



**NORTH MARIN  
WATER DISTRICT**

**NORTH MARIN WATER DISTRICT**

**AGENDA - REGULAR MEETING**

June 20, 2023 – 4:00 p.m.

Location: 100 Wood Hollow Dr., Suite 150  
Novato, California

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Est. Time	Item	Subject
4:00 p.m.	<b>CALL TO ORDER</b>	
	1. <b>APPROVE MINUTES FROM REGULAR MEETING, May 16, 2023</b>	
	2. <b>APPROVE MINUTES FROM REGULAR MEETING, June 6, 2023</b>	
	3. <b>GENERAL MANAGER'S REPORT</b>	
	4. <b>OPEN TIME: (Please observe a three-minute time limit)</b>	
	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.	
	5. <b>STAFF/DIRECTORS REPORTS</b>	
	6. <b>PUBLIC HEARING/APPROVE</b>	
	Consider Proposed Novato Service Area Water Rate Increase	Resolution
	7. <b>PUBLIC HEARING/APPROVE:</b>	
	Consider Proposed West Marin Water Rate Increase	Resolution
	8. <b>PUBLIC HEARING/APPROVE:</b>	
	Consider Proposed Oceana Marin Sewer Rate Increase	Resolution
	<b>CONSENT CALENDAR</b>	
	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.	
	9. <b>Consent – Approve Water Services Facilities Construction Agreement:</b>	
	Hamilton Homeward Bound of Marin – Veteran's Housing, 826 State Access Road APN: 157-970-07	Resolution
	10. <b>Consent – Approve Water Service Facilities Construction Agreement:</b>	
	North Bay Children's Center, 932 C Street APN: 157-980-03	Resolution

All times are approximate and for reference only.

The Board of Directors may consider an item at a different time than set forth herein.

***ACTION CALENDAR***

11. ***Approve:*** FY 23/24 Budgets Novato & West Marin Service Areas

12. ***MISCELLANEOUS***

Disbursements – Dated June 8, 2023

Disbursements – Dated June 15, 2023

Monthly Progress Report

Coast Guard Housing Conditional Use Permit Application Response Letter

News Articles:

Marin IJ – State bills seek broad reforms on water rights – SACRAMENTO

Marin IJ – What does El Nino mean for this overheated state? – CALIFORNIA VIEW

Marin IJ – District plans to add water, boost reservoir efficiency – MARIN MUNICIPAL

Pt. Reyes Light – North Marin Water District Notice of Public Hearing

Pt. Reyes Light – Western weekend thanks

Social Media Posts:

NMWD Web and Social Media Report – May, 2023

- 5:30 p.m. 13. ***ADJOURNMENT***



1

**DRAFT**  
**NORTH MARIN WATER DISTRICT**  
**MINUTES OF REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
May 16, 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, Rick Fraites, Michael Joly, and Stephen Petterle. Director Ken Eichstaedt was absent. 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 Jeff Corda (Senior Distribution & Treat Plant Operator) were also in attendance.

**MINUTES**

On motion of Director Baker, seconded by Director Joly, the Board approved the minutes from the May 2, 2023 meeting as presented by the following vote:

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

NOES: None

ABSENT: Director Eichstaedt

ABSTAIN: None

**GENERAL MANAGER'S REPORT**

During the General Manager's report, Mr. Williams summarized meetings he attended. On May 4, Mr. Williams attended the last in a series of drought meetings between Marin and Sonoma Counties. This meeting was attended by Supervisors Dennis Rodoni and David Rabbitt (Sonoma County), Stefan Parnay (Marin County Ag.), David Lewis (UC Extension), Andrew Smith (Sonoma County Ag.), Ben Horenstein (Marin Water), Grant Davis (Sonoma Water) and Mr. Williams. These drought meetings will potentially move to a six-month rotation. Mr. Williams noted how the agricultural community had done a lot for drought resiliency last year. Mr. Williams also attended the Water Supplier Caucus on May 4. This is related to the Potter Valley Project (PVP) and the associated Russian River Water Forum. The meeting focused on the information that TAC (Technical Advisory Committee) members would need to know in preparation for the first meeting of the Russian River Water Forum, which is a much broader group comprised of stakeholders related to the PVP. Mr. Williams will report back to the Board once the meeting has taken place. Finally, Mr. Williams and Eric Miller met with Ben Horenstein and Paul Sellier to discuss what Marin Water plans for their water supply strategy. Mr. Williams invited Mr. Horenstein to present their water supply

1 roadmap to the NMWD Board.

2 **OPEN TIME**

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

5 **STAFF/DIRECTORS REPORTS**

6 President Fraites asked if staff or Directors wished to bring up an item not on the agenda.

7 Eric Miller gave a brief update on a NMWD Capital Improvement Project (CIP), the Oceana  
8 Marin Treatment Plant Ponds. He said that we have a FEMA grant but it only funded approximately  
9 50% of the project. We requested an increase and they approved the additional grant amount of  
10 \$585,367.50 for a new total of \$1.478M. This will allow the District to move forward with the project.  
11 Director Joly asked what the estimated project cost is and Mr. Miller responded that the original  
12 construction estimate was \$900,000. However, after the design was completed, the estimate  
13 doubled.

14 Jeff Corda joined the meeting.

15 **CONSENT CALENDAR**

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

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

19 NOES: None

20 ABSENT: Director Eichstaedt

21 ABSTAIN: None

22 **ESA CONSULTING SERVICES AGREEMENT AMENDMENT 3 – BIOLOGICAL MONITORING**  
23 **SERVICES FOR NEW GALLAGHER WELL NO. 2 PERMIT CONDITIONS**

24 ESA was approved to provide permitting services to prepare an addendum to the 2009  
25 Gallagher Wells and Pipeline Project Initial Study in October 2020. An amendment was approved in  
26 April 2021 for additional efforts including assistance with the Marin County Local Coastal Permit. A  
27 second amendment was approved in May 2021 for mitigation measures for the project. A third  
28 amendment in the amount of \$29,775 is requested for ESA to provide biological monitoring services  
29 for the New Gallagher Well No. 2 permit conditions.

30 **AMEND CONTRACT FOR ON-CALL PAINTING AND COATING SERVICES – REDWOOD**  
31 **PAINTING, INC.**

32 In July 2021, the Board authorized an agreement with Redwood Painting, Inc. (RPI) to  
33 provide on-call painting and coating services for the District. Subsequently, two projects at Stafford  
34 Treatment Plant (STP) required RPI's services. Since then, two new coating projects have been

1 identified at STP; Coating of 3 Filter Basins and Coating Walls of the Chlorine Building. An  
2 amendment is requested to the original RPI contract in the amount of \$250,000.

3 **INFORMATION ITEMS**

4 **QUARTERLY FINANCIAL STATEMENT – MARCH 31, 2023**

5 Julie Blue gave an overview of the Quarterly Financial Statement (March 31, 2023) to the  
6 Board. She noted that operating revenues had increased and expenditures were about 3% higher  
7 than the previous fiscal year. STP has produced 316MG, the budget is 500MG. The recycled water  
8 consumption was lower and expenses slightly higher compared to last year, which was a net loss of  
9 \$89,000. West Marin's operation revenue was down and Oceana Marin's revenue had increased  
10 5% from the previous year. Director Joly asked about the impact of reduced connection fee  
11 revenue. Ms. Blue that she will look into it. Director Joly also asked about Deer Island Recycled  
12 Water Facility. Ms. Blue said that it operates about 6 weeks out of the year and that we will have to  
13 operate it until 2027 per a state loan requirement.

14 **ADMINISTRATION & LABORATORY UPGRADE PROJECT – CONSTRUCTION UPDATE**

15 Eric Miller gave a presentation on the construction status for the Administration & Laboratory  
16 Upgrade Project. He said that the window frames and windows will be installed during the week of  
17 May 15, 2023. The slab for the Laboratory building has been poured. To date, there were 40 rain  
18 days which caused major construction delays. Director Joly asked why the slab was poured so late.  
19 Mr. Miller responded that the initial delay was due to contractor delay including a change in the  
20 construction superintendent but there were also weather delays early in the project. Mr. Miller noted  
21 that the project is currently approximately 5 months behind schedule. 25 work days have been  
22 added to the duration due to weather. There has been some discussion with the contractor  
23 regarding the hours worked each day. A question was raised as to whether this is any type of  
24 security on the premises. Mr. Miller said that we do have cameras on-site, however if anything is  
25 damaged or stolen the contractor is responsible. Director Joly asked about the condition of Rush  
26 Creek Place. Mr. Williams responded that NMWD has met with the City of Novato and they agreed  
27 to put it on their CIP list to re-pave the roadway.

28 **ANNUAL WATER SUPPLY AND DEMAND ASSESSMENT**

29 Mr. Williams explained that there has been a lot of coordination with Sonoma Water (SW)  
30 and the water contractors inform SW what their water demands are and SW responds with the  
31 available water supply. Director Joly asked how much is NMWD currently putting through the  
32 aqueduct. Robert Clark responded that there should be approximately 19MG a day starting on May  
33 17. Jeff Corda added that the water quality is good from STP and so far this year we have produced  
34 about the same volume as last year. Mr. Williams added that the lake is still very full. Director

1 Baker asked about the status of the landslide repair and Mr. Williams said that Caltrans is still  
2 committed to repairing the roadway later this summer.

3 **INSPECTION OF THE STAFFORD TREATMENT PLANT'S RISK MANAGEMENT PLAN**

4 Robert Clark stated to the Board that nearly 800 staff hours have been expended in  
5 preparing the documents and information that the Environmental Protection Agency (EPA)  
6 requested. All operators were present for the site inspection that was conducted by the EPA earlier.  
7 Director Petterle asked about a situation several years ago regarding a gas cylinder gasket and the  
8 gas was exhausted. Director Joly asked if the cylinders were now safely secured in the event of an  
9 earthquake and Mr. Clark responded that they are.

10 **NBWA MEETING – MAY 5, 2023**

11 Director Fraites attended the May 5, 2023 North Bay Watershed Association (NBWA)  
12 meeting. Director Fraites said that it was mainly internal business that was discussed. He  
13 mentioned that the website will be re-designed. He also noted that they discussed adding Solano  
14 County to the association as NBWA would like to expand their presence in the North Bay.

15 **MISCELLANEOUS**

16 The Board received the following miscellaneous items: Disbursements Dated May 5, and  
17 May 11, 2023, North Marin Aqueduct – Redwood Blvd Landside Status – 4-28-23, Monthly Progress  
18 Report, FY 23/24 Insurance Renewal.

19 The Board also received the following news articles: Marin IJ – Water-wise gardening – UC  
20 MARIN MASTER GARDENER, Agencies plan massive wildfire buffer in Novato – PROTECTION  
21 PROJECT, MMWD settles lawsuit over fee – LONG LEGAL FIGHT, and Bid rate increases to pay for  
22 water supply projects – MARIN MUNICIPAL.

23 The Board also received the NMWD Web and Social Media Report – April, 2023

24 **ADJOURNMENT**

25 President Fraites adjourned the meeting at 5:15 p.m.

26 Submitted by

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Eileen Mulliner  
District Secretary

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**DRAFT**  
**NORTH MARIN WATER DISTRICT**  
 MINUTES OF REGULAR MEETING  
 OF THE BOARD OF DIRECTORS  
 June 6, 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 Ken Eichstaedt, Rick Fraites, Michael Joly, and Stephen Petterle. Director Jack Baker was absent. 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), and Robert Clark (Operations and Maintenance Supervisor) were also in attendance.

**GENERAL MANAGER'S REPORT**

During the General Manager's report, Mr. Williams informed the Board that he, Chris Kehoe, Pablo Ramudo, and Eric Miler as well as other engineering staff attended a tour of the Las Gallinas Valley Sanitary District's new treatment plant. While there they saw the location of the new meter that measures the volume of recycled water treated and sold to the District.

Mr. Williams also told the Board that on June 6, 2023 he attended a coordination meeting hosted by Marin Water and included general managers from Stinson Beach Public Utility District, Inverness Public Utilities District, and Muir Beach Community Services District.

Mr. Williams also gave a brief update on the North Marin Aqueduct landslide. He said that Eric Miller is working on a comprehensive update for the July Board meeting. He said that PG&E is wrapping up work to install their gas pipelines and should have the work done by the end of the week or next week. Frontier Communications had a line on the overhead poles that had to be removed within the slide area, and they are putting in a temporary line on the eastside of the roadway. Caltrans is mobilizing their contractor to start landslide repair this week which will probably go through September. NMWD is continuing to monitor the aqueduct and have still seen some slide movement over the last month. We may have to replace a short segment of the pipeline once landslide repair work is completed and before the road is redone.

Director Joly asked if the administration & lab building upgrade is still on target and Mr. Williams responded that the schedule has not changed since the last update. Eric Miller said that he will have another update for the Board in August.

1 **OPEN TIME**

2 President Fraités asked if anyone in the audience wished to bring up an item not on the  
3 agenda. Novato resident Frank Rebelo addressed the Board regarding the upcoming rate increase.  
4 He said he felt that the public does not have enough time to review the budget. He said he looked  
5 at past increases and that last year we had forecasted a 6% rate increase for this year and therefore  
6 does not understand why the proposed rate is so much higher than forecasted.

7 Mr. Rebelo thanked the Board and left the meeting.

8 **STAFF/DIRECTORS REPORTS**

9 President Fraités asked if staff or Directors wished to bring up an item not on the agenda.

10 Robert Clark noted that just before the meeting he had given Director Joly the flyer for the  
11 recent Western Weekend in West Marin. He said that NMWD provided a fill station to fill people's  
12 water bottles. The water was from the new well and that the event was a good time. Director  
13 Eichstaedt thanked Mr. Clark for attending.

14 **CONSENT CALENDAR**

15 Director Joly asked that the item for extending the contractor with W.K. McLellan be taken  
16 off the Consent Calendar and moved to the Action Calendar. The rest of the Board agreed to this.

17 On the motion of Director Joly, and seconded by Director Petterle, the Board approved the  
18 following item on the consent calendar by the following vote:

19 AYES: Director(s) Eichstaedt, Fraités, Joly and Petterle

20 NOES: None

21 ABSENT: Director Baker

22 ABSTAIN: None

23 **AGREEMENT WITH KIOSK FOR COMMUNICATIONS AND PUBLIC OUTREACH**

24 In 2019, the District entered into a contract with Kiosk Creative LLC. Kiosk has successfully  
25 assisted the District with many public outreach related tasks, including creating a new website  
26 design and social media development. In order to continue communications and outreach efforts, it  
27 is necessary to enter into a new agreement with Kiosk in the amount of \$65,000.

28 **ACTION ITEMS**

29 **EXTEND CONTRACT FOR NMWD TRENCH RESTORATION PAVING – W.K. MCLELLAN**

30 Director Joly asked if we had gone out to bid in the last five years or so for this work. Mr.  
31 Williams explained that other paving contractors are typically not interested in the small patch jobs  
32 such as what the District requires. He said that staff has discussed going out for bid next time  
33 around. Director Petterle agreed that the bigger contractors don't like doing small paving jobs.



1 Chris Kehoe said there is a new contractor doing work in parts of Marin that the City of Novato has  
2 used but we do not know their history yet.

3 On the motion of Director Petterle, and seconded by Director Eichstaedt, the Board  
4 approved the following item on the action calendar by the following vote:

5 AYES: Director(s) Eichstaedt, Fraitas, Joly and Petterle

6 NOES: None

7 ABSENT: Director Baker

8 ABSTAIN: None

9 **AMEND CONTRACTS FOR ON-CALL CONSTRUCTION AND REPAIR SERVICES – TEAM**

10 **GHILOTTI & GHILOTTI CONSTRUCTION**

11 Eric Miller gave a brief background on the on-call construction and repair services contracts  
12 with Team Ghilotti and Ghilotti Construction. The original contracts were issued in 2016 and in 2019  
13 the first amendment was approved. This second, and last, amendment is being requested for  
14 \$400,000 to Ghilotti Construction’s contract and \$200,000 to Team Ghilotti. We will go out for bid  
15 for the renewal on-call services next spring. The upcoming projects that we can use these two  
16 contractors for include restoring the corporation yard paving and replacing the Stafford Treatment  
17 Plant supernatant line (sewer line).

18 On the motion of Director Joly, and seconded by Director Eichstaedt, the Board approved  
19 the following item on the action calendar by the following vote:

20 AYES: Director(s) Eichstaedt, Fraitas, Joly and Petterle

21 NOES: None

22 ABSENT: Director Baker

23 ABSTAIN: None

24 **INFORMATION ITEMS**

25 **BUDGET REVIEW PROPOSED FY 23/24 BUDGETS NOVATO AND WEST MARIN SERVICE**  
26 **AREAS**

27 Julie Blue gave a presentation of the proposed FY 23/24 budgets for Novato and West Marin  
28 service areas. She said another draft will be brought to the June 20, 2023 meeting for approval.  
29 The proposed FY 23/24 rate increases are incorporated in the budget as well as the Capital  
30 Improvement Projects, operations and maintenance costs, including personnel and insurance costs.  
31 The details of the budget include studies and special projects. She explained that the consolidated  
32 budget shows healthy cash reserves and a sufficient debt service coverage ratio. Director Joly  
33 asked about fixed and variable costs. Ms. Blue said they are approximately 30% and 70%,  
34 respectively and that she would calculate more precisely and provide more information at the next  
35 meeting.

1 **RUSSIAN RIVER WATER FORUM PLANNING GROUP MEETING – MAY 17, 2023**

2 Mr. Williams explained that this group was formed to address the future of the Potter Valley  
3 Project. He said the Eel River environmental groups appear to be open to a future diversion or  
4 removal of part of the dam as long as it is 'fish-friendly'. PG&E has said that if any group or agency  
5 is interested in keeping the diversion they need to let PG&E know by November 2023. Director Joly  
6 asked how federal and state agencies are involved. Mr. Williams said that the Federal Energy  
7 Regulatory Commission (FERC) is the only federal agency currently involved, but from an  
8 environmental resource standpoint, the National Oceanic and Atmospheric Administration (NOAA) is  
9 also involved.

10 **NBWA MEETING – JUNE 2, 2023**

11 Director Fraites attended the June 2, 2023 North Bay Watershed Association (NBWA)  
12 meeting. Director Fraites said that the main speakers were from the San Francisco Estuary Institute.  
13 They have come up with a way to reduce greenhouse gases in the delta area. They made a deal  
14 with the rice farmers to keep the rice fields flooded which reduced carbon releases. He also noted  
15 that the canal area in San Rafael is subsiding and restoration work in the marsh has helped reduce  
16 the sea level rise.

17 **MISCELLANEOUS**

18 The Board received the following miscellaneous items: Disbursements Dated May 18, May  
19 25, and June 1, 2023, Auditor-Controller's Monthly Report of Investments for April 2023, California  
20 Water Boards – Notice of Proposed Emergency Rulemaking May 19, 2023 – State Water  
21 Resources Control Board.

22 The Board also received the following news articles: Press Democrat – Russian-Eel river  
23 stakeholders launch new effort to find path forward without defunct power plant. Marin IJ – Rate  
24 increases approved for water supply projects – MARIN MUNICIPAL, Repairs for mudslide near  
25 Novato to cost \$10 million – MARCH 21 INCIDENT, Report criticizes water agency on supply  
26 forecasts – STATE AUDITOR, Pt Reyes Light – NOTICE OF PUBLIC HEARING ADOPTION OF  
27 FINAL BUDGET FOR FISCAL YEAR 2023-2024

28 **ADJOURNMENT**

29 President Fraites adjourned the meeting at 5:12 p.m.

30 Submitted by

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34 Eileen Mulliner  
35 District Secretary  
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## MEMORANDUM

To: Board of Directors Date: June 20, 2023

From: Tony Williams, General Manager *TW*  
 Julie Blue, Auditor/Controller *JB*

Subject: Public Hearing – Proposed Novato Service Area Rate Increase  
T:\AC\Budget\FY-2023.24\Rate Increase & Prop 218\Novato Public Hearing - Rate Increase FY23.24.docx

**RECOMMENDED ACTION:** Hold a Public Hearing to Consider Approval of Proposed Novato Service Area Water Rates

**FINANCIAL IMPACT:** Additional \$2,069,000 in FY 23/24 Revenue

A public hearing to consider adoption of proposed rate increases in the cost of water, effective July 1, 2023, is occurring at the June 20 Board Meeting at 4:00 PM. On May 5, 2023, customers were noticed individually of the proposed increase by mailer (Attachment 1). The proposed increase is structured as a 9.5% rate increase to both the commodity rate and bimonthly service charge rate for Novato Water and a 5.3% increase for Recycled Water customers.

Under law, a customer protest of 50% plus one would invalidate the proposed increase. Through June 14, 2023, the District received 42 official protests against the proposed increase. Staff also received eight calls and four emails related to the rate increase. The customers had opposing comments regarding the rate increase and had general questions about the reasons for the rate increase.

The General Manager will make a presentation, included as Attachment 2, on the need for the proposed water cost increase at the meeting, after which the Board can accept public comment. Attachment 3 is a draft of Resolution 23-XX and Regulation 54 showing the proposed changes. In addition to the rate changes, clarifying language related to customers in Zone C has been added to page two of the resolution.

### **Staff Recommendation**

Hold a public hearing to receive public input and after closing the public hearing, approve Resolution 23-XX (Attachment 3) amending Regulation 54 pertaining to Water Rates and Charges to reflect a rate increase of 9.5% for the customers in the Novato Water Service Area and 5.3% for Recycled Water effective July 1 of 2023.

**ATTACHMENTS:**

1. Notice of Public Hearing and Rate Increase (Prop 218 Notification)
2. Presentation - Novato Water Proposed Water Rate Increase FY 23/24
3. Resolution 23-XX – Amending Regulation 54 Water Rates



**NORTH MARIN  
WATER DISTRICT**

# 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

**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

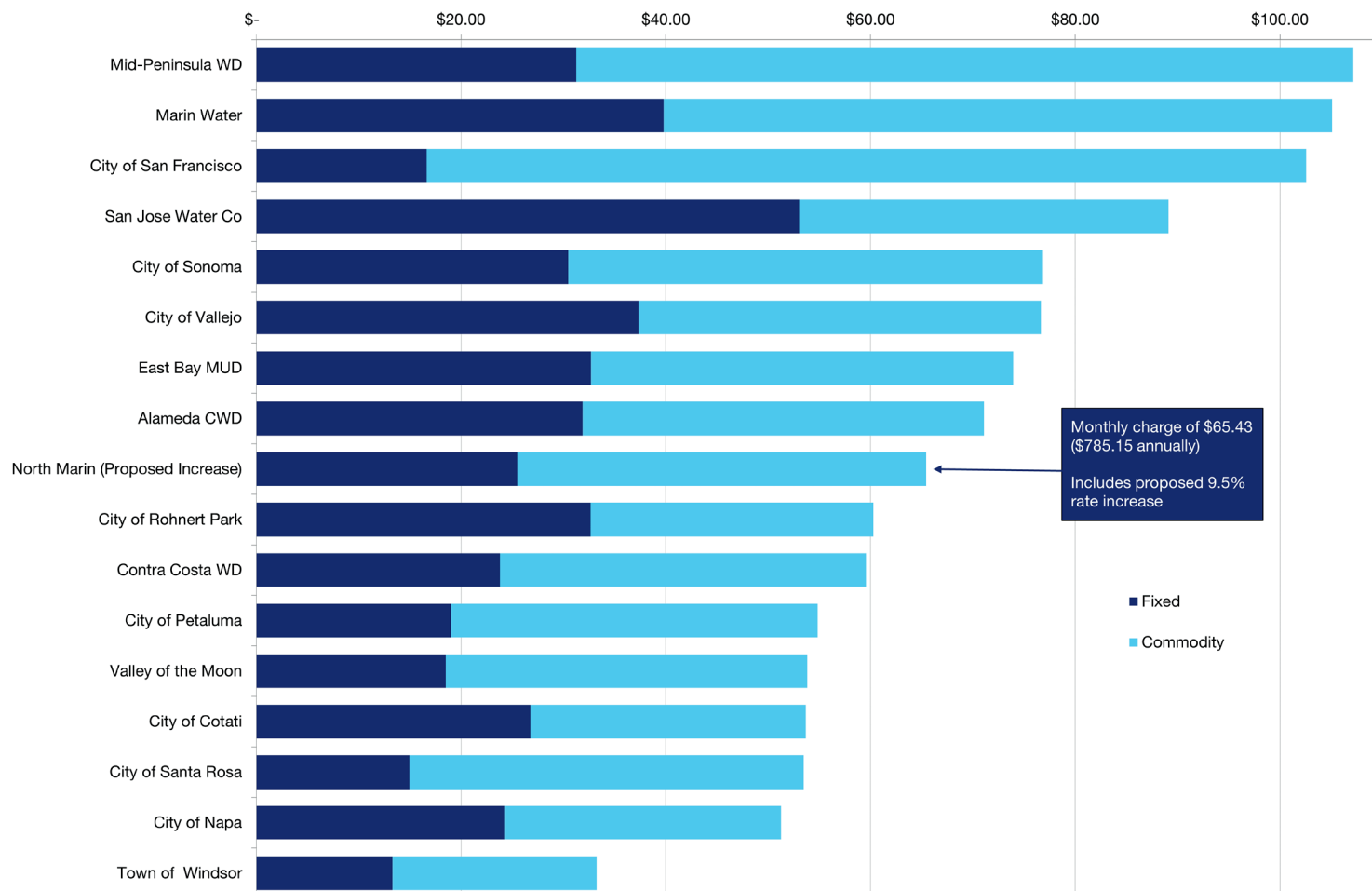
The Board will review and consider adopting the rate increases at a public meeting on June 20, 2023, at 4:00pm at 100 Wood Hollow Drive, Suite 300 in Novato.



## 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**

**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



**NORTH MARIN  
WATER DISTRICT**

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Novato Water and Recycled Water  
Proposed  
Water Rate Increase  
June 20, 2023

# Rate Increase Notification

- ✓ March 7<sup>th</sup> Budget Review & Rate Hearing Schedule
- ✓ April 4<sup>th</sup> Financial Plan Update
- ✓ April 18<sup>th</sup> Prop 218 Notices Review and Approval
- ✓ May 2<sup>nd</sup> Capital Improvement Projects Review
- ✓ May 5<sup>th</sup> Mailed Rate Increase Notices
- ✓ June 6<sup>th</sup> Operations & Maintenance and Capital Budget
- ✓ **June 20, 2023**
  - ❖ Operations & Maintenance and Capital Budget
  - ❖ Public Hearing to Enact New Water Rates

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

**75 YEARS**  
1948-2023  
**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 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 11.9% 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](mailto:info@nmwd.com)  
Visit: [nmwd.com](http://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.



# Why an increase is needed

- ❖ **Assumptions in 2020 Rate Study no longer valid**
  - Significant increase in Purchased Water Costs
  - Inflationary impacts across all expenses
  - Water Consumption lower than assumed (~300MG)
- ❖ Continual Investments in Water Facilities and Infrastructure *Replacement and Upgrades*
- ❖ Maintaining Adequate Cash Reserves and Debt Ratio



# Novato Water Rate Factors

- Keeping Pace with Inflation – 6.0 to 4.2% (FY 23 CPI-U)
  - ❖ Insurance costs – **37% higher than prior year**
  - ❖ Chemical Costs
  - ❖ Construction and Services Costs
- Cost of Water Supply – **12.5% increase SCWA**
- Capital Spending - \$4M/year
- Lower water deliveries/revenue
- Maintaining Reserve Targets
- Regulatory Fee Increases – **12% avg increase**

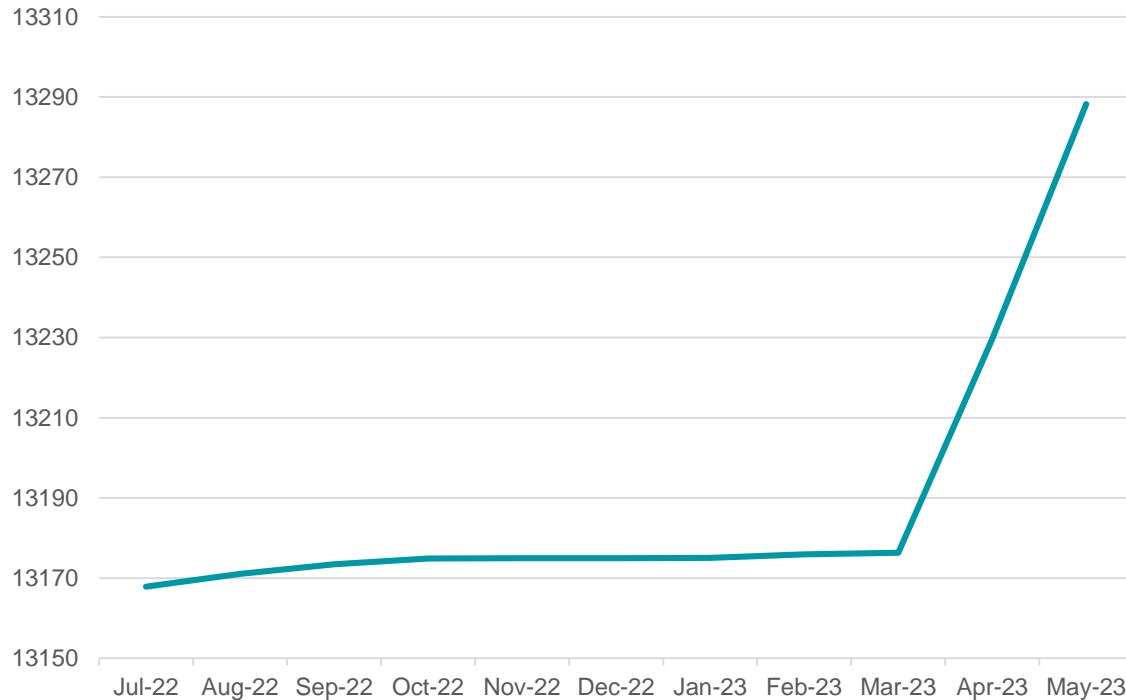


# Rate Factor – “Inflation”

Consumer Price Index (CPI) is not always a good indicator

- Construction Cost Index (Engineering News Record, ENR)

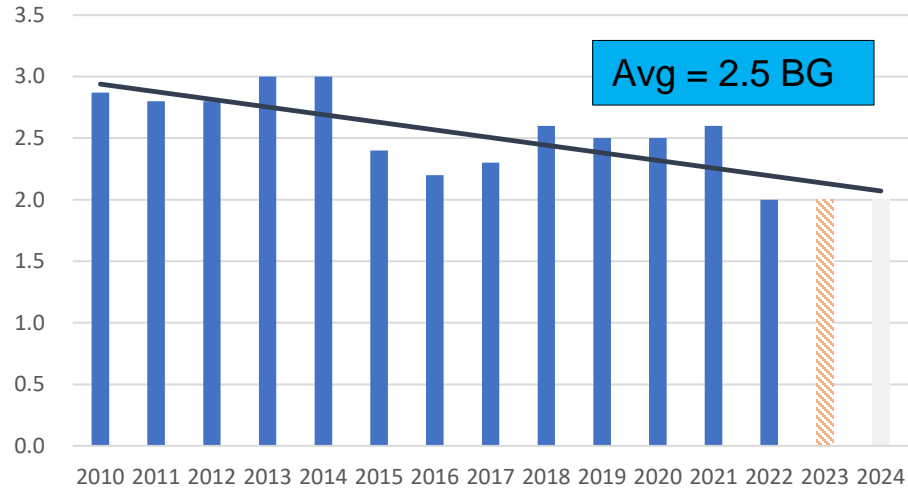
ENR Construction Cost Index



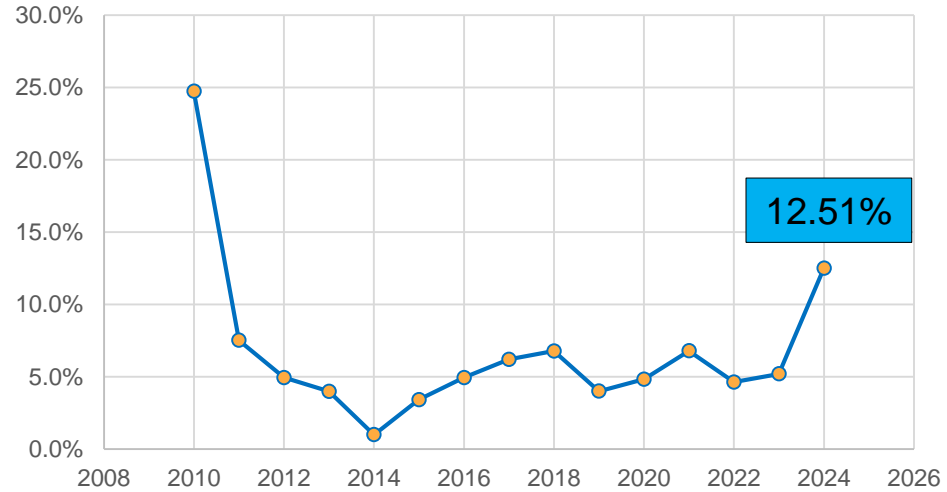


# Water Deliveries and SW Rates

## Water Consumption (BG)



## SCWA Rate Increase



# Financial Principals

## MAINTAINING “Minimum” Reserves

For mitigating unexpected expenses or events: **\$12 million**

- Operating Reserve (4 months of operating expense)
- OPEB Liability Reserve
- Liability Contingency Reserve (District’s current general liabilities)

## MANAGING Reserve “Targets”

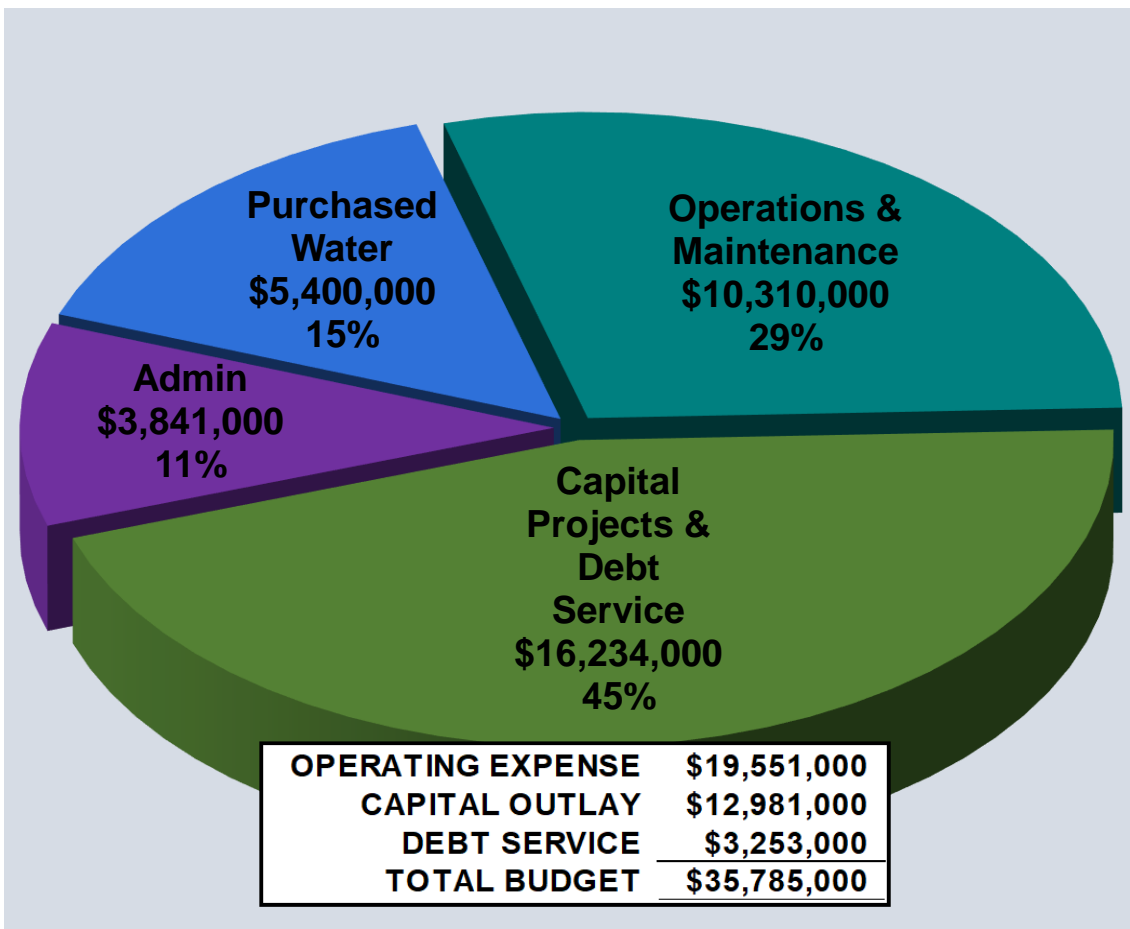
Provides a “cushion” to smooth out the peaks and valleys in the pay-go capital spending program and maintenance: **\$4 million**

- Maintenance Accrual Fund Reserve

OPEB = Other Post-Employment Benefits Liability Reserve



# Proposed FY23/24 Novato Water Budget



# Novato Water Rates - Proposed

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

## COMMODITY CHARGES

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

## FIXED 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"	\$65.21	\$71.11
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



# NMWD Assistance Programs

- Low Income Rate Assistance (LIRA) Program
  - ❖ Simple application/managed in-house
  - ❖ PG&E CARE eligibility (1-2 person household \$39,440 or less)
  - ❖ Currently 312 Customers Enrolled (\$28,080/year)
  - ❖ Non-rate revenue
- Low Income Household Water Assistance Program (LIHWAP)
  - ❖ 34 customers received assistance
  - ❖ Expires in August 2023; Federal funding





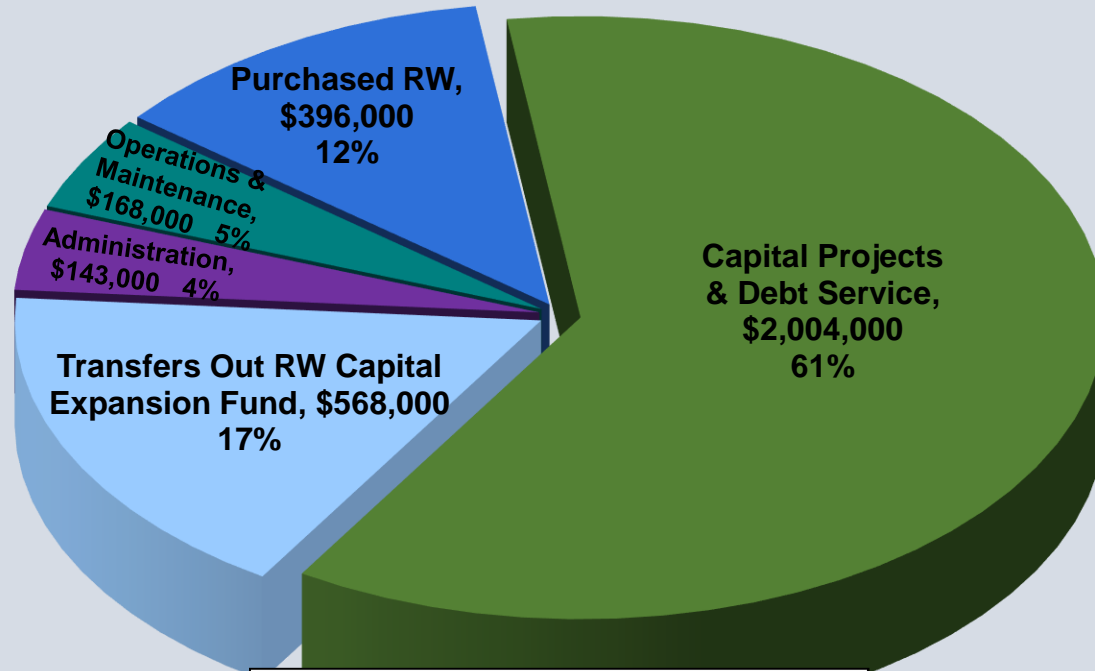
Recycled Water

# NMWD Recycled Water

- Annual Rate typically same as Novato Potable Water
- 2020 Rate Study
  - ❖ For FY23/24 Recommendation was 5%
  - ❖ At a minimum – match inflationary increases
  - ❖ **5.3% proposed**



# NMWD Recycled Water Budget



OPERATING EXPENSE	\$707,000
CAPITAL OUTLAY	\$840,000
CAPITAL REPLACEMENT/EXPANSION FUND	\$568,000
DEBT SERVICE	\$1,164,000
<b>TOTAL BUDGET</b>	<b>\$3,279,000</b>







# Investments in Aging Infrastructure

# NMWD Water Facilities and Infrastructure

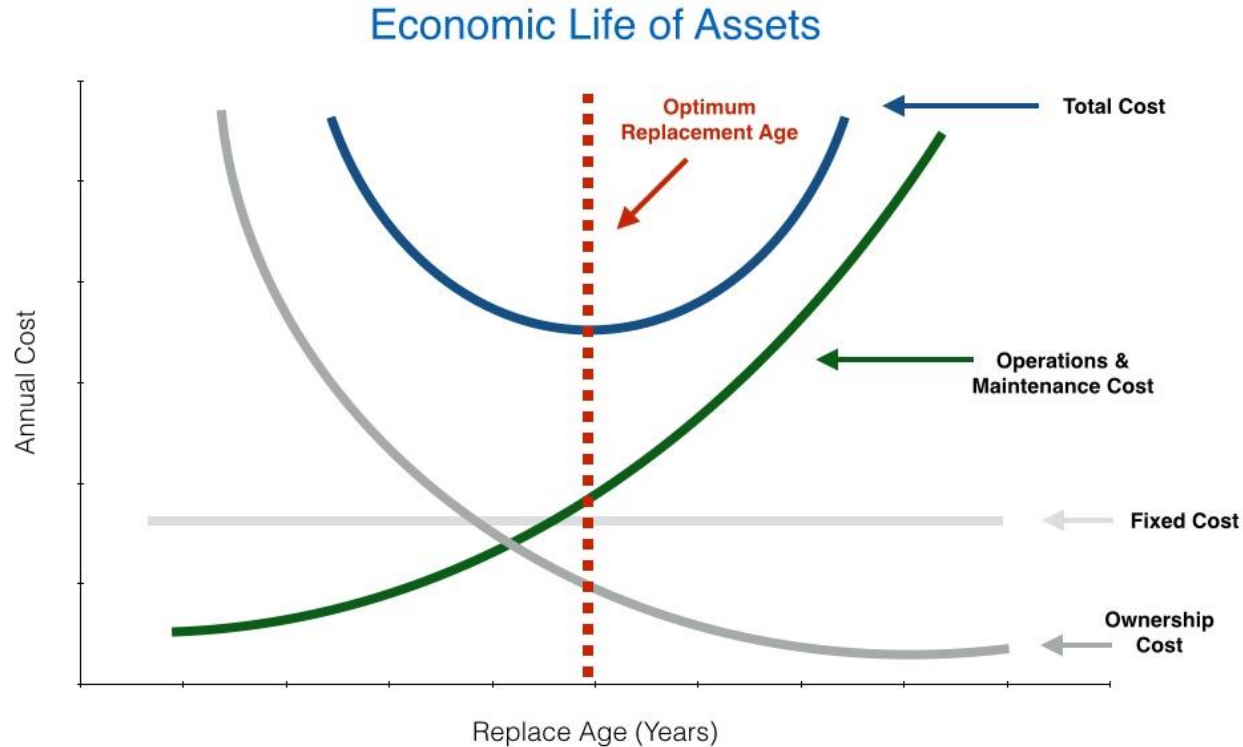
## Novato Service Area

- ❖ 330 Miles of Pipelines
- ❖ 33 Storage Tanks (38 MG)
- ❖ 26 Pump Stations
- ❖ 13 Pressure Regulating Stations
- ❖ 2600+ Fire Hydrants
- ❖ One Potable Water Treatment Plant
- ❖ One Dam and Reservoir
- ❖ Full Service Water Quality Laboratory
- ❖ Headquarters and Corporation Yard



# Facilities & Infrastructure Asset Management

~\$100M in Assets (book value): adjusted for ENR CCI increases >\$380M



# Major Projects Planned – Next 5 Years

## Novato Service Area

Project	FY23/24	FY24/25	FY25/26 thru FY 27/28	Total Project Costs
Administration and Laboratory Upgrade Project	\$ 8,000,000	\$ -	\$ -	\$ 16,740,000
Novato Blvd Widening – Diablo to Grant (4,100')	80,000	1,000,000	1,500,000	2,595,000
Lynwood Pump Station Replacement	300,000	1,000,000	1,000,000	2,440,000
Crest PS Construction (Reloc. School Rd. PS)	1,500,000	-	-	1,560,000
Water Supply Enhancement - Spillway ASG	150,000	150,000	1,200,000	1,550,000
San Mateo Tank 24" Transmission Main	25,000	25,000	1,025,000	1,085,000
Seismic Upgrade / Coating - Lynwood Tanks (x2)	25,000	500,000	500,000	1,025,000
Replace Supernatant Line to Center Rd. (4"-4,400LF)	625,000	375,000	-	1,025,000
Hydropneumatic Upgrades, Phase 1 (Bahia)	850,000	-	-	925,000
Hydropneumatic Upgrades, Phase 2 (Hayden)	-	-	925,000	925,000
Recoating - Garner Tank	25,000	250,000	250,000	525,000
Construction Building Upgrade	150,000	-	1,000,000	1,150,000




# AWWA "State of the Water Industry" 2023 Report

## Top-ranked issues facing the water sector in 2023

- 1 Rehabilitation & replacement (R&R) of aging water infrastructure
- 2 Long-term drinking water supply availability
- 3 Financing for capital improvements
- 4 Public understanding of the value of water resources
- 5 Watershed/source water protection
- 6 Aging workforce/anticipated retirements
- 7 Public understanding of the value of water systems and services
- 8 Emergency preparedness
- 9 Groundwater management and overuse
- 10 Compliance with current regulations
- 11 Water conservation/efficiency
- 12 Talent attraction and retention
- 13 Cybersecurity issues
- 14 Drought or periodic water shortages
- 15 Compliance with future regulations
- 16 Cost recovery (pricing water to accurately reflect the cost of service)
- 17 Water loss control
- 18 Energy use/efficiency and cost
- 19 Improving customer, constituent, and community relationships
- 20 Asset management

# Summary of Responses

Letters Opposing Rate Increase	42*	
Number of Calls Related to Increase	8*	
Emails Related to Increase or Protest	4*	

*\*As of COB June 14, 2023*



Questions?

**RESOLUTION 23-XX****RESOLUTION OF THE BOARD OF DIRECTORS OF  
NORTH MARIN WATER DISTRICT  
AMENDING REGULATION 54 – WATER RATES**

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

WHEREAS, the Board of Directors conducted a duly noticed public hearing on June 20, 2023 on the General Manager's recommendation, and notice of the hearing was provided to all District customers by mail on May 5, 2023, and the Board has considered all of the information received by the Board regarding the proposed recommendation, including the written protests received prior to and comments received at the public hearing; and

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

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

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

- (1) Meeting operating expenses, including employee wage rates and fringe benefits;
- (2) Purchasing or leasing supplies, equipment, or materials;
- (3) Meeting financial reserve needs and requirements;
- (4) Obtaining funds for capital projects, necessary to maintain service within existing service areas.



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

BE IT RESOLVED by the Board of Directors of North Marin Water District that Regulation 54 of the North Marin Water District is adopted as follows, effective on the dates as shown in Attachment 1.

\* \* \* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on June 20, 2023, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAINED:

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Eileen Mulliner, District Secretary  
North Marin Water District

(SEAL)

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

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

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

<b><u>A BI-MONTHLY SERVICE CHARGE OF:</u></b>	Rate Effective <del>7/1/22</del> 7/1/23
Standard 5/8-inch meter .....	<del>\$46.58</del> \$51.01
For 1-inch meter* .....	<del>\$83.24</del> \$91.11
1.5-inch meter* .....	<del>\$144.25</del> \$157.95
2-inch meter .....	<del>\$217.50</del> \$238.16
3-inch meter .....	<del>\$412.82</del> \$452.04
4-inch meter .....	<del>\$632.56</del> \$692.65
6-inch meter .....	<del>\$1,242.96</del> \$1,361.04
8-inch meter .....	<del>\$1,609.20</del> \$1,762.07
*(see paragraph f)	

<b><u>RECYCLED WATER</u></b>	Rate Effective
<b><u>A BI-MONTHLY SERVICE CHARGE OF:</u></b>	<del>7/1/22</del> 7/1/23
Standard 5/8-inch meter .....	<del>\$54.84</del> \$57.71
For 1-inch meter .....	<del>\$96.38</del> \$101.49
1.5-inch meter* .....	<del>\$165.69</del> \$174.47
2-inch meter .....	<del>\$248.84</del> \$262.03
3-inch meter .....	<del>\$470.60</del> \$495.54
4-inch meter .....	<del>\$720.07</del> \$758.23
6-inch meter .....	<del>\$1,413.05</del> \$1,487.94

<b><u>PLUS, A QUANTITY CHARGE OF:</u></b>	Rate Effective <del>7/1/22</del> 7/1/23
<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	
First 262 gallons per day (gpd) .....	<del>\$6.18</del> \$6.77
263 up to 720 gpd .....	<del>\$7.00</del> \$7.67
Use in excess of 720 gpd .....	<del>\$8.62</del> \$9.44
<u>Rate for 1,000 Gal for All Other Potable Water Accounts</u>	
Commercial, Institutional & Irrigation Accounts – 10/1 – 6/30	<del>\$6.18</del> \$6.77
Commercial, Institutional & Irrigation Accounts - 7/1 – 9/30	<del>\$8.62</del> \$9.44
<u>Rate For 1,000 Gallons For Non-Potable Water</u>	
Recycled Water .....	<del>\$7.04</del> \$7.38
Raw (Untreated) Water from Stafford Lake .....	<del>\$3.29</del> \$3.60

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

		Rate Effective <del>7/1/22</del> 7/1/23
<u>Zone</u>	<u>Elevation</u>	
A	0 through 60 feet .....	\$0.00
B	60 feet – 200 feet .....	<del>\$0.85</del> \$0.93
C*	200 feet + .....	<del>\$2.36</del> \$2.58

\*Any consumer receiving water through a District owned and maintained hydro-pneumatic system or via a pressure station from a higher pressure zone shall be assigned to Zone C irrespective of said consumer's actual elevation.

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

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

The Drought Surcharge shall be an added percentage of the current water usage rate as follows:

Residential, Commercial, and Irrigation Accounts:

Quantity Charge Per 1,000 Gallons	Normal Supply	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
Drought Surcharge	None	0%	5%	13%	21%	30%	42%

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

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

Size of Detector Assembly

	Novato Rate Effective		West Marin Rate Effective	
	<del>7/1/22</del>	7/1/23	<del>7/1/22</del>	7/1/23
1 inch .....	<del>\$16.00</del>	\$17.52	<del>\$16.00</del>	\$16.96
2 inches .....	<del>\$21.10</del>	\$23.10	<del>\$21.10</del>	\$22.37
4 inches .....	<del>\$58.87</del>	\$64.46	<del>\$58.87</del>	\$62.40
6 inches .....	<del>\$82.70</del>	\$90.56	<del>\$82.70</del>	\$87.66
8 inches .....	<del>\$109.92</del>	\$120.36	<del>\$109.92</del>	\$116.52
10 inches .....	<del>\$143.95</del>	\$157.63	<del>\$143.95</del>	\$152.59

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

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

<u>BI-MONTHLY SERVICE CHARGE</u>	Rate Effective	
	<del>7/1/22</del>	7/1/23
For 5/8 x 3/4-inch meter .....	<del>\$45.15</del>	\$47.86
For 1-inch meter* .....	<del>\$111.09</del>	\$117.76
For 1 1/2-inch meter* .....	<del>\$220.98</del>	\$234.24
For 2-inch meter .....	<del>\$352.85</del>	\$374.02
For 3-inch meter .....	<del>\$704.52</del>	\$746.79
For 4-inch meter .....	<del>\$1,100.14</del>	\$1,166.15

For all meters in Paradise Ranch Estates ..... ~~\$45.15~~ \$47.86  
 \*(see paragraph f)

**PLUS, A QUANTITY CHARGE OF:**

<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	Rate Effective <del>7/1/22</del> <u>7/1/23</u>
First 250 gallons per day (gpd).....	<del>\$9.41</del> <u>\$9.97</u>
251 up to 600 gpd.....	<del>\$13.68</del> <u>\$14.50</u>
Use in excess of 600 gpd.....	<del>\$19.43</del> <u>\$20.60</u>
 <u>Rate Per 1,000 Gallons for All Other Accounts</u>	
Commercial, Industrial and Irrigation Accounts 10/1 – 6/30	<del>\$9.41</del> <u>\$9.97</u>
Commercial, Industrial and Irrigation Accounts 7/1 – 9/30	<del>\$19.43</del> <u>\$20.60</u>

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

<u>Zone</u>	<u>Hydraulic Zone</u>	Rate Effective <del>7/1/22</del> <u>7/1/23</u>
1	Point Reyes Station.....	\$0.00
2	Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0'–365') .....	<del>\$2.32</del> <u>\$2.46</u>
3	Olema.....	<del>\$1.17</del> <u>\$1.24</u>
4	Upper Paradise Ranch Estates (Elevation 365'+).....	<del>\$6.53</del> <u>\$6.92</u>

- (2) Effective July 1, ~~2022~~ 2023 consumers outside the Improvement District boundary shall pay an additional ~~\$4.32~~ \$4.58 per 1,000 gallons.
- (3) In the event a mandatory reduction in water use is triggered under the District's Water Shortage Contingency Plan for the West Marin Service Area, a Drought Surcharge will be implemented simultaneous with enactment of the mandatory stage. The Drought Surcharge will serve to mitigate the revenue loss resulting from a reduction in water use, as well as the cost of water purchased from Marin Municipal Water District for release into Lagunitas Creek, pursuant to the Interconnection Agreement between Marin Municipal and NMWD.

The Drought Surcharge shall be an added percentage of the current water usage rate as follows:

Residential, Commercial, and Irrigation Accounts:

Quantity Charge Per 1,000 Gallons	Normal Supply	Stage 1	Stage 2	Stage 3
Drought Surcharge	None	0%	13%	30%

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

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

<u>Novato Service Area</u>	Rate Effective <del>7/1/22</del> <u>7/1/23</u>
For each 1,000 gallons .....	<del>\$7.85</del> <u>\$8.60</u>

<u>West Marin Service Area</u>	Rate Effective <del>7/1/22</del> <u>7/1/23</u>
For each 1,000 gallons .....	<del>\$46.01</del> <u>\$16.97</u>

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

e. Not used.

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

Rate Effective ~~7/1/22~~ 7/1/23

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

Novato: ~~\$46.58~~ \$51.01  
West Marin: ~~\$45.15~~ \$47.86

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

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

District Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>7/1/22</u>
Testing, Repair, Replacement	3/4" + 1" .....	\$15.73
Testing, Repair, Replacement	1 1/2" .....	\$20.79

Privately Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>7/1/22</u>
Testing	3/4" + 1" .....	\$8.99
Testing	1 1/2" .....	\$15.73
Testing	2" .....	\$24.16
Testing	3" + 4" .....	\$35.39

District Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>7/1/22</u>
Testing, Repair, Replacement	3/4" + 1" .....	\$26.97
Testing, Repair, Replacement	1 1/2" + 2" .....	\$32.58
Testing, Repair, Replacement	3" + 4" .....	\$146.07
Testing, Repair, Replacement	6" + 8" .....	\$314.61

Privately Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>7/1/22</u>
Testing	3/4" + 1" .....	\$16.85
Testing	1 1/2" + 2" .....	\$31.46
Testing	3" + 4" .....	\$66.85
Testing	6" + 8" .....	\$129.21

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

(2) Exemptions

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

	Rate Effective <u>7/1/22</u>
Each consumer that applies for and receives such an exemption shall pay a bimonthly fee of:	\$3.37

**7**



## MEMORANDUM

To: Board of Directors Date: June 20, 2023

From: Tony Williams, General Manager *TW*  
 Julie Blue, Auditor/Controller *JB*

Subject: Public Hearing – Proposed West Marin Water Rate Increase  
T:\AC\Budget\FY-2022.23\Rate Increase & Prop 218WMM Public Hearing - Rate Increase FY23.24.docx

**RECOMMENDED ACTION:** Hold a Public Hearing to Consider Approval of Proposed West Marin Service Area Water Rates

**FINANCIAL IMPACT:** Additional \$58,000 in FY 23/24 Revenue

A public hearing to consider adoption of a proposed 6% rate increase in the cost of water, effective July 1, 2023, is occurring at the June 20 Board Meeting at 4:00 PM. On May 5, 2023, customers were noticed individually of the proposed increase by mailer (Attachment 1). The proposed increase is structured as a 6% rate increase to both the commodity rate and bimonthly service charge rate.

Under law, a customer protest of 50% plus one would invalidate the proposed increase. Through June 14, 2023, the District received no official protests against the proposed increase. Staff received one call related to the rate increase. The customer had a general question but did not oppose the rate increase.

On March 16, 2021, the Board accepted the 2021 West Marin Water Rate Study Report. The rate study report provided a five-year financial plan, including a 6% rate increase for FY 23/24.

The General Manager will make a presentation, included as Attachment 2, on the need for the proposed water cost increase at the meeting, after which the Board can accept public comment. Attachment 3 is a draft of Resolution 23-XX and Regulation 54 showing the proposed changes.

### **Staff Recommendation**

Hold a public hearing to receive public input and after closing the public hearing, approve Resolution 23-XX (Attachment 3) amending Regulation 54 pertaining to Water Rates and Charges to reflect a rate increase of 6% for the customers in the West Marin Water Service Area effective July 1, 2023.

ATTACHMENTS: 1. Notice of Public Hearing and Rate Increase (Prop 218 Notification)  
 2. Presentation–West Marin Water Proposed Water Rate Increase FY 23/24  
 3. Resolution 23-XX – Amending Regulation 54 Water Rates



# Notice of public hearing regarding proposed rate increases for the West Marin Water System 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 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, 26 miles of pipeline, 7 pump stations, 13 tanks, 4 wells, 172 hydrants, monitoring systems, and more.

### **Impact of inflation on all costs**

The 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 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: West Marin Water Rate Hearing.

### **Where to learn more, get answers, and make comments**

**Call:** 415-897-4133

**Email:** [info@nmwd.com](mailto:info@nmwd.com)

**Visit:** [nmwd.com](http://nmwd.com)

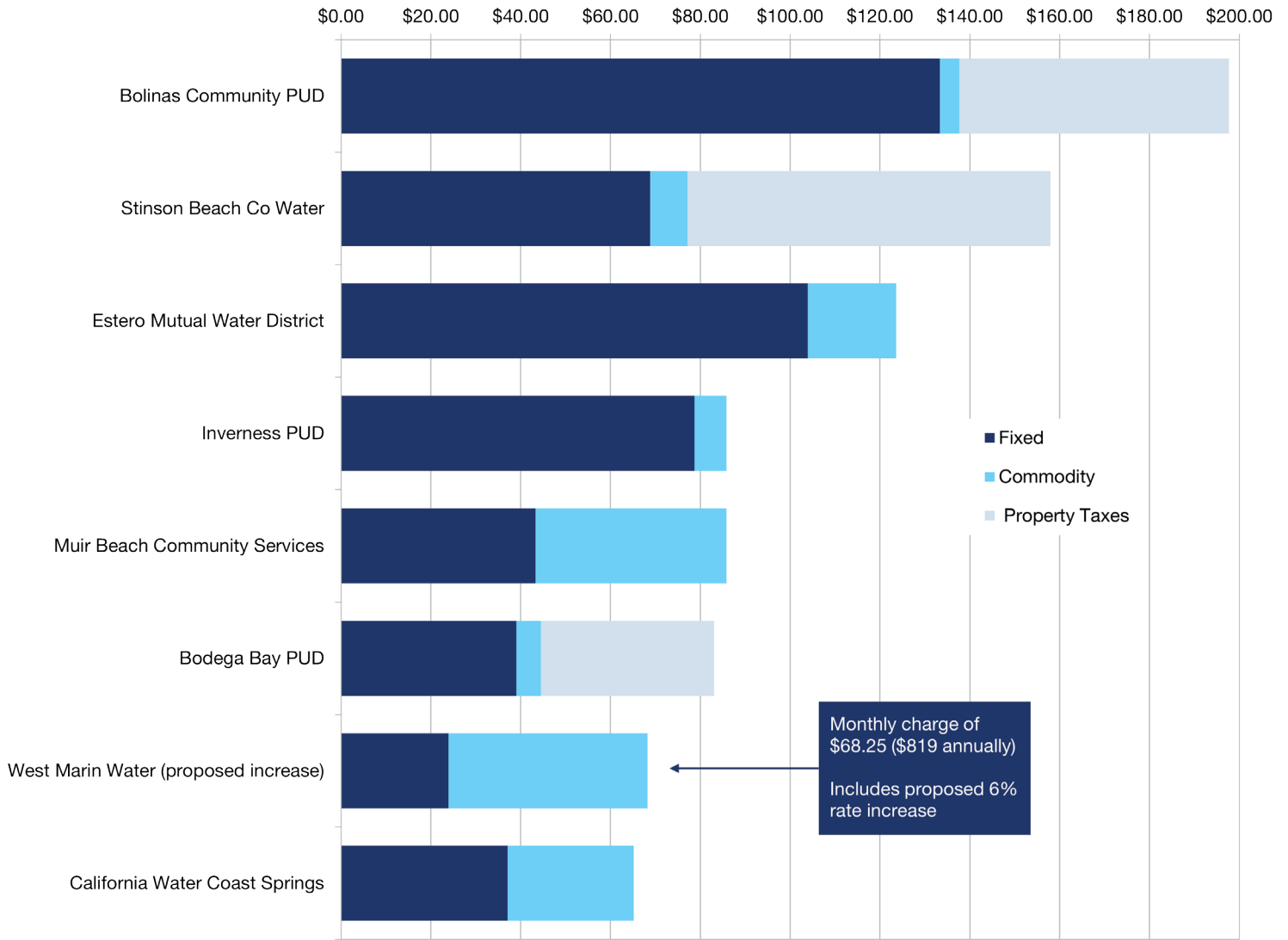
### **Attend the board hearing**

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 Wood 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 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.

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.

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	\$13.68	\$19.43	\$9.97	\$14.50	\$20.60
Residential Elevation Zone 3*	\$10.58	\$14.85	\$20.60	\$11.21	\$15.74	\$21.84
Residential Elevation Zone 2*	\$11.73	\$16.00	\$21.75	\$12.43	\$16.96	\$23.06
Residential Elevation Zone 4**	\$15.94	\$20.21	\$25.96	\$16.90	\$21.42	\$27.52

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 3*	\$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 (Olema) is at a lower elevation than Zone 2 (Inverness Park, Bear Valley, and Lower 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 connection 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		
Quantity charge per 1,000 gallons		
Water Type	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  
 James Grossi, Director  
 Michael Joly, Director

#### General Manager

Tony Williams



**NORTH MARIN  
WATER DISTRICT**

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**West Marin Water & Sewer  
Proposed  
Rate Increase**

June 20, 2023

# Rate Increase Notification

- ✓ March 7, 2023 FY 23/24 Budget Review and Rate Hearing Schedule
- ✓ April 4, 2023 Financial Plan Update
- ✓ April 18, 2023 Prop 218 Notices Review and Approval
- ✓ May 2, 2023 Capital Improvement Projects Review
- ✓ May 5, 2023 Mailed Rate Increase Notices
- ✓ June 6, 2023 O&M and Capital Budget
- ✓ June 20, 2023
- ❖ Operations & Maintenance and Capital Budget
- ❖ Public Hearing to Enact New Rates

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

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.**

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**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, 26 miles of pipeline, 7 pump stations, 13 tanks, 4 wells, 172 hydrants, monitoring systems, and more.

**Impact of inflation on all costs**  
The 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.

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**Where to learn more, get answers, and make comments**

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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 Wood Hollow Dr., Suite 300 Novato, CA 94945.

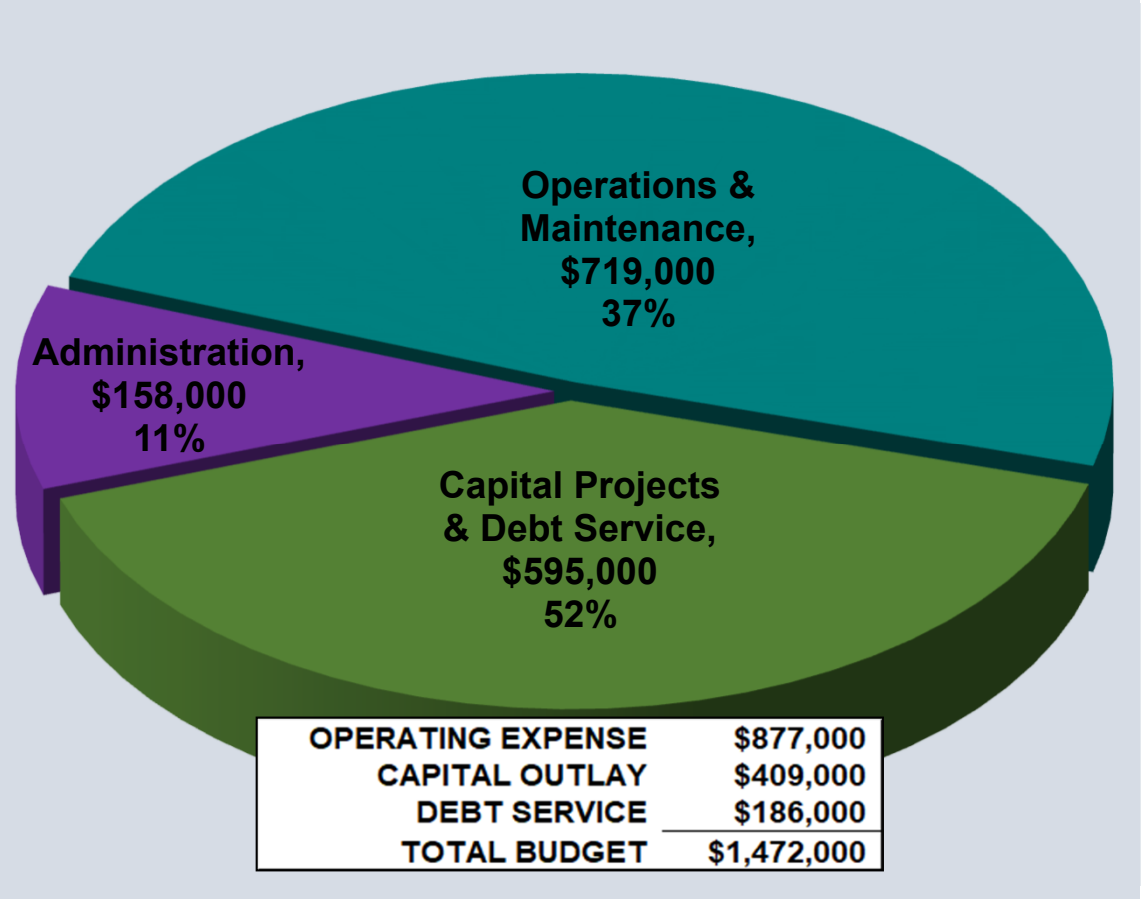


# Rate Increase

- ❖ 6% increase in commodity & bimonthly fixed charges
- ❖ **Following 2021 Rate Study Recommendations**
  - Continual Investments in Water Facilities and Infrastructure
  - Inflationary impacts across all expenses
  - Maintaining Adequate Cash Reserves and Debt Ratio



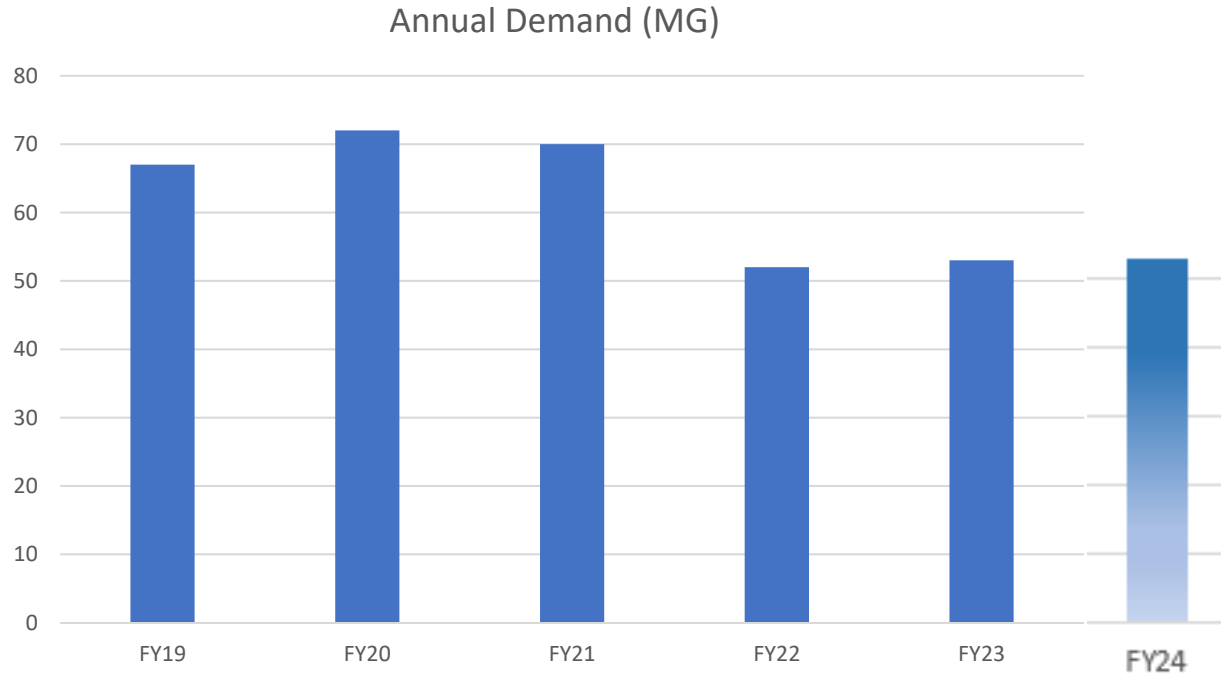
# Proposed FY23/24 WM Water Budget





# Water Demand Trends

Active Service Connections - 792 (~1800 people served)





# Investments in Aging Infrastructure

# NMWD Water Facilities and Infrastructure

## West Marin Service Area

- ❖ 4 Water Supply Wells
  - 2 “Coast Guard Wells”
  - 2 “Gallagher Wells”
- ❖ 13 Storage Tanks (1.1MG)
- ❖ 6 Pump Stations
- ❖ 175+ Fire Hydrants
- ❖ One Water Treatment Plant
- ❖ Full Service WQ Laboratory\*



Gallagher Well#2



# Projects by Category Planned 5-yr CIP

<b>West Marin Service Area CIP</b>		<b>Budget FY 23/24</b>	<b>Forecast FY 24/25</b>	<b>Forecast FY 25/26</b>	<b>Forecast FY 26/27</b>	<b>Forecast FY 27/28</b>
<b>WM Pipelines</b>						
1	Lagunitas Creek Bridge Pipe Replacement (Caltrans)	\$ 50,000	\$ 240,000	\$ 1,200,000	\$ -	\$ -
2	Replace 2-inch Galvanized Pipe - Balboa+	125,000	-	-	-	-
3	Replace 2-inch Galvanized Pipe - PRE	-	45,000	-	-	-
4	Olema Creek Bridge Pipe Replacement (County)	-	-	-	-	200,000
<b>WM Tanks &amp; Pump Stations</b>						
1	Tank Replacement - PRE #1 & #2	\$ -	\$ -	\$ -	\$ 620,000	\$ -
2	Tank Replacement - Pt. Reyes #1	-	-	-	-	450,000
<b>WM Wells</b>						
1	Rehab Well - Gallagher Well No. 1	\$ 85,000	\$ -	\$ -	\$ -	\$ -
2	New Well - Gallagher Well No. 2 - DWR Grant Admin	10,000	5,000	-	-	-
3	New Well - Gallagher Well No. 2 - Construction	165,000	-	-	-	-
<b>WM Other Improvements</b>						
1	Sync w/ County Paving	\$ 20,000	\$ 40,000	\$ 20,000	\$ 40,000	\$ 40,000
2	Polybutylene (PB) Service Line Replacments	25,000	25,000	5,000	25,000	25,000
3	Gallagher Ranch Streambank Stabilization	5,000	5,000	5,000	-	-
4	Other Water System Improvements	100,000	200,000	50,000	100,000	100,000
<b>Total West Marin</b>		<b>\$ 585,000</b>	<b>\$ 560,000</b>	<b>\$ 1,280,000</b>	<b>\$ 785,000</b>	<b>\$ 815,000</b>



# Summary of Responses as of June 14

Letters Opposing Rate Increase	0
Number of Calls Related to Increase	1*
Emails Related to Increase or Protest	0

*\*question about the notice and not opposed to increase*





Questions?

**RESOLUTION 23-XX****RESOLUTION OF THE BOARD OF DIRECTORS OF  
NORTH MARIN WATER DISTRICT  
AMENDING REGULATION 54 – WATER RATES**

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

WHEREAS, on March 16, 2021, the Board of Directors of the North Marin Water District (the “Board of Directors”) accepted the 2021 West Marin Water Rate Study, dated April 14, 2021 (the “Rate Study”), which described recommendations for cost allocation and rate setting; and

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

WHEREAS, the Board of Directors conducted a duly noticed public hearing on June 20, 2023 on the General Manager’s recommendation, and notice of the hearing was provided to all District customers by mail on May 5, 2023, and the Board has considered all of the information received by the Board regarding the proposed recommendation, including the written protests received prior to and comments received at the public hearing; and

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

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

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

- (1) Meeting operating expenses, including employee wage rates and fringe benefits;
- (2) Purchasing or leasing supplies, equipment, or materials;
- (3) Meeting financial reserve needs and requirements;
- (4) Obtaining funds for capital projects, necessary to maintain service within existing service areas.

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

BE IT RESOLVED by the Board of Directors of North Marin Water District that Regulation 54 of the North Marin Water District is adopted as follows, effective on the dates as shown in Attachment 1.

\* \* \* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on June 20, 2023, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAINED:

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Eileen Mulliner, District Secretary  
North Marin Water District

(SEAL)



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

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

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

<b><u>A BI-MONTHLY SERVICE CHARGE OF:</u></b>	Rate Effective <u>7/1/22</u> <u>7/1/23</u>
Standard 5/8-inch meter .....	<del>\$46.58</del> <u>\$51.01</u>
For 1-inch meter* .....	<del>\$83.24</del> <u>\$91.11</u>
1.5-inch meter* .....	<del>\$144.25</del> <u>\$157.95</u>
2-inch meter .....	<del>\$217.50</del> <u>\$238.16</u>
3-inch meter .....	<del>\$412.82</del> <u>\$452.04</u>
4-inch meter .....	<del>\$632.56</del> <u>\$692.65</u>
6-inch meter .....	<del>\$1,242.96</del> <u>\$1,361.04</u>
8-inch meter .....	<del>\$1,609.20</del> <u>\$1,762.07</u>
*(see paragraph f)	

<b><u>RECYCLED WATER A BI-MONTHLY SERVICE CHARGE OF:</u></b>	Rate Effective <u>7/1/22</u> <u>7/1/23</u>
Standard 5/8-inch meter .....	<del>\$54.84</del> <u>\$57.71</u>
For 1-inch meter .....	<del>\$96.38</del> <u>\$101.49</u>
1.5-inch meter* .....	<del>\$165.69</del> <u>\$174.47</u>
2-inch meter .....	<del>\$248.84</del> <u>\$262.03</u>
3-inch meter .....	<del>\$470.60</del> <u>\$495.54</u>
4-inch meter .....	<del>\$720.07</del> <u>\$758.23</u>
6-inch meter .....	<del>\$1,413.05</del> <u>\$1,487.94</u>

<b><u>PLUS, A QUANTITY CHARGE OF:</u></b>	Rate Effective <u>7/1/22</u> <u>7/1/23</u>
<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	
First 262 gallons per day (gpd) .....	<del>\$6.18</del> <u>\$6.77</u>
263 up to 720 gpd .....	<del>\$7.00</del> <u>\$7.67</u>
Use in excess of 720 gpd .....	<del>\$8.62</del> <u>\$9.44</u>
<u>Rate for 1,000 Gal for All Other Potable Water Accounts</u>	
Commercial, Institutional & Irrigation Accounts – 10/1 – 6/30	<del>\$6.18</del> <u>\$6.77</u>
Commercial, Institutional & Irrigation Accounts - 7/1 – 9/30	<del>\$8.62</del> <u>\$9.44</u>
<u>Rate For 1,000 Gallons For Non-Potable Water</u>	
Recycled Water .....	<del>\$7.04</del> <u>\$7.38</u>
Raw (Untreated) Water from Stafford Lake .....	<del>\$3.29</del> <u>\$3.60</u>

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

<u>Zone</u>	<u>Elevation</u>	Rate Effective <u>7/1/22</u> <u>7/1/23</u>
A	0 through 60 feet .....	\$0.00
B	60 feet – 200 feet .....	<del>\$0.85</del> <u>\$0.93</u>
C*	200 feet + .....	<del>\$2.36</del> <u>\$2.58</u>

\*Any consumer receiving water through a District owned and maintained hydro-pneumatic system or via a pressure station from a higher pressure zone shall be assigned to Zone C irrespective of said consumer's actual elevation.

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

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

The Drought Surcharge shall be an added percentage of the current water usage rate as follows:

Residential, Commercial, and Irrigation Accounts:

Quantity Charge Per 1,000 Gallons	Normal Supply	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
Drought Surcharge	None	0%	5%	13%	21%	30%	42%

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

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

Size of Detector Assembly

	Novato Rate Effective		West Marin Rate Effective	
	<del>7/1/22</del>	7/1/23	<del>7/1/22</del>	7/1/23
1 inch .....	<del>\$16.00</del>	\$17.52	<del>\$16.00</del>	\$16.96
2 inches .....	<del>\$21.10</del>	\$23.10	<del>\$21.10</del>	\$22.37
4 inches .....	<del>\$58.87</del>	\$64.46	<del>\$58.87</del>	\$62.40
6 inches .....	<del>\$82.70</del>	\$90.56	<del>\$82.70</del>	\$87.66
8 inches .....	<del>\$109.92</del>	\$120.36	<del>\$109.92</del>	\$116.52
10 inches .....	<del>\$143.95</del>	\$157.63	<del>\$143.95</del>	\$152.59

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

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

<u>BI-MONTHLY SERVICE CHARGE</u>	Rate Effective	
	<del>7/1/22</del>	7/1/23
For 5/8 x 3/4-inch meter .....	<del>\$45.15</del>	\$47.86
For 1-inch meter* .....	<del>\$111.09</del>	\$117.76
For 1 1/2-inch meter* .....	<del>\$220.98</del>	\$234.24
For 2-inch meter .....	<del>\$352.85</del>	\$374.02
For 3-inch meter .....	<del>\$704.52</del>	\$746.79
For 4-inch meter .....	<del>\$1,100.14</del>	\$1,166.15

For all meters in Paradise Ranch Estates ..... ~~\$45.15~~ \$47.86  
 \*(see paragraph f)

**PLUS, A QUANTITY CHARGE OF:**

<u>Residential Rate for Each 1,000 Gallons Per Dwelling Unit</u>	Rate Effective <del>7/1/22</del> <u>7/1/23</u>
First 250 gallons per day (gpd).....	<del>\$9.41</del> <u>\$9.97</u>
251 up to 600 gpd.....	<del>\$13.68</del> <u>\$14.50</u>
Use in excess of 600 gpd.....	<del>\$19.43</del> <u>\$20.60</u>
<u>Rate Per 1,000 Gallons for All Other Accounts</u>	
Commercial, Industrial and Irrigation Accounts 10/1 – 6/30	<del>\$9.41</del> <u>\$9.97</u>
Commercial, Industrial and Irrigation Accounts 7/1 – 9/30	<del>\$19.43</del> <u>\$20.60</u>

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

<u>Zone</u>	<u>Hydraulic Zone</u>	Rate Effective <del>7/1/22</del> <u>7/1/23</u>
1	Point Reyes Station.....	\$0.00
2	Bear Valley, Silver Hills, Inverness Park & Lower Paradise Ranch Estates (Elevation 0'–365') .....	<del>\$2.32</del> <u>\$2.46</u>
3	Olema.....	<del>\$1.17</del> <u>\$1.24</u>
4	Upper Paradise Ranch Estates (Elevation 365'+).....	<del>\$6.53</del> <u>\$6.92</u>

- (2) Effective July 1, ~~2022~~ 2023 consumers outside the Improvement District boundary shall pay an additional ~~\$4.32~~ \$4.58 per 1,000 gallons.
- (3) In the event a mandatory reduction in water use is triggered under the District's Water Shortage Contingency Plan for the West Marin Service Area, a Drought Surcharge will be implemented simultaneous with enactment of the mandatory stage. The Drought Surcharge will serve to mitigate the revenue loss resulting from a reduction in water use, as well as the cost of water purchased from Marin Municipal Water District for release into Lagunitas Creek, pursuant to the Interconnection Agreement between Marin Municipal and NMWD.

The Drought Surcharge shall be an added percentage of the current water usage rate as follows:

Residential, Commercial, and Irrigation Accounts:

Quantity Charge Per 1,000 Gallons	Normal Supply	Stage 1	Stage 2	Stage 3
Drought Surcharge	None	0%	13%	30%

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

Regulation 54, adopted 1/65

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

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

<u>Novato Service Area</u>	Rate Effective <del>7/1/22</del> <u>7/1/23</u>
For each 1,000 gallons .....	<del>\$7.85</del> <u>\$8.60</u>

<u>West Marin Service Area</u>	Rate Effective <del>7/1/22</del> <u>7/1/23</u>
For each 1,000 gallons .....	<del>\$46.01</del> <u>\$16.97</u>

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

e. Not used.

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

Rate Effective ~~7/1/22~~ 7/1/23

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

Novato: ~~\$46.58~~ \$51.01  
West Marin: ~~\$45.15~~ \$47.86

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

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

District Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>7/1/22</u>
Testing, Repair, Replacement	3/4" + 1" .....	\$15.73
Testing, Repair, Replacement	1 1/2" .....	\$20.79

Privately Owned DCV Devices:

Services Performed by District	Size	Rate Effective <u>7/1/22</u>
Testing	3/4" + 1" .....	\$8.99
Testing	1 1/2" .....	\$15.73
Testing	2" .....	\$24.16
Testing	3" + 4" .....	\$35.39

District Owned RPP Devices:

Services Performed by District	Size	Rate Effective <u>7/1/22</u>
Testing, Repair, Replacement	3/4" + 1" .....	\$26.97
Testing, Repair, Replacement	1 1/2" + 2" .....	\$32.58
Testing, Repair, Replacement	3" + 4" .....	\$146.07
Testing, Repair, Replacement	6" + 8" .....	\$314.61

Services Performed by District	Size	Rate Effective <u>7/1/22</u>
Testing	3/4" + 1" .....	\$16.85
Testing	1 1/2" + 2" .....	\$31.46
Testing	3" + 4" .....	\$66.85
Testing	6" + 8" .....	\$129.21

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

(2) Exemptions

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

	Rate Effective <u>7/1/22</u>
Each consumer that applies for and receives such an exemption shall pay a bimonthly fee of:	\$3.37

8



## MEMORANDUM

To: Board of Directors Date: June 20, 2023  
 From: Tony Williams, General Manager *TW*  
 Julie Blue, Auditor/Controller *JB*  
 Subject: Public Hearing – Proposed Oceana Marin Sewer Rate Increase  
T:\AC\Budget\FY-2023.24\Rate Increase & Prop 218\OM\OM Public Hearing - Rate Increase FY23.24.docx

**RECOMMENDED ACTION:** Hold a Public Hearing to Consider Approval of Proposed Sewer Rates for Oceana Marin

**FINANCIAL IMPACT:** Additional \$18,000 in FY 23/24 Revenue

A public hearing to consider adoption of a proposed 6% rate increase in the cost of sewer services, effective July 1, 2023, is occurring at the June 20 North Marin Water District Board of Directors Meeting at 4:00 PM. An increase in the sewer service charge, which is collected on the property tax roll, must be adopted by ordinance, which requires reading at a Board Meeting. On May 5, 2023, customers were noticed individually of the proposed increase by mailer (Attachment 1) and notices of the Public Hearing were published in the June 1 and 8 editions of the Point Reyes Light (Attachment 2).

Under law, a customer protest of 50% plus one would invalidate the proposed increase. Staff did not receive any protests, emails, or phone calls in response to the customer notification.

The five-year financial forecast for Oceana Marin (OM) Sewer was reviewed by the Board of Directors at a public meeting on April 4, 2023. The District-wide budgets, including OM, were reviewed by the Board at a public meeting held June 6, 2023, to be approved at the June 20, 2023 Board Meeting.

The 2023 update of the Coastal Area Annual Sewer Cost Comparison (Attachment 3) shows that Oceana Marin Sewer service cost will rank the second highest amongst the six coastal sewer agencies surveyed.

After staff provides information on the proposed sewer rate increase, public comment can be taken. Attachment 4 is a draft of Ordinance 46 and Resolution No. 23-XX amending Regulation 109, incorporating the proposed changes.

### **Rate Increase Proposal Detail**

The proposed 6% Oceana Marin Sewer rate increase would add \$78 annually, from \$1,296 annually to \$1,374, for each equivalent dwelling unit. If enacted, the proposed increase is expected to generate \$18,000 in additional revenue next fiscal year. A rate increase of 6% for FY 23/24 and subsequent increases of 6% are included in the 5-year financial forecast. This will assist in the funding of \$2.4 million in Capital Improvement Projects scheduled over the next five years.

### **Budgeted System Improvement Projects**

Capital Improvement Projects budgeted for the upcoming fiscal year include:

- \$800,000 towards the Treatment Pond Rehabilitation Project with completion of the project in FY 24/25 for an additional \$1 million. The costs of this project will be offset with 75% grant funding from the Federal Emergency Management Agency (FEMA) through the California Office of Emergency Services (Cal OES).
- \$80,000 towards Sewer Force Main Improvements.
- \$40,000 for continued infiltration repair work to reduce the amount of rainwater infiltrating into the collection system for FY 23/24 and ongoing for the subsequent 4 years projected.

### **Budgeted System Improvement Projects**

Operating Expenditures, before depreciation, as shown in Attachment 5, are budgeted to increase 11% or \$25,000 from the FY 22/23 adopted budget.

### **Staff Recommendation**

Hold a public hearing to receive public input and after closing the public hearing, approve Ordinance 43 (Attachment 4) electing to have the Oceana Marin Sewer Charges be collected on the tax roll of the County of Marin and approve Resolution No. 23-XX amending Regulation 109 effective July 1, 2023 to increase the Oceana Marin Sewer Service Rate to \$1,374 per dwelling unit.

### **ATTACHMENTS:**

1. Notice of Public Hearing and Rate Increase (Prop 218 Notification)
2. Point Reyes Light Public Hearing Notification
3. 2023 Coastal Area Sewer Cost Comparison
4. Ordinance 46 Electing Oceana Marin Sewer Charge be Collected on the Tax Roll  
Exhibit 1 - Resolution 23-XX Revision of Regulation 109 Sewer Service Rates
5. Oceana Marin Sewer Proposed FY 23/24 Budget Summary





**NORTH MARIN  
WATER DISTRICT**

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

**PHONE**  
415-897-4133

**EMAIL**  
[info@nmwd.com](mailto:info@nmwd.com)

**WEB**  
[www.nmwd.com](http://www.nmwd.com)

May 4, 2023

## **RE: Notice of Proposed Oceana Marin Sewer Service Charge Increase**

Dear Customer:

This letter is to advise you of a **proposed increase to the Oceana Marin sewer service charge** that would take effect on July 1, 2023. It also provides information about a **Public Hearing scheduled on June 20, 2023**, at which time written protests and oral comments will be considered and a vote on the proposed increase will be taken by the North Marin Water District Board of Directors.

### **How much is the proposed rate increase?**

Current Oceana Marin sewer service charges are \$1,296/year. A **6% increase**, or \$78 per year, is proposed resulting in an increased rate of \$1,374/year.

### **How will the proposed increase affect my sewer bill?**

Oceana Marin sewer service charges are collected on the Marin County property tax bill, which is charged annually for the fiscal year period July 1 through June 30. The proposed sewer service charge increase would add \$78 annually to the cost of sewer service for all customers in Oceana Marin. This will result in a fiscal year 23/24 sewer charge of \$1,374.

### **Why are rates being increased?**

In January 2016 the District approved a 2015 Master Plan Update that identified over \$3 million in projects necessary to improve the reliability and redundancy of the Oceana Marin Wastewater System. Constructing these improvements will be financially challenging for the 235 customers of the Oceana Marin utility. Even if the projects are constructed over a 20-year period, the cost would still average \$150,000 annually. The proposed increase, if enacted, would generate \$18,330 of additional revenue annually. The entire Master Plan Update is available for review at: <https://nmwd.com/wp-content/uploads/2020/04/011916-1.pdf>.

Additional rate increases will be necessary in future years as the District continues to improve the reliability of the existing facilities and to construct redundant facilities in order to protect against potential system failure and sewage spills. Prior years' rate increases were in-line with financing the CIP plan on a pay-go basis while the current 5-year financial plan includes an annual rate increases of 6% for FY 23/24 and thereafter, and forecasts borrowing funds to complete the plan.

**DIRECTORS:** JACK BAKER · KEN EICHSTAEDT · RICK FRAITES · MICHAEL JOLY · STEPHEN PETTERLE

**OFFICERS:** TONY WILLIAMS, General Manager · ERIC MILLER, AGM/Chief Engineer · EILEEN MULLINER, District Secretary · JULIE BLUE, Auditor-Controller

## Public Hearing

A public hearing before the NMWD Board of Directors to consider the proposed sewer service charge increase is scheduled for 4:00 pm, Tuesday, June 20, 2023 at:

100 Wood Hollow Drive, Suite 300, Novato, CA 94945

The Board of Directors will accept and consider all written protests and will hear and consider all verbal comments to the proposed sewer service charge increase 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 sewer service charge increase as outlined in this notice. If written protests to the proposed sewer service charge increase are presented by a majority of the property owners, the proposed increase will not be adopted.

Your written protest must be received prior to the close of the June 27, 2023 public hearing. Written protests must: 1) state that the property owner is opposing the proposed increase 2) include the name and signature of the property owner; and 3) must include a description of the parcel (parcel number or service address). Only one written protest will be counted for each property. Send written protests to:

District Secretary  
North Marin Water District  
PO Box 146  
Novato, CA 94948

For more information about the North Marin Water District, including a history of the Oceana Marin Sewer System, or to view the most recent Coastal Area Sewer Cost Comparison or the District's audited financial statement, visit NMWD's website at [www.nmwd.com](http://www.nmwd.com) or call the office at (415) 897-4133.

Sincerely,



Tony Williams, PE  
General Manager

**NORTH MARIN WATER DISTRICT  
NOTICE OF PUBLIC HEARING  
REGARDING PROPOSED AMENDMENTS TO ORDINANCE NO. 46, THEREBY  
INCREASING OCEANA MARIN SEWER SERVICE CHARGES  
FOR FISCAL YEAR 2023-2024  
AND ELECTING TO COLLECT CHARGES ON THE TAX ROLL**

NOTICE IS HEREBY GIVEN that on Tuesday, June 20, 2023 at 4:00 p.m. at a regular Board Meeting of North Marin Water District (NMWD) which will be held at 100 Wood Hollow Drive, in Novato, CA, the NMWD Board of Directors will hold a public hearing to consider amending Ordinance No. 43, thereby increasing Oceana Marin sewer service charges for fiscal year 2023-2024 to \$1,374 per parcel, per year. This is an annual increase of \$78 from the previous charge of \$1,296 per parcel, per year. NMWD elects to collect the sewer service charges on the tax roll, as it did for fiscal year 2022-2023, in the same manner as general taxes. NMWD has filed with its Secretary a written report containing a description of each parcel of real property receiving sewer services from the District and the anticipated amount of charges on each such parcel.

A public hearing will be held at 4:00 p.m. on Tuesday, June 20, 2023, to consider enactment of the proposed increases. You are invited to participate in the in-person hearing located at 100 Wood Hollow Drive, in Novato, CA, or mail your comments to PO Box 146, Novato, CA 94948. For more information visit NMWD's website at [www.nmwd.com](http://www.nmwd.com) or call the District Secretary at (415) 897-4133.

Published in Point Reyes Light June 1, 2023 & June 8, 2023

## 2023 COASTAL AREA SEWER COST COMPARISON

Comparison of NMWD's Charges with Other Agencies based on Charges in effect on 7/1/23

Agency	No. of Sewer Services	Monthly Service Charge	Annual Tax Revenue <sup>(1)</sup>	Annual Total
Bolinas Community PUD	163	\$132.00	\$0	\$1,584
<b>&gt; NMWD Oceana Marin</b>	<b>235</b>	<b>\$114.50</b> <sup>(3)</sup>	<b>\$0</b>	<b>\$1,374</b> <
Marshall Community Wastewater System	52	\$113.27 <sup>(2)</sup>	\$0	\$1,359
Tomales Village CSD	126	\$81.90	\$91 <sup>(4)</sup>	\$1,074
Bodega Bay PUD	1,113	\$76.26	\$0	\$915
Stinson Beach Co Water - Inspection Only	710	\$39.65 <sup>(5)</sup>	\$428 <sup>(6)</sup>	\$904

### Notes:

- (1) Includes taxes for debt service on outstanding sewer bonds and loans plus any applicable allocation of the AB8 1% County levy distributed to compensate for the Prop 13 elimination of the operation and maintenance tax.
- (2) Community wastewater step-system commenced October 2008. Each parcel has own septic tank, pumped to a community collection tank, then pumped into a community leach field. Rate shown is last year's rate. Rates are based on the Bay Area CPI at April 30th which will be available toward the end of May. Rate used is the April 2022 rate.
- (3) Includes proposed increase of \$78/year
- (4) Based on home with net AV of \$453,601 (average 2022/23 AV on 80 single family homes in Tomales) and tax rate of 2.0¢/\$100 AV.
- (5) On-Site Wastewater System - no sewer system. Services provided include septic inspections, ground and surface water monitoring and other inspections required by the State Water Quality Control Board. In addition to the cost paid to Stinson Beach Water Co., each customer must purchase and install their own on-site wastewater system.
- (6) Stinson Beach shares in 1% County levy. This "allocation" was projected by the County of Marin at \$1,012,991 for 2022/23 of which 30% was allocated to sewer amounting to \$428 per service.

**ORDINANCE NO. 46**

**ORDINANCE OF THE BOARD OF DIRECTORS OF  
NORTH MARIN WATER DISTRICT  
ELECTING TO HAVE OCEANA MARIN SEWER CHARGES BE COLLECTED ON THE TAX  
ROLL OF THE COUNTY OF MARIN, STATE OF CALIFORNIA  
COMMENCING FISCAL YEAR 2023-24**

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Section 1. The Board of Directors hereby finds, determines and declares as follows:

- a. The District has previously developed and instituted a Sewer Service Charge Program to finance the services and facilities furnished by the District in its Improvement Districts No. OM-1 and OM-3 which are herein referred to as Oceana Marin; and
- b. The Board of Directors has reviewed the present sewer service charge and has determined that the sewer service rate should be \$1,374 per equivalent dwelling unit for fiscal year 2023-24;

Section 2. In adopting this Ordinance, the Board of Directors finds that:

- a. Written notices of the proposed increase in the sewer service charge were sent by first class U.S. mail to every customer in Improvement Districts No. OM-1 and OM-3 prior to the Public Hearing conducted on June 20, 2023 to consider said report and rate increase effective July 1, 2023.
- b. The District prepared and filed a sewer service charge report with the District Secretary.
- c. On June 1, 2023 and June 8, 2023, the District Secretary published a notice of Public Hearing and of the filing of said report in the Point Reyes Light, a newspaper of general circulation printed and published in the County.
- d. At the Public Hearing conducted on June 20, 2023, all written protests against the proposed increase in the sewer service charge, including those provided in person, by facsimile, email and U.S. mail, were considered and tallied, and the District was not presented with protests by a majority of the owners of the identified parcels affected by this change.

- e. The amount of the charge imposed does not exceed the proportional cost of the service attributable to the properties receiving service and the charge is only imposed on those properties actually receiving service or for those which service is immediately available.
- f. This action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15273 (a) (1-4) of the District CEQA Guidelines.

Section 3. Section c. of that certain Regulation entitled “Regulation 109 – Oceana Marin Sewer Service – Rates and Charges,” passed by the Board of Directors of the North Marin Water District on June 21, 1977, as amended, and attached as Exhibit 1 hereto, is hereby amended to read as follows and is hereby adopted:

c. Sewer Service Rate

For Fiscal Year 2023-24, a sewer service rate of \$1,374 per equivalent unit per year shall be paid by the owner of the land served. Accessory dwelling units shall be assessed a sewer service rate equal to 50% of the equivalent single family residential unit sewer service rate in effect. In the case of new construction, said rate shall commence when connection is made to the District sewage facility, or upon connection of the accessory dwelling unit sewer plumbing to the existing side sewer serving the primary single family dwelling. Upon written notice by the owner in the event a structure is demolished by fire or otherwise removed from the land, an appropriate adjustment shall be made taking into account the reduced use but excluding any adjustment for infiltration inflow. An appropriate portion of the charges collected during the period that no structure existed shall be refunded. The refund period, however, shall not be greater than one year and shall be measured from the date that the District receives written notice from the owner.

Section 4. The District does hereby elect, pursuant to Section 5473 of the Health and Safety Code of the State of California, to have the sewer service charge, pursuant to its Regulation 109, passed and adopted by the Board of Directors of the North Marin Water District on June 21, 1977, as amended, collected on the tax roll of the County of Marin, State of California, in the manner pursuant to Sections 5471 through 5473.11 of the Health and Safety Code of the State of California.

Section 5. The Secretary shall cause this ordinance to be published in the manner described in Section 31105 of the Water Code.

Section 6. The Secretary of North Marin Water District is hereby directed to file a copy of said report with the Treasurer-Tax Collector of Marin County on or before July 15, 2023, upon which shall be endorsed, over the Secretary's signature, a statement that the report has been adopted by the Board of Directors of the North Marin Water District.

Section 7. The Treasurer-Tax Collector of Marin County shall, upon receipt of said report, enter the amounts of the charges against the respective lots or parcels as they appear on the assessment roll for the fiscal year 2023-2024.

\* \* \* \* \*

I hereby certify that the foregoing is a true and complete copy of an ordinance duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on June 20, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Eileen Mulliner, District Secretary  
North Marin Water District

(SEAL)

**RESOLUTION 23-XX  
REVISION OF NORTH MARIN WATER DISTRICT  
REGULATION 109  
OCEANA MARIN SEWER SERVICE - RATES AND CHARGES**

---

BE IT RESOLVED by the Board of Directors of North Marin Water District that Regulation 109c of the North Marin Water District is adopted as follows, effective forthwith:

c. Sewer Service Rate

For Fiscal Year 2023-24, a sewer service rate of \$1,374 per equivalent unit per year shall be paid by the owner of the land served. Accessory dwelling units shall be assessed a sewer service rate equal to 50% of the equivalent single family residential unit sewer service rate in effect. In the case of new construction, said rate shall commence when connection is made to the District sewage facility, or upon connection of the accessory dwelling unit sewer plumbing to the existing side sewer serving the primary single family dwelling. Upon written notice by the owner in the event a structure is demolished by fire or otherwise removed from the land, an appropriate adjustment shall be made taking into account the reduced use but excluding any adjustment for infiltration inflow. An appropriate portion of the charges collected during the period that no structure existed shall be refunded. The refund period, however, shall not be greater than one year and shall be measured from the date that the District receives written notice from the owner.

\* \* \* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on June 20, 2023, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAINED:

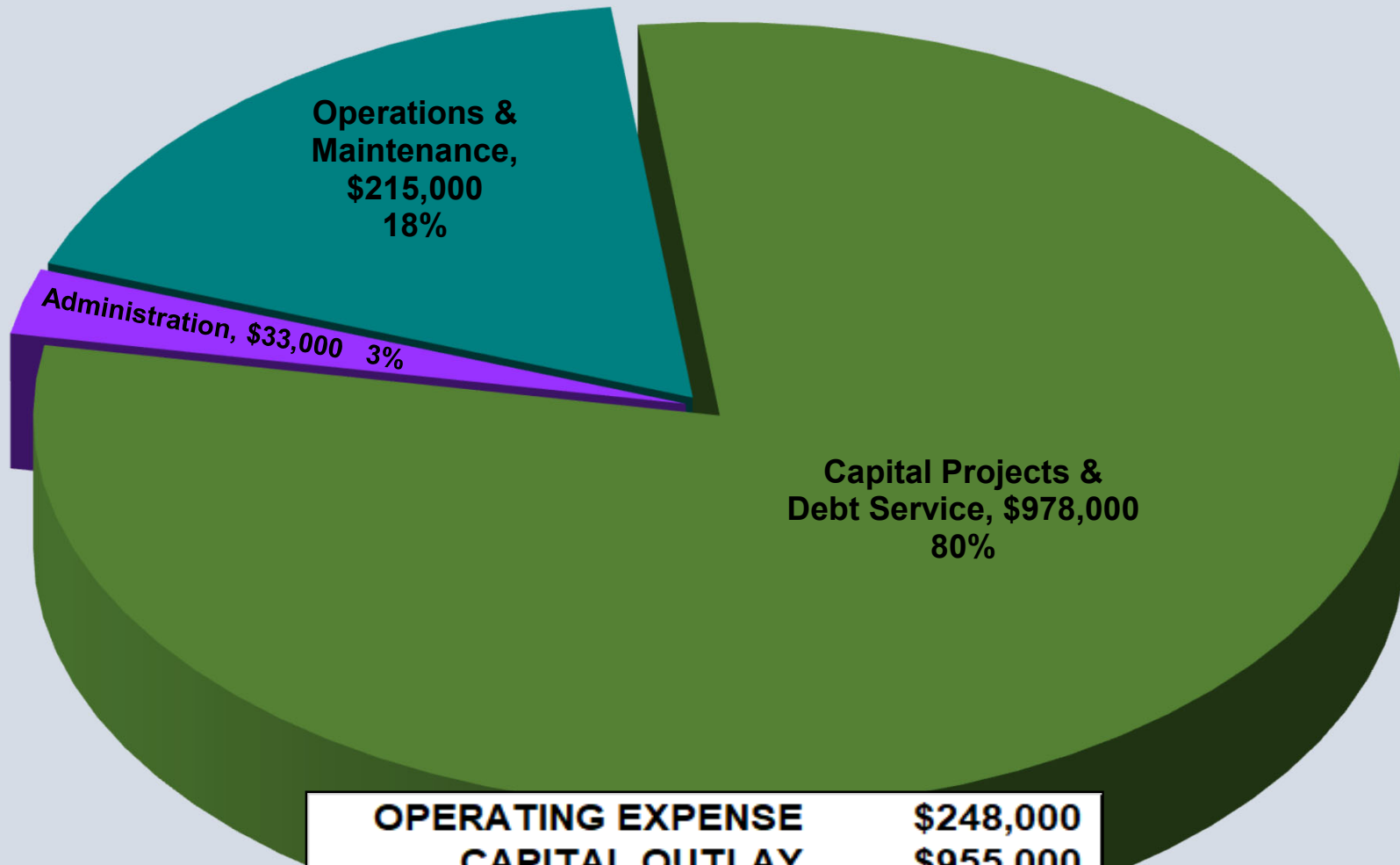
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Eileen Mulliner, District Secretary  
North Marin Water District

(SEAL)



## Proposed FY23/24 Oceana Marin Sewer Budget



<b>OPERATING EXPENSE</b>	<b>\$248,000</b>
<b>CAPITAL OUTLAY</b>	<b>\$955,000</b>
<b>DEBT SERVICE</b>	<b>\$23,000</b>
<b>TOTAL BUDGET</b>	<b>\$1,226,000</b>

9

**MEMORANDUM**

To: Board of Directors

June 20, 2023

From: Eric Miller, Assistant GM/Chief Engineer 

Subject: Water Service Facilities Construction Agreement, Hamilton Homeward Bound of Marin – Veteran's Housing, 826 State Access Road (APN 157-970-07)

r:\folders by job no\2800 jobs\2864 hamilton homeward bound\bod memos\_agmt\2864 bod memo.doc**RECOMMENDED ACTION:** The Board approve authorization of this agreement**FINANCIAL IMPACT:** None: Developer Funded (potable), NMRW-South Fund (RW)

The project site is located on a lot between State Access Road and Hamilton Parkway, with limited access from Hamilton Parkway through a shared driveway north of the lot and emergency vehicle access to the south (see attached map). The project includes the construction of 50 low-income apartments (in two two-story buildings) and a commercial building to be used as a commercial kitchen for food and events. The apartments will also have common areas and offices.

New Zone 1 water facilities include 450 feet of 8-inch PVC main, 60 feet of 6-inch PVC, and 60 feet of 4-inch PVC for hydrant and fire service laterals, three (3) 4-inch fire services, three (3) new commercial fire hydrants, three (3) 2-inch potable services, one (1) 1-inch meter for irrigation and backflow prevention devices for all the potable meters. The water demand is 34 equivalent dwelling units (EDUs); 25 EDUs for potable domestic use, 5 EDUs for potable commercial use and 4 EDUs for landscape irrigation. The parcel will receive a credit of 1 EDU for an existing 5/8-inch service installed in 2007, therefore facility reserve charges (FRCs) for 33 EDUs will be collected.

Although recycled water (RW) is available to this site, due to the complications of implementing RW irrigation and the history of the existing irrigation system RW was not offered to the customer. In the future, if the RW program requirements can be met, RW can be provided.

Concurrent with project construction, the District will self-perform installation of 670-feet of 12-inch PVC RW main extension through the site within an existing easement. This work will be executed as part of the District's Capital Improvement Program and will be funded by the North Marin RW South Service Area Capital Replacement and Expansion Fund (NMRW-South Fund) with mutual agreement between both Las Gallinas Valley Sanitary District and NMWD. This improvement to the recycled water distribution system will allow for further expansion of recycled water service in the Hamilton area.

Sewer service is provided by the Novato Sanitary District.

Approved by GM Date 6-15-23

Environmental Document Review

A Mitigated Negative Declaration was adopted on August 23, 2022 by the City of Novato.

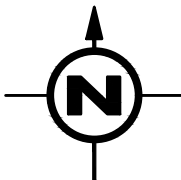
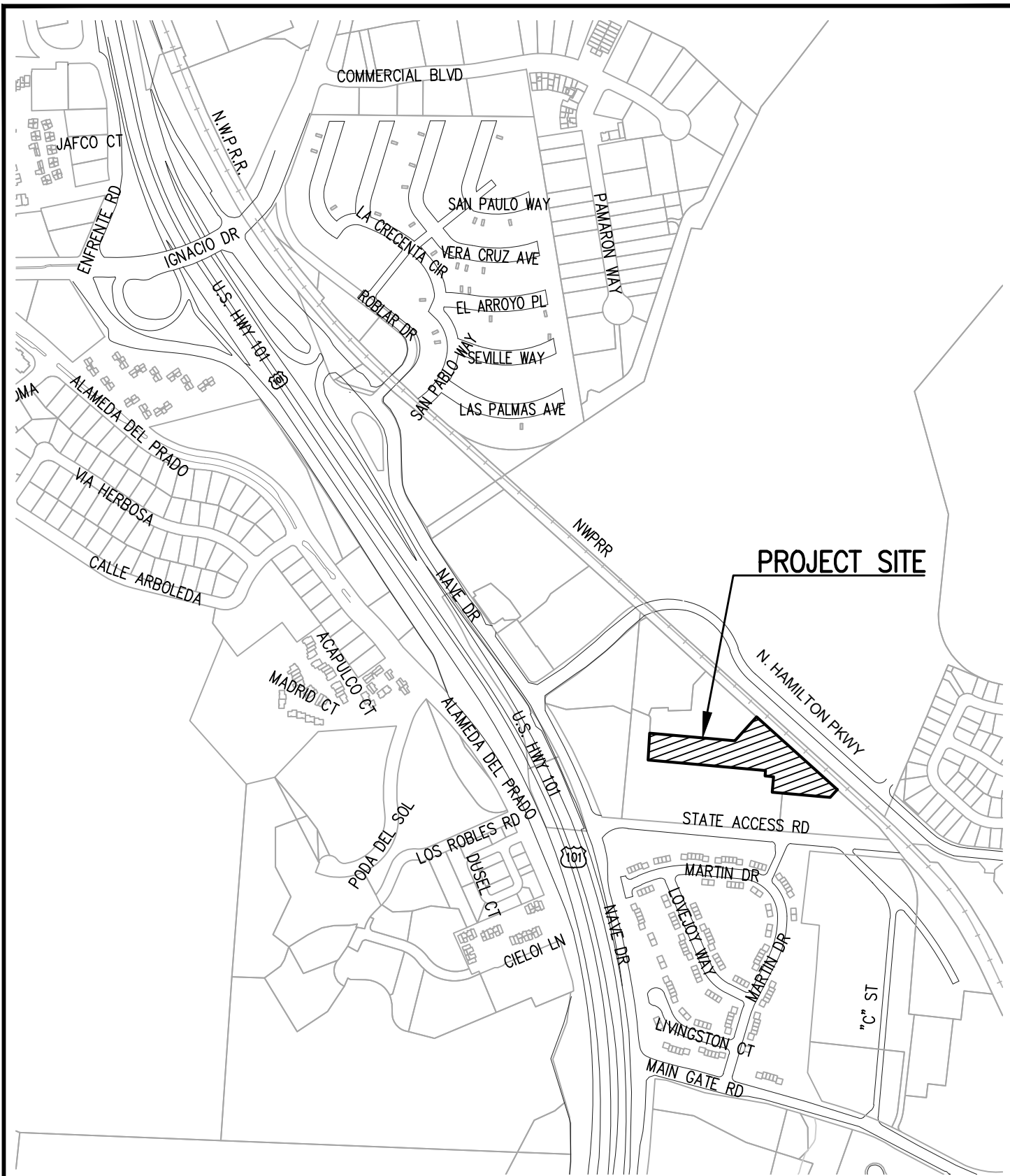
Recommendation

That the Board approve authorization of this agreement.

Attachments

1. Vicinity Map
2. Hamilton Homeward Bound Water Service Facilities Agreement
3. Resolution

Jun 12, 2023 - 10:40am W:\JOB\1\_NOVA\TO\2864 Hamilton H&CD\_Homeward Bound Marin\3\_ISSUED\A\2864\_Vicinity Map.dwg User: SDOVE



<b>HOMeward Bound MARIN                  HAMILTON HOUSING AND COMMERCIAL DEVELOPMENT                  826 STATE ACCESS ROAD (APN 157-970-07)</b>			
DATE	SCALE	JOB. NO.	DWG. NO.
6/12/23	NTS	2864	MAP

PART ONE  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
FOR  
HAMILTON HOMEWARD BOUND OF MARIN – VETERAN'S HOUSING

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*THIS AGREEMENT*, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of \_\_\_\_\_, 2023, by and between NORTH MARIN WATER DISTRICT, herein called "District," and HOMEWARD BOUND OF MARIN, A California Nonprofit Corporation, herein called "Applicant." Homeward Bound of Marin (the "Lessor") has a 99 year lease agreement starting on July 12, 2005 with the City of Novato (the "Lessee"), A Municipality herein called "Property Owner" of the property referenced below.

*WHEREAS*, the Applicant, pursuant to District Regulation 1, the State of California Subdivision Map Act and all applicable ordinances of the City of Novato, has pending before the City a conditionally approved Tentative Subdivision Map, Precise Development Plan, Tentative Parcel Map or other land use application for the real property in the District commonly known as Marin County Assessor's Parcel Number 157-970-07 and the project known as HAMILTON HOMEWARD BOUND OF MARIN – VETERAN'S HOUSING, consisting of one (1) lot for commercial development; and

*WHEREAS*, the Applicant is the owner of real property in the District commonly known as 1385 N. Hamilton Parkway, Novato (Marin County Assessor's Parcel 157-970-07); and

*WHEREAS*, a 5/8-inch water service was established in October 30, 2007 at 816 State Access Road with an entitlement at 1 EDU; and,

*WHEREAS*, the current project total water demand is 34 EDUs and Facilities Reserve Charges for 33 EDUs will be collected after applying credit for 1 EDU paid previously; and

*NOW THEREFORE*, the parties hereto agree as follows:

1. The Applicant hereby applies to the District for water service to said real property and project and shall comply with and be bound by all terms and conditions of this agreement, the District's regulations, standards and specifications and shall construct or cause to be constructed the water facilities required by the District to provide water service to the real property and project. Upon acceptance of the completed water facilities, the District shall provide water service to said real property and project in accordance with its regulations from time to time in effect.

2. Prior to the District issuing written certification to the City, County or State that financial arrangements have been made for construction of the required water facilities, the Applicant shall complete such arrangements with the District in accordance with Section 6 of this agreement.

3. Prior to release or delivery of any materials by the District or scheduling of either construction inspection or installation of the facilities by the District, the Applicant shall:

a. deliver to the District PDF prints of any revised utility plans approved by the City of Novato to enable the District to determine if any revisions to the final water facilities construction drawings are required. The proposed facilities to be installed are shown on Drawing No. 1 2864.001, entitled, "HAMILTON HOMEWARD BOUND OF MARIN – VETERAN’S HOUSING", a copy of which is attached, marked Exhibit "A", and made a part hereof. (For purposes of recording, Exhibit "A" is not attached but is on file in the office of the District.)

b. grant or cause to be granted to the District without cost and in form satisfactory to the District all easements and rights of way shown on Exhibit "A" or otherwise required by the District for the facilities.

c. deliver to the District a written construction schedule to provide for timely withdrawal of guaranteed funds for ordering of materials to be furnished by the District and scheduling of either construction inspection or construction pursuant to Section 6 hereof.

4. Except for fire service, new water service shall be limited to the number and size of services for which Initial Charges are paid pursuant to this agreement. Initial Charges for new services, estimated District costs and estimated applicant installation costs are as follows:

**Initial Charges**

Meter Charges - Domestic (Included in Estimated District Costs)	Three 2-inch @	\$ 0.00	\$ 0.00
Meter Charges - Potable Irrigation (Included in Estimated District Costs)	One 1-inch @	\$ 0.00	\$ 0.00
Fire Serve Bypass Meters	Three 5/8-inch @	\$ 0.00	\$ 0.00
Reimbursement Fund Charges – Domestic	Three 2-inch @	\$ 3,140.00	\$ 9,420.00
Reimbursement Fund Charges – Potable Irrigation	One 1-inch@	\$ 1,055.00	\$ 1,055.00
Reimbursement Fund Charges – Fire Service	Three 5/8-inch @	\$ 420.00	\$ 1,260.00
Facilities Reserve Charges (50-unit apartment complex)	Fifty @	\$ 13,870.00	\$ 693,500.00
Facilities Reserve Charges (Potable Irrigation)	Four @	\$ 28,310.00	\$ 113,240.00
Facilities Reserve Charges (Commercial Space)	Five @	\$ 28,310.00	\$ 141,550.00
Credit for Existing Services To Be Removed	One @	\$ <28,310.00>	\$ <28,310.00>
<b>Subtotal - Initial Charges.....</b>			<b>\$ 931,715.00</b>

**Estimated District Costs**

Pipe, Fittings & Appurtenances.....	\$ 21,691.00
District Construction Labor.....	\$ 55,640.00
Engineering & Inspection.....	\$ 30,006.00
Bulk Materials.....	\$ 10,693.00
<b>Subtotal –Estimated District Costs.....</b>	<b>\$ 118,030.00</b>

**Estimated Applicant Installation Costs**

Installation Labor.....	\$ 100,953.00
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Contractor Furnished – Pipe Fittings & Appurtenances.....	\$ 97,884.00
Bulk Materials.....	\$ 69,215.00
<b>Subtotal- Estimated Applicant Installation Costs.....</b>	<b>\$ 268,052.00</b>
<b>TOTAL ESTIMATED WATER FACILITIES COSTS.....</b>	<b>\$1,317,797.00</b>

(Bulk materials are such items as crushed rock, imported backfill, concrete, reinforcing steel, paving materials, and the like, which are to be furnished by the contractor performing the work.)

5. In addition to the Initial Charges, Estimated District Costs and Contributions, and Estimated Applicant Installation costs set forth in Section 6 above, the Applicant shall furnish at no cost to the District all PVC pipe (4-inch diameter and larger), valves and water line fittings shown on Exhibit “A” or otherwise required by the District. The quantities, type and quality of said materials shall be approved by the District prior to purchase by the Applicant and shall conform to District standards as stated and shown on Specifications (15100 Valves, 15056 Pipeline Fittings, 15064 Polyvinyl Chloride (PVC) Pressure Pipe) marked as Exhibit “B” attached hereto and made a part hereof and as otherwise may be required. (For purposes of recording, Exhibit “B” is not attached but is on file in the office of the District and available on the NMWD website.) The cost of said materials is estimated to be **\$97,884**. The District reserves the right to reject and prohibit installation of all nonconforming materials furnished by the Applicant.

6. Financial Arrangements to be made by the Applicant shall consist of the following:

Initial Charges and Estimated District Costs

The Applicant shall either pay to the District or provide a two (2) year irrevocable letter of credit in form satisfactory to the District and payable at sight at a financial institution in the Novato area the sum of Initial Charges and Estimated District Costs as set forth in Section 6 hereof in the amount of **\$1,049,745**. If the Applicant provides the two (2) year irrevocable letter of credit, the District shall immediately draw down Initial Charges and shall draw upon the remaining funds guaranteed by the letter at any time the District deems appropriate to recover the Estimated District Costs which normally will be at least thirty (30) days prior to the anticipated start of construction for the ordering of materials to be furnished by the District. Pursuant to District Regulation 1(c)(6), this is an affordable housing project and the aforementioned requirements may be modified to allow deferred payment of Initial Charges in the amount of **\$693,500** for the 50 units for a period of up to two (2) years from the date of this agreement or until the date of issuance of a Certificate of Occupancy by the City or County, whichever occurs first. If this option is exercised, the Applicant shall notify the District in writing and modify payment in accordance with this paragraph and concurrently increase the amount of the



financial guarantees specified below by this amount. No water service meters will be installed to any of the lots until full payment of this amount plus applicable interest is received.

### Estimated Installation Costs

Alternate No. 1 – Installation By Applicant: If the Applicant elects to install the facilities or hire a private contractor to install the facilities, the Applicant shall provide financial guarantees satisfactory to the District in the form of a performance bond in the amount of **\$268,052** conditioned upon installation of the facilities and furnishing of bulk materials and a maintenance bond in the amount of **\$67,013** conditioned upon payment of the cost of maintaining, repairing, or replacing the facilities during the period of one (1) year following completion of all the facilities and acceptance by the District. Performance and maintenance bonds shall be executed by a California admitted surety insurer with a minimum A.M. Best rating of A-VII. In lieu of posting bonds, the Applicant may provide an irrevocable letter or letters of credit payable at sight at a financial institution in the Novato area guaranteeing funds in the same amounts. All financial guarantees shall be provided by the Applicant rather than the contractor. The Applicant or contractor, whichever performs the work, shall be properly licensed therefore by the State of California and shall not be objectionable to the District.

Alternate No. 2 – Installation By District: If the Applicant requests the District to install the facilities and the District consents to do so, the Applicant shall either pay to the District the total Estimated Installation Costs set forth in Section 6 hereof in the amount of **\$268,052** or shall include such amount in the irrevocable letter of credit provided for the Initial Charges and Estimated District Costs set forth first above. The District shall draw upon installation funds guaranteed by the letter at any time the District deems appropriate which normally will be at least thirty (30) days prior to the anticipated start of construction.

Whenever an irrevocable letter of credit is required by this agreement, the Applicant may substitute a certificate of deposit at a financial institution in the Novato area provided the certificate may be cashed at sight by the District at any time.

7. The applicant shall not resell any water furnished pursuant to this agreement. If multiple services from a single connection to the District's system through a master meter are allowed pursuant to District Regulation 4(b) the Applicant shall not submeter the individual services. The District's bills for water measured by a master meter shall be paid by the Applicant or a responsible homeowner's association. If a rental unit served through a master meter is converted into a separately owned unit the District may require the installation of a separate connecting main and meter for water service to the unit at the cost of the owner of the unit.

8. Cross-connection and Backflow Prevention is required for the new Water Facilities described herein in accordance with District Regulation 6 entitled "Cross-connection and Backflow Protection for Potable Water Service". The Applicant shall install and subsequently own and maintain a private backflow prevention assembly for each service as shown on Exhibit "A" or otherwise required by the District in accordance with District standards and specifications.

a. Inspection and testing of backflow preventers shall be performed annually by individuals certified by American Water Works Association (AWWA) as backflow prevention testers in accordance with District Regulation 6. Inspections will be conducted by qualified District personnel or others at the sole discretion of the District.

b. Backflow devices that fail a performance test will be repaired by the customer or the District as applicable, in accordance with District Regulation 6.

c. The Applicant is responsible for paying a bi-monthly fee for maintaining the backflow preventor device per Regulation 54.

9. Water service through the facilities to be installed pursuant to this agreement will not be furnished to any building unless the building is connected to a public sewer system or to a waste water disposal system approved by all governmental agencies having regulatory jurisdiction. This restriction shall not apply to temporary water service during construction.

10. New construction in the District's Novato service area is required to be equipped with high efficiency water conserving equipment and landscaping specified in Regulation 15 sections e. and f.

11. The District has determined that recycled water may be supplied for irrigation in the future and requires that the Applicant's irrigation system be designed to use recycled water per District regulations and specifications. Provisions shall be made, as directed by the District, to allow for connection of Applicant's irrigation system to the recycled distribution main when it becomes available. In the interim, potable water shall be supplied through a potable irrigation water meter with a reduced pressure principle backflow device. When recycled water becomes available and at Applicant's expense, the irrigation system will be connected to the recycled water distribution main per District requirements at the time the connection is made.

12. All estimated costs set forth in this agreement shall be subject to periodic review and revision at the District's discretion. In the event the Applicant has not completed financial arrangements with the District in accordance with Section 5 hereof prior to expiration of six (6) months from the date of this agreement, all Initial Charges and estimated costs set forth in Section 4 hereof shall be revised to reflect then current District charges and estimates. In the event the Applicant has

not secured final land use approval for the project from the City of Novato, recorded a final map and diligently commenced construction of improvements required by those agencies and the District prior to expiration of one (1) year from the date of this agreement, the District may, at its option, either retract financial certifications issued to City, County and State agencies and terminate this agreement or require amendment of this agreement and review of all Initial Charges and estimated costs contained herein. The Applicant shall pay any balance due upon demand or furnish a guarantee of such payment satisfactory to the District.

13. All extensions of time granted by the City of Novato for the Applicant to comply with conditions of land use approval or to construct improvements pursuant to a subdivision improvement agreement shall require concurrent extensions of this agreement and shall be cause for review and revision of all Initial Charges and estimated costs set forth in Section 4 hereof. The Applicant shall apply to the District for extension of this agreement prior to approval of the Applicant's requests for such extensions by either the City of Novato.

14. In the event of sale of this parcel, the Applicant shall provide to the buyer(s) a copy of this Agreement so that there is complete disclosure of the limited nature of the water service. In addition, upon execution of this Agreement, District shall have it recorded.

15. This agreement shall bind and benefit the successors and assigns of the parties hereto; however, this agreement shall not be assigned by the Applicant without the prior written consent of the District. Assignment shall be made only by a separate document prepared by the District at the Applicant's written request.

**NORTH MARIN WATER DISTRICT**  
"District"

**NOTARIZED:**

\_\_\_\_\_  
Rick Fraites, President                      Date

\_\_\_\_\_  
Eileen Mulliner, Secretary                      Date

(SEAL)

**HOMEWARD BOUND OF MARIN**  
A California Nonprofit Corporation  
"Applicant"

(SEAL)

\_\_\_\_\_  
Mary Kay Sweeney, Chief Executive Officer      Date

**CITY OF NOVATO**  
A Municipality  
"Property Owner"

(SEAL)

\_\_\_\_\_  
Adam McGill, City Manager                      Date

**NOTES:** *If the Applicant executing this agreement is a corporation, a certified copy of the bylaws or resolutions of the Board of Directors of said corporation authorizing designated officers to execute this agreement shall be provided.*

*This agreement must be executed by the Applicant and delivered to the District within thirty (30) days after it is authorized by the District's Board of Directors. If this agreement is not signed and returned within thirty days, it shall automatically be withdrawn and void. If thereafter a new agreement is requested, it shall incorporate the Initial Charges (connection fees) and cost estimates then in effect.*

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

RESOLUTION NO. 23-  
AUTHORIZATION OF EXECUTION  
OF  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
WITH  
HAMILTON HOMEWARD BOUND OF MARIN – VETERAN'S HOUSING

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BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain water service facilities construction agreement between this District and Homeward Bound of Marin, a California Nonprofit Corporation, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as 1385 N. Hamilton Parkway, Novato, Marin County Assessor's Parcel Number 157-970-07, NOVATO, CALIFORNIA.

\* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 20th day of June, 2023, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAINED:

(SEAL)

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Eileen Mulliner, Secretary  
North Marin Water District

10

**MEMORANDUM**

To: Board of Directors

June 20, 2023

From: Eric Miller, Assistant GM/Chief Engineer Subject: Water Service Facilities Construction Agreement,  
North Bay Children's Center, 932 C Street (APN: 157-980-03)\\nmwdfiler\server\engineering\folders by job no\2800 jobs\2858 north bay children's center\bod memos\_agmt\2858 memo.doc**RECOMMENDED ACTION:** The Board approves authorization of this agreement**FINANCIAL IMPACT:** None: Developer Funded

The current project, as approved by the City of Novato is located at 932 C Street, Novato and allows the reconstruction, expansion and continued operations of the childcare facility known as the North Bay Children's Center. The project includes full reconstruction of all aspects of the campus with new facilities including; parking areas, accessibility upgrades, playground area, site landscaping, and a new building with a projected occupancy of 147 including both staff and students.

New Zone 1 water facilities include one (1) 2-inch potable water service, a backflow prevention device installed immediately downstream of the new 2-inch potable water service, one (1) 8-inch fire service located above ground with a double check detector assembly, one (1) 1.5-inch recycled water (RW) service, and approximately 180 feet of 12-inch PVC RW main in C Street.

Water Service for this property was transferred from Marin Municipal Water District to North Marin Water District in 2002. In 2015, staff determined that the historical water use allocation for this parcel was ten (10) equivalent dwelling units (EDUs) based on actual water use for the first 10 years (2002-2011). Consistent with the District Regulation No. 15 requirement for water-saving devices and restrictions for new development as well as efforts from the developer to reduce landscape needs, the current project is not anticipated to exceed existing entitlements. Due to the availability of RW for this parcel, the developer is required to extend the 12-inch RW main from the intersection of C Street and Main Gate Road to serve the subject property.

Sewer service is currently provided by the Novato Sanitary District.

**Environmental Document Review**

The City of Novato determined that this project is exempt from the requirements of the California Environmental Quality Act (CEQA) and the City of Novato Environmental Review Guidelines pursuant to CEQA Guidelines Section 15302, Replacement or Reconstruction.

**Recommendation**

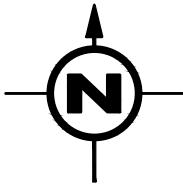
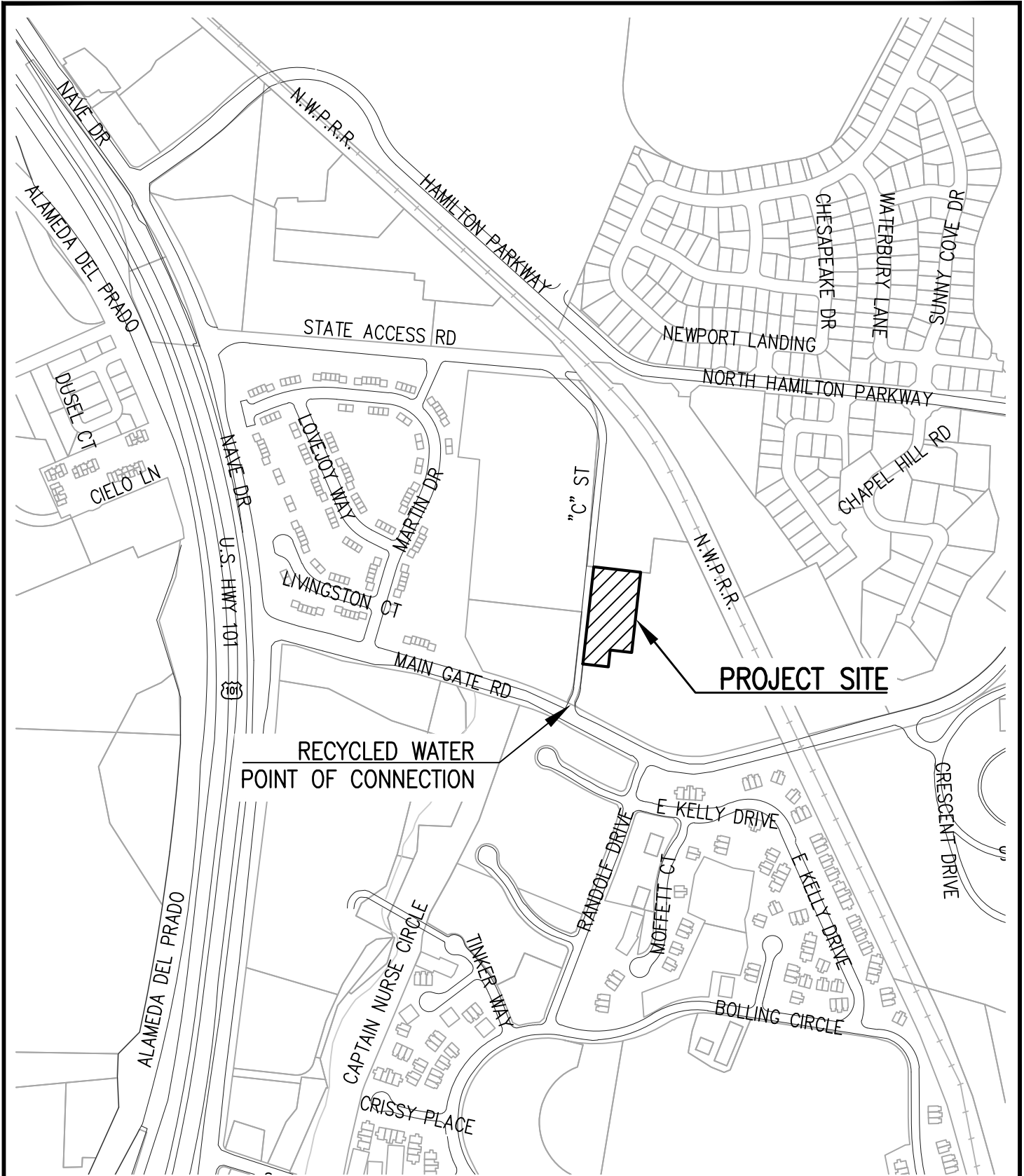
That the Board approve authorization of this agreement.

**Attachments**

1. Vicinity Map
2. North Bay Children's Center Water Service Facilities Agreement
3. Resolution

Approved by GM Date 6-15-23

Jun 12, 2023 - 3:49pm W:\JOB\1\_NOVATO\2858 North Bay Children's Center\3\_ISSUED\A\2858\_Vicinity Map.dwg User: SDOVE



<b>NORTH BAY CHILDREN'S CENTER</b>			
<b>932 C STREET</b>			
<b>APN 157-980-03</b>			
DATE	SCALE	JOB. NO.	DWG. NO.
6/12/23	NTS	2858	MAP



PART ONE  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
FOR  
NORTH BAY CHILDREN'S CENTER

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*THIS AGREEMENT*, which consists of this Part One and Part Two, Standard Provisions, attached hereto and a part hereof, is made and entered into as of \_\_\_\_\_, 2023, by and between NORTH MARIN WATER DISTRICT, herein called "District," and NORTH BAY CHILDREN'S CENTER, An Corporation, herein called "Applicant."

*WHEREAS*, the Applicant, pursuant to District Regulation 1, the State of California Subdivision Map Act and all applicable ordinances of the City of Novato, has pending before the City a conditionally approved Tentative Subdivision Map, Precise Development Plan, Tentative Parcel Map or other land use application for the real property in the District commonly known as Marin County Assessor's Parcel Number 157-980-03 and the project known as NORTH BAY CHILDREN'S CENTER, consisting of one (1) lot for a school in the City of Novato, County of Marin; and

*WHEREAS*, the Applicant is the owner of real property in the District commonly known as 932 C Street, Novato (Marin County Assessor's Parcel 157-980-03); and

*WHEREAS*, two (2) 1-inch water services were established in 2002 at 932 C Street with an entitlement at 10 EDU; and,

*WHEREAS*, the current project total water demand is 10 EDUs and Facilities Reserve Charges for 0 EDUs will be collected after applying credit for 10 EDU paid previously; and

*NOW THEREFORE*, the parties hereto agree as follows:

1. The Applicant hereby applies to the District for water service to said real property and project and shall comply with and be bound by all terms and conditions of this agreement, the District's regulations, standards and specifications and shall construct or cause to be constructed the water facilities required by the District to provide water service to the real property and project. Upon acceptance of the completed water facilities, the District shall provide water service to said real property and project in accordance with its regulations from time to time in effect.

2. Prior to the District issuing written certification to the City, County or State that financial arrangements have been made for construction of the required water facilities, the Applicant shall complete such arrangements with the District in accordance with Section 6 of this agreement.

3. Prior to release or delivery of any materials by the District or scheduling of either construction inspection or installation of the facilities by the District, the Applicant shall:

a. deliver to the District vellum or mylar prints of any revised utility plans approved by the City of Novato to enable the District to determine if any revisions to the final water facilities construction drawings are required. The proposed facilities to be installed are shown on Drawings No. 1 2858.001 and 5 2858.001, entitled, "NORTH BAY CHILDREN'S CENTER", a copy of which is attached, marked Exhibit "A", and made a part hereof. (For purposes of recording, Exhibit "A" is not attached but is on file in the office of the District.)

b. grant or cause to be granted to the District without cost and in form satisfactory to the District all easements and rights of way shown on Exhibit "A" or otherwise required by the District for the facilities.

c. deliver to the District a written construction schedule to provide for timely withdrawal of guaranteed funds for ordering of materials to be furnished by the District and scheduling of either construction inspection or construction pursuant to Section 6 hereof.

4. Except for fire service, new water service shall be limited to the number and size of services for which Initial Charges are paid pursuant to this agreement. Initial Charges for new services, estimated District costs and estimated applicant installation costs are as follows:

**Initial Charges**

Meter Charges (Domestic) (Included in Estimated District Costs)	One 2-inch @	\$	0.00	\$	0.00
Meter Charges (Recycled) (Included in Estimated District Costs)	One 1.5-inch @	\$	0.00	\$	0.00
Fire Service Bypass Meters	One 5/8-inch @	\$	0.00	\$	0.00
Reimbursement Fund Charges – Domestic	One 2-inch @	\$	3,140.00	\$	3,140.00
Reimbursement Fund Charges – Recycled Water	One 1.5-inch @	\$	0.00	\$	0.00
Reimbursement Fund Charges – Fire Service	One 5/8-inch @	\$	420.00	\$	420.00
Facilities Reserve Charges	Ten @	\$	28,310.00	\$	283,100.00
Credit for Existing Services (RFC's)	Two 1-inch @	\$	<1,055.00>	\$	<2,110.00>
Credit for Existing Services (EDU's)	10 @	\$	<28,310.00>	\$	<283,110.00>
<b>Subtotal - Initial Charges.....</b>				<b>\$</b>	<b>1,450.00</b>

**Estimated District Costs**

Pipe, Fittings & Appurtenances (Domestic).....	\$	36,062.00
Pipe, Fittings & Appurtenances (Recycled).....	\$	12,805.00
District Construction Labor (Includes RW & Domestic).....	\$	95,672.00
Engineering & Inspection (Includes RW & Domestic) .....	\$	16,010.00
Bulk Materials (Includes RW & Domestic) .....	\$	9,009.00
<b>Subtotal –Estimated District Costs.....</b>		<b>\$ 169,558.00</b>

**Estimated Applicant Installation Costs**

Installation Labor.....	\$	32,624.00
Contractor Furnished – Pipe Fittings & Appurtenances.....	\$	10,412.00

Bulk Materials.....	\$ 64,402.00
<b>Subtotal- Estimated Applicant Installation Costs (Lump Sum) .....</b>	<b>\$ 107,438.00</b>
<b>TOTAL ESTIMATED WATER FACILITIES COSTS.....</b>	<b>\$ 278,446.00</b>

(Bulk materials are such items as crushed rock, imported backfill, concrete, reinforcing steel, paving materials, and the like, which are to be furnished by the contractor performing the work.)

5. In addition to the Initial Charges, Estimated District Costs and Contributions, and Estimated Applicant Installation costs set forth in Section 6 above, the Applicant shall furnish at no cost to the District all PVC pipe (4-inch diameter and larger), valves and water line fittings shown on Exhibit "A" or otherwise required by the District. The quantities, type and quality of said materials shall be approved by the District prior to purchase by the Applicant and shall conform to District standards as stated and shown on Specifications (15100 Valves, 15056 Pipeline Fittings, 15064 Polyvinyl Chloride (PVC) Pressure Pipe) marked as Exhibit "B" attached hereto and made a part hereof and as otherwise may be required. (For purposes of recording, Exhibit "B" is not attached but is on file in the office of the District.) The cost of said materials is estimated to be **\$10,412**. The District reserves the right to reject and prohibit installation of all nonconforming materials furnished by the Applicant.

6. Financial Arrangements to be made by the Applicant shall consist of the following:

Initial Charges and Estimated District Costs

The Applicant shall either pay to the District or provide a two (2) year irrevocable letter of credit in form satisfactory to the District and payable at sight at a financial institution in the Novato area the sum of Initial Charges and Estimated District Costs as set forth in Section 6 hereof in the amount of **\$171,008.00**. If the Applicant provides the two (2) year irrevocable letter of credit, the District shall immediately draw down Initial Charges and shall draw upon the remaining funds guaranteed by the letter at any time the District deems appropriate to recover the Estimated District Costs which normally will be at least thirty (30) days prior to the anticipated start of construction for the ordering of materials to be furnished by the District.

Estimated Installation Costs

Alternate No. 1 – Installation By Applicant: If the Applicant elects to install the facilities or hire a private contractor to install the facilities, the Applicant shall provide financial guarantees satisfactory to the District in the form of a performance bond in the amount of **\$107,438.00** conditioned upon installation of the facilities and furnishing of bulk materials and a maintenance bond in the amount of **\$26,859.50** conditioned upon payment of the cost of maintaining, repairing, or replacing the facilities

during the period of one (1) year following completion of all the facilities and acceptance by the District. Performance and maintenance bonds shall be executed by a California admitted surety insurer with a minimum A.M. Best rating of A-VII. In lieu of posting bonds, the Applicant may provide an irrevocable letter or letters of credit payable at sight at a financial institution in the Novato area guaranteeing funds in the same amounts. All financial guarantees shall be provided by the Applicant rather than the contractor. The Applicant or contractor, whichever performs the work, shall be properly licensed therefore by the State of California and shall not be objectionable to the District.

Installation By District: Due to the proprietary nature of construction required to install said facilities, the District reserves the right to install certain said facilities utilizing District construction forces. The Applicant shall either pay to the District the total Estimated Installation Costs set forth in Section 4 hereof in the amount of **\$171,008.00** or shall include such amount in the irrevocable letter of credit provided for the Initial Charges and Estimated District Costs set forth first above. The District shall draw upon installation funds guaranteed by the letter at any time the District deems appropriate which normally will be at least thirty (30) days prior to the anticipated start of construction.

Whenever an irrevocable letter of credit is required by this agreement, the Applicant may substitute a certificate of deposit at a financial institution in the Novato area provided the certificate may be cashed at sight by the District at any time.

7. Cross-connection and Backflow Prevention is required for the new Water Facilities described herein in accordance with District Regulation 6 entitled "Cross-connection and Backflow Protection for Potable Water Service". The Applicant shall install and subsequently own and maintain a private backflow prevention assembly for each service as shown on Exhibit "A" or otherwise required by the District in accordance with District standards and specifications.

a. Inspection and testing of backflow preventers shall be performed annually by individuals certified by American Water Works Association (AWWA) as backflow prevention testers in accordance with District Regulation 6. Inspections will be conducted by qualified District personnel or others at the sole discretion of the District.

b. Backflow devices that fail a performance test will be repaired by the customer or the District as applicable, in accordance with District Regulation 6.

c. The Applicant is responsible for paying a bi-monthly fee for maintaining the backflow preventor device per Regulation 54.

8. Water service through the facilities to be installed pursuant to this agreement will not be furnished to any building unless the building is connected to a public sewer system or to a waste water

disposal system approved by all governmental agencies having regulatory jurisdiction. This restriction shall not apply to temporary water service during construction.

9. New construction in the District's Novato service area is required to be equipped with high efficiency water conserving equipment and landscaping specified in Regulation 15 sections e. and f.

10. The District has determined that recycled water will be supplied for irrigation and requires that the Applicant's irrigation system be designed to use recycled water per District regulations and specifications. Provisions shall be made, as directed by the District, to allow for connection of Applicant's irrigation system to the recycled distribution main installed by the applicant.

11. All estimated costs set forth in this agreement shall be subject to periodic review and revision at the District's discretion. In the event the Applicant has not completed financial arrangements with the District in accordance with Section 6 hereof prior to expiration of six (6) months from the date of this agreement, all Initial Charges and estimated costs set forth in Section 4 hereof shall be revised to reflect then current District charges and estimates. In the event the Applicant has not secured final land use approval for the project from the City of Novato, recorded a final map and diligently commenced construction of improvements required by those agencies and the District prior to expiration of one (1) year from the date of this agreement, the District may, at its option, either retract financial certifications issued to City, County and State agencies and terminate this agreement or require amendment of this agreement and review of all Initial Charges and estimated costs contained herein. The Applicant shall pay any balance due upon demand or furnish a guarantee of such payment satisfactory to the District.

12. All extensions of time granted by the City of Novato for the Applicant to comply with conditions of land use approval or to construct improvements pursuant to a subdivision improvement agreement shall require concurrent extensions of this agreement and shall be cause for review and revision of all Initial Charges and estimated costs set forth in Section 4 hereof. The Applicant shall apply to the District for extension of this agreement prior to approval of the Applicant's requests for such extensions by either the City of Novato.

13. In the event of sale of this parcel, the Applicant shall provide to the buyer(s) a copy of this Agreement so that there is complete disclosure of the limited nature of the water service. In addition, upon execution of this Agreement, District shall have it recorded.

14. This agreement shall bind and benefit the successors and assigns of the parties hereto; however, this agreement shall not be assigned by the Applicant without the prior written consent of the

District. Assignment shall be made only by a separate document prepared by the District at the Applicant's written request.

**NORTH MARIN WATER DISTRICT**  
"District"

**ATTEST:**

\_\_\_\_\_  
Rick Fraites, President                      Date

\_\_\_\_\_  
Eileen Mulliner, Secretary                      Date

(SEAL)

**NORTH BAY CHILDREN'S CENTER**  
An Corporation  
"Applicant"

(SEAL)

\_\_\_\_\_  
Ralph O'Rear, Director of Facilities                      Date

**NOTES:** *If the Applicant executing this agreement is a corporation, a certified copy of the bylaws or resolutions of the Board of Directors of said corporation authorizing designated officers to execute this agreement shall be provided.*

*This agreement must be executed by the Applicant and delivered to the District within thirty (30) days after it is authorized by the District's Board of Directors. If this agreement is not signed and returned within thirty days, it shall automatically be withdrawn and void. If thereafter a new agreement is requested, it shall incorporate the Initial Charges (connection fees) and cost estimates then in effect.*

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

RESOLUTION NO. 23-  
AUTHORIZATION OF EXECUTION  
OF  
WATER SERVICE FACILITIES CONSTRUCTION AGREEMENT  
WITH  
NORTH BAY CHILDREN'S CENTER

---

BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the President and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain water service facilities construction agreement between this District and NORTH BAY CHILDREN'S CENTER, a Corporation, providing for the installation of water distribution facilities to provide domestic water service to that certain real property known as 932 C Street, Novato, Marin County Assessor's Parcel Number 157-980-03, NOVATO, CALIFORNIA.

\* \* \*

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 20th day of June, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

(SEAL)

---

Eileen Mulliner, Secretary  
North Marin Water District

11





## MEMORANDUM

To: Board of Directors Date: June 20, 2023  
 From: Julie Blue, Auditor/Controller *JB*  
 Subject: Approve – FY 23/24 Budgets Novato & West Marin Service Areas  
T:\ACIBudget\FY-2023.24\Board Memos\Budget Approval FY23.24 06.20.23\Budget Approval June 20, 2023.docx

**RECOMMENDED ACTION:** Approve – FY 23/24 Budgets Novato & West Marin Service Areas

**FINANCIAL IMPACT:** Total \$41.8 Million Expenditure Plan  
 Capital/Equipment/Debt Service - \$19.8 Million  
 Operations - \$22 Million

### **Budget Review:**

Attached for review and approval are the FY 23/24 Budgets for North Marin Water District (NMWD) which include Novato Water, Recycled Water (RW), West Marin Water (WM), and Oceana Marin Sewer (OM) (Attachment 1).

To date, the Board of Directors (BOD) have reviewed financial forecasts for each service area beginning in April. These financial forecasts were 5-year projections outlining the overall financial status of each Enterprise and conveyed the need for District-wide rate increases. The BOD also reviewed the FY 23/24 Capital Improvement Project (CIP) Budget in early May. The District wide budget (including CIP/Equipment) was presented at the June 6, 2023 for review and Board member input. Only minor edits and changes have been made since the Board's review. Attachment 2 is a presentation summarizing the FY 23/24 Budget.

### **Budget Expenditure Summary:**

Category	Novato Water	Recycled Water	West Marin Water	Oceana Marin	Total
Capital Improvement Projects (net efficiency factor)	\$12,443,000	\$840,000	\$409,000	\$955,000	\$14,647,000
Debt Service	\$3,253,000	\$1,164,000	\$186,000	23,000	\$4,626,000
Equipment	\$538,000	-	-	-	\$538,000
Operations & Maintenance	\$9,791,000	\$168,000	\$719,000	\$215,000	\$10,893,000
Purchased Water	\$5,400,000	\$396,000	-	-	\$5,796,000
Administration	\$3,841,000	\$143,000	\$158,000	\$33,000	\$4,175,000
RW Capital Expansion Fund & Non-Op Expenses	519,000	\$568,000	-	-	1,087,000
<b>Total FY 23/24 Budget</b>	<b>\$35,785,000</b>	<b>\$3,279,000</b>	<b>\$1,472,000</b>	<b>\$1,226,000</b>	<b>\$41,762,000</b>

### **RECOMMENDED ACTION:**

Board approve fiscal year 23/24 Budgets for Novato & West Marin Service Areas.

ATTACHMENTS: 1. FY 23/24 Budgets Novato & West Marin Service Areas  
 2. FY 23/24 Budgets Novato & West Marin Service Areas Presentation



**NORTH MARIN  
WATER DISTRICT**  
999 RUSH CREEK PLACE

BILL DROP

# Budgets

**Novato & West Marin Service Areas**

Fiscal Year 2023 – 2024  
Draft June 20, 2023



**NORTH MARIN  
WATER DISTRICT**



## ***Introduction:***

This document contains the fiscal year 2023/2024 budgets for North Marin Water District's various enterprise service areas located in Marin County, covering 100 square miles as listed below.

- Potable Water Service: Treatment, Transmission, Distribution, and Fire Services.  
Novato  
West Marin (Point Reyes Station, Inverness Park, Olema, Bear Valley, Silver Hills & Paradise Ranch Estates)
- Recycled Water Treatment, Transmission and Distribution:  
Novato
- Sewage Collection, Treatment & Reuse/Disposal:  
Oceana Marin

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

## ***Mission Statement:***

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

## ***Vision Statement:***

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



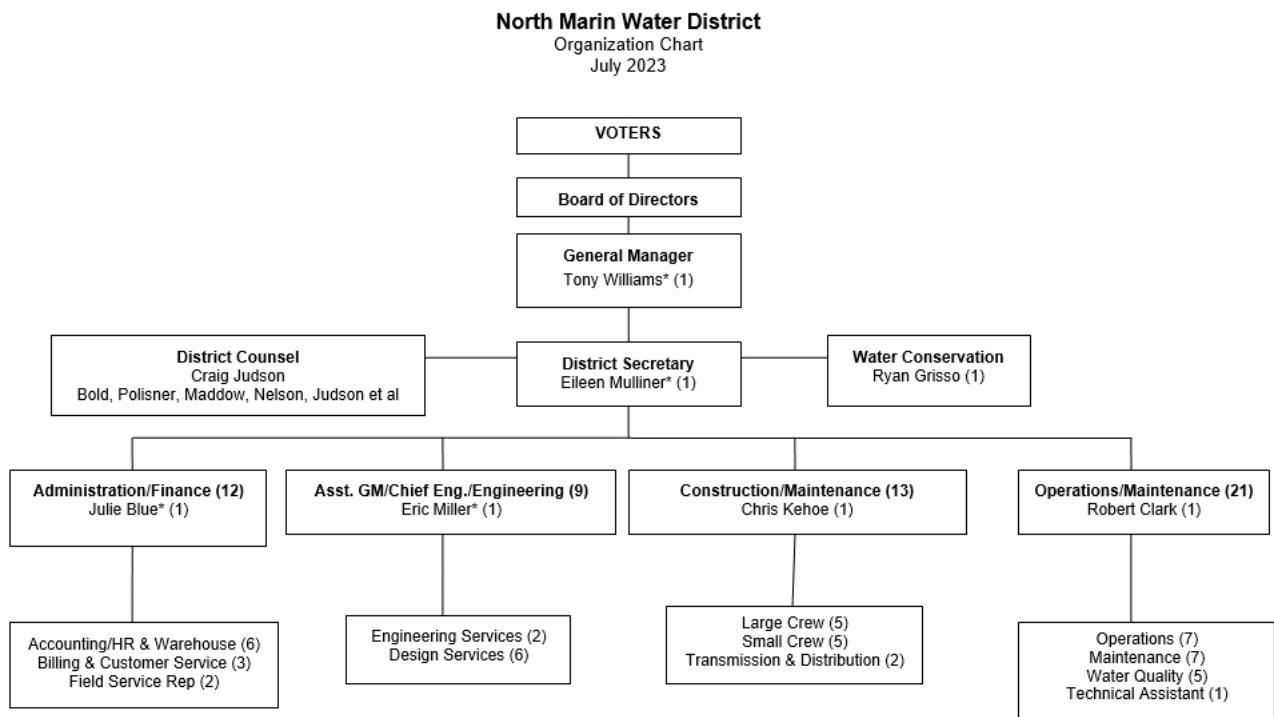
*Stafford Lake*

**Organization Information:**

North Marin Water District is a Special District formed by voter approval in 1948 pursuant to the provisions of the County Water District Law (Water Code – Division 12). The District is governed by a five-member Board of Directors, elected for four-year terms by division from within the District’s service area. The current Directors are as follows:

- Rick Fraites (Division 5), President
- Jack Baker (Division 2), Vice President
- Ken Eichstaedt (Division 1)
- Michael Joly (Division 3)
- Stephen Petterle (Division 4)




Day to day operations are led by General Manager Tony Williams, and there are four departments and 58 budgeted full-time employees, as shown in the organization chart below.



\*Also serves as District officer



# North Marin Water District Boundary Map

-  Marin County
-  North Marin Water District Service Boundary
-  No services provided/available



**NORTH MARIN  
WATER DISTRICT**

**North Marin Water District  
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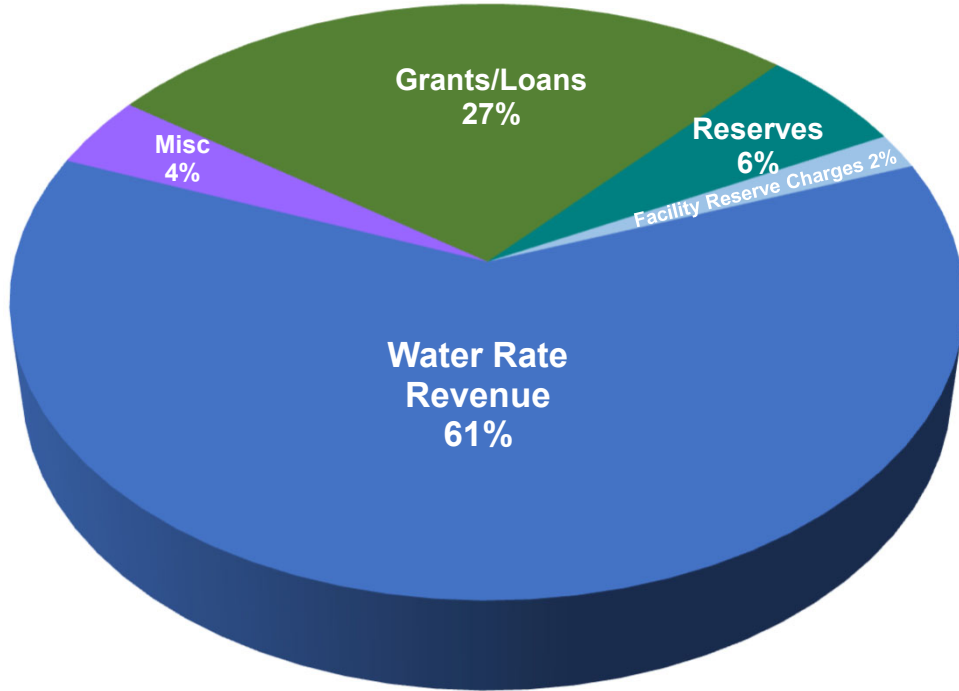
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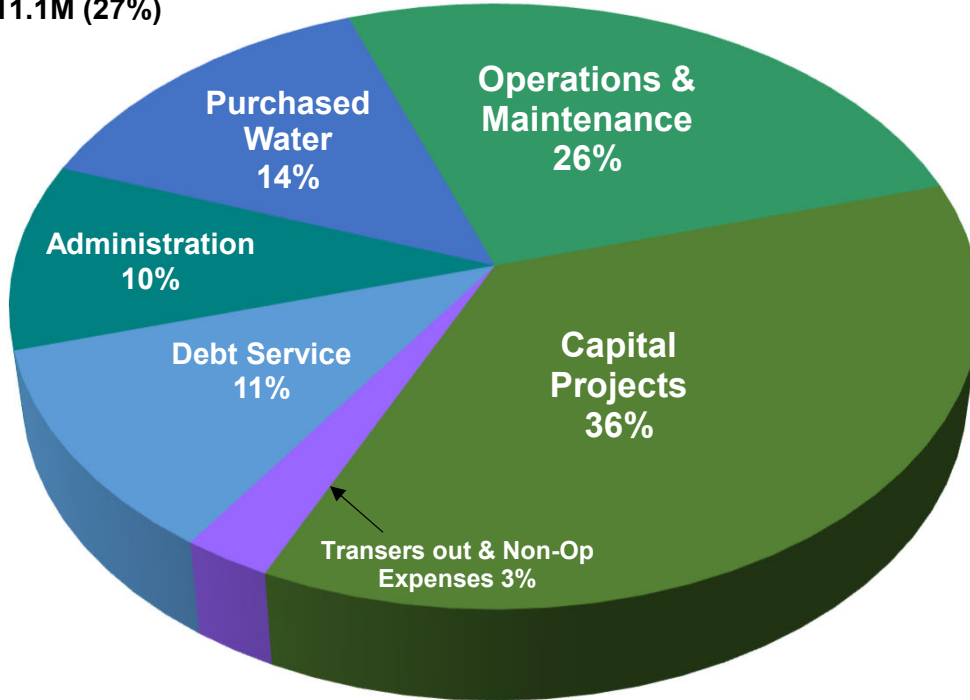
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**NORTH MARIN WATER DISTRICT**  
**FY23/24 DRAFT BUDGET - ALL SERVICE AREAS COMBINED**  
**SOURCES = \$41,762,000**



Labor = \$11.1M (27%)



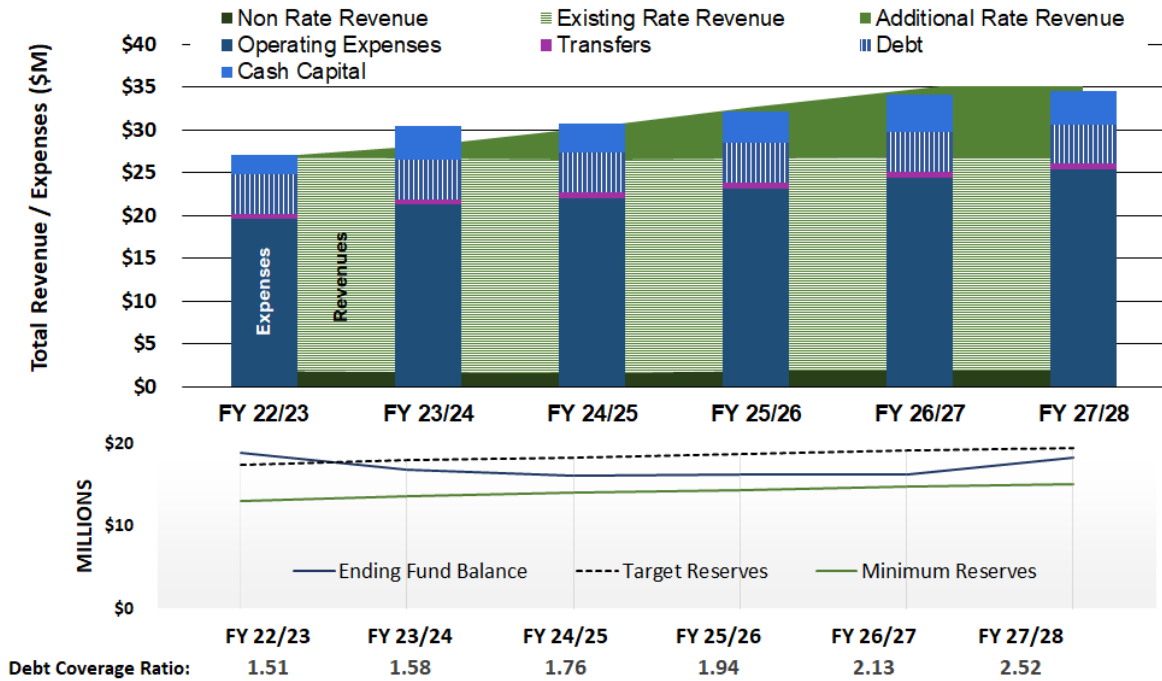
**USES = \$41,762,000**

Excludes Depreciation Expense & Developer Funded Costs

**Summary**

The \$41.8 million consolidated budget projects operating revenue of \$26.5 million and a net operating revenue of \$5.6 million. The FY 23/24 budget incorporates \$5.1 million in internally funded capital improvement projects and \$5.8 million in water purchases. After payment of \$4.6 million in debt service, the consolidated budget projects a decrease in cash for the fiscal year of \$2.2 million. The below chart shows that the North Marin Water District’s financial plan will maintain sufficient cash reserves aiming towards the designated targets and remaining above the minimum level, while sustaining a debt service coverage ratio above 1.5.

**Financial Forecast Summary - All Service Areas Combined**



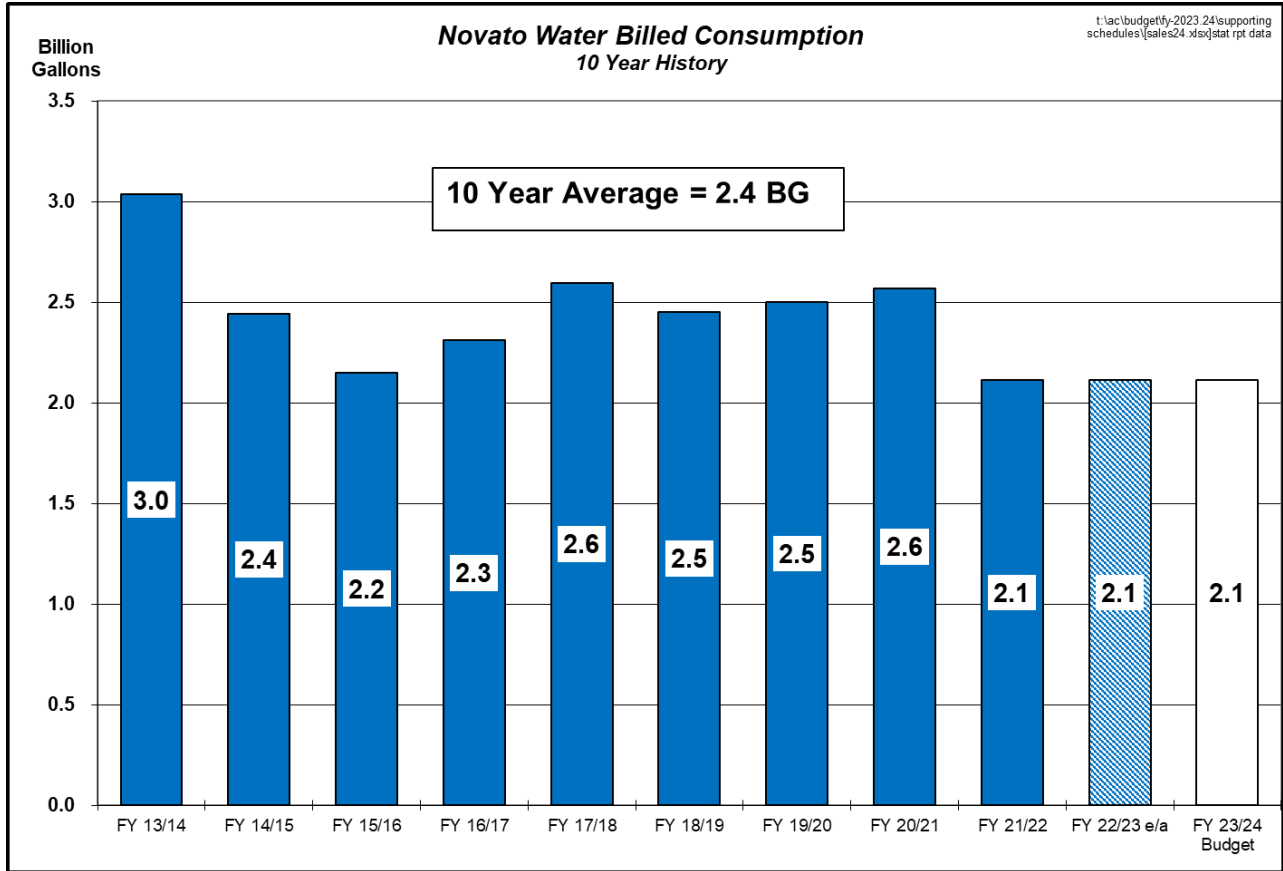
**Novato Water**

The Novato Potable Water System budget projects a \$2.2 million cash decrease over the fiscal year. A 9.5% rate increase in both the commodity and service charge, effective July 1, 2023, will be considered by the Board of Directors at a public hearing occurring on June 20, 2023. Total budget outlay, which includes \$4.4 million in internally funded capital improvement projects, is projected at \$27.1 million which is \$262,000 (1%) higher than the FY 22/23 budget.

**Operating Revenue**

**Water Rate Revenue** - Water consumption is budgeted at 2.1 billion gallons (BG) which is equivalent to the FY 22/23 budget. This conservative estimate is indicative of the current environmental and economic conditions where historical trends are less predictive of future outcomes. The proposed 9.5% rate increase, effective July 1, 2023 is projected to increase revenues by approximately \$2 million but is highly dependent on water consumption volumes. The following chart shows a 10-year history of billed consumption for the Novato Potable Water System.





**Other Operating Revenue** – The wheeling charge to Marin Municipal Water District is budgeted at \$140,000. This is based on the average revenue collected in the past five years. Miscellaneous Operating Revenue of \$307,000, from various sources, include turn on and new account charges, hydrant meter installation and removal, lab services provided to other agencies, and backflow charges for testing and maintenance.

**Operating Expenditures**

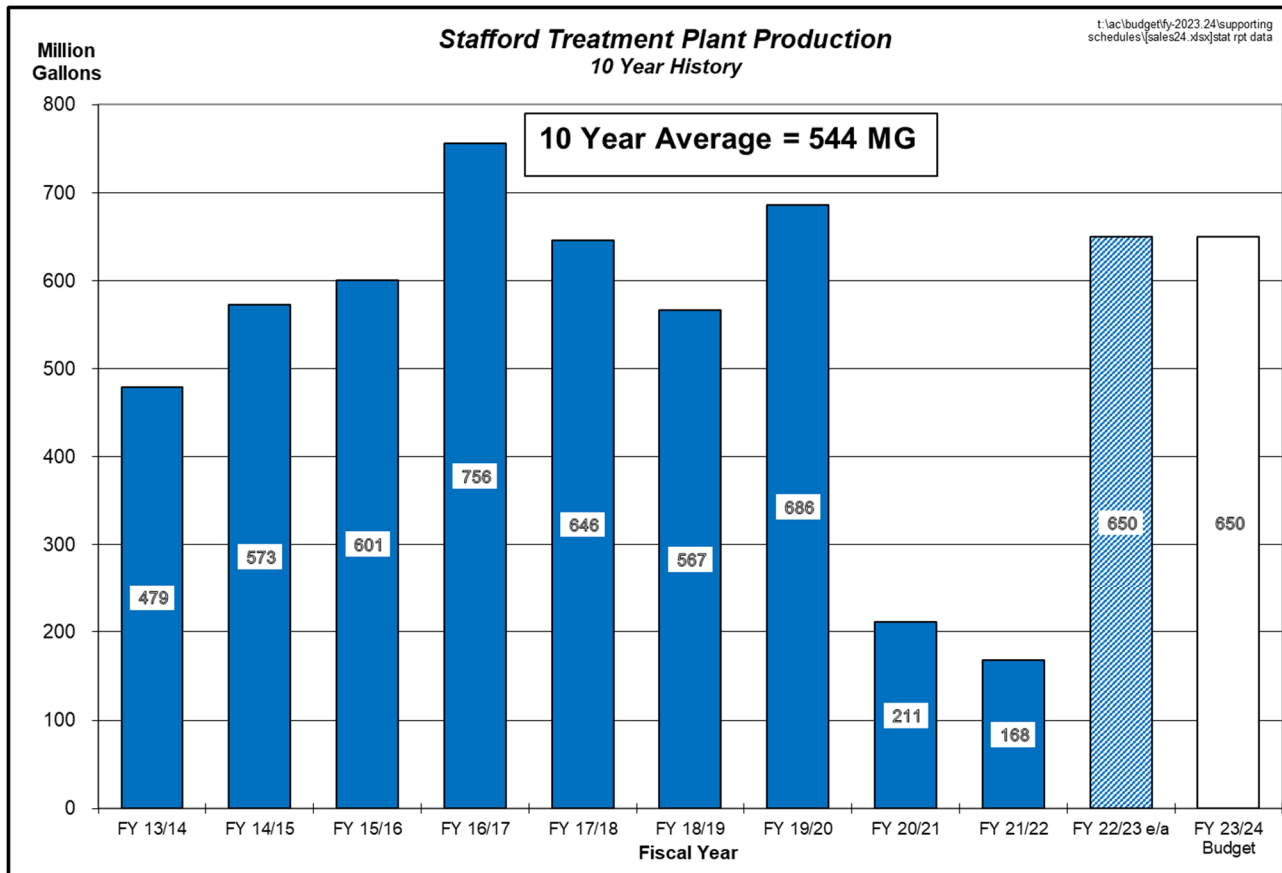
Operating expenses are budgeted to increase 9.8% or \$1.7 million from the FY 22/23 budget. The increase is primarily due to inflation adjustments, increases in the cost to purchase water, insurance costs, regulatory costs and personnel costs. Water purchases, and some operational costs are variable and dependent on the volume of water produced and purchased while many other expenses such as salaries, benefits, general liability insurance, and other administrative costs are fixed. More details are outlined in this budget report.

**Source of Supply** – The purchase price of water from Sonoma Water (SW) (also known as Sonoma County Water Agency) is projected to increase 12.51% in FY 23/24. This change will result in a cost per million gallons (MG) of \$3,804 for FY 23/24 versus \$3,381 for FY 22/23 and is estimated to increase the cost to purchase water by \$600,000.

**Stafford Treatment Plant (STP) Water Production** – STP water production is projected at 650 MG in FY 23/24 which is higher than the 10-year average annual production of 544 MG, as shown in the below chart. This estimate could differ from actual operations but is probable due to Stafford

Lake being full from the recent wet winter. The cost to produce water, at this budgeted level of production, costs approximately 30% more than purchasing it from SW.

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



**Personnel Costs** - The budget includes a staffing level of 58 full-time equivalent (FTE) employees, see staffing position allocation schedule. There is an increase of one FTE in the Administration Department, one FTE in the Operations Department, and one FTE in the Construction Department. Actual departmental allocation may vary depending on operational needs. The increased headcount is budgeted to assist with excess workload, new and existing regulation compliance, redundancy coverage, preparedness for emergency events, and succession planning.

The District previously entered into a five-year Memorandum of Understanding (MOU) with the Employee Association which expires on September 30, 2023. Negotiations for an updated contract are in progress. Changes in salaries and benefits are assumed to align with inflationary projected increases.

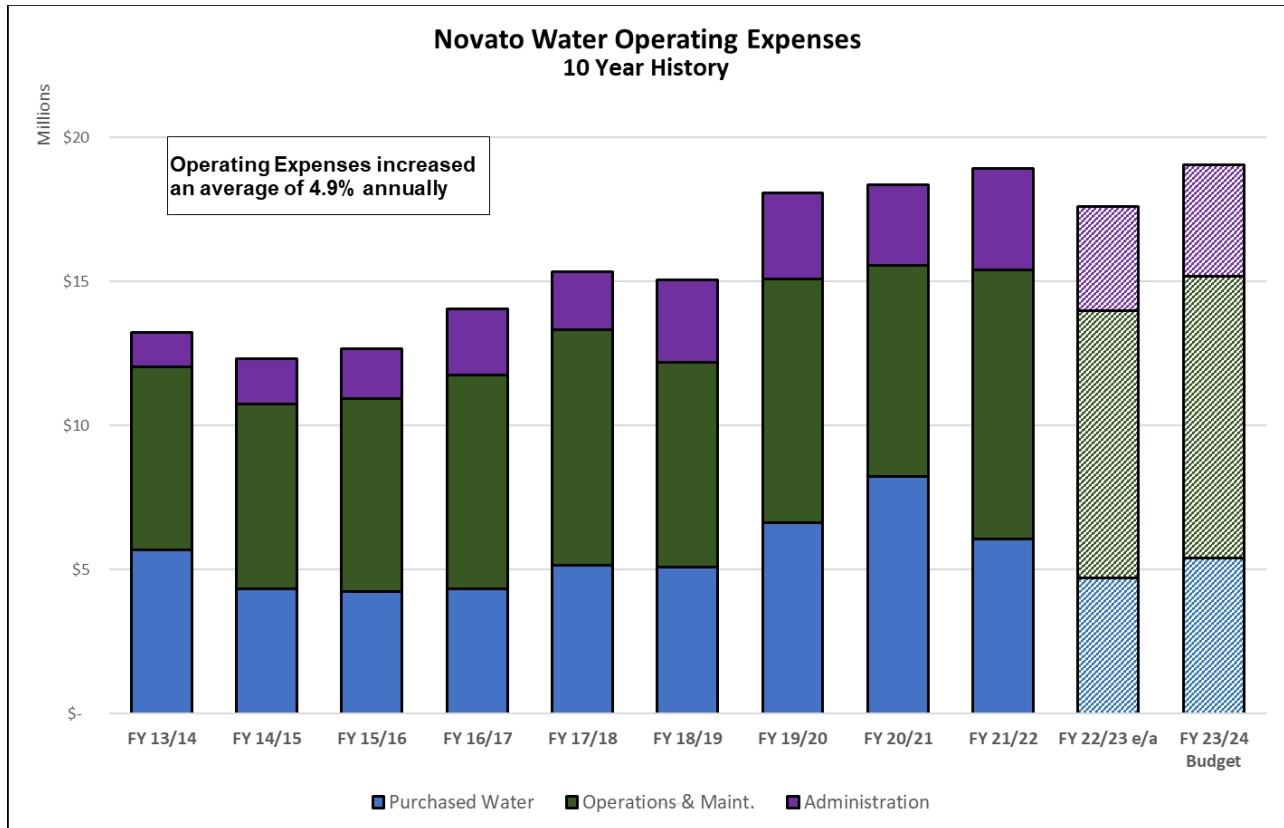
The District's CalPERS retirement contribution rate and related employer costs are budgeted at 30.3% of employee earnings, which approximates the rate budgeted last year. When applied to the FY 23/24 budgeted earnings this equates to an increase in annual pension expense

of approximately \$130,000. For context, the rate in FY 16/17 was 20.2% of earnings and any increases in pension expense has a compounding impact when tied to annual COLA increases. Workers compensation insurance is budgeted to increase 11% based on actual premiums as provided by our insurance provider, Zenith. For budgeting purposes, group health insurance rates were increased with inflation. Over the last three years, average health insurance costs increased 5.9% annually.

**Other Operations & Maintenance Expenses –**

- Office Equipment Expense is budgeted at \$260,000 which includes an increased budget in preparation for the District's headquarters and laboratory relocation back to Rush Creek Place. This is \$132,000 (103%) higher than the prior year's budget. The move necessitates additional office expenses that cannot be classified as capital expenditures, including some furniture and Information Technology (IT) items.
- Backflow Prevention Program is budgeted at \$356,000 which is an increase of \$119,000 (50%) from the prior year's budget. The increase is due to State required backflow testing, which includes staff time, materials, and contracts with outside vendors. The increase is needed to align the budget with the actual cost of the program.
- Insurance Premiums and Claims are budgeted at \$268,000 which is an increase of \$73,000 (37%) from the prior year's budget and align with expected premium and claim costs.
- Studies and Special Projects are budgeted at \$385,000, which is \$61,000 (19%) higher than the prior year's budget. Included in this expense is an update to the Novato Water Master Plan and an Aqueduct Vulnerability/Cathodic Assessment.
- Human Resources are budgeted at \$258,000 which is an increase of \$61,000 (31%) from the prior year's budget. The increase is due to staff time, legal counsel, and the completion of the compensation survey related to the Employee Association negotiations.
- Chemical Costs for water treatment are budgeted at \$480,000 which is an increase of \$45,000 (10%) from the prior year's budget. The increase is based on prices provided by the Bay Area Chemical Consortium (BACC) and quantities estimated by Operations.
- Permit and Regulatory Fees are budgeted at \$200,000 which is an increase of \$21,000 (12%) from the prior year's budget. The increase is based on actual invoices received for the next fiscal year and estimates based on prior year's average increases.

The following chart shows the past 10-years of operating expenses for Novato Water. The average increase to actual expenses is 4.9% which is influenced by a one-time payment of \$1.1M in FY 19/20 for bond issued debt service made to SW. Additionally, the average increase in operating expenses is impacted by the purchase of 363.5 million gallons of water from SW to backfeed Stafford Lake in FY 21/22 at the cost of \$1.1 million.



**Non-Operating Revenue –**

Facility Reserve Charge (FRC) revenue is budgeted in FY 23/24 at \$793,000. FRC revenue of \$400,000 for 14 Equivalent Dwelling Units (EDUs) is estimated to be collected in FY 22/23. The annual average connections have been 55 EDUs (FY 18/19 through FY 22/23). Included in the projections is annual FRC revenue equivalent to 28 EDUs or about half of the actual five-year average.

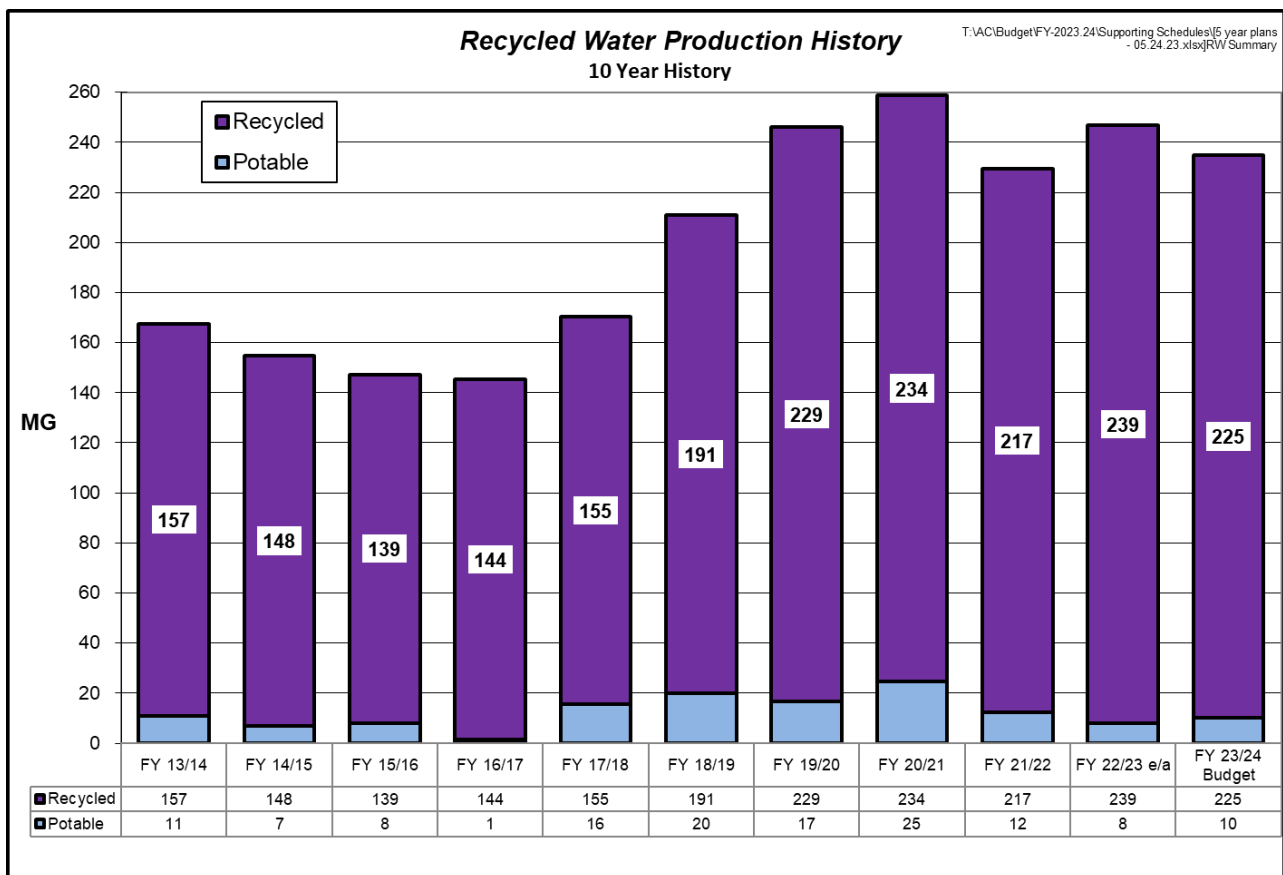
Marin Municipal Water District (MMWD) will pay the annual fixed Aqueduct Energy Efficiency Project (AEEP) capital contribution of \$205,000 in accordance with the terms of the 2014 Interconnection Agreement. Additional non-operating revenue of \$667,000 is comprised of interest earnings, property tax revenue, and rental income.

**Non-Operating Expenses –**

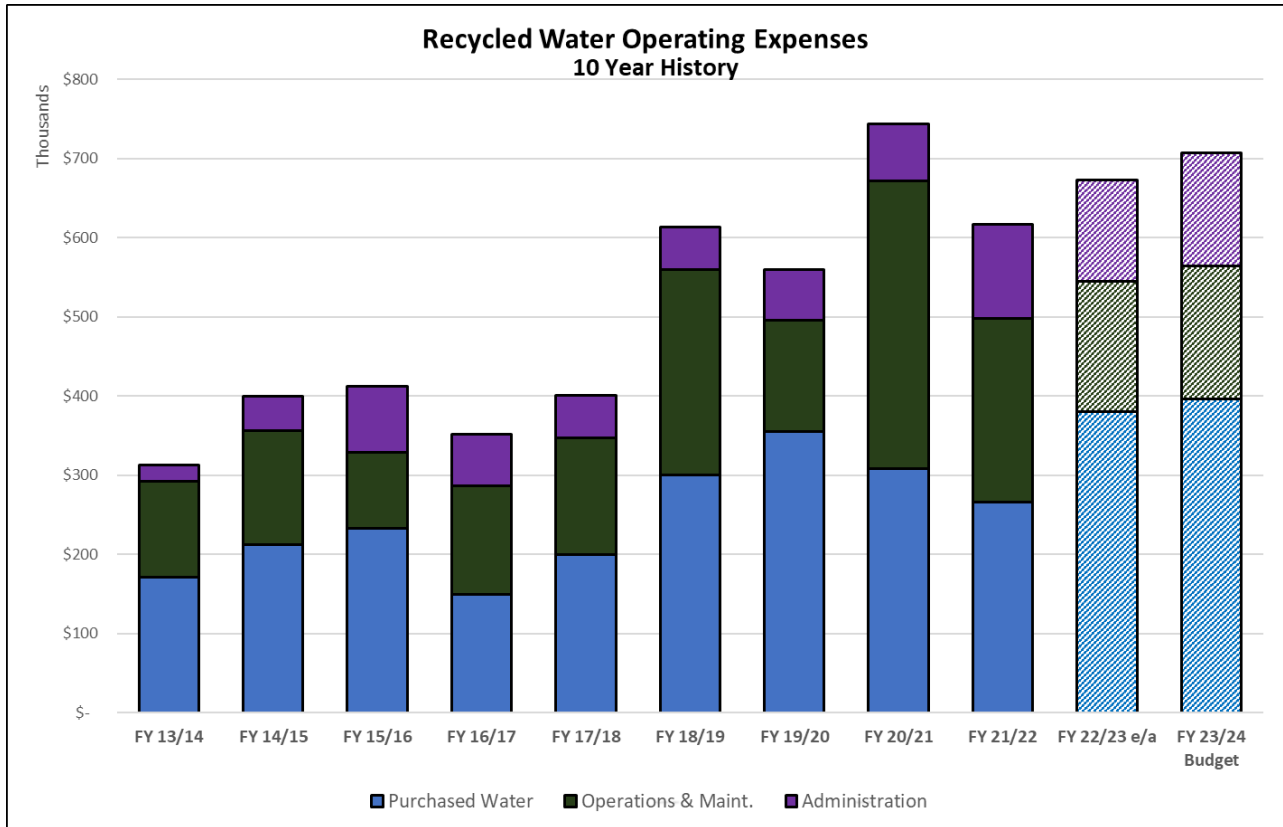
A \$376,000 expense for costs related to the lease of temporary office and lab space during the Administrative and Laboratory Upgrade Project is included in the FY 23/24 Budget. These are temporary expenses and will cease once the project is complete. Other Non-operating expenses include interfund loans made and received from West Marin Water and Oceana Marin Sewer.

**Recycled Water**

The FY 23/24 Recycled Water (RW) System Budget projects demand of 235 MG which is slightly lower than the estimated consumption for FY 22/23. The Recycled Water System five-year forecast projects ongoing demand of 235 MG, which is a slight reduction from the FY 22/23 projections with expected reduced recycled water use assuming non-drought years. See below for the RW production ten-year history. Consistent with the 2020 Novato and Recycled Water Rate Study recommendation an increase of 5.3% (current rate of inflation at the time of this budget preparation) for the commodity rate and bimonthly service charge is proposed to be effective July 1, 2023 followed by 6% rate increases in FY 24/25 through FY 27/28. The proposed increase is projected to generate \$94,000 in additional revenue next fiscal year. The RW rates will be reviewed in an updated rate study in FY 23/24.



Operating expenses are budgeted to increase approximately 5% (\$34,000) from the projected FY 22/23 actuals, primarily due to inflation – see below chart for 10-year history. The FY 23/24 budget includes the purchase of 180 MG (\$283,000) of treated water from Novato Sanitary District (NSD), for approximately \$1,570/MG and 50 MG (\$113,000) from Las Gallinas Valley Sanitary District (LGVSD), for approximately \$2,250/MG. The Deer Island Plant is budgeted to produce 5 MG during the summer to keep it operational and as a condition of the State Revolving Fund (SRF) loan that was borrowed in 2006 to construct the plant.



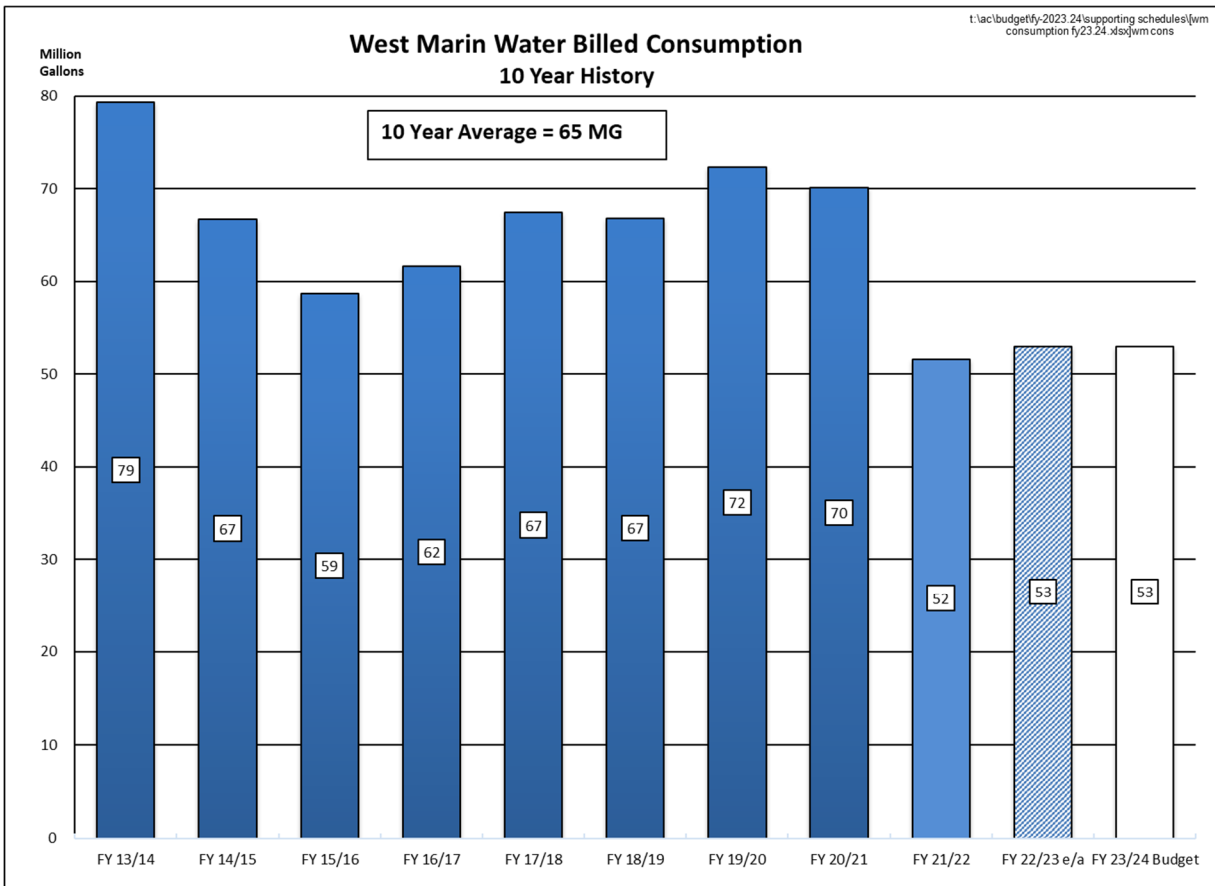
Agreements with NSD and LGVSD allocate net operating revenues to a reserve fund titled Capital Replacement and Expansion Fund. These funds are allocated to each agency, including NMWD, and are designated for CIP related projects for the individual RW systems. Since the net revenues are allocated, by agreement for this specific purpose, Facility Reserve Charges from the Novato potable water system are transferred annually to cover the cost of RW debt service. The FY 23/24 RW budget transfers for the cost of debt service is budgeted at \$750,000.

Major projects to expand recycled water distribution facilities for FY 23/24 include \$300,000 to extend RW from Redwood Blvd to Rush Creek Place and \$300,000 for the Hamilton Veteran’s Housing Project (Homeward Bound). These CIP projects are scheduled to be financed with the Capital Replacement and Expansion Fund Reserve.

**West Marin Water**

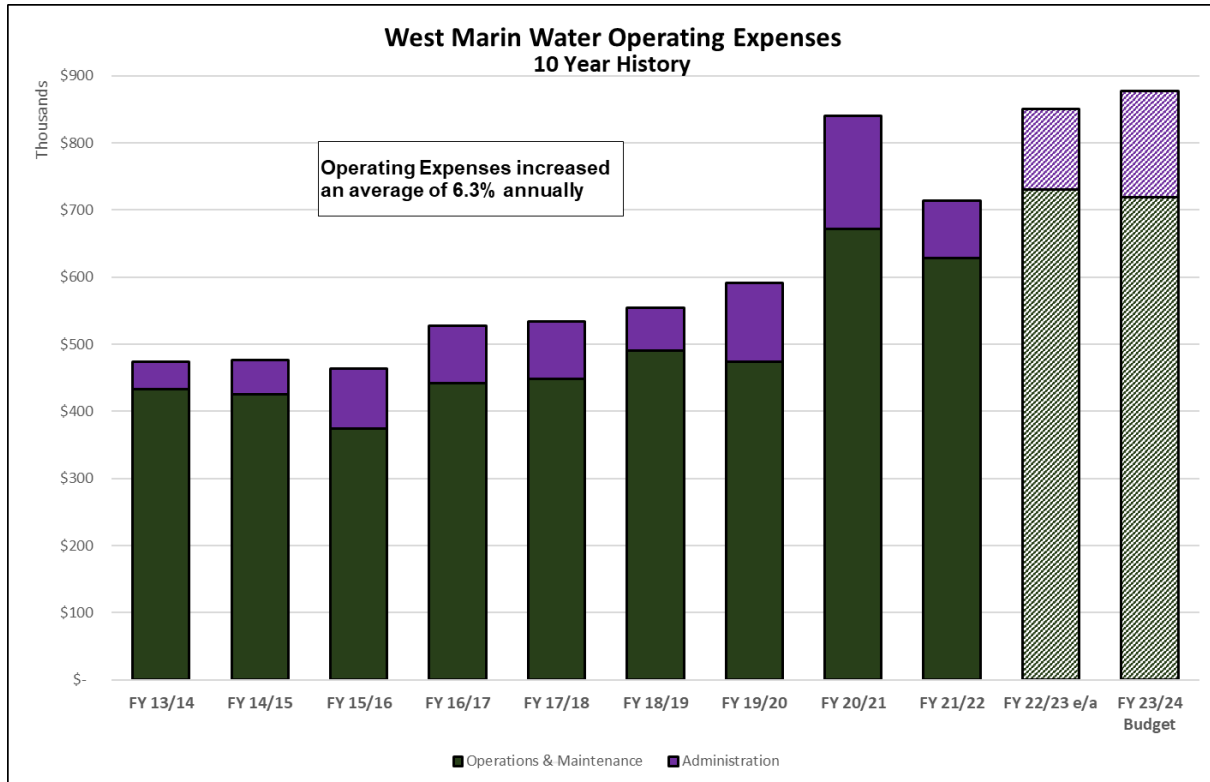
Incorporated in the West Marin Water budget is a 6% rate increase in both the commodity and service charge, effective July 1, 2023. The rate increase aligns with the Board approved 2021 West Marin Water Rate Study. This proposed increase will be considered by the Board of Directors at a public hearing occurring on June 20, 2023. The proposed increase is projected to generate \$58,000 in additional revenue next fiscal year. There is one new Facility Reserve Charge budgeted for FY 23/24.

FY 23/24 water consumption is budgeted at 53 MG and is based on the estimated consumption of 53 MG in FY 22/23. The projections for outlying years are forecasted at 56.5 MG, substantially below the actual ten-year average of 65 MG (see the below chart). Similar to Novato Potable water, the water consumption estimate is conservative given the present environmental and economic conditions. Historical trends have become less reliable as indicators of future outcomes.



WM operating expenditures are budgeted at \$877,000 which is \$127,000 higher or 16.9% more than the FY 22/23 adopted budget. The increase is primarily due to inflation and the inclusion of a Water Supply Resilience Feasibility study estimated at \$75,000. The budget projects net operating revenue of \$157,000 and, after capital outlay and debt service, the system is projected to show a cash decrease for the year of \$196,000.

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



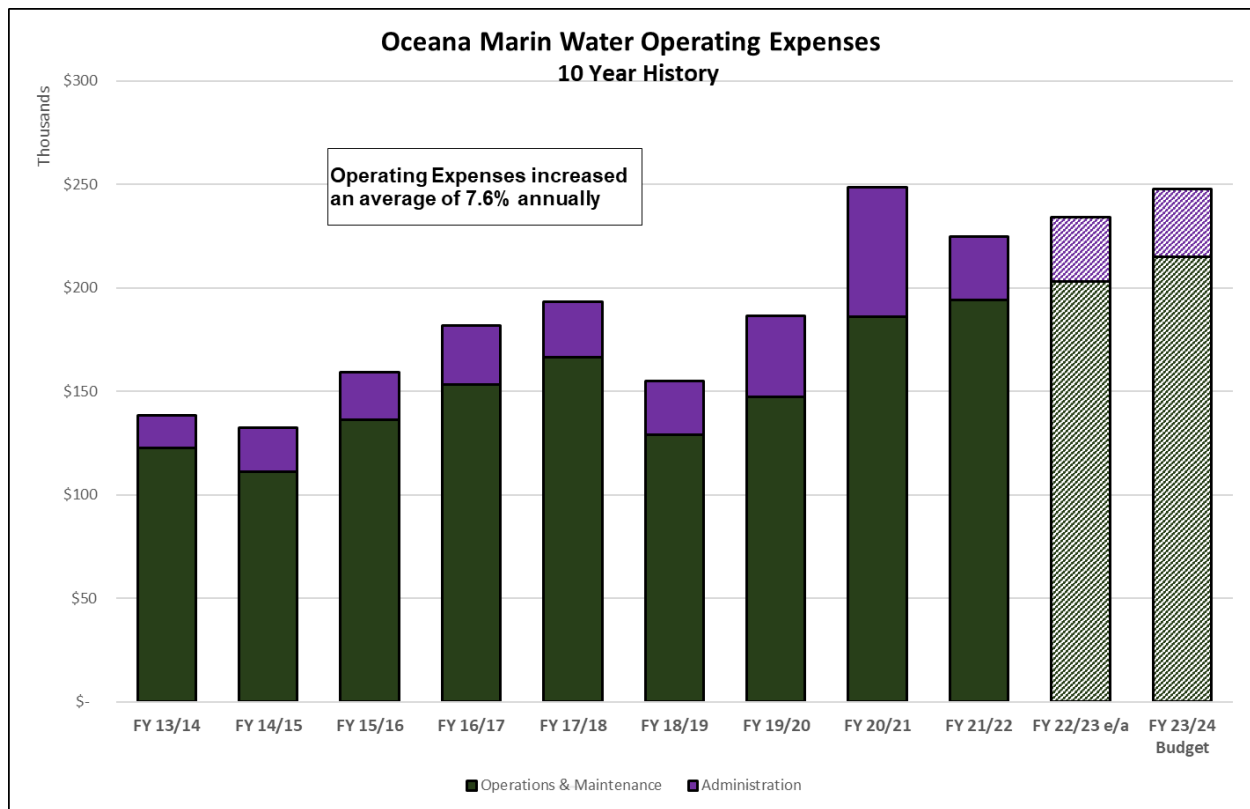


**Oceana Marin Sewer**

A proposed 6% rate increase (to \$1,374/year) in the Oceana Marin (OM) Sewer Service Charge effective July 1, 2023, is projected to add approximately \$17,000 in additional annual revenue. The increase will be considered by the Board of Directors at a public hearing occurring on June 20, 2023. Growth in the past three years has remained stable so conservatively there are no new Facility Reserve Charges budgeted for FY 23/24. Included in the five-year financial forecast is revenue for one new connection every other year.

FY 23/24 OM operating expenditures are budgeted at \$248,000 which is an increase of \$25,000 or 11% from the FY 22/23 adopted budget. The increase is primarily due to an estimated increase in the annual State required waste discharge permit fees, inflation, and adjustments in costs to align with expected operational needs. The budget projects a net operating revenue of \$75,000 and, after capital outlay, the system is projected to show a cash decrease for the year of \$96,000.

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



**Capital Improvement Project Budget (CIP)**

The Fiscal Year 23/24 Capital Improvement Project (CIP) budget includes projects recommended for Novato Water, Recycled Water, West Marin Water, and Oceana Marin Sewer. The District continues to invest in CIP projects within all service areas. These investments benefit our customers by ensuring the system’s fire protection capabilities, potable and recycled water supplies, and treatment of both water and wastewater are fully functional. By committing financial resources to replacement and upgrades of aging infrastructure, the District is able to prevent unexpected failures in the future. Using a preventative maintenance approach is a form of asset management that looks beyond replacing infrastructure in a “worst first” methodology (typically the oldest infrastructure), but rather it considers life-cycle costs and leverages opportunities to execute project costs effectively incorporating economies of scales.

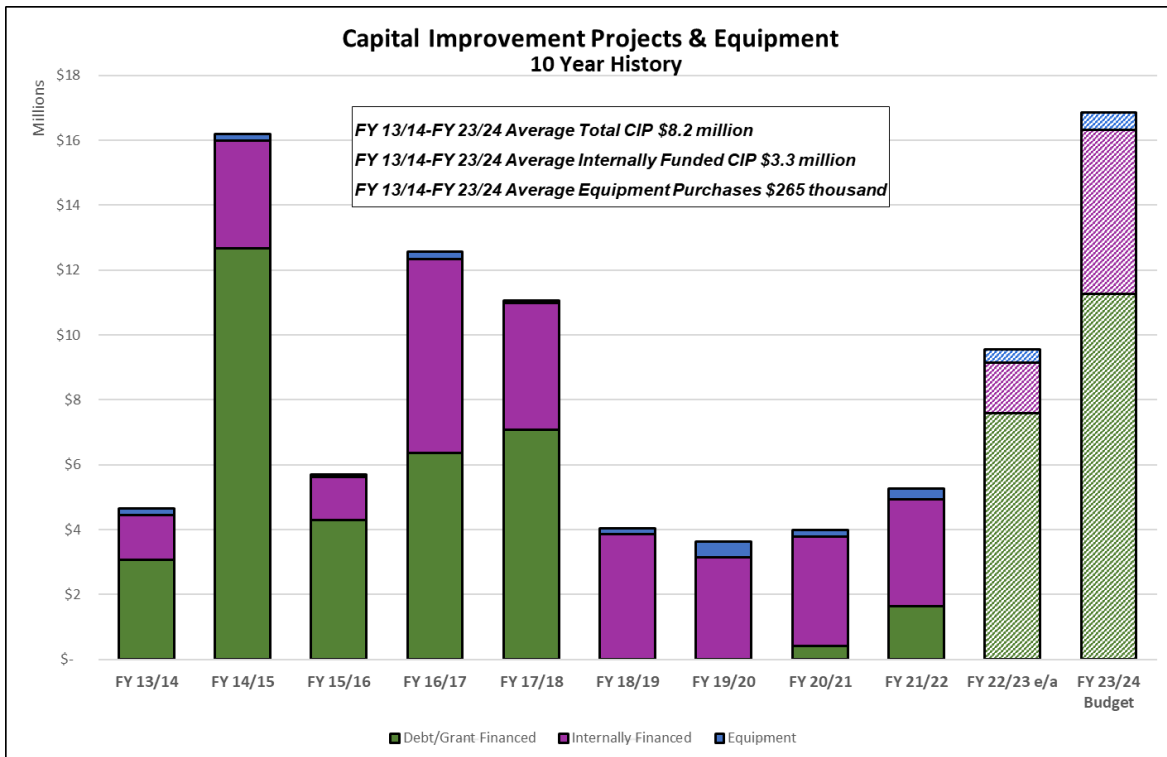
The below table identifies significant projects (totaling over \$500,000 or more) to be undertaken over the next five fiscal years. The table also includes the total cost of the projects, which adds all costs occurring within and outside of the five-year forecast period.

Project	FY23/24	FY24/25	FY25/26 thru FY	
			27/28	Total Project Costs
Administration and Laboratory Upgrade Project	\$8,000,000	\$ -	\$ -	\$16,740,000
Novato Blvd Widening – Diablo to Grant (4,100')	80,000	1,000,000	1,500,000	2,595,000
Lynwood Pump Station Replacement	300,000	1,000,000	1,000,000	2,440,000
Oceana Marin Treatment Pond Rehab (OM)	800,000	1,000,000	-	1,815,000
Lagunitas Creek Bridge Pipe Replacement (Caltrans)	50,000	240,000	1,200,000	1,580,000
Crest PS Construction (Reloc. School Rd. PS)	1,500,000	-	-	1,560,000
Water Supply Enhancement - Spillway ASG	150,000	150,000	1,200,000	1,550,000
San Mateo Tank 24" Transmission Main	25,000	25,000	1,025,000	1,085,000
Seismic Upgrade / Coating - Lynwood Tanks (x2)	25,000	500,000	500,000	1,025,000
Replace Supernatant Line to Center Rd. (4"-4,400LF)	625,000	375,000	-	1,025,000
Hydropneumatic Upgrades, Phase 1 (Bahia)	850,000	-	-	925,000
Hydropneumatic Upgrades, Phase 2 (Hayden)	-	-	925,000	925,000
PRE Tank #1 & #2 Replacement (WM)	-	-	620,000	620,000
Recoating - Garner Tank	25,000	250,000	250,000	525,000
Construction Building Upgrade	150,000	-	1,000,000	1,150,000
Other Projects	3,735,000	2,495,000	8,780,000	N/A
Gross Project Outlay	\$16,315,000	\$7,035,000	\$18,000,000	\$33,885,000
Less Loan/Grant Funding	(11,255,000)	(2,530,000)	(2,016,000)	(15,801,000)
<b>Net Project Outlay (internally funded)</b>	<b>\$5,060,000</b>	<b>\$4,505,000</b>	<b>\$15,984,000</b>	<b>\$18,084,000</b>

Below is a summary of the capital projects that are funded through pay as you go (Pay-go) financing. Pay-go capital financing matches the rate revenue generated during the fiscal year with the budgeted CIP. This enables the projects to be completed incrementally and reduces reliance on debt. The CIP budget includes 54 projects in FY 23/24 and 35 projects in FY 24/25. This comprehensive plan is developed to confirm that adequate funding and staffing exists to accomplish the budgeted projects planned for FY 23/24. Novato Potable Water's CIP expenditure plan, when viewed over the current fiscal year and the next five years, averages \$4.4 million annually in internally funded projects, and West Marin Water's CIP expenditure plan, averages \$548,000 annually in internally funded projects.

Service Area and Type	FY 23/24	# of Projects	FY 24/25	# of Projects	FY 25/26	# of Projects	FY 26/27	# of Projects	FY 27/28	# of Projects
<b>Novato Water</b>										
District Offices	\$8,225,000	3	\$365,000	2			\$500,000	1	\$500,000	1
Tank Rehabilitation / Replacement	2,985,000	10	1,875,000	5	1,950,000	6	1,275,000	5	1,400,000	7
Stafford Treatment Plant (STP)	1,525,000	8	1,050,000	6	900,000	2	700,000	4	650,000	3
Pipelines	1,040,000	11	1,525,000	7	2,025,000	7	2,000,000	7	1,515,000	18
Other Improvements	160,000	3	210,000	3	310,000	3	310,000	3	310,000	3
Less Funded by Loans/Grants/Other	(9,500,000)		(1,000,000)		(666,000)					
<b>Novato Water Total</b>	<b>\$4,435,000</b>	<b>35</b>	<b>\$4,025,000</b>	<b>23</b>	<b>\$4,519,000</b>	<b>18</b>	<b>\$4,785,000</b>	<b>20</b>	<b>\$4,375,000</b>	<b>32</b>
<b>Recycled Water</b>										
Pipelines	\$600,000	2	\$350,000	1						
Tanks & Pump Stations	100,000	1								
Other Improvements	140,000	2			150,000	1	150,000	1	150,000	1
Less Funded by Loans/Grants/Other	(750,000)		(350,000)		(150,000)		(150,000)		(150,000)	
<b>Recycled Water Total</b>	<b>\$90,000</b>	<b>5</b>	<b>\$0</b>	<b>1</b>	<b>\$0</b>	<b>1</b>	<b>\$0</b>	<b>1</b>	<b>\$0</b>	<b>1</b>
<b>West Marin Water</b>										
Pipelines	\$175,000	2	\$285,000	2	\$1,200,000	1			\$200,000	1
Wells	260,000	3	5,000	1						
Tank Rehabilitation / Replacement							620,000	1	450,000	1
Other Improvements	150,000	4	270,000	4	80,000	4	165,000	3	165,000	3
Less Funded by Loans/Grants/Other	(205,000)		(180,000)		(900,000)					
<b>West Marin Water Total</b>	<b>\$380,000</b>	<b>9</b>	<b>\$380,000</b>	<b>7</b>	<b>\$380,000</b>	<b>5</b>	<b>\$785,000</b>	<b>4</b>	<b>\$815,000</b>	<b>5</b>
<b>Oceana Marin Sewer</b>										
Lift Stations	\$810,000	2	\$1,010,000	2	\$5,000	1				
Pipelines	80,000	1					\$125,000	1		
Other Improvements	65,000	2	\$65,000	2	\$65,000	2	\$65,000	2	\$65,000	2
Less Funded by Loans/Grants/Other	(800,000)		(1,000,000)							
<b>Oceana Marin Sewer Total</b>	<b>\$155,000</b>	<b>5</b>	<b>\$75,000</b>	<b>4</b>	<b>\$70,000</b>	<b>3</b>	<b>\$190,000</b>	<b>3</b>	<b>\$65,000</b>	<b>2</b>
<b>Total Pay-Go</b>	<b>\$5,060,000</b>	<b>54</b>	<b>\$4,480,000</b>	<b>35</b>	<b>\$4,969,000</b>	<b>27</b>	<b>\$5,760,000</b>	<b>28</b>	<b>\$5,255,000</b>	<b>40</b>

The below chart shows the District wide 10-year history of capital improvement projects averaging \$8.2M per year, including \$3.3M of internally (or “Pay-Go”) financed projects, and a 10-year history of equipment purchases averaging \$265 thousand per year.



**Equipment Budget** - The FY 23/24 Equipment Budget totals \$538,000. This is \$19,000 lower than the FY 22/23 Equipment Budget of \$557,000. In FY 18/19 the District entered into a leasing agreement with Enterprise Fleet Management (EFM) with a plan to lease 27 vehicles, phased in over five years. There are currently 21 leased vehicles in the District’s fleet. Included in the FY 23/24 budget is \$148,000 for leased vehicles for the replacement of four additional vehicles, ranging from 8 to 15 years old. Another significant purchase included in the equipment budget is \$340,000 for a Class 8 Service Truck.

**Debt Service**

Principal and interest payments totaling \$4.5 million (excluding interfund loans) are budgeted as the annual obligation on \$41.5 million in outstanding debt (as of June 30, 2024), comprised of:

- \$4.9 million with a 2.39% interest rate for a State Revolving Fund (SRF) loan used to finance the Stafford Water Treatment Plant Rehabilitation;
- \$3.5 million with a 3.42% interest rate for a bank loan used to finance the AEEP and West Marin Treatment Plant Solids-Handling Facility;
- \$3.3 million with a 2.69% interest rate for a bank loan used to finance the Advanced Meter Information (AMI) project;
- \$18.4 million with a 3.11% for a bank loan used to finance the Administration and Laboratory Upgrade Project and other capital improvement projects.
- \$0.8 million with a 2.4% interest rate for an SRF loan used to finance the Deer Island Recycled Water Facility;
- \$10.6 million in SRF loans (with interest varying from 1%-2.6%) used to finance the recycled water distribution system;

The estimated FY 23/24 consolidated debt service coverage ratio (DSCR) is 1.58 which complies with the targeted >1.5 DSCR as outlined in the Board approved debt policy. DSCR measures the cash flow available to repay debt. A higher DSCR indicates a greater ability to meet debt obligations. The DSCR is calculated by dividing operating revenue (cash flows) by the total amount of debt payments due in the year. Below is the debt service schedule which provides more details on the District’s outstanding debt.

Service Area	Description	Issue Date	Rate	Original Amount	Final Pmt	Interest Expense	Principal Paid	Total Debt Service	6/30/24
									Outstanding Balance
Novato	SRF Loan - STP	2004	2.39%	\$16,528,850	07/01/29	\$ 133,353	\$ 911,121	\$1,044,474	\$ 4,894,922
Novato	Bank Marin Loan	2011	3.42%	\$7,000,000	10/27/31	\$ 113,863	\$ 368,178	\$ 482,041	\$ 3,122,754
Novato	Chase Bank Loan	2018	2.69%	\$4,600,000	03/01/33	\$ 88,098	\$ 290,000	\$ 378,098	\$ 3,275,000
Novato	Webster Bank	2022	3.11%	\$20,000,000	03/01/42	\$ 594,642	\$ 753,254	\$1,347,896	\$18,367,077
Novato Total						\$ 929,956	\$2,322,553	\$3,252,509	\$29,659,753
RW TP	SRF Loan	2006	2.40%	\$4,302,560	06/19/27	\$ 24,741	\$ 248,626	\$ 273,367	\$ 782,256
RW North	SRF Loans (4)	2013	2.60%	\$4,375,605	Varies	\$ 60,481	\$ 221,411	\$ 281,892	\$ 2,104,790
RW South	SRF Loans (3)	2013	2.20%	\$5,361,952	Varies	\$ 66,742	\$ 268,561	\$ 335,303	\$ 2,633,535
RW Central	SRF Loan	2016	1.00%	\$7,130,503	12/31/47	\$ 60,734	\$ 215,039	\$ 275,773	\$ 5,858,351
Recycled Water Total						\$ 212,698	\$ 953,637	\$1,166,335	\$11,378,932
WM Water	Bank Marin Loan	2012	3.42%	\$1,000,000	10/27/31	\$ 16,714	\$ 54,045	\$ 70,759	\$ 458,386
West Marin Water Total						\$ 16,714	\$ 54,045	\$ 70,759	\$ 458,386
<b>FY 23/24 Total - External Loans</b>						<b>\$1,159,368</b>	<b>\$3,330,235</b>	<b>\$4,489,603</b>	<b>\$41,497,071</b>

**North Marin Water District**  
**FY 23/24 Staffing Position Allocation**

Position	Monthly <sup>1</sup>		FY 22/23	FY 23/24
	Step 1	Top Step		
<b>Administration</b>				
General Manager <sup>2</sup>	\$19,679		1	1
Executive Assistant/District Secretary	\$ 8,900	\$ 10,818	1	1
Water Conservation and Communications Manager <sup>3</sup>	\$ 10,212	\$ 12,413	1	1
Auditor/Controller	\$ 14,150	\$ 17,200	1	1
Human Resources/Safety Manager	\$ 9,051	\$ 11,002	1	1
Accounting Supervisor	\$ 9,201	\$ 11,184	1	1
Senior Accountant	\$ 8,544	\$ 10,386	1	1
Staff Accountant <sup>4</sup>	\$ 7,167	\$ 8,712	0	1
Accounting Clerk II	\$ 5,790	\$ 7,038	1	1
Storekeeper/Safety Coordinator	\$ 6,454	\$ 7,846	1	1
<b>Administration Total</b>			<b>9</b>	<b>10</b>
<b>Consumer Services</b>				
Consumer Services Supervisor	\$ 8,184	9,948	1	1
Receptionist/Customer Service Assistant	\$ 5,244	\$ 6,374	1	1
Field Service Representative I/II	\$ 5,833	\$ 7,587	2	2
Field Service Representative Lead	\$ 6,876	\$ 8,358	1	1
<b>Consumers Services Total</b>			<b>5</b>	<b>5</b>
<b>Engineering</b>				
Assistant General Manager/Chief Engineer	\$ 14,931	\$ 18,149	1	1
Senior Engineer	\$ 11,588	\$ 14,085	1	1
Associate Engineer	\$ 10,535	\$ 12,806	1	1
Junior Engineer	\$ 8,197	\$ 9,963	1	1
Engineering Technician IV	\$ 7,851	\$ 9,543	3	3
Engineering Services Representative	\$ 6,596	\$ 8,018	1	1
Engineering Administrative Assistant <sup>3</sup>	\$ 6,028	\$ 7,326	1	1
<b>Engineering Total</b>			<b>9</b>	<b>9</b>
<b>Operations/Maintenance</b>				
Operations/Maintenance Superintendent	\$ 12,104	\$ 14,712	1	1
Maintenance Supervisor	\$ 9,140	\$ 11,110	1	1
Cross Connection Control Tech I/II	\$ 5,676	\$ 8,385	1	1
Auto/Equipment Mechanic	\$ 6,454	\$ 7,846	1	1
Apprentice Electrical Mechanical Tech	\$ 6,192	\$ 7,526	1	1
Electrical/Mechanical Tech	\$ 7,268	\$ 8,835	2	2
Program Assistant I/II	\$ 5,292	\$ 7,819	1	1
Utility Worker I/II/III	\$ 5,194	\$ 7,846	1	1
<b>Operations/Maintenance Total</b>			<b>9</b>	<b>9</b>
<b>Operations</b>				
Distribution & Treatment Plant Supervisor	\$ 10,902	\$ 13,251	1	1
Senior Distribution & Treatment Plant Operator	\$ 9,012	\$ 10,955	2	2
Distribution & Treatment Plant Operator	\$ 8,098	\$ 9,843	2	3
Assistant Distribution & Treatment Plant Operator	\$ 6,504	\$ 7,905	1	1
<b>Operations Total</b>			<b>6</b>	<b>7</b>

**North Marin Water District**  
**FY 23/24 Staffing Position Allocation**

Position	Monthly <sup>1</sup>		FY 22/23	FY 23/24
	Step 1	Top Step		
<b>Water Quality</b>				
Water Quality Supervisor	\$ 10,763	\$ 13,082	1	1
Laboratory Technician	\$ 5,140	\$ 6,263	1	1
Chemist I/II	\$ 7,053	\$ 10,211	1	1
Senior Chemist	\$ 9,194	\$ 11,176	2	2
<b>Water Quality Total</b>			<b>5</b>	<b>5</b>
<b>Construction/Maintenance</b>				
Construction/Maintenance Superintendent	\$ 10,823	\$ 13,155	1	1
Maintenance Supervisor	\$ 9,140	\$ 11,110	0	1
Distribution/Maintenance Foreman	\$ 7,835	\$ 9,524	1	1
Pipeline Foreman	\$ 7,835	\$ 9,524	2	2
Heavy Equipment Operator	\$ 6,700	\$ 8,144	1	1
Utility Worker I/II/III	\$ 5,194	\$ 7,846	7	7
<b>Construction/Maintenance Total</b>			<b>12</b>	<b>13</b>
<b>Total Employee Count (All positions are full time)</b>			<b>55</b>	<b>58</b>
<sup>1</sup> Salaries are based on the current salary schedule effective October 1, 2022 <sup>2</sup> The General Manager's salary is an annual amount that is set by contract. <sup>3</sup> New Job Title Proposed <sup>4</sup> New Position Proposed - salary estimated to align with job series, to be updated with 2023 compensation survey.				



**North Marin Water District**  
**Budget Summary - All Service Areas Combined**  
**Fiscal Year 23/24**

	<i>Proposed Budget FY 23/24</i>	<i>Estimated Actual FY 22/23</i>	<i>Adopted Budget FY 22/23</i>	
<b>Operating Revenue</b>				
1	Water Rate Revenue	\$25,666,000	\$24,094,000	\$24,865,000
2	Sewer Service Charges	323,000	306,000	306,000
3	Wheeling & Misc Service Charges	476,000	465,000	381,000
4	<b>Total Operating Revenue</b>	<b>\$26,465,000</b>	<b>\$24,865,000</b>	<b>\$25,552,000</b>
<b>Operating Expenditures</b>				
5	Source of Supply	\$5,908,000	\$5,194,000	\$6,182,000
6	Pumping	611,000	530,000	627,000
7	Operations	1,307,000	1,269,000	1,120,000
8	Water Treatment	3,208,000	3,005,000	2,802,000
9	Transmission & Distribution	4,421,000	4,272,000	3,898,000
10	Sewer Operations	213,000	201,000	195,000
11	Consumer Accounting	545,000	514,000	508,000
12	Water Conservation	476,000	462,000	462,000
13	General Administration	4,175,000	3,708,000	3,222,000
14	<b>Total Operating Expenditures</b>	<b>\$20,864,000</b>	<b>\$19,155,000</b>	<b>\$19,016,000</b>
15	<b>Net Operating Revenue</b>	<b>\$5,601,000</b>	<b>\$5,710,000</b>	<b>\$6,536,000</b>
<b>Operating Expenditures</b>				
16	Interest Earnings	\$585,000	\$906,000	\$332,000
17	Tax & Miscellaneous Revenue	248,000	248,000	265,000
18	Transfers Capital/Replace Expansion Fund	(568,000)	(589,000)	(590,000)
19	Miscellaneous Expense	(376,000)	(450,000)	(407,000)
20	<b>Total Non-Op Revenue/(Expenditures)</b>	<b>(\$111,000)</b>	<b>\$115,000</b>	<b>(\$400,000)</b>
<b>Other Sources/(Uses) Of Funds</b>				
21	Capital Improvement Projects	(\$16,315,000)	(\$9,145,000)	(\$18,899,000)
22	Loans/Grants	11,255,000	7,292,000	14,300,000
23	Capital Equipment Expenditures	(538,000)	(408,000)	(557,000)
24	CIP Efficiency Adjustment	1,668,000	-	-
25	Debt Principal Payments	(3,417,000)	(3,390,000)	(3,459,000)
26	Interest Expense	(1,203,000)	(1,235,000)	(1,119,000)
27	Marin Country Club Principal Repayment	39,000	38,000	39,000
28	Facility Reserve Charges	814,000	500,000	902,000
29	InterDistrict Loans (net)	(118,000)	-	(431,000)
30	MMWD AEEP Capital Contribution	161,000	157,000	205,000
31	Low Income Rate Assistance Program	(31,000)	(28,000)	(42,000)
32	<b>Total Other Sources/(Uses)</b>	<b>(\$7,685,000)</b>	<b>(\$6,219,000)</b>	<b>(\$9,061,000)</b>
33	<b>Cash Increase/(Decrease)</b>	<b>(\$2,195,000)</b>	<b>(\$394,000)</b>	<b>(\$2,925,000)</b>

**DRAFT BUDGET - JUNE 20, 2023 REVIEW**

**North Marin Water District**

**Five-Year Financial Forecast - All Service Areas Combined**

**Fiscal Year 23/24**

	<i>Budget FY 23/24</i>	<i>Forecast FY 24/25</i>	<i>Forecast FY 25/26</i>	<i>Forecast FY 26/27</i>	<i>Forecast FY 27/28</i>	
<b>Operating Revenue</b>						
1	Water Rate Revenue Commodity	\$17,991,000	\$19,510,000	\$21,026,000	\$22,479,000	\$24,032,000
2	Water Rate Revenue Service Charge	7,675,000	8,317,000	8,977,000	9,604,000	10,275,000
3	<b>Total Water Rate Revenue</b>	<b>\$25,666,000</b>	<b>\$27,827,000</b>	<b>\$30,003,000</b>	<b>\$32,083,000</b>	<b>\$34,307,000</b>
4	Wholesale Revenue - Wheeling to MMWD	\$140,000	\$144,000	\$148,000	\$152,000	\$157,000
5	Sewer Service Charges	323,000	344,000	364,000	386,000	411,000
6	Miscellaneous Service Charges	336,000	336,000	336,000	336,000	336,000
7	<b>Operating Revenue - Other Charges</b>	<b>\$799,000</b>	<b>\$824,000</b>	<b>\$848,000</b>	<b>\$874,000</b>	<b>\$904,000</b>
8	<b>Total Operating Revenue</b>	<b>\$26,465,000</b>	<b>\$28,651,000</b>	<b>\$30,851,000</b>	<b>\$32,957,000</b>	<b>\$35,211,000</b>
<b>Operating Expenditures</b>						
9	Source of Supply	\$5,908,000	\$6,561,000	\$7,202,000	\$7,900,000	\$8,473,000
10	Pumping	611,000	629,000	647,000	666,000	686,000
11	Operations	1,307,000	1,349,000	1,392,000	1,436,000	1,482,000
12	Water Treatment	3,208,000	3,304,000	3,403,000	3,505,000	3,610,000
13	Transmission & Distribution	4,421,000	4,557,000	4,696,000	4,839,000	4,986,000
14	Sewer Operations	213,000	226,000	239,000	253,000	268,000
15	Consumer Accounting	545,000	561,000	578,000	595,000	613,000
16	Water Conservation	476,000	490,000	504,000	519,000	534,000
17	General Administration	4,175,000	4,266,000	4,400,000	4,538,000	4,680,000
18	<b>Total Operating Expenditures</b>	<b>\$20,864,000</b>	<b>\$21,943,000</b>	<b>\$23,061,000</b>	<b>\$24,251,000</b>	<b>\$25,332,000</b>
19	<b>Net Operating Revenue</b>	<b>\$5,601,000</b>	<b>\$6,708,000</b>	<b>\$7,790,000</b>	<b>\$8,706,000</b>	<b>\$9,879,000</b>
<b>Non-Operating Revenue/(Expenditures)</b>						
20	Interest Earnings	\$585,000	\$493,000	\$471,000	\$472,000	\$475,000
21	Property Taxes & Miscellaneous Revenue	248,000	248,000	248,000	248,000	248,000
22	Miscellaneous Expense	(376,000)	(10,000)	(10,000)	(10,000)	(10,000)
23	Transfers Capital/Replace Expansion Fund	(568,000)	(602,000)	(640,000)	(680,000)	(722,000)
24	<b>Total Non-Op Revenue/(Expenditures)</b>	<b>(\$111,000)</b>	<b>\$129,000</b>	<b>\$69,000</b>	<b>\$30,000</b>	<b>(\$9,000)</b>
<b>Other Sources/(Uses) Of Funds</b>						
25	Total Capital Spending	<b>(\$16,315,000)</b>	<b>(\$7,010,000)</b>	<b>(\$6,685,000)</b>	<b>(\$5,910,000)</b>	<b>(\$5,405,000)</b>
26	Transfers Capital/Replace Expansion Fund	750,000	350,000	150,000	150,000	150,000
27	Interdistrict Loans	200,000	250,000	-	-	-
28	Debt/Grant Funded Capital	10,305,000	1,930,000	1,566,000	-	-
29	<b>Cash Funded Capital Projects</b>	<b>(\$5,060,000)</b>	<b>(\$4,480,000)</b>	<b>(\$4,969,000)</b>	<b>(\$5,760,000)</b>	<b>(\$5,255,000)</b>
30	Debt Service	(\$4,626,000)	(\$4,656,000)	(\$4,656,000)	(\$4,656,000)	(\$4,388,000)
31	Equipment Purchases	(538,000)	(550,000)	(550,000)	(550,000)	(550,000)
32	CIP Efficiency Adjustment	1,668,000	1,541,000	1,905,000	1,915,000	1,804,000
33	MMWD AEEP Contributions Principal	161,000	166,000	170,000	175,000	180,000
34	Marin Country Club Principal Repayment	39,000	39,000	39,000	40,000	40,000
35	Interdistrict Loans	(112,000)	(159,000)	93,000	96,000	98,000
36	Facility Reserve Charges	814,000	844,000	814,000	814,000	844,000
37	Funding for Affordability Program	(31,000)	(86,000)	(86,000)	(86,000)	(86,000)
38	<b>Total Other Sources/(Uses)</b>	<b>(\$7,685,000)</b>	<b>(\$7,341,000)</b>	<b>(\$7,240,000)</b>	<b>(\$8,012,000)</b>	<b>(\$7,313,000)</b>
39	<b>Beginning Year Balance</b>	<b>\$25,766,000</b>	<b>\$23,571,000</b>	<b>\$23,067,000</b>	<b>\$23,686,000</b>	<b>\$24,410,000</b>
40	<b>Cash Increase/(Decrease)</b>	<b>(\$2,195,000)</b>	<b>(\$504,000)</b>	<b>\$619,000</b>	<b>\$724,000</b>	<b>\$2,557,000</b>
41	Restricted Reserves	\$1,045,000	\$1,045,000	\$1,045,000	\$1,045,000	\$1,045,000
42	<b>End of Year Cash Balance</b>	<b>\$23,571,000</b>	<b>\$23,067,000</b>	<b>\$23,686,000</b>	<b>\$24,410,000</b>	<b>\$26,967,000</b>
43	Minimum Reserves (by policy)	\$12,855,000	\$13,112,000	\$13,377,000	\$13,654,000	\$13,945,000
44	Available Cash (Unrestricted)	\$9,671,000	\$8,910,000	\$9,264,000	\$9,711,000	\$11,977,000



**Novato Water**  
**Budget Summary**  
**Fiscal Year 23/24**

	<i>Proposed Budget FY 23/24</i>	<i>Estimated Actual FY 22/23</i>	<i>Adopted Budget FY 22/23</i>	
<b>Operating Revenue</b>				
1	Water Rate Revenue	\$22,771,000	\$21,266,000	\$21,927,000
2	Wheeling & Misc Service Charges	447,000	416,000	358,000
3	<b>Total Operating Revenue</b>	<b>\$23,218,000</b>	\$21,682,000	\$22,285,000
<b>Operating Expenditures</b>				
4	Source of Supply	\$5,486,000	\$4,795,000	\$5,775,000
5	Pumping	528,000	448,000	547,000
6	Operations	1,138,000	1,088,000	933,000
7	Water Treatment	2,942,000	2,741,000	2,511,000
8	Transmission & Distribution	4,121,000	3,958,000	3,661,000
9	Consumer Accounting	510,000	482,000	476,000
10	Water Conservation	466,000	457,000	447,000
11	General Administration	3,841,000	3,428,000	2,989,000
12	<b>Total Operating Expenditures</b>	<b>\$19,032,000</b>	\$17,397,000	\$17,339,000
13	<b>Net Operating Revenue</b>	<b>\$4,186,000</b>	\$4,285,000	\$4,946,000
<b>Non-Operating Revenue/(Expenditures)</b>				
14	Interest Earnings	\$469,000	\$790,000	\$280,000
15	Property Tax & Miscellaneous Revenue	242,000	\$242,000	136,000
16	Miscellaneous Expense	(376,000)	(450,000)	(406,000)
17	<b>Total Non-Op Revenue/(Expenditures)</b>	<b>\$335,000</b>	\$582,000	\$10,000
<b>Other Sources/(Uses) Of Funds</b>				
18	Capital Improvement Projects	\$ (13,935,000)	\$ (8,572,000)	\$ (16,527,000)
19	Loans/Grants	9,500,000	7,000,000	12,650,000
20	Capital Equipment Expenditures	(538,000)	(408,000)	(557,000)
21	CIP Efficiency Adjustment	1,492,000	-	-
22	Debt Principal Payments	(2,323,000)	(2,405,000)	(2,404,000)
23	Interest Expense	(930,000)	(985,000)	(846,000)
24	Facility Reserve Charges	793,000	500,000	872,000
25	MMWD AEEP Capital Contribution	161,000	157,000	205,000
26	West Marin Loan Principal Repayment	88,000	-	69,000
27	Loan to Oceana Marin	(200,000)	-	(500,000)
28	Low Income Rate Assistance Program	(31,000)	(28,000)	(42,000)
29	Transfer Out to Recycled Water	(750,000)	(750,000)	(890,000)
30	<b>Total Other Sources/(Uses)</b>	<b>(\$6,673,000)</b>	(\$5,491,000)	(\$7,970,000)
31	<b>Cash Increase/(Decrease)</b>	<b>(\$2,152,000)</b>	(\$624,000)	(\$3,014,000)

**DRAFT BUDGET - JUNE 20, 2023 REVIEW**

**Novato Water**  
**Five-Year Financial Forecast**  
**Fiscal Year 23/24**

	<b>Budget FY 23/24</b>	<b>Forecast FY 24/25</b>	<b>Forecast FY 25/26</b>	<b>Forecast FY 26/27</b>	<b>Forecast FY 27/28</b>
<b>1 Water Rate Increase</b>	<b>9.50%</b>	<b>8.50%</b>	<b>8.00%</b>	<b>7.00%</b>	<b>7.00%</b>
<b>Operating Revenue</b>					
<b>2 Water Consumption (in billion gallons)</b>	2.1	2.1	2.1	2.1	2.1
3 Water Rate Revenue Commodity	\$15,516,000	\$16,835,000	\$18,182,000	\$19,455,000	\$20,817,000
4 Water Rate Revenue Service Charge	7,255,000	7,872,000	8,502,000	9,097,000	9,734,000
<b>5 Total Water Rate Revenue</b>	<b>\$22,771,000</b>	<b>\$24,707,000</b>	<b>\$26,684,000</b>	<b>\$28,552,000</b>	<b>\$30,551,000</b>
6 Wholesale Revenue - Wheeling to MMWD	\$140,000	\$144,000	\$148,000	\$152,000	\$157,000
7 Miscellaneous Service Charges	307,000	307,000	307,000	307,000	307,000
<b>8 Water Rate Revenue - Other Charges</b>	<b>\$447,000</b>	<b>\$451,000</b>	<b>\$455,000</b>	<b>\$459,000</b>	<b>\$464,000</b>
<b>9 Total Operating Revenue</b>	<b>\$23,218,000</b>	<b>\$25,158,000</b>	<b>\$27,139,000</b>	<b>\$29,011,000</b>	<b>\$31,015,000</b>
<b>Operating Expenditures</b>					
10 Source of Supply	\$5,486,000	\$6,117,000	\$6,735,000	\$7,409,000	\$7,957,000
11 Pumping	528,000	544,000	560,000	577,000	594,000
12 Operations	1,138,000	1,172,000	1,207,000	1,243,000	1,280,000
13 Water Treatment	2,942,000	3,030,000	3,121,000	3,215,000	3,311,000
14 Transmission & Distribution	4,121,000	4,245,000	4,372,000	4,503,000	4,638,000
15 Consumer Accounting	510,000	525,000	541,000	557,000	574,000
16 Water Conservation	466,000	480,000	494,000	509,000	524,000
17 General Administration	3,841,000	3,956,000	4,075,000	4,197,000	4,323,000
<b>18 Total Operating Expenditures</b>	<b>\$19,032,000</b>	<b>\$20,069,000</b>	<b>\$21,105,000</b>	<b>\$22,210,000</b>	<b>\$23,201,000</b>
<b>19 Net Operating Revenue</b>	<b>\$4,186,000</b>	<b>\$5,089,000</b>	<b>\$6,034,000</b>	<b>\$6,801,000</b>	<b>\$7,814,000</b>
<b>Non-Operating Revenue/(Expenditures)</b>					
20 Interest Earnings	\$469,000	\$378,000	\$352,000	\$343,000	\$345,000
21 Property Taxes & Miscellaneous Revenue	242,000	242,000	242,000	242,000	242,000
22 Miscellaneous Expense	(376,000)	(10,000)	(10,000)	(10,000)	(10,000)
<b>23 Total Non-Op Revenue/(Expenditures)</b>	<b>\$335,000</b>	<b>\$610,000</b>	<b>\$584,000</b>	<b>\$575,000</b>	<b>\$577,000</b>
<b>Other Sources/(Uses) Of Funds</b>					
24 Total Capital Spending	<b>(\$13,935,000)</b>	<b>(\$5,025,000)</b>	<b>(\$5,185,000)</b>	<b>(\$4,785,000)</b>	<b>(\$4,375,000)</b>
25 Debt/Grant Funded Capital	9,500,000	1,000,000	666,000	-	-
<b>26 Cash Funded Capital Projects</b>	<b>(\$4,435,000)</b>	<b>(\$4,025,000)</b>	<b>(\$4,519,000)</b>	<b>(\$4,785,000)</b>	<b>(\$4,375,000)</b>
27 Debt Service	(\$3,253,000)	(\$3,253,000)	(\$3,253,000)	(\$3,253,000)	(\$3,253,000)
28 Equipment Purchases	(538,000)	(550,000)	(550,000)	(550,000)	(550,000)
29 CIP Efficiency Adjustment	1,492,000	1,373,000	1,521,000	1,601,000	1,478,000
30 Transfer Out to Recycled Water	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)
30 Loan Repayment West Marin Principal	88,000	91,000	93,000	96,000	98,000
31 MMWD AEEP Contributions Principal	161,000	166,000	170,000	175,000	180,000
32 Facility Reserve Charges	793,000	793,000	793,000	793,000	793,000
33 Loan to Oceana Marin	(200,000)	(250,000)	-	-	-
34 Funding for Affordability Program	(31,000)	(86,000)	(86,000)	(86,000)	(86,000)
<b>35 Total Other Sources/(Uses)</b>	<b>(\$6,673,000)</b>	<b>(\$6,491,000)</b>	<b>(\$6,581,000)</b>	<b>(\$6,759,000)</b>	<b>(\$6,465,000)</b>
<b>36 Beginning Year Balance</b>	<b>\$18,038,000</b>	<b>\$15,886,000</b>	<b>\$15,094,000</b>	<b>\$15,131,000</b>	<b>\$15,748,000</b>
<b>37 Cash Increase/(Decrease)</b>	<b>(\$2,152,000)</b>	<b>(\$792,000)</b>	<b>\$37,000</b>	<b>\$617,000</b>	<b>\$1,926,000</b>
38 Restricted Reserves	\$1,045,000	\$1,045,000	\$1,045,000	\$1,045,000	\$1,045,000
<b>39 End of Year Cash Balance</b>	<b>\$15,886,000</b>	<b>\$15,094,000</b>	<b>\$15,131,000</b>	<b>\$15,748,000</b>	<b>\$17,674,000</b>
40 Minimum Reserves (by policy)	\$12,855,000	\$13,112,000	\$13,377,000	\$13,654,000	\$13,945,000
41 Available Cash (Unrestricted)	\$1,986,000	\$937,000	\$709,000	\$1,049,000	\$2,684,000

**Novato Recycled Water**  
**Budget Summary**  
**Fiscal Year 23/24**

	<b>Proposed Budget FY 23/24</b>	<b>Estimated Actual FY 22/23</b>	<b>Adopted Budget FY 22/23</b>	
<b>Operating Revenue</b>				
1	Recycled Water Rate Revenue	\$1,870,000	\$1,861,000	\$1,869,000
2	Water Loads & Turn on Charges	20,000	40,000	15,000
3	<b>Total Operating Revenue</b>	<b>\$1,890,000</b>	<b>\$1,901,000</b>	<b>\$1,884,000</b>
<b>Operating Expenditures</b>				
4	Purchased Water - NSD & LGVSD	\$396,000	\$380,000	\$380,000
5	Pumping	5,000	5,000	7,000
6	Operations	81,000	80,000	104,000
7	Water Treatment	5,000	4,000	33,000
8	Transmission & Distribution	75,000	74,000	74,000
9	Consumer Accounting	2,000	2,000	2,000
10	General Administration	143,000	128,000	104,000
11	<b>Total Operating Expenditures</b>	<b>\$707,000</b>	<b>\$673,000</b>	<b>\$704,000</b>
12	<b>Net Operating Revenue</b>	<b>\$1,183,000</b>	<b>\$1,228,000</b>	<b>\$1,180,000</b>
<b>Non-Operating Revenue/(Expenditures)</b>				
13	Interest Earnings	\$99,000	\$97,000	\$40,000
14	Transfers Capital/Replace Expansion Fund	(568,000)	(589,000)	(590,000)
15	<b>Total Non-Op Revenue/(Expenditures)</b>	<b>(\$469,000)</b>	<b>(\$492,000)</b>	<b>(\$550,000)</b>
<b>Other Sources/(Uses) Of Funds</b>				
16	Capital Improvement Projects	(\$840,000)	-	(\$350,000)
17	Transfers Capital/Replace Expansion Fund	750,000	-	350,000
18	Debt Principal Payments	(950,000)	(933,000)	(932,000)
19	Interest Expense	(214,000)	(231,000)	(231,000)
20	Marin Country Club Principal Repayment	39,000	38,000	39,000
21	Connection Fee Transfer from (to) RW	750,000	750,000	890,000
22	<b>Total Other Sources/(Uses)</b>	<b>(\$465,000)</b>	<b>(\$376,000)</b>	<b>(\$234,000)</b>
23	<b>Cash Increase/(Decrease)</b>	<b>\$249,000</b>	<b>\$360,000</b>	<b>\$396,000</b>

**DRAFT BUDGET - JUNE 20, 2023 REVIEW**

**Novato Recycled Water**  
**Five-Year Financial Forecast**  
**Fiscal Year 23/24**

	<b>Budget FY 23/24</b>	<b>Forecast FY 24/25</b>	<b>Forecast FY 25/26</b>	<b>Forecast FY 26/27</b>	<b>Forecast FY 27/28</b>
<b>1 Recycled Water Rate Increase</b>	<b>5.30%</b>	<b>6.00%</b>	<b>6.00%</b>	<b>6.00%</b>	<b>6.00%</b>
<b>Operating Revenue</b>					
<b>2 Water Consumption (in million gallons)</b>	235	235	235	235	235
3 Recycled Water Rate Revenue Commodity	\$1,735,000	\$1,839,000	\$1,949,000	\$2,066,000	\$2,190,000
4 Recycled Water Rate Revenue Service Charge	135,000	143,000	152,000	161,000	171,000
<b>5 Total Recycled Water Rate Revenue</b>	<b>\$1,870,000</b>	<b>\$1,982,000</b>	<b>\$2,101,000</b>	<b>\$2,227,000</b>	<b>\$2,361,000</b>
6 Miscellaneous Service Charges	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
<b>7 Total Operating Revenue</b>	<b>\$1,890,000</b>	<b>\$2,002,000</b>	<b>\$2,121,000</b>	<b>\$2,247,000</b>	<b>\$2,381,000</b>
<b>Operating Expenditures</b>					
8 Purchased Water - NSD & LGVSD	\$396,000	\$417,000	\$439,000	\$462,000	\$486,000
9 Pumping	5,000	5,000	5,000	5,000	5,000
10 Operations	81,000	86,000	91,000	96,000	102,000
11 Water Treatment	5,000	5,000	5,000	5,000	5,000
12 Transmission & Distribution	75,000	80,000	85,000	90,000	95,000
13 Consumer Accounting	2,000	2,000	2,000	2,000	2,000
14 General Administration	143,000	152,000	161,000	171,000	181,000
<b>15 Total Operating Expenditures</b>	<b>\$707,000</b>	<b>\$747,000</b>	<b>\$788,000</b>	<b>\$831,000</b>	<b>\$876,000</b>
<b>16 Net Operating Revenue</b>	<b>\$1,183,000</b>	<b>\$1,255,000</b>	<b>\$1,333,000</b>	<b>\$1,416,000</b>	<b>\$1,505,000</b>
<b>Non-Operating Revenue/(Expenditures)</b>					
17 Interest Earnings	\$99,000	\$102,000	\$108,000	\$115,000	\$122,000
18 Transfers Capital/Replace Expansion Fund	(568,000)	(602,000)	(640,000)	(680,000)	(722,000)
<b>19 Total Non-Op Revenue/(Expenditures)</b>	<b>(\$469,000)</b>	<b>(\$500,000)</b>	<b>(\$532,000)</b>	<b>(\$565,000)</b>	<b>(\$600,000)</b>
<b>Other Sources/(Uses) Of Funds</b>					
20 Total Capital Spending	<b>(\$840,000)</b>	<b>(\$350,000)</b>	<b>(\$150,000)</b>	<b>(\$150,000)</b>	<b>(\$150,000)</b>
21 Transfers Capital/Replace Expansion Fund	750,000	350,000	150,000	150,000	150,000
<b>22 Cash Funded Capital Projects</b>	<b>(\$90,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
23 Debt Service	(\$1,164,000)	(\$1,164,000)	(\$1,164,000)	(\$1,164,000)	(\$896,000)
24 Marin Country Club Principal Repayment	39,000	39,000	39,000	40,000	40,000
25 Transfer In to Recycled Water	750,000	750,000	750,000	750,000	750,000
<b>26 Total Other Sources/(Uses)</b>	<b>(\$465,000)</b>	<b>(\$375,000)</b>	<b>(\$375,000)</b>	<b>(\$374,000)</b>	<b>(\$106,000)</b>
<b>27 Beginning Year Balance</b>	<b>\$6,580,000</b>	<b>\$6,829,000</b>	<b>\$7,209,000</b>	<b>\$7,635,000</b>	<b>\$8,112,000</b>
<b>28 Cash Increase/(Decrease)</b>	<b>\$249,000</b>	<b>\$380,000</b>	<b>\$426,000</b>	<b>\$477,000</b>	<b>\$799,000</b>
29 Capital Replacement Expansion Fund	\$4,588,000	\$4,841,000	\$5,331,000	\$5,860,000	\$6,433,000
30 Restricted Reserves	\$1,105,000	\$1,105,000	\$1,105,000	\$1,105,000	\$890,000
31 Available Cash (Unrestricted)	\$1,136,000	\$1,263,000	\$1,199,000	\$1,147,000	\$1,588,000
<b>32 End of Year Cash Balance</b>	<b>\$6,829,000</b>	<b>\$7,209,000</b>	<b>\$7,635,000</b>	<b>\$8,112,000</b>	<b>\$8,911,000</b>

**West Marin Water**  
**Budget Summary**  
**Fiscal Year 23/24**

		<i>Proposed Budget FY 23/24</i>	<i>Estimated Actual FY 22/23</i>	<i>Adopted Budget FY 22/23</i>
<b>Operating Revenue</b>				
1	Water Rate Revenue	\$1,025,000	\$967,000	\$1,069,000
2	Misc Service Charges	9,000	9,000	8,000
3	<b>Total Operating Revenue</b>	<b>\$1,034,000</b>	<b>\$976,000</b>	<b>\$1,077,000</b>
<b>Operating Expenditures</b>				
4	Source of Supply	\$26,000	\$19,000	\$27,000
5	Pumping	78,000	77,000	73,000
6	Operations	88,000	101,000	83,000
7	Water Treatment	261,000	260,000	258,000
8	Transmission & Distribution	225,000	240,000	163,000
9	Consumer Accounting	31,000	28,000	28,000
10	Water Conservation	10,000	5,000	15,000
11	General Administration	158,000	121,000	103,000
12	<b>Total Operating Expenditures</b>	<b>\$877,000</b>	<b>\$851,000</b>	<b>\$750,000</b>
13	<b>Net Operating Revenue</b>	<b>\$157,000</b>	<b>\$125,000</b>	<b>\$327,000</b>
<b>Non-Operating Revenue/(Expenditures)</b>				
14	Interest Earnings	\$10,000	\$8,000	\$8,000
15	Miscellaneous Revenue	6,000	\$6,000	66,000
16	<b>Total Non-Op Revenue/(Expenditures)</b>	<b>\$16,000</b>	<b>\$14,000</b>	<b>\$74,000</b>
<b>Other Sources/(Uses) Of Funds</b>				
17	Capital Improvement Projects	(585,000)	(463,000)	(647,000)
18	Loans/Grants	205,000	280,000	340,000
19	CIP Efficiency Adjustment	176,000	-	-
20	Debt Principal Payments	(144,000)	(52,000)	(123,000)
21	Interest Expense	(42,000)	(19,000)	(42,000)
22	Facility Reserve Charges	21,000	-	-
23	<b>Total Other Sources/(Uses)</b>	<b>(\$369,000)</b>	<b>(\$254,000)</b>	<b>(\$472,000)</b>
24	<b>Cash Increase/(Decrease)</b>	<b>(\$196,000)</b>	<b>(\$115,000)</b>	<b>(\$71,000)</b>

**DRAFT BUDGET - JUNE 20, 2023 REVIEW**

**West Marin Water**  
**Five-Year Financial Forecast**  
**Fiscal Year 23/24**

	<b>Budget FY 23/24</b>	<b>Forecast FY 24/25</b>	<b>Forecast FY 25/26</b>	<b>Forecast FY 26/27</b>	<b>Forecast FY 27/28</b>
<b>1 Water Rate Increase</b>	<b>6.00%</b>	<b>6.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>
<b>Operating Revenue</b>					
<b>2 Water Consumption (in million gallons)</b>	53.0	56.5	56.5	56.5	56.5
3 Water Rate Revenue Commodity	\$740,000	\$836,000	\$895,000	\$958,000	\$1,025,000
4 Water Rate Revenue Service Charge	285,000	302,000	323,000	346,000	370,000
<b>5 Total Water Rate Revenue</b>	<b>\$1,025,000</b>	<b>\$1,138,000</b>	<b>\$1,218,000</b>	<b>\$1,304,000</b>	<b>\$1,395,000</b>
6 Miscellaneous Service Charges	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
<b>7 Total Operating Revenue</b>	<b>\$1,034,000</b>	<b>\$1,147,000</b>	<b>\$1,227,000</b>	<b>\$1,313,000</b>	<b>\$1,404,000</b>
<b>Operating Expenditures</b>					
8 Source of Supply	\$26,000	\$27,000	\$28,000	\$29,000	\$30,000
9 Pumping	78,000	80,000	82,000	84,000	87,000
10 Operations	88,000	91,000	94,000	97,000	100,000
11 Water Treatment	261,000	269,000	277,000	285,000	294,000
12 Transmission & Distribution	225,000	232,000	239,000	246,000	253,000
13 Consumer Accounting	31,000	32,000	33,000	34,000	35,000
14 Water Conservation	10,000	10,000	10,000	10,000	10,000
15 General Administration	158,000	123,000	127,000	131,000	135,000
<b>16 Total Operating Expenditures</b>	<b>\$877,000</b>	<b>\$864,000</b>	<b>\$890,000</b>	<b>\$916,000</b>	<b>\$944,000</b>
<b>17 Net Operating Revenue</b>	<b>\$157,000</b>	<b>\$283,000</b>	<b>\$337,000</b>	<b>\$397,000</b>	<b>\$460,000</b>
<b>Non-Operating Revenue/(Expenditures)</b>					
18 Interest Earnings	\$10,000	\$7,000	\$6,000	\$9,000	\$5,000
19 Miscellaneous Revenue	6,000	6,000	6,000	6,000	6,000
<b>20 Total Non-Op Revenue/(Expenditures)</b>	<b>\$16,000</b>	<b>\$13,000</b>	<b>\$12,000</b>	<b>\$15,000</b>	<b>\$11,000</b>
<b>Other Sources/(Uses) Of Funds</b>					
21 Total Capital Spending	<b>(\$585,000)</b>	<b>(\$560,000)</b>	<b>(\$1,280,000)</b>	<b>(\$785,000)</b>	<b>(\$815,000)</b>
22 Debt/Grant Funded Capital	205,000	180,000	900,000	-	-
<b>23 Cash Funded Capital Projects</b>	<b>(\$380,000)</b>	<b>(\$380,000)</b>	<b>(\$380,000)</b>	<b>(\$785,000)</b>	<b>(\$815,000)</b>
24 Debt Service	(\$186,000)	(\$186,000)	(\$186,000)	(\$186,000)	(\$186,000)
25 CIP Efficiency Adjustment	176,000	168,000	384,000	314,000	326,000
26 Facility Reserve Charges	21,000	21,000	21,000	21,000	21,000
<b>27 Total Other Sources/(Uses)</b>	<b>(\$369,000)</b>	<b>(\$377,000)</b>	<b>(\$161,000)</b>	<b>(\$636,000)</b>	<b>(\$654,000)</b>
<b>28 Beginning Year Balance</b>	<b>\$678,000</b>	<b>\$482,000</b>	<b>\$401,000</b>	<b>\$589,000</b>	<b>\$365,000</b>
<b>29 Cash Increase/(Decrease)</b>	<b>(\$196,000)</b>	<b>(\$81,000)</b>	<b>\$188,000</b>	<b>(\$224,000)</b>	<b>(\$183,000)</b>
30 Minimum Reserves	\$373,000	\$401,000	\$496,000	\$277,000	\$99,000
31 Available Cash (Unrestricted)	-	-	-	-	-
<b>32 End of Year Cash Balance</b>	<b>\$482,000</b>	<b>\$401,000</b>	<b>\$589,000</b>	<b>\$365,000</b>	<b>\$182,000</b>

**Oceana Marin Sewer**  
**Budget Summary**  
**Fiscal Year 23/24**

	<i>Proposed Budget FY 23/24</i>	<i>Estimated Actual FY 22/23</i>	<i>Adopted Budget FY 22/23</i>
<b>Operating Revenue</b>			
1 Sewer Service Charges	\$323,000	\$306,000	\$306,000
<b>Operating Expenditures</b>			
2 Sewage Collection	\$112,000	\$109,000	\$105,000
3 Sewage Treatment	66,000	\$64,000	45,000
4 Sewage Disposal	35,000	\$28,000	45,000
5 Consumer Accounting	2,000	\$2,000	2,000
6 General Administration	33,000	31,000	26,000
7 <b>Total Operating Expenditures</b>	<b>\$248,000</b>	<b>\$234,000</b>	<b>\$223,000</b>
8 <b>Net Operating Revenue</b>	<b>\$75,000</b>	<b>\$72,000</b>	<b>\$83,000</b>
<b>Non-Operating Revenue/(Expenditures)</b>			
9 Interest Earnings	\$7,000	\$11,000	\$4,000
10 Miscellaneous Revenue	-	-	63,000
11 Interest Expense	-	-	(1,000)
12 <b>Total Non-Op Revenue/(Expenditures)</b>	<b>\$7,000</b>	<b>\$11,000</b>	<b>\$66,000</b>
<b>Other Sources/(Uses) Of Funds</b>			
13 Capital Improvement Projects	(955,000)	(110,000)	(1,375,000)
14 Grants	600,000	12,000	960,000
15 Loan from Novato	200,000	-	-
16 Debt Principal Payments	(17,000)	-	-
17 Interest Expense	(6,000)	-	-
18 Facility Reserve Charges	-	-	30,000
19 <b>Total Other Sources/(Uses)</b>	<b>(\$178,000)</b>	<b>(\$98,000)</b>	<b>(\$385,000)</b>
20 <b>Cash Increase/(Decrease)</b>	<b>(\$96,000)</b>	<b>(\$15,000)</b>	<b>(\$236,000)</b>

**DRAFT BUDGET - JUNE 20, 2023 REVIEW**

**Oceana Marin Sewer**  
**Five-Year Financial Forecast**  
**Fiscal Year 23/24**

	<b>Budget FY 23/24</b>	<b>Forecast FY 24/25</b>	<b>Forecast FY 25/26</b>	<b>Forecast FY 26/27</b>	<b>Forecast FY 27/28</b>
1 <b>Sewer Rate Increase</b>	<b>6.00%</b>	<b>6.00%</b>	<b>6.00%</b>	<b>6.00%</b>	<b>6.00%</b>
<b>Operating Revenue</b>					
2 <b>Number of Connections</b>	235	236	236	236	237
3 Annual Sewer Service Charge	\$1,374	\$1,456	\$1,543	\$1,636	\$1,734
4 <b>Operating Revenue Sewer Service Charges</b>	<b>\$323,000</b>	<b>\$344,000</b>	<b>\$364,000</b>	<b>\$386,000</b>	<b>\$411,000</b>
<b>Operating Expenditures</b>					
5 Sewage Collection	\$112,000	\$119,000	\$126,000	\$134,000	\$142,000
6 Sewage Treatment	\$66,000	\$70,000	\$74,000	\$78,000	\$83,000
7 Sewage Disposal	\$35,000	\$37,000	\$39,000	\$41,000	\$43,000
8 Consumer Accounting	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
9 General Administration	\$33,000	\$35,000	\$37,000	\$39,000	\$41,000
10 <b>Total Operating Expenditures</b>	<b>\$248,000</b>	<b>\$263,000</b>	<b>\$278,000</b>	<b>\$294,000</b>	<b>\$311,000</b>
11 <b>Net Operating Revenue</b>	<b>\$75,000</b>	<b>\$81,000</b>	<b>\$86,000</b>	<b>\$92,000</b>	<b>\$100,000</b>
<b>Non-Operating Revenue/(Expenditures)</b>					
12 Interest Earnings	\$7,000	\$6,000	\$5,000	\$5,000	\$3,000
<b>Other Sources/(Uses) Of Funds</b>					
13 Total Capital Spending	(\$955,000)	(\$1,075,000)	(\$70,000)	(\$190,000)	(\$65,000)
14 Loan from Novato Water	200,000	250,000	-	-	-
15 Debt/Grant Funded Capital	600,000	750,000	-	-	-
16 <b>Cash Funded Capital Projects</b>	<b>(\$155,000)</b>	<b>(\$75,000)</b>	<b>(\$70,000)</b>	<b>(\$190,000)</b>	<b>(\$65,000)</b>
17 Debt Service	(23,000)	(\$53,000)	(\$53,000)	(\$53,000)	(\$53,000)
18 Facility Reserve Charges	-	30,000	-	-	30,000
19 <b>Total Other Sources/(Uses)</b>	<b>(\$178,000)</b>	<b>(\$98,000)</b>	<b>(\$123,000)</b>	<b>(\$243,000)</b>	<b>(\$88,000)</b>
20 <b>Beginning Cash Reserve Balance</b>	<b>\$470,000</b>	<b>\$374,000</b>	<b>\$363,000</b>	<b>\$331,000</b>	<b>\$185,000</b>
21 <b>Cash Increase/(Decrease)</b>	<b>(\$96,000)</b>	<b>(\$11,000)</b>	<b>(\$32,000)</b>	<b>(\$146,000)</b>	<b>\$15,000</b>
22 <b>Ending Cash Reserve Balance</b>	<b>\$374,000</b>	<b>\$363,000</b>	<b>\$331,000</b>	<b>\$185,000</b>	<b>\$200,000</b>



**DRAFT BUDGET - JUNE 20, 2023 REVIEW**

**North Marin Water District**  
**Capital Improvement Projects (CIP)**  
**Fiscal Year 23/24 Budget & FY 24/25-FY 27/28 Forecast**

ID	Project	Budget FY 23/24	Forecast FY 24/25	Forecast FY 25/26	Forecast FY 26/27	Forecast FY 27/28
<b>1. PIPELINES</b>						
<b>1a Pipeline Improvements</b>						
1	Novato Blvd. Widening - Diablo to Grant (4,100 LF)	\$ 80,000	\$ 1,000,000	\$ 1,500,000	\$ -	\$ -
2	Connect Dead-ends at George St. w/ 8" (290 LF)	225,000	-	-	-	-
3	San Mateo Tank 24" Transmission Main	25,000	25,000	25,000	1,000,000	-
4	30-inch Main at Rush Creek/Golden Gate Place	-	-	-	-	300,000
5	Loop Zone 2 at Hill Road w/ 8" (2,500 LF)	-	-	-	-	50,000
6	Loop Southern & Northern Zone 2 at IVC w/ 16" (5,280 LF)	-	-	-	-	200,000
<b>1b Pipeline Replacements</b>						
1	Replace 8" Pipe - Railroad Ave. (500 LF)	\$ 350,000	\$ -	\$ -	\$ -	\$ -
2	Replace 12" Pipe - Olive Avenue (1,000 LF)	-	-	-	500,000	-
3	Relocate 8" Pipe - County Club Dr. (1,700 LF)	-	-	-	-	50,000
4	Upsize 8" Pipe - Arthur Ave. (btwn Cambridge/NHS)	-	-	-	-	340,000
5	Upsize to 8" Pipe - E. Black Point Subzone (3,580 LF)	-	-	-	-	100,000
<b>1c Aqueduct Improvements</b>						
1	North Marin Aqueduct Restoration near Olompali Slide	\$ 50,000	\$ -	\$ -	\$ -	\$ -
2	Interconnection Modifications (w/ MMWD)	100,000	-	-	-	-
<b>1d Other Pipeline Projects</b>						
1	Sync w/ City or County Paving	\$ 10,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
2	Replace Galvanized Steel Pipe (200 LF/yr)	25,000	25,000	25,000	25,000	-
3	Polybutylene (PB) Service Line Replacements	25,000	50,000	50,000	50,000	50,000
4	Replace Plastic Thin Walled Pipe (< 4-inch)	50,000	150,000	150,000	150,000	150,000
5	Other Main Replacements (60+ years old)	100,000	200,000	200,000	200,000	200,000
Subtotal Pipelines		\$ 1,040,000	\$ 1,525,000	\$ 2,025,000	\$ 2,000,000	\$ 1,515,000
<b>2. STORAGE TANKS &amp; PUMP STATIONS</b>						
<b>2a Tank Rehabilitation / Replacement</b>						
1	Tank Replacement - Old Ranch Rd	\$ 15,000	\$ -	\$ -	\$ -	\$ -
2	Recoating - Garner Tank	25,000	250,000	250,000	-	-
3	Seismic Upgrade / Coating - Lynwood Tanks (x2)	25,000	500,000	500,000	-	-
4	New Property Site Acquisition - Half Moon Tank	-	-	-	200,000	-
5	Fire Flow Backfeed Valve - Nunes Tank	-	-	-	-	200,000
<b>2b Pump Station Rehabilitation / Replacement</b>						
1	Lynwood PS Replacement*	\$ 300,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -
2	Crest PS Construction (Reloc. School Rd. PS)	1,500,000	-	-	-	-
3	Cherry Hill PS Retaining Wall	200,000	-	-	-	-
4	Davies PS Upgrade	-	-	-	50,000	250,000
<b>2c Hydropneumatic Systems</b>						
1	Hydropneumatic upgrades, Phase 1 (Bahia)	\$ 850,000	\$ -	\$ -	\$ -	\$ -
2	Hydropneumatic upgrades, Phase 2 (Hayden)	-	-	75,000	850,000	-
3	Hydropneumatic upgrades, Phase 3 (Eagle)	-	-	-	-	75,000
<b>2d Other Tank &amp; Pump Station Improvements</b>						
1	Other Tank & PS Improvements	\$ 25,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
2	Other Tank Recoating	25,000	50,000	50,000	100,000	100,000
3	Other Tank Replacement	-	-	-	-	200,000
4	Other Tank Seismic Upgrade	-	-	-	-	500,000
5	Mobile Pump Station for Tank Cleaning	20,000	-	-	-	-
Subtotal Storage Tanks & Pump Stations		\$ 2,985,000	\$ 1,875,000	\$ 1,950,000	\$ 1,275,000	\$ 1,400,000

**DRAFT BUDGET - JUNE 20, 2023 REVIEW**

**North Marin Water District**  
**Capital Improvement Projects (CIP)**  
**Fiscal Year 23/24 Budget & FY 24/25-FY 27/28 Forecast**

ID	Project	Budget FY 23/24	Forecast FY 24/25	Forecast FY 25/26	Forecast FY 26/27	Forecast FY 27/28
<b>3. STAFFORD IMPROVEMENTS</b>						
<b>3a Stafford Treatment Plant (STP)</b>						
1	Replace Supernatant Line to Center Rd. (4" - 4,400LF)	\$ 625,000	\$ 375,000	\$ -	\$ -	\$ -
2	STP Efficiency Improvements	50,000	50,000	-	-	-
3	STP Chemical System Upgrade	50,000	-	-	-	-
4	STP Corrosion Improvements - Primary Filter Recoat (x3)	400,000	-	-	-	-
5	Other STP Improvements	100,000	50,000	100,000	100,000	100,000
6	Water Supply Enhancement - STP Modifications	-	-	-	-	350,000
<b>3b Stafford Dam / Watershed</b>						
1	Water Supply Enhancement - Spillway ASG	\$ 150,000	\$ 150,000	\$ 800,000	\$ 400,000	\$ -
2	Dam Spillway Concrete Repair	100,000	-	-	100,000	-
3	Access Road Slide Repair	50,000	-	-	-	-
4	Dam Upstream Concrete Apron Repair	-	250,000	-	-	-
5	Leveroni Creek Embankment Repair	-	175,000	-	-	-
6	Raw Water Intake Modifications	-	-	-	100,000	200,000
<b>Subtotal Stafford Improvements</b>		<b>\$ 1,525,000</b>	<b>\$ 1,050,000</b>	<b>\$ 900,000</b>	<b>\$ 700,000</b>	<b>\$ 650,000</b>
<b>4. MISCELLANEOUS IMPROVEMENTS (NOVATO)</b>						
<b>4a District Offices</b>						
1	NMWD Headquarters Upgrade	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -
2	Construction Building Upgrade	150,000	-	-	500,000	500,000
3	Program Assessment for Yard Site Improvements	75,000	300,000	-	-	-
4	Asphalt Repairs at District Facilities	-	65,000	-	-	-
<b>4b System Pressure / Valving</b>						
<b>4c Other Miscellaneous Improvements</b>						
1	Backflow Protection - DCDA Repair / Replace (Annual)	\$ 50,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
2	Cathodic Protection - Anode Installation (Annual)	10,000	10,000	10,000	10,000	10,000
3	Other System Improvements	100,000	100,000	200,000	200,000	200,000
<b>Subtotal Miscellaneous Improvements (Novato)</b>		<b>\$ 8,385,000</b>	<b>\$ 575,000</b>	<b>\$ 310,000</b>	<b>\$ 810,000</b>	<b>\$ 810,000</b>
<b>5. RECYCLED WATER SYSTEM (NOVATO)</b>						
<b>5a RW Pipelines</b>						
1	RW extension from Redwood Blvd to 999 Rush Creek	\$ 300,000	\$ -	\$ -	\$ -	\$ -
2	Hamilton Veteran's Housing (Homeward Bound)	300,000	-	-	-	-
3	Replace CI in Atherton Ave. (1,320 LF)	-	350,000	-	-	-
<b>5b RW Tanks &amp; Pump Stations</b>						
1	Leak Repair - Reservoir Hill Tank	\$ 100,000	\$ -	\$ -	\$ -	\$ -
<b>5c Other RW Improvements</b>						
1	Other Recycled Water Improvements	\$ 50,000	\$ -	\$ 150,000	\$ 150,000	\$ 150,000
2	RW Central Area ROW/Easements	90,000	-	-	-	-
<b>TOTAL RECYLED WATER</b>		<b>\$ 840,000</b>	<b>\$ 350,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>
<b>6. WEST MARIN WATER SYSTEM</b>						
<b>6a WM Pipelines</b>						
1	Lagunitas Creek Bridge Pipe Replacement (Caltrans)	\$ 50,000	\$ 240,000	\$ 1,200,000	\$ -	\$ -
2	Replace 2-inch Galvanized Pipe - Balboa+	125,000	-	-	-	-
3	Replace 2-inch Galvanized Pipe - PRE	-	45,000	-	-	-
4	Olema Creek Bridge Pipe Replacement (County)	-	-	-	-	200,000
<b>6b WM Tanks &amp; Pump Stations</b>						
1	Tank Replacement - PRE #1 & #2	\$ -	\$ -	\$ -	\$ 620,000	\$ -
2	Tank Replacement - Pt. Reyes #1	-	-	-	-	450,000

**DRAFT BUDGET - JUNE 20, 2023 REVIEW**

**North Marin Water District**  
**Capital Improvement Projects (CIP)**  
**Fiscal Year 23/24 Budget & FY 24/25-FY 27/28 Forecast**

ID	Project	Budget FY 23/24	Forecast FY 24/25	Forecast FY 25/26	Forecast FY 26/27	Forecast FY 27/28
6c	WM Wells					
1	Rehab Well - Gallagher Well No. 1	\$ 85,000	\$ -	\$ -	\$ -	\$ -
2	New Well - Gallagher Well No. 2 - DWR Grant Admin	10,000	5,000	-	-	-
3	New Well - Gallagher Well No. 2 - Construction	165,000	-	-	-	-
6d	WM Treatment Plant					
6e	WM Other Improvements					
1	Sync w/ County Paving	\$ 20,000	\$ 40,000	\$ 20,000	\$ 40,000	\$ 40,000
2	Polybutylene (PB) Service Line Replacments	25,000	25,000	5,000	25,000	25,000
3	Gallagher Ranch Streambank Stabilization	5,000	5,000	5,000	-	-
4	Other Water System Improvements	100,000	200,000	50,000	100,000	100,000
<b>TOTAL WEST MARIN</b>		<b>\$ 585,000</b>	<b>\$ 560,000</b>	<b>\$ 1,280,000</b>	<b>\$ 785,000</b>	<b>\$ 815,000</b>

**7. OCEANA MARIN SEWER SYSTEM**

7a	OM Pipelines					
1	Sewer Force Main Improvements - FM 1A (Design Only)	\$ 80,000	\$ -	\$ -	\$ -	\$ -
2	Sewer Force Main Improvements - FM 1B (Design Only)	-	-	-	125,000	-
7b	OM Lift Station					
7c	OM Treatment Ponds					
1	OM Treatment Pond Rehab - 404 Grant - FEMA	\$ 800,000	\$ 1,000,000	\$ -	\$ -	\$ -
2	OM Treatment Pond Rehab - Grant Management	10,000	10,000	5,000	-	-
7d	OM Other Improvements					
1	Infiltration Repair (Annual)	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
2	Other Sewer System Improvements	25,000	25,000	25,000	25,000	25,000
<b>TOTAL OCEANA MARIN</b>		<b>\$ 955,000</b>	<b>\$ 1,075,000</b>	<b>\$ 70,000</b>	<b>\$ 190,000</b>	<b>\$ 65,000</b>

**SUMMARY - GROSS PROJECT OUTLAY**

1 - 4	Novato Water	\$ 13,935,000	\$ 5,025,000	\$ 5,185,000	\$ 4,785,000	\$ 4,375,000
5	Recycled Water	840,000	350,000	150,000	150,000	150,000
6	West Marin Water	585,000	560,000	1,280,000	785,000	815,000
7	Oceana Marin Sewer	955,000	1,075,000	70,000	190,000	65,000
<b>GROSS PROJECT OUTLAY</b>		<b>\$ 16,315,000</b>	<b>\$ 7,010,000</b>	<b>\$ 6,685,000</b>	<b>\$ 5,910,000</b>	<b>\$ 5,405,000</b>

**LESS FUNDED BY LOANS/GRANTS/OTHER**

a	NW - Loan Funds - Office/Yard Building Renovation	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -
b	NW - Loan Funds - Crest PS Construction	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -
c	NW - Loan Funds - Lynwood PS Replacement	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -
d	NW - Loan Funds - Stafford ASG Construction	\$ -	\$ -	\$ 666,000	\$ -	\$ -
e	RW - Capital Replacement Expansion Fund	\$ 750,000	\$ 350,000	\$ 150,000	\$ 150,000	\$ 150,000
f	WM - CA DWR Drought Relief Grant for GW02	\$ 165,000	\$ -	\$ -	\$ -	\$ -
g	WM - Lagunitas Creek Bridge Pipeline Grant (FEMA)	\$ 40,000	\$ 180,000	\$ 900,000	\$ -	\$ -
h	OM - Novato Water Loan to OM	\$ 200,000	\$ 250,000	\$ -	\$ -	\$ -
i	OM - Treatment Pond Rehab Grant (FEMA)	\$ 600,000	\$ 750,000	\$ -	\$ -	\$ -

**SUMMARY - NET PROJECT OUTLAY**

1 - 4	Novato Water	\$ 4,435,000	\$ 4,025,000	\$ 4,519,000	\$ 4,785,000	\$ 4,375,000
5	Recycled Water	90,000	-	-	-	-
6	West Marin Water	380,000	380,000	380,000	785,000	815,000
7	Oceana Marin Sewer	155,000	75,000	70,000	190,000	65,000
<b>NET PROJECT OUTLAY</b>		<b>\$ 5,060,000</b>	<b>\$ 4,480,000</b>	<b>\$ 4,969,000</b>	<b>\$ 5,760,000</b>	<b>\$ 5,255,000</b>

**North Marin Water District**  
**Capital Improvement Projects (CIP)**  
**Fiscal Year 23/24 Budget & FY 24/25-FY 27/28 Forecast**

ID	Project	Budget FY 23/24	Forecast FY 24/25	Forecast FY 25/26	Forecast FY 26/27	Forecast FY 27/28
<b>8. EQUIPMENT BUDGET</b>						
1	Class 8 Service Truck	\$ 340,000	\$ 290,000	\$ -	\$ -	\$ -
2	4,000 Tanker Truck	50,000	-	-	-	-
3	Lease Vehicles	148,000	185,000	228,000	228,000	228,000
4	Portable Generators	-	75,000	125,000	-	-
5	Miscellaneous Equipment Purchases	-	-	197,000	322,000	322,000
<b>TOTAL EQUIPMENT BUDGET</b>		<b>\$ 538,000</b>	<b>\$ 550,000</b>	<b>\$ 550,000</b>	<b>\$ 550,000</b>	<b>\$ 550,000</b>
<b>9. STUDIES &amp; SPECIAL PROJECTS</b>						
<b>9a General Studies</b>						
1	Grant Consultant	\$ 25,000	\$ -	\$ -	\$ -	\$ -
2	GIS Conversion to Esri/ArcGIS	\$ 25,000	\$ -	\$ -	\$ -	\$ -
3	Water Conservation Standards Assessment	\$ 25,000	\$ -	\$ -	\$ -	\$ -
4	Strategic Plan Update (2025-2029)	\$ -	\$ 50,000	\$ -	\$ -	\$ -
<b>9b Novato Service Area Studies</b>						
1	Novato Water Rate Study	\$ 60,000	\$ -	\$ -	\$ -	\$ -
2	Novato Water Master Plan Update	\$ 100,000	\$ -	\$ -	\$ -	\$ -
3	North Marin Aqueduct Vulnerability/Cathodic Assessment	\$ 90,000	\$ -	\$ -	\$ -	\$ -
4	Stafford Treatment Plant Risk Management Plan Update	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -
5	Novato Distribution System Vulnerability Assessment	\$ -	\$ 125,000	\$ -	\$ -	\$ -
6	Stafford Dam Master Plan	\$ -	\$ 35,000	\$ -	\$ -	\$ -
<b>9c WM Service Area Studies</b>						
1	West Marin Water Supply Resiliency Feasibility Study	\$ 75,000	\$ -	\$ -	\$ -	\$ -
2	West marin Water Master Plan (every 10 years)	\$ -	\$ 65,000	\$ -	\$ -	\$ -
<b>9d OM Service Area Studies</b>						
<b>9e Other Studies</b>						
<b>Total Studies &amp; Special Projects</b>		<b>\$ 460,000</b>	<b>\$ 335,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**NORTH MARIN  
WATER DISTRICT**

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Fiscal Year 23/24 – Budget Review  
June 20, 2023

# Contents

1. Key Assumptions
2. Consolidated Budget – Sources & Uses of Funds
3. Capital Improvement Projects
4. Studies & Special Projects
5. Outstanding Debt
6. Budget Summary



# Key Assumptions

1. Water Consumption -

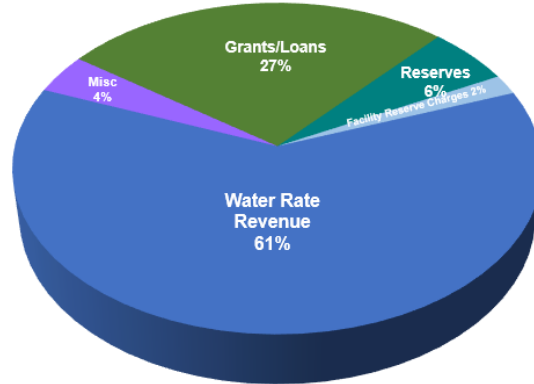
Novato Water	2.1 Billion Gallons
Recycled Water	235 Million Gallons
West Marin Water	63 Million Gallons
2. Rate Increases – Novato Water 9.5%, Recycled Water 5.3%, West Marin Water 6% & Oceana Marin 6%
3. Stafford Treatment Plant Water Production 650 Million Gallons
4. Sonoma County Water Agency – 12.51% increased cost to purchase water
5. Personnel Costs – Increase in Employee Count, Workers Comp, Health Insurance, & Pension Expense
6. Inflation – Estimate 3-6%



# Sources of Funds - Fiscal Year 23/24

## All Service Areas Combined

<i>Budget Sources-Revenue &amp; Reserves: Novato Water</i>	<b>Novato Water</b>	<b>Recycled Water</b>	<b>West Marin Water</b>	<b>Oceana Marin Sewer</b>	<b>Consolidated</b>
Water Rate Revenue	\$22,771,000	\$1,870,000	\$1,025,000	-	\$25,666,000
Sewer Service Charges	-	-	-	323,000	323,000
Wheeling & Miscellaneous Charges	447,000	20,000	9,000	-	476,000
<b>Total Operating Income</b>	<b>\$23,218,000</b>	<b>\$1,890,000</b>	<b>\$1,034,000</b>	<b>\$323,000</b>	<b>\$26,465,000</b>
Loans/Grants/Capital Contributions	\$9,500,000	\$750,000	\$205,000	\$800,000	\$11,255,000
Facility Reserve Charges	793,000	-	21,000	-	814,000
Interest/Miscellaneous Revenue	872,000	138,000	16,000	7,000	1,033,000
Reserves - Cash (Increase)/Decrease	2,152,000	(249,000)	196,000	96,000	2,195,000
<b>Total Revenue &amp; Reserves</b>	<b>\$36,535,000</b>	<b>\$2,529,000</b>	<b>\$1,472,000</b>	<b>\$1,226,000</b>	<b>\$41,762,000</b>

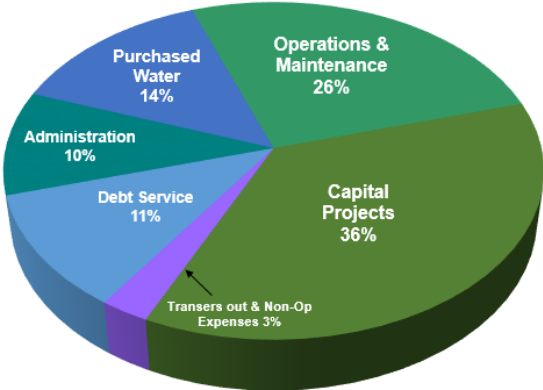




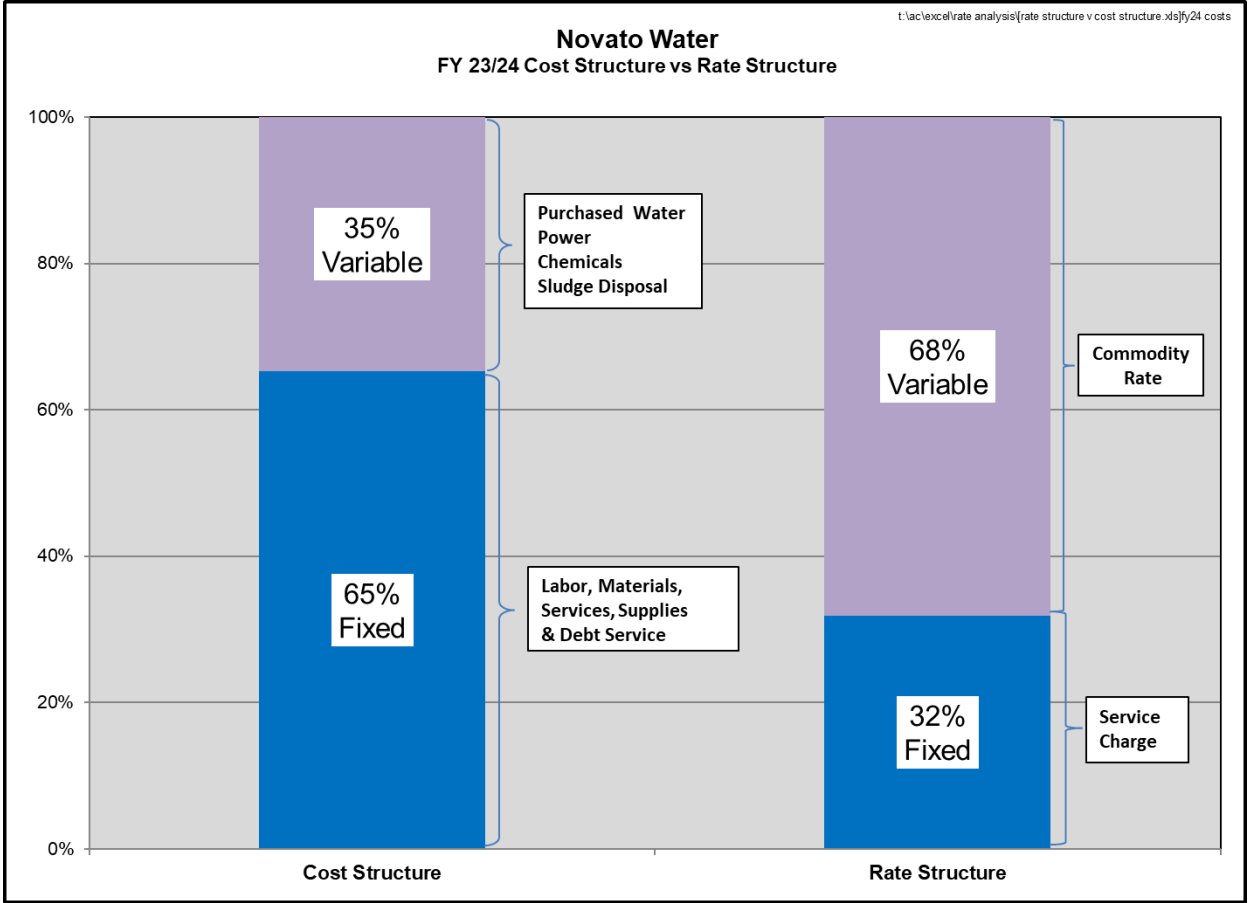
# Uses of Funds - Fiscal Year 23/24

## All Service Areas Combined

<i>Budget Uses/Expenditures:</i>	<b>Novato Water</b>	<b>Recycled Water</b>	<b>West Marin Water</b>	<b>Oceana Marin Sewer</b>	<b>Consolidated</b>
Capital Improvement Projects & Equipment	(\$14,473,000)	(\$840,000)	(\$585,000)	(955,000)	(\$16,853,000)
CIP Efficiency Adjustment	1,492,000	176,000			1,668,000
Operating Expenditures	(19,032,000)	(707,000)	(877,000)	(248,000)	(20,864,000)
Debt Service	(3,253,000)	(1,164,000)	(186,000)	(23,000)	(4,626,000)
Non-Operating Revenue/(Expense)	(519,000)	(568,000)	-	-	(1,087,000)
<b>Total Budget Expenditures</b>	<b>(\$35,785,000)</b>	<b>(\$3,103,000)</b>	<b>(\$1,648,000)</b>	<b>(\$1,226,000)</b>	<b>(\$41,762,000)</b>



# Cost Structure versus Rate Structure – FY 23/24



# Capital Improvement Projects – FY 23/24

Service Area and Type	FY 23/24	# of Projects
<b>Novato Water</b>		
Capital Improvement Projects	\$ 13,935,000	35
Less Funded by Loans/Grants/Other	(9,500,000)	
<b>Novato Water Total</b>	<b>\$ 4,435,000</b>	<b>35</b>
<b>Recycled Water</b>		
Capital Improvement Projects	840,000	5
Less Funded by Loans/Grants/Other	(750,000)	
<b>Recycled Water Total</b>	<b>\$ 90,000</b>	<b>5</b>
<b>West Marin Water</b>		
Capital Improvement Projects	585,000	9
Less Funded by Loans/Grants/Other	(205,000)	
<b>West Marin Water Total</b>	<b>380,000</b>	<b>9</b>
<b>Oceana Marin Sewer</b>		
Capital Improvement Projects	955,000	5
Less Funded by Loans/Grants/Other	(800,000)	
<b>Oceana Marin Sewer Total</b>	<b>\$ 155,000</b>	<b>5</b>
<b>Total Pay-Go</b>	<b>\$ 5,060,000</b>	<b>54</b>



# Studies & Special Projects – FY 23/23

<b><i>Studies &amp; Special Projects:</i></b>	<b>Total</b>
Novato Water Master Plan Update	\$ 100,000
North Marin Aqueduct Vulnerability/Cathodic Assessment	90,000
West Marin Water Supply Resiliency Feasibility Study	75,000
Stafford Treatment Plan Risk Management Plan Update	60,000
Novato Water Rate Study	60,000
Grant Consultant	25,000
GIS Conversion to Esri/ArcGIS	25,000
Water Conservation Standards Assessment	25,000
<b><i>Total Studies &amp; Special Projects</i></b>	<b>\$ 460,000</b>



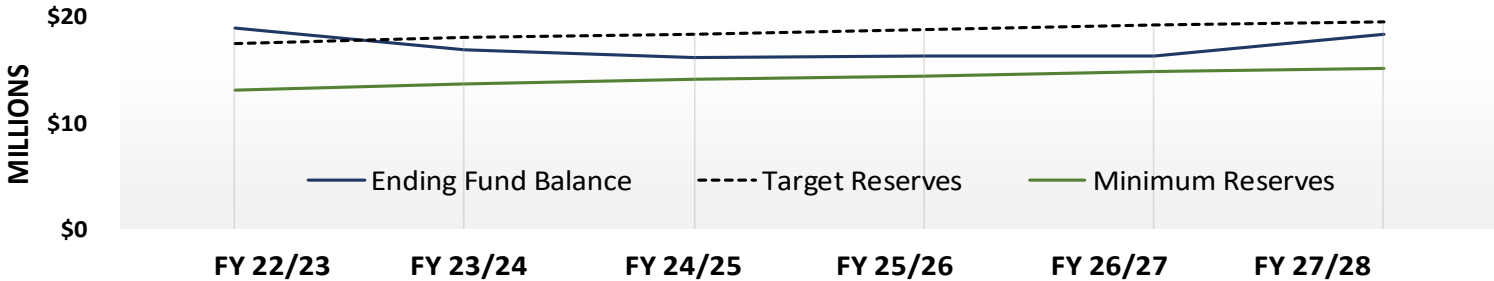
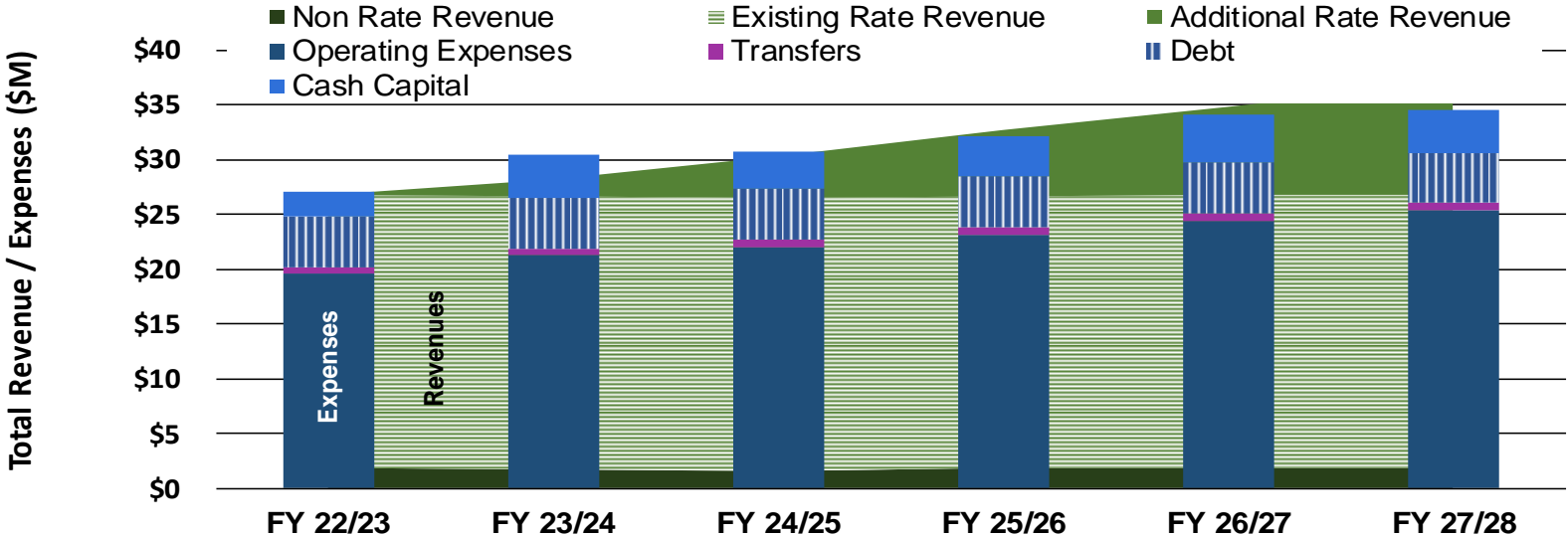
# Outstanding Debt – As of June 30, 2024

<i>Financing Purpose</i>	<i>Type/Source</i>	<i>Interes</i>	<i>Final Payment</i>	<i>Balance as of June 30, 2024</i>
Stafford Water Treatment Plant Rehab	State Revolving Fund (SRF)	2.39%	July 2029	\$ 4,900,000
Aqueduct Energy Efficiency Project & WM Treatment Plant	Bank Of Marin	3.54%	Oct 2031	3,500,000
Advanced Meter Information (AMI) Project	Chase Bank	2.69%	March 2033	3,300,000
Deer Island Treatment Plant	State Revolving Fund (SRF)	2.40%	June 2027	800,000
Recycled Water (RW) North	State Revolving Fund (SRF)	2.60%	June 2034	2,100,000
Recycled Water (RW) South	State Revolving Fund (SRF)	2.20%	June 2034	2,600,000
Recycled Water (RW) Central	State Revolving Fund (SRF)	1.00%	Dec 2047	5,900,000
Administration & Laboratory Upgrade Project	Webster Bank	3.11%	March 2042	18,400,000
<b>Total Debt</b>				<b>\$ 41,500,000</b>



# Financial Forecast FY 23/24 through FY 27/28

## Financial Forecast Summary - All Service Areas Combined



Debt Coverage Ratio:

FY 22/23: 1.51     
 FY 23/24: 1.58     
 FY 24/25: 1.76     
 FY 25/26: 1.94     
 FY 26/27: 2.13     
 FY 27/28: 2.52



# Budget Review & Rate Hearing Schedule

- 1. Financial Plan Update (Review - Complete) April 4, 2023
- 2. Prop 218 Notices Review and Approval (Approve – Complete) April 18, 2023
- 3. Capital Improvement Projects Review (Review - Complete) May 2, 2023
- 4. Operations & Maintenance and Capital Budget (Review - Complete) June 6, 2023
- 5. Operations & Maintenance and Capital Budget (Approve - Current) June 20, 2023
- 6. Public Hearing to Enact New Water & Sewer Rates (Approve - Current) June 20, 2023





NORTH MARIN  
WATER DISTRICT

Questions?



12

**DISBURSEMENTS - DATED JUNE 8, 2023**


Date Prepared 6/5/23


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 5/31/23	\$175,387.96
90594*	Internal Revenue Service	Federal & FICA Taxes PPE 5/31/23	77,226.47
90595*	State of California	State Taxes & SDI PPE 5/31/23	16,487.67
90597*	CalPERS	Pension Contribution PPE 5/31/23	44,409.47
90596*	CalPERS	June Insurance Premium (Employer \$50,489, Retirees \$12,194 & Employees \$8,278)	70,961.43
1	AT&T	Telephone, Fax, Leased Lines & Data	504.04
2	Backflow Distributors	Repair Parts for District Owned Backflow Preventers	3,017.33
3	Bonino, Anthony J	Refund Over Payment on Closed Account	78.32
4	Chlorine Specialties, Inc.	Gasket Kit (STP)	388.10
5	Core & Main	Elbows (2), Nipples (74) (\$2,698), Tees (4), Spools (2) (\$1,052), Valves (4) (\$2,908), Hydrant Extensions (7) (\$1,296), Couplings (8) & Gaskets (12)	8,435.23
6	Cummings Trucking	Rock Deliveries (63 yds)	980.00
7	DataTree	May Subscription to Parcel Data Info	100.00
8	Direct Line Inc	May Telephone Answering Service	230.87
9	Grainger	Batteries (2) (STP) (\$388), Disposable Gloves (2,400) (\$496) & Miscellaneous Maintenance Tools & Supplies	1,568.55
10	Harrington Industrial Plastics	Replacement Motor for Chemical Pump (STP)	1,533.97
11	Kehoe, Chris	Exp Reimb: Bagels for Department Meeting	35.60
12	Lincoln Life Employer Serv	Deferred Compensation PPE 5/31/23	11,816.75

Seq	Payable To	For	Amount
13	Marin County Dept of Finance	STP SRF Loan Semi-Annual Principal & Interest (#28 of 40)	516,713.77
14	Nationwide Retirement Solution	Deferred Compensation PPE 5/31/23	2,035.00
15	Nerviani's Backflow	Backflow Testing for District & Customer Owned Assemblies (51)	3,445.00
16	Northbay Nissan	Parts & Labor to Repair Failed Dash Cluster ('19 Nissan Frontier)	1,409.76
17	ODP Business Solutions, LLC	Toner (\$475) (STP) & Misc Office Supplies	588.64
18	Pace Supply	Meter Gaskets (700), Lid Lifters for Meter Boxes (2) & Elbow	617.98
19	Quincy Compressor	Air Compressor Filters (6) (STP)	841.69
20	Recology Sonoma Marin	May Trash Removal	618.51
21	Redwood Health Services, Inc.	May 2023 Dental Fees Expense	299.45
22	Scott Technology Group	Monthly Maintenance on Engineering Copier & Contract Overage Charge	299.19
23	Soiland Co., Inc.	Asphalt Recycling (3 yds) & Rock (32 yds) (\$1,142)	1,232.65
24	Tamagno Green Products	Sludge Removal (STP) (90 yds)	3,213.00
25	Univar	Sodium Hypochlorite (O.M.) (424 Gal)	1,547.60
26	Verizon Wireless	Cellular Charges: Data (\$1,326), Airtime, iPads for Asset Management & Equipment (\$430)	2,033.62
27	Volvo Construction Equipment	Service Parts ('12 Compressors)	970.53
28	Waste Management	Waste Disposal	114.31
		<b>TOTAL DISBURSEMENTS</b>	<b><u>\$949,142.46</u></b>

The foregoing payroll and accounts payable vouchers totaling \$949,142.46 are hereby approved and authorized for payment.

  
 Auditor-Controller 06/06/23  
 Date

  
 General Manager 6/6/23  
 Date

## DISBURSEMENTS - DATED JUNE 15, 2023

Date Prepared 6/12/23

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
E11833*	100 Wood Hollow	May Rent	\$29,735.21
1	Able Tire & Brake	Tires (4) ('19 F550)	3,385.05
2	All Star Rents	Compact Excavator Rental (1 Day) & Propane	504.43
3	Alpha Analytical Labs	Lab Testing (Novato & W.M.)	1,155.00
4	Arendell, Tony	Retiree Exp Reimb (June Health Ins)	1,234.14
5	A.S.T.I.	Annual Fire Service Testing (143)	18,170.00
6	Athens Administrators	May Indemnity Review Fee	105.00
7	Automation Direct	Level Sensor & Bracket for North Street Lift, Communication Module & Programmable Controllers	1,419.19
8	Buck's Saw Service	Air Filters (4) & Fuel for Yard Tools	147.95
9	Chandrasekera, Carmela	Retiree Exp Reimb (June Health Ins)	1,234.14
10	Cilia, Joseph	Retiree Exp Reimb (June Health Ins)	457.46
11	Comcast	Phone Services (Wood Hollow, Buck Inst., Yard & STP)	1,486.92
12	Comcast	June Internet (999 Rush Creek Pl)	1,562.93
13	Consolidated CM	Prog Pymt#24: (\$60,303) & Prog Pymt#25: Provide Construction Management Services for NMWD Admin Building Renovation (\$92,267) (Balance Remaining on Contract \$251,812)	152,570.02
14	Cooper, Brian & Sue	Novato "Cash for Grass" Rebate Program	650.00
15	Ditch Witch West	Water Tank & Parts ('19 Ditch Witch HX750)	2,713.09
16	Enterprise FM Trust	Monthly Leases for Nissan Rogue (2), Nissan Frontier (2), F-150's (7), F-250's (2), Ford Rangers (5), Chevy Bolts (2) & Chevy Colorado	11,037.57





Seq	Payable To	For	Amount
17	Environmental Science Assoc	Prog Pymt#15: San Mateo Tank Permitting Assistance (Balance Remaining on Contract \$24,083)	207.50
18	Ferguson Waterworks	5/8" Registers (100) (\$20,073) & 1" Meters (100) (\$35,371)	55,443.50
19	Freyer & Laureta, Inc.	Prog Pymt #18: Engineering & Design Services for Hydropneumatic Pressure Stations (\$3,506) (Balance Remaining on Contract \$9,975) & Prog Pymt #7: Engineering & Design Services for Lynwood Pump Station (\$48,328) (Balance Remaining on Contract \$38,247)	51,834.48
20	Friedman's Home Improvement	Extension Pole, Irrigation Station, Tote & Timer Station	249.13
21	Frontier Communications	Leased Lines	1,658.07
22	Grainger	Miscellaneous Maintenance Tools & Supplies	1,388.89
23	Harris, Caitlin	Refund Over Payment on Open Account	231.28
24	Keeton Industries	Compressors for Aeration System in Stafford	2,774.21
25	Kehoe, Theresa	Retiree Exp Reimb (June Health Ins)	1,234.14
26	Kemira Water Solutions	Ferric Chloride (9 dry tons) (STP)	12,159.78
27	Koff & Associates Inc.	Prog Pymt#2: Classification Compensation Survey for Negotiations (Balance Remaining on Contract \$46,244)	2,362.50
28	Latanyszyn, Roman	Retiree Exp Reimb (June Health Ins)	457.46
29	Lemos, Kerry	Retiree Exp Reimb (June Health Ins)	1,234.14
30	Manzoni, Alicia	Retiree Exp Reimb (June Health Ins)	457.46
31	Marin Landscape Materials	Quik Mix (42 bags)	389.62
32	Marin, County of	Annual Septic Permit Fee (25 Giacomini Rd)	505.00
33	McAllister, Reid	Novato "Toilet Rebate" Program	250.00
34	Michael Baker International	Consulting Services: Stafford Dam Mapping	2,270.00
35	Nerviani's Backflow	Backflow Testing for District & Customer Owned Assemblies (75)	4,975.00

Seq	Payable To	For	Amount
36	North Marin Auto Parts	Brake Controller, Wiring Harness, Terry Rags (6 lbs) & Battery Cable	468.01
37	North Bay Gas	Nitrogen (STP), Acetylene & Breathing Air	454.86
38	Novato Builders Supply	Lumber & Concrete (1 yd)	206.32
39	Novato, City of	Encroachment Permit & Inspection Fees (George Street, Diablo to Court Rd)	1,993.75
40	NSI Solutions, Inc.	QC Sample	316.00
41	ODP Business Solutions, LLC	Misc Office Supplies	144.28
42	Pace Supply	Coupling Valve, Adaptors (3) & Nipple	904.87
43	Pape Machinery Inc.	Air Filter & Cap Plug ('09 John Deere Backhoe)	207.64
44	Parkinson Accounting Systems	Accounting Software Support & Sage Upgrade (\$683)	780.00
45	Peterson Trucks	Air Filter ('21 International 5yd Dump Truck)	367.70
46	PG&E	Power: Bldgs/Yard (\$2,255), Other (\$196), Pumping (\$39,522), Rect/Cont (\$512) & Treatment (\$11,609)	54,853.16
47	Pini Hardware	Miscellaneous Maintenance Tools & Supplies & Shovels (8) (\$422)	990.07
48	Port, April	Novato "Washer Rebate" Program	100.00
49	Price, Evan	Novato "Toilet Rebate" Program	100.00
50	Redding, Linda	Novato "Washer Rebate" Program	100.00
51	RoadSafe Traffic Systems, Inc.	Marking Chalk (6), Paint (24) & Sign Stands (2)	892.74
52	Rupp, Steve	Retiree Exp Reimb (June Health Ins)	457.46
53	Solis, Juan Carlos	Novato "Cash for Grass" Rebate Program	800.00
54	Thomas Scientific	Lamp Replacement (Lab)	247.69
55	Unicorn Group	Printing & Folding Services for Novato & W.M. (Prop 218 Notices) (19,161)	6,477.02
56	USA BlueBook	Sulfuric Acid (STP)	200.95
57	Verizon Wireless	SCADA & AMI Collectors (\$650)	1,245.88

Seq	Payable To	For	Amount
58	Vulcan Materials Company	Sand (15 yds)	970.46
59	VWR International LLC	Cable Thermometer (Lab)	61.63
60	Weishaar, Richard	Refund Overpayment on Closed Account	119.56
61	Winzer Corporation	Hardware for Auto Shop	255.96
62	West Yost Associates	Prog Pymt#21: Novato Master Plan Update (\$398) (Balance Remaining on Contract \$73,212) & Prog Pymt#22: Recycled Water Reg 18 Update (\$861) (Balance Remaining on Contract \$72,351)	1,259.19
<b>TOTAL DISBURSEMENTS</b>			<b><u>\$442,625.46</u></b>

The foregoing payroll and accounts payable vouchers totaling \$442,625.46 are hereby approved and authorized for payment.


06/13/23  
 \_\_\_\_\_  
 Auditor-Controller Date


6/13/23  
 \_\_\_\_\_  
 General Manager Date

# REVISED

## NORTH MARIN WATER DISTRICT MONTHLY PROGRESS REPORT FOR MAY 2023 June 20, 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%
May	176.2	204.7	209.9	217.6	198.6	-14%
<b>FYTD Total</b>	<b>1,764.0</b>	<b>2,057.0</b>	<b>2,591.4</b>	<b>2,604.4</b>	<b>2,429.9</b>	<b>-14%</b>

### 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%
May	5.1	4.9	7.3	6.0	5.5	4%
<b>FYTD Total</b>	<b>55.0</b>	<b>52.0</b>	<b>68.1</b>	<b>68.7</b>	<b>74.2</b>	<b>6%</b>

### 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	-
May	111.4	0.0	0.0	60.2	97.4	-
<b>FYTD Total</b>	<b>537.8</b>	<b>168.1</b>	<b>211.3</b>	<b>584.1</b>	<b>469.9</b>	<b>220%</b>

### 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%
May	22.1	32.7	39.2	27.6	19.6	-32%
<b>FYTD Total*</b>	<b>172.5</b>	<b>209.1</b>	<b>215.2</b>	<b>190.4</b>	<b>159.9</b>	<b>-18%</b>

\*Excludes potable water input to the RW system: FY23= 10.8 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*	84,940 MG	45,419 MG
Supply Capacity	98.7 %	56.9 %

\*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 *	32,365 MG	16,193 MG
Supply Capacity	89.5 %	56.5 %

\*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

	May Average	May 2023	May 2022
Rainfall this month	0.57 Inches	1.32 Inches	0.00 Inches
Rainfall this FY to date	26.42 Inches	40.09 Inches	18.13 Inches
Lake elevation*	192.1 Feet	194.9 Feet	191.0 Feet
Lake storage**	1,117 MG	1,316 MG	1,048 MG
Supply Capacity	98.0 %	99.4 %	97.5 %

\* Spillway elevation is 196.0 feet

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

### Temperature (in degrees)

	Minimum	Maximum	Average
May 2023 (Novato)	43	87	59
May 2022 (Novato)	39	97	61

## 4. Number of Services

May 31	Novato Water			Recycled Water			West Marin Water			Oceana Marin Swr		
	FY23	FY22	Incr %	FY23	FY22	Incr %	FY23	FY22	Incr %	FY23	FY22	Incr %
Total meters installed	20,982	20,853	0.6%	102	101	1.0%	800	799	0.1%	-	-	-
Total meters active	20,827	20,695	0.6%	100	96	4.2%	792	788	0.5%	-	-	-
Active dwelling units	24,097	24,097	0.0%	-	-	-	837	835	0.2%	235	235	0.0%

## 5. Oceana Marin Monthly Status Report (March)

Description	May 2023	May 2022
Effluent Flow Volume (MG)	0.392	0.405
Irrigation Field Discharge (MG)	1.280	0.447
Treatment Pond Freeboard (ft)	5.4	6.8
Storage Pond Freeboard (ft)	7.5	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 May	152	4	4	2	\$37,590 *
FY 22 through May	108	3	3	0	\$0
<b>Days since lost time accident through May 31, 2023</b>			<b>216 Days</b>		

\* (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

FYE	kWh	May		Fiscal Year-to-Date thru May		
		¢/kWh	Cost/Day	kWh	¢/kWh	Cost/Day
2023 Stafford TP	63,959	22.9¢	\$472	576,949	22.5¢	\$388
Pumping	101,313	29.8¢	\$1,043	1,176,353	28.6¢	\$1,006
Other <sup>1</sup>	31,783	41.2¢	\$451	365,494	33.7¢	\$367
	197,056	29.4¢	\$1,966	2,118,796	27.8¢	\$1,761
2022 Stafford TP	75,282	22.2¢	\$539	530,886	22.0¢	\$349
Pumping	117,524	27.3¢	\$1,108	1,165,622	27.7¢	\$968
Other <sup>1</sup>	38,794	29.8¢	\$399	453,739	31.0¢	\$423
	231,600	26.1¢	\$2,046	2,150,247	27.0¢	\$1,740
2021 Stafford TP	78,021	21.6¢	\$562	517,467	21.6¢	\$333
Pumping	154,064	25.7¢	\$1,365	1,699,271	25.4¢	\$1,294
Other <sup>1</sup>	38,844	30.0¢	\$402	530,867	27.0¢	\$430
	270,929	25.1¢	\$2,329	2,747,605	25.0¢	\$2,057

<sup>1</sup>Other includes West Marin Facilities

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## 8. Water Conservation Update

	Month of May 2023	Fiscal Year to Date	Program Total to Date
High Efficiency Toilet (HET) Rebates	1	65	4,473
Retrofit Certificates Filed	10	85	6,784
Cash for Grass Rebates	4	43	1,060
Washing Machine Rebates	2	19	6,886
Water Smart Home Survey	0	11	3,919

## 9. Utility Performance Metric

<b>SERVICE DISRUPTIONS (No. of Customers Impacted)</b>	<b>May 2023</b>	<b>May 2022</b>	<b>Fiscal Year to Date 2023</b>	<b>Fiscal Year to Date 2022</b>
<b>PLANNED</b>				
Duration Between 0.5 and 4 hours	12	9	176	119
Duration Between 4 and 12 hours	0	0	11	17
Duration Greater than 12 hours	0	0	0	0
<b>UNPLANNED</b>				
Duration Between 0.5 and 4 hours	1	2	159	116
Duration Between 4 and 12 hours	0	19	74	19
Duration Greater than 12 hours	0	0	0	0
<b>SERVICE LINES REPLACED</b>				
Polybutylene	5	1	52	36
Copper Replaced or Repaired)	0	1	15	17

### Planned

For the month of May, we had 12 planned service disruptions.

Plastic: We replaced 4 plastic service lines on; Ignacio Blvd, Crescent Ln, Mesa Rd in West Marin, and a 2" plastic service on Marin Valley Dr.

Copper: None

Valve Replacement: We replaced a 2" broken blow off valve on Tree Ln that affected 8 services.

### Unplanned

One unplanned plastic service leak on Alameda Del Prado.

## 10. Summary of Complaints and Service Orders

Total: **269** Consumer: 98 Office: 171

<u>Type</u>	<u>May-23</u>	<u>May-22</u>	<u>Added Notes</u>
<b>Billing</b>			
High Bill	2	1	
Low Bill	0	1	
<b>Total</b>	<b>2</b>	<b>2</b>	
<b>Meter Replacement</b>			
	21	8	
<b>Total</b>	<b>21</b>	<b>8</b>	
<b>Need Read</b>			
	2	3	
<b>Total</b>	<b>2</b>	<b>3</b>	
<b>No-Water</b>			
	4	2	
<b>Total</b>	<b>4</b>	<b>2</b>	
<b>Leak</b>			
Consumer	163	198	
District	16	18	
<b>Total</b>	<b>179</b>	<b>216</b>	
<b>Check Pressure</b>			
	4	0	
<b>Total</b>	<b>4</b>	<b>0</b>	
<b>Turn Off / On</b>			
	34	26	
<b>Total</b>	<b>34</b>	<b>26</b>	
<b>Other</b>			
	23	14	
<b>Total</b>	<b>23</b>	<b>14</b>	
<b>TOTAL FOR MONTH:</b>	<b>269</b>	<b>271</b>	<b>-1%</b>

### Fiscal YTD Summary

Billing	20	19
Meter Replacement	209	184
Need Read	47	48
No-Water	37	19
Leak	1,876	1,855
Water Quality	7	4
Noisy Pipes	-	3
Pressure	33	18
Turn Off / On	336	252
Other	165	117
<b>Total</b>	<b>2,730</b>	<b>2,519</b>

### Change Primarily Due To

5% Increase in Billing
14% Increase in Meter Replacements
-2% Decrease in Reads
95% Increase in No-Water
1% Increase in Leaks
75% Increase in Water Quality
-100% Decrease in Noisy Pipes
83% Increase in Water Pressure
33% Increase in Water On/Off
41% Increase in Misc. Tags
8% Increase overall

### **Bill Adjustments Under Board Policy:**

#### May 23 vs. May 22

May-23	7	\$4,817
May-22	14	\$3,580

#### Fiscal Year vs Prior FY

22/23 FY	146	\$42,792
21/22 FY	165	\$64,940



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

**PHONE**  
415-897-4133

**EMAIL**  
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[www.nmwd.com](http://www.nmwd.com)

June 9, 2023

Michelle Levenson, Senior Planner  
County of Marin, Community Development Agency  
3501 Civic Center Drive, Suite 308  
San Rafael, CA 94903-4157

Re: Coastal Permit and Conditional Use Permit Application  
1 Commodore Webster Drive, Point Reyes Station (Coast Guard Housing)  
NMWD File 2 4089.00

Dear Mrs. Levenson:

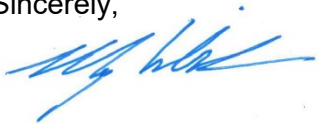
Thank you for the opportunity to comment on the subject permit application and the *revised second planning division transmittal*, dated April 18, 2023. North Marin Water District (District) has reviewed the application material and has the following comments:

- 1) District staff have met with the project developer(s) and their consultants on numerous occasions and have provided feedback on various aspects of the proposed improvements since early 2022. The District requires the owner (or developer) to submit an application and advance funds prior to any further discussions or analysis by the District. The advance funds cover District staff time for planning and engineering work associated with this project.
- 2) Prior to providing water service, the applicant will need to enter into an agreement with the District and complete financial arrangements for construction of new water facilities, as needed. Depending on final site improvements and their potential impacts to District facilities and operations, additional requirements and associated costs may be imposed or incorporated into the agreement. At a minimum, the following conditions will be required:
  - a. The District will be given final building permit inspection hold for confirmation that all requirements of the project are satisfied, and
  - b. Occupancy approval shall not be granted until water service installation is complete and compliance with the Water Conservation requirements verified; and
  - c. Recycled water use on premises that are served potable water by the District will require conformance with California requirements for design, construction, minimum separation from drinking water facilities, cross-connection control, and any other applicable regulation; and
  - d. Water service will not be furnished to any building unless it is connected to a public sewer system or to a wastewater disposal system approved by all government entities having regulatory jurisdictions.

- 3) As previously submitted, the District can provide water service to the proposed multi-family housing development. The District will require that potable water use for the entire development be within the exiting entitlement allotment for the subject property. District records indicate the historical water entitlements for the property are approximately 74 equivalent single-family dwelling units (to be confirmed during District project approval).
- 4) As previously submitted, the District has future plans to rehabilitate and expand the existing water treatment plant located on the north end of Parcel C and would like to explore opportunities to increase the size of the District's easement concurrent with this development.
  - a. The expanded treatment plant facilities would ideally be located northwest of the existing cul-de-sac and the easement modifications would be located partially within Parcels A, B, and C.
  - b. Modifications to existing pipeline easements on the parcels are also desired.
- 5) The Drinking Water Source Assessment (DWSA) performed in 2013 consistent with the standard method known as the "Calculated Fixed Radius Method" and using the pumping capacity available at the well was subsequently approved by the Department of Drinking Water (DDW). This state-approved DWSA established the primary protection zone (PZA) for the Coast Guard Wells at a radius of 1,600 feet. The District will require that any increase of source contaminants within the PZA as a result of this development be mitigated at no cost to the District.
- 6) As previously submitted and consistent with the previous comment, the District continues to have concerns about Conditions of Approval for the proposed development that may be imposed by the Regional Water Quality Control Board and DDW, as it relates to additional treatment, monitoring, testing and reporting of the groundwater and potable water produced and distributed from the 3 wells on site (2 production, 1 monitoring). The District will require that impacts to our operation and monitoring requirements be mitigated at no cost to the District.
- 7) During the design review phase, the District will conduct a condition assessment of existing on-site facilities (water mains, valves, laterals, hydrants, appurtenances, etc.). Depending on the results of the assessment, the District may require repair and/or replacement of deficient on-site infrastructure prior to project approval.
- 8) The District will require compliance with state regulations as it relates to cross-connection protection between on-site potable and non-potable water facilities.
- 9) The District will require compliance with state regulations as it relates to a minimum 10-foot clearance between on-site potable and non-potable water facilities.

If you have any questions please contact me at (415) 761-8947 or emiller@nmwd.com.

Sincerely,



Anthony Williams, PE  
General Manager



Pablo Ramudo  
Water Quality Supervisor



Eric Miller, PE  
Assistant General Manager

SACRAMENTO

# State bills seek broad reforms on water rights

BY IAN JAMES

LOS ANGELES TIMES

California's complex system of water rights took shape starting in the mid-1800s, when settlers saw the state's water as abundant and free for the taking — a time when a Gold Rush prospector could stake claim to river flows simply by nailing a notice to a tree.

Today, California's oldest and most senior water rights — called riparian and pre-1914 rights — have been passed along to thousands of agricultural landowners, irrigation districts and urban water suppliers that claim control of roughly one-third of the water that is diverted from the state's rivers and streams.

But increasingly, California water regulators are struggling to manage supplies for 39 million residents, agriculture and the environment as climate change warps the hydrologic cycle and brings longer-lasting and more severe droughts. Legal experts say the way the state manages this antiquated system is in dire need of reform. Among other problems, they say, current law prevents officials from verifying whether claims of senior water rights are valid, ordering those water users to reduce usage, or imposing fines that are large enough to penalize those who flout the rules. Three bills gaining momentum in the Legislature are seeking to change that, even as they draw heated opposition from water agencies and agricultural groups.

“These bills show that the Legislature is taking a serious look at bringing more comprehensive and consistent regulation to water rights — and empowering the State Water Resources Control Board to do the job California needs it to do,” said Nell Green Nylen, a research fellow at the Wheeler Water Institute at the University of California at Berkeley law school.

Green Nylen is part of a group of legal experts who recently published a state-funded report outlining recommendations for legislative and policy changes to improve oversight and management of the water rights system. She said the bills in the Legislature would partially address some of their recommendations, while still leaving some “concerning gaps in the state's ability to manage water scarcity.”

One bill — AB 1337, introduced by Assemblymember Buffy Wicks, D-Oakland — would clarify that the State Water Board has authority to issue a curtailment order for all diverters,

including senior rights holders. The legislation was drafted in response to a recent decision by an appeals court, which sided with water agencies in the Sacramento-San Joaquin River Delta that had challenged the state's authority to order cuts. In its decision, the court suggested it's up to the Legislature to determine whether it's time to update the law.

Another measure approved by the Senate, SB 389, would give the State Water Board the authority to investigate and verify whether the claims of senior rights holders are valid and accurate.

"They've got to have more tools at their disposal to better understand the rights system as it exists," said Sen. Ben Allen, D-Santa Monica, who introduced the proposal.

California's existing water rights allocate far more water than is available in an average year, Allen noted, and state water regulators are tasked with making the system work through increasingly intense droughts.

The change would help the water rights system function the way it's supposed to, "before we run out of time to fix it," Allen said.

Another bill, AB 460, would strengthen the State Water Board's enforcement powers to stop illegal water diversions and would sharply increase fines for violators.

The bill is intended to prevent the sort of violations that occurred in August in the Shasta River watershed, when farmers and ranchers who belong to the Shasta River Water Association defied a curtailment order for eight days and diverted more than half the river's flow, flouting requirements aimed at protecting salmon. The State Water Board fined the association the maximum amount for the violation: \$4,000, which worked out to about \$50 for each of its members.

The case led to widespread calls for larger fines and stronger enforcement powers.

"If we have scofflaws out there taking water that is not theirs, then it really messes up the entire system," said Assemblymember Rebecca Bauer-Kahan, D-Orinda, who introduced the bill.

The bill would give the State Water Board the authority to issue temporary orders to stop the illegal taking of water, and would increase fines for violations to up to \$10,000 per day, plus \$2,500 per acre-foot of water diverted. (An acre-foot is 325,851 gallons, or enough to cover one acre a foot deep.)

Some environmental groups and tribes have called for a major overhaul of the state's water rights, arguing that the current system was built on a foundation of violence against Native people, the taking of land from tribes, and systemic racism that long prevented people of color from securing water rights.

Supporters of the reform proposals in the Legislature say the bills aren't meant to radically change the existing system, but rather to make a dysfunctional system work.



“These modest changes are a first step in retrofitting the water rights system for the 21st century challenges ahead,” said Amanda Fencl, a climate scientist for the Union of Concerned Scientists. She said the measures offer critical updates to enable the State Water Board “to make informed and timely water management decisions and build climate resilience for the future.”

The proposals are facing opposition from many water agencies and groups representing the agriculture industry.

The three bills “all create increased uncertainty in the water supply, which would make it harder for growers to plan — and could result in fewer planned acres of food grown,” said Gail Delihant, senior director of California government affairs for Western Growers, which represents more than 1,500 crop growers, packers and shippers.

Delihant said the measures represent “attempts to destabilize the water rights system in California.”

Also opposing the bills is the Association of California Water Agencies, or ACWA, which represents about 460 public agencies that deliver water to cities and farms. Kristopher Anderson, a legislative advocate for ACWA, said the bills “present a foundational change in the way California’s water rights system is implemented, managed, and enforced.”

“They would authorize the State Water Board to impose punitive penalties on even law-abiding water right holders, curtail water rights in any year, and strip entities of their water rights,” Anderson said. “This package of legislation would create significant uncertainty, and lead to unintended consequences, for not just water right holders themselves, but communities and businesses across the state that depend on a reliable water supply.”

Anderson said water agencies that belong to the association agree that higher fines are necessary to deter violations, such as those that occurred on the Shasta River last year. But he and other opponents argued the proposal is overly broad and goes beyond what is necessary.

In a letter opposing Wicks’ bill, representatives of dozens of water districts and agriculture industry groups said they support proposals to “modernize administration” of the water rights system by improving how the state collects and manages data, and by deploying more stream gages, among other steps. They argued that as it stands, the proposal “threatens to remake the way water rights are managed in California by employing a top-down approach that would override decades of successful collaborative water management practices.”

State officials are working on a project to modernize California’s water rights information system by digitizing about 7 million pages of paper records. But officials have said that even those extensive records in many cases don’t include original documents that show proof of pre-1914 water rights, which were grandfathered in under the 1913 Water Commission Act. That act established a permit process for rights from then on.

In a February meeting, state officials said there are currently about 2,600 riparian and pre-1914 water rights claims in the San Joaquin River watershed, and more than 3,900 rights claims in the Sacramento River watershed. The rights are held by various entities and individuals, among them agencies that supply cities and agricultural irrigation districts supplying farms that produce nuts, cotton, rice and other crops.

In their recent report, Green Nysten and other water law researchers recommended various changes to establish what they say would be a fair and effective framework for curtailing water rights. They said that the Legislature should clarify, among other things, that the State Water Board has broad authority to order curtailments for all diverters, including those with the oldest rights.

The researchers said the State Water Board “needs to implement curtailments on a regular basis, not only in times of extreme crisis or only in certain watersheds.” They noted that other Western states routinely curtail water rights in this way.

“Drought response has been improvised, spotty and belated,” said Dave Owen, a professor at UC College of the Law in San Francisco.

“If you talk to people at the board, they will bluntly tell you they’re incredibly frustrated with their inability to gather information that they think they need. And then there are anemic enforcement mechanisms,” Owen said. “We just have this huge mismatch between major problems, big expectations for the agency and a fairly weak set of implementation tools. And it just means that we sort of default to the status quo. We default to improvisation or we default to letting people just kind of do what they want with water — unless it is so egregiously obvious that there is a problem that we have to step in.”

Michael Kiparsky, director of the Wheeler Water Institute at the UC Berkeley School of Law, said it’s vital that state officials look ahead now to improve how the system functions to respond to the next drought.

“Our system for water administration in California just doesn’t work,” Kiparsky said. “It doesn’t work because the state doesn’t have the tools it needs to do the basics. Those basics include figuring out who should have the right to divert water from rivers and streams at any particular time, and telling those who should not be diverting water that they can’t. It’s a very basic function.”

*Distributed by Tribune News Service.*

CALIFORNIA VIEW

# What does El Niño mean for this overheated state?

During the El Niño of 1983, Californians counted their blessings. The warm Pacific waters sloshing eastward certainly brought heavy spring rains and record snow. But the state largely escaped the flood risks being frantically managed farther east.

That spring, engineers famously resorted to plywood to add just a few more inches to the 710-foot-high Glen Canyon Dam as they struggled to prevent the second-largest reservoir in the United States from being overtopped by El Niño-swollen waters. Back in California, a top flood official noted that it was “luck,” not preparation, that spared the state a similar fate.

El Niño is the stuff of nightmares the world over: Widespread crop failures, famine, disease, floods, extreme heat, droughts, wildfires and even violent conflict have all been linked to the recurring climate anomaly. We have long known that climate variations alter our overall economic well-being. But by how much? Knowing the answer is essential to predicting the impact of global warming and evaluating the true cost of inaction on climate change, which exacerbates the repercussions of El Niño.

A spate of research has been chipping away at an answer, revealing that the costs of tropical cyclones, temperature changes, heat waves and floods are far higher than we realized, increasing both the cost of inaction and the need to rapidly mitigate and adapt to climate change.

We evaluated the global macroeconomic toll of El Niño and found that it’s far greater than previously understood. The global price tags of the 1983 and 1998 El Niño events, for example, are orders of magnitude higher than earlier estimates suggested, amounting to nearly \$4.1 trillion and \$5.7 trillion, respectively.

These are startling figures. El Niño’s costs are so high because it is not just a short-term shock from which a region soon recovers. Rather, it depresses economic growth for up to a decade or more. The costs of this enduring damage compound and grow exponentially over time.

Our economic fate is tied to El Niño in many ways. Floods can endanger supplies of commodities and goods by halting mining operations and disrupting supply chains. Droughts can suppress water-intensive manufacturing and agricultural production. Weather disasters can lead to large insurance payouts with costs extending well beyond the event itself.

El Niño is expected to return this year. Policymakers, scientists, food security and development specialists, water managers and reinsurance firms are all bracing themselves for widespread weather and climate risks, including what is likely to be the hottest year on record, scorching past 2016 — the year of the last El Niño. If the median forecast for this year is correct, we anticipate that the global economy will face a more than \$3-trillion setback over the next five years.

Our global economy is far more vulnerable to climate than we realize. Luckily, scrutinizing the costs can help us prepare effectively.

We need to invest more in El Niño prediction and early warning. More advance notice of the phenomenon can help us shore up infrastructure, agriculture, supply chains and insurance such as through catastrophe bonds.

Past El Niño events offer California and the nation a valuable lesson: Climate has a way of highlighting our societal shortcomings, especially by reminding us who is most vulnerable and how we have failed to protect them.

In a cooler world, the costs of El Niño were enormous. In a warmer one, they're higher still. We can no longer rely on luck alone to save us. Preparing California, the nation and the global economy for the risks we face begins with an honest accounting of the cost of inaction.

*Justin S. Mankin is a geography professor at Dartmouth College. Christopher W. Callahan is a doctoral candidate in geography at Dartmouth. ©2023 Los Angeles Times. Distributed by Tribune Content Agency.*



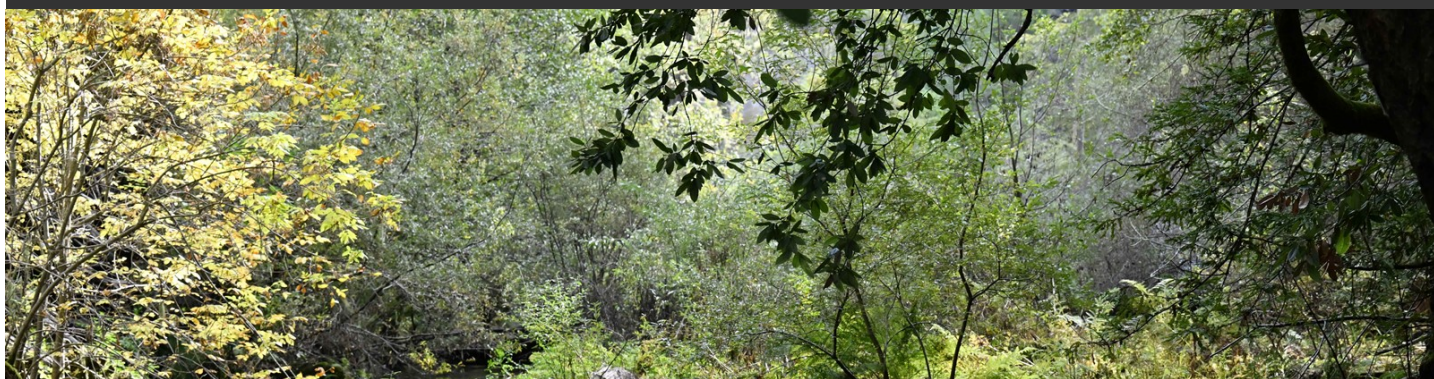
MARIN MUNICIPAL

# District plans to add water, boost reservoir efficiency

Short-term projects examined as long-term studies continue



Water rushes down the spillway at Peters Dam at Kent Lake near Lagunitas. One new project would automate state-mandated dam water releases from Kent Lake into Lagunitas Creek meant to benefit coho salmon. DOUGLAS ZIMMERMAN — SPECIAL TO THE MARIN INDEPENDENT JOURNAL, FILE







A stretch of Lagunitas Creek in Lagunitas. The Marin Municipal Water District is working on a variety of supply projects. SHERRY LAVARS — MARIN INDEPENDENT JOURNAL, FILE

BY WILL HOUSTON

[WHOUSTON@MARINIJ.COM](mailto:WHOUSTON@MARINIJ.COM)

Three months after adopting a plan to add new water supplies, the Marin Municipal Water District provided a progress update on a variety of projects.

The report to the district board Tuesday largely focused on projects that could be completed within the next two to four years. They include automating dam water releases; new interconnections between reservoirs; adding a pump station and potential hydropower capabilities to the district's third-largest, but infrequently used, reservoir; and new conservation measures.

Preliminary studies are also underway on more complicated projects such as a proposed brackish desalination plan on the Petaluma River, expanding reservoir capacity and pumping imported Russian River water into local reservoirs, staff said.

"We almost ran out of water in 2021. We have an enormous amount of work to do to ensure that we have resiliency for the long term," board member Jed Smith said during the meeting.

The district serves 191,000 residents in central and southern Marin. About 75% of the agency's water supply is from seven local reservoirs, with the remainder coming from imported Russian River water from Sonoma County. The agency has not expanded its reservoir storage capacity since the early 1980s.

The agency began studying new water supplies after it faced the possibility of depleting its reservoir supplies as soon as mid-2022 following two dry winters. The crisis was avoided with the storms in late 2021.

After a yearlong review process, the district board voted in February to adopt a roadmap of potential water supply projects it plans to study further. Additionally, the board approved historic rate increases last month meant to raise millions of dollars to pay for the new projects.

The district aims to add 12,000 to 20,000 acre-feet of new annual supply by 2035. The water supply study estimated the agency would need at least 8,500 acre-feet of additional water per year to weather a severe four-year drought. By comparison, the agency's reservoirs can hold about 80,000 acre-feet in its reservoirs, about a two-year supply. It can import about 11,000 acre-feet of Russian River water annually. An acre-foot, enough to cover an acre in a foot of water, is about 326,000 gallons.

The board discussion Tuesday focused on near-term projects to make the reservoirs more efficient rather than adding any new capacity.

One project would automate state-mandated dam water releases from Kent Lake into Lagunitas Creek meant to benefit endangered and threatened wildlife, namely coho salmon.

District official Paul Sellier said the dam water releases are performed manually and rely on staff tracking streamflow data from U.S. Geological Survey gauges in the creek.

"There is a big time delay between the time we make the call to adjust the valve and the time in which we see an actual change in the flow," Sellier told the board.

There is a five- to six-hour lag time between the point of release at Kent Lake to the stream gauge in Samuel P. Taylor State Park. Sellier said this can result in the district's either not meeting the state-mandated streamflow levels or releasing more water than is required.

To address this, the district is working with state and federal agencies to determine whether it could automate the dam water releases. Sellier said this would work by creating an algorithm that would release or hold dam water based on stream gauge data. Another stream gauge would need to be installed further upstream at the confluence of Lagunitas Creek and its tributary, San Geronimo Creek, which Sellier said is planned to occur in the fall.

The district aims to complete the project by late 2024, although Sellier said the actual automation of dam water releases will likely start later.

"We'll probably spend a couple more years really closely monitoring how well this does," Sellier told the board. "It's an interesting project but it's going to be challenging, for sure."

The district is also studying ways to optimize its Russian River imports. In recent years, the district has imported more Russian River water from about July through November to reduce demand on its reservoir supplies in case of a dry winter.

But it comes at a cost. The district has to spend about \$1,600 per acre-foot of Russian River water compared to the roughly \$300 to \$450 cost of treating its reservoir water.

Sellier said the district hired a Sacramento engineering consulting firm, Woodard & Curran, to help develop a strategy to determine how much Russian River to purchase and when.

“In a way, we’re trying to minimize our cost and also at the same time minimize our risk, and those two are kind of opposed,” Sellier said. “So we need to find a sweet spot.”

Woodard & Curren was contracted by the district earlier this year to support the implementation of the new water supply projects. The district is paying the firm about \$445,000.

Another early project would create a pipeline and pump station to connect one of the district’s smaller reservoirs, Phoenix Lake, to the nearby Bon Tempe Reservoir.

Phoenix Lake is only drawn on during water shortages because it does not have a pumping and distribution system. Instead, employees have to spend four weeks setting up a pump station and pipes to transport Phoenix Lake water to the Bon Tempe treatment plant.

District engineer Crystal Yezman said the staff is evaluating three routes for the new connection, of which all would end by going through a 1,200-foot-long tunnel at the top of the hill near Bon Tempe Reservoir. Yezman said a preferred route has been identified because it provides access to an electrical hookup, but that an environmental review is needed before deciding. The project is estimated to cost \$5.2 million.

Yezman said a consultant is being hired to aid with the project’s development, which could include other benefits such as flood control and potentially hydropower.

“This is an area of global interest, storage hydropower,” board member Ranjiv Khush told Yezman on Tuesday. “I’m really excited that you’re moving forward with this.”

Board member Matthew Samson raised concerns about these other uses potentially delaying the project beyond its forecast 2024-2025 completion date. Staff said should that be determined, it would be brought back to the board for a decision.

Another near-term project would provide connect the district’s third-largest reservoir, Soulajule Reservoir, to the electrical grid at a cost of about \$7.2 million. Like Phoenix Lake, the reservoir is only tapped during water shortages because it requires generator power to pump water.

Yezman said Pacific Gas & Electric Co. is planning to begin studies in early July, including the potential for solar power, batteries, fuel cells and a permanent generator.

Additionally, the board is set to discuss at a July meeting whether to revise an ordinance that bans businesses and government agencies from installing new decorative turf.

The rules that took effect in April 2022 prohibit the installation of decorative grass typically found in areas such as road medians or along sidewalks in strip malls and shopping centers. Residential properties as well as recreational areas such as parks and athletic fields are excluded from the ordinance.

Staff said potential revisions could be to expedite the removal of existing decorative turf.

“I worry that businesses are putting back in their nonfunctional turf because now there is water and there aren’t restrictions on irrigation,” Monty Schmitt, president of the district



board, said during the meeting. “And it’s an investment I’d like to see people not make, especially if we’re doing to move in a direction of banning nonfunctional turf.”

For longer-term projects, the district formed an agreement with Petaluma to study the potential of a brackish desalination plant on the Petaluma River. The city has a consultant taking a preliminary look at the potential groundwater availability and quality.

Sellier said the results should be available by this month, which will be around the time the district seeks a consulting firm to provide technical support in studying the project. A feasibility study would begin in the fall, Sellier said.

“I think this one is going to be really, really challenging,” board member Larry Russell said during the meeting.

The district is also already seeking firms to conduct predesign work for reservoir projects, including the potential expansion of its largest reservoirs: Kent, Nicasio and Soulajule. Another project would build new connections that would allow imported Russian River water to be stored in local reservoirs. Both analyses are set to begin in the fall.

NORTH MARIN WATER DISTRICT  
NOTICE OF PUBLIC HEARING  
REGARDING PROPOSED  
AMENDMENTS TO ORDINANCE  
NO. 43, THEREBY INCREAS-  
ING OCEANA MARIN SEWER  
SERVICE CHARGES  
FOR FISCAL YEAR 2023-2024  
AND ELECTING TO COLLECT  
CHARGES ON THE TAX ROLL  
NOTICE IS HEREBY GIVEN that  
on Tuesday, June 20, 2023 at 4:00  
p.m. at a regular Board Meeting of  
North Marin Water District (NMWD)  
which will be held at 100 Wood  
Hollow Drive, in Novato, CA, the  
NMWD Board of Directors will hold a  
public hearing to consider amending  
Ordinance No. 43, thereby increasing  
Oceana Marin sewer service charges  
for fiscal year 2023-2024 to \$1,374  
per parcel, per year. This is an annual  
increase of \$78 from the previous  
charge of \$1,296 per parcel, per year.  
NMWD elects to collect the sewer  
service charges on the tax roll, as it did  
for fiscal year 2022-2023, in the same  
manner as general taxes. NMWD  
has filed with its Secretary a written  
report containing a description of each  
parcel of real property receiving sewer  
services from the District and the  
anticipated amount of charges on each  
such parcel.  
A public hearing will be held at 4:00  
p.m. on Tuesday, June 20, 2023, to  
consider enactment of the proposed  
increases. You are invited to participate  
in the in-person hearing located at  
100 Wood Hollow Drive, in Novato,  
CA, or mail your comments to PO  
Box 146, Novato, CA 94948. For more  
information visit NMWD's website  
at [www.nmwd.com](http://www.nmwd.com) or call the District  
Secretary at (415) 897-4133.  
Published in the Point Reyes Light,  
June 1, 8, 2023.

### ***Western Weekend thanks***

With twice the attendees as last year's event, we want to express our gratitude to you for showing up, participating and appreciating this grand undertaking to express community. A very special thank-you to Chris Giacomini and his team at Toby's Feed Barn for patiently accommodating all our special requests. We especially want to thank our premier sponsors this year—Straus Family Creamery, Dixon Marine Services, Brickmaiden Breads, Marin Agricultural Land Trust and Heidrun Meadery—and our wonderful media sponsors, KWMR and the Light, for promoting and covering the events. A special shout-out to Amanda Eichstaedt for her weeks of Western Weekend sponsor interviews and announcements before the big weekend.

Thank you to our partners: West Marin Lions Club, Toby's, Rotary Club of West Marin, West Marin Commons, Marin County Farm Bureau, Pt. Reyes-Olema 4-H, Gallery Route One, Recology, and the county Department of Public Works and Sheriff's Office, which deftly managed traffic and assured our safety. Also the Marin County Fire Department and Supervisor Rodoni's office. All helped tremendously to coordinate and support this event.

Thank you to "Wrangler" and "Buckaroo" sponsors: West Marin Fund, Point Reyes Books, Horizon Cable, Agricultural Institute of Marin, Inverness Association and Coyuchi. And these in-kind sponsors were invaluable: Petaluma Health's First Aid Station, the Dance Palace for the barn dance venue, North Marin Water's refill stations, Recology, Point Reyes Village Association, Building Supply and Cabaline.

On Saturday, the 4-H fair included F.F.A. this year. Over 20 prizes were awarded from archery to poultry to wood-

working. Toby's hosted the GRO Artists-In-The-Schools exhibit of student art and ecology projects, and the barn dance was back. The children's choir sang about growing seeds and Grand Marshal Madeline Nieto Hope was honored; then it was do-si-do for the rest of the fun evening; thank you Mark Switzer and West Marin Commons!

On Sunday, the parade grandstand held the live broadcast with our first-ever Spanish language announcing by Dolores Gonzales to complement Matt Gallagher and Robert Cardwell. The food corral featured the farm bureau's famous BBQ, Tomales High School's Class of '24 taco stand and 4-H deserts. The Rotary Club sold out of their chili again. Special thanks to West Marin Climate Action and Madeline for organizing the onsite eco-sorting stations and trash management.

Three cheers to all parade entrants. Thank you to Straus Family Creamery for serving up all that delicious ice cream again—you were the icing on the cake. A special thanks to all who showed up, making memories in our shared family event. Let's all do it again on June 1 and 2, 2024!

**Eileen Connery and Elizabeth Hollis  
for the Western Weekend Committee**



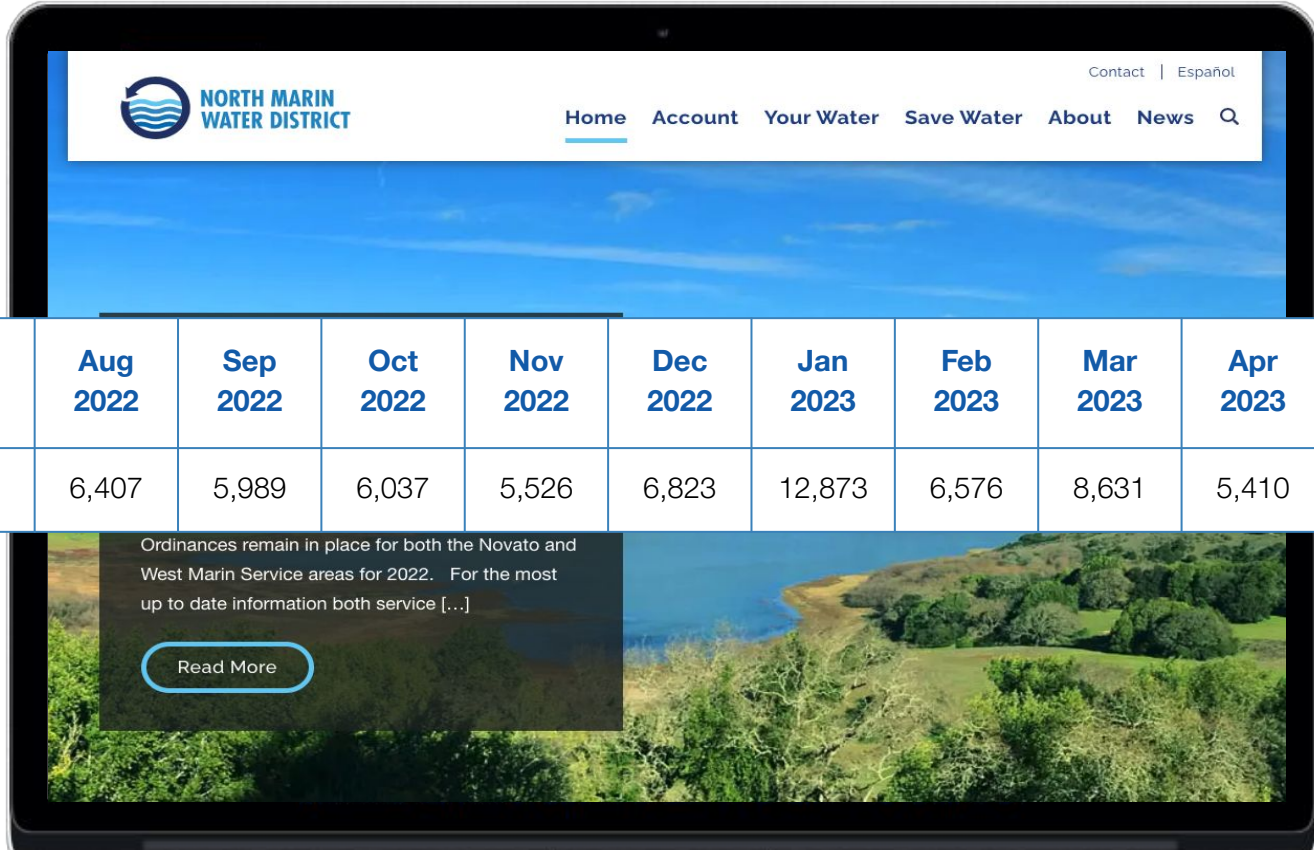
**NORTH MARIN  
WATER DISTRICT**

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# **Web & Social Media Report**

May 2023

# Website Statistics






	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023
<b>2022/ 23</b> Visitors	6,672	6,407	5,989	6,037	5,526	6,823	12,873	6,576	8,631	5,410	5,733

Ordinances remain in place for both the Novato and West Marin Service areas for 2022. For the most up to date information both service [...]

[Read More](#)



# Social Media Followers

	Jul-2022	Aug-2022	Sep-2022	Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023
 Facebook Followers	1,838	1,904	1,964	2,005	2,042	2,095	2,172	2,202	2,243	2,300	2,322
 Twitter Followers	77	77	75	74	71	76	110	112	113	120	121
 Instagram Followers	679	689	693	709	722	735	748	759	774	794	808



## NMWD Most Visited Pages

Pages	Unique Pageviews	% of Total
<a href="#">Home</a>	3,228	31.03%
<a href="#">Online Billing</a>	2,092	20.11%
<a href="#">My Water Usage</a>	900	8.65%
<a href="#">Weather &amp; Production Statistics</a>	369	3.55%
<a href="#">Contact</a>	221	2.12%
<a href="#">Human Resources</a>	149	1.30%
<a href="#">Novato Water</a>	149	1.43%
<a href="#">Meetings 2023</a>	148	1.42%
<a href="#">What Is An Acre Foot?</a>	146	1.43%





## May Social Media Highlights | Facebook



285 people reached | 19 engagements



987 people reached | 175 engagements

*Engagements include likes, reactions, clicks and comments*



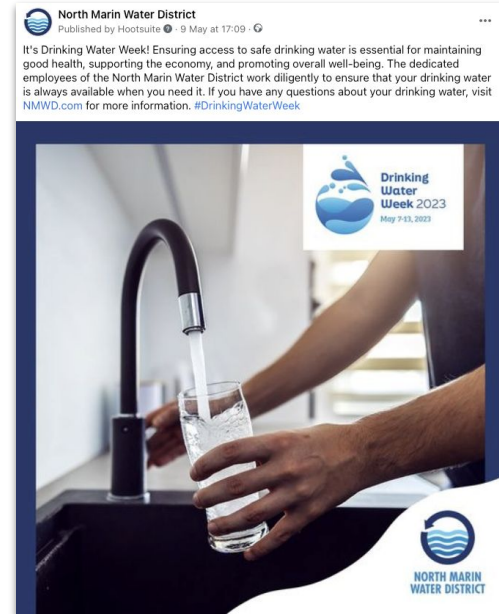




## May Social Media Highlights | Facebook



4251 people reached | 374 engagements



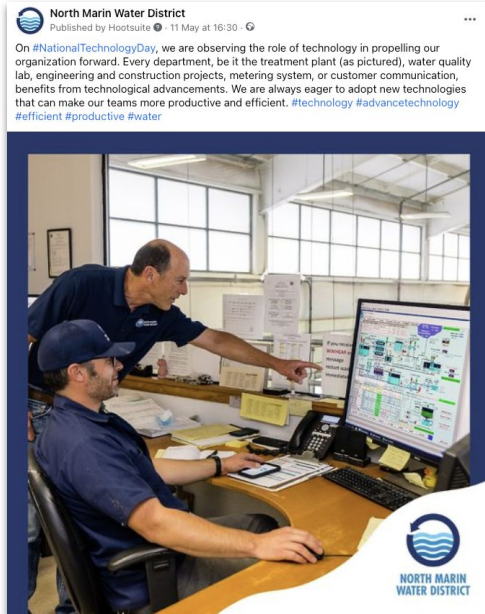
90 people reached | 2 engagements

*Engagements include likes, reactions, clicks and comments*





# May Social Media Highlights | Facebook



187 people reached | 11 engagements



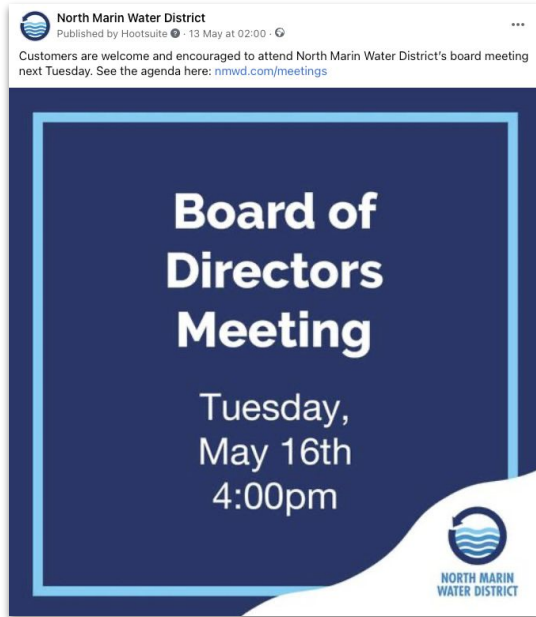
901 people reached | 12 engagements

*Engagements include likes, reactions, clicks and comments*





## May Social Media Highlights | Facebook



213 people reached | 32 engagements



74 people reached | 1 engagement

*Engagements include likes, reactions, clicks and comments*

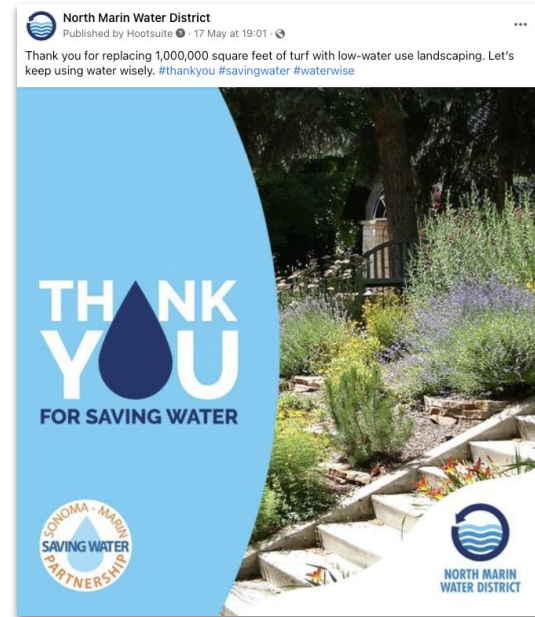




## May Social Media Highlights | Facebook



14 people reached | 4 engagements



82 people reached | 12 engagements

*Engagements include likes, reactions, clicks and comments*

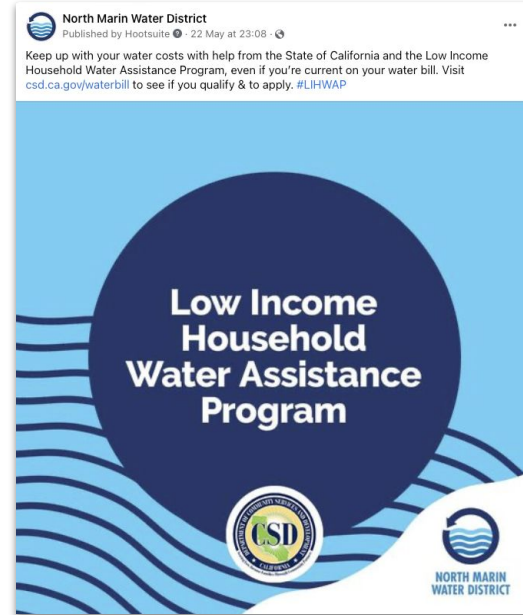




## May Social Media Highlights | Facebook



85 people reached | 1 engagement



67 people reached | 3 engagements

*Engagements include likes, reactions, clicks and comments*



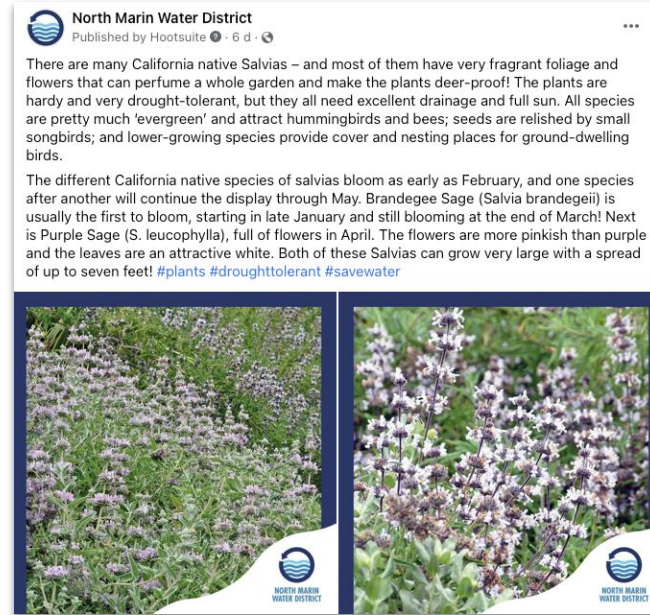




## May Social Media Highlights | Facebook



70 people reached | 2 engagements



232 people reached | 7 engagements

*Engagements include likes, reactions, clicks and comments*

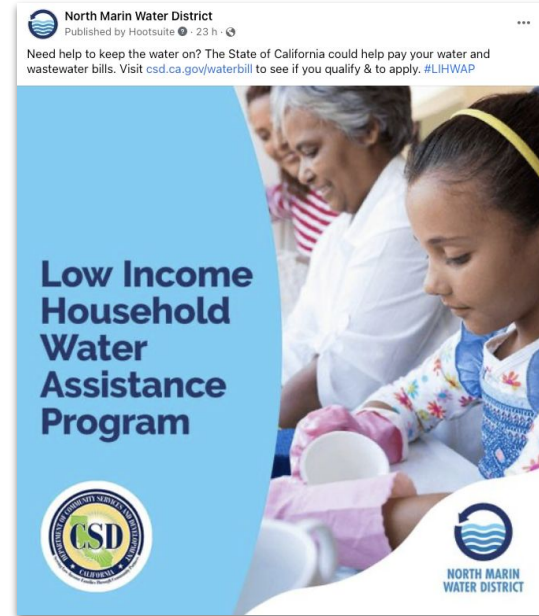




# May Social Media Highlights | Facebook



50 people reached | 1 engagement



43 people reached | 1 engagement

*Engagements include likes, reactions, clicks and comments*





## May Social Media Highlights | Twitter

 **North Marin Water District** @NorthMarinWater · May 2 ...

Congratulations to Austin Simpson, one of our Water Distributors and TP Operators, for four fantastic years at the District! #thankyou #4years



 NORTH MARIN WATER DISTRICT

 **North Marin Water District** @NorthMarinWater · May 3 ...

As reservoirs reach capacity, Governor Newsome has declared an end to the state-wide drought provisions. Emergency water conservation ordinance is lifted, but common-sense water waste prohibitions remain. Let's conserve and use water efficiently to prepare for future droughts.



 CALIFORNIA STATE WATER PARTNERSHIP

**DROUGHT IS OVER**  
THANKS FOR SAVING WATER

 NORTH MARIN WATER DISTRICT







## May Social Media Highlights | Twitter



**North Marin Water District** @NorthMarinWater · May 5

This year's free Eco-Friendly Garden Tour is coming up! It will feature 17 gardens showcasing sustainable landscapes and plants, including 4 gardens in Novato! This year's tour will be on May 13th and in person! Register at [savingwaterpartnership.org](https://savingwaterpartnership.org) to save your spot. #ecofriendly



**North Marin Water District** @NorthMarinWater · May 9

It's #DrinkingWaterWeek! Access to safe drinking water is essential for maintaining good health, supporting the economy, and overall well-being. The NMWD staff works hard to ensure your drinking water is always available when needed. Visit [NMWD.com](https://nmwd.com) for more info.





## May Social Media Highlights | Twitter



**North Marin Water District** @NorthMarinWater · May 11 ...

On [#NationalTechnologyDay](#), we are observing the role of technology in propelling our organization forward. Every department benefits from technological advancements, be it the treatment plant (as pictured), water quality lab, engineering and construction projects, and others.



**North Marin Water District** @NorthMarinWater · May 12 ...

This year's free Eco-Friendly Garden Tour is tomorrow! It will feature 17 gardens showcasing sustainable landscapes and plants, including 4 gardens in Novato! This year's tour will be on May 13th and in person! Register at [savingwaterpartnership.org](https://savingwaterpartnership.org) to save your spot. [#ecofriendly](#)





## May Social Media Highlights | Twitter

 **North Marin Water District** @NorthMarinWater · May 13 ...  
Customers are welcome and encouraged to attend North Marin Water District's board meeting next Tuesday. See the agenda here: [nmwd.com/meetings](http://nmwd.com/meetings)



**Board of Directors Meeting**  
Tuesday, May 16th  
4:00pm

 NORTH MARIN WATER DISTRICT

 **North Marin Water District** @NorthMarinWater · May 16 ...  
Thank you for replacing 1,200 toilets with high-efficiency models. Let's keep using water wisely. [#thankyou](#) [#savingwater](#) [#waterwise](#)



**THANK YOU**  
FOR SAVING WATER

 CALIFORNIA WATER PARTNERSHIP

 NORTH MARIN WATER DISTRICT





## May Social Media Highlights | Twitter

 **North Marin Water District** @NorthMarinWater · May 17 ...

Thank you for replacing 1,000,000 square feet of turf with low-water use landscaping. Let's keep using water wisely. [#thankyou](#) [#savingwater](#) [#waterwise](#)




 **North Marin Water District** @NorthMarinWater · May 19 ...

Thank you for adding 95,000 gallons of rainwater harvesting capacity. Let's keep using water wisely. [#thankyou](#) [#savingwater](#) [#waterwise](#)

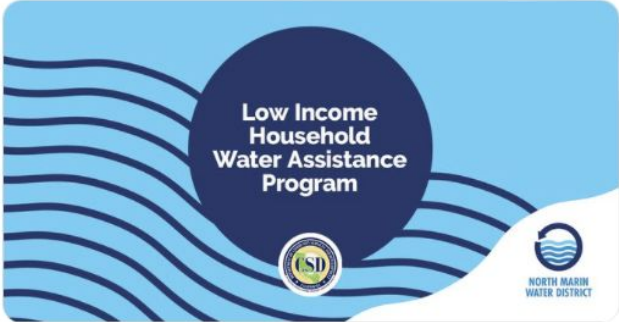




## May Social Media Highlights | Twitter

 **North Marin Water District** @NorthMarinWater · May 22 ...

Keep up with your water costs with help from the State of California and the Low Income Household Water Assistance Program, even if you're current on your water bill. Visit [csd.ca.gov/waterbill](https://csd.ca.gov/waterbill) to see if you qualify & to apply. #LIHWAP



Low Income Household Water Assistance Program

CSD

NORTH MARIN WATER DISTRICT

 **North Marin Water District** @NorthMarinWater · May 23 ...

Have you done a Water Smart Home Survey yet? This free service is conducted by our friendly, knowledgeable survey technicians and includes both indoor and outdoor water efficiency checks. Learn more by visiting [nmwd.com/watersmart](https://nmwd.com/watersmart) #savewater



NORTH MARIN WATER DISTRICT







## May Social Media Highlights | Twitter



**North Marin Water District** @NorthMarinWater · May 25 ...  
California's native Salvias are fragrant, drought-tolerant, and deer-proof. These evergreen plants attract hummingbirds, bees, and small songbirds while providing cover for ground-dwelling birds. Blooming from Feb to May, Brandegee Sage and Purple Sage can grow up to 7ft. [#plants](#)



**North Marin Water District** @NorthMarinWater · May 31 ...  
Happy [#NationalWaterAFlowerDay!](#) Take a moment to appreciate the beauty of nature and the essential role that water plays in nourishing our flowers and plants. [#WaterConservation](#)





## May Social Media Highlights | Twitter

 **North Marin Water District** @NorthMarinWater · 23h ...

Need help to keep the water on? The State of California could help pay your water and wastewater bills. Visit [csd.ca.gov/waterbill](https://csd.ca.gov/waterbill) to see if you qualify & to apply. #LIHWAP



**Low Income Household Water Assistance Program**

   
NORTH MARIN WATER DISTRICT





# May Social Media Highlights | Instagram



2 likes



7 likes







# May Social Media Highlights | Instagram



7 likes

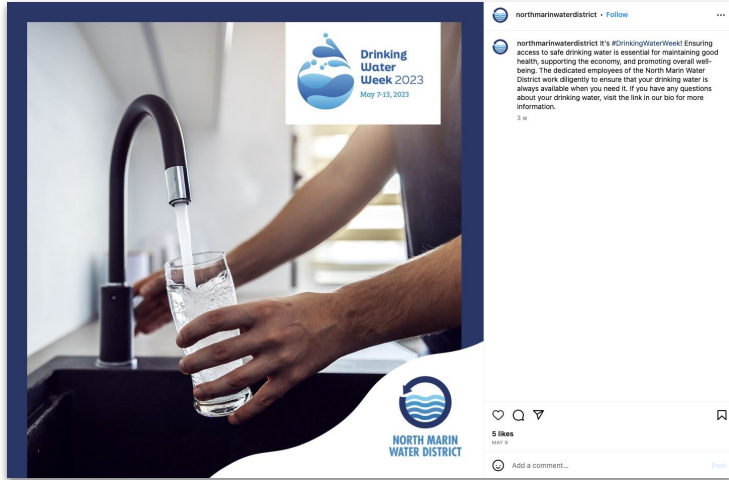


5 likes





# May Social Media Highlights | Instagram



5 likes



13 likes





# May Social Media Highlights | Instagram



6 likes



5 likes





# May Social Media Highlights | Instagram



2 likes



2 likes

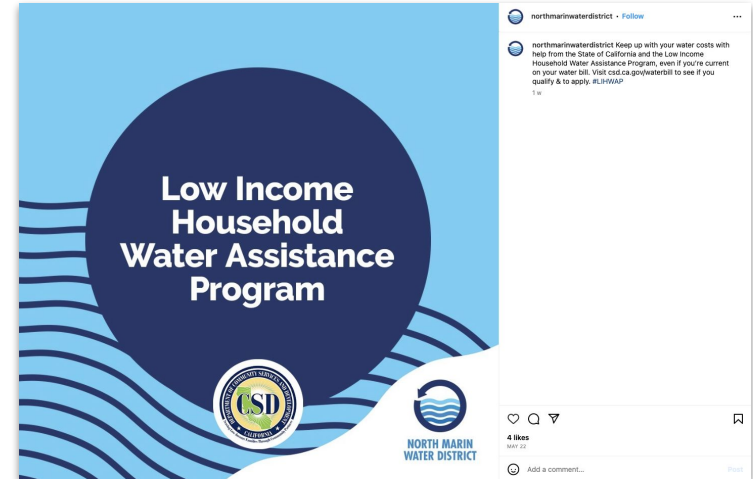




# May Social Media Highlights | Instagram



4 likes



4 likes

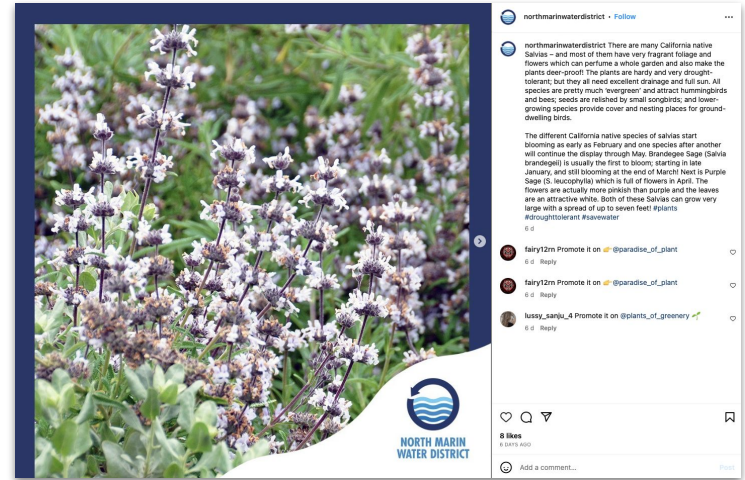




# May Social Media Highlights | Instagram



8 likes



8 likes







# May Social Media Highlights | Instagram



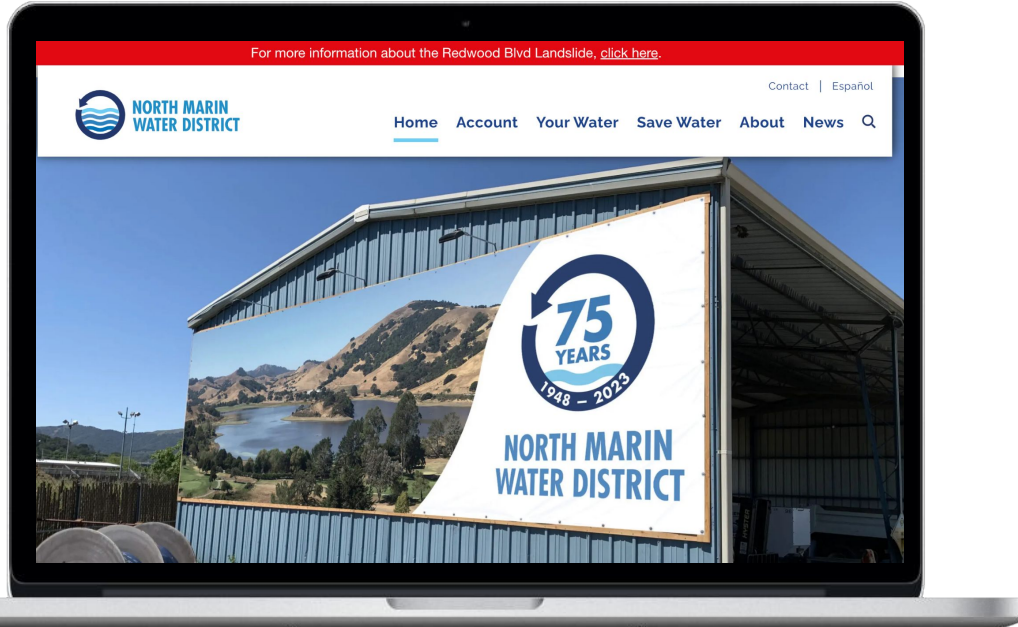
5 likes



3 likes



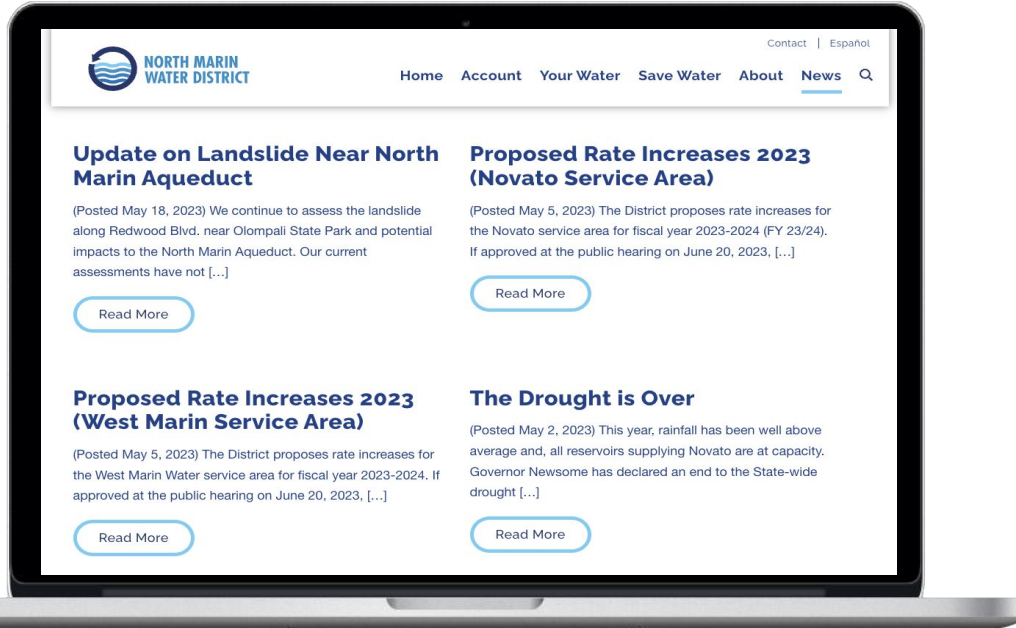
# Website - May Updates



- Updated the homepage with a photo of the corp yard banner
- [Updated the District Regulations page](#)
- [Updated the North Marin Water District Redistricting Map](#)



# May News Stories



- [The Drought is Over](#)
- [Proposed Rate Increases 2023 \(West Marin Service Area\)](#)
- [Proposed Rate Increases 2023 \(Novato Service Area\)](#)
- [Update on Landslide Near North Marin Aqueduct](#)

# Spring Waterline 2023 - Novato

Kiosk worked with staff to provide a branded layout for the Spring Waterline.

**Low Income Rate Assistance (LIRA) Program**

This program is available to eligible low-income customers and provides a credit on a two-month billing cycle of \$15 per bill at \$80 per year.

**Save up to \$90 a year.**

A direct water customer who has a single-family residential account and is eligible for PG&E's income-based CARE program is eligible for the District's LIRA Program. Once approved the discount would apply to your next billing cycle. To request an application or for further information call our billing department at 415-897-4133 or visit the website at [nmwd.com/lira](http://nmwd.com/lira)

**POSTAL CUSTOMER**

PSRST STD  
US POSTAGE  
RNO  
LINCOLN GROUP  
ECRWS

**Read Our Annual Report**

Visit [nmwd.com/about/documents](http://nmwd.com/about/documents) or scan the code below.



**Access and Understand Your Water Use**

A WaterSmart Portal that customers can access online was developed as a part of the new Advanced Metering Infrastructure (AMI). Already, over 8,000 District customers are accessing information on their water use through the AMI system. If you haven't already done so we encourage you to sign up and log into the WaterSmart Portal to get acquainted with the system and learn more about your water use.

The Portal gives customers access to hourly water use data and the ability to set up alerts for high use and water leak events. We are confident this technology will prove useful in understanding your water use and in aiding conservation efforts. Please visit the District's website at [nmwd.com/account/watersmart](http://nmwd.com/account/watersmart) to learn more about accessing the WaterSmart Portal (and online bill pay). If you experience any issues registering or logging into the WaterSmart Portal, please call 415-897-4133, and a staff member can guide you through the process.

**For more info visit [nmwd.com/drought](http://nmwd.com/drought)**

**The Waterline**

Novato Service Area Newsletter | Issue 50

**Drought is Over. Thank You!**

Tony Williams, General Manager

Good news! This year, rainfall has been well above average and all of the reservoirs supplying Novato (Stafford Lake, Lake Sonoma and Lake Mendocino) are at capacity. Governor Newsom has declared an end to the state-wide drought provisions. Novato customers did a great job conserving water during the three-year drought period by continually conserving an average of 20%. Thank you!

On April 4, 2023, the District Board rescinded Emergency Water Conservation Ordinance No. 41. This action immediately eliminated non-essential water use restrictions and the suspension on new water connections, while also ending the drought surcharge. We are however reminding customers that common sense water waste prohibitions remain in place permanently. Visit [nmwd.com/postdrought](http://nmwd.com/postdrought) to see which prohibitions remain in effect. The end of this drought period does not mean an end to the need for conservation, and we encourage you to participate in the many programs the District offers to help you use water more efficiently.

Looking forward, even though this drought period has ended, with ongoing seasonal weather uncertainty, drought conditions could return in the future. We are continuing to aggressively pursue efforts to enhance our water supplies both locally and regionally. We are moving forward with the best options from our Local Water Supply Enhancement Study to increase storage capacity in Stafford Lake, while Sonoma Water has been able to cooperatively work with the US Army Corps of Engineers to adjust operating procedures, enabling us to retain more water supply volume within the flood control pools at both Lake Sonoma and Lake Mendocino.



**North Marin Water District  
Outdoor Conservation Programs**

Ryan Grisso, Water Conservation Coordinator

**Cash-For-Grass  
Turf Replacement Incentive**

North Marin Water District offers a cash incentive for replacing regularly maintained, irrigated lawns with District-approved low water use plantings on drip irrigation.

The incentive is still at the increased level and we will now pay rebates of up to \$100 per 100 square feet (\$1 per square foot) of lawn area if you replace it with qualified low water use planting on drip irrigation. This incentive is limited to \$800 per single family dwelling, \$100 for townhouses or condominiums (common area), and \$50 for apartments (common area). Pre-qualification and re-landscaping plan approval are required for participation. The District also has a "Learn Be Gone" sheet matching program - visit [nmwd.com](http://nmwd.com) for details.




**Landscape Efficiency Rebate**

As a part of North Marin Water District's Water Smart Landscape Efficiency Rebate Program, mulch purchase and installation can be rebated at 50% of the cost of approved mulch materials up to \$200 (continuing for now at the increased drought level). Please call 415-761-8944 or email [waterconservation@nmwd.com](mailto:waterconservation@nmwd.com) for details on participation. Please remember to follow the Novato Fire Department's guide for mulch application in proximity to your house.

**Water Smart Savings Program**

North Marin Water District wants to help customers use water efficiently. That's why we've put all of our water saving promotions under one umbrella. The Water Smart Savings Program encompasses all you need to get started on saving water and saving money.

- Water Smart Home Survey**  
This free service includes thorough indoor and outdoor water efficiency checks.
- Pool Cover Rebate**  
Rebate available for installing a new solar or safety pool cover with non-netted material only.
- Residential Washing Machine Rebate**  
North Marin Water District offers a rebate to customers when they purchase a qualifying high-efficiency clothes washer.
- Rainwater Catchment Rebate**  
Rebate available for collection and storage of rainwater.
- High-Efficiency Toilet Rebate**  
Customers who replace an old water-guzzling toilet with a high-efficiency toilet may be eligible for a rebate.
- Weather-Based Irrigation Controller Rebate**  
Rebates for qualified controllers that use weather data and site information such as plant type and sprinkler system output to automatically adjust watering times and frequency.
- Greywater Rebate**  
Rebate available for installation of qualified greywater systems.

Call 415-761-8944 for program participation details or visit [nmwd.com](http://nmwd.com)

**75 Year Anniversary**

In April 1948, the North Marin Water District was formed and this year we are celebrating 75 years of exceptional service to our customers. We will see you out at the 4th of July Parade!

**75 YEARS 1948 - 2023**

**NORTH MARIN WATER DISTRICT**

**Pay your bills online.** Visit [onlinebiller.com/nmwd](http://onlinebiller.com/nmwd)



# Spring Waterline 2023 - West Marin

Kiosk worked with staff to provide a branded layout for the Spring Waterline.

### Low Income Rate Assistance (LIRA) Program

This program is available to eligible low income customers and provides a credit on a two-month billing cycle of \$15 per bill or \$30 per year. A direct water customer who has a single-family residential account and is eligible for PG&E's income based CARE program is eligible for the District's LIRA Program. Once approved the discount would apply to your next billing cycle.



To request an application or for further information call our billing department at 415-897-4133 or visit the website at [nmwd.com/lira](http://nmwd.com/lira).

**Save up to \$90 a year!**


PRIST STD  
US POSTAGE  
PAID  
NOVATO CA  
PERMIT NO. 53

### Read Our Annual Report

Visit [nmwd.com/documents](http://nmwd.com/documents) or scan the code below.


For more info visit [nmwd.com/drought](http://nmwd.com/drought)



NORTH MARIN WATER DISTRICT

## The Waterline

West Marin Service Area Newsletter | Issue 22



NORTH MARIN WATER DISTRICT

### Drought is Over. Thank You!


Tony Williams, General Manager

This year's rainfall levels through April 1, 2023 far exceeded normal year status at 50 inches. The statewide drought was declared over by the Governor in March 2023 and on April 4, 2023 the District Board rescinded Emergency Water Conservation Ordinance No. 39, effectively ending drought water use restrictions in the West Marin Service Area. Common sense water usage prohibitions do still remain in place permanently through District Regulation 17. Thank you for doing your part to conserve water over the last three years.

Waterline and at [nmwd.com](http://nmwd.com). Please pay attention to water use, especially outside, and limit outdoor water use as much as possible. Any reduction in water use is appreciated. There's not a drop to waste!

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

Even though this drought has ended, North Marin Water District customers are encouraged to continue to use water efficiently and participate in the water conservation programs described in this



### New Gallagher Well

Eric Miller, Assistant General Manager/Chief Engineer

North Marin Water District is committed not only to providing water to customers that meets or exceeds all state and federal quality standards but also to ensure that it tastes good. We are pleased to report that in late October 2022 the District completed the construction of Gallagher Well No. 2, outside Point Reyes Station, to enhance reliability and address salinity levels in the water supply for the West Marin Service Area. This well reduces reliance on Coast Guard wells further downstream, which have experienced increasing salinity intrusion, particularly during drought periods.

Furthermore, the new well has been providing water with significantly lower salinity levels, which has improved the overall taste and quality of the water for customers in the West Marin Service Area.

The Gallagher Well No. 2 project was funded by the Small Community Drought Relief Program of the California Department of Water Resources. The District has also been awarded supplemental grant funds for electrical upgrades at the site and repair work on Gallagher Well No. 1, further reducing reliance on Coast Guard wells. We are excited with the reduced salinity levels in the West Marin Service area. Looking to the future, the District is already exploring ways to enhance water supply resiliency and will be seeking grants to study feasibility.



### Water use monitoring and leak detection device pilot program

Ryan Gross, Water Conservation Coordinator

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

If you are interested in participating, please email your contact information and service address to [waterconserv@nmwd.com](mailto:waterconserv@nmwd.com) and staff can provide you with the website link for the shared cost purchase.

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



**Pay your bills online.** Visit [onlinebiller.com/nmwd](http://onlinebiller.com/nmwd)



### Water Smart Savings Program

The drought is over but there is always a need to save water. North Marin Water District wants to help customers use water efficiently in the future. That's why we've put all of our water saving promotions under one umbrella. The Water Smart Savings Program encompasses all you need to get started on saving water during this drought. Call 415-761-8944 for program details or visit [nmwd.com](http://nmwd.com).

- Water Smart Home Survey**  
This free service includes thorough indoor and outdoor water efficiency checks.
- Landscape Efficiency Rebate**  
Rebate available for water efficient landscape equipment, such as a new drip irrigation system replacing a spray system or a rain shut-off device.
- Pool Cover Rebate**  
Rebate available for installing a new solar or safety pool cover with non-wetted material only.
- Cash-For Grass Turf Replacement Incentive**  
Get cash for removing irrigated and maintained lawn and replacing it with low water use plants. Pre-qualification is required.
- Residential Washing Machine Rebate**  
North Marin Water District offers a rebate to customers when they purchase a qualifying high-efficiency clothes washer.
- Rainwater Catchment Rebate**  
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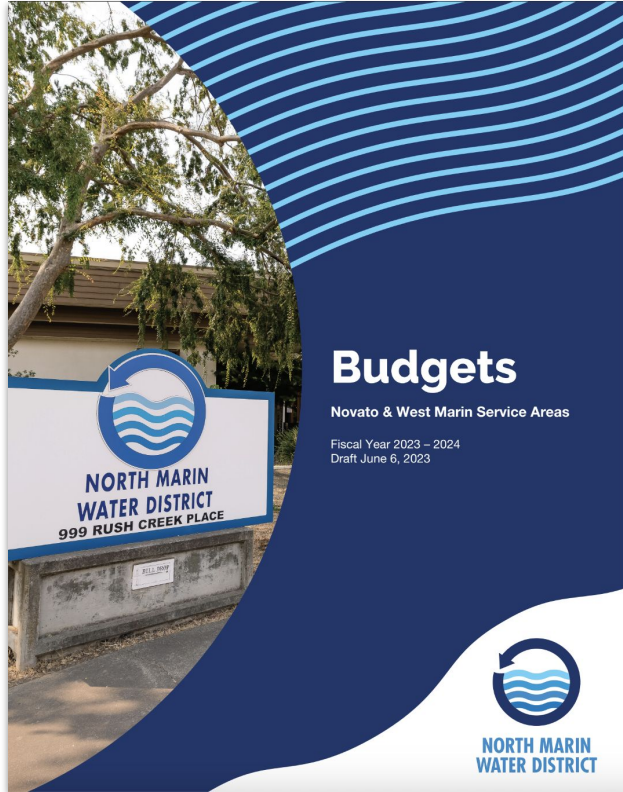
### 75 Year Anniversary

In April 1948, the North Marin Water District was formed and this year we are celebrating 75 years of service to our customers. We have been serving West Marin since 1970.



**NORTH MARIN WATER DISTRICT**

# Annual Budget Document Cover Page

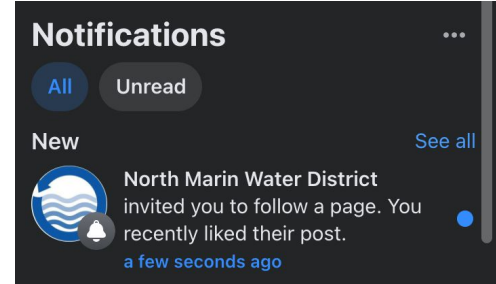


Kiosk worked on an updated cover page for the annual budget.

# Facebook Likes Campaign - May Report



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




<b>Spend in May 2023</b>	<b>Reach</b> (Number of people who saw the ad)	<b>Impressions</b>	<b>Results</b> (New Page Likes)	<b>Cost Per New Page Like</b>
\$46.29	3,048	5,607	29	\$1.60

*This month, we were able to reach over **3,048** people with the Likes Campaign*



## What's Next?

- Continuation of social posts to highlight employees on their work anniversaries
  - NMWD social posts will continue to highlight a 'plant of the month' in partnership with Home Ground Habitats
  - Kiosk will work with staff to get photos of construction and maintenance projects throughout Novato and West Marin
  - Redesign of Water Conservation rebate application forms
- 



**Thank You**