

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

Hearing Date: Tuesday, June 20, 2023

Time: 4:00pm

Location: 100 Wood Hollow Dr, Suite 300, Novato CA 94945



**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

The District must continue to invest in facility upgrades and replacements with an approximate cost of \$4 million per year. These investments benefit the system's fire protection, water supply and aging infrastructure and help to address the need to properly maintain the District's \$132 million system of pipelines, pumps, reservoirs, treatment plants, valves, hydrants, laboratory, monitoring systems, buildings and more.

Rising costs to purchase imported water

The District typically imports 75% of its water from Sonoma County Water Agency. The cost of purchasing imported water accounts for approximately 30% of the budget and the wholesale water supplier has increased its rates of purchased water by 12.51% in FY 23/24. Going forward, rates will continue to increase as much as 11.5% annually.

Impact of inflation on all costs

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

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 94948, or in person at the public hearing. All written protests must be received prior to the close of the public input portion of the public hearing. Protests submitted via email or other electronic means will not be accepted. Please mark the protest: Attn: Novato Water Rate Hearing.

Where to learn more, get answers, and make comments

Call: 415-897-4133

Email: info@nmwd.com

Visit: nmwd.com

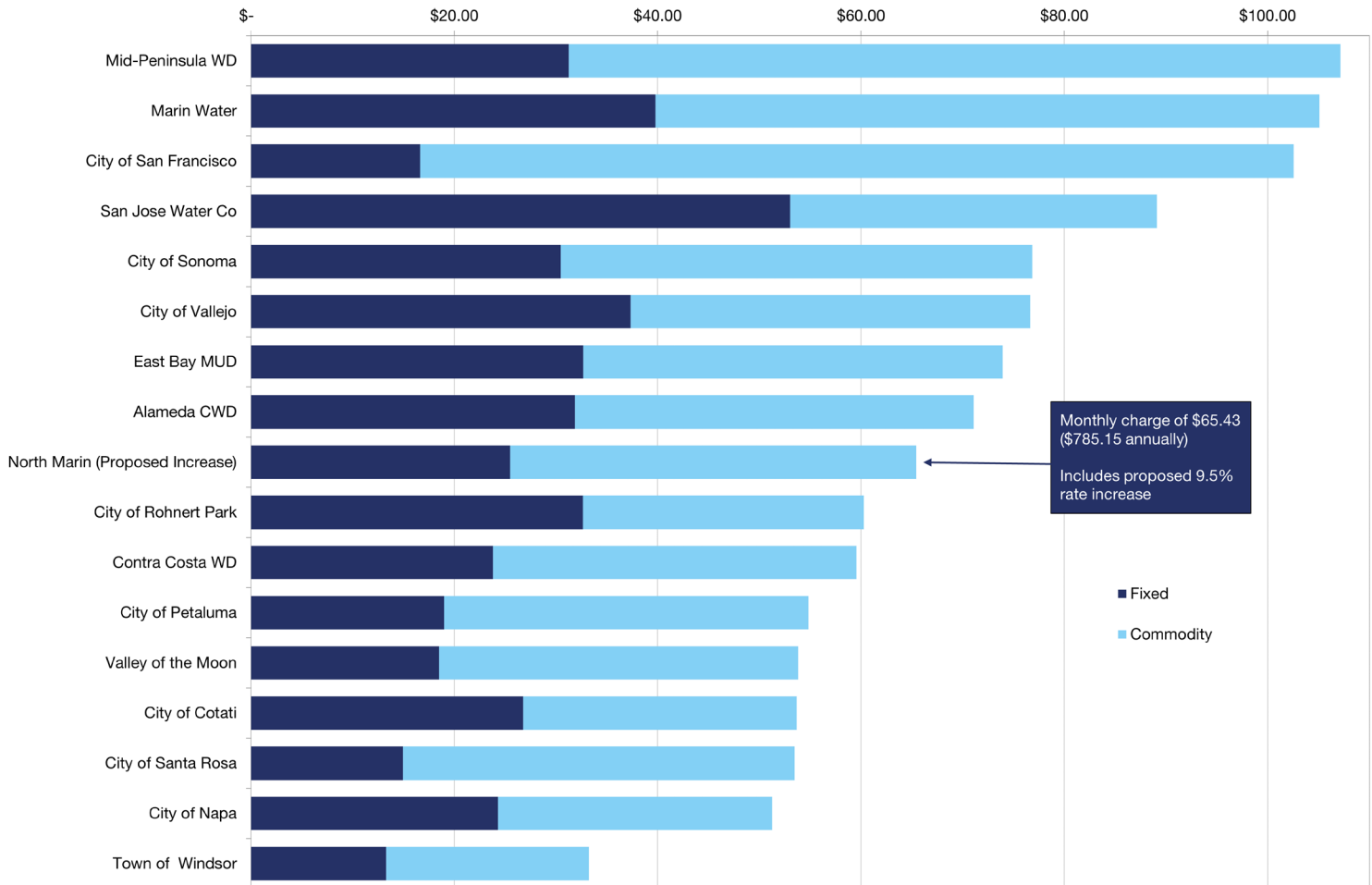
Attend the board hearing

The Board will review and consider adopting the rate increases at a public meeting on June 20, 2023, at 4:00pm at 100 Wood Hollow Drive, Suite 300 in Novato.

Rate comparison

Our rates are the lowest in Marin County and at the median for water agencies around the Bay Area region.

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

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.

Novato Water

North Marin Water District is proposing a 9.5% rate increase to cover the increasing costs of providing quality potable water service to our Novato Water service area customers.

Recycled Water

A 5.3% rate increase is proposed for the Recycled Water System.

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

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

Proposed bi-monthly fixed service charge for potable water		
Meter Size (in inches)	Current Fixed Charge	Proposed Fixed Charge
5/8"	\$46.58	\$51.01
1"	\$83.21	\$91.11
1.5"	\$144.25	\$157.95
2"	\$217.50	\$238.16
3"	\$412.82	\$452.04
4"	\$632.56	\$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	\$101.49
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	\$1,487.94

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.

Tier 1 (1-262 gallons per day -GPD) is based on the cost of imported water. Tier 2 (263-720 GPD) is based on the cost of locally treated water from Stafford Lake. Tier 3 (>720

GPD) is based on the cost of locally treated water plus the cost of the District's conservation program, which is paid by those customers that use the most water. Usage charges include an **elevation zone charge** to recover the costs of pumping water to higher elevations.

Proposed bi-monthly tiered usage rates for residential potable water						
Quantity Charge Per 1,000 Gallons	Current Rates			Proposed Rates		
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
Residential Elevation Zone A	\$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**

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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	\$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.

Proposed bi-monthly usage rates		
Quantity charge per 1,000 gallons		
Water Type	Current	Proposed
Raw	\$3.29	\$3.60
Recycled	\$7.01	\$7.38
Temporary / Fire Svc	\$7.85	\$8.60

nmwd.com

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