



NORTH MARIN WATER DISTRICT
AGENDA – REGULAR MEETING
 May 7, 2024 – 4:00 p.m.
 Location: 100 Wood Hollow Dr., Suite 300
 Novato, California

Information about and copies of supporting materials on agenda items are available for public review at the District Office, at the Reception Desk, by calling the District Secretary at (415) 897-4133 or on our website at nmwd.com. A fee may be charged for copies. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District Secretary as soon as possible, but at least two days prior to the meeting.

Item	Subject
	CALL TO ORDER
1.	APPROVE MINUTES FROM REGULAR MEETING , April 16, 2024
2.	GENERAL MANAGER’S REPORT
3.	OPEN TIME: (Please observe a three-minute time limit)
	This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
4.	STAFF/DIRECTORS REPORTS
	CONSENT CALENDAR The General Manager has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.
5.	Consent - Approve: Text for Spring 2024 Novato “Waterline”, Issue 52
6.	Consent - Approve: Text for Spring 2024 West Marin “Waterline”, Issue 23
	ACTION CALENDAR
7.	Approve: Resolution of Appreciation for Darrell Bynum Resolution
8.	Approve: Lynwood Pump Station Replacement – Consulting Services Agreement Amendment No. 2
9.	Approve: Side Letter Agreement Regarding 457(b) Deferred Compensation Match to 401(a) Deferred Compensation Plan and Employee Handbook Revisions
10.	Approve: 2024 Emergency Inverness Intertie and Cooperative Services Agreement Between North Marin Water District and Inverness Public Utilities District
	INFORMATION ITEMS
11.	Preview of FY 24/25 Capital Improvement Program (CIP)
12.	FY 23/24 3 rd Quarter Financial Statement
13.	Marin County Civil Grand Jury Report: An Update on Responses to the 2022-2023 Reports
14.	WAC/TAC Meeting – February 5, 2024

Item	Subject
15.	TAC Meeting – March 4, 2024
16.	MISCELLANEOUS Disbursements - Dated April 18, 2024 Disbursements – Dated April 25, 2024 Disbursements – Dated May 2, 2024 Auditor-Controller’s Monthly Report of Investments for March 2024 AWWA Legal Advisory – Introduced CERCLA legislation PFAS Enforcement Discretion and Settlement Policy Under CERCLA - USEPA Pages from Spring WAG Roundtable Meeting – April 25, 2024 NOAA US Seasonal Three-Month Drought Outlook – April 30, 2024 NOAA US Seasonal Three-Month Precipitation Outlook – April 18, 2024 <u>News Articles:</u> Marin IJ – Water districts remain vigilant amid new rules – FOREVER CHEMICALS Marin IJ – Ranchers rip proposal for reservoir expansion – MARIN MUNICIPAL Pt. Reyes Light – Housing development clears hurdle
17.	ADJOURNMENT

1

1 Director Petterle brought up a Letter to the Editor he saw in the Marin IJ written by an
2 Inverness resident, Bob Johnston, regarding District boundaries in West Marin. Mr. Williams said
3 that we found that Mr. Johnston has been quoted in past issues of the Pt. Reyes Light and also had
4 had some conversations with the previous General Manger in the past. Mr. Williams said that Mr.
5 Johnston seems to be concerned about the District's Marshall boundary. Mr. Williams said that the
6 boundaries will be addressed in a municipal review by LAFCO but there is a process and cost to de-
7 annex that boundary.

8 **OPEN TIME**

9 President Baker asked if anyone in the audience wished to bring up an item not on the
10 agenda.

11 Margaret Eisen addressed the Board. She lives in the Pointe Marin area near one of the
12 proposed alternative sites for the location of the new Lynwood Pump Station is being contemplated.
13 She said she had been at Kaiser recently and that there was a pump station, or something similar,
14 that was very loud. She said that that level of noise is inappropriate to have near houses. She said
15 she feels it would lower property sales. She said she strongly suggests an Environmental Impact
16 Report be done and to also consider putting the pump station underground. She thanked the Board
17 for listening. The Board thanked Ms. Eisen for her comments.

18 **STAFF/DIRECTORS REPORTS**

19 President Baker asked if there were any staff or director's reports. Director Fraites said that
20 he and President Baker will be attending an upcoming NBWA event at Sonoma State.

21 **ACTION CALENDAR**

22 **APPROVE: RATE INCREASE (PROP. 218) NOTICE TO NOVATO WATER & RECYCLED** 23 **WATER CUSTOMERS**

24 Julie Blue reported to the Board that the public notice for the proposed water rates has been
25 prepared since the Board approved its preparation at the April 2, 2024 meeting. She said that the
26 notice is required by Proposition 218 to be mailed to customers 45 days before the rate increase
27 public hearing, which is scheduled for June 18, 2024. She said, if approved, the notice will be mailed
28 out by May 2, 2024. She said the notice shows the rates for a 3-year period. She also said that
29 there is a graphic included that illustrates the Sonoma County pass-through rates for years 2 and 3.

30 Director Joly said he liked the notice presentation. He asked if the City of Petaluma should
31 have been listed on the table showing the different agencies' rates. Ms. Blue said she would check
32 on that to make sure it is included. Director Fraites noted that not all of the agencies may have
33 raised their rates yet so where NMWD falls within the ranges could change. Given that, Director
34 Joly also suggested the graphic be dated and Ms. Blue agreed. Director Joly said that we should list
35 as many reasons as possible for the rate increase, such as fire protection and funds for water

1 resiliency and Ms. Blue said she would incorporate additional reasons. Tony Williams said that
2 once the notice is mailed there will also be a social media campaign and website updates to get
3 more information regarding the rate increase out to customers. Director Joly also said it is important
4 to note that the rate increase to the District from Sonoma Water is 11.74% and we are only
5 increasing the rates to our customers by 8.5%, therefore we are absorbing 3%. He also suggested
6 that one of the reasons for the increase should include the cost of continuing to explore water
7 resiliency. It was also suggested that because the 8.5% effects the tier rates differently it would be
8 good to note that individual rates may vary and Ms. Blue said the difference in tier rates would be
9 better clarified. Mr. Williams said that everyone is a Tier 1 customer, paying the same rate until they
10 start using more water, then the rate goes up via the next two tiers. Director Petterle said that the
11 term resiliency is a water industry term and perhaps it could be worded differently so customers
12 understand what that means. Director Eichstaedt asked about the increased investment of water
13 facilities and perhaps that should be rephrased to make it clear what facilities need upgrading. He
14 said that once facilities are built or in the ground, they begin degrading. Mr. Williams agreed and
15 emphasized that people don't understand that facilities start degrading soon after construction.

16 On the motion of Director Joly, and seconded by Director Eichstaedt, the Board approved the
17 item by the following vote:

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

19 NOES: None

20 ABSENT: None

21 ABSTAIN: None

22 **APPROVE: RATE INCREASE (PROP. 218) NOTICE TO WEST MARIN WATER & OCEANA**
23 **MARIN SEWER CUSTOMERS**

24 Julie Blue told the Board that, similar to Novato, the Prop. 218 hearing will be on June 18,
25 2024 for West Marin and Oceana Marin. The West Marin notice has similar text to Novato's and the
26 Oceana Marin notice is much simpler. She said that the rate increase for West Marin will be a flat
27 rate increase of 6% and the notice is only for next year and then a planned 5-year rate study will be
28 performed after that. Director Eichstaedt asked if we want to mention that the rate study will be
29 upcoming and Ms. Blue said that will be included in the FY 24/25 budget. Tony Williams added that
30 it will also be mentioned in the West Marin *Waterline* newsletter that is sent to West Marin
31 customers. Director Eichstaedt also said that the term elevation zones are really pumping zones to
32 different geographic locations and that the term could be confusing. Mr. Williams agreed, it is about
33 pumping water to various areas however, he noted that Regulation 54 uses the term elevation
34 zones. Ms. Blue confirmed that Regulation 54 uses both terms, elevation and hydraulic zones, and
35 the Prop. 218 notice would be changed to be consistent with the regulation.

36 Ms. Blue said, in regards to the Oceana Marin rate increase notice, that it is similar to the

1 prior year's notice and will be mailed out to all property owners. She said it will be a 6% increase,
2 approximately \$146 per year, and the charge will be on the customers' property tax bills.

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

5

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

7 NOES: None

8 ABSENT: None

9 ABSTAIN: None

10 **INFORMATION ITEMS**

11 **ADMINISTRATION & LABORATORY UPGRADE PROJECT- CONSTRUCTION UPDATE**

12 Eric Miller gave a construction update presentation on the Administration and Laboratory
13 Upgrade Project, which was a quarterly update, the last presentation was in January 2024. He said
14 the Board room now has reclaimed redwood on the walls behind where the Board will sit. The
15 redwood has been salvaged by the District crews from the PRE Tank 4A when it was replaced. The
16 redwood will also be in the lobby and lunchroom. He said the exterior panels on the lab building are
17 being installed and almost completed. Mr. Miller spoke to a slide that showed the unforeseen issues
18 that have been or still are impacting the project schedule. He said four of the five issues have been
19 resolved and that the remaining issue, the main electrical panel, still has an unknown delivery date
20 but is estimated to be delivered in July 2024. The contractor's most recent project schedule
21 indicates a completion date of May 2024, but Mr. Miller offered his opinion that a realistic move-in
22 date would be closer to September 2024. Mr. Miller said that the project is now technically in
23 'contractor delays' and that liquidated damages are listed in the contract at \$1,000 per day, and
24 although the original completion date has past, the project is still within budget and it is expected the
25 project will remain under budget at the final completion. Director Eichstaedt thanked Mr. Miller for
26 the presentation. He asked if we are actively in communication with our legal counsel regarding the
27 delays and Mr. Miller said we are. The contractor has submitted their first claim which indicates that
28 the District is responsible for all delays however, the District's position is that much of the delays are
29 a result of the contractor's actions. Director Joly asked if we have attempted to contact the electrical
30 supplier and Mr. Miller said no that we don't have direct contact to the electrical supplier but we have
31 done as much investigation as we can on the matter. Director Petterle asked if the main electrical
32 panel were to be delivered on August 1, what would be the completion date. Mr. Miller said mid-
33 September. Another unknown related to the main electrical panel is that once the panel is installed
34 and approved by the City, PG&E will then need to provide power from nearby overhead lines which
35 requires extensive coordination. Mr. Miller offered to provide tours to the Directors for any time that
36 is convenient.

1 **NBWA MEETING – MARCH 1, 2024**

2 Director Fraites reported that he and President Baker attended the meeting which was
3 located at City of Sonoma’s City Hall. The speaker was Eileen White, Executive Officer of the San
4 Francisco Bay Regional Water Quality Control Board, who gave a presentation on recent activities
5 of the RWQCB.

6
7 **MISCELLANEOUS**

8 Director Joly inquired why the energy use has increased 22.3%, referring to the Monthly
9 Report. Robert Clark said it was due to PG&E’s time of use rate changes and because of when we
10 operate pumps, it has been very difficult to take advantage of lower time-of-use rates. He also said
11 we are no longer receiving solar credits for the Stafford system. Director Fraites asked if we will
12 have solar panels on the new administration building project. Mr. Clark said not in the parking lot as
13 we had originally hoped due to the fire department and PG&E height restrictions but the new
14 administration/lab building will be solar-ready.

15 The Board received the following miscellaneous items: Disbursements – April 4 and 11,
16 2024, Monthly Progress Report, and Eel-Russian Project Authority Board presentation excerpt –
17 March 19, 2024.

18 The Board received the following news articles: Marin IJ – Directors share plan for reliable
19 resilient water supply – MARIN VOICE, Utility weighs pros, cons of recycled drinking water, Options
20 for water pipeline narrowed – MARIN MUNICIPAL, Marin water reservoirs flush as summer nears –
21 ENVIRONMENT, Project to overhaul bridge starts along Grant Avenue – NOVATO, NMWD rate
22 increase proposed – NEW STUDY, Mendocino County News – Divided Waters, Debate over Scott
23 Dam’s Fate Boils Over in Eel Russian Project Authority Meeting.

24 The Board also received the NMWD Web and Social Media Report – March 2024.

25 **ADJOURNMENT**

26 President Baker adjourned the meeting at 5:26 p.m.

27 Submitted by
28
29
30 Eileen Mulliner
31 District Secretary
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MEMORANDUM

To: Board of Directors
From: Ryan Grisso, Water Conservation Coordinator *RG*
Subject: Approve Text for Spring 2024 Novato "Waterline", Issue 52
V:\Memos to Board\Spring 2024 Novato Waterline Text.doc

May 7, 2024

RECOMMENDED ACTION: Approve Spring 2024 Novato "Waterline" Text
FINANCIAL IMPACT: \$9,000 (Included in FY 2023/2024 Budget)

Draft text and design for the Spring 2024 Novato "Waterline", Issue 50 is attached for your review. Should any Board member have individual comments please provide them to the General Manager at the Board meeting on May 2, 2023. It is expected the Spring 2024 Novato "Waterline" will be mailed in mid to late May 2024.

RECOMMENDATION

Board authorize General Manager to approve final text and design of Spring 2024 Novato "Waterline", Issue 52.

ATTACHMENT: 1. Draft Novato *Waterline*, Issue 52

Approved by GM *RG*
Date 5-3-24

Low Income Rate Assistance (LIRA) Program

This program is available to eligible low-income customers and provides a credit on a two-month billing cycle of \$15 per bill or \$90 per year.

Beginning July 1st, the credit amount may be doubled to \$30 per bill if approved by the board on June 18, 2024. A direct water customer who has a single-family residential account and is eligible for PG&E's income-based CARE program is eligible for the District's LIRA Program. Once approved the discount would apply to your next billing cycle.

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

Saving for a rainy day

Recently, the Marin County Stormwater Pollution Prevention Program partnered with the North Marin Water District and Marin Water to provide enhanced incentives for Marin County residents who install rain catchment systems. Harvesting and storing rainwater runoff not only prevents potential pollutants from entering our waterways but also provides a ready source of supplemental irrigation for homeowners' gardens and landscapes. Plus, every gallon of water stored in these systems saves a gallon of potable water, supporting sustainable water use for our region.

With rebates increasing to \$0.75 per gallon – up to \$2,000 available for each customer – now is the perfect time to take advantage of rainwater catchment system rebates.

Learn more about the rebate at nmwd.com

For more info visit nmwd.com/drought

Save up to
\$90 a year.

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NORTH MARIN
WATER DISTRICT



NORTH MARIN
WATER DISTRICT

Novato Service Area Newsletter | Issue 52

The Waterline

What is "Critical Infrastructure"?

Tony Williams, General Manager

Beginning in 2006 the federal government developed the National Infrastructure Protection Plan to manage risk to the nation's "critical infrastructure" – defined as those assets, systems and networks vital to the national security, economics, and public health and safety. The District is one of many local agencies responsible for infrastructure within two of the sixteen critical infrastructure sectors recognized in the United States: The Dams Sector and the Water and Wastewater Systems Sector.

Stafford Dam, which created Stafford Lake, was designed and built by the District in 1951 and raised in 1985 in partnership with the Marin County Flood Control District. For the first 15 years Stafford Lake served as the only source of the Novato area's water supply and has provided recreational opportunities for the community. The Stafford Treatment Plant is located just below the dam and is capable of treating up to 6 million gallons a day of the water stored in the Lake. Since the early 1960s, the District has relied primarily on Russian River water purchased from Sonoma Water (about 80% of total demand) and transported via the North Marin Aqueduct, a large diameter steel pipeline measuring approximately 8 miles in length along the Highway 101 corridor. **The District's Stafford Dam, Stafford Treatment Plant and the North Marin Aqueduct represent critical infrastructure.**

Because water has to be delivered to our customers through hundreds of miles of buried pipelines located throughout our Service Area, which not only includes diverse development but also varying topography (physical

elevation), that water has to be pumped to higher elevations, stored in storage tanks and in some cases, the pressure adjusted within the distribution system. To achieve this operation on a daily basis, the District owns and operates twenty-six pump stations, seven hydro-pneumatic pressure stations, thirteen pressure regulating stations, and thirty-one water storage tanks, along with many other water system appurtenances. On a typical day, over twenty-five million gallons of water are stored in the various water storage tanks, not only to ensure water delivery to our customers but also to ensure a volume is available for fire protection and firefighting response. **The District's distribution pipelines, pump stations, pressure stations and storage tanks represent critical infrastructure.**

The total asset value of the District's critical infrastructure and related water systems is over \$330 million.



North Marin Water District takes fresh steps to address climate-related extreme weather events

As part of an ongoing commitment to being better prepared to respond to extreme weather events, North Marin Water District has joined the Center for Western Weather and Water Extremes (CW3E) Water Affiliates Group, in partnership with Marin Water and the County of Marin.

North Marin Water District's Stafford Dam fully compliant with the California Division of Safety of Dams (DSOD) regulations regarding dam safety and operations. However, membership with CW3E's Water Affiliates Group brings the latest scientific information to expand our toolkit of mitigation strategies in light of the growing risk presented by atmospheric river events. Joining the CW3E Water Affiliates Group is a significant step in connecting with like-minded organizations, understanding atmospheric rivers, and implementing real-world water resource solutions through decision support tools developed by CW3E. It also demonstrates the regional partnerships that exist in Marin County between the key water providers; North Marin Water District and Marin Municipal Water District, and various County Departments responsible for flood control and emergency management.



North Marin Water District Outdoor Conservation Programs

Cash-For-Grass

Turf Replacement Incentive

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

The incentive is \$1 per square foot of lawn area if you replace it with qualified low-water use planting (up to \$1,000 per single-family dwelling). Pre-qualification virtual inspection and re-landscaping plan approval are required for participation. The District alternatively has a 'Lawn Be Gone' sheet mulching program - visit nmwd.com for details.



Water Smart Landscape Efficiency Rebate

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



Water Smart Savings Program

North Marin Water District wants to help customers use water efficiently. That's why we've put all of our water saving promotions under one umbrella. The Water Smart Savings Program encompasses all you need to get started on saving water and saving money. Call 415-761-8944 or email waterconserve@nmwd.com for program participation details.



Water Smart Home Survey

This free service includes thorough indoor and outdoor water efficiency checks.



Pool Cover Rebate

Rebate available for installing a new solar or safety pool cover with non-netted material only.



High-Efficiency Clothes Washer Rebate

NMWD offers a rebate to customers when they purchase a qualifying high-efficiency clothes washer.



Rainwater Catchment Rebate

Rebate for collection and storage of rainwater.



High-Efficiency Toilet Rebate

Customers who replace an old water-guzzling toilet with a high-efficiency toilet may be eligible for a rebate.



Weather-Based Irrigation Controller Rebate

Rebate for weather-based irrigation controllers that use weather data and site information such as plant type and sprinkler system output to automatically adjust watering times and frequency.



Greywater Rebate

Rebate available for installation of qualified greywater systems.

Pay your bills online, sign up for autopay and paperless billing.

Visit onlinebiller.com/nmwd



6



MEMORANDUM

To: Board of Directors

May 7, 2024

From: Ryan Grisso, Water Conservation Coordinator *RG*

Subject: Approve Text for Spring 2024 West Marin "Waterline", Issue 23

V:\Memos to Board\Spring 2024 West Marin WaterLine Text.doc

RECOMMENDED ACTION: Approve Spring 2024 West Marin "Waterline" Text

FINANCIAL IMPACT: \$2,100 (Included in FY 2023/2024 WM Budget)

Draft text and design for the Spring 2024 West Marin "Waterline", Issue 23 is attached for your review. Should any Board member have individual comments please provide them to the General Manager at the Board meeting on May 7, 2024. It is expected the Spring 2024 West Marin "Waterline" will be mailed in mid-May 2024.

RECOMMENDATION

Board authorize General Manager to approve final text and design of the Spring 2024 West Marin "Waterline", Issue 23.

ATTACHMENT: 1. Draft West Marin *Waterline*, Issue 23

Approved by GM *RG*
Date 5-3-24

Low Income Rate Assistance (LIRA) Program

This program is available to eligible low-income customers and provides a credit on a two-month billing cycle of \$15 per bill or \$90 per year.

Beginning July 1st, the credit amount may be doubled to \$30 per bill if approved by the board on June 18, 2024. A direct water customer who has a single-family residential account and is eligible for PG&E's income-based CARE program is eligible for the District's LIRA Program. Once approved the discount would apply to your next billing cycle.

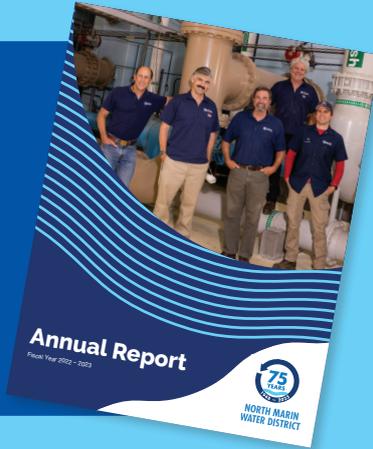
To request an application or for further information call our billing department at 415-897-4133 or visit the website at nmwd.com/lira

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NORTH MARIN
WATER DISTRICT

The Waterline

West Marin Service Area Newsletter | Issue 23



NORTH MARIN
WATER DISTRICT

Looking and Planning Ahead

Tony Williams, General Manager

This year's rainfall levels through April 1, 2024 were similar to last year's totals in the Lagunitas Watershed and far exceeded "normal year" status. Water supplied by the North Marin Water District to our West Marin customers is diverted from various shallow wells adjacent to Lagunitas Creek near the former U.S. Coast Guard Housing Facility in Point Reyes Station and on Gallagher Ranch, north of Point Reyes Station. Likely due to "dry conditions" in 2021 and 2022, the projected annual total water use for the fiscal year 2024 is 19% below the recent 5-year average. Known as post-drought rebound, water use eventually returns to normal (pre-drought) within a few years but as we head into the higher water use months, we are not yet seeing that rebound. This is a dilemma for water providers: on one hand efficient water use is always encouraged, but on the other as your water provider, North Marin Water District relies on water sales to directly offset expenses or pay off any debt since there are no other sources of revenue for these costs.

The West Marin water system, which includes a water treatment plant, water supply wells, pumping stations, water storage tanks, fire hydrants, monitoring systems and 26 miles of buried pipelines, is generally 50 years old. Some of these water facilities were constructed using methods that were acceptable and common at the time but no longer provide the needed resiliency or performance regarding natural hazards or climate change, such as wooden storage tanks that should be replaced with steel or concrete ones. In addition to upgrades or replacements due to age, several key water pipelines are attached to

bridges that cross creeks, and those bridges are also slated to be replaced due to age (see story below on the Lagunitas Bridge Pipeline Replacement).

Given the low water use trends, increasing impacts of inflation and other cost factors that affect supplies, operations and construction, as well as the known near and long-term capital improvements projects, the North Marin Water District Board of Directors has supported a rate study in fiscal year 2024-2025 for the West Marin service area one year earlier than the planned 5-year cycle. The assumptions used in the 2021 rate study (nmwd.com/rates2024) no longer reflect the trends we are seeing in water use and the cost of needed capital improvements.



Lagunitas Bridge Pipeline Replacement

Eric Miller, Assistant General Manager/Chief Engineer

North Marin Water District is committed to minimizing impacts to water service during the upcoming Caltrans-led Lagunitas Creek "Green" Bridge Replacement Project. Caltrans is projecting to begin its 2-year construction project in summer of 2026. We are coordinating closely with Caltrans to plan for a temporary bypass pipeline around the construction zone, and we are designing a new permanent pipeline that will attach to the new bridge with flexible connections on both sides for seismic resiliency.

We have also identified ways to enhance our operational flexibility during construction. This means that before construction begins in summer of 2026, North Marin Water District will install isolation valves at key locations and perform upgrades to various pump stations that will allow our team to better respond to unforeseen situations during the bridge replacement. These improvements will minimize the amount of customer outages and allow water deliveries between communities if a prolonged outage is needed.

The North Marin Water District submitted an application for grant funding for the waterline portion of the project under the FEMA Hazard Mitigation Grant Program in 2022. Unfortunately, the grant funding was not approved and our staff does not anticipate other grant funds becoming available. For this reason, the waterline portion of the project is being funded under the West Marin Service Area's Capital Improvement Program (CIP) which uses rate revenue from our customers to improve the condition of our infrastructure. Thank you for your continued trust in the North Marin Water District.



Water Smart Savings Program

North Marin Water District wants to help customers use water efficiently. That's why we've put all of our water saving promotions under one umbrella. The Water Smart Savings Program encompasses all you need to get started on saving water and saving money. Call 415-761-8944 or email waterconserve@nmwd.com for program participation details.



Water Smart Home Survey

This free service includes thorough indoor and outdoor water efficiency checks.



Landscape Efficiency Rebate

Rebate available for water efficient landscape equipment, such as a new drip irrigation system replacing a spray system or a rain shut off device.



Pool Cover Rebate

Rebate available for installing a new solar or safety pool cover with non-netted material only.



Cash-For Grass Turf Replacement Incentive

Get cash for removing irrigated and maintained lawn and replacing it with low water use plants. Pre-qualification is required.



High-Efficiency Clothes Washer Rebate

NMWD offers a rebate to customers when they purchase a qualifying high-efficiency clothes washer.



Rainwater Catchment Rebate

Rebate for collection and storage of rainwater.



High-Efficiency Toilet Rebate

Customers who replace an old water-guzzling toilet with a high-efficiency toilet may be eligible for a rebate.



Weather-Based Irrigation Controller Rebate

Rebate for weather-based irrigation controllers that use weather data and site information such as plant type and sprinkler system output to automatically adjust watering times and frequency.



Greywater Rebate

Rebate available for installation of qualified greywater systems.

Water use monitoring and leak detection device pilot program

Ryan Grisso, Water Conservation Coordinator

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

If you are interested in participating, please email your contact information and service address to waterconserve@nmwd.com and staff can provide you with the website link for the shared cost purchase.

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



Pay your bills online. Visit onlinebiller.com/nmwd



7



MEMORANDUM

To: Board of Directors

May 7, 2024

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

Subj: Resolution of Appreciation for Darrell Bynum
T:\GM\BOD Memos 2024\5-7-24 Meeting\Bynum BOD memo resolution.docx

RECOMMENDED ACTION: Board Approve the Resolution of Appreciation for Darrell Bynum

FINANCIAL IMPACT: None

Darrell Bynum is retiring on May 17, 2024 after 20 years of employment with the North Marin Water District. The attached resolution conveys appreciation to Darrell's many years of dedicated service to the District.

RECOMMENDATION

Board adopt the resolution of appreciation for Darrell Bynum recognizing his many years of employment with the North Marin Water District.

ATTACHMENTS:

1. Resolution of Appreciation for Darrell Bynum

Approved by GM _____
Date _____

**RESOLUTION 24-xx
NORTH MARIN WATER DISTRICT**

**Resolution of Appreciation
To
Darrell Bynum**

WHEREAS:

- Darrell Bynum was initially hired at North Marin Water District on March 2, 1998 as a temporary employee in the District's Construction Department. He demonstrated strong work ethic and commitment during his time in this role.
- Darrell was then rehired on June 1, 2004 as a temporary Backflow Technician where he continued to demonstrate commitment to his role. Due to his strong performance, he was offered a full-time regular position on August 16, 2004 as a Field Service Representative.
- For 20 years, Darrell has been a valuable member of our team and has consistently demonstrated dedication to his work, with a song in his heart, while working for the North Marin Water District Consumer Services Department.
- Darrell presented a competent and helpful demeanor to customers and employees alike. He was also appreciated by his fellow employees, District managers, and Board of Directors. Darrell's knowledge of the District's operations, particularly with regards to the location of all the meters, has been invaluable and will be greatly missed.
- Darrell displayed a consistent positive attitude and began each workday with a friendly greeting to everyone he passed.
- On May 17, 2024, Darrell Bynum will retire from the North Marin Water District to pursue those life long dreams he shares with his family and friends.

THEREFORE, BE IT RESOLVED:

That the Board of Directors of North Marin Water District hereby commends and expresses its appreciation to Darrell Bynum for many years of dedicated and loyal service to the customers of North Marin Water District.

BE IT FURTHER RESOLVED:

That the Board of Directors, on behalf of the staff, officers and Directors of the North Marin Water District, extends to Darrell Bynum sincere good wishes for a happy and well-deserved retirement filled with all the good things of life.

Dated at Novato, California
May 7, 2024

Jack Baker, President
North Marin Water District

* * * * *

I hereby certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of NORTH MARIN WATER DISTRICT at a regular meeting of said Board held on the 7th of May 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Eileen Mulliner, District Secretary
North Marin Water District

8

**MEMORANDUM**

To: Board of Directors Date: May 7, 2024
From: Eric Miller, Assistant General Manager/Chief Engineer *EM*
Tim Fuelle, Senior Engineer *TAF*
Subject: Lynwood Pump Station Replacement Project – Consulting Services Agreement
Amendment No. 2

R:\Folders by Job No\6000 jobs\6112.26 Lynwood PS\1. BOD Memos\6112.26 CEQA Agmt BOD Memo Aug 2023.docx

RECOMMENDED ACTION: Board authorize the General Manager to amend the Agreement with Freyer & Laureta

FINANCIAL IMPACT: \$72,000 plus contingency reserve of \$8,000 (~11%) (Included in FY 23/24 budget)

Background

In September 2022, the Board approved a consulting services agreement with Freyer and Laureta, Inc. (F&L) to evaluate replacement of the Lynwood Pump Station (LPS) and approved Amendment No. 1 to that agreement in August 2023 that added scope related to compliance with the California Environmental Quality Act (CEQA).

Consulting Agreement

At the March 19, 2024 Board meeting, the Board authorized staff to seek other primary sites and associated alternatives that meet the project objectives for the LPS Replacement Project. Although staff has begun seeking other primary sites since the Board authorization, a second amendment to F&L's agreement is recommended to assist in identifying and evaluating up to two additional primary pump station sites to provide consistent analysis to the primary sites previously identified.

Additional services to be performed by F&L include: expand on the previously completed site analysis and develop a site plan for up to two additional primary pump station sites using the pump station layout previously developed and presented in the Final Lynwood Pump Station Replacement Engineering Assessment Technical Report prepared by F&L dated February 16, 2024 (Report); conduct a preliminary review of environmental impacts on the surrounding community (noise, aesthetics, traffic); develop a Class 5 AACE opinion of probable construction cost and life-cycle cost analysis; and update the previously prepared alternative comparison/ranking matrix.

In addition, F&L will update the Report to incorporate up to two additional primary pump station sites including the revised alternatives comparison and assist staff in presenting at

up to two public meetings, one of which would occur during a regularly scheduled District Board of Directors meeting.

The scope also includes additional services to advance the architectural component of the project to a point beyond what is normally conducted during an alternative's analysis. The purpose of the architectural scope is to highlight potential structure aesthetics and surface treatments for up to three primary pump station sites.

This scope of work does not include other key project components such as: a topographical survey or geotechnical investigation for any of the sites; development of engineering design documents; or the preparation of a revised Initial Study/Mitigated Negative Declaration.

Financial Impact

The total amount of \$80,000 includes the estimated fee for consulting services of \$72,000 and a contingency of \$8,000. The combined not-to-exceed amount will be funded by the approved line item in FY 2023/24 CIP funds budgeted for this project.

RECOMMENDATION

That the Board authorize the General Manager to amend the agreement with F&L for the Lynwood Pump Station Replacement Project for a total not-to-exceed amount of \$80,000.

ATTACHMENTS:

1. Freyer and Laureta, Consulting Services Agreement Amendment No. 2
2. Freyer and Laureta, Scope of Services dated April 30, 2024
3. Freyer and Laureta 2024 Fee Schedule

NORTH MARIN WATER DISTRICT

CONTRACT AMENDMENT

PROJECT: Lynwood Pump Station Upgrade

AMENDMENT NO.: 2

DATE: May 8, 2024

TO CONSULTANT:

JOB NO.: 1 6112.26

Jeffrey Tarantino
 Freyer & Laureta, Inc.
 150 Executive Park Blvd., Suite 4200
 San Francisco, CA 94134

ORIGINAL CONTRACT DATE: Sept. 2022

CONTRACT FOR:
 Engineering and Design Services for
 NMWD's Lynwood Pump Station Upgrade

The Contract is changed as follows:

To amend Fryer & Laureta's contract from \$400,000 to \$480,000 as approved by the Board of Directors at the May 7, 2024 meeting. The Contract Time has also been extended by six months from June 30, 2024 to December 31, 2024.

Not Valid until signed by the District and Consultant

The original Contract Sum was	\$200,000
Net change by previously authorized Amendments (1)	+ \$200,000
The Contract Sum prior to this Amendment was	\$400,000
The Contract Sum will be increased by this Amendment in the maximum amount of	+ \$80,000
The new Contract Sum including this Amendment will be	\$480,000
The Contract Time will be changed by	6 months
The date of Substantial Completion as of the date of this Amendment therefore is	December 31, 2024

Consultant Signature _____	District Signature _____
_____	_____
Print Name	Print Name
_____	_____
Date	Date

cc: Consultant
 Job File

Tim Fvette, P.E.
Senior Engineer
North Marin Water District
100 Wood Hollow, Suite 300
Novato, CA 94945

**RE: Proposal for Additional Professional Engineering Services
Lynwood Pump Station Replacement Project
North Marin Water District, Novato, California**

Dear Tim,

Freyer & Laureta, Inc. (F&L) is pleased to present to the North Marin Water District (NMWD) this proposal to provide additional engineering for Lynwood Pump Station Replacement Project (Project). F&L will provide additional engineering review to supplement the *Final Lynwood Pump Station Replacement Engineering Assessment Technical Report* prepared by F&L dated February 16, 2024 (Report). The purpose of the additional services is to perform evaluation of up to two additional sites for construction of the recommended primary pump station identified in the Report. The scope of work presented in this proposal is in addition to our original Agreement dated September 2022 and Amendment No. 1 dated August 2023.

F&L has included the following specialty subconsultants:

- WRA, Inc. (WRA) to provide environmental and permitting support;
- Advanced Hydro Engineering – hydraulic modeling support
- Beecher Engineering – electrical, instrumentation, and controls engineer support
- CAL Engineering & Geology, Inc. – geotechnical engineering support
- AVA Dune Studio – architectural support

F&L and its subconsultants, referred to herein as the F&L team, will provide the scope of services described in the following sections.

Scope of Work

TASK 1: PROJECT MANAGEMENT

F&L will continue to provide overall project management for the team, including coordination with NMWD. We will coordinate review meetings to discuss the review comments and receive feedback on the deliverables. This task includes preparing and submitting progress reports with each monthly invoice summarizing the work accomplished during the billing period, the work to be accomplished in the upcoming billing period, critical issues requiring resolution, and budget status.

We will continue to hold weekly 30-minute conference calls to allow our project manager to provide real-time updates to NMWD's project manager. The goal of the bi-weekly call is to offer the opportunity to review in-

Headquarters

150 Executive Park Blvd, Ste 4200
San Francisco, CA 94134
(415) 534-7070

North Bay Office

505 San Marin Dr, Ste A220
Novato, CA 94945
(415) 534-7070

East Bay Office

825 Washington Street, Ste 237
Oakland, CA 94607
(510) 937-2310

South Bay Office

20863 Stevens Creek Blvd, Ste 400
Cupertino, CA 95014
(408) 516-1090



progress deliverables, provide schedule updates, and identify potential supplemental information needs that may be identified during the project.

Deliverables

1. Monthly progress reports
2. Monthly invoices, including a summary of work completed
3. Meeting agendas and minutes

Task 2: Pump Station Capacity Assessment

No additional services are proposed for Task 2.

Deliverables

1. None

Task 3: Engineering Assessment

No additional services are proposed for Task 3.

Deliverables

1. None

Task 4: Development of Conceptual Design

The F&L team will advance the previously prepared Conceptual Design to develop potential pump station configuration and layout to reduce the overall height of the final pump station structure. The effort will include assessment of potential regulatory requirements for confined space entry, atmospheric monitoring, and other key considerations for a partially below grade potable water pump station. The F&L team understands that the District does not require that the electrical components to be within the partially buried structure or at an elevation lower than the adjacent grade for any of the Sites. The F&L team will provide guidance on potential maintenance access requirements, worker safety enhancements, and other key improvements to facilitate construction and operation of the partially buried pump station facility.

The additional drawings anticipated to be prepared include:

- Design Criteria
- Site Plan
- Pump Station Sections
- Mechanical Piping including ventilation
- Details

The updated drawings will be integrated into the previously prepared Conceptual Drawings presented in the Report.

Deliverables

1. Conceptual Drawings

Task 5: Alternative Site Analysis

Building upon the previously completed site analysis, the F&L team will evaluate up to two potential alternative pump station locations. The alternative site analysis will utilize the conceptual design developed as

part of Task 4 to evaluate and compare both the two alternative sites to construction of a new pump station at the existing Lynwood Pump Station site. The alternative analysis will include:

- Develop a site plan for each alternative location using the site plan previously developed and presented in the Report;
- Updated hydraulic modeling based on the alternative locations to refine the design criteria for each alternative;
- Preliminary review of environmental impacts on the surrounding community (noise, aesthetics, traffic), topography, geology, and economics;
- Develop Class 5 AACE opinion of probable construction cost and life-cycle cost analysis; and
- Updated previously prepared alternative comparison/ranking matrix.

The F&L team will prepare for and participate in two meetings with District staff, including:

- Meeting with District staff to review the ranking criteria that the F&L team will use to evaluate the alternatives, including the scoring system.
- Meeting with District staff to review overall scoring/ranking of the sites

We will develop meeting agendas and presentation materials for each meeting in advance of the meeting. We will also prepare meeting minutes, including documenting all comments and feedback provided by District staff during both meetings.

Deliverables

1. Site plan for two alternatives
2. Class 5 Opinion of Probable Construction Cost for two alternatives
3. Updated Alternatives Analysis Matrix
4. Meeting agenda, presentation materials, and minutes for up to two meetings

Task 6: Technical Report

The F&L Team will update the Report to incorporate the additional two sites including revising the alternatives comparison. The Technical Report updates will include updates to all appendices to reflect the inclusion of two additional primary sites. We anticipate that the recommendations section will be updated to reflect the revised alternatives comparison.

The F&L team will provide a draft Technical Report to the District for review and comment. We will meet with the District to review the draft Technical Report and all District comments and questions. The F&L Team will produce a final Technical Report after receipt of the District's written comments.

As part of Task 6, the F&L team will participate in up to two public meetings. We anticipate that one public meeting will be held during a regularly scheduled District Board meeting to present the initial results from the additional analysis. The second public meeting is anticipated to be a public information meeting held at a location to be determined. The F&L team will assist with development of presentation materials, handouts, and other documents that the F&L team and District determine are necessary for presenting the additional analysis to the Public.

Deliverables

1. Draft Technical Report
2. Final Technical Report
3. Written Response to Comments

4. Meeting agenda, presentation materials, and minutes for the draft Technical Report Review.
5. District Board Meeting presentation materials
6. Public Information Meeting presentation materials

Task 7: Additional Services

The F&L team anticipates that the District will request additional architectural services to support development of the additional alternatives scope described in Task 5. The F&L Team will advance architectural renderings for up to three potential alternatives to highlight potential structure and surface treatments for the proposed pump station facility. The exact deliverables will be developed in collaboration with the District as part of the preparation for the District Board meeting.

Deliverables

1. To be determined

Assumptions/Exclusions

- A topographic survey is not required.
- Geotechnical investigation and studies will be performed under a separate, future scope of work following selection of the preferred alternative.
- Construction documents for the preferred alternative will be prepared under a separate, future scope of work.
- Preparation of a revised Initial Study/Mitigated Negative Declaration will be prepared under a separate, future scope of work.

SCHEDULE

The F&L Team will complete the Base Scope of Work presented above on a mutually agreeable schedule.

COMPENSATION

The F&L Team proposes to provide the Base Scope of Work on a time and materials basis for a not-to-exceed fee of \$72,000. Table 1 attached to this proposal provides a detailed summary of the level of effort by personnel classification.

Thank you for the opportunity to continue to support NMWD on this critical project. Please contact me by phone at (650) 619-3226 or email at tarantino@freyerlaureta.com with any questions or comments.

Very truly yours,



Jeffrey J. Tarantino, P.E., Executive VP/Project Manager
FREYER & LAURETA, INC.

cc: Joanne Yau (Freyer & Laureta, Inc.)
Camille Bandy, P.E. (Freyer & Laureta, Inc.)

Attachments:

1. Table 1 – Budget for Professional Engineering Services

Table 1
BUDGET ESTIMATE FOR LYNWOOD PUMP STATION ENGINEERING SERVICES
 North Marin Water District

TASKS	ESTIMATED LABOR (Hours)																TOTAL LABOR Hours	OTHER DIRECT COSTS				ESTIMATED COST (2)						
	F&L				BE	AH	WRA				CEG				ADS	UNIT		QNTY	UNIT COST (\$)	10% MARKUP (\$)	TOTAL COST PER ITEM (\$)	SUB TOTALS (\$)						
	Clerical	Staff Engineer II	Project Manager	Principal	Project Manager	Principal	Principal	Associate Biologist	Senior Engineer	Scientist	GIS Manager	Senior Principal Engineer	Senior Engineer/Geologist	Project Engineer/Geologist	Senior GIS/CADD Specialist								Project Assistant	Principal				
105	158	221	260	242	242	330	220	209	193	275	330	242	215	182	105	220												
Task 1: Project Management																												
Meeting Preparation and Presentations				4																	\$1,040					\$1,040		
Progress Reports and Invoicing	4		4																			\$1,304					\$1,304	
Coordination with District				2																		\$520					\$520	
Subtotal Labor Hours - Task 1	4		4	6																		\$2,864						\$2,900
Task 2: Pump Station Capacity Assessment																												
No Additional budget																												
Subtotal Labor Hours - Task 2																												
Task 3: Engineering Assessment																												
No Additional budget																												
Subtotal Labor Hours - Task 3																												
Task 4: Development of Conceptual Design																												
Develop site demolition plan		4	1																									\$853
Develop site plan		4	1																									\$853
Develop mechanical and piping plan		16	4																									\$3,412
Develop electrical and controls plan			2		4																							\$1,410
Develop details		4	2																									\$1,074
Prepare opinion of probable construction cost		8	4		2																							\$2,632
Internal Review				4																								\$1,040
Subtotal Labor Hours - Task 4		36	14	4	6																							\$11,274
Task 5: Alternative Site Analysis																												
Perform site visits (assume no more than one day)				2																								\$520
Develop hydraulic design criteria for two alternatives		16			4																							\$3,496
Develop conceptual site plan and layout for two alternatives		4																										\$632
Develop geotechnical desktop study			2								1	4	8	2	2													\$4,028
Perform preliminary CEQA analysis (CEQA Checklist)		4	2			4	4	8	1	2																		\$5,689
Perform Site Assessment Ranking Evaluation		8	4																									\$2,148
Complete Site Assessment Ranking Meeting with District Staff		4	4																									\$1,516
Internal Review				2																								\$520
Subtotal Labor Hours - Task 5		36	12	4		4	4	4	8	1	2	1	4	8	2	2												\$18,549

CHARGE RATE SCHEDULE

Professional & Technical Services of Freyer & Laureta, Inc. staff are provided on a fixed fee or an hourly rate basis as follows:

Fixed Fee

Where a definitive scope of work can be established, many of our clients prefer that a specific fee be agreed upon in advance. Billings are submitted monthly based upon percent complete as of the last accounting day of the month.

Hourly Rate

Applicable to Plan Preparation, Design, and Report services where the scope of work must remain open, Freyer & Laureta, Inc. utilizes the following hourly charge rate basis for billing purposes.

Consulting Category	2024 Rate
Production Aide - Clerical	\$105
Drafter I - Technical Typist - Survey Tech II	\$110
Drafter II - Word Processor	\$116
Engineering Tech I - Drafter III	\$131
Staff Engineer I - Engineering Tech II - Survey Tech III	\$152
Staff Engineer II - Engineering Tech III - Survey Tech IV	\$158
Staff Engineer III - Senior Engineering Tech	\$163
Staff Engineer IV - Survey Tech V - Construction Inspector	\$179
Associate Engineer - Associate Surveyor (L.L.S.)	\$194
Senior Engineer - Construction Manager	\$205
Senior Construction Inspector	\$205
Project Manager - Principal Surveyor (L.L.S.)	\$221
Senior Project Manager - Principal Surveyor (L.L.S.)	\$236
Associate Principal	\$247
Principal	\$263
Forensic Engineering	\$357
Deposition & Court Appearance	\$446
Subconsultant, Reproduction, Printing, Travel, Mailing & Delivery - Cost plus 10%	

Interest Charge - Billings are due and payable within 30 days. A monthly interest charge equal to the Federal Discount Rate plus 5% will be applied on the next billing beyond the 30-day payment period.

The foregoing Charge Rate Schedule is incorporated into the Agreement for the Services of Freyer & Laureta, Inc. and may be updated annually.

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MEMORANDUM

To: Board of Directors

Date: May 7, 2024

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

Subj: Approval of Side Letter Agreement Regarding 457(b) Deferred Compensation Match to 401(a) Deferred Compensation Plan and Employee Handbook Revisions

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RECOMMENDED ACTION: That the Board:

1. Authorize the General Manager to sign the side letter agreement with the Employee Association related to the use of the Nationwide 401(a) deferred compensation Plan for the employer match;
2. Approve the update to the employee handbook related to the 457(b) plan and use of the Nationwide 401(a) deferred compensation plan for the employer match.

FINANCIAL IMPACT: Approximately \$76,000 annually with 100% participation

Background

In accordance with the Memorandum of Understanding (MOU) with the North Marin Water District Employee Association (EA), effective October 1, 2023 through June 30, 2028, as approved by the Board on January 16, 2024, "The District will provide a match of up to 1% of annual salary for all employees who elect to participate in the Nationwide 457(b) deferred compensation plan effective July 1, 2024." The MOU further explains that, "Employees must participate and contribute up to 1% of their base earnings to receive the full match".

District Match

After thorough consideration it has been determined that utilizing a 401(a) deferred compensation plan for the employer match provides advantages for both the District and participating employees. This option allows employees to contribute the maximum allowed to their 457(b) plan while still receiving the full District match (up to 1% of annual base salary). Employer contributions to the 401(a) plan are tax deferred and are exempt from employer and employee Social Security and Medicare taxes. There are no additional costs to the District associated with the administration of the 401(a) Plan. This plan type has also been deemed an administratively feasible option for providing an employer match, as required by the current MOU.

The District will provide a match of up to 1% of annual base salary into the Nationwide's 401(a) Plan, for all employees who elect to participate in the Nationwide 457(b) deferred compensation plan, effective July 1, 2024. The District allows contributions to be made in either

Pre-tax or Post-tax (Roth) accounts and either type will count towards the employee's contribution made into Nationwide. Employees must contribute 1% to receive the full match and any deferred contributions less than 1% of their annual base salary will be matched with an equal amount to the employee's contribution.

Attachment 1 is a side letter which further outlines the deferred compensation plan and related 401(a) match for the Board's review. The side letter has been signed by the EA's elected Chairperson. Referenced in the side letter is Exhibit 1 which provides related revisions to the employee handbook. If approved, the employee handbook will also be updated with these changes, covering both EA and unrepresented employees.

Investment Committee

Following best practice recommendations, a deferred compensation investment committee will be formed that contains a total of 4-5 employees (Represented and Unrepresented) to oversee the Nationwide matching investments. To review the plan investments the committee will meet at least once per year although more frequent quarterly meetings are recommended.

Budget Considerations

The total estimated costs will increase the fiscal year (FY) 24/25 labor costs by approximately \$76,000, assuming 100% participation. These costs have been incorporated into the FY 24/25 budget.

RECOMMENDATION

That the Board:

1. Authorize the General Manager to sign the side letter agreement with the Employee Association related the use of the Nationwide 401(a) deferred compensation plan for the employer match;
2. Approve the update to the employee handbook related to the 457(b) plan and use of the Nationwide 401(a) deferred compensation plan for the employer match.

ATTACHMENTS:

1. Side Letter to EA MOU regarding 457(b) Deferred Compensation and 401(a) Employer Match & related Employee Handbook revisions (Exhibit 1).
2. Redlined version of Deferred Compensation Section of Employee Handbook

**NMWD
Employee
Association**



2023 – 2028 MOU

**Side
Letter
Agreement**

**SIDE LETTER AGREEMENT REGARDING
457(b) Deferred Compensation
401(a) Deferred Compensation Employer Match**

DATE: May 7, 2024

The North Marin Water District ("District") and the North Marin Water District Employee Association ("Employee Association") enter into this Side Letter Agreement and hereby agree to the following:

Effective July 1, 2024, the District will provide a match of up to 1% of annual base salary for all employees who elect to participate in the Nationwide 457(b) deferred compensation plan. Employees must participate and contribute 1% to receive the full match. Any employee contributions that equal less than 1% of their annual base salary will have the District match equal the employee's contribution. The District reserves the right to limit enrollment to Nationwide only for purposes of matching employee contributions.

Further, it is expressly agreed that the District will utilize Nationwide's 401(a) Plan for the deposit of the matching contributions. This will allow participants to contribute up to the maximum allowable contributions each year into the Deferred Compensation 457(b) plans and at the same time receive the full allowable benefit of the District's matching contribution, up to 1% of the employee's annual base salary.

It is also recommended that a Deferred Compensation investment committee be formed that contains a total of 4-5 employees (Represented and Unrepresented) to oversee the Nationwide matching investments. To review the plan investments the committee should meet at least once per year although more frequent quarterly meetings are recommended.

Unless otherwise stated, the provisions of this Side Letter Agreement supersede any inconsistent or conflicting provisions of the parties' Memorandum of Understanding, effective October 1, 2023 – June 30, 2028 ("MOU"). All other provisions of the parties' MOU shall otherwise remain in full force and effect. This Side Letter Agreement shall only become binding and effective upon the District's Board of Directors' adoption of this Side Letter Agreement, and such changes will take effect on July 1, 2024 and continuing on a prospective basis.

In addition, the District and the Employee Association agree that all corresponding sections of the current MOU and Employee Handbook shall also be amended accordingly to be consistent with the above. A copy of the proposed changes to the Employee Handbook is hereby incorporated by reference and attached to this Side Letter Agreement as Exhibit 1.

**NMWD
Employee
Association**



2023 – 2028 MOU

**Side
Letter
Agreement**

The parties further agree that this Side Letter Agreement shall be incorporated into the successor MOU without further meet-and-confer efforts, and it is the parties' intention that the terms of this Side Letter Agreement shall remain in force beyond the expiration of the 2023 – 2028 MOU.

The parties' signatures below signify that they have met and conferred in good faith in accordance with California Government Code Section 3500, *et seq.* Agreed to on this ____th day of May 2024, by the parties' authorized representatives.

For the District

For the Employee Association

Tony Williams Date
General Manager



Jeff Corda Date
Chairperson 4-29-2024

DEFERRED COMPENSATION PLAN - 457(b) & 401(a) Plan

Eligibility

Effective upon completion of the six-month probationary period for regular full-time and part-time employees.

Purpose

To enable eligible employees to defer portions of their compensation and to provide a voluntary supplemental retirement account.

Participation

Eligible employees who wish to participate must complete a participation agreement for Lincoln or enroll online for Nationwide. Employee contributions will be limited by the annual IRS allowance. Pre-tax funds deferred are not subject to Federal or State income tax at the time of deferral. Roth fund contributions are subject to Federal and State income tax at the time of deferral. Existing employees may invest in either of the District's deferred compensation plans. New employees, hired on or after January 1, 2024 will be limited to participate in the Nationwide Plan. Both plans offer a number of investment options and employees will have access to the plan's retirement specialists for questions.

Benefits

The District allows contributions to be made in either Pre-tax or Post-tax (Roth) accounts. Funds may only be withdrawn following the participant's retirement, termination, total disability, death, or as a loan for a hardship in accordance with regulations prescribed by the Internal Revenue Service for an unforeseeable financial emergency beyond control of the participant. There is no early distribution penalty for withdrawing funds before age 59 ½.

Benefits may be paid in a lump sum or in monthly, quarterly or annual payments depending on the participant's selected plan of distribution. Pre-tax benefits are subject to Federal and State taxes at the time of distribution.

District Matching 401(a)

A 401(a) deferred compensation plan is a plan set up by the District that allows for tax-deferred matching contributions by the employer. Effective July 1, 2024, the District will provide a match up to 1% of annual salary into the Nationwide's 401(a) plan, for all employees (Represented and Unrepresented), who have elected to participate in the Nationwide 457(b) deferred compensation plan.

Employees must participate and contribute 1% to receive the full match. Any employee deferred contributions that equal less than 1% of their annual salary will be matched equal to the employee's contribution. (Example: If the employee contributes 0.5% of their annual salary, the District will match 0.5% of the employees' annual salary.) The District reserves the right to limit

enrollment to the Nationwide Plan only for purposes of matching employee contributions.

A deferred compensation investment committee will be formed that contains a total of 4-5 employees (Represented and Unrepresented) to oversee the Nationwide 401(a) matching investments. To review the plan investments the committee will meet at least once per year although more frequent quarterly meetings are recommended.

Note: The above is a brief summary of the NMWD DEFERRED COMPENSATION PLAN. Copies of the complete plan and participation agreements supersede and take precedence over this summary and are available from the Auditor-Controller or HR/Safety Manager.

DEFERRED COMPENSATION PLAN - 457(b) & 401(a) Plan

Eligibility

Effective upon completion of the six-month probationary period for regular full-time and part-time employees.

Purpose

To enable eligible employees to defer portions of their compensation and to provide a voluntary supplemental retirement account, ~~disability and death benefits. The amount deferred does not constitute taxable income until received.~~

Participation

Eligible employees who wish to participate must complete a participation agreement for Lincoln or enroll online for Nationwide. Employee contributions will be limited by the annual IRS allowance. Employee must complete a participation agreement with the District, whereby he/she may defer receipt of gross compensation up to the current IRS allowance. Pre-tax funds deferred are not subject to Federal or State income tax at the time of deferral. Roth fund contributions are subject to Federal and State income tax at the time of deferral. Existing employees may invest in either of the District's deferred compensation plans. New employees, hired on or after January 1, 2024 will be limited to participate in the Nationwide Plan. Both plans offer a number of investment options and employees will have access to the plan's retirement specialists for questions. The employee may invest the deferred compensation into either a money market fund with a guaranteed rate of return, or may select from a number of mutual fund options.

Benefits

The District allows contributions to be made in either Pre-tax or Post-tax (Roth) accounts. Funds may only be withdrawn following the participant's retirement, termination, total disability, death, or as a loan for a hardship in accordance with regulations prescribed by the Internal Revenue Service for an unforeseeable financial emergency beyond control of the participant. There is no early distribution penalty for withdrawing funds before age 59 ½.

Benefits may be paid in a lump sum or in monthly, quarterly or annual payments depending on the participant's selected plan of distribution. Pre-tax Benefits are subject to Federal and State taxes at the time of distribution.

District Matching 401(a)

A 401(a) deferred compensation plan is a plan set up by the District that allows for tax-deferred matching contributions by the employer. Effective July 1, 2024, the District will provide a match up to 1% of annual salary into the Nationwide's 401(a) plan, for all employees (Represented and Unrepresented), who have elected to participate in the Nationwide 457(b) deferred compensation plan.

Employees must participate and contribute 1% to receive the full match. Any employee deferred contributions that equal less than 1% of their annual salary will be matched equal to the employee's contribution. (Example: If the employee contributes 0.5% of their annual salary, the District will match 0.5% of the employees' annual salary.) The District reserves the right to limit enrollment to the Nationwide Plan only for purposes of matching employee contributions.

A deferred compensation investment committee will be formed that contains a total of 4-5 employees (Represented and Unrepresented) to oversee the Nationwide 401(a) matching investments. To review the plan investments the committee will meet at least once per year although more frequent quarterly meetings are recommended.

Note: The above is a brief summary of the NMWD DEFERRED COMPENSATION PLAN. Copies of the complete plan and participation agreements supersede and take precedence over this summary and are available from the Auditor-Controller or HR/Safety Manager

10

**MEMORANDUM**

To: Board of Directors

May 7, 2024

From: Tony Williams, General Manager 

Subj: 2024 Emergency Inverness Intertie and Cooperative Services Agreement Between North Marin Water District and Inverness Public Utilities District

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RECOMMENDED ACTION: Approve the 2024 Emergency Inverness Intertie and Cooperative Services Agreement**FINANCIAL IMPACT:** None at this timeBackground

Since January 1982, a water pipeline intertie connecting the North Marin Water District (District) water system and the Inverness Public Utility District (IPUD) water system has been in place in order to supply emergency water to either agency when needed. The pipeline intertie facility ("Inverness Intertie") includes a normally closed 6-inch diameter intertie zone valve and 2-inch bypass intertie meter and connecting service lines. The zone valve and bypass meter are located adjacent to and within the right of way of Sir Francis Drake Boulevard just south of the North Dream Farm Road intersection as shown on the attached vicinity map (Attachment 1).

Since April 1984 the parties have cooperated with one another in the occasional interchange of personnel and equipment in order to affect economies and more efficiently and effectively provide service to their respective customers. This arrangement has been established via formal agreements with renewals every approximately 20 years. The current agreement was executed in 2014 (Attachment 2) and will expire in June of this year, marking the latest 20-year cycle.

Agreement Update

In February 2024, the General Managers of each district discussed the benefit of having such an agreement, recognized the need to renew the 2014 version, and began coordinating, including a legal review, to ensure a new agreement was in place before the expiration of the current agreement (June 30, 2024). Additionally, renewing and maintaining a cooperative agreement with IPUD satisfies some of the requirements of SB 552 (Drought Planning for Small Water Suppliers and Rural Communities) for water shortage preparedness in the event of an emergency such as fire, infrastructure failure or other catastrophic event that impact water supply. As defined in the agreement, effects from drought related water shortages are not considered an emergency. At the end of March 2024, District legal counsel and IPUD legal counsel mutually

agreed to the 2024 version provided as Attachment 3. The IPUD Board approved the 2024 Agreement at their April 16, 2024 Meeting.

RECOMMENDATION

That the Board approve 2024 Emergency Inverness Intertie and Cooperative Services Agreement Between North Marin Water District and Inverness Public Utility District.

ATTACHMENTS:

1. Inverness Intertie Vicinity Map
2. Current 2014 Agreement
3. 2024 Updated Agreement



County of Marin, California State Parks, Esri, Top
USGS, Bureau of Land Management, EPA, NPS, US

**NMWD-IPUD INVERNESS
INTERTIE FACILITY LOCATION**

DATE	SCALE	JOB. NO.	DWG. NO.
4/15/2024	NTS	IPUD	MAP

1 **EMERGENCY INVERNESS INTERTIE AND COOPERATIVE SERVICES AGREEMENT**

2
3 This Agreement, made this 19th day of March, 2014 by and between NORTH
4 MARIN WATER DISTRICT, a public body, herein called "NMWD," and INVERNESS PUBLIC
5 UTILITY DISTRICT, a public body, herein called "IPUD,"

6 1. Recitals

- 7 A. NMWD and IPUD have developed and maintained separate sources of water
8 supply and separate water distribution systems in Western Marin County
9 (hereinafter referred to as water systems).
- 10 B. Catastrophic events or unforeseen circumstances can occur which may
11 adversely affect or interrupt the availability or distribution of water in either the
12 NMWD water system or the IPUD water system.
- 13 C. Since January 1982 a pipeline intertie connecting the IPUD water system and the
14 NMWD water system has been in place to supply emergency water to the parties
15 when the need may arise.
- 16 D. Since April 1984 the parties have cooperated with one another in the occasional
17 interchange of personnel and equipment in order to affect economies and more
18 efficiently and effectively provide service to their respective customers.
- 19 E. The 2004 Emergency Inverness Intertie and Cooperative Services Agreement
20 sunsets on June 30, 2014.

21 2. Objective

22 The parties to this Agreement believe that it is in their best interests to continue
23 cooperating effectively, to maintain the existing Pipeline Intertie Facility in good
24 working order and provide a mechanism to transfer emergency water supply from
25 one party to the other when circumstances may require.

26 3. Pipeline Intertie Facility

27 The Pipeline Intertie Facility includes a normally closed 6" (six inch) diameter intertie
28 zone valve and 1" (one inch) bypass intertie meter and connecting service lines. Said
29 zone valve and bypass meter is located adjacent to and in the westerly right of way of
30 Sir Francis Drake Boulevard just south of the North Dream Farm Road intersection.

31 4. Emergency Water Supply

32 The Intertie is available to transfer emergency water supply at up to 40 gallons per
33 minute (GPM) to IPUD or NMWD when an emergency condition develops in one or
34 the other of the water systems. All requests for transfer of emergency water supply
35 shall be noticed pursuant to Section 10 of this Agreement. All transfers, except in the
36 case of an extraordinary fire emergency noted below, shall flow through the 1"
37 bypass intertie meter and be subject to the legal and prior obligations of the parties
38 as determined unilaterally by the party called upon to supply emergency water to the
39 requesting party. An emergency condition is defined as an acute problem and may
40 include pipeline failure, treatment plant failure, source of supply contamination or
41 interruption caused by natural and manmade disasters, etc. The party requesting
42 emergency water supply shall record intertie meter readings and report same to the
43 delivering party on a regular basis.

44 Notwithstanding the notice requirements above and in Section 10 of this Agreement,
45 where an extraordinary fire emergency exists in either district requiring unrestricted
46 flow, the district experiencing the fire emergency shall have the option to take

1 maximum flow by opening the 6-inch zone intertie valve between the NMWD and the
2 IPUD water system. The district doing so shall notify the other district immediately.

3 5. Ownership, Operation and Maintenance

4 NMWD shall own and be responsible for operation, maintenance and replacement of
5 the NMWD's existing water system facilities south of the Intertie zone valve. IPUD
6 shall own and be responsible for operation, maintenance and replacement of the
7 IPUD existing water system facilities north of the Intertie zone valve. By mutual
8 consent of the Parties this point of Intertie zone valve can be moved to any point to
9 the north within the IPUD water system.

10 Each party may render incidental regular and/or emergency water service to others
11 from their water system facilities on their respective side of the Intertie zone valve,
12 provided that the Emergency Water Supply capability as stated in paragraph 4 is not
13 significantly diminished and provided further that the public water supply is
14 safeguarded from backflow in the manner prescribed by NMWD Regulation No. 6 and
15 as that regulation may from time to time be changed by NMWD. NMWD will maintain
16 a current version of its Regulation No. 6 on its website.

17 NMWD shall annually be responsible for Pipeline Intertie Facility maintenance. Cost
18 of said maintenance and any repair or replacement of said facility shall be shared
19 equally between NMWD and IPUD.

20 6. Cooperation

21 A. The managers of the IPUD and NMWD will from time to time formulate and
22 revise plans whereby personnel and/or equipment of one agency (for
23 convenience referred to herein as "cooperating agency"), may be used by the
24 other agency (referred to as "benefiting agency") to accomplish certain routine or
25 emergency operations required by the benefiting agency, including but not
26 necessarily limited to: maintenance, repair, replacement and installation of water
27 facilities.

28 B. Requests for use of personnel and/or equipment shall be made by the manager
29 of the benefiting agency, and it is intended that such requests will be complied
30 with by the cooperating agency unless the manager of that agency determines
31 that the requested personnel and/or equipment are needed to meet prior
32 workload demands of the cooperating agency.

33 C. If deemed necessary by the cooperating agency, equipment will be furnished
34 with an operator assigned by the cooperating agency. In addition, supervisory
35 personnel shall also be furnished by the cooperating agency when the
36 cooperating agency determines in its sole discretion that it is necessary. During
37 the time they are engaged in serving the benefiting agency, all personnel shall be
38 under the direction and control of the benefiting agency.

39 D. At the sole discretion of the cooperating agency, the benefiting agency shall pay
40 the cooperating agency monthly on receipt of invoice the cooperating agency's
41 costs for the equipment and personnel furnished. These costs shall be
42 computed on the basis of the equipment rental rates and the salaries and payroll
43 expenses that the cooperating agency would charge to itself under its accounting
44 system had such equipment and personnel been employed in the work of the
45 cooperating agency. In the event that the cooperating agency does not utilize an
46 accounting system that identifies specific overhead and rental rates for the

1 personnel and equipment involved, the cost to the benefiting agency shall be
2 mutually agreed to in advance by the managers of both agencies.

3 E. The benefiting agency will indemnify and hold harmless the cooperating agency
4 for all liability and claims of liability for damages, personal injury and death to the
5 public arising out of its use of vehicles, equipment or other property, or personnel
6 of the cooperating agency. The benefiting agency will name the
7 cooperating agency as an additional insured under its liability and property
8 damage insurance policy with respect to work performed for it under this
9 Agreement and will furnish and maintain a current certificate of insurance and
10 endorsement. To the extent either agency is wholly or partly self-insured, it shall
11 furnish the above certificate of insurance for such coverage as may be in force,
12 and shall, for the self-insured portion, assume all defense and indemnification for
13 liability with respect to work performed for it as a benefiting agency under this
14 Agreement as if an insurance policy were in force.

15 Each agency shall maintain worker's compensation for industrial injury or illness
16 through insurance, including coverage for its employees when used by the other
17 agency under this Agreement.

18 The benefiting agency will reimburse the cooperating agency for any out-of-
19 pocket loss resulting from damage to vehicles, equipment and other property
20 owned by the cooperating agency, or injury to its personnel, arising out of the use
21 of such vehicles, equipment, other property or personnel by the benefiting
22 agency.

23 7. Charges and Billing

24 The price that IPUD and NMWD charges the other for emergency water shall be the
25 Water Quantity Rate of the party receiving said emergency water (IPUD or NMWD)
26 pursuant to regulations of said party, from time to time in effect. Except that
27 emergency water charges for an extraordinary fire emergency shall be the actual "out
28 of pocket" cost of the party delivering said emergency water as determined by the
29 delivering party

30 The party delivering water pursuant to this Agreement shall bill not more frequently
31 than monthly and the receiving party shall pay the amount of such billing within 30
32 days of receipt of same.

33 For all other charges due under this Agreement, the billing party shall prepare a bill
34 which the receiving party shall pay within 30 days of receipt of same.

35 Notwithstanding any dispute between the parties hereto, the receiving party shall pay
36 all bills when due and shall not withhold all or any part of any payment pending the
37 final resolution of such dispute. In the event of a dispute, the receiving party may
38 pay its bills under protest and if the resolution of the dispute results in a refund, said
39 refund shall include any interest earned by investment of the disputed funds.

40 8. Prior Agreements Terminated

41 The Prior Emergency Inverness Intertie Agreements dated January 23, 1982, April
42 11, 1984, and July 15, 2005 between IPUD and NMWD are hereby terminated.

43 9. Method and place of Giving Notice and Making Payments

44 All notices, including requests for transfer of emergency water supply, shall be in
45 writing and notices and payments may be given by personal delivery or by mail.
46 Notices and payments sent by mail shall be addressed as follows:

NMWD: North Marin Water District
Attn: General Manager
P.O. Box 146
Novato, CA 94948-0146

IPUD: Inverness Public Utility District
Attn: General Manager
P.O. Box 469
Inverness, CA 94937-0469

1 Changes may be made in the names and addresses of the person to whom notices
2 and payments are to be given by giving notice pursuant to this section.

3 10. Third Party Beneficiaries

4 No third party beneficiaries are intended or established by this Agreement.

5 11. Representation by Counsel

6 IPUD and NMWD each were represented by independent counsel in the negotiation
7 and execution of this Agreement. For the purposes of interpretation of this
8 Agreement, neither party shall be deemed to have been the drafter of this
9 Agreement.

10 12. Severability

11 If any one or more sections, provisions, promises or conditions of this Agreement is
12 declared null and void or voidable for any reason by a final judgment or order of a
13 court of competent jurisdiction, it is hereby declared to be the intention of both parties
14 and agreed that each and all of the other sections, provisions, promises and
15 conditions of this Agreement shall be and remain in full force and effect.

16 13. Terms of Agreement

17 The term of this Agreement shall extend from the date of execution hereof until
18 June 30, 2024.

19

1 IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date
2 first above written.

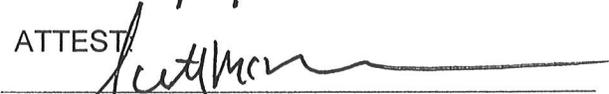
3

INVERNESS PUBLIC UTILITY DISTRICT

By: 
President, Board of Directors.

Dated: 3/19/14

ATTEST:

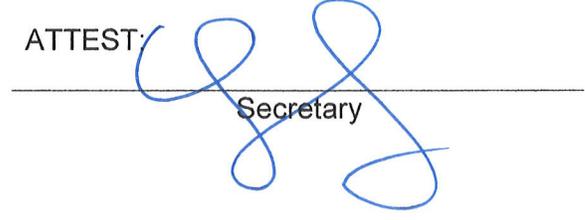

Secretary

NORTH MARIN WATER DISTRICT

By: 
President, Board of Directors

Dated: 3/27/14

ATTEST:


Secretary

4

EMERGENCY INVERNESS INTERTIE AND COOPERATIVE SERVICES AGREEMENT

This Agreement, made this _____ day of _____, 2024 by and between the NORTH MARIN WATER DISTRICT, a California County Water District formed pursuant to the authority of the County Water District Law, California Water Code Section 30000 *et seq.*, herein called "NMWD," and the INVERNESS PUBLIC UTILITY DISTRICT, a California Public Utility District formed pursuant to the authority of the California Public Utilities Code Section 15501 *et seq.*, herein called "IPUD." "NMWD" and "IPUD" are each referred to in an individual capacity as "Party," and are referred to collectively in this Agreement as "Parties."

1. Recitals

- A. NMWD and IPUD have developed and maintained separate sources of water supply and separate water distribution systems in Western Marin County (hereinafter referred to as water systems).
- B. Catastrophic events or unforeseen circumstances can occur which may adversely affect or interrupt the availability or distribution of water in either the NMWD water system or the IPUD water system.
- C. Since January 1982, a pipeline intertie connecting the IPUD water system and the NMWD water system has been in place to supply emergency water to the Parties when the need may arise.
- D. Since April 1984, the Parties have cooperated with one another in the occasional interchange of personnel and equipment in order to affect economies and more efficiently and effectively provide service to their respective customers.
- E. California Government Code Sections 6500-6515 authorize two or more local public entities to enter an agreement to jointly exercise any power common to them. Each Party has the power under the laws of the State of California to provide water service and distribution.
- F. The 2014 Emergency Inverness Intertie and Cooperative Services Agreement sunsets on June 30, 2024.

2. Objective

The Parties to this Agreement believe that it is in their best interests to continue cooperating effectively, to maintain the existing Pipeline Intertie Facility in good working order and provide a mechanism to transfer emergency water supply from one Party to the other when circumstances may require.

3. Pipeline Intertie Facility

The Pipeline Intertie Facility includes a normally closed 6" (six inch) diameter intertie zone valve and 1" (one inch) bypass intertie meter and connecting service lines. Said zone valve and bypass meter is located adjacent to and in the westerly right of way of Sir Francis Drake Boulevard just south of the North Dream Farm Road intersection.

4. Emergency Water Supply

The Intertie is available to transfer emergency water supply at up to 40 gallons per minute (GPM) to IPUD or NMWD when an emergency condition develops in one or the other of the water systems. All requests for transfer of emergency water supply shall be noticed pursuant to Section 10 of this Agreement. All transfers, except in the case of an extraordinary fire emergency noted below, shall flow through the 1" bypass intertie meter and be subject to the legal and prior obligations of the Parties as determined unilaterally by the party called upon to supply emergency water to the

1 requesting Party. An emergency condition is defined as an acute problem and may
2 include pipeline failure, treatment plant failure, source of supply contamination or
3 interruption caused by natural and manmade disasters, etc. The Party requesting
4 emergency water supply shall record intertie meter readings and report same to the
5 delivering Party on a regular basis.

6 Notwithstanding the notice requirements above and in Section 10 of this Agreement,
7 where an extraordinary fire emergency exists within the territory or service area of
8 either Party requiring unrestricted flow, the Party experiencing the fire emergency shall
9 have the option to take maximum flow by opening the 6-inch zone intertie valve
10 between the NMWD and the IPUD water system. The Party doing so shall notify the
11 other Party immediately.

12 5. Ownership, Operation and Maintenance

13 NMWD shall own and be responsible for operation, maintenance, and replacement of
14 the NMWD's existing water system facilities south of the Intertie zone valve. IPUD
15 shall own and be responsible for operation, maintenance, and replacement of the
16 IPUD existing water system facilities north of the Intertie zone valve. By mutual
17 consent of the Parties this point of Intertie zone valve can be moved to any point to
18 the north within the IPUD water system.

19 Each Party may render incidental regular and/or emergency water service to others
20 from their water system facilities on their respective side of the Intertie zone valve,
21 provided that the Emergency Water Supply capability as stated in paragraph 4 is not
22 significantly diminished and provided further that the public water supply is
23 safeguarded from backflow in the manner prescribed by NMWD Regulation No. 6 and
24 as that regulation may from time to time be changed by NMWD. NMWD will maintain
25 a current version of its Regulation No. 6 on its website.

26 NMWD shall be responsible for annual Pipeline Intertie Facility maintenance. Cost of
27 said maintenance and any repair or replacement of said facility shall be shared equally
28 between NMWD and IPUD.

29 6. Cooperation

30 A. The managers of the IPUD and NMWD will from time to time formulate and revise
31 plans whereby personnel and/or equipment of one agency (for convenience
32 referred to herein as "Cooperating Agency"), may be used by the other agency
33 (referred to as "Benefiting Agency") to accomplish certain routine or emergency
34 operations required by the Benefiting Agency, including but not necessarily limited
35 to: maintenance, repair, replacement, and installation of water facilities.

36 B. Requests for use of personnel and/or equipment shall be made by the manager of
37 the Benefiting Agency, and it is intended that such requests will be complied with
38 by the Cooperating Agency unless the manager of that Cooperating Agency
39 determines that the requested personnel and/or equipment are needed to meet
40 prior workload demands of the Cooperating Agency.

41 C. If deemed necessary by the Cooperating Agency, equipment will be furnished with
42 an operator assigned by the Cooperating Agency. In addition, supervisory
43 personnel shall also be furnished by the Cooperating Agency when the
44 Cooperating Agency determines in its sole discretion that it is necessary. During
45 the time they are engaged in serving the Benefiting Agency, all personnel shall be
46 under the direction and control of the Benefiting Agency.

1 D. At the sole discretion of the Cooperating Agency, the Benefiting Agency shall pay
2 the Cooperating Agency monthly on receipt of invoice the Cooperating Agency's
3 costs for the equipment and personnel furnished. These costs shall be computed
4 based on the equipment rental rates and the salaries (including pension, relief,
5 disability, worker's compensation, and other benefits) and payroll expenses that
6 the Cooperating Agency would charge to itself under its accounting system had
7 such equipment and personnel been employed in the work of the Cooperating
8 Agency. In the event that the Cooperating Agency does not utilize an accounting
9 system that identifies specific overhead and rental rates for the personnel and
10 equipment involved, the cost to the Benefiting Agency shall be mutually agreed to
11 in advance by the managers of both Parties.

12 E. The Benefiting Agency will indemnify and hold harmless the Cooperating Agency
13 for all liability and claims of liability for damages, personal injury and death to the
14 public arising out of its use of vehicles, equipment or other property, or personnel
15 of the Cooperating Agency. The Benefiting Agency will name the Cooperating
16 Agency as an additional insured under its liability and property damage insurance
17 policy with respect to work performed for it under this Agreement and will furnish
18 and maintain a current certificate of insurance and endorsement. To the extent
19 either Party is wholly or partly self-insured, it shall furnish the above certificate of
20 insurance for such coverage as may be in force, and shall, for the self-insured
21 portion, assume all defense and indemnification for liability with respect to work
22 performed for it as the Benefiting Agency under this Agreement as if an insurance
23 policy were in force.

24 Each Party shall maintain worker's compensation for industrial injury or illness
25 through insurance, including coverage for its employees when used by the other
26 agency under this Agreement.

27 The Benefiting Agency will reimburse the Cooperating Agency for any out-of-
28 pocket loss resulting from damage to vehicles, equipment and other property
29 owned by the Cooperating Agency, or injury to its personnel, arising out of the use
30 of such vehicles, equipment, other property, or personnel by the Benefiting
31 Agency.

32 7. Privileges and Immunities

33 In accordance with California Government Code section 6513, all of the privileges and
34 immunities from liability, all exemptions from laws, ordinances and rules, and all
35 pension, relief, disability, workmen's compensation, and other benefits which apply to
36 the activity of the employees or agents of the Parties when performing their functions
37 within the territorial limits of the Party that employed or retained them, shall apply to
38 them to the same degree and extent while engaged in the performance of any of their
39 functions and duties associated with performance of this Agreement.

40 8. Charges and Billing

41 The price that IPUD and NMWD charge the other for emergency water shall be the
42 Water Quantity Rate of the party receiving said emergency water (IPUD or NMWD)
43 pursuant to regulations of said Party, from time to time in effect, except that emergency
44 water charges for an extraordinary fire emergency shall be the actual "out of pocket"
45 cost of the Party delivering said emergency water as determined by the delivering
46 Party.

1 The Party delivering water pursuant to this Agreement shall bill not more frequently
2 than monthly and the receiving Party shall pay the amount of such billing within 30
3 days of receipt of same.

4 For all other charges due under this Agreement, the billing Party shall prepare a bill
5 which the receiving Party shall pay within 30 days of receipt of same.

6 Notwithstanding any dispute between the Parties hereto, the receiving Party shall pay
7 all bills when due and shall not withhold all or any part of any payment pending the
8 final resolution of such dispute. In the event of a dispute, the receiving Party may pay
9 its bills under protest and if the resolution of the dispute results in a refund, said refund
10 shall include any interest earned by investment of the disputed funds.

11 9. Prior Agreements Terminated

12 The Prior Emergency Inverness Intertie Agreements dated January 23, 1982, April 11,
13 1984, July 15, 2005, and March 19, 2014 between IPUD and NMWD are hereby
14 terminated.

15 10. Method and Place of Giving Notice and Making Payments

16 All notices, including requests for transfer of emergency water supply, shall be in
17 writing and notices and payments may be given by personal delivery or by mail.
18 Notices and payments sent by mail shall be addressed as follows:

NMWD: North Marin Water District
Attn: General Manager
P.O. Box 146
Novato, CA 94948-0146

IPUD: Inverness Public Utility District
Attn: General Manager
P.O. Box 469
Inverness, CA 94937-0469

19 Changes may be made in the names and addresses of the person to whom notices
20 and payments are to be given by giving notice pursuant to this section.

21 11. Third Party Beneficiaries

22 No third-party beneficiaries are intended or established by this Agreement.

23 12. Representation by Counsel

24 IPUD and NMWD each were represented by independent counsel in the negotiation
25 and execution of this Agreement. For the purposes of interpretation of this Agreement,
26 neither Party shall be deemed to have been the drafter of this Agreement.

27 13. Severability

28 If any one or more sections, provisions, promises or conditions of this Agreement is
29 declared null and void or voidable for any reason by a final judgment or order of a court
30 of competent jurisdiction, it is hereby declared to be the intention of both Parties and
31 agreed that each and all of the other sections, provisions, promises and conditions of
32 this Agreement shall be and remain in full force and effect.

33 14. Terms of Agreement

34 The term of this Agreement shall extend from the date of execution hereof until June
35 30, 2034.

1 IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date
2 first above written.

INVERNESS PUBLIC UTILITY DISTRICT

NORTH MARIN WATER DISTRICT

By

President, Board of Directors.

Dated: _____

ATTEST:

Secretary

By:

President, Board of Directors

Dated: _____

ATTEST:

Secretary

11

**MEMORANDUM**

To: Board of Directors

Date: May 7, 2024

From: Eric Miller, Assistant General Manager / Chief Engineer *EM*

Subject: Preview of FY 24/25 Capital Improvement Program (CIP)

r:\chief eng\miller\fy 24-25\bod cip preview\5-7-24 bod memo cip preview.docx**RECOMMENDED ACTION:** Information Only**FINANCIAL IMPACT:** None at this time

Attached for review are presentation slides for the proposed Fiscal Year 24/25 Capital Improvement Program (CIP) expenditure budget. The budget includes projects recommended for Novato Water, Recycled Water, West Marin Water, and Oceana Marin Sewer. The list of projects being proposed was developed in coordination with senior staff from all of the District's departments to ensure that the priorities of all District work programs are being addressed. Similarly, the CIP budget was prepared in close coordination with the Auditor/Controller to meet our targets for internally (or "Pay-Go") financed projects.

In previous budget cycles the proposed CIP was presented to the Board with a heavy focus on financial details. While that level of financial information will again be included during this budget cycle, in subsequent meeting agendas, this presentation is intended to discuss the proposed CIP in a manner that focuses on the projects themselves.

The presentation slides also include a list of studies & special projects being proposed for Fiscal Year 24/25. Funding for studies & special projects are not included in the summary budget numbers as they are not considered capital assets in the same capacity as infrastructure improvement work.

ATTACHMENTS: Presentation slides dated May 7, 2024



**NORTH MARIN
WATER DISTRICT**

FY 24/25 PREVIEW
Capital Improvement Program (CIP)

May 7, 2024

FY 24/25 CIP PREVIEW

Contents

1. Pipelines *
2. Storage Tanks & Pump Stations *
3. Stafford Improvements *
4. Facilities Improvements (Novato)
5. Recycled Water System (Novato)
6. West Marin System
7. Oceana Marin System
8. Special Studies
9. Budget Summary

** Novato potable water system*

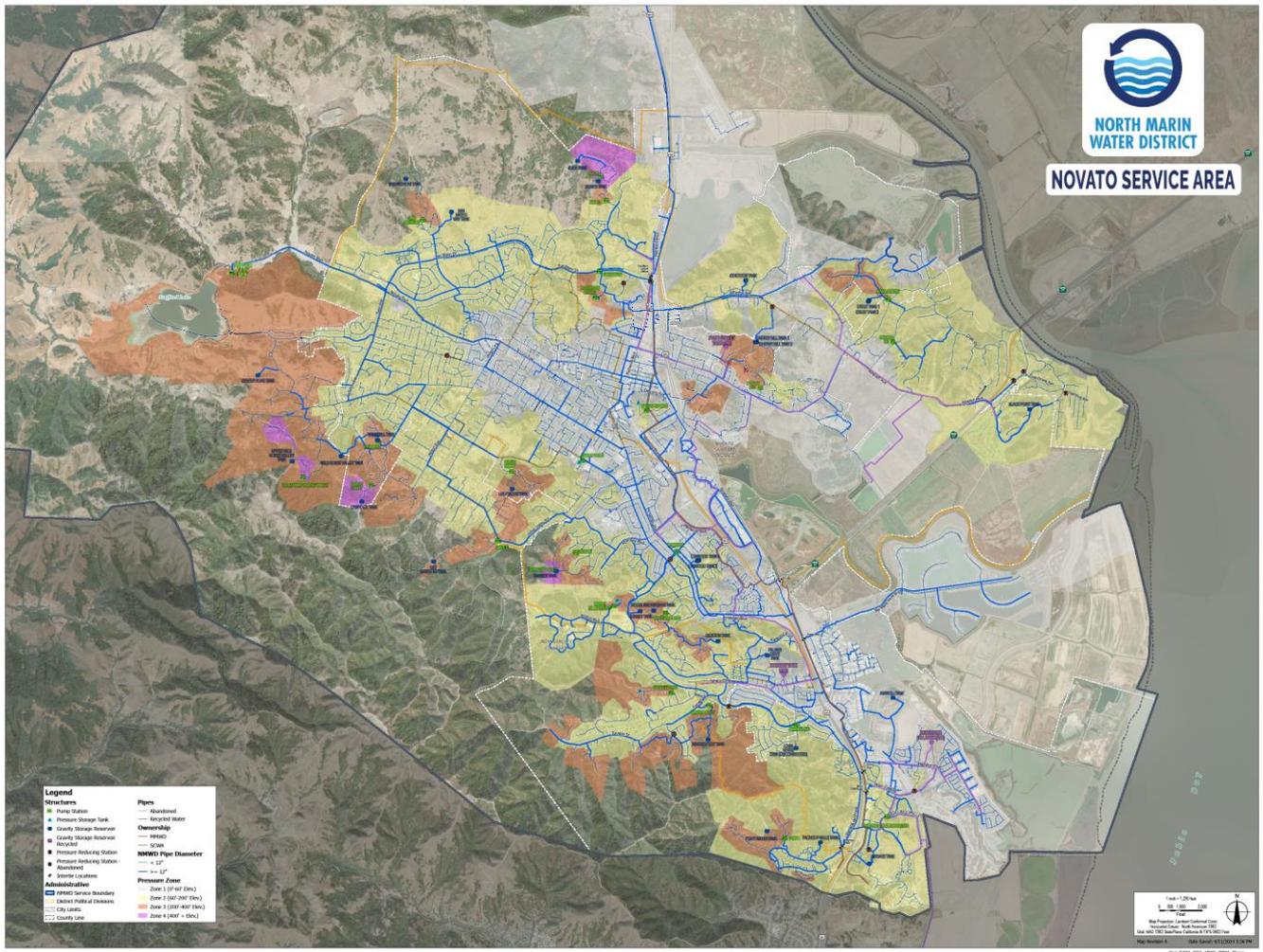




Novato Service Area



NOVATO SERVICE AREA



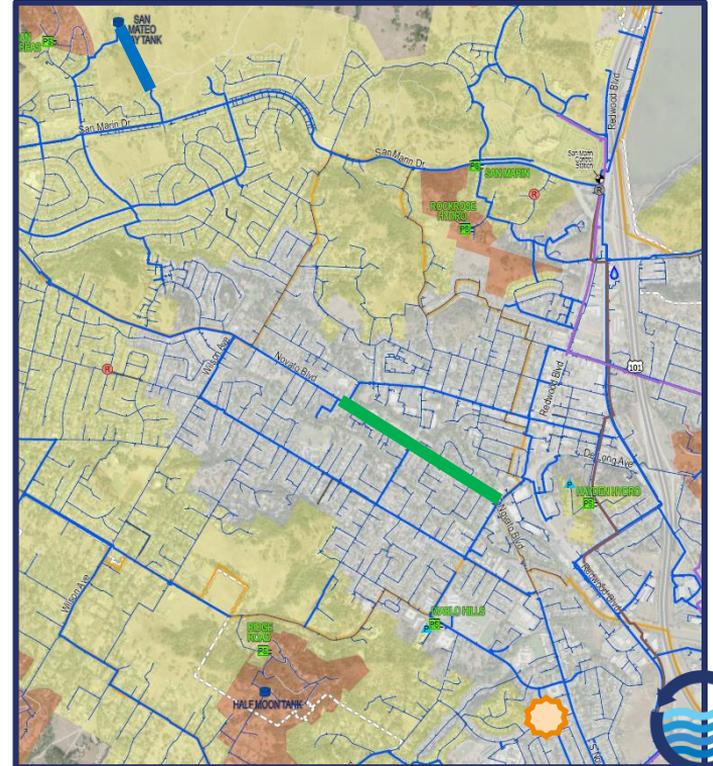
Legend	
Structures	Pipes
● Pond Station	— Abandoned
▲ Pressure Storage Tank	— Recycled Water
■ Gravity Storage Reservoir	— 18" SD
■ Gravity Storage Reservoir	— 24" SD
■ Pressure Pumping Station	— 30" SD
■ Pressure Pumping Station - Abandoned	— 36" SD
■ Storage Location	— 42" SD
Administrative	Pressure Zone
▭ Novato Service Boundary	Zone 1 (0' to 10' Elev)
▭ District Political Boundaries	Zone 2 (10' to 200' Elev)
▭ City Limits	Zone 3 (200' to 400' Elev)
▭ County Line	Zone 4 (400' to 500' Elev)

Scale: 1 inch = 1.25 miles
North Arrow
Map Revision 0 - Date Saved: 6/12/2018 5:38 PM
GIS: MAGE, WEA, WSP, WPPA, WPPM

FY 24/25 CIP PREVIEW

1. PIPELINES (Novato potable)

ID	Project	FY 24/25 Budget
1a. Pipeline Improvements		
1a1	Novato Blvd. Widening – Diablo to Grant (4,100 LF)	\$200,000
1a2	Arthur Street Main Relocation to Cambridge (Phase 2)	\$400,000
1a3	San Mateo Tank 24" Transmission Main	\$50,000
1b. Pipeline Replacements		
1b1	Stafford Lake Park Service Line	\$25,000
1c. Aqueduct Improvements		
1c1	Interconnection Modifications (w/ MMWD)	\$10,000
1d. Pipeline Contingency		
1d1	Sync w/ City or County Paving	\$50,000
1d1	Other Pipeline Improvements	\$100,000
1. Pipelines – Subtotal		\$835,000



FY 24/25 CIP PREVIEW

1. PIPELINES (Novato potable)

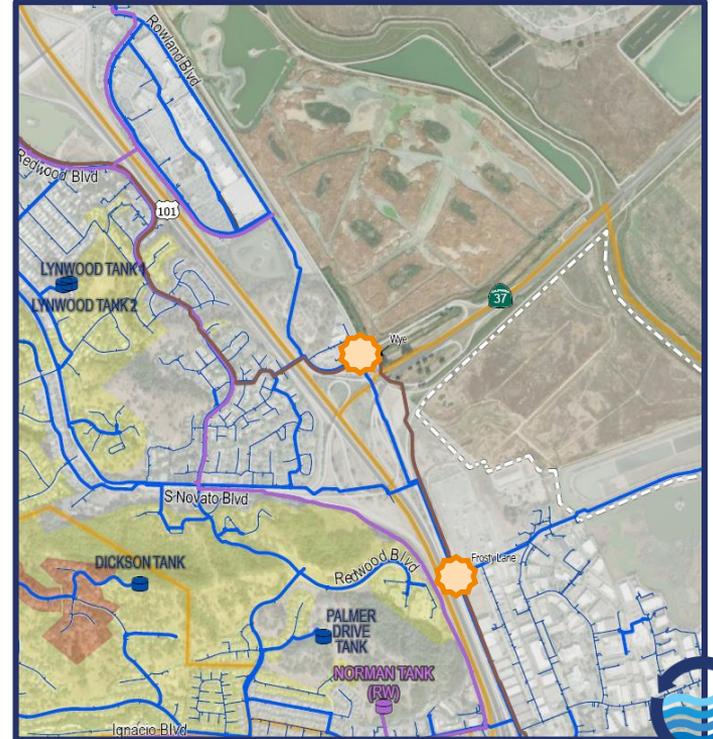
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1. Pipelines – Subtotal		\$835,000



FY 24/25 CIP PREVIEW

1. PIPELINES (Novato potable)

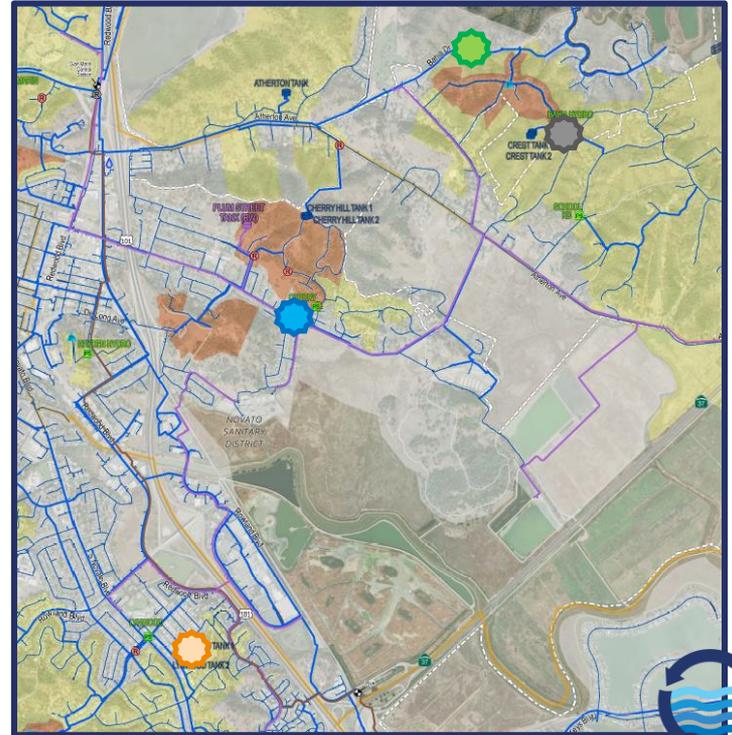
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1d. Pipeline Contingency		
1d1	Sync w/ City or County Paving	\$50,000
1d1	Other Pipeline Improvements	\$100,000
1. Pipelines – Subtotal		\$835,000



FY 24/25 CIP PREVIEW

2. STORAGE TANKS & PUMP STATIONS (Novato potable)

ID	Project	FY 24/25 Budget
2a. Tank Rehabilitation / Replacement		
2a1	None	-
2b. Pump Station Rehabilitation / Replacement		
2b1	Lynwood Pump Station Replacement	\$400,000
2b2	Lynwood Power Module Upgrade	\$100,000
2b3	Crest Pump Station Construction (Reloc. School Rd. PS)	\$1,400,000
2b4	Cherry Hill PS Retaining Wall	\$150,000
2c. Hydropneumatic Systems		
2c1	Hydropneumatic upgrades, Phase 1 (Bahia)	\$1,100,000
2d. Tank & Pump Station Contingency		
2d1	Other Tank & PS Improvements	\$50,000
2. Storage Tanks & Pump Stations – Subtotal		\$3,200,000



FY 23/24 CIP PREVIEW

3. STAFFORD IMPROVEMENTS (Novato potable)

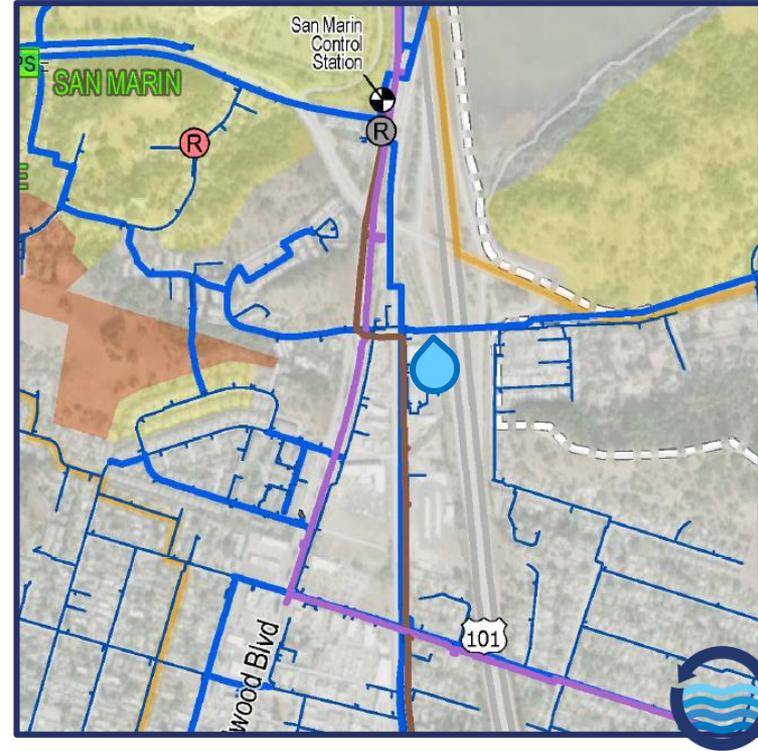
ID	Project	FY 24/25 Budget
3a. Stafford Treatment Plant (STP)		
3a1	STP Chemical Tank Replacement	\$30,000
3b. Stafford Dam / Watershed		
3b1	Water Supply Enhancement – Spillway ASG	\$60,000
3b2	Dam Spillway Concrete Repair	\$75,000
3b4	Dam Piezometer Automation	\$100,000
3c. Stafford Contingency		
3c1	Other Stafford Improvements	\$100,000
3. Stafford Improvements – Subtotal		\$365,000



FY 24/25 CIP PREVIEW

4. FACILITIES IMPROVEMENTS (NOVATO)

ID	Project	FY 24/25 Budget
4a. District Offices		
4a1	NMWD Headquarters Upgrade (Admin & Lab)	\$1,000,000
4a2	Construction Locker Room Remodel	\$150,000
4a3	Asphalt Repairs at District Facilities	\$150,000
4a4	Corp Yard Bldg Roof Replacement	\$150,000
4b. System Pressure / Valving		
4b1	None	-
4c. Other Miscellaneous Improvements		
4c1	Backflow Protection - DCDA Repair / Replace (Annual)	\$200,000
4c2	Cathodic Protection - Anode Installation (Annual)	\$10,000
4c3	Other System Improvements	\$50,000
4c4	AMI Installation - 3-inch and larger	\$60,000
4. Facilities Improvements (Novato) – Subtotal		\$1,770,000



FY 24/25 CIP PREVIEW

SUMMARY (Novato potable)

Capital Improvement Program Category	FY 24/25 Budget
1. Pipelines	\$835,000
2. Storage Tanks & Pump Stations	\$3,200,000
3. Stafford Improvements	\$365,000
4. Facilities Improvements (Novato)	\$1,770,000
Novato (potable) – Subtotal	\$6,170,000
Loans / Grants / Other Funding Sources	\$2,425,000
Novato (potable) – Total	\$3,745,000

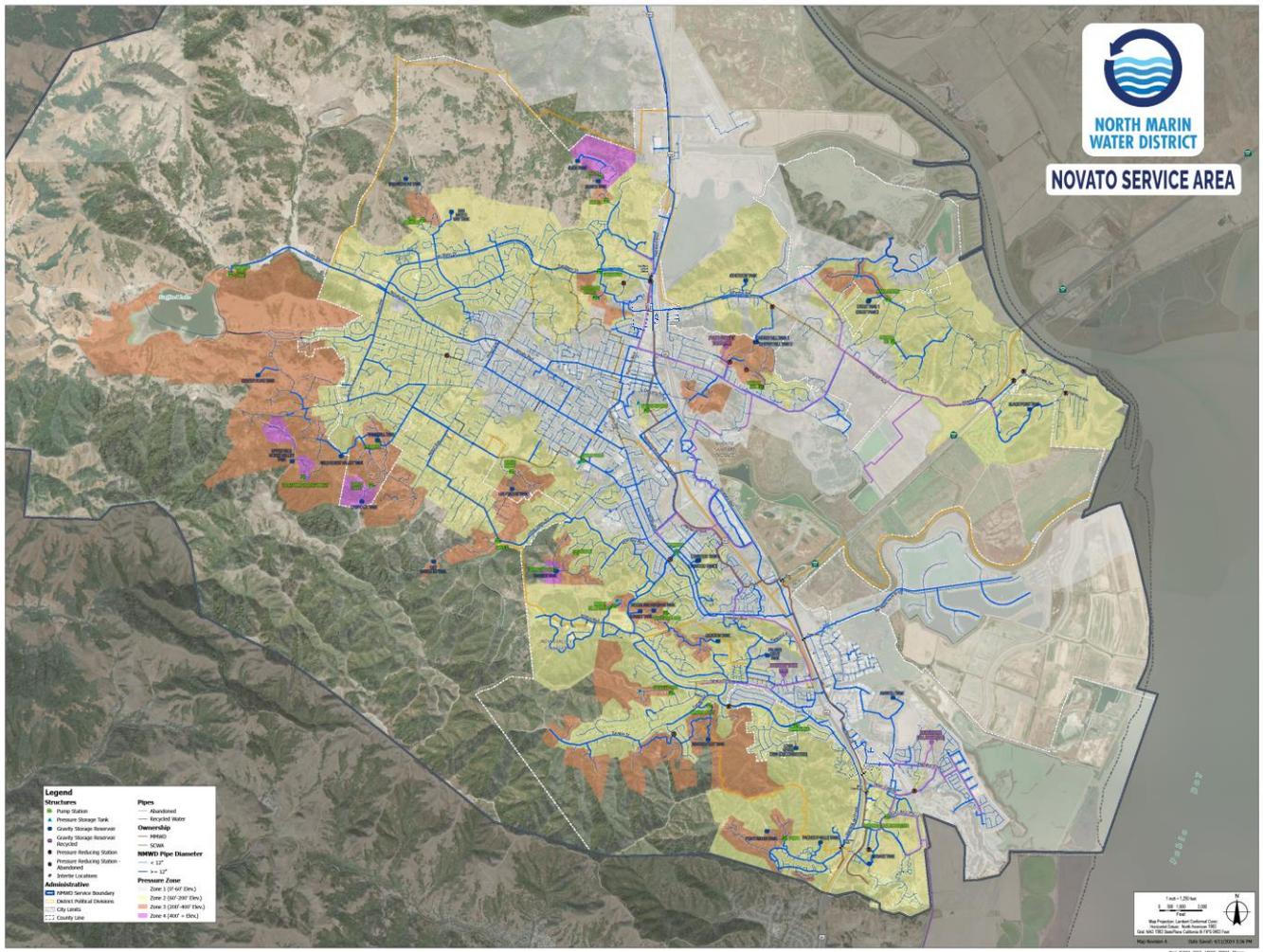




Recycled Water (Novato)



NOVATO SERVICE AREA



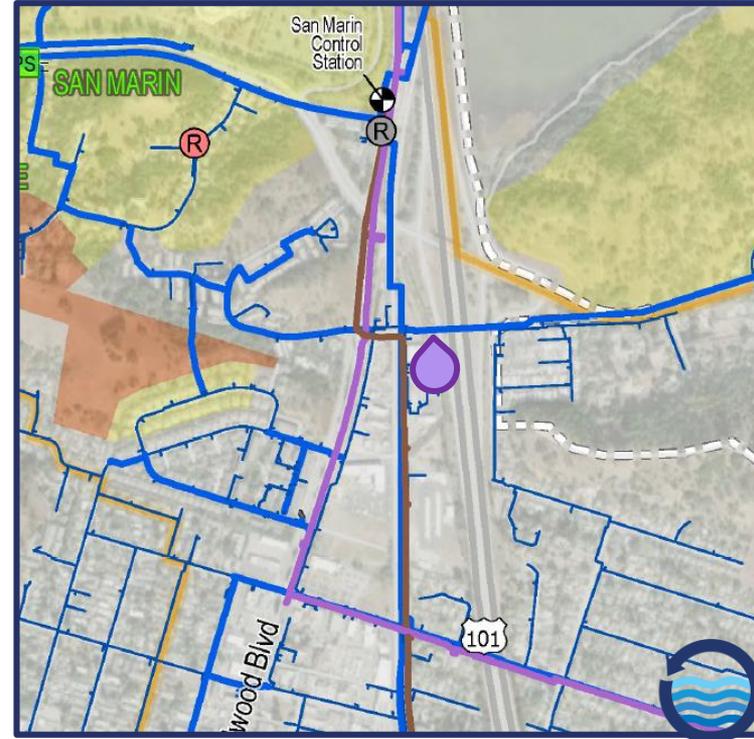
Legend	
Structures	Pipes
● Pump Station	— Abandoned
▲ Pressure Storage Tank	— Recycled Water
■ Gravity Storage Reservoir	— WSP
■ Gravity Storage Reservoir	— WSP
● Pressure Reducing Station	— SCW
● Pressure Reducing Station - Abandoned	— NWW Pipe Diameter
▲ Inlet Location	— < 12"
Administrative	— > 12"
▭ Novato Service Boundary	Pressure Zone
▭ District Political Boundary	Zone 1 (0'00' - 100')
▭ City Limits	Zone 2 (100' - 200' Elev)
▭ County Line	Zone 3 (200' - 400' Elev)
	Zone 4 (400' - 500')

Scale 1:25000
North
Map Revision 0 Date Saved 6/12/2018 5:38 PM
GIS Manager: MIA, WSP, SCW, RW

FY 24/25 CIP PREVIEW

5. RECYCLED WATER SYSTEM (NOVATO)

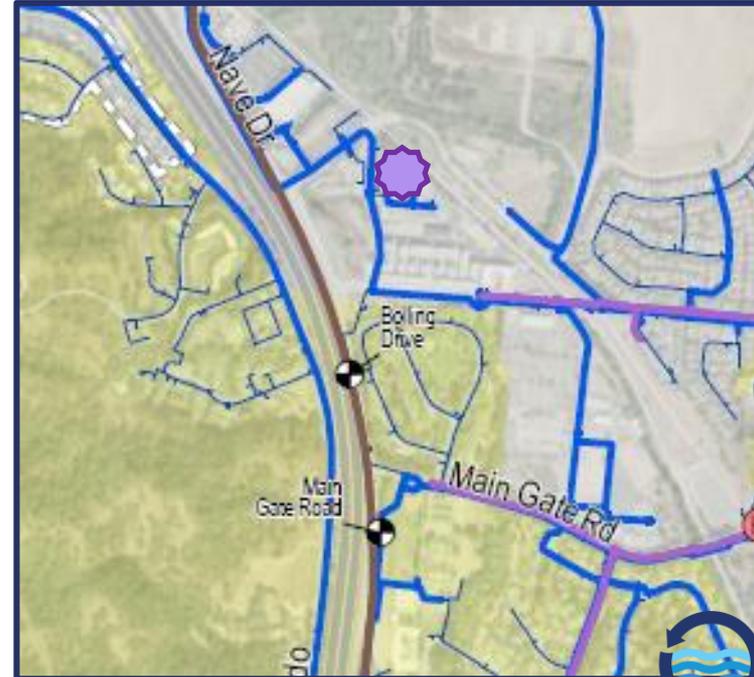
ID	Project	FY 24/25 Budget
5a. RW Pipelines		
5a1	RW extension from Redwood Blvd. to 999 Rush Creek	\$100,000
5a2	Hamilton Veteran's Housing (Homeward Bound)	\$250,000
5b. RW Tanks & Pump Stations		
5b1	None	
5c. RW Contingency		
5c1	Other Recycled Water Improvements	\$100,000
5. Recycled Water System (Novato) – Subtotal		\$450,000
Loans / Grants / Other Funding Sources		\$450,000
5. Recycled Water System (Novato) – Total		\$0



FY 24/25 CIP PREVIEW

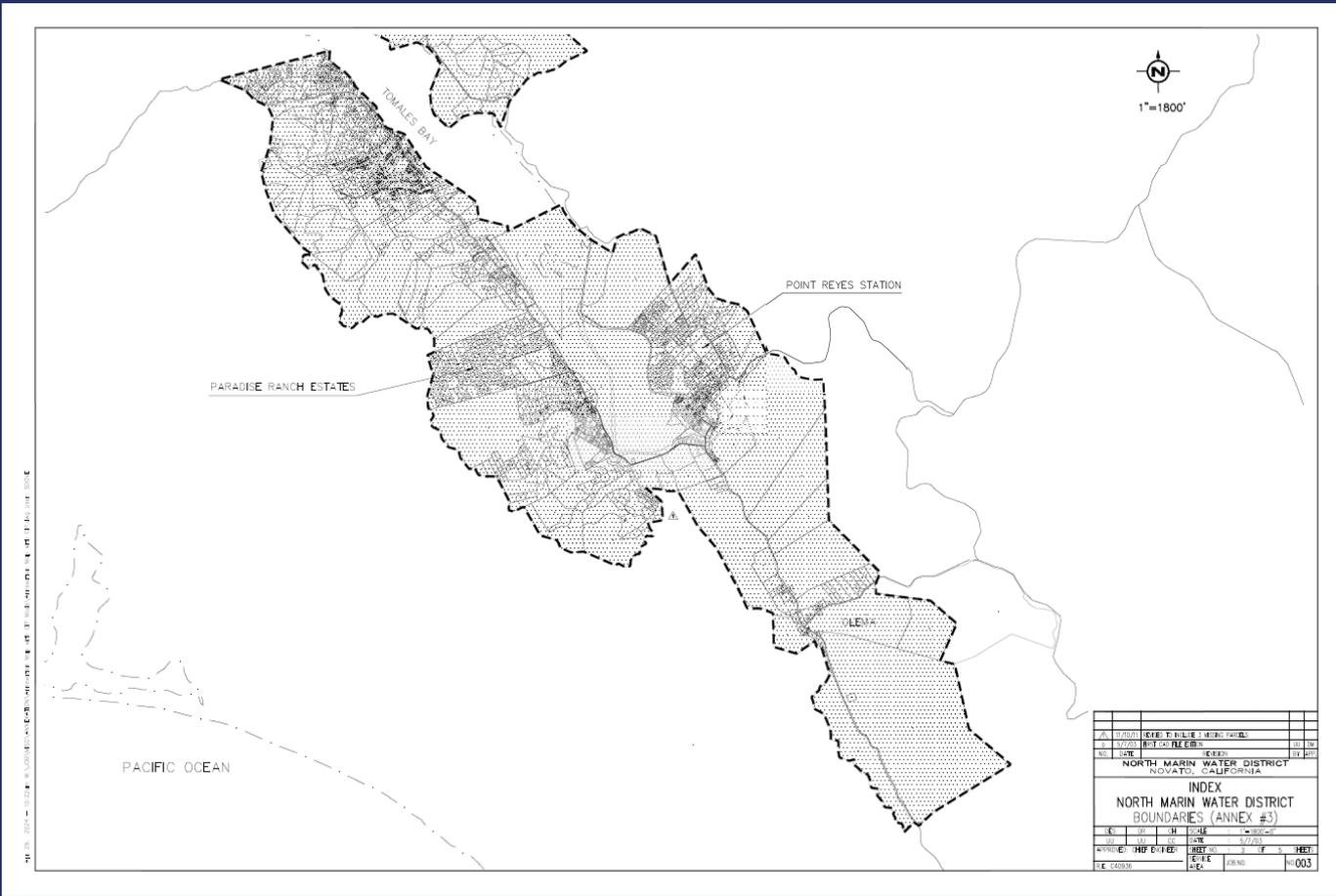
5. RECYCLED WATER SYSTEM (NOVATO)

ID	Project	FY 24/25 Budget
5a. RW Pipelines		
5a1	RW extension from Redwood Blvd. to 999 Rush Creek	\$100,000
5a2	Hamilton Veteran's Housing (Homeward Bound)	\$250,000
5b. RW Tanks & Pump Stations		
5b1	None	
5c. RW Contingency		
5c1	Other Recycled Water Improvements	\$100,000
5. Recycled Water System (Novato) – Subtotal		\$450,000
Loans / Grants / Other Funding Sources		\$450,000
5. Recycled Water System (Novato) – Total		\$0





West Marin



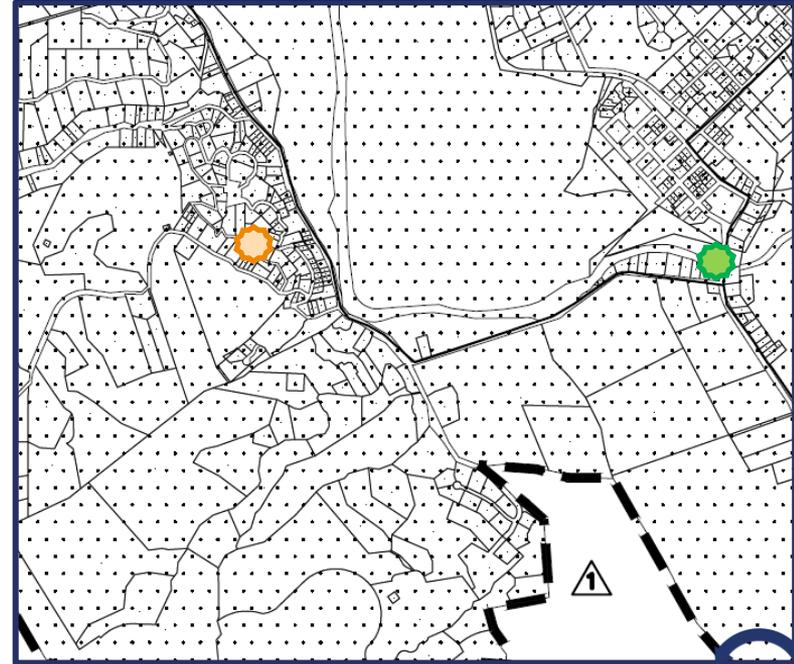
West Marin Service Area Map

2011

FY 24/25 CIP PREVIEW

6. WEST MARIN SYSTEM

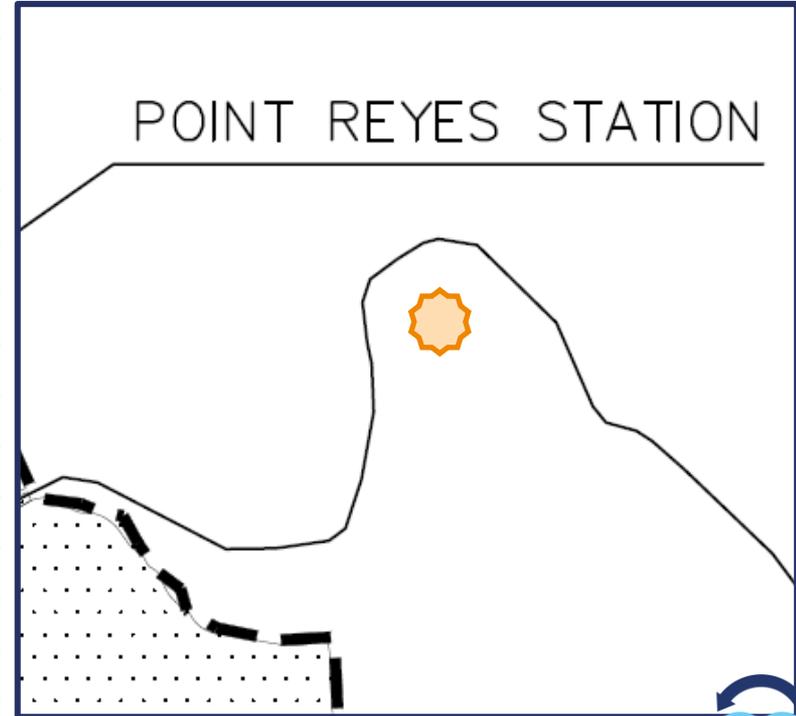
ID	Project	FY 24/25 Budget
6a. WM Pipelines		
6a1	Lagunitas Creek Bridge Pipe Replacement (Caltrans)	\$50,000
6a2	Replace 2-inch Galvanized Pipe – Balboa+	\$125,000
6b. WM Tanks & Pump Stations		
6b1	None	
6c. WM Wells		
6c1	New Well - Gallagher Well No. 2 - DWR Grant Admin	\$5,000
6c2	New Well - Gallagher Well No. 2 - Construction	\$40,000
6d. WM Treatment Plant		
6d1	PR Treatment Plant - Relocate Chem Storage	\$75,000
6e. WM Contingency		
6e1	Sync w/ County Paving	\$25,000
6e2	Other Water System Improvements	\$125,000
	Loans / Grants / Other Funding Sources	\$45,000
6. West Marin System – Total		\$445,000



FY 24/25 CIP PREVIEW

6. WEST MARIN SYSTEM

ID	Project	FY 24/25 Budget
6a. WM Pipelines		
6a1	Lagunitas Creek Bridge Pipe Replacement (Caltrans)	\$50,000
6a2	Replace 2-inch Galvanized Pipe – Balboa+	\$125,000
6b. WM Tanks & Pump Stations		
6b1	None	
6c. WM Wells		
6c1	New Well - Gallagher Well No. 2 - DWR Grant Admin	\$5,000
6c2	New Well - Gallagher Well No. 2 - Construction	\$40,000
6d. WM Treatment Plant		
6d1	PR Treatment Plant - Relocate Chem Storage	\$75,000
6e. WM Contingency		
6e1	Sync w/ County Paving	\$25,000
6e2	Other Water System Improvements	\$125,000
	Loans / Grants / Other Funding Sources	\$45,000
6. West Marin System – Total		\$445,000



FY 24/25 CIP PREVIEW

6. WEST MARIN SYSTEM

ID	Project	FY 24/25 Budget
6a. WM Pipelines		
6a1	Lagunitas Creek Bridge Pipe Replacement (Caltrans)	\$50,000
6a2	Replace 2-inch Galvanized Pipe – Balboa+	\$125,000
6b. WM Tanks & Pump Stations		
6b1	None	
6c. WM Wells		
6c1	New Well - Gallagher Well No. 2 - DWR Grant Admin	\$5,000
6c2	New Well - Gallagher Well No. 2 - Construction	\$40,000
6d. WM Treatment Plant		
6d1	PR Treatment Plant - Relocate Chem Storage	\$75,000
6e. WM Contingency		
6e1	Sync w/ County Paving	\$25,000
6e2	Other Water System Improvements	\$125,000
	Loans / Grants / Other Funding Sources	\$45,000
6. West Marin System – Total		\$445,000





Oceana Marin

FY 24/25 CIP PREVIEW

7. OCEANA MARIN SYSTEM

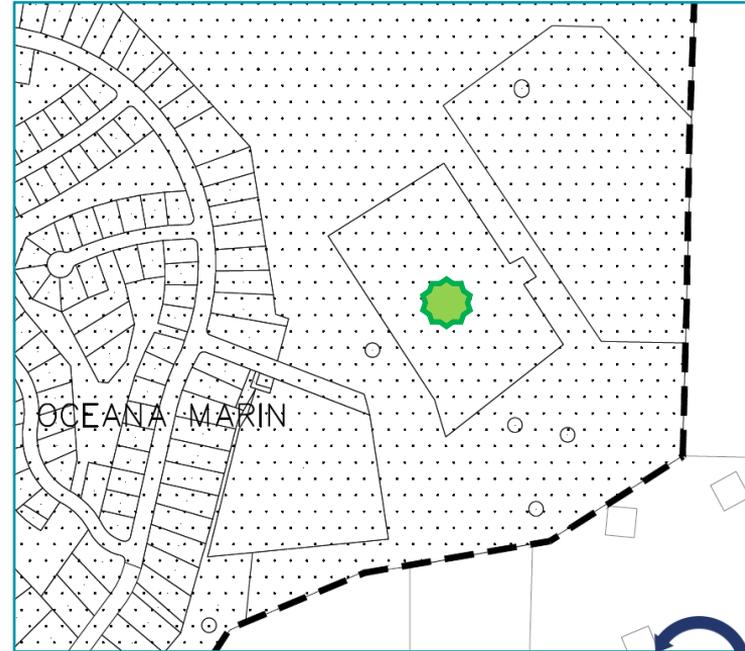
ID	Project	FY 24/25 Budget
7a. OM Pipelines		
7a1	Sewer Force Main Improvements - FM 1A (Design Only)	\$55,000
7a4	Sewer Main Spot Repairs	\$50,000
7b. OM Lift Station		
7b1	None	
7c. OM Treatment Ponds		
7c1	OM Treatment Pond Rehab - Construction	\$1,725,000
7c2	OM Treatment Pond Rehab - Grant Management	\$10,000
7d. OM Contingency		
7d1	Infiltration Repair (Annual)	\$40,000
7d1	Other Sewer System Improvements	\$25,000
7. Oceana Marin – Subtotal		\$1,905,000
Loans / Grants / Other Funding Sources		\$1,725,000
7. Oceana Marin System – Total		\$180,000



FY 24/25 CIP PREVIEW

7. OCEANA MARIN SYSTEM

ID	Project	FY 24/25 Budget
7a. OM Pipelines		
7a1	Sewer Force Main Improvements - FM 1A (Design Only)	\$55,000
7a4	Sewer Main Spot Repairs	\$50,000
7b. OM Lift Station		
7b1	None	
7c. OM Treatment Ponds		
7c1	OM Treatment Pond Rehab - Construction	\$1,725,000
7c2	OM Treatment Pond Rehab - Grant Management	\$10,000
7d. OM Contingency		
7d1	Infiltration Repair (Annual)	\$40,000
7d1	Other Sewer System Improvements	\$25,000
7. Oceana Marin – Subtotal		\$1,905,000
Loans / Grants / Other Funding Sources		\$1,725,000
7. Oceana Marin System – Total		\$180,000





Studies & Special Projects

FY 24/25 CIP PREVIEW

8. STUDIES & SPECIAL PROJECTS

ID	Project	FY 24/25 Budget
8a. General Studies		
8a1	Strategic Plan Update (2025-2029)	\$30,000
8a2	GIS Conversion to Esri/ArcGIS	\$10,000
8a3	Emergency Operations (Response) Plan	\$100,000
8b. Novato Service Area Studies		
8b1	Urban Water Management Plan - 2025 Update	\$60,000
8b2	Novato Water Master Plan Update	\$400,000
8b3	North Marin Aqueduct Vulnerability & Cathodic Assessment	\$90,000
8b4	Stafford Treatment Plant Risk Management Plan Update	\$60,000
8c. WM Service Area Studies		
8c1	West Marin Master Plan & Resiliency Study	\$50,000
8c2	West Marin Rate Study	\$45,000
8d. OM Service Area Studies		
8d1	None	
8. Studies & Special Projects – Subtotal		\$845,000





Budget Summary

FY 24/25 CIP PREVIEW

SUMMARY (All Service Areas)

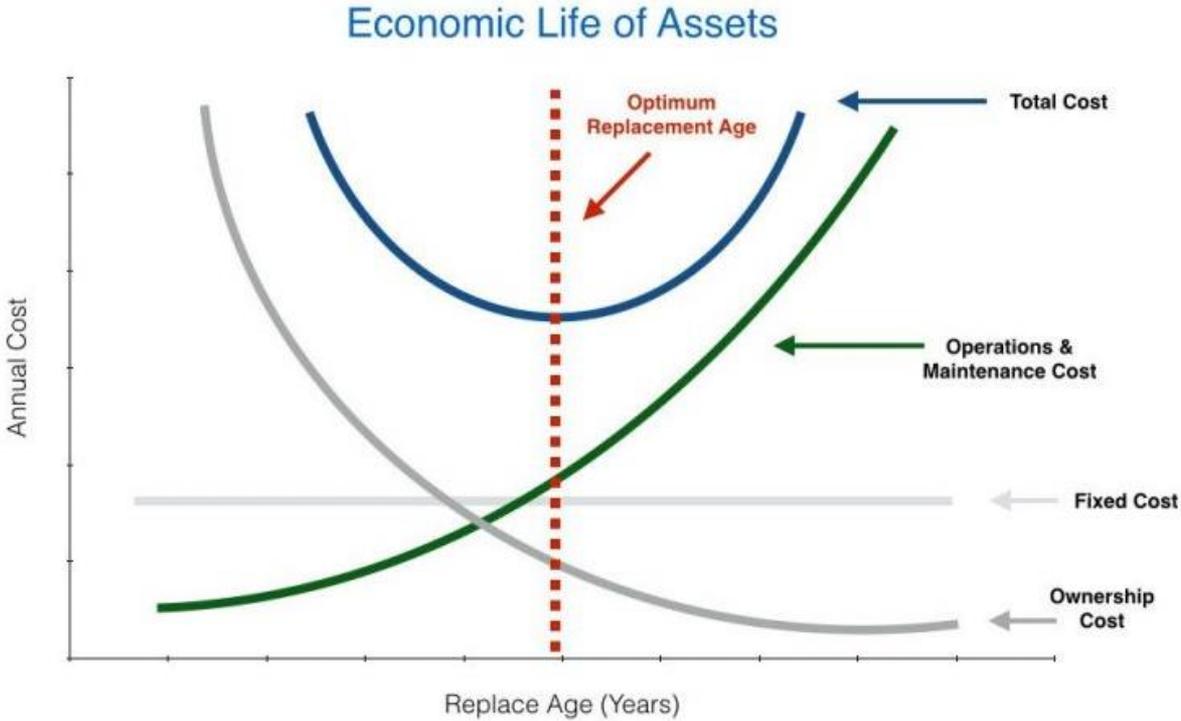
Capital Improvement Program Category	FY 24/25 Budget
1-4. Novato System	\$6,170,000
5. Recycled Water (Novato)	\$450,000
6. West Marin System	\$445,000
7. Oceana Marin System	\$1,905,000
Capital Improvement Program – Subtotal	\$8,970,000
Loans / Grants / Other Funding Sources	\$4,645,000
Capital Improvement Program – Total	\$4,325,000

* 8. Studies & Special Projects (\$845,000) not included in CIP Total



FY 23/24 CIP PREVIEW

ASSET MANAGEMENT



Capitalized Asset Values

- Novato Water
\$330 million
- RW
\$75 million
- WM
\$21.25 million
- OM
\$3.25 million





Questions?



12



MEMORANDUM

To: Board of Directors

May 7, 2024

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

Subj: FY 23/24 3rd Quarter Financial Statement
t:\ac\board reports\board memos\2024\financial statements\bod memo financial statements fy 23.24 3rd qtr.docx

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None at this time

Attached is the Fiscal Year 23/24 3rd 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 March 30, 2024. 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 3rd Quarter Financial Statement

NORTH MARIN WATER DISTRICT



FINANCIAL STATEMENT FISCAL YEAR 2023-24

March 31, 2024

**NORTH MARIN WATER DISTRICT
FINANCIAL STATEMENTS
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MEMORANDUM

To: Tony Williams, General Manager

April 25, 2024

From: Reviewed by: Julie Blue, Auditor-Controller

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

Subj: Information – FY23/24 March Financial Statement

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FISCAL YEAR PERFORMANCE COMPARED TO THE ANNUAL BUDGET

<u>CONSOLIDATED SUMMARY</u>	Mar-24	FY23/24	FY23/24	FYTD /
Actual vs. Budget	Actual	Actual YTD	Budget	Budget %
Operating Revenue	\$1,692,606	\$19,754,512	\$26,434,000	75%
Operating Expense	\$1,998,286	\$18,188,599	\$20,864,000	87%
Non-Operating Revenue / (Expense)	(\$104,188)	\$401,562	(\$1,314,000)	(31%)
Net Income / (Loss)	(\$409,869)	\$1,967,475	\$4,256,000	46%
Other Sources / (Uses)*	(\$463,780)	(\$7,447,575)	(\$6,451,000)	115%
Cash Increase / (Decrease)	(\$873,649)	(\$5,480,100)	(\$2,195,000)	250%

* See Page 8.

For the first nine months of the fiscal year 2023-2024, the District generated a net income of \$1,967,475 and saw a net cash decrease of \$5,480,100. On a seasonally adjusted basis, Operating Revenue came in 1% over budget and Operating Expense came in 11% over budget. \$8,313,263 (52%) 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>	Mar-24	FY23/24	FY22/23	FY24 vs 23
Year over Year Comparison	Actual	Actual YTD	Actual YTD	Up/(Down)
Operating Revenue	\$1,589,282	\$17,759,515	\$15,891,272	12%
Operating Expense	1,775,026	16,144,524	15,424,636	5%
Other Income / (Expense)	(34,540)	307,039	460,690	(33%)
Net Income / (Loss)	(\$220,283)	\$1,922,030	\$927,326	107%
Active Accounts	20,860	20,860	20,821	0%
Consumption (MG)	130	1,566	1,456	8%
Average Commodity Rate / 1,000 gal	\$7.30	\$7.65	\$7.31	5%
Income / (Loss) / Active Account	(\$10.56)	\$92.14	\$44.54	107%
Income / (Loss) / 1,000 Gal	(\$1.70)	\$1.23	\$0.64	93%
Facility Reserve Charges	\$382,990	\$608,580	\$208,280	192%
FRC Transfer (to)/from Recycled Water	\$0	\$0	(\$518,146)	(100%)
Developer 'In-Kind' Contributions	\$11,840	\$390,747	\$558,184	(30%)

Consumption for the fiscal year to date was 8% more than the prior year. Total operating revenue, which includes wheeling and other miscellaneous service charges, increased \$1,868,243 from the prior year. Total operating expense was \$719,888 more than last year.

The Stafford Treatment Plant produced 409 MG this fiscal year-to-date at a cost of \$4,530/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 \$1,922,030 compares to a budgeted net loss for the year of \$109,000 and to a net income of \$927,326 for the prior year. \$7,930,358 (58%) of the Novato Water Capital Improvement Project Budget was spent versus \$5,977,020 (36%) for the prior year. \$608,580 in Facility Reserve Charges (FRC) have been collected (\$793,000 is budgeted). No FRC reserves were transferred this fiscal year from the Novato Water Fund to the Recycled Water Fund. The Novato FRC Reserve has a net deficit of \$6,517,705 arising from transfers to the RW Fund in advance of FRC receipts. This is down from a net deficit of \$8,661,192 last year. That deficit will be reimbursed by future Connection Fee revenue. The Novato cash balance decreased \$717,387 in March, and stood at \$23,665,776 at month end, compared to a budgeted projection of \$15,886,000 at fiscal year-end.

<u>NOVATO RECYCLED</u>	Mar-24	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	\$23,078	\$1,035,305	\$1,044,846	(1%)
Operating Expense	81,634	970,523	1,041,588	(7%)
Other Income / (Expense)	21,207	74,728	(92,750)	-
Net Income / (Loss)	<u>(\$37,349)</u>	<u>\$139,510</u>	<u>(\$89,493)</u>	-
Active Accounts	101	101	100	1%
Consumption (MG)	0.7	120.7	131.0	(8%)
Average Commodity Rate / 1,000 gal (net)	\$8.18	\$7.50	\$6.97	7%
Deer Island Production (MG)	(0.0)	4.2	0.0	-
Novato Sanitary Production (MG)	(0.0)	86.3	113.8	(24%)
Las Gallinas Production (MG)	0.3	29.5	31.4	(6%)
Potable Water Input (MG)	0.6	9.3	5.8	61%
Facility Reserve Charge Alloc from Novato	\$0	\$0	\$518,146	(100%)
Developer 'In-Kind' Contributions	\$0	\$0	\$0	-
RW Costs	\$1,548	\$181,353	\$249,368	(27%)

120.7 MG was delivered to RW customers this fiscal year to date, 8% less than the prior year. Operating revenue was 1% less than last year. Total operating expense was 7% less than the prior year. The recycled water was produced at a cost of \$2,253/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 \$139,510 compares to a budgeted net loss for the year of \$289,000 and a net loss of \$89,493 for the prior year. \$70,980 (8%) of the Recycled Water Capital Improvement Project Budget was spent versus \$0 (0%) for the prior year.

The Novato Recycled cash balance stood at \$7,075,368 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 (\$1,312,982) + SRF loan interest (\$100,015) + plant depreciation (\$440,099)/409.1 MG produced

² Recycled Water production cost = purchased water cost (\$181,353) + treatment expense (\$4,360) + Deer Island RW Facility SRF loan interest (\$18,556) + Deer Island plant depreciation (\$86,939)/129.2 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)

WEST MARIN WATER	Mar-24	FY23/24	FY22/23	FY24 vs 23
Year over Year Comparison	Actual	Actual YTD	Actual YTD	Up/(Down)
Operating Revenue	\$53,338	\$716,325	\$702,656	1.9%
Operating Expense	116,964	803,247	832,141	(3%)
Other Income / (Expense)	408	1,608	(22,798)	-
Net Income / (Loss)	<u>(\$63,218)</u>	<u>(\$85,314)</u>	<u>(\$152,283)</u>	(44%)
Active Accounts	792	792	792	0%
Consumption (MG)	3.0	38.2	38.2	0%
Average Commodity Rate / 1,000 gal (net)	\$10.40	\$13.27	\$12.93	3%
Income/ (Loss) / Active Account	(\$79.82)	(\$107.72)	(\$192.28)	(44%)
Income / (Loss) / 1,000 Gal	(\$20.74)	(\$2.23)	(\$3.99)	(44%)
Facility Reserve Charges	\$0	\$21,660	\$0	-
Developer 'In-Kind' Contributions	\$2,093	\$9,471	\$48,651	(81%)

Consumption for the fiscal year was the same as the prior year. Operating revenue was 1.9% more than last year.

Operating expenditures were \$28,895, or 3% less than the previous year. The fiscal year net loss of \$85,314 compares to a budgeted annual net loss of \$109,000 and to a net loss of \$152,283 for the prior year. \$222,080 (38%) 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 decreased \$73,108 in March and stood at \$656,448 at month end, compared to a budgeted projection of \$482,000 at fiscal year-end.

OCEANA MARIN SEWER	Mar-24	FY23/24	FY22/23	FY24 vs 23
Year over Year Comparison	Actual	Actual YTD	Actual YTD	Up/(Down)
Operating Revenue	\$26,908	\$243,368	\$228,420	7%
Operating Expense	24,663	270,305	221,901	22%
Other Income / (Expense)	2,492	18,187	8,633	111%
Net Income / (Loss)	<u>\$4,737</u>	<u>(\$8,750)</u>	<u>\$15,152</u>	-
Active Accounts	236	236	235	0%
Monthly Sewer Service Charge	\$114	\$114	\$108	6%
Income / (Loss) / Active Account	\$20.07	(\$37.08)	\$64.48	-
Sewage Facilities Connection Charges	\$0	\$75,000	\$0	-

Operating revenue of \$243,368 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 22%, or \$48,405 more than the previous year. The fiscal year net loss of \$8,750 compares to a budgeted annual net income of \$29,000 and to a net income of \$15,152 for the prior year. \$89,844 (9%) of the Capital Improvement Project Budget has been expended this fiscal year.

\$75,000 in Sewage Facilities Connection Charges (SFCC) have been collected (\$0 is budgeted). The Oceana Marin cash balance decreased \$20,426 in March and stood at \$451,457 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 MARCH 31, 2024**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
ASSETS					
Cash & Investments					
Unrestricted/Undesignated Cash	\$2,492,516	\$1,390,114	\$469,747	\$264,588	\$368,068
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-Marine Co Treasury	1,066,170	1,066,170	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	533,352	533,352	0	0	0
Designated Cash (Note 2)					
Liability Contingency Fund	1,705,370	1,606,485	0	98,885	0
Workers' Compensation Fund	29,455	27,310	781	975	389
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	4,565,000	4,565,000	0	0	0
Total Cash	\$32,002,926	\$23,819,653	\$7,075,368	\$656,448	\$451,457
Gain/(Loss) on MV of Investments	(153,878)	(\$153,878)	\$0	\$0	\$0
Market Value of Cash & Investments	\$31,849,048	\$23,665,776	\$7,075,368	\$656,448	\$451,457
Current Assets					
Net Receivables - Consumers	\$1,469,351	\$1,356,319	\$24,506	\$23,949	\$64,578
Accrued Water Sales	1,970,401	1,816,309	43,741	110,351	0
Accounts Receivable-Other	212,619	125,469	6,428	0	80,723
Prepaid Expense	342,889	342,889	0	0	0
Reimbursable Small Jobs	1,422	1,422	0	0	0
Interest Receivable	310,505	310,505	0	0	0
Inventories	1,033,970	1,033,970	0	0	0
Deposits Receivable	30,000	30,000	0	0	0
Total Current Assets	\$5,371,158	\$5,016,883	\$74,675	\$134,300	\$145,301

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING MARCH 31, 2024**

	<u>TOTAL</u>	<u>NOVATO WATER</u>	<u>NOVATO RECYCLED</u>	<u>WEST MARIN WATER</u>	<u>OCEANA MARIN SEWER</u>
Loans Receivable					
Employee Loans (Note 3)	250,000	\$250,000	\$0	\$0	\$0
Other Long Term Receivables (Note 4)	3,933,537	2,877,820	1,043,795	11,922	0
Loans Receivable	\$4,183,537	\$3,127,820	\$1,043,795	\$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	23,336,839	19,076,812	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	111,848,340	73,838,131	31,863,471	6,146,738	0
Sewer Mains, Pumps, & Laterals	1,218,650	0	0	0	1,218,650
Sub-Total	\$199,274,410	\$149,834,562	\$36,173,127	\$11,123,282	\$2,143,439
Less Accumulated Depreciation (Note 5)	(73,403,298)	(60,061,884)	(7,200,809)	(4,926,323)	(1,214,282)
Net Property and Plant	\$125,871,113	\$89,772,678	\$28,972,319	\$6,196,959	\$929,157
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	2,031,802	2,031,802	0	0	0
Construction Equipment	1,155,232	1,155,232	0	0	0
Tools, Shop Equipment	391,472	391,472	0	0	0
Lease Assets	0	0	0	0	0
Sub-Total	\$7,302,792	\$7,302,792	\$0	\$0	\$0
Less Accumulated Depreciation (Note 5)	(5,478,767)	(5,478,767)	0	0	0
Net Buildings and Equipment	\$1,824,025	\$1,824,025	\$0	\$0	\$0
Construction In Progress					
Developer	\$1,735,181	\$1,725,364	\$0	\$9,471	\$345
District	23,713,816	20,997,040	71,641	2,303,050	342,084
Total Construction in Progress	25,448,996	22,722,405	71,641	2,312,521	342,429
Net Physical Plant & Equipment	153,144,134	114,319,108	29,043,960	8,509,480	1,271,586
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	\$201,465,666	\$153,047,374	\$37,237,798	\$9,312,150	\$1,868,343

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING MARCH 31, 2024**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
LIABILITIES AND NET ASSETS					
Current Liabilities					
Trade Accounts Payable	\$1,810,243	\$1,805,940	\$4,302	\$0	\$0
Reimbursement Prog. Unclaimed Funds	407,021	381,821	0	25,200	0
Loan Debt Principal Payable-Current	1,884,516	922,009	962,507	0	0
Bank of Marin Principal Payable-Current	434,642	379,008	0	55,634	0
JP Morgan/Chase AMI Loan-Current	0	0	0	0	0
Webster Bank-Admin Bldg/CIP Loan-Current	0	0	0	0	0
WM Loan Due to Novato-Current	90,677	0	0	90,677	0
Accrued Interest Payable-SRF Loan	122,063	30,632	91,431	0	0
JP Morgan/Chase AMI Loan Interest Payable	50,740	50,740	0	0	0
Webster Bank Loan Interest Payable	47,601	47,601	0	0	0
WM Loan from Novato-Loan Interest Payable	18,782	0	0	18,782	0
Deposits/Performance Bonds	586,399	548,323	0	33,077	5,000
Unemployment Insurance Reserve (Note 8)	27,168	27,168	0	0	0
Workers' Comp Future Claims Payable	29,455	27,989	534	666	266
Payroll Benefits (Note 9)	1,079,514	981,340	37,887	46,997	13,290
Enterprise Vehicle Leases	60,938	60,938	0	0	0
Deferred Revenue	80,723	0	0	0	80,723
Total Current Liabilities	\$6,686,434	\$5,219,463	\$1,096,660	\$271,033	\$99,278
Restricted Liabilities					
Construction Advances	\$855,160	\$766,430	\$0	\$85,075	\$3,655
Total Restricted Liabilities	\$855,160	\$766,430	\$0	\$85,075	\$3,655
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	4,431,179	4,431,179	0	0	0
RWF SRF Loan	782,256	0	782,256	0	0
RWS North/South Expansion SRF Loan	4,452,515	0	4,452,515	0	0
RWS Central Expansion SRF Loan	5,641,161	0	5,641,161	0	0
Bank of Marin Loan	3,253,218	2,836,806	0	416,412	0
Enterprise Vehicle Leases	378,790	378,790	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	\$62,577,648	\$50,464,234	\$10,875,932	\$1,237,482	\$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	325,324	\$314,753	0	\$10,570	0
TOTAL LIABILITIES	\$72,123,183	\$58,443,498	\$11,972,592	\$1,604,161	\$102,933

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING MARCH 31, 2024**

	<u>TOTAL</u>	<u>NOVATO WATER</u>	<u>NOVATO RECYCLED</u>	<u>WEST MARIN WATER</u>	<u>OCEANA MARIN SEWER</u>
Net Assets					
Invested in Capital Assets					
Contributions in Aid of Construction	\$88,433,394	\$79,734,284	\$5,810,128	\$2,208,881	\$680,100
Grants in Aid of Construction	14,336,805	471,049	10,108,537	3,647,642	109,576
Connection Fees	46,598,037	31,152,209	12,181,005	2,443,367	821,455
Total Investment	\$149,368,236	\$111,357,543	\$28,099,671	\$8,299,890	\$1,611,132
Restricted Reserves					
Connection Fee Fund	(\$7,660,264)	(\$6,517,705)	\$0	(\$890,215)	(\$252,344)
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	4,565,000	4,565,000	0	0	0
Earned Surplus - Prior Yrs	(43,140,111)	(36,784,970)	(6,731,258)	34,744	341,373
Net Income/(Loss)	1,967,475	1,922,030	139,510	(85,314)	(8,750)
Prior Period Adjustment	0	0	0	0	0
Transfer (To)/From Reserves (see below)	3,772,272	3,824,272	(1,000)	(42,000)	(9,000)
Total Restricted & Designated	(\$20,025,753)	(\$16,753,666)	(\$2,834,465)	(\$591,901)	\$154,279
TOTAL NET POSITION	\$129,342,483	\$94,603,877	\$25,265,206	\$7,707,990	\$1,765,410
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	5,915,981	5,915,981	0	0	0
Total Transfer	\$3,772,272	\$3,824,272	(\$1,000)	(\$42,000)	(\$9,000)
TOTAL LIABILITIES AND FUND BALANCE	\$201,465,666	\$153,047,374	\$37,237,798	\$9,312,150	\$1,868,343

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**NORTH MARIN WATER DISTRICT
SOURCES AND USES OF FUNDS STATEMENT - ALL SERVICE AREAS COMBINED
FOR THE PERIOD ENDING MARCH 31, 2024**

	YTD Actual	Annual Budget	YTD/ Budget %	Prior YTD Actual
OPERATING REVENUE				
Water Rate Revenue	\$13,402,203	\$17,991,000	74%	\$12,077,191
Bimonthly Service Charge	5,757,828	7,675,000	75%	5,269,850
Sewer Service Charge	242,168	323,000	75%	228,420
Wheeling & Misc Service Charges	352,314	476,000	74%	291,732
TOTAL OPERATING REVENUE	\$19,754,512	\$26,465,000	75%	\$17,867,193
OPERATING EXPENDITURES				
Source of Supply	\$4,400,087	\$5,908,000	74%	\$4,113,747
Pumping	474,935	611,000	78%	371,639
Operations	843,396	1,307,000	65%	788,495
Water Treatment	2,091,307	3,208,000	65%	1,996,274
Sewer Service	184,920	213,000	87%	134,554
Transmission & Distribution	2,790,846	4,421,000	63%	2,735,110
Consumer Accounting	365,534	545,000	67%	376,162
Water Conservation	306,168	476,000	64%	302,233
General & Administrative	3,616,769	4,175,000	87%	3,282,865
Depreciation	3,114,638	4,576,000	68%	3,419,188
TOTAL OPERATING EXPENDITURES	\$18,188,599	\$25,440,000	71%	\$17,520,266
NET OPERATING INCOME (LOSS)	\$1,565,913	\$1,025,000	153%	\$346,927
NON-OPERATING REVENUE/(EXPENSE)				
Tax Proceeds	\$79,003	\$125,000	63%	\$78,103
Interest Revenue	1,243,152	585,000	213%	801,010
Miscellaneous Revenue	321,961	123,000	262%	395,133
Bond & Loan Interest Expense	(886,871)	(1,203,000)	74%	(908,039)
Miscellaneous Expense	(355,683)	(376,000)	95%	(12,434)
Capital Contribution Expense-NSD & LGVSD	0	(568,000)	0%	0
TOTAL NON-OP REVENUE/(EXPENSE)	\$401,562	(\$1,314,000)	-31%	\$353,774
NET INCOME/(LOSS)	\$1,967,475	(\$289,000)	-681%	\$700,701
OTHER SOURCES/(USES) OF FUNDS				
Add Depreciation Expense	\$3,114,638	\$4,576,000	68%	\$3,419,188
Connection Fees	705,240	814,000	87%	208,280
Loan Proceeds	0	9,582,000	0%	0
Grant Proceeds	48,226	805,000	6%	287,825
Marin County Club Loan Principal Pmts	31,978	39,000	82%	35,879
MMWD AEEP Capital Contribution	0	161,000	0%	0
Transfers In from Capital Expansion Fund	0	750,000		0
Capital Equipment Expenditures	(371,579)	(538,000)	69%	(329,409)
Capital Improvement Projects	(8,313,263)	(16,315,000)	51%	(6,451,356)
Lease Assets Acquisition	0	0	-	0
Bond & Loan Principal Payments	(2,663,845)	(3,417,000)	78%	(2,668,847)
Change in Working Capital	1,029	1,637,000		(253,288)
TOTAL OTHER SOURCES/(USES)	(\$7,447,575)	(\$1,906,000)	391%	(\$5,749,638)
CASH INCREASE/(DECREASE)	(\$5,480,100)	(\$2,195,000)	250%	(\$5,048,938)

**NORTH MARIN WATER DISTRICT
INCOME STATEMENT AND CASH FLOW BY SERVICE AREA
FOR THE PERIOD ENDING MARCH 31, 2024**

<u>SUMMARY INCOME STATEMENT</u>	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Operating Revenue	\$19,754,512	\$17,759,515	\$1,035,305	\$716,325	\$243,368
Operating Expense	18,188,599	16,144,524	970,523	803,247	270,305
OPERATING INCOME/(LOSS)	\$1,565,913	\$1,614,991	\$64,783	(\$86,922)	(\$26,938)
Non-Operating Revenue/(Expense)	401,562	307,039	74,728	1,608	18,187
NET INCOME/(LOSS)	\$1,967,475	\$1,922,030	\$139,510	(\$85,314)	(\$8,750)
CAPITAL CONTRIBUTIONS					
Developer In-Kind Contributions	\$400,564	\$390,747	\$0	\$9,471	\$345
Caltrans AEEP Capital Contributions	0	0	0	0	0
Connection Fees	705,240	608,580	0	21,660	75,000
Cal OES & CA Dept of Water Resources Grants	3,626	0	0	0	3,626
FRC Transfer	0	0	0	0	0
CAPITAL CONTRIBUTIONS	\$1,154,030	\$1,043,928	\$0	\$31,131	\$78,971
Prior Period Adjustments	0	0	0	0	0
CHANGE IN NET POSITION	\$3,121,506	\$2,965,958	\$139,510	(\$54,183)	\$70,221
Net Position June 30, 2023	126,220,977	91,637,919	25,125,696	7,762,173	1,695,190
Net Position March 31, 2024	\$129,342,483	\$94,603,877	\$25,265,206	\$7,707,990	\$1,765,410
CASH FLOW STATEMENT					
Net Income/(Loss)	\$1,967,475	\$1,922,030	\$139,510	(\$85,314)	(\$8,750)
Add back Depreciation	3,114,638	2,303,235	591,383	180,769	39,251
Cash Generated From Operations	\$5,082,114	\$4,225,265	\$730,894	\$95,455	\$30,500
Other Sources (Uses) of Funds					
Connection Fee Revenue	\$705,240	\$608,580	\$0	\$21,660	\$75,000
Grant Proceeds	48,226	44,601	0	0	3,626
Capital Assets Acquisition	(8,684,842)	(8,301,937)	(70,980)	(222,080)	(89,844)
Caltrans AEEP Capital Contribution	0	0	0	0	0
Marin Country Club Loan Principal Pmts	31,978	0	31,978	0	0
Principal Paid on Debt	(2,663,845)	(1,909,414)	(625,794)	(128,637)	0
Consumer Receivables Decr (Incr)	(261,793)	(459,997)	184,795	74,464	(61,055)
Construction Advances (Decr) Incr	2,736	(7,339)	0	10,075	0
Other Assets Decr (Incr)	1,127,768	1,119,210	18,884	66,779	(77,105)
Other Liabilities (Decr) Incr	(25,053)	(94,607)	(8,996)	(7,279)	85,830
Trade Accounts Payable (Decr) Incr	(842,630)	(846,932)	4,302	0	0
Connection Fee Transfer	0	0	0	0	0
Interdistrict Transfers	0	0	0	0	0
Total Other Sources (Uses)	(\$10,562,213)	(\$9,847,835)	(\$465,811)	(\$185,018)	(\$63,549)
Net Cash Provided (Used)	(\$5,480,100)	(\$5,622,570)	\$265,083	(\$89,563)	(\$33,049)
MV Cash & Investments June 30, 2023	\$37,329,148	\$29,288,345	\$6,810,285	\$746,011	\$484,506
MV Cash & Investments March 31, 2024	\$31,849,048	\$23,665,776	\$7,075,368	\$656,448	\$451,457

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	March 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$951,283	\$12,019,900	77%	\$10,686,608
Bill Adjustments	(4,980)	(49,406)	80%	(46,736)
Bimonthly Service Charges	617,998	5,445,166	75%	4,966,719
Account Turn-on Charges	8,500	69,855	79%	66,315
New Account Charges	275	2,990	75%	2,990
Returned Check Charges	9	72	6%	234
Hydrant Meter Up/Down Charges	0	500	13%	300
Backflow Service Charges	14,218	128,384	75%	128,956
Lab Service-Outside Clients	1,645	26,601	70%	21,181
Wheeling Charges - MMWD	334	115,453	82%	64,706
TOTAL OPERATING REVENUE	\$1,589,282	\$17,759,515	76%	\$15,891,272
TOTAL EXPENDITURES				
SOURCE OF SUPPLY				
Supervision & Engineering	\$736	\$7,642	96%	\$5,209
Operating Expense - Source	144	6,018	120%	3,954
Maint/Monitoring of Dam	187	36,171	100%	20,548
Maint of Lake & Intakes	0	2,123	27%	581
Maint of Structures	0	868	-	35
Maint of Watershed	0	32,212	161%	15,352
Water Quality Surveillance	158	792	40%	651
Fishery Maint	0	0	0%	0
Erosion Control	0	0	0%	0
Purchased Water	444,423	4,115,274	76%	3,804,993
Fines, Penalties & Fees	0	2,009	-	0
GASB68 Adjustment	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SOURCE OF SUPPLY	\$445,648	\$4,203,109	77%	\$3,851,323
PUMPING				
Maint of Structures & Grounds	\$2,331	\$29,655	90%	\$24,203
Maint of Pumping Equipment	5,098	29,280	84%	11,984
Electric Power	26,399	349,455	78%	277,926
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
PUMPING	\$33,829	\$408,390	77%	\$314,113
OPERATIONS				
Supervision & Engineering	\$30,416	\$222,316	76%	\$207,435
Operating Expense - Operations	49,978	374,959	74%	367,565
Maintenance Expense	4,458	42,651	72%	35,624
Telemetry Equipment/Controls Maint	5,440	64,761	108%	49,482
Leased Lines	2,209	20,912	84%	17,920
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
OPERATIONS	\$92,501	\$725,600	64%	\$678,026

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	March 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER TREATMENT				
Supervision & Engineering	\$12,297	\$242,801	98%	\$197,619
Operating Expense - Water Treatment	656	267,325	74%	254,645
Purification Chemicals	0	273,789	57%	301,777
Sludge Disposal	3,755	66,379	56%	69,523
Maint of Structures & Grounds	13,269	65,123	68%	58,209
Maint of Purification Equipment	35,572	236,614	56%	332,692
Electric Power	51,753	160,951	97%	100,743
Water Quality Programs	4,753	65,204	70%	65,778
Laboratory Direct Labor	31,242	304,190	75%	290,336
Lab Service-Outside Clients	1,424	27,026	225%	20,319
Water Quality Supervision	10,008	83,367	83%	66,630
Laboratory Supplies & Expense	5,767	72,972	63%	67,899
Customer Water Quality	4,196	30,945	77%	28,569
Lab Cost Distributed	(3,288)	(32,100)	84%	(26,887)
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
WATER TREATMENT	\$171,404	\$1,864,587	63%	\$1,827,850
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$44,518	\$420,944	55%	\$466,179
Maps & Records	10,150	179,585	73%	174,944
Operation of T&D System	8,059	112,370	69%	115,579
Facilities Location	13,200	110,244	77%	100,981
Safety: Construction & Engineering	18,389	69,528	99%	49,602
Customer Service Expense	11,943	124,274	52%	171,200
Flushing	21,724	68,180	179%	88,055
Storage Facilities Expense	25,149	102,372	78%	93,728
Cathodic Protection	175	7,055	59%	6,079
Maint of Valves/Regulators	17,633	67,770	44%	110,797
Maint of Mains	11,965	287,132	144%	191,530
Leak Detection - Mains	762	37,761	199%	13,698
Backflow Prevention Program	34,039	261,006	73%	280,031
Maint of Copper Services	29,885	240,496	137%	131,820
Maint of PB Service Lines	12,297	291,008	71%	289,238
Single Service Installations	(2,777)	4,664	22%	15,368
Maint of Meters	30,644	199,785	130%	103,210
Detector Check Assembly Maint	18,609	41,196	43%	71,375
Maint of Hydrants	(300)	47,259	84%	42,259
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TRANSMISSION & DISTRIBUTION	\$306,061	\$2,672,627	65%	\$2,515,672

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	March 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Meter Reading	\$2,182	\$22,708	84%	\$18,529
Collection Expense - Labor	3,198	24,578	205%	8,579
Collection Expense - Agency	327	1,063	53%	341
Billing & Consumer Accounting	13,262	119,678	76%	111,736
Contract Billing	1,327	11,819	70%	12,030
Stationery, Supplies & Postage	5,456	51,787	75%	53,739
Online Payment Processing Fees	601	63,559	101%	53,845
Lock Box Service	912	8,638	35%	14,252
Uncollectable Accounts	475	12,952	39%	23,588
Office Equipment Expense	110	39,922	53%	69,148
Distributed to West Marin (4.1%)	(1,045)	(13,912)	73%	(13,310)
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
CONSUMER ACCOUNTING	\$26,806	\$342,794	67%	\$352,476
WATER CONSERVATION				
Residential	\$15,157	\$152,247	57%	\$189,119
Commercial	1,548	12,031	201%	4,607
Public Outreach/Information	14,158	129,381	106%	100,500
Large Landscape	351	4,583	57%	4,605
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TOTAL WATER CONSERVATION	\$31,213	\$298,242	64%	\$298,830
GENERAL AND ADMINISTRATIVE				
Directors Fees	\$5,244	\$29,905	65%	\$30,337
Legal Fees	1,305	9,376	38%	\$13,545
Human Resources	10,285	257,378	101%	111,402
Auditing Fees	0	13,397	52%	10,936
Consulting Services/Studies	47,162	263,555	68%	91,041
General Office Salaries	127,049	1,095,990	68%	1,052,897
Safety: General District Wide	5,624	27,112	60%	27,584
Office Supplies	7,251	21,415	59%	20,150
Employee Events	0	10,554	106%	4,440
Other Administrative Expense	57	451	11%	2,607
Election Cost	0	0	-	250
Dues & Subscriptions	451	71,434	83%	77,813
Vehicle Expense	676	6,084	34%	6,084
Meetings, Conferences & Training	24,151	130,037	63%	158,784
Recruitment Expense	985	4,652	233%	1,705
Gas & Electricity	861	6,377	16%	7,161
Telephone	1,550	13,890	66%	14,657
Water	0	1,363	68%	1,104
Buildings & Grounds Maint	3,476	33,253	48%	52,135
Office Equipment Expense	7,949	118,713	46%	120,995
Insurance Premiums & Claims	19,000	182,805	68%	163,425
Retiree Medical Benefits	18,677	170,784	76%	159,837
(Gain)/Loss on Overhead Charges	48,411	105,959	43%	7,947
G&A Applied to Other Operations (5.9%)	(21,004)	(180,465)	101%	(159,251)
G&A Applied to Construction	(42,484)	(388,641)	101%	(277,702)
GASB75 Adjustment (OPEB)	0	(363)	-	0
GASB68 Adjustment (Pension)	150,475	1,320,927	258%	1,269,066
GENERAL & ADMINISTRATIVE	\$417,150	\$3,325,940	87%	\$2,968,948
Depreciation (Note 5)	250,413	2,303,235	62%	2,617,396
TOTAL OPERATING EXPENSE	\$1,775,026	\$16,144,524	71%	\$15,424,636
OPERATING INCOME/(LOSS)	(\$185,744)	\$1,614,991	332%	\$466,636

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	March 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest:				
General Funds	\$78,725	\$531,268	458%	\$140,184
Retiree Medical Insurance Fund	22,644	140,366	187%	101,816
Interest Revenue-Leases	227	10,736	107%	11,687
Worker's Comp Fund	0	0	-	444
Admin Bldg/CIP Project Fund	24,111	195,289	108%	386,618
Funds Held in County Treasury	0	9,819	49%	12,544
West Marin Loan from Novato	0	27,467	110%	0
MMWD Interconnection Agreement Loan	0	48,228		52,378
Total Interest Revenue	\$125,708	\$963,173	205%	\$705,671
Rents & Leases	4,100	66,047	75%	66,068
Tax Proceeds	172	79,003	63%	78,103
Other Non-Operating Revenue	188	19,303	67%	19,150
Gain/(Loss) on MV of Investments	(40,560)	231,075	-	304,202
NON-OPERATING REVENUE	\$89,608	\$1,358,601	191%	\$1,173,194
NON-OPERATING EXPENSE				
Bank of Marin AEEP Loan Interest Exp	\$9,252	\$86,413	76%	\$94,628
STP SRF Loan Interest Expense	11,113	100,015	75%	121,312
JP Morgan/Chase AMI Loan Interest Expense	6,691	65,423	74%	71,177
Webster Bank Loan Interest Expense	47,601	444,030	75%	412,963
Other Non-Operating Expense	49,489	355,683	95%	12,425
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$124,147	\$1,051,563	81%	\$712,504
NET INCOME/(LOSS)	(\$220,283)	\$1,922,030	(1763%)	\$927,326
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	(220,283)	1,922,030		927,326
CONTRIBUTED CAPITAL				
SCWA 84 Water Conservation Grant	0	44,601	-	0
SCWA UFR Water Conservation Grant	0	0	-	0
Developer 'In-Kind' Contributions	11,840	390,747	-	558,184
Caltrans AEEP Capital Contribution	0	0	0%	2,089
MMWD AEEP Capital Contribution	0	0	0%	0
Facility Reserve Charges	382,990	608,580	77%	208,280
FRC Transfer to/from Recycled Water	0	0	0%	(518,146)
Prior Period Adjustment (Note 12)	0	0	-	0
ENDING FUND EQUITY		\$94,603,877		\$87,688,238

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	March 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Recycled Water Sales	\$5,811	\$904,823	52%	\$913,458
Bimonthly Service Charges	16,548	111,087	82%	101,073
Water Loads	720	19,395	97%	30,315
TOTAL OPERATING REVENUE	\$23,078	\$1,035,305	55%	\$1,044,846
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	\$0	\$0	-	\$757
Purchased Water - NSD	1,334	174,088	62%	179,472
Purchased Water - LGVSD	215	7,265	6%	69,139
SOURCE OF SUPPLY	\$1,548	\$181,353	46%	\$249,368
PUMPING				
Maint of Pumping Equipment	0	5,892	295%	0
Electric Power	31	2,344	78%	1,860
GASB68 Adjustment (Pension)	0	0	-	0
GASB75 Adjustment (OPEB)	0	0	-	0
PUMPING	\$31	\$8,236	165%	\$1,860
OPERATIONS				
Supervision & Engineering	\$532	\$7,779	86%	\$6,153
Operating Expense - Operations	317	4,543	454%	213
Potable Water Consumed	0	57,823	116%	33,182
Maintenance Expense	0	0	0%	3,984
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
OPERATIONS	\$849	\$70,145	87%	\$43,532
WATER TREATMENT				
Supervision & Engineering	\$0	\$21	-	\$0
Purification Chemicals	0	3,182	-	0
Maint of Purification Equipment	450	1,156	-	0
Laboratory Direct Labor	0	2,671	267%	603
Customer Water Quality	0	0	0%	180
Lab Expense Distributed from Novato	(34)	1,409	-	320
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
WATER TREATMENT	\$416	\$8,440	169%	\$1,103
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$0	\$460	11%	\$2,656
Operation of T&D System	0	47	-	0
Customer Service Expense	1,320	19,423	69%	20,666
Storage Facilities Expense	2,247	3,269	-	98
Maint of Valves/Regulators	0	0	0%	10,040
Single Service Installations	0	0	0%	8,987
Hydrant Maint & Operations	0	0	0%	0
Maint of Meters	0	4,122	-	0
Maint of Mains	0	0	0%	5,389
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TRANSMISSION & DISTRIBUTION	\$3,566	\$27,320	36%	\$47,836

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	March 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Distributed from Novato (0.2%)	\$95	\$1,306	65%	\$1,336
CONSUMER ACCOUNTING	\$95	\$1,306	65%	\$1,336
GENERAL AND ADMINISTRATIVE				
Dues & Subscriptions	\$0	\$0	0%	\$0
Consulting Services/Studies	0	890	9%	21,088
Distributed from Novato (2.4%)	8,106	69,645	77%	66,853
GASB68 Adjustment	1,314	11,806	47%	17,229
GENERAL & ADMINISTRATIVE	\$9,420	\$82,340	58%	\$105,170
Depreciation (Note 5)	\$65,709	\$591,383	75%	\$591,383
TOTAL OPERATING EXPENSE	\$81,634	\$970,523	65%	\$1,041,588
OPERATING INCOME/(LOSS)	(\$58,556)	\$64,783	16%	\$3,258
NON-OPERATING REVENUE				
Interest:				
General Funds	\$37,207	\$226,403	1192%	\$74,347
RWF Replacement Fund	0	0	\$0	0
Self-Insured Workers' Comp Fund	0	0	-	13
StoneTree RWF Loan	1,725	7,849	78%	6,347
Total Interest Revenue	\$38,932	\$234,252	237%	\$80,706
Other Non-Operating Revenue	0	0	-	0
NON-OPERATING REVENUE	\$38,932	\$234,252	237%	\$80,706
NON-OPERATING EXPENSE				
RWF SRF Loan Interest Expense	\$2,062	\$18,556	74%	\$22,926
Expansion SRF Loan Interest Expense	15,663	140,968	75%	150,530
Capital Contribution Expense-NSD&LGVSD	0	0	0%	0
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$17,725	\$159,524	20%	\$173,456
NET INCOME/(LOSS)	(\$37,349)	\$139,510	(48%)	(\$89,493)
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	(37,349)	139,510		(89,493)
FRC Transfer to/from Novato	0	0	-	518,146
Prior Period Adjustment (Note 12)	0	0		0
ENDING FUND EQUITY		\$25,265,206		\$25,034,221

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	March 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$32,398	\$517,448	68%	\$501,996
Bill Adjustments	(685)	(9,957)	41%	(8,450)
Bimonthly Service Charges	21,609	201,574	71%	202,059
Account Turn-on Charges	0	1,585	159%	1,540
New Account Charges	0	65	-	85
Returned Check Charges	0	9	-	9
Backflow Service Charges	16	5,600	70%	5,417
Lab Service-Outside Clients	0	0	-	0
TOTAL OPERATING REVENUE	\$53,338	\$716,325	69%	\$702,656
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	\$532	\$3,759	94%	\$2,141
Operating Expense	1,262	1,719	43%	1,779
Maint of Structures	0	9,169	57%	9,135
Water Quality Surveillance	0	0	0%	0
Fines, Penalties & Fees	0	979	-	0
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SOURCE OF SUPPLY	\$1,794	\$15,625	60%	\$13,055
PUMPING				
Maint of Structures and Grounds	\$0	\$1,329	33%	\$2,376
Maint of Pumping Equip	1,773	7,916	26%	24,362
Electric Power	4,969	49,064	123%	28,929
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
PUMPING	\$6,742	\$58,309	75%	\$55,666
OPERATIONS				
Supervision & Engineering	\$1,075	\$17,168	66%	\$21,202
Operating Expense	3,718	15,955	47%	24,056
Maintenance Expense	935	935	94%	0
Maint of Telemetry Equipment	2,600	10,174	127%	18,555
Leased Lines	458	3,419	85%	3,123
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
OPERATIONS	\$8,785	\$47,651	54%	\$66,936
WATER TREATMENT				
Supervision & Engineering	\$1,059	\$10,313	79%	\$9,155
Operating Expense	9,912	45,018	94%	34,950
Purification Chemicals	1,577	6,722	134%	(473)
Maint of Structures & Grounds	1,050	4,534	151%	1,874
Maint of Purification Equipment	13,942	24,681	247%	6,813
Electric Power	2,017	21,089	132%	16,290
Laboratory Direct Labor	6,354	51,564	85%	45,615
Laboratory Services	2,758	16,290	204%	6,275
Water Quality Supervision	2,214	5,962	33%	15,442
Customer Water Quality	532	4,907	55%	7,157
Lab Expense Distributed from Novato	2,767	27,201	91%	24,223
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
WATER TREATMENT	\$44,182	\$218,281	84%	\$167,320

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	March 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$429	\$2,111	11%	\$13,694
Facilities Location - USA	451	5,852	98%	0
Customer Service Expense	633	5,862	45%	8,388
Flushing	2,656	2,656	-	0
Storage Facilities Expense	3,790	30,942	49%	50,814
Cathodic Protection	0	813	-	0
Maint of Valves	213	1,238	31%	2,740
Valve Operation Program	0	0	0%	8,509
Maint of Mains	0	2,708	12%	16,379
Backflow Dev Inspection/Survey	128	4,064	41%	9,626
Maint of Copper Services	0	4,536	151%	1,824
Maint of PB Service Lines	3,152	21,817	78%	49,922
Maint of Meters	438	2,315	116%	405
Detector Check Assembly Maint	0	2,807	281%	475
Maint of Hydrants	0	0	0%	194
Hydrant Operation	0	0	0%	8,633
Single Service Installation	2,287	3,179	-	0
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TRANSMISSION & DISTRIBUTION	\$14,177	\$90,899	40%	\$171,602
CONSUMER ACCOUNTING				
Meter Reading	\$0	\$7,926	66%	\$8,085
Collection Expense - Labor	92	958	96%	361
Uncollectable Accounts	0	45	1%	1,579
Online Payment Processing Fees	0	(150)	-	0
Distributed from Novato (3.6%)	749	10,343	74%	\$10,865
GASB68 Adjustment (Pension)	0	0	-	0
GASB75 Adjustment (OPEB)	0	0	-	0
CONSUMER ACCOUNTING	\$841	\$19,121	62%	\$20,890
WATER CONSERVATION				
Water Conservation Program	\$1,363	\$7,925	79%	\$3,403
GASB68 Adjustment (Pension)	0	0	-	0
GASB75 Adjustment (OPEB)	0	0	-	0
TOTAL WATER CONSERVATION	\$1,363	\$7,925	79%	\$3,403
GENERAL AND ADMINISTRATIVE				
Consulting Services/Studies	\$0	\$0	0%	\$25,802
Distributed from Novato (3.6%)	10,055	86,391	104%	71,221
GASB68 Adjustment (Pension)	8,938	78,276	-	60,894
GENERAL & ADMINISTRATIVE	\$18,993	\$164,667	104%	\$157,917
Depreciation (Note 5)	20,087	180,769	75%	175,351
TOTAL OPERATING EXPENSE	\$116,964	\$803,247	72%	\$832,141
OPERATING INCOME/(LOSS)	(\$63,626)	(\$86,922)	105%	(\$129,486)

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	<u>March 2024</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD/ BUDGET%</u>	<u>PRIOR YTD ACTUAL</u>
NON-OPERATING REVENUE				
Interest - General Funds	\$3,853	\$27,250	272%	\$5,528
Interest - Self-Insured WC Fund	0	0	-	16
Interest Revenue-Leases	0	540	-	698
Rents & Leases	0	5,285	88%	5,447
Other Non-Operating Revenue	0	0	-	16
NON-OPERATING REVENUE	<u>\$3,853</u>	<u>\$33,075</u>	207%	<u>\$11,705</u>
NON-OPERATING EXPENSE				
Bank of Marin Loan Interest Expense	\$1,358	\$12,684	75%	\$13,903
Loan from Novato-Interest Expense	2,087	18,782	75%	20,600
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	<u>\$3,445</u>	<u>\$31,467</u>	75%	<u>\$34,503</u>
NET INCOME/(LOSS)	<u>(\$63,218)</u>	<u>(\$85,314)</u>	78%	<u>(\$152,283)</u>
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	(63,218)	(85,314)		(152,283)
CONTRIBUTED CAPITAL				
New Gallagher Well #2 Grant	0	0	0%	276,675
Developer 'In-Kind' Contributions	2,093	9,471	-	48,651
Facility Reserve Charges	0	21,660	103%	0
PRIOR YEAR ADJUSTMENTS (Note 11c)	0	0		0
ENDING FUND EQUITY		<u>\$7,707,990</u>		<u>\$7,572,762</u>

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	March 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Sewer Service Charges	\$26,908	\$242,168	75%	\$228,420
Inspection Fees	0	1,200	-	0
TOTAL OPERATING REVENUE	\$26,908	\$243,368	75%	\$228,420
OPERATING EXPENSE				
SEWAGE COLLECTION				
Supervision & Engineering	\$1,207	\$20,430	35%	\$42,321
Inspection	462	3,566	-	0
Operating Expense	87	3,978	398%	964
Facilities Location	293	658	-	0
Maint of Telemetry Equipment	60	575	57%	939
Sewer Service Installation	0	527	-	0
Maint of Lift Stations	290	7,540	69%	9,363
Maint of Sewer Mains	0	5,584	186%	2,855
Electric Power	1,962	17,408	73%	16,063
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SEWAGE COLLECTION	\$4,361	\$60,265	54%	\$72,505
SEWAGE TREATMENT				
Operating Expense	\$2,101	\$47,937	131%	\$25,167
Treatment Supplies & Expense	0	2,372	-	0
Maint of Equipment	0	2,317	77%	2,396
Laboratory Direct Labor	1,186	6,616	120%	4,413
Lab Expense Distributed from Novato	555	3,490	174%	2,343
Electric Power	1,623	13,755	92%	10,998
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SEWAGE TREATMENT	\$5,465	\$76,486	116%	\$45,318
SEWAGE DISPOSAL				
Operating Expense	\$4,336	\$15,047	137%	\$8,337
Maint of Pump Stations	810	14,058	234%	3,879
Maint of Storage Ponds	522	19,064	477%	0
Maint of Irrigation Field	0	0	0%	4,516
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
SEWAGE DISPOSAL	\$5,668	\$48,170	138%	\$16,732
CONTRACT OPERATIONS				
CONTRACT OPERATIONS	\$0	\$0	-	\$0
CONSUMER ACCOUNTING				
Collection Expense - County of Marin	\$0	\$351	-	\$351
Distributed from Novato (0.6%)	202	\$1,962	98%	1,109
Uncollectable Accounts	0	0	-	0
CONSUMER ACCOUNTING	\$202	\$2,313	116%	\$1,460

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING MARCH 31, 2024**

	March 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
GENERAL AND ADMINISTRATIVE				
Consulting Services/Studies	\$0	\$0	-	\$10,816
Distributed from Novato (1.1%)	2,843	24,430	81%	21,177
Liability Insurance	(3)	3,775	126%	1,912
GASB68 Adjustment	1,766	15,616	-	16,925
GENERAL AND ADMINISTRATIVE	\$4,606	\$43,821	133%	\$50,829
Depreciation (Note 5)	4,361	39,251	84%	35,058
TOTAL OPERATING EXPENSE	\$24,663	\$270,305	92%	\$221,901
OPERATING INCOME/(LOSS)	\$2,245	(\$26,938)	(96%)	\$6,519
NON-OPERATING REVENUE				
Rents & Leases	\$0	\$250	-	\$250
Interest - General Funds	2,492	17,937	256%	8,385
Interest - Self Insured WC Fund	0	0	-	6
NON-OPERATING REVENUE	\$2,492	\$18,187	260%	\$8,642
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)	\$4,737	(\$8,750)	(30%)	\$15,152
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	4,737	(8,750)		15,152
CONTRIBUTED CAPITAL				
Contribution in Aid of Construction	0	345	-	0
Sewer Facilities Connection Charges	0	75,000	250%	0
FEMA/CAL OES Grant-OM Treatment Pond	0	3,626		11,151
PRIOR YEAR ADJUSTMENTS (Note 11d)	0	0		0
ENDING FUND EQUITY		\$1,765,410		\$1,767,086

**NORTH MARIN WATER DISTRICT
VEHICLE FLEET ANALYSIS
FOR PERIOD ENDING MARCH 31, 2024**

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	364	\$671	\$56	(\$615)	82,776	\$0.86	\$1.84	\$0.00
2	2010 Ford F150 4x4	511	Maintenance	158	\$715	\$187	(\$528)	107,421	\$0.51	\$4.52	\$0.00
3	2010 Ford F150	513	Construction	0	\$308	\$0	(\$308)	98,561	\$0.47	\$0.00	\$1.13
4	2012 Ford F250	515	Williamson	6,512	\$4,253	\$6,524	\$2,271	105,904	\$0.64	\$0.65	\$0.17
5	2012 Ford F250	516	Pearce	10,686	\$6,220	\$9,282	\$3,062	122,877	\$0.62	\$0.58	\$2.05
6	2014 Ford F150	517	Kurfirfirst	2,715	\$1,481	\$7,522	\$6,041	35,117	\$0.63	\$0.55	\$0.38
7	2015 Ford F250 4x4	518	Construction	1,668	\$3,778	\$938	(\$2,840)	122,144	\$0.49	\$2.27	\$0.63
8	2015 Ford F150 4X4	521	Watkins/Shop	3,413	\$2,664	\$1,320	(\$1,344)	66,611	\$0.41	\$0.78	\$0.59
9	2016 Nissan Frontier	522	Roberto	3,887	\$3,404	\$1,950	(\$1,454)	63,999	\$0.42	\$0.88	\$0.63
10	2017 Ford Escape 4X4	523	Lab	2,389	\$1,201	\$1,754	\$553	41,961	\$0.35	\$0.50	\$0.25
11	2016 Nissan Frontier	524	Bynum	6,881	\$3,844	\$5,072	\$1,228	70,161	\$0.55	\$0.56	\$0.58
12	2018 Ford Cargo Van	526	On-Call	7,697	\$2,909	\$385	(\$2,524)	54,915	\$0.47	\$0.38	\$0.36
13	2018 Dodge Ram 2500	527	Breit	12,447	\$11,412	\$7,616	(\$3,796)	72,454	\$0.65	\$0.92	\$0.35
14	2019 Chev Colorado 4x4	528	Stompe	4,382	\$2,248	\$2,632	\$384	26,984	\$0.52	\$0.51	\$0.56
15	2019 Nissan Rogue	531	Eng/Wtr Consv	2,080	\$1,523	\$1,348	(\$175)	20,978	\$0.37	\$0.73	\$0.58
16	2019 Nissan Frontier	533	Pool	3,878	\$1,952	\$1,890	(\$62)	38,610	\$0.46	\$0.50	\$0.52
17	2019 Ford F-150 2WD	534	Reed	3,159	\$1,369	\$5,467	\$4,098	14,024	\$0.51	\$0.43	\$0.67
18	2019 Ford F-150 4x4	535	STP	6,544	\$3,902	\$1,470	(\$2,432)	34,589	\$0.36	\$0.60	\$0.00
19	2020 Chevrolet Colorado 2WD	536	Lawrence	10,493	\$6,444	\$6,902	\$458	49,254	\$0.37	\$0.61	\$0.70
20	2020 Ford F250 4X4	537	Northen	13,990	\$8,897	\$8,964	\$67	58,908	\$0.54	\$0.64	\$0.48
21	2020 Ford F250 4X4	538	STP	4,415	\$5,275	\$1,379	(\$3,896)	18,139	\$0.69	\$1.19	\$0.35
22	2020 Ford F150 2WD	539	Construction	4,165	\$2,250	\$4,739	\$2,489	18,973	\$0.42	\$0.54	\$0.22
23	2020 Ford F150 2WD	540	Bergstrom	7,839	\$3,262	\$8,099	\$4,837	35,257	\$0.36	\$0.42	\$0.52
24	2021 Nissan Rogue	541	Clark	3,456	\$2,387	\$735	(\$1,652)	26,408	\$0.32	\$0.69	\$0.47
25	2021 Nissan Frontier	542	STP	6,821	\$4,605	\$2,314	(\$2,291)	26,993	\$0.43	\$0.68	\$0.44
26	2021 Ford Ranger 4x4	543	Maintenance	3,324	\$1,315	\$1,155	(\$160)	25,150	\$0.28	\$0.40	\$0.34
27	2020 Ford F150	544	Grisso	537	\$298	\$609	\$311	2,175	\$0.52	\$0.55	\$0.44
28	2021 Ford F150	545	Kane	2,100	\$1,185	\$161	(\$1,024)	7,550	\$0.34	\$0.56	\$0.60
29	2021 Ford F150 4x4	546	Kauwe	8,153	\$3,100	\$2,594	(\$507)	18,025	\$0.34	\$0.38	\$0.74
30	2022 Chevy Bolt EUV	548	LAB	5,002	\$827	\$2,079	\$1,252	11,429	\$0.09	\$0.17	\$0.51
31	2023 Chevy Bolt EUV	549	LeBrun	7,696	\$298	\$735	\$437	14,468	\$0.06	\$0.04	\$0.34
32	2022 Ford Ranger 4x4	550	Davenport	9,748	\$3,185	\$5,789	\$2,604	13,930	\$0.37	\$0.33	\$0.47
33	2022 Ford Ranger 2WD	551	Ladd	1,375	\$325	\$2,030	\$1,705	2,012	\$0.43	\$0.24	\$0.03
34	2022 Ford Ranger 2WD	552	Castellucci	10,528	\$2,618	\$8,197	\$5,579	16,271	\$0.26	\$0.25	\$0.00
35	2022 Ford Ranger 2WD	553	Construction	3,500	\$1,472	\$2,184	\$712	8,360	\$0.42	\$0.42	\$0.00
36	2023 Ford Ranger 4x4	554	Kehoe, Chris	9,481	\$2,925	\$3,707	\$782	10,387	\$0.30	\$0.31	\$0.00
37	2023 Nissan Leaf EV	555	Clark	6,087	\$308	\$1,533	\$1,225	6,087	\$0.05	\$0.05	\$0.00
38	2024 FORD F250 4X4 #556	556	Watkins	807	\$4,147	\$98	(\$4,049)	807	\$5.14	\$5.14	\$0.00
39	2024 FORD F250 4X4 #557	557	Breit	2,029	\$2,322	\$924	(\$1,398)	2,029	\$1.14	\$1.14	\$0.00
Total 3/4 Ton & Under				200,406	111,297	120,335	9,038	1,552,698	\$0.51	\$0.56	\$0.52
1	1999 Ford F350 W/Svc Body	19	Pool	352	\$534	\$714	\$180	140,727	\$0.82	\$0.00	\$0.25
2	2002 Int'l 5 Yd Dump	44	Construction	648	\$1,822	\$2,982	\$1,160	118,201	\$1.83	\$2.81	\$3.78
3	2006 Int'l 4300 Crew	503	Construction/Crew	1,526	\$2,516	\$16,002	\$13,486	58,715	\$2.50	\$1.65	\$1.76
4	2009 Peterbilt 325 Crew	508	Construction/Crew	2,041	\$8,664	\$16,905	\$8,241	51,871	\$2.44	\$4.24	\$2.08
5	2012 Int'l 5 Yd Dump	514	Construction	3,379	\$9,810	\$13,454	\$3,644	61,272	\$1.77	\$2.90	\$3.29
6	2015 Int'l 5 Yd Dump	519	Sjoblom	2,350	\$4,729	\$9,128	\$4,399	61,614	\$1.41	\$2.01	\$0.59
7	2017 Ford F350 4x4	525	Lemos	3,984	\$5,271	\$11,837	\$6,566	60,875	\$0.83	\$1.32	\$2.26
8	2019 Ford F550 3 YD Dump	530	Construction	1,878	\$3,276	\$8,820	\$5,544	15,226	\$1.44	\$1.74	\$0.59
9	2021 Int'l 5 Yd Dump	547	Breit	2,352	\$3,147	\$9,849	\$6,702	6,932	\$2.23	\$1.34	\$3.55
Total 1 Ton & Over				18,510	\$39,769	\$89,691	\$49,922	575,433	\$1.55	\$2.15	\$2.65

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 MARCH 31, 2024**

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Description		COST THRU JUNE 2023	MARCH 2024	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	\$1,664	\$19,775	\$60,000	\$40,225	\$574,633	(e)	58001-01-21
1-7700-02	1-7700-27	2	Landscape Efficiency Rebates	40,056	0	3,368	6,000	2,632	43,424	(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	253	5,131	5,000	(131)	372,459	(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	700	10,633	25,000	14,367	1,087,432	(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	2,877	20,000	17,123	502,931	(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	0	1,437	25,000	23,564	162,517	(e)	58001-01-21
1-7700-17	1-7700-31	11	Swimming Pool Cover Rebate	13,225	0	1,917	5,000	3,083	15,142	(e)	58001-01-21
1-7700-19	1-7700-32	12	ET Controller Rebate	59,625	180	1,401	6,000	4,599	61,025	(e)	58001-01-21
1-7700-08		13	Administration	1,977,291	11,404	96,955	126,000	29,045	2,074,246	(e)	58001-01-21
1-7700-20		14	New Development Wtr Cons Program	147,602	813	8,108	10,000	1,892	155,710	(e)	58001-01-21
1-7700-21	1-7700-33	15	Demand Offset Rebate Program	4,905	22	172	2,000	1,828	5,077	(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	122	472	2,000	1,528	4,938	(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	1,548	12,031	10,295	(1,736)	62,037	(e)	58002-01-21
1-7702-01		2	Large Landscape Programs	49,979	351	4,583	12,967	8,384	54,562	(e)	58004-01-21
1-7700-04		c.	Public Outreach/Information	560,311	14,158	129,381	144,738	15,357	689,692	(e)	58003-01-21
TOTAL NOVATO WATER CONSERVATION				\$6,023,329	\$31,213	\$298,242	\$466,000	\$167,757	\$6,321,572		
WEST MARIN WATER											
2-5166-00		a.	Water Conservation Program	\$191,069	\$1,363	\$7,925	\$10,000	\$2,075	\$198,994	(e)	58000-02-21
TOTAL WEST MARIN WATER CONSERVATION				\$191,069	\$1,363	\$7,925	\$10,000	\$2,075	\$198,994		

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING MARCH 31, 2024**

Description		COST THRU JUNE 2023	MARCH 2024	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	\$0	\$13,033	\$80,000	\$66,967	\$90,233
1-7150-00	2 San Mateo Tank 24" Transmission Main	238,166	0	0	25,000	25,000	238,166
	3 Closed Job 1-7209-00 George St Main Replacement	0	0	0	225,000	225,000	0
1-7211-00	4 Arthur St. Main Relocation	0	9,265	133,982	0	(133,982)	133,982
1b Pipeline Replacements							
1-8737-08	1 Repl 8" CI w/pvc-Railroad/Rose	\$82,117	\$78	\$7,681	\$350,000	\$342,319	\$89,799
1-7212-00	2 Stafford Lake Park Svc Line	0	937	1,908	0	(1,908)	1,908
1c Aqueduct Improvements							
1-6000-42	1 North Marin Aqueduct Restoration near Olompali Slide (CIP)	\$0	0	\$125,783	\$50,000	(\$75,783)	\$125,783
	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 Replacements	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
Subtotal Pipelines		\$397,483	\$10,280	\$282,388	\$1,040,000	\$757,612	\$679,871
2. STORAGE TANKS & PUMP STATIONS							
2a Tank Rehabilitation / Replacement							
1-6207-20	1 Old Ranch Rd Tank Replacement	\$1,859,324	\$14	\$2,951	\$15,000	\$12,049	\$1,862,275
1-6209-20	2 Garner Tank Recoat	10,989	0	0	25,000	25,000	10,989
1-6414-20	3 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	\$35,252	\$198,266	\$300,000	\$101,734	\$408,922
1-6141-00	2 Crest PS	320,399	3,518	80,530	1,500,000	1,419,470	400,928
1-6103-22	3 Cherryhill PS Retaining Wall Repair	4,784	2,413	32,893	200,000	167,107	37,677
1-6405-11	4 Hayden Press Tank-Pit Replacement	0	339	3,121	0	(3,121)	3,121
2c Hydropneumatic Systems							
1-7170-00	1 Hydropneumatic Tank Repairs	\$190,792	\$0	\$40,923	\$850,000	\$809,077	\$231,714
1-7170-01	2 Bahia Hydropneumatic System Replacement	0	10,436	18,683	0	0	18,683
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
1-6117-28	4 San Marin PS Motor Replacement (2)	0	0	29,012	0	(29,012)	29,012
Subtotal Storage Tanks & Pump Stations		\$2,782,951	\$51,972	\$406,378	\$2,985,000	\$2,597,305	\$3,189,329

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING MARCH 31, 2024**

Description		COST THRU JUNE 2023	MARCH 2024	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	\$2,404	\$538,641	\$625,000	\$86,359	\$560,359
	2 STP Efficiency Improvements	0	0	0	50,000	50,000	0
1-6610-26	3 STP-Chemical System Upgrade	7,944	0	0	50,000	50,000	7,944
1-6610-29	4 STP-Tower Hose Replacement	0	0	46,771	0	(46,771)	46,771
1-6610-30	5 STP Primary Filter Basin Improvements	0	7,674	227,393	400,000	172,607	227,393
1-6610-31	6 Dam Piezometer Automation	0	4,205	6,806	0	(6,806)	6,806
1-6600-xx	7 Other Treatment Plant Improvements	0	0	0	100,000	100,000	0
3b Stafford Dam / Watershed							
1-6610-24	1 Water Supply Enhancements-Spillway ASG	\$26,958	\$1,959	\$13,580	\$150,000	\$136,420	\$40,537
1-6610-25	2 Dam Spillway Concrete Repair	5,720	395	35,836	100,000	64,164	41,556
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	0	0	92,294
Subtotal Stafford Improvements		\$154,635	\$16,637	\$869,034	\$1,525,000	\$655,966	\$1,023,668
4. MISCELLANEOUS IMPROVEMENTS (NOVATO)							
4a District Offices							
1-6501-44	1 NMWD Headquarters Upgrade ²	\$9,549,019	\$217,658	\$5,928,899	\$8,000,000	\$2,071,101	\$15,477,918
1-6502-48	2 Repave Corp Yard	173,135	0	210,497	0	(210,497)	383,631
1-6502-49	3 Construction Locker Room Remodel	0	3,636	5,442	150,000	144,559	5,442
	4 Program Assessment for Yard Site Improvements	0	0	0	75,000	75,000	0
4b System Pressure / Valving							
1-2831-01	1 Veranda by Landsea-Stub out to Adjacent Property	0	0	821	0	(821)	821
1-7210-01	2 Compound Ultrsnc Mtr Rpl-Buck Inst	0	0	5,848	0	(5,848)	5,848
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	29,338	221,052	0	(221,052)	230,512
	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	\$250,631	\$6,372,558	\$8,385,000	\$2,012,442	\$16,104,173

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING MARCH 31, 2024**

Description	COST THRU JUNE 2023	MARCH 2024	FYTD TOTAL	FY 23/24 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
5. RECYCLED WATER SYSTEM (NOVATO)						
5a RW Pipelines						
5-6501-48 1 NNWD HQ RW Ext from Redwood Blvd	\$0	\$3,114	\$8,744	\$300,000	\$291,256	\$8,744
5-7162-07 2 Hamilton Homeward Bound RW Main Ext ⁵	661	0	62,237	300,000	237,763	62,898
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	\$3,114	\$70,980	\$840,000	\$769,020	\$71,641
6. WEST MARIN SYSTEM						
6a WM Pipelines						
2-8912-00 1 Lagunitas Bridge Pipeline Replacement	\$85,562	\$7,765	\$18,572	\$50,000	\$31,428	\$104,134
2-7192-02 2 PRE 2" Galvanized Pipe-Sunnyside/Dover/Carlton/Balboa	58,420	587	7,233	0	(7,233)	65,653
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	\$10,186	\$85,000	\$74,814	\$45,536
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	450	45,488	165,000	119,512	1,050,748
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	1,640	0	(1,640)	152,298
6d WM Treatment Plant						
2-6601-38 1 Pt Reyes TP - Pipe Gallery	\$0	\$30,853	\$136,082	\$75,000	(\$61,082)	\$136,082
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	2,878	5,000	2,122	731,813
4 Other Water System Improvements ⁴	0	0	0	25,000	25,000	0
TOTAL WEST MARIN	\$2,080,970	\$39,656	\$222,080	\$585,000	\$362,920	\$2,303,050
7. OCEANA MARIN						
7a OM Pipelines						
8-7208-01 1 Sewer Force Main Improvements-FM 1A	\$37,153	\$0	\$13,118	\$80,000	\$66,882	\$50,270
7b OM Lift Station						
7c OM Treatment Ponds						
8-7173-00 1 OM Treatment Pond Rehab-404 Grant-FEMA ^{6&7}	\$206,776	\$0	\$1,829	\$800,000	\$798,171	\$208,605
8-7173-01 2 OM Treatment Pond Rehab-Grant Management	8,312	0	6,007	10,000	3,993	14,318
8-7173-02 3 OM Treatment Pond Rehab-PH 2 Const FEMA	0	2,842	68,891	0	(68,891)	68,891
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	\$2,842	\$89,844	\$955,000	\$865,156	\$342,084

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING MARCH 31, 2024**

Description	COST THRU JUNE 2023	MARCH 2024	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		\$329,520	\$7,930,358	\$13,935,000	57%	
Novato Recycled Water Capital Projects		3,114	70,980	840,000	8%	
West Marin Water Capital Projects		39,656	222,080	585,000	38%	
Oceana Marin Sewer Capital Projects		2,842	89,844	955,000	9%	
Gross Capital Improvement Project Outlays		\$375,132	\$8,313,263	\$16,315,000	51%	
8 LESS FUNDED BY GRANTS, LOANS & REIMBURSEMENTS						
(Accrued)/Deferred						
a. NW - Loan Funds - Office/Yard Building Renovation	(\$2,323,020)	(\$217,658)	(\$5,928,899)	\$0	\$5,928,899	(\$8,251,919)
b. NW - Loan Funds - Crest PS Construction	0	(3,518)	(80,530)	0	80,530	(80,530)
c. NW - Loan Funds - Lynwood PS Replacement	0	(35,252)	(198,266)	0	198,266	(198,266)
d. NW - Loan Funds - Stafford ASG Construction	0	(1,959)	(13,580)	0	13,580	(13,580)
e. NW - Capital Replacement Expansion Fund	(146,634)			0	0	(146,634)
f. WM - CA DWR Drought Relief Grant for GW02	87,472	(450)	37,727	0	(37,727)	125,199
g. WM - Lagunitas Creek Bridge Pipeline Grant (FEMA)				0	\$0	\$0
h. OM - Novato Water Loan to OM				0	\$0	\$0
i. OM - Treatment Pond Rehab Grant (FEMA)	(53,489)	0	4,116	0	(4,116)	(49,373)
FUNDING BY OTHERS (ACCRUED)/DEFERRED	(\$2,435,671)	(\$258,837)	(\$6,179,430)	\$0	\$6,179,430	(\$8,615,101)
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	(83,216)	165,000	248,216	(484,058)
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	(5,945)	600,000	600,945	(109,576)
FUNDING BY OTHERS RECEIVED	(\$7,730,473)	\$0	(\$89,161)	\$11,255,000	\$3,435,366	(\$7,819,634)
NET PROJECT EXPENDITURES	\$5,234,409	\$116,296	\$2,044,672	\$27,570,000	\$17,635,217	\$7,279,081

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CIP SUMMARY-NET EXPENDITURES:	Current Month	FYTD Total	FY 23/24 Budget	FYTD/ Budget%
Novato Water Capital Projects	\$329,520	\$7,930,358	\$4,435,000	179%
Novato Recycled Water Capital Projects	3,114	70,980	90,000	79%
West Marin Water Capital Projects	39,656	305,296	380,000	80%
Oceana Marin Sewer Capital Projects	2,842	95,790	155,000	62%
Net Capital Improvement Project Outlays	\$375,132	\$8,402,424	\$5,060,000	166%

8. EQUIPMENT BUDGET				
1 Class 8 Service Truck & John Deere Backhoe	\$180,898	\$180,898	\$340,000	\$159,102
2 4,000 Tanker Truck			50,000	50,000
3 Lease Vehicles	0	147,163	148,000	837
4 Miscellaneous Equipment Purchases	0	43,518	0	(43,518)
Total Equipment Purchases	\$180,898	\$371,579	\$538,000	\$166,421

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING MARCH 31, 2024**

Description	COST THRU JUNE 2023	MARCH 2024	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	9,077	47,238	25,000	(22,238)	63,253
3 Water Conservation Standards Assessment		0	0	25,000	25,000	0
9b Novato Service Area Studies						
1-4107-00 1 Novato Rate Study	\$0	\$16,250	\$51,100	\$60,000	\$8,900	\$51,100
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
4 Novato-G&A Consultants/Studies General	0	0	2,800	0	(2,800)	2,800
1-4100-00 5 STP-Chlorine Code Compliance	0	0	693	0	(693)	693
1-4104-23 6 North Marin Master Plan-CY23	0	1,441	6,508	100,000	93,492	6,508
1-4105-00 7 SMART Master Agreement	0	0	2,548	0	(2,548)	2,548
1-4106-00 8 STP Risk Management Program Update 2023	0	0	11,387	0	(11,387)	11,387
1-4077-00 9 Potter Valley Project FERC Relicensing	30,146	765	7,020	0	(7,020)	37,166
1-4093-00 10 Gateway Commons Backflow Study	9,440	0	686	0	(686)	10,126
1-6501-43 11 Electronic Document Mgmt System	36,955	0	0	0	0	36,955
1-6610-21 12 STP-Corrosion Assessment	77,205	19,629	133,575	0	(133,575)	210,780
1-4076-01 13 District Boundary Election Map Review	32,000	0	0	0	0	32,000
9c WM Service Area Studies						
1 West Marin Water Supply Resiliency Feasibility Study	\$0	\$0	\$0	\$75,000	\$75,000	\$0
9d OM Service Area Studies						
9e Other Studies						
5-4087-00 1 Recycled Water Program Strategy	\$17,359	\$0	\$0	\$0	\$0	\$17,359
2 Recycled Water-G&A Consultants/Studies General	\$0	0	\$890	\$0	(\$890)	\$890
	\$219,120	\$47,162	\$264,445	\$460,000	\$195,555	\$483,565

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 x .5% x 10 years). The fund balance does not accrue interest.

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

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

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

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

Note 2 - Designated Cash

Liability Contingency Fund: Established in 1986 when the District first elected to self-insure its general liability risk. This reserve was funded with \$1 million initially and \$200,000 annually thereafter until it reached a balance of \$2 million. In FY98 the West Marin Water System was included in the fund and has since built-up a proportional reserve of \$98,885 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 \$29,455, 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 2023 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 based on the amount of interest revenue that the District would have earned over the period of the loan. 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. The payments will coincide with Marin Country Club’s water service payments. The final payment from Marin Country Club 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:

Facility	Life (Years)
Aqueduct.....	150
Dam.....	100
Buildings & Structures.....	40
Mains.....	50
Pumping Equipment.....	25
Water Treatment Equipment.....	20
Storage & Transmission (16"+) Facilities.....	50
Distribution Facilities (includes Pump Stations).....	50
Office, Laboratory, Construction & Shop Tools & Equipment.....	10
Vehicles 1 ton or greater.....	10
All other vehicles.....	5
Sewer Mains.....	40
Sewer Pumps.....	4-10

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

							<u>FY 24</u>		
<u>Service Area</u>	<u>Description</u>	<u>Issue Date</u>	<u>Rate</u>	<u>Original Amount</u>	<u>Payment Due</u>	<u>Final Pmt</u>	<u>Interest Expense</u>	<u>Principal Paid</u>	<u>6/30/24 Outstanding Balance</u>
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 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.
5. 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.
6. 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.

7. 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.
8. 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.
9. 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.

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; and union dues..

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**

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

	Expansion Local Share			SRF RWF Expansion					Transfer	
	North	South	Central	NBWRA	Loan	SRF Loan	BPGL Loan Repayment	CIP	Total	Executed
FY07				\$29,725					\$29,725	
FY08				\$50,478	\$22,795				\$73,273	
FY09				\$150,455	\$22,795				\$173,250	
FY10	\$133,659			\$75,198	\$22,795				\$231,652	\$133,659
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
FY22						\$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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**MEMORANDUM**

To: Board of Directors

May 7, 2024

From: Tony Williams, General Manager 
Eric Miller, Assistant GM/Chief Engineer 

Subj: Marin County Civil Grand Jury Report: An Update on Responses to the 2022-2023 Reports

t:\gml\bod memos 2024\5-7-24 meeting\grand jury followup\5-7-24 bod memo mccgj followup dam report.docx

RECOMMENDED ACTION: Information Only**FINANCIAL IMPACT:** None at this time

On June 27, 2023, the Marin County Civil Grand Jury (Grand Jury) issued the report entitled: *Dam and Reservoir Safety Water May Save Us – Water May Drown Us, June 27 2023* (Dam Report). The Report included five Findings as well as six Recommendations directed to the North Marin Water District (District) as well as the Marin Municipal Water District. The District's responses to the Report were approved at the August 15, 2023 Board of Directors Meeting and subsequently sent to the Grand Jury on August 16, 2023.

Recently, the Grand Jury released a new report entitled: *What Have They Done? An Update on the Responses to the 2022-2023 Marin County Civil Grand Jury Reports, April 8, 2024* (Update Report). The Update Report reviews all the various Grand Jury reports released in 2023 and includes a summary of the 2023 Dam Report as well as the District's original responses and current status (updates). These responses and updates are provided on pages 21 through 24 of the Update Report. The Update Report concludes that the District "**has substantially implemented all of the prior Grand Jury recommendations**" from the 2023 Dam Report. A copy of the Update Report containing only the relevant 2023 Dam Report content, is provided as Attachment 1.

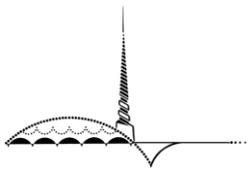
Operations and Engineering staff work diligently on the District's dam safety program, which includes a wide range of actions including vegetation management, inspections, monitoring, data collection and analysis, and surveys to ensure the risks associated with the dam are understood and mitigated. The District continues to receive satisfactory inspection reports from the state's Division of Safety of Dams (DSOD), including the most recent one which was based on a field inspection conducted on January 30, 2024 by a DSOD engineer. In addition, staff continues to provide public information and outreach regarding the dam and related activities, including the following past and recent actions:

- Dam Safety presentation to Novato Chamber Government Affairs Committee, November 14, 2023;
- Local Hazard Mitigation Plan news story, posted December 14, 2023;
- Dam Safety Presentation to Marin County Public Works Association, January 18, 2024;
- Center for Western Weather and Water Extremes (CW3E) membership news story, posted January 25, 2024; and
- Dam Safety Program news story, posted February 8, 2024

Several other updates worth mentioning include staff's attendance at a roundtable meeting of the CW3E Water Affiliates Group on April 25, 2024 and received updates on 2024 Water Year as well as latest research on seasonal and sub-seasonal forecasting. Staff will bring the Marin County Multi-jurisdictional Local Hazard Mitigation Plan, which includes a specific District section, to the Board for adoption once it is approved by FEMA. Staff also expects to return to your Board in early summer with an update on the Stafford Dam Adjustable Spillway Gate project and the results of the ongoing engineering analysis associated with that project.

ATTACHMENTS:

1. Update Report: What Have They Done? An Update on the Responses to the 2022-2023 Marin County Civil Grand Jury Reports, April 8, 2024 (excerpt only - portions related to the 2023 Dam Report)



**WHAT HAVE THEY DONE?
AN UPDATE ON THE RESPONSES TO THE 2022–2023 MARIN
COUNTY CIVIL GRAND JURY REPORTS
April 8, 2024**

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These sections are not included in this excerpt

SUMMARY

Each year, the Marin County Civil Grand Jury investigates local governmental operations, and then issues reports recommending areas for improvement. Publication of these reports often results in widespread media coverage. However, the public rarely learns whether the agencies actually implement the grand jury's recommendations.

This report summarizes what, if any, additional steps have been taken by certain agencies to implement or further analyze the 2022–2023 Grand Jury (prior Grand Jury) recommendations set forth in six of the eight prior Grand Jury reports.¹ Specifically, this report summarizes what the relevant agencies have done to implement the prior Grand Jury recommendations, or what the agencies stated would be implemented in the future. Additionally, this report will outline what efforts have been made to further analyze the prior Grand Jury recommendations. Finally, this report will consider whether circumstances have changed regarding those recommendations that the agencies stated were not warranted or were unreasonable.

The 2023-2024 Grand Jury (current Grand Jury) makes the following conclusions regarding the responses to the prior Grand Jury reports:

1. Justice Delayed Is Justice Denied - Marin District Attorney's Office in Crisis

- a. The Marin County Board of Supervisors (Board of Supervisors) and the County Executive's Office, formerly known as the County Administrator's Office, partially implemented Recommendation no. 1. The funds for a comprehensive analysis of the District Attorney's Office have been approved, but the analysis has not commenced, yet. Marin County (the County) either partially or substantially implemented Recommendation nos. 2-6.
- b. The District Attorney's Office substantially implemented Recommendation nos. 2-5, and partially implemented Recommendation no. 6. The District Attorney hired one paralegal and would like to hire more paralegals if the positions are budgeted. The District Attorney's Office has not yet implemented Recommendation no. 7. The District Attorney's Office has not provided a quarterly report regarding the backlog of cases.

2. The Coming Wave of Older Adults - Is Marin Prepared?

- a. The County will not implement Recommendation no. 1, elevating the Office of Aging and Adult Services to a division-level department, because the County contends that it is cost prohibitive to elevate the office to a division-level department within the Health and Human Services Department. However, the County has either partially or substantially implemented Recommendation nos. 2-7.
- b. The Commission on Aging contends that the County has not, but should implement Recommendation no. 1. The Commission on Aging disagrees with the County that

¹ Most of the recommendations made by the prior Grand Jury in their report, *Electrical Resiliency - It's Time to Do More*, were not requested to be implemented, yet. That report was not investigated by the current Grand Jury for this report. With respect to the prior Grand Jury report, *Build More ADUs - An Rx to Increase Marin's Housing Supply*, the current Grand Jury determined that of the 57 different governmental agencies that responded to the recommendations, all of those agencies that could implement the recommendations have done so. As a result, that report was not investigated by the current Grand Jury for this report.

Recommendation nos. 2 and 3 have been implemented. The Commission on Aging agrees that the County has either partially or substantially implemented Recommendation nos. 4-7.

3. Novato’s Chronic Fiscal Deficits: A Call to Action

- a. The City of Novato (the City) has not implemented Recommendation no. 2, creating and funding a new position of independent auditor. The City claims it already faces significant fiscal challenges and implementation of this recommendation would add new ongoing expenses to the City's already strained operating budget. The City has not implemented Recommendation no. 3, having the Finance Advisory Commission issue quarterly reports. The City contends that the Finance Advisory Commission is responsible for reviewing financial information; it does not issue quarterly financial reports on the City’s financial condition. The City has either partially or substantially implemented recommendation nos. 1 and 4-7.

4. Marin’s Behavioral Health Services: All Calls for Help Need to Be Answered

- a. The County has either partially or substantially implemented all of the prior Grand Jury recommendations.

5. SMART at a Crossroads: Here Today, Gone Tomorrow?

- a. SMART has substantially implemented all of the prior Grand Jury recommendations.

6. Dam and Reservoir Safety - Water May Save Us - Water May Drown Us

- a. Marin Municipal Water District has substantially implemented all of the prior Grand Jury recommendations.
- b. North Marin Water District has substantially implemented all of the prior Grand Jury recommendations.

BACKGROUND

The California Constitution requires that each year every county impanel a civil grand jury charged with monitoring and inspecting the operations of local government and making recommendations for improvement, if appropriate. Each grand jury is required to publish at least one report on the outcome of investigations conducted during its term. California Penal Code §933 requires public agencies and elected officials to respond to the grand jury’s findings and recommendations.²

A grand jury in California is typically limited to a one-year term. Following issuance of a report a grand jury usually concludes its term, and therefore cannot ensure that elected officials and agencies comply with their legal obligations. Consequently, responsibility for monitoring the responses and addressing any deficiencies falls to the succeeding grand jury.

The prior Grand Jury published eight reports requiring governmental agencies and elected official responses to all of the findings and recommendations. As defined by the Penal Code, responses were due within 60 days of report publication for elected officials, and within 90 days

² California Penal Code §933 https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=PEN§ionNum=933, (accessed 3/4/24).

of publication for public agencies. Each finding required a response of Agree, Partially Disagree, or Wholly Disagree, with an explanation of any disagreement. Each recommendation required a response of Implemented, Will Be Implemented, Requires Further Analysis, or Will Not Be Implemented, with associated timelines and explanations.

The current Grand Jury reviewed the prior Grand Jury reports and the subsequent responses provided by the agencies and elected officials. The current Grand Jury reported its findings regarding those responses on December 15, 2023. Subsequently, the current Grand Jury conducted further investigations to determine what, if anything, the agencies have done in the interim regarding the prior Grand Jury recommendations. This report presents the results of those follow-up investigations. Each of the prior Grand Jury reports and the agency responses can be accessed at the Marin County Civil Grand Jury website.³

OBJECTIVES AND APPROACH

The objectives of this report are to:

- Update County residents on actual progress with issues of public concern and governmental effectiveness that the prior Grand Jury investigated.
- Highlight developments achieved by local governments in the areas that the prior Grand Jury investigated.
- Facilitate seamless continuity through annual grand jury transitions, and thereby reinforce the accountability of local public agencies that the prior Grand Jury investigated.

In preparation of this report, the current Grand Jury conducted confidential interviews with agency heads, county managers, city managers, and community leaders knowledgeable about the issues presented in the prior Grand Jury reports. The current Grand Jury also reviewed agency records; financial reports; department budgets; both public and non-public records; agency and commission agendas, minutes, and accompanying documentation; as well as scientific, and journalistic information. The current Grand Jury also requested documentation from some interviewees that was relevant to the decision makers or otherwise guided their actions. Finally, the current Grand Jury's research included follow-up correspondence with some of the interviewees.

This report includes excerpts from the prior Grand Jury reports and information from the individual agency responses to six of the eight reports for which responses were required. The excerpts from the prior Grand Jury reports, including the prior Grand Jury summaries (with some clarifications), the prior Grand Jury recommendations, and the agency responses to those recommendations are italicized in this report. This review includes information available as of March 20, 2024.

This report was issued by the current Grand Jury with the exception of one juror who had a potential conflict of interest. This grand juror was recused from all parts of the investigation, including interviews and deliberations, and the writing and approval of this report.

³ <https://www.marincounty.org/depts/gj/reports-and-responses>, (accessed 3/4/24).

6. Dam and Reservoir Safety - Water May Save Us - Water May Drown Us (June 27, 2023)

The Prior Grand Jury's Summary

Atmospheric rivers are long regions in the atmosphere that carry vast amounts of water vapor that eventually fall in the form of very large rainstorms. Such pronounced weather events may replenish dwindling water levels in dams and reservoirs (collectively referred to as “dams”). In light of protracted droughts, this water may save us, however scientists worry that future deluges may bring these structures to the brink of failure and potentially major downstream floods. Thus, this water may drown us.

Scientists warn us that climate change is already causing increases in size and frequency of atmospheric rivers, which may contribute to dam and reservoir failures. From October 1, 2022, through March 31, 2023, there were over 30 atmospheric rivers across the West Coast. This number exceeded the average for this period, which is nine. Marin Municipal Water District (MMWD, now known as Marin Water) and North Marin Water District (NMWD) are the owners of the only eight dams in Marin requiring regulation by the California Division of Safety of Dams (DOSD). This report focused on the fact that the latest science on changing climate atmospheric weather events is not incorporated in these two districts' dam hazard mitigation plans.

The average age of dams in the U.S. is 50 years, yet the average age of dams in Marin County is 87 years, or 37 years older than the national average. In the event of dam failure, risks to life, property, and the economy increase because populations downstream have grown significantly since dams were built. The prior Grand Jury concluded that regulatory agency requirements for dam safety do not incorporate the latest scientific information on climate change. These agencies do not require specific approaches or methodologies to define dam safety assessment and risk mitigation plans to be employed by dam owners. Further, these agencies require that the dam owners be solely responsible for their dams' safety. Therefore, the prior Grand Jury recommended that the two Marin water districts strategic plans should include new, state-of-the-art hazard mitigation strategies. Additionally, access to dam failure inundation maps (maps showing areas likely to flood), and Federal Emergency Management Agency (FEMA) information regarding flood insurance (the only flood insurance available in the United States) must be easily accessible by the public.

Prior Grand Jury Recommendations, Agency Responses and Current Grand Jury Update

RI. *By March 15, 2024, MMWD and NMWD should establish a Climate Change and atmospheric rivers working group to consider, and begin to develop, new hazard mitigation actions. These should be based on the current scientific projections regarding atmospheric rivers and other extreme precipitation events.*

- **MMWD Response:** *MMWD responded that this recommendation needs further analysis. The benefit of forming such a working group as compared to participation in existing groups engaged in the same issues is unclear. MMWD expects to evaluate this recommendation within the next six months.*
- **NMWD Response:** *NMWD responded that this recommendation will be implemented.*

MMWD UPDATE: MMWD analyzed this issue further, but decided that it would be more appropriate and efficient to join an existing group than to create their own group with just NMWD. As a result, MMWD joined the Center for Western Weather and Water Extremes (CW3E), along with the County and NMWD. CW3E is part of UC San Diego Scripps Institution of Oceanography. CW3E is an elite research group working on atmospheric rivers and climate change.

NMWD Update: In conjunction with MMWD, NMWD also joined the Center for Western Weather and Water Extremes (CW3E). NMWD is also part of the Water Affiliates Group (WAG). This group specifically researches short-term forecasting of atmospheric rivers. In addition, this group has knowledge that relates to management of reservoirs. NMWD has also had a long-standing relationship with the County Flood District, going back to 1985, when Stafford Dam was modified (the dam was raised). Stafford Dam’s spillway also has a flood control design. In addition, NMWD is a member of the Association of State Dam Safety Officials (ASDSO). ASDSO is a national group which is open to dam owners and dam engineering consultants. NMWD also subscribes to Stanford Woods Institute for Environment Research Group, a group that sponsors conferences and webinars about climate change. In addition, NMWD has several FEMA documents that NMWD refers to for safety program information.

R2. *By December 31, 2023, the two water districts should begin work to expand their respective hazard mitigation plans, which should include a new section dedicated to climate change, and a discussion of atmospheric rivers and their accelerating potential threats to dam and reservoir safety.*

- **MMWD Response:** *MMWD responded that this recommendation will be implemented.*
- **NMWD Response:** *NMWD responded that this recommendation will be implemented.*

MMWD Update: MMWD has a hazard mitigation plan that covers hazards, including dam failure, drought, earthquakes, severe weather, wildfires, climate change, and major flooding. MMWD is currently updating its hazard mitigation plan. The updated plan will include the latest information on atmospheric rivers and their potential threat to dam safety. The current Grand Jury received a copy of the MMWD 2022 Hazard Mitigation Plan (HMP). This plan does not include a section dedicated to atmospheric rivers. The 2022 HMP includes the following statement about dam safety related to climate change:

Dams are constructed with safety features known as “spillways.” Spillways are put in place on dams as a safety measure in the event of the reservoir filling too quickly. Spillway overflow events, often referred to as “design failures,” result in increased discharges downstream and increased flooding potential. Although climate change will not increase the probability of catastrophic dam failure, it may increase the probability of design failures.⁴

MMWD is also developing plans for a spillway study for each of its dams. A request for proposal was developed and staff is going to select a contractor to perform this study within the next two years. In addition, the Department of Water Resources Division of Safety of

⁴ *Marin Municipal Water District Hazard Mitigation Plan*, March 2022, page 15-11, https://www.marinwater.org/sites/default/files/2022-04/2022-03-23_MMWD_Hazard_Mitigation_Plan_Final.pdf, (accessed 3/4/24).

Dams inspects all of MMWD’s dams each year. Each of the MMWD dams was “judged safe for continued use” as of the latest inspections in 2023.⁵

NMWD Update: NMWD has been in partnership with the County's Multi-jurisdictional Hazard Mitigation Plan since 2017. This plan is in the process of being updated for 2024. NMWD’s appendix to that global plan has been totally revamped. NMWD has been working on this plan since 2022, and is currently waiting for its approval from FEMA, through Cal OES, (a state agency that works with FEMA). Once the plan has been approved, NMWD’s chief engineer will take it to the NMWD board, hopefully in March or April 2024. If it is fully adopted, there will be an NMWD chapter in that document.

R3. *By January 1, 2026, the water districts (at the time of their next dam inspections, and when their hazard mitigation plans are revised) should provide the public with new information about the updated plans. This information needs to ensure that they effectively consider flood risks in light of the new science, thus ensuring that the public is aware of this.*

- **MMWD Response:** *MMWD responded that this recommendation will be implemented.*
- **NMWD Response:** *NMWD responded that this recommendation will be implemented.*

MMWD Update: The district will present the new HMP to the board in a public meeting. If additional monitoring equipment is installed in the future to measure the effects of atmospheric river events, these data summaries will be sent to the DSOD. MMWD contends that atmospheric rivers, by definition, are not a threat to dams, but they could be a threat to the spillways. To assess this threat to MMWD’s spillways, the district is planning the spillway study, mentioned above with respect to R2.

NMWD Update: Shortly after the prior Grand Jury report was published, NMWD revamped its website to include a dedicated page specific to Stafford Lake and Dam.⁶ This webpage includes a Stafford Dam facts sheet with history, physical characteristics, and the engineering that NMWD has been performing. On the webpage, there is a link to the National Flood Insurance Program and QR codes to get more information. The webpage also includes a copy of the flood inundation map to see what would happen if the dam were to fail. The website is modeled after the US Army Corps of Engineers and NMWD is keeping it up to date.

R4. *By September 30, 2023, both water districts should update their websites to include links to the inundation and FEMA maps. They should also provide links to the National Flood Insurance Program.*

- **MMWD Response:** *MMWD responded that this recommendation has been implemented.*
- **NMWD Response:** *NMWD responded that this recommendation has been implemented.*

MMWD Update: MMWD provides links to inundation maps and to FEMA flood insurance rate maps on its Dam Safety program portal.⁷

NMWD Update: NMWD has always had inundation mapping on its website going back to

⁵ DSOD 2023 dam inspection reports

⁶ Stafford Lake and Dam - North Marin Water District (nmwd.com) <https://nmwd.com/your-water/stafford-dam/>, (accessed 3/4/24).

⁷ Dam Safety Program | Marin Water, <https://www.marinwater.org/damsafetyprogram>, (accessed 3/4/24).

2021, when the state approved that mapping.⁸ The FEMA flood map link was added to NMWD's website sometime around the date that NMWD's response to this report was due to the prior Grand Jury.⁹

R5. *By December 31, 2023, dam owners should provide the public with easily accessible information on flood risks, as FEMA and National Flood Insurance may not have entirely incorporated the most recent dam inundation maps.*

- **MMWD Response:** MMWD responded that this recommendation has been implemented.
- **NMWD Response:** NMWD responded that this recommendation will be implemented.

MMWD Update: MMWD provides links to inundation maps and FEMA flood insurance rate maps on its Dam Safety program portal. (See footnote 7.)

NMWD Update: NMWD has always had inundation mapping on its website going back to 2021, when the state approved that mapping. The FEMA flood map link was added to NMWD's website sometime around the date that NMWD's response to this report was due to the prior Grand Jury. (See footnote 6.)

R6. *By December 2023, both water districts should begin to explore collaborations with scientific institutions to learn from, expand their toolkit of mitigation strategies, and thus augment the safety of their dams in light of growing risks posed by atmospheric rivers.*

- **MMWD Response:** MMWD responded that this recommendation will be implemented.
- **NMWD Response:** NMWD responded that this recommendation will be implemented.

MMWD Update: As stated in the update to R1, above, MMWD joined the Center for Western Weather and Water Extremes (CW3E). In addition, MMWD is in the process of completing its dam spillway study, which will reveal the condition of the spillways. Finally, MMWD currently participates in webinars and email updates from the California-Nevada Drought Early Warning System.

NMWD Update: As stated in the update to R1, above, NMWD joined the Center for Western Weather and Water Extremes (CW3E). The safety and benefits of Stafford Dam are of primary importance to NMWD. Therefore, understanding the short-term and long-term impacts, as well as the benefits from atmospheric rivers, is the key reason for NMWD's partnership with CW3E. CW3E, in partnerships with the National Weather Service, NOAA, Army Corps of Engineers, and others, is the top research institute regarding atmospheric rivers.

⁸ This webpage can be accessed via NMWD's Stafford Lake and Dam webpage - See Footnote 6.

⁹ This webpage can be accessed via NMWD's Stafford Lake and Dam webpage - See Footnote 6.

FINDINGS

- F1.** Regarding the prior Grand Jury’s report entitled *Justice Delayed Is Justice Denied — Marin District Attorney’s Office in Crisis*, the current Grand Jury finds that the District Attorney’s Office has not implemented Recommendation No. 7, although the District Attorney’s Office originally responded that this recommendation would be implemented. Quarterly reports to the Board of Supervisors on the current caseloads are not being submitted and the public is therefore unable to assess whether progress is being made toward clearing the backlog of cases.
- F2.** Regarding the prior Grand Jury’s report entitled *The Coming Wave of Older Adults — Is Marin Prepared?*, the current Grand Jury finds that the County and the Commission on Aging are in stark disagreement about implementation of all of the prior Grand Jury recommendations, including the future status of Aging and Adult Services.

RECOMMENDATIONS

- R1.** By September 30, 2024, The District Attorney’s Office should start providing the requested quarterly update and statistical report regarding its progress in reducing the backlog of criminal cases to the Board of Supervisors and the County Executive’s Office.
- R2.** By September 30, 2024, the Health and Human Services Department should commence open, public discussions with the Commission on Aging regarding the future status of the Office of Adult and Aging Services and the funding of adult programs, including the cost analysis and rationale for not elevating the Office of Adult and Aging Services to a division-level department within the Health and Human Services Department.

REQUIRED RESPONSES

Pursuant to Penal Code section 933.05, the current Grand Jury requires responses from the following governing bodies:

From the following elected county official within 60 days:

- Marin County District Attorney (F1, R1)

From the following governing body within 90 days:

- Marin County Board of Supervisors (F1-F2, R1-R2)

The governing bodies indicated above should be aware that the comment or response of the governing body must be conducted in accordance with Penal Code section 933 (c) and subject to the notice, agenda and open meeting requirements of the Brown Act.

INVITED RESPONSES

Pursuant to Penal code section 933.05, the current Grand Jury invites responses to its Findings and Recommendations as follows:

- Director of Health and Human Services (F2, R2)
- Marin County Commission on Aging (F2, R2)

Note: At the time this report was prepared information was available at the websites listed.

Reports issued by the Civil Grand Jury do not identify individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Civil Grand Jury. The California State Legislature has stated that it intends the provisions of Penal Code Section 929 prohibiting disclosure of witness identities to encourage full candor in testimony in Grand Jury investigations by protecting the privacy and confidentiality of those who participate in any Civil Grand Jury investigation.

14

DRAFT* MINUTES OF WATER ADVISORY COMMITTEE
AND TECHNICAL ADVISORY COMMITTEE
Utilities Field Operations Training Center
35 Stony Point Road, Santa Rosa, CA
February 5, 2024

ITEM #14

Attendees:

Grant Davis, Sonoma County Water Agency (SCWA or Sonoma Water)
David Rabbitt, SCWA
Sam Salmon, Town of Windsor
Christina Goulart, Town of Windsor
Laura Sparks, City of Cotati
Mike Healy, City of Petaluma
Dan Herrera, City of Petaluma
Natalie Rogers, City of Santa Rosa
Jennifer Burke, City of Santa Rosa
Mike Berger, City of Sonoma
Emily Sanborn, City of Rohnert Park
Vanessa Garrett, City of Rohnert Park
Tony Williams, North Marin Water District
Jack Baker, North Marin Water District
Matt Fullner, Valley of The Moon Water District
Jon Foreman, Valley of the Moon Water District
Paul Sellier, Marin Municipal Water District
Ranjiv Khush, Marin Municipal Water District
Michelle Montoya, City of Santa Rosa

Staff/Alternates:

Lynne Rosselli, SCWA
Paul Piazza, SCWA
Pam Jeane, SCWA
Andrea Rodriguez, SCWA
Robert Rogers, SCWA
Kent Gylfe, SCWA
Brad Sherwood, SCWA
Jake Spaulding, SCWA
Don Seymour, SCWA
Peter Martin, City of Santa Rosa
Claire Nordlie, City of Santa Rosa

Public:

Brenda Adelman, Russian River Watershed Protection
Duane DeWitt

1. Check In
Mike Healy, WAC Chair, called the meeting to order at 9:06 a.m.
2. Public Comment
Duane Dewitt spoke regarding flooding currently taking place on Roseland Creek and placing storm water retention bases along urban creeks.
3. Recap from the November 6, 2023 WAC/TAC Meeting and Approval of Minutes
Moved by Natalie Rogers, City of Santa Rosa, seconded by Jack Baker, North Marin Water District. Unanimously approved, with City of Sonoma being absent.
No public comment.
4. Recap from the January 8, 2024 TAC Meeting and Approval of Minutes (TAC)

Moved by Matt Fullner, Valley of the Moon Water District, seconded by Christina Goulart, Town of Windsor. Unanimously approved, with City of Cotati absent.

No public comment.

5. Water Supply Coordination Council – January 29, 2024

The Water Supply Coordination Council met on January 29 and finalized today's agenda.

No public comment.

6. Water Supply Conditions and Temporary Urgency Change Order

Don Seymour, SCWA, presented.

Lake Mendocino is currently at 88,000 acre-ft, which is about 8,000 acre-ft above the deviation pool. Lake Sonoma is currently at 288,000 acre-ft. The Army Corps. Will be conducting releases to get both reduced to the top of deviation pool.

Brenda Adelman spoke regarding the Russian River being at almost flood stage and shared concerns about flooding and the collection system at the treatment plant if flooding were to occur. Don Seymour said that the Army Corps. will not be adding water on top of what is already in the river and will be waiting for water levels in the river to come down before starting releases.

The Temporary Urgency Change Order was issued in December and put into place January 1. On January 1, the classification was a dry water supply condition, however, as of February 1, it has changed to normal water supply conditions. In April it will be determined if another temporary urgency change petition is needed.

Jennifer Burke, Santa Rosa Water, asked if we are not in drought condition would SCWA need to file a Temporary Urgency Change Petition for the Biological Opinion. Don Seymour, SCWA, said most likely it will be for the Biological Opinion, but things are a little uncertain regarding what type of storage will be in Lake Mendocino and what our water supply conditions will be at that time. PG&E will soon be filing a variance to reduce flows similar to last year's filing, which will have greater impact than last year. Last year, PG&E's flow variance was not in effect until late September.

7. Regional Water Supply Resiliency Study Update

Don Seymour, SCWA, and Armin Munevar, Jacobs Engineering, presented.

The goal of this study is to look at the various risks our water supply system may face. The primary tasks include: preparing scenarios, metrics, and Decision Support Model (DSM) development; evaluating baseline level of resilience; developing and evaluating adaptation strategies to improve resilience; and report preparation, stakeholder engagement, and project management.

Jacobs accelerated the drought resiliency analysis in 2022. The risks being evaluated in 2024 will be seismic scenarios, wildfires, flooding, power loss, and the uncertainty of the Potter Valley Project. Completion of risk scenarios is scheduled for April, with the cascading risk scenarios analysis anticipated to be done in June and anticipate that recommended strategies will be completed in summer and a finalized study completed at the end of 2024.

Brenda Adelman asked if vacancy rates, and new building construction is taken into account for the general amount of water that is needed and if the risk analysis includes downstream outside of the urban districts.

Armin Munevar, Jacobs Engineering, answered that projected population and land use conditions is from the urban water management plan which will next be updated in 2025, but for now working with information from the 2020 urban water management plans. Those outside of the retail customer system are currently not being looked at as part of this study. Duane Dewitt asked if Jacobs is reaching out to people who live on the creek to get information.

Armin Munevar, Jacobs Engineering, answered that they do include historical flooding information as well as projected climate change flooding in their analysis and welcomes any additional information that they may have.

8. Sonoma Marin Saving Water Partnership (TAC)

a. 2023 Water Production Relative to 2013 Benchmark

Jennifer Burke presented.

December 2023 water usage compared to December 2013 is down by 31% total for the partnership. Water usage to date 2023 compared to 2013 is down 27% total for partnership.

b. Water Use Efficiency Outreach Messaging

Andrea Rodriguez, SCWA, presented.

March 18 -24 is "Fix-A-Leak Week". This Winter look out for the irrigation scheduling tool, plant picker, and the dye tab challenge.

Jennifer Burke, Santa Rosa Water, announced that Santa Rosa will be kicking off fix a leak week at the annual St. Patrick's Day 5k run.

c. Update on Making Water Conservation a California Way of Life Rulemaking

Paul Piazza, SCWA, presented.

Reminder that October 4 the State Water Resources Control Board (State Board) held a public workshop that lasted 12 hours with significant public comment. As of now, the State Board is reviewing all the public comments received. In early January, the Office of Administrative Law released a report that was in alignment with the public comments that were received. One of the issues cited is that the regulation regarding the requirement for outdoor irrigation is overly complex and difficult to achieve, while having additional significant costs which could lead to higher rate increases. They also said the timeline for these regulations are overly aggressive.

Jennifer Burke, Santa Rosa Water, said there was an Association of California Water Agencies (ACWA) meeting, and an update was provided. The State Water Board has been holding meetings with environmental interests and representative of water suppliers. Some agreements have been made to make changes to the Commercial, Industrial, Institutional (CII) performance measures, the reporting requirements, and for an alternative compliance pathway. There was no agreement on changes to the outdoor standard or water budget. A new version of the regulation will be released shortly, hopefully in February or March. Water purveyors should continue to provide comments on this rule making as it moves forward.

No public comment.

9. TAC Finance Subcommittee Update - FY2024-25 SCWA Water Transmission System Budget (TAC)

Christina Goulart, Town of Windsor, presented.

The subcommittee received the draft water transmission system budget on January 17, and met with Sonoma Water staff on January 22 to discuss the draft budget as presented.

Sonoma Water staff asked to have WAC approve using the 36-month average deliveries in calculating the wholesale water rate.

On January 29, the subcommittee met and recommended using 36-month average deliveries in lieu of the last 12-months of deliveries for the wholesale rate calculation..

Jennifer Burke confirmed with Christina Goulart, Town of Windsor, that the subcommittee's recommendation is to support using the 36-month average.

Lynne Rosselli, SCWA, presented.

Water rates are calculated based on the lower of 12 months of deliveries or 3-year average. Some risks to consider include: if water deliveries fall below 42,826 acre-ft, water rates could spike the following year, SCWA may need to use part of the Prudent Reserve, and this may impact SCWA's revenue bond obligations. SCWA is asking for a WAC vote to approve using the 36 month (or 3 year) average deliveries instead of the prior 12-months of deliveries.

Moved by Matt Fullner, Valley of the Moon Water District, seconded by Tony Williams, North Marin Water District. Unanimously approved with City of Cotati absent.

Mike Healy, City of Petaluma, asked what the rate increase would be for the 12-month deliveries compared to the 36-month average deliveries option.

Lynne Rosselli, SCWA, answered that it would be roughly a 4% decrease in the rate increase to use the 36-month option.

Moved by Jon Foreman, Valley of the Moon, seconded by Natalie Rogers, City of Santa Rosa. Unanimously approved with City of Sonoma absent.

No public comment.

10. Biological Opinion Status Update

Pam Jeane, SCWA, presented.

Fish Flow Project – Work is continuing in preparation for the recirculation of the draft Environmental Impact Report or potentially a new Environmental Impact Report.

Dry Creek Habitat – Work on Phases 4 through 6 continue. The recent rain events have increased flows to moderate levels and are testing the recently constructed sites. Phase 6 is still working on right of way with property owners.

Habitat Maintenance and Monitoring – The 2023 effectiveness monitoring being used to evaluate newly and previously constructed reaches, to quantify the habitat areas meeting desired conditions, and to identify maintenance needs has finished. This will also help control invasive vegetation and removal of sedimentation.

Fish Monitoring – The cameras at Mirabel Dam were taken down in December. Crews are doing ground surveys and are out in the field looking to count fish redds (nests) looking for an index of abundance.

Russian River Estuary Management – Russian River Estuary is open. Laguna Management starts on May 15 and will end on October 15. The annual Pinniped Monitoring Volunteer Training hosted with Stewards of the Coast and Redwoods will be held on February 23, 2024, from 11 am to 1 pm. This is a virtual meeting, with several in field trainings sessions for new volunteers to follow. Visit <https://stewardscr.org/events/2024-pinniped-monitoring-volunteer-training-zoom/> for details.

Biological Opinion – Formal consultation with the National Marine Fisheries Service (NMFS), and California Department of Fish and Wildlife (CDFW) for the next Biological Opinion has begun.

No public comment.

11. Potter Valley Project Update

Director David Rabbitt, SCWA, presented.

The inaugural meeting of the Eel-Russian Project Authority (ERPA) was held on January 31. ERPA will select which design option to move forward with for the decommissioning project.

Pam Jeane, SCWA, said ERPA is shooting for mid-March for the next meeting. As of now, PG&E is still on schedule with their draft license surrender application. The Technical Advisory Group (TAG) is working on a single design option to move forward with. The Potter Valley investigation is still ongoing. Last week the Governor released a salmon strategy, and in that strategy the removal of Cape Horn and Scott Damns, as well as the construction of a new facility, was included.

Jennifer Burke, Santa Rosa Water, commented on the big lift that Sonoma Water has done and how they continue to listen to comments and concerns and provide great representation.

Brenda Adelman spoke about a study done when the Environmental Impact Report came out, one of the recommendations was to consider contribution of the tributaries. Asked for confirmation on whether or not the tributaries will be considered.

Pam Jeane, SCWA, confirmed that when they do the modeling work, tributaries are accounted for.

12. Russian River Water Forum Update

Grant Davis, SCWA, presented.

Recognized efforts of Congressman Huffman and Congressman Thompson. As part of the two basin solutions, \$2 million dollars was secured from the US Bureau of Reclamation. The next Russian River Water Forum planning group will take place sometime in March or April and due to limited funding, will likely be the final meeting.

No public comment.

13. Government Affairs Update

Brad Sherwood, SCWA, presented.

Sonoma Water Government Affairs program is working to defend state funding for programs. If your agency has DWR funding, contact your program administrator to ensure that the funding is intact and let them know that you will be seeking that funding. As an example, the lobby team is actively protecting the forecasted informed reservoirs operations (FIRO) program. The next Sacramento lobby day will be early to mid-March. On the federal side, coordinating with ACWA D.C. office on appropriations. Want to make sure agencies are organizing earmark requests and suggest using last year's form so that you are ready to submit your request as there will likely be only two to three weeks to submit requests. Sonoma Water is continuing to work with DWR and the Western States Water Coalition on the \$15 million ask for sub-seasonal to seasonal forecasting needs. Sonoma Water held a great tour of the transmission system with some of the water contractors staff a couple weeks back.

Jennifer Burke, Santa Rosa Water, asked if the Sacramento lobby day could be the third or fourth week in March since some of the water contractors will be in D.C.

Brenda Adelman shared that the worst system for spills is in Guerneville. The system had several issues needing repairs. It would take approximately \$47 billion dollars to fix the system. Shared concerns that once the river goes over 42 feet, there have been serious SSO during flooding periods.

14. Communications Update

Andrea Rodriguez, SCWA, presented.

For monthly updates including information on public tours of the sanitation system and water transmission system, you can sign up at sonomawater.org/e-news. Since tracking started at Lake Sonoma Visitor Center, there have been 7601 visitors. Steelhead Festival will be Saturday, February 10 from 10am to 4pm.

Brad Sherwood, SCWA, provided a handout on the Water and Energy Education Program and said he was available for questions.

No public comment.

15. Integrated Regional Water Management Plan(s) Update

Grant Davis, SCWA, presented.

The Watershed Resiliency Strategy is going to pick 5 to 6 pilots that would produce the regional water resiliency plans, with the Russian River being one of the designated areas. The hope is that there will be an opportunity for us to secure a path forward on one of the 5 to 6 pilots. There is concern that once other regions begin to join, they will be pushed out to a later time, due to the lack of funding capacity. The building of the platform for the C-band radar at Mount Barnabe, in Marin County, is underway. Once the radar is up and running, there will be more precise precipitation modeling and will improve our abilities to respond to upcoming events. Looking at the possibility of having one more radar in Santa Rosa with possible FEMA funding. North Coast Research Partnership met last month and looked at grant programs for small disadvantage communities.

No public comment.

16. Items for Next Agenda (next combined WAC/TAC meeting is April 1, 2024)

None.

17. Check Out
Chair Healy adjourned the meeting at 10:29 a.m.

15

DRAFT MINUTES OF TECHNICAL ADVISORY COMMITTEE
Utilities Field Operations Training Center
35 Stony Point Road, Santa Rosa, CA
March 4, 2024

ITEM #15

Attendees: Dan Herrera, City of Petaluma
Matt Fullner, Valley of The Moon Water District
Peter Martin, City of Santa Rosa
Tony Williams, North Marin Water District
Grant Davis, Sonoma County Water Agency (SCWA)
Craig Scott, City of Cotati
Mike Berger, City of Sonoma
Christina Goulart, Town of Windsor
Vanessa Garrett, City of Rohnert Park
Paul Sellier, Marin Municipal Water District
Michelle Montoya, City of Santa Rosa

Staff/Alternates: Don Seymour, SCWA
Brad Sherwood, SCWA
Pam Jeane, SCWA
Paul Piazza, SCWA
Jake Spaulding, SCWA
Andrea Rodriguez, SCWA
Lynne Rosselli, SCWA
Don Seymour, SCWA
Oriana Hart, City of Petaluma
Stacie Hatfield, City of Santa Rosa
Claire Nordlie, City of Santa Rosa

Public: Duane Dewitt
Brenda Adelman
Bob Anderson

1. Check In
Matt Fullner, Vice Chair, called the meeting to order at 9:03 a.m.
2. Public Comment
Duane Dewitt spoke regarding the growth and changes that have impacted the natural flow of Roseland Creek. Shared concerns that riparian corridors should remain natural without manual changes made.
3. Consider Recommendation – FY2024-25 Draft SCWA Water Transmission System Budget and Rates
Jake Spaulding, SCWA, presented.
The water transmission system has three main aqueducts which are the Santa Rosa, Petaluma, and Sonoma. The budget includes multiple water transmission system activities and funds including operations and maintenance, four subfunds, five capital funds, and debt service funds. Some of the challenges being faced are the fully volumetric rate, low water deliveries, aging infrastructure, maintenance needs, increased repairs, and natural hazard vulnerabilities.
Accomplishments that have been made on key mitigation projects to reduce risks was presented, including the Santa Rosa Plain well project, with the goal to have all the wells operational by the end of fiscal year 2024-25. On the operations and maintenance side, some of the high priority projects include the aqueduct cathodic protection, collector well, vault, pump, pipeline, valve rehabilitation/replacements, emergency inventory

procurement, Supervisory Control and Data Acquisition (SCADA) improvements, and the tank recoat and maintenance program. The Biological Opinion, Water Supply Planning and Water Conservation, as well as for the Dry Creek Habitat Enhancement project sub-funds all require ongoing funding.

The proposed budget for 2024/25 is \$74.43 million which is offset by \$18.13 in grants, use of fund balance, and bond proceeds. This is a \$6.14 million change from fiscal year 2023-24. Due to using a fully volumetric rate, budgeted deliveries have a significant impact on rate increases. Steps taken to reduce the budget and rate included deferred non-routine maintenance which equaled \$8.9 million dollars, budgeted using a 3-year annual average instead of the 12-month actual, and by the use of grants, bond proceeds, and fund balance which equaled \$18.13 million dollars which helped to reduce the rate increase from 14.57% to 9.88%.

Next steps are the Technical Advisory Vote today, then the Water Advisory Committee vote on April 8, presentations to water contractor Boards and Councils as requested, ending with adoption by Sonoma Water's Board on April 16.

Duane Dewitt shared that this information should be taken to the general public so that it is clear to rate payers that conservation causes higher rates. Also, shared that the Groundwater Banking Feasibility Study should be done sooner rather than later, since development is happening quickly.

Matt Fullner, TAC Vice Chair, confirmed that the public has access at the various Board and Council public meetings.

Christina Goulart, Town of Windsor, presented.

The TAC Ad Hoc met on February 28 to discuss the second draft of the budget. The Subcommittee members that were present, voted unanimously to recommend to the full TAC, that the TAC recommend to the WAC to approve the draft budget.

Moved by Peter Martin, Santa Rosa Water, seconded by, Dan Herrera, City of Petaluma. Unanimously approved.

4. Water Supply Conditions and Temporary Urgency Change Order

Don Seymour, SCWA, presented.

Lake Mendocino is up to 88,000 acre-ft, which is 2,000 acre-ft above the top of the deviation pool. Lake Sonoma is up to 270,000 acre-ft, which is 6,000 acre-ft above its deviation pool. Lake Mendocino's allowable storage pool begins increasing by 350 acre-ft per day in mid-March through May 10. Army Corps. will be looking for ways to strategically release water to get to top of the deviation pool. As of March 1, the current water supply condition is normal. Through the term of the Temporary Urgency Change Order, the water supply conditions will be assessed on the first and the sixteenth of every month. It is anticipated the water supply condition will remain normal through April 16.

Regarding Potter Valley, PG&E filed a variance which will have a significant impact on the transfer of Eel River water into the Russian River watershed. Based on this variance, 80 cubic feet per second (cfs) will go down to 25 cfs on July 1, with the possibility to reduce down to an absolute minimum of 5 cfs based on temperature modeling and consultation with resource agencies. Sonoma Water will be determining what type of temporary urgency change petitions they will be filing in April.

No public comment.

5. Sonoma Marin Saving Water Partnership

a. 2024 Water Production Relative to 2013 Benchmark

Matt Fullner, Valley of the Moon Water District, presented.

January water usage is showing a 17% savings, with the year to date also showing 17% savings. Gallons per capita per day still doing extremely well.

b. Water Use Efficiency Outreach Messaging

Andrea Rodriguez, SCWA, presented.

Still in winter messaging. Fix-a-leak week is March 18 -24. Again, partnering with Santa Rosa for the dye tab challenge which runs through March 31.

No public comment.

6. Biological Opinion Status Update

Pam Jeane, SCWA, presented.

Fish Flow Project – No change.

Dry Creek Habitat Enhancement Project – Phase IV -VI currently being worked on. In the process of construction of Phase IV and V. Phase IV includes reaches 10 and 13. Phase V includes reaches 4c and 2a. Eight of the nine sites on reach 10 are completed. One reach did have to be redesigned due to the recent high flows and that begins in June. For Phase V, the contractor had most of the features done but had to stop and winterize everything due to the rainy season. Phase VI still working with property owners to obtain appraisals and make offers for the rights-of-way.

Habitat Monitoring and Maintenance – Completed 2023 effectiveness monitoring in December to evaluate newly and previously constructed reaches, to quantify the habitat areas meeting desired conditions, and to identify maintenance needs in 2024.

Public Outreach – No public meetings as of yet, though one should be scheduled shortly.

Fish Monitoring – Mirabel Dam was taken down in December. Teams have been out in the field trying to monitor spawning, which has provided some challenges with the rain.

Russian River Estuary Management Project – Mouth of Russian River Estuary is open. Lagoon Management season will begin mid-May to October. The annual Pinniped Monitoring Volunteer Training was held in February.

Biological Assessment for New Biological Opinion – No change. The assessment is done and has been accepted by National Marine Fisheries Service (NMFS). Sonoma Water is in consultation with NMFS on the Biological Opinion.

Brenda Adelman asked about fish counts, as they did not seem too voluminous and asked if they are looking at creeks for the Biological Assessment. Also, asked about why there is Chinook in Green Valley.

Pam Jeane, SCWA, said that is correct. The counts at Mirabel Dam were not great this year but were better than during the drought. Confirmed that it is about the main stem Russian River for the Biological Opinion. Was unsure about why the Chinook were present in Green Valley and said that a fish person would have better information on why that is.

7. Potter Valley Project Update

Pam Jeane, SCWA, presented.

The second meeting of the Eel Russian Project Authority will be held on March 19 in Ukiah. The main topic will be looking at moving forward on one of the two options that are being studied under the Department of Water Resources grant. The Technical Advisory Group (TAG) are working to make a recommendation on one of the two design options. That recommendation will move to the principal group that represents Sonoma Water, tribes, and other resource agencies, and hopefully provide a recommendation. Hoping to have consensus on this by middle of next week. The Russian River Water Forum will probably meet one more time in either April or May. There is no update on the water supply investigation happening in Potter Valley at this time, but the work is still ongoing.

No public comment.

8. SCWA Government Affairs Update

Brad Sherwood, SCWA, presented.

There is bad budget news from the State, with a projected deficit going from \$53 to \$73 billion dollars. However, the good news is that the Forecast Informed Reservoir Operations (FIRO) budget is intact, securing a majority of the funding. Climate bond is, with the Governor appointing Assemblymember Garcia to lead the working group with key stakeholders. Sonoma Water is in support of the Association of California Water Agencies (ACWA) bond initiative. The ACWA Region 1 Board is very engaged and is putting

together a Region 1 state legislation subcommittee. Brad Sherwood, SCWA, along with Santa Rosa Water, and Elizabeth Salomone, who is the new ACWA Chair, is on committee.

On the Federal side, during the ACWA D.C. conference they were able to meet new head lobbyist for ACWA, Ian. He knows a lot about water issues and is fully supportive of what this region is doing. He is also interested in helping on Army Corps. issues, including fire management and vegetation management. Right now, the Army Corps. only receives \$120,000 per reservoir in our region for vegetation management. Sonoma Water contributes three times that to support vegetation management at the two reservoirs. Seeking help from the Congressional delegation to increase funding to a million and a half dollars for each reservoir. Senator Padilla has reintroduced, and is working on, an atmospheric river reconnaissance bill at the request of FIRO coalition. This would provide for west coast based planes for atmospheric rivers, however, funding is needed through the Air Force to help support that effort.

No public comment.

9. SCWA Communications Update

Andrea Rodriguez, SCWA, presented.

Sonoma Water's 2023 annual report came out last month and is available online at SonomaWater.org/annual-report. The flood hotline was activated 14 times, in both English and Spanish, throughout February. The flood hotline information is also put out on NextDoor, with one post having over 11,000 impressions. Articles in the Press Democrat included information on the restoration of the Laguna de Santa Rosa and on the Steelhead Festival. Hatchery tours for schools at Lake Sonoma. This is in partnership with Army Corps. Of Engineers to bring students up to learn about steelhead.

No public comment.

10. Items for Special WAC/TAC meeting on April 8, 2024

None.

No public comment.

11. Check Out

Matt Fullner, TAC Vice Chair, adjourned the meeting at 9:56 a.m.

16

DISBURSEMENTS - DATED APRIL 18, 2024

Date Prepared 4/15/24

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	Rate Study Workshop Mar. 13-Use of Suite 150	\$281.25
2	Alameda Electrical Distributors	Wire for Ammo Hill (1,000')	1,312.94
3	Alpha Analytical Labs	Lab Testing (W.M.- \$1,960 & Novato)	2,311.00
4		Retiree Exp Reimb (April Health Ins)	1,417.18
5	Athens Administrators	March Indemnity Review Fee	105.00
6		Retiree Exp Reimb (April Health Ins)	548.98
7		Retiree Exp Reimb (April Health Ins)	548.98
8	Comcast	April Internet Services (1250 Lynwood Dr)	212.81
9	Core & Main	Checker Plate, 8' Steel Flanges (2) & 3" X 24" Steel Nipples (6) (\$1,725)	2,197.14
10	Deleon, Albertina	Refund Over Payment on Open Account	1,324.82
11	Diesel Direct West	Gasoline (729 gal)	3,831.50
12	Fredric C. Divine Assoc Architects, Inc	Prog Pymt#2: Architectural Design & Drawings for Construction Locker Room (Balance Remaining on Contract \$2,059)	3,635.50
13	ENR	Subscription Renewal (Williams) (6/24-6/25) (Budget \$110)	99.99
14	Enterprise FM Trust	Monthly Leases for Nissan Rogue (2), Nissan Frontier (2), F-150's (7), F-250's (4), Ford Rangers (6), Chevy Bolts (2), Chevy Colorado & Nissan Leaf	14,392.40
15	Ferro, Joanne	Refund Overpayment on Closed Account	79.30
16	Freyer & Laureta, Inc.	Prog Pymt#26: Engineering & Design Services for Hydropneumatic Pressure Stations (Balance Remaining on Contract \$383)	3,138.00
17	Friedman's Home Improvement	Miscellaneous Maintenance Tools & Supplies	964.68

Seq	Payable To	For	Amount
18	Arthur J. Gallagher Risk Management Services LLC	Insurance Premiums - Property, General & Excess Liability, Public Official Error & Omissions, Employee Fidelity & Auto (4/1/24-3/31/25)	280,425.00
19	Genterra Consultants	Prog Pymt#2: Consulting Services for Stafford Dam Stabilization Evaluation (Balance Remaining on Contract \$58,760)	775.00
20	Grainger	Miscellaneous Maintenance Tools & Plumbing Supplies to Replace Sample Lines (\$874) (STP)	1,450.86
21	Harrington Industrial Plastics	Plumbing Supplies (PRTP & STP)	50.18
22	HERC Rentals Inc.	Equipment Rental to Remove Bowl of Centrifuge for Service	856.13
23	InfoSend, Inc.	March Processing Fee for Water Bills (\$1,327), Postage (\$4,335) & Monthly Support Fee (\$957)	6,619.09
24	Jarvis, Donald	Novato "Toilet Rebate" Program	100.00
25		Retiree Exp Reimb (April Health Ins)	548.98
26		Retiree Exp Reimb (April Health Ins)	548.98
27		Retiree Exp Reimb (April Health Ins)	1,417.18
28		Retiree Exp Reimb (April Health Ins)	548.98
29	Marin Independent Journal	Rate Study & Budget Schedule Ad on 3/31/24	250.00
30	Marin County Ford	Step Assemblies (2) ('24 F250), Service Parts ('19 F550, '21 Ford Ranger, '14 F150, '23 Ford Ranger) & Radiator Assembly ('17 F350)	2,253.94
31	Marino, Frank	Refund of Deposit/New Development/WC Restriction-Novato	1,000.00
32	Fast Care, Inc	Quantitative Fit Tests (7) (STP)	1,400.00
33	Nerviani's Backflow	Backflow Testing (43)	2,795.00
34	Noll & Tam Architects	Prog Pymt#34: Architectural & Engineering Services for Admin Headquarters Upgrade (Balance Remaining on Contract \$193,624)	19,570.00
35	North Marin Auto Parts	Automotive Supplies & Service Parts ('20 F150, '18 Dodge Ram, '16 Nissan Frontier, '20 F150)	852.53

Seq	Payable To	For	Amount
36	ODP Business Solutions, LLC	Miscellaneous Office Supplies	182.29
37	Pace Supply	PVC Pipe (160') & Nipples (3)	310.49
38	Quadient, Inc.	May Postal Meter Rental	143.09
39	Red Wing Business Advantage	Safety Boots (Arriaga & Garrett)	481.75
40	RH & Sons Water Services	Backflow Testing (107)	6,955.00
41	RoadSafe Traffic Systems, Inc.	Fire Service Tags (100) ("Property of NMWD- Do Not Operate")	680.50
42		Retiree Exp Reimb (April Health Ins)	548.98
43	State Water Resources Control	T4 Renewal Application for Wastewater Treatment Plant Operator Certificate (Garrett)	110.00
44	Univar	Sodium Hypochlorite (432 gal) (STP)	1,576.80
45	US Bank	March Safekeeping Treasury Securities	143.25
46	Volvo Construction Equipment	Air Filter (Compressor)	120.12
47	Vulcan Materials Company	Pea & Sand (15 yds)	1,023.27
48	VWR International LLC	Glass Beakers (3)	45.19
49	Waste Management	Waste Disposal	105.49
50	Williams, Anthony	Exp Reimb: Mileage & Parking for AWWA Conference in Sacramento on 4/10/24	116.64
		TOTAL DISBURSEMENTS	<u>\$370,406.18</u>

The foregoing payroll and accounts payable vouchers totaling \$370,406.18 are hereby approved and authorized for payment.


04/16/24

 Auditor-Controller Date


4/16/24

 General Manager Date

DISBURSEMENTS - DATED APRIL 25, 2024

Date Prepared 4/22/24

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

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 4/15/24	\$186,013.70
90698*	Internal Revenue Service	Federal & FICA Taxes PPE 4/15/24	82,899.52
90699*	State of California	State Taxes & SDI PPE 4/15/24	18,729.03
90700*	CalPERS	Pension Contribution PPE 4/15/24	52,621.13
EFT*	US Bank	March Bank Analysis Charge (Lockbox \$912 & Other \$415 Less Interest \$162)	1,165.16
90697*	US Bank Card	AT&T-Internet (PRTP & Gallagher Well #2), Blue Marking Chalk (72), Epoxy for Steel Pipes, Zoom for Board Meetings, Electric Vehicle Charging Fee, Microsoft-Monthly Subscriptions, Mounting Kit, North Bay Water Assoc Conference (2), 941 & DE-9 Forms	1,656.37
1	100 Wood Hollow Drive Owner	May 2024 Rent for 100 Wood Hollow	37,554.85
2	ADTS, Inc.	Annual Random Compliance (2 Employees)	60.00
3	Alameda Electrical Distributors	Wire for Ammo Hill (1,000') (\$1,313), Conduits (100) & Elbows (10)	1,442.50
4	Alpha Analytical Labs	Lab Testing	2,032.00
5	Ammons Backflow Cert Testing	Backflow Testing (53)	3,312.50
6	A.S.T.I.	Backflow Testing (30)	3,610.00
7	AT&T	Leased Lines	63.14
8	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt# 150 of 240) Aqueduct Energy Efficiency Project	46,066.67
9	Bergstrom, Kyle	Exp Reimb: Safety Boots	400.00
10	Bold & Polisner	March Legal Fees-General (\$9,175) & NMWD Portion Potter Valley FERC (\$765)	9,940.00

Seq	Payable To	For	Amount
11	Brady Industries	Safety/Maintenance Supplies	303.46
12	California Water Service	April Water Service (O.M.)	30.72
13	Clark, Robert E.	Exp Reimb: Car Wash for District Vehicle	39.99
14	Comcast	April Internet (Buck Institute)	359.81
15	Core & Main	Magnetic Lid Lifter, Elbows (20), Bolts (200), Nuts (200), Couplings (8), Flanges (3), Gaskets (4), Nipples (21) (\$2,054), Spools (4) (\$2,561) & Valves (10) (\$4,948)	11,227.04
16	Cummings Trucking	Rock (32 yds) & Sand (31 yds) Deliveries	1,271.20
17	D.L. Falk Construction, Inc.	Prog Pymt#21: Admin & Lab Building Upgrades (Balance Remaining on Contract \$2,198,952)	190,837.92
18	D.L. Falk Construction Escrow Acct	5% Retainage-Pymt#21-Admin Building & Lab Upgrades	10,044.10
19	Ferguson Waterworks	Cellular Meter Interface Units for AMI Meters (6 - 5/8" & 4 - 1")	2,461.65
20	Frazier, Thomas	Refund Over Payment on Closed Account	130.00
21	Frontier Communications	Leased Lines	1,685.56
22	Frontier Communications	April Internet (STP)	640.00
23	Garrett, Daniel	Exp Reimb: Ergonomic/Standing Desk	401.44
24	GHD Inc.	Prog Pymt#11: GIS Conversion to ESRI & Mapping Support (Balance Remaining on Contract \$8,878)	2,626.56
25	Grainger	Miscellaneous Maintenance Tools	2,409.57
26	Hildebrand Consulting LLC	Novato Rate Study for FY23/24	16,250.00
27	Lincoln Life Employer Serv	Deferred Compensation 4/15/24 PPE	9,888.28
28	MacArthurCo	Paint for Pumps (4 pts)	146.34
29	Marin Independent Journal	Notice of CEQA Extension for Lynwood Pump Station (3/16/24)	281.38
30	McLellan Co, WK	Misc Paving	11,592.29
31	McNeil, Kevin & Deborah	Refund Over Payment on Closed Account	93.65

Seq	Payable To	For	Amount
32	Nationwide Retirement Solution	Deferred Compensation 4/15/24 PPE	5,237.54
33	Novato Sanitary District	December 2023 RW Operating Expense	1,751.17
34	Novato Chamber of Commerce	Bus Rental for "Leadership Novato" Special District's Day	300.00
35	ODP Business Solutions, LLC	Miscellaneous Office Supplies	114.41
36	Pace Supply	Zinc Anodes (50) (\$6,646), Nipples (2), Tapping Sleeve (\$1,075), Elbows (4), Gate Valve, Flange, Accessory Set (6), Meter Box Lid Lifters (4) & Dual Wedge	9,397.30
37	Pacific Gas & Electric Co	Power: Bldgs/Yard (\$3,366), Other (-\$1.15), Pumping (\$36,456), Rect/Cont (-\$167) & Treatment (\$38,681)	78,335.40
38	Pollard Water	Valve Lifter	176.58
39	Preferred Alliance, Inc.	Pre-Employment Test (Arriaga)	42.00
40	RoadSafe Traffic Systems, Inc.	Marking Chalk (17) (\$1,142), Paint (4) & Decals (20) ("High Pressure Water Line")	1,530.49
41	Roy's Sewer Service	Sewer Line TV Inspection at Oceana Marin	25,600.00
42	Scott Technology Group	April Monthly Maintenance on Admin, Engineering Copiers & Contract Overage Charge	730.71
43	SMART	Easement Access @ Golden Gate Crossing	963.00
44	Sonoma County Water Agency	March Contract Water (\$444,422) & North Bay Water Reuse Authority Associate Member Dues (\$5,000)	449,422.84
45	SPG Solar Facility XII, LLC	March Energy Delivered Under Solar Services Agreement	11,874.24
46	Staples Advantage	Flip Chart Easel (Engineering)	78.53
47	State Water Resources Control	D3 Certification Renewal (Simpson)	90.00
48	Thomas Scientific	Tube Racks (4) (Lab)	77.16
49	Township Building Services	March Janitorial Services (District Yard & STP)	1,579.21

Seq	Payable To	For	Amount
50	Unicorn Group	Postage Fees for Novato Prop 218 Notice (\$5,700), North Bay Water Association Fliers (100) & NMWD 4' Table Throw (4 Sided)	5,942.28
51	USA BlueBook	Hardness Buffer Solution (2) (Lab)	70.73
52	Vulcan Materials Company	Power Patch (3 yds)	833.53
53	White & Prescott	Prog Pymt#40: Hamilton Village Water Line Easement (Balance Remaining on Contract \$24,905)	495.00
54	Winzer Corporation	Misc Hardware for Fleet & Cut-Off Blades (20)	961.60
55	ZORO	Miscellaneous Maintenance Tools & Supplies	381.67
		TOTAL DISBURSEMENTS	<u>\$1,306,272.92</u>

The foregoing payroll and accounts payable vouchers totaling \$1,306,272.92 are hereby approved and authorized for payment.


04/23/24

 Auditor-Controller Date


4/23/24

 General Manager Date

DISBURSEMENTS - DATED MAY 2, 2024

Date Prepared 4/29/24

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
90701*	Amazon	Waterproof Shipping Bags (50), Lab Coat, Service Award, Winch Rope (50'), HDMI Cable, iPhone Screen Protector, Paint Strainer & Laser Printer (STP)	\$516.12
1	Afarterec Inc.	Aerial Photography of Admin & Lab Upgrade Project on 3/15/24	259.00
2	American Family Life Ins	AFLAC April 2024 Employee Paid Benefit	4,121.37
3	California Surveying & Drafting	Metal Detectors & Bags (2 ea) (Construction)	1,575.04
4	Caltest Analytical Laboratory	Lab Testing	115.30
5	Charles Custom Welding	Welding Services (Ridge Road-\$1,050 & Pump Flags-\$700)	1,750.00
6	Core Utilities, Inc	Consulting Services: March IT Support (\$6,000), IT, SCADA & PLC Support (\$800), IT Support for Admin & Lab Upgrade Project, & PRTP-Pipe Gallery (\$850)	8,375.00
7	F.N. Cuthbert, Inc.	Pressure Gauges (60) (Maintenance)	1,432.20
8	Grainger	Nipples (2), Filters (11) (\$486) (STP), Reciprocating Saw Blades (75) (\$466), Miscellaneous Maintenance Tools & Supplies (\$1,309)	2,261.61
9	Home Depot	Vacuum Filter, Exterior Door, Knob & Tripod Light	534.47
10	KP Promotions	Uniform for Field Service Rep	396.64
11	Kurfirist, Eric	Exp Reimb: Meals & Parking While Attending Backflow Class in Sacramento 4/18-4/20/24	192.95
12	McLellan Co, WK	Misc Paving	8,644.60
13	McMaster-Carr Supply Co	6'- 90 Degree Angle	166.83

Seq	Payable To	For	Amount
14	Mutual of Omaha	May 2024 Group Life/ADD (\$1,585) & Vision Insurance Premiums (\$787)	2,372.61
15	Nerviani's Backflow	Backflow Testing (34)	2,210.00
16	Novato, City of	Encroachment Permit (725 Sunset Pkwy)	499.70
17	ODP Business Solutions, LLC	Miscellaneous Office Supplies & Toner (\$585)	853.49
18	Pace Supply	Hydrant & Pipe (100)	717.73
19	Peterson Trucks	Service Parts ('12 Int'l 5Yd Dump Truck)	131.16
20	Redwood Health Services, Inc.	April 2024 RHS Dental Claims & Fees Expense	10,586.09
21	R&S Construction Management	Refund Security Deposit on Hydrant Meter Less Final Bill	816.74
22	Snap-On Industrial	Software Updates & Subscription Renewals for Heavy Truck & Light Vehicle Scan Tools	1,905.70
23	Soiland Co., Inc.	Asphalt Recycling (19 yds) & Rock (63 yds) (\$1,983)	2,709.40
24	SwiftComply US OpCo, Inc.	Backflow Prevention Software (1/24-12/24)	3,300.00
25	Uline	Jumbo Cable Ties (400)	430.99
26	Unicorn Group	Printing & Processing Annual Reports (8-11" x 17")	142.66
27	ZORO	Duct Tape (10) & Replacement Water Filter	199.52
		TOTAL DISBURSEMENTS	<u>\$57,216.92</u>

The foregoing payroll and accounts payable vouchers totaling \$57,216.92 are hereby approved and authorized for payment.


04/30/24

 Auditor-Controller Date


4/30/24

 General Manager Date



MEMORANDUM

To: Board of Directors

May 7, 2024

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

Subj: Auditor-Controller's Monthly Report of Investments for March 2024
t:\acl\word\invest\24\investment report 0324.doc

RECOMMENDED ACTION: Information

FINANCIAL IMPACT: None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$32,002,926 and a market value of \$31,849,048. During March the cash balance decreased by \$739,332. The market value of securities held decreased \$779,893 during the month. The total unrestricted cash balance at month end was \$2,492,517 and 96.3% of the Target Reserves are funded.

At March 31, 2024, 75% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), 18% in Time Certificates of Deposit, 3% in the Marin County Treasury, and 4% retained locally for operating purposes. The weighted average maturity of the portfolio was 54 days, compared to 57 days at the end of February. The LAIF interest rate for the month was 4.23%, compared to 4.12% the previous month. The weighted average Portfolio rate was 3.93%, compared to 5.10% for the prior month.

Investment Transactions for the month of March are listed below:

3/15/2024	Greenstate Credit Union	US Bank	\$249,000	CD Maturity
3/15/2024	Pacific Premier	US Bank	\$244,000	Purchase 4.75% TCD due 3/16/26 - Semi-Annual Pay
3/21/2024	US Treasury	US Bank	\$6,136,000	Treasury bill Matured
3/25/2024	US Bank	LAIF	\$5,000,000	Trsf to LAIF account

ATTACHMENTS:

1. Monthly Report of Investments – March 2024

**NORTH MARIN WATER DISTRICT
AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS
March 31, 2024**

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis ¹	3/31/2024 Market Value	Yield ²	% of Portfolio
LAIF	State of CA Treasury	AA-	Various	Open	\$23,831,654	\$23,677,776	4.23% ³	75%
Time Certificate of Deposit								
TCD	Enerbank	n/a	9/25/20	9/25/24	249,000	249,000	0.45%	1%
TCD	Capital One Bank	n/a	4/7/22	4/8/24	247,000	247,000	2.20%	1%
TCD	Capital One Bank, N.A.	n/a	4/20/22	4/22/24	247,000	247,000	2.35%	1%
TCD	American Express Natl Bank	n/a	5/4/22	5/6/24	246,000	246,000	2.60%	1%
TCD	BMO Harris Bank	n/a	6/10/22	6/10/24	246,000	246,000	2.80%	1%
TCD	GE Credit Union	n/a	6/29/22	6/28/24	249,000	249,000	3.25%	1%
TCD	Beal Bank	n/a	7/13/22	7/10/24	246,000	246,000	3.05%	1%
TCD	Synchrony Bank	n/a	8/5/22	8/5/24	245,000	245,000	3.30%	1%
TCD	Discover Bank	n/a	9/13/22	9/13/24	245,000	245,000	3.40%	1%
TCD	Sharonview Credit Union	n/a	10/17/22	10/17/24	249,000	249,000	4.35%	1%
TCD	Popular Bank	n/a	11/9/22	11/7/24	247,000	247,000	4.75%	1%
TCD	Alabama Credit Union	n/a	11/22/22	11/22/24	248,000	248,000	4.90%	1%
TCD	Community West Credit Union	n/a	12/19/22	12/19/24	249,000	249,000	4.78%	1%
TCD	Austin Telco Fed Credit Union	n/a	1/27/23	1/27/25	248,000	248,000	4.90%	1%
TCD	First Tech Fed Credit Union	n/a	2/17/23	2/18/25	249,000	249,000	4.85%	1%
TCD	Keybank National Assoc	n/a	3/15/23	3/17/25	243,000	243,000	5.00%	1%
TCD	Morgan Stanley Bnk NA	n/a	4/6/23	4/7/25	244,000	244,000	4.90%	1%
TCD	Morgan Stanley Private Bnk	n/a	4/6/23	4/7/25	244,000	244,000	4.90%	1%
TCD	Raiz Federal Credit Union	n/a	5/11/23	5/12/25	248,000	248,000	4.85%	1%
TCD	Hughes Federal Credit Union	n/a	6/29/23	6/30/25	248,000	248,000	5.25%	1%
TCD	Farmers Ins Credit Union	n/a	1/18/24	1/20/26	249,000	249,000	4.50%	1%
TCD	Eagle Bank	n/a	2/21/24	2/23/26	244,000	244,000	4.60%	1%
TCD	Bank of America	n/a	2/22/24	2/23/26	244,000	244,000	4.65%	1%
TCD	Pacific Premier	n/a	3/15/24	3/16/26	244,000	244,000	4.75%	1%
					\$5,918,000	\$5,918,000	3.97%	18%

Other

Agency	Marin Co Treasury	AAA	Various	Open	\$1,066,170	\$1,066,170	1.10%	3%
Other	Various	n/a	Various	Open	1,187,102	1,187,102	0.08%	4%
TOTAL IN PORTFOLIO					\$32,002,926	\$31,849,048	3.93%	100%

Weighted Average Maturity = 54 Days

LAIF: State of California Local Agency Investment Fund.

TCD: Time Certificate of Deposit.

Treas: US Treasury Notes with maturity of 5 years or less.

Agency: STP State Revolving Fund Loan Reserve.

Other: Comprised of 5 accounts used for operating purposes. US Bank Operating Account, US Bank STP SRF Loan

Account, US Bank FSA Payments Account, Bank of Marin AEEP Checking Account & NMWD Petty Cash Fund.

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

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

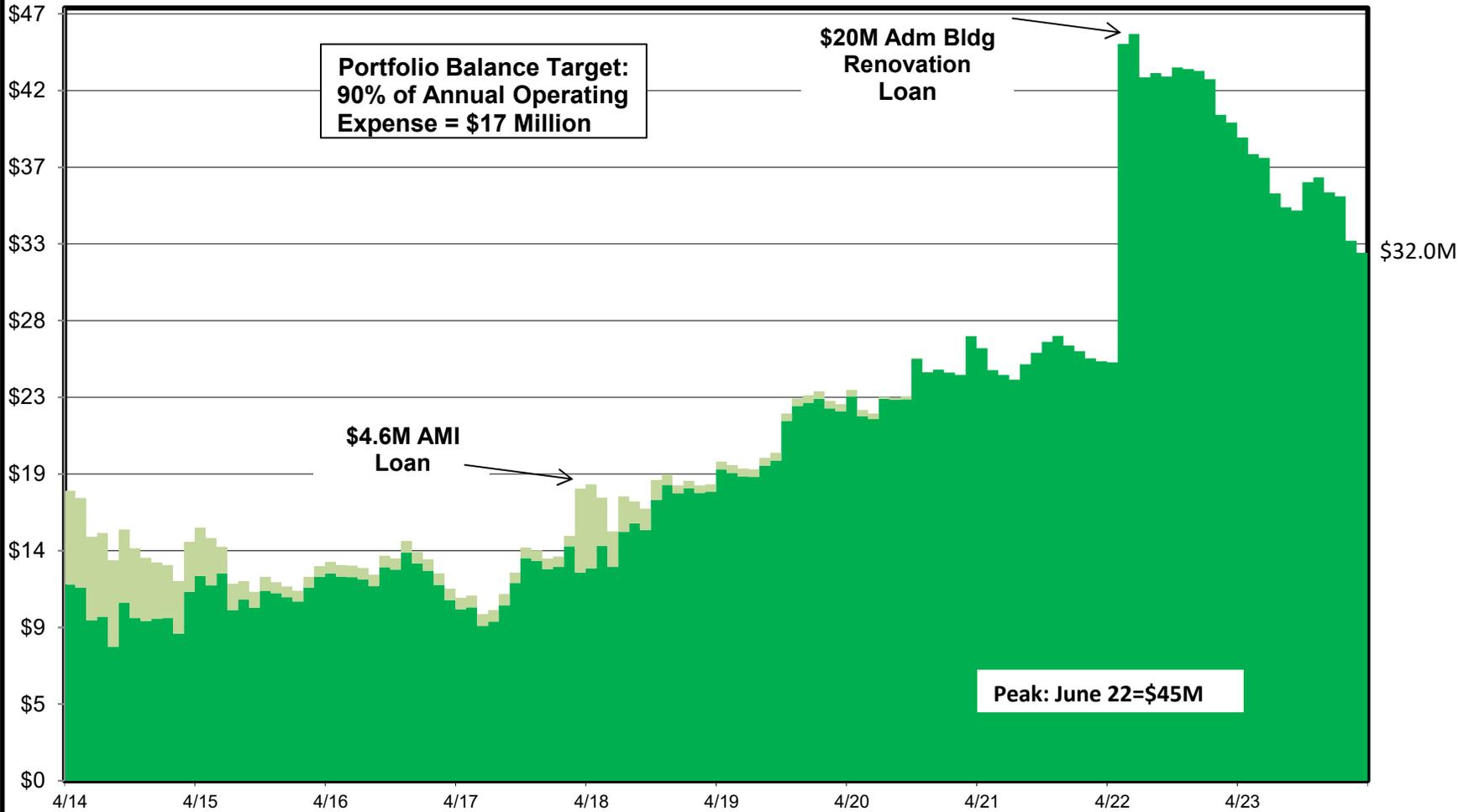
3 Earnings are calculated daily - this represents the average yield for the month ending March 31, 2024.

Interest Bearing Loans	Loan Date	Maturity Date	Original Loan Amount	Principal Outstanding	Interest Rate
Marin Country Club Loan	1/1/18	11/1/47	\$1,265,295	\$1,028,811	1.00%
Marin Municipal Water - AEEP	7/1/14	7/1/32	\$3,600,000	\$1,620,203	2.71%
Employee Housing Loan (1)	3/30/15	3/30/30	250,000	250,000	Contingent
TOTAL INTEREST BEARING LOANS			\$5,115,295	\$2,899,014	

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

Peak: June 22=\$45M

NMWD Portfolio Balance 10-Year History



Portfolio Balance Target:
90% of Annual Operating
Expense = \$17 Million

\$20M Adm Bldg
Renovation
Loan

\$4.6M AMI
Loan

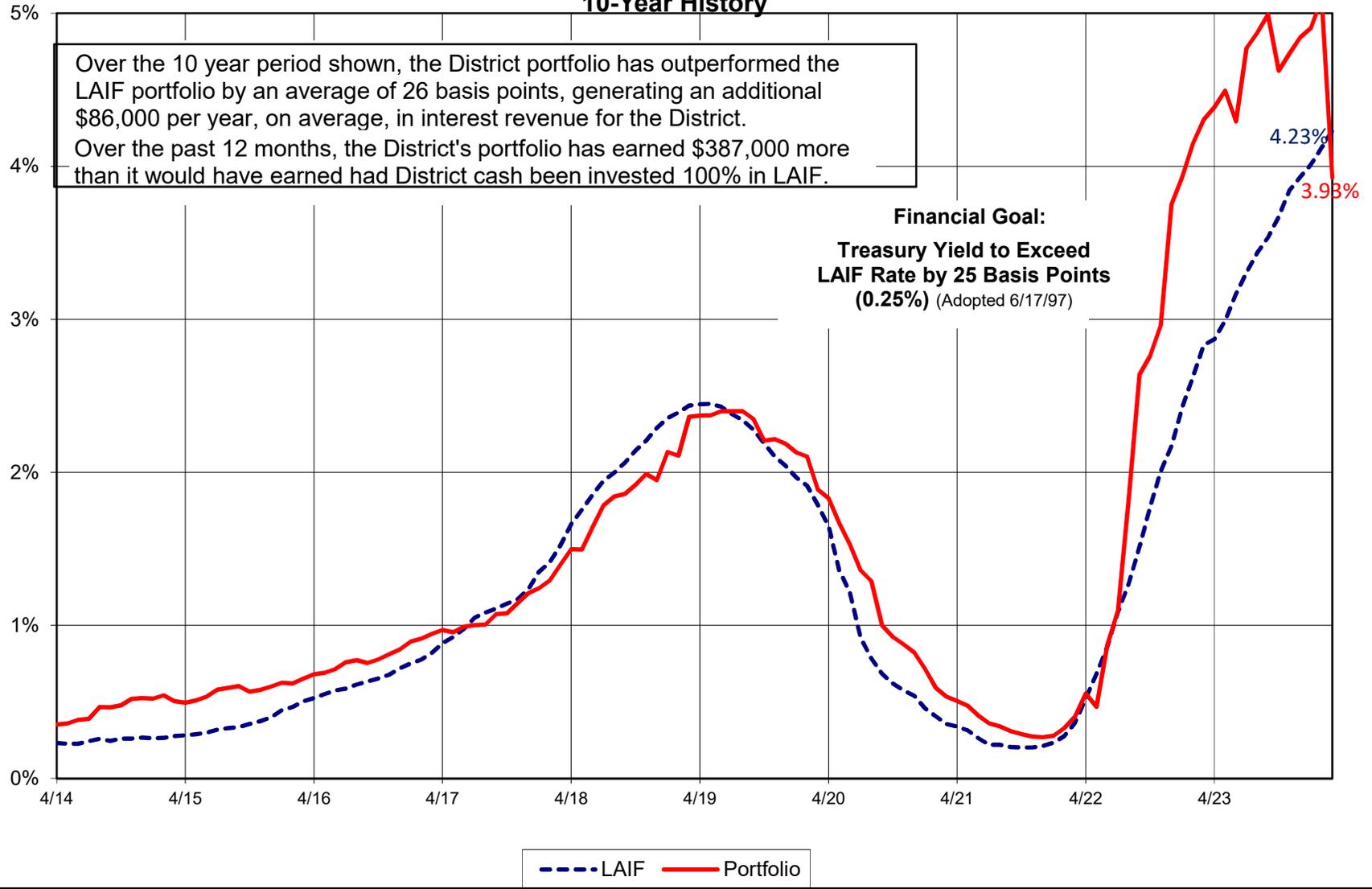
Peak: June 22=\$45M

\$32.0M

NMWD Portfolio Rate of Return State of CA Local Agency Investment Fund vs District Portfolio 10-Year History

Over the 10 year period shown, the District portfolio has outperformed the LAIF portfolio by an average of 26 basis points, generating an additional \$86,000 per year, on average, in interest revenue for the District.
Over the past 12 months, the District's portfolio has earned \$387,000 more than it would have earned had District cash been invested 100% in LAIF.

Financial Goal:
Treasury Yield to Exceed
LAIF Rate by 25 Basis Points
(0.25%) (Adopted 6/17/97)





AWWA ADVISORY

A BENEFIT OF YOUR AWWA UTILITY MEMBERSHIP 

Legislative Advisory

Who: U.S. House Representatives John Curtis (R-Utah) and Marie Gluesenkamp Perez (D-Wash.)

What: Introduced CERCLA legislation

When: Last week

U.S. Representatives John Curtis (R-Utah) and Marie Gluesenkamp Perez (D-Wash.) introduced [H.R. 7944](#) in the House of Representatives last week. This bipartisan legislation would protect water utilities from liability under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) in the event of per- and polyfluoroalkyl substances (PFAS) contamination. Protecting water utilities from liability under CERCLA has been a key objective advanced by AWWA for several years, including this year at the Association's annual Fly-In.

The bill provides statutory protection for water utilities considering the upcoming designation of PFAS compounds perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS) as hazardous substances by the U.S. Environmental Protection Agency (EPA) under CERCLA. The agency is currently finalizing that rule. The protections would only apply to systems that follow all applicable laws at the time the material was handled and disposed.

"Water utilities and their ratepayers should not be held responsible for sites contaminated with PFAS. Polluters who manufacture, use, and profit from these chemicals should be held liable for the contamination that they created," said AWWA CEO David LaFrance. "The commitment Representatives Curtis and Gluesenkamp Perez show in upholding CERCLA's 'polluter pays' principle is a step in the right direction, and we look forward to working with Congress to pass this important legislation."

Rep. Curtis issued a [press release](#), as did [AWWA](#).

Questions can be directed to [Nate Norris](#), AWWA senior manager of legislative affairs.



American Water Works Association
6666 W. Quincy Ave. | Denver, Colorado 80235
Telephone: 1-800-926-7337

[Email AWWA](#) | [Unsubscribe](#)

OR reply to this message with the word Remove in the subject line.

This email was sent to twilliams@nmwd.com, 00626336



ASSISTANT ADMINISTRATOR FOR ENFORCEMENT AND COMPLIANCE ASSURANCE

WASHINGTON, D.C. 20460

April 19, 2024

MEMORANDUM

SUBJECT: PFAS Enforcement Discretion and Settlement Policy Under CERCLA

FROM: David M. Uhlmann 

TO: Regional Administrators and Deputy Regional Administrators
Regional Counsels and Deputy Regional Counsels

Communities across the United States face public health and environmental challenges because of toxic PFAS contamination.¹ PFAS have been manufactured in the United States and around the world since the 1940s for use in a wide range of industrial and consumer products from fire-fighting foam to non-stick cookware and water-resistant fabrics. PFAS are referred to as “forever chemicals” because of their persistence in the environment. Exposure to PFAS has been linked to deadly cancers, impacts to the liver and heart, and immune and developmental damage to infants and children.

On August 17, 2023, EPA announced a new National Enforcement and Compliance Initiative (NECI) to address exposure to PFAS.² NECIs are intended to focus on the most serious and widespread environmental problems facing the United States. PFAS is no exception. Due to the toxicity and persistence of PFAS chemicals, and the breadth and scope of PFAS contamination throughout the country, addressing PFAS contamination is a significant priority for EPA.

EPA now has designated two types of PFAS, perfluorooctanoic acid (PFOA) and perfluorooctanesulfonic acid (PFOS), as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).³ The rule designating PFOA and PFOS as hazardous substances will allow EPA to use the full strength of CERCLA to address PFAS contamination. At the same time, the rule does not change the statute’s liability framework, which provides liability protections in certain circumstances for parties that are not primarily responsible.

¹ PFAS, or per- and polyfluoroalkyl substances, are a large group of manufactured chemicals. For the majority of this document, EPA will use PFAS as a shorthand to refer to perfluorooctanoic acid (PFOA) and perfluorooctanesulfonic acid (PFOS), including their salts and structural isomers, consistent with the definition in the Final Designation of PFOA and PFOS as Hazardous Substances. *See infra* note 3.

² See [FY 2024 – 2027 National Enforcement and Compliance Initiatives](#).

³ See [Final Designation of PFOA and PFOS as Hazardous Substances](#). *See also* [Proposed Designation of PFOA and PFOS as Hazardous Substances](#).

With this memorandum, I am providing direction to all EPA enforcement and compliance staff about how EPA will exercise its enforcement discretion under CERCLA in matters involving PFAS, just as EPA exercises enforcement discretion regarding other hazardous substances. EPA will focus on holding responsible entities who significantly contributed to the release of PFAS into the environment, including parties that manufactured PFAS or used PFAS in the manufacturing process, federal facilities, and other industrial parties.

EPA does not intend to pursue entities where equitable factors do not support seeking response actions or costs under CERCLA, including, but not limited to, community water systems and publicly owned treatment works, municipal separate storm sewer systems, publicly owned/operated municipal solid waste landfills, publicly owned airports and local fire departments, and farms where biosolids are applied to the land. For these same parties, EPA can use CERCLA statutory authorities when appropriate to enter into settlements that provide contribution protection from third party claims for matters addressed in the settlement.

I. Executive Summary

EPA is issuing this PFAS Enforcement Discretion and Settlement Policy Under CERCLA regarding enforcement considerations that will inform EPA's decisions to pursue or not pursue potentially responsible parties (PRPs) for response actions or costs under CERCLA to address the release or threatened release of PFAS. This Policy is intended to clarify when EPA intends to use its CERCLA enforcement authorities or decide not to pursue a particular party. This Policy applies only to the exercise of EPA's enforcement discretion when requiring action to address releases of PFAS under CERCLA; it does not apply to enforcement under other EPA programs or statutes, including other EPA programs that may address PFAS.

The designation of PFOA and PFOS as hazardous substances should not disrupt CERCLA's liability framework; CERCLA will continue to operate as it has for decades. In enforcement matters, the facts, circumstances, and equities of each case inform which parties the Agency pursues. CERCLA's liability limitations and protections safeguard against liability in certain circumstances for parties that are not primarily responsible. EPA's enforcement discretion policies historically have given EPA much-needed flexibility to provide additional protections when circumstances warrant.⁴

Although CERCLA's liability framework is broad, the statutory affirmative defenses and EPA's enforcement discretion provide mechanisms to narrow the scope of liability and focus on the significant contributors to contamination. Some stakeholders have expressed concern that the designation of PFOA and PFOS as hazardous substances will result in parties being pursued for PFAS liability under CERCLA, even if the equities do not support seeking CERCLA response actions or costs. EPA intends to rely upon CERCLA statutory protections and EPA's existing enforcement discretion policies to alleviate those concerns, as well as the factors set forth here.

Consistent with CERCLA's objectives, EPA will focus on holding accountable those parties that have played a significant role in releasing or exacerbating the spread of PFAS into the environment, such as those who have manufactured PFAS or used PFAS in the manufacturing process, and other industrial

⁴ See [Unique Parties and Superfund Liability](#).

parties. For purposes of this Policy only, these parties are referred to as major PRPs. EPA also intends to pursue federal agencies or federal facilities when they are responsible for PFAS contamination.⁵

EPA remains committed to environmental justice and identifying and protecting overburdened communities that may be disproportionately impacted by adverse health and environmental effects.⁶ EPA intends to pursue major PRPs and federal agencies to conduct investigations and cleanup to protect communities from high-risk, high-concentration PFOA and PFOS exposures.

As more fully described in Section IV of this memorandum, and subject to the limitations set forth in Section V, EPA does not intend to pursue otherwise potentially responsible parties where equitable factors do not support seeking response actions or costs under CERCLA, including, but not limited to, the following entities:

- (1) Community water systems⁷ and publicly owned treatment works (POTWs);⁸
- (2) Municipal separate storm sewer systems (MS4s);⁹
- (3) Publicly owned/operated municipal solid waste landfills;
- (4) Publicly owned airports and local fire departments; and
- (5) Farms where biosolids are applied to the land.

EPA may extend enforcement discretion under this Policy to additional parties even if they do not fall within the categories listed above, based on the equitable factors set forth in Section IV.B.

In addition to potential EPA action, EPA understands that entities are concerned about being sued by other PRPs for PFAS cleanup costs under CERCLA. In CERCLA settlements with major PRPs, EPA will seek to require those settling parties to waive their rights to sue parties that satisfy the equitable factors. The major PRPs would then not be able to sue those non-settling parties for matters addressed under the settlement. These settlement protections are consistent with settlement protections regularly applied by EPA in other CERCLA contexts.

Further, consistent with current CERCLA enforcement practice to mitigate these litigation risk concerns, EPA can enter settlements with concerned parties under our statutory authorities when appropriate. Such settlements would help to mitigate litigation risk concerns and associated costs by providing protection from CERCLA contribution claims by other PRPs seeking a portion of PFAS response costs.¹⁰ This exercise of enforcement discretion is discussed in Section IV.C.

To provide context for this policy, Section II provides below a short overview of CERCLA, including a description of the statutory liability framework. Section III includes a summary of the Agency's integrated approach to addressing PFAS. Section IV discusses how EPA intends to exercise its CERCLA

⁵ See [Executive Order 12580](#), 52 Fed. Reg. 2923 (Jan. 23, 1987).

⁶ See [Strengthening Environmental Justice Through Cleanup Enforcement Actions](#) (July 1, 2021).

⁷ A community water system is a public water system which serves at least 15 service connections used by year-round residents or regularly serves at least 25 year-round residents. See 40 C.F.R. § 141.2.

⁸ POTW means a treatment works (as defined by CWA section 212) that is owned by a state or municipality (as defined by Clean Water Act (CWA) section 502(4)).

⁹ An MS4 is a conveyance or system of conveyances that is: owned by a state, city, town, village, or other public entity that discharges to waters of the U.S.; designed or used to collect or convey stormwater (e.g., storm drains, pipes, ditches); not a combined sewer; and not part of a sewage treatment plant, or publicly owned treatment works (POTW). See 40 C.F.R. § 122.26(b)(8).

¹⁰ See CERCLA section 113(f)(2), 42 U.S.C. § 9613(f)(2).

enforcement discretion for PFAS. Section V identifies limitations and contingencies that apply to the use of enforcement discretion in this policy.

II. Overview of CERCLA

CERCLA was enacted in 1980 in response to public concern about abandoned hazardous waste sites. CERCLA authorizes the federal government to assess sites, clean up contaminated sites, and respond to releases or threatened releases of hazardous substances, pollutants, and contaminants.

There are over 800 hazardous substances designated under CERCLA. Hazardous substance designation gives rise to a requirement to report releases at or above a certain quantity¹¹ and enables EPA to order actions by and recover response costs from PRPs. CERCLA's liability framework aims to ensure that, wherever possible, PRPs perform or pay for cleanups instead of relying on the Hazardous Substance Trust Fund (Superfund), consistent with EPA's "polluter pays" principle.

As described in CERCLA section 107(a), the following categories of persons may be liable for the costs or performance of a cleanup of a hazardous substance under CERCLA:

- (1) Current owners and operators of a facility where hazardous substances come to be located;
- (2) Owners and operators of a facility at the time that hazardous substances were disposed of at the facility;
- (3) Generators and parties that arranged for the disposal or transport of the hazardous substances; and
- (4) Transporters of hazardous waste that selected the site where the hazardous substances were brought.

To conserve Superfund money for cleanups at sites where there are no financially viable PRPs, EPA has adopted an "enforcement first" policy¹² to compel those responsible for contaminated sites to take the lead in cleanup (the "polluter pays" principle). In keeping with this policy, EPA routinely reaches settlements with PRPs to clean up sites. In addition, EPA can compel PRPs to clean up sites where there may be an imminent and substantial endangerment to public health or welfare or the environment from an actual or threatened release of hazardous substances. When EPA spends Superfund money to finance a response action, EPA may then seek reimbursement from PRPs. Private parties may also conduct cleanups and seek reimbursement of eligible response costs from PRPs.

CERCLA liability is not unlimited. CERCLA includes several statutory protections that may limit liability and discourage litigation (e.g., the provision for settlements with "de minimis" or minor parties, CERCLA section 122(g)). Moreover, EPA has well-established enforcement discretion policies that provide EPA flexibility to offer liability protections to parties when circumstances warrant (e.g., innocent landowners, de micromis parties, owners of residential property at or near Superfund sites,

¹¹ The designation of PFOA and PFOS, including their salts and structural isomers, as hazardous substances, can trigger the applicability of release reporting requirements under CERCLA sections 103 and 111(g), and accompanying regulations, and section 304 of the Emergency Planning and Community Right-to-Know Act. Facilities must report releases of hazardous substances at or above the reportable quantity (RQ) within a 24-hour period. For PFOA and PFOS, a default RQ of one pound is assigned to these substances pursuant to CERCLA section 102(b). This Policy does not apply to these requirements, and parties that may be eligible for enforcement discretion must comply with this requirement if a reportable release occurs at their facility.

¹² See [Enforcement First for Remedial Action at Superfund Sites](#) (Sept. 20, 2002).

and contiguous property owners).¹³ Existing CERCLA limitations and enforcement policies are sufficient to mitigate concerns about liability that may arise after designation. No additional action should be necessary to ensure that those limitations and policies continue to operate as they have for decades. Nonetheless, EPA is issuing this CERCLA PFAS enforcement discretion policy consistent with existing statutory protections and policies.¹⁴

EPA's CERCLA enforcement discretion policies help the Agency focus on sites that pose the most risk and PRPs who have contributed significantly to contamination. EPA will continue to implement its "enforcement first" policy, which compels PRPs to conduct and pay for cleanup before resorting to the Superfund, in furtherance of CERCLA's "polluter pays" principle.

III. EPA's Approach to PFAS

On October 18, 2021, EPA released its PFAS Strategic Roadmap,¹⁵ which highlighted the integrated approach the Agency is taking across a range of environmental media and EPA program offices to protect the public and the environment from PFAS contamination. EPA's approach to PFAS is focused on three central directives to address PFAS contamination:

- (1) *research* – to invest in research, development, and innovation to increase understanding of PFAS exposures and toxicity, human health, and ecological effects and effective interventions that incorporate the best available science;
- (2) *restrict* – to pursue a comprehensive approach to proactively prevent PFAS from entering air, land, and water at levels that can adversely impact human health and the environment; and
- (3) *remediate* – to broaden and accelerate the cleanup of PFAS contamination to protect human health and ecological systems.¹⁶

Historically, PFAS have been found in, or used in making, a wide range of consumer products including carpets, clothing, fabrics for furniture, packaging for food, and cookware. PFAS also have been components of firefighting foams used to extinguish liquid fuel fires at airfields, refineries, military bases and other locations, and in several industrial processes. As a result of their widespread use, environmental releases of PFAS have occurred for decades, leaving many communities and ecosystems exposed to PFAS in soil, sediment, surface water, groundwater, and air. A growing body of scientific evidence shows that exposure at certain levels to specific PFAS is linked to adverse impacts to human health.¹⁷ EPA uses its various enforcement authorities, including under the Safe Drinking Water Act, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Clean Air Act, and the Clean Water Act, to identify and address PFAS releases at private and federal facilities and in communities.

¹³ For example, for parties who have contributed a miniscule amount of waste to the site (De Micromis Parties), EPA policy is that they should not participate in financing the cleanup. See [Superfund Cleanup: De Minimis/De Micromis Policies and Models](#).

¹⁴ See *supra* note 4.

¹⁵ See [PFAS Strategic Roadmap: EPA's Commitments to Action 2021-2024](#).

¹⁶ *Id.* at 5.

¹⁷ *Id.* at 7.

In September 2022, based on significant evidence that PFOA and PFOS may present a substantial danger to human health or welfare or the environment,¹⁸ the Agency proposed to designate PFOA and PFOS as hazardous substances under section 102(a) of CERCLA. Findings from laboratory animal toxicological studies and human epidemiology studies suggest that exposure to PFOA and/or PFOS may lead to cancer and reproductive, developmental, cardiovascular, liver, and immunological effects.¹⁹

On April 17, 2024, EPA signed the final rule²⁰ to designate PFOA and PFOS as hazardous substances under section 102(a) of CERCLA. This designation allows EPA to use its CERCLA enforcement authorities, as appropriate and where relevant statutory elements are met, which could shift the cost burden of CERCLA response costs from the Superfund to PRPs. As with any other hazardous substance, EPA will determine what, if any, response and enforcement actions may be necessary to protect human health and the environment. Further, EPA and its state, local, and Tribal partners, may carry out a response action to address PFAS contamination, wholly distinct from CERCLA enforcement-driven actions.

IV. CERCLA Enforcement Discretion and Settlement Policy

Although EPA has the authority under CERCLA to require parties to perform response actions and to seek response costs incurred by the United States, the Agency has discretion on how to exercise its authority, which the Agency has utilized since CERCLA was enacted in 1980.

Consistent with EPA's past practice, this Section describes how EPA intends to exercise its CERCLA enforcement discretion for matters involving PFAS. As noted above, EPA intends to focus its enforcement efforts on entities who significantly contributed to the release of PFAS contamination into the environment, including parties that manufactured PFAS or used PFAS in the manufacturing process, federal facilities, and other industrial parties.

Section IV.A identifies entities where equitable factors do not support seeking response actions or costs under CERCLA. Section IV.B sets forth the equitable factors that EPA will consider in deciding whether to exercise enforcement discretion under CERCLA for other PRPs. Section IV.C. sets forth EPA's approach to settling with parties described in this Section.

A. Parties Covered by the PFAS Enforcement Discretion Policy

EPA does not intend to pursue, based on equitable factors, PFAS response actions or costs under CERCLA against the following parties:

1. Community Water Systems and POTWs

Community water systems and POTWs conduct public services by providing safe drinking water and managing and processing public waste. These entities are required to treat PFAS-contaminated sources of drinking water and receive PFAS-contaminated wastewater. They do not manufacture PFAS nor use PFAS as part of an industrial process. Through their operation processes, these parties may discharge

¹⁸ See [Proposed Designation of PFOA and PFOS as Hazardous Substances](#).

¹⁹ See *id.* or related [news release to proposed designation](#).

²⁰ See *supra* note 3.

effluents;²¹ dispose or manage sewage sludge, biosolids,²² and drinking water treatment residuals; and arrange for the disposal of spent treatment media (i.e., activated carbon filters, anion exchange media, or membranes) and/or the discharge of leachate, permeate, or regeneration brines.

2. Municipal Separate Storm Sewer Systems (MS4s)

MS4s do not manufacture PFAS nor use PFAS as part of an industrial process. Owners/operators of regulated MS4s perform a public service and are required to develop, implement, and enforce a stormwater management program (SWMP) to describe how the MS4 will reduce the discharge of pollutants from its sewer system.²³ While the SWMP should detect and eliminate illicit discharges, illegal dumping and connections may result in illicit discharges of non-stormwater wastes into the MS4. MS4s implement programs to prevent or reduce pollutant runoff from municipal operations into the storm sewer system, which helps to control pollutant discharges by minimizing the potential pathways for contaminants carried in runoff.

3. Publicly Owned or Operated Municipal Solid Waste Landfills

Publicly owned or operated municipal solid waste landfills perform a public service by handling municipal solid waste. They do not manufacture PFAS nor use PFAS as part of an industrial process. In addition to receiving waste from communities and other residential entities, these landfills may accept solid waste from POTWs that may be contaminated with PFAS, particularly sewage sludge and solid residues that result from treatment processes and filtration media such as granular activated carbon filters.

4. Publicly Owned Airports and Local Fire Departments

State or municipal airports and local fire departments provide a public service by preparing for and suppressing fire emergencies and protecting public safety. They do not manufacture PFAS nor use PFAS as part of an industrial process. Many airports and fire departments, however, store and use aqueous film forming foam (AFFF),²⁴ fire-fighting foam that may contain PFAS. Many airports have been required by Federal Aviation Administration regulations to maintain adequate amounts of AFFF to address fire emergencies.²⁵ State or municipal airports and local fire departments have also used AFFF during fire emergencies and training exercises.

To the extent publicly owned airports and local fire departments are legally required to continue to use AFFF, these parties must follow all applicable regulations governing the use, storage, handling, and disposal of AFFF that contains PFAS.²⁶ EPA also expects these parties to exercise a high standard of care

²¹ CERCLA enumerates 11 categories of federally permitted releases, including releases regulated by CWA section 402 which established a National Pollutant Discharge Elimination System permit program. In this Policy, EPA does not take a position on the applicability of a “federally permitted release” as defined in CERCLA section 101(10).

²² Sewage sludge is a product of the wastewater treatment process. During wastewater treatment, the liquids are separated from the solids and then may be treated physically and chemically to produce a semisolid, nutrient-rich product. The terms “biosolids” and “treated sewage sludge” are often used interchangeably; however, biosolids typically means sewage sludge treated to meet the requirements in 40 C.F.R. part 503 and intended to be applied to land as a soil amendment. Disposal (incineration and landfilling) requirements in Part 503 refer to sewage sludge.

²³ See [Stormwater Discharges from Municipal Sources-Developing an MS4 Program](#).

²⁴ A Class B fire is a fire in flammable liquids or flammable gases, petroleum greases, tars, oils, oil-based paints, solvents, lacquers, or alcohols. States, Tribes, or municipalities may have regulations for the use and handling of AFFF.

²⁵ 14 C.F.R. part 139.

²⁶ Protocols for handling, storage, and accidental release can be found in the [Material Safety Data Sheet for AFFF](#).

to limit the release of PFAS, minimize and contain releases, and forgo, when possible, the use of AFFF in the process of cleaning equipment and training exercises.

5. Farms that Apply Biosolids to Land

POTWs also produce sewage sludge that may be treated to become biosolids. Farms then routinely apply these biosolids to the land, and by doing so, provide for a beneficial application of a product from the wastewater treatment process.²⁷ Under the Clean Water Act, EPA and the states have regulated standards for the application of sludge as an agricultural fertilizer that ensures strict guidelines and agronomic application rates are followed that support crop growth and protect soil and water quality.²⁸ EPA recognizes that such land application can result in both economic and resource management benefits, including conservation of landfill space, reduction in methane gas from landfills, reduction of releases from incinerators, and a reduced demand for synthetic fertilizers.²⁹ Further, these farms do not manufacture PFAS nor use PFAS as part of an industrial process.

B. Factors Considered for Enforcement Discretion for Other Parties

Consistent with EPA's practice of considering fairness and equitable factors, EPA will exercise its enforcement discretion to not pursue additional entities for PFAS response actions or costs under CERCLA, informed by the totality of the following factors:

- (1) Whether the entity is a state, local, or Tribal government, or works on behalf of or conducts a service that otherwise would be performed by a state, local, or Tribal government.
- (2) Whether the entity performs a public service role in:
 - Providing safe drinking water;
 - Handling of municipal solid waste;
 - Treating or managing stormwater or wastewater;
 - Disposing of, arranging for the disposal of, or reactivating pollution control residuals (e.g., municipal biosolids and activated carbon filters);
 - Ensuring beneficial application of products from the wastewater treatment process as a fertilizer substitute or soil conditioner;³⁰ or
 - Performing emergency fire suppression services.
- (3) Whether the entity manufactured PFAS or used PFAS as part of an industrial process.
- (4) Whether, and to what degree, the entity is actively involved in the use, storage, treatment, transport, or disposal of PFAS.

²⁷ Under CERCLA section 101(22)(D), the definition of "release" explicitly excludes "the normal application of fertilizer." EPA believes this language is best read as requiring a site-specific analysis.

²⁸ See 40 C.F.R. part 503.

²⁹ EPA acknowledges that biosolids used as soil amendment are subject to an evolving regulatory scheme. CWA sections 405(d) and (e) authorize EPA to promulgate regulations containing guidelines for the use and disposal of sewage sludge, including by establishing numerical limitations where feasible. Under CWA section 405(d)(2)(D), these regulations must be "adequate to protect human health and the environment from any reasonably anticipated adverse effect of each pollutant." See *also* Policy on Municipal Sludge Management, 49 Fed. Reg. 24358 (June 2, 1984).

³⁰ See, e.g., [Standards for the Use or Disposal of Sewage Sludge](#), 58 Fed. Reg. 9248, 9262 (Feb. 19, 1993).

In helping to ensure equitable outcomes in addressing PFAS contamination, the above factors are instructive in determining whether an entity's CERCLA responsibility should be limited.

C. Settlement Agreements and Contribution Protection

EPA has broad discretion to decide whether to respond to a release or threat of release under CERCLA. Response decisions are made on a case-by-case basis after considering the specific circumstances related to the release at issue. CERCLA section 104(a) provides that whenever there is a release or threat of release of a hazardous substance, or a release of a pollutant or contaminant which may present an imminent and substantial danger to public health or welfare, "the President is authorized to act" and take any response action the President "deems necessary to protect the public health or welfare or the environment." EPA is further directed to employ settlement procedures "[w]henver practicable and in the public interest...to expedite effective remedial actions and minimize litigation."³¹

To further the goals of this policy, EPA can provide some measure of litigation and liability protection through settlement agreements in two primary ways when circumstances warrant.³²

First, EPA may protect certain non-settling parties when the Agency enters settlement agreements with major PRPs. For example, if EPA settles with a PFAS manufacturer, EPA may secure a waiver of rights providing that the PFAS manufacturer cannot pursue contribution against certain non-settling parties to that settlement. The waiver of rights helps provide some protection to parties that EPA does not intend to pursue from both the costs of litigation and the costs of cleanup. Without such a waiver, settling major PRPs could pursue contribution under CERCLA from those other parties for a portion of the CERCLA cleanup.

Second, EPA may enter into settlement agreements with parties where factors do not support enforcement against them for PFAS response actions under CERCLA, as discussed in Section IV.A and B of this Policy. A party that resolves its liability through a CERCLA settlement with the United States will not be liable for third-party contribution claims related to the matters addressed in the settlement.³³ Non-settling PRPs will not be able to pursue these settling parties for contribution costs under CERCLA related to the settlement, thus minimizing litigation costs and discouraging third-party litigation.

EPA intends to discuss possible settlement approaches with interested parties that are identified by this Policy. In certain situations, parties may qualify for *de minimis* or *de micromis* settlements under the terms of the Agency's 2002 enforcement discretion/settlement policy.³⁴ On a case-by-case basis,

³¹ CERCLA section 122(a), 42 U.S.C. § 9622(a).

³² See, e.g., [Interim Revisions to CERCLA Judicial and Administrative Settlement Models to Clarify Contribution Rights and Protection from Claims Following the Aviall and Atlantic Research Corporation Decisions](#) (Mar. 16, 2009); [Defining "Matters Addressed" in CERCLA Settlements](#) (Mar. 14, 1997).

³³ "A person who has resolved its liability to the United States or a state in an administrative or judicially approved settlement shall not be liable for claims for contribution regarding matters addressed in the settlement. Such settlement does not discharge any of the other potentially liable persons unless its terms so provide, but it reduces the potential liability of the others by the amount of the settlement." CERCLA section 113, 42 U.S.C. § 9613.

³⁴ See [Revised Settlement Policy and Contribution Waiver Language Regarding Exempt De Micromis and Non-Exempt De Micromis Parties](#) (Nov. 6, 2002); see also [Model De Minimis Contributor Consent Decree](#), [Model De Minimis Contributor ASAO](#), [Model De Minimis Landowner Consent Decree](#) and [Model De Minimis ASAO](#); [Superfund Cleanup Subject Listing De Minimis/De Micromis Policies and Models](#).

EPA may enter into limited “ability to pay” settlements with parties to resolve CERCLA response costs, where payment could result in undue financial hardship for the PRP.³⁵

Parties may also be asked to perform actions such as in-kind services, including PFAS monitoring activities and implementing institutional controls. Further, parties identified by this Policy may seek settlement with EPA in order to take actions to address contamination, which would provide protection from potential contribution claims.

V. Limitations and Contingencies and Responsibilities of Other Federal Agencies and Facilities

A. Limitations and Contingencies

Any exercise of CERCLA enforcement discretion pursuant to this Policy is contingent upon a party’s full cooperation with EPA, including providing access and information when requested and not interfering with activities that EPA is taking or directing others to undertake to implement a CERCLA response action. This Policy does not exempt parties from reporting PFAS releases under CERCLA.

This Policy in no way affects EPA’s ability to pursue any responsible party, including those entities set forth in Section IV, whose actions or inactions significantly contribute to, or exacerbate the spread of significant quantities of PFAS contamination, thereby requiring a CERCLA response action. Where conditions may present an imminent and substantial endangerment to public health, EPA retains its authority to take any necessary action under CERCLA section 106.

This Policy does not apply to enforcement actions taken under any EPA programs or statutes other than CERCLA. As with any other hazardous substance, this Policy also does not affect EPA’s ability to determine and address what, if any, response and enforcement action may be necessary to protect human health and the environment.

Further, the Agency, working with state, local, and Tribal partners, may carry out a response action to address PFAS contamination, wholly distinct from CERCLA enforcement-driven actions. In the event the exercise of CERCLA enforcement discretion results in some or all responsible parties at a Superfund site not being pursued to fund or perform PFAS cleanup, characterization, or other response actions, EPA may use all available resources and work with state, local, and Tribal partners to address the contamination.

EPA also recognizes that the science and legal requirements associated with PFAS continue to evolve.³⁶ As a result, the scope of this policy may change to reflect newly emerging science or regulatory requirements, or other relevant considerations. Entities must continue to follow all applicable laws and regulations.

This Policy is intended to assist EPA personnel in its exercise of CERCLA enforcement discretion in the normal course of business. It is intended solely for the guidance of employees of the Agency. This policy is not a regulation and does not create new legal obligations or limit or expand obligations under any federal, state, Tribal, or local law. It is not intended to and does not create any substantive or

³⁵ See [General Policy on Ability to Pay Determinations](#) (Sept. 30, 1997).

³⁶ See, e.g., [Interim Guidance on the Destruction and Disposal of Perfluoroalkyl and Polyfluoroalkyl Substances and Materials Containing Perfluoroalkyl and Polyfluoroalkyl Substances](#) (2024).

procedural rights for any persons. In addition, this guidance does not alter EPA's policy of not providing no action assurances outside the framework of a legal settlement, and EPA will evaluate each request for relief under this policy based on all available information.

B. Federal Agencies

Nothing in this policy affects the scope of CERCLA liability or responsibility of federal agencies, such as the Department of Defense (DoD) and the Department of Energy (DoE), to address PFAS contamination. DoD, DoE, and other federal agencies are responsible for cleaning up releases of hazardous substances, pollutants, and contaminants (including PFAS) from their facilities, and are delegated the President's CERCLA section 104 response authorities for releases on or from facilities under their own jurisdiction, custody, or control.³⁷ CERCLA section 111(e)(3) prohibits the use of Superfund money for remedial action at a federal facility on the National Priorities List.

VI. Next Steps and Contacts

EPA has established a team to support the implementation of this policy. This team will respond to issues pertaining to this policy and, where appropriate, assist EPA regional staff in formulating and expediting settlement agreements as needed. For questions, please contact Tina Skaar at skaar.christina@epa.gov.

cc: Superfund Emergency Management Division Directors

Superfund Regional Counsel Branch Chiefs

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Thomas A. Mariani, Jr., Chief, Environmental Enforcement Section, ENRD, Department of Justice

³⁷ See [Executive Order 12580](#), 52 Fed. Reg. 2923 (Jan. 23, 1987).



Center for Western Weather
and Water Extremes

SCRIPPS INSTITUTION OF OCEANOGRAPHY
AT UC SAN DIEGO

SPRING WAG ROUNDTABLE MEETING

APRIL 25, 2024

UC San Diego



SCRIPPS INSTITUTION OF
OCEANOGRAPHY



Center for Western Weather
and Water Extremes

SCRIPPS INSTITUTION OF OCEANOGRAPHY
AT UC SAN DIEGO

UC San Diego



Agenda

- 3:00 PM** **Introduction & CW3E Strategic Plan Update**
Marty Ralph, CW3E Director
- 3:10 PM** **Review of Water Year 24: AR Activity, AR Recon, CW3E Activities, Website**
Julie Kalansky, CW3E Deputy Director
- 3:30 PM** **ENSO/Seasonal/Subseasonal Forecasts WY24**
Michael Deflorio, CW3E Subseasonal to Seasonal Researcher
- 3:40 PM** **WAG Member WY24: Updates on Water Management Challenges, Successes, Forecast Tools**
WAG Members
- 4:30 PM** **FIRO Meeting Highlights & Lessons Learned**
Julie Kalansky, CW3E Deputy Director
WAG Members
- 4:45 PM** **Advocacy Update**
Chris Castillo, Director of Federal Relations
Ian Clampett, Director of State and Local Relations
- 4:55 PM** **Closing Remarks & Upcoming Events**
Marty Ralph, CW3E Director



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Introduction & CW3E Updates

F. Martin Ralph

Spring WAG Roundtable
April 25, 2024



2024 CW3E Water Affiliates Group - 3 New Members



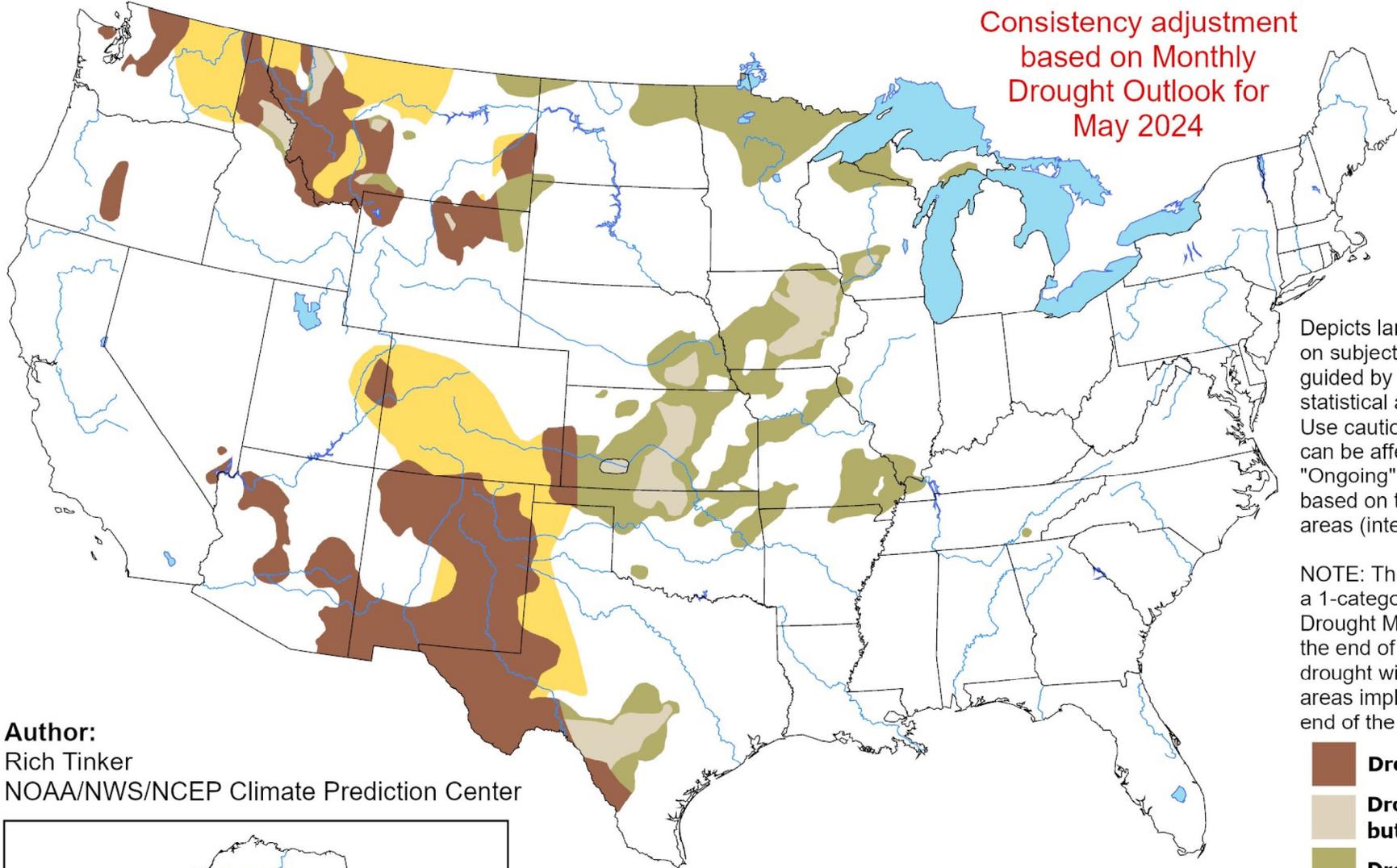
U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for May 1 - July 31, 2024

Released April 30, 2024

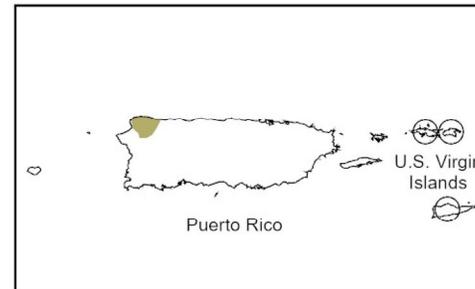
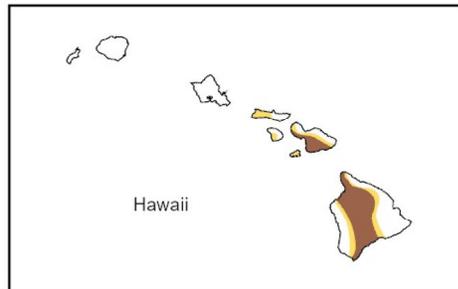
Consistency adjustment
based on Monthly
Drought Outlook for
May 2024



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).

Author:
Rich Tinker
NOAA/NWS/NCEP Climate Prediction Center



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



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

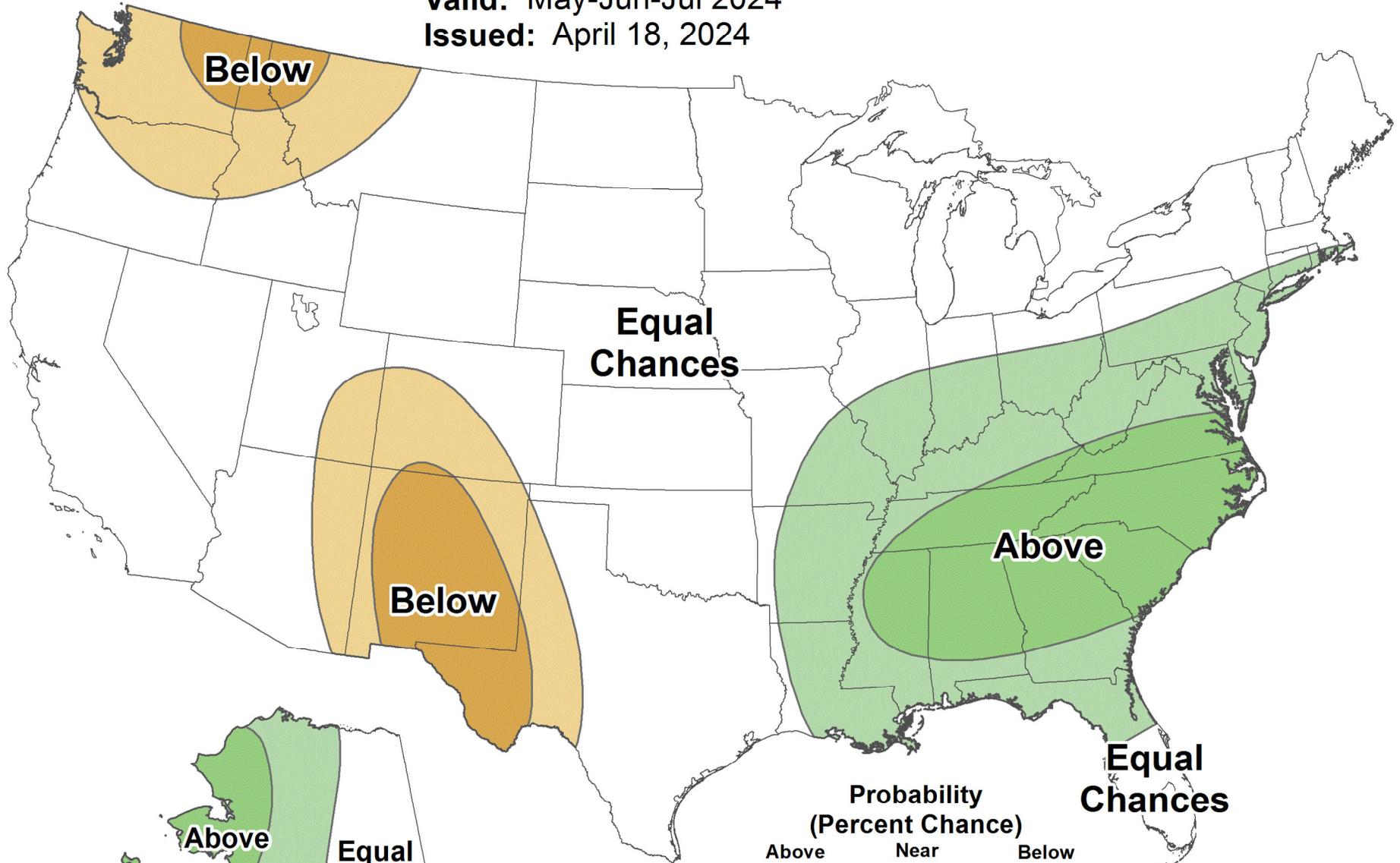


Seasonal Precipitation Outlook

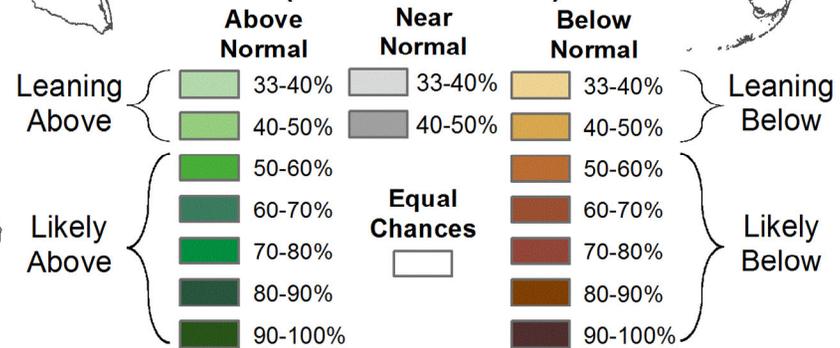


Valid: May-Jun-Jul 2024

Issued: April 18, 2024



Probability (Percent Chance)



Equal Chances

Above

Equal Chances

Below

Equal Chances

Above

Equal Chances

Water districts remain vigilant amid new rules

BY KRISSY WAITE

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Marin County’s main water districts have not detected hazardous chemicals in the water supply, but will continue testing following new federal regulations.

The Biden administration this month set strict limits on specific “forever chemicals” — such as toxic PFAS, or perfluoroalkyl and polyfluoroalkyl substances that make items resistant to stains, heat and water — in drinking water.

The new rules were expected, said representatives with Marin Municipal Water District and the North Marin Water District. Both utilities said they will continue to testing and remain unconcerned about future contamination.

The new regulation requires utilities that supply drinking water to reduce two common PFAS to no more than 4 parts per trillion. The rules, set by the Environmental Protection Agency, state that utilities will have three years to test for the chemicals, and two additional years to filter them out, if found.

Tony Williams, general manager for the North Marin Water District, said the district has been following the issue for years. He said Stafford Lake reservoir was tested in November 2023 in advance of the new regulations. The results were negative for 29 PFAS compounds — including for the five included in the new standards.

“So that is good news for us,” Williams said. “New testing will be performed, essentially repeating what was done in November 2023, starting this year, but we don’t expect the test results to be different.”

Adriane Mertens, a spokesperson for Marin Municipal Water District, has been watching the EPA’s efforts throughout the rule-making process in anticipation of the new requirements.

Previously, MMWD completed a round of testing in December 2020 in which samples were taken at each of its treatment plants: Bon Tempe, San Geronimo and Ignacio Water Quality Station, as well as a number of locations throughout the distribution system. None of the chemicals were detected.

“To date, Marin Water has not found concentrations in the water delivered to our community above the maximum contaminant levels set by the EPA on April 10, 2024,” Mertens said.

The federal regulations require yearly testing. Mertens said she does not expect different results due to careful watershed protections. She said PFAS are commonly found in water sources downstream of potential industrial contamination, groundwater, or areas where there were historically major fires.

“We are fortunate in Marin that the source of our reservoir water is not susceptible to PFAS contamination,” she said. “Our primary supply is sourced from the pristine Mount Tam watershed and Nicasio watersheds, which do not have any industrial outfalls.”

Still, Williams said there is potential the chemicals could turn up in the future, due to widespread use in everyday products.

“These chemicals are incredibly prevalent in consumer goods, clothing, shoes, cookware, packaging and are already present in the environment throughout the U.S.,” he said. “It amazes me that you can still buy non-stick cookware that has one of the many PFAS compounds used in their manufacture.”

He said the good news is that the local water source, Lake Stafford, and its surrounding watershed, upper Novato Creek, is not within an urban or developed area and there are no industrial or manufacturing sources for PFAS. “However it is hard to say what will happen in the long term if the use of these compounds in various products continues and there is either transport to or occurrence of residual PFAS in the watershed,” Williams said. “Especially given the EPA standards, which have incredibly low maximum contaminant levels.”

MARIN MUNICIPAL

Ranchers rip proposal for reservoir expansion

Soulajule dam plan called harmful to communities



Expansion of the Soulajule reservoir is among the proposals of the Marin Municipal Water District to increase water storage capacity. SHERRY LAVARS — MARIN INDEPENDENT JOURNAL, FILE



Water rushes down the spillway at Peters Dam at Kent Lake near Lagunitas. DOUGLAS ZIMMERMAN — SPECIAL TO THE MARIN INDEPENDENT JOURNAL, FILE

BY ADRIAN RODRIGUEZ

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After screening proposals to expand water storage capacity, the Marin Municipal Water District has narrowed its options.

But expansion of the Soulajule reservoir — the district’s star prospect — is drawing mounting opposition from neighboring ranchers who fear that their multigenerational homes and ranches will be engulfed by the new footprint created by the larger dam.

As discussed to date, the proposal would elevate the dam by 39 feet, expanding the reservoir by 530 acres, meaning some existing agricultural land would be under water.

“When you consider the relative cost of this project, please know that by raising the Soulajule dam by 39 feet, you will cause us irreparable loss,” Carol Dolcini, a West Marin rancher, told district officials at a board meeting Tuesday.

“The people of Marin need reliable and resilient and affordable water supply that can withstand extended drought,” she said. “MMWD should be able to achieve this without destroying neighboring communities. Please do not continue to push this destructive plan.”

The shortlist of projects, narrowed from 11, also includes expansion of Kent Lake and a proposal to create a new reservoir in the area of upper Nicasio, staff said.

For comparison purposes, each proposal called for an increased storage capacity of 20,000 acre feet of water, said Paul Sellier, the district's water resources manager.

At that size expansion, Kent Lake would need to be raised 37 feet. That would enlarge the footprint by 180 acres.

The creation of a new dam in the area of upper Nicasio would call for construction of a 103-foot dam with a 310-acre footprint.

"At this point, it's a white paper exercise so that we can compare what the impacts are," Sellier said.

"The next steps are to refine them, right-sizing each to see if there is a natural breaking point where less inundation and less impact could be achieved." "Is there an option where there are no impacts to structures? We need to take a close look at that and understand how we minimize impacts," Sellier said.

The discussion was an update on the district's water supply roadmap, approved last year, that set the stage for the district to significantly increase water supply for the first time since the 1980s.

The plan seeks to add another 12,000 to 20,000 acre-feet of annual supply by 2035.

The district serves 191,000 residents in central and southern Marin. Its seven reservoirs make up about 75% of the district's water supply. The reservoirs can hold up to about 80,000 acre-feet of water, about a two-year supply. An acre-foot is about 326,000 gallons of water.

The water supply roadmap estimated the agency would need at least 8,500 acre-feet of additional water per year to weather a severe four-year drought.

So far, a project at Soulajule appears to be the most viable because it is the lowest cost at \$291 million and has the fewest construction hurdles, staff said.

The Kent Lake project is estimated at \$613 million, in part because construction would be limited to three months out of the year because of presence of the protected northern spotted owl, among other challenges.

The upper Nicasio project would also inundate agricultural properties and require water to be transferred from Soulajule or the existing Nicasio reservoir to fill.

It is expected to cost about \$606 million.

Other projects previously considered would either be too complicated, too costly, or both, such as a proposal to raise the Alpine Lake dam 75 feet for \$1.29 billion.

All estimates account only for construction, which board member Monty Schmitt said wasn't a fair representation of the expense.

Schmitt said some of these projects that would inundate private property require the district to purchase land and structures.

He wanted to know what those costs were, too, he said.

Board member Larry Russell said he believes all proposals are out of reach and the district should stop the exercise, and instead, look into upping investments in conservation and desalination as means to boost water supply.

“Pie in the sky is pie in the sky,” Russell said.

“You have to look at this cold-heartedly from a pure engineering feasibility standpoint, and you know, there’s just better places to spend the money. It’s as simple as that to my mind.”

Larkspur resident Ed Jameson said he agreed with Russell.

“Cut to the quick. None of these projects make sense and no more should be spent evaluating them, and as he suggested desal looks cheap,” Jameson told the board.

Russell also said that considering the Soulajule expansion “is just unnecessarily riling up the folks that live there.”

Maria Ghisletta, one of the Hicks Valley ranchers near the Soulajule dam, said “many of us are frustrated, fearful, angry. Honestly, emotions run the gamut.”

Ben Horenstein, general manager of the district, said these are big, complex projects that will require difficult conversations.

He said that while staff gets deeper into analysis, they will also be considering other options for water recycling and desalination.

Horenstein said continuing the study is a worthwhile exercise to understand the options.

Board member Matt Samson agreed, saying he’s excited to see the study develop.

Board chair Ranjiv Khush said the last significant water supply infrastructure in Marin was built about 50 years ago, but most was constructed more than 100 years ago.

“I ask what are we going to leave for people that are going to be here a hundred years from now if we don’t have the courage to explore really difficult, challenging, expensive questions,” Khush said.

“So I feel strongly that we should continue this analysis until we have all the data on the table, including impacts on community members, including price tags, including the possibilities of external funding, so that we can make decisions that are defensible, not emotional and not well-founded,” Khush said.

“I also believe it would be very irresponsible to stop this process at this stage and I am encouraged that staff is not going to consider that option,” he said.

Housing development clears hurdle

By Ben Stocking

The county is seeking public comment after completing a draft environmental assessment of the plan to develop 54 units of affordable housing at the former Coast Guard property in Point Reyes Station.

The Marin County Community Development Agency signed off on the environmental review on April 22, finding that the project would not have a significant impact on wildlife or sensitive environmental areas near the site, which is located east of downtown

near Lagunitas Creek and two wells operated by North Marin Water District.

The \$43 million project is a joint venture of the Community Land Trust Association of West Marin and Eden Housing, a Hayward-based nonprofit with a large portfolio of affordable housing projects across California.

"We're very pleased that the county has concluded that the project design meets its environmental standards," said Pamela Wright, CLAM's board chairwoman. "We're anx-

Continued on page 7

Major CLAM housing project open for comment

Continued from page 1

ious to proceed to the next phase. This is a great opportunity for the community to express support for the project and encourage the county to expedite it."

The 30-day public comment period closes at 4 p.m. on May 22.

If any substantial issues are discovered during the comment period, the county could be required to compile an environmental impact report, which requires a higher level of review.

"Additional environmental review could put the project in a much longer timeline," said Leelee Thomas, director of the county's housing and grants division.

Otherwise, Eden intends to obtain development permits by the end of the year and begin construction in January. It expects to complete the project by the summer or fall of 2027—three years later than originally planned.

The environmental assessment ensures that the project complies with the requirements of the California Environmental Quality Act and the National Environmental Policy Act. CLAM and Eden originally hoped to complete the project later this year, but their efforts have been slowed by design challenges that arose largely due to

the site's environmentally sensitive areas.

The assessment conducted by San Francisco-based Panorama Environmental outlined various steps that could mitigate any potential harm to wildlife, water or native vegetation. "All impacts identified in the environmental review would be reduced to a level of less than significant with the incorporation of the required mitigation measures," said Rachel Reid, the county's environmental planning manager.

A biologist will survey wildlife species in the area, including the California red-legged frog, monarch butterflies and nesting birds and will monitor the site during construction. Parts of the property will be fenced off to protect vulnerable species, and workers will be trained to recognize them. Removal of some eucalyptus trees would be timed to avoid monarch nesting season.

The county coordinated with the San Francisco Bay Regional Water Quality Control Board to ensure that the project does not have negative impacts on Lagunitas Creek, which supplies water to two nearby wells. Those efforts focused on the design of a wastewater treatment system that includes a leach field and irrigation system that will deposit treated water on fields around the property.

"The environmental review prescribes robust mitigation for protection of the North Marin Water District water supply wells from the potential impacts of the project's proposed leach field," Ms. Reid said.

Eden would be required to conduct detailed water quality monitoring and submit

regular reports to the water quality board. The project will also include a new stormwater drainage system to prevent runoff that could carry sediment to the creek.

The Coast Guard housing complex was built in 1972, providing 36 two-story townhouses for employees and their families and a dormitory for more than 40 enlisted ranks. At its peak, the facility housed about 185 people, most of whom worked at the Communication Area Master Station Pacific, which operated a receiver near the Lunny ranch. The station was decommissioned in 2015, and in 2019, the county purchased the housing site after local advocates, led by CLAM, lobbied for federal legislation to set it aside for affordable housing.

The conversion of the property will transform the townhouses, dormitory and a third building on the site into affordable apartments ranging in size from one bedroom to four bedrooms, with most large enough to house families with children. A former maintenance building on the property will be converted into a common space with a community room, kitchen and library.

Although locals are encouraged to apply for the units, fair housing laws prohibit the county from giving them priority over other applicants.

After the comment period closes, CLAM and Eden will apply for permits and continue fundraising for the project.

Find more information at <https://tinyurl.com/coastguardproject>, and send comments to envplanning.marincounty.org.