



NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING
 November 7, 2023 – 4:00 p.m.
 Location: 100 Wood Hollow Dr., Suite 300
 Novato, California

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Item	Subject
	CALL TO ORDER
1.	APPROVE MINUTES FROM REGULAR MEETING , October 17, 2023
2.	APPROVE MINUTES FROM SPECIAL MEETING , October 26, 2023
3.	GENERAL MANAGER'S REPORT
4.	OPEN TIME: (Please observe a three-minute time limit)
	This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
5.	STAFF/DIRECTORS REPORTS
	CONSENT CALENDAR
	The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.
6.	Consent - Approve: GIS Conversion to ESRI and Mapping Support – Contract Amendment
7.	Consent - Approve: Village Marin Master Association Agreement Extension
	ACTION CALENDAR
8.	Approve: Quitclaim Deeds for North Marin Aqueduct, Aqueduct Energy Efficiency Project and Caltrans MSN Project
	INFORMATION ITEMS
9.	Oceana Marin Treatment and Storage Ponds Rehabilitation Project – Report of Award
10.	Strategic Plan Progress Report – Final Year Review (FY 2022-23)
11.	FY 23/24 1 st Quarter Financial Statement
12.	MISCELLANEOUS
	Disbursements – Dated October 19, 2023
	Disbursements – Dated November 2, 2023
	NOAA Three Month Outlook Precipitation Probability
	NOAA Seasonal Outlook Drought Probability

Item	Subject
	<u>News Articles:</u> Marin IJ – Court denies appeal over bridge replacement plan - WEST MARIN Marin IJ – Utility rethinks Novato rates as costs rise – NORTH MARIN WATER DISTRICT Marin IJ – Water diversion has Marin support – LOCAL SUPPLIERS Marin IJ – MMWD action comes with an investment cost - EDITORIAL

13. **ADJOURNMENT**

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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
October 17, 2023

CALL TO ORDER

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

District employees Chris Kehoe, Construction Superintendent, and Robert Clark, Operations and Maintenance Superintendent, were in attendance.

MINUTES

On motion of Director Petterle, seconded by Director Joly, the Board approved the minutes from the October 3, 2023 regular meeting as presented by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

GENERAL MANAGER'S REPORT

Tony Williams reminded the Board how signed an MOU with the Danish Consulate and they have recently formed some working groups. He said that Pablo Ramudo is on the Water Distribution Group, Eileen Mulliner is on the Digital Water Governance Group, and he is on the Steering Committee Group. The majority of the meetings will be via Zoom, with a planned in-person meeting next summer.

Mr. Williams reminded the Board of the meeting he and Pablo Ramudo had with the State Water Board in late September, and a letter regarding this is in the Miscellaneous. He also said that the final comment letter regarding proposed water conservation regulations is also in Miscellaneous.

Mr. Williams said that the West Marin Services Ad-hoc Committee met on October 13 which included some members of the Oceana Marin area community attended but nothing to report at this time.

Mr. Williams mentioned to the Board that Will Houston, our beat reporter from the Marin IJ, has left the IJ and our new beat reporter is Adrian Rodriguez. He said that he knew Mr. Rodriguez from when he worked at the County of Marin.

1 **OPEN TIME**

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

4 **STAFF/DIRECTORS REPORTS**

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

6 **ACTION CALENDAR**

7 **CONSULTING SERVICES AGREEMENT FOR NOVATO RATE STUDY WITH HILDEBRAND**

8 **CONSULTING**

9 Julie Blue gave a brief history of Hildebrand Consulting's work for the District to the Board.
10 She said the rate study will kick off in November for rate implementation next fiscal year. Director
11 Joly asked for a short memo explaining the various assumptions from the 2020 study and how
12 various categories have deviated from that and Ms. Blue said she would put one together. Director
13 Joly also asked if the initial rate study meeting with the Ad-hoc Committee could be earlier than
14 January and Julie said that Mr. Hildebrand's schedule is flexible and she will see if an earlier
15 meeting can be arranged. Director Petterle said we could contact those people who attended the
16 rate increase public hearing last year, and Ms. Blue Julie said that we do communicate with the
17 public throughout the rate study process and there is usually a workshop that can be attended
18 therefore those specific people should receive that information. Director Eichstaedt asked about the
19 West Marin rate study and Julie said the process is similar but on a different timeline. The last one
20 was in 2021 and we will revisit it next fiscal year to determine if a rate study is needed.

21 On the motion of Director Joly, and seconded by Director Baker, the Board approved by the
22 following vote:

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

24 NOES: None

25 ABSENT: None

26 ABSTAIN: None

27 **LETTER OF SUPPORT FOR THE NEW EEL-RUSSIAN FACILITY TO REPLACE THE POTTER**
28 **VALLEY PROJECT**

29 Tony Williams informed the Board that PG&E has formally acknowledged the New Eel-
30 Russian Facility proposal from the proponents who are currently interested in new facility that will
31 replace the Potter Valley Project. The new facility will include parts of the current facility that the
32 proponents would like to keep for a future diversion.

33 He said that, although we are not signing it, our 75th anniversary logo will be added to the
34 regional letter of support. Director Joly asked why US Senators are not listed on the letter, and Mr.
35 Williams noted that that Congressman Huffman and Thompson have been very involved with the

1 issue for many years. Director Joly asked if the proponents have agreed that Lake Mendocino
2 needs to be kept and Mr. Williams said yes, they do agree. He also said that it is important the
3 proponents include the Round Valley Indian Valley Tribe as they do represent the Eel River side.
4 Director Joly asked if all three of the proponents have equal power and Mr. Williams said that they
5 currently do but the next step is to develop and governance structure if and when the proposal is
6 fully accepted.

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

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

10 NOES: None

11 ABSENT: None

12 ABSTAIN: None

13 **INFORMATION ITEMS**

14 **FY 2022/23 FOURTH QUARTER PROGRESS REPORT - OPERATIONS/MAINTENANCE**

15 Robert Clark summarized his FY 202/23 Fourth Quarter Progress Report for the Operations
16 and Maintenance Department. He said the department had several large maintenance projects
17 during the fiscal year, as well as an inspection by the EPA, as previously reported to the Board,
18 which he said overall went very well. He said that as a follow up a study from an outside vendor that
19 we have used before is coming up with an updated risk management plan. Mr. Clark said the
20 Stafford Treatment Plant was started up a littler earlier than usual this past fiscal year which
21 happened to be a good thing since the Redwood Blvd landslide happened during that time and we
22 relied on the water from the lake to provide water to Novato customers. He also mentioned that
23 recycled water use was a little lower than last year and that we did have our residential recycled
24 water program this year noting that MMWD didn't. Mr. Clark said that with the West Marin Gallagher
25 Well No. 2 up and running we had an immediate reduction in disinfection byproducts, there was no
26 salinity and we didn't have to use the Coast Guard Wells as a primary source. He also said that we
27 will be replacing Oceana Marin force main pumps which is usually done every four years. He said
28 the pump costs have gone up significantly which was not expected.

29 **OVERVIEW OF NATURAL AND HUMAN-MADE HAZARDS AND THE POTENTIAL IMPACTS ON**
30 **THE DISTRICT**

31 Tony Williams gave a presentation to the Board and highlighted the different types of
32 hazards, and which infrastructure was most vulnerable. The presentation also focused on Stafford
33 Dam, climate change and our preparedness and mitigation. Mr. Williams went over the different
34 types of hazards, such as natural, atmospheric, and human-made hazards and how they can affect
35 infrastructure. Other types covered were NATECH hazards which are natural disasters triggering

1 technical hazards. The presentation also covered infrastructure hazard mitigation. Director Joly
2 asked if one department was in charge of emergency management and Mr. Williams said that
3 everyone present at the meeting plays a role as well as the safety officer. Director Eichstaedt asked
4 if the Loma Prieta earthquake in 1989 affected any of our infrastructure and Mr. Williams said he
5 was not aware of any significant damage but noted that a study was done for the dam a few years
6 later looking at a similar size earthquake occurring on the nearest known fault (inactive) to the dam.
7 Director Joly also asked if the consultant, Genterra, will be looking at the Rogers Fault and how it
8 can affect the District's infrastructure and Mr. Williams said they will be doing an overall analysis of
9 the dam's stability.

10 Mr. Williams said that the 2023 Multi-Jurisdictional Local Hazard Mitigation Plan will be
11 brought to the Board for adoption at a future meeting.

12 Director Petterle asked that, in the event of a catastrophic event, what level of authority does
13 the General Manager have without Board approval. Mr. Williams said that in April 2022 the GM was
14 given that authority as part of conditions of employment. Director Petterle also asked if that authority
15 can be passed on to the Assistant General Manager if the General Manger wasn't available, and Mr.
16 Williams said he believes this is so. Director Petterle asked that if there were massive flooding or
17 earthquake, is it possible to assemble the District's employees from other counties and Mr. Williams
18 said this has been a more global issue for all agencies in Marin with staff commuting form other
19 areas. He mentioned that the new Administration building will have an Emergency Operations
20 Center (EOC) and previously the County expressed interest in using it as an alternate site for the
21 Marin EOC if necessary when transportation is affected further south.

22 **NBWA MEETING – OCTOBER 6, 2023**

23 Director Fraites attended the NBWA field trip to the Montezuma Wetlands Restoration. He
24 said he was very impressed with the project. He shared some of the photos he took with members
25 of the Board.

26 **TAC MEETING – SEPTEMBER 11, 2023 MINUTES**

27 Tony Williams said that the topics that were discussed at the TAC meeting were covered at
28 recent Board meetings.

29 **MISCELLANEOUS**

30 The Board received the following miscellaneous items: Disbursements dated October 5 and
31 October 12, 2023, Auditor-Controller's Monthly Report of Investments for August 2023, Monthly
32 Progress Report, Local Underground Storage Tank Closures Comment Letter to State Water
33 Resources Control Board, Proposed Making Conservation a California Way of Life Regulation
34 Comment Letter to State Water Resources Control Board.

35 The Board also received the following news articles: Marin IJ - Local water district rips

1 state plan to cut use – NORTH MARIN.
2 Marin IJ – Water District defends rate hikes – MARIN MUNICIPAL, Wet winter welcome, but repeat
3 has risks – FLOOD PERIL, Maven’s Notebook – California Water News Central - Making water
4 conservation a “California way of life” Controversial state rules could cost \$13 billion, Maven’s
5 Notebook – California Water News Central – Courthouse News Service: State Water Board urged to
6 ditch reporting aspect of urban water conservation regulations.

7 The Board also received the NMWD Web and Social Media Report – September 2023.

8 **ADJOURNMENT**

9 President Fraites adjourned the meeting at 5:38 p.m.

10 Submitted by

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13 Eileen Mulliner
14 District Secretary
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MEMORANDUM

To: Board of Directors November 7, 2023
 From: Eric Miller, Chief Engineer & Assistant General Manager *EM*
 Subject: GIS Conversion to ESRI and Mapping Support – Consulting Services Amendment
R:\NON JOB No ISSUES\ESRI\BOD memos\2023 1107 GHD amendment\11-07-23 BOD memo GHD amendment.doc

RECOMMENDED ACTION: Board authorize the General Manager to amend the Agreement with GHD

FINANCIAL IMPACT: \$32,777 (included in the current FY 22/23 budget)

The purpose of this memo is to request the first amendment to the Consulting Services Agreement with GHD for continued professional services to convert the District's GIS data onto the ESRI platform.

The Board approved the agreement with GHD at the February 21, 2023 Board meeting for an amount of \$31,915. The scope of services provided by GHD under that initial contract included transferring the District's geographic information system (GIS) database into the ArcGIS program developed by ESRI, which has emerged as the ubiquitous GIS platform used by utility providers and public works agencies.

Staff is now proposing this first amendment with a not-to-exceed fee of \$32,777 which includes pass-through software costs, ongoing technical support for District staff through June 2024, and final revisions to the District's large-scale system distribution map. Also included in the amendment fee is an optional task where GHD would develop an automated labeling script for District use to further leverage GIS technology and increase long-term productivity.

The full scope of services to be provided by GHD under this contract amendment is included as Attachment 1. Funding for this project was included in the FY 23/24 budget in the amount of \$25,000 (Capital Improvement Projects, CIP item 9a2). Costs in excess of the budgeted amount will be funded by other unused funds for special study items in Section 9 of the approved CIP budget.

RECOMMENDATION

Board authorize the General Manager to amend the agreement with GHD for additional services related to the conversion of District GIS data to the ESRI platform and developing an updated system distribution map in the amount of \$32,777.

ATTACHMENTS:

1. Proposed Scope and Fee for GIS Conversion to ESRI and Mapping Support Amendment #1 by GHD, dated October 12, 2023

718 Third Street,
Eureka, California 95501
United States
www.ghd.com

Our ref: 12601174

October 12, 2023

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

Proposed Scope and Fee for GIS Conversion to Esri and Mapping Support Amendment #1

Dear Mr. Miller

It is my pleasure to present this proposed scope and fee for additional Geographic Information System (GIS) mapping and technical support. This scope and fee is intended as a Task Order/Purchase Order amendment under GHD's and the District's existing agreement executed on April 10th, 2023. Below I have summarized our understanding of the District's request based on our conference call on October 2nd, 2023.

The term of this amendment would extend beyond the original scope completion date by 50 weeks (1 hour of technical support per week). The original contract completion date is listed as February 28th, 2024. This amendment would extend the completion date through September 30th, 2024.

Scope of Work

Task 1 – Project management

This includes project administration, internal and external coordination, kick-off and review meetings and quality control progress reports to be provided monthly or while activity is occurring. Progress reports will outline works completed and any issues identified, or changes proposed on the schedule or deliverables.

Deliverable(s):

- Monthly invoice (pdf)
- Monthly progress report (pdf)

Task 2 – Esri ArcGIS Online License Pass Through

GHD will coordinate with Esri to upgrade the District's existing ArcGIS Online Professional Basic license to an ArcGIS Online Professional Advanced license. Esri has indicated that the amount already paid towards the Basic license will count towards the cost of the Advanced license, and the Advanced license will be prorated through the remainder of the subscription (June 27, 2024).

Assumption(s):

- Renewal of the Esri ArcGIS Online subscription through 2025 is not included in this scope.

Deliverable(s):

- Esri ArcGIS Online Professional Advanced license

Task 3 – On-Call Technical Support

GHD will provide as-needed on-call support to District staff during their transition to Esri software. This technical support includes guidance in software questions, ArcGIS Online setup, minor needs assessments, and big-picture data management planning discussions.

Assumption(s):

- GHD to provide guidance and advice.
- District to be conducting technical work.

Deliverable(s):

- Meeting recordings (where requested)

Task 4 – Distribution Map Revisions

GHD will revise the draft wall-size pdf map according to District comments provided on October 2nd, 2023. Some of these comments were modified based on discussion during October 12th meeting (see strike through below). GHD will then generate a second draft of the multi-page map series where the list of wall map edits applies and at District direction.

List of edits provided by NMWD:

1. Aerial background instead of the topo; show Stafford Lake
2. Landscape orientation for map
3. Larger logo for big map
4. Cut of north portion of service area at approximately Row 8 or 9 (“field fit”); include cut off row on both maps for continuity
5. Create a 22x34 map for north area with same changes as big map
6. Put row and column ID in middle of each grid and remove from outside
7. 12” and larger pipe bolder line width, less than 12” pipe thinner line width
8. ~~Assign original linetypes for zones (zone 1 solid line, zone 2 dashed, zone 3 center line, and zone 4 phantom line)~~
 - a. This map edit no longer required, as of October 12th meeting with District.
9. ~~Black~~ lines for all water; mmwd dark gray, recycle water line purple
 - a. (new) Water lines will be dark blue
 - b. (new) SCWA lines will brown
10. Major street labeling
11. Intertie locations (to MMWD) marked on map
12. Tank callouts to be manually adjusted for better label location
13. Label pump stations by name
14. Include the “by district” boundaries (political divisions)
15. Incorporate more information on big map, ie, tables for tanks, pumps, etc for storage data, elevation, etc
16. Biggest zone could be white and other zones have color to reduce the amount of color on maps
17. City limits line (more readable)

Assumption(s):

- Additional edits to the multi-page map series will be completed by the District under guidance by GHD under Task 3
- This scope does not include print or delivery of hard copy maps

- District will provide information for edit #11
- District will provide table information for edit #15

Deliverable(s):

- One (1) pdf map size 36" x 48" of the main service area
- One (1) pdf map size 22" x 34" of the northern service area
- One (1) pdf multi-page map series second draft size 8.5" x 11" or NMWD size preference
- One (1) map package containing the map files used to create the pdf maps

Task 5 – Labeling Automation Tool (optional)

Feature labeling can become challenging when there are many features close together. Often GIS users will convert labels to be adjusted manually, however this provides a challenge when the label values need to change - the user would need to update both the feature attribute and the label for every change.

This task involves developing a script that would sync and update a label feature based on the feature attribute changes. The user would only have to update the feature attributes and then run the script, saving time when there are many manual labels.

The script will function under these circumstances:

- Label locations are predetermined before the script is run.
- There is a unique ID value shared with the asset and the text placement "point."
- The name of the column used for labeling the feature remains unchanged.
- The feature file names will remain unchanged.

Assumption(s):

- The script will necessitate that filepaths, feature names, and field names will not change.
- Any script modification or debugging support can be provided under Task 3.

Deliverable(s):

- Text based script, or python code, that will sync labels with feature attributes.

Schedule

GHD anticipates the following delivery dates for the above Tasks:

- Task 2 within three weeks of Notice to Proceed (NTP).
- Task 3 ongoing for fifty (50) weeks after NTP.
- Task 4 within one (1) month of NTP.
- Task 5 within two (2) months of NTP.

Fee

Please see detailed fee schedule below for staff and hours. The total fee estimate is \$32,777.



North Marin Water District GIS Conversion to Esri and Mapping Support Amendment #1
12601174

Description	Project Director	Project Manager	GIS Analyst	Total Hours	Labor Total	Esri GIS Professional Advanced	Disb. Fee	Total Disb.	Estimated Project Total
	Shows	Clark	Jones						
	\$290.0	\$220.0	\$180.0						
Task1	4	12	0	16	\$3,800	\$0	\$104	\$104	\$3,904
Subtask 1.1 Project management	4	12	0	16	\$3,800	\$0	\$104	\$104	\$3,904
Task2	0	1	0	1	\$220	\$3,400	\$7	\$3,407	\$3,627
Subtask 2.1 Esri ArcGIS Online Pass Through	0	1	0	1	\$220	\$3,400	\$7	\$3,407	\$3,627
Task3	0	50	0	50	\$11,000	\$0	\$325	\$325	\$11,325
Subtask 3.1 On-Call Technical Support	0	50	0	50	\$11,000	\$0	\$325	\$325	\$11,325
Task4	3	4	45	52	\$9,850	\$0	\$338	\$338	\$10,188
Subtask 4.1 Wall Map Revisions	2	2	30	34	\$6,420	\$0	\$221	\$221	\$6,641
Subtask 4.2 Facility Map Revisions	1	2	15	18	\$3,430	\$0	\$117	\$117	\$3,547
Task5	1	2	16	19	\$3,610	\$0	\$124	\$124	\$3,734
Subtask 5.1 Labeling Automation Tool (option)	1	2	16	19	\$3,610	\$0	\$124	\$124	\$3,734
Total Labor Hours	8	69	61						
Estimated Project Total	\$2,320	\$15,180	\$10,980	138	\$28,480	\$3,400	\$897	\$4,297	\$32,777

Closing

Through this amendment, GHD will launch the District into their transition to an ESRI GIS based system, and provide support and guidance during the transition period.

If you have any questions or comments regarding this amendment, please feel free to call Julia Clark at 707-267-2267.

Regards

Julia Clark
Project Manager
+1 707 267-2267
julia.clark@ghd.com

Amber Shows
Project Director
+1 707 267-2202
amber.shows@ghd.com

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MEMORANDUM

To: Board of Directors
 From: Robert Clark, Operations / Maintenance Superintendent *RKC*
 Subj: Approve Village Marin Master Association Agreement Extension
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November 7, 2023

RECOMMENDED ACTION: Approve Lease Agreement Extension

FINANCIAL IMPACT: \$3,000 annual income

The Village of Marin Master Association (VMMA) currently has a ten-year license agreement with the District allowing use of Pacheco Tank roof for four tennis / pickle ball courts. The courts were installed at this site in 1975 during the construction of the Village Marin area. The current agreement runs through December 31, 2023 with a provisional option to extend the term for an additional ten years. The current annual fee is \$2,950. The Village of Marin Master Association (VMMA) is in good standing with the District, and has requested to exercise this option (with minor modifications).

The VMMA is a small group of homeowners, with an agreement to manage and maintain the courts for their exclusive use. The agreement modifications requested by the VMMA pertain to how they reference the courts to include Pickle Ball. The District has also increased the annual fee to \$3,000, with a \$75 annual escalator to account for additional staff time and attorneys' fees. The modified agreement has been reviewed and approved by staff and the District's legal counsel.

RECOMMENDATION

Board authorize staff to grant the Village Marin Master Association's request for an agreement extension for a ten-year term, from January 1, 2024 to December 31, 2033.

ATTACHMENT

1. Draft Agreement (without Exhibit A)

AGREEMENT

The NORTH MARIN WATER DISTRICT, a public corporation, hereinafter referred to as "the District", and VILLAGE MARIN MASTER ASSOCIATION, a California Nonprofit Mutual Benefit Corporation, hereinafter referred to as "the Association," agree as follows:

1. The District hereby grants to the Association the right to use the District's Pacheco Reservoir site in Novato, California ("the Reservoir") as a Tennis / Pickle Ball court, hereafter referred to as "Courts" facility, and the right to access the Courts via the appurtenant parking areas, access road, paths, fences and gates, as the Association has done since 1975. The boundary of the agreement area is shown on Exhibit A attached hereto and made a part hereof.
2. The areas subject to this Agreement shall be referred to herein as follows:
 - a. "Courts" shall refer to the 4 courts on the surface of the water tank, related nets and benches and other similar features, as well as the 12-foot vinyl-coated chain-link fence that surrounds the tennis courts.
 - b. "Access Areas" shall refer to the roadway from Alameda del Prado to and including the paved parking area that accommodates not fewer than 12 cars, and the security fences and gates located at the base of the roadway and near the paved parking area.
3. The Association shall have the right to use the Courts for the sole use of the Association's members and the members' guests when accompanied by members, as a tennis facility, as long as this Agreement is in effect. The District agrees not to allow any other members of the public to use the Courts as long as this Agreement is in effect. The District benefits from granting these rights as (1) granting these rights ensures that the Courts and the Access Areas will be frequently monitored and observed by the Association's members and its Board of Directors, such that any vandalism or other concerns will be promptly reported to the District, (2) certain maintenance and care of the Courts and adjacent parking area will be provided by the Association, and (3) continuous use by the Association since 1975 has not damaged the Reservoir or the Access Areas or impeded in any way the Reservoir's primary purpose as a water utility property. The Association and its members and guests accompanied by members shall have a right to use the Access Areas for ingress and egress to the Courts, and the right to access the Courts by automobiles parked at the paved parking area within the Access Areas. The Association acknowledges that the access road is and will continue to be used by numerous other local public entities and by privately owned public utilities.
4. The Association acknowledges that the primary use of the Reservoir is by the District as a water utility property and that its use pursuant to this Agreement is secondary and subordinate to said primary use. The Association shall not at any time use, or permit any

member to use, the Courts or the Access Areas, or any part of them, in any manner that will interfere with or impair the primary use of the Reservoir as a water facility by the District. The District shall have the right without liability or notice to the Association to suspend or limit the Association's use of the Courts and Access Areas during such periods as the District shall solely determine to be necessary in the operation or maintenance or repair of the Reservoir as a water facility.

5. The Association shall not construct or permit the construction of any structure or improvement on or related to the Courts unless the plans and specifications therefor are first approved in writing by the District. All construction and maintenance on or related to the Courts shall be performed in a good and workmanlike manner and shall be in accordance with plans and specifications previously approved in writing by the District. Windscreens shall not be permitted on the fence that surrounds the Tennis Courts.
6. The Association may at its option install footpaths from the Pacheco Valle subdivision to the Courts, or lighting for the Courts or parking areas, provided necessary permits are obtained by the Association, and said improvements have prior written approval by the District.
7. All construction and maintenance by the Association shall be without cost to the District and the Association shall hold the District harmless from claims for labor or materials in connection therewith. At the request of the District, the Association shall require each of its contractors doing work on or related to the Courts and/or the Access Areas to furnish a performance or maintenance bond in amounts and on terms specified by the District, or make other arrangements satisfactory to the District to ensure completion and performance, to maintain personal injury and property damage liability insurance coverage as specified in Section 13.a. of this Agreement, and to indemnify the District, its officers, employees, and agents and hold them harmless for any liability, claim or damage to persons or property in any manner arising out of the construction or maintenance activities.
8. The Association shall, without cost to the District, generally maintain the Courts and Access Areas in good condition and repair, and secure and bar access to any area of any Court not suitable for use, and keep the Courts and the adjacent parking area clean, orderly and free of refuse and debris. The Association shall pay for all electric power furnished to the Courts for lighting and pay for trash disposal and all other services related to the use of Tennis Courts by the Association.
9. The Association shall have the exclusive right to control the use of the Courts for tennis or similar compatible sports, in such manner as the Association sees fit, for its members, provided that such use of the Courts shall not be restricted in any way on the basis of race, sex, creed or nationality or any other criterion that would violate the federal and state constitutions or statutes.
10. The effective date of this Agreement shall be January 1, 2024, and its initial term shall be for ten years, from the effective date to and until December 31, 2033. Prior to the expiration

of this initial term, the District shall offer renewal of the Agreement to the Association for a period of not less than ten (10) years provided the Association agrees to reasonable conditions, insurance and financial arrangements then deemed necessary by the District. If agreement to renewal terms cannot be reached by the parties within sixty (60) days after the expiration of this initial term, the Association may remove its personal property from the Courts and Access Areas including nets and posts and any lighting fixtures but excluding fences, gates or other structures affixed to the Courts.

11. If a breach of any term or condition of this Agreement occurs and if, after written notice, the Association fails to remedy or cure said breach to the satisfaction of the District within thirty (30) days or such longer period of time necessary to cure said breach as determined by the District, the District may terminate this Agreement. In the event that damage occurs that requires immediate repair, as determined solely by the District, the District may undertake and perform any repair or action it deems necessary and bill the full cost of said repairs or actions to the Association and the Association shall pay said cost within thirty (30) days of receipt of invoice therefore.
12. The Association shall pay the District an annual fee of Three thousand dollars (\$3,000) in advance on or before the 15th day of January, 2024, and shall pay said amount plus an additional amount described in paragraph 12. a below on or before the 15th day of January of each year thereafter during the term of this Agreement. If this Agreement is terminated, no portion of any fee heretofore paid shall be refunded.

a. Annual fee description

2024: \$3,000
2025: \$3,075
2026: \$3,150
2027: \$3,225
2028: \$3,300
2029: \$3,375
2030: \$3,450
2031: \$3,525
2032: \$3,600
2033: \$3,675

13. The Association shall indemnify the District, its officers, employees, and agents and hold them harmless for any liability, claim or damage to persons or property in any manner arising out of the exercise of the rights and privileges granted and obligations required by this Agreement. Throughout the term of this Agreement the Association shall, at its expense, maintain in effect the following policies of insurance:
 - a. personal injury and property damage liability insurance with a combined single limit of not less than two million dollars (\$2,000,000), which names the District and its officers, Directors, employees and agents as additional insureds and is primary to all insurance policies paid for by the District, and

- b. fire and extended coverage endorsement, vandalism and malicious mischief insurance with limits of not less than one hundred fifty thousand dollars (\$150,000) which names the District as loss payee as its interest may appear.

Association shall provide District with evidence of required insurance in force in the form of a full copy of the policy including declarations, insuring agreement, definitions, exclusions, conditions and endorsements. Said policies shall be endorsed to be non-cancelable without forty-five (45) days prior written notice to the District. Any breach of any provision of this section 13 shall be grounds for termination of this Agreement by the District. The District shall review the adequacy of the limits of coverage in subsections a. and b. above from time to time, but at intervals not greater than five (5) years, and may require adjustment of such limits of coverage equal to the percentage change in the then current Construction Cost Index (CCI) compared to the CCI 5 years prior as published monthly by Engineering News Record and entitled "20 City Index". Said index is currently 13497.97 (October 2023). Should said index be unavailable in the future, the District will substitute some reasonable alternative index as a measure of inflation. The District shall notify the Association of such required adjustment in insurance coverage and Association shall have six (6) months to comply with such notification.

- 14. This Agreement shall not be assigned to any successors of the Association without the prior written consent of the District.
- 15. This Agreement shall supersede any prior Agreements between the parties.

Signature Page Follows

IN WITNESS WHEREOF, the parties have executed this agreement on the date first above written.

NORTH MARIN WATER DISTRICT:

By:
Its: President

Date: _____

ATTEST:

Secretary

Date: _____

VILLAGE MARIN MASTER ASSOCIATION
A California Nonprofit Mutual Benefit Corporation

By:
Its: President of the Board of Directors

Date: _____

ATTEST:

By:
Its: Secretary of the Board of Directors

Date: _____

8



MEMORANDUM

To: Board of Directors November 7, 2023
 From: Tony Williams, General Manager *TW*
 Subj: Quitclaim Deeds for North Marin Aqueduct, Aqueduct Energy Efficiency Project and Caltrans MSN Project
t:\gml\bod memos 2023\11-7-23 meeting\caltrans quitclaims\11-7-23 bod memo caltrans qcs_aeep.docx

RECOMMENDED ACTION: Adopt Resolution 23-XX Authorizing the General Manager to Execute Quitclaim Deeds to Caltrans for Easements no longer needed by the District for the North Marin Aqueduct

FINANCIAL IMPACT: None at this time

Background

On July 27, 2009 the California Department of Transportation (Caltrans) approved the Marin Sonoma Narrows (MSN) High Occupancy Vehicle (HOV) Widening Project. The Caltrans MSN project widened and realigned Highway 101 to accommodate HOV lanes and new and upgraded frontage roads and ramps and included the construction of an expanded freeway interchange at the Redwood Landfill exit and construction of new frontage roads between Novato and Petaluma. These improvements extend the Highway right-of-way into then portions of the NMWD's pipeline easement for the existing North Marin Aqueduct (NMA) and therefore, as part of the project, Caltrans had to relocate a majority of the NMA as part of the MSN project.

At the July 19, 2011 meeting, the Board approved what is now known as the District's Aqueduct Energy Efficiency Project (AEEP). The AEEP increased the diameter of portions of the NMA from 30-inches to 42-inches and, as was driven by the relocation required by the MSN project. In 2012, the Board approved a Cooperative Agreement and Utility Agreement with Caltrans, which defined the respective roles and responsibilities of each agency and project cost sharing. The Utility Agreement was amended in 2022 increasing the Caltrans cost share to \$235,000 after the Board approval at the June 28, 2022 meeting.

The AEEP and the MSN projects required new water line easements for the various segments of the NMA that had to be relocated because of the MSN project realignment of the Highway. In certain locations where the new Highway alignment shifted the needed right-of-way beyond or outside the limits of existing NMA easements (that were within the old Highway right-of-way), Caltrans must quitclaim those areas to the District because of the current NMA alignment. The relocation and the realignment of the Highway also requires the quitclaiming by the District

of certain original NMA easements that are no longer needed and are now within new Highway right-of-way or otherwise unavailable for utilities.

The Board has authorized the General Manager to accept grants of easements as a duly appointed officer of the District as resolved in Resolutions Numbers 02-35, 07-42, and 10-14 (the three provided together as Attachment 1 for reference). The Board also previously authorized the General Manager to quitclaim easements related to the NMA to Sonoma County Water Agency as resolved in Resolution No. 07-43 (Attachment 2). It has been District practice to bring individual quitclaim actions to the Board for approval since, in most cases, there is rarely a need for the District to quitclaim easements or other real property. The AEEP and Caltrans' MSN projects creates a unique circumstance because of the realignment of the Highway (and frontage roads) and the subsequent and substantial realignment and construction of new segments of the NMA requiring methodical adjustments to existing easements as well as the creation of new easements. In addition, the projects created the need for new pipeline crossings under the Highway that didn't exist before (and were not needed based on the original alignment).

Project Closeout

The final phase of the AEEP was completed in 2016 and since that time District staff have been working closely with Caltrans staff to complete all of the final water line easements, associated quitclaims, and Joint Use Agreements (JUAs). JUAs are issued by Caltrans wherever our water lines cross under the Highway (through the right-of-way). There are approximately sixteen (16) easements deeds (Caltrans to District), seven (7) quitclaim deeds to District (from Caltrans), nine (9) quitclaim deeds to Caltrans (from District), and seven (7) JUAs still outstanding. The attached maps (Attachment 3) shows the approximate location of the easements and quitclaims. As indicated in second map of Attachment 3, the necessary quitclaims are generally straightforward as the original waterline easement is now part of the realigned Highway right-of-way and therefore no longer benefit the District, especially in light of the new aqueduct alignment located elsewhere.

The coordination and review of the draft documents described above has involved current key District staff, Dale White, consultant land surveyor (White & Prescott), legal counsel, and Drew McIntyre (from 2016 to 2022 in his prior capacity as well as in 2023 as a retired annuitant). The degree of review and coordination effort has fluctuated in the last 2 years since Caltrans has intermittently provided new or updated documents for review in that time period. Recently, Caltrans has indicated that the 39 various property related documents described above will not be ready for execution all at the same time but will likely be "processed slowly and can get

reviewed, approved and recorded as needed as they come in”¹. Given the apparent sporadic schedule and availability of these documents from Caltrans, as well as the prior Board authorization given to the General Manager for these types of transactions, staff is recommending that the Board provide authorization to the General Manager to execute the required quitclaims deeds to Caltrans, specific to the NMA as impacted by the AEEP and MSN projects as described in the draft Resolution No. 23-XX (Attachment 4). Staff will continue to engage the support of the consultant surveyor, legal counsel and Drew McIntyre as appropriate before executing any quitclaim deeds. In addition to the easements and quitclaims that involve Caltrans, there are also pending easements and quitclaims that involve private property owners. Staff intends to bring those back separately to the Board for consideration and approval.

RECOMMENDATION

Adopt Resolution 23-XX that Authorizes the General Manager to execute Quitclaim Deeds to California State Department of Transportation (Caltrans) for waterline easements no longer needed by the District for the North Marin Aqueduct pipeline.

ATTACHMENTS:

1. Copies of Prior Resolutions related to easements
2. Copy of Resolution No. 07-43 related to Quitclaims
3. North Marin Aqueduct – Highway 101 Easement Map(s)
4. Draft Resolution No. 23-XX

¹ Email communication with Caltrans Division of Right of Way Branch Chief, October 265, 2023

RESOLUTION NO. 02-35

**A RESOLUTION OF
NORTH MARIN WATER DISTRICT
AUTHORIZING THE GENERAL MANAGER TO ACCEPT GRANTS OF EASEMENT**

RESOLVED by the Board of Directors of the North Marin Water District, that,

WHEREAS, the General Manager, as a duly appointed officer of the District, shall be and is hereby authorized, for and on behalf of the District, to accept from time to time any easement granted to this District necessary in carrying out the operations of this District.

NOW, THEREFORE, this Resolution of Application is hereby adopted and approved by the Board of Directors of the North Marin Water District.

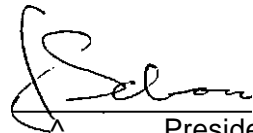
PASSED AND ADOPTED this first day of October 2002 by the Board of Directors of the North Marin Water District, County of Marin, State of California, by the following vote:

AYES: Directors Baker, Munden, Petterle, Rodoni and Schoonover

NOES: None

ABSTAIN: None


ABSENT: None



President

Board of Directors
North Marin Water District

ATTEST:



Joyce S. Arnold
District Secretary

RESOLUTION NO. 07-42

**A RESOLUTION OF
NORTH MARIN WATER DISTRICT
AUTHORIZING THE GENERAL MANAGER TO ACCEPT GRANTS OF EASEMENT**

RESOLVED by the Board of Directors of the North Marin Water District, that,

WHEREAS, the General Manager, pursuant to Resolution 02-35, is authorized, for and on behalf of the District, to accept from time to time any easement granted to this District necessary in carrying out the operations of this District.

WHEREAS, Resolution 02-35 does not address the General Manager's authority to accept an easement granted to the District where such easement includes indemnification obligations of the District in favor of the grantor or assignor of the easement.

WHEREAS, the General Manager, as a duly appointed officer of the District, shall be and is hereby authorized, for and on behalf of the District, to accept from time to time any easement granted to this District necessary in carrying out the operations of this District, including easements with indemnification obligations of the District in favor of the grantor or assignor of the easement. *

NOW, THEREFORE, this Resolution of Application is hereby adopted and approved by the Board of Directors of the North Marin Water District.

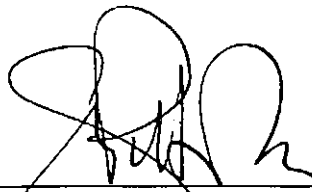
PASSED AND ADOPTED this 6th day of November, 2007 by the Board of Directors of the North Marin Water District, County of Marin, State of California, by the following vote:

AYES: Baker, Fraitcs, Petterle, Rodoni, Schoonover

NOES: None

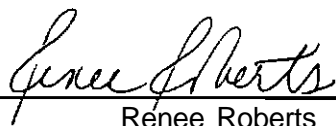
ABSTAIN: None

ABSENT: None



President
Board of Directors
North Marin Water District

ATTEST:



Renee Roberts
District Secretary

RESOLUTION NO. 10-14

**A RESOLUTION OF
NORTH MARIN WATER DISTRICT
AUTHORIZING THE GENERAL MANAGER TO ACCEPT
CONVEYANCES OF REAL PROPERTY INTERESTS**

RESOLVED by the Board of Directors of the North Marin Water District, that,

WHEREAS, the General Manager, pursuant to Resolution 02-35, is authorized, for and on behalf of the District, to accept from time to time any easement granted to this District necessary in carrying out the operations of this District.

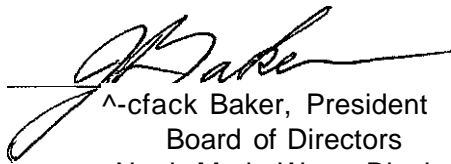
WHEREAS, Resolution 02-35 does not address the General Manager's authority to accept conveyances granted to the District of real property interests other than easements.

WHEREAS, the General Manager, as a duly appointed officer of the District, shall be and is hereby authorized, for and on behalf of the District, to accept from time to time any conveyance of a real property interest granted to this District necessary in carrying out the operations of this District.

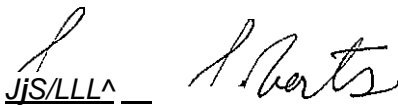
NOW, THEREFORE, this Resolution is hereby adopted and approved by the Board of Directors of the North Marin Water District.

PASSED AND ADOPTED this 3rd day of August 2010 by the Board of Directors of the North Marin Water District, County of Marin, State of California, by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni, Schoonover
NOES: None
ABSENT: None
ABSTAINED: None


Jack Baker, President
Board of Directors
North Marin Water District

ATTEST:

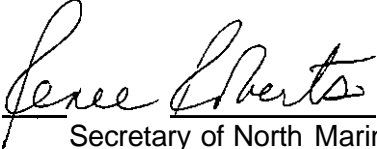

JjS/LLL^
Renee Robert, District Secretary

RESOLUTION NO. 07-43
AUTHORIZATION OF EXECUTION OF QUITCLAIM DEED TO
SONOMA COUNTY WATER AGENCY

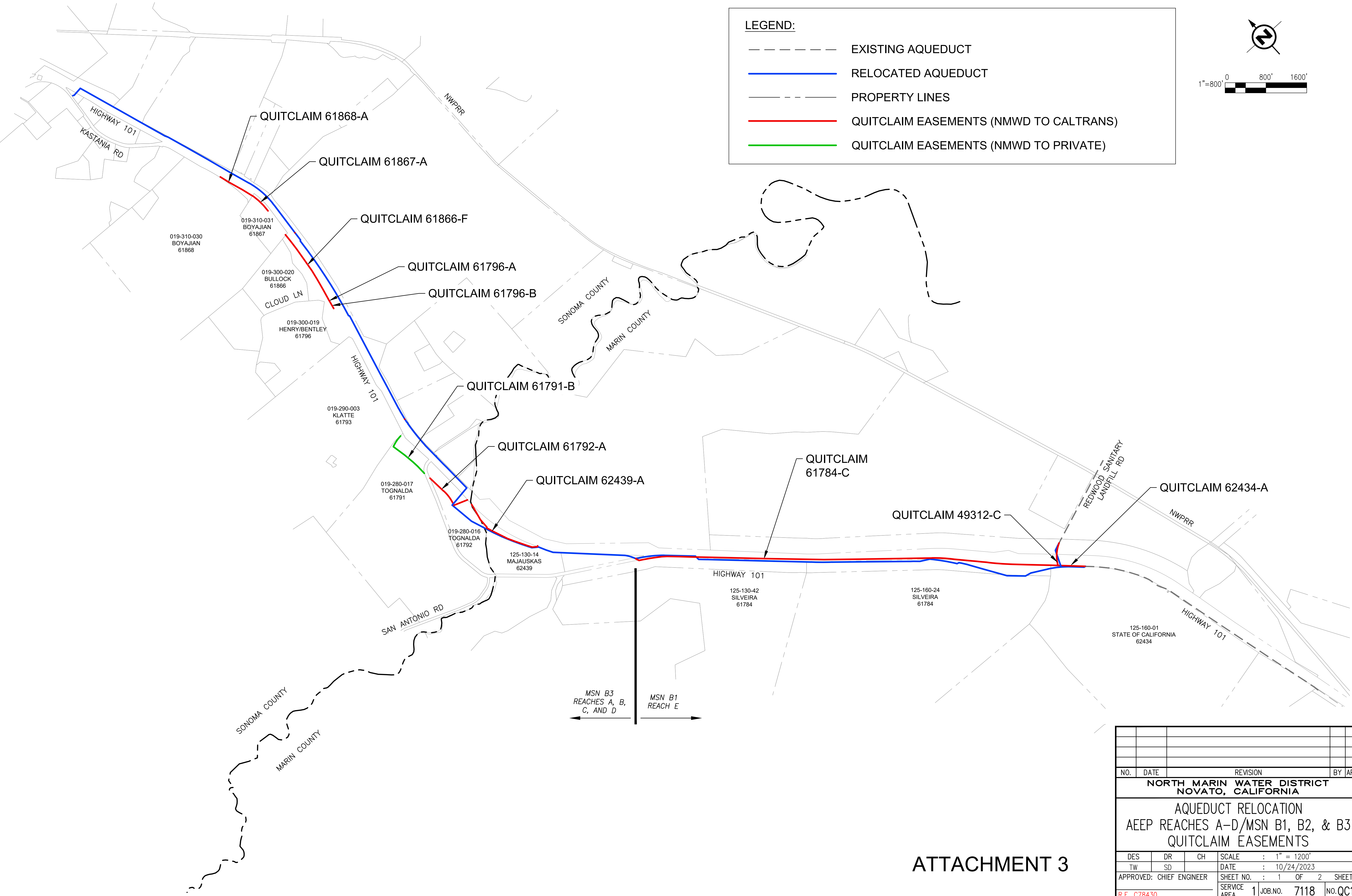
BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the General Manager and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain Quitclaim Deed to providing for the release an access easement which is not required for District purposes.

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 this 6th day of November, 2007, by the following vote:

AYES: Baker, Fraites, Petterle, Rodoni, Schoonover
NOES: None
ABSENT: None
ABSTAINED: None


Secretary of North Marin
Water District

(SEAL)



LEGEND:

- EXISTING AQUEDUCT
- RELOCATED AQUEDUCT
- PROPERTY LINES
- QUITCLAIM EASEMENTS (NMWD TO CALTRANS)
- QUITCLAIM EASEMENTS (NMWD TO PRIVATE)

1"=800'

MSN B3
REACHES A, B,
C, AND D

MSN B1
REACH E

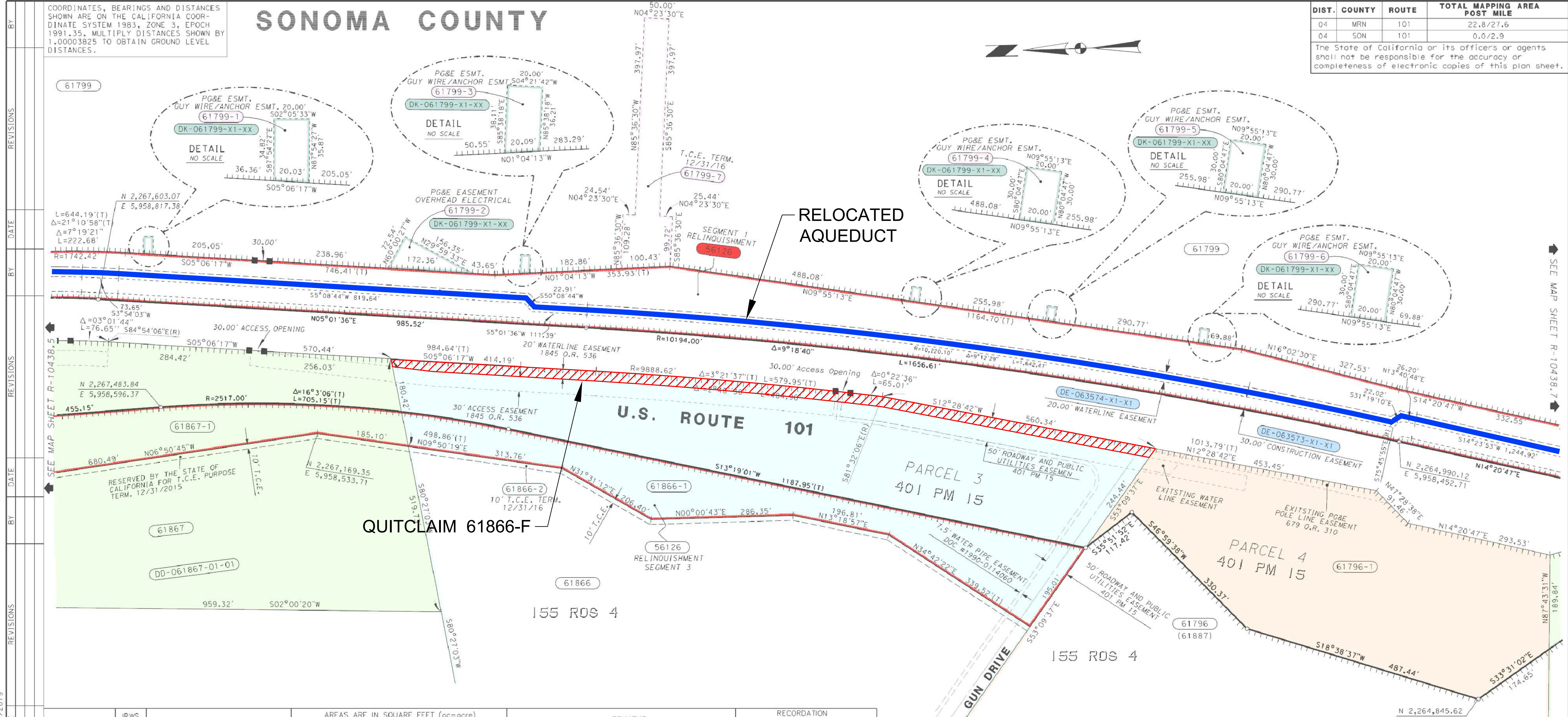
ATTACHMENT 3

NO.	DATE	REVISION	BY	APP.
NORTH MARIN WATER DISTRICT NOVATO, CALIFORNIA				
AQUEDUCT RELOCATION AEEP REACHES A-D/MSN B1, B2, & B3 QUITCLAIM EASEMENTS				
DES	DR	CH	SCALE	: 1" = 1200'
TW	SD	DATE	: 10/24/2023	
APPROVED: CHIEF ENGINEER			SHEET NO. :	1 OF 2 SHEETS
R.E. C78430			SERVICE AREA	1 JOB.NO. 7118 NO.QC1

SONOMA COUNTY

COORDINATES, BEARINGS AND DISTANCES SHOWN ARE ON THE CALIFORNIA COORDINATE SYSTEM 1983, ZONE 3, EPOCH 1991.35. MULTIPLY DISTANCES SHOWN BY 1.0003825 TO OBTAIN GROUND LEVEL DISTANCES.

DIST.	COUNTY	ROUTE	TOTAL MAPPING AREA POST MILE
04	MRN	101	22.8/27.6
04	SON	101	0.0/2.9
The State of California or its officers or agents shall not be responsible for the accuracy or completeness of electronic copies of this plan sheet.			



R/W PROJECT SURVEYOR: A. ZHONG LICENSE #: 7437 DATE: 12/2019
CONVERT A-MAP TO R-MAP
A. ZHONG
DATE: 12/2019

PARCEL #	IRWS ACO CODE	GRANTOR	AREAS ARE IN SQUARE FEET (ac=acre)				REMARKS (areas are in square feet)	RECORDATION		
			TOTAL	REQUIRED R/W	EXCESS	REMAINDER		INST	DATE	DOCUMENT #
REL-56126	REL	STATE TO COUNTY OF SONOMA					SEGMENTS 1 & 3			
61796-1	F	LYNCH FAMILY TRUST	5.684 ac	5.684 ac			INCLUDING 14,595 SF EXIST. ROADWAY AND PUBLIC UTILITIES ESMTS., EXIST. WATERLINE ESMT. AND EXIST. PG&E ESMT.	GD	06/05/13	*2013057940
61799-1	E	WALTER & RAMONA YEE TRUST					707 SF GUY WIRE/ANCHOR ESMT. FOR PG & E	ED	02/10/14	*2014009675
61799-2	E	"					5,671 SF OVERHEAD ELECTRICAL ESMT. FOR PG & E	"	"	"
61799-3	E	"					743 SF GUY WIRE/ANCHOR ESMT. FOR PG & E	"	"	"
61799-4	E	"					600 SF GUY WIRE/ANCHOR ESMT. FOR PG & E	"	"	"
61799-5	E	"					600 SF GUY WIRE/ANCHOR ESMT. FOR PG & E	"	"	"
61799-6	E	"					600 SF GUY WIRE/ANCHOR ESMT. FOR PG & E	"	"	"
61799-7	E	"					30,345 SF T.C.E. TERM. 12/31/2016	"	"	"
61866-1	F	ROBERT & JACQUELINE BULLOCK	8.849 ac	8.849 ac			INCLUDING 78,384 SF EXIST. ROADWAY AND PUBLIC UTILITIES ESMTS., AND 24,741 SF EXIST. WATER PIPELINE ESMTS.	GD	06/28/13	*2013066906
61866-2	E	"					13,387 SF T.C.E. TERM. 12/31/2016	"	"	"
61867-1	F	MARIN MUNICIPAL WATER DIST.	11.906 ac	5.047 ac	6.859 ac		INCLUDING 21,833 SF EXIST. ACCESS AND ROADWAY ESMT., AND 8,914 EXIST. WATER PIPELINE ESMT.	GD	08/08/12	*2012076057
62170-3	E	PETER G. LOFTING & AMY SKEZAS					600 SF T.C.E. TERM. 12/31/2016	FOC	07/08/16	*2016059498
DD-061867-01-01	F	STATE TO XXXX			6.859 ac					
DE-063573-X1-XX	E	STATE TO N.M.W.D.					6.206 ac 20.00' WIDE WATERLINE EASEMENT			
DE-063574-X1-XX	E	STATE TO N.M.W.D.					4.292 ac 30.00' WIDE CONSTRUCTION EASEMENT			
DK-061799-X1-XX	E	STATE TO PG & G					8,921 SF EASEMENTS			

LEGEND

- ACCESS PROHIBITED
- ACCESS OPENING
- INDICATES CALCULATED POINT
- DOC# DOCUMENT NUMBER
- N.M.W.D. NORTH MARIN WATER DISTRICT
- S.C.W.A. SONOMA COUNTY WATER AGENCY
- RAR RELINQUISHMENT OF ACCESS RIGHTS
- (R) RADIAL BEARING
- (T) TOTAL
- STATE PARCEL NUMBER



MAP REFERENCES

E.A. 264082	264092
R/W P.S. A.ZHONG	
HARD COPY	APPRAISAL
A-10438.6	RECORD
R-46.4 & STRIP MAP 7 OF 35	MONUMENT

NO. DATE REVISION BY APP.

NORTH MARIN WATER DISTRICT
NOVATO, CALIFORNIA

AQUEDUCT RELOCATION
AEEP REACHES A-D/MSN B1, B2, & B3
QUITCLAIM EASEMENT 61866-F

DES DR CH SCALE : 1" = 100'

TW SD DATE : 10/24/2023

APPROVED: CHIEF ENGINEER SHEET NO. : 2 OF 2 SHEETS

R.E. C78430 SERVICE AREA 1 JOB NO. 7118 NO. QC2

Supplementary information may be obtained from the District Office, Office of R/W Engineering, Surveys and Mapping Services, 111 Grand Avenue, Oakland, California.

RESOLUTION NO. 23-XX

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NORTH MARIN WATER DISTRICT
AUTHORIZING THE EXECUTION OF QUITCLAIM DEEDS TO
CALIFORNIA DEPARTMENT OF TRANSPORTATION
RELATED TO THE NORTH MARIN AQUEDUCT**

WHEREAS the North Marin Water District (NMWD) owns and operates a transmission pipeline known as the North Marin Aqueduct, that extends from Petaluma in Sonoma County to north Novato in Marin County for conveyance of purchased water from Sonoma County Water Agency, and

WHEREAS on July 19, 2011, the Board of Directors approved the NMWD Aqueduct Energy Efficiency Project (AEEP) which was implemented in conjunction with the California Department of Transportation (Caltrans) Marin-Sonoma Narrows Project; and

WHEREAS on April 3, 2012, the Board of Directors adopted Resolution No. 12-09 authorizing the General Manager to execute Utility and Cooperative Agreements with Caltrans for Marin-Sonoma Narrows projects and associated relocations of aqueduct segments as part of the AEEP; and

WHEREAS between 2012 and 2014 Cooperative and Utility Agreements were executed with Caltrans for the various phases of the Marin-Sonoma Narrows Project and the associated aqueduct relocations under the AEEP, including subsequent amendments to the agreements that were required throughout the course of the Projects; and

WHEREAS the final construction phase of the Marin-Sonoma Narrows Project associated with aqueduct realignments under the NMWD AEEP was completed in May 2016, and since that time NMWD and Caltrans, as required under the executed Cooperative and Utility Agreements, have been preparing final waterline easement deeds, Joint Use Agreements, and associated quitclaim deeds for the new aqueduct alignment segments as well as the now unused original alignment segments.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of NORTH MARIN WATER DISTRICT that the General Manager and Secretary of this District be and they hereby are authorized and directed for and on behalf of this District to execute that certain Quitclaim Deeds to Caltrans providing for the release of waterline easements which is not required nor available for District purposes.

* * *

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 this 7th day of November, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Secretary of North Marin
Water District

(SEAL)

9



MEMORANDUM

To: Board of Directors November 7, 2023

From: Eric Miller, Assistant GM/Chief Engineer *EM*
 Tim Fuelle, Senior Engineer *TAF*

Subject: Oceana Marin Treatment and Storage Pond Rehabilitation Project – Report of Award
R:\Folders by Job No\7000 jobs\7173 OM Pond Rehab-404 Grant\7173.02\BOD Memos\2023 Report of Award\BOD Memo Report of Award.doc

RECOMMENDED ACTION: Information only

FINANCIAL IMPACT: \$1,800,000 (\$800,000 included in FY23/24 Budget)

Background

A project background, project status, and environmental clearance summary was provided to the Board at the August 15, 2023 meeting and the Board authorized both bid advertisement and the General Manager to award the construction contract to the lowest responsible bidder due to time constraints associated with the expiration of the Federal Emergency Management Agency (FEMA) sponsored grant. Subsequently, the District applied for a one-year time extension on August 24, 2023 and received approval on October 2, 2023, extending the grant's period of performance (expiration) date from January 8, 2024 to January 10, 2025.

Bid Results

The project was publicly advertised for bidding beginning on August 18, 2023 and the bid opening took place via zoom.com on October 5, 2023 at 3:00pm. The District advertised the project in the Marin Independent Journal and the contract documents were made available electronically for review and/or download via the District's virtual plan room, nmwdbids.com (a web-based bid management service). The bid period was approximately seven (7) weeks and included three addendums.

Eleven (11) prime contractors attended the mandatory pre-bid meeting and site visit on September 7, 2023. Five bids were received and the base bid amounts for each bidder are listed below:

	CONTRACTOR	TOTAL BASE BID
1.	Argonaut Constructors, Santa Rosa, CA	\$1,495,900
2.	Thompson Builders, Novato CA	\$1,690,000
3.	W.R. Forde Associates Inc., Richmond, CA	\$1,892,000
4.	Maggiora & Ghilotti Inc., San Rafael, CA	\$1,907,000
5.	RX Lodge Inc., Martinez, CA	\$1,939,298
	<i>Engineer's Estimate</i>	<i>\$1,800,000</i>

Bid Evaluation

Argonaut Constructors of Santa Rosa, CA submitted the lowest responsive bid of \$1,495,00 which is \$305,00 (17%) below the Engineer's construction cost estimate of \$1,800,000. The bid cost span between the Number 1 and Number 2 low bidders (Argonaut Constructors, and Thompson Builders, Inc.) was \$194,100 (for a variance of 10%). The next three bids were within 32% of the second low bidder. A bid evaluation was performed by District staff, concluding that Argonaut Constructors supplied all required bid documents in good order. Other references were also checked and their work was considered satisfactory by those clients.

Bid Award and Financial Impact

The construction agreement for the project was sent to Argonaut Constructors on October 23, 2023 in the amount of \$1,495,000. There is a set aside contingency reserve of \$149,000 (10%). The General Manager will counter sign the construction agreement under previous authorization from the Board since the award amount doesn't exceed the engineer's estimate, a condition of the Board's authorization to the General Manager.

The project is funded by grant funds in the amount of \$1,971,000 through the Hazard Mitigation Grant Program sponsored by FEMA. 75% of the funds, \$1,478,602.50 will be reimbursed by FEMA and 25% of the funds, \$492,867.50 will be covered by the required District local match.

ATTACHMENTS:

1. Memo to General Manager - 7173.02 Approve Contract Award



MEMORANDUM

To: Tony Williams, General Manager October 23, 2023
 From: Eric Miller, Assistant GM/Chief Engineer
 Tim Fuelle, Senior Engineer
 Subject: Oceana Marin Wastewater Treatment and Storage Pond Repair Project –
 Award Construction Contract

R:\Folders by Job No\7000 jobs\7173 OM Pond Rehab-404 Grant\7173.02\Memos\7173.02 Memo Approve Contract Award.doc

Background

At the August 15, 2023 Board of Directors meeting, staff obtained authorization to advertise the subject project for bidding and the Board agreed to delegate their authority to award the construction contract to the District’s General Manager, as long as the lowest responsive and responsible bid was less than 110% of the Engineer’s Estimate of Probable Cost (Attachment 1).

The project was publicly advertised for bidding on August 18, 2023 and the bid opening took place on October 5, 2023 at 3:00pm. The District advertised the project in the Marin Independent Journal and the contract documents were made available electronically for review and/or download via the District’s virtual plan room, nmwdbids.com (a web-based bid management service). The bid period was approximately seven (7) weeks and included three (3) addenda. Five (5) bids were received and the base bid amounts for each bidder are listed below:

CONTRACTOR	TOTAL BASE BID
1 Argonaut Constructors, Santa Rosa, CA	\$1,495,000
2 Thompson Builders Corporation, Novato, CA	\$1,690,000
3 W. R. Forde Associates, Inc., Richmond, CA	\$1,892,000
4 Maggiora & Ghilotti, San Rafael, CA	\$1,907,000
5 RX Lodge, Martinez, CA	\$1,939,298

Bid Evaluation

The Engineer’s Estimate of Probable Cost was \$1,800,000. Argonaut Constructors of Santa Rosa, CA submitted the lowest apparent bid of \$1,495,000 which was \$305,000 (17%) below the Engineer’s Estimate of Probable Cost of \$1,800,000. The span between the lowest bidder (1) and highest bidder (5) was \$444,298. A bid analysis (Attachment 2) was performed by District staff, concluding that Argonaut Constructors’ bid proposal was responsive to the

OMTP Repair Project – Award Construction Contract Memo
October 23, 2023
Page 2 of 2

solicitation. Staff also contacted other references and reviewed the status of Argonaut Constructors' license, concluding that their firm is responsible to perform the scope of work.

Financial Impact

The project is funded by grant funds in the amount of \$1,800,000 through the Hazard Mitigation Grant Program sponsored by the Federal Emergency Management Agency (FEMA). 75% of the funds, \$1,350,000, will be reimbursed by FEMA and 25% of the funds, \$450,000, will be covered by the required District local match. Any projects costs that exceed the total grant amount of \$1,800,000 will be covered in their entirety by District contingency funds.

The current FY23/24 CIP budget includes \$800,000 and the following FY24/25 is programmed for \$1,000,000 for the Oceana Marin Wastewater Treatment and Storage Pond Repair Project, which represents adequate funds to award the project to low responsive and responsible bid of \$1,495,000. Additionally, the current FY23/24 budget also includes Item 6e4, Other Water System Improvements, which represents budget that can be used if contingency funds beyond the budgeted amounts are needed.

Soft costs for the construction phase are estimated not-to-exceed \$200,000, which include District staff time for FEMA hazard mitigation grant administration, project administration and closeout, and construction support services by GHD.

RECOMMENDATION

That the General Manager execute an agreement with Argonaut Constructors of Santa Rosa California for the Oceana Marin Wastewater Treatment and Storage Pond Repair Project for their low bid amount of \$1,495,000, and set aside a contingency reserve of \$149,500 (10%).



Digitally signed by Anthony Williams
DN: C=US, E=twilliams@nmwd.com,
O=North Marin Water District,
OU=General Manager, CN=Anthony
Williams
Date: 2023.10.23 10:28:19-07'00'

Anthony Williams, General Manager

10-23-2023

Date

ATTACHMENT:

1. Board Memorandum Authorizing the General Manager to Award the Contract, dated 8/15/23
2. OMTP Bid Analysis



MEMORANDUM

To: Board of Directors *EM* Date: August 15, 2023

From: Eric Miller, Assistant General Manager/Chief Engineer
Tim Fuelle, Senior Engineer *TF*

Subj: Approve Bid Advertisement and Delegate Authority to Award Construction Contract for Oceana Marin Treatment and Storage Pond Rehabilitation Project (Budgeted FY23/24)

R:\Folders by Job No\7000 jobs\7173 OM Pond Rehab-404 Grant\BOD Memos\7173 OM Pond Rehab Approve Advertise BOD Memo 8-15-23.doc

RECOMMENDED ACTION: That the Board authorize bid advertisement of the Oceana Marin Treatment and Storage Pond Rehabilitation Project and authorize the General Manager to award the construction contract to the lowest responsible bidder.

FINANCIAL IMPACT: \$1,800,000 (\$800,000 included in FY23/24 budget)

Background

Following the severe storm events that occurred during the winter 2016/17, the Board authorized District staff to contract with GHD, Inc. to assist the District in applying to the Federal Emergency Management Agency (FEMA) and the California Governor's Office of Emergency Services (Cal OES) requesting financial support through the Hazard Mitigation Grant Program to repair damage sustained to the District's Oceana Marin treatment and storage ponds. Cal OES notified the District in May 2019 that the storage pond project was eligible for possible grant award and on August 15, 2019, Cal OES /FEMA approved the design & permitting phase (Phase 1). Subsequently, on September 27, 2019 the Board authorized District staff to contract with GHD to execute an agreement with GHD to provide consulting services for Phase 1 including environmental clearance and design.

Project Status and Environmental Clearance

Cal OES/FEMA notified the District of Phase 2 (Final Design and Construction) approval on May 2, 2022, and GHD completed the 100% drawings and specifications in July 2022. Due to escalating construction costs, GHD obtained a sub-consultant to perform an independent cost analysis that resulted in an engineer's estimate of probable cost of \$1,800,000, which exceeded the available grant amount by nearly \$700,000. District staff submitted a Request for Additional Funds to Cal OES and was notified in May 2023 that the request had been granted. Since that time, staff has prepared the bid package and the project is currently ready to be publicly advertised for bidding.

The Project qualifies under a class of projects that has been determined in the California Environmental Quality Act (CEQA) guidelines as not to have a significant effect on the environment and which may be exempted. Therefore, as the Lead Agency, the Board approved

Oceana Marin Treatment and Storage Pond Rehabilitation Authorize Bid Advertisement
August 15, 2023
Page 2 of 3

filing the Notice of Exemption (NOE) for this project on March 3, 2020 citing categorical exemption pursuant to Sections 15301(b) – Existing Facilities and 15302(c) – Replacement or Reconstruction of the CEQA guidelines.

FEMA was the Lead Agency ensuring compliance with the National Environmental Policy Act (NEPA) guidelines which are slightly different than guidelines under CEQA. FEMA certified a Finding of No Significant Impact (FONSI) pursuant to Category 2.4.4, Constructing a Water Detention, Retention, Storage, or Conveyance Facility of the Region IX PEA.

The grant funding has a current Period of Performance (POP) expiration date of January 8, 2024. District staff is coordinating with Cal OES to submit an extension request that would extend the Project's POP expiration date by one year to January 8, 2025. Cal OES staff has indicated that the District's justification for requesting an extension is valid and that the request will be processed without complication.

The project specifications include requirements for the contractor to implement Best Management Practices (BMPs) that are designed to avoid or minimize impacts to the environment, including water quality, air quality, and wildlife as a result of the construction activities.

Schedule

Complete All Design Reviews	July, 2022
Independent Construction Cost Estimate	October, 2022
CalOES Funding Adjustment Approval	May, 2023
Advertise Project	August, 2023
Bid Opening	September, 2023
General Manager Award Contract *	September, 2023
Contractor Notice to Proceed	October, 2023
Site Work to begin	February, 2024
Construction Complete	September, 2024

** contingent to Board delegated authority to the General Manager, see below*

The Project will be publicly advertised in the Marin Independent Journal and on the District's Online Plan Room (nmwdbids.com) with electronic plans and specifications available to the prospective bidders to view and purchase.

Oceana Marin Treatment and Storage Pond Rehabilitation Authorize Bid Advertisement
August 15, 2023
Page 3 of 3

Financial Impact

The Project is partially funded (75%) by the Hazard Mitigation Grant Program sponsored by FEMA and partially funded (25%) by the required District local match. The engineer's estimate of probable cost is \$1,800,000, but actual costs are unknown until the contractor bids are opened. Federal grant funds available for the construction phase total \$1,350,000 and the District local match amount is \$450,000. Should project costs exceed the estimated amount, additional local funding would be used to cover the shortfall.

The FY23/24 Capital Improvement budget includes a line item for the Project's construction phase in the amount of \$800,000. Staff will include the balance of expenditures on the FY 24/25 budget, as construction is anticipated to take place during both fiscal years. Soft costs for the construction phase are estimated not-to-exceed \$200,000, which include District staff time for FEMA hazard mitigation funding grant administration, project administration and closeout, and construction support services by GHD.

Delegated Authority

Staff is proposing that the Board authorize the General Manager to award the contract to the lowest responsive and responsible bidder, allowing the project to begin sooner and enabling ordering of long-lead-time materials. In the event that the lowest bid exceeds the engineer's estimate by more than 10 percent (\$1,980,000), the General Manager will not award the contract but rather staff will return to the Board seeking guidance on how to proceed.

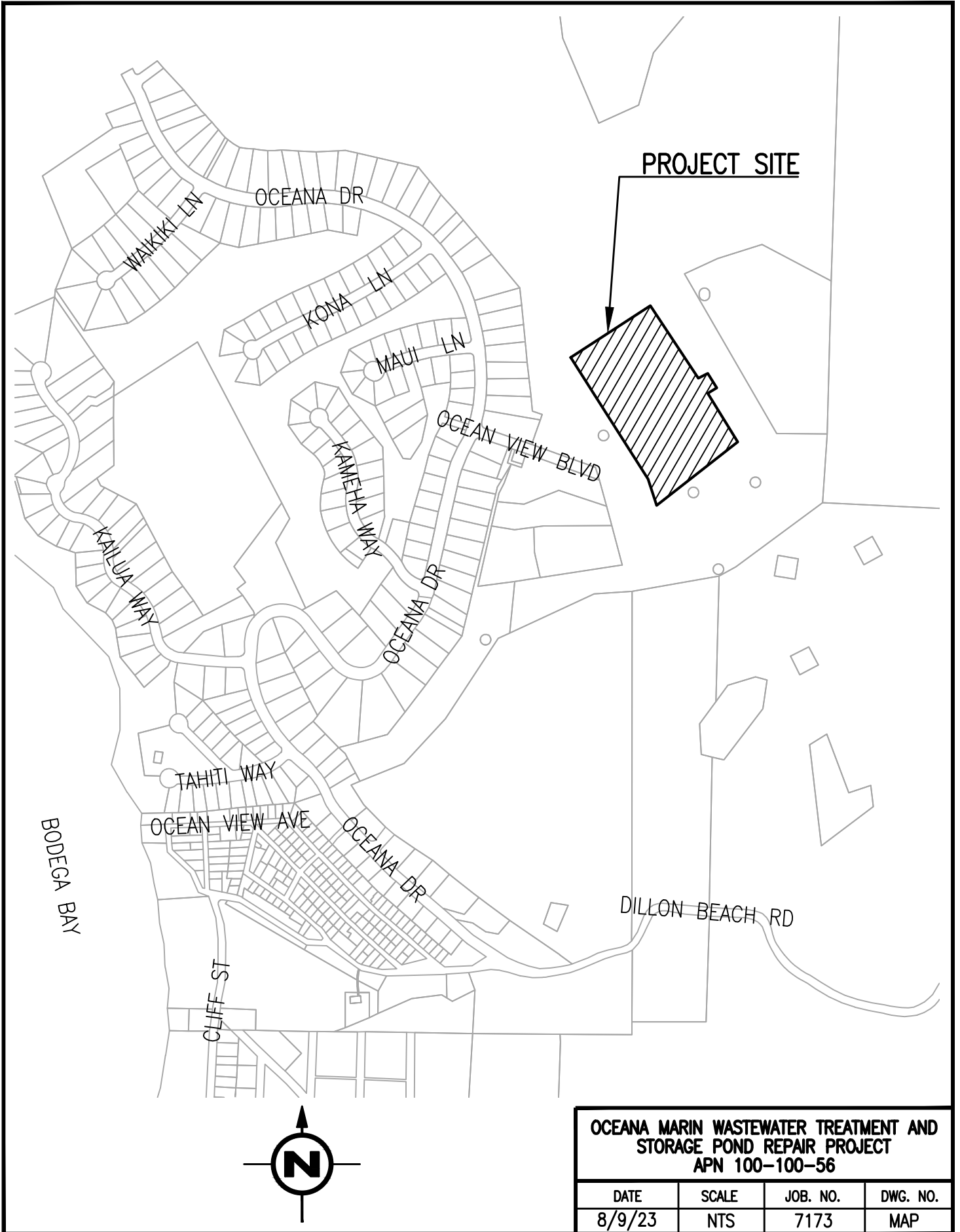
Recommendation

The Board authorize bid advertisement of the Oceana Marin Treatment and Storage Pond Rehabilitation Project and authorize the General Manager to award the construction contract to the lowest responsible bidder, unless the low bid exceeds 110 percent (\$1,980,000) of the engineer's estimate (\$1,800,000)

Attachments:

1. Oceana Marin Treatment and Storage Pond Site Map

Aug 09, 2023 - 4:35pm W:\JOB\8_OCEANA\7173 OM Pond Rehab\3_ISSUED\A\7173_Vicinity Map.dwg User: SDOVE



OCEANA MARIN WASTEWATER TREATMENT AND STORAGE POND REPAIR PROJECT APN 100-100-56			
DATE	SCALE	JOB. NO.	DWG. NO.
8/9/23	NTS	7173	MAP


10



MEMORANDUM

To: Board of Directors

Date: November 7, 2023

From: Tony Williams, General Manager 

Subject: Strategic Plan Progress Report – Final Year Review (FY 2022-23)

t:\gm\strategic plan\2023 update\11-7-23 bod memo 5th yr strategic plan.docx

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None

At the June 19, 2018 Board meeting, the five-year Strategic Plan and implementation schedule was approved. The implementation schedule included annual updates and a commitment to review and update the Strategic Plan every five years. The 2018 Strategic Plan included updated mission and vision statements and identified five key values of the organization: **accountability, integrity, teamwork, honesty and respect**. Six major, strategic goals were also identified along with 43 associated objectives (i.e., action items) within the five-year through FY2022-23 (to June 2023). The six (6) strategic goals were:

- Goal 1. **Water Supply, Quality, and Reliability**
- Goal 2. **Customer Engagement and Service**
- Goal 3. **Operations, Asset Management, and Infrastructure**
- Goal 4. **People, Technology and Equipment**
- Goal 5. **Rates and Finance**
- Goal 6. **Emergency Planning and Resilience**

This status report focuses on the fifth or final-year review of the five-year Strategic Plan for the FY2022-23 (FY23). It is interesting to note that of the original group of five key staff members involved in the plan development, only one is currently with the District (Robert Clark). Four of the original Board members that were involved in the Strategic Plan development in 2018 are still serving on the Board.

A tabulation for each of the six major goals is attached summarizing which objectives are: (1) Completed, (2) In Progress, or slated for (3) Future Activities. As of the end of FY23, all but five (5) of the original 43 action items were completed in the five-year period. There were two action items under Goal 3 that fall outside of the five-year strategic planning period so they were not completed. Under Goal 1, “Water Supply, Quality and Reliability”, the last action item (1.1.3)

was initiated this past fiscal year. Under Goal 4, action items 4.1.2 and 4.2.3 were not completed but efforts are planned once labor negotiations are completed later this year. Goal 4 action item 4.2.2 could not be completed as described because programs are no longer available, but alternative training opportunities have been identified and at least one supervisor is participating in that training this calendar year. Under Goal 5, portions of action item 5.3.2 (...transferring commercial fire service and backflow testing to customers...) are in progress, and proposed updates to Regulations 6 and 36 will be presented to the Board at a future meeting. Under Goal 6 action item 6.1.1, a 2023 update will be presented to the Board for adoption later this year or early next year.

Future Strategic Planning

In 2024, the terms for four of the five Directors will be ending with possible re-elections in November 2024. Due to the uncertainty of the future makeup of the Board, staff is recommending an interim strategic planning process for the calendar period of 2024 through at least 2025. This interim planning process could have one or more of the following anticipated outcomes:

- Development of a short-term Strategic Plan (FY24 to FY26)
- Development of focus areas that support development of a future five-year Plan
- Development of District values that support development of a future five-year Plan
- Development of updated Mission and Vision Statements
- Review of future organizational needs, structural changes, or concepts
- Comprehensive employee survey as a companion to the current customer survey

Staff have been engaged with Kiosk over the last month to develop a scope of work for facilitating and assisting with the proposed interim planning process. If the Board agrees with this approach, a final scope and fee will be brought back to the Board at a future meeting for consideration and approval, including a timeline for the planning process.

ATTACHMENTS:

1. Year 5/Final Year Updates – Goals 1 through 6 Status Tables (6 tables)

Goal 1. - Water Supply, Quality, and Reliability

Increase local control and the long-term reliability of the water supply.

Completed	In Progress	Future Activities
1.1.1 Continue involvement with SCWA's and PG&E's Potter Valley Project Relicensing process. Existing PG&E PVP license expires in 2022. (Complete – PG&E is surrendering the PVP; Decommissioning Plan is due January 2025)		
1.1.2 Participate in SCWA's Regional Water Supply Resiliency Project to make the region more resilient to future water shortages. (Complete – other resiliency areas are ongoing)		
1.1.3 Consider participation in a North Bay Drought Contingency Plan (Marin/Sonoma/Napa). (Timing: FY 2020-21)		
1.1.4 Update the Urban Water Management Plan. (Completed June 2021)		
1.1.5 Keep the Water Conservation Program (including incentives/rebates) current with market and plumbing code trends. (Complete - ongoing)		
1.2.1 Conduct a Local Water Supply Enhancement Study to identify new sources of local water supply. (Completed June 2022)		
1.2.2 Continue to work with Novato Sanitary and Las Gallinas Valley Sanitary Districts to explore additional recycled water opportunities. (Timing: <u>ongoing</u>)		
1.3.1 Complete the District's Advanced Meter Infrastructure (AMI) project. (Complete)		

Completed	In Progress	Future Activities
1.3.3 Update the District's Water Conservation Plan (Timing: FY 2020-21)		
1.4.1 Meet or exceed all regulatory standards. (Timing: <u>ongoing</u>)		
1.4.2 Work to control undesirable taste and odors. (Timing: <u>ongoing</u>)		
1.4.3 Conduct all required water quality monitoring. (Timing: <u>ongoing</u>)		
1.4.4 Monitor proposed new water quality regulations and plan in advance for necessary changes to District procedures. (Timing: <u>ongoing</u>)		

Notes:

1. Bold items indicate - started or completed in current year.
2. Item 1.1.3 was approved in the North Bay Water Reuse Authority budget which include NMWD participation. The schedule for development of a Drought Contingency Plan for US Bureau of Reclamation approval is being prepared.

Goal 2. - Customer Engagement and Service

Increase communication with customers and ensure quality service.

Completed	In Progress	Future Activities
2.1.1 Develop an annual public outreach plan and program, including a strategy for more effective social media outreach and information about how District spending supports the local community. (Complete)		
2.1.2 Continue to use third-party support for preparing public outreach materials as required. (Complete - Kiosk)		
2.3.1 Support customers on the new website portal for tracking water use when using AMI meters (Complete - ongoing)		
2.3.2 Continue to monitor and track customer feedback through ongoing survey questionnaires. (Complete - ongoing)		<i>2.3.2 Continue to monitor and track customer feedback through ongoing survey questionnaires. (Complete - ongoing)</i>

Notes:

1. Item 2.1.1, 2.1.2 and 2.3.1 were completed in previous years but having ongoing actions.
2. Item 2.3.2: A new stand-alone customer-wide survey was launched on October 11, 2023.

Goal 3. - Operations, Asset Management, and Infrastructure
 Provide proactive and cost-efficient asset management and operations.

Completed	In Progress	Future Activities
3.1.1 Consider using an extended CIP planning horizon beyond 5 years after completion of the Novato Water Master Plan. Maintain cost control, avoid rate shocks, solve problems before they occur, and ensure long-term reliability and stability of service. (Complete - ongoing)		3.1.2 Update West Marin Master Plan every 10 years. (Timing: FY 2023-24) <u>Consider FEMA funding for "Enhanced Master Plan" that includes natural hazards resiliency</u>
3.2.1 Develop and implement a comprehensive Novato Asset Management Plan. (Complete - ongoing)		3.1.3 Update the Oceana Marin Master Plan every 10 years. (Timing: FY 2024-25)
3.3.1 Continue to utilize On-Call Services contracts for select local contractors to improve District's ability to respond to emergencies and improve small contract efficiency. (Complete - ongoing)		3.3.2 <i>Evaluate the feasibility of implementing a Sewer Lateral Replacement program for Oceana Marin. (Timing: FY 2020-21)</i>

Notes:

1. Italic text items are behind schedule and weren't implemented due to other priorities.
2. Updated strategy for Action item 3.1.2 (underlined)
3. Items 3.1.2 and 3.1.3 are for future years.

Goal 4. - People, Technology and Equipment

Retain a high quality, motivated, and efficient workforce with excellent workforce programs and investments in equipment, technology and training.

Completed	In Progress	Future Activities
4.1.1 Continue to support staff's involvement in local, regional, and national water industry organizations including payment of subscription dues and attendance at conferences. (Complete - ongoing)		4.1.2 Evaluate if staff is structured correctly for future challenges, for example in technology, asset management, and emergency management. (Timing: FY 2020-21) See Note 1
4.1.3 Evaluate and implement replacement of proprietary software systems. (Timing: FY 2019-20)		4.2.2 Expand participation in supervisor training classes offered by Sonoma County. (Timing: FY 2018-19) See Note 2
4.2.1 Move forward with the design phase of the Office and Lab Project. (Completed, moved into Construction)		4.2.3 Conduct an Employee Engagement Survey and implement recommendations as appropriate to improve employee satisfaction. (Timing: FY 2019-20) See Note 3
4.2.4 Update the District's Employee Safety Manual. (Timing: FY 2019-20)		
4.3.1 Conduct a Compensation Survey in advance of negotiation of a new MOU with the Employees Association. (Timing: FY 2018-19)		

Notes:

1. This is being planned as part of an interim Strategic Plan for 2024.
2. NMWD is no longer eligible for the Sonoma County training but other Supervisory training opportunities are being explored.
3. This is being planned as part of an interim Strategic Plan for 2024

Goal 5. - Rates and Finance

Extend the budgeting and financial planning horizon to ensure long-term stability, financial security and ratepayer value.

Completed	In Progress	Future Activities
5.1.1 Prepare a Cost of Service Study with peer review. (Timing: 2018)		5.3.2 Consider fee-for-service options, such as identifying and fixing leaks, promoting a third-party insurance program for water lines, and transferring commercial fire service and backflow testing to customers, etc. (Timing: FY 2019-20)
5.2.1 Evaluate benefits of transferring District-owned fire services to commercial customers. (Complete)		
5.3.1 Increase income from lease fees. (e.g., grazing, cellular towers). (Complete - ongoing)		
5.3.3 Consider cooperative agreements for additional solar projects on District-owned land. (Timing: FY 2019-20)		
5.3.4 Sell District surplus property that no longer serves District needs. (Complete - ongoing) New rules in place for "selling" properties		
5.4.1 Continue to hire an outside auditor for preparing annual Comprehensive Financial Reports. (Timing: ongoing)		
5.4.2 Continue to apply for the Certificate of Achievement for Excellence in Reporting Award. (Timing: ongoing)		
5.5.1 Re-evaluate, report on, and update as appropriate reserve goals for Novato, West Marin, and Oceana Marin. (Timing: yearly)		

Notes:

Item 5.3.2: Transferring of commercial fire service and backflow testing to customers, in progress (draft Regulation updates being reviewed).

Goal 6. - Emergency Planning and Resilience

Increase preparedness for emergencies as well as long-term challenges such as drought and climate change.

Completed	In Progress	Future Activities
6.1.1 Participate in Marin County Multi-Jurisdictional Local Hazard Mitigation Plan. (Completed – ongoing for 2023 update)		
6.1.2 Hire third-party consultant(s) experienced in developing and implementing Tabletop emergency training exercises. (Complete - ongoing)		
6.1.3 Update the District's Emergency Operations Plan. (Complete - ongoing)		

Notes:

1. All actions completed in prior years.
2. 6.1.2 and 6.1.3 were also completed for the Stafford Dam EAP and exercise in October 2022.
3. 6.1.3 was recently completed with a new drought planning and response section (per AB 552)

11

**MEMORANDUM**

To: Board of Directors

November 7, 2023

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

Subj: FY 23/24 1st Quarter Financial Statement

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RECOMMENDED ACTION: Information Only

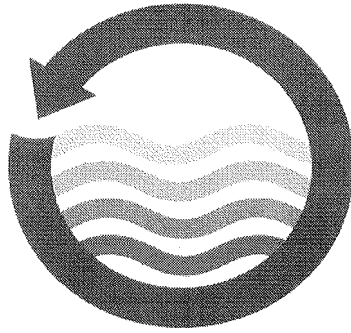
FINANCIAL IMPACT: None at this time

Attached is the Fiscal Year 23/24 1st Quarter Financial Statement for all of North Marin Water District's enterprises. The financial statement includes financial transactions for the period of July 1, 2023 through September 30, 2023. The Auditor-Controller will highlight key elements of the report and be available to answer questions from the Board of Directors.

ATTACHMENTS:

1. FY 23/24 1st Quarter Financial Statement

NORTH MARIN WATER DISTRICT



FINANCIAL STATEMENT FISCAL YEAR 2023-24

September 30, 2023

**NORTH MARIN WATER DISTRICT
FINANCIAL STATEMENTS
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MEMORANDUM

To: Tony Williams, General Manager

November 2, 2023

From: Reviewed by: Julie Blue, Auditor-Controller

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

Subj: Information – FY23/24 September Financial Statement
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FISCAL YEAR PERFORMANCE COMPARED TO THE ANNUAL BUDGET

<u>CONSOLIDATED SUMMARY</u>	Sep-23	FY23/24	FY23/24	FYTD /
Actual vs. Budget	Actual	Actual YTD	Budget	Budget %
Operating Revenue	\$3,014,785	\$8,813,466	\$26,434,000	33%
Operating Expense	\$1,769,306	\$6,057,614	\$20,864,000	29%
Non-Operating Revenue / (Expense)	(\$81,487)	\$311,840	(\$1,314,000)	(24%)
Net Income / (Loss)	\$1,163,993	\$3,067,693	\$4,256,000	72%
Other Sources / (Uses)*	(\$1,334,189)	(\$6,003,204)	(\$6,451,000)	93%
Cash Increase / (Decrease)	(\$170,196)	(\$2,935,511)	(\$2,195,000)	134%

* See Page 8.

For the first quarter of the fiscal year 2023-2024, the District generated a net income of \$3,067,693 and saw a net cash decrease of \$2,935,511. On a seasonally adjusted basis, Operating Revenue came in 5% over budget and Operating Expense came in 1% under budget. \$2,730,883 (17%) of the Capital Improvement Projects Budget was expended this fiscal year to date.

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

<u>NOVATO WATER</u>	Sep-23	FY23/24	FY22/23	FY24 vs 23
Year over Year Comparison	Actual	Actual YTD	Actual YTD	Up/(Down)
Operating Revenue	\$2,709,711	\$7,760,368	\$6,685,879	16%
Operating Expense	1,555,783	5,339,763	5,618,241	(5%)
Other Income / (Expense)	(139,075)	295,649	277,828	6%
Net Income / (Loss)	\$1,014,853	\$2,716,254	\$1,345,467	102%
Active Accounts	20,836	20,836	20,740	0%
Consumption (MG)	245	728	687	6%
Average Commodity Rate / 1,000 gal	\$8.40	\$7.99	\$7.17	11%
Income / (Loss) / Active Account	\$48.71	\$130.36	\$64.87	101%
Income / (Loss) / 1,000 Gal	\$4.15	\$3.73	\$1.96	91%
Facility Reserve Charges	\$22,920	\$38,200	\$10,000	282%
FRC Transfer (to)/from Recycled Water	\$0	\$0	(\$216,362)	(100%)
Developer 'In-Kind' Contributions	\$50,678	\$248,611	\$108,187	130%

Consumption for the fiscal year to date was 6% more than the prior year. Total operating revenue, which includes wheeling and other miscellaneous service charges, increased \$1,074,489 from the prior year. Total operating expense was \$278,478 less than last year.

The Stafford Treatment Plant produced 278 MG this fiscal year-to-date at a cost of \$2,558/MG¹ versus \$3,804/MG³ from SCWA. The budget for Stafford is 650 MG at a cost of \$4,016/MG.

The fiscal year net income (which includes non-operating items such as interest revenue and expense) of \$2,716,254 compares to a budgeted net loss for the year of \$109,000 and to a net income of \$1,345,467 for the prior year. \$2,631,378 (19%) of the Novato Water Capital Improvement Project Budget was spent versus \$1,902,845 (11%) for the prior year. \$38,200 in Facility Reserve Charges (FRC) have been collected (\$793,000 is budgeted). FRC reserves totaling \$0 were transferred this fiscal year from the Novato Water Fund to the Recycled Water Fund. The Novato FRC Reserve has a net deficit of \$7,088,085 arising from transfers to the RW Fund in advance of FRC receipts. This is down from a net deficit of \$7,173,502 last year. That deficit will be reimbursed by future Connection Fee revenue. The Novato cash balance decreased \$434,200 in September, and stood at \$26,130,506 at month end, compared to a budgeted projection of \$15,886,000 at fiscal year-end.

<u>NOVATO RECYCLED</u>	Sep-23	FY23/24	FY22/23	FY24 vs 23
Year over Year Comparison	Actual	Actual YTD	Actual YTD	Up/(Down)
Operating Revenue	\$182,924	\$676,452	\$781,619	(17%)
Operating Expense	126,761	414,585	432,868	(4%)
Other Income / (Expense)	49,527	14,961	(38,298)	-
Net Income / (Loss)	<u>\$105,690</u>	<u>\$276,828</u>	<u>\$310,453</u>	(11%)
Active Accounts	100	100	99	1%
Consumption (MG)	22.3	85.4	107.1	(20%)
Average Commodity Rate / 1,000 gal (net)	\$7.48	\$7.48	\$6.94	8%
Deer Island Production (MG)	0.0	4.2	0.0	-
Novato Sanitary Production (MG)	18.9	66.7	90.1	(26%)
Las Gallinas Production (MG)	7.2	21.1	23.8	(12%)
Potable Water Input (MG)	1.9	2.8	1.0	184%
Facility Reserve Charge Alloc from Novato	\$0	\$0	\$216,362	(100%)
Developer 'In-Kind' Contributions	\$0	\$0	\$0	-
RW Costs	\$48,820	\$156,974	\$166,658	(6%)

85.4 MG was delivered to RW customers this fiscal year to date, 20% less than the prior year. Operating revenue was 17% less than last year. Total operating expense was 4% less than the prior year. The recycled water was produced at a cost of \$2,061/MG² (including potable water consumed) versus \$3,804/MG³ from SCWA. The budgeted production cost of recycled water is \$3,085/MG.

The fiscal year net income of \$276,828 compares to a budgeted net loss for the year of \$289,000 and a net income of \$310,453 for the prior year. \$57,060 (7%) of the Recycled Water Capital Improvement Project Budget was spent versus \$0 (0%) for the prior year.

The Novato Recycled cash balance stood at \$7,021,312 at month end, \$6.4M of which amount resides in restricted reserves for debt service, the Deer Island Facility Replacement Fund and the Recycled Water Capital Replacement and Expansion Fund.

¹ Stafford production cost = TP op expense (\$531,091) + SRF loan interest (\$33,338) + plant depreciation (\$146,291)/277.9 MG produced
² Recycled Water production cost = purchased water cost (\$156,974) + treatment expense (\$3,203) + Deer Island RW Facility SRF loan interest (\$6,185) + Deer Island plant depreciation (\$28,980)/94.8 MG produced
³ SCWA production cost per MG = O&M charge (\$3,049) + debt service charge (\$286) + Russian River conservation charge (\$421) + Russian River projects charge (\$49)

<u>WEST MARIN WATER</u>	Sep-23	FY23/24	FY22/23	FY24 vs 23
Year over Year Comparison	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$94,943	\$295,324	\$325,322	(9%)
Operating Expense	70,079	240,869	272,517	(12%)
Other Income / (Expense)	3,822	(3,260)	(2,514)	30%
Net Income / (Loss)	<u>\$28,686</u>	<u>\$51,195</u>	<u>\$50,290</u>	2%
Active Accounts	793	793	790	0%
Consumption (MG)	5.7	16.8	19.2	(12%)
Average Commodity Rate / 1,000 gal (net)	\$13.78	\$13.65	\$13.71	(0%)
Income/ (Loss) / Active Account	\$36.17	\$64.56	\$63.66	1%
Income / (Loss) / 1,000 Gal	\$5.02	\$3.05	\$2.62	16%
Facility Reserve Charges	\$20,660	\$21,660	\$0	-
Developer 'In-Kind' Contributions	\$0	\$0	\$47,358	(100%)

Consumption for the fiscal year was 12% less than the prior year. Operating revenue was 9% less than last year.

Operating expenditures were \$31,649, or 12% less than the previous year. The fiscal year net income of \$51,195 compares to a budgeted annual net loss of \$109,000 and to a net income of \$50,290 for the prior year. \$22,530 (4%) of the Capital Improvement Project Budget was expended this fiscal year, and \$21,660 in connection fees have been collected (\$21,000 is budgeted). The West Marin cash balance increased \$60,673 in September and stood at \$787,291 at month end, compared to a budgeted projection of \$482,000 at fiscal year-end.

<u>OCEANA MARIN SEWER</u>	Sep-23	FY23/24	FY22/23	FY24 vs 23
Year over Year Comparison	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$27,208	\$81,323	\$76,140	7%
Operating Expense	16,683	62,397	55,294	13%
Other Income / (Expense)	4,240	4,490	2,754	63%
Net Income / (Loss)	<u>\$14,764</u>	<u>\$23,415</u>	<u>\$23,600</u>	(1%)
Active Accounts	236	236	235	0%
Monthly Sewer Service Charge	\$114	\$114	\$108	6%
Income / (Loss) / Active Account	\$62.56	\$99.22	\$100.42	-
Sewage Facilities Connection Charges	\$0	\$30,000	\$0	-

Operating revenue of \$81,323 was 7% more than the previous year due to the 6% rate increase effective July 1, 2023, one new connection and an inspection fee collected. Operating expenditures were 13%, or \$7,103 more than the previous year. The fiscal year net income of \$23,415 compares to a budgeted annual net income of \$29,000 and to a net income of \$23,600 for the prior year. \$19,914 (2%) of the Capital Improvement Project Budget has been expended this fiscal year.

\$30,000 in Sewage Facilities Connection Charges (SFCC) have been collected (\$0 is budgeted). The Oceana Marin cash balance decreased \$21,146 in September and stood at \$454,528 at month end, compared to a budgeted projection of \$374,000 at fiscal-year-end.

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	<u>TOTAL</u>	<u>NOVATO WATER</u>	<u>NOVATO RECYCLED</u>	<u>WEST MARIN WATER</u>	<u>OCEANA MARIN SEWER</u>
ASSETS					
Cash & Investments					
Unrestricted/Undesignated Cash	\$1,464,143	\$281,204	\$415,938	\$395,739	\$371,262
Restricted Cash (Note 1)					
Connection Fee Fund	\$0	\$0	\$0	\$0	\$0
Deer Island RWF Replacement Fund	215,000	0	215,000	0	0
Capital Replacement & Expansion Fund	5,263,769	0	5,263,769	0	0
STP SRF Reserve-Marín Co Treasury	1,051,860	1,051,860	0	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	275,773	0	275,773	0	0
DL Falk Const Escrow Acct	392,755	392,755	0	0	0
Designated Cash (Note 2)					
Liability Contingency Fund	1,705,370	1,606,485	0	98,885	0
Workers' Compensation Fund	20,125	18,659	534	666	266
Retiree Medical Benefits Fund	4,287,222	4,287,222	0	0	0
Maintenance Accrual Fund	4,000,000	4,000,000	0	0	0
Operating Reserve Fund	6,955,000	6,344,000	236,000	292,000	83,000
Webster Bank-Admin Bldg/CIP Fund	8,322,836	8,322,836	0	0	0
Total Cash	\$34,568,151	\$26,305,021	\$7,021,312	\$787,291	\$454,528
Gain/(Loss) on MV of Investments	(174,514)	(174,514)	\$0	\$0	\$0
Market Value of Cash & Investments	\$34,393,637	\$26,130,506	\$7,021,312	\$787,291	\$454,528
Current Assets					
Net Receivables - Consumers	\$2,842,579	\$2,474,625	\$259,518	\$27,714	\$80,723
Accrued Water Sales	3,397,791	3,005,813	201,998	189,980	0
Accounts Receivable-Other	487,321	213,996	25,646	5,431	242,248
Prepaid Expense	1,165,690	1,165,042	0	0	648
Reimbursable Small Jobs	9,406	9,406	0	0	0
Interest Receivable	310,505	310,505	0	0	0
Inventories	1,093,282	1,093,282	0	0	0
Deposits Receivable	23,274	23,274	0	0	0
Total Current Assets	\$9,329,848	\$8,295,943	\$487,163	\$223,125	\$323,618

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**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Loans Receivable					
Employee Loans (Note 3)	250,000	\$250,000	\$0	\$0	\$0
Other Long Term Receivables (Note 4)	3,947,537	2,877,820	1,057,795	11,922	0
Loans Receivable	\$4,197,537	\$3,127,820	\$1,057,795	\$11,922	\$0
Property and Plant					
Land & Land Rights	\$1,493,091	\$1,368,872	\$0	\$123,411	\$808
Dam, Lake, & Source Facilities	5,675,845	5,183,433	0	492,412	0
Treatment Facilities	23,263,268	19,003,241	2,666,198	669,849	923,980
Storage Facilities	26,198,518	20,986,511	1,643,458	3,568,548	0
Transmission Facilities (16"+)	29,503,127	29,380,803	0	122,324	0
Distribution and Pumping Facilities	111,660,955	73,650,746	31,863,471	6,146,738	0
Sewer Mains, Pumps, & Laterals	1,218,650	0	0	0	1,218,650
Sub-Total	\$199,013,454	\$149,573,606	\$36,173,127	\$11,123,282	\$2,143,439
Less Accumulated Depreciation (Note 5)	(71,569,921)	(58,769,450)	(6,806,553)	(4,805,804)	(1,188,115)
Net Property and Plant	\$127,443,533	\$90,804,156	\$29,366,574	\$6,317,478	\$955,324
Buildings and Equipment (Note 6)					
Buildings	\$2,119,365	\$2,119,365	\$0	\$0	\$0
Office Equipment	1,281,848	1,281,848	0	0	0
Laboratory Equipment	323,072	323,072	0	0	0
Trucks & Automobiles	1,945,507	1,945,507	0	0	0
Construction Equipment	974,333	974,333	0	0	0
Tools, Shop Equipment	353,338	353,338	0	0	0
Lease Assets	587,691	587,691	0	0	0
Sub-Total	\$7,585,155	\$7,585,155	\$0	\$0	\$0
Less Accumulated Depreciation (Note 5)	(5,853,878)	(5,853,878)	0	0	0
Net Buildings and Equipment	\$1,731,277	\$1,731,277	\$0	\$0	\$0
Construction In Progress					
Developer	\$1,583,228	\$1,583,228	\$0	\$0	\$0
District	18,284,203	15,850,828	57,722	2,103,500	272,153
Total Construction in Progress	19,867,431	17,434,056	57,722	2,103,500	272,153
Net Physical Plant & Equipment	149,042,241	109,969,490	29,424,296	8,420,979	1,227,477
Deferred Outflow of Resources-GASB68	6,895,249	6,895,249	0	0	0
Deferred Outflow of Resources-GASB75	22,539	22,539	0	0	0
TOTAL ASSETS	\$203,881,051	\$154,441,547	\$37,990,566	\$9,443,316	\$2,005,622

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**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
LIABILITIES AND NET ASSETS					
Current Liabilities					
Trade Accounts Payable	\$1,997,672	\$1,841,415	\$156,258	\$0	\$0
Reimbursement Prog. Unclaimed Funds	404,691	379,491	0	25,200	0
Loan Debt Principal Payable-Current	1,234,860	452,855	782,005	0	0
Bank of Marin Principal Payable-Current	427,259	372,570	0	54,689	0
JP Morgan/Chase AMI Loan-Current	290,000	290,000	0	0	0
Webster Bank-Admin Bldg/CIP Loan-Current	753,254	753,254	0	0	0
WM Loan Due to Novato-Current	90,677	0	0	90,677	0
Accrued Interest Payable-SRF Loan	138,917	33,338	105,578	0	0
JP Morgan/Chase AMI Loan Interest Payable	7,341	7,341	0	0	0
Webster Bank Loan Interest Payable	49,554	49,554	0	0	0
WM Loan from Novato-Loan Interest Payable	6,261	0	0	6,261	0
Deposits/Performance Bonds	573,679	539,179	0	30,500	4,000
Unemployment Insurance Reserve (Note 8)	23,558	23,558	0	0	0
Workers' Comp Future Claims Payable	20,125	18,659	534	666	266
Payroll Benefits (Note 9)	865,743	787,557	30,174	37,429	10,584
Enterprise Vehicle Leases	105,450	105,450	0	0	0
Lease Liability-Current	7,599	7,599	0	0	0
Deferred Revenue	242,168	0	0	0	242,168
Total Current Liabilities	\$7,238,808	\$5,661,820	\$1,074,549	\$245,422	\$257,018
Restricted Liabilities					
Construction Advances	\$733,606	\$652,060	\$0	\$81,546	\$0
Total Restricted Liabilities	\$733,606	\$652,060	\$0	\$81,546	\$0
Long Term Liabilities (Note 7)					
JP Morgan/Chase AMI Loan Payable	\$2,985,000	\$2,985,000	\$0	\$0	\$0
Webster Bank-Admin Bldg/CIP Loan Payable	18,367,077	18,367,077	0	0	0
WM Loan from Novato	821,070	0	0	821,070	0
STP Rehab SRF Loan	5,353,189	5,353,189	0	0	0
RWF SRF Loan	782,256	0	782,256	0	0
RWS North/South Expansion SRF Loan	4,872,887	0	4,872,887	0	0
RWS Central Expansion SRF Loan	5,858,350	0	5,858,350	0	0
Bank of Marin Loan	3,471,833	3,027,438	0	444,395	0
Enterprise Vehicle Leases	288,628	288,628	0	0	0
Net Pension Liability	17,178,160	17,178,160	0	0	0
Total OPEB Liability (Note 2)	4,287,222	4,287,222	0	0	0
Total Long Term Liabilities	\$64,265,672	\$51,486,714	\$11,513,493	\$1,265,465	\$0
Deferred Inflow of Resources-GASB 68	1,354,160	1,354,160	0	0	0
Deferred Inflow of Resources-GASB 75	324,457	324,457	0	0	0
Deferred Inflow of Resources-Leases	337,207	\$321,352	0	\$15,855	0
TOTAL LIABILITIES	\$74,253,910	\$59,800,562	\$12,588,042	\$1,608,288	\$257,018

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Net Assets					
Invested in Capital Assets					
Contributions in Aid of Construction	\$88,281,441	\$79,592,148	\$5,810,128	\$2,199,410	\$679,755
Grants in Aid of Construction	14,288,578	426,448	10,108,537	3,647,642	105,950
Connection Fees	46,598,037	31,152,209	12,181,005	2,443,367	821,455
Total Investment	\$149,168,057	\$111,170,806	\$28,099,671	\$8,290,420	\$1,607,161
Restricted Reserves					
Connection Fee Fund	(\$8,275,644)	(\$7,088,085)	\$0	(\$890,215)	(\$297,344)
Deer Island RWF Replacement Fund	215,000	0	215,000	0	0
Capital Replacement & Expansion Fund	2,417,211	0	2,417,211	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	275,773	0	275,773	0	0
Designated Reserves					
Liability Contingency Fund	1,705,370	1,606,485	0	98,885	0
Maintenance Accrual Fund	4,000,000	4,000,000	0	0	0
Retiree Medical Benefits Fund	4,287,222	4,287,222	0	0	0
Operating Reserve Fund	6,955,000	6,344,000	236,000	292,000	83,000
Webster Bank-Admin Bldg/CIP Reserve	8,322,836	8,322,836	0	0	0
Earned Surplus - Prior Yrs	(43,140,111)	(36,784,970)	(6,731,258)	34,744	341,373
Net Income/(Loss)	3,067,693	2,716,254	276,828	51,195	23,415
Prior Period Adjustment	0	0	0	0	0
Transfer (To)/From Reserves (see below)	14,436	66,436	(1,000)	(42,000)	(9,000)
Total Restricted & Designated	(\$19,540,915)	(\$16,529,821)	(\$2,697,147)	(\$455,391)	\$141,444
TOTAL NET POSITION	\$129,627,141	\$94,640,984	\$25,402,524	\$7,835,028	\$1,748,605
Transfer (To)/From Reserves					
Connection Fee	\$0	\$0	\$0	\$0	\$0
Liability Reserve	0	0	0	0	0
Capital Replacement & Expansion Fund	0	0	0	0	0
Maintenance Reserve	0	0	0	0	0
RWF Replacement Fund	0	0	0	0	0
Retiree Medical Insurance Fund	(1,527,709)	(1,527,709)	0	0	0
(Gain)/Loss WC Fund	0	0	0	0	0
Bank of Marin Project Fund	0	0	0	0	0
Operating Reserve Fund	(616,000)	(564,000)	(1,000)	(42,000)	(9,000)
Trsf to Webster Bank-Admin Bldg/CIP Fund	2,158,146	2,158,146	0	0	0
Total Transfer	\$14,436	\$66,436	(\$1,000)	(\$42,000)	(\$9,000)
TOTAL LIABILITIES AND FUND BALANCE	\$203,881,051	\$154,441,547	\$37,990,566	\$9,443,316	\$2,005,622

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**NORTH MARIN WATER DISTRICT
SOURCES AND USES OF FUNDS STATEMENT - ALL SERVICE AREAS COMBINED
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	YTD Actual	Annual Budget	YTD/ Budget %	Prior YTD Actual
OPERATING REVENUE				
Water Rate Revenue	\$6,682,951	\$17,991,000	37%	\$5,937,401
Bimonthly Service Charge	1,898,594	7,675,000	25%	1,770,020
Sewer Service Charge	80,723	323,000	25%	76,140
Wheeling & Misc Service Charges	151,199	476,000	32%	85,398
TOTAL OPERATING REVENUE	\$8,813,466	\$26,465,000	33%	\$7,868,959
OPERATING EXPENDITURES				
Source of Supply	\$1,654,837	\$5,908,000	28%	\$1,840,100
Pumping	191,444	611,000	31%	151,713
Operations	278,834	1,307,000	21%	231,318
Water Treatment	779,732	3,208,000	24%	731,914
Sewer Service	36,262	213,000	17%	29,502
Transmission & Distribution	1,013,185	4,421,000	23%	973,800
Consumer Accounting	106,286	545,000	20%	100,687
Water Conservation	100,286	476,000	21%	104,197
General & Administrative	858,307	4,175,000	21%	1,072,672
Depreciation	1,038,440	4,576,000	23%	1,143,019
TOTAL OPERATING EXPENDITURES	\$6,057,614	\$25,440,000	24%	\$6,378,921
NET OPERATING INCOME (LOSS)	\$2,755,853	\$1,025,000	269%	\$1,490,039
NON-OPERATING REVENUE/(EXPENSE)				
Tax Proceeds	\$53	\$125,000	0%	\$73
Interest Revenue	399,638	585,000	68%	247,129
Miscellaneous Revenue	248,966	123,000	202%	296,524
Bond & Loan Interest Expense	(297,388)	(1,203,000)	25%	(289,635)
Miscellaneous Expense	(39,430)	(376,000)	10%	(14,315)
Capital Contribution Expense-NSD & LGVSD	0	(568,000)	0%	0
TOTAL NON-OP REVENUE/(EXPENSE)	\$311,840	(\$1,314,000)	-24%	\$239,776
NET INCOME/(LOSS)	\$3,067,693	(\$289,000)	-1061%	\$1,729,814
OTHER SOURCES/(USES) OF FUNDS				
Add Depreciation Expense	\$1,038,440	\$4,576,000	23%	\$1,143,019
Connection Fees	89,860	814,000	11%	10,000
Loan Proceeds	0	9,582,000	0%	0
Grant Proceeds	0	805,000	0%	0
Marin County Club Loan Principal Pmts	12,759	39,000	33%	16,851
Caltrans AEEP Capital Contribution	0	0	-	0
MMWD AEEP Capital Contribution	0	161,000	0%	0
Transfers In from Capital Expansion Fund	0	750,000		
Capital Equipment Expenditures	(36,009)	(538,000)	7%	(194,850)
Capital Improvement Projects	(2,730,883)	(16,315,000)	17%	(2,175,663)
Lease Assets Acquisition	0	0	-	0
Bond & Loan Principal Payments	(447,334)	(3,417,000)	13%	(383,663)
Change in Working Capital	(3,930,037)	1,637,000		(2,457,790)
TOTAL OTHER SOURCES/(USES)	(\$6,003,204)	(\$1,906,000)	315%	(\$4,042,096)
CASH INCREASE/(DECREASE)	(\$2,935,511)	(\$2,195,000)	134%	(\$2,312,282)

**NORTH MARIN WATER DISTRICT
INCOME STATEMENT AND CASH FLOW BY SERVICE AREA
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

<u>SUMMARY INCOME STATEMENT</u>	<u>TOTAL</u>	<u>NOVATO WATER</u>	<u>NOVATO RECYCLED</u>	<u>WEST MARIN WATER</u>	<u>OCEANA MARIN SEWER</u>
Operating Revenue	\$8,813,466	\$7,760,368	\$676,452	\$295,324	\$81,323
Operating Expense	6,057,614	5,339,763	414,585	240,869	62,397
OPERATING INCOME/(LOSS)	\$2,755,853	\$2,420,605	\$261,867	\$54,455	\$18,925
Non-Operating Revenue/(Expense)	311,840	295,649	14,961	(3,260)	4,490
NET INCOME/(LOSS)	\$3,067,693	\$2,716,254	\$276,828	\$51,195	\$23,415
CAPITAL CONTRIBUTIONS					
Developer In-Kind Contributions	\$248,611	\$248,611	\$0	\$0	\$0
Caltrans AEEP Capital Contributions	0	0	0	0	0
Connection Fees	89,860	38,200	0	21,660	30,000
Cal OES & CA Dept of Water Resources Grants	0	0	0	0	0
FRC Transfer	0	0	0	0	0
CAPITAL CONTRIBUTIONS	\$338,471	\$286,811	\$0	\$21,660	\$30,000
Prior Period Adjustments	0	0	0	0	0
CHANGE IN NET POSITION	\$3,406,164	\$3,003,066	\$276,828	\$72,855	\$53,415
Net Position June 30, 2023	126,220,977	91,637,919	25,125,696	7,762,173	1,695,190
Net Position September 30, 2023	\$129,627,141	\$94,640,984	\$25,402,524	\$7,835,028	\$1,748,605
CASH FLOW STATEMENT					
Net Income/(Loss)	\$3,067,693	\$2,716,254	\$276,828	\$51,195	\$23,415
Add back Depreciation	1,038,440	767,980	197,128	60,250	13,083
Cash Generated From Operations	\$4,106,134	\$3,484,234	\$473,956	\$111,445	\$36,499
Other Sources (Uses) of Funds					
Connection Fee Revenue	\$89,860	\$38,200	\$0	\$21,660	\$30,000
Grant Proceeds	0	0	0	0	0
Capital Assets Acquisition	(2,766,892)	(2,490,183)	(57,060)	(28,488)	(191,161)
Caltrans AEEP Capital Contribution	0	0	0	0	0
Marin Country Club Loan Principal Pmts	12,759	0	12,759	0	0
Principal Paid on Debt	(447,334)	(177,000)	(168,734)	(101,600)	0
Consumer Receivables Decr (Incr)	(1,794,278)	(1,578,304)	(208,474)	70,699	(78,200)
Construction Advances (Decr) Incr	(115,163)	(121,709)	0	6,546	0
Other Assets Decr (Incr)	(1,186,029)	(1,110,560)	4,884	(12,323)	(68,030)
Other Liabilities (Decr) Incr	(179,367)	(391,060)	(2,561)	(26,660)	240,914
Trade Accounts Payable (Decr) Incr	(655,200)	(811,458)	156,258	0	0
Connection Fee Transfer	0	0	0	0	0
Interdistrict Transfers	0	0	0	0	0
Total Other Sources (Uses)	(\$7,041,645)	(\$6,642,073)	(\$262,929)	(\$70,166)	(\$66,477)
Net Cash Provided (Used)	(\$2,935,511)	(\$3,157,839)	\$211,027	\$41,279	(\$29,978)
MV Cash & Investments June 30, 2023	\$37,329,148	\$29,288,345	\$6,810,285	\$746,011	\$484,506
MV Cash & Investments Sept 30, 2023	\$34,393,637	\$26,130,507	\$7,021,312	\$787,291	\$454,528

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	SEPTEMBER 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$2,062,661	\$5,828,604	37%	\$4,940,568
Bill Adjustments	(7,339)	(16,272)	26%	(14,268)
Bimonthly Service Charges	605,101	1,799,451	25%	1,675,968
Account Turn-on Charges	10,576	28,506	32%	19,510
New Account Charges	505	1,200	30%	1,180
Returned Check Charges	18	54	5%	72
Hydrant Meter Up/Down Charges	0	0	0%	300
Backflow Service Charges	14,162	42,746	25%	41,914
Lab Service-Outside Clients	2,293	4,093	11%	1,442
Wheeling Charges - MMWD	21,733	71,987	51%	19,193
TOTAL OPERATING REVENUE	\$2,709,711	\$7,760,368	33%	\$6,685,879
TOTAL EXPENDITURES				
SOURCE OF SUPPLY				
Supervision & Engineering	\$1,106	\$3,566	45%	\$2,006
Operating Expense - Source	438	574	11%	791
Maint/Monitoring of Dam	0	20,950	58%	19,388
Maint of Lake & Intakes	260	1,091	14%	0
Maint of Structures	0	868	-	0
Maint of Watershed	5,750	6,500	33%	12,529
Water Quality Surveillance	130	634	32%	0
Fishery Maint	0	0	0%	0
Erosion Control	0	0	0%	0
Purchased Water	354,569	1,454,420	27%	1,629,049
GASB68 Adjustment	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SOURCE OF SUPPLY	\$362,252	\$1,488,602	27%	\$1,663,763
PUMPING				
Maint of Structures & Grounds	\$4,992	\$8,062	24%	\$7,152
Maint of Pumping Equipment	1,964	3,713	11%	3,455
Electric Power	50,884	156,421	35%	126,374
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
PUMPING	\$57,841	\$168,197	32%	\$136,981
OPERATIONS				
Supervision & Engineering	\$32,729	\$114,121	39%	\$65,703
Operating Expense - Operations	37,658	110,211	22%	115,568
Maintenance Expense	3,541	12,515	21%	12,302
Telemetry Equipment/Controls Maint	3,723	11,909	20%	9,538
Leased Lines	2,298	7,218	29%	5,351
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
OPERATIONS	\$79,949	\$255,974	22%	\$208,462

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	SEPTEMBER 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER TREATMENT				
Supervision & Engineering	\$12,972	\$57,717	23%	\$43,657
Operating Expense - Water Treatment	58,802	167,526	46%	131,590
Purification Chemicals	64,289	173,832	36%	189,718
Sludge Disposal	4,874	29,009	25%	28,921
Maint of Structures & Grounds	1,666	6,180	6%	9,484
Maint of Purification Equipment	14,240	40,304	10%	40,154
Electric Power	21,911	56,523	34%	45,532
Water Quality Programs	8,135	23,348	25%	21,791
Laboratory Direct Labor	31,214	98,150	24%	95,541
Lab Service-Outside Clients	4,672	14,778	123%	10,868
Water Quality Supervision	9,495	25,386	25%	24,124
Laboratory Supplies & Expense	5,887	24,222	21%	31,666
Customer Water Quality	3,857	11,856	30%	13,932
Lab Cost Distributed	(4,322)	(10,680)	28%	(9,753)
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
WATER TREATMENT	\$237,692	\$718,149	24%	\$677,225
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$37,807	\$124,786	16%	\$176,836
Maps & Records	15,441	84,345	34%	84,051
Operation of T&D System	7,351	25,213	15%	31,901
Facilities Location	8,783	40,549	28%	28,421
Safety: Construction & Engineering	3,615	11,191	16%	14,237
Customer Service Expense	14,387	46,054	19%	65,894
Flushing	0	0	0%	7,582
Storage Facilities Expense	10,825	28,053	21%	22,636
Cathodic Protection	360	1,873	16%	1,830
Maint of Valves/Regulators	3,656	11,231	7%	44,225
Maint of Mains	53,242	183,939	92%	58,965
Leak Detection - Mains	3,794	6,386	34%	9,240
Backflow Prevention Program	29,432	112,920	32%	106,812
Maint of Copper Services	40,637	106,339	60%	48,897
Maint of PB Service Lines	54,378	115,968	28%	123,546
Single Service Installations	4,883	1,611	8%	6,920
Maint of Meters	9,253	44,750	29%	29,425
Detector Check Assembly Maint	5,679	14,046	15%	20,905
Maint of Hydrants	2,102	8,348	15%	6,718
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TRANSMISSION & DISTRIBUTION	\$305,623	\$967,602	23%	\$889,042

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	SEPTEMBER 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Meter Reading	\$2,326	\$7,927	29%	\$6,096
Collection Expense - Labor	3,145	8,141	68%	2,573
Collection Expense - Agency	192	440	22%	47
Billing & Consumer Accounting	12,788	40,394	26%	37,875
Contract Billing	1,345	3,986	23%	4,099
Stationery, Supplies & Postage	5,616	16,785	24%	18,601
Online Payment Processing Fees	739	1,130	2%	19,308
Lock Box Service	912	18,026	72%	2,736
Uncollectable Accounts	765	3,708	11%	5,346
Office Equipment Expense	500	3,845	5%	2,045
Distributed to West Marin (4.1%)	(1,055)	(3,340)	18%	(3,603)
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
CONSUMER ACCOUNTING	\$27,274	\$101,042	20%	\$95,123
WATER CONSERVATION				
Residential	\$13,627	\$46,184	17%	\$77,913
Commercial	917	3,058	51%	881
Public Outreach/Information	18,348	46,838	38%	22,662
Large Landscape	440	1,660	21%	1,124
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TOTAL WATER CONSERVATION	\$33,333	\$97,739	21%	\$102,580
GENERAL AND ADMINISTRATIVE				
Directors Fees	\$2,690	\$6,994	15%	\$8,355
Legal Fees	0	2,025	8%	\$1,170
Human Resources	11,818	66,862	26%	34,589
Auditing Fees	9,448	9,448	36%	6,424
Consulting Services/Studies	4,292	25,356	7%	20,352
General Office Salaries	87,932	297,711	18%	349,128
Safety: General District Wide	2,521	8,178	18%	9,200
Office Supplies	670	3,616	10%	7,156
Employee Events	0	2,998	30%	272
Other Administrative Expense	49	140	3%	1,344
Dues & Subscriptions	307	23,211	27%	38,246
Vehicle Expense	676	2,028	11%	2,028
Meetings, Conferences & Training	17,281	44,488	21%	24,483
Recruitment Expense	130	463	23%	1,035
Gas & Electricity	567	1,649	4%	3,504
Telephone	1,536	4,592	22%	4,564
Water	0	280	14%	333
Buildings & Grounds Maint	8,106	17,011	25%	28,560
Office Equipment Expense	8,338	48,285	19%	60,494
Insurance Premiums & Claims	19,000	55,181	21%	78,443
Retiree Medical Benefits	18,199	54,580	24%	52,053
(Gain)/Loss on Overhead Charges	(83,594)	(167,287)	-68%	(4,100)
G&A Applied to Other Operations (5.9%)	(13,100)	(48,496)	27%	(53,400)
Expensed Improvement Projects	0	0	-	0
G&A Applied to Construction	(38,942)	(119,658)	31%	(88,405)
GASB75 Adjustment (OPEB)	0	0	-	0
GASB68 Adjustment (Pension)	145,218	434,823	85%	394,913
GENERAL & ADMINISTRATIVE	\$203,144	\$774,477	20%	\$980,740
Depreciation (Note 5)	248,675	767,980	21%	864,324
TOTAL OPERATING EXPENSE	\$1,555,783	\$5,339,763	23%	\$5,618,241
OPERATING INCOME/(LOSS)	\$1,153,928	\$2,420,605	498%	\$1,067,638

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	SEPTEMBER 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest:				
General Funds	(\$176,128)	\$128,031	110%	\$4,714
Retiree Medical Insurance Fund	40,368	40,368	54%	29,819
Interest Revenue-Leases	486	9,336	93%	9,882
Admin Bldg/CIP Project Fund	78,366	78,366	44%	116,288
Funds Held in County Treasury	0	(11,877)	-59%	9,721
West Marin Loan from Novato	0	27,467	110%	0
MMWD Interconnection Agreement Loan	0	48,228		52,378
Total Interest Revenue	(\$56,909)	\$319,919	68%	\$222,802
Rents & Leases	5,232	34,988	40%	35,049
Tax Proceeds	19	53	0%	73
Other Non-Operating Revenue	736	3,289	11%	1,658
Gain/(Loss) on MV of Investments	20,094	210,439	-	259,550
NON-OPERATING REVENUE	(\$30,827)	\$568,688	80%	\$519,132
NON-OPERATING EXPENSE				
Bank of Marin AEEP Loan Interest Exp	\$9,776	\$29,586	26%	\$31,618
STP SRF Loan Interest Expense	11,113	33,338	25%	41,313
JP Morgan/Chase AMI Loan Interest Expense	7,341	22,024	25%	23,907
Webster Bank Loan Interest Expense	49,554	148,661	25%	130,159
Other Non-Operating Expense	30,465	39,430	10%	14,306
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$108,248	\$273,039	21%	\$241,304
NET INCOME/(LOSS)	\$1,014,853	\$2,716,254	(2492%)	\$1,345,467
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	1,014,853	2,716,254		1,345,467
CONTRIBUTED CAPITAL				
Developer 'In-Kind' Contributions	50,678	248,611	-	108,187
Caltrans AEEP Capital Contribution	0	0	0%	0
MMWD AEEP Capital Contribution	0	0	0%	0
Facility Reserve Charges	22,920	38,200	5%	10,000
FRC Transfer to/from Recycled Water	0	0	0%	(216,362)
Prior Period Adjustment (Note 12)	0	0	-	0
ENDING FUND EQUITY		\$94,640,984		\$87,757,797

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	SEPTEMBER 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Recycled Water Sales	\$166,415	\$638,648	37%	\$743,553
Bimonthly Service Charges	15,609	35,219	26%	33,756
Water Loads	900	2,585	13%	4,310
TOTAL OPERATING REVENUE	\$182,924	\$676,452	36%	\$781,619
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	\$0	\$0	-	\$212
Purchased Water - NSD	32,692	108,289	38%	127,519
Purchased Water - LGVSD	16,128	48,684	43%	38,927
SOURCE OF SUPPLY	\$48,820	\$156,974	40%	\$166,658
PUMPING				
Maint of Pumping Equipment	0	342	17%	0
Electric Power	488	1,478	49%	1,273
GASB68 Adjustment (Pension)	0	0	-	0
GASB75 Adjustment (OPEB)	0	0	-	0
PUMPING	\$488	\$1,820	36%	\$1,273
OPERATIONS				
Supervision & Engineering	\$940	\$5,677	63%	\$2,679
Operating Expense - Operations	0	4,070	407%	213
Potable Water Consumed	0	3,826	8%	1,319
Maintenance Expense	0	0	0%	3,604
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
OPERATIONS	\$940	\$13,573	17%	\$7,816
WATER TREATMENT				
Supervision & Engineering	\$0	\$21	-	\$0
Purification Chemicals	0	3,182	-	0
Laboratory Direct Labor	0	749	75%	44
Customer Water Quality	0	0	0%	0
Lab Expense Distributed from Novato	(1)	386	-	27
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
WATER TREATMENT	(\$1)	\$4,338	87%	\$70
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$0	\$480	12%	\$1,035
Operation of T&D System	0	47	-	0
Customer Service Expense	4,392	12,364	44%	11,092
Storage Facilities Expense	(11)	906	-	75
Maint of Valves/Regulators	0	0	0%	0
Single Service Installations	0	0	0%	17,527
Hydrant Maint & Operations	0	0	0%	0
Maint of Meters	0	3,900	-	0
Maint of Mains	0	0	0%	334
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TRANSMISSION & DISTRIBUTION	\$4,381	\$17,696	24%	\$30,062

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	SEPTEMBER 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Distributed from Novato (0.2%)	\$96	\$301	15%	\$364
CONSUMER ACCOUNTING	\$96	\$301	15%	\$364
GENERAL AND ADMINISTRATIVE				
Dues & Subscriptions	\$0	\$0	0%	\$0
Consulting Services/Studies	0	0	0%	1,610
Distributed from Novato (2.4%)	5,055	18,715	21%	22,417
GASB68 Adjustment	1,273	4,040	16%	5,471
GENERAL & ADMINISTRATIVE	\$6,328	\$22,755	16%	\$29,498
Depreciation (Note 5)	\$65,709	\$197,128	25%	\$197,128
TOTAL OPERATING EXPENSE	\$126,761	\$414,585	28%	\$432,868
OPERATING INCOME/(LOSS)	\$56,163	\$261,867	66%	\$348,751
NON-OPERATING REVENUE				
Interest:				
General Funds	\$63,726	\$65,494	345%	\$16,958
RWF Replacement Fund	0	0	\$0	0
Self-Insured Workers' Comp Fund	0	0	-	4
StoneTree RWF Loan	3,525	2,641	26%	2,737
Total Interest Revenue	\$67,252	\$68,136	69%	\$19,698
Other Non-Operating Revenue	0	0	-	0
NON-OPERATING REVENUE	\$67,252	\$68,136	69%	\$19,698
NON-OPERATING EXPENSE				
RWF SRF Loan Interest Expense	\$2,062	\$6,185	25%	\$7,642
Expansion SRF Loan Interest Expense	15,663	46,989	25%	50,354
Capital Contribution Expense-NSD&LGVSD	0	0	0%	0
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$17,725	\$53,175	7%	\$57,996
NET INCOME/(LOSS)	\$105,690	\$276,828	(96%)	\$310,453
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)		\$25,125,696		\$24,605,568
Developer 'In-Kind' Contributions	105,690	276,828		310,453
FRC Transfer to/from Novato	0	0	-	0
RW Central Area Expansion Grant	0	0	-	216,362
Prior Period Adjustment (Note 12)	0	0	-	0
ENDING FUND EQUITY		\$25,402,524		\$25,132,383

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	SEPTEMBER 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$77,837	\$233,281	31%	\$266,029
Bill Adjustments	(3,423)	(3,895)	16%	(2,790)
Bimonthly Service Charges	20,505	63,924	22%	60,296
Account Turn-on Charges	0	600	60%	470
New Account Charges	0	15	-	25
Returned Check Charges	9	9	-	0
Backflow Service Charges	16	1,390	17%	1,292
TOTAL OPERATING REVENUE	\$94,943	\$295,324	29%	\$325,322
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	\$0	\$358	9%	\$836
Operating Expense	28	133	3%	74
Maint of Structures	0	8,770	55%	8,770
Water Quality Surveillance	0	0	0%	0
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SOURCE OF SUPPLY	\$28	\$9,261	36%	\$9,680
PUMPING				
Maint of Structures and Grounds	\$0	\$845	21%	\$0
Maint of Pumping Equip	0	450	1%	1,611
Electric Power	6,629	20,132	50%	11,849
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
PUMPING	\$6,629	\$21,427	27%	\$13,460
OPERATIONS				
Supervision & Engineering	\$1,456	\$5,512	21%	\$6,583
Operating Expense	608	1,871	6%	5,868
Maintenance Expense	0	0	0%	0
Maint of Telemetry Equipment	340	994	12%	1,549
Leased Lines	246	909	23%	1,040
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
OPERATIONS	\$2,650	\$9,286	11%	\$15,039
WATER TREATMENT				
Supervision & Engineering	\$706	\$4,210	32%	\$3,492
Operating Expense	2,285	10,275	21%	7,330
Purification Chemicals	624	2,337	47%	447
Maint of Structures & Grounds	0	52	2%	730
Maint of Purification Equipment	1,050	2,222	22%	231
Electric Power	462	2,464	15%	7,892
Laboratory Direct Labor	7,714	18,406	30%	15,702
Laboratory Services	2,545	5,805	73%	1,365
Water Quality Supervision	0	805	4%	4,248
Customer Water Quality	162	1,190	13%	3,620
Lab Expense Distributed from Novato	3,961	9,480	32%	9,562
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
WATER TREATMENT	\$19,508	\$57,245	22%	\$54,619

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	SEPTEMBER 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$0	\$0	0%	\$3,891
Facilities Location - USA	861	2,201	37%	0
Customer Service Expense	251	2,106	16%	917
Storage Facilities Expense	3,419	8,701	14%	9,683
Cathodic Protection	0	228	-	0
Maint of Valves	0	0	0%	0
Valve Operation Program	0	0	0%	0
Maint of Mains	746	1,661	7%	2,759
Backflow Dev Inspection/Survey	2,653	3,046	30%	3,548
Maint of Copper Services	0	4,536	151%	882
Maint of PB Service Lines	106	8,246	29%	32,695
Maint of Meters	0	524	26%	321
Detector Check Assembly Maint	2,455	2,455	246%	0
Maint of Hydrants	0	0	0%	0
Hydrant Operation	0	0	0%	0
Single Service Installation	(5,921)	(5,817)	-	0
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TRANSMISSION & DISTRIBUTION	\$4,569	\$27,887	12%	\$54,696
CONSUMER ACCOUNTING				
Meter Reading	\$0	\$1,892	16%	\$1,813
Collection Expense - Labor	12	12	1%	148
Uncollectable Accounts	0	0	0%	0
Distributed from Novato (3.6%)	757	2,386	17%	\$2,962
GASB68 Adjustment (Pension)	0	0	-	0
GASB75 Adjustment (OPEB)	0	0	-	0
CONSUMER ACCOUNTING	\$769	\$4,290	14%	\$4,923
WATER CONSERVATION				
Water Conservation Program	\$917	\$2,546	25%	\$1,617
GASB68 Adjustment (Pension)	0	0	-	0
GASB75 Adjustment (OPEB)	0	0	-	0
TOTAL WATER CONSERVATION	\$917	\$2,546	25%	\$1,617
GENERAL AND ADMINISTRATIVE				
Consulting Services/Studies	\$0	\$0	0%	\$4,757
Distributed from Novato (3.6%)	6,271	23,215	28%	23,882
GASB68 Adjustment (Pension)	8,655	25,461	-	19,964
GENERAL & ADMINISTRATIVE	\$14,925	\$48,677	31%	\$48,603
Depreciation (Note 5)	20,083	60,250	25%	69,881
TOTAL OPERATING EXPENSE	\$70,079	\$240,869	22%	\$272,517
OPERATING INCOME/(LOSS)	\$24,864	\$54,455	(66%)	\$52,804

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	<u>SEPTEMBER 2023</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD ACTUAL</u>
NON-OPERATING REVENUE				
Interest - General Funds	\$7,344	\$7,344	73%	\$2,111
Rents & Leases	0	0	0%	0
Other Non-Operating Revenue	0	0	-	16
NON-OPERATING REVENUE	<u>\$7,344</u>	<u>\$7,344</u>	46%	<u>\$2,127</u>
NON-OPERATING EXPENSE				
Bank of Marin Loan Interest Expense	\$1,435	\$4,343	26%	\$4,641
Loan from Novato-Interest Expense	2,087	6,261	25%	0
Other Non-Operating Expense	0	0	-	0
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	<u>\$3,522</u>	<u>\$10,604</u>	25%	<u>\$4,641</u>
NET INCOME/(LOSS)	<u>\$28,686</u>	<u>\$51,195</u>	(47%)	<u>\$50,290</u>
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	28,686	\$7,762,173		\$7,399,720
CONTRIBUTED CAPITAL		51,195		50,290
New Gallagher Well #2 Grant	0	0	0%	0
Developer 'In-Kind' Contributions	0	0	-	47,358
Facility Reserve Charges	20,660	21,660	103%	0
PRIOR YEAR ADJUSTMENTS (Note 11c)	0	0		0
ENDING FUND EQUITY		<u>\$7,835,028</u>		<u>\$7,497,368</u>

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	SEPTEMBER 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Sewer Service Charges	\$26,908	\$80,723	25%	\$76,140
Inspection Fees	300	600	-	0
TOTAL OPERATING REVENUE	\$27,208	\$81,323	25%	\$76,140
OPERATING EXPENSE				
SEWAGE COLLECTION				
Supervision & Engineering	\$1,453	\$6,276	11%	\$6,470
Operating Expense	82	248	25%	245
Facilities Location	364	364	-	0
Maint of Telemetry Equipment	22	143	14%	65
Sewer Service Installation	106	210	-	0
Maint of Lift Stations	0	539	5%	336
Maint of Sewer Mains	0	255	9%	2,382
Electric Power	1,520	4,843	20%	5,421
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SEWAGE COLLECTION	\$3,546	\$12,878	11%	\$14,919
SEWAGE TREATMENT				
Operating Expense	\$839	\$4,896	13%	\$4,474
Maint of Equipment	644	2,317	77%	0
Laboratory Direct Labor	704	1,580	29%	270
Lab Expense Distributed from Novato	362	814	41%	164
Electric Power	1,454	4,486	30%	3,895
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SEWAGE TREATMENT	\$4,003	\$14,092	21%	\$8,803
SEWAGE DISPOSAL				
Operating Expense	\$871	\$3,347	30%	\$1,655
Maint of Pump Stations	0	5,385	90%	717
Maint of Storage Ponds	0	560	14%	0
Maint of Irrigation Field	0	0	0%	3,408
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SEWAGE DISPOSAL	\$871	\$9,293	27%	\$5,780
CONSUMER ACCOUNTING				
Distributed from Novato (0.6%)	202	\$653	33%	277
CONSUMER ACCOUNTING	\$202	\$653	33%	\$277

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

	SEPTEMBER 2023	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
GENERAL AND ADMINISTRATIVE				
Consulting Services/Studies	\$0	\$0	-	\$678
Distributed from Novato (1.1%)	1,773	6,565	22%	7,101
Liability Insurance	217	650	22%	631
GASB68 Adjustment	1,710	5,183	-	5,421
GENERAL AND ADMINISTRATIVE	\$3,700	\$12,398	38%	\$13,830
Depreciation (Note 5)	4,361	13,083	28%	11,686
TOTAL OPERATING EXPENSE	\$16,683	\$62,397	21%	\$55,294
OPERATING INCOME/(LOSS)	\$10,524	\$18,925	68%	\$20,846
NON-OPERATING REVENUE				
Rents & Leases	\$0	\$250	-	\$250
Interest - General Funds	4,240	4,240	61%	2,511
Interest - Self Insured WC Fund	0	0	-	2
Tax Proceeds - OM-1/OM-3 Tax Alloc	0	0	-	0
Other Non-Operating Revenue	0	0	-	0
NON-OPERATING REVENUE	\$4,240	\$4,490	64%	\$2,763
NON-OPERATING EXPENSE				
Other Non-Operating Expense	\$0	\$0	0%	\$9
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$0	\$0	0%	\$9
NET INCOME/(LOSS)	\$14,764	\$23,415	81%	\$23,600
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	14,764	23,415		23,600
CONTRIBUTED CAPITAL				
Contribution in Aid of Construction	0	0	-	0
Sewer Facilities Connection Charges	0	30,000	100%	0
FEMA/CAL OES Grant-OM Treatment Pond	0	0		0
PRIOR YEAR ADJUSTMENTS (Note 11d)	0	0		0
ENDING FUND EQUITY		\$1,748,605		\$1,764,384

**NORTH MARIN WATER DISTRICT
VEHICLE FLEET ANALYSIS
FOR PERIOD ENDING SEPTEMBER 30, 2023**
Fiscal Year to Date

Vehicle Cost per Mile

Year	Description	Veh#	Assigned	Mileage	Expense ¹	Recovery ²	Gain/(Loss)	Mileage	Life to Date	FYTD24	FYTD23
1	2008 Ford F250 4x4	506	Pool	113	\$90	\$0	(\$90)	82,525	\$0.85	\$0.00	\$0.00
2	2010 Ford F150 4x4	511	Maintenance	137	\$358	\$86	(\$272)	107,400	\$0.51	\$2.61	\$0.00
3	2010 Ford F150	513	Construction	1	\$308	\$0	(\$308)	98,561	\$0.47	\$308.00	\$1.13
4	2012 Ford F250	515	Williamson	2,355	\$2,171	\$2,947	\$776	101,747	\$0.64	\$0.92	\$0.17
5	2012 Ford F250	516	Pearce	3,999	\$2,493	\$2,800	\$307	116,190	\$0.63	\$0.62	\$2.05
6	2014 Ford F150	517	Kurfirist	616	\$514	\$3,168	\$2,653	33,018	\$0.64	\$0.84	\$0.38
7	2015 Ford F250 4x4	518	Maintenance	114	\$179	\$140	(\$39)	120,590	\$0.47	\$1.57	\$0.63
8	2015 Ford Escape 4X4	520	To be Auctioned	0	\$154	\$0	(\$154)	119,805	\$0.31	\$0.00	\$0.94
9	2015 Ford F150 4X4	521	Watkins/Shop	1,200	\$498	\$448	(\$50)	64,398	\$0.39	\$0.41	\$0.59
10	2016 Nissan Frontier	522	Roberto	752	\$2,163	\$655	(\$1,509)	60,864	\$0.42	\$2.88	\$0.63
11	2017 Ford Escape 4X4	523	Lab	823	\$776	\$418	(\$358)	40,395	\$0.35	\$0.94	\$0.25
12	2016 Nissan Frontier	524	Bynum	3,070	\$2,159	\$2,275	\$116	66,350	\$0.56	\$0.70	\$0.58
13	2018 Ford Cargo Van	526	On-Call	1,971	\$1,009	\$203	(\$806)	49,189	\$0.49	\$0.51	\$0.36
14	2018 Dodge Ram 2500	527	Breit	4,346	\$2,850	\$3,185	\$335	64,353	\$0.60	\$0.66	\$0.35
15	2019 Chev Colorado 4x4	528	Stompe	1,499	\$556	\$1,099	\$543	24,101	\$0.52	\$0.37	\$0.56
16	2019 Nissan Rogue	531	Eng/Wtr Conv	687	\$566	\$333	(\$233)	19,585	\$0.35	\$0.00	\$0.58
17	2019 Nissan Frontier	533	Pool	548	\$607	\$476	(\$131)	35,280	\$0.47	\$1.11	\$0.52
18	2019 Ford F-150 2WD	534	Reed	1,008	\$271	\$3,024	\$2,753	11,873	\$0.51	\$0.27	\$0.67
19	2019 Ford F-150 4x4	535	STP	1,705	\$401	\$525	\$124	29,750	\$0.30	\$0.24	\$0.00
20	2020 Chevrolet Colorado 2WD	536	Lawrence	3,657	\$2,661	\$2,058	(\$603)	42,418	\$0.34	\$0.73	\$0.70
21	2020 Ford F250 4X4	537	Kehoe, Chris	4,286	\$4,573	\$3,080	(\$1,493)	49,204	\$0.56	\$1.07	\$0.48
22	2020 Ford F250 4X4	538	STP	995	\$383	\$392	\$9	14,719	\$0.52	\$0.38	\$0.35
23	2020 Ford F150 2WD	539	Construction	1,054	\$858	\$1,064	\$206	15,862	\$0.41	\$0.81	\$0.22
24	2020 Ford F150 2WD	540	Bergstrom	2,283	\$762	\$2,706	\$1,943	29,701	\$0.34	\$0.33	\$0.52
25	2021 Nissan Rogue	541	Clark	2,389	\$2,036	\$546	(\$1,490)	25,341	\$0.31	\$0.85	\$0.47
26	2021 Nissan Frontier	542	STP	1,747	\$1,302	\$1,043	(\$259)	21,919	\$0.38	\$0.75	\$0.44
27	2021 Ford Ranger 4x4	543	LeBrun	438	\$168	\$231	\$63	22,264	\$0.27	\$0.38	\$0.34
28	2020 Ford F150	544	Grisso	217	\$236	\$224	(\$12)	1,855	\$0.58	\$1.09	\$0.44
29	2021 Ford F150	545	Kane	350	\$776	\$56	(\$720)	5,800	\$0.37	\$2.22	\$0.60
30	2021 Ford F150 4x4	546	Engineering	3,837	\$725	\$1,215	\$489	13,709	\$0.28	\$0.19	\$0.74
31	2022 Chevy Bolt EUV	548	LAB	2,076	\$0	\$754	\$754	8,503	\$0.02	\$0.00	\$0.51
32	2023 Chevy Bolt EUV	549	LeBrun	3,055	\$50	\$231	\$181	9,827	\$0.06	\$0.02	\$0.34
33	2022 Ford Ranger 4x4	550	Davenport	4,323	\$1,537	\$2,037	\$500	8,505	\$0.41	\$0.36	\$0.47
34	2022 Ford Ranger 2WD	551	Ladd	594	\$161	\$1,596	\$1,435	1,231	\$0.56	\$0.27	\$0.03
35	2022 Ford Ranger 2WD	552	Castellucci	2,163	\$1,113	\$2,492	\$1,379	7,906	\$0.34	\$0.51	\$0.00
36	2022 Ford Ranger 2WD	553	Moniz	410	\$703	\$350	(\$353)	5,270	\$0.53	\$1.71	\$0.00
37	2023 Ford Ranger 4x4	554	Kehoe, Chris	3,178	\$819	\$1,488	\$669	4,084	\$0.25	\$0.26	\$0.00
38	2023 Nissan Leaf EV #555	555	Clark	0	\$308	\$63	(\$245)	0	\$0.00	\$0.00	\$0.00
Total 3/4 Ton & Under				61,996	\$37,293	\$43,405	\$6,112	1,534,092	\$0.49	\$0.60	\$0.52
1	1999 Ford F350 W/Svc Body	19	Pool	24	\$308	\$56	(\$252)	140,399	\$0.00	\$0.00	\$0.25
2	2002 Int'l 5 Yd Dump	44	Construction	146	\$295	\$1,820	\$1,525	117,699	\$1.82	\$2.02	\$3.78
3	2006 Int'l 4300 Crew	503	Construction/Crew	472	\$792	\$7,210	\$6,418	57,661	\$2.52	\$1.68	\$1.76
4	2009 Peterbilt 325 Crew	508	Construction/Crew	593	\$1,905	\$7,196	\$5,291	50,423	\$2.38	\$3.21	\$2.08
5	2012 Int'l 5 Yd Dump	514	Construction	1,197	\$1,956	\$5,866	\$3,910	59,090	\$1.70	\$1.63	\$3.29
6	2015 Int'l 5 Yd Dump	519	Sjoblom	793	\$2,207	\$3,192	\$2,111	60,057	\$1.41	\$2.78	\$0.59
7	2017 Ford F350 4x4	525	Lemos	1,235	\$767	\$3,752	\$2,985	58,126	\$0.79	\$0.62	\$2.26
8	2019 Ford F550 3 YD Dump	530	Construction	704	\$1,151	\$3,262	\$2,111	14,052	\$1.41	\$1.64	\$0.59
9	2021 Int'l 5 Yd Dump	547	Breit	942	\$1,755	\$4,858	\$3,103	5,522	\$2.54	\$1.86	\$3.55
Total 1 Ton & Over				6,106	\$11,136	\$37,212	\$27,202	563,029	\$1.53	\$1.82	\$2.79

¹ Expense amount shown excludes depreciation (approximately \$210,000 for FY24).

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

**NORTH MARIN WATER DISTRICT
WATER CONSERVATION PROGRAM DETAIL
PERIOD ENDING SEPTEMBER 30, 2023**

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Description		COST THRU JUNE 2023	SEPTEMBER 2023	FYTD TOTAL	FY 23/24 BUDGET	(OVER) UNDER	TOTAL COST	Notes			
NOVATO											
a. Residential											
1-7700-01	1-7700-26	1	Cash for Grass	\$554,857	\$2,909	\$7,396	\$60,000	\$52,604	\$562,254	(e)	58001-01-21
1-7700-02	1-7700-27	2	Landscape Efficiency Rebates	40,056	280	1,751	6,000	4,249	41,807	(e)	58001-01-21
1-7700-03		3	Fixtures Purchases	71,840	0	0	5,000	5,000	71,840	(e)	58001-01-21
1-7700-06	1-7700-28	4	Washing Machine Rebates	367,327	558	1,497	5,000	3,503	368,825	(e)	58001-01-21
1-7700-07		5	Demonstration Garden Improvements	55,105	0	0	0	0	55,105	(e)	58001-01-21
1-7700-11	1-7700-29	6	Toilet Rebate-Residential	1,076,799	322	1,986	25,000	23,014	1,078,784	(e)	58001-01-21
1-7700-12		7	Toilet Rebate - MF	130	0	0	0	0	130	(e)	58001-01-21
1-7700-13		8	Residential Audits	500,053	0	60	20,000	19,940	500,113	(e)	58001-01-21
1-7700-15		9	High Efficiency Toilet Distribution	242,197	0	0	0	0	242,197	(e)	58001-01-21
1-7700-16		10	Water Waste Ordinance Monitoring	161,081	124	1,111	25,000	23,889	162,192	(e)	58001-01-21
1-7700-17	1-7700-31	11	Swimming Pool Cover Rebate	13,225	256	1,050	5,000	3,950	14,275	(e)	58001-01-21
1-7700-19	1-7700-32	12	ET Controller Rebate	59,625	65	638	6,000	5,362	60,263	(e)	58001-01-21
1-7700-08		13	Administration	1,977,291	8,196	28,248	126,000	97,752	2,005,538	(e)	58001-01-21
1-7700-20		14	New Development Wtr Cons Program	147,602	917	2,446	10,000	7,554	150,048	(e)	58001-01-21
1-7700-21	1-7700-33	15	Demand Offset Rebate Program	4,905	0	0	2,000	2,000	4,905	(e)	58001-01-21
1-7700-23		16	Grant Administration	3,300	0	0	1,000	1,000	3,300	(e)	58001-01-21
1-7700-24	1-7700-34	17	Hot Water Recirculation Rebate	4,466	0	0	2,000	2,000	4,466	(e)	58001-01-21
1-7700-25		18	Residential Fill Station	66,442	0	0	0	0	66,442	(e)	58001-01-21
1-7700-35		19	UWMP	16,733	0	0	0	0	16,733	(e)	58001-01-21
b. Non-Residential Programs											
1-7701-03	1-7701-04	1	Commercial Programs	50,006	917	3,058	10,295	7,237	53,064	(e)	58002-01-21
1-7702-01		2	Large Landscape Programs	49,979	440	1,660	12,967	11,307	51,639	(e)	58004-01-21
1-7700-04		c.	Public Outreach/Information	560,311	18,348	46,838	144,738	97,900	607,149	(e)	58003-01-21
TOTAL NOVATO WATER CONSERVATION				\$6,023,329	\$33,333	\$97,739	\$466,000	\$368,261	\$6,121,069		
WEST MARIN WATER											
2-5166-00		a.	Water Conservation Program	\$191,069	\$917	\$2,546	\$10,000	\$7,454	\$193,615	(e)	58000-02-21
TOTAL WEST MARIN WATER CONSERVATION				\$191,069	\$917	\$2,546	\$10,000	\$7,454	\$193,615		

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2023**

Description		COST THRU JUNE 2023	SEPTEMBER 2023	FYTD TOTAL	FY 23/24 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
1. PIPELINES							
1a Pipeline Improvements							
a. Main/Pipeline Replacements							
1-7195-00	1 Novato Blvd Widening Diablo to Grant	\$77,199	\$3,030	\$10,555	\$80,000	\$69,445	\$87,754
1-7209-00	2 George St Main Replacement	79,197	354	105,184	225,000	119,816	184,381
1-7150-00	3 San Mateo Tank 24" Transmission Main	238,166	0	0	25,000	25,000	238,166
1b Pipeline Replacements							
1-8737-08	1 Repl 8" CI w/pvc-Railroad/Rose	\$82,117	\$1,741	\$3,875	\$350,000	\$346,125	\$85,992
1c Aqueduct Improvements							
	1 North Marin Aqueduct Restoration near Olompali Slide	\$0	\$0	\$0	\$50,000	\$50,000	\$0
	2 Interconnection Modifications (w/ MMWD)	0	0	0	100,000	100,000	0
1d Other Pipeline Projects							
	1 Sync w/ City or County Paving	\$0	\$0	\$0	\$10,000	\$10,000	\$0
	2 Replace Galvanized Steel Pipe (200 LF/yr)	0	0	0	25,000	25,000	0
	3 Polybutylene (PB) Service Line Replacments	0	0	0	25,000	25,000	0
	4 Replace Plastic Thin Walled Pipe (< 4-inch)	0	0	0	50,000	50,000	0
	5 Other Main Replacements (60+ years old)	0	0	0	100,000	100,000	0
1-2831-01	6 Veranda by Landsea-Stub out to Adjacent Property	0	0	0	0	0	0
1-7211-00	7 Arthur St. Main Relocation	0	652	16,491		(16,491)	16,491
1-7210-01	8 Compound Ultrsrc Mtr Rpl-Buck Inst	0	3,725	3,725		(3,725)	3,725
1-7212-00	9 Stafford Lake Park Svc Line	0	0	971		(971)	971
Subtotal Pipelines		\$476,680	\$9,502	\$140,800	\$1,040,000	\$899,200	\$617,480
2. STORAGE TANKS & PUMP STATIONS							
2a Tank Rehabilitation / Replacement							
1-6207-20	1 Old Ranch Rd Tank Replacement	\$1,859,324	\$0	\$2,648	\$15,000	\$12,352	\$1,861,972
1-6209-20	2 Garner Tank Recoat	10,989	0	0	25,000	25,000	10,989
1-6213-24	3 Lynwood Tank #1 Seismic Upgrade/Coating	0	0	0	0	0	0
1-6414-20	4 Lynwood Tank #2 Seismic Upgrade/Coating	0	0	0	25,000	25,000	0
2b Pump Station Rehabilitation / Replacement							
1-6112-26	1 Lynwood PS Replacement	\$210,656	\$1,779	\$16,212	\$300,000	\$283,788	\$226,868
1-6141-00	2 Crest PS	320,399	10,741	42,681	1,500,000	1,457,319	363,080
1-6103-22	3 Cherryhill PS Retaining Wall Repair	4,784	0	6,235	200,000	193,765	11,019
2c Hydropneumatic Systems							
1-7170-00	1 Hydropneumatic Tank Repairs	\$190,792	\$5,844	\$10,485	\$850,000	\$839,515	\$201,277
1-7170-01	2 Bahia Hydropneumatic System Replacement	0	0	0	0	0	0
1-6600-34	3 HSPS #3 MOTOR R&R	166,752	0	0.00	0	0	166,752
2d Other Tank & Pump Station Improvements							
	1 Other Tank & Pump Station Improvements	\$0	\$0	\$0	\$25,000	\$25,000	\$0
	2 Recoating of Other Tanks	0	0	0	25,000	25,000	0
1-7187-00	3 Mobil Pump Station for Tank Cleaning	19,255	0	0	20,000	20,000	19,255
Subtotal Storage Tanks & Pump Stations		\$2,782,951	\$18,364	\$78,262	\$2,985,000	\$2,906,738	\$2,861,212

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2023**

Description		COST THRU JUNE 2023	SEPTEMBER 2023	FYTD TOTAL	FY 23/24 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
3. STAFFORD IMPROVEMENTS							
3a Stafford Treatment Plant (STP)							
1-6610-22	1 Replace Supernatant Line to Center Road (4" @ 4,400')	\$21,719	\$681	\$1,635	\$625,000	\$623,365	\$23,353
	2 STP Efficiency Improvements	0			50,000	50,000	0
1-6610-26	3 STP-Chemical System Upgrade	7,944	0	0.00	50,000	50,000	7,944
1-661027	4 STP-VFD Upgrades	73,571	0	0.00	0	0	73,571
	5 STP Corrosion Improvements - Primary Filter Recoat (x3)	0			400,000	400,000	0
1-6600-xx	6 Other Treatment Plant Improvements	0	0	0.00	100,000	100,000	0
3b Stafford Dam / Watershed							
1-6610-24	1 Water Supply Enhancements-Spillway ASG	\$26,958	\$0	\$8,469	\$150,000	\$141,532	\$35,426
1-6610-25	2 Dam Spillway Concrete Repair	5,720	10,096	21,004	100,000	78,996	26,723
1-6610-28	3 Access Road Slide Repair	\$0	0	7	\$50,000	49,993	7
1-6600-96	4 Leveroni Creek Embankment Repair ¹	92,294	0	0.00	0	0	92,294
Subtotal Stafford Improvements		\$228,206	\$10,777	\$31,114	\$1,525,000	\$1,493,886	\$259,319
4. MISCELLANEOUS IMPROVEMENTS (NOVATO)							
4a District Offices							
1-6501-44	1 NMWD Headquarters Upgrade ²	\$9,549,019	\$661,166	\$2,170,461	\$8,000,000	\$5,829,539	\$11,719,481
1-6502-48	2 Repave Corp Yard	173,135	154	210,265	0	(210,265)	383,400
	3 Construction Building Upgrade	0			150,000	150,000	0
	4 Program Assessment for Yard Site Improvements	0			75,000	75,000	0
4b System Pressure / Valving							
4c Other Miscellaneous Improvements							
	1 Backflow Protection - DCDA Repair/Replace (FY24)	\$0	\$0	\$0	\$50,000	\$50,000	\$0
1-7007-16	2 Detector Check Assembly Repair/Repl-FY23 (~8/yr)	9,460	0	476	0	(476)	9,936
	3 Cathodic Protection - Anode Installation (FY24)	0	0	0	10,000	\$10,000	\$0
	4 Other System Improvements	0	0	0	100,000	\$100,000	\$0
Subtotal Miscellaneous Improvements (Novato)		\$9,731,614	\$661,320	\$2,381,202	\$8,385,000	\$6,003,798	\$12,112,817

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2023**

Description	COST THRU JUNE 2023	SEPTEMBER 2023	FYTD TOTAL	FY 23/24 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
5. RECYCLED WATER SYSTEM (NOVATO)						
5a RW Pipelines						
5-7162-07 1 RW Extension from Redwood Blvd to 999 Rush Creek ⁵	\$0	\$0	\$0	\$300,000	\$300,000	\$0
2 Hamilton Homeward Bound RW Main Ext ⁷	661	272	57,060	300,000	242,940	57,722
5b RW Tanks & Pump Stations						
1 Leak Repair - Reservoir Hill Tank	\$0	\$0	\$0	\$100,000	\$100,000	\$0
5c Other RW Improvements						
1 Other Recycled Water Improvements	\$0	\$0	\$0	\$50,000	\$50,000	\$0
2 RW Central Area ROW/Easements	0	0	0	90,000	90,000	0
TOTAL RECYCLED WATER	\$661	\$272	\$57,060	\$840,000	\$782,940	\$57,722
6. WEST MARIN SYSTEM						
6a WM Pipelines						
2-8912-00 1 Lagunitas Bridge Pipeline Replacement	\$85,562	\$2,020	\$2,020	\$50,000	\$47,980	\$87,582
2-7192-02 2 PRE 2" Galvanized Pipe-Sunnyside/Dover/Carlton/Balboa	58,420	2,427	3,407	0	(3,407)	61,828
2-7192-01 3 Replace PRE 2" Galv Pipe-Balboa/Drakesview/Baywood	8,290	0	0	125,000	125,000	8,290
6b WM Tanks & Pump Stations						
6c WM Wells						
2-6604-23 1 Gallagher Well #1-Assess/Rehab	\$35,350	\$0	\$1,189	\$85,000	\$83,811	\$36,540
2-6609-21 2 GW #2-DWR Grant T1-Admin	3,422	0	0	10,000	10,000	3,422
2-6609-20 3 New Gallagher Well #2 ³	1,005,260	11,377	15,913	165,000	149,087	1,021,173
2-6609-22 4 GW #2-DWR Grant T2-Well	3,618	0	0	0	0	3,618
2-6609-23 5 GW #2-DWR Grant T31-M&P	150,657	0	0	0	0	150,657
6d WM Treatment Plant						
6e WM Other Improvements						
2-8829-00 1 SYNC W/County Paving	\$1,455	\$0	\$0	\$20,000	\$20,000	\$1,455
2 Polybutylene (PB) Service Line Replacements	0	0	0	25,000	25,000	0
2-7185-00 3 Gallagher Ranch Streambank Stabilization	728,935	0	0	5,000	5,000	728,935
4 Other Water System Improvements ⁴	0	0	0	100,000	100,000	0
TOTAL WEST MARIN	\$2,080,970	\$15,825	\$22,530	\$585,000	\$562,470	\$2,103,500
7. OCEANA MARIN						
7a OM Pipelines						
8-7208-01 1 Sewer Force Main Improvements-FM 1A	\$37,153	\$265	\$265	\$80,000	\$79,735	\$37,418
7b OM Lift Station						
7c OM Treatment Ponds						
8-7173-00 1 OM Treatment Pond Rehab-404 Grant-FEMA ⁶	\$206,776	\$1,071	\$1,829	\$800,000	\$798,171	\$208,605
8-7173-01 2 OM Treatment Pond Rehab-Grant Management	8,312	0	3,626	10,000	6,374	11,937
8-7173-02 3 OM Treatment Pond Rehab-PH 2 Const FEMA	0	13,731	14,194	0	(14,194)	14,194
7d OM Other Improvements						
1 Infiltration Repair (FY24)	\$0	\$0	\$0	\$40,000	\$40,000	\$0
2 Other Sewer System Improvements	0	0	0	25,000	25,000	0
TOTAL OCEANA MARIN	\$252,240	\$15,067	\$19,914	\$955,000	\$935,086	\$272,153

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2023**

Description	COST THRU JUNE 2023	SEPTEMBER 2023	FYTD TOTAL	FY 23/24 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
SUMMARY - GROSS PROJECT OUTLAY						
		Current Month	FYTD Total	FY 23/24 Budget	FYTD/ Budget%	
Novato Water Capital Projects		\$699,962	\$2,631,378	\$13,935,000	19%	
Novato Recycled Water Capital Projects		272	57,060	840,000	7%	
West Marin Water Capital Projects		15,825	22,530	585,000	4%	
Oceana Marin Sewer Capital Projects		15,067	19,914	955,000	2%	
Gross Capital Improvement Project Outlays		\$731,126	\$2,730,883	\$16,315,000	17%	
8 LESS FUNDED BY GRANTS, LOANS & REIMBURSEMENTS						
(Accrued)/Deferred						
a. NW - Loan Funds - Office/Yard Building Renovation	(\$2,323,020)	(\$661,166)	(\$2,170,461)	\$0	\$2,170,461	(\$4,493,481)
b. NW - Loan Funds - Crest PS Construction	0	(10,741)	(42,681)	0	42,681	(42,681)
c. NW - Loan Funds - Lynwood PS Replacement	0	(1,779)	(16,212)	0	16,212	(16,212)
d. NW - Loan Funds - Stafford ASG Construction	0	0	(8,469)	0	8,469	(8,469)
e. NW - Capital Replacement Expansion Fund	(146,634)	0	0	0	0	(146,634)
f. WM - CA DWR Drought Relief Grant for GW02	87,472	(11,377)	(15,913)	0	15,913	71,559
g. WM - Lagunitas Creek Bridge Pipeline Grant (FEMA)	0	0	0	0	\$0	\$0
h. OM - Novato Water Loan to OM	0	0	0	0	\$0	\$0
i. OM - Treatment Pond Rehab Grant (FEMA)	(53,489)	(1,071)	(1,829)	0	1,829	(55,318)
FUNDING BY OTHERS (ACCRUED)/DEFERRED	(\$2,435,671)	(\$686,134)	(\$2,255,566)	\$0	\$2,255,566	(\$4,691,236)
Received						
a. NW - Loan Funds - Office/Yard Building Renovation	(\$7,226,000)	\$0	\$0	\$8,000,000	\$8,000,000	(\$7,226,000)
b. NW - Loan Funds - Crest PS Construction	0	0	0	1,500,000	1,500,000	0
c. NW - Loan Funds - Lynwood PS Replacement	0	0	0	0	0	0
d. NW - Loan Funds - Stafford ASG Construction	0	0	0	0	0	0
e. RW - Capital Replacement Expansion Fund	0	0	0	750,000	750,000	0
f. WM - CA DWR Drought Relief Grant for GW02	(400,842)	0	0	165,000	165,000	(400,842)
g. WM - Lagunitas Creek Bridge Pipeline Grant (FEMA)	0	0	0	40,000	40,000	0
h. OM - Novato Water Loan to OM	0	0	0	200,000	200,000	0
i. OM - Treatment Pond Rehab Grant (FEMA)	(103,631)	0	0	600,000	600,000	(103,631)
FUNDING BY OTHERS RECEIVED	(\$7,730,473)	\$0	\$0	\$11,255,000	\$3,524,527	(\$7,730,473)
NET PROJECT EXPENDITURES	\$5,387,177	\$44,992	\$475,317	\$27,570,000	\$19,364,210	\$5,862,494

CIP SUMMARY-NET EXPENDITURES:	Current Month	FYTD Total	FY 23/24 Budget	FYTD/ Budget%
Novato Water Capital Projects	\$699,962	\$2,631,378	\$4,435,000	59%
Novato Recycled Water Capital Projects	272	57,060	90,000	63%
West Marin Water Capital Projects	15,825	22,530	380,000	6%
Oceana Marin Sewer Capital Projects	15,067	19,914	155,000	13%
Net Capital Improvement Project Outlays	\$731,126	\$2,730,883	\$5,060,000	54%

8. EQUIPMENT BUDGET				
1 Class 8 Service Truck			\$340,000	\$340,000
2 4,000 Tanker Truck			50,000	50,000
3 Lease Vehicles	30,626	30,626	148,000	117,374
4 Portable Generators				0
5 Miscellaneous Equipment Purchases	5,384	5,384		(5,384)
	\$36,009	\$36,009	\$538,000	\$501,991

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2023**

Description	COST THRU JUNE 2023	SEPTEMBER 2023	FYTD TOTAL	FY 23/24 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
9. STUDIES & SPECIAL PROJECTS						
9a General Studies						
	\$0	\$0	\$0	\$25,000	\$25,000	\$0
1-4102-00 1 Grant Consultant						
2 GIS Conversion/Mapping Project	16,015	1,020	12,607	25,000	12,393	28,622
3 Water Conservation Standards Assessment		0	0	25,000	25,000	0
9b Novato Service Area Studies						
	\$0	\$0	\$0	\$60,000	\$60,000	\$0
1 Novato Rate Study						
2 North Marin Aqueduct Vulnerability/Cathodic Assessment	0	0	0	90,000	90,000	0
3 Stafford Treatment Plant Risk Management Plan Update	0	0	0	60,000	60,000	0
1-4099-00 4 Drought Contingency Plan-NBWRA	9,333	0	0	0	0	9,333
5 Novato-G&A Consultants/Studies General	0	500	2,800	0	(2,800)	2,800
1-4100-00 6 STP-Chlorine Code Compliance	0	98	693	0	(693)	693
1-4104-23 7 North Marin Master Plan-CY23	0	0	2,586	100,000	97,414	2,586
1-4105-00 8 SMART Master Agreement	0	1,960	1,960	0	(1,960)	1,960
1-4057-00 9 Local Water Supply Enhancement Study	282,240	0	0	0	0	282,240
1-4059-01 10 Stafford Lake Water Rights Review	9,490	0	0	0	0	9,490
1-4077-00 11 Potter Valley Project FERC Relicensing	30,146	0	2,070	0	(2,070)	32,216
1-4093-00 12 Gateway Commons Backflow Study	9,440	294	588	0	(588)	10,028
1-6501-43 13 Electronic Document Mgmt System	36,955	0	0	0	0	36,955
1-6610-21 14 6 STP-Corrosion Assessment	77,205	420	2,052	0	(2,052)	79,257
1-4076-01 15 District Boundary Election Map Review	32,000	0	0	0	0	32,000
1-7140-01 16 Stafford Dam EAP & Inundation Map	2,270	0	0	0	0	2,270
9c WM Service Area Studies						
	\$0	\$0	\$0	\$75,000	\$75,000	\$0
1 West Marin Water Supply Resiliency Feasibility Study						
2-4089-00 2 Coast Guard Housing-PRTP Study	21,522	0	0	0	0	21,522
2-4101-00 3 Black Mountain Ranch Well Feasibility Study	474	0	0	0	0	474
9d OM Service Area Studies						
	\$678	\$0	\$0	\$0	\$0	\$678
8-4096-00 1 Dillon Beach Wastewater Study						
8-4080-00 2 OM Sewer System Management Plan	10,138	0	0	0	0	10,138
9e Other Studies						
5-4087-00 1 Recycled Water Program Strategy	\$17,359	\$0	\$0	\$0	\$0	\$17,359
	\$555,265	\$4,292	\$25,356	\$460,000	\$434,644	\$580,621

Notes to Capital Improvement Projects Schedule:

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

North Marin Water District Financial Statement Notes

Note 1 - Restricted Cash

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

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

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

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

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

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

Note 2 - Designated Cash

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

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

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

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

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

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

Note 3 – Employee Loans

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

Note 4 – Other Long Term Receivables

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

Note 5 – Depreciation

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

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

Note 6 - Capitalization Policy

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

Note 7 – Bond & Loan Servicing Schedule for Fiscal Year 2023-2024

Service Area	Description	Issue Date	Rate	Original Amount	Payment Due	Final Pmt	FY 24		6/30/24 Outstanding Balance
							Interest Expense	Principal Paid	
Novato	SRF Loan - STP	2004	2.39%	\$16,528,850	7/1 & 1/1	07/01/29	\$133,353	\$911,121	\$4,894,922
Novato	Bank Marin Loan	2011	3.42%	\$7,000,000	27 th /mo	10/27/31	\$113,863	\$368,178	\$3,122,754
Novato	Chase Bank Loan	2018	2.69%	\$4,600,000	3/1 & 9/1	03/01/33	\$88,098	\$290,000	\$3,275,000
Novato	Webster Bank	2022	3.11%	\$20,000,000	3/1 & 9/1	03/01/42	\$594,642	\$753,254	\$18,367,077
Novato Total							\$929,956	\$2,322,553	\$29,659,753
RW TP	SRF Loan	2006	2.40%	\$4,302,560	20-Jun	06/19/27	\$24,741	\$248,626	\$782,256
RW North	SRF Loans (4)	2013	2.60%	\$4,375,605	Varies	Varies	\$60,481	\$221,411	\$2,104,790
RW South	SRF Loans (3)	2013	2.20%	\$5,361,952	Varies	Varies	\$66,742	\$268,561	\$2,633,535
RW Central	SRF Loan	2016	1.00%	\$7,130,503	19-Dec	12/31/47	\$60,734	\$215,039	\$5,858,351
Recycled Water Total							\$212,698	\$953,637	\$11,378,932
WM Water	Bank Marin Loan	2012	3.42%	\$1,000,000	27 th /mo	10/27/31	\$16,714	\$54,045	\$458,386
West Marin Water Total							\$16,714	\$54,045	\$458,386
FY24 Total							\$1,159,368	\$3,330,235	\$41,497,071

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

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

Note 8 – Unemployment Insurance Reserve

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

Note 9 – Payroll Benefits

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

Note 10 - Interest Policy on Inter-District Loans

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

No interest shall be paid by an improvement district on funds borrowed from that improvement district's Board Designated Fund reserves. Interest on loans from the Novato Improvement District shall be paid by the recipient district to the Novato district based upon the outstanding loan balance at the close of the previous accounting period. Interest shall be calculated at the higher of: 1. The weighted average interest rate of Novato improvement district debt (2.99% at 6/30/23); or 2. The average interest rate earned on the District treasury since the close of the previous accounting period; plus \$50 per month.

Note 11 – Budget Augmentations

Note 12 – Prior Period Adjustment

Note 13 – Explanation of Financial Statement Components

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

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

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

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

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

Notes to the Financial Statements (page 28) provide a summary of significant accounting policies and assumptions and other information of value to the financial statement reader.

Other Supplementary Information includes Detail Income Statements presented in accordance with GAAP for each of the four service areas (pages 10, 14, 16, 19). These statements present income and expenditures in close detail for further analysis. Other supplementary schedules of note include the Vehicle Fleet Analysis (page 21), and Capital Improvement Project Expenditures (page 23), which show outlays to date, compared with budget authority.

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

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

**Recycled Water
FRC Transfers from Novato**

L:\Finance\FRC\recycled water frc transfers from novato.xlsx\sheet1

	Expansion Local Share			SRF RWF Expansion				Transfer		
	North	South	Central	NEWRA	Loan	SRF Loan	BPGL Loan Repayment	CIP	Total	Executed
FY07				\$29,725					\$29,725	
FY08				\$50,478	\$22,795				\$73,273	
FY09				\$150,455	\$22,795				\$173,250	
FY10	\$133,659			\$75,198	\$22,795				\$231,652	\$133,659
FY11				\$133,319	\$22,795				\$156,114	\$1,175,098
FY12	\$233,478	\$265,500		\$115,883	\$22,795				\$637,656	(\$7,088)
FY13				\$315,023	\$22,795	\$464,572			\$802,390	\$1,970,400
FY14	\$236,291	\$723,525	\$4,024	\$63,035	\$22,795	\$500,529			\$1,550,200	\$1,550,200
FY15		\$17,563	(\$4,024)	\$38,283	\$22,795	\$614,299			\$688,916	\$688,916
FY16	\$0	\$0	\$66,729	\$102,842	\$22,795	\$614,299			\$806,664	\$806,664
FY17			\$362,524	\$194,636	\$22,795	\$614,299		\$36,687	\$1,230,940	\$1,230,940
FY18			\$5,071,512	\$38,908	\$22,795	\$614,299			\$5,747,513	\$5,747,513
FY19			(\$2,168,755)	\$6,966	\$22,795	\$890,072			(\$1,248,922)	(\$1,248,922)
FY20			\$5,499	\$0	\$0	\$350,287	(\$1,046,471)	\$1,084	(\$689,600)	(\$689,600)
FY21						\$890,072			\$890,072	\$890,072
FY 22						\$743,438			\$743,438	\$743,438
FY23						\$614,299			\$614,299	\$614,299
FY24										
	\$603,428	\$1,006,589	\$3,337,509	\$1,314,751	\$273,539	\$6,910,465	(\$1,046,471)	\$37,771	\$12,437,580	\$12,437,580

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DISBURSEMENTS - DATED OCTOBER 19, 2023

Date Prepared 10/16/23

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

Seq	Payable To	For	Amount
1	100 Wood Hollow Drive Owner	November Rent for Wood Hollow	\$29,735.21
2	ACWA	Annual Dues (Williams) (1/24-12/24) (Budget \$25,640)	26,490.00
3	Arendell, Tony	Retiree Exp Reimb (Oct Health Ins)	1,234.14
4	Athens Administrators	September Indemnity Review Fee	105.00
5	AT& T	Leased Lines	62.86
6	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 144 of 240) Aqueduct Energy Efficiency Project	46,066.67
7	California Water Service	Oct Water Service (O.M.)	30.49
8	Chandrasekera, Carmela	Retiree Exp Reimb (Oct Health Ins)	1,234.14
9	Cilia, Joseph	Retiree Exp Reimb (Oct Health Ins)	457.46
10	Comcast	September Internet Services (Buck Institute)	356.55
11	Ditch Witch West	Replacement Pressure Washer Nozzles ('13 & '19 Vac Excavators)	1,192.73
12	E & M	Prog Pymt#2: Updated Electrical Enclosure @ Gallagher Ranch (Balance Remaining on Contract \$62,713)	10,560.00
13	Enterprise FM Trust	Monthly Leases for Nissan Rogue (2), Nissan Frontier (2), F-150's (7), F-250's (2), Ford Rangers (6), Chevy Bolts (2), Chevy Colorado & Nissan Leaf	12,183.24
14	Environmental Express	Conical Tubes (1,000) (Lab)	345.70
15	D.L. Falk Construction, Inc.	Prog Pymt#15: Perform NMWD Admin & Lab Building Upgrades (Balance Remaining on Contract \$4,056,944)	543,819.60
16	D.L. Falk Construction Escrow Acct	5% Retainer: DL Falk Construction-CA Bank of Commerce-Admin Bldg & Lab Upgrade	28,622.08

Seq	Payable To	For	Amount
17	Frontier Communications	Leased Lines	1,680.44
18	Frontier Communications	September Internet (STP)	640.00
19	GHD Inc.	Prog Pymt#6: GIS Conversion to ESRI & Mapping Support (Balance Remaining on Contract \$3,393)	703.64
20	Grainger	Lab Water Cartridge Kit (\$617), Disposable Gloves (\$499) (2,400) (STP) & Miscellaneous Maintenance Tools & Supplies	1,934.52
21	Hach Co.	Sample Cells (16) (STP)	336.36
22	High-Purity Standards	Ion Chromatography Standards (2) (Lab)	145.69
23	InfoSend, Inc.	September Processing Fee for Water Bills (\$1,345), Postage (\$4,294) & Monthly Support Fee	6,554.92
24	Kehoe, Theresa	Retiree Exp Reimb (Oct Health Ins)	457.46
25	Kehoe, Chris	Exp Reimb: Food for Department Meeting & Construction Crew Attendance Wine Country Water Works Training on 10/9/23	570.00
26	Kemira Water Solutions	Ferric Chloride (10 Dry Tons) (STP)	15,842.88
27	Ken Grady Company, Inc	Rebuild Kits for 7 Magnetrol Level Controllers (STP)	5,333.49
28	Department of Labor and Industries Washington	Quarterly WA Worker's Comp Insurance for Employee Working Remotely	25.03
29	Latanyszyn, Roman	Retiree Exp Reimb (Oct Health Ins)	457.46
30	Lemos, Kerry	Retiree Exp Reimb (Oct Health Ins)	1,234.14
31	LGVSD	Recycled Water Deliveries (\$11,150) (7/1/23-9/30/23), Less Credit for (04/01/23-06/30/23) Billing Adjustment (\$10,434)	715.89
32	Manzoni, Alicia	Retiree Exp Reimb (Oct Health Ins)	457.46
33	County of Marin	Encroachment Permit Fee (12076 Sir Francis Drake Blvd, Inverness)	640.31
34	McLellan Co, WK	Miscellaneous Paving	53,101.70

Seq	Payable To	For	Amount
35	Miller, Eric	Exp Reimb: Food for Business Lunch Meeting, Travel & Training Expenses for 2023 Dam Safety Conference in Palm Springs 9/17-9/19	1,613.24
36	O'Reilly Auto Parts	Maintenance & Cleaning Supplies for District Vehicles	534.95
37	Overhead Door	Final Payment - Warehouse Roll Up Door Replacement	5,383.50
38	Peterson Trucks	Motor Control Actuator ('15 Int'l Dump Truck)	49.18
39	Point Reyes Prop Mgmt Assn	October HOA Fees (25 Giacomini Rd)	75.05
40	Quadient, Inc.	November Postal Meter Rental	143.09
41	Red Wing Business Advantage	Safety Boots (Kane & Davenport)	381.91
42	Rockwell Engineering & Equipmt	Spare Pump Ends for Oceana Marin Lift Station	33,351.07
43	Rupp, Steve	Retiree Exp Reimb (Oct Health Ins)	457.46
44	Sonoma County Water Agency	September Contract Water	354,568.89
45	SPG Solar Facility XII, LLC	September Energy Delivered Under Solar Services Agreement	13,022.83
46	Tamagno Green Products	Sludge Removal from STP (165 Loads)	7,425.00
47	Thatcher Company of California	Chlorine (4,000 lbs) (STP)	5,181.50
48	Thomas Scientific	Duo Spore Biological Indicator Strips (25) (Lab)	173.19
49	Township Building Services	Sept Janitorial Services (District Yard & STP)	2,157.87
50	True Cable	IT Cable for Office Renovation	16,900.89
51	United States Plastic Corp	Spray Mist Bottles (16) (Lab)	51.48
52	USA BlueBook	Turbidity Standard (STP)	320.10
53	US Bank	September Safekeeping Treasury Securities	113.00
54	VWR International LLC	Nitrate-Nitrogen & Fluoride Standards, Chlorine Reagent, Magnesium & Calcium (Lab)	269.37
55	Waste Management	Waste Disposal	284.33

Seq	Payable To	For	Amount
56	White & Prescott	Prog Pymt#27: Ammo Hill Site Acquisition (\$405) (Balance Remaining on Contract \$35,570) & Prog Pymt#28: Homeward Bound Water Line Easements (\$180) (Balance Remaining on Contract \$35,390)	585.00
57	ZORO	6-in-1 Multi Scraper Tool	34.05
		TOTAL DISBURSEMENTS	<u><u>\$1,236,404.21</u></u>

The foregoing payroll and accounts payable vouchers totaling \$1,236,404.21 are hereby approved and authorized for payment.


10/17/2023

 Auditor-Controller Date



 General Manager Date

DISBURSEMENTS - DATED NOVEMBER 2, 2023

Date Prepared 10/30/23

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 10/15/23	\$182,358.19
90639*	Internal Revenue Service	Federal & FICA Taxes PPE 10/15/23	75,406.80
90640*	State of California	State Taxes & SDI PPE 10/15/23	17,090.99
90641*	CalPERS	Pension Contribution PPE 10/15/23	46,645.83
90633 & 90638*	US Bank Card	Microsoft Monthly Subscription (7/10-10/09), Electric Vehicle Charging Fee, AT&T-Internet for PRTP & Gallagher Well #2, Hard Drives, Zoom for Board Meetings, OSHA Webinar (Clyde), CA-NV AWWA Cross Connection Control Exam Fee (M. Williamson), Vac Hose (100'), Safety Masks for STP, IT Cable for Office Renovation (\$4,592), Indeed & NeoGov Jobs Postings-Utility Worker 1 (9/26-9/30), GFOA-Membership Renewal (Blue) & MASS Lunch Meeting on 9/26/23.	8,722.50
90637	Amazon Card	Asbestos Bags (2), Metal Detectors for Field Service Reps, Kitchen Supplies, Cash Deposit Bags for Consumer Services & Computer Supplies	653.47
EFT*	US Bank	September Bank Analysis Charge (Lockbox \$912 & Other \$360 Less Interest \$77)	1,194.93
90642*	CalPERS	November 2023 Insurance Premium (Employer \$49,503, Retirees \$12,226 & Employees \$7,851)	69,579.59
1	Allyn, Marion	Novato "Toilet" Rebate Program	250.00
2	Alpha Analytical Labs	Lab Testing (Novato & West Marin)	7,470.00
3	American Water Works Assoc	Membership Renewals (Williams, Pearlman, Miller, Clark, Stompe & Ramudo) (Budget \$5,000)	4,802.00


Seq	Payable To	For	Amount
4	Barry, Michael	Novato "Water Smart Landscape Efficiency" Rebate Program Residential	200.00
5	Bay Area Air Quality Mgmt Dist	Annual Permit Renewal Fees (To Operate Fuel Pumps)	430.00
6	Butler Auto Glass	Parts & Labor to Replace Windshield ('21 F150 4 X 4)	775.00
7	The Chlorine Institute	Annual Dues (7/1/23-6/30/24) (Budget \$950)	610.00
8	Consolidated CM	Prog Pymt#29: Provide Construction Management Services for NMWD Admin Building Renovation (Balance Remaining on Contract \$307,323)	59,524.14
9	Core Utilities, Inc	Consulting Services: September IT Support (\$6,000), SCADA Programming, PLC Support (W.M.) & CORE Billing Maintenance	6,200.00
10	Cummings Trucking	Rock (127 yds) (\$2,117) & Sand Deliveries (62 yds) (\$1,484)	3,600.80
11	Diesel Direct West	Diesel (766 gals) (\$4,326) & Gasoline (787 gals) (\$3,427)	7,752.71
12	Elizarraras, Humberto	Novato "Toilet" Rebate Program	250.00
13	Environmental Management	Maintenance Grading on Vineyard Driveway	1,600.00
14	Fire Goats LLC	Goat Grazing for STP Spillway Site (To Clear Weeds & Poison Oak)	2,250.00
15	Fishman Supply Co	Safety Supplies	230.61
16	Fisher Scientific	Clear Lens Glasses (2 pair)	45.18
17	Grainger	Double Clevis Link (6), Transport Chain (40'), Building Wire (1,000') & Miscellaneous Maintenance Tools & Supplies	1,845.01
18	Harper, Joyce A.	Novato "Cash for Grass" Rebate Program	242.00
19	Hasa, Inc.	Sodium Hypochlorite (PRTP) (200 gals)	623.78
20	The Home Depot	Rapid Set Concrete (50 bags)	815.87
21	Kaiser Foundation Health Plan	DMV/DOT Physical & Pre-Employment Tests	245.00
22	Kaneko, Kathleen	Novato "Pool Cover" Rebate Program	75.00

Seq	Payable To	For	Amount
23	Karner, Daniel	Refund of Deposit / New Development / WC Restriction - Novato	1,000.00
24	Kiosk Creative LLC	Sept Marketing Communication & Outreach Services (Balance Remaining on Contract \$50,943)	6,322.26
25	Levine, Natalie	Novato "Washer" Rebate Program	100.00
26	Lincoln Life Employer Serv	Deferred Compensation PPE 10/15/23	9,402.51
27	Marin Independent Journal	Display Ad: Invitation to Bid for Crest Pump Station on 9/28/23	77.14
28	County of Marin	Encroachment Permit (50 Knob Hill Rd, Pt Reyes)	640.31
29	Nationwide Retirement Solution	Deferred Compensation PPE 10/15/23 Deferred	3,397.50
30	Novato Sanitary District	Treatment & Disposal of Discharge from Stafford Lake Water Treatment Plant (7/23-9/23) (\$1,722) & Annual Billing for Yard/Office Sewer Service Charges (\$2,876)	4,597.87
31	Nute Engineering	Prog Pymt #9: Engineering Services for Oceana Marin Pond Rehab (Balance Remaining on Contract \$58,164)	2,742.00
32	ODP Business Solutions, LLC	Miscellaneous Office Supplies	240.74
33	Pace Supply	Replacement Pump/Motor for Bolling Circle Booster (\$5,411), Couplings (32) (\$2,069), Valves (3) (\$1,420), Nipples (30) (\$1,266), Pipe (280') (\$5,465) & Brass Unions (4)	15,888.90
34	Peterson Trucks	Service Parts ('07 International 4300 5 yd Dump Truck)	275.31
35	Pollard Water	6' Mud Curb & Valve Box Cleaner	267.94
36	Preferred Alliance, Inc.	Pre-Employment Tests (2)	84.00
37	Sabah International	Prog Pymt #2: Security & Access Control Hardware & Installation for Office & Lab (Balance Remaining on Contract \$45,510)	20,405.70
38	Scott Technology Group	October Monthly Maintenance on Engineering, Admin Copiers & Contract Overage Fee	370.86

Seq	Payable To	For	Amount
39	SMART	License Agreement Fee for SMART Right of Entry Permit	600.00
40	Soiland Co., Inc.	Rock (93 yds) (\$3,619) & Asphalt Recycling (8 yds)	3,856.03
41	Solenis, LLC	Praestol K 279 (4,580 lbs) (STP)	11,155.16
42	Stompe, Brad	Exp Reimb: STP Safety Training Snacks (1/26/23 - 10/12/23)	473.96
43	Teso, Samrane	Refund Overpayment on Closed Account	14.84
44	USA BlueBook	Optical Cap, Potassium Iodide, Turbidity Standard & Potassium Iodide (STP)	1,028.05
45	VWR International LLC	Sediment Cone (2), Lauryl Tryptose Broth, Sulfuric Acid (7), Tube Gas Dispersion (4) & Solution Buffer (Lab)	505.33
46	Welsh, Joseph	Novato "Pool Cover" Rebate Program	75.00
47	ZORO	Utility Pipeline Marking, Exhaust Fan & Laminated Steel (12)	617.68
TOTAL DISBURSEMENTS			<u><u>\$585,628.49</u></u>

The foregoing payroll and accounts payable vouchers totaling \$585,628.49 are hereby approved and authorized for payment.

 10/31/23
 Auditor-Controller Date

 10/31/23
 General Manager Date

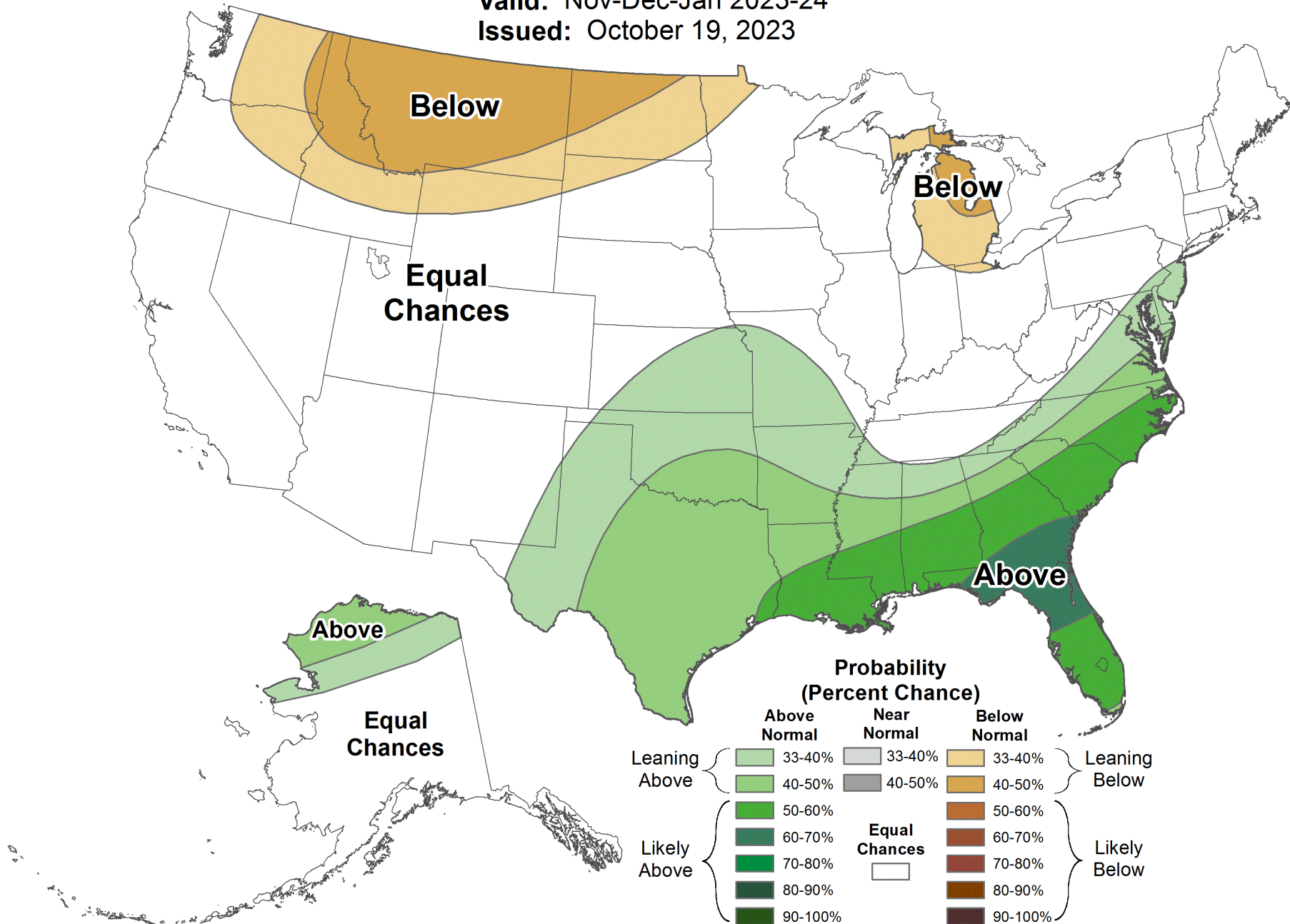


Seasonal Precipitation Outlook



Valid: Nov-Dec-Jan 2023-24

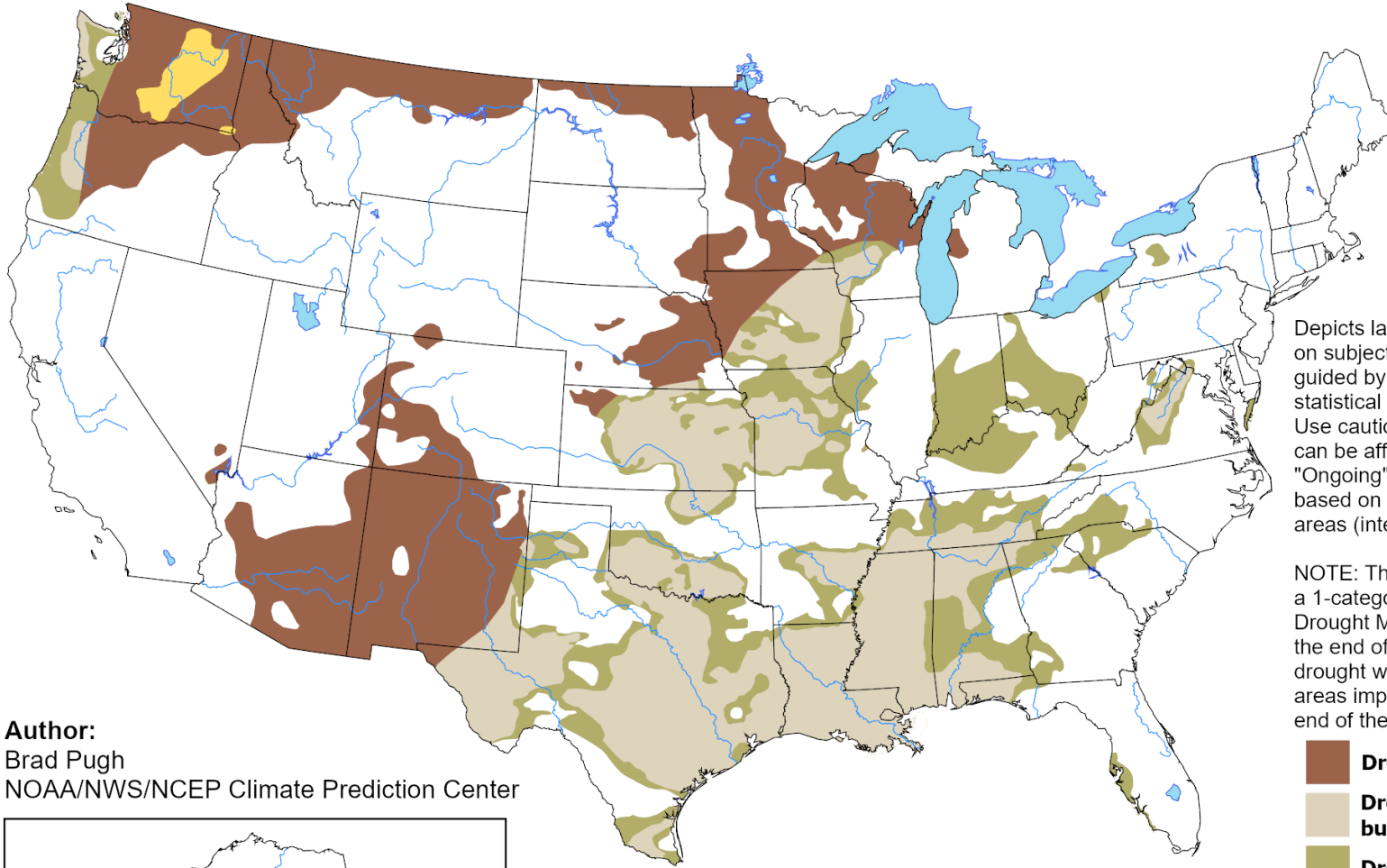
Issued: October 19, 2023



U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for October 19, 2023 - January 31, 2024
Released October 19, 2023

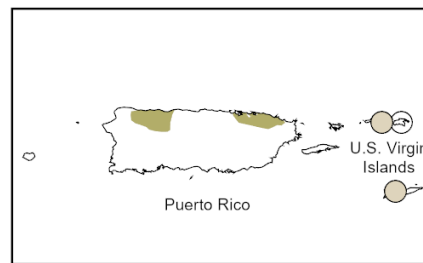
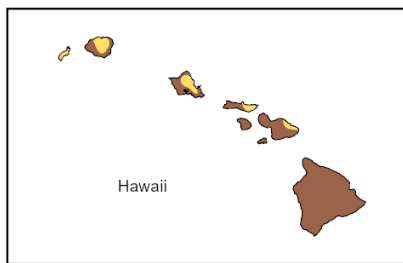
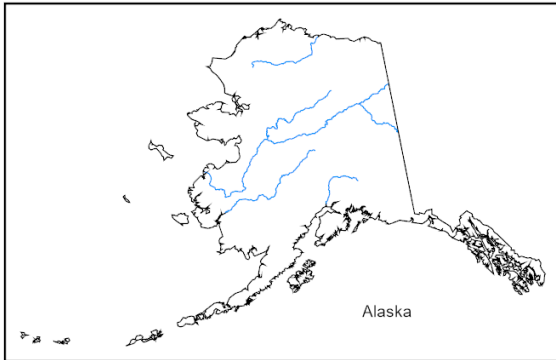


Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

- Drought persists**
- Drought remains, but improves**
- Drought removal likely**
- Drought development likely**
- No drought**

Author:
Brad Pugh
NOAA/NWS/NCEP Climate Prediction Center



<https://go.usa.gov/3eZ73>

Court denies appeal over bridge replacement plan



A driver crosses the Lagunitas Creek Bridge near Point Reyes Station in 2015. Caltrans wants to replace the bridge, which was built in 1929. ALAN DEP — MARIN INDEPENDENT JOURNAL

BY GARY KLIEN

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The California Department of Transportation has defeated another legal challenge against a bridge project near Point Reyes Station.

The project involves the Lagunitas Creek Bridge, also known as “the green bridge,” on Highway 1. The bridge crosses the creek just north of the Sir Francis Drake Boulevard turn toward Inverness and the coast.

The bridge was built in 1929 and sits near the San Andreas Fault. About 15 years ago, Caltrans determined the bridge does not meet safety and seismic design standards. It also determined that retrofitting was not a viable option because of the structure's advanced age, according to court filings.

Caltrans proposed a bridge replacement project and began its first community meetings in 2015. In 2018, a group called Friends of the Green Bridge filed a lawsuit alleging that the project violated the California Environmental Quality Act.

The lawsuit said the state's final environmental impact report should have included retrofitting as an option. The plaintiffs also said Caltrans should have recirculated the draft environmental impact report before certification because of new information in the final report, according to a court ruling.

The lawsuit landed before Judge Andrew Sweet in Marin County Superior Court. In 2021, he ruled in favor of Caltrans. The plaintiffs appealed to the 1st District Court of Appeal in San Francisco.

In a ruling issued on Sept. 29, a three-judge appellate panel affirmed the earlier decision by Sweet. "We truly appreciate the attachment many members of the community have to this historic bridge," the ruling said. "However, safety and accessibility are valid (and in this instance countervailing) governmental concerns."

"Our independent review of the record reveals that Caltrans consistently engaged and included the public in consideration of a retrofit option throughout the environmental review process," the ruling said. "And we have concluded that substantial evidence supports Caltrans's decision to remove a retrofit option from further environmental review. Nothing more was required."

Chris Carr, a lawyer representing the plaintiffs, declined to comment on the ruling and did not say whether he plans to appeal again.

Caltrans also declined to comment on the ruling.

"At this time, Caltrans will be advancing the project through the California Transportation Commission (CTC) and will be engaging the community as part of the Coastal Development Permitting process, including hosting a public meeting to be announced at a later date," the agency said in a statement released through a spokesperson.

Utility rethinks Novato rates as costs rise

BY ADRIAN RODRIGUEZ

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Rising costs to purchase imported water and the impact of inflation, among other factors, have prompted the North Marin Water District to take a closer look at its Novato rates.

The district board voted unanimously Tuesday to perform a rate study a year ahead of schedule. The action authorizes an \$60,000 agreement with Hildebrand Consulting to produce the report.

Tony Williams, the district general manager, said the district's 2020 study, which outlines a five-year rate increase plan, has outdated assumptions. The study recommended 5% increases for this year and next.

"We realized there is no way, we're going to get in trouble if we try to stick with the recommended 5%," Williams said.

That led the district to approve a 9.5% increase that took effect in July. The increase, which raised the median residential customer's bimonthly water bill by about \$12, was about 3% higher than the past three years.

"That's why we hire people to ask these questions," Williams said. "Are we missing something? What can we do? Is there some way to get back to what we thought it was going to be?"

The district serves about 60,000 residents in the greater Novato area as well as about 1,800 residents in areas of western Marin. The district sets different rates for Novato and western Marin because they are served by different water supply systems.

The district receives about 75% of its water from Russian River imports through Sonoma Water, with the remainder coming from its Stafford Lake reservoir.

Earlier this year, the Sonoma Water board voted to increase its wholesale water rates, particularly for Marin's two largest agencies, North Marin and the Marin Municipal Water District.

North Marin is facing the largest percentage increase of all Sonoma Water's contractors at 12.5%. Typically, the district's rates were only increased by about 5% to 7% per year on

average in recent years and were previously expected to only increase by about 6% annually, Williams said.

“The cost of purchasing imported water accounts for approximately 30% of the budget,” Williams said.

The 2020 rate study assumed a 6% increase in costs because Sonoma Water provided a range of 4% to 6%, Williams said.

Sonoma Water board member David Rabbitt said the increase is needed to address tens of millions of dollars worth of deferred repairs and retrofits to its aging water supply system — a problem shared by Marin’s largest water suppliers and other agencies.

With regard to inflation, the 2020 study assumed a 3% annual inflation, Williams said. The Consumer Price index for all urban consumers hit 5.3% in February. Williams said equipment, materials and outside labor costs have all gone up.

Insurance costs for North Marin facilities has increased 21%, and regulator costs, including permit fees and licensing, are estimated to increase 12%, Williams said.

The Marin Municipal Water District also increased rates this year, in part for similar reasons. The district approved a four-year rate plan that increased the median single-family home rate by about 20%.

“Inflationary pressure was a significant component of the District’s rate adjustment,” district spokesperson Adriane Mertens said in an email. “Purchased water from Sonoma is increasing over 11 percent this year, and we are also seeing inflation well in excess of 20 percent for items such as water treatment chemicals, welded steel pipe, water meters and insurance premiums.”

For the North Marin Water District’s coastal service area, rates increased by about 6% in July, which sticks to the rate schedule the agency adopted under a 2021 rate plan. The rate increases affects the 1,800 residents in Point Reyes Station, Olema, Bear Valley, Inverness Park and Paradise Ranch Estates using water wells in the Lagunitas Creek watershed.

The district does not import water to western Marin, so it does not expect to change its rate plan for those customers, Williams said.

The district also collects and treats wastewater for the Oceana Marin area, and proposes to increase its sewage surcharge by \$78 per year for a total of \$1,374. The surcharge is billed on customer property taxes.

Water diversion has Marin support

Hydropower plant purchase backed

BY ADRIAN RODRIGUEZ

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Marin water agencies are backing a proposal from a coalition of organizations in Sonoma and Mendocino counties to buy portions of a PG&E hydropower plant to enable water diversion.

The boards representing the Marin Municipal Water District and the North Marin Water District agreed this month to submit a letter to federal and state legislators supporting the proposal to transfer ownership of the plant.

The proposal centers around the Potter Valley Project, a 110-year-old hydropower plant in Mendocino County. Water diverted by the plant feeds into the Russian River watershed, which is a key part of Marin's water portfolio.

Sonoma Water, the Mendocino County Inland Water and Power Commission and the Round Valley Indian Tribes want to buy parts of the plant and create a new entity that would continue the Russian River water diversions. Electricity production is not part of the plan.

"I think this was an extremely clever plan that was put together," said Jed Smith, a member of the Marin Municipal Water District board. "It's complex and been a long time in the running, so I want to lock arms with Sonoma and some of their other contractors and constituents and see how we can help."

The MMWD board gave its approval Wednesday.

The move comes after Pacific Gas and Electric Co. announced it will include the proposal in its initial draft surrender application and decommissioning plan next month.

Paul Moreno, a spokesperson for the utility, said it "has made a non-binding acceptance in concept" of the plan. Moreno said the draft plan will be available for public review in November.

PG&E announced its intention to surrender and decommission the power facility in 2019, prompting questions about whether water diversions to the Russian River would continue. Last year, the utility announced it was moving forward with the plan.

Under the coalition's proposal, called the "New Eel-Russian Facility," a new entity would upgrade parts of the diversion tunnel and facilities and make improvements for fish passage at the hydropower site. PG&E proposes to remove one of the two dams at the plant, known as Cape Horn Dam.

The Marin Municipal Water District and the North Marin Water District purchase Russian River water through Sonoma Water. The Russian River provides about 75% of the greater Novato area's water supply and about 25% of the water supply for central and southern Marin.

Sonoma Water has two main reservoirs, Lake Sonoma and the smaller Lake Mendocino. Diversions from the Potter Valley Project flow into Lake Mendocino.

Sonoma Water is also required to make dam water releases for the environment from Lake Mendocino as part of its state water rights. If the diversions from the hydropower plant end, more water might need to be released from Lake Sonoma, thus making water supply less reliable for its contractors, including Marin's water agencies.

Sonoma Water officials said estimates show that Lake Mendocino would experience water shortages in eight out of 10 years, and run dry five out of 10 years, if diversions end. It's estimated that would directly affect the drinking water supply for approximately 97,000 people, and the supply for some 600,000 would be less reliable.

"The loss of Potter Valley as a diversion for the Russian River would be fairly disruptive to a number of people who live on the upper Russian River," Paul Sellier, MMWD's water resources manager, told the board Wednesday. "And the reliability of water for even us from Sonoma may be affected as well."

The Federal Energy Regulatory Commission would ultimately decide whether to approve PG&E's application. The proposal envisions the application and the transfer proposal being submitted to the commission before the end of January 2025.

Tony Williams, general manager of the North Marin Water District, said the board voted 5-0 at its Oct. 17 meeting to support the plan.

"NMWD supports this proposal because we recognize the continued diversion of water from the PVP (Potter Valley Project) into the Russian River watershed supports overall Russian River water supply reliability and fisheries," Williams said in an email.

"The diversion of water from the PVP provides benefits, particularly during dry periods, by providing water volume to supplement releases from Lake Sonoma thereby preserving storage in that reservoir," he said.

MMWD action comes with an investment cost

Just over 11 months ago, voters in the Marin Municipal Water District voted to overhaul its elected board of directors.

They elected three new directors, replacing a board member who decided to retire and rejecting two other veterans who were seeking re-election.

The results largely reflected MMWD customers' frustration over the close call they faced in 2020 when a prolonged drought left the district facing the peril of running out of water.

MMWD customers had done a good job of conserving water, but without rain — or other sources — the district's leaders warned the district could run dry.

For years leading up to that crisis, the district had adopted a strategy of conservation as the way to build resilience into its supply.

Compared to other Bay Area water agencies, MMWD is unique in that it gets most of its supply — 75% — from its rain-fed reservoirs.

A much-debated plan to build a costly desalination plant along the San Pablo Bay shoreline had been shelved.

Everything seemed to be OK as long as it rained, filling the district's seven reservoirs and Lake Sonoma and keeping local gardens watered.

But despite urging and then ordering customers to conserve, a chain of historically dry years was still draining MMWD's supply.

Voters in the November 2022 election took it out on the water board, turning the task of increasing MMWD's supply to a five-member board with three new directors — Ranjiv Khush, Matthew Samson and Jed Smith.

The need to take action is showing up on customers' water bills, reflecting a hefty increase.

That increase is an investment, not only in increasing MMWD's supply and capacity, but repairing pipes that have long needed it.

The board is considering a \$5.2 million project involving pumping water from Phoenix Lake to one of its other Mount Tamalpais reservoirs, Bon Tempe, to bolster its supply.

The district is also working with other North Bay water agencies to explore the potential of building a groundwater desal plan along the Petaluma River.

Another project in its water supply roadmap is to bring enough electrical supply to Soulajule Reservoir to enable it to be more efficiently tapped.

Currently, Soulajule — built in 1980 after the 1976-77 drought — is only used as a last resort because of the need to install temporary pumps and the cost of that work.

It has been more than 40 years since the district expanded its reservoir system.

The 2020 crisis served as a call that it's time to act.

Back-to-back rainy years have bought time for MMWD. While they rescued MMWD from the peril it faced just a few years ago, it also bought the district some time to reconsider its long-term strategy and take action.

Taking action is going to take investment.

The new board is taking on the challenge of resolving a longstanding need, turning numerous studies and engineering blueprints into supply-creating action.

MMWD voters told the old board that they don't want to be caught short again. They have shown they are willing to conserve, but they also expect the district's leadership to focus on avoiding the crisis we faced and averted in 2020.

Nobody likes to pay more, but the other side of the "bargain" is the water board keeping its promise that it is increasing its supply and capacity to better withstand the next rounds of drought we will surely face.