



# Annual Report

Fiscal Year 2023 – 2024



**NORTH MARIN  
WATER DISTRICT**

# Board of Directors 2023–2024



**Jack Baker**  
Served since 1983  
Division 2



**Steve Petterle**  
Served since 2001  
Division 4



**Rick Fraites**  
Served since 2003  
Division 5



**Michael Joly**  
Served since 2017  
Division 3



**Ken Eichstaedt**  
Served since 2023  
Division 1

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

# Officers 2023–2024



**Tony Williams**  
General Manager  
Appointed 2022



**Eileen Mulliner**  
Executive Assistant/  
District Secretary  
Appointed 2023



**Julie Blue**  
Auditor-Controller  
Appointed 2018



**Eric Miller**  
Asst. GM/Chief Engineer  
Appointed 2022

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# Department Managers 2023–2024



**Julie Blue**  
Administration & Finance



**Eric Miller**  
Engineering



**Robert Clark**  
Operations/Maintenance



**Chris Kehoe**  
Construction/Maintenance





Newly remodeled administration building, laboratory, and demonstration garden.

# Message From General Manager Tony Williams



The talented and resolute workforce at the North Marin Water District (North Marin) continues to deliver reliable water and wastewater services to its customers in Marin County and parts of Sonoma County into its 76th year of operation. This annual report updates customers on North Marin’s accomplishments in Fiscal Year (FY) 2023-24 and provides a snapshot of our current efforts and financial performance.

The winter of 2023-24 marked significant rainfall within the Novato Creek watershed, resulting in Stafford Dam spilling in early February 2024 for the second year in a row. The rainfall was also abundant throughout the North Bay region and filled Sonoma Water’s two reservoirs, Lake Sonoma and Lake Mendocino, by mid-January.

This year, local water supply from Stafford Lake totaled 409.1 million gallons (MG) compared to 636.4 MG produced last year. Rainfall in Novato totaled 34.5 inches, which was slightly lower than last year’s total of 40.1 inches but still above average. The Russian River water delivery system operated by Sonoma Water typically provides 75-80% of Novato’s water supply. In FY 2023-24, imported water represented 80% of potable water volume for the year.

In ongoing cooperation with Novato Sanitary and Las Gallinas Valley Sanitary Districts, North Marin’s recycled water continued to be a component in the overall lowering of potable demand in Novato and the number of active customers grew to 101. In total, recycled water use reached 182.7 MG, just slightly below last year’s total of 201.1 MG.

In West Marin, normal year water supply conditions on Lagunitas Creek were in effect for the entire year as the watershed and Marin Water reservoirs had received ample rainfall, as they had the previous year. FY 2023-24 ended with total rainfall of 62.2 inches, well above average and well above the “normal year” minimum threshold stipulated for the watershed. The completion of the Gallagher Well #2 project in late 2022 was great news, but unfortunately, in 2023, the production from Gallagher Well #1 declined and after a series of investigations and rehabilitations, it was determined to be at the end of its useful life. North Marin staff are planning for a replacement well as part of the FY 2024-25 Capital Improvement Program.

On July 1, 2023, an 8.5% Novato and Recycled revenue rate increase became effective following the recommendations in the Rate Study conducted in 2023. Water and sewer rates went up 6% in West Marin and Oceana Marin, respectively. The increased revenue ensures that North Marin’s critical infrastructure – treatment plants, transmission pipelines, distribution and storage facilities, and Stafford Dam – is maintained or replaced/improved in a timely manner. Water remains an excellent value for Novato and West Marin customers.



Stafford Dam and Stafford Treatment Plant.





Jessica Nommsen,  
Chemist and  
Lab Analyst

# Water Supply

## Novato

Stafford Lake is North Marin’s local water supply source and typically provides 20% of the Novato Service Area’s total needs.

Stafford Lake is formed by the Stafford Dam, which lies four miles west of downtown Novato and collects runoff from 8.3 square miles of watershed land within the upper reaches of Novato Creek. Stafford Dam is part of the nation’s “critical infrastructure” under the Dams Sector – defined as those assets, systems, and networks vital to the national security, economics, and public health and safety (National Infrastructure Protection Plan, 2006).

In FY 2023-24, the Stafford Treatment Plant produced 409.1 million gallons (1,255.5 acre-feet) of water.

Imported water from the Russian River is North Marin’s primary water supply.

The Russian River water originates from both the Eel River and the Russian River watersheds. The Coyote Dam at Lake Mendocino and the Warm Springs Dam at Lake Sonoma can store up to 367,500 acre-feet of water to meet regional water supply needs. Under an agreement with the Sonoma County Water Agency (Sonoma Water), North Marin purchases Russian River water that is treated through natural filtration and chlorination.

In FY 2023-24, North Marin purchased 1,673.7 million gallons (5,136.4 acre-feet) of Russian River water.

## West Marin

Local groundwater wells owned and operated by North Marin provide all of the water needs of the West Marin Service Area. The Gallagher Well #2 was the primary source for the majority of FY 2023-24 with Gallagher Well #1 used to meet peak demands. The Coast Guard Well #2 and the Coast Guard Well #4 were available as redundancy and for special operational pumping. The water is filtered and chlorinated at North Marin’s Point Reyes Treatment Plant.

In FY 2023-24, the Point Reyes Treatment Plant produced 68.3 million gallons (209.6 acre-feet) of water from the local groundwater wells.



Arthur Street water main relocation project.





Stafford Lake,  
Dam, and  
Spillway

# Our Departments

## Administration

The Administration Department is comprised of Administrative Services, Consumer Services, Finance and Accounting, and Human Resources. The Administration Department oversees other vital support functions for the District through various vendors and consultancy, including information technology, insurance, auditor, and legal services.

- **Administrative Services** is primarily led by the Executive Assistant / District Secretary with support from other staff in various departments to ensure timely Board Agenda packets, execution of District resolutions, ordinances, review and updates to regulations, and records management, among other services.
- **Consumer Services** is responsible for accurate and timely meter reading and billing and reminder notices annually. Field staff respond to customer calls for water service assistance and coordinate with the Construction / Maintenance Department if service lines or meters need replacement.

- **The Finance and Accounting** team is responsible for general accounting and budgeting, payroll, purchasing, treasury management, risk management, and materials inventory. The accounting staff completes a full financial statement monthly with extensive cost-accounting detail allowing District managers to closely monitor revenue and expenditures relative to the adopted budget.
- **Human Resources** is responsible for recruitment, staff training, regulatory compliance, performance evaluation programs, and benefits management.



Members of the District's Finance and Accounting Team

## Engineering

The Engineering Department consists of professional and technical staff who oversee the planning, permitting, design, construction, and project management of water supply, treatment, transmission, and distribution facilities necessary to serve North Marin's customers in Novato and West Marin. The Engineering Department also provides engineering functions for wastewater-related facilities to support North Marin's wastewater collection, treatment, and disposal system in Oceana Marin. Property owners or developers desiring new water or wastewater service or an upgrade to their existing service are assisted by the Engineering Department according to North Marin regulations.

In the Novato service area, 24 capital projects were originally budgeted and an additional five projects were added during the year. Of the 29 projects, eight were completed, 13 are in progress, and 8 were deferred due to changes in priority. Total expenditures for the Novato service area equaled \$10,200,000. In the West Marin service area, including Oceana Marin, six projects were originally budgeted and an additional one project was added during the year. Of the seven projects, four are in progress. Total expenditures for the West Marin service area equaled \$1,000,000.



Water Conservation and Communications

North Marin Water District implements a comprehensive and innovative Water Conservation Program aimed at both residential and non-residential customers (commercial and large landscape). Each program element is analyzed to ensure that it will efficiently produce long-lasting water savings mutually worthwhile to the customer and the District. The District also implements a full-scale communications program including direct mail, a modern website, frequent social media posts, and email blasts to make sure customers are informed about all aspects of the District.

Construction

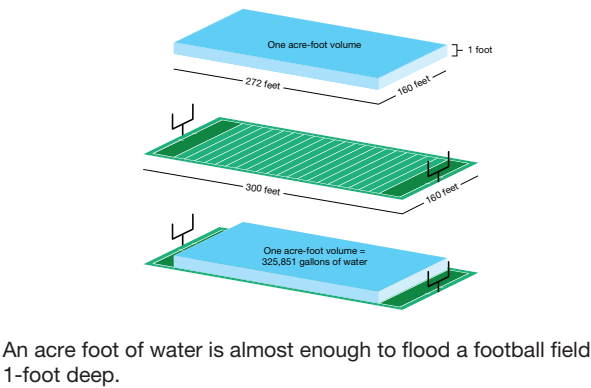
The Construction/Maintenance Department regularly installs, repairs, upgrades, and replaces water main pipelines and their appurtenances in a constant effort to maintain and improve our water facilities and distribution system. Our crews are also responsible for the flushing and disinfection of pipelines, leak detection, marking and locating our facilities, and operating and performing maintenance on our valves and fire hydrants in the Novato and West Marin areas.

Operations

The Operations and Maintenance Department (O&M) comprises three groups – Operations, Maintenance, and Water Quality – which work together to provide Novato and West Marin customers with good water and good service at good value while providing a safe place to work. Along with these groups, the O&M Program Assistant provides document control for the Cross-Connection Control, Maintenance Management, and Asset Management programs, as well as managing the District’s Recycled Water Monitoring and Water Loss Programs. Additional programs managed by the O&M staff include Environmental, Water Treatment, and Distribution operational permits, Waste Water operational permits, and Water Quality compliance reporting.

Operations Group

The Operations Group is comprised of seven staff that are certified in water distribution and treatment operations; two operators are certified to operate our wastewater collection and treatment facilities in Oceana Marin as well. In Novato, the group manages the Stafford Treatment Plant (STP), and the storage of up to 37 million gallons (MG) of potable finished water in 35 tanks through four hydraulic pressure



North Marin Water District Construction/Maintenance staff are on call and ready to respond to emergencies at all times, including nights, weekends, and holidays. This department is first to respond to service leaks, water main breaks, or any other concerns that our customers may have. Our goal is to work hand-in-hand with the public, developers, contractors, and other local municipalities to provide water and reliable facilities to the North Marin Water District customers while ensuring compliance with safety and regulatory standards.

zones with 27 pump stations. There are 1.5 million gallons of recycled water storage and 17 miles of recycled water distribution mains. In West Marin, the group operates the Lagunitas Creek wells, Point Reyes Treatment Plant, six pump stations, and 13 storage tanks providing potable to customers. Additionally, the department operates and maintains nine miles of sewer collection piping and a 90,000-gallon-per-day wastewater treatment pond with an eight-acre irrigation field for the wastewater system in Oceana Marin.

Maintenance Group

The Maintenance Group is comprised of seven technicians, including Electrical/Mechanical (E/M), Building/Grounds, Fleet, Distribution Cross-Connection Control, and an O&M Program Assistant and is responsible for all maintenance tasks throughout the Novato, West Marin, and Oceana Marin service areas. Maintenance works closely with Engineering and Construction on new projects for electrical and mechanical installations and with Operations to ensure proper operation of Treatment and Distribution facilities for continuous service to our customers.

Throughout the service area, the E/M team maintains the Supervisory Control and Data Acquisition (SCADA) system, Advanced Meter Infrastructure (AMI), and computer network communication systems. In Novato, facilities include the Stafford Lake Water Treatment plant, Deer Island Recycled Water Treatment Facility, pump stations, tanks, pressure regulators, and cross-connection devices and also the main office and corporation yard facilities. In West Marin, the Maintenance group maintains the Lagunitas Creek wells, Point Reyes Treatment Plant, tanks, and pump stations. Additionally, the group maintains the collection and wastewater treatment operations in Oceana Marin.

Water Quality

The Water Quality Team is tasked with ensuring the core operations of the District are in compliance with federal and state regulations and that water quality is protected using a multiple-barrier approach. Five employees, consisting of chemists and lab technicians, provide oversight to all aspects of North Marin operations and conduct monitoring at multiple points from source to tap.

The District’s Water Quality laboratory is certified by the California Environmental Laboratory Accreditation Program to perform analyses for both regulated and unregulated contaminants.



The District’s Distribution Maintenance Team.

The laboratory performed over 13,000 water quality tests as required by state and federal drinking water regulations and to support the work performed by other District departments.

The laboratory team also provides the Novato Sanitary District with sample collection, analysis, and reporting.



Members of the District’s Operations Maintenance Team.



# 2023-2024 Accomplishments



The District's  
Construction  
and Maintenance  
Department

**With contributions from North Marin staff and support from the Board of Directors, the accomplishments from Fiscal Year 2023-24 include:**

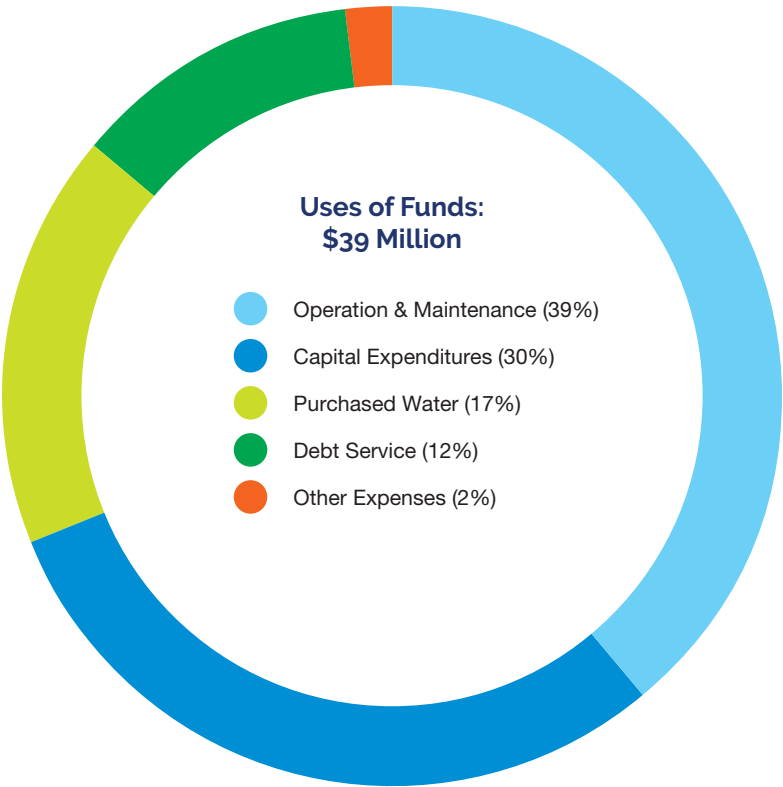
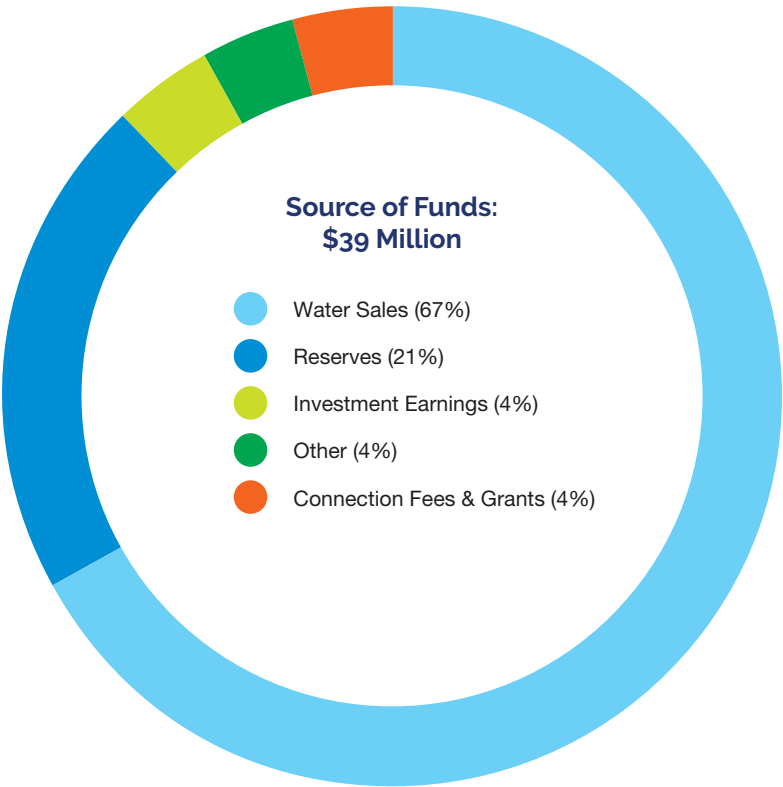
- Upgraded and installed approximately 350 meters to the Advanced Metering Infrastructure (AMI) system, reducing non-AMI meters to just 0.3% of the system.
- Replaced over 2,000 feet of pipeline that carries surface water treatment byproduct (supernatant) from the Stafford Treatment Plant to the closest sewer point of connection.
- Replaced over 500 feet of potable water main on Railroad Avenue, Novato in coordination with City Public Works prior to summer paving work.
- Successfully moved lab operations to a temporary leased lab at the Buck Institute while maintaining certification to provide uninterrupted testing for regulatory compliance.
- Coordinated inspection, inventory, and reporting of customer-owned and District-owned service line materials for compliance with the latest Safe Drinking Water Act - Lead and Copper Rule.
- Completed several key projects at the District's water treatment plants, including filter underdrains, recoating and upgrading pipe galleries, replacing granulated activated carbon and variable frequency drives.
- Achieved a 16% corrective to preventative ratio for maintenance work orders using asset management protocols.
- Critical water system repairs, including replacing 50 polybutylene services, replacing 49 copper services, and repairing 23 water main breaks.
- Replaced 800' of water main on Railroad Ave., replaced 370' of water main at the intersection of Cambridge St. and Arthur St., replace 15 DCDA assemblies for fire protection, and installed 400' of water main to extend our south recycled system near Hamilton Pkwy.
- Provided accurate and timely meter reading of over 20,000 accounts, produced approximately 143,500 bills and reminder notices, and responded to 870 customer calls for water service assistance.
- Awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its annual comprehensive financial report for fiscal year ended June 30, 2023 for the fifteenth consecutive year.
- Smoothly transitioned the retirement of one employee via succession planning and successfully recruited three new full-time employees to stay fully staffed for the majority of the fiscal year.





The District Administration and Laboratory Building.

# Source and Use of Funds





# Historical Statistics

Fiscal Year Ending June 30					
Active Services	2024	2023	2022	2021	2020
Novato Water	20,875	20,831	20,700	20,607	20,554
Novato Recycled	101	100	97	96	91
West Marin Water	797	792	789	785	782
Oceana Marin Sewer	237	235	235	235	235
Total Active Services	22,010	21,958	21,821	21,723	21,662
Water Production (MG)					
Sonoma Water Purchases	1,674	1,326	1,889	2,380	1,919
Stafford Treatment Plant	409	636	168	211	686
Point Reyes Treatment Plant	68	60	58	74	76
Recycled Water	183	201	252	257	229
Water Supply Storage (MG)					
Stafford Lake	1,299	1,193	993	660	789
Lake Sonoma	82,507	83,266	42,564	41,958	66,799
Lake Mendocino	30,583	31,918	16,502	9,732	20,203
Energy Usage (kWh)					
Stafford Treatment Pant	645,668	644,064	603,478	592,171	769,012
Novato Pumping	1,351,709	1,306,261	1,303,657	1,853,335	1,461,425
West Marin Pumping & Other Services	406,605	396,115	498,861	569,710	560,536
Employment Statistics					
Full-time Equivalent (FTE) Employees	57.0	55.0	51.0	50.0	50.0
FTE Employees per 1,000 active services	2.6	2.5	2.3	2.3	2.3

# Summary Financial Information

June 30, 2024					
Net Assets	Novato Water	Novato Recycled	West Marin Water	Oceana Marin Sewer	Total
Cash & Investments	\$21,306,187	\$7,160,032	\$492,145	\$311,363	\$29,269,727
Receivables & Other Assets	\$17,050,929	\$1,451,996	\$421,418	\$197,464	\$19,121,807
Construction-in-Progress	\$24,097,517	\$303,024	\$2,359,426	\$575,973	\$27,335,940
Property, Plant & Equipment (net)	\$91,779,909	\$28,775,191	\$6,286,590	\$916,073	\$127,757,763
Total Assets	\$154,234,542	\$37,690,243	\$9,559,579	\$2,000,873	\$203,485,237
Liabilities					
Current Liabilities	\$8,615,486	\$1,112,818	\$487,590	\$26,495	\$10,242,389
Long-Term Debt	\$51,432,968	\$10,543,035	\$1,223,491	-	\$63,199,494
Net Assets	\$94,186,088	\$26,034,390	\$7,848,498	\$1,974,378	\$130,043,354
Revenue & Expense					
Operating Revenue	\$24,292,058	\$1,493,496	\$1,003,924	\$325,464	\$27,114,942
Operating Expense	\$22,979,138	\$1,384,925	\$1,164,733	\$389,157	\$25,917,953
Operating Income/(Loss)	\$1,312,920	\$108,571	(\$160,809)	(\$63,693)	\$1,196,989
Non-Operating Revenue/(Expense)	\$325,795	\$106,437	\$27,432	\$26,049	\$485,713
Net Income/(Loss)	\$1,638,715	\$215,008	\$(133,377)	\$(37,644)	\$1,682,702
Cash Flow					
Net Income/(Loss)	\$1,638,715	\$215,008	(\$133,377)	\$(37,644)	\$1,682,702
Add Back Depreciation	\$3,057,405	\$788,511	\$241,029	\$52,334	\$4,139,279
Cash Generated	\$4,696,120	\$1,003,519	\$107,652	\$14,690	\$5,821,981
Other Sources/(Uses)					
Connection Fees	\$970,610	-	\$68,560	\$75,000	\$1,114,170
Capital Asset Acquisition	(\$10,708,735)	(\$302,363)	(\$414,273)	(\$323,218)	\$(11,748,589)
Principal Paid on Debt	(\$2,386,807)	(\$950,740)	(\$142,298)	\$0	\$(3,479,845)
Grant Proceeds	\$95,905	-	\$137,069	\$241,317	\$474,291
Connection Fee Transfer	(\$693,686)	\$693,686	-	-	-
Working Capital & Miscellaneous	\$44,435	(\$94,357)	(\$10,577)	(\$180,929)	\$(241,428)
Total Other Sources/(Uses)	(\$12,678,278)	(\$653,774)	(\$361,519)	(\$187,830)	(\$13,881,401)
Net Cash Generated/(Used)	(\$7,982,158)	\$349,745	(\$253,867)	(\$173,140)	(\$8,059,420)





The team at North Marin Water District.



The top half of the page features a series of approximately 15 horizontal, wavy lines in a light blue color, set against a dark blue background. These lines create a rhythmic, undulating pattern that spans the entire width of the page.

**nmwd.com**

**Phone:** 415-897-4133 (Weekdays 9am – 4pm)

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

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

**Payment Address:** PO Box 511529, Los Angeles, CA 90051-8084

#### **Emergencies & After Hours**

**Call:** 415-897-4133

After hours calls are answered by an outside on-call service center. Please call our main line at (415) 897-4133 and press option 7 to be connected to the after hours services who then contacts District on-call personnel.

**Cover:** The District's Consumer Services Team