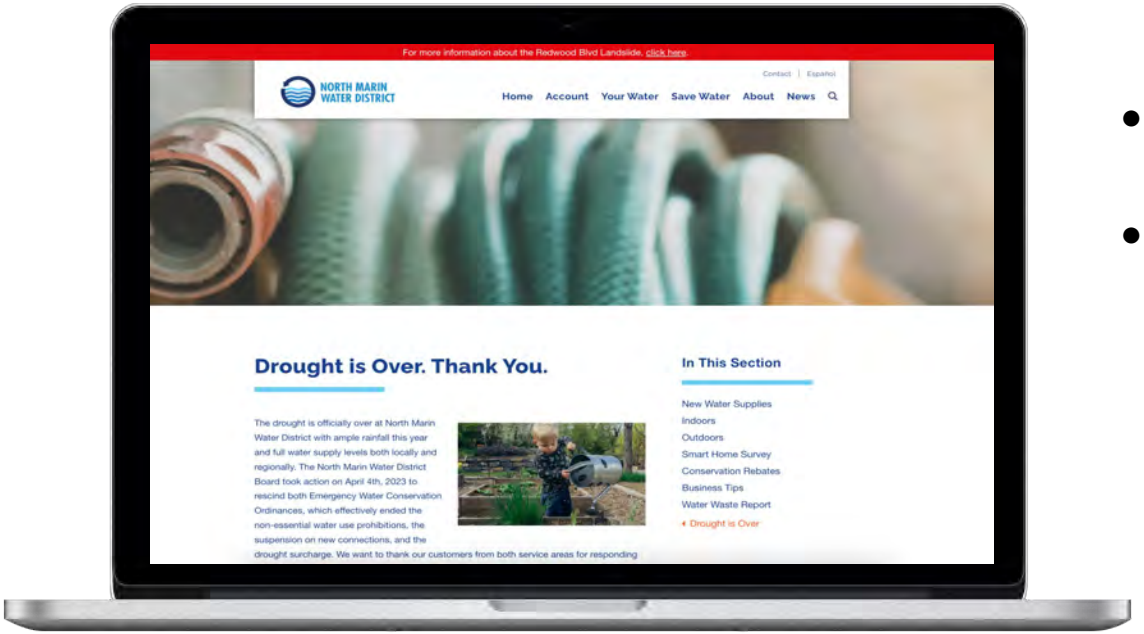
4 likes

April Social Media Highlights | Instagram



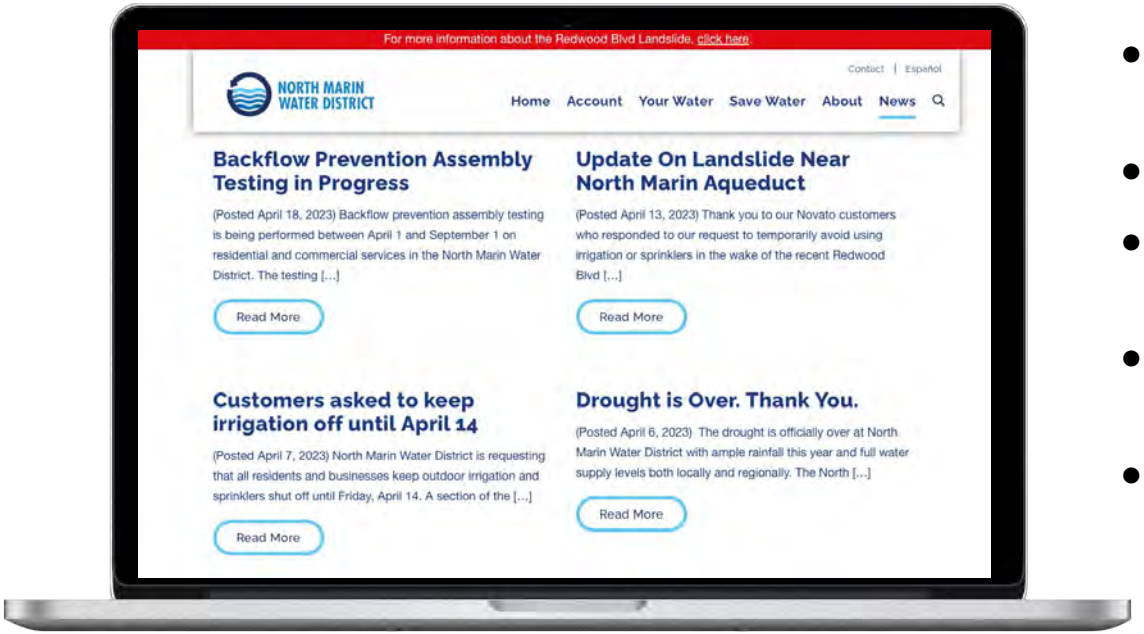
7 likes

Website - April Updates



- Updated the “Drought is Over. Thank you” page
- Updated the red banner through the website with a link to the Redwood Blvd Landslide news

April News Stories



- Landslide Near North Marin Aqueduct
- Drought is Over. Thank You.
- Customers asked to keep irrigation off until April 14
- Update On Landslide Near North Marin Aqueduct
- Backflow Prevention Assembly Testing in Progress

Rate Increase Letter Spring 2023 - Novato

Kiosk worked with staff to provide a branded layout for the rate increase letter.

Notice of public hearing regarding proposed rate increases for the Novato Service Area

NORTH MARIN WATER DISTRICT

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.

The District proposes increasing rates for fiscal year 2023-2024. If approved at the public hearing on June 20, 2023, the new rates will go into effect on July 1, 2023.

Reasons for the proposed rate increase:

Increased investment in water facilities

Rising costs to purchase imported water

Impact of inflation on all costs

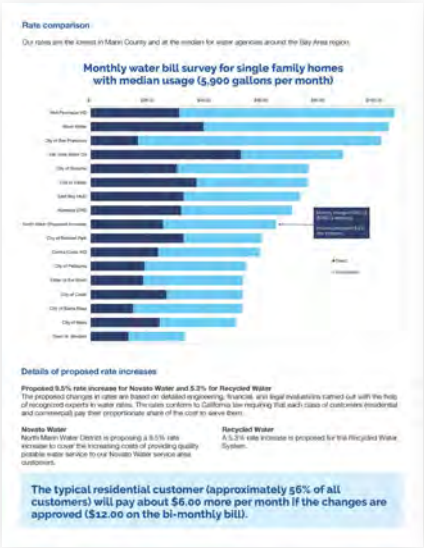
At the public hearing

How to protest the proposed rate increases

Where to learn more, get answers, and make comments

Call: 415-897-4133
Email: info@nmwd.com
Visit: nmwd.com

Attend the board hearing



Rate comparison

Monthly water bill survey for single family homes with median usage (5,900 gallons per month)

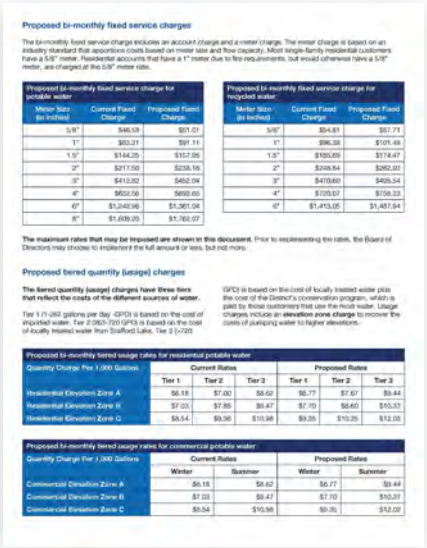
Details of proposed rate increases

Proposed 9.5% rate increase for Novato Water and 5.3% for Recycled Water

Novato Water

Recycled Water

The typical residential customer (approximately 56% of all customers) will pay about $6.00 more per month if the changes are approved ($12.00 on the bi-monthly bill).



Proposed bi-monthly fixed service charges

Proposed bi-monthly fixed service charge for potable water

Meter Size (in inches)	Current Fixed Charge	Proposed Fixed Charge
5/8"	$46.58	$51.01
1"	$80.21	$91.11
1.5"	$144.25	$157.95
2"	$217.50	$238.16
3"	$412.82	$452.04
4"	$632.58	$692.65
6"	$1,242.96	$1,361.04
8"	$1,609.20	$1,762.07

Proposed bi-monthly fixed service charge for recycled water

Meter Size (in inches)	Current Fixed Charge	Proposed Fixed Charge
5/8"	$54.81	$57.71
1"	$96.38	$101.46
1.5"	$165.69	$174.47
2"	$248.84	$262.03
3"	$470.60	$495.54
4"	$720.07	$758.23
6"	$1,413.05	$1,487.84

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.

Proposed tiered quantity (usage) charges

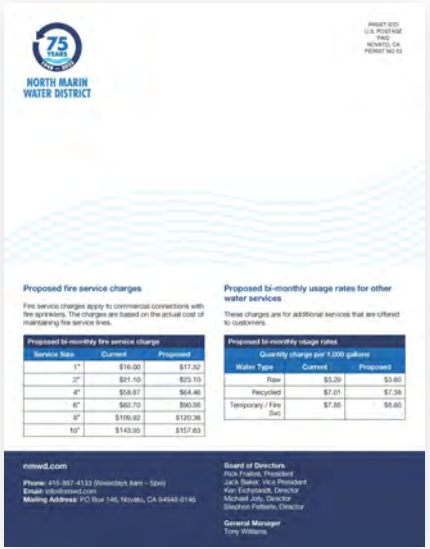
The tiered quantity (usage) charges have three tiers that reflect the costs of the different sources of water.

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	$6.18	$7.00	$8.62	$6.77	$7.67	$9.44
Residential Elevation Zone B	$7.03	$7.85	$9.47	$7.70	$8.60	$10.37
Residential Elevation Zone C	$8.54	$9.36	$10.98	$9.35	$10.25	$12.02

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	$6.18	$8.62	$6.77	$9.44
Commercial Elevation Zone B	$7.03	$9.47	$7.70	$10.37
Commercial Elevation Zone C	$8.54	$10.98	$9.35	$12.02



NORTH MARIN WATER DISTRICT

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.

Service Size	Current	Proposed
1"	$16.00	$17.52
2"	$21.10	$23.10
4"	$58.87	$64.46
6"	$82.70	$90.56
8"	$109.92	$120.36
10"	$143.95	$157.63

Proposed bi-monthly usage rates for other water services

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

Water Type	Quantity charge per 1,000 gallons	
	Current	Proposed
Raw	$3.20	$3.60
Recycled	$7.01	$7.38
Temporary / Fire Svc	$7.85	$8.60

nmwd.com

Phone: 415-897-4133 (Weekdays 8am – 5pm)
Email: info@nmwd.com
Mailing Address: PO Box 146, Novato, CA 94948-0146

Board of Directors
Rick Fraites, President
Jack Baker, Vice President
Ken Eichstaedt, Director
Michael Joly, Director
Stephen Petterle, Director

General Manager
Tony Williams

Rate Increase Letter Spring 2023 - West Marin

Notice of public hearing regarding proposed rate increases for the West Marin Water System Service Area

NORTH MARIN WATER DISTRICT

Hearing Date: Tuesday, June 20, 2023
Time: 4:00pm
Location: 100 Wood Hollow Dr, Suite 300, Novato CA 94945

This Notice provides information about proposed increases to North Marin Water District's West Marin Water System Service Area water rates and charges. 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.

The District proposes increasing rates for fiscal year 2023-2024. If approved at the public hearing on June 20, 2023, the new rates will go into effect on July 1, 2023.

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

Increased investment in water facilities
The District must continue to make investments in facility upgrades and replacements that will benefit the West Marin Water System's fire protection, water supply, and aging infrastructure. This will help to properly maintain the service area's treatment plant, 35 miles of pipeline, 7 pump stations, 13 tanks, 4 wells, 172 hydrants, monitoring systems, and more.

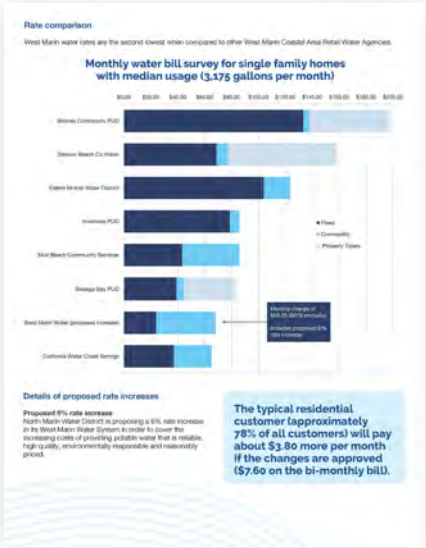
Impact of inflation on all costs
This proposed revenue increase is designed to meet all the costs of providing water service, all of which rise every year with inflation. These costs include treating and delivering safe, high quality, reliable water to your home or business without fail.

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 to the District Secretary at North Marin Water District, PO Box 146, 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: West Marin Water Rate Hearing.

Where to learn more, get answers, and make comments
Call: 415-897-4133
Email: info@nmwd.com
Visit: nmwd.com

Attend the board hearing
The Board will review and consider adopting the rate increases at a public board meeting on June 20, 2023, at 4:00 p.m. at 100 World Hollow Dr., Suite 300 Novato, CA 94945.



Rate comparison

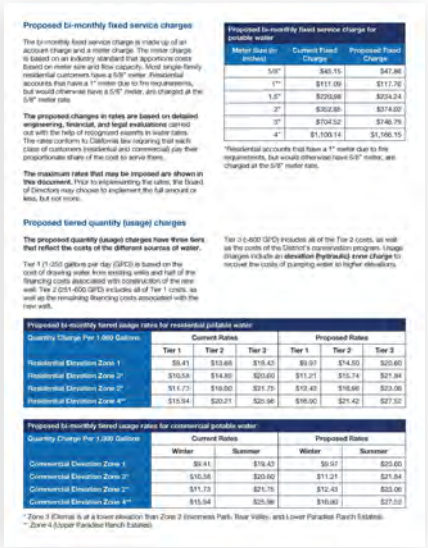
West Marin water rates are the second lowest when compared to other West Marin Coastal Area Retail Water Agencies.

Monthly water bill survey for single family homes with median usage (3,175 gallons per month)

Details of proposed rate increases

Proposed 6% rate increase
North Marin Water District is proposing a 6% rate increase in its West Marin Water System in order to cover the increasing costs of providing potable water that is reliable, high quality, environmentally responsible and reasonably priced.

The typical residential customer (approximately 78% of all customers) will pay about $3.80 more per month if the changes are approved ($7.60 on the bi-monthly bill).



Proposed bi-monthly fixed service charges

The bi-monthly fixed service charge is made up of 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.

The proposed changes in rates are based on detailed engineering, financial, and legal evaluations carried out with the help of recognized experts in water rates. The rates conform to California law requiring that each class of customers (residential and commercial) pay their proportionate share of the cost to serve them.

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.

Proposed bi-monthly fixed service charge for potable water

Meter Size (in inches)	Current Fixed Charge	Proposed Fixed Charge
5/8"	$45.15	$47.86
1"	$111.09	$117.76
1.5"	$220.98	$234.24
2"	$352.85	$374.02
3"	$704.52	$746.79
4"	$1,100.14	$1,166.15

*Residential accounts that have a 1" meter due to fire requirements, but would otherwise have 5/8" meter, are charged at the 5/8" meter rate.

Proposed tiered quantity (usage) charges

The proposed quantity (usage) charges have three tiers that reflect the costs of the different sources of water.

Tier 1 (1-250 gallons per day (GPD)) is based on the cost of drawing water from existing wells and half of the financing costs associated with construction of the new well. Tier 2 (251-600 GPD) includes all of Tier 1 costs, as well as the remaining financing costs associated with the new well.

Tier 3 (>600 GPD) includes all of the Tier 2 costs, as well as the costs of the District's conservation program. Usage charges include an **elevation (hydraulic) zone charge** to recover the costs of pumping water to higher elevations.

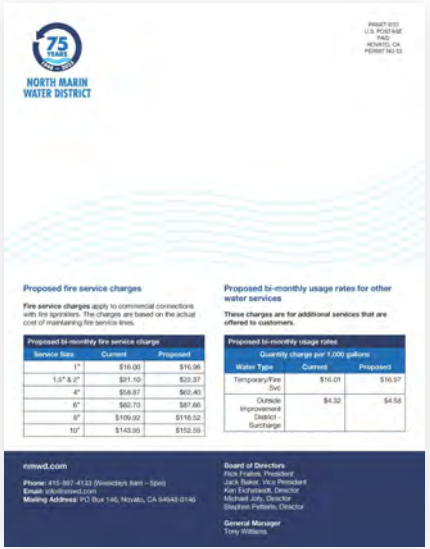
Proposed bi-monthly tiered usage rates for residential potable water

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 1	$9.41	$13.66	$18.43	$9.97	$14.50	$20.60
Residential Elevation Zone 2*	$10.58	$14.80	$20.60	$11.21	$15.74	$21.84
Residential Elevation Zone 2**	$11.73	$16.00	$21.75	$12.43	$16.99	$23.06
Residential Elevation Zone 4**	$15.94	$20.21	$25.96	$16.90	$21.42	$27.32

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 1	$9.41	$19.43	$9.97	$20.60
Commercial Elevation Zone 2*	$10.58	$20.60	$11.21	$21.84
Commercial Elevation Zone 2**	$11.73	$21.75	$12.43	$23.06
Commercial Elevation Zone 4**	$15.94	$25.96	$16.90	$27.52

* Zone 3 (Dillon) is at a lower elevation than Zone 2 (Inverness Park, Paradise Ranch Estates).
** Zone 4 (Upper Paradise Ranch Estates).



NORTH MARIN WATER DISTRICT

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 service charge

Service Size	Current	Proposed
1"	$16.00	$16.96
1.5" & 2"	$21.10	$22.37
4"	$58.87	$62.40
6"	$82.70	$87.66
8"	$109.92	$116.52
10"	$143.95	$152.59

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

Water Type	Quantity charge per 1,000 gallons: Current	Proposed
Temporary/Fire Svc	$16.01	$16.97
Outside Improvement District - Surcharge	$4.32	$4.58

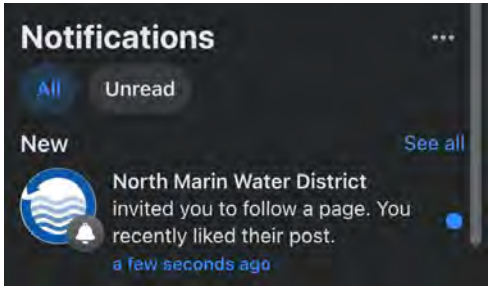
nmwd.com
Phone: 415-897-4133 (Weekdays 8am – 5pm)
Email: info@nmwd.com
Mailing Address: PO Box 146, Novato, CA 94948-0146

Board of Directors
Rick Fraites, President
Jack Baker, Vice President
Ken Eichstaedt, Director
Michael Joly, Director
Stephen Petterle, Director

General Manager
Tony Williams

Facebook Likes Campaign - April Report

We are running an evergreen ad which encourages customers in the NMWD service areas to ‘like’ (follow) the NMWD Facebook page.



Spend in April 2023	**Reach** (Number of people who saw the ad)	**Impressions**	**Results** (New Page Likes)	**Cost Per New Page Like**
$45.13	2,834	5,471	45	$1.00

*This month, we were able to reach over **2,834** people with the Likes Campaign*

What's Next?

- Roll out "Drought is Over" social posts
- Social posts to highlight the "Low Income Household Water Assistance Program"
- Continuation of social posts to highlight employees on their work anniversaries
- Kiosk to work with staff to get photos of construction and maintenance projects throughout Novato and West Marin
- Continued work on the Spring Waterline Newsletter 2023
- Redesign of Water Conservation rebate application forms

Thank You