



NORTH MARIN WATER DISTRICT

NORTH MARIN WATER DISTRICT AGENDA - REGULAR MEETING April 1, 2025 – 4:00 p.m. District Headquarters Location: 999 Rush Creek Place Novato, California

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Item	Subject
	CALL TO ORDER
1.	APPROVE: Minutes from Regular Meeting - March 18, 2025
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: Audit Services Agreement Renewal for Fiscal Years 2024/2025 – 2026/2027
	ACTION CALENDAR
6.	Approve: Crest Pump Station – Additional Construction Contingency
7.	Approve: Crest Pump Station – Construction Management Services Contract Amendment
	INFORMATION ITEMS
8.	Review of West Marin Water Prop 218 Notice
9.	Admin & Lab Building – Dedication Plaque
10.	MISCELLANEOUS Disbursements – March 20, 2025 Disbursements – March 27, 2025 Auditor-Controller's Monthly Report of Investments for February 2025 NOAA Three-Month Outlook Precipitation Probability – March 20, 2025 NOAA Seasonal Drought Outlook – March 20, 2025 ACWA Update on Priority Issues <u>News Articles:</u> Marin IJ – Pipeline is best step toward MMWD goals – EDITORIAL Marin IJ – John Eyler Obituary Marin IJ – Increase in costs to connect for water – MARIN MUNICIPAL Marin IJ – Water diversion raises concerns about supply – RUSSIAN-EEL RIVER PLAN

Item	Subject
	Press Democrat – Battle lines drawn months before PG&E submits final application to decommission Potter Valley hydropower plant
11.	CLOSED SESSION: Conference with Legal Counsel – Pending/Existing Litigation (Gov. Code § 54956.9(d)(1)) PVC Pipe on behalf of J.M. Manufacturing
12.	RECONVENE: Reconvene as the Board of Directors
13.	ADJOURNMENT

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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
March 18, 2025

CALL TO ORDER

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

District employees Chris Kehoe, Construction Superintendent, Robert Clark, Operations and Maintenance Superintendent, Ryan Grisso, Tim Fuelle, Sebastian Rubio-Gomez, Blake Hall, Susan Dove, Lia Solar, Vincent Verissimo, Avram Pearlman, Karen Clyde, Jose Ochoa, Nancy Williamson, Stacie Goodpaster, Connie Filippi, and Pablo Ramudo, were also in attendance.

Joe Kauwe and his family, and Chris DeGabriele were also in the audience.

APPROVE: RESOLUTION OF APPRECIATION – JOE KAUWE

President Joly read aloud the Resolution of Appreciation for Joe Kauwe and Tony Williams presented the framed resolution to Joe. The audience clapped and gave Joe a standing ovation. Director Petterle spoke and said Joe is one of the most remarkable humans he has met. He said he had a wonderful outlook on life and wished him the best in his retirement. Director Baker said he knew Joe from his days at the County of Marin and that he was a pleasure to work with. Mr. Kauwe thanked the Directors for their kind words. Mr. Kauwe's daughter and sister both thanked everyone for organizing this day for Joe. Former General Manager Chris DeGabriele spoke and said he could always count on Joe to be able to find information for him no matter how old the project was and that he was great to work with and wished him the best. Director Joly stated how remarkable it is the Joe served the District for 44 years. The audience again clapped for Joe. Joe and his family left the meeting.

On the motion of Director Baker, and seconded by Director Petterle, the Board approved the Resolution of Appreciation for Joe Kauwe by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

MINUTES

On motion of Director Petterle, seconded by Director Baker, the Board approved the minutes from the March 4, 2025, meeting by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

GENERAL MANAGER'S REPORT

Tony Williams said he is expecting to advertise Robert Clark's position next week. The goal is to have several months of overlap for the new person. It was noted that Robert has been working at NMWD for 25.5 years.

Mr. Williams said he will be meeting Claire Garvie of Kiosk soon. He said she will attend a Board meeting April to give an overview of the strategic planning efforts to date and the next steps.

OPEN TIME

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

STAFF/DIRECTORS REPORTS

President Joly asked if there were any staff or director's reports and there was no response.

ACTION CALENDAR

APPROVE: BID ADVERTISEMENT FOR SAN MATEO TANK 24-INCH TRANSMISSION MAIN PROJECT

Eric Miller spoke to the Board and said that at the last Board meeting he brought an item for a consultant agreement in regards to the San Mateo Tank project. He said this item was seeking approval to advertise for construction of the project. He said the estimated cost estimate for the project is \$1.3M. Mr. Miller said that the neighborhood will be notified of the project when it is time. He said the bid will be on the District's bidding website but it is actually connected to a larger local plan room. The project will be advertised in the Marin IJ as well. President Joly asked how long the bid process is and Mr. Miller said about 5 weeks. He noted that around the 3-week mark, staff will host a mandatory pre-bid meeting. Director Baker cautioned to thoroughly check the references of the low bidder. President Joly said Mr. Miller is in a good position to ascertain the best bidder. He also asked how many tanks are in this particular area. Mr. Miller said the San Mateo Tank is one of the larger tanks and that there are several other Zone 2 tanks that serve the area.

On the motion of Director Eichstaedt, and seconded by Director Baker, the Board approved the Bid Advertisement for the San Mateo Tank 24-Inch Transmission Main Project by the following vote:

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

NOES: None

ABSENT: None

1 ABSTAIN: None

2 **INFORMATION ITEMS**

3 **DRAFT 2025 WEST MARIN WATER RATE STUDY**

4 Tony Williams introduced Mark Hildebrand of Hildebrand Consulting. He said there has
5 been two West Marin Services Ad hoc Committee meetings with Mr. Hildebrand, staff and Directors
6 Eichstaedt and Fraites. Mr. Hildebrand spoke to the Board and went through his presentation, the
7 2025 West Marin Water Rate Study – Draft Recommendation. The key points were rate studies
8 overview, financial plan, rate design, and project schedule. He said the rate study objective is to
9 make sure the rate structure complies with Proposition 218 and that the rate setting process
10 includes three general steps: revenue requirements, cost of service, and rate design. Mr.
11 Hildebrand explained the financial plan and said that the West Marin Enterprise has cash reserves
12 of \$492,000 as of the beginning of the fiscal year and anticipated revenue of \$1,103,000 for fiscal
13 year 24/25. He noted that approximately 95% of revenue is from water sales. Mr. Hildebrand said
14 the estimated operating expenses and debt service totaled \$1,109,000, which does not include
15 capital spending. For proposed rates, the cost escalation assumptions include a 5% per year for
16 utilities, chemicals, and supply and 3% for all other costs. President Joly said he would like a
17 sensitivity analysis to see what impacts higher inflationary values have on the rates. Mr. Hildebrand
18 then went over the primary rate increase drivers which include two upcoming bridge projects,
19 Gallagher Well No. 3, as well as rehabilitation of the treatment plant. Mr. Hildebrand said inflation
20 and revenue were also factors. Julie Blue added that the Employee Association MOU salary
21 increases were impacting the rates and were not included in the 2021 rate study. Mr. Hildebrand
22 said there are two categories for reserves, minimum which is made of operating reserve and liability
23 contingency reserve, and target reserves which is the maintenance accrual fund. He then showed a
24 chart that detailed the capital spending for projects through 2035 with some projects using loan and
25 grant funds. Director Eichstaedt asked what is the largest grant we have received and Mr. Williams
26 said we received \$17M in total grants for the recycled water system. Mr. Williams noted that the
27 District doesn't have a grant writer and that we generally use consultants to apply for our grants
28 although staff prepared the Gallagher Well No. 2 grant. Mr. Hildebrand went on to show one
29 scenario for Capital Spending that listed the 2 bridges, Gallagher Well No. 3 and the treatment plant
30 rehab, then all other projects deferred until FY30. Director Fraites asked about federal funding and
31 Mr. Williams said that currently only FEMA is being considered which has an uncertain future.
32 Director Eichstaedt asked if there is a strategy in going after the grants. Mr. Miller answered that
33 hasn't really been discussed in depth yet and Mr. Williams added that there have been some
34 preliminary talks with other West Marin water providers. Mr. Hildebrand then showed a financial
35 forecast over 20 years that showed a 19% rate increase over 4 years, then dropped to 15% for the
36 5th year, then dropping to 3% in 2031. He then went on to show Scenario 2 that has the 2 bridges,

1 Gallagher Well No. 3, all debt funded, and the treatment plant rehab being deferred to 2040 and
2 would be cash funded and partially grant funded. He then went on to discuss the cost of service
3 study and rate structure design. He said the existing rates consist of fixed services charge and
4 quantity charges. He explained what the basis was for the current three-tiered rates and
5 recommended to change to 2 tiers. He also recommended to change to a uniform rate for
6 commercial accounts, which currently include a seasonal rate. Mr. Hildebrand said the fixed vs
7 variable revenue show that approximately 11.2% of operating costs and 5.8% of all costs are
8 variable and yet 73% of rate revenue is currently variable. The proposal is to slowly increase the
9 amount of revenue that is fixed, which would minimize the impact on rate payers. He also showed
10 the changes to the hydraulic zones charges and that Zone 3 (Olema) is decreasing. Mr. Hildebrand
11 then showed proposed rates for year 1 that illustrated the proposed vs current rates and also
12 showed the bill impacts by customer type. A survey of single family residential bills from the other
13 regional water providers showed NMWD's cost to be the lowest for current rates and second lowest
14 for proposed rates. Mr. Williams added that in talking with other General Managers in West Marin,
15 they have started increasing their rates as well due primarily to capital needs. Director Petterle
16 asked if we are billing monthly in West Marin and Ms. Blue said we are still billing bi-monthly and
17 that the bill impacts are per bill and the survey period was a month. Mr. Hildebrand ended with
18 showing the rate study timeline which started in January and will end with the implementation of new
19 water rates effective July 1, 2025. Director Fraites asked if there is press coverage in West Marin
20 and Mr. Williams said we are getting the message out, that he has done a radio interview and we
21 have notified customers of scheduled public meetings through the newsletter that was mailed out to
22 each customer. He also said we have a dedicated web page and are pushing out information via
23 social media, and will publish in the Pt. Reyes Light as well. Director Petterle said putting an article
24 in the Pt. Reyes Light would be good and Director Eichstaedt agreed. Robert Clark said there is the
25 opportunity to talk to the community once a month at the Rotary Club meeting. Director Eichstaedt
26 said it would be good if Mr. Clark could do that. President Joly said he wants us to take the initiative
27 and get the message out. President Joly told Mr. Hildebrand it was a good presentation and the
28 Board thanked Mr. Hildebrand. Director Petterle said for the Board meeting on April 15, he should
29 try to keep the presentation to 20-25 minutes, President Joly said to keep it simpler, maybe not so
30 much detail. Director Eichstaedt said that the capital spending and projects are important and that
31 should be highlighted in our communications to customers.

32 **POTTER VALLEY PROJECT – NEW EEL-RUSSIAN FACILITY UPDATE**

33 Tony Williams said there will be more detailed information in the closed session but that he
34 did include the NERF MOU again, which is a critical juncture in the future of Potter Valley diversions.
35 He said it's complicated. He also said that the TAC members are getting briefed by Sonoma Water
36 staff on how the hydrology supports future diversions. The good news is there is an MOU that the

Eel River interests have signed with the Russian River interests to come up with a final agreement to develop a water diversion strategy and water could be available to transfer from the Eel. He said there is a lot of money that's being committed to the two rivers systems and there's concern of who is going pay for all of this. He said the \$18M pledge from the state was extremely helpful. He also said there's potential federal for another \$15M through the Bureau of Reclamation but the funds are uncertain. Director Fraites asked what the acronym was and Mr. Williams confirmed it is NERF. He said they can discuss this more in closed session. President Joly thanked him for including the MOU in the packet again.

TAC MEETING AGENDA – MARCH 3, 2025

Tony Williams said that on Item #9, SCWA Government Affairs Update, on the TAC Meeting Agenda, that Sonoma Water staff are tracking FEMA funding, Bureau of Reclamation funding, and State funding. He said that he stays in touch with Brad Sherwood, who oversees Sonoma Water's Community and Government Affairs Division to make sure we don't miss anything.

NBWA MEETING AGENDA – MARCH 7, 2025

Director Fraites said the NBWA meeting met at Novato Sanitary District's offices. He noted that Director Baker and Mr. Williams attended as well. He said there wasn't a speaker at this meeting and, instead, the directors asked each participant what work programs would be in the next fiscal year and each District gave a report. Tony Williams noted that NMWD will be hosting NBWA's May 2nd meeting.

President Joly asked Robert Clark how the treatment plant was going. Mr. Clark said he would like to say smoothly but it has some growing pains. He said the filter run times are much shorter than we would like. He said they would like to see 21 hours but seeing more like 8-10 and they are trying to figure out why. He said they are only running Monday – Friday, 8-12 hours a day. President Joly asked if they will continue to run it and Mr. Clark said it depends on the weather.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated March 6 and 13, 2025, Monthly Progress Report, Auditor-Controller's Monthly Report of Investments for January 2025, News Release – Natural Resources Agency Thanks Tribal Leaders, No. California Counties and Conservation Groups for their Leadership as Historic Agreement Announced to Secure Water Reliability in the Russian River, Benefit Salmon on the Eel River, SF GATE- A California reservoir could disappear if PG&E gets their way, Sonoma Water - Water Transmission System Draft Budget Overview.

The Board received the following news articles: Marin IJ – Regional water pipeline advances – MARIN MUNICIPAL, MMWD board VP shares resiliency plan - MARIN VOICE, Pt. Reyes Light – Letter to the Editor - Planning ahead for water.

1 The Board also received the NMWD Web and Social Media Report – January 2025.

2 President Joly recessed the Board at 5:45 and took a ten-minute recess.

3 **CLOSED SESSION**

4 President Joly President Joly convened the Board into closed session at 5:55 p.m. to discuss
5 the Potter Valley Hydroelectric Project and PG&E Draft Application for Surrender of License and
6 Application for Non-Project Use of Project Lands. Robert Maddow, of Bold, Polisner, Maddow,
7 Nelson, and Judson, was also present via telephone.

8 **OPEN SESSION**

9 Upon returning to regular session at 6:39 p.m., President Joly stated that no reportable
10 action had been taken during Closed Session.

11 **ADJOURNMENT**

12 President Joly adjourned the meeting at 6:40 p.m.

13 Submitted by

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15
16 Eileen Mulliner
17 District Secretary
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**MEMORANDUM**

To: Board of Directors

April 1, 2025

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

Subj: Audit Services Agreement Renewal for Fiscal Years 2024/2025 – 2026/2027

t:\ac\board reports\board memos\2025\cpa for fs audit\board memo cpa firm for fs audit fy 24.25-fy 26.27.docx

RECOMMENDED ACTION: Approve renewal of agreement with C.J. Brown & Company, CPAs to perform the annual financial statement audit of the District for a three-year period for a fee not-to exceed \$28,850 for FY 24/25, through FY 26/27, with an option to extend the contract for two additional years through FY 28/29

FINANCIAL IMPACT: Approximately \$86,550 Annually (Fiscal Year (FY) 24/25 through FY 26/27)

The District previously solicited audit proposals and subsequently engaged Fedak & Brown LLP for audit services. In FY 22/23, key partners from Fedak & Brown formed C.J. Brown & Company, CPAs, which has since conducted the District's audits for the past two fiscal years. The firm continues providing audit services at competitive rates. The firm has demonstrated proficiency, responsiveness, and efficiency, working well with the Accounting staff and providing valuable implementation and continued support for critical accounting standards, including GASB 68 (Pension), 75 (Other Post-Employment Benefits), and 87 (Lease Accounting). Their familiarity with water district operations and continuity in staffing have been particularly important during internal staff transitions. Additionally, C.J. Brown & Company has extensive experience auditing other water districts of similar size, providing them with a strong understanding of industry-specific financial and regulatory requirements.

C.J. Brown & Company, CPAs has now submitted a three-year proposal for audit services covering FY 24/25 through FY 26/27 at a fixed annual fee of \$28,850, with optional extensions for FY 27/28 and FY 28/29 at the same rate. This represents a 39% increase from the prior year, driven primarily by two factors. First, the number of audit hours has increased based on actual time incurred in recent audits, reflecting the growing complexity of financial reporting, including additional GASB requirements. Second, professional rates have risen industry-wide as firms adjust salaries to attract and retain qualified audit professionals in a competitive labor market. Despite this increase, the firm's proposed fee remains reasonable given the level of expertise and service provided.

RECOMMENDATION

Approve renewal of agreement with C.J. Brown & Company, CPAs to perform the annual financial statement audit of the District for a three-year period for a fee not-to exceed \$28,850 for FY 24/25, through FY 26/27, with an option to extend the contract for two additional years through FY 28/29.

ATTACHMENTS:

1. Cost Proposal to Provide Auditing Services from CJ Brown & Company, CPAs

North Marin Water District

Cost Proposal to Provide Auditing Services

For the Fiscal Years Ending
June 30, 2025 through 2027
and Optional Years 2028 and 2029

Christopher J. Brown CPA, CGMA
Jonathan P. Abadesco, CPA

10805 Holder Street, Suite 150
Cypress, California 90630

5051 Canyon Crest Drive, Suite 203
Riverside, California 92507

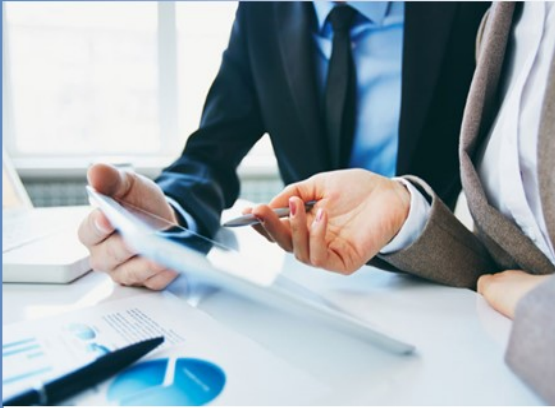
Phone: (657) 214-2307

Email: chris@cjbrowncpa.com
jonathan@cjbrowncpa.com

**Consultants
& Advisors**



**C.J. Brown & Company, CPAs
An Accountancy Corporation**



**Certified
Public
Accountants**





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Riverside, California 92507
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January 20, 2025

Ms. Julie Blue, Auditor-Controller
North Marin Water District
999 Rush Creek Place
Novato, CA 94945-2426

Re: Request for Proposal for Annual Audit Services

Dear Ms. Blue:

Based on our understanding of the North Marin Water District (District) requirements, our fee for annual audit services and preparation of the District's Annual Comprehensive Report at our discounted rates for the fiscal years ending June 30, 2025, through 2027 and optional years 2028 and 2029 will be **\$28,850** per year, respectfully. This fee is based on our understanding of the District's audit requirements.

Our estimate for out-of-pocket expenses may not be utilized in total to the amount estimated. Again, these fees are based on the estimated costs to complete the audit. The components of this audit services fee proposal and out-of-pocket costs for the fiscal years ending June 30, 2025 through 2029, are itemized in the attached Exhibits.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Other items asked to be priced by the District are noted on page 3 of this proposal. Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required.

I am authorized to make representations for C.J. Brown & Company, CPAs – An Accountancy Corporation and am duly authorized to sign a contract with the District.

Christopher J. Brown, CPA CGMA

January 20, 2025

Date

Exhibit I – Proposed Hours and Our Fees

Proposed Hours and Our Fees

We anticipate that, for the fiscal years ending June 30, 2025, through 2027, and optional years 2028 and 2029, the audit of the District will require approximately 210 audit hours. These hours, by major area, are summarized as follows:

Breakout of Audit Hours				
Audit Steps	Partner	Manager	Staff	Total
Planning & Audit Documentation	3	15	20	38
Controls Testwork	4	10	40	54
Substantive Testwork	5	15	50	70
Reporting	8	25	15	48
Total	20	65	125	210

As shown above, we expect approximately 41% of engagement hours to come from the Partners, Managers, and Supervisors assigned to the engagement.

Working on the premise that we will be provided with all the documents listed per our audit requirements (will be provided prior to commencement of fieldwork), we expect to perform the audit of the District at fees as stated in the attached Schedule of Professional Fees on Page 3 for the fiscal year ending June 30, 2025 through 2027, and optional years 2028 and 2029, respectively.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as report reproductions, typing, postage, travel, copies, telephone, etc.). We will obtain the assistance of District's personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due and payable thirty days from the date of the invoice.

Based upon the present size and scope of the activities of the District, we expect to perform the services enumerated above at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audit.

In accordance with the Office of Management and Budget, we will maintain our work papers for a minimum of seven years and make them available to the District, state agencies, the General Accounting Office, and other parties upon the direction of the District. We have provided a breakdown of our current hourly rates, which would apply to this engagement on the attached Schedule of Professional Fees by Hours on Pages 4 through 6 of this cost proposal.

We want the Board to understand that we will provide any assistance and answer any questions that the District's staff or members of the Boards may have when they arise for the entire duration of our contract. We find it important to stay abreast of the District's activities and issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the auditing services of the District. Because of our experience in special districts and agencies, we will provide you with accounting updates (GASB) to assist in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

Exhibit II – Schedule of Professional Fees

North Marin Water District

Engagement Fees By Fiscal Years	Audit Service Fees*	Not-to-Exceed Estimate of Out of Pocket Costs**	Total Audit	Preparation of the State Controller's Report	Single Audit of Federal Awards	Total Engagement
Fiscal Year 2025	\$ 25,850	3,000	28,850	750	7,250	36,850
Fiscal Year 2026	25,850	3,000	28,850	750	7,250	36,850
Fiscal Year 2027	25,850	3,000	28,850	750	7,250	36,850
Total Three Year Contract	\$ 77,550	9,000	86,550	2,250	21,750	110,550
Optional Years						
Fiscal Year 2028	\$ 25,850	3,000	28,850	750	7,250	36,850
Fiscal Year 2029	\$ 25,850	3,000	28,850	750	7,250	36,850

* Professional fiscal audit services fees – labor only. Includes preparation of the Annual Financial Report.

** Estimate of out-of-pocket costs consist of: travel, mileage, postage and printing costs.

Exhibit III – Schedule of Professional Fees by Hours

FISCAL YEAR 2025			
Breakdown of Fees by Hours			
Fiscal Year 2025 Audit of:	Hours	Hourly Rates	Total
District's Annual Comprehensive Report			
Partner - Audit/Technical	20	\$ 180	\$ 3,600
Manager/Supervisor	65	150	9,750
Staff	125	100	12,500
Total Financial Statement Audit for 2025	210		25,850
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			3,000
Total Audit for 2025			\$ 28,850
Other Items Asked to be Priced by the District:	Hours	Rates	Total
Single Audit of Federal Awards (as needed)	50	145	7,250
Preparation of the District's Annual State Controller's Report	6	125	750
Total Maximum with Other Items for 2025	266		\$ 36,850
FISCAL YEAR 2026			
Breakdown of Fees by Hours			
Fiscal Year 2026 Audit of:	Hours	Hourly Rates	Total
District's Annual Comprehensive Report			
Partner - Audit/Technical	20	\$ 180	\$ 3,600
Manager/Supervisor	65	150	9,750
Staff	125	100	12,500
Total Financial Statement Audit for 2026	210		25,850
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			3,000
Total Audit for 2026			\$ 28,850
Other Items Asked to be Priced by the District:	Hours	Rates	Total
Single Audit of Federal Awards (as needed)	50	145	7,250
Preparation of the District's Annual State Controller's Report	6	125	750
Total Maximum with Other Items for 2026	266		\$ 36,850

Exhibit III – Schedule of Professional Fees by Hours

FISCAL YEAR 2027

Breakdown of Fees by Hours

Fiscal Year 2027 Audit of:	Hours		Hourly Rates		Total
District's Annual Comprehensive Report					
Partner - Audit/Technical	20	\$	180	\$	3,600
Manager/Supervisor	65		150		9,750
Staff	125		100		12,500
Total Financial Statement Audit for 2027	210				25,850
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)					3,000
Total Audit for 2027				\$	28,850
Other Items Asked to be Priced by the District:	Hours		Rates		Total
Single Audit of Federal Awards (as needed)	50		145		7,250
Preparation of the District's Annual State Controller's Report	6		125		750
Total Maximum with Other Items for 2027	266			\$	36,850

OPTIONAL YEAR - FISCAL YEAR 2028

Breakdown of Fees by Hours

Fiscal Year 2028 Audit of:	Hours		Hourly Rates		Total
District's Annual Comprehensive Report					
Partner - Audit/Technical	20	\$	180	\$	3,600
Manager/Supervisor	65		150		9,750
Staff	125		100		12,500
Total Financial Statement Audit for 2028	210				25,850
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)					3,000
Total Audit for 2028				\$	28,850
Other Items Asked to be Priced by the District:	Hours		Rates		Total
Single Audit of Federal Awards (as needed)	50		145		7,250
Preparation of the District's Annual State Controller's Report	6		125		750
Total Maximum with Other Items for 2028	266			\$	36,850

Exhibit III – Schedule of Professional Fees by Hours

OPTIONAL YEAR - FISCAL YEAR 2029			
Breakdown of Fees by Hours			
Fiscal Year 2029 Audit of:	Hours	Hourly Rates	Total
District's Annual Comprehensive Report			
Partner - Audit/Technical	20	\$ 180	\$ 3,600
Manager/Supervisor	65	150	9,750
Staff	125	100	12,500
Total Financial Statement Audit for 2029	210		25,850
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			3,000
Total Audit for 2029			\$ 28,850
Other Items Asked to be Priced by the District:	Hours	Rates	Total
Single Audit of Federal Awards (as needed)	50	145	7,250
Preparation of the District's Annual State Controller's Report	6	125	750
Total Maximum with Other Items for 2029	266		\$ 36,850

6



MEMORANDUM

To: Board of Directors April 1, 2025

From: Eric Miller, Assistant General Manager/Chief Engineer *EM*
 Avram Pearlman, Associate Engineer *AP*

Subject: Crest Pump Station – Additional Contingency Funds for Construction
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RECOMMENDED ACTION: Authorize the General Manager to increase contingency funds for the construction phase of the Crest Pump Station Project

FINANCIAL IMPACT: \$90,000 (available in FY 24/25 budget)

Background

The purpose of this memo is to request additional contingency funds for the construction phase of the Crest Pump Station project (J-1.6141.00). The Board approved a construction contract with Maggiora & Ghilotti, Inc. (M&G) at the November 21, 2023 Board meeting in the amount of \$1,297,420 for construction of a new pump station, and authorized contingency funds in the amount of \$150,000.

Staff issued the Notice to Proceed to M&G on December 20, 2023, however construction did not begin until Summer 2025 due to long lead procurement of several materials. During the period before construction began, design modifications were made to the specified pumps, motors, electrical equipment, and concrete foundation. Although several of the changes resulted from value engineering efforts, the District ultimately decided to upsize the pump capacity which resulted in a change order that consumed much of the Project's contingency funds.

The District's construction management consultant, GHD, Inc. (GHD), has worked hard to minimize additional change orders throughout construction. However, as the project nears completion it has become evident that some changes to M&G's scope are required to complete the project. Staff and GHD have a good understanding of the remaining items of work and anticipate that \$90,000 in additional contingency funds will be adequate to facilitate negotiations with M&G and to process construction closeout.

Financial Impact

M&G's original contract of \$1,297,420, the original contingency of \$150,000 and the additional contingency funds of \$90,000 would result in a total construction contract allowance of \$1,537,420.

The Project's total construction phase cost projection is \$1,890,000 which includes the proposed construction contract budget and soft costs. Of the Project's total construction phase cost projection, current fiscal year costs are estimated at \$1,600,000.

The approved line item in the FY24/25 CIP budget for this project (Item No. 2b3) is \$1,400,000, which was staff's estimate for remaining construction costs at the time the CIP budget was approved. Additional funds are available in the current fiscal year to cover the \$200,000 overage in line item 2c1 – Hydropneumatic Upgrades, Phase 1 (Bahia), which is a capital improvement project that will not be fully expended during the current fiscal year.

The overage in the construction cost can be attributed to price escalations in material and labor costs in recent years and resulting increased consultant service costs is due to an extended construction period. The low bid received in October 2023 for the Project was \$1,297,420, and the average of all five (5) bids received was \$1,585,730.

RECOMMENDATION

That the Board authorize the General Manager to increase contingency funds for the construction phase of the Crest Pump Station Project in the amount of \$90,000.

ATTACHMENTS:

1. BOD Memo for Award Construction Contract, dated November 21, 2023.



MEMORANDUM

To: Board of Directors

Date: November 21, 2023

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

Subj: Award Construction Contract for Crest Pump Station Project

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RECOMMENDED ACTION: Approve award of the contract to Maggiora & Ghilotti, Inc., and authorize the General Manager to execute an agreement with Maggiora & Ghilotti, Inc. for the Crest Pump Station Project.

FINANCIAL IMPACT: \$1,297,420 plus contingency reserve of \$150,000 (~12%)
(\$1,500,000 included in FY 23/24 budget)

Background

The project site is located on Bahia Drive as shown on the attached map (Attachment 1). A project background, project status and environmental clearance summary was provided to the Board at the September 19, 2023 meeting and the Board authorized bid advertisement at that time (Attachment 2).

Bid Results

The project was publicly advertised for bidding beginning on September 21, 2023 and the bid opening took place virtually on October 26, 2023 at 3:00pm. The District advertised the project in the Marin Independent Journal and the contract documents were made available electronically for review and/or download via the District's virtual plan room, nmwdbids.com (a web-based bid management service). The bid period was approximately five (5) weeks and included two addendums.

Eleven (11) prime contractors attended the mandatory pre-bid meeting and site visit on October 6, 2023. Five bids were received and the base bid amounts for each bidder are listed below:

	CONTRACTOR	TOTAL BASE BID
	<i>Engineer's Estimate</i>	<i>\$1,050,000</i>
1	Maggiora & Ghilotti, Inc., San Rafael, CA	\$1,297,420
2	GSW Construction, San Francisco, CA	\$1,443,300
3	CWS Construction, Novato, CA	\$1,585,000
4	Terracon Construction, Healdsburg, CA	\$1,606,930
5	Pacific Infrastructure, Pleasanton, CA	\$1,996,000

Bid Evaluation

Maggiora & Ghilotti, Inc. of San Rafael, CA submitted the lowest responsive bid of \$1,297,420 which is \$247,420 (24%) above the Engineer's Estimate of \$1,050,000. The bid span between the Number 1 and Number 2 low bidders (Maggiora & Ghilotti, Inc. and GSW Construction) was \$145,880 (for a variance of 11%). The next three bidders were \$287,580 (22%), \$309,510 (24%), and \$698,580 (54%) above the low bidder, respectively.

The variance in Base Bid amounts compared to both the Engineer's Estimate and the lowest responsive bid are listed in the table below. The relatively large variance across the five bidders is likely due to ongoing economic uncertainties, supply chain factors, and individual company's tolerance for different levels of risk and profit margins.

	CONTRACTOR	TOTAL BASE BID	% Above Low Bidder	% Above Eng. Est.
	<i>Engineer's Estimate</i>	<i>\$1,050,000</i>	<i>-19%</i>	<i>0%</i>
1	Maggiora & Ghilotti, San Rafael, CA	\$1,297,420	0%	24%
2	GSW Construction, San Francisco, CA	\$1,443,300	11%	37%
3	CWS Construction, Novato, CA	\$1,585,000	22%	51%
4	Terracon Construction, Healdsburg, CA	\$1,606,930	24%	53%
5	Pacific Infrastructure, Pleasanton, CA	\$1,996,000	54%	90%

A bid evaluation was performed by District staff, concluding that Maggiora & Ghilotti Inc.'s supplied all required bid documents in good order. Other references were also checked and their work was considered satisfactory by those clients. Maggiora & Ghilotti, Inc. constructed the Old Ranch Road Tank No. 2 Project in 2022 and performed successfully for the District.

Financial Impact

The FY23/24 Capital Improvement (CIP) budget includes a line item for the project in the amount of \$1,500,000 (item 2b2). Total estimated costs for the project's construction phase include the base bid contract amount of \$1,297,420, a contingency reserve amount of \$150,000, and soft costs estimated not-to-exceed \$250,000, which include District staff time for project administration and closeout, construction management and inspections by GHD, Inc., survey staking, and materials testing. The total estimated costs of \$1,697,420 exceed the budgeted amount for the current fiscal year, FY23/24.

The project completion date of September 2024 spans into FY24/25, and staff will program funds as needed in the proposed FY 24/25 CIP budget to cover expenses that carryover into next fiscal year. For this reason, the FY23/24 CIP budget has adequate budget to award the project to the lowest responsive and responsible bidder, despite their low bid amount being 24% over the Engineer's Estimate.

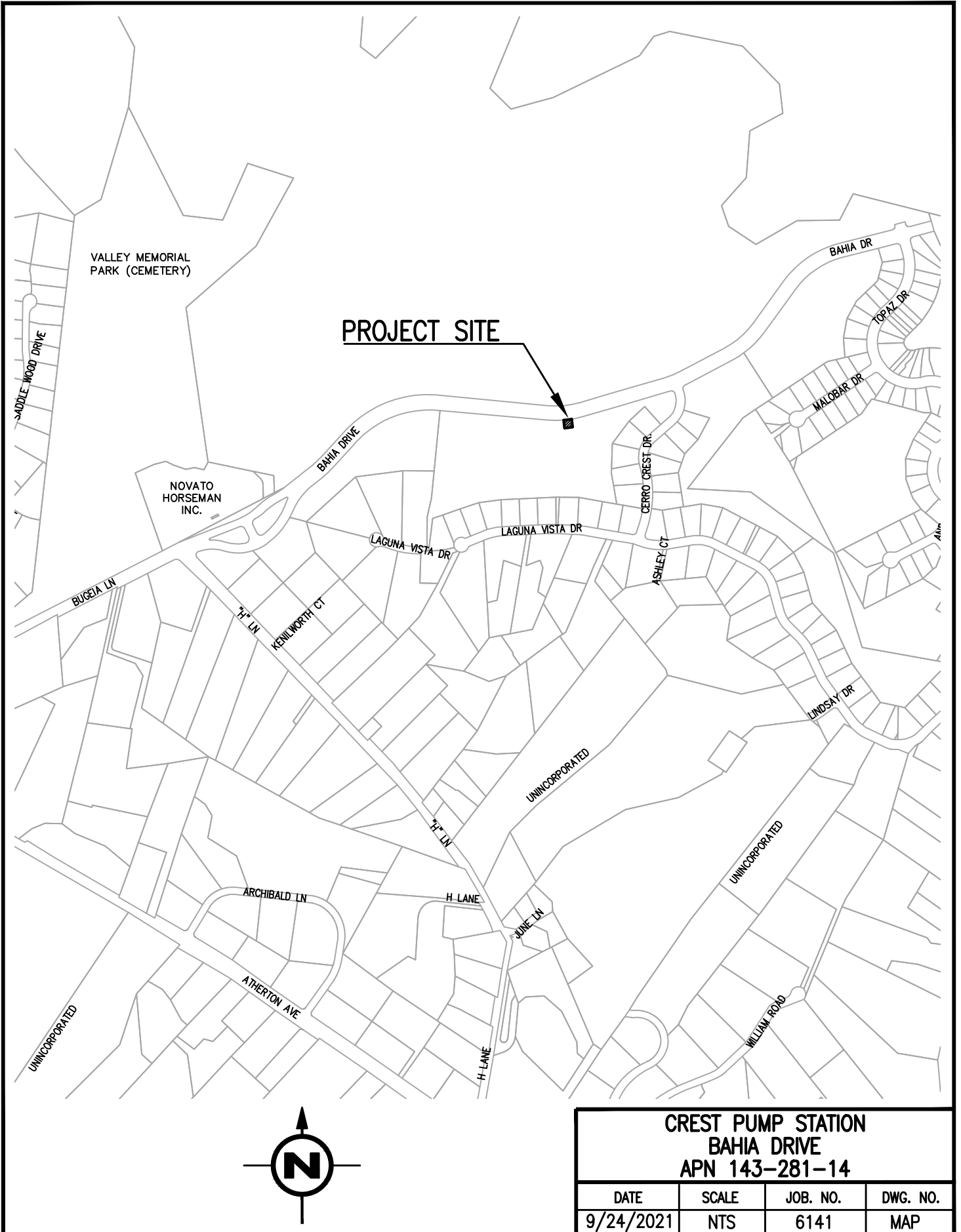
RECOMMENDATION

That the Board approve award of the contract to Maggiora & Ghilotti Inc., and authorize the General Manager to execute an agreement for Maggiora & Ghilotti Inc. for the construction phase of the Crest Pump Station Project.

ATTACHMENTS:

1. Crest Pump Station Site Map
2. BOD Memo for Bid Advertisement, dated September 19, 2023

Sep 24, 2021 - 3:23pm u:_NMWD Files\6141 Crest PS\3_ISSUED\A\6141_Vicinity Map.dwg User: SUSAN



CREST PUMP STATION BAHIA DRIVE APN 143-281-14			
DATE	SCALE	JOB. NO.	DWG. NO.
9/24/2021	NTS	6141	MAP



MEMORANDUM

To: Board of Directors

From: Eric Miller, Assistant General Manager/Chief Engineer
Avram Pearlman, Associate Engineer

Date: September 19, 2023

Subj: Approve Bid Advertisement for Crest Pump Station Project

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RECOMMENDED ACTION: That the Board authorize bid advertisement of the Crest Pump Station Project.

FINANCIAL IMPACT: \$1,050,000 (\$1,500,000 included in FY 23/24 budget)

Background

The Crest Pump Station is intended to replace the existing School Road Pump Station, which is undersized and requires the operation of both pumps during peak demand periods. The existing School Road Pump Station does not have a redundant pump unit, is not sufficiently sized to accommodate a third pump, and would not be able to meet peak demands in the event of an equipment failure. In addition, the School Road Pump Station has a long, undersized suction pipeline (8") that acts as a hydraulic bottleneck, and accessibility for maintenance and operations is another concern.

A new site on the south side of Bahia Drive, approximately 600 feet west of the intersection of Bahia Drive and Cerro Crest Drive, was selected for the new Crest Pump Station. In this vicinity, a large diameter (16") Zone 1 pipeline is near a large diameter (12") Zone 2 pipeline, which represents suitable hydraulic conditions for moving water from Zone 1 to Zone 2.

This location was selected based on the following considerations:

- This site provides the most direct hydraulic connection between the source and target Zone 2 tanks. Given the elevation of the Bahia Drive site, this proximity results in lower energy required to meet system demands.
- Constructing the new pump station at this location makes use of existing pipelines to the greatest possible extent, which reduces construction costs.
- At this site there will be sufficient Net Positive Suction Head (NPSH) for the new pumps.

Project Status and Environmental Clearance

The District's construction management consultant for this project, GHD Inc., recently performed a constructability review on the 100% drawings and specifications. Their comments were implemented into the bid package and the project is currently ready to be publicly advertised for bidding. Additionally, GHD will perform project management and inspection, representing NMWD during construction. PG&E has provided a service connection, the meter is set, and there is electrical service available at the site.

The Crest Pump Station Project qualifies under a class of projects that has been determined in the California Environmental Quality Act (CEQA) guidelines as not to have a significant effect on the environment and which may be exempted. Therefore as the Lead Agency, the Board approved at its meeting on September 18, 2018 to certify a Notice of Exemption (NOE) for this project citing a Class 3 categorical exemption pursuant to Section 15303 of the CEQA guidelines.

Schedule

Complete All Design Reviews	September, 2023
Advertise Project	September 21, 2023
Bid Opening	October 26, 2023
BOD Meeting to Award Contract	November 7, 2023
Contractor Notice to Proceed	November, 2023
Site Work to begin	March, 2024
Construction Complete	September, 2024

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

Financial Impact

The engineer's estimate of probable cost for the construction phase is \$1,050,000, but actual costs are unknown until the contractor bids are opened. The FY23/24 Capital Improvement budget includes a line item for the project's construction phase in the amount of \$1,500,000. Soft costs for the construction phase are estimated not-to-exceed \$250,000, which

include District staff time for project administration and closeout, construction management and inspections by GHD, Inc., survey staking, and materials testing.

Recommendation

The Board authorize bid advertisement of the Crest Pump Station Project.

Attachments

1. Crest Pump Station Site Map

7

**MEMORANDUM**

To: Board of Directors April 1, 2025
From: Eric Miller, Assistant General Manager/Chief Engineer *EM*
Avram Pearlman, Associate Engineer *AP*
Subject: Crest Pump Station – Construction Management Services Contract Amendment

R:\Folders by Job No\6000 jobs\6141 Crest PS\Board Memos\2025 0401 GHD CM Contract Amend 2\6141.00 Amend 2 GHD Agrmt BOD Memo.doc

RECOMMENDED ACTION: Authorize the General Manager to amend the Agreement with GHD, Inc.

FINANCIAL IMPACT: \$50,000 (available in FY 24/25 budget)

Background

The purpose of this memo is to request the second amendment to the Consulting Services Agreement with GHD, Inc. (GHD) for construction-phase services for the District's Crest Pump Station project (J-1.6141.00). The Board approved the initial agreement with GHD at the September 19, 2023 Board meeting in the amount of \$190,000 for full project management during the construction phase including, contract management, coordinating meetings, documentation, on-site inspection of work performed, processing payments, responding to contractor inquiries, and ensuring compliance with project requirements.

As the construction phase began, staff identified additional tasks for GHD that were outside of their base scope including, review of electrical and mechanical submittals which staff had originally planned to complete internally, and value engineering design modifications for the pumps and motors. These scope modifications resulted in the first amendment to the Consulting Services Agreement with GHD, which was approved at the November 5, 2024 Board meeting in the amount of \$50,000.

Staff recommends a second amendment to the GHD Consulting Services Agreement in the amount of \$50,000 for continued construction-phase services through the remainder of the project which is currently scheduled for completion in June 2025. This additional effort is necessary due to more inspection hours being needed on-site than originally anticipated, and subsequently more administrative hours from the GHD team. Staff will continue to work closely with the GHD team to ensure that the pump station is being constructed to meet the District's highest standards of quality.

Financial Impact

GHD's original agreement of \$190,000, the first amendment of \$50,000 and the second amendment of \$50,000 would result in a total contract amount of \$290,000. Combined with District staff time, the Project's construction phase soft costs are estimated to be \$350,000.

The Project's total construction phase cost projection is \$1,890,000 which includes the current construction contract budget and soft costs. Of the Project's total construction phase cost projection, current fiscal year costs are estimated at \$1,600,000.

The approved line item in the FY24/25 CIP budget for this project (Item No. 2b3) is \$1,400,000, which was staff's estimate for remaining construction costs at the time the CIP budget was approved. Additional funds are available in the current fiscal year to cover the \$200,000 overage in line item 2c1 – Hydropneumatic Upgrades, Phase 1 (Bahia), which is a capital improvement project that will not be fully expended during the current fiscal year.

The overage in the construction cost can be attributed to price escalations in material and labor costs in recent years and resulting increased consultant service costs is due to an extended construction period. The low bid received in October 2023 for the Project was \$1,297,420, and the average of all five (5) bids received was \$1,585,730.

RECOMMENDATION

That the Board authorize the General Manager to amend the agreement with GHD, Inc. for the Crest Pump Station Project in the amount of \$50,000.

ATTACHMENTS:

1. Crest Pump Station Project – CM Services Fee Increase Request, GHD, dated March 17, 2025.

2235 Mercury Way, Suite 100 Santa
Rosa, CA 95407 www.ghd.com



Our ref: 12630146

17 March 2025

Avram Pearlman
North Marin Water District
555 Bahia Drive
Novato, CA

Crest Pump Station Project – CM Services Fee Increase Request

Dear Avram,

I hope this message finds you well.

As you are aware, the level of effort required to manage this project has exceeded our initial expectations. The challenges encountered at the outset with the contractor have necessitated additional oversight from our field staff, which, in turn, has led to extra time commitments from our project management team.

This, combined with the additional inspection effort needed to cover the extended construction window requires additional funding to ensure we can continue supporting the District to project completion.

With substantial completion set for June of 2025, we estimate an additional \$50,000 will be required to close out the project. Please feel free to reach out if you have any questions or require further information.

A handwritten signature in blue ink, appearing to read "Brian Loney", with a stylized flourish at the end.

Brian Loney
Project Director

Brian.Loney@ghd.com

8

**MEMORANDUM**

To: Board of Directors

April 1, 2025

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

Subj: Review of West Marin Water Prop 218 Notice

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RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: \$1,040 for Printing and Mailing Services

Staff has prepared a draft Proposition 218 notice for the proposed West Marin Water rate increases, which will be finalized and approved along with the West Marin Water Rate Study at the April 15, 2025 Board meeting. The notice provides customers with the required information regarding the proposed rate and structural changes, the reasons for the adjustments, and details on how to participate in the public hearing process. To meet the 45-day notice requirement, the final notice must be mailed by May 2, 2025. The notice (Attachment 1) has been reviewed by rate consultant Mark Hildebrand, marketing consultant, Kiosk, and District's legal counsel.

We are seeking the Board's feedback and direction to ensure the notice clearly communicates the necessary information while meeting legal requirements. Specifically, we welcome input on the clarity of the language and the effectiveness of the explanations for the changes to ensure the information is presented as clearly and concisely as possible. Given the importance of transparency and public understanding, it is essential that the notice be both clear and informative for our customers.

Additionally, staff has developed a comprehensive communications campaign to ensure customers are well informed about the rate study and public hearing process. The campaign outlines key outreach efforts, including media engagements, website updates, mailed notifications, and social media outreach (Attachment 2).

ATTACHMENTS:

1. Draft West Marin Water Prop 218 Notice
2. 2024-2025 Communications Campaign for West Marin Water Rate Study and Rate Increase Process

Notice of public hearing regarding proposed rate increases and rate structure changes for the West Marin Water Service Area

Hearing Date: Tuesday, June 17, 2025

Time: 4:00pm

Location: 999 Rush Creek Place, Novato, CA 94945



**NORTH MARIN
WATER DISTRICT**

This Notice provides information about proposed increases to North Marin Water District's West Marin Service Area water rates and proposed rate structure modifications. The Board of Directors will hold a public hearing to consider public comments before voting on the proposed changes.

The District proposes increasing rates and updating the water rate structure for a five-year period starting with Fiscal Year (FY) 2025-2026.

If approved at the public hearing on June 17, 2025, the new rates and rate structure changes will go into effect on July 1, 2025.

Reasons for the proposed rate increase:

Increased investment in water facilities

The majority of the District's West Marin water system infrastructure, including the treatment system, pipelines, pump stations and storage tanks is reaching the end of its useful life. The District has developed a 20-year capital improvement program that includes upgrades and replacements that benefit fire protection, water supply and the delivery of water to each customer. This long-term investment plan will help ensure the current and future resiliency of the system's 26 miles of pipeline, 7 pump stations, 13 storage tanks, 172 hydrants, treatment plant and 4 supply wells.

Impact of inflation on all costs

The proposed rate increases are designed to cover the costs of providing water service, all of which rise every year with inflation. These costs include treating and delivering safe, high quality, reliable water to your home or business.

Reasons for the proposed rate structure changes:

The District regularly reviews its water rate structure to ensure that each residential and commercial, industrial, and irrigation customer continues to pay their fair and proportional share of costs. The cost for serving each type of customer varies over time because of changes in customer water use, state regulations, service costs, and other factors.

Proposed rate increases

North Marin Water District is proposing a five-year schedule of rate increases to cover the increasing costs of providing quality water service to our West Marin Service Area customers. The District engaged experienced rate consultant Hildebrand Consulting to review its water rates for the West Marin Water Service Area. The proposed changes to the water rates and structure are based on the recommendations of the consultant and will ensure that each customer pay their proportionate share of the cost to provide them water, as required by law.

Replacement of commercial, industrial, and irrigation customers seasonal usage rates with a year-round uniform rate

An additional structural change for commercial, industrial, and irrigation customers involves replacing the current seasonal quantity charges (higher rates during summer months) with a uniform rate that will be effective during all months.

Where to learn more, get answers, and make comments

Call: 415-897-4133

Email: info@nmwd.com

Visit: nmwd.com or nmwd.com/wmrates2025

Attend the board hearing

The Board of Directors will review and consider adopting the rate increases at a public meeting on June 17, 2025, at 4:00pm at 999 Rush Creek Place in Novato.

In FY 25/26, the typical residential customer (approximately 55% of all customers) may pay about \$25.58 more bimonthly if the changes are approved (\$12.79 per month).

Proposed tiered quantity (usage) charges

Residential customers will continue to pay tiered quantity (usage) charges made up of two tiers that reflect the cost of managing West Marin's limited water resources.

Tier 1 is based on North Marin Water District's standard costs to deliver water. Tier 2 includes all of Tier 1 costs, as well as costs associated with managing West Marin's marginal water resources such as the cost of the conservation program. Usage charges include a **hydraulic zone charge** to recover the costs of pumping water to various locations within the service area.

Current Rates		Effective July 1, 2025	Effective July 1, 2026	Effective July 1, 2027	Effective July 1, 2028	Effective July 1, 2029
Residential quantity charges (per 1,000 gallons)*						
Tier 1	\$10.57	\$13.70	\$16.30	\$19.40	\$23.09	\$26.55
Tier 2	\$15.37	\$17.76	\$21.14	\$25.16	\$29.94	\$34.43
Tier 3	\$21.83	N/A	N/A	N/A	N/A	N/A
Commercial, industrial, and irrigation quantity charges (per 1,000 gallons)						
Uniform	Winter - \$10.57 Summer - \$21.83	\$14.49	\$17.25	\$20.53	\$24.43	\$28.09
Other quantity charges (per 1,000 gallons)						
Temporary Meter	\$17.98	\$20.59	\$24.50	\$29.16	\$34.70	\$39.91
Hydraulic zone charge (per 1,000 gallons)						
Zone 2	\$2.61	\$2.83	\$3.37	\$4.01	\$4.77	\$5.49
Zone 3	\$1.32	\$0.99	\$1.18	\$1.40	\$1.67	\$1.92
Zone 4	\$7.34	\$9.01	\$10.72	\$12.76	\$15.18	\$17.46

* Tier 1 allocation is the first 250 gallons per day (gpd) per dwelling unit and Tier 2 allocation is greater than 251 gallons per day (gpd). Tier 3 will be eliminated effective July 1, 2025.

Proposed bimonthly fixed service charges

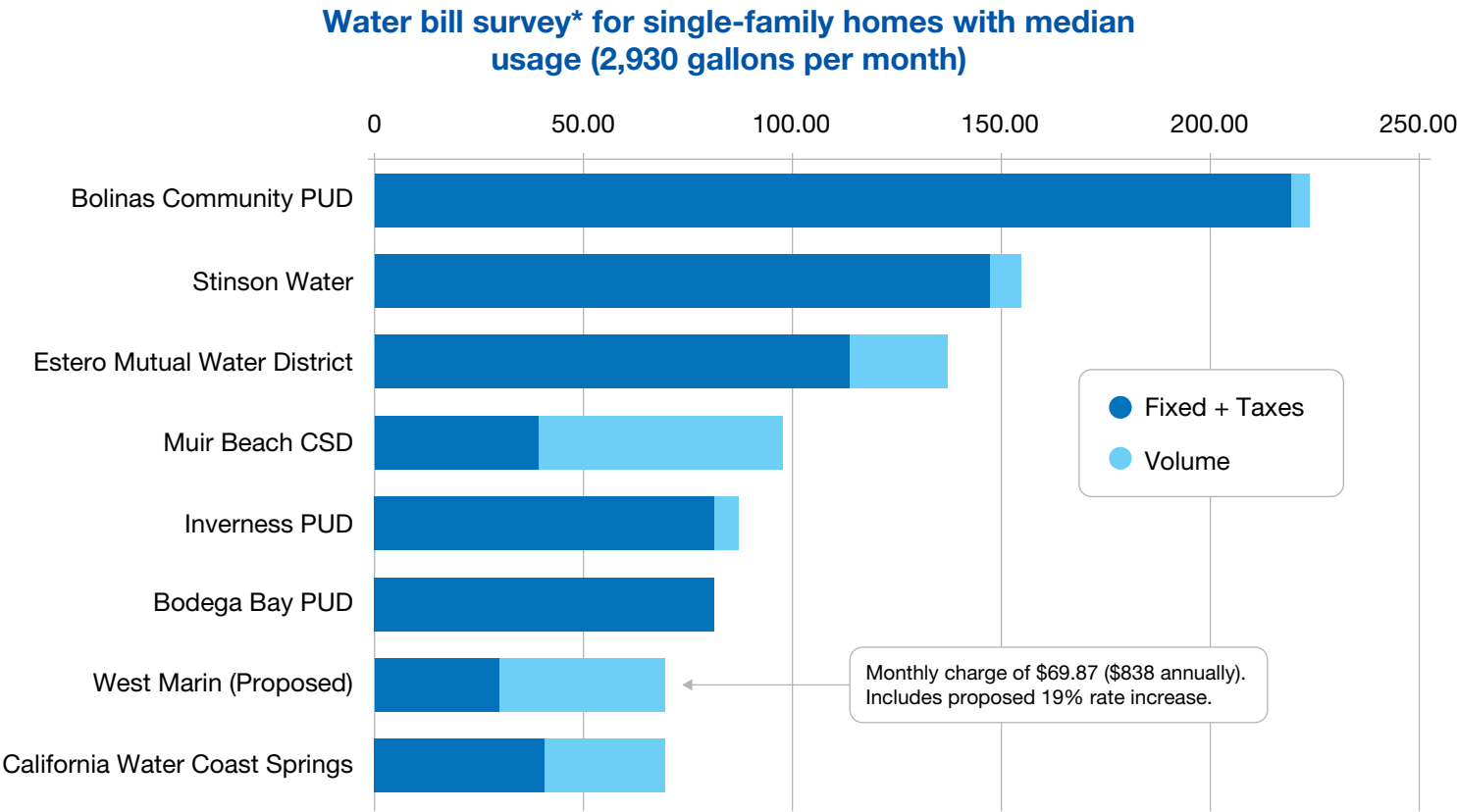
The bimonthly fixed service charge is made up of an account charge and a meter charge. The meter charge is assigned based on meter size. Most single-family residential customers have a 5/8" meter. Residential accounts that have a 1" meter due to fire requirements, but would otherwise have a 5/8" meter, are charged at the 5/8" meter rate.

Current Rates		Effective July 1, 2025	Effective July 1, 2026	Effective July 1, 2027	Effective July 1, 2028	Effective July 1, 2029
Potable water bimonthly service charge						
5/8"	\$50.73	\$59.60	\$70.92	\$84.39	\$100.42	\$115.48
1"	\$124.80	\$144.55	\$172.01	\$204.69	\$243.58	\$280.12
1 1/2"	\$248.29	\$286.12	\$340.48	\$405.17	\$482.15	\$554.47
2"	\$396.46	\$456.01	\$542.65	\$645.75	\$768.44	\$883.71
3"	\$791.60	\$909.05	\$1,081.77	\$1,287.31	\$1,531.90	\$1,761.69
4"	\$1,236.12	\$1,418.72	\$1,688.28	\$2,009.05	\$2,390.77	\$2,749.39
Proposed bimonthly private fire service charge						
1"	\$17.98	\$20.15	\$21.36	\$22.21	\$23.10	\$24.02
2"	\$23.71	\$26.56	\$28.15	\$29.28	\$30.45	\$31.67
4"	\$66.15	\$74.14	\$78.59	\$81.73	\$85.00	\$88.40
6"	\$92.92	\$104.16	\$110.41	\$114.83	\$119.42	\$124.20
8"	\$123.51	\$138.43	\$146.74	\$152.61	\$158.71	\$165.06
10"	\$161.74	\$181.29	\$192.17	\$199.86	\$207.85	\$216.17

Rate comparison

In FY 2025/26, the water bill for single-family homes with median water usage will be the second lowest when compared to the other West Marin coastal area retail water agencies as shown in the figure below.

The maximum rates that may be imposed are shown in this document. Prior to implementing the rates, the Board of Directors may choose to implement the full amount or less, but not more.



*Survey results as of March 2025 using data available at the time the survey was compiled. Actual rates and comparisons may change.



**NORTH MARIN
WATER DISTRICT**

At the public hearing on June 17, 2025

The Board of Directors will accept and consider all written protests and will hear and consider all verbal comments to the proposed rate increases at the public hearing.

Verbal comments must be accompanied by a written protest to qualify as a valid protest. At the conclusion of the hearing, the Board of Directors will consider adoption of the proposed rate increases as outlined in this notice. If written protests of the proposed changes are presented by a majority of the property owners or tenants subject to the proposed changes, the proposed rate increases will not be adopted.

How to protest the proposed rate increases

Any owner of a parcel upon which the water service charges are proposed to be changed, or any tenant that directly pays the water bill for such parcel, may submit a written protest of the proposed rate changes. Only one protest will be counted per parcel.

Written protests must: (1) state that the property owner or tenant is opposing the proposed increases; (2) provide the location of the parcel (by street address, assessor's parcel number, or customer account number); and (3) include the name and signature of the property owner or tenant submitting the protest. Written protests may be submitted by mail to the District Secretary at North Marin Water District, PO Box 146, Novato, CA 94948, or in person at the public hearing.

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

Pursuant to Government Code Section 53759(d) there is a 120-day statute of limitation for any challenge to the new, increased or extended fee or charge.

nmwd.com/wmrates2025

Phone: 415-897-4133 (Weekdays 8am – 5pm)

Email: info@nmwd.com

Website: nmwd.com

Mailing Address: PO Box 146, Novato, CA 94948-0146

Board of Directors

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

General Manager

Tony Williams



2024-2025 Communications Campaign for West Marin Water Rate Study and Rate Increase Process

July 2024: KWMR radio interview to discussing the overall state of the West Marin Water System and previewing the upcoming Capital Improvement Program.

February 2025: Follow up interview on KWMR to discuss proposed rates, infrastructure needs, and opportunities to participate in the rate development process.

February 2025: Website news story published on the West Marin Water Rate Study, including Board meeting presentations and information on the June Public Hearing. The story referenced the newly created West Marin Water Rates 2025 webpage and was featured in the home page news story rotation for increased visibility. (nmwd.com/wmrates2025)

February/March 2025: A dedicated webpage (nmwd.com/wmrates2025) was created for the 2025 West Marin Water Rate Study and Hearing process. This page includes excerpts from the Rate Study Presentation, the West Marin Water Fact Sheet and other relevant information. It will be regularly updated as the Rate Study is finalized and will include a link to a copy of the Prop 218 Notice.

March 2025: Website Banner (red banner on the top of the website) was deployed referencing the West Marin Rate Study and linking to the West Marin Water Rates webpage.

March 2025: West Marin Waterline was mailed out two months early to inform all West Marin Water customers of the Rate Study presentations and June rate hearing.

March 2025: An email blast of the West Marin Waterline was sent to approximately 300 registered customers via the WaterSmart portal.

March 2025: Staff met with Kiosk consultants to review the current messaging and communications plan for the West Marin Water rate setting process. Kiosk confirmed that our approach was effective and well executed. They will continue to support and provide insights to ensure the strongest possible outreach effort.

March 2025: Added a West Marin Water “Future” Projects webpage to highlight planned projects for the next 10 years: (nmwd.com/business/current-projects/west-marin-system-future-projects/).

February through June 2025: Social media posts on Facebook, Instagram and X promoting the Rate Study process, upcoming Board presentations, and public hearing. Posts will continue through June with boosted outreach in the West Marin Water service area.

April and June 2025: Advertisements in the Pt. Reyes Light about the Rate Study and public hearing process.

April and June 2025: Public Service Announcement (PSA) to be sent to the KWMR radio station inviting customers to the West Marin rate presentations and public hearing.

April 2025: The Prop 218 notice will be reviewed by Board of Directors, rate consultant, legal counsel, Kiosk consultants and District staff. Kiosk re-branded the prop 218 for Board review.

May 2025: Prop 218 notice to be mailed to all customers.

May 2025: Follow up email blast of the Prop 218 notice after the hard copy mailing.

9



MEMORANDUM

To: Board of Directors

Date: April 1, 2025

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

Subject: Admin & Lab Building – Dedication Plaque

R:\Folders by Job No\6000 jobs\6501.44 NMWD Office_Yard Bldg Renovation\BOD Memos\2025 0401 - dedication plaque\Admin & Lab Building Dedication Plaque BOD Memo.docx

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None

Although the District's Administration and Laboratory Upgrade Project is still working through the closeout phase, renovation of the District's nearly 60-year old office building and new one-story water quality laboratory addition was granted occupancy approval by the City of Novato in February 2025. On February 24, 2025, District staff reported to work at the administration building at 999 Rush Creek Place for the first time since June 24, 2022.

A dedication plaque is being prepared to commemorate project completion, the Board of Directors, and the community served by the North Marin Water District. Staff is seeking Board feedback on the content and location for the plaque as proposed in the attached presentation slides.

ATTACHMENTS:

1. Presentation slides dated April 1, 2025



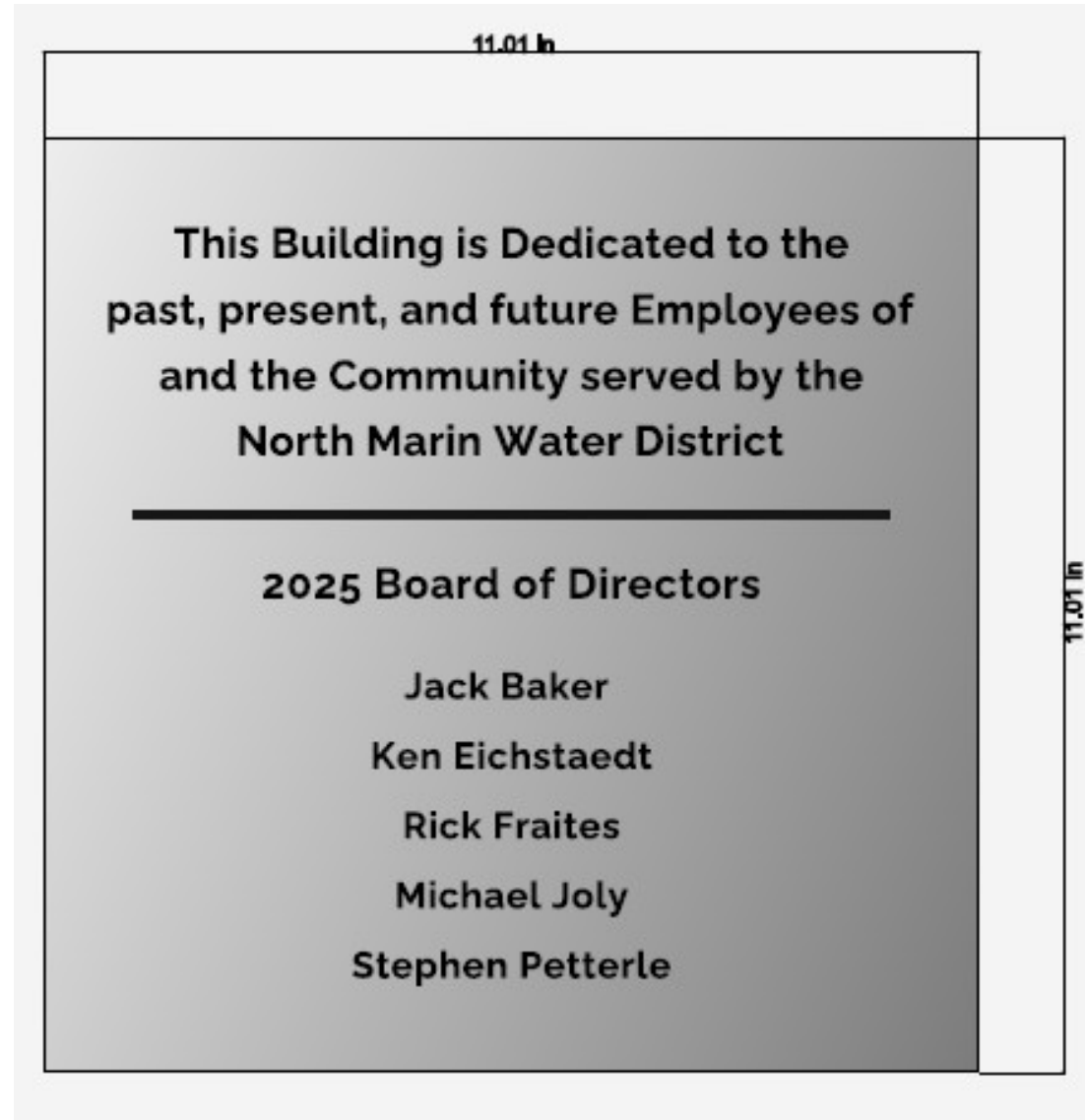
**NORTH MARIN
WATER DISTRICT**

**Admin & Lab Building
Dedication Plaque**

April 1, 2025

Building Dedication

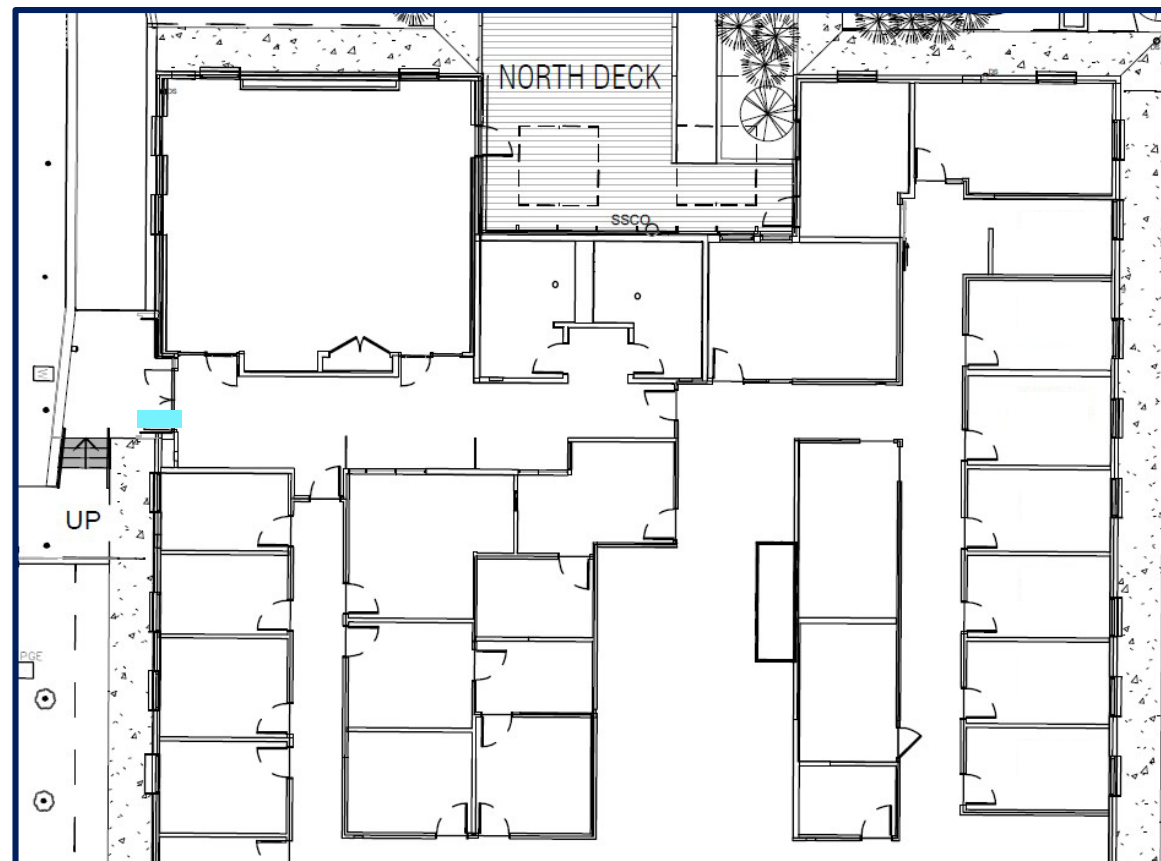
Proposed Dedication
for 999 Rush Creek



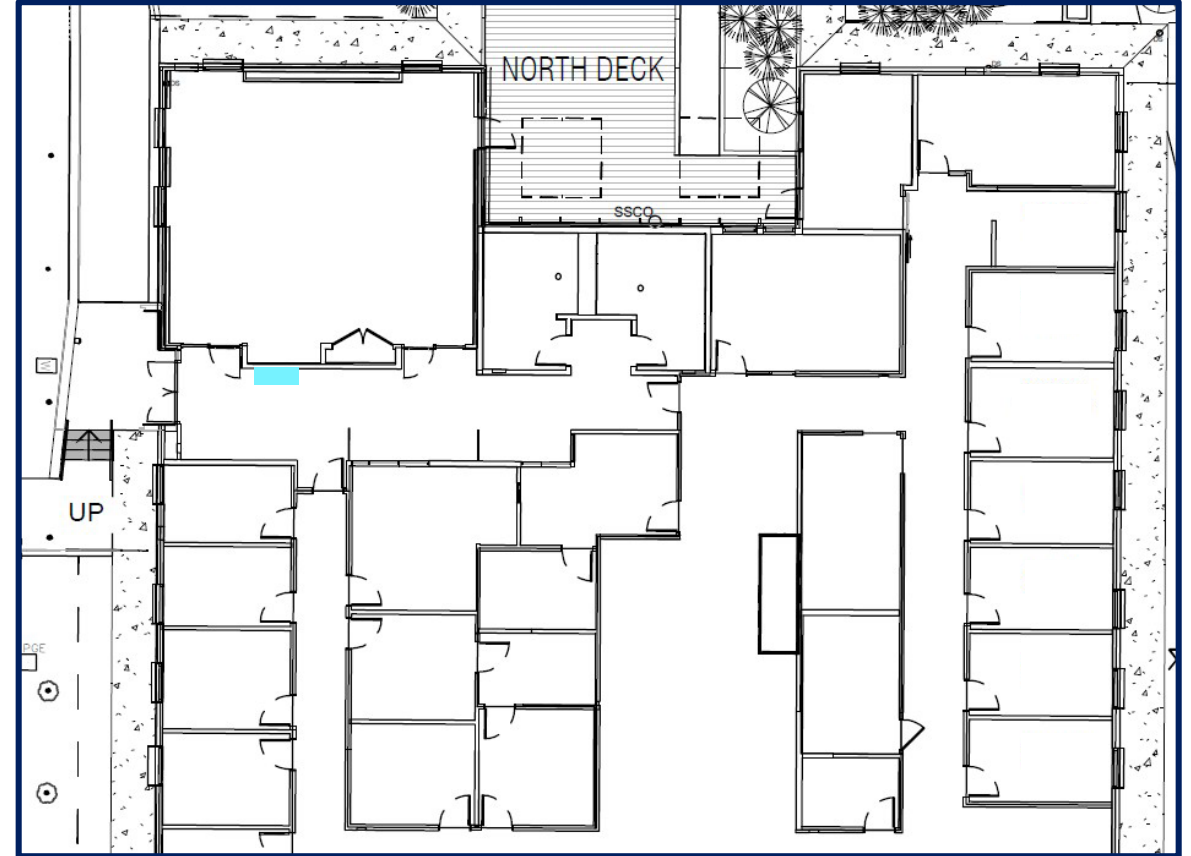
Dedication Plaque Location



Dedication Plaque
Proposed Location



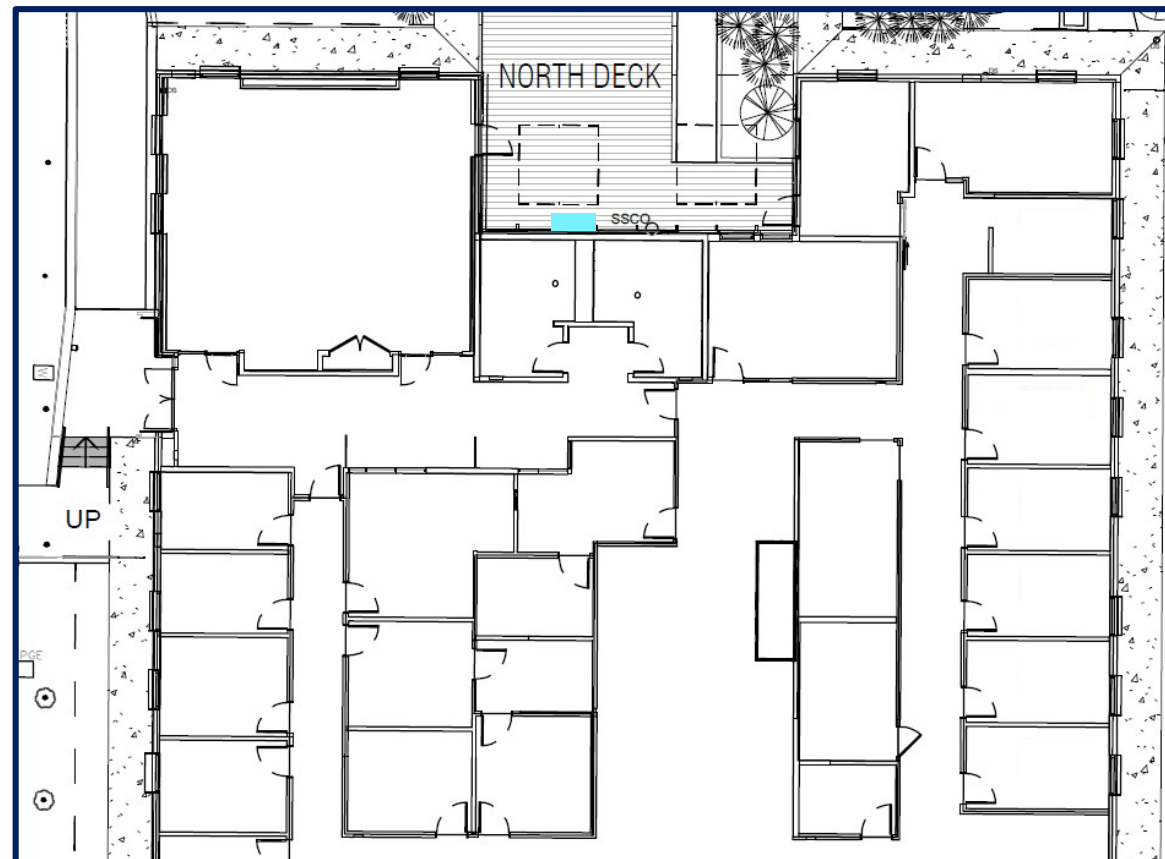
Dedication Plaque Location



Dedication Plaque
Alternate Location 1



Dedication Plaque Location



Dedication Plaque
Alternate Location 2





Questions?

10

DISBURSEMENTS - DATED MARCH 20, 2025

Date Prepared 3/17/25

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:


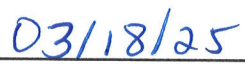


Seq	Payable To	For	Amount
1	Accu-Tech	Pipette Calibration	\$49.00
2	Alpha Analytical Labs	Lab Testing	5,658.00
3		Retiree Exp Reimb (Mar Health Ins)	1,572.71
4	Argonaut Constructors Inc.	Final Pymt (Retention Release): Oceana Marin Treatment Storage Pond Rehabilitation Project	79,705.20
5	Backflow Distributors	Pressure Vacuum Breaker Repair Kits (2) & Freeze Protection Bags for Backflow Devices (20) (\$1,591)	1,758.70
6	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 161 of 240) Aqueduct Energy Efficiency Project	46,066.67
7		Retiree Exp Reimb (Mar Health Ins)	595.05
8	California Water Service	March Water Service (Oceana Marin)	35.36
9		Retiree Exp Reimb (Mar Health Ins)	626.75
10		Retiree Exp Reimb (Mar Health Ins)	626.75
11	Comcast	March Internet (1250 Lynwood Dr. & Buck Institute - \$367) (Less Credit of \$60 Received for Closed Account @ Wood Hollow)	530.95
12	Consolidated CM	Prog Pymt#47: Construction Management Services for Admin & Lab Upgrade Project (Balance Remaining on Contract \$45,836)	15,322.00
13	Del Toro, Leonardo	Refund Excess Advance Over Actual Job Cost	50,697.26
14	Emrich, James	Novato "Toilet Rebate" Program	300.00
15	Environmental Science Assoc	Prog Pymt#19: San Mateo Tank Permitting Assistance (Balance Remaining on as needed Contract \$23,501)	142.50

Seq	Payable To	For	Amount
16	D.L. Falk Construction, Inc.	Prog Pymt#31: Admin & Lab Building Upgrades (Balance Remaining on Contract \$218,813)	14,513.74
17	D.L. Falk Construction Escrow Acct	Prog Pymt#31: 5% Retainer DL Falk Construction-CA Bank of Commerce-Admin Bldg & Lab Upgrade	763.88
18	Freyer & Laureta, Inc.	Prog Pymt#13: 2024 Master Plan Update (Balance Remaining on Contract \$356,099)	12,933.00
19	Friedman's Home Improvement	Miscellaneous Hardware Supplies	954.75
20	GHD Inc.	Prog Pymt#7: Construction Management Services for Crest Pump Station Project (\$24,147) (Balance Remaining on Contract \$18,599), Prog Pymt#21: GIS Conversion to ESRI & Mapping Support (\$814) (Balance Remaining on Contract \$4,703) & Prog Pymt#4: Stafford Dam Stability Analysis Project (\$375) (Balance Remaining on as needed Contract \$184,629)	25,336.32
21	Grainger	Anti-Seize Lubricant (12) (\$378), Calibration Gas (\$412), Miscellaneous Tools & Supplies	1,397.75
22	InfoSend, Inc.	February Processing Fee for Water Bills (\$1,457), Postage (\$4,420) & Monthly Support Fee (\$956)	6,833.23
23	Intellaprint Systems	Moving Fee for Engineering Plotter (From Wood Hollow to Rush Creek Pl.)	550.00
24	Kane, Shawn	Exp Reimb: Food for Asbestos Class	34.91
25		Retiree Exp Reimb (Mar Health Ins)	626.75
26	Kiosk Creative LLC	February Marketing & Communication & Outreach Services (\$5,814) (Balance Remaining on Contract \$34,775) & Spring 2025 Digital Waterline Design & Template (\$7,430)	13,243.99
27		Retiree Exp Reimb (Mar Health Ins)	626.75
28		Retiree Exp Reimb (Mar Health Ins)	1,572.71
29	Madgetech	Calibration Service on High Temperature Data Logger (Lab)	70.00

Seq	Payable To	For	Amount
30	Maggiora & Ghilotti	Prog Pymt#7: Crest Pump Station Project (Balance Remaining on Contract \$533,438)	256,177.49
31		Retiree Exp Reimb (Mar Health Ins)	626.75
32	Marin County	Service Parts ('23 Ford Ranger, '24 F250 & '20 F250)	391.85
33	McLellan Co, WK	Miscellaneous Paving	12,512.95
34	McMaster-Carr Supply Co	Hinges (3), Steel Sheets (2) & Toggle Clamp (Trailer)	240.91
35	National Plant Services	Refund Security Deposit on Hydrant Meter Less Final Bill	350.00
36	New Pig Corporation	Absorbent Mat Pads (8) (STP)	803.34
37	ODP Business Solutions, LLC	Miscellaneous Office Supplies	247.99
38	Pace Supply	Gaskets (30) (\$340), 12" Elbow (\$616), Bolts (300) (\$1,420), Nuts (300) (\$303), Couplings (3) (\$2,727), Meter Gaskets (1,000) (\$558), 17" Saddle (\$1,000), Valve Boxes (5) & Dual Armor Fords (8) (\$413)	7,506.45
39	NMWD Petty Cash	Reimbursement: Supplies for Lab (\$28) & Increase to Petty Cash Balance (\$150)	177.87
40	Red Wing Business Advantage	Safety Boots (2 Employees)	533.45
41	Reed, Corey	Exp Reimb: Cal/OSHA Construction Training	172.94
42		Retiree Exp Reimb (Mar Health Ins)	626.75
43	Sonoma County Water Agency	February Contract Water	398,196.97
44		Retiree Exp Reimb (Mar Health Ins)	1,572.71
45	Thomas Scientific	Safety Gloves (2,000), Nitrite Standard, Pour Boat & Filters (Lab)	329.95
46	Township Building Services	February Janitorial Services (Yard - \$1,198 & STP - \$381) - Final Bills	1,579.21
47	Unicorn Group	Postage for Spring Novato Waterline (\$5,502), Processing Fee & Postage for West Marin Waterline (720) (\$992)	6,494.49

Seq	Payable To	For	Amount
48	Univar	Sodium Hypochlorite (PRTP - \$985 & STP \$1,684)	2,669.55
49	US Bank	February Safekeeping Treasury Securities	131.50
50	VWR International LLC	QC Samples (Lab)	200.96
51	Williamson, Matthew	Exp Reimb: Meals & Lodging for D3 Training in Sacramento 3/11/25-3/13/25	464.16
52	ZORO	Tape Measures (4)	161.24
TOTAL DISBURSEMENTS			<u>\$975,314.16</u>

The foregoing payroll and accounts payable vouchers totaling \$975,314.16 are hereby approved and authorized for payment.

	
Auditor-Controller	Date
	
General Manager	Date

DISBURSEMENTS - DATED MARCH 27, 2025

Date Prepared 3/24/25

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 3/15/25	\$195,700.20
90847*	Internal Revenue Service	Federal & FICA Taxes PPE 3/15/25	92,503.17
90848*	State of California	State Taxes & SDI PPE 3/15/25	21,714.20
90849*	CalPERS	Pension Contribution PPE 3/15/25	59,239.45
90845*	Nationwide	Deferred Compensation-457 PPE 3/15/25	16,797.19
90846*	Nationwide	Deferred Compensation 3/15/25-401A Match	2,853.87
EFT*	US Bank	February Bank Analysis Charge (Lockbox \$920 & Other \$432 Less Interest \$153)	\$1,198.06
90843*	US Bank Card	Chainsaw Parts (\$360), Lunch for Employees on Move Day, Microsoft Monthly Subscriptions (Feb & Mar) (\$341), Internet PRTP & Gallagher Well #2, Electric Car Charge, Fastrak Rebill, Zoom Subscription, Clear Truck Compliance Fee, Shelving Units, Replacement Starter for Generator (\$1,569) & Monitor Brackets (5) (\$332)	3,758.42
90844*	Amazon	Office, Computer, Kitchen & Lab Supplies, Heat Shrink Lab Maker, Supplies & Server Room Equipment (Adm/Lab) (\$2,258)	3,418.61
1	Alpha Analytical Labs	Lab Testing	288.00
2	Associated Right of Way Services	Prog Pymt#19: Valuation Services for Lynwood Pump Station (Balance Remaining on Contract \$33,395)	287.50
3	AT&T	Leased Lines	63.14
4	Automation Direct	Slotted Rail, Analog Input Module, Pressure Transmitters (2) & Programmable Logic Controller Parts for Crest Pump Station (\$2,038)	2,489.53

Seq	Payable To	For	Amount
5	Bay Area Air Quality Mgmt Dist	Annual Permit Renewal Fees (for Generators) (5/1/2025-5/1/2026)	607.00
6	Bay Alarm Company	Quarterly Fire Alarm Monitoring Fee (4/1/25- 6/30/25)	338.19
7	Bold & Polisner	February Legal Fees-General (\$4,288) & NMWD Portion Potter Valley FERC (\$3,120)	7,407.50
8	Buck Institute	April 2025 Rent for Lab Space @ Buck Institute	13,584.00
9	Core Utilities, Inc	February IT & Billing Support (\$3,175) & IT Services for Admin & Lab Upgrade Project (\$13,475)	16,650.00
10	Core & Main	6" Clamps (6) (\$3,528), Couplings (2) (\$2,500) & Stainless Steel Bolts (600) (\$1,009)	7,037.32
11	Cummings Trucking	Rock Deliveries (120 yds)	1,855.00
12	Diesel Direct West	Reissue Check to Correct Address (\$3,355), Diesel (300 gal) (\$1,479) & Gasoline (750 gal) (\$3,240)	8,073.97
13	Digi-Key	Power Receptacles (4)	126.72
14	Easi File	Large Format Envelopes (30) (Eng)	177.28
15	Goodpaster, Stacie	Exp Reimb: AWWA Drinking Water Regulations Class for Cert Renewals	110.00
16	Grainger	Replacement Sensor (\$334) (STP), Data Cables (\$346) & Miscellaneous Tools & Supplies	2,710.85
17	Hildebrand Consulting LLC	West Marin Rate Study (Balance Remaining on Contract \$8,250)	11,750.00
18	Kehoe, Chris	Exp Reimb: Lunch for Crew During Wood Hollow Move	209.42
19	Kemira Water Solutions	Ferric Chloride (9 Dry Tons) (STP)	15,393.07
20	Kiosk Creative LLC	ID Badge Design	555.00
21	LeBrun, Kent	Exp Reimb: Drinks for Crew During Wood Hollow Move	54.44
22	Lincoln Life Employer Serv	Deferred Compensation PPE 3/15/25	7,400.31

Seq	Payable To	For	Amount
23	Marin, County of	Marin County Review of West Marin De-Annexation Application to LAFCo.	267.00
24	MG WEST	Design Project Management & Delivery for Furniture (Common Area, Admin & Lab) (Balance Remaining on Contract \$20,391)	14,956.73
25	Natec International Inc	Asbestos Cement Pipe & Refresher Courses (Construction)	2,145.00
26	Novato, City of	Encroachment Permit (5 Lambert Way)	752.12
27	Ojdana, Michael	Refund Overpayment on Open Account	329.13
28	Outlander Construction, Inc.	Prog Pymt#4: Construction Locker Room Remodel Project (Balance Remaining on Contract \$155,000)	30,000.00
29	Pace Supply	Concrete Lids (2) & Sewer Traffic Lids (2)	159.50
30	Pape Machinery Inc.	Misc Service Parts	795.55
31	Peterson Trucks	Fuel Lift Pump ('15 Int'l 5 Yd Dump Truck)	1,433.33
32	Point Reyes Prop Mgmt Assn	March HOA Fees (25 Giacomini Rd)	75.05
33	Preferred Alliance, Inc.	Pre-Employment Tests (2 Employees)	120.00
34	Roberts Water Technologies Inc	Flow & Air Distribution Test on all Three Filters (STP Filter Drain System)	20,000.00
35	Roy's Sewer Service	Emergency Sewer Services (Admin Bldg)	750.00
36	Scott Technology Group	March Monthly Maintenance on Engineering & Admin Copiers	436.57
37	Servpro of Petaluma	Surface Mounted Automated External Defibrillator Cabinet	183.37
38	Sigma-Aldrich Inc.	Coli Dehydrated Media (Lab)	139.61
39	SPG Solar Facility XII, LLC	February Energy Delivered Under Solar Services Agreement	7,772.01
40	Survival AED, LLC	Automated External Defibrillator for Board Room	2,060.42
41	Target Solutions Learning, LLC	Annual Renewal of Learning Management System (3/31/25-3/30/26)	9,449.25

Seq	Payable To	For	Amount
42	Think Pink & Green Junk Removal	Hauling, Disposal & Recycling of Office Furniture from Wood Hollow	9,261.00
43	Thomas Scientific	Lab Chairs & Stools (4)	1,704.98
44	T & T Valve & Instrument	Bray Valve Parts (STP)	879.31
45	USA BlueBook	Repair Kit for Grifco Valves (3) (STP)	414.78
46	Vulcan Materials Company	Power Patch (4 yds)	917.99
47	VWR International LLC	Safety Gloves (20 cases), Analytical Balance (\$4,333), Inorganic Minerals, Beaker & Kwik Stiks (6) (Lab)	4,890.75
48	Watersmart Software Inc.	December & February Monthly Fee	103.55
49	Winzer Corporation	Miscellaneous Hardware (Auto Shop)	108.02
50	ZORO	Buoy (STP), Circuit Breakers (2) & Hookup Wire	408.26
TOTAL DISBURSEMENTS			<u>\$604,864.69</u>

The foregoing payroll and accounts payable vouchers totaling \$604,864.69 are hereby approved and authorized for payment.

Julie Blue 03/25/25
Auditor-Controller Date

[Signature] 3/25/2025
General Manager Date



MEMORANDUM

To: Board of Directors

April 1, 2025

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

Subj: Auditor-Controller's Monthly Report of Investments for February 2025

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RECOMMENDED ACTION: Information

FINANCIAL IMPACT: None

At month end the District's Investment Portfolio had an amortized cost value (i.e., cash balance) of \$22,822,605 and a market value of \$22,855,306. During February the cash balance decreased by \$2,236,049. The market value of securities held decreased \$2,240,583 during the month. The total unrestricted cash balance at month end was \$1,473,532 and 64% of the Target Reserves are funded.

At February 28, 2025, 69% of the District's Portfolio was invested in California's Local Agency Investment Fund (LAIF), 23% in Time Certificates of Deposit, 5% in the Marin County Treasury, and 3% retained locally for operating purposes. The weighted average maturity of the portfolio was 93 days, compared to 83 days at the end of January. The LAIF interest rate for the month was 4.33%, compared to 4.37% the previous month. The weighted average Portfolio rate was 4.11%, compared to 4.15% for the prior month.

Investment Transactions for the month of February are listed below:

2/4/2025 LAIF	US Bank	\$1,400,000	Trsf from LAIF account
2/13/2025 LAIF	US Bank	\$200,000	Trsf from LAIF account
2/18/2025 First Tech Fed CU	US Bank	\$249,000	CD Maturity
2/24/2025 US Bank	Oregon Community CU	\$249,000	Purchase 4.3% TCD due 2/24/27 - Monthly Pay
2/26/2025 LAIF	US Bank	\$600,000	Trsf from LAIF account

ATTACHMENTS:

1. Monthly Report of Investments – February 2025

NORTH MARIN WATER DISTRICT
AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS
February 28, 2025

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis ¹	2/28/2025 Market Value	Yield ²	% of Portfolio
LAIF	State of CA Treasury	AA-	Various	Open	\$15,865,951	\$15,898,652	4.33% ³	69%
Time Certificate of Deposit								
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%
TCD	Valley National Bank	n/a	4/9/24	4/9/26	244,000	244,000	4.70%	1%
TCD	Wells Fargo Nat'l Bank	n/a	6/11/24	6/11/26	248,000	248,000	5.10%	1%
TCD	First Merchant Bank	n/a	6/28/24	6/29/26	244,000	244,000	4.80%	1%
TCD	BMW Bank NA	n/a	7/9/24	7/13/26	244,000	244,000	4.70%	1%
TCD	Israel Disc Bk Ny	n/a	9/13/24	9/14/26	245,000	245,000	4.00%	1%
TCD	Ally Bank Sandy Utah	n/a	10/3/24	9/28/26	245,000	245,000	3.80%	1%
TCD	Utah First Fec CR UN Salt Lake	n/a	10/18/24	10/19/26	249,000	249,000	4.00%	1%
TCD	American Express Nat'l Bank	n/a	11/7/24	11/6/26	245,000	245,000	4.00%	1%
TCD	Bank of Hapoalim NY	n/a	11/26/24	11/23/26	245,000	245,000	4.10%	1%
TCD	Dr Bank Darien	n/a	12/20/24	12/21/26	249,000	249,000	4.10%	1%
TCD	Goldman Sachs Bk USA	n/a	1/28/25	1/28/27	244,000	244,000	4.15%	1%
TCD	Oregon Community CU	n/a	2/24/25	2/24/27	249,000	249,000	4.30%	1%
					\$5,159,000	\$5,159,000	4.32%	23%

Other

Agency Marin Co Treasury	AAA	Various	Open	\$1,062,141	\$1,062,141	1.58%	5%
Other Various	n/a	Various	Open	735,513	735,513	0.02%	3%
TOTAL IN PORTFOLIO				\$22,822,605	\$22,855,306	4.11%	100%

Weighted Average Maturity = **93 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 February 28, 2025.

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	\$996,566	1.00%
Marin Municipal Water - AEEP	7/1/14	7/1/32	\$3,600,000	\$1,458,848	2.71%
Employee Housing Loan	Various	Various	550,000	550,000	Contingent
TOTAL INTEREST BEARING LOANS			\$5,415,295	\$3,005,414	

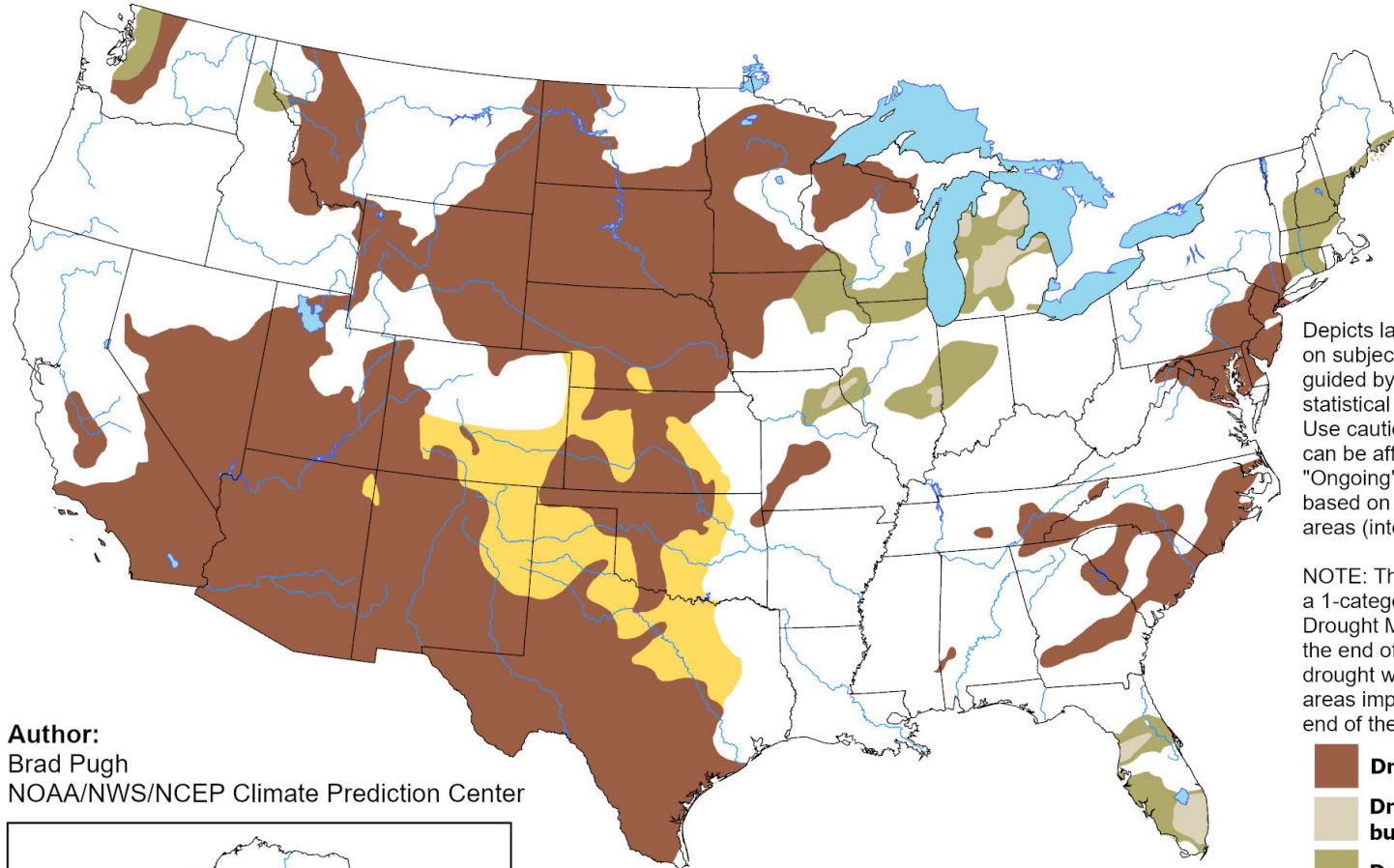
The District has the ability to meet the next six months of cash flow requirements.

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U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for March 20 - June 30, 2025
Released March 20, 2025

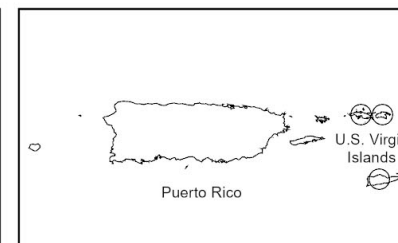
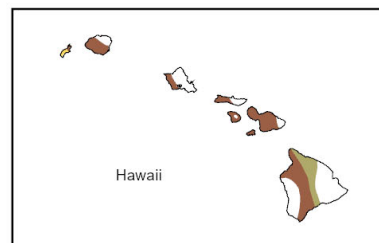
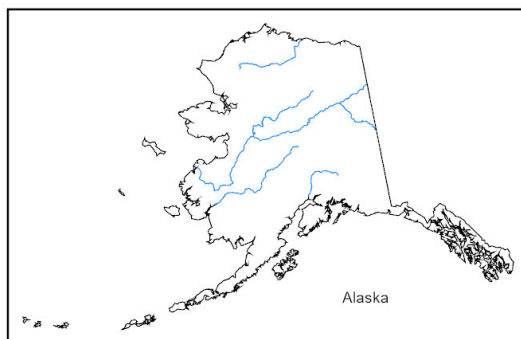


Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to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

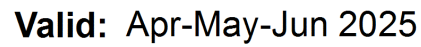
NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

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

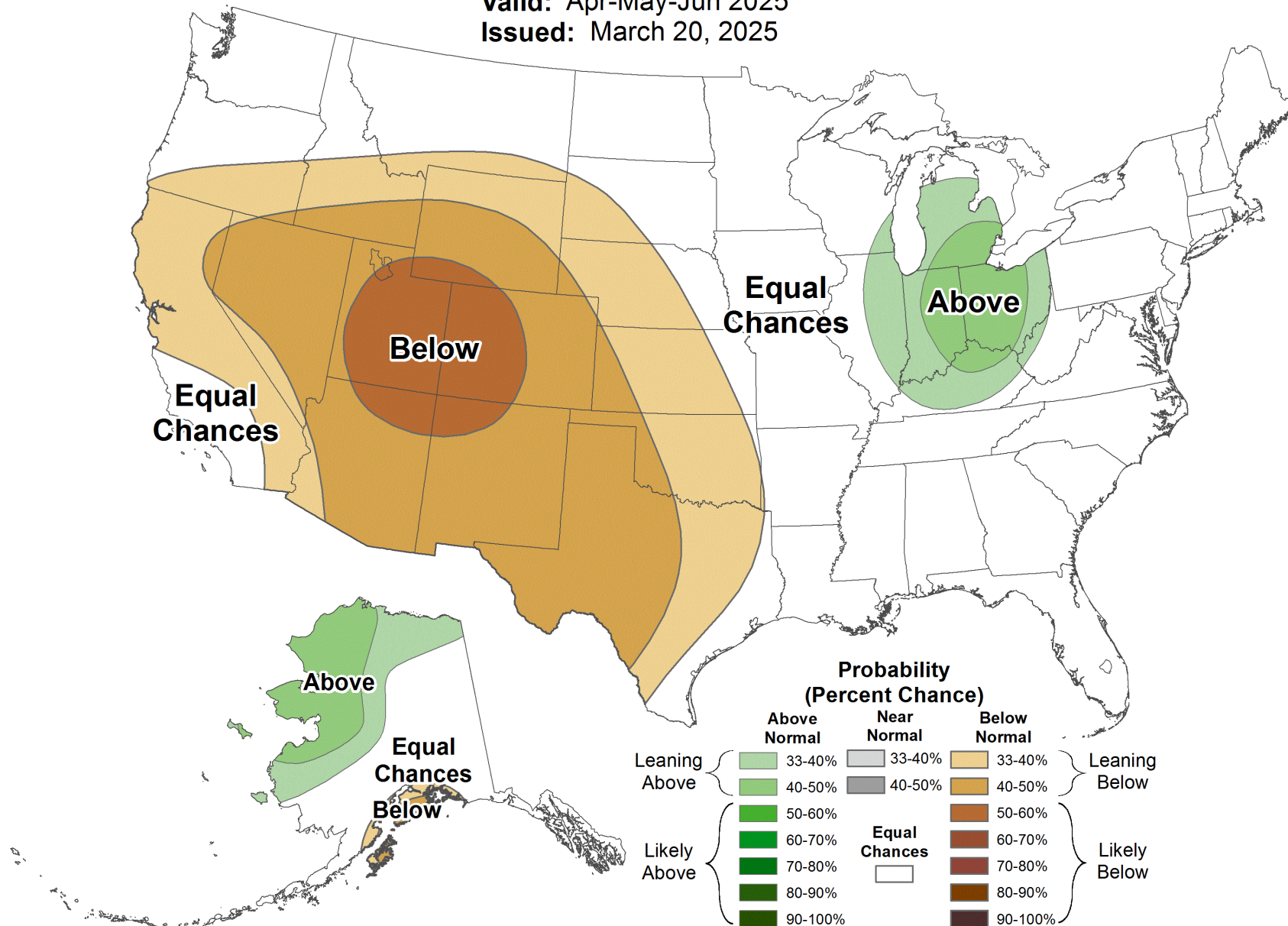
Author:
Brad Pugh
NOAA/NWS/NCEP Climate Prediction Center



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



Issued: March 20, 2025



ACWA UPDATE ON PRIORITY ISSUES

A high-level look at recent ACWA activity and initiatives.



MARCH 2025

ACWA-sponsored SB 394 - Water Theft

ACWA-sponsored SB 394, authored by Sen. Ben Allen (D-Santa Monica) and co-sponsored by Las Virgenes Municipal Water District, would allow local agencies providing water services to adopt an ordinance with enhanced penalties for water theft from a fire hydrant. SB 394 would help address inefficiencies in current penalties and would establish fines for water theft from a fire hydrant.

Additionally, the bill would remove the one-year reset on existing penalties for the third and additional violations for water theft committed via meter tampering and other methods. This bill would also help agencies recover damages by authorizing utilities to pursue civil remedies against any person who tampers with or diverts water from a fire hydrant without authorization. The bill is scheduled to be heard by the Senate Local Government Committee on March 19. ACWA members have until March 10 to [sign a coalition letter](#) in support of the bill. Any signups after March 10 will be included in future letters. More information is available in an Advisory at acwa.com/notifications.

STAFF CONTACT

Julia Hall

*Director of State
Legislative Relations*

juliah@acwa.com

SB 454 - PFAS Cleanup

ACWA is co-sponsoring SB 454, introduced by Sen. Jerry McNerney (D-Pleasanton), in partnership with the League of California Cities. The bill would create a statewide PFAS Mitigation Fund to help local agencies provide safe drinking water and treated wastewater for their communities. If approved, the bill would create a much-needed funding tool to help water and wastewater agencies pay for costs that would otherwise be covered by local ratepayers on their water and wastewater bills. There are currently multiple sources of funding aimed at addressing PFAS contamination (current and potentially future legal settlements, federal funding, state bond funding, etc.) that could be directed to this Fund. SB 454 has been referred to the Senate Environmental Quality Committee. ACWA distributed an Alert asking members to sign a [coalition letter](#) in support of the bill. More information is available in an Alert at acwa.com/notifications.

STAFF CONTACT

Chelsea Haines

*Director of State
Regulatory Relations*

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Water Rights Legislation

ACWA is advocating on two water rights bills nearly identical to legislation from last year in which ACWA had significant concerns. AB 263 (Rogers, D-Healdsburg) would keep in place emergency regulations adopted by the State Water Resources Control Board for the Scott River and Shasta River watersheds until permanent rules implementing long-term instream flow requirements are adopted. ACWA has an oppose position on the bill because it would set precedent for extending emergency regulations in place of following established processes for emergency regulations in times of drought. AB 263 has been referred to the Assembly Water, Parks and Wildfire Committee. The second bill, AB 362 (Ramos, D-Highland) would define "tribal water uses," designate them as a beneficial use of water and allow tribal water uses to be a primary factor in determining the highest water quality that is reasonable in all regulatory decisions. ACWA has adopted an oppose-unless-amended position.

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Low-Income Rate Assistance (LIRA) Program

SB 350, introduced by Senator María Elena Durazo (D-Los Angeles), would require the State Water Board to create a Water Rate Assistance Program to provide financial assistance for both drinking water and wastewater services to low-income residential ratepayers. ACWA believes a water and wastewater low-income rate assistance program – if designed in a reasonable, efficient and effective manner – is an appropriate approach. While SB 350 is a good starting point, the bill can be improved to maximize the funding spent on direct assistance to ratepayers, enhance public process, and reduce unreasonable burdens on water providers. ACWA is urging member agencies to join an association-led coalition to oppose SB 350 unless the bill is appropriately amended to create a workable and efficient LIRA. The bill has been and has been double referred to the Senate Environmental Quality and Energy, Utilities and Communications Committees.

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Forest Management and Wildfire

Orders issued at the state and federal level during the past weekend have the goal of reducing permitting and regulatory barriers that may impede forest management projects aimed at reducing wildfire risk, a key component in enhancing California's headwater health, an ACWA priority issue. Gov. Gavin Newsom on March 1 proclaimed a state of emergency to fast-track eligible critical wildfire prevention projects statewide, ahead of peak fire season. Also on March 1, the Trump Administration released an Executive Order titled, "[Immediate Expansion of American Timber Production](#)." This order seeks to increase domestic timber production, calls for legislative approaches to streamline Endangered Species Act reviews to expedite forestry projects, and consider new categorical exclusions for timber production, forest management, wildfire risk reduction treatments, and timber thinning. More information is available at acwa.com/newsroom.

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Water Measurement and Reporting Regulation

Last month, the State Water Board initiated the formal rulemaking for the draft Water Measurement and Reporting Regulation (Regulation). The Regulation proposes updates for measuring and reporting requirements for water rights holders that divert over 10 acre-feet per year. ACWA plans to attend the [public hearing](#) on April 16 and submit comments by the April 23 deadline. More information is available at waterboards.ca.gov.

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ACWA Launches Election Process for 2026-'27

ACWA has launched the election process for the 2026-'27 term for President, Vice President, and region board members. This year, the election process for officers and region boards is now combined. Voting for both sets of candidates will be done electronically by each member agency's designated voter on a single ballot. Agencies can now designate their voting representative by visiting acwa.com/elections and submitting the [Authorized Representative and Information Form](#) by the June 20 deadline.

CONTACT

For more information,
visit acwa.com/elections

Upcoming Events - Visit www.acwa.com/events for more

- [ACWA 2025 Legislative Symposium](#) - **March 26**
- [ACWA Region 4 Tour & Program](#) - **April 16**
- [ACWA Spring 2025 Conference + Expo](#) - **May 13-15**

Pipeline is best step toward MMWD goals

The Marin Municipal Water District, with four out of five board members who weren't onboard in 2021 when the drought-parched district came perilously close to running out of water, has made an important step toward making our local supply more resilient.

MMWD relies on its rain-filled reservoirs and a bi-county pipeline from Sonoma County's Russian River watershed for its supply.

The district board has given the green light to plans to build a new pipeline that can import more water from the Russian River, bolstering its local supply to help avoid that memorable 2021 dilemma. After months of drought — and even after imposing water-conservation restrictions on households and businesses — district officials worried it was within months of running out of water. A wet winter saved us, refilling our reservoirs.

But voters didn't forget and politics shifted toward changing the MMWD board's membership with marching orders to bolster the district's supply and capacity.

The board has been moving forward with a new "road map" which doesn't abandon conservation, the focus on the old board's strategy, but looks to increase the reliability of the district's supply of water.

The new 13-mile-long pipeline into Nicasio Reservoir is estimated to bring in 3,800 acre-feet to 4,750 acre-feet of water a year — meeting about 75% of the district's target for increasing its supply.

If the district can come up with a politically viable plan to expand its Soulajule Reservoir, its capacity could meet and even exceed its targeted capacity goal.

That plan, however, has run into opposition from neighboring ranchers worried that the expansion would result in a loss of farmland and the board has put the proposal on the back burner.

Possible expansion of the Kent Lake reservoir is also being studied.

The district's new rates reflect the need to invest in possible solutions and the board is moving forward making that public investment. Yet, a viable plan has to be practical and affordable.

The new pipeline appears to meet that criteria. It is a project that district staff estimate can be constructed within four years.

Staff says that the new pipeline and increased storage will enable the district to capture and hold fresh water that now flows into the ocean.

In 2021, the combination of the district's limited holding capacity and the absence of wet weather created a "perfect storm" putting the district's supply perilously close to not being able to meet the needs of district customers.

At the time, district leadership scrambled to come up with an emergency plan to import water from the Central Valley, but the cost of construction and the water, a lawsuit and the return of wet weather sidelined that approach.

It also led voters to elect a new board, which has had the so-called luxury of having a period of full reservoirs during which to come up with a new strategy.

Increasing customer conservation and improvements in the district's water-storage system, such as installing new spillways, are also part of that strategy.

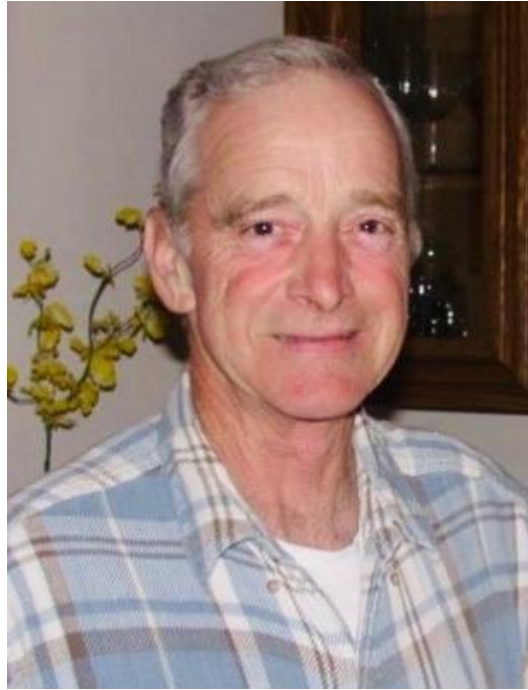
But building a new pipeline, estimated to cost \$168 million, is a big part of the district's new strategy.

At this time, the board has given the staff the go-ahead to begin work in the engineering design and environmental review requirements.

That's progress toward completing a plan of projects that should help the district better weather droughts in the future.

John Eyler

March 31, 1942 – March 9, 2025



Novato

John Elmer Eyler was born on March 31, 1942, to Edna Mae and Kenneth Eyler in Lima, Ohio. He was fourth-born in a family of 12 children. At the age of 18, John enlisted in the U.S. Navy, serving the majority of his time at the Naval Hospital in Yokosuka, Japan, as a hospital corpsman.

In 1963, John moved to Novato to live with his sister Rosemary. This move was fortunate in a couple of ways. Across the street lived Arlene, a young woman who caught John's eye. In time, Arlene and John were married. He loved and cared for Arlene until her passing in 2022.

The move was also fortunate for the city of Novato. John Eyler became an involved citizen who made many contributions to the town and its inhabitants—including the youth of Novato. "Coach Eyler" donated his time and expertise to those who played Babe Ruth baseball, flag football, and softball at Novato High. Other active roles include membership in the Lions Club International; Noble Grand Arch of the Druids; director and president of the IDESI-Portuguese organization; and membership in many Portuguese organizations in Marin, Sonoma, and Solano Counties.

After his 35-year career with the North Marin Water District, John became a handyman. His reputation as a hardworking, smart, and generous man preceded him, and he served many grateful residents in the area. For relaxation, John loved to read and do crossword puzzles. He was a valued teammate in bowling circles, and his idea of the perfect vacation was fishing in Alaska with friends and family—a trip he took as often as possible. Wherever he went, John was known for the jokes that he told!

John Eyler was a caring, humble, giving man who always put his family first. He is survived by three children, six grandchildren, two great-grandchildren (and twins on the way), and five sisters. He will be missed by many, especially his family.

A celebration of life will be held at Valley Memorial Park in Novato on Friday, March 21, 2025, at 1p.m. All are welcome. If you wish to make a contribution in John Eyler's name, please consider the IDESI in Novato.

Increase in costs to connect for water

District expects average charge to jump \$6,000

BY KRISSY WAITE

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The Marin Municipal Water District is changing how it calculates its connection fees, a move expected to increase the average charge about \$6,000.

Under a plan approved by the board Tuesday, the district will shift to using the size of water meters instead of their estimated usage. The utility says the switch will bring it closer to industry standards.

“I think it’s just an important step for our agency’s desire to do things right and be more amongst the norm of other agencies out there,” said Jed Smith, vice president of the board. “This seems like a great step and a good cleanup.”

Connection fees, also called capacity charges, are one-time costs paid by new customers to get service, or by current customers who need to increase capacity.

Bret Uppendahl, the district’s finance director, said the method the district used to determine the fees is overly complicated and relies on usage estimates instead of capacity demand.

“There’s a key distinction there,” Uppendahl said. “Capacity charges are meant to be a share of total capacity, meaning up to the amount you could use, as opposed to use estimates, which are more targeted based on individual usage each year, and that’s not common in the industry.” The utility hired Bartle Wells Associates to do a study on its capacity charges. Erik Helgeson, a consultant with the firm, recommended switching to “meter equivalent units,” which are based on the size of the pipe that connects to the water main, to determine the fee. He said using the same charge for all meters 1 inch or smaller is a more accurate reflection of possible demand.

The capacity charges were last updated in 2018. The district uses a buy-in method, where charges are set based on the value of the infrastructure divided by the capacity of the water system. Fees were set at \$44,089 per acre-foot of a customer’s estimated water demand.

For houses in the district’s nearly 300 zones, the fees ranged from about \$4,850 to \$89,500, with the average at \$10,500, Uppendahl said. Commercially, the charge is based on the business type.

“We’re trying to really standardize that and keep the range to be much more manageable and much more transparent to our customers,” Uppendahl said.

Under the changes, a one-time charge of \$16,740 will be applied to single-family home and duplex water connections with a 1-inch-or-smaller meter, which affects more than half the district’s customers, according to a staff report. Fees go up from the base rate for all other connection types — \$25,110 for a 3/4-inch meter, \$41,850 for a 1-inch meter, \$83,700 for a 1.5-inch meter, for example.

The fee was based on the district’s total capacity of 95,360 meter equivalent units, which accounts for the estimated development in the area by 2045, and the system’s value of about \$1.6 billion.

“Moving to meter size is a very straightforward and uniform approach to just reflect the capacity of commercial connections or multifamily connections based on the connection which is sized to their need rather than a more complex way to determine capacity,” Helgeson said.

Helgeson also said the district should continue to use a buy-in method, and not charge for additional capacity, because the system has enough capacity to support any development that would increase water demand. He said the district’s assets should be reevaluated to reflect today’s financial environment.

“A lot of assets were built a long time ago, so we want to look at the replacement costs today to make it on an apples-to-apples footing, but then also reflect that these assets have experienced wear,” Helgeson said.

Some district policies can help with the costs, including a 50% discount or deferred payments on some affordable housing projects, and a five-year payment plan.

The new charges will go into effect on July 1 and be reevaluated for inflation in July 2026.

Water diversion raises concerns about supply

BY AMIE WINDSOR

THE PRESS DEMOCRAT

Although stakeholders have approved a closely watched plan to continue diverting some Eel River water into the Russian River when a key hydropower facility goes offline in several years, civic leaders from Lake County, Cloverdale and elsewhere remain concerned about how the move might impact the region's water supply.

Cloverdale city leaders are set to hold a public forum at 6 p.m. Thursday at the Cloverdale Veterans Memorial Building, 205 W. First St. The meeting, which isn't slated for teleconference, will provide an opportunity for residents to learn more about the decommissioning of PG&E's 117-year-old Potter Valley power plant.

PG&E is set to abandon the plant by 2028 at the earliest, with related plans to eventually tear down the Scott and Cape Horn dams on the upper Eel River.

The system has supplied, through a tunnel carrying Eel River through the mountains, a crucial portion of the Russian River's annual flows, which supplies Sonoma and Marin counties.

PG&E's decision to not relicense the project — which is aging and would need costly upgrades, including for fish passage — led stakeholders in the two river basins to reach a compromise that would continue the supplemental flows, albeit with stronger protections for Eel River interests.

Lake County representatives, however, have never endorsed that deal and continue to oppose it, raising objections over the draining of Lake Pillsbury and the impact on firefighting capabilities.

Other elected officials, including Cloverdale Mayor Todd Lands, have voiced similar concerns, as have local agricultural leaders.

They include Sonoma County Farm Bureau Executive Director Dayna Ghiradelli, who said Monday the current diversion solution “will have tremendously negative effects on farmers and ranchers.”

“I know that Sonoma County has had great, brilliant minds working to devise an alternate solution, but when you really lay it out, this will really devastate our county, Mendocino County and Marin County,” Ghiradelli said. “Our hope is there is a better solution.”

But Rep. Jared Huffman, whose North Coast district includes the Potter Valley facility and who helped craft the two-basin compromise, said the solution — one that focuses on the health of both the Eel and Russian rivers — “is nothing less than remarkable.”

Sonoma County Supervisor James Gore, who represents the north part of the county, echoed Huffman, saying “nobody is 100% happy with it, but this is the best deal the coalition could get.” Indeed, a seven-member coalition endorsed the future water diversion plan in early February. Its members include Sonoma Water, the Mendocino County Inland Water and Power Commission, Humboldt County, the Round Valley Indian Tribes, Trout Unlimited, California Trout and the California Department of Fish and Wildlife.

Once the dams are torn down, supplemental Eel River flows into the Russian River are expected to be limited, according to the diversion plan. Under the accord, diversions can continue only when the Eel River has enough water to accommodate different life stages of federally protected salmon and steelhead trout.

The plan also would require water customers in the Russian River watershed to develop new water supply and storage solutions.

Lands said the solution will create a “quality of life issue” for Cloverdale residents.

“I don’t want to be fighting this fight, but this is about making sure Cloverdale has an economy and access to basic needs. This is about health and safety,” he said.

With hotter summers, he said, access to the river is vital for people who need cost-effective ways to cool down. He’s also concerned about an increased demand for water as its availability dries up.

“The housing mandates we have to hit, combined with the weather changing through climate change. I don’t know how we can do it,” he said.

Huffman said he respects concerns about health and safety, but warns against misunderstanding the situation.

“There is some genuine fear that things have been the same way for the last 100 years and a lifeline of the Russian River is going away,” Huffman said. “I’m not going to let that happen. That’s why it’s a two-basin solution.”

Both Huffman and Gore noted the deal will likely give Sonoma County more water than it is getting today from the Eel River.

“Over the last five years, we’ve been getting a trickle. This is the last best deal we’re going to get,” Huffman said.

Distributed by Tribune News Service.

Battle lines drawn months before PG&E submits final application to decommission Potter Valley hydropower plant

People from Humboldt to Marin counties gathered in Cloverdale to express skepticism about future water management strategies sparked by the plant's impending shutdown



Slide 4 of 4

David Manning, environmental resources manager at Sonoma County Water Agency, presents slides during the Potter Valley Project town hall meeting in Cloverdale on Thursday, March 20, 2025. (Christopher Chung/The Press Democrat)



AMIE WINDSOR
THE PRESS DEMOCRAT

March 22, 2025, 12:27AM | **UPDATED 5 HOURS AGO**
6 minute read

More than 200 people from Humboldt to Marin counties packed the Cloverdale Veterans Memorial Hall Thursday night for a [town hall meeting about how PG&E's planned shutdown of its Potter Valley hydropower plant](#) would impact the region's water supply.

The controversial project involves the removal of the Scott and Cape Horn dams and PG&E's nearby hydroelectric facility in Lake County, with PG&E saying it won't shut down the plant and begin dam removal until 2028 at the earliest.

Residents and some elected officials are concerned the project will spark the potential loss of water from the Eel River to the Russian River that individuals from Mendocino, Sonoma and Marin counties have relied on for more than 100 years.

"This plan is unacceptable," said Cloverdale Fire Protection District Chief Jason Jenkins. "As a fire chief, I'm here to say this does not protect our community."

Bronte Edwards, a first generation sheep farmer from Sebastopol, said the project is setting farmers "up for failure," and told leaders that if "you don't have our backs, we will organize."

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But Sonoma County Fourth District Supervisor James Gore and others, including engineers from Sonoma County's water agency, say the plan, while not perfect, will provide the region with enough water to meet public safety, residential and business needs.

"We are here because 10 years ago PG&E decided the [Potter Valley] project wasn't economical," Gore told the crowd. "Those of us impacted have been fighting like dogs to figure out what is best for our communities."

The back-and-forth comes as a key date approaches: July 29 marks the deadline for PG&E to submit and distribute its "final surrender application and decommissioning plan" with the Federal Energy Regulatory Commission, which has final say over the project.

The public comment period for the draft plan has closed. Local leaders connected to the project say the power company has no plans for town halls, but they have discussed holding additional public forums so the public can understand how the future teardown of the power plant would affect their communities.

The two-basin plan

For nearly a decade, leaders from neighboring counties, Native American tribes and nonprofits have worked together to figure out how to handle the hydroelectric plant's impending decommissioning.

Seven entities — Sonoma County, the Mendocino County Inland Water and Power Commission, Humboldt County, the Round Valley Indian Tribes, Trout Unlimited, California Trout, and the California Department of Fish and Wildlife — formulated a solution known as a two-basin plan.

Currently, water diversions caused by opening the Scott and Cape Horn dams are controlled by PG&E, which holds water rights related to them. Through contracts, the power company allots flows into the Potter Valley Irrigation District and Eel River, providing water into Mendocino and Sonoma counties.

Once the dams are decommissioned, the approved two-basin solution would go into effect.

David Manning, environmental resources manager with Sonoma Water, the county's water agency, told town hall attendees, the two-basin plan would divert an amount of water from the Eel River to the Russian River "not dissimilar" to what is currently flowing.

In other words, periodic releases totaling 30,000 to 40,000 acre feet of water that are now flowing from the Eel River to the Russian River would keep coming ... but at different times of the year.

Those releases would begin once the dams are decommissioned — a process that requires the aforementioned federal approval. A joint powers authority called the Eel Russian Power Authority would be responsible for managing the new diversions under the new set of rules.

Some say those new rules are too stringent and won't bring water to Sonoma County when it's most needed.

At the Cloverdale meeting, they voiced concerns that a bulk of the water would be released during the wintertime, when water isn't a scarcity — and that the county lacks adequate facilities to store it.

John Volpi, a Petaluma farmer and Geyserville business owner, echoed most people's concerns: "We need storage. It's common sense."

Manning and his colleague, Donald Seymour, principal water agency engineer at Sonoma Water, don't fully disagree. But they also noted that Sonoma Water has storage projects in the works, including aquifer storage recovery and expansions of irrigation ponds, that allow the agency to store more water than what Lake Mendocino currently holds.

Manning said, "These things need to happen simultaneously. There's not going to be enough storage. That's going to take time."

And there is time. Manning said PG&E hopes “to begin taking action [on the project] in 2028.”

But the caveat, he added, is that projects this size take time.

“There is no set schedule. All we can do is the steps required,” he said.

“This is not a global solution,” echoed Gore, who has been part of the project for most of his career.

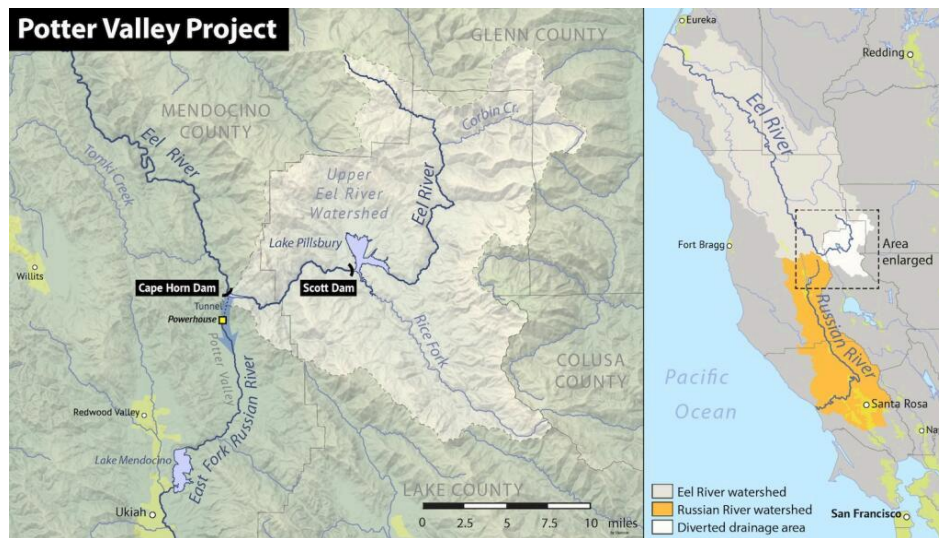
“But it is a solution.”

Few fear the solution more than Cloverdale Mayor Todd Lands, who organized Thursday’s town hall. Over the past few weeks, Lands has whipped his constituency — a working class community of just over 7,000 residents — into a frenzy, voicing concerns they’ll have to choose between showers or dishes, gardens or front lawns.

‘Extremely worried’

“We are extremely worried we won’t have a reliable water supply,” Lands told the crowd of 200-plus.

A look at [PG&E’s January 2025 draft application for surrendering the hydropower plant](#) explains some of those concerns.



These maps show the location of the Scott Dam and Cape Horn Dam, and their location in context of the Eel River and Russian River watersheds.

A laundry list of “unavoidable adverse effects” of the Potter Valley hydroelectric plant decommissioning include curtailed water diversions to Mendocino County’s Potter Valley Irrigation District, short-term algal toxins and algal blooms in the Eel River, short-term loss of recreation opportunities and loss of fire suppression capabilities as Lake Pillsbury is replaced by the Eel River.

The Press Democrat

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Affecting Sonoma County more, PG&E writes, “there may be unavoidable adverse impacts to water reliability and cost, economic opportunity — particularly farming and ranching — recreation value in

the Russian River watershed and community way of life because diversions to the East Branch Russian River would no longer occur under the proposed action.”

A representative from PG&E did not attend the Thursday night meeting to explain these potential outcomes ... or anything else about the power company’s project.

Requests for comment to PG&E were not returned.

In all, the meeting ran nearly three hours. At times, things got personal.

“What would your dad do if they tried to shut his vineyard water off?” Andy Springer asked Gore, whose family has long been in the wine business in Alexander Valley. [Springer once ran against Gore for Fourth District supervisor.](#)

“He’d tell you to shut up,” a frustrated Gore replied. “Don’t you talk about my dad.”

Potter Valley Project timeline

2019: PG&E determines it is too expensive to keep Potter Valley Project running and files a notice of intent to withdraw from the project.

March 1, 2019: The Federal Energy Regulatory Commission (FERC) issues a notice seeking applications from any party interested in filing a license application for a new license for the project.

July 2021: PG&E discovers a transformer at the Potter Valley Powerhouse doesn’t meet current operating standards. The powerhouse has been offline since that time.

May 11, 2022: FERC directs PG&E to provide a plan and schedule for submitting a surrender application by July 11, 2022. PG&E’s approved plan and schedule states that PG&E would file a surrender application with FERC within 30 months after FERC approval of the proposed plan and schedule.

May 22, 2023: PG&E notifies FERC it is indefinitely imposing a reservoir restriction by keeping the spillway gates at Scott Dam open so that water cannot be impounded above the spillway elevation. The decision reduces water storage capacity in Lake Pillsbury by approximately 20,000 acre-feet.

January 2025: PG&E releases draft plans for decommissioning of the Potter Valley hydropower plant.

February 2025: Seven agencies sign an memorandum of understanding that would continue water diversions from the Eel River to the Russian River after the Potter Valley plant is decommissioned.

Next step:

July 29, 2025: PG&E must submit filing and distribution of final surrender application and decommissioning plan with FERC.

(Source: PG&E, Press Democrat file)

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